

SMART

Future Bank

Integrate technologies to create
innovative financial products and
services for present and future life.





Download the application
for smartphone or tablet



Open the application, scan the
pictures below, and tap screen to scan

Then, you can watch KTB services' videos.



สินเชื่อธุรกิจขนาดเล็ก (SME)





Cater to all customers' expectations,
striving to be the **Best Digital Bank**.

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Krungthai

► F – A – S – T
to the Future

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Elevate the speed, security and convenience in financial transactions with ground-breaking innovations and technologies.



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Your sincere partner, providing
prompt assistance, care and
valuable advice.



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Krungthai



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Deliver easy access to all
products and services to optimize
your digital life.



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Krungthai



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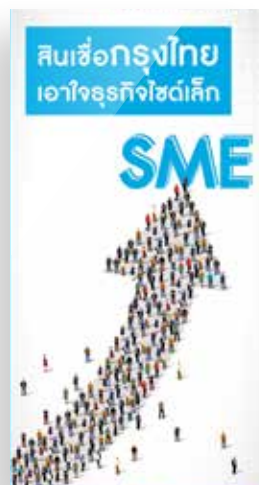
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Your reliable, transparent, and corruption-free bank, creating wealth and sustainability for all sectors and the nation's economy.





“Paotung” - payment acceptance application based on QR code technology



KTB sSME Loan



KTB Construction Solution



KTB PN Online and KTB LG Express





Saving for large cash with tax exemption



KTB SHOP SMART CRYSTAL XTRA DEBIT CARD



Travel Insurance - worry free for traveling a broad



Online Payment for Traffic Ticket Fine



Contents

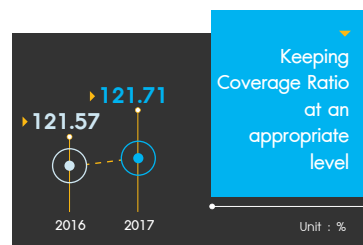
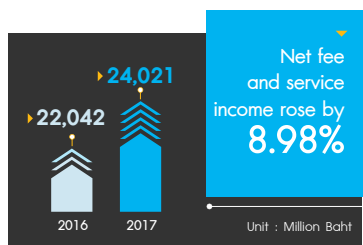
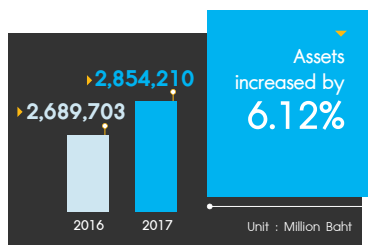
Annual Report 2017
Krung Thai Bank Pcl.

001	Financial Highlights	083	Shareholding and Management Structure	160	Corporate Social Responsibility
002	Message from the Chairman and the President	113	Report of the Board of Executive Directors	164	Report of the Audit Committee
006	Statement of Direction, Vision and Mission	115	Report of the Compliance Committee	166	The Board of Directors' Responsibility for Financial Reports
008	Organization Chart	117	Report of the Risk Management Committee	167	Auditor's Report
010	The Board of Directors	119	Risk Factors	172	Financial Statements
014	The Executive Officers	131	Internal Control and Risk Management	181	Notes to the Financial Statements
019	Brief Biography of Board of Directors and Executive Officers	133	Report of the Corporate Governance and Social Responsibility Committee	272	General Information and Other Major Information
038	Business Environment	134	Report of the Nominating and Remuneration Committee	282	Banking Network
044	Policy and Business Overview	135	Corporate Governance		
049	Business Operation	155	Related – Party Transactions		
064	Management Analysis and Discussion				

Financial Highlights

001

Krung
Thai
Bank
Pcl.



	Consolidated					Krung Thai Bank				
	2017	2016 (Restated)	2015	2014	2013	2017	2016 (Restated)	2015	2014	2013
Financial Standing (Million Baht)										
Loans (Less Deferred Revenue)	1,938,082	1,904,089	2,027,440	1,952,996	1,711,090	1,865,396	1,837,120	1,969,661	1,900,647	1,715,503
Allowance for Doubtful Accounts (Including Revaluation Allowance for Debt Restructuring)	125,382	110,782	85,956	76,021	61,806	116,744	102,922	77,353	68,483	60,977
NPLs	103,020	91,128	76,371	57,489	56,458	98,637	86,786	71,848	53,624	55,026
Total Assets	2,854,210	2,689,703	2,815,330	2,789,143	2,506,833	2,771,583	2,614,798	2,748,608	2,727,150	2,494,293
Total Deposits	2,070,875	1,972,404	2,135,498	2,151,268	1,883,781	2,073,594	1,975,158	2,137,446	2,152,553	1,884,262
Total Liabilities	2,559,991	2,410,299	2,565,032	2,553,276	2,300,743	2,501,454	2,354,343	2,514,136	2,503,298	2,292,118
Total Equity	294,219	279,404	250,298	235,867	206,090	270,129	260,455	234,472	223,852	202,175
Total Equity (Equity Holders of the Bank)	287,861	274,187	245,883	232,142	206,090	270,129	260,455	234,472	223,852	202,175
Operating Performance (Million Baht)										
Interest Income	122,507	129,230	132,525	128,230	111,403	108,996	116,257	120,559	116,676	109,959
Interest Expense	36,729	42,264	51,657	51,072	46,921	35,133	40,784	49,994	49,044	46,773
Net Interest Income	85,778	86,966	80,868	77,158	64,482	73,863	75,473	70,565	67,632	63,186
Non-Interest Income (Net)	37,359	37,722	35,739	30,892	29,849	31,473	31,463	28,794	23,926	25,555
Other Operating Expenses	49,396	50,631	50,920	48,145	39,584	42,704	43,693	43,894	41,464	37,755
Net Profit	24,110	33,565	29,541	34,078	34,513	21,312	29,968	26,474	31,855	31,540
Net Profit (Equity Holders of the Bank)	22,440	32,304	28,494	33,191	34,513	21,312	29,968	26,474	31,855	31,540
Financial Ratios (%)										
Return on Average Assets (Equity Holders of the Bank)	0.81	1.17	1.02	1.24	1.45	0.79	1.12	0.97	1.22	1.33
Return on Average Equity (Equity Holders of the Bank)	7.99	12.42	11.92	15.15	17.75	8.03	12.11	11.55	14.95	16.49
NPLs / Loans	4.19	3.97	3.20	2.41	2.65	4.14	3.89	3.09	2.30	2.58
BIS Total Capital Ratio *	17.20	16.60	14.85	14.85	14.79	17.45	16.85	15.22	14.85	14.79
Book Value per Share (Baht)	21.04	19.98	17.90	16.87	14.74	19.32	18.63	16.77	16.01	14.46

* For 2017, 2016 and 2015, consolidated financial statements are financial business groups' s figures. Other years' figures are the bank's financial statement.

Note : The Bank restated the 2016 financial statements audited by the auditor in order to be comparable with the 2017 financial statements and its notes. However, financial statements for the year 2013 - 2015 were not restated.

Message from the Chairman and the President





For 2018,
the Bank will continue to
focus on strengthening its
foundation to meet the
upcoming economic, technological
and competitive challenges.

Message from the Chairman and the President


The Thai economy picked up in 2017 following the recovery of world economy which stimulated expansion in export and tourism sectors. However, the economic recovery was mainly limited to export-related industries and large corporate businesses while SMEs and the grassroots did not fully enjoy the benefits of the recovery. As a result, the growth of private investment was below expectations, posing challenges to the Bank's attempt to expand credits and putting pressure on the asset quality, especially the SME loan portfolio. This contributed to the increase of NPL ratio which in turn affected the Bank's profit. Nonetheless, we took this as our opportunity to revamp the internal process, especially the credit approval process, to enhance risk management discipline and efficiency, causing the quality of new loans to improve.

The Bank, at the same time, boosted our strengths by tightening partnership with the government sector and ensuring that our services were accessible to all customer segments, especially those in regional areas and the grassroots which collectively made up the majority of the population. We are extremely proud to be one of the key players in driving forward the government's major initiatives, in particular, the National e-Payment, Thailand 4.0 and Cashless Society schemes by putting in enormous effort to produce over 11 million state welfare cards and install EDC terminals even in Blue Flag shops in the most remote areas so that they can accept card payment. The Bank also launched "Paotung", or payment acceptance application based on the QR code technology, for over 100,000 merchants and vendors nationwide while providing "Paotang" application for the public to facilitate their payment, cutting the hassle of disbursing and carrying cash as well as minimizing the risk of losing the wallet. Additionally, the Bank fully supported the cashless society initiative, starting with key communities in each province, e.g. the main market and university. The QR code-based e-Donation application was developed to allow donors to receive electronic receipt of donation almost instantaneously, while the e-Withholding Tax service was provided so that the Bank could act as an agent for customers in paying taxes and submitting tax documents



to the Revenue Department. The Bank also contributed to supporting the government infrastructure projects not only by directly extending loans to the government, but also by granting loans to businesses within the supply chain of the government investment projects. Moreover, the Bank expressed full commitment to the government's SMEs single account scheme and gave SMEs more accessibility to funding and lowered financing cost by providing products designed for specific purposes. The Bank's strengths - strong partnership with the government and large customer base - will allow the Bank to build upon current business and be ready to seize the opportunity when the more broad-based economic recovery arrives.

The Bank put great emphasis on getting the organization ready to take on future challenges, both from regulatory and accounting standard changes and from the more intense competition among commercial banks plus with new players such as Fintechs and Telcos which have started to take on more important roles in providing financial services to the general public. Besides, the Bank set higher provisions for doubtful accounts in 2017 to increase its coverage ratio. In addition to enabling the Bank to better handle credit risk, such prudent



provision practice will gradually prepare the Bank for the new accounting standards under IFRS9, which will become effective in 2019.

As the Bank is both a listed commercial bank and an organization within the government network, our mission is not only to generate appropriate returns to the shareholders but also to operate with responsibilities toward society and the environment. In this regard, three key principles have been upheld: integrity, fairness and responsibilities of treating all stakeholders equitably. In 2017, the Bank strengthened compliance with the Three Lines of Defense model to prevent or reduce operational risks. In addition, the Board of Directors, the Executives and all employees declared our intention to fight against all kinds of corruption and to adopt the zero-tolerance approach. We have also pushed forward the Krungthai Virtue Initiative to foster transparent and ethical operations within the banking context as the Bank aspires to become a model virtuous organization.

For 2018, the Bank will continue to focus on strengthening its foundation to meet the upcoming economic, technological and competitive challenges. The Bank seeks to become the best digital bank and the best place to work through the following plans:

- **Continuously strengthening the foundation.**


The Bank has aimed to develop and invest in IT to reinforce its technological potential, streamline operations to become more digitized, and further develop data analytics capability to strengthen product and service innovations for a variety of customers. At the same time, efficiency in risk management and operating systems will be enhanced, along with continued preparation for the adoption of international standards, including IFRS9 and Basel III.

- **Enhancing operating results.** The Bank has focused on quality growth of loan, more fee income via the provision of "total solutions" to customers and stronger cross-selling capability, and proactive approach to business expansion in targeted areas such as the Eastern Economic Corridor (EEC) and border trade zones.

The Bank will also expand its SME customer base and strengthen its SME customers by introducing the SME Community project, along with continuing to support government policies and government agencies in all dimensions.

- **Paving the way to future banking.** The Bank will continue to develop products, particularly products on digital platforms that deliver convenience, safety features and satisfaction to customers in every step of their daily lifestyle. The branch model and service channels such as mobile banking will be modernized, and a working atmosphere that is suitable for innovations and creative data usage will be promoted. The Bank will also continue to reskill employees so that they are most ready to embrace the new context of competition. In particular, our employees must be able to work effectively under new technologies and new styles of working, to have greater flexibility than in the past, and to fully comply with the Bank's "F-A-S-T" core values.

On behalf of the Board of Directors, Executives, employees and subsidiaries of Krungthai Bank PCL, we would like to express our deep appreciation to all shareholders, business partners in both the public and private sectors and customers who have always placed trust in and lent support to us throughout the years. We promise that we will continue to operate our business professionally, striving for financial stability and financial prosperity. In doing so, we will take into consideration the benefits of all stakeholders, adhere to good corporate governance and support the government's operations while driving the nation's economy so that all sectors are growing together firmly and sustainably.



(Dr. Somchai Sujjapongse)
Chairman of the Board
of Directors



(Mr. Payong Srivanich)
President

Statement of Direction, Vision and Mission

Statement of Direction : SOD

Strengthen financial stability and provide **shareholders with appropriate returns through top-ranking product and service** management while supporting public affairs

VISION

**“Growing Together” – Enhance
to support growth and prosper
quality of society and environment
sustainable return for our s**

MISSION

01

Develop capabilities
of **personnel** and
work system

02

Provide customers **with
differentiated and value
added service and advice**

ing capabilities of employees
perity for customers, enrich
onment, as well as provide
hareholders

03

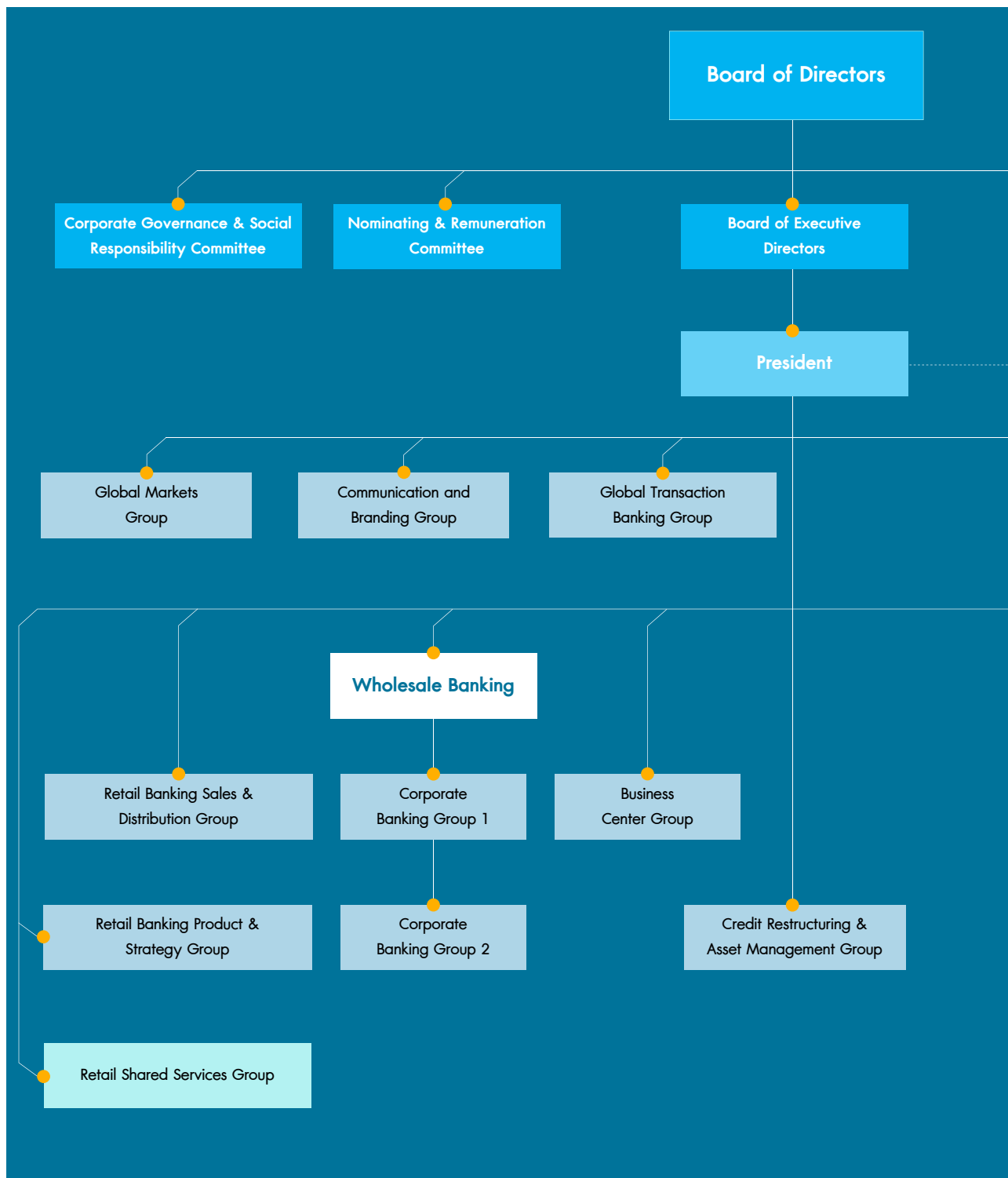
Fulfill our responsibility
to society through
supporting sustainable
economic, social, and
environmental development

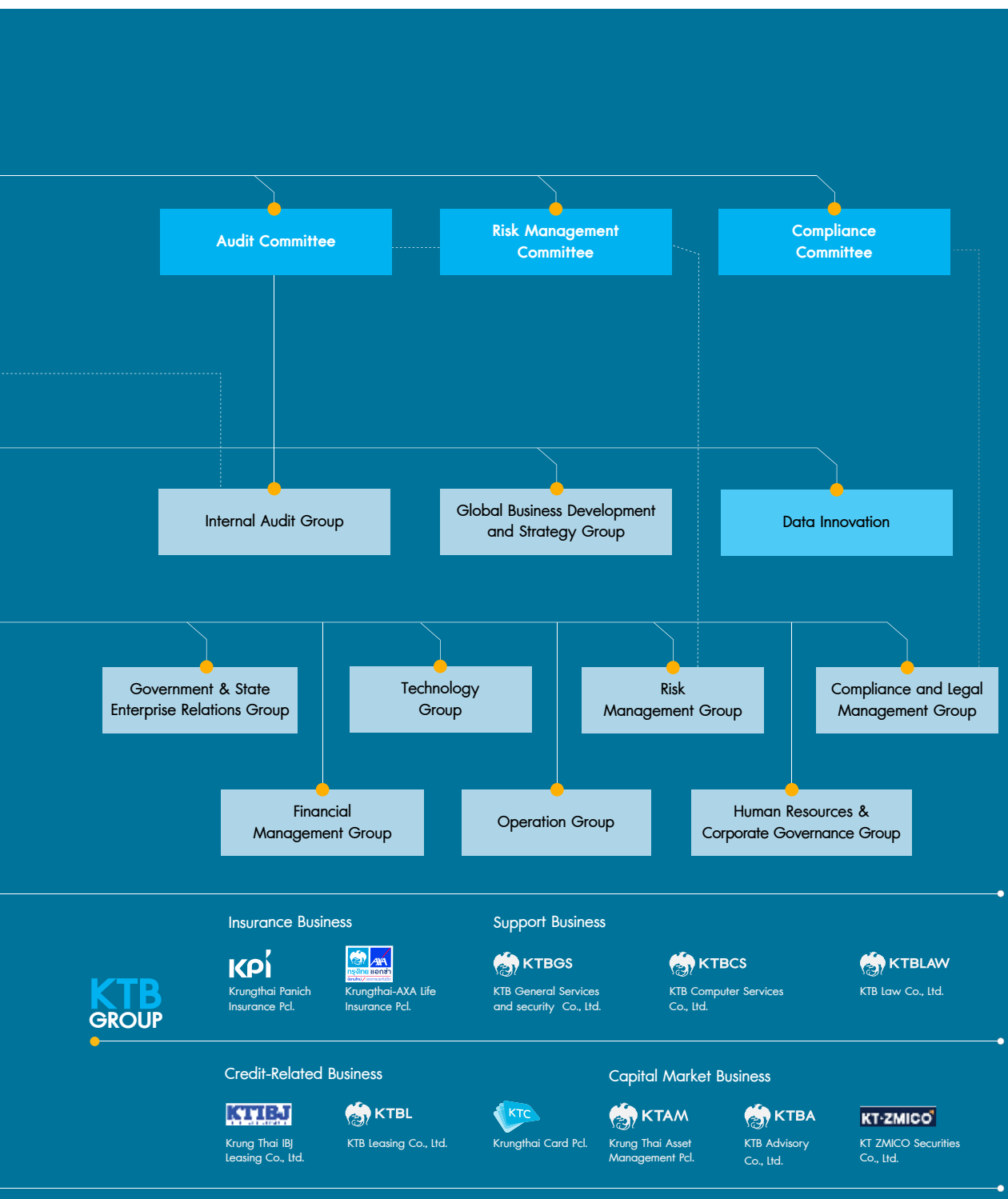
04

Provide shareholders with
superior and sustainable
return

Organization Chart of Krung Thai Bank Pcl.

As at December 31, 2017





Board of Directors

(As of January 31, 2018)



01

Dr. Somchai Sujjapongse

Chairman of the Board of Directors



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02 Mr. Krairit Euchukanonchai

Vice Chairman, Chairman of the Board of Executive Directors,
Chairman of the Risk Management Committee

03 Mr. Poonnis Sakuntanaga

Director, Executive Director, Member of the Risk Management Committee

04 Dr. Kulaya Tantitemit

Director, Executive Director, Member of Corporate Governance and
Social Responsibility Committee

05 Mr. Payong Srivanich

President, Executive Director, Member of the Risk Management Committee

Board of Directors

(As of January 31, 2018)



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06 Mr. Distat Hotrakitya

Chairman of the Independent Director Committee, Chairman of the Compliance Committee,
Member of the Nominating and Remuneration Committee

07 Mr. Nontigorn Kanchanachitra

Independent Director, Chairman of the Nominating and Remuneration Committee,
Member of the Corporate Governance and Social Responsibility Committee

08 Mr. Vichai Assarasakorn

Independent Director, Chairman of the Corporate Governance and Social Responsibility Committee,
Member of the Risk Management Committee



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09 Prof. Dr. Kittipong Kittayarak

Independent Director, Chairman of the Audit Committee, Member of the Compliance Committee

10 General Tienchai Rubporn

Independent Director, Member of the Audit Committee, Member of the Compliance Committee

11 Mr. Somchai Boonnamsiri

Independent Director, Member of the Audit Committee, Member of the Nominating and Remuneration Committee, Member of the Risk Management Committee

12 Mr. Thanwa Laohasiriwong

Independent Director, Member of the Audit Committee, Member of the Risk Management Committee

Executive Officers

(As of January 31, 2018)



01

Mr. Payong Srivanich

President



02 Mr. Parinya Patanaphakdee

First Senior Executive Vice President - Head of Credit Restructuring & Asset Management Group

03 Ms. Arisara Dharamadhaj

Senior Executive Vice President - Head of Government & State Enterprise Relations Group

04 Mr. Poonpat Sripleng

Senior Executive Vice President - Head of Risk Management Group

05 Mr. Suchart Dejittirut

Senior Executive Vice President - Head of Compliance and Legal Management Group

06 Ms. Amporn Chotruchsakul

Senior Executive Vice President - Head of Operation Group

Executive Officers

(As of January 31, 2018)



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07 Ms. Praralee Ratanaprasartporn

Senior Executive Vice President - Head of Retail Shared Services Group and Data Innovation

08 Mr. Weerapong Suppasedsak

Senior Executive Vice President - Head of Corporate Banking Group 2

09 Mr. Luechai Chaiparinya

Senior Executive Vice President - Head of Retail Banking Sales & Distribution Group

10 Mr. Boonlerd Sinsombat

Senior Executive Vice President - Head of Technology Group

11 M.L. Nathchanya Davivongse

Senior Executive Vice President - Head of Global Transaction Banking Group



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12 Dr. Roong Mallikamas

Senior Executive Vice President - Head of Global Business Development and Strategy Group

13 Ms. Phuphun Charoensuk

Senior Executive Vice President - Head of Financial Management Group

14 Mr. Suppawat Wadhanapatee

First Executive Vice President - Head of Human Resources and Corporate Governance Group

15 Mr. Pativate Santavanond

First Executive Vice President - Head of Business Center Group

16 Mr. Santi Parivisutt

First Executive Vice President - Head of Internal Audit Group

Executive Officers

(As of January 31, 2018)



17 Mr. Rawin Boonyanusasna

First Executive Vice President - Head of Global Markets Group

18 Ms. Oranut Siraprapa

First Executive Vice President - Head of Retail Strategy Product & Segmentation Group

19 Mr. Ekachai Techawiriyakul

First Executive Vice President - Head of Corporate Banking Group 1

20 Mr. Niruj Maneepun

Advisor to the President

Brief Biography of Board of Directors and Executive Officers

019

Krung
Thai
Bank
Pcl.

Brief Biography of Board of Directors

1. Dr. Somchai Sujjapongse

Chairman

Age 56

Date of Appointment

November 17, 2015

Education

- Doctor of Economics, Ohio State University, USA
- Master of Economics, Ohio State University, USA
- Bachelor of Economics (Honors), Chulalongkorn University

Training Program

- Class 20, National Defence Course for the Joint State - Private Sectors, The National Defence College
- Class 75/2006, Director Certification Program (DCP), IOD
- Class 3/2013, Top Executive Program in Energy Literacy, Thailand Energy Academy
- Year 2011, Corporate Governance for Director and Top Management of State Owned Enterprise and Public Organization Course, Public Director Institute (PDI), King Prajadhipok's Institute
- Class 2/2009, Top Executive Program in Commerce and Trade (TEPCoT), Commerce Academy, University of the Thai Chamber of Commerce
- Class 2/2006 Top Management Program, Capital Market Academy, The Stock Exchange of Thailand
- Class 44/2005 Top management Program: Visionary Leader, Civil Service Training Institute

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2015 - Present Director, Thai Airways International Pcl.

2015 - Present Director and Member of the Remuneration Committee, PTT Pcl.

Positions in Non - Listed Companies/

Other Organizations

2015 - Present Permanent Secretary, Ministry of Finance

Experience over Past 5 Years

2015 Director, IRPC Pcl.

2014 - 2015 Director General, The Customs Department

2014 - 2015 Chairman, The Government Lottery Office

2014 - 2015 Chairman, Government Savings Bank

2011 - 2014 Director - General, Fiscal Policy Office, Ministry of Finance

2010 - 2014 Director, Aeronautical Radio of Thailand Ltd.

2009 - 2014 Director, Metropolitan Electricity Authority

2011 - 2013 Independent Director and Member of the Audit Committee, Thaioil Pcl.

2. Mr. Krairit Euchukanonchai

Vice Chairman (Authorized Signatory Director)

Chairman of the Board of Executive Directors

Chairman of the Risk Management Committee

Age 62

Date of Appointment

October 15, 2015

Education

- Master of Business Administration (Finance and Banking), North Texas State University, USA
- Bachelor of Science, Chulalongkorn University

Training Program

- Class 16/2007, Role of the Chairman Program (RCP), IOD
- Class 59/2005, Director Certification Program (DCP), IOD

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2014 - Present Independent Director,
Chairman of the Audit
Committee and Member of
Nomination and
Corporate Governance
Committee, Advanced Info
Service Pcl.

Positions in Non - Listed Companies/

Other Organizations

Nov. 2017 - Present Chairman, Mass Rapid
Transit Authority of Thailand

2014 - Present Director, Advanced Wireless
Network Co., Ltd.

1998 - Present Chairman, V.Group Honda Cars
Co., Ltd. and its Subsidiaries

Experience over Past 5 Years

2011 - 2012 Director and Member of
the Audit Committee, PTT Pcl.

2011 - 2012 Director, PTT Exploration
and Production Pcl.

2006 - 2012 Chairman and Chairman of
the Risk Management
Committee, Krung Thai Asset
Management Pcl.

2001 - 2011 Director and Member of
the Investment Committee,
Siam Commercial New York
Life Insurance Pcl.

3. Mr. Poonnis Sakuntanaga

Director

Executive Director

Member of the Risk Management Committee

Age 59

Date of Appointment

January 28, 2015

Education

- Master of Business Administration (Marketing),
University of Wisconsin - Madison, USA
- Master of Business Administration (Finance),
Middle Tennessee State University, USA
- Bachelor of Business and Accountancy (Finance
and Banking), Chulalongkorn University

Training Program

- Class 7/2017, Ethical Leadership Program
(ELP), IOD
- Class 8/2017, Risk Management Program for
Corporate Leaders (RCL), IOD
- Class 27/2016, Successful Formulation &
Execution of Strategy (SFE), IOD
- Class 113/2009, Director Certification Program
(DCP), IOD
- Class 4, Corporate Governance for Director and
Top Management of State Owned Enterprise
and Public Organization Course, Public Director
Institute (PDI), King Prajadhipok's Institute
- In house Training Programs, Citibank
- Asian Banking and Sovereign Conference 2006
by Moody's
- Regional Workshop "Risk Modeling for Sovereign
Debt Portfolio" by World Bank

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/**Other Organizations**

Jun. 2017 - Present Director and Executive Director,
Elixir Foods & Beverages
Co., Ltd.

Experience over Past 5 Years

2015 - Sep. 2017 Director and Executive
Director, Thaikong Co., Ltd.

2003 - 2016 President, IQ Plus &
Management Co., Ltd.

2012 - 2014 Director and Chairman of
the Board of Executive
Directors,
Advance Life, Assurance Pcl.

4. Dr. Kulaya Tantitemit**Director (Authorized Signatory Director)****Executive Director****Member of Corporate Governance and Social
Responsibility Committee**

Age 45

Date of Appointment

October 12, 2016

Education

- Ph.D., International Economics and Finance, Brandeis University, USA
- M.S., International Economics and Finance, Brandeis University, USA
- M.A., Economics, Boston University, USA
- Bachelor of Economics, Thammasart University

Training Program

- Class 239/2017, Director Certification Program (DCP), IOD
- Class 7/2017, Ethical Leadership Program (ELP), IOD
- Class 82/2015, Top management Program: Visionary Leader, Civil Service Training Institute, Office of the Civil Service Commission
- Class 6/2014, Foreign Affairs Executive Programme, Devawongse Varopakarn Institute of Foreign Affairs (DVIFA), Ministry of Foreign Affairs

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive

Officer None

Positions in Other Listed Companies None**Positions in Non-Listed Companies/****Other Organizations**

2016 - Present Inspector General, Office of
the Permanent Secretary,
Ministry of Finance

2016 - Present Director, PTT International
Trading Pte Ltd.

Experience over Past 5 Years

2016 Advisor on Policy and Strategy,
Office of the Permanent
Secretary, Ministry of Finance

2013 - 2016 Director of the Macroeconomic
Policy Bureau, Fiscal Policy
Office, Ministry of Finance

2011 - 2013 Senior Expert on
Macroeconomic policy,
Fiscal Policy Office,
Ministry of Finance

5. Mr. Payong Srivanich**President (Authorized Signatory Director)****Executive Director****Member of the Risk Management Committee**

Age 49

Date of Appointment

November 8, 2016

Education

- MBA, University of Pittsburgh, Pittsburgh, Pennsylvania, USA
- BS in Industrial Engineering, University of Arizona, Tucson, Arizona, USA

Training Program

- Class 223/2016, Director Certification Program (DCP), IOD

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive

Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

Oct. 2017 - Present Director,
National ITMX Co., Ltd.

Experience over Past 5 Years

2015 - 2016 Senior Executive Vice
President- Head of Global
Markets Group,
Krung Thai Bank Pcl.
2016 Director, Krungthai-AXA
Life Insurance Pcl.
2008 - 2014 Managing Director,
Head of Global Markets &
Country Treasurer Citibank N.A.,
Thailand

6. Mr. Distat Hotrakitya

Chairman of the Independent Director Committee

Chairman of the Compliance Committee

Member of the Nominating and Remuneration
Committee

Age 59

Date of Appointment

August 21, 2014

Education

- Master of D.E.A. de Droit Public, Université
Strasbourg III (Robert Schuman), France
- Bachelor of Laws (Honors), Chulalongkorn
University
- Certificate in Comparative Law, Université
Strasbourg III (Robert Schuman), France
- Certificate in Public Administration, Ecole
nationale d'administration (ENA), France

Training Program

- Class 53/2010, National Defence Course,
National Defence College
- Class 94/2007, Director Certification Program
(DCP), IOD
- Class 3/2015, Certificate in Law for Democracy,
Office of the Constitutional Court
- Class 1/2012, Top Management Program in
Governmental legal, Office of the Council of State

- Year 2010, Corporate Governance for
Developing National Undergraduate
Education Program, Knowledge Network
Institute of Thailand

- Class 47/2006, Top Management Program:
Visionary Leader, Civil Service Training Institute,
Office of the Civil Service Commission

- Administration Litigation and Supervision
Program, France

- Public Administration Program, France

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive
Officer None

Positions in Other Listed Companies

Jun.2017 - Present Director, Thai Airways
International Pcl.

Positions in Non-Listed Companies/

Other Organizations

2016 - Present Honorary Prosecutor Committee
2016 - Present Independent Director and
Chairman of the Corporate
Governance Committee,
Electricity Generating
Authority of Thailand

2015 - Present Executive Director Office of
Knowledge Management
and Development
(Public Organization)

2014 - Present Secretaries - General,
Office of the Council of State

Experience over Past 5 Years

2016 - May. 2017 Independent Director,
Chairman of the Nomination
Committee, Member of the
Risk Management Committee
and Member of the Corporate
Governance Committee,
MCOT Pcl.

2015 - 2016 Director, Sukhumvit Asset
Management Co., Ltd.

2010 - 2016 Director, National Science
Museum (Thailand)

2012 - 2014	Deputy Secretaries-General, Office of the Council of State
2012 - 2014	Director, Thailandpost Co., Ltd.

7. Mr. Nontigorn Kanchanachitra

Independent Director

Chairman of the Nominating and Remuneration Committee

Member of the Corporate Governance and Social Responsibility Committee

Age 62

Date of Appointment

December 24, 2009

Education

- Honorary Degree of Doctor of Business Administration (Human Resource Management), Dhonburi Rajabhat University
- Master of Public Administration, Middle Tennessee State University, USA
- B.Pol. SC., Chiang Mai University

Training Program

- Class 48, National Defence Course, National Defence College
- Class 26/2011, Role of the Chairman Program (RCP), IOD
- Class 102/2008, Director Certification Program (DCP), IOD
- Class 22/2008, Audit Committee Program (ACP), IOD
- Class 6/2008, Role of the Compensation Committee (RCC), IOD
- Class 1/2008, Financial Statements for Director (FSD), IOD

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2015 - Present	Independent Director and Member of the Audit Committee, Interlink Telecom Pcl.
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Positions in Non-Listed Companies/

Other Organizations

Jun. 2017 - Present	Director, Enkay Studio Co., Ltd.
2016 - Present	Councillor of State
2015 - Present	Chairman and Independent Director, SISB Co., Ltd.
2015 - Present	Advisor, Defence Technology Institute (Public Organization)
2015 - Present	Member of Chaopraya University Council
2012 - Present	Steering committee, Faculty of Political Science and Public Administration, Chiang Mai University
2011 - Present	Member of Rattana Bundit University Council

Experience over Past 5 Years

2011 - Jul. 2017	Director, Industrial Estate Authority of Thailand
2010 - 2015	Secretary - General, Civil Service Commission
2012 - 2013	Honorable Person, Highland Research and Development Institute (Public Organization)
2007 - 2013	Member of Khon Kaen University Council

8. Mr. Vichai Assarasakorn

Independent Director

Chairman of the Corporate Governance and Social Responsibility Committee

Member of the Risk Management Committee

Age 57

Date of Appointment

November 24, 2017

Education

- Bachelor of Engineering in Electrical Engineering, The University of New South Wales, Australia

Training Program

- Class 22, National Defence Course for the Joint State-Private Sectors, The National Defence College
- Class 215/2016, Director Certification Program (DCP), IOD

- Class 7/2016, Top Executive Program in Energy Literacy, Thailand Energy Academy
- Class 8/2015, Top Executive Program in Commerce and Trade (TEPCoT), Commerce Academy, University of the Thai Chamber of Commerce
- Year 2013, ASEAN Executive Management Programme, Sasin Graduate Institute of Business Administration of Chulalongkorn University (Sasin)
- Class 12/2011, Top Management Program, Capital Market Academy, The Stock Exchange of Thailand

Number of Shares in company None

% of Shares in company None

(Not changed since November 24, 2017)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2014 - Present	Independent Director and Member of the Audit Committee, PTT Pcl.
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Positions in Non-Listed Companies/

Other Organizations

2014 - Present	Director, Panel Plus Co., Ltd.
2014 - Present	Director, Panel Plus MDF Co., Ltd.
2014 - Present	Vice Chairman, Anti-Corruption Organization of Thailand
2013 - Present	Vice Chairman, The Thai Chamber of Commerce
1995 - Present	Director, Shiang Heng International Co., Ltd

Experience over Past 5 Years

2011 - 2014	Secretary General, Anti-Corruption Organization of Thailand
2011 - 2013	Committee Member and Secretary General, The Thai Chamber of Commerce and Board of Trade of Thailand

9. Prof. Dr. Kittipong Kittayarak

Independent Director

Chairman of the Audit Committee

Member of the Compliance Committee

Age 59

Date of Appointment

July 24, 2014

Education

- Doctor of the Science of Laws (J.S.D.), Stanford University, USA (Fulbright Scholarship)
- Master of Laws (LL.M.), Harvard University, USA (Fulbright Scholarship)
- Master of Laws (LL.M.), Cornell University, USA (OCSC Scholarship)
- Bachelor of Laws (Honors), Chulalongkorn University
- Barrister-at-Law, Institute of Legal Education Thai Bar Association

Training Program

- Class 49, National Defence Course, National Defence College
- Class 112/2014, Director Accreditation Program (DAP), IOD
- Class 18/2015, Advanced Audit Committee Program (AAP), IOD
- Class 1/2013, Certificate in Law for Democracy, Office of the Constitutional Court
- Class 1/2012, Top Executive Program in Energy Literacy, Thailand Energy Academy
- Class 8/2009, Top Management Program, Capital Market Academy, The Stock Exchange of Thailand
- Class 10/2006, Top Executive Program in Justice Administration, Judicial Training Institute
- Class 5/2001, Politics and Governance in Development Systems or Executive Course, King Prajadhipok's Institute

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2016 - Present	Independent Director and Member of the Audit Committee, Dusit Thani Pcl.
2014 - Present	Independent Director and Chairman of the Audit Committee, PTT Pcl.

Positions in Non-Listed Companies/**Other Organizations**

Sep. 2017 - Present	Executive Director and Vice Chairman, Friend in Need (of "PA") Volunteers Foundation, Thai Red Cross
Dec. 2017 - Present	Management Committee of Court of Justice, Foreign Affairs
2016 - Present	Honorary Director, National Commission for Justice Administration Development
2015 - Present	Executive Director, Thailand Institute of Justice (Public Organization)
2015 - Present	Honorary Director, The Narcotics Control Board
2014 - Present	Chairman, Bangkok University Council
2011 - Present	Executive Director and Chairman (Thailand Branch), ASIA Crime Prevention Foundation (ACPF)
2010 - Present	Member of the Board of Committee, Thai Bar Association
2009 - Present	Member of Mahidol University Council

Experience over Past 5 Years

2014 - 2015	Advisor to the Prime Minister
2008 - 2014	Permanent Secretary, Ministry of Justice

10. General Tienchai Rubporn**Independent Director****Member of the Audit Committee****Member of the Compliance Committee****Age 62****Date of Appointment**

January 28, 2015

Education

- Master of Arts, Command and General Staff College
- Class 27, Bachelor of Science Chulachomklao Royal Military Academy

Training Program

- Class 240/2017, Director Certification Program (DCP), IOD
- Class 22/2016 Advanced Audit Committee Program (AACP), IOD
- Class 3/2016 Ethical Leadership Program (ELP), IOD
- Class 2/2016 Driving Company Success with IT Governance (ITG), IOD
- Class 15/2016 Corporate Governance for Capital Market Intermediaries (CGI), IOD
- Class 28/2016 Successful Formulation & Execution of Strategy (SFE), IOD
- Class 28/2015, Financial Statements for Director (FSD), IOD
- Class 121/2015 Director Accreditation Program (DAP), IOD
- Class 47, Security Studies Program, Royal Thai Army War College
- Resource Management Introductory Course, United States Army Finance School Fort Benjamin Harrison, Indiana, USA

Number of Shares in company None
 % of Shares in company None
 (Not changed during the year)
 Family Relationship with Director and Executive Officer None
 Positions in Other Listed Companies None
 Positions in Non-Listed Companies/
 Other Organizations None
 Experience over Past 5 Years

2016	Advisor of the Public Budget Expenditures Committee
2016	Senior Expert, The Royal Army
2014 - 2016	Permanent Secretary, Office of the Army Comptroller
2014 - 2016	Secretary of the Public Budget Expenditures Committee
2013 - 2014	Deputy Permanent Secretary, Office of the Army Comptroller
2011 - 2013	Assistant Permanent Secretary, Office of the Army Comptroller

11. Mr. Somchai Boonnamsiri

Independent Director

Member of the Audit Committee

Member of the Nominating and Remuneration Committee

Member of the Risk Management Committee

Age 63

Date of Appointment

December 24, 2015

Education

- M.A. Economics, The Victoria University of Manchester, England
- B.Sc.(Honors) Economics, The University of Salford, England
- Certificate of Ordinary National Diploma in Business Studies, The City of Bath Technical College, England

Training Program

- Class 9 National Defence Course for the Joint State-Private Sectors, The National Defence College
- Class 29/2017, Successful Formulation & Execution of Strategy (SFE), IOD

- Class 5/2017, Board that Make a Difference (BMD), IOD
- Class 2/2016, Driving Company Success with IT Governance (ITG), IOD
- Class 3/2016, Ethical Leadership Program (ELP), IOD
- Class 21/2016, Role of the Compensation Committee (RCC), IOD
- Class 17/2007, Audit Committee Program (ACP), IOD
- Class 59/2005, Director Certification Program (DCP), IOD
- Class 8/2009, Top Management Program, Capital Market Academy, The Stock Exchange of Thailand

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive Officer None

Positions in Other Listed Companies

2013 - Present	Independent Director, Chairman of the Nomination and Compensation Committee and Member of the Audit Committee, The Platinum Group Pcl.
2010 - Present	Chairman and Independent Director, BEC World Pcl.

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2014 - Apr. 2017	Director, Magnolia Finest Corporation Co., Ltd.
2015	Director, Siam City Leasing and Factoring Pcl.
2013 - 2015	Chairman, Thaifoods Group Pcl.
2010 - 2015	Director, Siam Allied Holding and Consultant Co., Ltd.
1995 - 2015	Chairman, Wall Street Tullet Prebon Co., Ltd.
2007 - 2014	President, Krung Thai Asset Management Pcl.

12. Mr. Thanwa Laohasiriwong

Independent Director

Member of the Audit Committee

Member of the Risk Management Committee

Age 52

Date of Appointment

January 26, 2016

Education

- Bachelor of Engineering (Computer),
King Mongkut's Institute of Technology
Ladkrabang

Training Program

- Class 2/2017, Boardroom Success through
Financing and Investment (BFI), IOD
- Class 2/2016, Driving Company Success with
IT Governance (ITG), IOD
- Class 20/2015, Advanced Audit Committee
Program (AACP), IOD
- Class 1/2015, Ethical Leadership Program
(ELP), IOD
- Class 22/2014, Successful Formulation &
Execution of Strategy (SFE), IOD
- Class 10/2004, Finance for Non-Finance
Directors (FND), IOD
- Class 43/2004, Director Certification Program
(DCP), IOD
- Year 2001, IBM/Harvard Management
Development Program
- Year 1998, IBM/INSEAD Management
Development Program
- Class 4/2016, Environmental Governance for
Executive Officer, Department of
Environmental Quality Promotion (DEQP),
Ministry of Natural Resources and
Environment

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Director and Executive
Officer None

Positions in Other Listed Companies

- | | |
|----------------|---|
| 2015 - Present | Chairman, Humanica Pcl. |
| 2014 - Present | Independent Director and
Chairman of the Audit
Committee, TPBI Pcl. |

Positions in Non-Listed Companies/

Other Organizations

- | | |
|----------------|--|
| 2014 - Present | Director and Executive
Director, TOT Pcl. |
|----------------|--|

Experience over Past 5 Years

- | | |
|------------------|---|
| 2011 - Sep. 2017 | Independent Director and
Member of the Audit
Committee, Asiasoft
Corporation Pcl. |
| 2015 - 2016 | Chairman, Independent
Director and Chairman of
the Audit Committee,
ASN Broker Pcl. |
| 2011 - 2016 | Independent Director and
Member of the Audit
Committee, Easy Buy Pcl. |
| 2014 - 2015 | Acting President, TOT Pcl. |
| 2014 - 2015 | Director,
F.A.S.T. Solutions Co., Ltd. |
| 2014 - 2015 | Member of the Financial
and Assets Committee ,
King Mongkut's Institute
of Technology Ladkrabang |
| 2012 - 2014 | Independent Director
and Member of the Audit
Committee, Communication
& System Solution Pcl. |

Brief Biography of Executive Officers

1. Mr. Payong Srivanich

President

Age 49

- Please refer to page 21

2. Mr. Parinya Patanaphakdee

First Senior Executive Vice President - Head of
Credit Restructuring & Asset Management Group

Age 59

Date of Appointment

October 1, 2010

Education

- MPol Sc (Politics and Government), Sukhothai Thammathirat Open University
- MBA, National Institute of Development Administration
- Barrister-at-Law, Institute of Legal Education of the Thai Bar Association
- LLB (Honors), Ramkhamhaeng University

Training Program

- Director Certification Program (DCP 248) 2017 Thai Institute of Directors Association (IOD)
- Bhumipalung Phandin, (BPP 4) 2015, Chulalongkorn University
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business and Cornell University
- Class 4/2013, Training Course on Advanced Security Management Program (ASMP 4), National Defence College
- Class 6/2013, Training Course on Top Executive Program in Commerce and Trade (TEPCoT 6), Academic Service Center, University of the Thai Chamber of Commerce
- Class 16/2012, Successful Formulation and Execution of Strategy (SFE)
- Class 2/2011, Training Course on Administrative Justice for Executives (BYP), The Administrative Court
- Class 1/2010, Financial Institutions Governance Program (FGP), Thai Institute of Directors Association (IOD)
- Class 10/2010, Top Management Program, Capital Market Academy, The Stock Exchange of Thailand

- Class 18 (NDC 2548), National Defence Course for the Joint State-Private Sectors, National Defence College
- Class 8/2004, Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute (KPI 8)
- Class 7/2003, The Programme for Senior Executives in Criminal Justice Administration, National Academy of Criminal Justice, Office of the Judiciary (B.Y.S.7)
- Class 11/2002, Financial Executive Development Program (FINEX XI), The Thai Institute of Banking and Finance Association

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies

Jun. 2017 - Present	Chairman/Chairman of Nomination and Remuneration Committee/ Chairman of Corporate Governance Committee of Krungthai Card Pcl.
---------------------	--

Positions in Non-Listed Companies/

Other Organizations

2013 - Present	Directors Pool
2011 - Present	Vice Chairman, KTB Law Co., Ltd
Experience over Past 5 Years	
2014 - 2016	Directors, KTB General Services and Security Co., Ltd. (KTB General Services Co., Ltd.)
2015 - 2016	Advisor to the Minister, Ministry of Information and Communication Technology
2013 - 2014	Academic to Committee on Monetary Financial Banking and Financial Institution, Senate

3. Ms. Arisara Dharamadhaj

Senior Executive Vice President - Head of
Government & State Enterprise Relations Group

Age 60

Date of Appointment

October 1, 2012

Education

- MBA, Roosevelt University, USA
- BBA (Economics), University of the Thai Chamber of Commerce

Training Program

- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- National Defence Course for Joint State-Private Sectors 2011 - 2012, National Defence College

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

2014 - Present	Director, Krung Thai IBJ Leasing Co., Ltd
2016 - Present	Director, KTB General Services and Security Co., Ltd. (KTB General Services Co., Ltd.)

Experience over Past 5 Years

2006 - 2015	Director, Bangkok Expressway and Metro Pcl.
2012 - 2014	First Executive Vice President - Acting Managing Director, Government & State Enterprise Relations Group, Krung Thai Bank Pcl.

4. Mr. Poonpat Sripleng

Senior Executive Vice President - Head of Risk Management Group

Age 53

Date of Appointment

October 1, 2013

Education

- MS (Economics), Thammasat University
- BS (Economics), Thammasat University

Training Program

- Certificate, Role of the Chairman Program,
- IOD Certificate, Corporate Governance for Capital Market, IOD

- IFRS 9 Implementation 2017, Incisive Risk Information Limited
- Executive Leadership Development Program (ELDP) 2015 Compass Institute, LEAD Business Institute and Cornell University
- The Risk Games Conference 2013: The Asian Banker Summit 2013 Jakarta, Indonesia
- Corporate Credit Rating Analysis Hong Kong
- Bourse Game; Union Bank of Switzerland, Hong Kong
- Portfolio Management; Euro Money, Hong Kong
- Project Management; Alltel Information System
- Syndication Loan; DC Gardner
- Problem Solving and Decision Making, Kepner Tregoe
- Leadership Development Institute, Kepner Tregoe
- Asset & Liability Management, Sendero Institution
- Profitability Measurement and Fund Transfer Pricing, Sendero Institution
- Risk Management, Risk Metrics
- Advance Volatility Trading; Singapore
- Advance Banking and Risk Management Program, Nanyang Technology University, Singapore
- Retail Lending and Stress Test, Singapore
- FRM (Financial Risk Manager; GARP)

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

May 2017 - Present	Chairman, KTB General Service Co., Ltd
2014 - Present	Executive Director, KT ZMICO Securities Co., Ltd

Experience over Past 5 Years

2016 - Jun. 2017	Chairman, Krungthai Card Pcl.
2014 - 2016	Executive Director, KTB Leasing Co., Ltd
2013 - 2016	First Executive Vice President - Managing Director, Risk Management Group, Krung Thai Bank Pcl.

5. Mr. Suchart Dejittirut

Senior Executive Vice President - Head of
Compliance and Legal Management Group
and Corporate Secretary

Age 60

Date of Appointment

March 2, 2015

Education

- Master of Arts in Public Administration, Public and Private Sectors Management National Institute for Development Administration (NIDA)
- Bachelor of Economics, Ramkhamhaeng University

Training Program

- Knowledge of Operational Securities Business for the most responsible regulatory 2017, Compliance Club
- Class 225/2016 Director Certification Program (DCP), Thai Institute of Directors Association (IOD)
- Knowledge of Operational Securities Business for the most responsible regulatory 2016, the Thai Institute of Banking and Finance Association and The Thai Bankers Association
- Class 4/2015, Senior Legal Executive for Government, Office of The Council of State
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- One on One Executive Coaching (2014), Slingshot Coaching Co., Ltd.
- Management of Mass Media for Executive 2014, DC Consultants and Marketing Communication
- Lending at the Speed of Trust (2014), PacRim Group
- Advanced Certificate Course in Public Economics Management (2011), King Prajachitpok's Institute
- Class 4/2006, Effective Minute Taking - EMT, Thai Institute of Director

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

2012 - Present Director, KTB Law Co., Ltd.

Experience over Past 5 Years

- | | |
|-------------|---|
| 2015 - 2016 | First Executive Vice President - Managing Director, Compliance and Legal Management Group, Krung Thai Bank Pcl. |
| 2012 - 2015 | Executive Vice President -Director, Asset Disposition Management Department , Krung Thai Bank Pcl. |

6. Ms. Amporn Chotruchsakul

Senior Executive Vice President - Head of
Operation Group

Age 58

Date of Appointment

October 14, 2016

Education

- Master of Sciences - Accounting, DePual University
- Master of Art - Public Administration, Northern Illinois University
- Bachelor of Art - Public Administration (Finance) - (First Class Honors & Gold Medal for Highest Score), Chulalongkorn University

Training Program

- 4 Keys to operations Excellence (2016)
- Harvard Online Training (2016), Citibank
- Leadership Matters (2016), Citibank
- Risk of Outsourcing Lifecycle Management (2015), Citibank
- Manage Your Risk (2014), Citibank
- Power of ONE Training (2014), Citibank
- Risk Strategy (2014), Citibank
- APAC Understanding the Risks in Outbound Callback Verification (2013), Citibank
- Whole Brain Appreciative Coaching (2012), Citibank
- Executive Development for Managing Director (2011), Citibank
- Advanced Regional AML Training (2011), Citibank

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

Apr. 2017 - Present Director, KTB Computer Services Co., Ltd.

Jun. 2017 - Present Director/Member of the Risk Management Committee, KTB General Services Co., Ltd.

Experience over Past 5 Years

2008 - 2016 MD-Country Operations & Technology Head, Citibank N.A. Thailand

7. Ms. Praralee Ratanaprasartporn

Senior Executive Vice President - Head of Retail Shared Services Group and Data Innovation

Age 48

Date of Appointment

May 2, 2013

Education

- MBA (Finance), University of Alabama at Birmingham, USA
- BBA (Accounting) (Auditing), Thammasat University

Training Program

- Co-Creation Workshop, VISA International (2017), Singapore
- Innovations Payment - MasterCard Asia/Pacific, VISA International (2017), MSI Global Private Limited, Singapore
- Innovations Payment, UnionPay International (2017), China
- Google Next 2017, Google Cloud Platform, APAC, USA
- Analytics Experience (2016), SAS Software, Italy
- Asia Banking Analytics Roundtable (2016), McKinsey, Hong Kong
- Director Certification Program - DCP (2016), Thai Institute of Directors Association (IOD)
- Customer Segmentation and Micro Segment Analytics 2016 by SAS
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- KTB Digital Banking Workshop 2015
- Advance Management Program (2011) INSEAD Business School - European Campus, France

- Customer Experience Workshop (2010), Malaysia
- SME Strategy Workshop (2007), GE Singapore
- Global Mortgage Conference (2006), GE USA
- Advance Manager Course
- Six Sigma/Quality Training (2003)

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

2014 - Present Chairman of Risk Management Committee / Director, KTB Leasing Co., Ltd.

Apr. 2017 - Present Director/Member of Nomination and Remuneration Committee Krungthai-AXA Life Insurance Pcl.

Experience over Past 5 Years

2014 - 2016 First Executive Vice President- Managing Director, Retail Shared Services Group, Krung Thai Bank Pcl.

2013 - 2014 Advisor to The President, Krung Thai Bank Pcl.

2009 - 2013 Executive Vice President, Head of Retail Credit Risk Management and Executive Vice President, Head of Customer Relationship Management, Siam Commercial Bank Pcl.

8. Mr. Weerapong Suppasedsak

Senior Executive Vice President - Head of Corporate Banking Group 2

Age 51

Date of Appointment

December 26, 2014

Education

- Master of Economics (Finance), National Institute of Development Administration (NIDA)
- Bachelor of International Economics, Ramkhamhaeng University

Training Program

- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- Interest rate Indexed and Derivatives 2015
- TLCA Executive Development Program 2014, Thai Listed Companies Association

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies

2012 - Present Director, Bangkok Expressway and Metro Pcl.

Positions in Non-Listed Companies/

Other Organizations

Aug. 2017 - Present Director/Executive Director, KT Zmco Securities Co., Ltd

2016 - Present Director, Krungthai Panich Insurance Pcl.

Experience over Past 5 Years

2014 - 2016 Director/Chairman of the Audit Committee at Suvarnabhumi Airport Hotel Co., Ltd.

2014 - 2016 First Executive Vice President - Managing Director Corporate Banking Group 2, Krung Thai Bank Pcl.

2011 - 2014 Executive Vice President - Director of Corporate Banking Sector 3, 4, 6, Krung Thai Bank Pcl.

9. Mr. Luechai Chaiparinya

Senior Executive Vice President - Head of Retail Banking Sales & Distribution Group

Age 59

Date of Appointment

August 1, 2016

Education

- MBA, Khonkaen University
- Bachelor of Arts, Chiang Mai University

Training Program

- Directors Certification Programme DCP248/2017
- Customer Segmentation and Micro Segment Analytics by SAS 2016

- Digital Banking & Inspirational Leadership 2016
- Executive Brand Solicitation 2016
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- Class 4/2012, Fiscal Management, Fiscal Policy Research Institute Foundation
- Influencer the power of change 2012
- Strategic Marketing Plan for Service Marketing 2012

Number of Shares in company 605 shares*

% of Shares in company 0.000004

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies

Jun. 2017 - Present Director/Chairman of Risk Management Committee, DHIPAYA Insurance Pcl.

Positions in Non-Listed Companies/

Other Organizations

May 2017 - Present Director/Executive Director, KTB Leasing Co., Ltd

2016 - Present Director, Krungthai-AXA Life Insurance Pcl.

Experience over Past 5 Years

2016 First Executive Vice President - Managing Director, Retail Strategy Product & Segmentation Group, Krung Thai Bank Pcl.

2013 - 2016 Executive Vice President - Sector Head, Northern Region Network 2, Krung Thai Bank Pcl.

2012 - 2013 Executive Vice President - Sector Head, Metropolitan Network 1, Krung Thai Bank Pcl.

* had 264 shares held by spouse (0.000002%), then had total of 869 shares held by the Executive and spouse (0.000006%)

10. Mr. Boonlerd Sinsombat

Senior Executive Vice President - Head of Technology Group

Age 50

Date of Appointment

February 16, 2017

Education

- Master of Science (Computer & Engineering Management), Assumption University
- Bachelor of Science, King Mongkut's University of Technology Thonburi

Training Program

- Strength Finder, Gallup
- Leadership Great Leader Great Team Great Result, PacRim
- Strategic Thinking by DPI-Decision Process International, PacRim
- Public Media Training
- Executive Information Leadership Program, GE Capital USA
- Asia Talent Acceleration Program, GE Capital Thailand/Singapore
- Advance Information Management Course, GE Capital USA
- Advance manager Course, GE Capital Thailand
- Change Acceleration Program, GE Capital Thailand
- Lean Awareness Training, GE Capital Thailand
- Quality SIX-SIGMA Course - Green Belt Certified, DMAIC I, II & III and Design For Six Sigma, GE Capital Thailand
- Project Management, GE Capital USA
- Banker Managerial Training, Thai Banking Association

Number of Shares in company None

% of Shares in company None

(Not changed since February 16, 2017)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

May, 2017 - Present Chairman, Krung Thai
Computer Services Co., Ltd.

Experience over Past 5 Years

2015 - 2017 Executive Vice President,
Information Technology,
Thanachart Bank Pcl.

2009 - 2015 Executive Vice President,
Information Technology,
Ayudhya Capital Services
Co., Ltd Krungsri Consumer
(formerly GE Capital Thailand)

11. M.L. Nathchanya Davivongse

Senior Executive Vice President - Head of
Global Transaction Banking Group

Age 49

Date of Appointment

September 1, 2017

Education

- Master in Business Administration,
Oregon State University, USA
- Bachelor of Arts, Business Administration
, Oregon State University, USA

Training Program

- OMEGA Senior Management Credit Workshop -
Bangkok (2013)
- CIMB-INSEAD Leadership Program - Singapore/
Fontainebleau (2011 - 2012)
- Action Selling - Singapore (2009)

Number of Shares in company None

% of Shares in company None

(Not changed since September 1, 2017)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2010 - 2015 Senior Executive Vice
President, CIMB Thai Bank Pcl.

12. Dr. Roong Mallikamas

Senior Executive Vice President - Head of
Global Business Development and Strategy Group

Age 49

Date of Appointment

November 13, 2017.

Education

- Ph.D., economics, Massachusetts Institute of
Technology, USA
- A.B., economics, Harvard University, USA

Training Program

- Director Certification Program (DCP),
Institute of Directors, 2015
- Influential Presentation and Public Speaking
Skills for Directors and Senior Executives,
Clariden, Hong Kong, 2014

- Financial Institutions Governance, Capital Market Academy, 2011
- Number of Shares in company None
- % of Shares in company None
(Not changed since November 13, 2017)
- Family Relationship with Executive Officer None
- Positions in Other Listed Companies None
- Positions in Non-Listed Companies/ Other Organizations None
- Experience over Past 5 Years
- 2016 - 2017 Senior Director, Financial Markets Department, Bank of Thailand
- 2014 - 2016 Senior Director, Macroeconomic and Monetary Policy Department, Bank of Thailand
- 2013 - 2014 Bank of Thailand Spokesperson

13. Ms. Phuphun Charoensuk

Senior Executive Vice President - Head of Financial Management Group

Age 48

Date of Appointment

January 4, 2018

Education

- M.B.A. Thammasat University
- B.A. in Accounting, Thammasat University

Training

- Strategic Business Leadership, INSEAD Singapore, 2007
- Harvard Virtual Leadership Program, Harvard Business Publishing, 2015
- TLCA Executive Development Program, Thai Listed Companies Association, 2017

Number of Shares in company None

% of Shares in company None

(Not changed since January 4, 2018)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

- 2016 - 2017 Partner, Advisory Services, EY Corporate Services Limited

14. Mr. Suppawat Wadhanapatee

First Executive Vice President - Head of Human Resources and Corporate Governance Group

Age 47

Date of Appointment

October 1, 2016

Education

- Doctor of Business Administration, Dhurakij Pundit University
- Master of Business Administration/finance, Rensselaer Polytechnic Institute/USA
- Master of Laws / International Law, Chulalongkorn University
- Bachelor of Laws, Chulalongkorn University

Training

- Good Corporate Governance for Top Executives 2017, LEAD Business Institute
- Digital Banking & Inspirational Leadership 2016
- How Digital Technology Transforms the Financial Service and Experiences 2016
- Situational Leadership 2015, Slingshot Group
- Strategy and Innovation for Businesses in Asia (SIBA) : CMMU Session (2014)
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- Professional Coach Certification Program 2015, Thailand Coaching Institute
- The GRID for Supervisory Excellence - Experience the Power to Change 2015, Grid Organization Development LLC
- Workshop: The Leadership & Talent Sustainability Across Borders 2013, Personnel Management Association of Thailand - PMAT

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2013 – 2016 Executive Vice President – Sector Head of Human Resources Sector, Human Resources and Corporate Governance Group, Krung Thai Bank Pcl.

2012 – 2013 Senior Vice President – Sector Head of Human Resources Sector, Human Resources and Corporate Governance Group, Krung Thai Bank Pcl.

15. Mr. Pativate Santavanond

First Executive Vice President – Head of Business Center Group

Age 56

Date of Appointment

October 1, 2016

Education

- MBA – Finance, Webster University, USA
- BA – Economics, Thammasat University

Training Program

- Digital Banking & Inspirational Leadership 2016
- Executive Brand Solicitation 2016
- Executive Leadership Development Program (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- TLCA Executive Development (2013), Listed Companies Association Thailand, Stock Exchange of Thailand, and Capital Market Academy

Number of Shares in company None*

% of Shares in company None*

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

2016 – Present Director, Krung Thai IBJ Leasing Co., Ltd.

Experience over Past 5 Years

2014 – 2016 Executive Vice President – Director, Metropolitan Business Center Sector 1, Krung Thai Bank Pcl.

2013 – 2014 Executive Vice President – Director, Southern Region Business Center Sector, Krung Thai Bank Pcl.

2012 – 2013 Senior Vice President – Director, Southern Region Business Center Sector, Krung Thai Bank Pcl.

* had 70,000 shares held by spouse (0.0005%)

16. Mr. Santi Parivisutt

First Executive Vice President – Head of Internal Audit Group

Age 56

Date of Appointment

October 1, 2016

Education

- MS (Economic), National Institute of Development Administration
- Bachelor of Economics, Ramkhamhaeng University

Training Program

- Advanced Audit Committee Program (AACP) 2017
- Internal Audit in Disruptive Technology 2017
- Director Certification Program (DCP) 237/2017, Thai Institute of Directors
- Good Corporate Governance for Top Executives 2017, LEAD Business Institute
- Annual Audit Committee Conference (AACC) 2016
- Digital Banking & Inspirational Leadership 2016
- Crucial Conversations 2016, PacRim Group
- Executive Leadership Development (ELDP) 2015, Compass Institute, LEAD Business Institute and Cornell University
- FATCA for Director and Executive Officers
- Situational Leadership 2015, Slingshot Coaching Co., Ltd.
- The 7 Habits of Highly Effective People 2012, PacRim Group

Number of Shares in company None*

% of Shares in company None*

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2015 – 2016 Executive Vice President – Sector Head, Credit Transaction Audit Sector, Krung Thai Bank Pcl.

2014 - 2015 Senior Vice President Sector Head - Credit Transaction Audit Sector, Krung Thai Bank Pcl.

2009 - 2014 Senior Vice President - Metropolitan BC CRTM Department, Krung Thai Bank Pcl.

* had 1,070 shares held by spouse (0.000008%)

17. Mr. Rawin Boonyanusasna

First Executive Vice President - Head of Global Markets Group

Age 43

Date of Appointment

November 23, 2016

Education

- MSC. in Financial Engineering and Quantitative, University of Reading, England
- MA. in International Economics and Finance, Chulalongkorn University
- BA. in Economics, Thammasat University

Training Program

- Bank of Thailand's Treasury Dealer Course 2017
- Bond Trader's Refresher Course 2017
- Customer Segmentation and Micro Segment Analytics by SAS 2016
- KTB executive refining program 2016
- Global Market Desk Guide 2016
- Strategic Planning Workshop 2015

Number of Shares in company None

% of Shares in company None

(Not changed during the year)

Family Relationship with Executive Officer None

Positions in Other Listed Companies

Apr. 2017 - Present Director and Member of Investment Committee Board, Krungthai-AXA Life Insurance Pcl.

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2016 Executive Vice President Trading Team, Global Markets Group, Krung Thai Bank Pcl.

2014 - 2015 Head of Capital Market Product Trading, Thai Military Bank Pcl.

2013 Head of Global Market, Royal Bank of Scotland, Thailand

2010 - 2013 Head of Trading, Bank of America, Thailand

18. Ms. Oranut Siraprapa

First Executive Vice President - Head of Retail Strategy Product & Segmentation Group

Age 59

Date of Appointment

October 16, 2017

Education

- Bachelor of Art (Economics), Chiang Mai University

Training Program

- Leadership Performance Development 2017, Slingshot
- Situational Leadership for Top Leaders 2016, Slingshot
- Digital Banking & Inspirational Leadership 2016.
- Executive Brand Solicitation 2016.

Number of Shares in company None

% of Shares in company None

(Not changed since October 16, 2017)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations None

Experience over Past 5 Years

2016 - 2017 Executive Vice President - Sector Head, Northern Region Network Sector 1, Krung Thai Bank Pcl.

2015 - 2016 Senior Vice President - Sector Head, Northern Region Network Sector 1, Krung Thai Bank Pcl.

2014 - 2015 Senior Vice President - Regional Office Manager, Chaing Mai Regional Office 3, Krung Thai Bank Pcl.

2012 - 2014 Vice President - Regional Office Manager, Chaing Mai Regional Office 3, Krung Thai Bank Pcl.

19. Mr. Ekachai Techawiriyakul

First Executive Vice President - Head of
Corporate Banking Group 1

Age 56

Date of Appointment

November 1, 2017

Education

- Master of Business Administration,
Thammasart University
- Bachelor of Engineering,
Chulalongkorn University

Training Program

- Good Corporate Governance for Top
Executives 2017, LEAD Business Institute
- Leader as Coach 2017
- Digital Banking & Inspirational Leadership 2016
- Situational Leadership for Top Leaders
2016. Executive Leadership Development
Program (ELDP) 2015 by Compass Institute,
LEAD Business and Cornell University

Number of Shares in company None

% of Shares in company None

(Not changed since November 1, 2017)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

Jul. 2017 - Present Director, Suvarnabhumi
Airport Hotel Co., Ltd.

Experience over Past 5 Years

2014 - 2017	Executive Vice President - Sector Head, Corporate Banking Sector 8, Krung Thai Bank Pcl.
2014	Senior Vice President - Sector Head, Corporate Banking Sector 8, Krung Thai Bank Pcl.
2012 - 2014	Senior Vice President and Manager - Corporate Banking Department 2 Krung Thai Bank Pcl.

20. Mr. Niruj Maneepun

Advisor to the President

Age 49

Date of Appointment

August 23, 2017

Education

- Master of Law, Temple University ,
Philadelphia Pennsylvania, U.S.A.
- Master of Comparative Jurisprudence,
Howard University, Washington D.C., U.S.A.
- Barrister-at-Law, Institute of Legal Education
of the Thai Bar Association
- Bachelor of law, Ramkhamhaeng University

Training Program

- Directorate Psychology Course,
National Defences Studies Institute
- Advance Diploma of Administrative
Justice Administration Program,
The Administrative Court.
- Power of The Kingdom, Chularongkorn
University Executive Program.
- Rule of Law for Democracy,
Institute of Constitution Studies
- Executive Program in Business Industry
and Investment, Institute of Business
and Industrial Development

Number of Shares in company None

% of Shares in company None

(Not changed since August 23, 2017)

Family Relationship with Executive Officer None

Positions in Other Listed Companies None

Positions in Non-Listed Companies/

Other Organizations

2006 - Present Advisor to the Chancellor of
King Mongkut's University of
Technology Thonburi.

Experience over Past 5 Years

2014 - 2017	Advisor to the President of Thai Airways International Pcl.
2010 - 2014	Vice President, Thai Airways International Pcl.

Business Environment

Economic

► Overview

in **2017**

► and Outlook

for **2018**



Economic Overview in 2017

2017 world economy grew at the rate of 3.7¹ percent, up from 3.2 percent in the previous year, following economic recovery of key countries and emerging markets. As a result, the world trade recovered after several years of sluggishness, exerting beneficial effects from expanding export in terms of quantity and price. Moreover, crude oil price and commodity price increased following OPEC and Non-OPEC countries' agreement on production cut. However, many countries were faced with political problems and geopolitical risks, hurting economic climate.

World Economy:

**Broad-based
Growth**

Resulting in the

**Recovery of
world trade**

¹ IMF (January 2018)

▶ USA

The economy boosted up by **2.3¹ percent**, an acceleration from 1.5 percent in the previous year, resulting in Fed being able to phase out economic stimulus in the form of monetary policies as planned. Fed raised interest rate 3 times and gradually normalized balance sheet. Despite frequent occurrences of terrorist attack and severe hurricane damage from both Harvey and Irma in the third quarter, the effects were temporary. Continuous decrease in unemployment rate which went even lower than before the sub-prime crisis as well as a furious rise of stock market, contributed to the improvement of private sector consumption, which made up the majority of GDP. At the same time, export sector expanded as the economy of trade partners improved and USD depreciated almost throughout the year. Moreover, U.S. economy improved under the positive impact of shale oil business rebound thanks to crude oil price increase, and the approval of tax reform bill before year-end. The approval of tax reform bill was considered one of key achievements of the U.S. government in 2017 after failures to push forward economic measures throughout the year.

▶ Europe

The economy expanded beyond expectation at **2.4¹ percent**, rose from 1.8 percent in the previous year. The expansion was driven mainly by the recovery of domestic demand and export which was in part due to EUR depreciation after Brexit referendum in the previous year. The European sovereign debt crisis eased gradually after Greece received the third tranche of bailout from ESM and IMF. The rebound of Europe economy resulted in ECB signaling winding down QE in 2018. However, many European countries were under political pressure. For instance, the election after UK parliament dissolution resulted in the governing party losing its majority and the lengthy delay of the second phase of Brexit negotiations despite the EU's announcement that it would start in December. Similarly, the governing

party of Germany won the election but lost many seats, making it difficult to form the government. As for Spain, although the government was able to control the situation after Catalan had declared independence, pro-independence parties won again in the latest election while anti-immigrant parties dominated the election in Austria. These reflected political risks that may affect the stability of the European Union. Additionally, frequent occurrences of terrorist attacks in key economic areas, namely in England, Germany, France, Belgium, Sweden and Norway, might slow down the economic recovery.

▶ Japan

The economy reached a greater-than-anticipated expansion at **1.8¹ percent**, marking the highest growth rate in 4 years, up from 0.9 percent in the previous year. The main driver was foreign demand. Export sector expanded considerably, especially tourism sectors as the records of number of tourists were broken over and over. Private consumption recovered gradually from the downfall since the first adjustment of sales tax increase in 2014 which resulted in BOJ continuing the expansionary monetary policy, making it the only central bank in G3 countries which had not signaled the restrictive monetary policy. Strategic early dissolution of the House of Representatives to take advantage of his improved approval allowed the prime minister - Shinzo Abe, continued to be the prime minister for another term and the government parties had more seats in the parliament, leading to policy continuity. However, Japan was faced with trade pressure from the U.S. and Japan-North Korea tension as North Korea tested missiles, many of which landed in the seas of Japan. Furthermore, Japanese business sector went through consumer trust crisis after it was revealed that large private companies falsified product data and produced substandard products. Meanwhile, the government was pressured to increase budget supporting aging population despite being one of the countries with the highest debt-to-GDP in the world.

China

The economy grew by

6.9¹ percent

accelerating from 6.7 percent in the previous year, marking the first economic growth in 7 years. The growth rate was also higher than the target rate at 6.5 percent as export bounced back to expansion despite the appreciation of the Yuan and trade pressure from the U.S. by claiming that China uses unfair trade policy, especially by downgrading China to the worst ranking of Trafficking in persons, Tier 3. However, the pressure eased after China has signed trade deal worth USD 250 billion with the U.S. Furthermore, a second term of presidency was endorsed for Xi Jinping, allowing China to continue implementing economic policies, in particular the One Belt One Road initiative to take a larger role in global affairs. Nevertheless, China's growth to date was partly due to large credit expansion, causing China to be faced with higher risks of debt as debt to GDP ratio is more than 3 to 1. As a result, Moody's and S&P lowered China's credit rating. IMF and the People's Bank of China warned of China's financial fragility which was the result of such risks.



Thailand Economy:

Foreign demand encourages recovery

In 2017, Thailand economy



marked the highest growth rate in 5 years at 3.9 percent from 3.2 percent in the previous year, due mainly to the foreign sector. However, domestic demand slightly recovered and government spending played smaller role.

Export

expanded enormously at the rate of 9.8 percent, both in terms of price and quantity, amid the appreciation of Thai Baht throughout the year. This was due to the recovery of trade partners' economy, increasing price of exports as a result of rising oil price, and the growth in agricultural exports after the agricultural output had

increased as drought resolved. Industrial exports expanded following the expansion of electronic goods and telecommunication device export, which was partly due to the moving of manufacturing base to Thailand and the increase of production capacity in some industries.

Tourism

continuously expanded at high rate. This was partly due to the extension of visa fee waiver for foreign tourists and the recovery of world economy resulting in increasing number of tourists in almost all markets, especially as the number of Chinese tourists rebounded after the drop near the end of the previous year following the crackdown on illegal tours. Furthermore, the number of tourist arrivals from Russia grew enormously as a result of both low base and the recovery of Russia economy.

Private Consumption

grew at the rate similar to the previously, partly as a result of gradually returning buying power after its drop due to first-car buyer incentive scheme as well as the increasing of farmer income which expanded at a good rate in the first half of year following better growing productivity and increasing agricultural product price, especially para rubber. However, farmer income decreased in the latter excess, mainly as a result of price pressure from excess agricultural supply and farmers in several areas were affected by flood especially those in Northeastern and Southern. Furthermore, farmers were generally pressured by high household debt and the fact that the positive effects of economic recovery did not spread to the grassroot. Therefore, the government introduced measures to mitigate the effect, e.g. the welfare card scheme for low-income earners and tax break shopping scheme.

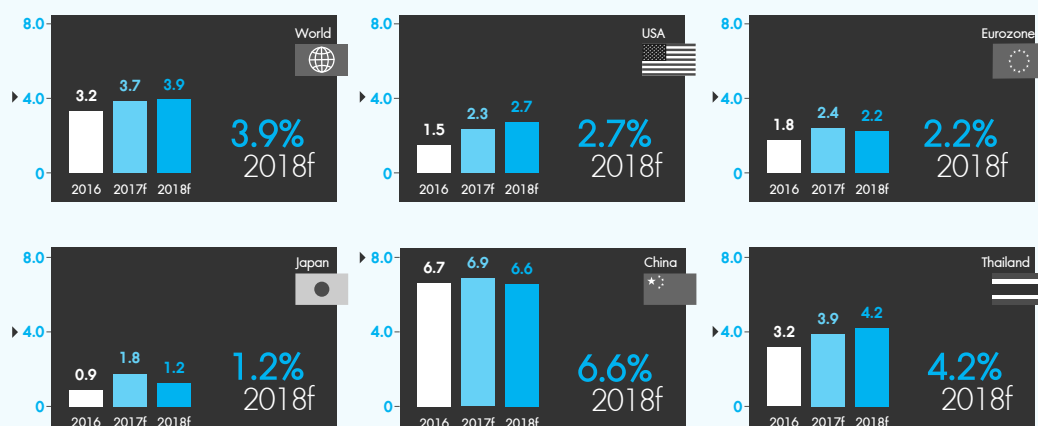
Private Investment

recovered slightly after the stagnation in the past 4 years. The recovery was largely due to the government's effort to stimulate investment, e.g. extending tax scheme to encourage domestic investment for another one year, approving mega projects to generate confidence among investors. Additionally, there was positive effect from improved status of Thailand in the eyes of foreigners as Thailand remained in Tier 2 Watch List of TIP Report for human trafficking; Thailand's status of intellectual regime was changed to WL category by the U.S. and Thailand's competitiveness was improved in IMD and WEF rankings. However, in overall, the expansion of private investment remained at low rate as most investors delayed investment until EEC Act becomes clearer and they were affected by Royal Decree on Managing the Work of Aliens.

Governments Spending

played a smaller role compared to the previous year. Government investment slowed down significantly because plans of many projects involving mega-projects investment were delayed and the ongoing investments are in early stage, hence small investment fund. Besides, government agencies were reluctant to invest until it became clear what the new Public Procurement Act would look like and there was severe flood in many areas which affecting budget disbursement. Nevertheless, current budget disbursement grew at similar rate compared to the previous year.

World and Major Countries' Economic Growth Rate



Source : IMF

f-forecasted by IMF (January 2018)

Thai economy forecasted by Business Risk and Macro Research Team, Krung Thai Bank Pcl.

Economic Outlook for 2018



World Economy

continue to expand
amid high
**GEOPOLITICAL
RISK**

IMF forecasted that World economy in 2018 would continue to expand at the rate of 3.9 percent which would be the highest rate in 7 years. Key economic countries will continue to grow, especially the U.S. economy where the large tax cut is expected to stimulate investment and raise wage and inflation. At the same time, Japan economy will recover as a result of significant expansion in export and Japan has a plan to encourage investment and employment using benefit from tax scheme. Furthermore, developing countries and emerging markets will grow further outstandingly as export will continue to expand at a good rate in alignment with the recovery of world economy and regional trade. Oil price will continue to rise, exerting positive effects on the price of commodity which is the main export and

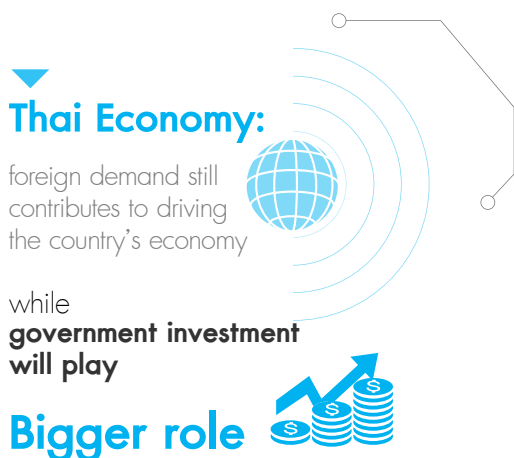
stimulating recovery of export to the Middle East. The government sector of many countries will invest in large projects and Chinese investment relating to One Belt One Road initiative will stimulate domestic demand in ASEAN countries. However, risk factors that may affect the recovery of world economy are as follows:

- Liquidity of world financial system may tighten as many countries are starting to withdraw monetary stimulus after overall economy strengthened. The first to take action is the U.S. - under the new Chair of the Board of Governors of the Federal Reserve System, will raise interest rate at least 3 times and will gradually normalize balance sheet continuing from the previous year. European Central Bank (ECB) will also retreat from QE. Furthermore, if overall interest rate is raised higher than the market expectation, it could cause money market fluctuations, especially in stock market where asset prices have been rising sharply since the end of the previous year.
- Political risk which continue from last year. Midterm elections in the U.S. of which result will depend on whether Republican favorability remains after the tax reform measure. In Europe, although the Euroceptic parties won the election in Italy, the problem from setting coalition government remain and at the same time, Spain will continue to be faced with internal conflicts as Catalonia has not given up

independence bid, reflecting that nationalism is starting to put pressure on the stability of the European Union. The second phase of Brexit negotiations regarding trade issues may not be smooth because there is a high chance that U.K. will be faced with EU's aggressive demands.

- **Geopolitical risk** issues such as vulnerability to terrorism in all parts of the world even in countries with strict security measures like the U.S. and European countries seem to arise. The risk worsens after the U.S. has recognized Jerusalem as Israel's capital city which has angered Muslim countries, the Iranian nuclear dispute, situation in Syria and in particular, the tension on the Korean peninsula.

- Each country's measures to protect its trade and industrial advantages, the U.S. in particular, may put pressure on world trade, especially in China and Asia.



Thai economy in 2018 will expanded at 4.2 percent. Export will still be the key driver as it will continue to grow at a good rate following continuous recovery of world economy and rising oil price despite the slowdown caused by high base. Another chief driver is tourism sector which is fully supported by the government sector, especially as a result of Thailand attracting high-income tourists and the government's support for medical tourism. With the lifting of Thailand's red flag by ICAO, indicating that Thailand has dealt with the problems of under-standard of aviation safety, Thai carriers will be able to secure new routes.

Furthermore, government spending will play more important role in driving economy this year due to the

attempt to disburse no less than 96 percent of the total budget and investment in mega projects under Action Plan 2016 and 2017 will enter the construction phase e.g. Thailand-China High Speed Railway Project of which the first phase has started; the Thailand-Japan High Speed Railway Project which will be pushed after the Thailand-China project and double-track railway projects where many routes have already been bid. Moreover, it is expected that the government will push forward EEC Act so that it is effective by the end of 1Q/2018 and will accelerate investment in the EEC area such as highspeed railway linking the 3 airports and double-track railway linking 3 major ports, which will encourage continuous recovery of private investment following last year pickup. Other positive factors are Thailand moving up 20 spots in World Bank's ease of doing business index and the decrease of overcapacity in certain industries following the expansion of export and the drop-in inventory.

However, it is expected that private consumption will remain pressured by both high household debt and farmers' low income. Despite having enough water for farming, higher agricultural output will keep the price low. Thailand's structural problem will prevent the grassroot to receive benefit from positive factors from export expansion, partly because the growing exports are goods that require less labor to manufacture. However, government schemes such as the second phase of assistance for low-income earners, tourism promotion in secondary tourist city as well as upcoming schemes in the future, may help growing grassroot economy.

Other risk factors which must be kept an eye on are the implementation of Works of Aliens Act, which may affect the majority of SME businesses that rely on labor; the delay of election which may destroy the confidence of investors; the continuous appreciation of Thai Baht which may not affect overall export but may affect SMEs as they are more sensitive because their exports have low bargaining power and low margin plus with their use of local material hence less effect from natural hedge while very few SMEs seems to use FX hedging tools.

Policy and Business Overview

1. Operation Overview

The Bank operates its business under the vision “Growing Together”, reflecting its attentiveness and emphasizing the importance of all related parties including employees, customers, society and shareholders. In 2017, the Bank executed the key strategic plans, focusing on improving and strengthening the Bank so that it could better respond to customers’ and shareholders’ needs as well as supporting government schemes, particularly the Thailand 4.0 Strategy and aspiration to create cashless society.

The Bank’s strategic plans and key operations in 2017 can be summarized as follows:

1) Profit Growth

The Bank highlights the importance of growing through high quality loans and its role as part of the government network, hence increasing the proportion of loans granted to the government and state enterprises. As at year end 2017, loans granted to this sector to support the government’s infrastructure projects and Thailand 4.0 scheme was Baht 129,623 million, an increase of Baht 48,110 million or 59.02 percent from 2016. Besides, the Bank has implemented measures to control non-performing loans (NPLs) and as at year end 2017, the Bank and its subsidiaries’ NPLs totaled to Baht 103,020 million or 4.19 percent of total loans, showing a slight increase from 3.97 percent as at year end 2016. Considering only the Bank’s financial statement, NPLs was Baht 98,637 million, which was within the expected level. Since the Bank has improved credit and debt collection processes, as a result; the default rate in first year exhibited a significant decrease. However, the Bank’s total NPLs remained high as the loans granted several years ago became NPLs, e.g. loans granted to a large corporate in agricultural and mining industry, loans granted to rice mills and cassava sector, both of which the Bank had set allowance for bad debt for the entire amount. The damage from these NPLs resulted in the Bank having lower-than-anticipated operating results.

Fee and service income continuously grew in 2017, increasing by 8.98 percent compared to the previous year, largely because of rising fee income in card business and

e-transactions, which expanded in alignment with economic development and encouragement from the National e-Payment and cashless society schemes, as well as new Bancassurance products and services designed for facilitating Thailand’s transition into digital society, e.g. Krungthai QR Code Payment. The Bank also united with the government in pushing forward the implementation of welfare card scheme for low-income earners.

Meanwhile, the Bank made an effort to manage the cost of capital efficiently; for instance, by continuously increasing CASA ratio as CASA have lower cost of capital. As a result, the ratio increased from 51.50 percent of total deposits in 2014 to 71.59 percent in 2017, hence the Bank was able to maintain net interest margin at the similar level to the previous year despite cutting the minimum retail rate (MMR) by 50 basis points on May 16, 2017 to help SMEs to minimize interest cost and boost up competitiveness, in alignment with the government’s SME supporting policy.

Moreover, the Bank controlled operational cost by employing effective expense control policy, resulting in gradually decreasing cost-to-income ratio, from 44.56 percent in 2014 to 40.11 percent in 2017.

2) Better Customer Experience

The Bank revised its service quality improvement plan. Previously, the plan concerned only 2 aspects; service channel and product. Adding 2 more aspects - classifying more refined market segments and fully understanding customer needs by creating customer journey map for each segment - will allow the Bank to develop and offer products and services that meet customer demands like never before. The Bank has implemented the method in major projects, e.g. welfare card scheme for low-income earners and “Paotung” - a QR code application, etc.

Besides, the Bank desired to transform branches to better respond to customer needs, both in terms of convenience and modernity. The first digital branch was launched at Central Plaza Nakhon Ratchasima Branch, where Digital Corner allows customers to browse through our products and services in electronic brochures. The customers can also scan QR code to access product

information on their smart devices, using the free WIFI provided at branch to facilitate them in conducting electronic transaction. The introduction of digital branch transformation will go hand in hand with the gradual reduction in the number of branches as many customers tend to use the Bank's services electronically and visit branches less frequently. However, the Bank is well aware that the majority of our customer base lies in regional and rural areas, where people will adopt digital technologies at a slower pace compared to customers in Bangkok and metropolitan areas. This will be taken into account when planning for reducing branch network to prevent overall customers from receiving negative impact.

As IT security is of crucial importance in the digital age, the Bank has devised cautious Business Continuity Plan and Service Level Agreement, elevating the importance of cyber security, so that convenient and secure services are provided to customers. In 2017, the Bank detected and resolved 100 percent of cyber attacks.

3) Taking Part in Driving the National Strategy and Provide Quality Services to the Society

The Bank was a key player in developing the government's e-Payment system, gearing the country toward cashless society and reducing operational costs by boosting the efficiency of payment infrastructure. Major operations in 2017 include:

(1) Expanding the coverage of e-Payment service as part of national e-Payment scheme. As at year end 2017, the Bank had 6.1 million registered PromptPay customers, almost triple 2.1 million customers at year end 2016. The Bank also provided G2C welfare fund transfer service and welfare card for low-income earners scheme alone bagged more than 11.6 million cardholders. Additionally, the Bank installed over 18,000 EDC terminals at Blue Flag shops nationwide as well as on buses and trains to facilitate people's spending and welfare card usage.

(2) Establishing over 100,000 "Paotung" QR Code payment points nationwide, focusing on retailers in community areas both in Bangkok and regional areas, especially in fresh markets, tourist attractions, educational institutes, temples and government agency payment points. This is in alignment with the government's strategy aiming at giving the grassroots more accessibility to financial services, which will reduce social inequality.

4) Creating Sustainable Business for Shareholders

The Bank places importance on fostering organizational culture which adheres to corporate governance principles, prioritizing transparency, fairness and zero tolerance because good organization culture is the foundation of sustainable business. The Bank signed an agreement with Moral Promotion Center (Public Organization) on December 6, 2017, with the aim to make the Bank a model moral organization through "Krungthai Moral" initiative. The Bank also announced strict implementation of "No Gift Policy" from New Year of 2018 onwards.

Furthermore, the Bank has prepared for the future, in particular the impact from the enforcement of International Financial Reporting Standard 9 (IFRS9) in 2019, by setting an additional Baht 11,404 million allowance for bad debt and doubtful accounts or an increase of 34.1 percent from that of 2016 to raise the Bank's NPL coverage ratio to above 110 percent and increase stability. As at year end 2017, the Bank and its subsidiaries NPL coverage ratio was 121.7 percent.

Apart from good corporate governance and careful risk management, the Bank needs a business model suitable for changing economic context to increase its long-term profitability. One of the trends with most impact on banking business is the digitization trend.

Overall Preparation for Digitization Trend

Krung Thai Bank has been constantly adapting to changes in the digital age. Examples are:

1) Applying Technologies to the Bank's Business

The Bank emphasized using technologies to increase efficiency and quality of products and services. Therefore, the Bank will accelerate its investment in IT to improve IT infrastructure and R&D ability to be comparable with peers. Technologies that the Bank is particularly interested in are as follows:

- **Data Analytics** is the in-depth analysis of big data in order to understand customer experience and needs, allowing the Bank to integrate digital services with lifestyle of customers. Furthermore, data analytics will help the Bank identify business opportunities such as cross-selling and improving debt collection process.

- **QR Code:** In 2017, the Bank launched "Paotung" application targeting at merchants who want to accept QR code payment. Over 100,000 QR

code payment accepting points were established nationwide. In addition, the Bank aims to further its business by providing e-Wallet service for individuals, also using the QR code technology, under the product name "Paotang" in early 2018.

- **Biometrics:** Together with the Ministry of Finance and Omise Co., Ltd., the Bank piloted payment service for food and drinks via FacePay, a facial recognition technology, at the Ministry of Finance's canteen and recreation center in September 2017 to test biometrics identity verification system and prepare to use the technology with wider range of the Bank's products and services in 2018.

2) Restructuring Organization and Preparing Employees for Digitization Trend

The Bank established 4 new departments to be in charge of creating innovations and developing business model and technologies to cater customer needs in the digital age. The new departments are (1) Business Innovation (2) Data Innovation (3) IT Innovation and (4) Process Innovation and the establishment will assign the role of key drivers to the new departments and allow the Bank to have better agility.

In addition, the Bank has improved branch and review the appropriate number of branches for the digital age. The first digital branch was launched at Central Plaza Nakhon Ratchasima and it is expected that the number of branches will gradually lower due to changes in customer behavior. Nevertheless, it is forecasted that the Bank's branch reduction rate will be slower than most of the peers as the majority of the Bank's customers are in regional and rural areas where people tend to have slower digital adoption rate compared to customers in big cities.

The Bank has constantly provided training to employees in order to develop skills required for working in the digital age, focusing on agility, ability to generate services to customers anytime and anywhere and a good grasp of the difference in demands of each market segment. The training includes both up-skilling and re-skilling, as well as developing skills that will acknowledge employees to protect customers from increasing frauds that accompany the digital age, e.g. giving explicit instruction that the employees must be extra careful when opening an account by exercising more caution and verifying customer identity by strictly following the work manual to prevent identity theft, etc.

The Bank's determination to operate in alignment with the strategy led to the operating results of the Bank and its subsidiaries before setting allowance for bad debt and doubtful accounts being within the expected level. In 2017, the operating profit of the Bank and its subsidiaries was Baht 73,741 million, similar to that of 2016 at Baht 74,057 million, and the bank also won several awards from institutions both in Thailand and overseas, reflecting the quality of service and operation that meets international standards. As for bad debt issue which affected the Bank performance in 2017, the Bank has been exercising more caution in granting loans, resulting in the apparent lowered first year default rate. Therefore, it is expected that the overall quality of loan will improve and the Bank will accomplish its mission to enhance the organization's capacity, provide high-quality services to customers, contribute to social and economic development and produce sustainable yields to shareholders.

2. Brief History and Key Developments

The Bank was incorporated on March 14, 1966 through a merger between Mondhon Bank Limited and the Agricultural Bank Limited, with the Ministry of Finance acting as its major shareholder. In June 1989, the Bank became the first state enterprise to list its share in the Stock Exchange of Thailand and started trading from August 2, 1989 onwards. The Bank registered its transformation to public limited company on March 24, 1994 under the name "Krung Thai Bank Pcl.", abbreviated to KTB, and the registration no. PCL 335 (which has been changed to 0107537000882).

The bank accepted the transfer of assets and liabilities of Sayam Bank Limited in August 1987 and of the First Bangkok City Bank Pcl. in November 1998 for further management.

In September 2002, the Extraordinary General Meeting of Shareholders approved the reduction of its registered capital to decrease the accumulated loss through reduction of par value from formerly Baht 10 to Baht 5.15 per share.

In October 2003, as the Financial Institutions Development Fund (FIDF) had the policy to reduce its share holding in the Bank, the Bank then made a public offering of 3,450 shares held by FIDF at baht 8.50 per share. After the public offering, FIDF held 56.4 percent of the Bank's total paid up shares at the time.

In October 2012, the Bank increased its capital fund by issuing rights offerings of 2,796.31 million ordinary shares with par value at Baht 12.60 per share to the existing shareholders, in pro rata proportion to the existing holdings of both ordinary shares and preferred shares of each shareholder. After such capital increasing, FIDF still retained its status as the major shareholding of the bank accounting for 55.05 percent of the Bank's total shares as at December 31, 2012.

3. Shareholding Structure in the Conglomerate

The Bank invest in financial conglomerate companies under consolidated supervision guidance and in compliance with the Bank of Thailand to ensure the financial conglomerate's stability, appropriate operation and prevention of any risk arisen from the operation of companies within the financial conglomerate. The financial conglomerate companies can be divided into Subsidiary and Associate groups to support the bank's core business and create business cooperation.

- **Subsidiary Group** refers to the financial conglomerate companies in which the Bank holds more than 50 percent shares both directly and indirectly. These companies support the Bank's business and are as important as one of the Bank's own business unit, focusing on providing services to the Bank or serving as a channel in providing full-range financial services. This group comprises of:

- 1) **Krung Thai Asset Management Pcl. (KTAM)** conducts the securities business relating to funds management and other businesses with the license granting from the Securities and Exchange Commission.

- 2) **KTB Leasing Co., Ltd.** provides services in the hire-purchase and leasing for all types of movable assets, factoring business and leasing of consumer products. (The Bank is currently considering reorganizing the company).

- 3) **KTB Computer Services Co., Ltd.** offers information technology (IT) services and advisory services for the development and enhancement of computer systems. The company mainly serves internal business units and the companies within the financial conglomerate.

- 4) **KTB Law Co., Ltd.** renders general business services mainly to the Bank and companies

within its financial conglomerate.

- 5) **KTB General Services and Security Co., Ltd.** (formerly KTB General Services Co., Ltd.) renders general business services to the Bank and companies within its conglomerate in the areas of premise management; transportation of assets, financial instruments and documents; debt collection; security services; document printing; automatic folding, inserting and sealing and mailing envelopes; and transportation of cash and documents for other financial institutions as permitted by the Bank of Thailand.

- 6) **KTB Advisory Co., Ltd.** provides financial advisory services to customer in the public and private sectors, including the Bank's business clients.

- **Associate Group** refers to the financial conglomerate companies in which the Bank holds 20-50 percent shares both directly and indirectly. The Bank jointly invests with business alliance in order to create strategic benefits to the Bank, especially in developing financial products that meet diverse customer needs. This group of company comprises of:

- 1) **Krungthai Card Pcl.⁽¹⁾** operates credit card business and other types of cards as well as offering personal loans.

- 2) **Krungthai-AXA Life Insurance Pcl.** operates life insurance services.

- 3) **Krungthai Panich Insurance Pcl.** offers all types of non-life insurance services.

- 4) **Krung Thai IBJ Leasing Co., Ltd.** conducts leasing of machinery and equipment of all types, hire purchase of movable property, factoring business and car rental for operations.

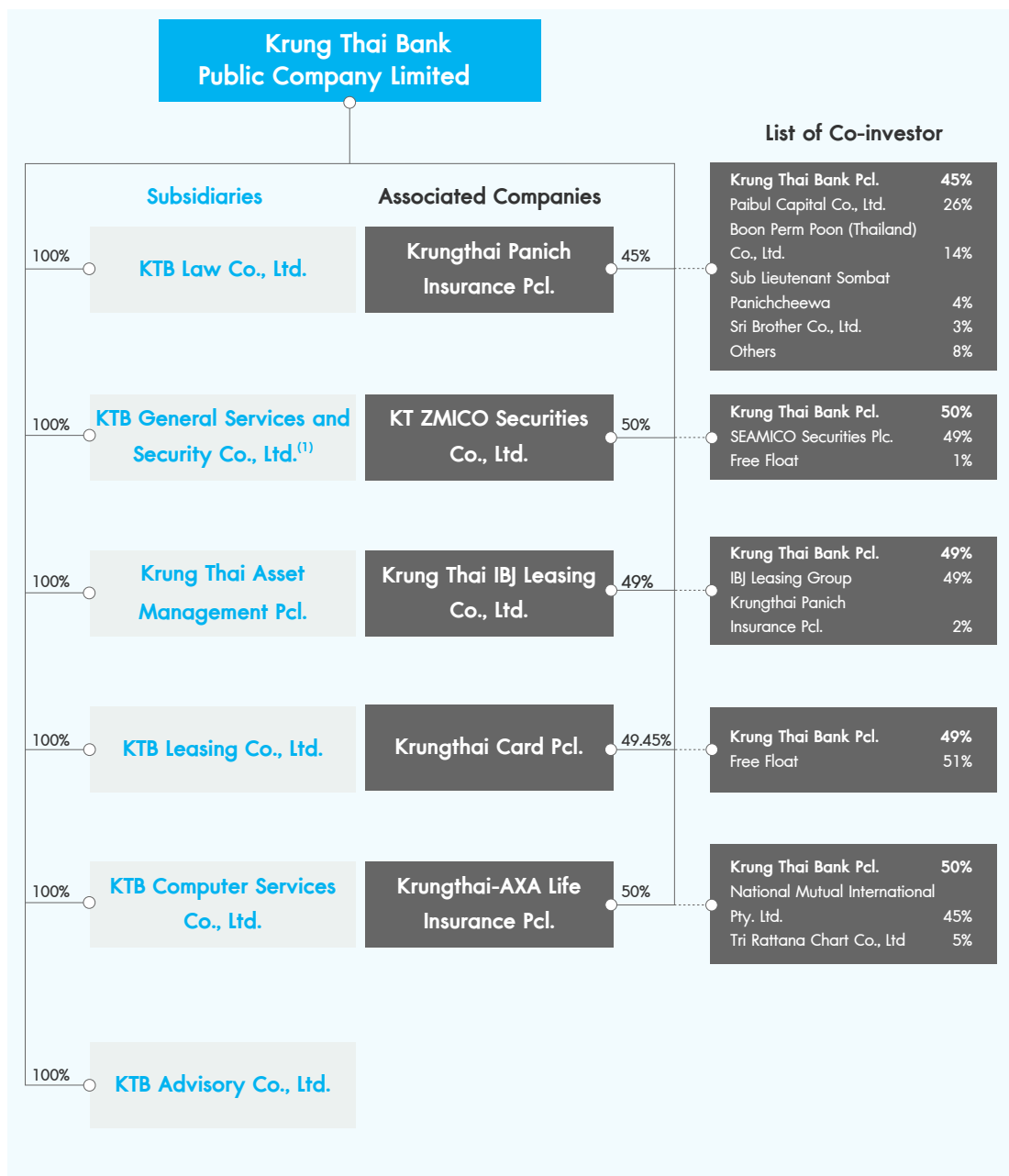
- 5) **KT ZMICO Securities Co., Ltd.** is a joint-venture between the Bank and SEAMICO Group. It is a brokerage firm conducting securities trading business, securities underwriting, financial advisory service and other businesses permitted by the Securities and Exchange Commission.

- **Other Companies Group** refers to companies in which the Bank invests, excluding the abovementioned financial conglomerate companies. The details are shown in General Information and Other Major Information on pages 274-278.

(1) The Bank's financial statements included Krungthai Card Pcl. in the subsidiary group by considering the control over the company according to TFRS10.

Shareholding Structure in Financial Conglomerate

As at December 31, 2017



(1) formerly KTB General Services Co., Ltd.

Business Operation

049

Krung
Thai
Bank
Pcl.

1. Income Structure

Unit : Million Baht

	2017		2016 (Restated)		2015	
	Amount	%	Amount	%	Amount	%
Interbank and money market items	10,420	8.46	11,213	8.99	12,092	10.37
Investment and trading transactions	281	0.23	137	0.11	319	0.27
Investment in debt	3,750	3.05	4,585	3.68	4,963	4.26
Loans	106,186	86.22	110,298	88.46	111,438	95.57
Hire-purchase and finance lease	1,808	1.47	2,957	2.37	3,679	3.15
Others	62	0.05	40	0.03	34	0.03
Total interest income	122,507	99.49	129,230	103.64	132,525	113.65
Deposits	20,142	16.36	24,770	19.86	33,762	28.95
Interbank and money market items	2,900	2.36	3,053	2.45	2,579	2.21
Contributions to BoT and Deposit Protection Agency	9,372	7.61	9,658	7.75	10,057	8.63
Debt issued	4,239	3.44	4,727	3.79	5,214	4.47
Borrowings	26	0.02	29	0.02	27	0.02
Others	50	0.04	27	0.02	18	0.02
Total interest expenses	36,729	29.83	42,264	33.89	51,657	44.30
Net interest Income	85,778	69.66	86,966	69.75	80,868	69.35
Fees and service Income	28,638	23.26	25,931	20.80	24,224	20.77
Fees and service Expenses	4,617	3.75	3,889	3.12	2,881	2.47
Net fees and service Income	24,021	19.51	22,042	17.68	21,343	18.30
Gains on Trading and Foreign Exchange Transactions, net	4,317	3.51	6,827	5.47	6,701	5.75
Gains on Investments, net	929	0.75	694	0.55	648	0.56
Share of Profit from Investments for Using Equity Method	2,264	1.84	3,104	2.49	3,038	2.60
Dividend Income	415	0.34	482	0.39	408	0.35
Revenues from Litigation compensation	1,636	1.33	0	0	0	0
Other Operating Income	3,777	3.07	4,573	3.67	3,601	3.09
Total Non-Interest Income	37,359	30.34	37,722	30.25	35,739	30.65
Total Operating Income	123,137	100.00	124,688	100.00	116,607	100.00

Note : The Bank restated the 2016 financial statements audited by the auditor in order to be comparable with the 2017 financial statements and its notes.
However, financial statements for the year 2013 - 2015 were not restated.

2. Products and Services

The Bank provided a wide range of financial products and services, divided into loan and non-loan types and including the subsidiaries products and services contributing to customers through the Bank in order to accurately serve customer's need as the following details:

2.1 Loan Products

- **Personal Loans** are divided into two groups: 1) **Housing loans and Home for Cash**: in 2017, the Bank collaborated with government sector to support people to have their own houses, especially low-to-medium income earners by means of decreasing interest rate of the first-five-year by 0.25%. Moreover, the Bank helped housing loan customers who are flood victims by means of decreasing interest rate to be 0% and exempting them from installment payments for 3 months in order to alleviate their suffering. 2) **Personal Loan**, for example Krungthai Thanawat revolving loan; Multi-Purpose Loan; Loan for local and international studies; KTB Home Easy Cash (previously named KTB Care for You loan) which the borrower is required to provide only collateral and no KTB payroll; Super Easy loan which is a loan without collateral and KTB payroll required. The product is eligible for both customer with salary

segment and self-employment segment. Moreover, the Bank also provided "Krung Thai Loan Give 5 for KTB Payroll" which is offered to the private organization's employees whose payrolls are paid via KTB account, but the organization did not have MOU with the Bank. The offer comprises of 5 Plus Multipurpose Loan which is term loan and KTB Thanawat 5 Plus Loan which is revolving loan.

- **Small Business Loans** for retail customers with total sale volume of not over Baht 100 million per year and the credit line in total of not over Baht 20 million (sSME): the Bank offered small business entrepreneurs to easily access the source of fund as well as have low-cost capital. Besides loan products that satisfied financing needs of customers in each business, during the year the Bank had loan projects and products developed especially for sSME group: collaborative project between Krung Thai Bank and Thai Credit Guarantee Corporation (TCG) through providing loan guarantee to sSME entrepreneurs, loan project for CLMV to handle business expansion, KTB SMEs single account loan to boost preparing financial statements that reflect operating results and financial assistance in the three southernmost provinces scheme.



- **Medium Enterprises Loans** for customers with total credit line of over Baht 20 million but not over Baht 500 million via the Bank's Business Centers nationwide. The Bank provided loans that suitably fulfilled customers' need in line with their business type, covering various sectors, namely manufacturing, service, wholesale/ retail selling, agriculture, import and export. The Bank also provided training courses and seminars that are advantage for SMEs, for example "SMEs Genius Exporter program: Market Penetration in CLMV countries" by cooperating with New Economy Academy (NEA), Ministry of Commerce in order to prepare readiness for SMEs to export their products to target foreign countries, particularly CLMV countries and the SMEs single account project to support sSME in managing their financial statements that reflect operating results. With this regard, the Bank offers credit limit at special interest rates to be used as working capital and for business improvement and expansion. Moreover, the Bank cooperated with Thai Credit Guarantee Corporation (TCG) through providing loan guarantee to sSME.

- **Corporate Loans** are divided into two groups: 1) A group of corporate customers having sales of over Baht 1,000 million and credit line of over Baht 500 million. Credit and financial service shall be offered

to the customer depending on different types of business which are agricultural business, construction and property development business, service business and industrial business. 2) A group of mega-corporate customers which are the companies listed on the SET100, multinational companies and customers needing complicated credit and financial service, for instance project finance and loan syndication. Over the past year, the Bank offered a variety of financial products responding to the customers' needs for their business expansion in both domestic and overseas countries, especially AEC member countries. The Bank also focused on supporting customers who participated in government-initiated mega projects in a manner of the public private partnerships (PPP) with the intention to respond public sector's policy and strategies to strengthen competitiveness of the country and enrich better quality of lives.

- **Government and State Enterprise Loans** provided for government agencies and employee of state agencies and state enterprises that form one of the large customer base of the Bank, are summarized as follows:

- 1) Loan directly granted to the government agencies and state enterprise



2) Loan coordinated with respective government agencies, for instance loan for improvement of Provincial Administrative Organization (PAO), loan for government pawnshop, loan for environmental project which collaborated with Ministry of Natural Resources and Environment.

- **Financial Institution Loans** provided for financial institutions: this service was a part of interbank and money market items. Major group of customers include offshore financial institutions, branches and subsidiaries of offshore financial institutions conducting business in Thailand including domestic financial institutions, specialized financial institutions, securities business, asset management companies, insurance and leasing business. Business analysis, risk assessment are done to set risk limits to accommodate relevant transactions as well as setting credit lines to financial institution customers, monitoring their transactions to ensure that they are within the risk framework acceptable to the Bank.

- **Overseas Branches Loans** offered to Thai government agencies, Thai entrepreneurs and foreign capital in both government and private sectors through overseas branches and representative office. The provided services are commercial loan, project finance and trade finance. For Loan offered in 2017, the Bank emphasized businesses that invest in neighboring countries having good operating results or in governmental projects having stable income in order to accommodate the AEC.

2.2 Non-Loan Product and Services

- **International Funds Transfer Service** offered to the various groups of customers, including international business, tourism business, education, Thai labors working aboard, foreigners residing or working in Thailand as well as the government agencies. The service are divided into 2 aspects as follows:

1. **International Transfer** consists of 1) **Inward Remittance**: the Bank provides fund transfer to the account of customer or beneficiary in Thailand. After receiving order from correspondent bank or the Bank's overseas branch, the customer will get the money right away by Straight Through Process (STP) or the money is transferred to his/her account at the end of a working day and the notification of money transfer will be sent to customer's email by Pre-advice service. 2) **Outward**





Remittance: the Bank transferred fund to overseas according to the customer's order (transferor) via SWIFT to correspondent bank or beneficiary in overseas. The Bank also offered special exchange rate for fund transfer amounting over USD 10,000 and other 151-currency fund transfer service to overseas. The Bank's outward remittance is well accepted and trusted, reflecting through the Straight-Through Processing (STP) Award from the leading banks oversea — Well Fargo and the Bank of New York.

2. **Express fund transfer via Western Union system** refers to the service of receiving and sending only small amount of money for individual-to-individual transfer. The service is available at counter's branches, ATMs, KTB netbank and currency exchange point with Western Union logo nationwide. In this regard, the Bank received Outbound Transaction Growth Star Award 2017 from Western Union Holdings, Inc. because the Bank's was the provider service representative of Western Union of which the number of sending money achieved the strongest growth in 2017.

- **International Trade Service** is provided for importers and exporters with products and services relating to import and export as well as issue the international letter of guarantee (L/G) and advisory services on preparation of international trade documents, domestic product trade, applicable laws and regulations, foreign exchange and possible risk that may arise. In rendering such services, the Bank has in place world-class cutting-edge IT system with quality assurance under Service Level Agreement (SLA). The Bank uses hub-spoke architecture completely in providing services to customers in order to enhance service capability and full-fledged service through KTB Trade Online system to reach customers most quickly and efficiently. Due to emphasis on IT security, the Bank was attained ISO/IEC 27001 : 2013 for Trade Finance System (TFS) and KTB Trade Online.

- **Foreign Currency Exchange Service** is available at branches and exchange booths nationwide. The Bank uses technology to facilitate services such as ID card reader and document scanner to shorten service period. Moreover, the Bank provides foreign banknotes ordering through KTB netbank. For further convenience, the Bank enhance more channel for customers to pay

for currency exchange through KTC credit card of which grace period is 45 days and able to check service branches on the Bank's website. Moreover, foreign currency deposit account is available up to 11 currencies, suitable for importer/exporter or the customer who have to pay or receive money in foreign currencies. It can be used to facilitate foreign currency management and minimize risk over exchange rate fluctuation.

- **Financial management service:** the Bank has offered convenience to full-fledged financial management service covering repayment, collection, liquidity management, data management, guarantee and financial advisory to the customers in government agencies, state enterprises, corporate business, financial institutions, SMEs and individual through branches and electronic channels. In 2017, more products and financial management services are provided as follows:

- **Cross Bank Bill Payment Scheme:** Customers can pay bills through the Bank's all service channels supporting the QR code and Barcode system.

- **E-Withholding Tax (e-WHT) Scheme:** Krung Thai Bank is the first agent that operates as the representative for collecting withholding tax from customers and submits it to the Revenue Department through electronic system.

- **Online Payment for Traffic Ticket Fine scheme:** The scheme was implemented for the Royal Thai Police to facilitate traffic violators to pay fine, reduce time in making documents of the police and follow National e-Payment policy of government sector.

In 2017, besides e-traffic tickets, the violators also can pay for warning ticket and traffic ticket.

- **Registration for the State's Welfare Scheme:** The Bank supported government in creating database and sending state welfare card to low-income earners who registered with the Bank and transfer welfare money through PromptPay system.

- **PromptPay scheme** for personal customers and juristic persons

- **PromptPay for Electronic Bulk Credit Transfer scheme:** PromptPay is expanded to business sector. It lowers cost for customers in making interbank transfer, increases flexibility in business and makes them confident because transactions can be checked.

- **Refund Personal Income Tax via PromptPay Account scheme:** Krung Thai Bank is the first and only bank that provides refund of personal income tax via PromptPay account for the Revenue Department.

- **Supply Chain Financing** is cash management that facilitates financial transactions between buyer and supplier through the Bank's electronic channel to enhance the efficiency and lower business cost to the entrepreneurs that link their counterparties in supply chain together. Supply chain financing service is divided into 2 types:

- 1) **Supplier Finance:** Short-term loans that optimize working capital for both the seller/supplier that sells products and services to sponsor. The products are loan for herdsman and loan for electronic



Registration for the State's Welfare Scheme

appliances dealer of large companies.

2) **Distributor Finance:** Short-term loans that optimize working capital for the buyer or the distributor of sponsor. The products are loan for distributor of large companies, long-term loan for developing and constructing petrol station and long-term loan for investment in ready mixed concrete.

- **Global Markets Products** for corporate businesses, SMEs, government agencies and state enterprises, and Ultra High Net Worth (UHNW). The Bank has in place client suitability analysis prior to offering financial derivatives complying with BOT regulations to ensure that the derivative transactions offered to customers match with customer need. The Bank also encourages the customers to have knowledge and understand about banking transactions and related risks. Products and services consists of currency exchange in and forward markets, Government and corporate bond, financial derivatives for hedging the risk of currency exchange and short and long-term interest, for instance, currency option, interest rate swap (IRS), cross currency interest rate swap (CIRS), interest rate option, structured products and suitable financial advisory service to each customer. Furthermore, the Bank presented commodity hedging product to customers doing business related to commodity prices and increased the number of KTB eFx service channels to enhance efficiency in hedging exchange rate risk for customers. As the leader in innovative products and services in global markets, the Bank won many awards last year, for example the winner of Best FX Corporate Award 2017, Thailand in the category of Best USD/THB FX Bank from Thomson Reuters and the winner of the Asset Awards due to the success in capital mobilization by issuing and offering SINGHA Convertible Bond and PDMO Largest Bond Switching in line with the organizations' needs and current market.

- **Investment Banking Business Service** refers to arranging and underwriting of debt instruments, Infrastructure Fund and trust for investing in properties for private sector customers and government agencies wishing to raise funds through issuance of debt instrument, Infrastructure Fund and trust for investing in properties. The Bank acts as intermediary between those needing capital and investors wishing to invest. In this connection, the Bank may propose to be the sole underwriter or

arranger in finding other financial institutions to join in so as to achieve the issuer's objective being a private placement or public offering through the Bank's branch network. Furthermore, the Bank renders financial advisory services namely, advisor for Infrastructure Fund and trust for investing in properties, financial structuring to add value to the business, capital funding, credit rating as well as introduction of work plan suitable to economic and business environment. Key activities in 2017 were being an underwriter who sells private sector's reliable debenture covering short-term and long-term debenture to issuers that are domestic and foreign companies, for example debentures of Berli Jucker Cellox Co., Ltd., CPF (Thailand) Pcl., Charoen Pokphand Foods Pcl., CP All Pcl., CH. Karnchang Pcl., Siam Cement Pcl., Krung Thai Card Pcl., True Move H Universal Communication Co., Ltd, Thai Union Group Pcl., Toyota Leasing (Thailand) Co., Ltd., Central Plaza Hotel Pcl., Advance Wireless Network Co., Ltd., the bonds of the Ministry of Finance of The Lao People's Democratic Republic, USD debenture of EDL-Generation Pcl.. The Bank also performed as an underwriter, who distributed GLAND Office Leasehold Real Estate Investment Trust (GLANDRT) worth Baht 5,998 million and had great success in distribution. In this regard, the Bank received Best Equity-Linked from The Asset Triple A Country Awards 2017. The Bank was also placed the trust in arranging and underwriting of bond switching and being bond dealer of government sectors, namely Bank for Agriculture and Agricultural Cooperatives bond, Bangkok Mass Transit Authority bond and State Railway of Thailand bond.

- **Deposits:** The Bank provides a variety of deposits, i.e. savings, current and fixed deposit, to customers comprising individuals, juristic entities, government agencies and financial institutions through branches and respective channels. In 2017, the Bank offered a wide choice of deposits and interest rates for customers: Tam Jai Fixed Deposit, day-term fixed deposit with the duration of 7 - 365 days and its due date can be selected, depending on customer's need or cash flow. Additionally, the Bank provided deposits for special occasion: 14-month KTB Birthday fixed deposit to celebrate the Bank's establishment day, and other special savings deposits: KTB Kid Savings for not over 15-year-old youth in order to encourage them to realize about saving;

KTB PromptPay Savings for the customers who have Krungthai PromptPay account and KTB ZERO TAX MAX which is 24-month, 36-month or 48-month tax-free fixed deposit in order to encourage people to have discipline for saving.

- **Funds:** The Bank cooperated with Krung Thai Asset Management Pcl. (KTAM) to provide mutual funds, private funds, provident funds, infrastructure funds and property funds. Mutual funds consist of several types of investment, for example domestic and foreign fixed income funds, stock funds, balanced funds (stock-bond), and foreign investment funds such as Feeder Fund and ETF.

- **Life and Non-Life Insurance:** The Bank renders life insurance and non-life insurance business through its three affiliates, namely Krungthai-AXA Life Insurance Pcl. offering life insurance products; Krungthai Panich Insurance Pcl. and Dhipaya Insurance Pcl. offering nonlife insurance. The Bank provides the products through various channels such as branches, business centers, business units in Corporate Banking Group, Government & State Enterprise Relations Group.

- **Credit Card and Personal Loan:** Key products and projects of Krungthai Cards Pcl. are credit cards, personal loans under the name "KTC Cash and KTC PROUD", Home Loan Payment Project for increasing options in paying installment to Krung Thai Bank via KTC credit card, the application of credit card having deposits

as a collateral, rendering EDC service to any stores, including QR code payment system via Alipay. These products and promotions are introduced to the Bank's customer base by nationwide branches.

- **Hire Purchase and Leasing Services:**

The services are provided for customers in business group, particularly industry and construction group and SME group through Krung Thai IBJ Leasing Co., Ltd., which has large database of prime cooperate customers.

- **Securities Brokerage Service:** KT ZMICO securities Co., Ltd. operates securities business. It offers securities brokerage, futures agent/dealer, borrowing and lending (principal and agent), investment in securities and trading securities, selling securities, financial advisory services, buying and selling foreign securities, issuing and trading derivative warrant and derivatives, investment advisory services and mutual fund agency services, including private fund management.

- **Wealth Management Service:** The Bank offers specialty to Precious and KTB Precious Plus customers, covering services both in finance and lifestyles: For financial investment, there are investment advisory teams available at branches to provide KTB Precious customer services and at area offices to provide KTB Precious Plus customer services. The teams cooperate with wealth managers at the head office who have knowledge, expertise, advices and professional investment plans. For privilege lifestyles, the Bank's



customers are offered various privileges responding to their lifestyles, for example the superior VIP service offered at over 700 special lounges worldwide and exclusive experience with special activities in various forms.

- **Electronic Service:** The Bank provides fast, safety and convenient transaction channels as follows:

1) **“Paotung” and “Paotang” application** “Paotung” is an application for the merchant that provide QR code payment from internet banking of all banks in accordance with standard of the Bank of Thailand. It facilitates the merchant to manage their earnings more easily, conveniently and safety. Its main specifications are that the amount is transferred to the merchant’s account immediately, without wasting time to receive money or give the change and notification is given immediately when receiving money. The merchant can check their balance, date and time of transfer, including name of transferor. In addition, its distinguished specifications are that the merchant can view summary of sales and a list of transactions every day, generate QR code, which would specify the amount to be paid or not specify the amount, by themselves through the application. This application can be used by more than one smart phone or tablet. Furthermore, the Bank introduced the application “Paotung Plus” for the owner who has many shops or branches. The owner or manager can view summary of sales and total of transactions of each shop or branch daily or past transactions. Its outstanding function is the customer can transfer management expenses from revenue of each shop to the owner or manager account automatically. In this regard, Krung Thai Bank is the first and only bank that provides this service.

2) **Internet Banking Service:** The Bank provides financial services via the Bank’s internet banking networks and electrical tools namely, computer, tablet, smart phone and mobile phone supporting internet banking service function. The customer can access the service via web browser <https://www.ktbnbank.com>, <https://www.ktb.co.th> and application on the mobile phone. Apart from making transaction by themselves, the customers can talk to the Net Officer via VDO Call service. However, the Bank has developed its services to be miscellaneous and to accommodate customers widely. The services are such as foreign banknotes



ordering, pre-purchasing - booking lottery tickets (First come first serve), PromptPay registration, credit information checking with the National Credit Bureau (NCB) and products and services payment via QR code system, including QR code generating to receive money by oneself, etc.

3) **ATM/ADM and Update Passbook Machines** 24 hours a day provide customers the services of withdraw, deposit, Top Up the KTB E-Money Card/ Easy Pass card, cash withdraw by using E -Cheque without card, deposit to account of other banks, registering to use services of KTB Online, SMS Alert, direct debit, checking of credit information, and mini statement. Moreover, the Bank offers special services including the currency exchange service for foreign card holders and pre-purchasing - booking lottery tickets service, PromptPay registration and traffic ticket payment service. However, the Bank’s ATMs can receive cards displaying the sign of Plus, Cirrus, Union Pay, JCB, American Express, Diner’s Club, APN (Asian Payment Network) and other Non-Bank cards as well as are provided many languages in conducting transaction, for instance Thai, English, Chinese, Japanese and Myanmar. Besides, the Bank has Virtual Teller Machine (VTM) which offers the service to the customers as if they were at the branch in form of One-Stop-Service. The customers can make any transaction by themselves through video banking system which the officers have been provided to accommodate during making any transactions. However, customer identification shall be verified through the machine from the chip on smart card. Presently, VTMs are available at 2 locations, namely Siam Paragon and Central Ladprao.

4) Krungthai Telebank “+662 111-1111”

is 24/7 financial service through landline telephone, mobile phone or fax. Examples of the services are cancelling card via automatic system, cancelling passbook, the account balance check, money transfer, bill payment, cheque services, requiring documents via Fax, SMS, E-mail and inquiring the Bank information for example, interest rate, exchange rate and other additional services including SMS Alert, and Verified by Visa.

3. Market and Competition

3.1 Overview of Banking Business in 2017

In general, the overall operating results of commercial banks picked up in 2017 in alignment with the recovery of world and Thailand economy which rendered positive impact on businesses relating to export and tourism. However, some areas of financial results were pressured by debt quality issue as the investment of government and private sectors expanded at lower-than-expected rate and the economic recovery did not spread to all sectors; in particular SMEs and the grassroots were pressured by high household debt and low agricultural product prices in the second half of the year. Adding to the challenges of commercial banks were National e-Payment and cashless society schemes, urging commercial banks to adjust their business models, prepare to become a digital bank and comply with regulations and government rules, especially the new rules governing credit cards and personal loans which put pressure on retail credit expansion and Basel III, as well as the new IFRS9 standard, which affect provision and capital fund of commercial banks. Financial results can be summarized as follows:

- **Loans** (after deducting deferred revenue) grew by 4.62 percent, an acceleration from 2.40 percent in the previous year as a result of overall economic recovery.
- **Deposits** increased by 6.27 percent, up from 1.87 in the previous year, largely due to the growth in current account savings account (CASA) deposits as a result of the Bank's liquidity and cost management plan.

- **Net Interest Margin (NIM)** slightly dropped from 2.88 percent in the previous year to 2.83 percent, partly due to the cut in loan interest rate for SMEs and retail customers to help customers in the middle of 2017. However, commercial banks managed cost of capital quite well, especially by increasing CASA ratio which compensated for the loan interest rate cut.

- **Net non-interest income** increased by 2.93 percent after decreasing by 1.39 percent in the previous year because of the acceleration of growth in net fee and service income and net profit from investment which compensated from the drop in net profit from trading transaction and foreign exchange as well as income from other operations.

- **Net NPLs** rose by 12.59 percent, a slight increase from 13.32 percent in the previous year, while Net NPLs/Loan ratio was 1.46 percent, faintly higher than 1.41 percent in the previous year because the economic recovery did not spread to all sectors, hence some customer sectors were still weak.

- **Coverage ratio** increased to 136.70 percent from 134.06 percent in the previous year due to allowance for and conservatism principle to prepare for potential risks in the future.

- **Net Profit** fell by 7.23 percent after it increased at 4.06 percent in the previous year. This was largely due to 18.11 percent increase in allowance for bad debt and doubtful accounts resulting in ROE decreasing to 8.93 percent and ROA to 1.06 percent, compared to 10.31 and 1.18 percent in 2016 respectively.

- **Capital funds** continued to grow by 4.48 percent as a result of issuing subordinated bond and capital increase by some commercial banks, resulting in total capital ratio increasing to 17.95 percent from 17.77 percent in the previous year and Tier 1 Ratio increasing to 15.07 percent from 14.48 percent in the previous year, which was high above the minimum capital requirement at 9.75 and 7.25 percent respectively.



3.2 Competition in 2017

In 2017, commercials were challenged by high competition from other banks as well as the emergence of non-bank financial institutions in banking scene, especially in payment service. Therefore, commercial banks revised their strategies to enhance ability to compete and to become a digital bank by reducing number of branches by 232 branches and introducing technologies such as Artificial Intelligence (AI), Blockchain, QR Code and Big Data Analytics into work process improvement, financial service and product development along with enhancement of the efficiency of customer need fulfillment in the aspects of product, convenience and security. This was partly reflected by the number of projects requested to be tested in Bank of Thailand's regulatory sandbox including international fund transfer efficiency enhancement with Blockchain technology, biometrics identity verification using fingerprint and iris scanning, etc. Furthermore, some commercial banks founded subsidiaries to be specifically in charge of Big Data Analytics in a form of joint venture with Fintech. Besides, commercials have reformatted and modernized their branches and service points, introducing more features to mobile banking and actively launched numerous campaigns to attract both individual and juristic person to register as PromptPay customers then installed EDC terminals to accommodate fast-expanding electronic services under the National e-Payment scheme. In addition, the Bank has prepared to win new customers for QR code payment service and, together with partner organizations, to prepare for e-Wallet integration between non-bank service providers

and commercial bank's PromptPay system. As for loans, campaigns were launched to stimulate retail loan growth, especially housing loan refinancing and business loans related to export. The bank also invested and bid for government projects to support expanding economic.

3.3 An Outlook for Banking Business and Competition in 2018

In 2018, it is forecasted that overall operating results of commercial banks will pick up and capital fund, allowance for doubtful accounts and liquidity coverage ratio will remain higher than BOT's requirements, reflecting good financial status. Thailand economic recovery - government's investment in infrastructure, business expansion to support the opportunities arisen from Eastern Economic Corridor (ECC) initiative, digital economy and Thailand 4.0 scheme - will support higher growth compared to the previous year. Furthermore, BOT granting permission for commercial banks to offer e-Marketplace platforms will allow commercial banks to expand their banking business and coverage of customer journey map. As for Net Interest Margin (NIM), it is likely to remain stable compared to that of year end 2017 as Thailand's policy rate will continue to be low for some time. The increase of NPLs is expected to slow down following positive development of economy and the commercial banks' conservative risk management. However, commercial banks will have the duty to set rather high allowance for bad debt and doubtful accounts as a result of their preparation to employ IFRS9 in the beginning of 2019.

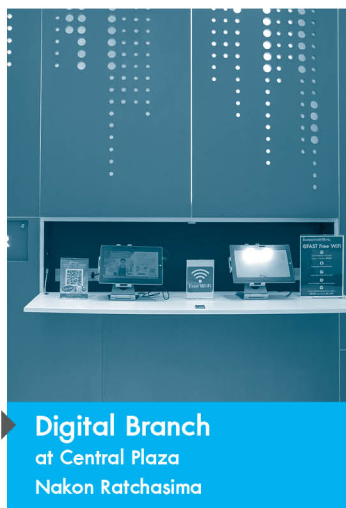
Operation of commercial banks will continue to be challenged from the previously, especially by the transition to cashless society and digital banking age which are accompanied by customer snatching for PromptPay service, QR code payment and new services such as Request to Pay and cross-bank bill payment and these services will put pressure on fee income. Another factor is the intense competition in mobile banking scene as statistical data has shown that in the first 9 months of 2017, response to service and popularity of using financial services via mobile banking increased by 103 percent from the previous year. Additionally, IT risk will be more complex and commercial banks will make large-scale investments in IT to give them competitive edges and strengthen security of their services. Furthermore, new financial services tested under the regulatory sandbox of BOT will gradually be moved out of the sandbox and go live to public, reflecting heated competition and the emergence of new financial service providers such as FinTechs and Telcos, who have the advantage because of higher agility and larger customer base, among others.

3.4 Competitive Potentiality of Krung Thai Bank

Krung Thai Bank is a large commercial bank with high competitive potentiality and is one of the leaders in Thai commercial banking scene. The key strengths that support the Bank's competitive potentiality are as follows:

- **Krung Thai Bank is a first-class state enterprise with the government as the majority shareholder**, resulting in the Bank having high stability and playing key roles in the government's service network.
- **The Bank is one of the top commercial banks in terms of market share** of asset, loans and deposits. Besides, the Bank has a nationwide branch network, 18 percent of market share; hence the Bank will be able to support the economic expansion, especially in regional areas including EEC initiative and the growth of border trading.
- **The Bank's large customer base** covers personal and corporate customers, as well as government sector customer who have been having a good relationship with the Bank as we are the key supporter





of many of the government's schemes including the registration for welfare card scheme, the production and distribution of welfare card and the installation of EDC terminals and PromptPay service under the government's National e-Payment scheme and cashless society aspiration, which in turn promoted the expansion of the Bank's customer base.

- **The Bank's wide range of competitive products and services** have received many awards, e.g.

- The Asset's Triple A Digital Awards in the category of Best e-Bank in Thailand and Digital Infrastructure Awards for Most Innovative Corporate Payment Project

- The Asset's Triple A Treasury, Trade, Supply Chain and Risk Awards in the category of Best Service Provider: E-Solution Partner and Best in Treasury and Working Capital: Public Sector

- The Asian Banker's Transaction Banking Awards 2017 in the category of Best Transaction Bank in Thailand and Best Cash Management in Thailand

- **Continuous improvement and development to the organization** allows the Bank to quickly adapt to fast-changing business environmental factors, for example, internal work process improvement; development of innovative products and services which fulfill customer needs; having a clear digital banking development roadmap which covers the integration of innovations after innovations; as well as developing a

stable and secure IT system to prepare for new transactions and larger volume in the future. Furthermore, the Bank focuses on developing the agility and multi-tasking skills of the employees, together with encouraging them to have digital mind and digital literacy skill in order to be ready for the transition to digital bank.

- **The Bank is regulated by several government agencies.** As the Bank is a listed commercial bank in the Stock Exchange of Thailand, the Bank is regulated by BOT and SEC while as a state enterprise; the Bank is also under the regulation of State Enterprise Policy Office (SEPO) and is audited by the Office of the Auditor General of Thailand. This encourages our customers, investors and the public to gain trust in our Bank.

- **The Bank operates transparently, fairly and takes into account all stakeholders** under the principles of good corporate governance. The Bank also observes all rules and laws and does not tolerate any form of corruption. This is partly reflected by the awards the Bank received e.g. the Outstanding State-Owned Enterprise (SOE) Awards 2017 for Outstanding Disclosure and Transparency from SEPO; Excellent State Enterprise of Ethics and Transparency Planning Operation Award 2017 and 7th NACC Integrity Awards in the Honorable Mention category from the Office of National Anti-Corruption Commission (NACC).

Asset, Loan, Deposit and Branch of each Commercial Banks Registered in Thailand

as at December 31, 2017

	Asset		Loan		Deposit		Branch	
	Amount (Million Baht)	Market Share (%)	Amount (Million Baht)	Market Share (%)	Amount (Million Baht)	Market Share (%)	Amount	Market Share (%)
1. Bangkok Bank	2,970,037	17.65	1,817,136	16.24	2,252,421	18.48	1,166	17.23
2. Krung Thai Bank	2,781,740	16.53	1,748,653	15.63	2,073,594	17.01	1,121	16.57
3. Siam Commercial Bank	2,725,632	16.20	1,931,839	17.27	2,087,890	17.13	1,161	17.16
4. Kasikornbank	2,444,824	14.53	1,662,880	14.86	1,875,729	15.39	1,029	15.21
5. Bank of Ayudhya	1,999,809	11.89	1,384,881	12.38	1,316,705	10.80	663	9.80
Total of Large Banks	12,922,042	76.80	8,545,389	76.37	9,606,339	78.81	5,140	75.97
1. Thanachart Bank	954,460	5.67	645,628	5.77	717,807	5.89	524	7.74
2. TMB Bank	842,976	5.01	618,386	5.53	611,508	5.02	432	6.38
3. UOB Bank	516,964	3.07	340,023	3.04	370,279	3.04	153	2.26
Total of Medium Banks	2,314,400	13.76	1,604,037	14.34	1,699,594	13.94	1,109	16.39
1. CIMB Thai Bank	296,307	1.76	195,872	1.75	177,703	1.46	86	1.27
2. Tisco Bank	288,316	1.71	234,201	2.09	181,499	1.49	60	0.89
3. Kiatnakin Bank	245,088	1.46	184,342	1.65	133,278	1.09	67	0.99
4. Land and Houses Bank	230,396	1.37	150,618	1.35	143,742	1.18	133	1.97
5. ICBC Thai Bank	179,892	1.07	101,088	0.90	100,350	0.82	22	0.33
6. Standard Chartered Bank (Thai)	155,373	0.92	45,504	0.41	56,259	0.46	1	0.01
7. Sumitomo Mitsui Trust Bank (Thai)	48,455	0.29	36,180	0.32	16,862	0.14	1	0.01
8. Bank of China (Thai)	45,933	0.27	30,455	0.27	21,204	0.17	9	0.13
9. Thai Credit Retail Bank	45,230	0.27	37,515	0.34	37,877	0.31	132	1.95
10. ANZ Bank (Thai)	33,037	0.20	8,185	0.07	2,414	0.02	1	0.01
11. Mega International Commercial Bank	20,271	0.12	15,576	0.14	11,569	0.10	5	0.07
Total of Small Banks	1,588,298	9.44	1,039,536	9.29	882,757	7.24	517	7.64
Grand Total	16,824,740	100.00	11,188,962	100.00	12,188,690	100.00	6,766	100.00

Source: Summary Statement of Assets and Liabilities (C.B. 1.1), BOT

Notes: The BOT grouping criteria for commercial banks are as follows:

1. Large Banks include Thai commercial banks with market share of 10 % or above.
2. Medium Banks include Thai commercial banks with market share of 2.5 % and less than 10 %
3. Small Banks include Thai commercial banks with market share of less than 2.5 %

4. Sources of Funds and Lending

As at December 31, 2017, the Bank's and its subsidiaries' major sources of funds were deposits, taking up 72.56 percent, and other sources including equity, interbank borrowings, and debts issued and borrowings. The Bank spent funds of 67.90 percent of the total assets to give loans to customers (after deducting deferred revenue), 19.26 percent in net interbank and money market items and 8.00 percent in net investment of its subsidiaries and associated companies.

• Source of funds

Unit : Million Baht

	December 31, 2017		December 31, 2016 ⁽¹⁾		Change	
	Amount	%	Amount	%	Amount	%
Deposits	2,070,875	72.56	1,972,404	73.33	98,471	4.99
Net interbank and money market items	228,691	8.01	211,171 ⁽²⁾	7.85	17,520	8.30
Debt issued and borrowings	110,626	3.88	112,686 ⁽²⁾	4.19	(2,060)	(1.83)
Others	149,799	5.25	114,038	4.24	35,761	31.36
Total Equity						
- Equity Holders of the Bank	287,861	10.08	274,187	10.19	13,674	4.99
- Non-Controlling Interest	6,358	0.22	5,217	0.20	1,141	21.87
Total	2,854,210	100.00	2,689,703	100.00	164,507	6.12

⁽¹⁾ The Bank made adjustment to the statement of financial position for the period ended December 31, 2016 to include National ITMX Co., Ltd. as the Bank's associate in alignment with IAS 28: Investments in Associates and Joint Venture.

⁽²⁾ For debt issued and borrowings, the Bank reclassified some bills of exchange of financial institution into net interbank and money market items

• Key Sources and Uses of Funds

Unit : Million Baht

Loans and deposits classified by remaining maturity The Bank's financial statements	December 31, 2017		December 31, 2016		Change	
	Amount	%	Amount	%	Amount	%
Loans						
- Not over 1 year	621,159	33.30	621,906	33.85	(747)	(0.12)
- Over 1 year	1,244,324	66.71	1,215,337	66.16	28,987	2.39
less Deferred revenue	87	0.01	123	0.01	(36)	(29.27)
Total loans *	1,865,396	100.00	1,837,120	100.00	28,276	1.54
Deposits						
- Not over 1 year	1,944,758	93.79	1,831,142	92.71	113,616	6.20
- Over 1 year	128,836	6.21	144,016	7.29	(15,180)	(10.54)
Total deposits	2,073,594	100.00	1,975,158	100.00	98,436	4.98

* Excluding accrued interest receivables and interbank and money market items

Management Analysis and Discussion



1. Analysis of Operation and Financial Standing

1.1 Economic and Industrial Conditions Influencing the Operation

Economy in 2017 expanded at a better rate comparing to the previous year largely because of foreign demand, exerting beneficial effects on industries relating to export and tourism such as rubber and rubber products, petrochemicals, chemicals, electronic parts, transportation and logistics, hotels and restaurants, etc. However, domestic demand picked up gradually, making industries relying on domestic demand recover at a slow rate. Additionally, small businesses were faced with a number of challenges e.g. labor issue following the stricter Royal Decree on the Management of Migrant Employment, B.E. 2560, the appreciation of Thai Baht throughout the year, etc. Furthermore, falling crop prices, especially in the latter half of the year, brought down farmer income and exerted effect on agricultural business, posing challenges to the Bank's credit expansion and putting

pressure on the business operators' ability to repay. As a result, NPLs rose, particularly among SMEs.

Apart from economic challenges, more intense competition due to the emergence of FinTechs and Telcos and being threatened by disruptive technology and transitioning to cashless society might have an effect on the income and business model of both the Bank and customers. In addition, the Bank was faced with increasing cyber crimes and more restricted regulatory framework and rules e.g. Basel III and IFRS9, which might increase the Bank's operating cost. However, the Bank prepared and devised operation plans to handle and manage risk to be within the acceptable level, especially by improving the Bank's infrastructure in terms of technology, risk management and human resources; as well as having plans to further its business to prepare for economic opportunities and government policies.



1.2 Results of Operation Following Business Plan

The operation following business plan in 2017 was under the 3 Summits Strategy, which can be summarized as follows:

1) **Summit 1: Base Camp** in order to prepare for the future in various aspects, namely

- **IT:** The Bank studied and invested in technologies significant to the business, e.g.

(1) Data Analytics was started to be used to analyze repayment behavior of retail customers, helping to reduce NPL and first year default rate of retail customers.

(2) Cloud Computing was employed to support the Bank's IT system.

(3) QR Code Payment was integrated in "Paotung" application and more than 100,000 QR reader points were set up nationwide.

(4) ATM Availability was maintained so that the Service Availability retained at over 99.5 percent in average by the IT system regulating ATM network.

(5) IT security solution helped detecting 100 percent of the attacks and could prevent problems from happening within the set timeframe.

- **Risk Management:** The Bank improved the efficiency of its retail credit process by using less human judgment, arranging early warning system and constantly monitoring loans to control NPLs. At year end 2017, the Bank and its subsidiaries' NPLs was Baht 103,020 million or 4.19 percent of total loan, a slight increase from 3.97 percent at year end 2016. Taking into account only the Bank's financial statement, NPLs totaled to Baht 98,637 million, which was within estimated level, and the Bank has already set allowance for the total amount of corporate NPLs, e.g. loan to a large corporate customer which operates in agricultural and mining business, loan to rice mill and cassava businesses; as well as setting higher allowance for doubtful accounts as part of preparation for the new International Financial Reporting Standard (IFRS9) which will be effective from 2019 onwards.

- **Operation:** The Bank improved its procurement process so that it was more transparent, verifiable, and in compliance with the new Government Procurement and Supplies Management Act B.E. 2560 which was effective from August 2017 onwards. The Bank also adjusted its internal processes to be in alignment with the straight through processing initiative, including the processes of property appraisal, loan disbursement, accepting customer's checks, and several other work processes. The improvement increased the efficiency and reduced operational cost.

- **Compliance:** The Bank developed employees' moral awareness within the organization's context, focusing on creating a zero-tolerance organization. Furthermore, on December 6, 2017, the Bank put corporate governance principles to practice by signing an agreement with the Moral Promotion Center (Public Organization) to drive the Bank toward being a model moral organization under the "Krungthai Moral" initiative with knowledge and consultancy support from the Moral Promotion Center.

2) **Summit 2: Closing the gap with peers in terms of market share and efficiency.** In 2017, the Bank's operating results showed improvements in several aspects as follows:

- Net interest margin was maintained at a similar rate to the previous year even though MRR was decreased by 0.5 percent on May 16, 2017 because the Bank managed cost of deposit well as CASA ratio continuously increased to 71.59 percent in 2017.
- The increase of fee income, especially fee and service charge originated from card



and electronic businesses, was partly due to the digital development of economy, support for government's Thailand 4.0 and cashless society scheme. The Bank's net fee and service income grew by 8.98 percent in 2017.

- Efficient control of cost and expenditure resulted in the Bank's Cost-to-Income Ratio of 40.11 percent, a slight decrease compared to 40.61 percent in 2016.
- Keeping NPL and NPL Coverage Ratio at an appropriate level which would allow the

Bank to be able to handle potential risks in the future. The Bank's NPL was maintained to be within the estimated level. Moreover, the Bank kept the NPL Coverage ratio at least 110 Percent. In addition, the Bank improved its risk management system to integrate early warning system and constant loan monitoring, so that NPL is within anticipated level.

3) **Summit 3: to be the best digital bank and the best place to work**

- **Best Digital Bank:** In 2017, the Bank installed over 18,000 EDC terminals and over 100,000 QR code payment accepting points nationwide for "Paotung" application as well as having over 10 million KTB netbank accounts and over 7 million registered PromptPay customers. The Bank took advantage of being part of the government network and the ability to connect to government centric projects, e.g. welfare scheme, transportation system and healthcare system. The Bank's expanding into digital banking did not only be in alignment with the government's strategy to facilitate people, especially the grassroot, to access financial services more easily, but also laid ground for the Bank to further its businesses and development in digital banking.

- **Human Resources:** The Bank developed performance management system, provided training courses and skill development opportunities to employees and focused on recruiting and retaining high-potential employees, in order to become a Performance Driven Organization (PDO) and the Best Place to Work. Notable achievements in 2017 include:

(1) Organizing training courses to develop digital skills for branch employees, so that they can promptly present products and services most suitable for customer needs under digital trend.

(2) Paying remuneration in alignment with individual performance and performance ranking after communicating the principles clearly to the employees in the organization.

In addition, in 2017, the Bank aspired to offer valuable products and services to customers. New key products and services are as follows:

- Under the National e-Payment Project, initiated by the government in 2015 to enhance the efficiency of the country's payment infrastructure, the Bank has continuously supported e-Payment services by launching PromptPay transfer service for individuals in 2016 and for juristic persons in 2017 and preparing to launch new PromptPay services in 2018 including Request to Pay and Cross Bill Bank Payment services. Besides, the Bank started to provide PromptPay government-to-citizen (G2C) fund transfer service in 2017 including the transfer of welfare for low-income newborn, welfare for registrants of state welfare and tax refund for individuals. Together with partner banks, the Bank founded Thai Alliance Payment System (TAPS) to install EDC terminals at government agencies, shops and private companies to support card expansion scheme and facilitate the people, so that they do not have to pay cash and so as to drive Thailand toward cashless society.

- The Comptroller General's Department entrusted the Bank to develop welfare card for low-income earners who registered for state welfare scheme in 2017 and install EDC terminals at Blue Flag shops throughout the countries to support the use of the welfare card which can also be used to pay for liquefied petroleum gas and transportation fee, both for bus and rail travels. From the commencement of the scheme on October 1, 2017, to December 17, 2017, Baht 8,650 million was spent at Blue Flag shops and the Bank has developed dashboard to reveal data relating to the identities of low-income earners who registered for the scheme and performed transactions using the card, so that the government sector could develop welfare that better suit the needs of the people in the future.

- The Bank launched "Paotung" and "Paotang", applications used for receiving-paying money electronically via QR Code. The Bank focused on expanding its customer base to cover small shops in community areas such as fresh markets, educational institutes, temples, tourist attractions, as well as government agencies and agencies within state welfare network, healthcare system, transportation system and education system, and used the Bank's strengths - to have the branch network with the highest coverage area in Thailand and good relationship with the

government sector - in doing so. As at year end 2017, the Bank had over 100,000 "Paotung" QR Code payment accepting points nationwide.

- The Bank signed Memorandum of Understanding (MOU) in Khon Kaen Cashless Society 4.0 and Khon Kaen Smart City initiatives in November 2017 to gear Khon Kaen toward smart city and Khon Kaen University toward absolute cashless society. Financial management service would be provided via KTB Digital Platform to replace cash usage and to create big data, which would be analyzed to transform Khon Kaen into a true smart city. The Bank piloted the Khon Kaen Cashless 4.0 @ 888 Market project in December 2017 and will expand the coverage to other markets in the province in the future.

- The Bank, together with the Ministry of Finance and Omise Co., Ltd., tested the payment for food and drinks via e-KYC system using face recognition technology, taking advantage of Biometrics technology to verify identity before paying with KTB netbank application at the Ministry of Finance's canteen and recreation center.

- Together with SET's LIVE Platform, the Bank provided KTB Custodian for Equity Crowdfunding service to Startup and SME operators to facilitate them in fund raising and over the counter trading. Within the platform, the Bank provides complete custodian services, including account opening, receiving payment for share subscription and bill payment via payment channels of Krung Thai Bank.



1.3 Overview of Financial Standing and Operating Performance Change in Comparison with Banking Industry (Analyzed from the Bank's financial statements in order to be comparable to the industry average, which BOT presented using the data from separated financial statements only)

- **Loans** (after deduction of deferred revenue) rose by 1.54 percent, lower than the industry average which grew by 4.62 percent following overall economic recovery
- **Deposits** increased by 4.98 percent from deposits in current and saving accounts (CASA) to manage cost and liquidity of the Bank. Industry average was 6.27 percent increase.
- **Net Profit** fell by 28.88 percent while the industry average was a 7.23 percent drop. The fall was largely due to the allowance for bad debt, doubtful accounts and impairment loss in order to deal with increasing NPLs, to maintain coverage ratio and to prepare for the effects of IFRS9 which will be effective in the future. However, the Bank was able to maintain good net interest margin (NIM) at 2.87 percent which was slightly higher than the industry average (2.83 percent). Furthermore, net non-interest income grew a small amount at 0.03 percent, lower than the industry average at 2.93 percent growth, as a result of the decrease in net profit of trading and foreign exchange transactions and other operations.

The drop in net profit led to the Bank's ROA and ROE to fall to 0.79 and 8.03 percent, down from 1.12 and 12.11 percent respectively.

- **Asset Quality:** NPLs (net) increased by 4.90 percent. However, the expansion of loans to government and state enterprise, which have lower odds of becoming non-performing loans, and loans to retail customers, lowered NPL Ratio (net) to 1.78 percent, down from 1.81 percent in 2016. However, the Bank's NPLs (gross) in 2017 rose by 13.66 percent because of loans to some corporate customers. Nonetheless, the Bank revised the loan strategy and loan management process to focus on expanding loans but not compromising loan quality, improving efficiency of loan monitoring and resolving non-performing loans, as well as maintaining coverage ratio. As a result, the Bank's coverage ratio

was 118.34 percent. As for the industry overview, NPLs (net) increased by 12.59 percent and NPLs Ratio (net) rose to 1.46 percent, up from 1.41 percent in the previous year as the economic recovery did not spread to all sectors and all areas, impacting only certain groups of customers, causing commercial banks to set higher allowance for bad debt. Therefore, coverage ratio increased from 134.06 percent in the previous year to 136.70 percent.

- **Statutory Capital Fund** remained strong as the Bank's Tier 1 Ratio was 13.59 percent, up from 12.96 percent as at year end 2016. Total Capital Ratio was 17.45 percent, an increase from 16.85 percent which was much higher than the minimum set by BOT. As for the industry overview, Tier 1 Ratio and Total Capital Ratio increased to 15.07 and 17.95 percent from 14.48 and 17.77 percent respectively in the previous year.

1.4 Technology and innovation research and development expense (R&D Expense) which is eligible for juristic person tax relief

- None -



1.5 Analysis of Financial Standing and Operating Result (Analysis of significant changes in consolidated financial statements)

The consolidated financial statements included the financial statements of the Bank and its 7 subsidiaries which the Bank had the control over. All material intercompany transactions and balances were eliminated. The subsidiaries are KTB Law Co., Ltd., KTB General Services and Security Co., Ltd. (formerly KTB General Services Co., Ltd.), Krung Thai Asset Management Pcl., KTB Computer Services Co., Ltd., KTB Leasing Co., Ltd., KTB Advisory Co., Ltd. and Krungthai Card Pcl.

Overview of the Bank and Subsidiaries' Operation

In 2017, the Bank and its subsidiaries operating profit was Baht 73,741 million, a decrease of Baht 316 million (0.43 percent) compared to 2016. After deducting expenses for bad debts and doubtful accounts and income tax of Baht 44,833 million and 4,798 million respectively (further detail of allowance is described under Bad Debts, Doubtful Accounts and Impairment Loss), the Bank's and subsidiaries net profit was Baht 24,110 million, a decrease of Baht 9,455 million (28.17 percent) compared to 2016. The Bank's net profit was Baht 22,440 million, decreasing by Baht 9,864 million (30.53 percent) compared to 2016. This was mainly due to higher allowance (for bad debts, doubtful accounts and impairment loss).

Unit : Million Baht				
	2017	2016 ⁽²⁾	Change	
			Amount	%
Operating profit ⁽¹⁾	73,741	74,057	(316)	(0.43)
Operating profit before the deduction of income tax	28,908	40,628	(11,720)	(28.85)
Income tax	4,798	7,063	(2,265)	(32.07)
Net profit	24,110	33,565	(9,455)	(28.17)
Net profit (Equity Holders of the Bank)	22,440	32,304	(9,864)	(30.53)

⁽¹⁾ Operating profit before the deduction of provisions (for bad debts, doubtful accounts and impairment loss) and income tax

⁽²⁾ The Bank made adjustment to the statement of comprehensive income for the period ended December 31, 2016 to include National ITMX Co., Ltd. as the Bank's associate in alignment with IAS 28: Investments in Associates and Joint Venture.

• Net Interest Income

In 2017, net interest income of the Bank and its subsidiaries was Baht 85,778 million, decreasing by Baht 1,188 million (1.37 percent) compared to 2016. This was largely the impact of decreasing minimum retail rate (MMR) by 0.50 percent in mid-May and focusing

on high quality loan reflecting by the expansion of loans to government and state enterprises. However, the Bank had ongoing plans to manage finance cost, resulting in 3.24 percent NIM, a slight decrease of 0.06 percent from 3.30 percent in 2016.

Unit: Million Baht				
	2017	2016	Change	
			Amount	%
Interest Income	122,507	129,230	(6,723)	(5.20)
- Interbank and money market items	10,420	11,213	(793)	(7.07)
- Investment and trading transactions	281	137	144	105.11
- Investment in debt	3,750	4,585	(835)	(18.21)
- Loans	106,186	110,298	(4,112)	(3.73)
- Hire-purchase and financial lease	1,808	2,957	(1,149)	(38.86)
- Others	62	40	22	55.00
<u>Less Interest expenses</u>	<u>36,729</u>	<u>42,264</u>	<u>(5,535)</u>	<u>(13.10)</u>
- Deposits	20,142	24,770	(4,628)	(18.68)
- Interbank and money market items ⁽¹⁾	2,900	3,053	(153)	(5.01)
- Contributions to BOT and Deposit Protection Agency	9,372	9,658	(286)	(2.96)
- Debt issued ⁽¹⁾	4,239	4,727	(488)	(10.32)
- Borrowings	26	29	(3)	(10.34)
- Others	50	27	23	85.19
Net Interest Income	85,778	86,966	(1,188)	(1.37)
Net Interest Margin (earning assets) (%)	3.24	3.30		

⁽¹⁾ As for debt issued, some financial institution bills of exchange were recategorized to interbank and money market items (net).

Policy Rate and the Bank's Interest Rate

Unit : %

	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016
Policy rate	1.50	1.50	1.50	1.50	1.50	1.50
Deposit interest rate						
- Savings	0.50	0.50	0.50	0.50	0.50	0.50
- 3-month fixed deposit	0.90	0.90	0.90	0.90	0.90	0.90
- 6-month fixed deposit	1.15-1.35	1.15-1.35	1.15-1.35	1.15-1.35	1.15-1.35	1.35
- 12-month fixed deposit	1.30	1.30	1.30	1.30	1.30	1.40
Loan interest rate						
- MLR	6.275	6.275	6.275	6.275	6.275	6.275
- MOR	7.120	7.120	7.120	7.120	7.120	7.120
- MRR	7.120	7.120	7.120 ⁽¹⁾	7.620	7.620	7.620

(1) The Bank decreased minimum retail rate (MMR) by 0.50%, effective from May 16, 2017 onwards.

• Net Fee and Service Income

In 2017, the Bank and its subsidiaries' net fee and service income was Baht 24,021 million, an increase of Baht 1,979 million (8.98 percent) compared to 2016.

The increase was mainly due to card business, electronic transactions and Bancassurance products.

Unit: Million Baht

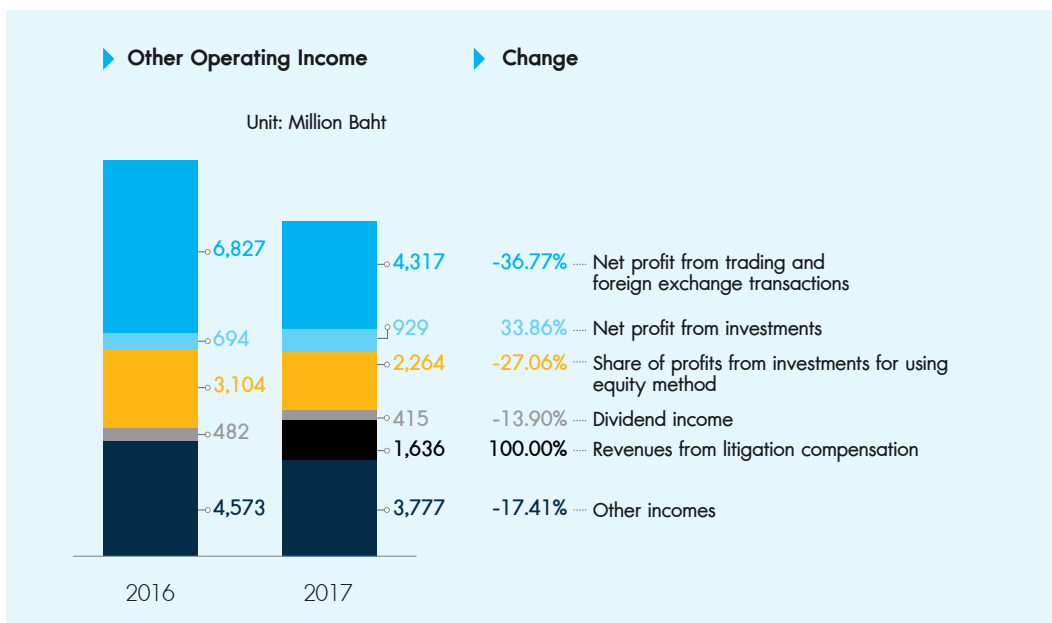
	2017	2016	Change	
			Amount	%
Fee and service income	28,638	25,931	2,707	10.44
Less Fee and service expenses	4,617	3,889	728	18.72
Net fee and service income	24,021	22,042	1,979	8.98

• Other Operating Income

In 2017, the Bank and its subsidiaries' other operating income was Baht 13,338 million, decreasing by Baht 2,342 million (14.94 percent) after including net revenues from litigation compensation amounting to Baht 1,636 million. Besides the declining in share of profit from investments on equity method from the Bank's associated company from insurance sector, the revenue recognition decreased due to the decline in the transaction of

derivative previously held by the Bank with the intention to reduce interest rate volatility and most of such transactions have maturity date due in 2017. The decrease was reflected in the recorded net profit income from trading transactions and foreign exchange which fell by Baht 2,510 million (36.77 percent) from that of 2016.

Other Operating Income

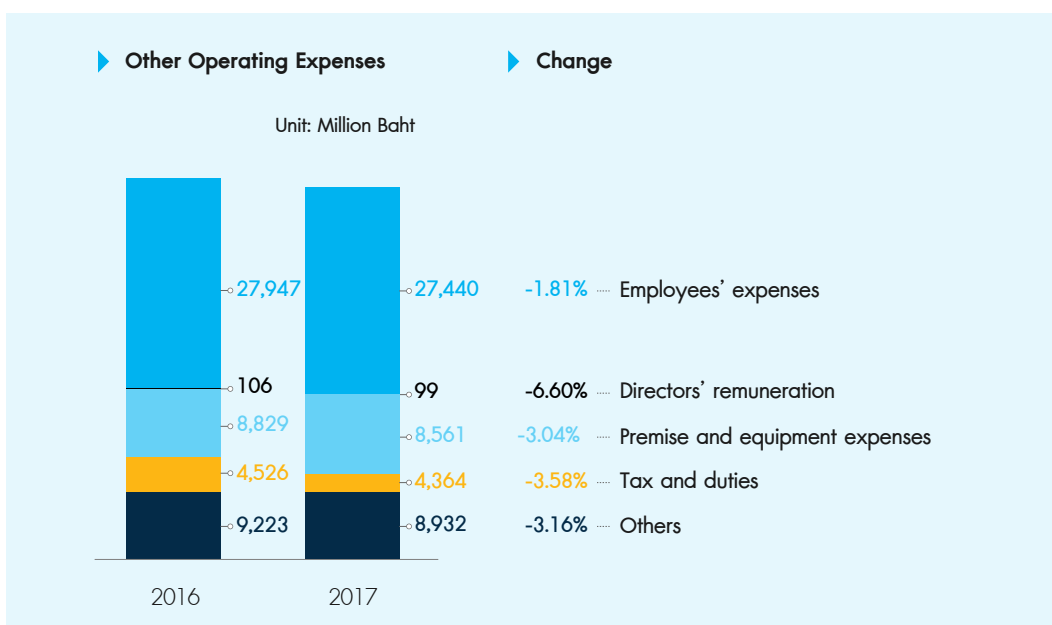


- Other Operating Expenses

The Bank and its subsidiaries had a policy to constantly control expenses. Their other operating expenses were Baht 49,396 million, dropping by Baht 1,235 million (2.44 percent) compared to 2016. Also, as

operating expenses tended to decrease, the Bank and its subsidiaries' cost-to-income ratio was 40.11 percent, down from 40.61 percent in 2016.

Other Operating Expenses



• Bad Debts, Doubtful Accounts and Impairment Loss

In 2017, the Bank and its subsidiaries set aside allowance for bad debts, doubtful accounts and impairment loss of Baht 44,833 million, up by Baht 11,404 million (34.11 percent) from that of 2016 to prepare for increasing NPLs. The Bank maintained the coverage ratio at 121.71 percent, similar to that as at December 31, 2016 at 121.57 percent and increasing from that of September 30, 2017 at 115.37 percent. The allowance was also a preparation for the impact of IFRS9 which will be effective in the future.

In 2017 and 2016, the Bank wrote off Baht 23,739 million and Baht 1,509 million in bad debts respectively.

Financial Standing Analysis

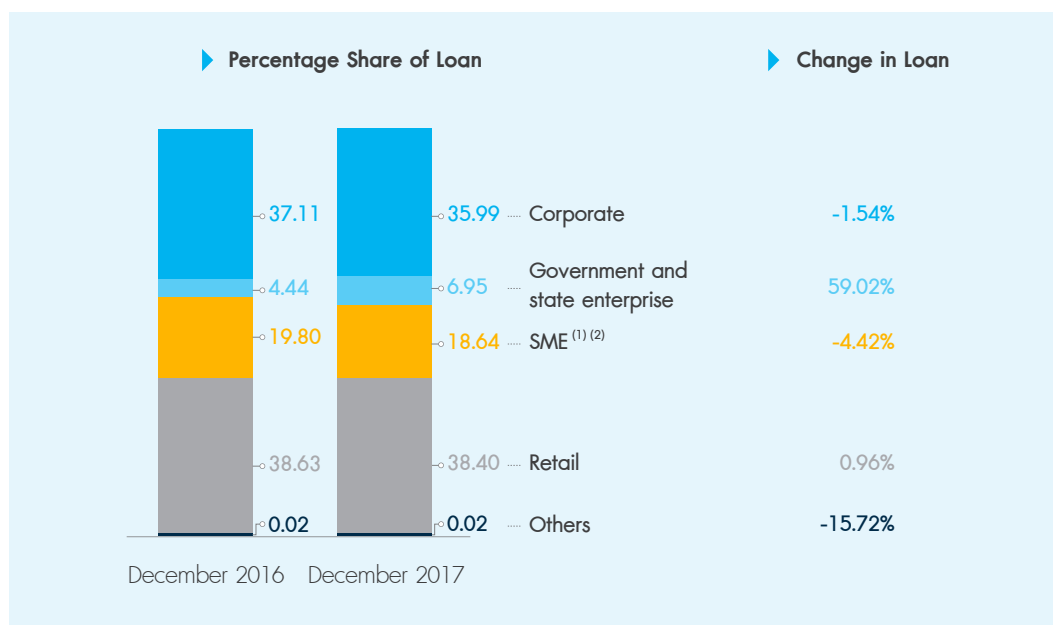
• Total Assets

Total assets of the Banks and its subsidiaries as at December 31, 2017 was Baht 2,854,210 million, showing an increase of Baht 164,507 million (6.12 percent) from that as at December 31, 2016, largely due to the increase in net interbank and money market items.

• Loans to Customers

As at December 31, 2017, the Bank and its subsidiaries' loan to customers (less deferred revenue) was Baht 1,938,082 million, showing an increase of Baht 33,993 million (1.79 percent) from that as at December 31, 2016. The increase was mostly attributed to loans to government and state enterprises, which was in alignment with the Bank's policy to focus on quality loans, as well as some loans to retail customers.

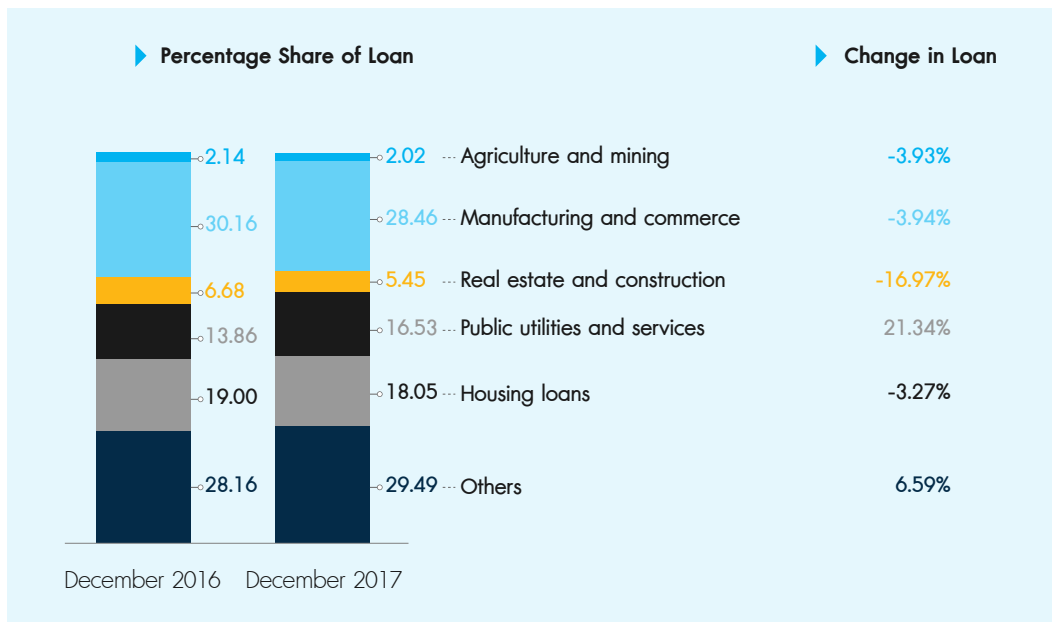
Loan Classified by Type of Borrowers (The Bank's Financial Statement)



(1) SME loan: Loan granted to business which has ≤ 200 employees and Baht ≤ 200 million fixed assets (excluding land)

(2) On December 31, 2017, the Bank reclassified some SME loan customers into Corporate loan customers. The data as at December 31, 2016 was adjusted accordingly, resulting in SME loan decreasing by Baht 8,641 million and Corporate loan increasing by the same amount.

Loan Classified by Type of Business



Investments

The Bank and its subsidiaries had net investment of Baht 228,240 million as at December 31, 2017, showing a decrease of Baht 14,283 million (5.89 percent) from that as at December 31, 2016, due to the reduction in investment in debt securities.

Unit: Million Baht

	December 31, 2017		December 31, 2016 ⁽¹⁾		Change	
	Amount	%	Amount	%	Amount	%
Investment, net	209,515	91.80	226,932	93.57	(17,417)	(7.67)
Investment in subsidiaries and associates, net	18,725	8.20	15,591	6.43	3,134	20.10
Total investment	228,240	100.00	242,523	100.00	(14,283)	(5.89)

⁽¹⁾ The Bank made backdate adjustment to the financial statement for the period ended December 31, 2016 to include National ITMX Co., Ltd. as the Bank's associate in alignment with IAS 28: Investments in Associates and Joint Venture.

Investment (net) Classified by Type of Securities

Unit: Million Baht

Type	December 31, 2017		December 31, 2016		Change	
	Amount	%	Amount	%	Amount	%
Government & state enterprise securities	155,817	74.37	171,055	75.38	(15,238)	(8.91)
Private enterprise debt securities	6,849	3.27	8,377	3.69	(1,528)	(18.24)
Foreign debt securities	33,361	15.92	33,559	14.79	(198)	(0.59)
Marketable equity securities	12,827	6.12	13,145	5.79	(318)	(2.42)
Non-marketable equity securities	1,866	0.89	2,014	0.89	(148)	(7.35)
Others	1	0.00	1	0.00	0	0.00
<u>Less</u> Allowance for impairment	(1,206)	(0.57)	(1,219)	(0.54)	13	(1.07)
Total	209,515	100.00	226,932	100.0	17,417	100.00

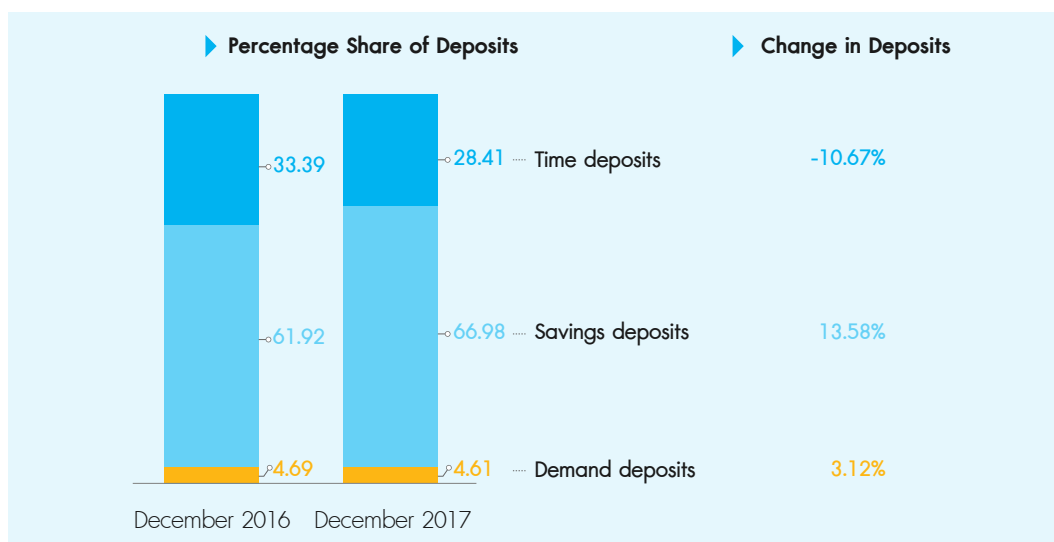
Liabilities

As at December 31, 2017, the Bank and its subsidiaries had total deposits of Baht 2,070,875 million, an increase of Baht 98,471 million (4.99 percent) from that as at December 31, 2016, as a result of an increase in savings and demand deposits among a decrease in fixed term deposits. The loans (less deferred revenue)-to-deposits ratio decreased from 96.54 percent as at December 31, 2016 to 93.59 percent. Net interbank and money market items stood at Baht 228,691 million, an increase of Baht 17,520 million (8.30 percent), resulting

in the Bank and subsidiaries' total liabilities amounting to Baht 2,559,991 million, an increase of Baht 149,692 million (6.21 percent) compared to that of December 31, 2016.

In addition, the Bank redeemed THB-currency subordinated bond amounting to Baht 5,155 million in March 2017 and Baht 15,133 million in November 2017. Also, in November, the Bank issued subordinated bond of Baht 20,000 million to replace the redeemed subordinated bond.

Deposits Classified by Types



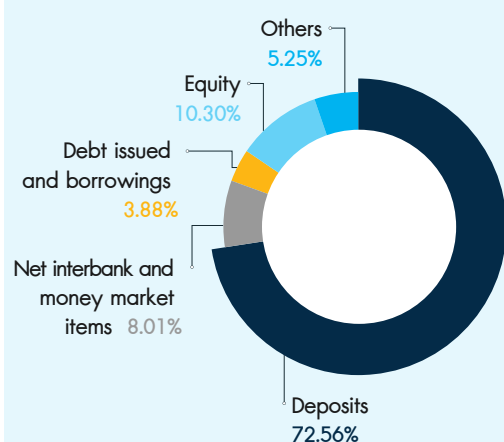
Equity

The total equity (Equity Holders of the Bank) as at December 31, 2017 was Baht 287,861 million, an increase of Baht 13,674 million (4.99 percent) from that as at December 31, 2016 while book value per share (Bank's only) was Baht 20.59 per share, increasing from Baht 19.61 per share as at December 31, 2016.

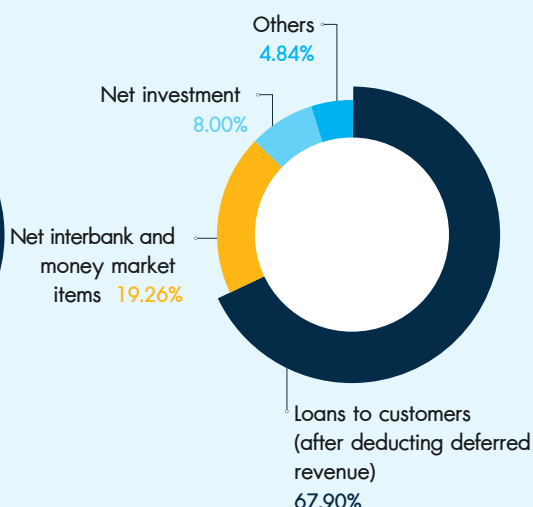
Analysis of Sources and Uses of Funds

As at December 31, 2017, major sources of funds of the Bank and subsidiaries were deposits, amounting to 72.56 percent; and other sources of funds e.g. equity, interbank borrowings and issued debt securities and loans. The Bank spent 67.90 percent of its capital on loans to customers (after deducting deferred revenue), 19.26 percent on net interbank and money market items and 8.00 percent on net investment and 4.84 percent on others.

Sources of Funds



Uses of Funds



Key Sources and Uses of Funds

Unit: Million Baht

Loans and deposits classified by remaining maturity (The Bank's financial statements)	December 31, 2017		December 31, 2016		Change	
	Amount	%	Amount	%	Amount	%
Loans						
- Not over 1 year	621,159	33.30	621,906	33.85	(747)	(0.12)
- Over 1 year	1,244,324	66.71	1,215,337	66.16	28,987	2.39
less deferred revenue	87	0.01	123	0.01	(36)	(29.27)
Total loans ⁽¹⁾	1,865,396	100.00	1,837,120	100.00	28,276	1.54
Deposits						
- Not over 1 year	1,944,758	93.79	1,831,142	92.71	113,616	6.20
- Over 1 year	128,836	6.21	144,016	7.29	(15,180)	(10.54)
Total deposits	2,073,594	100.00	1,975,158	100.00	98,436	4.98

⁽¹⁾ Excluding accrued interest receivables and interbank and money market items

Statutory Capital Fund

As at December 31, 2017, the Common Equity Tier 1 of the Financial Conglomerate was Baht 267,456 million (13.42 percent of risk-weight assets) while Tier 1 capital was Baht 268,606 million (13.48 percent of risk-weight assets). Total capital was Baht 342,748 million (17.20 percent of risk-weight assets), increasing from 16.60 percent as at year end 2016 due to the transfer of June 2017 profit to capital account.

In 2017, the Bank issued subordinated debentures to be the Bank's Tier 2 capital amounting to Baht 20,000 million to replace redeemed subordinated debentures totaling to Baht 20,288 million.

The Bank's capital-to-risk weighted assets ratio is high comparing to BOT's minimum requirement. The Bank also constantly assesses future capital adequacy ratio in order to comply with regulator's requirement and so that it is adequate for potential risk.

Unit: Million Baht

Financial Conglomerate ⁽¹⁾	December 31, 2017			December 31, 2016		
	Amount	%	BOT Minimum Requirement (%) ⁽²⁾	Amount	%	BOT Minimum Requirement (%) ⁽²⁾
Common Equity Tier 1 capital	267,456	13.42	5.750	248,288	12.75	5.125
Tier 1 capital	268,606	13.48	7.250	249,324	12.81	6.625
Tier 2 capital	74,142			73,882		
Total capital fund	342,748	17.20	9.750	323,206	16.60	9.125
Risk-weighted assets	1,993,163			1,946,712		

⁽¹⁾ Financial statement under financial conglomerate regulatory framework prepared in compliance with the framework of Bank of Thailand. The financial conglomerate does not include companies operating insurance or life insurance business or companies in which the Bank holds less than 50 percent of the shares.

⁽²⁾ Bank of Thailand (BOT) requires that commercial banks must maintain adequate capital buffers which can be drawn down as losses are incurred in periods of financial stress by building up capital buffer of at least 0.625 percent above the minimum requirement per year, starting from January 1, 2016 until the capital buffer is more than 2.50 percent above the minimum on January 1, 2019. Furthermore, according to BOT announcement no. FPG 16/2560 and 17/2560, the Bank is considered one of the 5 domestic systemically important and is required to have higher capital requirement and higher loss absorbency. The Bank will be required to hold additional core capital of 0.5% of risk-weighted assets from January 1, 2019 and 1% from January 1, 2020.

Asset Quality Analysis

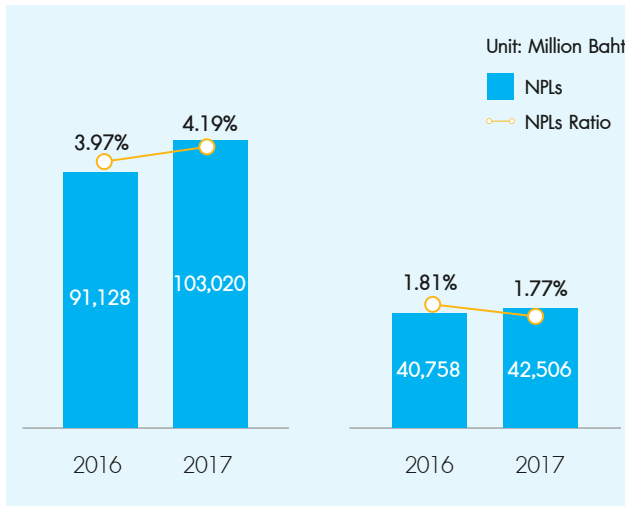
Non-Performing Loans (NPLs)

As at December 31, 2017, the Bank and its subsidiaries' gross NPLs was Baht 103,020 million, increasing by Baht 11,892 million (13.05 percent) compared to that of year end 2016 due to loans to a group of corporate customers. NPL Ratio (gross) was 4.19 percent, rising from 3.97

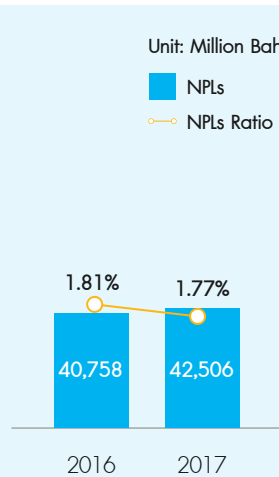
percent as at December 31, 2016. Comparing to September 30, 2016, NPLs decreased by Baht 689 million (0.66 percent).

In 2017, the Bank revised loan strategy and loan management process by focusing more on growing high quality loans, improving the efficiency of loan monitoring and NPL resolution and maintaining coverage ratio.

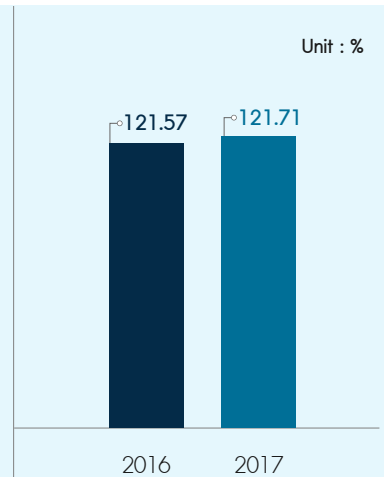
NPLs



NPLs (Net)

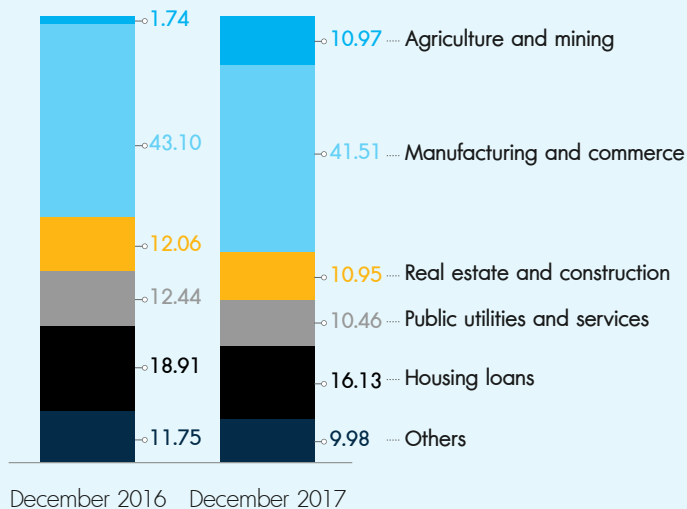


Coverage Ratio



NPLs Classified by Business Types

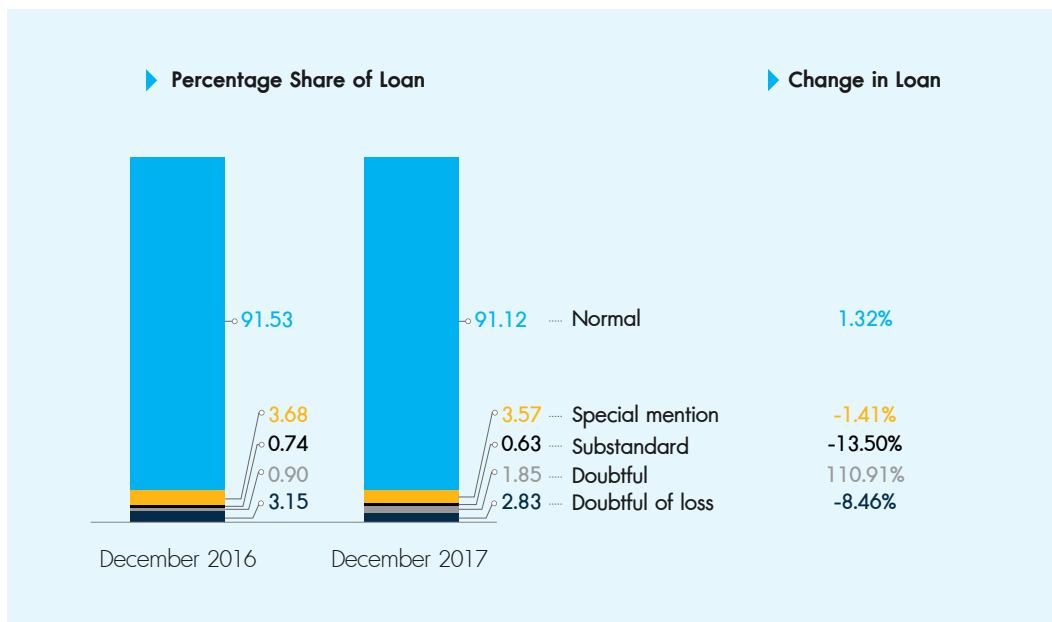
Percentage Share of NPLs



Change in NPLs



Loan Categorized by Loan Classification



The Details of Allowance for Respective Loan Classification

Unit: Million Baht

Loan	% used for setting aside the allowance for doubtful account	December 31, 2017			December 31, 2016		
		Loans and accrued interest receivables	Net amount used for setting aside the allowance for doubtful account ⁽¹⁾	Allowance for doubtful account	Loans and accrued interest receivables	Net amount used for setting aside the allowance for doubtful account ⁽¹⁾	Allowance for doubtful account
Normal	1	1,770,816	884,655	11,067	1,747,553	887,490	16,063
Special mention	2	69,362	28,189	17,305	70,528	27,223	21,790
Substandard	100	12,243	7,266	7,290	14,156	6,715	6,785
Doubtful	100	35,890	23,198	25,029	17,059	8,778	9,060
Doubtful of loss	100	54,982	19,924	28,247	60,063	27,195	34,616
Excess allowance				36,426			22,406
Total		1,943,293	963,232	125,364	1,909,359	957,401	110,720

⁽¹⁾ Net amount used for setting aside the allowance for doubtful accounts means outstanding amount of principal excluding accrued interest receivables after deducting collateral, or debts after deducting the present value of expected cash flow from debtors, or the present value of expected cash flow from selling collateral.

⁽²⁾ Include loss rate net of recovery

- **Troubled Debt Restructuring (TDR)**

Unit: Million Baht

The Bank's Financial Statement	December 31, 2017		December 31, 2016	
	No. of Cases	Outstanding Debt before Restructuring	No. of Cases	Outstanding Debt before Restructuring
Transfers of assets	28	1,161.40	25	731.47
Change of repayment conditions	401	26,542.34	544	15,396.92
Debt restructuring in various forms	8,995	35,315.28	11,093	43,782.38
Total	9,424	63,019.02	11,662	59,910.77

- **Properties for Sale**

The net properties for sale in consolidated financial statements as at December 31, 2017 stood at Baht 35,509.94 million, decreasing by Baht 234 million or 0.65 percent compared to that as at December 31, 2016.

Analysis of Cash Flow Statement

For the year ended December 31, 2017, the Bank and its subsidiaries' cash and cash equivalent items stood at Baht 73,573 million, exhibiting an increase of Baht 1,467 million or 2.03 percent compared to year end 2016. The main factors are as follows:

1) Net cash received from operating activities was Baht 3,104 million. The Bank and its subsidiaries' operating profit before changes in operating assets and liabilities was Baht 65,110 million. The major changes in operating assets included an increase of Baht 118,091 million in interbank and money market items (asset), an increase of Baht 72,349 million in loans granted and an increase of Baht 37,100 million in claims on securities. The changes in operating liabilities included an increase of Baht 98,471 million in deposit, an increase of Baht 37,100 million in liabilities to deliver securities and an increase of Baht 17,520 million in interbank and money market items (liabilities).

2) Net cash received from investment activities was Baht 9,073 million, deriving from selling assets held for sale amounting to Baht 133,965 million

and from selling held-to-maturity securities amounting to Baht 19,370 million. Cash outflow from buying assets held for sale was Baht 143,932 million and cash outflow from buying held-to-maturity securities was Baht 1,194 million.

3) Net cash used in financing activities was Baht 10,903 million, deriving from cash outflow to repay debt instruments issued and long-term borrowings of Baht 29,856 million, cash outflow to pay dividends of ordinary shares and preferred shares of Baht 12,019 million while net cash inflow from debt instrument issued and long-term borrowings was Baht 31,500 million.

1.6 Forward-looking Statements

In 2018, Thai economy tends to continue to grow with export sector as the key driving factor which is positively affected by economic recovery of Thailand's trade partners and increasing oil price, exerting beneficial impact on price of exports. Tourism sector will also grow at high rate. Furthermore, government spending will resume playing an important role in driving economy as infrastructure projects are entering the construction



phase and Eastern Economic Corridor (EEC) development project is making progress, especially the enforcement of EEC Act which will help private sector investment to recover at a better rate compared to last year.

Nevertheless, private sector consumption is expected to be pressured by high household debt, low farmer income and structural problems which prevent the grassroots from fully benefiting from export growth. This is partly because most of the growing exports do not require much labor to produce; causing the economy recovery to benefit only large corporates and middle income to high income consumers while buying power of the grassroots and SME remains weak. Furthermore, there are some other economic risk factors that must be kept an eye on, for example, trade protectionism of countries – the U.S. in particular, which may affect the export of certain goods; the election which may be delayed from the roadmap; the appreciation of Thai Baht which might not affect the overall volume of exports but might have a significant impact on SME businesses

which tend to have low bargaining power and margin, plus with their mostly use of domestic material hence gain less benefit from the appreciation of Thai Baht that lowering price of imports and they also do not generally use FX hedging tools.

Apart from economic factors, the Bank is faced with operational challenges such as the transformation of national payment, the transition to cashless society which is expected to have significant impact on income and business model, changes in consumer behaviors and the emergence of new business models with new technologies such as FinTechs and Telcos, heating up the competition and threatening commercial banks' and customers' traditional business models. Moreover, the enforcement of regulatory framework on commercial banks to comply with international standards such as IFRS9 and Basel III requires the Bank to prepare its work systems and resources which will affect the Bank's operational cost.

In addition, the Bank has prepared for factors that may potentially affect its operation and strengthen its competitiveness. As changes in environment and digital trends are happening sooner than expected, the 3 Summits Strategy must be revised so that it is more expeditious and all 3 summits plans and missions must be executed resembling to climbing all-in-one summit at the same time. In 2018, the Bank plans to implement 4 major projects as follows:

(1) **Carry on the National e-Payment operation plan** by offering new PromptPay services such as Request to Pay and Cross Bank Bill Payment, expanding the results of welfare card scheme for low-income earners, install more EDC terminals at Blue Flag shops and use the collected data to improve dashboard so that the government has an effective fiscal tool to support further economic and social development.

(2) **Network Rationalization** in order to strategically determine the number, format and location of branches and service points in alignment with customer behaviors and future business trends, e.g. integrating new technologies in providing services and making good impression on customers including the use of electronic brochures and self-service machines, etc.

(3) **Continue to prepare for IFRS9 and Basel III** by developing strategies and business plans which

comply with international standards and by preparing personnel, work system and database to support the regulatory frameworks, so that the Bank can achieve the goal of having good financial standing, maintaining BIS ratio at the level required by the Bank of Thailand and being able to manage and keep asset quality at the level appropriate for the organization's context.

(4) **Continue undertaking the Krungthai Moral Initiative** to raise awareness of virtue and ethical behavior among employees and to elevate the organization in terms of corporate governance and promote zero-tolerance approach within the organization.

The Bank anticipates that the pursuing the 3 Summits Strategy and implementing the major projects will help supporting the government's schemes, especially the Thailand 4.0 scheme, the aspiration to become cashless society and the minimization of social and income inequality. Moreover, it will enhance the Bank's ability to compete in digital banking, lead to strong financial standing and readiness to observe the new regulatory frameworks, as well as building public trust by taking organizational culture to the next level, in alignment with statement of direction, vision and mission of the Bank which place importance on all related parties including employees, customers, society and shareholders and aim to grow continuously and sustainably.

Shareholding and Management Structure

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1. Shareholding Structure

List of Shareholders as at December 31, 2017

Shareholders	Number of Shares			
	Ordinary	Preferred	Total	%
1) The Financial Institutions Development Fund	7,696,248,833	0	7,696,248,833	55.05
2) Thai NVDR Co., Ltd	953,114,257	2,060	953,116,317	6.82
3) STATE STREET EUROPE LIMITED	386,520,859	0	386,520,859	2.77
4) Vayupaksa Mutual Fund 1 managed by MFC	276,170,608	2,726,095	278,896,703	2.00
5) Vayupaksa Mutual Fund 1 managed by KTAM	276,170,607	2,726,095	278,896,702	2.00
6) CHASE NOMINEES LIMITED	126,651,165	0	126,651,165	0.91
7) EGAT Saving and Credit Cooperative Limited	110,959,700	0	110,959,700	0.79
8) BNY MELLON NOMINEES LIMITED	103,269,150	0	103,269,150	0.74
9) THE BANK OF NEW YORK MELLON	100,734,000	0	100,734,000	0.72
10) EGAT Saving and Credit Cooperative Limited	98,017,200	0	98,017,200	0.70
11) Other shareholders	3,755,715,007	45,750	3,755,760,757	26.85
Total	13,976,061,250	5,500,000	13,981,561,250	100.00

Proportion of Thai Nationality and Foreign Nationality Shareholders:

Shareholder	Juristic Entity		Individual		Total		
	Number	Number of Shares	Number	Number of Shares	Number	Number of Shares	%
Thai Nationality	761	10,553,830,310	69,678	1,609,641,777	70,439	12,163,472,087	87.00
Foreign Nationality	253	1,805,858,678	131	12,230,485	384	1,818,089,163	13.00
Total	1,014	12,359,688,988	69,809	1,621,872,262	70,823	13,981,561,250	100.00

Remark : 1. Information from Thailand Securities Depository Co., Ltd.
2. Investors can look up the latest shareholding structure at www.ktb.co.th

Shareholders can examine the details of Securities Register for ordinary and preferred shares of the Bank on pages 279 - 280.

2. Dividend Payment Policy

2.1 Dividend Payment Policy of the Bank

The Bank has the policy to pay about 40 percent of its net profit as dividend. However, dividend payment in each year is subject to the realize profit from normal business operation in that particular year. Also taken into consideration were the future performance of the Bank as well as economic condition, financial factors involved, growth of credit extension and provisioning, resolution from the Board meeting and/or shareholders general meeting, retained earnings, legal and other provisioning as the Bank deems necessary and including the regulatory compliance under law, rules and regulation prescribed by the authorized regulators.

As for the 2016 operating performance, the Bank paid dividend to the shareholder Baht 0.86 per ordinary share and Baht 1.0145 per preferred share (equivalent to 40.13 percent of net profit) on May 26, 2017.

2.2 Dividend Payment Policy of Subsidiaries

Dividend payment of subsidiaries depends on each company's operating performance, retained earnings, legal provisioning and other required provisioning as appropriate for business operation.

3. Management Structure

3.1 Organization Structure's details are provided in Organization Chart on pages 8 - 9.

3.2 Members and Authorities of each Committee

3.2.1 The Board of Directors

Members of the Board of Directors as at December 31, 2017

1)	Dr. Somchai	Sujjapongse	Chairman of the Board of Directors
2)	Mr. Krairit	Euchukanonchai	Vice Chairman
3)	Professor Dr. Kittipong	Kittayarak	Director and Independent Director
4)	Mr. Nontigorn	Kanchanachitra	Director and Independent Director
5)	Mr. Distat	Hotrakitya	Director and Chairman of the Independent Director Committee
6)	Mr. Vichai	Assarasakorn	Director and Independent Director
7)	Gen. Tienchai	Rubporn	Director and Independent Director
8)	Mr. Poonnis	Sakuntanaga	Director
9)	Mr. Somchai	Boonnamsiri	Director and Independent Director
10)	Mr. Thanwa	Laohasiriwong	Director and Independent Director
11)	Dr. Kulaya	Tantitemit	Director
12)	Mr. Payong	Srivanich	President
	Mr. Suchart	Dejittirut	Secretary
	Ms. Sineenard	Damri-Anant	Assistant Secretary

Details of Changes of Directorship, Secretaryship and Assistant Secretaryship

- | | | |
|----|-------------------------|---|
| 1) | Mr. Vichai Assarasakorn | Took the position of Director on November 24, 2017 to replace Mr. Supant Mongkolsuthree who resigned from the position of Director on August 1, 2017. |
| 2) | Mr. Witoon Kantaapa | Resigned from the position of Assistant Secretary on August 3, 2017. |

Scope of Authority and Responsibility of the Board of Directors

The Board of Directors assumes full authority in the management and oversees that the business operation as the commercial bank complies with the objectives, the Articles of Association and the resolutions of the shareholders' meetings. All of which must be subjected to relevant laws and regulations. The authority and responsibility includes:

Authority of the Board of Directors

- 1) Each director can cast one vote and the majority vote shall be taken as the resolution of the Board meeting. In case of equal votes, the Chairman of the Board shall have the second vote for a decision. In case of election of Director in replacement of the Directors who resigned prior to the end of term, at least three-fourths votes of approval from the total number of Directors are required.
- 2) Any director who has his own interest in the matter discussed in the Board meeting is prohibited from casting vote on such issue. In this case, the Chairman may request such director to temporarily leave the meeting
- 3) All business activities of the Bank shall be under the authority of the Board of Directors. Either the President or at least two other directors as delegated by the Board have the authority to sign and affix the Bank's official seal on behalf of the Bank.
- 4) The Board of Directors has the authority to appoint the General Manager and employees as well as agent of the Bank with the authority and duty as the Board deems appropriate. Remuneration, expenses and benefits as well as removal of such persons from office are also within the authority.
- 5) The Board of Directors can empower the General Manager to appoint and revoke the appointment of the employees of the Bank. If the General Manager is also a director of the Board of Directors, he is named the "President".
- 6) The Board of Directors has the authority to invite any person, as it deems appropriate, to be an advisor assisting the Board on banking business as well as determining wages and remuneration for the advisor.
- 7) If the Board of Directors view that the Bank has gained sufficient profits and it is appropriate to pay dividend, the Bank may from time to time pay interim dividend to shareholders and report in the next shareholders' meeting.

Scope of Authority of the Board of Directors

The Board of Directors shall have the power to conduct all kinds of business of the Company. However, certain kinds of business in accordance with the Bank's regulations and the Limited Public Company Act B.E. 2535 (1992) and its amendments are specified to be conducted by the power of the meeting of shareholders.

- 1) Approval of the balance sheets and the profit and loss statements.
- 2) Approval of the profit appropriation.
- 3) Election of new directors replacing those who completed their term of office or election of the additional directors when there is an increase in the total number of directors.
- 4) Appointment of the Bank's auditor and fixing their audit fee.
- 5) Increase of capital, reduction of capital and transfer of allowance for compensation of accumulated loss, dividend payment, public offering or allocation of capitalized shares and issuance of debentures.
- 6) Sale or transfer of the Bank's entire business or some material parts, acquisition or acceptance of transfer of other business, amendment or termination of agreement relating to renting out partial or the entire Bank's business.

Responsibilities of the Board of Directors

- 1) Oversee and manage the Bank's business in accordance with the objectives, the Bank's Articles of Association and the resolutions of the shareholders meeting as well as supervising the Bank's operations
- 2) Hold the meeting at least once a month and there must be at least half of the total directors attending. The majority vote shall be taken as the resolution of the meeting. In case of election of Director in replacement of the Directors who resigned prior to the end of term, at least three-fourths votes of approval from the total number of Directors are required.
- 3) Call for an annual ordinary general meeting within four months from the closing of accounting period. Other general meetings may be called anytime as extra ordinary meeting when the Board deems appropriate or within one month from the date of shareholder's written request.
- 4) Despite Board vacancy, the subsisting directors can still perform the duty. However, if the number of directors does not constitute a quorum, the remaining directors can only call a general meeting to elect new candidates to fill all the vacancies.
- 5) Comply with the Code of Best Practice of Directors of Listed Companies and Corporate Governance Code (CG Code).

Term of Office

One-third of the members of the Board of Directors must retire from the position at each Annual Ordinary General Meeting. Each member of the Board of Directors may not be in the position for longer than 3 consecutive terms of office unless his qualifications justify it. The Board of Directors will consider the effectiveness of such director in performing his duties and explain the reason thereof and his performance to the shareholders.

Authorized Signatory Directors

Mr. Payong Srivanich, the President is authorized to sign solely on behalf of the Bank affixed with the Bank's official seal or Mr. Krairit Euchukanonchai jointly with Dr. Kulaya Tantitemit to sign as two signatories affixed with the Bank's official seal.

3.2.2 The Board of Executive Directors

Members of the Board of Executive Directors as at December 31, 2017

1)	Mr. Krairit	Euchukanonchai	Chairman of the Board of Executive Directors
2)	Mr. Poonnis	Sakuntanaga	Director
3)	Dr. Kulaya	Tantitemit	Director
4)	Mr. Payong	Srivanich	Director
	Mr. Suchart	Dejittirut	Secretary
	Ms. Sineenard	Damri-Anant	Assistant Secretary

Details of Changes of Directorship, Secretaryship and Assistant Secretaryship

- 1) Mr. Witoon Kantaapa Resigned from Assistant Secretary of the Board of Executive Directors on August 3, 2017.

Scope of Authority and Responsibility of the Board of Executive Directors

The Board of Directors has empowered the Board of Executive Directors with the following duties:

- 1) Approve scrutinizing credit, debt restructuring and debt write-off within the authority.
- 2) Approve investment or sales of securities invested by the Bank, trading or renting out Banks' property within the authority
- 3) Consider and approve the hiring of consultant and procurement operation in accordance with the procurement regulations.
- 4) Scrutinize business plan, policy tasks and annual budget.
- 5) Monitor significant assignments given by the Board of Directors
- 6) Approve or acknowledge other businesses relating to management that deem necessary, appropriate or urgent to get problems resolved since they may cause damage to the Bank if unattended. Report such issue promptly to the Board of Directors.
- 7) Perform other tasks assigned by the Board of Directors.

Term of Office of Executive Directors

Equivalent to the Board of Directors' term of office

3.2.3 The Audit Committee

The Audit Committee as at December 31, 2017

1)	Professor Dr. Kittipong	Kittayarak	Chairman of the Audit Committee
2)	Gen. Tienchai	Rubporn	Director
3)	Mr. Somchai	Boonnamsiri	Director
4)	Mr. Thanwa	Laohasiriwong	Director
	Mr. Santi	Parivisutt	Secretary

Audit Committee reviewed the Audit Committee Charter, which was effective on November 8, 2017, without any change on the scope of authority and responsibility of the Audit Committee. The details are as follows:

Scope of Authority and Responsibility of the Audit Committee

1) Financial Reporting and Public Disclosure

- 1.1) Review the financial reports to ensure their adequacy, accuracy and reliability in accordance with the generally accepted accounting principles.
- 1.2) Review with the Bank's auditor key issues that may adversely affect the reliability of the financial reports such as:
 - 1.2.1) Significant problems or conflicts encountered during the course of the audit
 - 1.2.2) Different facts and opinions between the auditor and the management
 - 1.2.3) Effectiveness of internal control
 - 1.2.4) Deficiencies or losses found in the current accounting period and the possibility to recur in the following periods
 - 1.2.5) The draft of the annual financial statements and notes to the financial statements
 - 1.2.6) The auditor's report
- 1.3) Review any connected transactions or transactions that may cause conflict of interest or signify chances of fraud to ensure accurate accounting procedures as well as the complete and transparent information disclosure.

1.4) Review the evidences when doubt about the operation that may significantly impair the Bank's business or conflict of interest that may cause negative impact on the Bank's operation.

1.5) Oversee the information submitted to the regulator to be in line with that in the financial reports.

2) Internal Control

2.1) Review the internal control system to ensure its effectiveness and compliance with the standards of the Committee of Sponsoring Organizations of Treadway Commission (COSO). Assess the entire internal control system at least once a year in addition to the assessment of financial reporting with the Bank's auditor

2.2) Review the appropriateness and effectiveness of risk management, internal control of the Bank's IT system and its security including business continuity plan.

3) Auditor

3.1) Ensure independence of the auditor

3.2) Review the scope of work of auditor and internal auditors to avoid duplication of work in financial auditing with due consideration of efficiency in the use of resources in the audit process.

3.3) Consider the recruitment, appointment, dismissal and remuneration of the auditor and submit to the Board of Directors in proposing to the shareholder's general meeting. The Committee together with the auditor held the meeting without the presence of the management at least once a year.

3.4) Review the annual audit report and may suggest reviewing or examining on significant or necessary issues before submitting the key recommendation to the Board of Directors.

4) Internal Auditor

4.1) Ensure independence of the internal auditor

4.2) Directly supervise the Internal Audit Group, excluding the management of the Internal Audit Group that report directly to the President

4.3) Oversee the Internal Audit Group to adhere to moral ethics and corporate governance with generally accepted audit standards as well as examine and review Code of Conduct of audit officers prior to submission to the Board of Directors for approval

4.4) Regularly examine and review the Charter of the Internal Audit Group

4.5) Consider and approve the strategic plan for internal audit, organization structure, manpower, annual internal audit program as well as budget used in auditing, stressing efficiency and effectiveness including their prioritization with regard to risk levels

4.6) Review the internal audit reports and call confidential meetings with Managing Director of the Internal Audit Group to see if there is any interference from the executives and the management that may cause negative impacts on the independence and freewill of the internal auditor

4.7) Review with the Internal Audit Group Managing Director the Bank's resources utilization to be in line with the established policy or operational manual.

4.8) Review with management the material deficiencies found from auditing and their responses

4.9) Submit opinions to the Board of Directors concerning the appointment, transfer, dismissal, remuneration fixing and appraisal of the Internal Audit Group Managing Director and all internal auditors of the Internal Audit Group

4.10) Assess the performance of the Internal Audit Group Managing Director

4.11) Perform the Independent Quality Assessment Review by external auditor at least every five years

5) Regulatory Compliance

5.1) Review all compliances with relevant laws, rules and regulations stipulated by the official authorities and the regulators so as to prevent the damages from penalty charges, warning as well as the reputation of the Bank and its executives.

5.2) Supervise the financial conglomerate

5.2.1) Supervise and monitor the operation to be in line with the financial conglomerate policy

5.2.2) Review accuracy and adequacy of financial report of the financial conglomerate

6) Risk Management

6.1) Review crucial risk levels and risk assessment methods used by the internal auditor and the Bank's auditor whether they are adequate and reliable

6.2) Review the awareness of the Board of Directors and top executives on key risks and those related to strategic risk, credit risk, market risk, liquidity risk and operational risk.

7) Performance Assessment

Conduct self-assessment and the Board of Directors will evaluate the annual performance of the Audit Committee

8) Charter Establishment and Review

Establish and review Charter of the Audit Committee at least once a year before submitting to the Board of Directors for approval.

9) Other Responsibilities

9.1) Authorized to audit or investigate concerned persons under the scope of authority and responsibility of the Audit Committee and to hire specialist to assist in auditing or investigation

9.2) Perform other duty as assigned by the Board of Directors and with consent from the Audit Committee

Term of Office

1) The Audit Committee has a three-year term of office. One year refers to the period from the Ordinary General Meeting of the year in which the Director is appointed to the next Ordinary General Meeting. A director completing the term of office is eligible for re-election. Moreover, the Bank has stipulated additional provisions concerning the appropriateness of Director's term of office that it should not be over two consecutive terms except that any Director is considered appropriate to take the director office longer than such term. In this regard, the Board of Directors shall consider the independence and performance efficiency of that director before extended the term of office for more than two consecutive terms. The extension of such term shall not be permitted automatically.

2) The Directors in Audit Committee shall terminate from the position under the following circumstances:

2.1) Complete the term of office

2.2) Terminate from directorship of the Bank's Board of Directors

2.3) Resignation

2.4) Death

2.5) Lacking of qualifications as Audit Committee under the regulations prescribed by the Bank or SET

2.6) Have resolution to terminate from the position approved by the Board of Directors

2.7) Receive final judgment to imprisonment or lawful order to imprisonment except the negligent offence or petty offenses

2.8) Being quasi incompetent or adjudged incompetent

2.9) Bankruptcy

3) For the resignation of Audit Committee Director, the letter of resignation must be submitted in advance to the Chairman of the Board of Directors for least 30 days, excluding in the case of further necessity occurred, for the Board of Directors to approve

4) In case the Audit Committee Directors has left the position prior to the completion of office term, the qualified person will be selected by the Board of Directors and will stay only for the remaining tenure of the director who left.

Member of the Audit Committee with experiences in reviewing financial statement

- | | | | |
|----|---------------|-------------|---------------------------|
| 1) | Gen. Tienchai | Rubporn | Member of Audit Committee |
| 2) | Mr. Somchai | Boonnamsiri | Member of Audit Committee |

The individual brief biography and experiences in reviewing financial statements are shown in "Brief Biography of the Board of Directors and Executive Officers" on pages 25 and 26 respectively.

3.2.4 Corporate Governance and Social Responsibility Committee

The Corporate Governance and Social Responsibility Committee as at December 31, 2017

- | | | | |
|----|---------------|----------------|-----------|
| 1) | Mr. Vichai | Assarasakorn | Chairman |
| 2) | Mr. Nontigorn | Kanchanachitra | Director |
| 3) | Dr. Kulaya | Tantitemit | Director |
| | Ms. Siriporn | Nopwattanapong | Secretary |

Detail of Changes of Corporate Governance and Social Responsibility Committee

- | | | | |
|----|------------|----------------|--|
| 1) | Mr. Supant | Mongkolsuthree | Resigned from the position of Director on August 1, 2017 |
| 2) | Mr. Vichai | Assarasakorn | Took the position of Director on November 24, 2017 |

Scope of Authority and Responsibility of Corporate Governance and Social Responsibility Committee

- 1) Present policy on corporate governance and social responsibility of the Bank and subsidiaries to the Board of Directors.
- 2) Oversee that operations are in compliance with the principles of corporate governance stipulated by the regulators such as the Bank of Thailand, the Stock Exchange of Thailand and the Securities and Exchange Commission, together with bearing the social responsibility.
- 3) Regularly review the corporate governance and social responsibility policy to be in consonance with international practices and recommendations of related institutions.
- 4) Recommend Code of Best Practices or Board of Directors Charter to the Board of Directors as well as other established committees of the Bank.
- 5) Recommend Code of Business Conduct and Code of Best Practices for executives and all employees
- 6) Encourage good corporate governance culture and participation in social activities for sustainable development, which must be acknowledged and carried out effectively by employees in all levels.
- 7) Appoint sub-committee to support corporate governance and social responsibility work as deemed appropriate.
- 8) Perform other tasks assigned by the Board of Directors.

3.2.5 The Nominating and Remuneration Committee

The Nominating and Remuneration Committee as at December 31, 2017

- | | | | |
|----|---------------|----------------|---------------------|
| 1) | Mr. Nontigorn | Kanchanachitra | Chairman |
| 2) | Mr. Distat | Hotrakitya | Director |
| 3) | Mr. Somchai | Boonnamsiri | Director |
| | Mr. Suppawat | Wadhanapatee | Secretary |
| | Mr. Natakrit | Tanapaisankit | Assistant Secretary |
| | Mr. Boonchird | Pikulyam | Assistant Secretary |
| | Ms. Nuannapha | Wongthawatchai | Assistant Secretary |

Scope of Authority and Responsibility of the Nominating and Remuneration Committee

The Nominating and Remuneration Committee has been delegated from the Bank to perform the following duties:

- 1) Set policy, criteria and procedure in nominating and fixing remuneration including other benefits for the directors, top executives and authorized personnel.
- 2) Recommend overall policy concerning the fixing of remuneration and other benefits.
- 3) Recruit and select applicants with appropriate qualifications as specified by Bank's rules and relevant laws to be presented to the Board of Directors for consideration in the position of:
 - 3.1) Director
 - 3.2) Member of respective committees directly delegated by the Board of Directors
 - 3.3) Top executives and authorized person
- 4) Oversee that the size of the Board of Directors is justifiable and appropriate for the organization and the changing environment. The Board of Directors must comprise of the personnel with knowledge, skill and experience in various areas.
- 5) Activate the Board of Directors to select new director to replace the one that has completed term of office according to the Articles of Association.
- 6) Oversee that directors, top executives and authorized persons' remunerations are justifiable with their duties and responsibilities. Remunerations are adjusted in accordance with additional duties and responsibilities of such director.
- 7) Set up guidelines for assessing the performance of directors, top executives and authorized management personnel when revising annual compensations and taking into consideration the duties, responsibilities, related risks and long term value creation for shareholders.
- 8) Disclose policy and details of recruiting procedures and fixing of remunerations, all types of benefits and conduct the report regarding to the process of determining remunerations. Thus, the details relating to the objectives, operational performance, and comment of the Nominating and Remuneration Committee must be disclosed in the Bank's Annual Report.
- 9) Perform other tasks as assigned by the Board of Directors.

3.2.6 Risk Management Committee

Risk Management Committee comprised of Directors, President and top executives from the Risk Management Group, Operation Group and Financial Management Group.

Risk Management Committee as at December 31, 2017

1)	Mr. Krairit	Euchukanonchai	Chairman
2)	Mr. Poonnis	Sakuntanaga	Director
3)	Mr. Somchai	Boonnamsiri	Director
4)	Mr. Thanwa	Laohasiriwong	Director
5)	Mr. Vichai	Assarasakorn	Director
6)	Mr. Payong	Srivanich	Director
7)	Mr. Poonpat	Sripleng	Director
8)	Ms. Amporn	Chotruchsakul	Director
	Mr. Songpol	Tangkijthavorn	Secretary

Detail of Changes of the Risk Management Committee

- | | | | |
|----|--------------|-----------------|---|
| 1) | Mr. Supant | Mongkolsuthree | Resigned from the position of Director on August 1, 2017 due to resigning from the Bank |
| 2) | Ms. Walairat | Lertumpornpisal | Resigned from the position of Director on October 1, 2017 due to retirement |
| 3) | Mr. Vichai | Assarasakorn | Took the position of Director on November 24, 2017 to replace Mr. Supant Mongkolsuthree |

Scope of Authority and Responsibility of Risk Management Committee

- 1) Present / set out the overall risk management policy and strategy to Board of Directors.
- 2) Set out strategies in consonance with the risk management policy as well as control, monitor and assess risk management. Oversee the Bank's operation to be in line with risk management policy and guidelines prescribed by the Bank and the regulators.
- 3) Formulate the risk management policy and oversee risk management of the financial business group to be in compliance with the Consolidated Supervision guidance of the Bank of Thailand. Furthermore, control, monitor and assess risks of the financial conglomerate for better efficiency and to be at acceptable levels.
- 4) Report the operating performance of the Risk Management Committee to the Audit Committee regularly every month and report the same content to the Board of Directors every quarter.
- 5) Perform other task assigned by the Board of Directors.

Risk Management Committee has arranged for the regular meeting at least once a month or as deem appropriate.

3.2.7 The Compliance Committee

The Compliance Committee as at December 31, 2017

- | | | | |
|----|-------------------------|---------------|---------------------|
| 1) | Mr. Distat | Hotrakitya | Chairman |
| 2) | Professor Dr. Kittipong | Kittayarak | Director |
| 3) | Gen. Tienchai | Rubporn | Director |
| | Mr. Suchart | Dejittirut | Secretary |
| | Ms. Vipawadee | Lerssrisuriya | Assistant Secretary |
| | Ms. Nipawan | Wanasathop | Assistant Secretary |

Detail of Changes of Secretaryship

- | | | | |
|----|---------------|---------------|---|
| 1) | Mr. Witoon | Kantaapa | Resigned from the position of Secretary on August 15, 2017 (due to his retirement date on September 30, 2017) |
| 2) | Ms. Vipawadee | Lerssrisuriya | Took the position of Assistant Secretary on August 15, 2017 |

Scope of Authority and Responsibility of the Compliance Committee

The regulatory compliance committee was appointed by the Board of Directors to be responsible for 6 major operations as follows:

- 1) Supervise and monitor risks resulted from the breach against the law and regulations via the Compliance Department
- 2) Regularly review the Charter of the Compliance Committee before submitting to the Board of Directors for approval
- 3) Assess annual performance of the Compliance Department to maintain independence and avoid conflict of interest. Review policy and regularly assess efficiency of risk management in regulatory compliance to ensure that the Bank's regulatory compliance is appropriate.
- 4) Approve the Annual Compliance Report.
- 5) Review the review report or monitor the regulatory compliance. It may be asked to review or monitor transactions that default on compliance and the Bank considered them as being important cause of risk
- 6) Report to the Board of Directors for acknowledgement the result of the review report or monitor the regulatory compliance. The committee shall consider for the improvement in case the default on compliance occurred.

3.2.8 Independent Director Committee

Independent Director Committee as at December 31, 2017

1)	Mr. Distat	Hotrakitya	Chairman
2)	Professor Dr. Kittipong	Kittayarak	Independent Director
3)	Mr. Nontigorn	Kanchanachitra	Independent Director
4)	Gen. Tienchai	Rubporn	Independent Director
5)	Mr. Somchai	Boonnamsiri	Independent Director
6)	Mr. Thanwa	Laohasiriwong	Independent Director
7)	Mr. Vichai	Assarasakorn	Independent Director
	Mr. Suchart	Dejittirut	Secretary
	Ms. Vipawadee	Lerssrisuriya	Assistant Secretary
	Ms. Sineenard	Damri-Anant	Assistant Secretary

Detail of Changes of Independent Director Committee, Secretary and Assistant Secretary

1)	Mr. Vichai	Assarasakorn	Took the position of Independent Director on November 24, 2017
2)	Mr. Witoon	Kantaapa	Took the position of Assistant Secretary of Independent Director on May 24, 2017 and resigned from the position on August 3, 2017
3)	Ms. Vipawadee	Lerssrisuriya	Took the position of Assistant Secretary of Independent Director on August 16, 2017

Definition of Independent Director

Independent director must not have any business or work related to commercial bank that might have an impact on his/her independent decision-making and must have additional qualifications which are considered to be more intensive than the Capital Market Supervisory Board's regulations in terms of shareholding as follows:

(a) Not holding more than 0.5 percent of the total number of voting shares of the bank or the bank's parent company, subsidiary, associated company, major shareholder or any person with control power over the bank including shares held by any related person of such an independent director.

(b) Not be or have been a director in the management of the bank, or an employee, officer or an advisor of the bank receiving regular salary, and not be and have not been a person with control power over the bank or the bank's parent company, subsidiary, or associated company, or a subsidiary of another company in the same level, unless such person has resigned from such position for at least two years. Such restriction or prohibition shall not apply to an independent director who has been a government officer or an advisor of a government authority that is the major shareholder of the bank or the person with control power over the bank.

(c) Not be a person having relationship either through lineage or legal registration as a father, mother, spouse, sibling or child, including spouse of a child of any director, executive or major shareholder of the bank or the bank's subsidiary, or of any person with power to control the bank or the bank's subsidiary, or of the person being nominated to be a Director, an executive or a person having power to control the bank or the bank's subsidiary.

(d) Not having and have not had any business relationship with the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or with the person with control power of the Bank that may have conflict of interest, in the manner in which his/her independent discretion might be affected, and not be and have not been a substantial shareholder of or a person with power to control the person that has business relationship with the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or person with control power over the Bank unless such an independent director has not been a person referred to above for not less than two years.

Business engagement purpose, any lease taking or lease out of any property, any transaction relating to asset or services, any financial support by way of either borrowing, lending, guaranteeing or collateral providing or any other manner similar thereto that could result to an obligation required to be performed by the Bank or the party thereto in an amount of three percent or more of the net tangible asset value of the Bank or twenty million Baht or more, whichever is lesser. In light of this, the method for calculation of the value of connected transaction pursuant

to the Capital Market Supervising Committee's Notification, Re: Regulations in respect of an Entering into a Connected Transaction shall be applied mutatis mutandis for the purpose of calculation of such amount of debt of the Bank, provided that the amount of debt incurred during the past one year prior to the date on which such a business relationship with such person exists.

(e) Not be and have not been an auditor of the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or of any of the person with control power over the Bank, and not be and have not been a substantial shareholder of, a person with power to control over, or a partner of any auditing firm or office in which the auditor of the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or the person with control power over the Bank is working, unless such an independent director has not been a person referred to above for not less than two years.

(f) Not be and have not been a professional advisor, including legal or financial advisor who receives fee of more than two million Baht per year from the Bank or the Bank's parent company, subsidiary, associated company, or major shareholder, or from the person with control power over the Bank and not be and have not been a substantial shareholder of, a person with control power or a partner of any of such professional service provider firm or office, unless such an independent director has not been a person referred to above for not less than two years.

(g) Not be a director appointed as a representative of a director of the Bank, a representative of a major shareholder of the Bank, or a representative of a shareholder of the Bank which is a related person of the major shareholder of the Bank.

(h) Not engage in any business of the same nature of which is the same as that of the Bank or the Bank's subsidiary and which, in any material respect, is competitive with the business of the Bank or the Bank's subsidiary, or not be a substantial partner in a partnership, a director taking part in the management, an employee or officer, an advisor receiving regular salary from, or a shareholder holding more than one percent of the voting shares of a company engaging in any business the nature of which is the same as that of the Bank or the Bank's subsidiary and which, in any material respect, is competitive with the business of the Bank or the Bank's subsidiary.

(i) Having no other characteristics by which his/her independent comment or opinions on the Bank's operation may be affected.

(j) The person must be nominated through the Board of Directors or the Nominating and Remuneration Committee.

After being appointed as an independent director of the Bank and having qualifications stated in (a) to (j), he/she may be assigned by the Bank's Board of Directors to make decision in respect of business operation of the Bank, or the Bank's parent company, subsidiary, associated company, or a subsidiary of another company in the same level of the Bank, the major shareholder of the Bank, or the person having control power over the Bank, provided that such decision made must always be made on a collective decision basis.

Furthermore, when the Capital Market Supervisory Board/the Securities and Exchange Commission announce any improvement/flexibility of the regulation of Independent Director's qualifications, it will then be applied afterward.

Scope of Authority and Responsibility of the Independent Committee

1) Recommend agenda of meeting to the Chairman of the Board of Directors for the issue that is deemed as important or issues that should be considered by the Board and not yet included on the agenda.

2) Provide opinions to the Chairman of the Board of Directors regarding to the role and performance of the Board.

3) Support the Board of Directors in boosting efficiency in complying with the principles of good corporate governance.

4) In case where the Board of Directors consider material agenda items such as related-party items or significant property trading, Independent Directors of over half the total number of Independent Directors should join in the consideration of such material agenda items.

5) In case where the Independent Directors may have conflicting opinions or any other observations on agenda items under consideration by the Board of Directors meeting, such opinions or observations should also be recorded in the minutes of the Board of Directors meeting every time.

- 6) Monitor the performance by the Independent Directors who have been designated to take position in various subcommittees especially in the issues of regulatory compliance, international accounting standards and risk management.
- 7) Perform any other tasks as assigned by the Board of Directors.

Term of Office

Equivalent to the Board of Directors' term of office and must not exceed 9 consecutive years

Business Relationship of Independent Directors

According to the Notification of the Capital Market Supervisory Board TorChor. 39/2559, subject: Application for and Approval of Offer for Sale of Newly Issued Shares, the Bank disclose relevant information concerning the business relationship of independent directors that in an amount of three percent of the net tangible asset value of the Bank or twenty million Baht or more, whichever is lesser. For the Bank, the criteria of value over twenty million Baht is applied. Details are as follows:

The Board of Directors appointed independent directors with prudence and transparency and realizing that all the present seven independent directors (as at December 31, 2017) possess qualifications, knowledge, competence and experience that would benefit to the Bank's operation. They all have performed their duties with full responsibilities, prudence and integrity under the applicable laws, objectives and Articles of Association of the Bank as well as the resolutions of the shareholders general meeting. Moreover, they have fulfilled the tasks with complete independence in helping to oversee business operation enthusiastically and continuously. None of the Bank's independent directors holds the office of independent director in the parent company, subsidiary or associated company of the same order.

There were 4 Independent Directors as at December 31, 2017 namely:

1. Professor Dr. Kittipong Kittayarak took the position of Independent Director and the Chairman of Audit Committee in PTT PCL. and Independent Director and Director of Audit Committee in Dusit Thani PCL.
2. Mr. Nontigorn Kanchanachitra took the position of Independent Director and Director of Audit Committee in Interlink Communication PCL.
3. Mr. Thanwa Laohasiriwong took the position of Director and Executive Director in TOT PCL. and Independent Director and Chairman of Audit Committee in TPBI PCL.
4. Mr. Vichai Assarasakorn took the position of Independent Director and Director of the Audit Committee in PTT PCL., Director in Panel Plus Co., Ltd. and Panel Plus MDF Co., Ltd.

The business relationship between the seven abovementioned companies and the Bank is loan granting, which is referred as the normal business transactions in banking operation on normal general terms and conditions. Besides, such relationship does not violate the nature that will obstruct the use of discretion or judgment in performing duty independently of the independent directors.

3.3 Assessment of the Board of Directors

3.3.1 Self-Assessment of the Board of Directors

The Bank requires the Board of Directors to perform self-assessment to reflect the efficiency of the Board of Directors' operation under the principles of good corporate governance, CG Code practice and the Performance Evaluation of State-owned Enterprise from the State Enterprise Policy Office, Ministry of Finance in the aspect of Organization Management "Role of the State Enterprise's Board of Directors" twice a year. These self-assessments include performance evaluation during 2 phrases of January-June and July-December annually. The procedures are as follows:

Assessment Procedures

- 1) The Nominating and Remuneration Committee ensures the review of self-assessment evaluations to be accurate, complete, and comply with the established regulations.
- 2) The Secretary to the Board of Directors delivers the self-assessment form to the Board of Directors for assessment.
- 3) The Secretary to the Board of Directors gathers the self-assessment form, sums up the result and reports the result to the Board of Director.

- 4) The Board of Directors analyzes the result and ensures the improvement guidelines for enhancing further effective performance.
- 5) The Secretary to the Board of Directors sends Ministry of Finance the result of the self-assessment.

The self-assessment of the Board of Directors aims to reflect the efficiency in operation and to be used for considering the appropriateness of the Board of Director's composition according to the principles of good corporate governance. This self-assessment has divided into three types: self-assessment of the entire Board of Directors, self-assessment of individual Director and inter-assessment of individual Director. Criteria and the assessment of 2017 are as follows:

1) **Self-assessment of the entire Board of Directors** consists of six areas namely; structure and qualifications of Directors, role and responsibility of the Board, guideline practices of the Board, communications of the Board, relationship between the Board and the Management and Board Meeting.

The overall twice assessment results for the six areas in 2017 were excellent at 98.3 percent for and 99.2 percent respectively. Thus the average percentage from twice assessments is at 98.8 percent. Majority of the Directors expressed their opinions that the number of Directors was appropriate for the business size and the number of Independent Directors was complying with what the authorized regulators required. Moreover, the Bank has appointed adequate member of respective sub-committees under good corporate governance principles to assist in researching and scrutinizing the specific key issues for prudent an efficient business operation.

2) **Self-assessment of the individual Director** covers six areas namely; outstanding in competency, independence, readiness in performing duty, carefulness, responsibility, operating performance as Director on Board and vision to create long-term values to the business.

The overall twice assessments for the six areas in 2017 were excellent at 97.7 percent and 98.9 percent respectively. Hence, the average percentage from twice assessments is 98.3 percent. Most of the Directors expressed their opinions that the Directors performed their tasks with accountability, prudence and integrity in compliance with the law, objectives, the Bank's Articles of Association and resolutions of the shareholders general meeting. The Directors were ready to provide recommendations under the Code of Best Practices for the benefit of the Bank and attended the Board meetings and other Committee meetings regularly.

3) **Inter-assessment of individual Director** comprises of six areas namely; outstanding in competency, independence, readiness in performing duty, carefulness, responsibility, operating performance as Director on Board and vision to create long-term values to the business

The overall of twice assessments for the six areas in 2017 were excellent at 99.1 percent and 99.6 percent respectively. Therefore, the average percentage from twice assessments is 99.4 percent. Most of the Directors expressed their opinions that the Directors performed their task with accountability, prudence and integrity under applicable laws, objective, the Bank's Articles of Association and the resolutions of general meeting. They were highly independent in term of responsibility for and treatment of stakeholders without conflict of interest and misuse of internal information for self-interest or other-interest.

3.3.2 Self-Assessment of Respective Committee

The Respective Committees, comprising of the Board of Executive Directors, the Audit Committee, the Nominating & Remuneration Committee, the Corporate Governance & Social Responsibility Committee, the Risk Management Committee and the Compliance Committee, are required to perform self-assessment once a year to reflect operational efficiency under the principles of good corporate governance prescribed by Thai Institute of Directors Association (IOD) and the Standard of ASEAN Corporate Governance Scorecard. The self-assessment of the Respective Committee has been divided into 2 types: self-assessment of the entire of each committee and self-assessment of individual member of each committee. Procedures are as follows:

Assessment Procedures

- 1) The Respective Committees perform and review self-assessment evaluations under the principles of good corporate governance and guideline practices of Respective Committees.
- 2) The Secretary to each committee delivers the self-assessment forms to the Respective Committees for conducting assessment.
- 3) The Secretary to the Respective Committee collects, summarizes and reports the self-assessment result to the Respective Committees
- 4) The Board of Directors analyzes the result and ensures the improvement guidelines for enhancing further effective performance.
- 5) The Secretary to each committee reports the self-assessment result of the Respective Committees to the Board of Directors.

The self-assessment result of all the Respective Committees in 2016 was in excellent level and can be summarized as follows:

The Respective Committees	The result of self-assessment	
	The entire of each committee	Individual assessment
1. The Board of Executive Directors	99.2	99.2
2. The Audit Committee	98.5	98.4
3. The Nominating & Remuneration Committee	99.6	98.8
4. The Corporate Governance & Social Responsibility Committee	98.3	97.7
5. The Risk Management Committee	98.8	94.3
6. The Compliance Committee	98.3	99.4

Unit: percent

Thus, the Bank shall summarize the assessment results both of the Board of Directors and the Respective Committees and report to all the Directors for acknowledgement in order to set the guidelines of reviewing Director's performance, problems and difficulties and consider the appropriateness of the Board of Directors' composition. The Bank shall analyze the assessment results and implement all suggestions for the development of further operation.

3.4 Corporate Secretary

The Bank has assigned Mr. Suchart Dejittirut, Senior Executive Vice President-Head of Compliance and Legal Management Group to be the Corporate Secretary to comply with the amended Securities and Exchange Act B.E. 2535 and the Bank's principles of good corporate governance. Main duties and responsibilities include:

- 1) Oversee activities of the Board of Directors to be in compliance with the relevant applicable laws, rules and regulations.
- 2) Organize shareholders general meeting and the Board of Directors meeting to be in compliance with the relevant laws and the Bank's Articles of Association and monitoring those actions executed according to the meeting resolution for accuracy and compliance.
- 3) Prepare and retain the following documents:
 - Director registration
 - Invitation letter of the Board of Directors meeting, minutes of such meeting and the annual report of the company
 - Invitation letter of shareholders general meeting and minutes of such meeting
- 4) Retain the reports on interest reported by Directors and executives
- 5) Monitor the actions taken in accordance with the resolutions of the Board of Directors meeting and shareholders general meeting
- 6) Provide appropriate recommendations to Directors concerning legal matter, rules and regulations of the Bank.
- 7) Oversee corporate governance issues.
- 8) Act as a consultant and coordinator with secretaries of respective committees of the Bank.
- 9) Communicate with the shareholders to inform them of their rights and news of the Bank.
- 10) Take any other actions that are prescribed by the Capital Market Supervisory Board.

3.5 Board of Directors Meeting

Dates of the Board of Directors meeting have been appointed in advance throughout the year and the meetings in 2017 shall be held on the second and the fourth Wednesday of each month. Special sessions may be held when appropriate. Corporate secretary shall send the invitation, agenda and related document to the Directors at least 7 days before the meeting date. Corporate secretary will note the minutes and retain for audit after the Board of Directors' approval. Meeting agenda will be categorized into headings for efficiency of the meeting, such as Chairman's Statement for information, adoption of previous meeting's minutes, on-going issues, policies, loan, debt restructuring, investment, property trading and procurement, human resources issue, issue for information and other business topics.

In 2017, the Board of Executive Directors held a total of 54 meetings, the Board of Directors 27 meetings, the Audit Committee 25 meetings, the Nominating and Remuneration Committee 17 meetings, the Corporate Governance and Social Responsibility Committee 13 meetings, the Risk Management Committee 19 meetings, the Compliance Committee 12 meetings and the Independent Directors Committee 5 meetings. Details of each Director's attendance are as follows:

Name of Directors		Board of Directors	Board of Executive Directors	Audit Committee	Nominating and Remuneration Committee	CG and CSR Committee	Risk Management Committee	Compliance Committee	Independent Committee
1) Dr. Somchai	Sujjapongse	25/27	-	-	-	-	-	-	-
2) Mr. Krairit	Euchukanonchai	23/27	53/54	-	-	-	19/19	-	-
3) Professor Dr. Kittipong	Kittayarak	24/27	-	24/25	-	-	-	11/12	4/5
4) Mr. Nontigorn	Kanchanachitra	25/27	-	-	17/17	13/13	-	-	4/5
5) Mr. Distat	Hotrakitya	21/27	-	-	14/17	-	-	12/12	4/5
6) Mr. Vichai	Assarasakorn ⁽¹⁾	2/2	-	-	-	1/1	1/1	-	0/0
7) Gen. Tienchai	Rubporn	27/27	-	25/25	-	-	-	12/12	5/5
8) Mr. Poonnis	Sakuntanaga	27/27	51/54	-	-	-	18/19	-	-
9) Mr. Somchai	Boonnamsiri	27/27	-	24/25	15/17	-	19/19	-	4/5
10) Mr. Thanwa	Laohasiriwong	24/27	-	22/25	-	-	19/19	-	5/5
11) Dr. Kulaya	Tantitemit	26/27	47/54	-	-	13/13	-	-	-
12) Mr. Payong	Srivanich	27/27	48/54	-	-	-	16/19	-	-

Director who resigned during the year

1) Mr. Supant	Mongkolsuthree ⁽²⁾	12/15	-	-	-	7/7	10/13	-	-
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Notes : Number in the table refers to the number of attendance/ number of Board Meeting held while acting as Director.

(1) Took the position of Director on November 24, 2017

(2) Resigned from the position of Director on August 1, 2017

Besides, in the past year 12 meetings were held without the attendance of the management division, so as to be in complying with the good corporate governance. With this regard, the Board of Directors considered and shared their opinions concerning their duties and responsibilities in consonance with the regulations specified by Bank of Thailand and State Enterprise Policy Office.

3.6 Remunerations for the Board of Directors

3.6.1 Policy on Remunerations for the Board of Directors

The Bank structures its policy on fair and reasonable remunerations with the reviewing of the Nominating and Remuneration Committee. The consideration of remuneration must be in line with the Director's responsibilities and the Bank's financial status; must be comparable to the remuneration of the peers; and must be in complying with the resolution approved by the shareholders meeting. Remuneration is divided into 4 parts as follows:

- 1) Remuneration for the position in the Board of Director
- 2) Ex-officio remuneration to individual director of the Board of Directors as follows:
 - 2.1) Chairman of the Board of Directors
 - 2.2) Vice Chairman of the Board of Directors
 - 2.3) Chairman of other Respective Committee e.g. the Chairman of the Board of Executive Directors, the Audit Committee, the Nominating and Remuneration Committee, the Corporate Governance and Social Responsibility Committee, the Risk Management Committee and the Compliance Committee and the Chairman of other Boards that the Bank of Thailand required to have or was deemed to have or the Board of Director was deemed as necessary
- 3) Meeting honorarium shall be paid to the Directors in complying with the specified regulation.
- 4) Directors' gratuity is subject to the following criteria:
 - 4.1) The Bank must obtain profit from its operation, and
 - 4.2) The Bank must pay dividend to the shareholders

The Bank proposed all abovementioned remuneration namely, remuneration for the position in the Board of Director, Ex-officio remuneration, meeting honorarium and Directors' gratuity, without any other privilege to the shareholder's meeting for considering approval annually. However, at the 24th Shareholders Ordinary Annual General Meeting on April 28, 2017, the meeting resolved to give an approval of the Directors' remuneration. The details are as follows:

Details of Directors' Remunerations	Per Person
1.1 Remuneration for the position in the Board of Director	Baht 70,000/month
1.2 Ex-officio remuneration to individual director of the Board of Directors as follows:	
1.2.1 Chairman of the Board of Directors	Baht 130,000/month
1.2.2 Vice Chairman of the Board of Directors	Baht 30,000/month
1.2.3 Chairman of Respective Committees e.g.	Baht 30,000/month
- Nominating and Remuneration Committee	
- Corporate Governance and Social Responsibility Committee	
- Risk Management Committee	
- Compliance Committee	
- The Chairman of other Boards that the Bank of Thailand required to have or was deemed to have or the Board of Director was deemed as necessary.	
1.3 Meeting honorarium	Baht 30,000/time
Paid to the Directors who attended the meetings and the Directors in other Boards that the Bank of Thailand required to have or was deemed to have or the Board of Director was deemed as necessary	

Apart from abovementioned remunerations, there was the meeting honorarium to the Chairman of Relations Affairs Committee at the rate of Baht 30,000 per the time of attending the meeting but no more than one time per month.

Until presently, besides the approval from the shareholders' meeting, the Bank has not offered any privilege to the Directors.

3.6.2 Remunerations for the Board of Directors in 2017

In 2017, the Bank paid remunerations in cash, approved by the shareholders' meeting, as the remuneration for the position in the Board of Directors of the Bank, ex-officio remuneration and meeting honorarium of Baht 24,853,333.33 in total. It is divided into:

- 1) Remuneration for the position in the Board of Directors at a total of Baht 15,186,333.33.
- 2) Remuneration for the position in the Board of Executive Directors at a total of Baht 1,800,000.00, for the Audit Committee Baht 1,800,000.00, for the Nominating and Remuneration Committee Baht 1,410,000.00, for the Corporate Governance and Social Responsibility Committee Baht 1,207,000.00, for the Risk Management Committee Baht 1,680,000.00, for the Compliance Committee Baht 1,410,000.00.

Moreover, the remuneration for the Chairman of the Relations Affairs Committee was paid in the amount of Baht 360,000.00.

Unit : Baht

Name of Directors	Remuneration in Cash						
	Board of Director	Board of Executive Director	Audit Committee	Nomination and Remuneration Committee	CG and CSR Committee	Risk Management Committee	Compliance Committee
1) Dr. Somchai Sujjapongse	2,040,000.00						
2) Mr. Krairit Euchukanonchai	1,560,000.00	720,000.00				720,000.00	
3) Professor Dr. Kittipong Kittayarak	1,200,000.00		720,000.00				330,000.00
4) Mr. Nontigorn Kanchanachitra	1,200,000.00			720,000.00	360,000.00		
5) Mr. Distat Hottakitya	1,200,000.00			360,000.00			720,000.00
6) Mr. Vichai Assarasakorn ⁽¹⁾	116,333.33				67,000.00	30,000.00	
7) Gen. Tienchai Rubporn	1,200,000.00		360,000.00				360,000.00
8) Mr. Poennis Sakuntanaga	1,200,000.00	360,000.00				360,000.00	
9) Mr. Somchai Boonnamsiri	1,200,000.00		360,000.00	330,000.00		30,000.00	
10) Mr. Thanwa Laohasiriwong	1,170,000.00		360,000.00			360,000.00	
11) Dr. Kulaya Tantitemit	1,200,000.00	360,000.00			360,000.00		
12) Mr. Payong Sivanich	1,200,000.00	360,000.00					
Director who resigned during the year							
1) Mr. Supant Mongkolsuthree ⁽²⁾	700,000.00				420,000.00	180,000.00	
Total remuneration of Board of Directors	15,186,333.33						
Total remuneration of respective committees		1,800,000.00	1,800,000.00	1,410,000.00	1,207,000.00	1,680,000.00	1,410,000.00
Remuneration of the Chairman of Relations Affairs Committee ⁽³⁾							360,000.00
Total remuneration of all Respective Committees							9,307,000.00
Total remuneration of the Board of Directors and all Respective Committees							24,853,333.33

Notes : (1) Took the position of Director on November 24, 2017

(2) Resigned from the position of Director on August 1, 2017

(3) The 24th Shareholders Ordinary Annual General Meeting on April 28, 2017, the meeting resolved to give an approval to paying remuneration to the Chairman of Relations Affairs Committee at the rate of Baht 30,000/the time of attending the meeting but no more than one time per month. The Relations Affairs Committee was formed following the Labour Relations Act. B.E. 2543 and its members consist of representatives of the employer, representatives of the employees, and having one of the members of the Board of Directors as the Chairman as such, Mr. Nontigorn Kanchanachitra acted as the Chairman.

3.6.3 Gratuity Payment of the Directors in 2016

The Board of Directors allocated a total of Baht 47,130,000.00 as gratuity for Directors in 2016. The details are as follows:

Unit : Baht

Name of Directors			Gratuity
1)	Dr. Somchai	Sujjapongse	5,159,395.81
2)	Mr. Krairit	Euchukanonchai	4,586,129.61
3)	Professor Dr. Kittipong	Kittayarak	4,012,863.41
4)	Mr. Nontigorn	Kanchanachitra	4,012,863.41
5)	Mr. Supant	Mongkolsuthree	4,012,863.41
6)	Mr. Distat	Hotrakitya	4,012,863.41
7)	Gen. Tienchai	Rubporn	3,439,597.21
8)	Mr. Poonnis	Sakuntanaga	4,012,863.41
9)	Mr. Somchai	Boonnamsiri	3,439,597.21
10)	Mr. Thanwa	Laohasiriwong	3,204,652.04
11)	Dr. Kulaya	Tantitemit	888,092.72
12)	Mr. Payong	Srivanich	592,061.81
13)	Mr. Somchai	Poolsavasdi	2,335,354.94
14)	Mr. Vorapak	Tanyawong	3,420,801.60
Total			47,130,000.00

3.7 The Board of Directors' trainings

The Board of Directors supports Directors to participate in training courses or activities enhancing knowledge for performing duties continually. As in 2017, there were 5 Directors who attended in the training courses held by Thai Institute of Directors (IOD). The details are as follows:

Name of Directors			Training Course Title and Batch
1.	Gen. Tienchai	Rubporn	- Director Certification Program (DCP) Batch 2017/240
2.	Mr. Poonnis	Sakuntanaga	- Ethical Leadership Program (ELP) Batch 2017/7 - Risk Management Program for Corporate Leaders (RCL) Batch 8/2017
3.	Mr. Somchai	Boonnamsiri	- Successful Formulation & Execution of Strategy (SFE) Batch 2017/29 - Board that Make a Difference (BMD) Batch 2017/5
4.	Mr. Thanwa	Laohasiriwong	- Boardroom Success through Financing and Investment (BFI) Batch 2/2017
5.	Dr. Kulaya	Tantitemit	- Directors Certification Program (DCP) Batch 239/2017 - Ethical Leadership Program (ELP) Batch 7/2017

The details of their training courses are provided in the unit of brief biography of the Board of Directors and the Executive Officers on pages 19 - 27.

3.8 Directors Orientation

The Bank organizes directors' orientation for newly appointed directors to familiarize them with the Bank's significant information, for instance business plan, products and services, capital and shareholding structure, organization structure and key legal issues necessary for performing the duty as the Director of the Bank and the listed company. For 2017, the orientation was organized for the newly appointed director, Mr. Vichai Assarasakorn. Apart from the abovementioned documents, various key topics were presented by the President and the secretary to the Board of Directors in the orientation. Details are as follows:

- 1) Bank's strategy and business operation
 - 1.1) KTB's Strategy
 - 1.2) Credit Principles
- 2) Vital information for the Board of Directors
 - 2.1) Structure of the Board of Directors and Respective Committee
 - 2.2) Qualification and forbidden characteristic of the Bank's Director
 - 2.3) Role and responsibility of the Board of Directors
 - 2.4) Schedule, standard agenda and guideline for the meeting of the Board of Directors
 - 2.5) Transactions that allow/forbid Director to conduct, Corporate Governance policy and Code of Conduct
 - 2.6) Information about the Board of Directors and related person
 - 2.7) Security holding and trading that impacts to the Directors' qualification
- 3) Necessary information that supports Directors in performing duty in Respective Committee
- 4) The Bank's significant documents consist of capital and shareholding structures, business certificate, the Bank's Memorandum of Association and Articles of Association and regulation
- 5) Meeting room layout plan and fire exits

3.9 Executive Officers of the Bank

3.9.1 President

The President is empowered to oversee that the management and business operation of the Bank is in accordance with strategies, policies and objectives as formulated and set by the Board of Directors with the following responsibilities:

- 1) Oversee that the operation of the Bank is in accordance with the strategies, policies, rules and procedures and targets designated by the Board of Directors
- 2) Manage work with restriction to the plan or budget approved by the Board of Directors and for the benefit of the Bank and the shareholders
- 3) Supervise employees and contract staffs to work in accordance with the objectives and authority of the Bank
- 4) Build and maintain relationship and collaboration with various agencies, institutions and organizations, both onshore and offshore
- 5) Represent or be an authorized person on behalf of the Bank when dealing with external agencies, regulators or conducting any legal acts with legal binding as assigned by the Board of Directors within the framework of the Bank's objectives and Articles of Association.
- 6) Attend meetings and take directorship or membership of committee as appointed by the Bank.
- 7) Consider any other topics as designated by the Board of Directors and respective committees.

Assessment of the President Performance

In 2017, The Bank adheres to the performance assessment guidelines for the President which prescribes 2 performance assessments per year. One is for the performance during period from November 2016 to June 2017 and the other is for the performance of the period during January to December 2017. The processes are as follows:

- 1) The Nomination and Remuneration Committee reviewed, specified performance evaluation criteria in relation to key performance indicator (KPI) and presented to the Board of Directors for approval
- 2) The Board of Executive Directors considered key performance indicator (KPI) and evaluated performance by comparing with the KPI set according to the strategy and goal of each year as well as the management competence
- 3) Human Resources and Corporate Governance Group presented the President's performance to the Board of Directors for approval
- 4) The Board of Directors informed the evaluation result to the President

3.9.2 Top Executive Officers

Names and Positions of Top Executive Officers as at December 31, 2017 (according to the organization structure pages 8 - 9)

Name			Position	Group
1)	Mr. Payong	Sriwanich	President	
2)	Mr. Parinya	Patanaphakdee	First Senior Executive Vice President-Group Head	Credit Restructuring And Asset Management Group
3)	Ms. Arisara	Dharamadhaj	Senior Executive Vice President-Group Head	Government And State Enterprise Relations Group
4)	Mr. Poonpat	Sripleng	Senior Executive Vice President-Group Head	Risk Management Group
5)	Ms. Praralee	Ratanaprasartporn	Senior Executive Vice President-Group Head	Retail Shared Services Group, Data Innovation
6)	Mr. Werapong	Suppasedsak	Senior Executive Vice President-Group Head	Corporate Banking Group 2
7)	Mr. Suchart	Dejittirut	Senior Executive Vice President-Group Head	Compliance And Legal Management Group
8)	Ms. Amporn	Chotruchsakul	Senior Executive Vice President-Group Head	Operation Group
9)	Mr. Luechai	Chaiparinya	Senior Executive Vice President-Group Head	Retail Banking Sales & Distribution Group
10)	Mr. Boonlerd	Sinsombat	Senior Executive Vice President-Group Head	Technology Group
11)	ML. Natthachanya	Davivongse	Senior Executive Vice President-Group Head	Global Transaction Banking Group
12)	Dr. Roong	Mallikamas	Senior Executive Vice President-Group Head	Global Business Development And Strategy Group
13)	Ms. Phuphun	Charoensuk	Senior Executive Vice President-Group Head	Financial Management Group
14)	Mr. Pativate	Santavanond	First Executive Vice President-Group Head	Business Center Group
15)	Mr. Santi	Parivisutt	First Executive Vice President-Group Head	Internal Audit Group
16)	Mr. Suppawat	Wadhanapatee	First Executive Vice President-Group Head	Human Resources And Corporate Governance Group
17)	Mr. Rawin	Boonyanusasna	First Executive Vice President-Group Head	Global Markets Group
18)	Ms. Oranut	Siraprapa	First Executive Vice President-Group Head	Retail Strategy Product & Segmentation Group
19)	Mr. Ekachai	Techawiriyakul	First Executive Vice President-Group Head	Corporate Banking Group 1
20)	Mr. Niruj	Maneeapun	Advisor to the President	

Executive Officers who retired on September 31, 2017

1) Ms. Jaree	Wuthisanti	Senior Executive Vice President- Group Head	Corporate Banking Group 1
2) Mr. Cherdchai	Chomphonukulrut	Senior Executive Vice President- Group Head	Retail Banking Sales & Distribution Group
3) Ms. Walairat	Lertumpornpisal	Senior Executive Vice President- Group Head	Financial Management Group
4) Dr. Vites	Techangam	Senior Executive Vice President	Managing special project

Details of changes of the Top Executive Officers in 2017

1) Mr. Parinya	Patanaphakdee	got promoted from Senior Executive Vice President-Group Head to First Senior Executive Vice President-Group Head, Credit Restructuring and Asset Management Group on January 25, 2017.	
2) Ms. Praralee	Ratanaprasartporn	took the position of Senior Executive Vice President-Group Head, Retail Shared Services Group and Head of Data Innovation on March 1, 2017	
3) Mr. Boonlerd	Sinsombat	took the position of Advisor to the President on February 16, 2017 and took the position of Senior Executive Vice President-Group Head, Technology Group on June 1, 2017 to replace Dr. Vites Techangam who rotated to other position.	
4) Mr. Luechai	Chaiparinya	got promoted from First Executive Vice President-Group Head to Senior Executive Vice President-Group Head, Retail Strategy Product & Segmentation Group on September 1, 2017 and took the position of Senior Executive Vice President-Group Head, Retail Banking Sales & Distribution Group since October 1, 2017 to replace Mr. Cherdchai Chomphonukulrut who retired.	
5) M.L. Nathchanya	Davivongse	took the position of Senior Executive Vice President-Group Head, Global Transaction Banking Group on September 1, 2017 to replace Mr. Songpol Chevapanyaroj who resigned from the Bank.	
6) Dr. Roong	Mallikamas	took the position of Senior Executive Vice President-Group Head, Global Business Development and Strategy Group on November 31, 2017	
7) Mr. Niruj	Maneepun	Took the position of Advisor to the President on August 23, 2017.	
8) Ms. Oranut	Siraprapa	Took the First Executive Vice President-Group Head, Retail Strategy Product & Segmentation Group on October 16, 2017 to replace Mr. Luechai Chaiparinya who rotated to other position.	
9) Mr. Ekachai	Techawiriyakul	Took the position of First Executive Vice President-Group Head, Corporate Banking Group 1 on November 1, 2017 to replace Ms. Jaree Wuthisanti who retired.	

Executives who resigned from the position in 2017

- | | | |
|----------------|---------------|--|
| 1) Mr. Songpol | Chevapanyaroj | Resigned from the position of Senior Executive Vice President-Group Head, Global Transaction Banking Group on May 31, 2017 |
| 2) Mr. Pichit | Jongsaliswang | Resigned from the position of Advisor to the President on September 1, 2017 |

Details of changes of the Top Executive Officers after December 31, 2017

- | | | |
|----------------|------------|--|
| 1) Ms. Phuphun | Charoensuk | Took the position of Senior Executive Vice President-Group Head, Financial Management Group on January 4, 2018 |
|----------------|------------|--|

3.10 Remuneration for Top Executives

In 2017, the Bank paid remuneration to the following Top Executive Officers of the Bank.

- According to the definition by SEC, there are a total of 29 Top Executive Officers that are the President, First Senior Executive Vice President, Senior Executive Vice Presidents, First Executive Vice Presidents and Advisors to the President. Their remuneration totaled to Baht 285,981,482. They are divided into two groups. The first group consists of 16 executives who the Bank contributes to their provident funds. The total remuneration of this group was Baht 154,535,131. The other group consists of 13 executives who the Bank does not contribute to their provident funds. The total remuneration of this latter group was Baht 131,446,351. (The remuneration included the special remuneration payment for 3 executive who retired in 2016 and received the special remuneration in 2017)
- Remuneration of 87 Sector Directors (classified as the Management Authority according to the definition by BOT) totaled to Baht 394,497,014. They are divided into two groups. The first group consists of 75 executives to whom the Bank paid their salary, business unit allowance, extra gratuity, child allowance, child education allowance, housing allowance and contributed to their provident funds. The total remuneration of this group was Baht 363,337,835. The other group consists of 12 executives to whom the Bank paid their salary, business unit allowance, extra gratuity, child allowance, child education allowance, housing allowance but does not contribute to their provident funds. The total remuneration of this group was Baht 31,153,179. (However, the remuneration included the special remuneration payment for 7 executives who retired in 2016 and received the special remuneration in 2017.)

3.11 Information of Directorship of the Bank's Directors and Executives in Subsidiaries, Associated and Related Companies as at December 31, 2017

Name	KTB	Subsidiaries							Associate companies					Related Companies							
														Other Companies		Companies with joint Directors					
		1	2	3	4	5	6	7	1	2	3	4	5	1	2	1	2	3	4	5	6
Directors																					
Dr. Somchai Sujapongse	XX																X	X			
Mr. Krairit Euchukanonchai	A																		XX	X	X
Prof. Dr. Kittipong Kittayarak	X																	X			X
Mr. Nontigorn Kanchanachitra	X																				
Mr. Distat Hotrakitya	X																X				
Mr. Vichai Assarasakorn	X																	X			
Gen. Tienchai Rubporn	X																				
Mr. Poonnis Sakuntanaga	/																				
Mr. Somchai Boonnamsiri	X																				
Mr. Thanwa Laohasiriwong	X																				
Dr. Kulaya Tantitemit	/																				
Mr. Payong Srivanich	B												X								
Group Managing Directors																					
Mr. Parinya Patanaphakdee	M	X						XX													
Ms. Jaree Wuthisanti	M						X								X						
Ms. Arisara Dharamadhaj	M		X									XX									
Mr. Poonpat Sripleng	M		XX										/								
Ms. Praralee Ratanaprasartporn	M					X			X												
Mr. Weerapong Supposedsak	M									X			/								
Mr. Suchart Dejittitrit	M	X																			
Ms. Amporn Chotruchsakul	M		X		X																
Mr. Luechai Chaiparinya	M					/			X						X						
Mr. Boonlerd Sinsombat	M				XX																
M.L. Nathchanya Davivongse	M																				
Dr. Roong Mallikamas	M																				
Ms. Phuphun Charoensuk*	M																				
Mr. Pativate Santavanond	M									X											
Mr. Santi Parivisutt	M																				
Mr. Suppawat Wadhanapatee	M																				
Mr. Rawin Boonyanusasna	M								X												
Ms. Oranut Siraprapa	M																				
Mr. Ekachai Techawiriyakul	M													X							
Mr. Niruj Maneepun	M																				

Note Brief Information on each person's position is shown in "Brief Biography of the Board of Directors and the Executive Officers" and "Executives Directory"

*Took position on January 4, 2018

Symbols

XX = Chairman

/ = Executive Director

X = Director

M = Group Managing Director

A = Mr. Krairit Euchukanonchai holds the following positions in KTB:

- Vice Chairman
- Chairman of the Board of Executive Directors

B = Mr. Payong Srivanich holds the following positions in KTB:

- President
- Executive Director
- Director

Notes:

- (1) The name list of subsidiaries and associated companies are in line with the bank's financial statement mentioned in "Management Analysis and Discussion"
- (2) Other company refers to a company in which the Bank's shareholding is 10 percent and over excluding subsidiaries and associated companies and company in which the Bank has invested due to troubled debt
- (3) Company with joint Directors refers to a company in which the Bank's Director has directorship of the Board of Directors.

Name	KTB	Related Companies																	
		Companies with joint Directors																	Companies with joint Senior Executives
		7	8	9	10	11	12	13	14	15	16	17	18	19	1				
Directors																			
Dr. Somchai Sujjapongse	XX																		
Mr. Krairit Euchukanonchai	A																		
Prof. Dr. Kittipong Kittayarak	X																		
Mr. Nontigorn Kanchanachitra	X	X	XX	X															
Mr. Distat Hotrakitya	X																		
Mr. Vichai Assarasakorn	X				X	X	X												
Gen. Tienchai Rubporn	X																		
Mr. Poonnis Sakuntanaga	/							/											
Mr. Somchai Boonnamsiri	X								X	XX									
Mr. Thanwa Laohasiriwong	X										XX	X	/						
Dr. Kulaya Tantitemit	/														X				
Mr. Payong Srivanich	B																		
Group Managing Directors																			
Mr. Parinya Patanaphakdee	M																		
Ms. Jaree Wuthisanti	M																		
Ms. Arisara Dharamadhaj	M																		
Mr. Poonpat Sripleng	M																		
Ms. Praralee Ratanaprasartporn	M																		
Mr. Weerapong Suppasedsak	M																X		
Mr. Suchart Dejittirut	M																		
Ms. Amporn Chotruchsakul	M																		
Mr. Luechai Chaiparinya	M																		
Mr. Boonlerd Sinsombat	M																		
M.L. Nathchanya Davivongse	M																		
Dr. Roong Mallikamas	M																		
Ms. Phuphun Charoensuk*	M																		
Mr. Pativate Santavanond	M																		
Mr. Santi Parivisutt	M																		
Mr. Suppawat Wadhanapatee	M																		
Mr. Rawin Boonyanusasna	M																		
Ms. Oranut Siraprapa	M																		
Mr. Ekachai Techawiriyakul	M																		
Mr. Niruj Maneepun	M																		

Subsidiaries

1. KTB Law Co., Ltd.
2. KTB General Services and Security Co., Ltd.
3. Krung Thai Asset Management Pcl.
4. KTB Computer Services Co., Ltd.
5. KTB Leasing Co., Ltd.
6. KTB Advisory Co., Ltd.
7. Krungthai Card Pcl.

Associated Companies

1. Krungthai - AXA Life Insurance Pcl.
2. Krungthai Panich Insurance Pcl.
3. Krung Thai IBJ Leasing Co., Ltd.
4. KT ZMICO Securities Co., Ltd.
5. National ITMX Co., Ltd.

Related Companies Other Companies

1. Suvarnabhumi Airport Hotel Co., Ltd.
2. Dhipaya Insurance Pcl.

Companies with Joint Directors

1. Thai Airways International Pcl.
2. PTT Pcl.
3. V.Group Honda Cars Co., Ltd. and Affiliates
4. Advanced Info Service Pcl.
5. Advanced Wireless Network Co., Ltd.
6. Dusit Thani Pcl.
7. Interlink Telecom Pcl.
8. SISB Co., Ltd.
9. Enkay Studio Co., Ltd.

10. Panel Plus Co., Ltd.

11. Panel Plus MDF Co., Ltd.
12. Shiang Heng International Co., Ltd.
13. Elixir Foods & Beverages Co., Ltd.
14. The Platinum Group Pcl.
15. BEC World Pcl.
16. Humanica Co., Ltd.
17. TPBI Pcl.
18. TOT Pcl.
19. PTT International Trading Pte Ltd.

Companies with Joint Senior Executives

1. Bangkok Expressway and Metro Pcl.

3.12 Shareholding of the Board of Directors and Top Executives as at December 31, 2017

	Name of Directors and Top Executive Officers		Position	KTB Shares Held				Proportion
				Own	Spouse	Child	Total	%
1	Dr. Somchai	Sujjapongse	Chairman of the Board of Directors	-	-	-	-	-
2	Mr. Krairit	Euchukanonchai	Vice Chairman	-	-	-	-	-
3	Professor Dr. Kittipong	Kittayarak	Director	-	-	-	-	-
4	Mr. Nontigorn	Kanchanachitra	Director	-	-	-	-	-
5	Mr. Distat	Hotrakitya	Director	-	-	-	-	-
6	Mr. Vichai	Assarasakorn	Director	-	-	-	-	-
7	Gen. Tienchai	Rubporn	Director	-	-	-	-	-
8	Mr. Poonnis	Sakuntanaga	Director	-	-	-	-	-
9	Mr. Somchai	Boonnamsiri	Director	-	-	-	-	-
10	Mr. Thanwa	Laohasiriwong	Director	-	-	-	-	-
11	Dr. Kulaya	Tantitemit	Director	-	-	-	-	-
12	Mr. Payong	Srivanich	President	-	-	-	-	-
13	Mr. Parinya	Patanaphakdee	First Senior Executive Vice President	-	-	-	-	-
41	Ms. Arisara	Dharamadhaj	Senior Executive Vice President	-	-	-	-	-
51	Mr. Poonpat	Sripleng	Senior Executive Vice President	-	-	-	-	-
61	Ms. Praralee	Ratanaprasartporn	Senior Executive Vice President	-	-	-	-	-
71	Mr. Werapong	Suppasedsak	Senior Executive Vice President	-	-	-	-	-
81	Mr. Suchart	Dejittirut	Senior Executive Vice President	-	-	-	-	-
19	Ms. Amporn	Chotrucksakul	Senior Executive Vice President	-	-	-	-	-
20	Mr. Boonlerd	Sinsombat	Senior Executive Vice President	-	-	-	-	-
21	Mr. Luechai	Chaiparinya	Senior Executive Vice President	605	264	-	869	0.000006
22	M.L. Nathchanya	Davivongse	Senior Executive Vice President	-	-	-	-	-
23	Dr. Roong	Mallikamas	Senior Executive Vice President	-	-	-	-	-
24	Mr. Santi	Parivisutt	First Executive Vice President	-	1,070	-	1,070	0.000008
25	Mr. Pativate	Santavanond	First Executive Vice President	-	70,000	-	70,000	0.000501
26	Mr. Suppawat	Wadhanapatee	First Executive Vice President	-	-	-	-	-
27	Mr. Rawin	Boonyanusasna	First Executive Vice President	-	-	-	-	-
28	Ms. Oranut	Siraprapa	First Executive Vice President	-	-	-	-	-
29	Mr. Ekachai	Techawiriyakul	First Executive Vice President	-	-	-	-	-
30	Mr. Niruj	Maneepon	Advisor to the President	-	-	-	-	-

3.13 The Bank's Personnel

3.13.1 Number of Employees

The number of regular employees and employee under the signed contract and staff members divided by Group as at December 31, 2017 are as follows:

Group	Number of Regular Employees and Employees under the Signed Contract		Staff Members	Total
	Head Office	Non Head Office		
Business unit being directly to the President	52	-	-	52
Global Business Development and Strategy Group	48	-	-	48
Data Innovation	110	-	-	110
Wholesale Banking	19	-	-	19
Corporate Banking Group 1	175	-	-	175
Corporate Banking Group 2	97	-	-	97
Communication And Branding Group	127	-	-	127
Business Center Group	1,164	-	2	1,166
Global Markets Group	114	-	-	114
Government And State Enterprise Relations Group	212	-	-	212
Financial Management Group	441	14	-	455
Risk Management Group	284	-	2	286
Global Transaction Banking Group	484	-	-	484
Credit Restructuring And Asset Management Group	193	-	-	193
Retail Strategy Product & Segmentation Group	494	-	-	494
Retail Banking Sales & Distribution Group	1,763	12,730	95	14,588
Retail Shared Services Group	822	-	36	858
Compliance & Legal Management Group	228	-	-	228
Internal Audit Group	287	-	-	287
Human Resources and Corporate Governance Group	349	-	1	350
Technology Group	615	-	-	615
Operation Group	1,595	-	7	1,602
Grand Total	9,673	12,744	143	22,560

3.13.2 Compensations for Employees

The compensations given to the employees (including Top Executives) in 2017 are divided into salary, wage, bonus, provident fund contribution, medical expense, social security contributions, training courses expense, pension and other benefits in total amount of Baht 11,210 million

3.13.3 Policy on Human Resources Training and Development in 2017

Amid many challenges from advanced technology and intense competition raised by both domestic or international bank and non-bank business, the Bank has put importance on developing its employees based on their core competency, technical competency and management competency. Additionally, the Bank also prepared and improved the employees in terms of digital mindset and awareness, digital product as well as digital literacy. Technological tools have been implemented to support the operation and prepare the Bank for the upcoming digitalization. In 2017, the main focus has been placed on getting ready to become KTB Digital Banking under the concept of "excellent work, skillful man, proficient in technology" by means of training process in connection with the strategic plans and other factors including the Bank's strategy, Groups' strategy, competency, job description, career path roadmap, training need, training road map. Staffs have been divided into two major groups namely executives - Top Executive, Middle Manager, First-line Manager and the employees. To increase their competence and knowledge, the Bank set up 2 training plans: re-skill - increasing staffs' existing and essential skills for effective work; and up-skill - enhancing staff's innovative skills so that they can develop and ready to perform their duty to reach the Bank's goal and can compete in the business.

As for the Executive Development Plan, the Bank provided Individual Development Plan (IDP) and executives job rotation so that they have chance to learn and boost up their capability in pushing forward the Bank's operation to achieve its vision and mission. Moreover, the Bank constantly stressed the coaching culture in the organization by providing the coach training to the Bank's managers so that they can execute coaching and feedback efficiently. These would help motivating employees to perform duty, fortifying good working atmosphere, promoting effective teamwork through a good relationship between supervisors and staffs.

The Bank has continually provided trainings for both groups of employees as well as annually reviewed the human resources development process in an attempt to be in compliance and associated with the Bank's strategy and strategic objectives. The development has covered 3 aspects - core, technical and management competency, in various comprehension for example product knowledge, sell and service, credit, leadership, etc. via different training channels as classroom training, E-Learning, VDO Conference, on the job training (OJT), coaching, mentoring, case study & workshop, webinar, Sale GURU manual, etc. Furthermore, the emphasis has also been placed on Experience Based Training, which the executive and employee can exchange their experience together. Top executives involved in creating learning-organization atmosphere incessantly by being a trainer to employees directly. This shall help building up the corporate culture, stimulating specialized expertise and creating good relationship between employee and executives.

In 2017, the Bank focused on training in 4 aspects as follows:

1. Close competency gap (up-skill / re-skill) by taking the 2016 competency assessment result into account and specifying development areas in setting human resource development plan.
2. Develop digital mindset & digital literacy skill by considering the enhancement of digital skill (basic) which was necessary for and supported staff to work effectively when becoming Digital Banking.
3. Leadership development plan encouraged and improved executives to elevate performance. From 2017 management competency analysis, the Bank focused on creating Inspiration, Strategic Orientation and Coaching Culture.
4. Endeavor to develop staff through self-learning method. The Bank linked knowledge management and E-learning to career path in order to promote self-learning organization where staff can learn any where and any time.

The Bank provided in-house and external training in both domestic and abroad through various channels. There were a total of 624 training programs with 1,613 batches and 22,417 participants passed training programs, considered as the average of 75.56 hours/person/year. Moreover, the Bank also taken into account the social and environmental issues as well as specified vision and mission relating to the economic, social and environmental development. Executives and employees participated in the social and environmental activities which the Bank has held continuously. The Bank equipped environmental training program for staff such as "Safety Officer Supervisory Program," totaling to 21 batches with 1,163 participants; "Safety Officer Management level Program," totaling to 14 batches with 639 participants; "Basic Fire fighting," totaling to 2 batches with 22 participants.

Report of the Board of Executive Directors

The Board of Executive Directors is set up by the approval of the Board of Directors in order to support the operation of the Board of Directors. At present, the Board of Executive Directors consists of 4 members of the Board of Directors and the President serves as an ex officio Executive Director. The members of the Board of Executive Directors are as follows:

1.	Mr. Krairit	Euchukanonchai	Chairman of the Board of Executive Directors
2.	Mr. Poonnis	Sakuntanaga	Executive Director
3.	Dr. Kulaya	Tantitemit	Executive Director
4.	Mr. Payong	Srivanich	Executive Director
	Mr. Suchart	Dejittirut	Secretary to Board of Executives Directors
	Ms. Sineenard	Damri-Anant	Assistant to Secretary

In 2017, the Board of Executive Directors held a total of 54 meetings to perform duties in accordance with the scopes and responsibilities defined in the Charter of the Board of Executive Directors and report the operating performance to the Board of Directors on a regular basis. Highlights were as follows:

Scrutiny and Approval of Credit/Debt Restructuring

The Board of Executive Directors granted credit approval to 275 customers, approval of debt restructuring to 37 customers and scrutinized credit applicant of 209 customers before proposing to the Board of Directors. Moreover, the Board of Executive Directors granted approval to 185 policy-related issues and acknowledged a total of 167 reports including report of the operating performance of its affiliates, progress report of resolutions from the Board meeting and report on investment in equity and debt instrument.

Consideration of Strategy Plan/Business Plan

The Board of Executive Directors put emphasis on scrutinizing strategic plan/annual business plan, policy and strategic plan for companies within its financial conglomerate, which constitute business alliance between the Bank and its affiliates to ensure strategic alignment and mutual goal in promoting growth and wealth of the conglomerate. The Board of Executive Directors also reviewed the capital fund management plan and strategy before proposing to the Board of Directors for approval.

Monitoring of Operating Performance of the Bank and its Affiliates

The Board of Executive Directors monitored the Bank's operating performance and measured it against key performance indicators and peer banks as well as monitored the investment in equity and debt instrument. The Board of Executive Directors also put emphasis on ensuring that the Management adopted and implemented the meeting resolutions and closely and regularly monitored the operating performance of the Bank's affiliates.

Conveying Policies and Suggestions to the Management

The Board of Executive Directors conveyed policies and constructive suggestions to the Management and put emphasis on proactive approach so that the organization achieve its strategic objectives, for instance,

- The Board of Executive Directors analyzed the problem of Non Performing Loans (NPLs), revised credit strategy and sought for methods to reduce NPLs by focusing on the effectiveness of NPL debt collection and measures to prevent NPLs, as well as making improvement to credit procedures so that it is more cautious.
- The Board of Executive Directors provided suggestions and conveyed policies on the strict implementation of data presenting procedures in the credit consideration and debt restructuring, so that the Board of Executive Directors could manage the consideration more effectively. The data and related documents

should be as concise as possible while covering essential issues which needed to be considered. The analysis should emphasize the customer's character, debt paying ability, firmness of the source of fund, risk factors, supporting factors, quality of collateral, risk control condition as concluded by the Management. The data should also include key business and legal issues as well as conditions for approval and the decision of management sub-committees.

- The Board of Executive Directors provided suggestions and conveyed policies on credit for instance:
 - The Board of Executives Directors explicitly instructed that credit operation must be performed cautiously. There must be thorough and sufficient analysis of customer data, standard financial statement, relationship within business networks, characteristics of executives as well as up-to-date news and current affairs in the business in order to minimize the Bank risk.
 - The policy regarding to the analysis of operating performance of cooperatives was established in order to set as guidelines on the inspection of the cooperative's reliability and true debt quality. The analysis should include the inspection of debtor quality, financial statement, rules and regulations observed in considering and controlling loans to members of the cooperative as well as the cooperative approach to risk management.
 - The policy on providing credit facilities to general contractors was conveyed in order to create balance between agility of loan disbursal and the Bank's competitiveness against other financial institutions while maintaining the Bank's ability to carefully control risk. The Board of Executive Directors also insisted on close monitoring of the progress of projects and credit usage.
 - Making adjustments to procedures to ensure the effectiveness of the Bank's inventory count process, which in turn will reduce the Bank's collateral risk.
- The Board of Executive Directors provided suggestions and conveyed policy on preparation of the Bank's rebranding to represent strength and sustainability. The efficiency of all aspects of the Bank must be improved including staff, work systems, touch points, so that they clearly represent changes and create trust among customers as well as giving them excellent customer experience which essentially support the Bank's strategy to become the best digital bank.
- The Board of Executive Directors suggested for the establishment of clear policy relating to the business operation as a securities underwriter of debt instrument and investment unit so that it aligns with normal credit application and single lending limit rule.
- The Board of Executive Directors suggested for the adjustment of rules and regulations together with the review of the contract making process and contract forms so that they were appropriate for the groups of customers. The Board of Executive Directors also conveyed policy that training opportunities should be provided to the people involved so that they operated correctly and appropriately.
- The Board of Executive Directors provided suggestions and conveyed policy on emphasizing Zero Tolerance Policy - violation of the law and rules and corruption will not be tolerated; all income generated by the Bank must be legitimate and a matter for pride; the operation must be transparent; and there must be an effective and fast examination and investigation process as well as clear punishment guideline.
- The Board of Executive Directors conveyed policies in preparing for new and amended law and regulations and provided guidelines for working groups to accommodate such changes, including in The Business Collateral Act and financial reporting standards as well as making adjustments to rules and regulations to ensure that they are up to date.



(Mr. Krairit Euchukanonchai)

Chairman of the Board of Executive Directors

Report of the Compliance Committee 2017

115

Krung
Thai
Bank
Pcl.

The Compliance Committee of Krung Thai Bank PCL consists of three qualified independent directors. The Senior Executive Vice President Group Head of Compliance and Legal Management and the Compliance and Procedures Sector Head serves as Secretary and Assistant Secretary of the Compliance Committee respectively.

The Compliance Committee performs its duty within the scope of work and responsibility as prescribed in the Charter of the Compliance Committee approved by the Board of Directors which was in accordance with the requirement of the Stock Exchange of Thailand and regulation of Ministry of Finance. In 2017, the Compliance Committee held a total of 12 meetings and submitted the minutes of the meeting to the Board of Directors quarterly. The details are summarized as follows:

1. Consideration of 2016 Annual Compliance Report

The Committee considered and approved the content of the Annual Compliance Report for the year 2016 before further submission to the Board of Directors, the Bank of Thailand and the Securities and Exchange Commission of Thailand (SEC) while giving the recommendation for in order to uplift the efficiency of the Compliance Function for the following year.

2. Consideration, review and monitor the implementation of 2017 Compliance Program

The Committee considered improving and giving guidelines for analyzing and connecting the data/information in order to formulate a risk management plan with respect to the Compliance Program for the year 2017 as well as monitored the operating performance of the implementation of 2017 Compliance Program. The Committee considered the operating performance report and gave suggestions to the progress report on rectifications of noncompliant operations submitted to the Committee on a regular basis.

3. Revision of Code of Conduct and Compliance Policy

The Committee considered the suitability of content and gave beneficial suggestion relevant to the Code of Conduct revision with the intention to improve the Bank's Code of Conduct to be equivalent to the banking industry code of conduct. In this regard, the Committee put emphasis on the declaration of conscience to communicate with the staff on the ethic and code of conduct, create value and awareness to all sectors of the Bank. At the same time, the AML/CFT policy was revised and amended by adding the phrase "the Counter Terrorism and Proliferation of Weapons of Mass Destruction Financing (the AML/CTPF policy)" so as to be in line with the international standard of the anti-money laundering as well as the regulation/ notification of the Anti-Money Laundering Office prior to presenting to the Risk Management Committee and the Board of Directors for consideration and approval to execute in the Bank.

4. Review and monitor of the Compliance Report of the Bank's overseas branches and financial conglomerate

The Committee reviewed and monitored the Compliance Report of eight (8) overseas branches and one (1) overseas representative office on a quarterly basis, and the financial conglomerate regularly.

5. Formulation of the Anti-Corruption and Bribery Policy

The Committee considered and gave its approval to the guidelines in stipulating appropriate internal

control for the Bank to prevent any offering of bribes to government officials as well as considered the appropriateness of the scope, substance/content, and gave various recommendations that are advantage for conducting the internal measures and the regulation/operational manual in preventing the bribes offering to the government officials under Section 123/5 of the Anti-Corruption Organic Act (No.3) B.E. 2558 (2015 A.D.). The regulation was stipulated in line with the Bank's context relating to the commercial banking business and I compliance with the norm of same business sector and was not an obstacle to the Bank operation.

6. Review of the Compliance Committee Charter

The Committee considered reviewing the Compliance Committee Charter by revising the Charter on the topic of element and qualification in order to be in compliance with the Bank's new organization structure.

7. Assignment of relevant policies and recommendations to the Bank Management

The Committee gave beneficial recommendations to the Management relating to the operational process development of the Compliance Department to achieve greater efficiency prudence as follows:

- Assigned a policy of providing Internal Control with standard and formulating Internal Environment which encourages staff to accurately perform duty in compliance with the regulation and generate benefit to the Bank.
- Assigned a policy for the KTB Compliance Champion project with the purpose of creating compliance culture in the organization. The Bank's staff has been encouraged to be aware of the importance and necessity of being in compliance with the law and regulation enforcing the Bank. Compliance with law and regulation has been regarded as a duty of everyone. Moreover, the Bank also encouraged staff to participate in proposing improvement and adjustment guidance for systematic and concrete working procedure, which could prevent, protect and/or stop any risk arising from noncompliance of law, Bank's regulation and policy. The guidance from the project could be extended for sustainable development on the Bank's working procedure to be in compliance with law, regulation and policy of zero-tolerance so that the Bank would become a role model of compliance culture awareness.
- Assigned a policy and gave recommendation to build Public Trust within the Bank by instilling the awareness regarding to the organizational culture to the Bank's staff and executives; support the process of building virtue staff for the Bank under the concrete operation by specifying obvious working procedure for staff to comply with. These recommendations were made with the purpose of pushing forward the concept of "Think Good, Speak Good, Do Good" under a good standard and norm, which would finally help communicate the concept of Public Trust out to the public and accessed the common goal; the achievement under corporate governance and code of conduct.
- Assigned a policy to reward to the staff who perform his/her duty in line with the Bank's rules/regulations. In order to encourage staff who has had good deed continuously, the reward was granted in form of the increase of performance appraisal score. The Bank also regularly motivated staff to work in compliance with the regulations. However, as regards a noncompliant member of staff, the Bank has stipulated the punishment by deducting the performance appraisal score. The punishment also covered staff in supervisor level.



(Mr. Distat Hotrakitya)

Chairman of the Compliance Committee

Report of the Risk Management Committee

The Risk Management Committee comprises five Directors of the Bank, the President and three top executives, totaling 9 persons. The Executive Vice President - Risk Management Sector Head acts as the secretary of the Risk Management Committee.

The Risk Management Committee performed its duty within its scope and responsibility as written in the Risk Management Committee Charter delegated by the Board of Directors. In 2017, the Risk Management Committee called 19 meetings and reported the performances to the Audit Committee every month and to the Board of Directors on a quarterly basis.

The Risk Management Committee emphasizes supervision within the guidelines of supervisory agencies and international general practices, managing its overall risks level to be within their acceptable levels, and managing capital to be within its appropriate and adequate level to operate businesses in both normal situation and stress event. Details are summarized as follows:

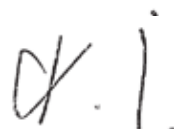
1. Reviewed the Risk Management Policy covering various risk types, such as credit risk, market risk, liquidity risk, operational risk and risks related to IT systems, so as to ensure that the risk management policy was appropriate, up-to-date and in line with the Bank of Thailand's notifications.
2. Set up the Enterprise Risk Management Framework, comprising Key Risk Indicators, Risk Appetite, Risk Tolerance, Risk Limit and Report of Risk Management Dashboard, consistent with the Bank's Strategic Objectives and Plans and in accordance with SEPA and Basel regulations, so as to use as the Bank's risk management guideline.
3. Supervised overall risk management to be in line with the designated policies by monitoring performance reports of all risks, watching closely to risks arising from economic, finance and banking conditions such as competition and changes in official rules and regulations, then assessing impacts and performing stress test to the Bank's stability.
4. Developed tools and improved credit management process in order to prevent and reduce NPLs, as well as closely watched and monitored the Bank's credit portfolios and NPLs by letting related departments report on action plans to cope with NPLs and their progresses.
5. Screened and commented on the Bank's Strategic Plans including Key Initiatives of the Bank's Groups in order to ensure that all risks were considered thoroughly in the Strategic Plans and Key Initiatives.
6. Supervised on the formulation of IT Master Plan 2017, in line with the Bank's Strategic Plans and Business Plans, with regard to the development of business capabilities, the development of fundamental systems to be able to further develop on demands with steadiness and effectiveness, and the adoption

of appropriate technology to create competitive advantages and growth of businesses. Also, followed up the progress to ensure that major projects were operated in accordance with the Strategic Plans as follows:

- 6.1 Continued Fixing Foundation projects in order to strengthen foundations and prepare for the future.
- 6.2 Operated Performance Improvement projects in order to improve operational efficiency in core businesses and support government operations.
- 6.3 Operated Future Banking projects in order to create opportunity for future business growth from KTB Digital Banking.

The bank has emphasized on governance of IT risks by assigning responsible units to oversee such risks and track the progress of the Security Action Plans. The major focus was not only security, but also stability of the systems, in order to prevent problems in the systems. These were set as the key policy of the Bank.

7. Supervised and monitored closely on performances regarding the orders and notices of the BOT and other regulatory agencies including the AMLO and the SEC, by assigning responsible units to pay attention to the issues and expedite the process, as well as determining clear deadlines.
8. Formulated risk management policy and supervised risk management for the financial business group in compliance with the BOT's guidelines for consolidated supervision, as well as efficiently controlled, monitored and assessed risks of the financial business group to be at the acceptable levels.



(Mr. Krairit Euchukanonchai)
Chairman of the Risk Management Committee
January, 2018



1. Overview of the Bank's Risk Management

1.1 Risk Management Framework

Amid the competitive conditions together with the severe and rapid change of economy and society, Risk Management is noticeable as one of core factors that help preventing, maintaining and encouraging organization to achieve its goal. The effective risk management exhibits the organization's good governance transparency, integrity and ethics that will enable the Bank to achieve sustainable growth.

The Bank, as the leading large financial institution of the country, gives emphasis to the systematic and effective risk management and control. In this regard, the Bank has obviously determined the structure, policy and framework for risk management to envelop all aspects of risk management in compliance with the frameworks prescribed by the Bank of Thailand,

Committee of Sponsoring Organizations of the Treadway Appraisal (SEPA). The framework has been regarded as the structure of integrated risk management according to international standard. Its main principle is to connect risk management process with strategic planning and business opportunities of the Bank in order to help integrating the administration and managing risks for the whole organization. In this regard, Risk Map has been conducted to identify the Risk Factors causing both positive and negative impacts toward the Bank. Additionally, Key Risk Indicators (KRIs), Risk Appetite, Risk Tolerance covering all risk factors and Risk Causes have been specified in order to control risk management within acceptable limits and in accordance with the set targets. Consequently, the Bank is able to identify the real risk causes in order to establish appropriate management measures and preventive guidelines before incurring losses that might adversely affect revenue and capital

funds. Risk Management Group was empowered by the Bank to oversee, monitor, access and report risk performance to the Risk Management Committee and the Board of Directors on regular basis. Therefore, the Bank was capable to accomplish the objectives and targets that shall add more value to the organization, the shareholders and the stakeholders.

The Bank provided trainings and seminars on risk management to the employees at all levels covering to the Board of Directors, senior executives and employees in every department of the Bank so that all of them realized the importance and have further understanding toward risk management, as well as taking responsibility in regulatory compliance and the Bank's risk management. The trainings and seminars were aimed to support all business units to effectively and efficiently achieve the goals and conduct the business operations in compliance with good corporate governance. Consequently, the Bank shall have further steady and sustainable growth.

1.2 Consolidated Supervision

The Bank has 11 subsidiary companies in the Financial Business Group divided into 4 business groups, namely credit business, securities business, insurance business and general services business, excluding National ITMX Co., Ltd. The Bank had formulated policy and risk management framework in accordance with the BOT's requirements for consolidated supervision and the identical principles to the Bank's risk management and complied. This risk management is under the supervision of the Enterprise Risk Management Department. Furthermore, the companies in Financial Business Group are required to report risk management performance to the Risk Management Committee regularly or whenever significant changes occurred. As this regard, risk management performance of respective companies must get monitored closely.

The Bank had encouraged the companies under Financial Business Group to have the risk management covering significant risks in compliance with the Internal Capital Adequacy Assessment Process (ICAAP), namely Strategic Risk, Credit Risk, Credit Concentration Risk, Market Risk, and Interest Rate Risk in the Banking Book (IRRBB), Liquidity Risk, Operational Risk and Reputation Risk. In this regard, the Bank has

continuously provided the trainings and relevant knowledge to the Financial Business Group. Furthermore, the Bank also oversees that its subsidiaries has used the KRI as the tool for assessment risk and reported the risk management performance to the Risk Management Committee and the Board of Directors of the Bank. This resulted in development of the risk management of Financial Business Group.

1.3 Risk Management Structure

The Bank sets up the organization structure and effective risk management process in accordance with principles of good corporate governance. Duty and responsibility are clearly segregated for each business unit and the reporting line. The Bank's Risk management structure consists of the Risk Management Committees at policy-level, which are the Board of Directors, the Board of Executive Directors, the Audit Committee and the Risk Management committee. In addition, the Board of Directors also appointed other several committees comprising of senior executives to manage risk in various aspects, namely Management Committee, Investment Committee (IC), Assets and Liabilities Management Committee (ALCO), Group Credit Committee (GCC), Credit Scrutiny Committee and IT Steering Committee. Details upon the scope of authority of each committee are provided in section Shareholding and Management Structure on pages 84-93 and section Corporate Governance on page 147.

2. Risk and Measure for Risk Management

2.1 Credit Risk

Credit Risk refers to the risks that may arise from the counterparties failing to perform in compliance with the covenants as stating in the contract agreement; including the counterparties' credit rating get diminished which shall cause adverse effects over the Bank's income and capital funds maintaining. However, the Bank attaches highly attention to the Credit Risk Management covering both in the customer and portfolio level. Thus, the Risk management system of the Bank is formed with major procedures, namely Risk Identification, Risk Evaluation, Risk Monitor and Control and Risk Report.

The Bank has constantly developed credit risk management by reviewing and improving policy and manual of credit risk management as well as

developing the process of approving loan through Loan Factory and setting other standards, for instance standard of credit term and condition, underwriting criteria and product program for retail customers and SME-M loan customers. In order to develop competitiveness, encourage business growth and monitor risks within acceptable limits, credit risk management is classified as follows:

- **Retail Loans and Small Business Loans**

The Bank improved criteria of housing loan to expand customer base of leading real estate developers in Thailand. Personal loan is still provided to government agencies, state enterprises and the agencies that have agreement with the Bank. For small business loan, new products are developed; underwriting criteria and product program are modified to be aligned with the initiatives in order to respond the Bank's strategies to expand small business loan in 2018.

- **Medium Enterprises Loans and Corporate Loans**

The Bank developed capabilities to access, control and monitor and report portfolio-level risk at the level of individual exposures by designing and developing working process for early risk warning through Early Warning System (EWS) for SME-M customers (EWS for SME-M), SME-L customers (EWS for SME-L) and Corporate Banking Center (EWS for CBC).

1. **Early warning system for SME-M:**

EWS for SME-M will signal to notify customer behaviors that are processed from statistic model and workflow according to level of the incurred risk relating to automatic review of loan renewal through Credit Review System (CR) and editing and improving credit quality through Turnaround System (TA). In this regard, the Bank can oversee customers since the beginning of loan withdrawal. The Bank also provides the full-fledge procedure to daily monitor customer until reaching the date of annual loan renewal. These EWS, CR and TA systems are cooperated in form of the End-to-end Process.

2. **Early warning system for SME-L:**

EWS for SME-L will signal to notify of customer behaviors that are processed from statistic model and workflow according to level of the incurred risk relating to automatic review of loan renewal through Credit Review System (CR). The system also notify of reviewing credit rating.

3. **Early warning system for CBC:**

In 2017, the Bank developed early warning system for CBC to provide early risk warning.

EWS for SME-L and CBC is developed to notify and monitor customers' daily risk, for example indicating last 12-month risk history; developing report on days of delaying payment in each debt period classified by DPD Splitter in order to monitor and control credit quality and improving notification of loan renewal/loan review, including notification of credit rating review in order to notify the officers of monitoring and reviewing customers' credit risks in every aspect, i.e. finance, liquidity, business operation, ability to repay, financial statements, use of credit limit and conditions. The Bank scheduled the frequency of credit review in compliance with quality of debtors. However, if any factor signals an increased risk, a review shall be made before due. It results in appropriately monitoring and managing such customer groups' risks by using up-to-date information. The Bank can also increase opportunities to offer appropriate loan products to customers and effectively monitor credit policy compliance because monitoring information is shown in the system.

For SME-L and SME-CBC customers, the Bank uses credit risk rating as a tool for credit approval and credit portfolio management, including setting a pricing policy and risk management. In 2017, the Bank developed and reviewed the tool to be able to assign more credit rating.

In addition, the Bank controlled and monitored credit risk rating of major customers according to Single Lending Limit (SLL) prescribed by the Bank of Thailand. Such process is undergone through Credit

Exposure Monitoring (CEM) that is monitoring single risk, SLL counterparty risk and industry risk. Credit rating covers 4 types of transactions: loans, investment, contingent liabilities and credit-like transactions including transactions made with financial institutions of the Bank to reflect credit risks of the Bank and financial institutions.

The Bank also places importance on systematic management of qualitative and quantitative database by creating a large credit risk data mart which collects and stores information from databases, for example loan approval data, debt repayment behavior data, credit quality data. The Bank uses credit risk data mart to develop credit risk management models and credit risk rating process for monitoring and reviewing credit. This database is also used for management of monitoring credit quality so that the Bank can know and evaluate how customers' credit risk changes. The change shall be notified automatically through the end-to-end EWS. Moreover, such database management is prepared for supporting credit risk model development for measuring expected loss from credit risk to comply with draft of Thai Financial Reporting Standards (TFRS 9): Financial Instruments-Measurement approach: Impairment: Recognition and measurement of allowance for loss of which must be accessed in terms of credit risk change. The Bank must act for accounting period which begins from January 1, 2019 onward. In 2017, relevant project is in process to support the IFRS platform.

Besides, the Bank develops Industry Direction or classifying industrial group according to risk level in order to be a guideline to manage credit portfolio of industrial group, provides stress test to assess effect of credit portfolio and capital adequacy and also monitor/report risk management result so as to control credit risk to be consonant with credit risk management plan and guidelines in credit risk management of the Bank of Thailand and respective regulators. Important credit risks

are as follows:

- **Credit Concentration Risk**

The Bank pursues policy on assessing risk from credit concentration, investments, and contingent liabilities made available to customers and customer groups to cover the diverse credit granting to the customers and related parties in compliance with the regulation for the Single Lending Limit prescribed by the authority. Besides, the Bank also set the sector limit of transaction volume for each category of industry and country limit of transaction volume so as to manage risk diversification and control significant credit concentration. With close monitor for risks, the Sector Limit of respective industry shall be reviewed annually.

Moreover, the Bank manages country risk by determining a lending limit for each country in order to control the counterparty risks and credit risk, investments, and contingent liabilities for customers or counterparties who have a domicile in foreign countries. The Bank also controls the risks by stipulating to report credit line usage of agencies at the end of every month in order to manage credit usage not to exceed the maximum limit. Additionally, the Bank has a process to access each country's reliability by using credit rating done by a leading external credit rating agency such as Moody's, S&P, or Fitch Ratings.

- **Counterparty Credit Risk**

Counterparty Credit Risk is a risk that a loss arising from the default event of a counterparty in financial contracts, for example financial instrument is not traded or compensation for any damage is not given as agreed. For Over-the-counter such as Derivatives, Purchase and Sale of Securities and Repurchase Agreement (Repo), its risks of a counterparty causes main risks, namely pre-settlement risk and settlement risk as well as the risk from decrease in credit quality of a counterparty or credit valuation adjustment risk.

The Bank sets credit limit to prepare for both pre-settlement risk and settlement risk by considering factors such as financial status and credit rating of counterparties as well as controlling and monitoring transactions not to exceed daily credit limit. Moreover, the Bank uses Stress Testing to test impacts on counterparties if crisis arises and reports the Risk Management Committee monthly.

The Bank reduces the risks of counterparties caused from signing International Swaps and Derivatives Association (ISDA) and Credit Support Annex (CSA) with counterparties. These require placement of collateral in the form of cash on a daily/weekly/monthly basis in the event that the fair market value of any contract deviates beyond an agreed threshold.

- **Non-Performing Loans: NPLs**

According to the increase of NPLs, the Bank sets more allowance for doubtful account which affects to its operating performance, financial status and capital adequacy. However, the Bank initiates the corrective measures for controlling the increase of NPLs. The business units which are responsible for credit extension are required to control NPLs amount. Moreover, the Bank carries out the process to manage the customers that might become NPLs as well as improving the credit approval authority and debt restructuring so as to increase more efficiency to the credit considering process and get better control over risks. Besides, the Bank has continuously enhanced the risk assessment tools which shall help facilitate the process of customer selection to become greater efficiency.

- **Collateral Value Impairment Risk**

Most of the loan collaterals are immovable properties with possibility of being depended on economic situation. In case that economy encounters recession state, a value of collateral shall be decreased and the Bank must further reserve the allowance for doubtful accounts (NPLs) and the amount of collateral that the Bank should receive from auctions, the Bank's net profit and capital decreased. It might have a significant impact on financial status and operating results. The Bank reviews the collateral valuation to keep

the collateral prices up to date while the frequency of collateral price appraisal for each respective type shall be conducted under the BOT requirements so that the actual collateral value is acknowledged. In this regard, the Bank can take it to formulate operation strategies in compliance with the change of credit risk and reserve allowance for impairment of properties for sale. Details are provided in section notes to No. 7.9 of the financial statements.

2.2 Market Risk

Market risk refers to the risk that the Bank may sustain loss from changes in value of position on the statements of financial position and off-the statements of financial position, caused by fluctuation of interest rate, foreign exchange rate, equity price, and commodity price resulting in negative impact on the Bank's income and capital funds.

The Bank assigns Market Risk Management Department independent of Front Office to control risk with the purpose of ensuring transparency and effectiveness in accordance with the market risk supervisory guideline of the Bank of Thailand and the market risk management policy of the Bank. In this regard, risk limit or risk appetite have been stipulated, for instance trading book position shall be monitored based on value/ investment position, highest loss, the statistical techniques as Value at Risk (VaR) and Sensitivity, while the banking book position shall be monitored based on the net interest income change and economic value change by formulating practice for accommodating the exceeding of approved risk tolerance level; appraising price according to market price and regularly performing stress testing. Additionally, the Bank provides product program for making the new derivatives transaction, improves the form of report, working system and tools for evaluating and controlling risk to be effective and supports the further complex transactions.

As for the market risk of the companies in financial business group, the Bank oversees them by monitoring risk indicators and requiring the companies to present their operating performance report and risk management result to the Risk Management Committee regularly.



The overview of the Bank's market risk in 2017, both banking book portfolio and trading book portfolio are under the approved risk tolerance level. The significant market risk is shown as follows:

- **Banking Book Interest Rate Risk**

Interest rate risk refers to the risk that the Bank's income or capital funds are adversely affected by changes of interest rates on all the assets, liabilities and off-the statements of financial position that are rate sensitive items. Such risk might have negative impact on net interest income, market values of items in trading account and other income and expenses related to interest rate.

In 2017, Thai interest rate was at low level. Monetary Policy Committee (MPC) of the Bank of Thailand maintained its policy rate at 1.50 percent throughout the year and forecasted that Thai economy could expand greater than expected from expansion of export. However, the Bank has monitored and controlled interest rate risk within acceptable risk appetite by

formulating risk limits and indicators, conducting stress testing on quarterly basis, requiring presenting interest rate environment, economy, money and capital market of both domestic and international countries to the Assets and Liabilities Management Committee and presenting risk management report to the Risk Management Committee on monthly basis, as well as formulating guidelines to ensure readiness to deal with the breach of prescribed limits that is approved.

- **Interest Rate Risk in Trading Book**

Interest rate risk in trading book refers to the risk that income or capital funds got negatively impact due to the change of interest rate affecting the tenure of bonds and financial derivatives of which prices are relied on interest rates in trading book.

In 2017, Baht interest rate in financial market had moved due to many factors, for example anticipation of policy rate adjustment of Monetary Policy Committee (MPC); anticipation of the ECB and other central banks' expansionary monetary policy; international capital flows; anticipation

The Bank has monitored and controlled interest rate risk within acceptable level



of increase in the US interest rate; anticipation of economic recovery or stagnation in Thailand, USA, Japan, Europe, China and other countries; trade and foreign policy change under the US President; and tensions between North Korea and other countries. However, the Bank has monitored and controlled interest rate risk within acceptable risk appetite by formulating risk limit and indicators, performing stress testing on monthly basis, requiring presenting risk management report to the Executive on daily basis and to the Risk Management Committee on monthly basis, as well as formulating guidelines to ensure readiness to deal with the breach of prescribed limits that is approved.

- **Foreign Exchange Rate Risk**

Foreign exchange risk refers to income or capital funds adversely impacted from exchange rate volatility that affected foreign currency transactions and foreign currency assets and liabilities. When converting all items on financial statement to local currency, it causes decrease in the Bank's book value and the loss of income or foreign exchange.

Throughout the year 2017, Thai Baht had continued to appreciate from various factors, for example current account surplus of Thailand, anticipation of increase in FED Funds Rate, the uncertainties arisen from the US trade and foreign policy, adjustment to monetary policy by central bank of top economic countries, tax reform, better economy recovery than expected. The Bank had monitored and controlled foreign exchange risk within acceptable risk appetite by formulating risk limit and indicators, performing stress testing on monthly basis, requiring presenting risk management report to the Executive on daily basis and to the Risk Management Committee on monthly basis, as well as formulating guidelines to ensure readiness to deal with the breach of prescribed limits that is approved.

- **Equity Price Risk**

Equity price risk refers to the risk arisen from changes of equity securities prices giving adversely impact on income or capital funds resulting in decline of investment securities for trading.

In 2017, SET index fluctuated and was inclined to rise due to factors such as international capital movement, concerns over Fed Funds Rate raise, world economic slowdown, new U.S. president's economic stimulus policies, Thai GDP and economic recovery of Thai and ASEAN countries. The Bank had monitored and controlled equity price risk within acceptable risk appetite by formulating risk limit and indicators, performing stress testing on monthly basis, requiring presenting risk management report to the Executive on daily basis and to the Risk Management Committee on monthly basis, as well as formulating guidelines to ensure readiness to deal with the breach of prescribed limits that is approved.

- **Commodity Price Risk**

Commodity price risk refers to the risk arisen from changes of commodity prices giving adversely impact on income or capital funds resulting in decline of commodity price.

In 2017, the commodity price was fluctuating. As the Bank did not have the policy regarding positions taking, the Bank managed risk using back-to-back approach.

2.3 Operational Risk

Operational risk refers to the risk arisen from the lack or deficit in proper internal operation processes, personnel, and the Bank's working system or external situations. Moreover, it also means the legal risk but excludes strategic risk and reputation risk.

The Bank oversees operational risk management by adhering to three-tier risk management approach as follows:

Tier 1: Business units and business unit supports who are risk owners have a duty to identify, assess, control and monitor risks as well as reporting to their respective managers. Each department has a operational risk officer (ORO) who coordinate with the department overseeing operational risks both regarding tool usage and risk management in accordance with the guideline established by the Bank.

Tier 2: Business units which are responsible for monitoring risk and overseeing other aspects provide tools and methods, guidelines and procedures to the business units in Process 1.

Tier 3: Audit departments audit and test business process and risk management process to assure the committees that the Bank's risk management and internal control system are effective.

Respective business units shall manage operational risk using the same procedure throughout the organization. It consists of assessing, controlling, monitoring and systematic report using tools such as Operational Loss Data Collection, Risk Self Control Assessment (RCSA) and Operational Key Risk Indicator (KRI). The operational risk officer (ORO) of each business unit has a duty to coordinate on operational risk management within the unit. The Bank focuses on enhancing risk prevention and timely risk management before incurring loss to the Bank and its stakeholder. Moreover, the Bank requires respective business unit to complete the New Product Process which is the assessment of risk and effectiveness of risk control for new products and services before launching to market to ensure that the risk of new products is within the risk tolerance level and is controlled appropriately before servicing to customers while the risk in outsourcing shall be closely monitored.

In 2017, the Bank has formulated key risk indicators for managing operational risk in the Bank's overview. There are 2 levels of key risk indicators; Risk Appetite and Risk Tolerance and it was found that the status of the Bank's operational risk in overview was at Risk Appetite level. The above-mentioned risk has been controlled by Standards Operating Procedure (SOP) and the Bank met risk control standards in both prevention and detection in order to reduce mistakes during performing duty as well as preventing and reducing damage that might occur to the Bank and its customers

As for risk stemming from uncontrollable external factors, Business Continuity Plan (BCP) is devised to ensure that even in emergency or crisis, the Bank is still able to provide services to customers without interruption. The BCP is tested regularly by the Bank and external service providers in order to improve its effectiveness and boost employees and customers' confidence.

The Bank monitors and controls operational risks by summarizing, analyzing and reporting the risks to top executives and Risk Management Committee on a monthly basis so that they recognize the risks and can manage the status of risks and deal with them effectively.

2.4 IT Risk

IT Risk stems from the unavailability of IT, information inaccessibility, unauthorized access to information and computer system, threat to databases of IT system within the organization and external threat such as cyber attack, damaged data, attack/hack on important data, unauthorized changes to data, etc.

The Bank gives precedence to information technology covering applications, information, infrastructure, operation, people and process so as to establish IT Best Practices under 3 major principles, which are security, integrity and availability to prevent any damage that might occur to the Bank.

Presently, the Bank has technology structure improvement in accommodating to transformation into digital banking and is aware of cyber attack. The Bank recognizes that cyber security is important. Therefore, it ensures readiness to deal with personnel, equipments and work process, and monitors risks continuously. When problems arise or hackers invade the network, the systems will be controlled and protected as well as being

recovered as fast as possible from a hack to reduce an effect on the Bank's customers.

The Bank has declared policy and procedure of IT security protection and reviewed the standard of IT security to comply with current regulations of the Bank of Thailand or meet international standards. IT Steering Committee was appointed to oversee the Bank's IT risk in order to give suggestions that will improve the process and boost confidence in the Bank's IT security, consider risks that may pose threat to the Bank's operation and boost confidence in the Bank's IT security.

2.5 Other Risks

- **Liquidity Risk**

Liquidity risk is the risk that the Bank fails to repay liabilities or contingencies on due date because of inability to liquidate assets into cash or having insufficient funds or acquiring funds at a higher unacceptable cost thus affecting income and capital funds.

In 2017, liquidity in the financial market got escalated from the previous year, thus the Bank adjusted its funding structure by expanding the base of savings and current account of individual and private corporate customers as well as reducing the portion of term deposit accounts from special promotions in order to manage financial cost effectively. As at December 31, 2017, the Bank's liquidity was higher than the minimum LCR specified by the BOT. Additionally, the Bank prepared operation guideline to ensure readiness to deal with Net Stable Funding Ratio (NSFR) under the Bank of Thailand (BOT).

The Bank has established liquidity risk management policy and process in accordance to the Bank's strategy, market condition and BOT's liquidity risk management guidelines. Risk tolerance limit or indicator has been set to control and monitor the Bank's liquidity risk. Risk Appetite and Risk Tolerance limits have been defined and the Bank performed stress tests to assess its capability to handle liquidity crisis. Test results were reported to the Risk Management Committee regularly. Liquidity contingency plan was devised in accordance with BOT requirement and presented to the Board of Directors on an annual basis.

- **Capital Management**

The Bank has been effectively managing capital fund, both for the bank and for the conglomerate, in compliance with Basel III requirements as prescribed by the Bank of Thailand (BOT) since January 1, 2013. The three pillars of Basel III Capital Framework are as follows:

Pillar I Minimum Capital Requirement:

The Bank is required to set out capital requirement covering credit risk, market risk and operational risk.

Pillar II Supervisory Review Process:

The Bank is required to hold higher level of capital than the minimum requirements in Pillar I in order to accommodate for all risks that the Bank shall face in both normal situation and stress event. The Bank is required to have good risk management by performing Internal Capital Adequacy Process (ICAAP) while concerning all its risks and conducting stress tests appropriately.

Pillar III Market Discipline: The Bank is required to disclose information on its capital requirements, level of risks and risk management system to the public so that the outsiders and stakeholders can use such information to analyze and assess the Bank's risk. Apart from the Bank's internal control and the supervision of Bank of Thailand, the disclosure is an essential market mechanism that forces the Bank to have effective risk management system.

The Bank has always been operating in compliance with risk management standards and overseeing capital adequacy according to BOT's regulations and international guidelines. Stress tests covering significant risks in both normal and stressed situations have been carried out to evaluate the effect on capital adequacy. The Bank has studied the effect of Basel III for the purpose of capital planning and setting the Bank's dividend policy.

As at 2017 year end, the Bank's capital adequacy ratio (CAR) was 17.45 percent. After stress test, CAR was higher than the minimum set by BOT. This reflected the Bank's strong capital fund which was capable of accommodating business expansion and possible risks stemming from changes in economy, society and regulations.

As for the BOT consolidated supervision requirement, the Bank submits report on capital adequacy of the conglomerate to BOT quarterly and discloses information on capital fund and risks of the conglomerate as scheduled on the Bank's website. In this regard, the Bank and its conglomerate's capital adequacy was higher than the minimum requirement of BOT.

However, the Bank of Thailand and commercial banks have been considering the revision of risky asset calculation covering credit risk, market risk and operational risk in order to comply with the Framework of Basel Committee on Banking Supervision (BCBS) in the future. In this regard, the Bank has performed Comprehensive Impact Assessment (CIA) in terms of both quantitative and qualitative aspects so as to prepare for business operation in the future.

- **Strategic Risk**

Strategic risk is the risk generated from inappropriate strategic planning, operation and implementation not in line with internal factors and external environment producing undesirable impact on income, capital funds or business survival.

The Bank continued to operate its business with caution and attached importance to action plans and risk management, which can be summarized as follows:

1) The Bank's measures for strategic risk management are in line with Bank of Thailand's examination guideline and State Enterprise Policy Office (SEPO)'s enterprise risk management. Policies and guidelines on strategic risk management have been devised and reviewed annually.

2) The strategic planning process was comprehensive and in line with the guidelines for State Enterprise Performance Appraisal (SEPA). Procedures and

persons involved as well as time frame were clearly specified. Committees concerned and top executives participated in the strategic planning that included the transformation of the plan into actual practice and communication of the plan to executives of all business units across the board.

3) The Bank's strategic plan is appropriate for both internal and external environment. It focuses on using real data and analyzing in comparison with the Bank's and peers' targets. SWOT Analysis was performed to determine further strategies to enhance the strengths, rectify the weaknesses, capture business opportunities and prevent any threats from external pressures. These were combined into the Bank's overall strategy, both short term and long term, which responds to the statement of Direction (SOD), Vision, Mission and Core Values of the Bank.

4) The Bank monitors and compares its operating performance with the targets regularly, and report to executives to set strategies to achieve the targets. Action plans are reviewed and adjusted to fit changing conditions.

- **Properties for Sale Risk**

The majority of the Bank's properties for sale were impairment of assets which is caused by the changes of properties condition or environment, for instance physical deterioration of the property, flooding, natural disasters, economic situation, the decreased price of property after being affected by the current market situation, laws and city plan and utilization of property. These factors affect the Bank's capability to sell and the value of the property. The risk level depends on property types, change of market price and duration of ownership. However, the Bank has developed guideline on minimizing risks as well as monitoring and controlling risks within acceptable limits for effectiveness.



► The Bank has closely monitored and assessed economic risk



• Economic Condition Risk

Thailand's 2017 economy expanded 3.9 percent, up from 3.2 percent last year. Growth was broadening with exports and tourism, boosted by global economic recovery, positive impact on income derived from agricultural sector in the first half year after breaking of the drought. Economic recovery still remained concentrated in industrial sector and major corporate customer group, while SME and people with lower income gain little benefit from global economic recovery. Investment by public sector has slowed down because of delay of mega projects caused by issuing Government Procurement and Supplies Management Act. It resulted in lower expansion of investment by private sector than expected. Moreover, other challenging factors limited business expansion and reduce operating results of the Bank. For example, prices of agricultural products went down in the second half of the year 2017, resulting in decrease in farmers' income. A high level of household debt caused slow consumption recovery. Private sector, especially SMEs also faced labour pressure of migrant worker management. Thai Baht had appreciated throughout the year. Economic atmosphere in the country was pressured by International risk factors such as worries about the US trade barriers, stricter monetary policy of the Federal Reserve and political unrest in Europe, particularly election in Germany, England and Austria, including conflict between Spain and Catalonia, more frequent and violent occurrence of terrorism, no progress towards the Brexit negotiations and conflict on the Korean Peninsula.

Furthermore, the Bank has closely monitored and assessed the domestic and international risks in economy, society, finance and banking aspects; and reported the risks to the meeting of Risk Management Committee and the Board of Directors on a monthly basis, so that they are aware of both positive and negative impacts. The department also sends signals to alert other departments involved so that the Bank can adjust its strategy to adapt to the changes in situation.

In 2018, it is expected that Thai economy will continue to grow. Main factors are still exports receiving support from economic recovery of trade partners, higher oil prices from the previous year causing good effect on

prices of exports and good expansion of tourism. Moreover, government expenditure helps to drive the country's economy because of starting construction of infrastructure that the government invests in and progress of Eastern Economic Corridor (EEC), especially enforcement of EEC Act that helps investment in private sector to recover from the previous year.

However, consumption in private sector is expected to be under pressure because of high household debt and low income of farmers. Export expansion has no impact on low income people because of structural problem: less labours is employed although production increases. Economic recovery is concentrated to major corporate entrepreneurs and high-mid income consumers. Buying power of low income people and SMEs is quite volatile. Furthermore, other economic risk factors the Bank must keep an eye on are trade defence of each country, especially of the USA that may affect some types of exports, delay of the election in roadmap, appreciation of Thai Baht that may not affect overall exports. But it may affect SMEs that has low bargaining power and margin as well as using local materials most because of disadvantage of lower prices of imports and rarely using foreign currency hedging tools. The Bank has closely monitored economic risks and accessed effects under stress tests covering the situations that may arise. It will provide immediate help to reduce the effects on business operations.

- **Reputation Risk**

Reputation risk stems from the public's perception of the Bank's negative image or lack of confidence in the Bank as the Bank's main business involves providing services to the public, which includes customers, partners, investors and regulators. While communication network at present allows quick spread of news and exchange of information, it also a channel to spread rumors and comments the public may have about the Bank. This will reflect the Bank's image and the stakeholders' confidence in the Bank, which may have impact on the Bank's revenue and/or capital fund both at present and in the future. Moreover, reputation risk may result from operational risks due to not complying with the regulations of the government/regulators, not acting in accordance with ethical practice or social expectation or business standards, violating terms and agreement or providing unfriendly services to customers.

The Bank manages reputation risk in addition to other important risks. A guideline for risk management has been established and reviewed as per schedule or whenever there is a significant change. As for risk management procedure, the Bank has defined risk factor, reputation risk index as well as Risk Appetite and Risk Tolerance. Risks are monitored by observing indicators and report is submitted to the Risk Management Committee on a monthly basis. If any indicator is higher than the acceptable level, it must be reported along with reasoning and action plan to eradicate/mitigate the risk.



Internal Control and Risk Management

1. Internal Control System

The Bank placed emphasis on good internal control system. Environment that provides for effective internal control system can help reduce operational risk and enhance effectiveness and efficiency of all guidelines for any activities, which leads the Bank to achieve its important business objectives.

Accordingly, the Board of Directors has attached importance to the internal control through continuous monitoring and oversight to obtain reasonable assurance that the Bank achieves its objective of business operations, efficient and effective operations, trustworthy financial and operational reporting, corporate compliance as well as preventing the actions adversely affecting the bank's asset and reputation. Internal control system has been reviewed by the Audit Committee in order to be comply with the standard of the Committee of Sponsoring Organizations of Treadway Commission, to prevent risk and to provide working procedure with care and prudence so as to avoid loss or damage. The Audit Committee shall monthly submit the report to the Board of Directors.

Furthermore, the Bank constantly oversees the operation of companies in its financial business group by assigning the Head Office Audit Department to audit the companies in its financial business group and holding joint meetings between the Bank's Audit Department and the companies in its financial group annually.

The 2017 Report of the Audit Committee (details are provided on pages 164-165) expressed the opinion that the Bank's financial statements and disclosure of information were complete, reliable and in line with accounting standard and generally accepted accounting principles. Additionally, the risk management and internal control system have been implemented effectively and appropriately. Internal audits have been

independently conducted in accordance with internal audit standards covering all high-risk processes. Moreover, audit process has complied with audit standard and the Bank has adequately monitored compliance with regulatory and legal requirements, consistent with the current business conditions.

2. Head of Internal Audit and Head of Compliance of the Bank

2.1 Head of Internal Audit

Mr. Santi Parivisutt

First Executive Vice President - Group Head
Internal Audit Group

Responsibilities of Internal Audit

Internal audit has to give the management and the Audit Committee the confidence and counsel, which crafting for value addition and improvement to the Bank's operation to achieve its goal by assessing the adequacy and effectiveness of risk management process, internal control and corporate governance.

The Audit Committee's responsibilities included: to consider and approve the qualification, to appoint, to demote and to remove Head of Internal Audit (The more details are provided in the section of Shareholding and Management Structures on pages 87-90) The Audit Committee expressed the opinion that Mr. Santi Parivisutt was suitable for performing as the Head of Internal Audit since he was proficient and had banking business comprehension, management skills, positive attitude toward the organization and the qualification as prescribed by the regulator.

His biography, namely education, training, other current positions and experiences during the past 5 years is shown in the unit of Brief Biography of Board of Directors and Executive Officers on pages 35-36

2.2 Head of Compliance

Ms. Vipawadee Lerssrisuriya
Executive Vice President - Sector Head
Compliance and Procedures Sector

Position Taking Date

August 15, 2017

Education

- Master Degree: MBA, Finance, Fairleigh Dickinson University, New Jersey, USA
- Bachelor Degree: Bachelor of Science in Accounting, Rutgers University, New Jersey

Training Course

- 2017 ASCO Compliance Training Program for Head of Compliance, held by the Securities and Exchange Commission, Thailand
- Training program for Compliance Officer of Commercial Bank, Batch 3, organized by Faculty of Law, Chulalongkorn University

Work Experience (2013-Present)

- **Krung Thai Bank Pcl.**
August 2017 - Present Executive Vice President
Sector Head - Compliance
and Procedures Sector
- **Sumitomo Mitsui Banking Corporation**
2015 - August 2017 Senior Vice President
- **Standard Chartered Bank (Thai)**
2013 - 2015 Senior Vice President

Responsibilities of Regulatory Compliance

The Compliance Committee's responsibilities are to oversee the regulatory compliance and ensure that the Bank and its departments operate the business in accordance with relevant laws and regulations prescribed by the regulators, namely the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand and the official authorities as well as providing advice on regulatory compliance practices and being the coordination center between the regulators, the official authorities and the internal business units.

Report of the Corporate Governance and Social Responsibility Committee 2017

Krung Thai Bank has taken into account the awareness of corporate governance (CG) and corporate social responsibility (CSR) concerning 3 dimensions; economic, social and environmental dimension, in leading the entire organization and external stakeholders toward the sustainable development and becoming a main institution of the country in developing nation's economic and social systems. With the intention of formulating guidelines and monitoring operating results, the Board of Directors appointed 3 directors as the Corporate Governance and Social Responsibility Committee. In 2017, the committee held a total of 13 meetings.

In 2017, the Corporate Governance and Social Responsibility Committee devised the 2017-2021 corporate governance strategies for Krung Thai Bank PCL in order to enhance the Bank's corporate governance standard to be in compliance with the strategies aimed at being a role model for virtues and creating zero-tolerance culture. The main strategies of the Bank covered 5 aspects: 1) to create the organization with zero-tolerance toward corruption, 2) to enhance the intent on anti-corruption ethics, 3) to develop a proactive anti-corruption system, 4) to elevate the standard of anti-corruption process and 5) to improve integrity and transparency assessment (ITA).

As the result of the deliberate operation in 2017, the Bank received the awards relating to the corporate governance and social responsibility as follows:

- Outstanding State-Owned Enterprise (SOE) Awards 2017 for Outstanding Disclosure and Transparency from the State Enterprise Policy Office (SEPO), Ministry of Finance
- Best Social Impact Bank Thailand Award 2017 by CFI Journal: the Bank is the only organization in Thailand which received the award from CFI in Q4, 2017.
- Thailand Sustainability Investment (THSI) Award 2017 from the Stock Exchange of Thailand (SET)
- "Excellent State Enterprise of Ethics and Transparency Planning Operation" Award 2017 from Office of the National Anti-Corruption Commission (NACC)
- An honorable NACC Integrity Awards 2017 at the 7th annual awarding ceremony held by the Office of the National Anti-Corruption Commission (NACC)
- Sustainability Report Award 2017 in the Recognition Award Category from Thai Listed Companies Association, the Securities and Exchange Commission and the Thaipat Institute
- Green Meeting Plus Certificate from the Thailand Business Council for Sustainable Development (TBCSD)

All the rewards and assessments the Bank received have reflected the effectiveness of our operation and we will strive to ensure that we will keep up the high standard.



(Mr. Vichai Assarasakorn)

Chairman of the Corporate Governance and Social Responsibility Committee

Report of the Nominating and Remuneration Committee 2017

The Nominating and Remuneration Committee consists of 3 Independent Directors. The Committee has been entrusted with the duties and responsibilities as prescribed by the Bank of Thailand, for example, setting policy, practices and criteria for recruiting candidates as well as setting remuneration and benefits, determining method for evaluating the performance of the Board of Directors, top executives and Authorized Bank Executives.

In 2017, the Nominating and Remuneration Committee has held a total of 17 meetings and all the recruitments and remunerations determined by the Committee have already been considered and approved by the Board of Directors as the following details:

1. The Committee has considered and set qualification and expertise required of the Directors as the reference and guideline for recruiting suitable person to be appointed as a member of the Board of Directors.
2. The Committee has selected and nominated qualified candidates to be appointed as Directors of the Bank while taking into account the appropriate size, structure and component of the organization. The Committee has selected candidates with knowledge and expertise in the fields appropriate for the Bank's operating direction, as well as checking that their qualifications complied with the criteria set by Bank of Thailand.
3. The Committee has selected and nominated qualified candidates to be appointed as Authorized Bank Executives to the Board Directors, and then requested approval from the Bank of Thailand and relating regulators. The Committee has taken into account the qualifications, knowledge, competence, skills, experience, versatile expertise, leadership, positive vision and attitude toward the organization. The Committee has also established the succession and management continuity plans for top executive positions to facilitate effective operation and management of the Bank.
4. The Committee has approved the succession plan and management process of Group Heads (N-1), Sector Heads (N-2) and Department Heads/ Team Leaders (N-3) to ensure management continuity and to facilitate effective operation and management of the Bank.
5. The Committee has designated the performance evaluation guidelines for the Board of Directors and Sub-Committee Directors in compliance with good corporate governance.
6. The Committee has designated the performance evaluation guidelines for the President and the Authorized Bank Executives in order to submit the appropriate remunerations to the Board of Directors for approval. The remuneration has been determined in consideration of the individual's duties, assigned responsibilities and performance, together with the Bank's overall operating result and the market rate for banking business.
7. The Committee has determined the remunerations of the Board of Directors and Sub-Committee Directors before submitting to the Board of Directors and shareholders in the Annual Ordinary General Meeting for approval. While considering the remuneration, the Committee has taken into account the rules and regulations of regulators, operating result of the Bank, the remuneration of benchmarking banks, duties and responsibilities assigned to the Directors as well as the compliance with good corporate governance.
8. The Committee has designated the performance evaluation guidelines for the President and the Authorized Bank Executives in order to submit the appropriate remunerations to the Board of Directors for approval. The remuneration has been determined in consideration of the individual's performance, operating performance of the Bank, the market rate for banking business and good corporate governance.
9. The Committee has considered rules of secondment management before submitting to the Board of Directors for approval, so that management direction of the affiliates is in line with the Bank's. Secondment allows the Bank's employees to develop while on the job rotation so that they have the required skills or competencies for future positions in their career path.
10. The committee has provided suggestions and advices for further effective operation in various aspects of human resource management. Examples are as follows:
 - 10.1 The Bank's remuneration structure
 - 10.2 Approach and strategies for human resource development
 - 10.3 Approach to talent management
 - 10.4 Approach to improvement of employee's disciplinary procedure
 - 10.5 Approach to transfer of top executives (for non performers)



(Mr. Nontigorn Kanchanachitra)

Chairman of the Nominating and Remuneration Committee



1. Corporate Governance Policy

Krung Thai Bank is aware and determined to operate its business with transparency, integrity and fairness in compliance with good corporate governance principles in order to become the effective organization that excels in operating business, concerns ethical responsibility and takes into account the benefits of all stakeholders. Such operation shall establish confidence and generate benefits to the shareholders, who are vital to the Bank's sustainable growth and prosperity.

The Board of Directors placed importance on good corporate governance over the past several years. The Bank has been determined in operating with good corporate governance; encouraged all Directors, managements and employees at all levels to adhere to good corporate governance principles and take part in activities leading the Bank to become the organization with CG in process; as well as elevate the Bank's compliance to meet international standards.

Moreover, the Board of Directors has entrusted the Corporate Governance and Social Responsibility Committee to formulate the action plans and monitoring measures in executing the corporate governance policy.

The Committee assesses the implementation of the policy, adjusts and updates policy regularly for continual relevancy along with monitors and revises CG guideline practices to comply with both domestic and overseas good corporate governance guidelines in order to reach international standards.

The Bank has stipulated the Corporate Governance policy and guideline in conformity with the principles of corporate governance of the Stock Exchange of Thailand as follows:

- 1) Creation of Long Term Value
- 2) Accountability
- 3) Responsibility
- 4) Promotion of Best Practices
- 5) Equitable Treatment
- 6) Transparency
- 7) Social and Environmental Awareness

The Bank has communicated and publicized the seven principles of good corporate governance to all employees via the Bank's communication channels and assigned all business units of the Bank to adopt these

CG principles toward their operation. With this regard, the Bank shall ensure that all the operation has been carried out in line with good corporate governance. All Directors are aware of performing their duty to create utmost benefit to the Bank and continually undertake activities relating to social responsibility, generating substantial result and truly benefiting the society and environment. The Bank develops effective social and environmental projects by integrating and arranging such activities continuously under the concept of instilling intellectual capital. Most importantly, the Bank also induced the society, community and other stakeholders to take part in the Bank's activities, to encourage them to care for each other and be generous toward the unfortunates, as well as putting emphasis on environmental issues that are becoming more critical.

In 2017, the Bank continued to promote good corporate governance through various means including:

1) The setting corporate governance strategy for 2017 - 2021 of Krung Thai Bank Pcl. with the intention to elevate the Bank's operation to be in line with Thailand's Master Plan on national anti-corruption phase 3 (2017 - 2021) and the Bank's strategy plan focusing on becoming a prototypical bank in term of morality and ethics and creating zero-tolerance culture, the Bank's corporate governance strategy for 2017 - 2021, comprising to 5 mains strategies as follow:

1st Strategy:

Create an organizational culture which Does Not Tolerate Corruption (Zero Tolerance)

2nd Strategy:

Elevate the intent of anti-corruption morality

3rd Strategy:

Develop proactive corruption prevention systems

4th Strategy:

Promote corruption suppression process standard

5th Strategy:

Improve the Bank's score on Integrity and Transparency Assessment: ITA

2) The Implementation of corporate governance in working process (KTB CG in Process) by improving the 2017 CG operation to be corresponding with State Enterprise's Integrity and Transparency Assessment: ITA. With this regard, the Bank granted the award to the

department exhibiting the distinctive operation in term of CG through the project of KTB CG in Process Award 2017. The assessment of CG operation of all departments in the Bank has been set up as one of the criteria for awarding.

3) The declaration of intent in Ethical Administration to Become Zero-Tolerance Organization. The Bank also broadcasted the video related to the policy from Chairman of the Board of Directors and Chairman of the Corporate Governance and Social Responsibility Committee to the employees.

4) One KTB: "The Future of Banking" activity was launched. Memorandum of Understanding for "Driving to the model of virtuous organization" between Krung Thai Bank Pcl. and Moral Promotion Center (Public Organization) has been conducted with the purpose of promoting and developing ethic and morality standard; elevating good corporate governance culture that is not tolerate with corruption (Zero Tolerance). These policies were given to the Bank's executives and the Bank's financial conglomerate to adhere to. Additionally, the Bank also held special activity regarding to the corporate governance namely: special lecture about State Enterprise's role in driving anti-corruption by Mr. Utit Buasri, Secretary Assistant of the National Anti-Corruption Commission, award presentation ceremony of KTB CG in Process Award 2017, in which the Bank's Board of Directors and Executives gave an importance to attend the events.

5) Assessment of the implementation of corporate governance policy in the subsidiaries that the Bank holds 100% share

6) Publication of articles and news relating to corporate governance on the Bank's website and intranet homepage, as well as directly in employee's mailbox.

7) Participate with external organizations to promote and develop the Best Practice guidelines as well as build up the co-operation among State Enterprise's network and other organizations.

2. The Report of Good Corporate Governance Principle

The Bank emphasised and adhered to operating its business under the specified law and principle good corporate governance. According to the survey organized by Thai Institute of Directors (IOD) under the

project of 2017 listed companies' Corporate Governance survey in the overall, the Bank assessment result was ranked at "Excellence" level.

In addition, the Securities and Exchange Commission announced Corporate Governance Code (CG Code) which launched on March, 2017 and gathered 2012 CG guideline for listed company issued by Stock Exchange of Thailand to a part of CG Code with the purpose of providing it for the Board of Directors' listed company to implement under the concept of "Apply or Explain". However, after the Board of Directors considered CG Code prudently, suggestion is given that CG Code was practical for the Board as a leader or highest responsible person of the organization to adapt to the Bank's context in order to create value to the organization sustainably. The Board of Director also reviewed the Bank operation complying to CG Code in each practice so as to ensure the appropriateness of outcome. Furthermore, in order to develop operation in any aspect to be in compliance with CG Code appropriately and continually, the Board of Directors agreed to consider and review the implementation of CG Code to be related to the Bank's context at least once a year. The consideration from the Board was required to be recorded as a part of the Board of Directors' resolution.

In 2017, the Bank has operated with the awareness of CG Code in several issues. The highlight summaries are as follows:

2.1 Rights of Shareholders

The Bank places importance on protecting shareholder's rights and supports them to exercise their rights properly under the fundamental rights stipulated by law. The basic legal rights comprise of the right to buy, sell or transfer securities holding; the right to receive dividend; the right to attend the shareholders meeting; the right to propose agenda in the shareholders meeting; the right to vote for the appointment of auditor and fixing of auditor fee; and the right to take part in decision making of the Bank's material issues via the shareholders' meeting such as approval of key activities affecting business direction, amendment to the Memorandum and the Articles of Association.

Additionally, the Bank has established best practices for its shareholders in order to support and

facilitate them in exercising their rights. Shareholders have the right to receive information on operating performance, management policy and other key information on the Bank's website which can be easily accessed. Moreover, the Bank also organized field trip for shareholders to visit and observe the Bank's operation. In 2017, The Bank publishes information relating to meeting agendas 31 days prior to the meeting on the Bank's website to allow shareholders to adequately study the information before receiving hard copy documents from the Bank. Accordingly, the invitation letter and supplementary document for meeting in English version are delivered to the foreigner shareholders. Shareholders are welcome to voice their opinions, give recommendations or ask questions freely before the meeting date. In the invitation letter, the Bank specified the information relating to the meeting's date, time, location and the agenda items for either informing or approval. All agendas are clearly classified by specific issue. However, the agenda related to the Directors nomination and remuneration in each term, the Bank shall separate the topic, state the purpose, rational and the directors' opinion as well as provide adequate supportive information attached with the invitation letter. For example agenda about the approval of dividend payment, the Bank shall provide beneficial information on the dividend policy, the proposed dividend rate with the reason and additional data etc. Then for the appointment of Directors, the Bank presents the information about name, age, educational background and work experience, the number of listed company and company of taking the directorship, criteria and remuneration process, position of the directorship, etc. Hence, in case of nominating the existing director to hold the position again, the information about attending the meeting in the past year and the date of taking the position will be provided. As for the agenda of directors' remuneration, the Bank prepares the information about policy and criteria for setting the remuneration of directors in each position. All remuneration will be presented to the shareholders' meeting for approval. In the invitation to the meeting, it is stated that in case of doubt, shareholders can submit their queries to the directors prior to the meeting on the Bank's website or mail directly to the Board of Directors.

Chairman of the Board of Directors, President and all the relevant chairmen of the respective committees must attend the meeting to present the explanation about the operating performance and management policies and to answer any queries raised. The Bank provided examiner of counting votes in the meeting. The Chairman will inform name list of directors, chairman of respective committee and examiner of counting votes to the shareholders prior to the meeting. Name list and position will be recorded in the minutes of shareholders' meeting.

In 2017, the Bank held the 24th Annual Ordinary General Meeting on April 28, 2017 and all members of the Board of Directors and the Group Head of Financial Management Group as the Chief Financial Officer (CFO) attended the meeting. The Bank employs voting ballots in every agendas via barcode technology, starting from the registration of the attendees, the votes counting and displaying the result, in order to facilitate the meeting to progress smoothly and effectively. The Chairman will inform the shareholders of the rules of the meeting and the procedures of voting and run through the set agendas without adding any agendas not stating in the invitation letter. However, all agendas in the meeting, the Chairman gives all shareholders the equitable opportunity and time to exercise their rights freely to oversee the Bank's operation, raise questions,

voice their opinions and give suggestions related to the agendas or Bank's matters. Those important issues or the bank's clarification have been recorded in the minutes of the meeting. After the meeting, the Bank shall disclose resolution of the meeting and result of vote in favor and vote against or vote abstentions of each agenda through SET's website within the meeting date and published minutes of the meeting on the Bank's website within 14 days after the meeting date.

2.2 Equitable Treatment of Shareholders

The Bank's policy is to treat all shareholders equally and fairly by facilitating and encouraging all groups of shareholders including minor shareholders, institutional investors and foreign investors to attend the meeting, enabling them to enjoy equitable treatment in exercising their rights as described in the Right of Shareholders section. As for voting, ordinary share and preferred share are counted as one vote each share. The majority of the votes prevail unless stated otherwise in the article of association or by law.

Besides, the Bank has informed the Stock Exchange of Thailand that minor shareholders may nominate an individual to become a Director, together with submitting his/her qualifications for consideration and his consent to be nominated as specified by the Bank's regulations, to the Nominating and Remuneration



Committee at 3 months prior to the end of accounting year on December 31 annually. As for the 23rd Annual Ordinary General Meeting (2016), the period was during October 1 to December 31, 2015. During the agenda of electing directors, the Bank nominated candidates for the shareholders to vote for the appointment per each director.

The Bank shall not allow unnecessarily add of agenda without notifying shareholders in advance, especially if the matter is important and the shareholders need time to study before making decision. In case that any shareholder cannot attend the meeting, he/she can assign proxies to vote on his/her behalf. The documents delivered to shareholders along with invitation letter are 3 types of proxy form as required by Ministry of Commerce: type A- this form is general and uncomplicated; type B- the detailed form contained specifying detail of what proxy was needed to do and the Bank recommended this type; type C - this form would be used in case that the shareholder was foreigner investor and has appointed custodian in Thailand to take care of the shares. Additionally, the Bank also attached the information regarding the nominated 2 independent directors as alternatives for assigning proxy to vote in the meeting, as well as the list of the evidence or documents that proxy requires to bring with him/her to claim the right to attend the meeting along with the suggestion for proxy assignment process. However, the Bank has no policy to set any criteria which is difficult for shareholders to assign proxy.

The Bank clearly stipulated measures inhibiting directors, executives, employees and related persons to use the Bank's insider information for personal benefit or disclose it to the public. In addition, there is the written regulation prescribed the document retaining to prevent the misuse of inside information and publicized to all employees for acknowledgment. Previously, no incident of using inside information for personal benefit has been found.

The Bank's corporate governance policy states that directors must inform the secretary of the Board of Directors and executives must inform the Compliance Department about the sale/purchase of the Bank's stocks at least 1 day before the sale/purchase. Also, directors, executives and First Vice President and

Manager in accounting and cashier departments must report the possession of asset issued by the Bank which belongs to themselves, their spouses and non-sui juris children, to the Securities and Exchange Commission, as per regulations and report their possession to the meeting of the Board of Directors on a monthly basis. For transparency and verification, the Board of Directors formulated guidelines for directors and executives to reveal their stake and their related person in accordance with the requirement of regulator such as the Bank of Thailand, the Securities and Exchange Commission, and the Stock Exchange of Thailand.

2.3 Consideration for Stakeholders

2.3.1 Treatment of Stakeholders

The Bank recognized the rights and roles of various groups of stakeholders, internally or externally, and has included it as an integral part in the Code of Conduct disclosed through media including the Bank's website. It is also published as manuals and distributed to all business units for strict compliance, which could enable the Bank to have sustainable growth. The guidelines are summarized below:

Shareholders: The Bank is determined to conduct business with prudence and transparency, making profits grow continuously and steadily, boosting its competitiveness and creating more value for the shareholders in the long run.

Customers: The Bank operated business under law and standard relating to determination to serve customer with willingness, full capacity, equity and fairness, gave suggestion to the customer with polite manner as well as was eager to listen to customers' problem and try to find cause and solution. Customer's problem and information will be kept strictly confidential except law stipulated to disclose or customer allowed in written. However, the Bank also conducted customers' satisfaction survey for improving product and service. Any advertisement or promotion must be done responsibly and must not lead to misunderstand or get advantage from customers' misunderstanding.

Creditors: The Bank's policy is to treat creditors of all groups including depositors, debenture holders and other creditors equally and fairly on the basis of fair returns for both parties and strictly under the agreements

of covenants agreed upon. In case of non-compliance with any one of the covenants, the Bank will promptly notify the creditor to jointly discuss the issue. In conducting business negotiation, the Bank shall refrain from demanding or employing any dishonest benefits in trading. Moreover, the Bank regularly prepares financial reports that are accurate, complete and submit to the creditors in a timely manner.

Trading Partners: The Bank prioritized the Bank's utmost benefit without concerning about self-interest or interest of related person. The Bank must provide accurate and complete information to the buyers or sellers' asset, product and service. Importantly, employees should avoid accepting gifts or rewards from buyers or sellers as well as attending private functions hosted and any related expenses paid by them to avoid any accusation or render special assistance in return of later occasion. All trading partners should be treated with equitability to create trust between the Bank and trading partners by adhering to procurement regulation and supplier code of conduct. Procurement procedure and agreement must be fair, mutual benefit for the capability development and elevate producing and service capacity to meet standard. The importance must be given to business operation procedure of trading partners in the aspect of respecting human right and equal treatment to labour, social and environmental responsibility as well as monitoring and evaluating trading partners for sustainably improving business doing between each other. However, the Bank spelled out procedure, criteria for trading partner selection and joint practice guideline. These are shown explicitly on the Bank's website as follows:

Criteria for trading partner selection

- The profession of the bidder must be the provider of the goods/services specified by the Bank and/or the representative appointed by the copyright owner.
- The bidder must not be named in the list of work abandoner which has been circulated.
- The bidder must not have any privilege or protection that allows him the possibility to reject presence in Thai court, unless the government of the bidder has issued a disclaimer of such protection.
- The bidder must be an authorized person to perform juristic act on behalf of the company,

partnership or juristic person. In case the bidder cannot submit bid envelope in person, the bidder may assign authority to another director, partner or employee to do so on his behalf on the condition that the assigned person must present the letter of power of attorney signed by the director or authorized partner of the juristic person and stamped by the company's/partnership's seal to the Bank as evidence.

- The bidder must not be named in the list of those fail to show income-expense statement or show substantially incomplete income-expense statement while participating in the procurement process and at the time of signing the contract.

- The bidder must have no mutual benefit with other bidders and/or a committee member of that procurement. The bidder must not obstruct fair competition of price.

- The bidder must not be bankrupted, in the process of being sued for bankruptcy, requesting for business rehabilitation or debt restructuring. The bidder shall prepare the juristic person/person certificate.

Business Alliances: The Bank is firmly determined to comply with the agreements made with its business partners, provide assistance for mutual business benefits, enhance service to meet standard and assist each other for business benefit in overall.

Competitors: The Bank has policy to operate business with fairness, transparency, not create unfair competitive advantage as well as no policy to falsify or distort competitors' fact. At the same time, the Bank avoids making deals or discussion with employees of other organizations or financial institutions about geographical locations, marketing, customer segmentation, interest rates, fees and commissions as well as products, services or business plans that may exert negative impact on the Bank's business competition.

Social and Environmental Responsibility: The Bank, similar to a good citizen, operates its business with awareness of responsibility toward the society and the nation. The Bank also encourages activities for public benefits in order to develop the society, community and environment, as well as conserving natural resources. Furthermore, the Bank is willing and prepared to cooperate with the government and support the government's policies for the utmost benefit of the country



Board of Directors and Executives: The Bank's Board of Directors and executives are aware of their rights and they are ready to be a role model in exercising their rights and performing their duties as specified by the Bank. At the same time, they realize the importance of equitable and fair rights among groups of stakeholders.

Employees: The Bank prioritizes human resources management and development. The Bank employs human resources management system in which employees of all levels have equal chance to advance in their career path. The Bank complies with the related law and standard fairly and respects for human right. At the same time, the Bank also ensures that employees' salary, remuneration, welfare and other benefits are comparable to those of other leading companies. Learning method, training courses and human resources development process have been improved to enhance the capability of employees and ensure business competitiveness. The Bank also attaches importance to employees' security by providing environment that is safe and suitable for work. Security measures have been established in compliance with the law and the Bank's regulations. Each business unit is required to prepare a business continuity plan both for normal and critical situations to ensure safety of employees and the Bank's properties. The Bank encourages employees to respect and honor one another along the guidance stipulated in the personnel code of conduct. In term of employee welfare, the Bank promotes the well-being of employees by providing benefits such as a clinic to provide medical

care to employees, their families and retired employees; educational allowance for children of employees, medical allowances, mediation training project and welfare loans.

Government Sector: The Bank supports government's operation and complies with the regulators' requirements and policies in conjunction with promoting collaboration in activities of governmental agencies to build national stability and growth.

Respect for human right: The Bank operates business by adhering to domestic and international law and Universal Declaration of Human Rights or (UDHR). The Bank as every departments and every operational area supports every fundamental human right. Moreover, the Bank commits to protect human right and not involve with human right violation as stated in the UDHR.

Respect for Intellectual Property: The Bank will not violate any intellectual property whether they are patent, trademark, copyright, trade secret and other copyright matter by broadcasting or adjusting any intellectual property. The intellectual property must be allowed by the owner. At the same time, all employees must protect the Bank's intellectual properties namely patent trademark, copyright, trade secret and other information of the Bank.

2.3.2 Stakeholders Engagement

In its operation, the Bank adheres to good corporate governance principles, emphasizes on management with transparency, integrity and fairness to all stakeholders and take into account the benefits

of all relating parties including employees, customers, society, shareholders, trading partners and regulators. The Bank has also announced its adoption of anti-bribery and corruption policy which is crucial for developing business operation process that meets the standard, generating growth and wealth to all stakeholders following the Bank's "Growing Together" vision. The Bank has established stakeholder engagement policy as part of its corporate governance policy and code of business conduct. The Bank has been treating all groups of stakeholders equally and fairly by considering impact on stakeholders and the rights of stakeholders to engage via various channels. For instance, in 2017, the Bank reviewed and updated its code of business conduct to meet international standards and cover all principles in anti-corruption. Giving or accepting bribe and corruption are illegal and the Bank employs the Zero Tolerance policy. Measures concerning the use of insider information and misuse of insider information for benefit have been added to the Corporate Governance policy to ensure equal treatment of shareholders and concern about the roles of stakeholders respective. Furthermore, the Bank has conducted surveys to solicit employees' opinions in order to improve management condition to fulfill the needs and expectations of the employees. Survey of employee engagement are conducted biannually. The Bank allows external stakeholders to participate in occasions, for example, shareholders may voice their opinion freely, propose an agenda and nominate a candidate for director at the Shareholders Meeting. Additionally, stakeholders may directly contact committees and business units involved in the matter to give useful suggestion or information that will benefit the Bank or make complaint about any wrongdoing.

Moreover, the Bank has conducted Corporate Social and Responsibility (CSR) projects to give back to the community in all 3 dimensions namely economy, society and environment for instance "Krungthai Weaving Dream Schools Project" providing support to schools nationwide to enhance their quality; "Krungthai Young Enterprise Awards : KTB Startup Project" offering opportunity to the group of people who are interested in startup business in order to learn and obtain business experience as well as create employment, income and sustainable growth to country's economy. "Krungthai Business Ethics Initiative (White Seedlings)"

Project giving high school students an opportunity to carry out projects that adopt the Philosophy of Sufficiency Economy. These operations reflect the Bank's determination to allow all groups of stakeholders to participate in meetings and activities organized by the Bank.

2.3.3 Whistleblowing and Complaints

The objective of the Board of Directors is to satisfy all groups of stakeholders, provide direct communication channels for stakeholders to reach the Board of Directors and related business units. For example, customers and general public may report any wrongdoing or comment about the Bank through various channels of the Customer Complaint Center as follows:

For whistle blowing

The Bank sets the whistle blowing policy and gives opportunity to stakeholders to report any wrongdoing through various channels. Any wrongdoing including corruption, illegal, violating regulation of the Bank's or regulators made by directors, executives, staff, employee or subsidiaries' staff can report through the specified channels. Anyhow, name of the whistle blower will be kept confidential and protected during the examination and after the process finished.

- Send an e-mail to the Chairman of the Board of Director at whistletruth@ktb.co.th
- Send an e-Mail to whistle@ktb.co.th
- Send a letter to the Office of the President, 35 Sukhumvit Road, Klong Toey Nua Subdistrict, Wattana District, Bangkok 10110.
- Tel. : +662 208-4120
- Fax.: +662 256-8778

• For complaints

- KTB Call Center +662 111-1111 (24 hours)
- Customer Complaint Center Tel: +662 208-8989 (Mondays - Fridays between 8:30 - 16:30 hrs.)
- www.ktb.co.th
- E-mail : compliant.center@ktb.co.th
- <http://www.contactcenter.ktb.co.th> or E-mail: call.callcenter@ktb.co.th
- Fax.: +662 256-8170
- Send a letter to Office of the Board of Directors, Krung Thai Bank Pcl., 13th floor, Nana Nue Building, 35 Sukhumvit Road, Klong Toey Nua Subdistrict, Wattana District, Bangkok 10110 or PO Box 44, Hua Lamphong Bulk Mail Centre, Bangkok, 10331

- Customer satisfaction survey by Business Risk and Macro Research Team. The responses collected will be submitted to executives and related business units for improvement

- Employees can directly report or make comments to the Board of Directors and Executives by sending an e-mail to their respective email addresses which can be found in the phonebook on intranet. Other complaint channels are:

- > E-mail to hr.care@ktb.co.th administered by the Head of Human Resources And Corporate Governance Group, the Head of Welfare and Employee Relation Sector and the Head of Discipline and Employee Relation Department

- > Hotline at +662 208-8887

2.4 Disclosure of Information and Transparency

The Board of Directors schedules and supports policy to disclose the Bank's information in accordance with law, regulation, requirement and other important standard. the Bank's operational regulation has been launched by referring to Official Information Act, B.E. 2540. Electronic information center and information room are required to provide for public so that the citizen can check the Bank's disclosed information. However, the Bank uploaded the information to official website as the Official Information Committee's announcement of ensuring the compliance with transparent standard and indicator for government agencies by disclosing the information made available for public as stated in Section 9 graph one (8) of Official Information Act, B.E. 2540. Additionally, the Bank also reveals significant information as a listed company in SET. The revealed information is about directors, shareholder as well as the financial and non-financial aspect of the Bank which are in line with the Securities and Exchange Act B.E. 2535 and SET regulation in the topic of criteria, condition and method for disclosing information and any operation of the listed company. The details are as follows:

2.4.1 Disclosure of Information as prescribed in Listed Public Company Requirements

The Bank oversees that key information, financial and performance related data are disclosed accurately, completely, transparently, comprehensively and timely as prescribed in the requirements of the Securities and Exchange Commission and those of the Stock Exchange of Thailand. Apart from Annual

Registration Statement (Form 56-1) and the Annual Reports (Form 56-2), most of the information is posted on the Bank's website in Thai and English with regular updates, thus helping shareholders, customers and interested persons to access the reliable information with ease and equality

Key information which is non-financial information disclosed by the Bank are performance of the directors over the year, training history of each director, number of meetings called and attendance of each director in the past year, opinions, policy on remuneration and remuneration of members of the Board of Directors and top executives which reflect their roles and responsibilities, shareholding structure, business operation, operating performance, corporate governance policy and code of business conduct, business goals, policy of anti-bribery and corruption, policy of society and environment, etc.

2.4.2 Performance of the Board of Directors and Respective Committees

- Board of Directors' structure, scope of power, members and brief biography of each members of the subcommittees are exhibited in Organization Chart on pages 8-9, Brief Biography of Board of Directors on pages 19-37 and Shareholding and Management Structures on pages 84-95.

- The Bank established a reasonable and fair policy on remunerations. The Nominating and Remuneration Committee reviews the appropriateness of the remuneration for the director's scope of duties, roles and responsibilities. The remuneration must be relevant to the Bank's financial position, comparable to that of its peers and in compliance with the resolution of shareholders meeting. The detail is in Shareholding and Management Structures on pages 99-102.

- Performance of the Board of Directors in the previous year is reflected in numerous awards namely

- Outstanding Disclosure and Transparency Award from the State Enterprise Policy Office (SEPO), Ministry of finance at SOE Award 2017

- Best Social Impact Thailand Award 2017 from Capital Finance International (CFI). The Bank was the only organization in Thailand getting the reward in Q4 of 2017

- Thailand Sustainability Investment 2017 (THSI) or "Sustainable shares" from Stock Exchange of Thailand
- Excellent State Enterprise of Ethics and Transparency Planning Operation Award: the Honorable Mention for Integrity Culture category from the Office of the National Anti-Corruption Commission (NACC)
- NACC Integrity Awards 2017 in the Honorable Mention category from the Office of the National Anti-Corruption Commission (NACC)
- Sustainability Report Award 2017 - Recognition from Thai Listed Companies Association, the Securities and Exchange Commission and the Thaiptat Institute
- Green Meeting Plus Certificate from the Thailand Business Council for Sustainable Development (TBCSD)

- ESG 100 Certificate 2017 (ESG: Environmental, Social and Governance) from Thaiptat Institute
- Corporate Governance Report of Thai Listed Companies 2017 - Five Stars from Thai Institute of Directors: IOD

2.4.3 Investor Relations

The Financial Institutions Department has been assigned to equally and fairly provide and disseminate information and activities of the Bank which are beneficial for all related parties, including retail investors, institution investors, general investors, stock analysts, domestic and foreign fund managers as well as government agencies through communication events. In 2017, the Bank's executives and investor relations officers met with analysts and investors on various occasions and provided them with useful information. The occasions were as follows:

Format	No. of Times
One-on-One Meeting & Conference Call	69
Analyst Meeting & Fund Meeting	12
Road Show	4
Total	85

Financial Institutions & Investor Relations Department Contact Information

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 Website : <http://www.ktb.co.th> and navigate to "Investor Relations"

Furthermore, Corporate Branding and Communications Department has been assigned to publish news and information of the Bank. The publishing occasions in 2017 were as follows:

Format	No. of Times
Press Release	122
Press Conference	24
Press Interview	13
Total	159

2.5 Responsibility of the Board of Directors

The Board of Directors formulates the bank's direction with the aim of creating sustainable value to business, building financial sustainability, making appropriate return to the shareholders, supporting government's operation as well as providing world class products and service under the vision "Growing Together". The emphasis places on human resource development so as to accommodate the customers' growth and wealth, enhance quality to society and environment and create sustainable return to the shareholders. In order to achieve the Bank's objective and mission, the Board of Director approved to set the Bank's mission as follows:

- Oversee and develop capability of human resource and system
- render value service and suggestion to the customers continuously
- Take a part in improving economy, society and environment sustainably
- Create sustainable return to the shareholders

However, the Board of Directors sets operating strategies and monitors the implementation to be transparent, ensures communication and information disclosure to be appropriated, performs duty with the awareness of protecting shareholders' benefit honestly and carefully in addition to reviews strategies regularly within the proper period.

For the utmost benefit of the overall shareholders, the Board of Directors must be truly independent of the management while performing their duties. Responsibilities and duties are clearly divided between the Board of Directors and the management. The Board of Directors is in charge of specifying policy for management and working system as well as oversees that all activities performed by the Bank are legal and ethically sound. To ensure that no person has unlimited authority, the Chairman of the Board of Directors cannot be the same person as the President. The main duties of the Chairman of the Board of Directors is to ensure that the meetings of the Board of Directors are held effectively and that the important and essential agendas are included, especially those related to the Bank's strategies. He also presides over shareholders meetings and act in accordance with the duties of the Chairman of the Board of Directors as prescribed by law. As for the duties of the

President, it is described in the Shareholding and Management Structures section.

The Board of Directors consists of the member who passed the recruitment process from the Nominating and Remuneration Committee as stipulated by law and good corporate governance principles. In order to nominate the person whose qualification matches with specific skill matrix which is in line with

the Bank's strategies, the Nominating and Remuneration Committee considered candidates from various sources including the director pool. The details of the nominating and selection process is in the Nomination and Appointment of Directors and Executives section on pages 148-149 So, the Bank has the person with skills and expertise that the Bank lacks or requires more thereof, as well as suitable for working along the Bank's strategies. All members of the Board of Directors have sacrificed their time to perform their duties responsibly; therefore the Bank has a strong Board of Directors. The directors' term of office is prescribed clearly in Corporate Governance policy and article 22 states that one-third of the members of the Board of Directors must retire from the position at each Annual Ordinary General Meeting. Each member of the Board of Directors may not be in the position for longer than 3 consecutive terms of office unless his qualifications justify it. The Board of Directors will consider the effectiveness of such director in performing his duties and explain the reason thereof and his performance to the shareholders. Until now, no director serves more than 3 consecutive terms of office.

As at December 31, 2017, the Board of Directors consists of 12 persons: one member is executive director and eleven members are non-executive directors. Among those eleven members of the non-executive director, seven members are the independent directors, accounting for 58.33 percent of the total number of the Board of Directors that exceeds the SEC's regulations requiring one-third of the total number of the Board of Directors or no less than three directors must be independent directors. However, all independent directors are qualified as the definition stated in the topic of Shareholders' Structure on pages 93-95 and Capital Market Supervisory Board's regulation which are independent from management and management structure. No Director can serve more than nine consecutive years.



The Board of Directors has appointed respective committees to help study and scrutinize the task as deemed necessary to ensure the Board's greater efficiency and effectiveness in performing its duty. Term of office of the Director must comply with the charter of respective committee. In addition, it is the Bank's policy to appoint the Secretary to the Board of Directors and the Corporate Secretary to be in compliance with the applicable Securities and Stock Exchange Act, B.E.2551 (4th) and principles of good corporate governance of the Bank. Core duties and responsibilities are detailed in the section "Shareholding and Management Structures" on pages 84-95

The Bank has established guideline of holding board positions in other companies in accordance with the rules prescribed by the Standard features for Directors and Employees Act, the Financial Institutions Businesses Act, the Securities and Exchange Act and other related law as well as the principles of corporate governance of listed companies and CG code, for example directors are required to serve on the board in no more than 3 state enterprises and/or juristic persons with state enterprise's shareholding; to serve as presidents, executive directors or authorized director in no more than 3 business groups; and to serve as directors in no more than 3 listed companies. The Bank disclosed information on directorship in other companies on pages 108-109 Concerning directorship of the President and top executives in other companies, the Bank has formulated clear policy as to classify types of directorship and number of companies in which they are entitled to hold the post,

and such directorship holding must be first approved by the Board of Directors.

The Bank sets the schedules and normal agendas for the Board of Directors meeting in advance and regularly throughout the year. Meeting schedules have been detailed on the Bank's intranet website since the beginning of the year. Each Director is informed of such schedules to facilitate arrangement for attendance as detailed in the section "Shareholding and Management Structures" on page 98 In this regard, the subcommittee related to the agenda for such particular issue will scrutinize the relevant information; make comments and suggestions before proposing to the Chairman of the Board of Directors for approval and inclusion of that issue on the agenda for prudence and risk management in all respects that may arise. Besides, the Board of Directors has the policy of opportunities to call meeting among them to discuss issues of common interest in form of committee. In 2017, the 5 meetings of Independent Director Committee and the 12 meetings of the Board of Directors without attendance of the management were arranged. The President will be informed of the meeting results.

The Bank proposes directors' remuneration in every form in the shareholder general meeting to consider approving annually, e.g. remuneration for directors, position allowances, meeting allowances and directors' pension without any privilege. The Nominating and Remuneration Committee has a duty to consider director's remuneration to be in accordance with the appropriateness and commensurate with directors' scope

of duties and responsibilities; the Bank's financial status comparable to other companies at the same level of business group as detailed in the section "Shareholding and Management Structures" on pages 99-102.

The Bank requires the Board of Directors to conduct self-assessment twice a year to reflect their operation efficiency under the principles of corporate governance and use as a supplemental information for considering the appropriateness of Board of Directors' composition as detailed in the section "Shareholding and Management Structures" on pages 95-97.

The Directors, the Executives and related parties are encouraged to develop their competencies through the regular training courses continuously (See details in the sections "Brief Biography of the Board of Directors and Executive Officers" on pages 19-37 and "Shareholding and Management Structures" on page 112) Moreover, the Bank organizes Orientation to each new appointed Director. In 2017, the Bank organized orientation for a new director, namely Mr. Vichai Assarasakorn (See details in the section "Shareholding and Management Structures" on page 103) Furthermore, every year in December, the Bank arranged for the directors and executives nationwide, including overseas branches to attend the Bank's seminar on the Bank's business strategy so as to encourage brainstorming and driving the Bank to achieve the goals as stated in the strategic business plan.

3. Other Committees

- **Management Committee**

Management Committee has duties to formulate the Bank's policy and strategic plan; supervises operation in accordance with policies established by the Board of Directors and the Board of Executive Directors and / or the President monitor new product approval result of Product Committee; track and review the operation to be in line with the Bank's policy and strategic plan and approves any matter as stated in the regulations/ the Bank's notifications. The meeting of the Management Committee is organized twice a month or as appropriated

- **Assets and Liabilities Management Committee**

The committee formulates framework for managing the Bank's assets, liabilities and capital funds in line with external factors affecting liquidity and profitability by implementing appropriated analysis tools to determine interest rate, and benefit returns from loans and deposits. The committee also recommends strategies in investment, which related with liquidity management of the bank. The meeting of the ALCO is organized at least once a month.

- **Group Credit Committee Level 7**

Group Credit Committee (GCC) level 7 is authorized to approve lending limits and debt restructuring as stipulated in the Bank's notification on credit approval and debt restructuring. Additionally, the committee is authorized to approve acceptance of collateral transfer as specified by the Bank. The meeting of the GCC is organized at least once a week.

- **Credit Scrutiny Committee**

This Committee scrutinizes credit work under the authority of the Board of Directors and the Board of Executive Directors, namely application for credit and debt restructuring as specified by the Bank, trading of non-performing assets, underwriting or investment in debt instruments except those issued by government, Bank of Thailand or other government agencies guaranteed by Ministry of Finance. Moreover, it approves credit limit and debt restructuring limit as specified by the Bank, and other credit activities within its scope, as well as other duties delegated by the Board of Directors, the Board of Executive Directors and the President. The meeting of the committee is organized at least once a week.

- **IT Policy Committee**

IT Policy Committee has duties to oversee the Bank's operation to be in line with laws, regulations related to electronic transactions and information, consider screening project and plan for the Bank's information technology, consider approving project and plan, control the overview of the Bank's information technology project, monitor the progress of solving significant problems, and oversee IT risk that might affect the Bank's business operation.

- **Subsidiary Management Committee**

Subsidiary Management Committee has authority to consider operation guideline for the subsidiaries to ensure that it is in alignment with the Bank's objectives and strategies. The Committee also establish relating rules and regulations so that they follow the Subsidiary Governance Regulations. Initially, the meeting frequency is set to once per quarter.

4. Nomination and Appointment of Directors and Executives

4.1 Recruiting procedures

- **Selection of Directors**

The Bank has appointed the Nominating and Remuneration Committee to select and scrutinize applicant nominated for directors. Under the policy to contain the variety, the Bank originates Directors' skill matrix that is in compliance with the Bank's strategy so as to employ when considering for director nomination. Presently, the Board of Directors has comprised of several specialists from various areas such as finance, economics, information technology, human resources management and law. If the Bank needs personnel other than those areas, additional specialists will be recruited in complying with the nomination process specified by law and good corporate governance. Director nomination will be considered from any source and director pool in order to select the qualified director complying with the Bank's strategy to join as director.

In selecting and nominating a director, such individual must be qualified and not forbidden by the Standard features for Directors and Employees Act, B.E. 2518 (1975) and the Financial Institutions Business Act, B.E. 2551 (amendment B.E. 2558) (2008). The candidate must also be approved by the Bank of Thailand and related regulators before submitting to the Board of Directors and then to the shareholders. Name of candidate will be submitted to the general meeting via the Board of Directors. After approval of the appointment, the responsible business unit will proceed with the registration of director change and report to the units concerned within the specified time. Directors who completed their term of office may be re-elected. Moreover, the Bank organizes orientation for new directors to inform them of their role, duty and responsibility



as well as relevant rules and policies needed for the understanding of the Bank's business operation.

- **Appointment of Director**

Criteria of appointing Directors can be categorized into 2 cases as follows:

Case 1: Appointment of new director to replace the one who completed his/her term will be done in the shareholder general meeting. A Director who completed his/her term of office is eligible for re-election

Case 2: Appointment of Directors to replace the vacant position which is not case 1 shall be made by the Board of Directors with voting of no less than three fourths of the subsisting directors. Qualified person without any forbidden traits will be selected and will stay only for the remaining tenure of the director who left.



4.2 Selection of the President

The Bank complied with the Standard features for Directors and Employees Act, B.E.2518 (1975) in holding a transparent process of selection. A public announcement will be made giving an opportunity to qualified persons with vision, knowledge, competency and experience in the management of large organization to apply. The Nominating Committee will recruit qualified person who possess appropriate knowledge and experience and then submit the list of candidates to the Board of Directors to assign for the Subcommittee on Remuneration in considering and negotiating for the remuneration subsequently.

4.3 Recruitment of the Group Head

The recruitment and selection process is transparent. The President and the Group Head of Human Resources and Corporate Governance Group will look for a candidate within the organization who has the knowledge, expertise and experience in the responsibilities of the Group from the Succession Pool first. If no one is considered suitable for the job, outsiders with knowledge, expertise, skills, experience, leadership as well as vision and good attitude toward the organization will be recruited and propose to the Nominating and Remuneration Committee and the Board of Directors for approval.

5. Succession Plan

The Bank has its system of succession for executives at each level and each job family that can be implemented effectively through the Succession Plan for crucial posts especially the chief executive officer of the Bank. Preparedness of training courses for individuals that will become executive officer or manager has been in place together with the Individual Development Plan to enable the successor to manage and carry on the task instantly, smoothly and efficiently. Work plan and requirements for selecting successor at different levels are summarized below:

1) **President level:** The Bank complies with the Standard features for Directors and Employees Act, B.E. 2518 (1975) and also has transparent nominating and selecting process by recruiting from the executive officers within the Bank and giving opportunities to external applicants who are visionary with knowledge, competence and experience in corporate management to apply for the President. From then the applicants will be selected via the appropriate nominating process by the Nominating and Remuneration Committee.

2) **Group and Sector level:** The Bank makes relevant assessment seeking opinions from existing group executive and requesting such group executive to nominate qualified person as successor of each business group. Approval consideration shall be done by Managing Director and President and the qualified candidate shall be selected by the Nominating and Remuneration Committee.

3) Department level: The Bank provides Successor Plan to prepare the successor's readiness. Each department shall be responsible for proposing candidate with the qualification to sector head and group head for considering selecting qualified successor and provide obvious individual plan. Successor will be entered into selection and nominating process specified by the Bank so as to replace the vacant position.

4) Regional office and business center: The Bank provides Successor Pool to prepare the executives of regional office and business center readiness through the means of the notification of internal recruitment complying with the regulation of Group's Employee Committee and taking written Assessment Center for selection. The candidate's appropriateness will be assessed by two levels of supervisors. Amount of competent executives shall be selected as appropriated according to succession plan. The highly competent executives will be listed in preparation for replacement and business expansion

5) Branch level: The Bank provides Successor Pool to prepare the branch manager's readiness through the means of successor pool which the Group's Employee Committee is responsible for considering recruitment criteria, examination, assessment center. The candidate's appropriateness will be assessed by two levels of supervisors and business extension plan. The successor pool will be reviewed annually.

Moreover, the Bank selects and builds competent employees groups, that is, the Bank scholars and KTB High Potential Employee to be further developed for the new generation executive posts. They will serve as foundation for business expansion and help prevent any problem of understaffing or shortage of high potential manpower for future executive posts.

6. Supervision of the Subsidiary and Associated Company Operations

The Bank oversees the financial business group under the Consolidated Supervision guidance prescribed by the Bank of Thailand with the purpose to supervise financial business group to run its business smoothly and strongly as well as prevent any risk arisen from the business operation of financial business group.

The Bank authorizes its executives to take role of the director in order to supervise subsidiaries for the advantages of business supervision and integration of interrelated benefits between the Bank and its subsidiaries. In this regard, the Bank requires the Bank's Board of Director to consider appointing the Bank's Executive to be Director in its subsidiaries and requires the Board of Executive Directors to consider appointing the Bank's Executive to be Director in associated companies. The subsidiaries are required to determine business plan and annual budget to report to the Bank for approval together with the Key Performance Indicator of subsidiaries in



order to be compliance with the Bank's policy. In addition, the Bank will monitor the uses of funds and business operation of financial business group through conducting business operation report submitted to the Board of Executive Directors in each quarter, quarterly risk management results reported to the Risk Management Committee and yearly business operation report submitted to the Board of Directors before deliver to compliance unit. Moreover, Subsidiaries and Associated Company are required to report their related-party transactions in each month for efficient control.

In case of significant changes in business group such as the capital increase/decrease as well as investment that exceed half of their total asset, the Bank requires Subsidiaries to report the Board of Executive Directors for approval. For Associated Companies, the Bank requires them to report the bank's President for approval before performing any action.

The Bank allows other shareholders to participate as the management of the Joint Venture. Number of committee depended on ratio of shares holding whilst the number of independent committee determined by the regulations prescribed in those associate companies.

7. Supervision of the Use of Inside Information

The Bank establishes the measures for the use of inside information into corporate governance policy as the following details:

1) Staff member is not permitted to purchase, sell or transfer securities in such a way that take advantage of other persons by using internal information that are significant to the changes of security prices of which has not yet been disclosed to the public or The Stock Exchange of Thailand, and to which information he has access by virtue of his office or position, and whether or not such act is done for his own or another person's benefit, or to disclose such information so that he will receive consideration from the person who engages in the aforesaid acts.

2) Director, President, Managing Director, and manager or higher in Account and Finance Group must report details of the securities acquisition issued by the Bank, both of themselves, spouses, and immature children to the Securities and Exchange Commission as prescribed,

whilst such details must be reported to Board of Directors on monthly basis. In addition, the details of stakeholder as above-mentioned will be reported to Corporate Secretary in order to inform the Chairman of the Board of Directors and the Chairman of the Audit Committee in compliance with the requirement from the Securities and Exchange Commission. The copy of the report referred as above must be submitted to Compliance Department so as to accumulate as the reference for operation of the related-party transaction thereafter.

3) Buying and selling securities as well as prevention of inside information use will be supervised by fixing a time limitation for selling or buying securities issued by the Bank. Directors, staff members, and related parties will be informed the use of inside information prevention regulations via the Bank channels regularly.

With the purpose of transparency and accountability, the Board of Directors formulated guidelines for directors and executives to reveal their stake and their related person with the directors in accordance with the requirement of regulator such as the Bank of Thailand, the Securities and Exchange Commission, and the Stock Exchange of Thailand. As for Krung Thai Bank Pcl. shares trading, directors are required to inform secretary to the Board of Directors and top executives are required to inform Compliance Department at least 1 day prior to trading day.

8. Auditor's Fee Paid

• Audit fee

The Bank and subsidiaries paid a total of Baht 8,540,000 for the audit fee in the accounting period of 2017

• Non-audit fee

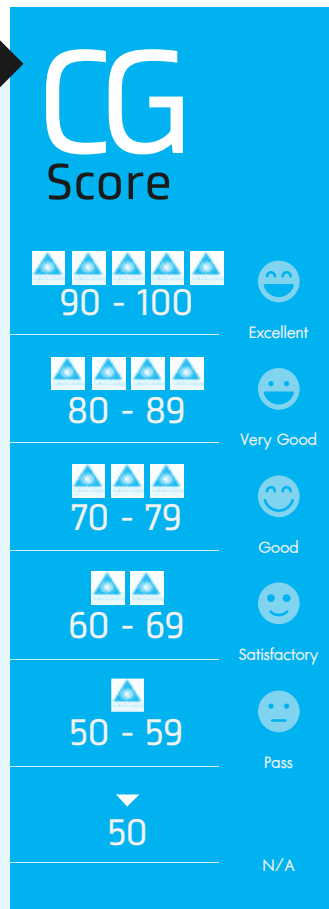
The Bank and its subsidiaries paid for the preparation of special report, report on foreign exchange profit, report on electronics money transfer system audit and the review on the English translation of financial statement to the Bank's auditor. No amount is paid within the accounting year and 1,350,000 Baht will be paid in the future.

9. Corporate Governance Code Compliance

The Committee has considered CG Code with care and responsibility and agreed that CG Code is useful for the Committee as the leader or person-in-charge of the organization to apply the CG Code to the Bank's business context to create sustainable business value. Moreover, the Committee has reviewed the Bank's operation in alignment with each item in the CG code to ensure that the outcome is suitable. Furthermore, the Board of Directors saw that it was appropriate to review the implementation of CG Code in banking business

context at least once a year to ensure that the Bank is continuously and appropriately developing toward full compliance with CG Code. This was recorded as part of the resolutions of the Board of Directors.

Overall, the Bank has followed CG Code Best Practices except a few practices related to policy where the Bank currently has 4 practices which are in alignment with the Bank's business context as follows:



CG Code Best Practices	The Bank's Current Practice
<ul style="list-style-type: none"> The Chairman of the Board of Directors should be an independent director. If the roles and responsibilities of the chairman and the chief executive officer are not clearly separated, for instance, when the chairman and the chief executive officer are the same person; the chairman is not an independent director; the chairman and the chief executive officer are family members; or the chairman is a member of the management team or has been assigned a management role, the board should ensure the balance of power and authority of the board and between the board and management by: <ol style="list-style-type: none"> having the board comprise a majority of independent directors, <u>or</u> appointing a designated independent director to participate in setting the board meeting agenda 	<ul style="list-style-type: none"> As of current structure of the Board of Directors, it comprises a majority of independent directors, which is in compliance with the CG Code principle. However, the ratio of independent directors to total directors in the Board of Directors may change in the future. Therefore, the Board of Directors agreed that the principle should be prescribed in the charter, which will be prepared, and the Bank's Corporate Governance Policies. Although the Chairman of the Board of Directors is not an independent director, it does not affect his independent judgement because the Chairman is an outsider with high knowledge, expertise and skills, as well as having been nominated by the Nominating and Remuneration Committee, who have specified skill matrix in alignment with the Bank's strategies. Moreover, the Bank manages the balance of power using the following principles: <ul style="list-style-type: none"> The Bank has adequate internal control system and transparent operation mechanism with balance of power. The Chairman is not an authorized director and does not hold the positions of a chairman or member in any of the Bank's subcommittees. The consideration of any significant issue is in the form of committee and not subject to the judgement of any one person.
<ul style="list-style-type: none"> The Board of Directors may acquire the help of external advisor in establishing principles and giving suggestions on issues relating the performance appraisal of the Board of Directors at least once in 3 years and disclose details about the operation in the annual report. 	<ul style="list-style-type: none"> It is agreed that the principles should be prescribed in the Charter of the Board of Directors, which will be prepared, and the Bank's Corporate Governance Policy. At present, the Bank employs an appropriate performance appraisal system for the Board of Directors. This includes: <ul style="list-style-type: none"> In preparing performance appraisal form, the appraisal criteria were set using principles/suggestions from regulators e.g. SEPO, SET, SEC and BOT as well as IOD (an agency promoting good corporate governance). The performance appraisal form is reviewed regularly as deemed appropriate and get approval from the Nominating and Remuneration Committee. The meeting 13/2560 (960) on June 28, 2017 approved the amendment of performance appraisal form to be more suitable and cover the principles/suggestions from regulators. The details of the operation related to the performance appraisal of the Board of Directors are disclosed in the annual report every year.
<ul style="list-style-type: none"> The board should ensure that the compensation structure rewards individual performance, incentivises the chief executive officer, key executives, employees and staff at all levels to act in support of the company's objectives and values, and fosters long-term commitment by aligning incentives with future company performance through: <ul style="list-style-type: none"> appropriate combination of salary and other short-term compensation (such as bonus), and long-term compensation (such as employee stock ownership plan participation) 	<ul style="list-style-type: none"> At present, the Bank manages its human resources using performance driven organization model and develops performance management system which plan, track and appraise performance in alignment with the Bank's business strategies and in relation to both short-term and long-term remuneration which is suitable to the job description and capability of the management and all employees in the organization.



The Board of Directors and Executives are required to operate their work in accordance with the Governance Risk & Compliance including risk management, regulations compliance and corporate governance practice. Management and operation process shall be relevant and connected together while each process requires individual officer to clearly take responsibility, starting from initiating the strategic plan/ business plan/ policy of products launching, tool development, compliance practice with the Bank policy as well as monitoring and reporting.

Moreover, the Board of Directors oversees the performance of the Management to ensure its compliance with the key performance indicators (KPI)

determined at the beginning of the year. Operating performance is monitored on a monthly and quarterly basis so as to know the status at every stage. In case the operating performance falls short of the target, the Board of Directors will conduct an analysis to find the root of causes for further solutions. At year-end, the Board will compare the Management's performance with the KPI set under the Performance Agreement (PA).

The Board controls and verifies the Management work to ensure transparency and compliance with the Bank's code of conduct, which has been developed in accordance with the dynamic matters as well as supervised internal control and risk management properly.

Related-Party Transactions

155

Krung
Thai
Bank
Pcl.

1. The Important Related-Party Transactions

As at December 31, 2017 and 2016, loans to the Bank's executives (First Vice President-Sector Head and above) were Baht 134.96 million and Baht 106.35 million correspondingly. The average outstanding balances of such loans at month end were Baht 119.47 million and Baht 98.12 million respectively.

Apart from the Notes in the Financial Statements No. 7.24, the transactions related to individuals or companies, important information on related-party transaction of the Bank and its subsidiaries, associated and affiliated companies are shown below:

The details of the Bank's loans and obligations to its subsidiaries, associated and affiliated companies are as follows:

Unit : Million Baht

	The Bank's Financial Statements						
	December 31, 2016		December 31, 2017				
	Loans	Obligations	Loans	Obligations	Shares held by the Bank (%)	Common Director or Top Executive	
<u>The Bank's Subsidiaries</u>							
KTB General Services and Security Co., Ltd	9.09	43.40	10.16	0.78	100.00	Ms. Arisara Mr. Poonpat	Dharamadhaj Sripleng
KTB Law Co., Ltd.	-	-	-	-	100.00	Ms. Amporn Mr. Parinya	Chotruchsakul Patanaphakdee
Krung Thai Asset Management Pcl.	0.05	-	0.04	-	100.00	Mr. Suchart	Dejittirut
KTB Computer Services Co., Ltd.	3,080.72	4.55	2,486.61	4.55	100.00	-	
KTB Leasing Co., Ltd.	36,815.11	1,061.20	20,726.91	1.18	100.00	Mr. Boonlerd Ms. Amporn	Sinsombat Chotruchsakul
KTB Advisory Co., Ltd.	-	-	-	-	100.00	Ms. Praralee Mr. Luechai	Ratanaprasartporn Chaiparinya
Krungthai Card Pcl.	0.66	2.29	0.63	2.13	49.45	Mr. Parinya	Patanaphakdee
<u>The Bank's Associated Companies</u>							
Krungthai-AXA Life Insurance Pcl.	-	-	-	-	50.00	Mr. Luechai Ms. Praralee Mr. Rawin	Chaiparinya Ratanaprasartporn Boonyanusasna
KT Zmico Securities Co., Ltd.	2,568.94	-	955.20	-	50.00	Mr. Poonpat Mr. Werapong	Sripleng Suppasedsak
Krung Thai IBI Leasing Co., Ltd.	0.09	3.30	0.10	3.72	49.00	Ms. Arisara Mr. Pativate	Dharamadhaj Santavanond
Krungthai Panich Insurance Pcl.	0.63	-	0.68	5.00	45.00	Mr. Werapong	Suppasedsak
National ITMX Co.,Ltd.	-	-	-	-	21.13	Mr. Payong	Srivanich

The Bank's Financial Statements						
December 31, 2016			December 31, 2017			
	Loans	Obligations	Loans	Obligations	Shares held by the Bank (%)	Common Director or Top Executive
The Bank's Affiliated Companies (with Directors in common)						
Thai Airways International Pcl.	10.91	-	11.12	-	-	Dr. Somchai Sujjapongse Mr. Distat Hotrakitya
PTT Pcl.	-	44.98	-	260.92	-	Dr. Somchai Sujjapongse Professor Dr. Kittipong Kittayarak Mr. Vichai Assarasakorn
Electricity Generating Authority of Thailand	0.23	3,081.61	11,918.80	7,552.19	-	Mr. Distat Hotrakitya
V.Group Honda Cars Co., Ltd. and subsidiaries	-	-	-	-	-	Mr. Krairit Euchukanonchai
Advanced Info Service Pcl.	0.01	-	0.02	-	-	Mr. Krairit Euchukanonchai
Advanced Wireless Network Co.,Ltd.	5.72	-	5.07	-	-	Mr. Krairit Euchukanonchai
Dusit Thani Pcl.	240.00	-	525.70	-	-	Professor Dr. Kittipong Kittayarak
Interlink Telecom Pcl.	1.36	-	1.52	-	-	Mr. Nontigorn Kanchanachitra
SISB Co., Ltd.	-	-	-	-	-	Mr. Nontigorn Kanchanachitra
NK Studio Co., Ltd.	-	-	-	-	-	Mr. Nontigorn Kanchanachitra
Panel Plus Co., Ltd.	0.18	-	0.33	-	-	Mr. Vichai Assarasakorn
Panel Plus MDF Co., Ltd.	-	956.71	-	59.21	-	Mr. Vichai Assarasakorn
Shiangheng International Co., Ltd.	-	-	-	-	-	Mr. Vichai Assarasakorn
Alixia Food and Beverage Co., Ltd.	-	-	-	-	-	Mr. Poonnis Sakuntanaga
The Platinum Group Pcl.	0.03	-	0.04	-	-	Mr. Somchai Boonnamsiri
BEC World Pcl.	-	-	-	-	-	Mr. Somchai Boonnamsiri
TPBI Pcl.	46.04	16.62	213.29	20.03	-	Mr. Thanwa Laohasiriwong
Humania Pcl.	-	-	-	-	-	Mr. Thanwa Laohasiriwong
TOT Pcl.	11.78	-	11.55	-	-	Mr. Thanwa Laohasiriwong
PTIT Co., Ltd.	-	-	-	-	-	Dr. Kulaya Tantitemit
Mass Rapid Transit Authority of Thailand**	0.01	-	0.01	-	-	Mr. Krairit Euchukanonchai
MCOT Pcl.*	0.20	0.10	0.25	0.1	-	Mr. Distat Hotrakitya
Asiasoft Corporation Pcl. *	0.02	-	0.01	-	-	Mr. Thanwa Laohasiriwong
The Bank's Affiliated Companies (with Top Executives in common)						
Bangkok Expressway and Metro Pcl.	4,701.59	1,048.56	9,394.78	483.61	6.85	Mr. Werapong Suppasedsak

* The company had no director in common in 2017

** The company had no director in common in 2016

Additionally, the Bank's loans and obligations to affiliated companies, which the Bank holds 10% of the total shares after the debt restructuring as at December 31, 2017 were Baht 29.44 million and Baht 13.28 million respectively and as at December 31, 2016 were Baht 106.82 million and Baht 14.59 million respectively.

The details of the Bank's balances of deposits and borrowings from its subsidiaries and associated companies are as follows:

Unit : Million Baht

The Bank's Financial Statements	December 31, 2016		December 31, 2017	
	Deposits	Borrowings	Deposits	Borrowings
Subsidiaries				
Total balance	2,944	-	3,159.40	-
Associated companies				
Total balance	1,729.69	3,250.00	2,335.75	3,800.00

The details of the Bank's income and expenses from its subsidiaries and associated companies are as follows:

Unit : Million Baht

The Bank's Financial Statements	December 31, 2016		December 31, 2017	
Subsidiaries				
Interest Income	1,564.60		957.26	
Interest Expenses	12.52		18.12	
Net Interest Income	1,552.08		939.14	
Other income	585.13		813.60	
Dividend	873.18		991.30	
Other expenses	6,998.49		6,695.00	
Operating Profit	(3,988.10)		(3,950.96)	
Associated companies				
Interest Income	30.80		39.97	
Interest Expenses	148.00		165.71	
Net Interest Income	(117.20)		(125.74)	
Other income	1,780.31		2,454.80	
Dividend	2,206.23		2,028.64	
Other expenses	241.82		305.38	
Operating Profit	3,627.52		4,052.32	

In 2017, the Bank's transactions related to individuals or companies according to the Securities and Exchange Act, Section 89/1 on the procurement of transactions supporting the Bank's regular business operation was summarized as follows:

Related Company / Relationship	Transaction	Payment in 2017
Thai British Security Printing Pcl. The Bank's Director (Mr.Supant Mongkolsuthree), Spouse and Child (Minor) were the major shareholder (Indirectly).	Hiring for the printing of cheque and financial instruments, and the online program for cheque and financial instruments printing	Baht 38.39 million
	Hiring for issuing welfare smart card under the State Welfare Scheme in 2017	Baht 87.20 million

The Audit Committee approved such transaction after viewing that the procurement process was in compliance with the regulation, transparent, contained reasonable price and beneficial to the Bank. Additionally, the Bank's Director, who held share in such a company, didn't have authority in the management level as well as didn't involve in procurement process that the Board of Executive Directors approved the hiring. However, Mr.Supant Mongkolsuthree resigned from the position of Director on August 1, 2017.

2. Policy on Pricing

To prevent conflict of interest that may arise from conducting related-party transactions, the Bank has used the market price or fair price in conducting all types of transactions unless otherwise specified by the regulators.

3. Necessity and Justifications of Related-Party Transactions

Related-party transactions or connected transactions conducted in 2017 were normal business transactions or support transactions for normal business



of the Bank; were conducted under the same general trading conditions as those done with outsiders and were necessary for business operation and supporting business operation. However, the Bank has considered those related-party transactions between the Bank or subsidiaries and related persons or persons who might have conflict of interest with the Bank or subsidiaries; and found that such transactions were conducted in accordance with general nature of business. In addition, the Bank received and paid remunerations at market prices or fair prices. Such transactions were also complied with the requirements of the regulators and were disclosed accurately and completely.

4. Measures for Related-Party Transactions Approval

The Bank gives importance to prevention of conflict of interest from conducting related-party transactions or connected transactions. In approving such transactions, the Bank has carefully considered the issues with integrity, good faith, justification and independence within ethical framework, adhering to the code of conduct and good corporate governance principles of the Bank. To ensure that related-party transactions or connected transactions will be conducted in accordance with the requirements of the regulators, the Bank has assigned the Compliance Department to oversee and re-check the approval procedures of such transaction.

For any related-party transaction or connected transaction that is required by the regulators or the Bank's procedure to be approved by the Board of Directors, the Bank has formulated best practices for the Board of Directors to follow in order to prevent conflict of interest. The best practice is as follows:

1) Each Director must disclose information on transactions that might lead to conflict of interest, connected transactions or related-party transactions as required by the Securities and Exchange Commission and the Stock Exchange of Thailand.

2) Directors having interest are prohibited from taking part in approval process. If connected transactions have been conducted, the Audit Committee shall participate in the approval and give opinion to comply

with good corporate governance and the regulations of the Stock Exchange of Thailand.

3) Lending or investing in business in which Director has interest must be unanimously approved by the Board of Directors without attendance of such Director. To prevent conflict of interest, pricing and terms and conditions must be determined in accordance with the Bank's normal trading and with the same treatment given to general customers.

In order to prevent conflict of interest regarding the procurement, the Bank formulated procurement regulation which stated that a party was required to disclose information if any director, executive or staff of the Bank involved with the party or transaction according to the contract. If so, it must be presented to the Audit Committee to consider transparency and stipulated the procedures for conducting the transaction (for instance the disclosure of information as specified by regulation or approval from the meeting of shareholders or the Board of Directors). The exception will be made, if the party is the Bank's subsidiaries, director, executive or staff involving with the company by the appointment from Board of Directors or authorized person only.

5. Policy on Conducting Future Related Party Transactions

Related-party transactions or connected transactions may occur in general business operation if the Bank sees that such transactions will bring utmost benefit to the Bank. The transactions must be conducted in compliance with the regulators' requirements and the Bank's measure in which clear approval procedures are stipulated.

Moreover, in conducting future related-party transactions or connected transactions, the Bank will adhere to the same practices as those employed in conducting transactions with general customers under the trading terms and conditions that are not different from those observed by general business or business of the same type. Remuneration paid or received from such transactions shall comply with market price or fair price. Complete and accurate disclosure of relevant information concerning related-party transactions or connected transactions is required to be in compliance with the regulators.

► Doing business
with the principle of
corporate social responsibility



to steer all groups of stakeholders
toward the sustainable development



Corporate Social Responsibility (CSR)

Krung Thai Bank PCL adheres to business operation with the principle of corporate social responsibility with the intention to steer the organization and all groups of stakeholder toward the sustainable development in accordance with the Bank's mission. The Bank has stipulated good corporate governance policy, code of conduct and anti-corruption policy to push forward the Bank's operation under the zero-tolerance approach.

In 2017, the Bank has completed CSR activities in responding to the government's policy and national strategies by linking the activities with the Bank's competence in finance and banking, for instance Krung Thai Young Enterprise Project and Krungthai Business Ethics Initiative (White Seedlings) Project. Furthermore, the Bank has initiated the project to provide financial literacy while building up the strategic partner with other organizations in order to drive the bank's projects to achieve goal. Moreover, the Bank has applied international standard in sustainable operations toward its operational process improvement, which shall lead to sustainable development.

Furthermore, the Bank realized the importance of transparency by disclosing information about its sustainable operation through the sustainability development report conducting under the latest Standard version of the Global Reporting Initiative (GRI) and in compliance with guidelines and Annual Registration Statement (Form 56-1) stipulated by the Securities and Exchange Commission (SEC). In this regard, Krung Thai Bank was granted several awards of pride relating to CG & CSR, for example the Outstanding State-Owned Enterprise (SOE) Awards 2017 for Outstanding Disclosure and Transparency from State Enterprise Policy Office (SEPO), a Five-Star (excellent) Rank in Corporate Governance Report of Thai Listed Companies 2017 from Thai Institute of Directors (IOD), Sustainability Report Award 2017 - Recognition from Thai Listed Companies Association, the Securities and Exchange Commission, 7th NACC Integrity Awards and the Excellent State Enterprise of Ethics and Transparency Planning Operation Award 2017 - Integrity Culture 2017 in the Honorable Mention

category from the Office of National Anti-Corruption Commission (the NACC) as well as the Best Social Impact Bank Thailand Award 2017 by Capital Finance International Magazine.

All operations of the Bank have put together the confidence from all groups of stakeholders, which has constructed as the important foundation in developing the Bank into a sustainable organization in all aspects. For more details related to the corporate social responsibility, the Bank has published the information on the Bank's website: www.ktb.co.th. Click the menu "Sustainability Report" and select "KTB Social Responsibility Report 2017".

Furthermore, the Bank has specified additional practice guidance on the prevention of corruption by setting the Anti-Bribery and Corruption Policy. In that way, the bank has intended to do business honestly, not to hurt others and straightforwardly based on the principle of anti-corruption as well as bribery for all forms, and corruption is certainly illegal. Hence, the Bank adhere to the Zero Tolerance Policy against corruption. Besides, the Bank has noticed mentioned policy publicly to all stakeholders via the Bank's website (www.ktb.co.th). Click the menu "Corporate Governance" and select "Anti-Bribery and Corruption Policy"

The Bank also closely monitored the corporate governance of its subsidiaries and coordinated with the subsidiaries in case of the possibilities that their operations could affect to the society and environment. After investigation, the subsidiaries may require to solve the problems and report the progress of their solutions to the Bank. However, during the previous year, there is no case of their operation that affects corporate social responsibility.

Awards of Pride



1. International Awards

1.1 The Asset Triple A Digital Awards in the category of Best e-Bank in Thailand and Digital Infrastructure Awards for Most Innovative Corporate Payment Project, Thailand from The Asset magazine - Asia's leading financial and investment magazine. Krung Thai Bank received the award for the online traffic ticket payment service scheme cooperated with Royal Thai Police. The awards are granted to the financial institution with excellence in innovations and applying technologies to widen convenient service channels to customers.

1.2 The Asset Triple A Treasury, Trade, Supply Chain and Risk Awards in the category of Best Service Provider: E-Solution Partner and Best in Treasury and Working Capital: Public Sector organized by the Asset magazine: the award is judged on the financial services that have innovation and determination to develop digital banking.

1.3 The Asian Banker Transaction Banking Awards 2017 in the category of Best Transaction Bank in Thailand and Best Cash Management in Thailand organized by The Asian Banker magazine - Singapore: the award recognizes the bank that has developed its products and services to meet requirements of all customers - public sector, private sector and individual

customers as well as provides them with fast-serviced experience.

1.4 Best Customer Service Provider Asia Award and Best Innovation in Retail Banking Thailand Award from International Banker magazine - the United Kingdom: the award is judged on service quality, development of financial innovations that answer to customer's present lifestyle and being a leader of trustworthy financial technology.

1.5 Best Social Impact Thailand Award 2017 from Capital Finance International (CFI) magazine - the United Kingdom: the Bank is recognized as the financial institution that plays important role in steering the nation's economy while developing the financial innovation that is accessible by everyone and helps promote government's policies such as e-tax, SMART City and welfare card scheme.

2. National Awards

2.1 Distinguished Award for Business Enabler Project at the Thailand ICT Excellence Awards 2017 organized by the Thailand Management Association (TMA): the Bank received the award for being the main bank that continuously developed its products and services for government agencies such as GFMIS on KTB



Corporate Online scheme.

2.2 SMEs Supporter Award at SME Excellence Awards 2017 organized by the Thailand Management Association (TMA): the Bank won the award as the supporter in strengthening business operations of SMEs, which regards as a vital foundation for driving business and developing economic growth.

2.3 Excellent State Enterprise of Ethics and Transparency Planning Operation Award: the Honorable Mention for Integrity Culture category from National Anti-Corruption Strategy scheme by the Office of the National Anti-Corruption Commission (NACC): the Bank is recognized as the organization that adhered to moral and ethics and has effective anti-corruption system.

2.4 NACC Integrity Awards 2017 in the Honorable Mention category from the Office of the National Anti-Corruption Commission: the Bank received the award for outstanding performance with good governance, code of conduct and social responsibility.

2.5 Outstanding Disclosure and Transparency Award from the State Enterprise Policy Office (SEPO) at SOE Award 2017: the award is presented to the state enterprise that has operation with transparency and fairness as well as discloses

information while regarding to stakeholders under the international good governance standard. The Bank has received the award for two consecutive years.

2.6 Corporate Governance Report of Thai Listed Companies 2017 - Five Stars from Thai Institute of Directors: IOD

2.7 Sustainability Report Award 2017 - Recognition from Thai Listed Companies Association, the Securities and Exchange Commission and the Thaipat Institute

2.8 Thailand Sustainability Investment (THSI): the award goes to the listed company that has sustainable business operation with regard to environment, society and governance (ESG) issue as one of the factors that investors can use for making investment decision and analyzing financial data to receive a long-term return.

2.9 Green Meeting Plus Certificate from the Thailand Business Council for Sustainable Development (TBCSD): the Bank was judged on driving its subsidiaries to organize Green Meetings in order to promote worthy natural resources consumption and reduce environmental impacts.

2.10 Outstanding Booth Award at Money Expo 2017 in the 850-1,000 m² space category

Report of the Audit Committee 2017

The Audit Committee of Krung Thai Bank PCL comprises of 4 qualified Independent members as follows:

1.	Prof. Kittipong	Kittayarak	Chairman of the Audit Committee
2.	General Tienchai	Rubporn	Member of the Audit Committee
3.	Mr. Somchai	Boonnamsiri	Member of the Audit Committee
4.	Mr. Thanwa	Laohasiriwong	Member of the Audit Committee

Mr. Santi Parivissutt, First Executive Vice President - Head of Internal Audit Group, is the secretary of the Audit Committee.

The Audit Committee performed the duties in accordance with the scope of work and responsibilities defined in the Audit Committee Charter and assigned by the Board of Directors which comply with the Best Practice of the Securities and Exchange Commission and the regulations of the Ministry of Finance. The emphasis has been placed on stipulating systematic working procedures in terms of good corporate governance, risk management system and the adequate internal control, while giving the importance on efficient and effective internal audit process in an attempt to promote value added creation, prevent any damage that may occur to the Bank as well as aiming to generate transparency. The details are summarized as follows:

- The Audit Committee emphasized on the systematic internal control management, promoted accurate working procedure starting from the initial step by pushing forward the Three Lines of Defense model in management. The Committee also integrated corporation between the regulatory agency and the risk management department under the principle of Governance, Risk and Compliance in order to establish good corporate governance so that the Bank's business operation was consistent with law and regulation from the regulators. In addition, the Audit Committee along with Compliance Committee and the Nominating and Remuneration Committee had encouraged all employees to perform their duty accurately and in line with Code of Conduct to support the compliance of good corporate governance.
- The Audit Committee emphasized the operation that is in compliance with related rules and regulations by giving the Proactive Audit policy, stressing the audit that satisfied the stakeholder's expectation and primarily took into account the Bank's benefit. Moreover, the Committee highlighted on preventive audit and providing value-added suggestion through the complete, explicit and straight summary of the audit results as well as encouraging the IT implementation in the audit process.
- The Audit Committee encouraged the Bank to originate concrete practice for anti-corruption, for example, participating in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and providing whistle blowing process.
- The Audit Committee stimulated the internal audit group staff's to enhance their knowledge relating to IT competence and complicated business transaction. The Committee also encouraged the staff to acquire special qualifications connected to internal audit and risk management and supported them to continuously develop their audit profession to be ready for the Bank's business operation toward the direction to be a digital banking and also achieved the department objectives as the supporter and advisor for other departments.

In 2017, the Audit Committee held a total of 25 meetings to consider related issues with the Management, Senior Executives and external auditors. The Audit Committee reported the operation results to the Board of Directors on a monthly basis. Highlights were as follows:

Review of the Financial Statement

The Audit Committee with the support from the external auditor and executives of the Financial Management Group reviewed the monthly operation performances and the quarter, half-year and annual financial statement of the Bank and the consolidated financial statement of the Bank and consolidated group. The Committee has regularly discussed with the external auditors without the participation of Management for the accuracy of the financial statements and the adjustment of significant accounts which impacted on the financial statement. This is to ensure that the financial statement process and the financial reports were conducted under the specified laws and general accepted accounting principles and the disclosures of information were adequate, complete, timely, reliable and practical to the user of financial statement.

Review of the Related-Party Transactions and Conflicts of Interest

The Audit Committee reviewed related-party transactions between the Bank and its subsidiaries, the interconnected transactions or the transactions that may involve a conflict of interest to ensure that such transactions were reasonable, followed the normal business conditions and provided the utmost benefit to the

Bank. The Committee adequately disclosed information with transparency and without transactions that caused negative impact on the Bank significantly.

Review of the Risk Management

The Audit Committee reviewed the risk management processes of the Bank and consolidated group. Additionally, the Committee with the secretary of Risk Management Committee followed up the operation results of risk management at least once a month to ensure that the Bank's risk management was appropriate and efficient and the Bank's risks were at the acceptable risk levels.

Review of the Internal Control System Effectiveness

According to the requirements of Office of the Auditor General of Thailand, the report of internal control assessment was reviewed. The Committee followed up the establishment of internal control system and self-assessment of the internal controls to ensure that the Bank's internal control system was adequate and appropriate.

Review of Compliance Operations

The Audit Committee with the Management regularly reviewed the compliance operations to ensure that the Bank complied with laws, requirements of the regulators and the Bank's regulations.

Monitoring the Operations of Internal Audit

The Audit Committee approved the review of the Internal Audit Charter in order to consider the appropriateness of duty, responsibility, scope of work, including the rights and independence of the operations. The Committee approved the Bank's plans including the Internal Audit Group's strategic plan, 5-year audit plan, annual audit plan and work manual of the Internal Audit Group. In addition, the Committee considered approving the annual budget of Internal Audit Group, the human resources management, the adequacy assessment of resources, KPIs, the annual performance appraisal of Internal Audit Group Head, the audit result of Internal Audit Group as well as monitoring the revised of crucial points and the performance progress to be in line with the approved audit plans. For more efficient operations, the Committee also provided advices in operation.

Maintaining Quality of Audit Committee

The Audit Committee Charter was reviewed and revised. The assessment of individual performance (self-assessment and cross evaluation) and the Board evaluation were conducted in accordance with the best practice guidance of State Enterprise Policy Office, Ministry of Finance to ensure that the operations of the Audit Committee were efficient and achieved the objectives as defined in the Audit Committee Charter.

External Auditor

The Audit Committee assigned the Office of the Auditor General of Thailand as the Bank's auditor in 2017 and considered the appropriate audit remuneration before proposing to the Board of Director for approval at the shareholders' meeting. The Audit Committee discussed with external auditor without the participation of the Management in order to consider audit's scope and guideline of the auditor.

The Audit Committee performed its duty with prudence and independence. All the opinions expressed were straightforward, transparent and verifiable as well as in line with good corporate governance. In this regard, the Audit Committee is of the opinion that the Bank's financial statements and disclosure of information are complete, reliable and consistent with generally accepted accounting principles. Overall risk management and internal control system have been implemented effectively and appropriately. Internal audits have been independently conducted covering high-risk operations and complying with internal audit standards. Furthermore, the adequate system of control in place was ensured to follow the applicable laws and regulations concerning with the current business environment.



(Prof. Kittipong Kittayarak)

Chairman of the Audit Committee

The Board of Directors' Responsibility for Financial Reports

The Board of Directors has attached great importance and has been well aware of its duty as Directors to take responsibility for the Bank's and the consolidated financial statements of Krung Thai Bank and its subsidiaries, as well as the financial information stated in the annual report, by overseeing to ensure that the financial statements were prepared in accordance with financial reporting standards and generally accepted accounting principles which are applied appropriately and consistently. Such standards and principles, as well as the principles of prudence, accuracy, completeness, truthfulness, and rationality are adhered to at all times so as to result in a true and fair view of the Bank's operating performance. In this connection, the Bank has reported its operating results and disclosed adequate key information on a regular and timely basis to the regulators and Stock Exchange of Thailand in the interest of the shareholders and general investors.

The Board of Directors has managed to have good corporate governance and maintain appropriate and effective mechanism of risk management, internal control and internal audit, the objective of which is to ensure accuracy, completeness and adequacy of financial information to safeguard the assets and to prevent and detect frauds or any significant irregularities.

The Board of Directors has appointed the Audit Committee comprising of Independent Directors to oversee and review the reliability and accuracy of the financial reports together with the appropriateness and adequacy of internal control as well as the efficiency and effectiveness of internal audit to ensure the reliability of the Bank's financial statements. The Audit Committee has expressed its opinions in the Report of the Audit Committee in this annual report.

The Board of Directors' opinion is that the overall internal control is sufficient and appropriate, providing reasonable assurance that the Bank's financial statements and the consolidated financial statements of the Bank and its subsidiaries for the year ended December 31, 2017 are fairly stated in accordance with the generally accepted accounting standards, and applicable law and regulations.



(Dr. Somchai Sujjapongse)
Chairman of the Board of Directors



(Mr. Payong Srivanich)
President

AUDITOR'S REPORT

To: THE SHAREHOLDERS OF KRUNG THAI BANK PUBLIC COMPANY LIMITED

Opinion

The Office of the Auditor General of Thailand has audited the accompanying consolidated financial statements of Krung Thai Bank Public Company Limited and its subsidiaries (the Group), and the Bank's financial statements of Krung Thai Bank Public Company Limited (the Bank), which comprise the consolidated and the Bank's statements of financial position as at December 31, 2017, the consolidated and the Bank's statements of profit or loss and other comprehensive income, the consolidated and the Bank's statements of changes in equity and the consolidated and the Bank's statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In the Office of the Auditor General of Thailand's opinion, the accompanying consolidated and the Bank's financial statements present fairly, in all material respects, the consolidated financial position of the Group and the Bank as at December 31, 2017, and its consolidated and the Bank's financial performance and its consolidated and the Bank's cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

The Office of the Auditor General of Thailand conducted the audit in accordance with Thai Standards on Auditing. The Office of the Auditor General of Thailand's responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated and the Bank's financial statements section of the report. The Office of the Auditor General of Thailand is independent of the Group and the Bank in accordance with the State Audit Standards issued by the State Audit Commission and the Federation of Accounting Professions's Code of Ethics for Professional Accountants that are relevant to the audit of the consolidated and the Bank, and the Office of the Auditor General of Thailand has fulfilled other ethical responsibilities in accordance with these requirements. The Office of the Auditor General of Thailand believes that the audit evidence the Office of the Auditor General of Thailand has obtained is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand opinion.

Key Audit Matters

Key audit matters are those matters that, in the Office of the Auditor General of Thailand professional judgment, were of most significance in the audit of the consolidated and the Bank's financial statements of the current period. The Office of the Auditor General of Thailand has considered these matters addressed in the context of the audit of the consolidated and the Bank's financial statements as a whole, and in forming the Office of the Auditor General of Thailand's opinion thereon, and the Office of the Auditor General of Thailand does not provide a separate opinion on these matters.

The Office of the Auditor General of Thailand determines key audit matter communicated in the auditor's report as follows:

Allowance for Doubtful Accounts

The allowance for doubtful accounts for loans to customers requires the application of judgment and use of subjective assumptions and related factors applied by management in the estimates. Bank and its subsidiaries which engaged in the business of lending business recorded allowance for doubtful accounts in compliance with the Bank of Thailand's notifications and policy regulations on assets classification, determining provisions and the application of value of collateral in determining provisions. In addition, management considered determining additional allowances to cover any loss that may occur in the future by using more strict criteria than the requirements of the Bank of Thailand. Additional allowances consist of specific allowance for an individual that is likely to be non-performing loans or is likely to have loss more than allowance determined under normal regulations, and general allowance, including an individual that is not non-performing loans but there are any indicators of impairment.

Loans to customers as at December 31, 2017 represented 67.97 % of the Group's total assets and 67.31 % of the Bank's total assets, which an allowance for doubtful accounts in the consolidated and the Bank's financial statements amount of Baht 125,363.73 million and Baht 116,726.35 million was provided, respectively.

The Office of the Auditor General of Thailand focuses on allowance for doubtful accounts. Due to the adoption of regulations on allowance for doubtful accounts, management shall determine the quantitative and qualitative factors used for assets classification, assumptions and methods of calculating the allowances, such as present value of future cash flows expected to be received from the sale of collateral, previous loss experience, the ability of the borrower to repay loans, the declining of economic and industries conditions. This is a process related to uncertainty. The accounting policy for allowance for doubtful accounts and detail of allowance for doubtful accounts are disclosed in Notes 3.8 and 7.7 to the financial statements, respectively.

The Office of the Auditor General of Thailand's key audit procedures include understanding and assessing the effectiveness of the key controls, and test of controls as follows:

- The identification of circumstances which indicate that the borrower is likely to be non-performing loans, and may affect ability to repay;
- The governance over the determining allowances processes, including the continuous re-assessment by management that models, assumptions used in the calculation are still calibrated in a way which is appropriate for the impairment risks in the Bank's loan portfolios;
- The review and approval process that management have in place for the models, assumptions used in the calculation, outputs from such models, and the adjustments that are applied to modelled outputs;
 - The accuracy, completeness and quality of data input to the system;
 - The data interface between systems from the approval to recording and monitoring of loans; and
 - The transfer of data between underlying source systems and models used in the calculation.

For the selected borrowers, the Office of the Auditor General of Thailand reviewed credit process, tested the accuracy, completeness and quality of data input to the system, assessed reasonableness of assumptions applied to identify circumstances which indicate that the borrower is likely to be non-performing loans and re-computed the calculation of allowances, assessed reasonableness of assumptions applied to forecast of future cash flows, valuation of collaterals and loss given default, and tested the accuracy of data transfer from credit systems to data captured in the accounting records.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and the Bank's financial statements and the auditor's report thereon. The annual report is expected to be made available to the Office of the Auditor General of Thailand after the date of this auditor's report.

The Office of the Auditor General of Thailand's opinion on the consolidated and the Bank's financial statements does not cover the other information and the Office of the Auditor General of Thailand will not express any form of assurance conclusion thereon.

In connection with the audit of the consolidated and the Bank's financial statements, the Office of the Auditor General of Thailand's 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 knowledge obtained in the Office of the Auditor General of Thailand's audit, or otherwise appears to be materially misstated.

When the Office of the Auditor General of Thailand reads the annual report, if the Office of the Auditor General of Thailand concludes that there is a material misstatement therein, the Office of the Auditor General of Thailand is required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated and the Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and the Bank's financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and the Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the Bank's financial statements, management is responsible for assessing the Group 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 Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Bank's financial reporting processes.

Auditor's Responsibilities for the Audit of the Consolidated and the Bank's Financial Statements

The Office of the Auditor General of Thailand's objectives are to obtain reasonable assurance about whether the consolidated and the 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 the Office of the Auditor General of Thailand's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 the Bank's financial statements.

As part of the Office of the Auditor General of Thailand's audit in accordance with Thai Standards on Auditing, the Office of the Auditor General of Thailand exercises professional judgment and maintains professional skepticism throughout the audit. The Office of the Auditor General of Thailand also:

- Identifies and assesses the risks of material misstatement of the consolidated and the Bank's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the Office of the Auditor General of Thailand's 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.
- Obtains 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 Group and the Bank's internal controls.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes 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 Group and the Bank's ability to continue as a going concern. If the Office of the Auditor General of Thailand concludes that a material uncertainty exists, the Office of the Auditor General of Thailand is required to draw attention in the auditor's report to the related disclosures in the consolidated and the Bank's financial statements or, if such disclosures are inadequate, to modify the Office of the Auditor General of Thailand's opinion. The Office of the Auditor General of Thailand's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the consolidated and the Bank's financial statements, including the disclosures, and whether the consolidated and the Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Office of the Auditor General of Thailand is responsible for the direction, supervision and performance of the Group audit. The Office of the Auditor General of Thailand remains solely responsible for the Office of the Auditor General of Thailand's opinion.

The Office of the Auditor General of Thailand communicates 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 the Office of the Auditor General of Thailand identifies during the audit.

The Office of the Auditor General of Thailand also provides those charged with governance with a statement that the Office of the Auditor General of Thailand has 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 the Office of the Auditor General of Thailand's independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, the Office of the Auditor General of Thailand determines those matters that were of most significance in the audit of the consolidated and the Bank's financial statements of the current period and are therefore the key audit matters. The Office of the Auditor General of Thailand describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the Office of the Auditor General of Thailand determines that a matter should not be communicated in the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Signed) Pattha Showsri
(Pattha Showsri)
Inspector General

(Signed) Ratchanee Chohnakijkul
(Ratchanee Chohnakijkul)
Director of Financial Audit Office No.2

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER, 2017

(Thousand Baht)

		CONSOLIDATED FINANCIAL STATEMENTS			THE BANK'S FINANCIAL STATEMENTS		
		DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATEd)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATEd)	DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATEd)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATEd)
NOTE							
ASSETS							
CASH		73,572,868	72,106,416	71,470,113	73,334,740	71,929,866	71,294,408
INTERBANK AND MONEY MARKET ITEMS, NET	7.2	549,669,529	431,638,413	397,357,971	549,180,025	431,350,214	397,061,378
CLAIMS ON SECURITIES		58,521,800	21,421,700	13,494,400	58,521,800	21,421,700	13,494,400
DERIVATIVES ASSETS	7.3	33,833,398	30,063,046	34,039,142	33,842,515	30,084,832	34,088,515
INVESTMENTS, NET	7.4	209,514,532	226,931,461	247,058,553	209,311,888	226,670,035	246,787,948
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	7.5	18,725,225	15,591,453	14,910,552	10,697,950	10,687,703	10,687,703
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET	7.6						
LOANS TO CUSTOMERS		1,939,927,818	1,907,821,949	2,033,250,476	1,865,483,424	1,837,243,223	1,969,827,420
ACCRUED INTEREST RECEIVABLES		5,211,737	5,270,682	5,900,902	4,691,079	4,774,560	5,462,813
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES		1,945,139,555	1,913,092,631	2,039,151,378	1,870,174,503	1,842,017,783	1,975,290,233
LESS DEFERRED REVENUE		(1,846,301)	(3,733,253)	(5,810,002)	(87,092)	(122,922)	(165,766)
LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS	7.7	(125,363,725)	(110,719,616)	(85,823,934)	(116,726,345)	(102,859,894)	(77,221,061)
LESS REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING	7.8	(17,264)	(61,619)	(132,627)	(17,264)	(61,619)	(132,627)
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET		1,817,912,265	1,798,578,143	1,947,384,815	1,753,343,802	1,738,973,348	1,897,770,779
CUSTOMERS' LIABILITIES UNDER ACCEPTANCES		152,852	45,949	1,567,806	152,852	45,949	1,567,806
PROPERTIES FOR SALE, NET	7.9	35,509,936	35,743,634	30,008,144	35,486,341	35,668,551	29,909,856
PREMISES AND EQUIPMENT, NET	7.10	26,019,406	27,312,663	26,354,526	24,413,806	25,239,008	21,376,845
OTHER INTANGIBLE ASSETS, NET	7.11	3,906,494	4,210,901	4,571,604	895,359	870,720	897,367
DEFERRED TAX ASSETS	7.12	4,592,766	4,496,456	6,996,109	2,130,345	2,321,669	5,020,583
ACCRUED INCOME		3,476,209	2,853,937	3,788,212	3,188,162	2,589,233	3,578,869
OTHER ASSETS, NET	7.13	18,802,727	18,709,178	16,564,767	17,082,986	16,945,112	15,071,377
TOTAL ASSETS		2,854,210,007	2,689,703,350	2,815,566,714	2,771,582,571	2,614,797,940	2,748,607,834

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER, 2017

173

Krung
Thai
Bank
Pcl.

(Thousand Baht)

		CONSOLIDATED FINANCIAL STATEMENTS			THE BANK'S FINANCIAL STATEMENTS		
		DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATED)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATED)	DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATED)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATED)
NOTE							
LIABILITIES AND EQUITY							
DEPOSITS	7.14	2,070,874,680	1,972,403,532	2,135,498,511	2,073,594,012	1,975,157,675	2,137,446,488
INTERBANK AND MONEY MARKET ITEMS, NET	7.15	228,691,395	211,171,312	200,897,842	219,066,748	201,716,003	184,356,199
LIABILITIES PAYABLE ON DEMAND		5,291,692	5,082,471	6,121,116	5,291,692	5,082,471	6,121,116
LIABILITIES TO DELIVER SECURITIES		58,521,804	21,421,700	13,494,400	58,521,804	21,421,700	13,494,400
DERIVATIVES LIABILITIES	7.3	30,284,422	31,516,693	37,232,572	30,284,422	31,516,693	37,234,793
DEBT ISSUED AND BORROWINGS	7.16	110,626,429	112,685,859	109,585,463	67,271,429	71,262,859	80,282,975
BANK'S LIABILITIES UNDER ACCEPTANCES		152,852	45,949	1,567,806	152,852	45,949	1,567,806
PROVISIONS	7.17	12,625,672	11,152,279	14,424,688	11,524,569	10,163,418	13,634,737
OTHER LIABILITIES	7.18	42,922,118	44,818,915	46,209,922	35,745,892	37,976,431	39,997,788
TOTAL LIABILITIES		2,559,991,064	2,410,298,710	2,565,032,320	2,501,453,420	2,354,343,199	2,514,136,302
EQUITY							
SHARE CAPITAL	7.19						
AUTHORIZED SHARE CAPITAL							
5,500,000 PREFERRED							
SHARES OF BAHT 5.15 EACH		28,325	28,325	28,325	28,325	28,325	28,325
13,976,061,250 ORDINARY							
SHARES OF BAHT 5.15 EACH		71,976,715	71,976,715	71,976,715	71,976,715	71,976,715	71,976,715
ISSUED AND PAID-UP SHARE CAPITAL							
5,500,000 PREFERRED							
SHARES OF BAHT 5.15 EACH		28,325	28,325	28,325	28,325	28,325	28,325
13,976,061,250 ORDINARY							
SHARES OF BAHT 5.15 EACH		71,976,715	71,976,715	71,976,715	71,976,715	71,976,715	71,976,715

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER, 2017

(Thousand Baht)

		CONSOLIDATED FINANCIAL STATEMENTS			THE BANK'S FINANCIAL STATEMENTS		
		DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATED)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATED)	DECEMBER 31, 2017	DECEMBER 31, 2016 (RESTATED)	JANUARY 1, 2016 (BEGINNING BALANCE) (RESTATED)
NOTE							
LIABILITIES AND EQUITY (CONTINUED)							
PREMIUM ON SHARE CAPITAL							
PREMIUM ON ORDINARY SHARE		20,833,734	20,833,734	20,833,734	20,833,734	20,833,734	20,833,734
OTHER COMPONENTS OF EQUITY		21,918,740	17,748,818	10,643,441	15,015,969	13,729,430	6,407,413
RETAINED EARNINGS							
APPROPRIATED							
LEGAL RESERVE		7.20	7,200,504	7,200,504	7,200,504	7,200,504	7,200,504
UNAPPROPRIATED			165,903,237	156,398,935	135,437,101	155,073,904	146,686,033
TOTAL EQUITY ATTRIBUTABLE TO EQUITY							
HOLDERS OF THE BANK			287,861,255	274,187,031	246,119,820	270,129,151	260,454,741
NON-CONTROLLING INTEREST			6,357,688	5,217,609	4,414,574		
TOTAL EQUITY			294,218,943	279,404,640	250,534,394	270,129,151	260,454,741
TOTAL LIABILITIES AND EQUITY			2,854,210,007	2,689,703,350	2,815,566,714	2,771,582,571	2,614,797,940
							2,748,607,834

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

(Signed) Somchai Sujjapongse
SOMCHAI SUJJAPONGSE
CHAIRMAN OF THE BOARD OF DIRECTORS

(Signed) Payong Srivanich
PAYONG SRIVANICH
PRESIDENT

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017

(Thousand Baht)

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2017	2016 (RESTATED)	2017	2016 (RESTATED)
INTEREST INCOME	7.27	122,507,449	129,229,887	108,995,574	116,257,345
INTEREST EXPENSES	7.28	36,729,408	42,264,056	35,132,892	40,784,204
INTEREST INCOME, NET		85,778,041	86,965,831	73,862,682	75,473,141
FEES AND SERVICE INCOME		28,638,265	25,931,448	23,357,785	21,260,651
FEES AND SERVICE EXPENSES		4,617,113	3,889,459	3,094,940	2,482,700
FEES AND SERVICE INCOME, NET	7.29	24,021,152	22,041,989	20,262,845	18,777,951
GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS, NET	7.30	4,316,920	6,827,507	4,305,798	6,802,133
GAINS ON INVESTMENTS, NET	7.31	928,659	694,573	924,966	694,573
SHARE OF PROFIT FROM INVESTMENTS FOR USING EQUITY METHOD		2,264,089	3,103,776	-	-
DIVIDEND INCOME		415,452	481,744	3,435,393	3,561,154
REVENUES FROM LITIGATION COMPENSATION	7.37.1	1,635,735	-	1,635,735	-
OTHER OPERATING INCOME		3,776,846	4,573,025	908,382	1,626,956
TOTAL OPERATING INCOME		123,136,894	124,688,445	105,335,801	106,935,908
OTHER OPERATING EXPENSES					
EMPLOYEES' EXPENSES		27,439,450	27,946,699	21,996,338	22,726,102
DIRECTORS' REMUNERATION		99,238	105,924	71,983	78,196
PREMISES AND EQUIPMENT EXPENSES		8,560,565	8,829,528	4,971,059	5,101,364
TAXES AND DUTIES		4,364,252	4,526,003	3,878,956	4,072,890
OTHERS		8,932,387	9,223,322	11,785,667	11,714,621
TOTAL OTHER OPERATING EXPENSES		49,395,892	50,631,476	42,704,003	43,693,173
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	7.32	44,833,388	33,429,379	37,499,849	26,996,155
OPERATING PROFIT BEFORE INCOME TAX EXPENSES		28,907,614	40,627,590	25,131,949	36,246,580
INCOME TAX EXPENSES	7.33	4,797,336	7,063,097	3,819,483	6,278,794
NET PROFIT		24,110,278	33,564,493	21,312,466	29,967,786

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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

FOR THE YEAR ENDED DECEMBER 31, 2017

(Thousand Baht)

NOTE	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	2016 (RESTATED)	2017	2016 (RESTATED)
OTHER COMPREHENSIVE INCOME				
ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS				
GAINS ON REMEASURING AVAILABLE-FOR-SALE INVESTMENTS	574,929	6,724,383	574,929	6,724,383
GAINS FROM RECLASSIFICATION OF INVESTMENTS	805,442	-	805,442	-
GAINS (LOSSES) ARISING FROM TRANSLATING THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS	192,586	(79,909)	192,586	(79,909)
SHARE OF OTHER COMPREHENSIVE INCOME OF ASSOCIATES (EQUITY METHOD) FOR ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	2,883,383	(216,640)	-	-
RELATED INCOME TAX EXPENSES FOR ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	(276,074)	(1,344,876)	(276,074)	(1,344,876)
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS				
CHANGES IN REVALUATION SURPLUS ON ASSETS	(12,928)	2,528,024	(12,928)	2,528,024
ACTUARIAL LOSSES ON DEFINED BENEFIT PLANS	(1,149,468)	(936,608)	(1,124,505)	(849,697)
RELATED INCOME TAX EXPENSES FOR ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	232,478	(318,284)	227,486	(335,665)
OTHER COMPREHENSIVE INCOME, NET	7.34 3,250,348	6,356,090	386,936	6,642,260
TOTAL COMPREHENSIVE INCOME	27,360,626	39,920,583	21,699,402	36,610,046
NET PROFIT ATTRIBUTABLE				
EQUITY HOLDERS OF THE BANK	22,440,009	32,303,655	21,312,466	29,967,786
NON-CONTROLLING INTEREST	1,670,269	1,260,838		
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE				
EQUITY HOLDERS OF THE BANK	25,699,216	38,694,048	21,699,402	36,610,046
NON-CONTROLLING INTEREST	1,661,410	1,226,535		
EARNINGS PER SHARE OF PARENT COMPANY				
BASIC EARNINGS PER SHARE (BAHT)	1.61	2.31	1.52	2.14

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

(Signed) Somchai Sujjapongse
SOMCHAI SUJJAPONGSE
CHAIRMAN OF THE BOARD OF DIRECTORS

(Signed) Payong Srivanich
PAYONG SRIVANICH
PRESIDENT

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES **STATEMENTS OF CHANGES IN EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2017

(Thousand Baht)

CONSOLIDATED FINANCIAL STATEMENTS										
NOTE	ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK							NON-CONTROLLING INTEREST	TOTAL	
	ISSUED AND PAID-UP SHARE CAPITAL	PREMIUM ON SHARE CAPITAL	OTHER COMPONENTS OF EQUITY				RETAINED EARNINGS			TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK
			APPRAISAL SURPLUS (DEFICIT) ON ASSETS	REVALUATION SURPLUS (DEFICIT) ON INVESTMENTS	GAINS (LOSS) FROM RECLASSIFICATION OF INVESTMENTS	GAIN (LOSS) FROM TRANSLATING THE FINANCIAL STATEMENTS				
BALANCE BEFORE ADJUSTMENT AS AT JANUARY 1, 2016	72,005,040	20,833,734	6,344,916	250,768	-	(5,198)	4,052,955	142,400,537	245,882,752	250,297,326
EFFECTS OF RETROSPECTIVE RESTATEMENT	-	-	-	-	-	-	-	237,068	237,068	237,068
BALANCE AFTER ADJUSTMENT AS AT JANUARY 1, 2016	72,005,040	20,833,734	6,344,916	250,768	-	(5,198)	4,052,955	142,637,605	246,119,820	250,534,394
DIVIDEND PAID	-	-	-	-	-	-	-	(10,626,837)	(10,626,837)	(11,050,337)
TOTAL COMPREHENSIVE INCOME	-	-	2,022,419	5,379,507	-	(79,909)	(216,640)	31,588,671	38,694,048	39,920,583
ENDING BALANCE AS AT DECEMBER 31, 2016	72,005,040	20,833,734	8,367,335	5,630,275	-	(85,107)	3,836,315	163,599,439	274,187,031	279,404,640
BALANCE BEFORE ADJUSTMENT AS AT JANUARY 1, 2017	72,005,040	20,833,734	8,367,335	5,630,275	-	(85,107)	3,836,315	163,341,742	273,929,334	279,146,943
EFFECTS OF RETROSPECTIVE RESTATEMENT	-	-	-	-	-	-	-	257,697	257,697	257,697
BALANCE AFTER ADJUSTMENT AS AT JANUARY 1, 2017	72,005,040	20,833,734	8,367,335	5,630,275	-	(85,107)	3,836,315	163,599,439	274,187,031	279,404,640
DIVIDEND PAID	-	-	-	-	-	-	-	(12,024,992)	(12,024,992)	(12,546,323)
TOTAL COMPREHENSIVE INCOME	-	-	(10,343)	459,943	644,353	192,586	2,883,383	21,529,294	25,699,216	27,360,626
ENDING BALANCE AS AT DECEMBER 31, 2017	72,005,040	20,833,734	8,356,992	6,090,218	644,353	107,479	6,719,698	173,103,741	287,861,255	294,218,943

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017

(Thousand Baht)

THE BANK'S FINANCIAL STATEMENTS							
NOTE	ISSUED AND PAID-UP SHARE CAPITAL	PREMIUM ON SHARE CAPITAL	OTHER COMPONENTS OF EQUITY				TOTAL
			APPRAISAL SURPLUS (DEFICIT) ON ASSETS	REVALUATION SURPLUS (DEFICIT) ON INVESTMENTS	GAINS (LOSS) FROM RECLASSIFICATION OF INVESTMENTS	GAIN (LOSS) FROM TRANSLATING THE FINANCIAL STATEMENTS	
BEGINNING BALANCE AS AT JANUARY 1, 2016	72,005,040	20,833,734	6,344,916	67,695	-	(5,198)	135,225,345
DIVIDEND PAID	-	-	-	-	-	-	(10,626,837)
TOTAL COMPREHENSIVE INCOME	-	-	2,022,419	5,379,507	-	(79,909)	29,288,029
ENDING BALANCE AS AT DECEMBER 31, 2016	72,005,040	20,833,734	8,367,335	5,447,202	-	(85,107)	153,886,537
BEGINNING BALANCE AS AT JANUARY 1, 2017	72,005,040	20,833,734	8,367,335	5,447,202	-	(85,107)	153,886,537
DIVIDEND PAID	-	-	-	-	-	-	(12,024,992)
TOTAL COMPREHENSIVE INCOME	-	-	(10,343)	459,943	644,353	192,586	20,412,863
ENDING BALANCE AS AT DECEMBER 31, 2017	72,005,040	20,833,734	8,356,992	5,907,145	644,353	107,479	162,274,408
							270,129,151

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

(Signed) Somchai Sujjapongse
SOMCHAI SUJJAPONGSE
CHAIRMAN OF THE BOARD OF DIRECTORS

(Signed) Payong Srivanich
PAYONG SRIVANICH
PRESIDENT

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

179

Krung
Thai
Bank
Pcl.

(Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	2016 (RESTATED)	2017	2016 (RESTATED)
CASH FLOWS FROM OPERATING ACTIVITIES				
OPERATING PROFIT BEFORE INCOME TAX EXPENSES	28,907,614	40,627,590	25,131,949	36,246,580
ADJUSTMENTS TO RECONCILE OPERATING PROFIT BEFORE INCOME TAX				
EXPENSES TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
DEPRECIATION AND AMORTIZATION EXPENSES	2,954,393	3,339,561	1,405,051	1,459,325
BAD DEBTS, DOUBTFUL ACCOUNTS AND LOSS ON IMPAIRMENT	44,833,388	33,429,379	37,499,849	26,996,155
SHARE OF PROFIT FROM INVESTMENTS FOR USING EQUITY METHOD	(2,264,089)	(3,103,776)	-	-
(GAIN) LOSS ON DISPOSAL OF ASSETS	(4,511)	147,358	(1,978)	(475)
GAIN ON LIQUIDATION OF INVESTMENTS IN SUBSIDIARY COMPANY	-	-	(252,253)	-
GAIN ON DISPOSAL OF INVESTMENTS	(663,756)	(670,322)	(663,756)	(670,322)
(GAIN) LOSS ON REVALUATION OF INVESTMENTS	(85,736)	26,096	(85,736)	26,096
LOSS (REVERSAL) ON IMPAIRMENT OF PROPERTIES FOR SALE	(1,825)	827,466	(12,900)	846,167
REVERSAL ON IMPAIRMENT OF INVESTMENTS	(12,651)	(24,253)	(8,957)	(24,251)
REVERSAL ON IMPAIRMENT OF PREMISES AND EQUIPMENT	-	(703,493)	-	(703,493)
LOSS ON IMPAIRMENT OF OTHER ASSETS	95,175	49,101	95,175	49,101
AMORTIZATION OF DISCOUNT ON INVESTMENTS	(167,230)	(211,595)	(164,531)	(208,338)
LOSS (GAIN) ON FOREIGN CURRENCY TRANSLATION	(43,408)	1,658,724	(41,859)	1,658,786
INCREASE (DECREASE) IN PROVISIONS	241,919	(4,061,338)	83,822	(4,294,489)
INCREASE IN OTHER ACCRUED INCOME	(780,652)	(82,995)	(757,308)	(27,634)
INCREASE (DECREASE) IN OTHER ACCRUED EXPENSES	(2,508,938)	1,241,056	(2,575,328)	1,019,077
	70,499,693	72,488,559	59,651,240	62,372,285
INTEREST INCOME, NET	(85,778,041)	(86,965,831)	(73,862,682)	(75,473,141)
DIVIDEND INCOME	(415,452)	(481,744)	(3,435,393)	(3,561,154)
PROCEEDS FROM INTEREST INCOME	122,784,458	130,943,952	109,297,119	118,029,444
CASH PAID ON INTEREST EXPENSES	(37,203,217)	(43,825,712)	(35,622,640)	(42,352,644)
PROCEEDS FROM DIVIDEND INCOME	415,452	481,744	415,452	481,744
CASH PAID ON INCOME TAX EXPENSES	(5,192,682)	(5,029,927)	(3,963,815)	(3,933,799)
OPERATING INCOME BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	65,110,211	67,611,041	52,479,281	55,562,735
(INCREASE) DECREASE IN OPERATING ASSETS				
INTERBANK AND MONEY MARKET ITEMS	(118,090,802)	(34,347,017)	(117,889,497)	(34,355,411)
CLAIMS ON SECURITIES	(37,100,100)	(7,927,300)	(37,100,100)	(7,927,300)
INVESTMENTS IN TRADING SECURITIES	8,704,406	8,599,092	8,720,927	8,579,558
LOANS TO CUSTOMERS	(72,349,087)	101,586,374	(60,076,417)	117,952,325
PROPERTIES FOR SALE	4,694,565	5,616,984	4,647,574	5,575,077
OTHER ASSETS	(887,001)	3,546,249	(919,875)	3,844,837
INCREASE (DECREASE) IN OPERATING LIABILITIES				
DEPOSITS	98,471,149	(163,094,979)	98,436,338	(162,288,814)
INTERBANK AND MONEY MARKET ITEMS	17,520,083	10,273,470	17,350,745	17,359,805
LIABILITIES PAYABLE ON DEMAND	209,221	(1,038,645)	209,221	(1,038,645)
LIABILITIES TO DELIVER SECURITIES	37,100,104	7,927,300	37,100,104	7,927,300
DEBT ISSUED AND SHORT-TERM BORROWINGS	-	(60,154)	-	(1,174)
OTHER LIABILITIES	(278,694)	(8,625,051)	(377,808)	(8,941,551)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3,104,055	(9,932,636)	2,580,493	2,248,742

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017

(Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	2016 (RESTATED)	2017	2016 (RESTATED)
CASH FLOWS FROM INVESTING ACTIVITIES				
PURCHASES OF AVAILABLE FOR SALE SECURITIES	(143,931,576)	(114,193,503)	(143,931,576)	(114,193,503)
PROCEEDS FROM DISPOSAL OF AVAILABLE FOR SALE SECURITIES	133,965,418	107,902,226	133,965,418	107,902,226
PURCHASES OF HELD TO MATURITY DEBT SECURITIES	(1,194,485)	(6,711,625)	(316,487)	(5,890,528)
PROCEEDS FROM DISPOSAL OF HELD TO MATURITY DEBT SECURITIES	19,369,774	28,409,987	18,413,774	27,595,987
PURCHASES OF GENERAL INVESTMENTS	(358,369)	(348,458)	(358,369)	(348,458)
PROCEEDS FROM DISPOSAL OF GENERAL INVESTMENTS	536,991	288,485	536,991	288,485
PURCHASES OF INVESTMENTS IN ASSOCIATED COMPANIES	(14,942)	-	(14,942)	-
PROCEEDS FROM LIQUIDATION OF INVESTMENTS IN SUBSIDIARY COMPANY	-	-	253,253	-
PROCEEDS FROM DIVIDEND INCOME FROM SUBSIDIARIES AND ASSOCIATES	2,028,641	2,206,235	3,019,941	3,079,410
PURCHASES OF INTANGIBLE ASSETS	(512,027)	(471,217)	(171,753)	(108,779)
PURCHASES OF PREMISES AND EQUIPMENT	(895,010)	(1,514,570)	(453,364)	(1,173,753)
PROCEEDS FROM DISPOSAL OF PREMISES AND EQUIPMENT	78,039	1,989,913	2,221	663
NET CASH PROVIDED BY INVESTING ACTIVITIES	9,072,454	17,557,473	10,945,107	17,151,750
CASH FLOWS FROM FINANCING ACTIVITIES				
PROCEEDS FROM DEBT ISSUED AND LONG-TERM BORROWINGS	31,500,000	19,850,000	20,000,000	-
REPAYMENTS OF DEBT ISSUED AND LONG-TERM BORROWINGS	(29,856,320)	(15,708,288)	(20,288,320)	(8,058,288)
DIVIDEND PAID-ORDINARY SHARE	(12,019,412)	(10,621,807)	(12,019,412)	(10,621,807)
DIVIDEND PAID-PREFERRED SHARE	(5,580)	(5,030)	(5,580)	(5,030)
DIVIDEND PAID TO NON-CONTROLLING INTEREST	(521,331)	(423,500)	-	-
NET CASH USED IN FINANCING ACTIVITIES	(10,902,643)	(6,908,625)	(12,313,312)	(18,685,125)
GAIN (LOSS) ON ARISING FROM TRANSLATING THE FINANCIAL STATEMENTS OF FOREIGN OPERATIONS	192,586	(79,909)	192,586	(79,909)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,466,452	636,303	1,404,874	635,458
BEGINNING BALANCE OF CASH AND CASH EQUIVALENTS	72,106,416	71,470,113	71,929,866	71,294,408
ENDING BALANCE OF CASH AND CASH EQUIVALENTS	73,572,868	72,106,416	73,334,740	71,929,866

NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

(Signed) Somchai Sujjapongse
SOMCHAI SUJJAPONGSE
CHAIRMAN OF THE BOARD OF DIRECTORS

(Signed) Payong Srivanich
PAYONG SRIVANICH
PRESIDENT

KRUNG THAI BANK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

181

Krung
Thai
Bank
Pcl.

1. GENERAL INFORMATION

Krung Thai Bank Public Company Limited (the Bank) is a public company limited registered in the Kingdom of Thailand with its head office located at 35 Sukhumvit Road, Klongtoey Nua, Wattana, Bangkok. The Bank engages in commercial banking business and conducts its business through a nationwide branch network and in certain major centers of the world.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Preparation of the Consolidated and the Bank's Financial Statements

The consolidated and the Bank's financial statements are presented in accordance with the Notification of the Bank of Thailand (BoT) No. SOR NOR SOR.21/2558 dated December 4, 2015, regarding the Preparation and Announcement of Financial Statements of Commercial Bank and a Holding Company that is the Parent Company of a Financial Group, including any other supplementary BoT's notifications; and with the regulations of the Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the Preparation and Submission of Financial Statements, Financial reports and operating results of Business Operations of Listed Companies, B.E. 2560 (2017). Moreover, these financial statements are prepared in conformity with generally accepted accounting principles, under Accounting Act B.E. 2543 (2000).

The Consolidated Financial Statements

The consolidated financial statements comprise with the Bank and its subsidiaries financial statements in which the Bank is a controlling interest after eliminating material intercompany transactions and balances. The 7 consolidated subsidiaries are KTB Law Co., Ltd., KTB General Services and Security Co., Ltd., Krung Thai Asset Management Pcl., KTB Computer Services Co., Ltd., KTB Leasing Co., Ltd., KTB Advisory Co., Ltd., and Krungthai Card Pcl.

Percentages of shareholdings and investments in the Bank's subsidiaries and associates are shown in Note 7.5.

Investments in associates are accounted in the consolidated financial statements using the equity method.

The Bank's Financial Statements

Investments in subsidiaries and associates are accounted in the Bank's financial statements using the cost method.

The Bank's financial statements for the years ended December 31, 2017 and 2016 included the accounts of domestic and foreign branches, after eliminating the effects of all interbranch transactions.

The English Translation of Financial Statements

This English translation of financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) Effective in Current Period

The Bank has adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), TSIC Interpretations and TFRIC Interpretations that announced and revised in accordance with the Federation of Accounting Professions, those are effective for the financial statements of the periods beginning on or after January 1, 2017. The Bank's managements have already considered that they have no significant impacts on the Bank's accounting policies, and the Bank's and its subsidiaries' financial statements.

2.3 The New and Revised Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) Announced but not yet Effective

The Federation of Accounting Professions has announced Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), TSIC Interpretations and TFRIC Interpretations, those are effective for the financial statements periods beginning on or after January 1, 2018 that are relevant to the Bank as follows:

TAS 1 (revised 2017)	Presentation of Financial Statements
TAS 7 (revised 2017)	Statements of Cash Flows
TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2017)	Events after the Reporting Period
TAS 12 (revised 2017)	Income Taxes
TAS 16 (revised 2017)	Property, Plant and Equipment
TAS 17 (revised 2017)	Leases
TAS 18 (revised 2017)	Revenue
TAS 19 (revised 2017)	Employee Benefits
TAS 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2017)	Borrowing Costs
TAS 24 (revised 2017)	Related Party Disclosures
TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2017)	Separate Financial Statements
TAS 28 (revised 2017)	Investments in Associates and Joint Ventures
TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2017)	Earnings per Share
TAS 34 (revised 2017)	Interim Financial Reporting
TAS 36 (revised 2017)	Impairment of Assets
TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2017)	Intangible Assets
TAS 40 (revised 2017)	Investment Property
TFRS 2 (revised 2017)	Share-based Payment

TFRS 3 (revised 2017)	Business Combinations
TFRS 4 (revised 2017)	Insurance Contracts
TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2017)	Operating Segments
TFRS 10 (revised 2017)	Consolidated Financial Statements
TFRS 11 (revised 2017)	Joint Arrangements
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2017)	Fair Value Measurement
TSIC 10 (revised 2017)	Government Assistance-No Specific Relation to Operating Activities
TSIC 15 (revised 2017)	Operating Leases-Incentives
TSIC 25 (revised 2017)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 31 (revised 2017)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (revised 2017)	Intangible Assets-Web Site Costs
TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2017)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2017)	Applying the Restatements Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 14 (revised 2017)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum
TFRIC 17 (revised 2017)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2017)	Transfers of Assets from Customers
TFRIC 21 (revised 2017)	Levies

The Bank has been preparing for adopting related TAS, TFRS, TSIC Interpretations and TFRIC Interpretations mentioned above. The Bank's management has considered that there is no material impact on accounting policies and financial statements of the Bank and subsidiaries.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Recognition of Income

3.1.1 Interest Income

Interest income is recognized on an accrual basis, except for interest on loans classified as delinquent over 3 months and interest on loans under troubled debt restructuring contract which would be reversed. In accordance with the BoT's regulations, interest income on delinquent loans over 3 months from the due date already recognized as an income since January 1, 2000 would be reversed and recognized as income when received

3.1.2 Fees and Service Income

Fees and Service Income is recognized when the related services are performed.

3.1.3 Dividend Income

Dividend income from investments is recognized when declared.

3.1.4 Lease Income

The lease income of the Bank and its subsidiaries is recognized as follows:

- Interest income from hire-purchase and financial lease is recognized by using effective interest rate throughout the term of the lease. Interest on defaulted lease over 3 months is ceased to recognize and reversed from the due date, and interest income will be recognized on an accrual basis when received all overdue payments.
- Income from operating lease contract is recognized on a straight-line basis over the term of lease.

3.2 Recognition of Expenses

Interest expenses, fees and service expenses, and other operating expenses, are recognized on an accrual basis.

3.3 Cash and Cash Equivalents

Cash and cash equivalents represent cash in hand and cash on collection.

3.4 Derivatives

Accounting for derivative transactions depends on their purposes as follows:

1) Trading Derivatives

The Bank measures derivatives at fair value and recognizes gains or losses arising from changes in fair value in gains (losses) on tradings and foreign exchange transactions, net in the statements of profit or loss and other comprehensive income along with assets or liabilities in the statements of financial position.

2) Hedging Derivatives

The Bank measures derivatives with the same manner of the hedged items.

3.5 Embedded Derivatives

The Bank records accounting for embedded derivatives namely Credit Derivative and Structured Note in line with the IAS 39 Financial Instruments: Recognition and Measurement as follows:

1) For not closely related embedded derivatives, those could be separated from their host contracts; if the Bank is able to measure them separately; their gains (losses) will be recognized at fair value through gains (losses) on tradings and foreign exchange transactions, net in the statements of profit or loss and other comprehensive income. For the host contracts, the Bank will apply to related accounting standards. Conversely, the Bank is unable to measure the embedded derivatives separately, the Bank will revalue the entire combined contract and designate as trading booked at fair value through profit or loss, which also be recognized the gains or losses arising from changes in fair value in the statements of profit or loss and other comprehensive income.

2) For closely related embedded derivatives, the Bank will not separate them from their host contracts and will recognize the entire combined contract in accordance with related accounting standards.

3.6 Investments

3.6.1 Basis of Classification of Investments

The Bank and its subsidiaries classify their investments in debt securities and equity securities as trading securities, available-for-sale securities, held-to-maturity debt securities, or investments in subsidiaries and associates. Non-marketable equity securities are classified as general investments.

3.6.2 Basis of Valuation of Investments

Investments in marketable debt or equity securities classified as trading securities are stated at fair value. Unrealized gains or losses arising from the revaluation are recorded through gains (losses) on tradings and foreign exchange transactions, net in the statements of profit or loss and other comprehensive income.

Investments in marketable debt or equity securities classified as available-for-sale securities are stated at fair value, net of allowance for impairment (if any). Unrealized gains or losses arising from the revaluation are separately shown in other components of equity and realized gains or losses after the disposal.

Investments in debt securities classified as held-to-maturity are stated at the amortized cost, net of allowance for impairment (if any). Premiums or discounts on held-to-maturity debt securities are adjusted to interest income at the end of each month by using the straight-line method which is immaterially different from using the effective interest rate method.

General investments are stated at cost, net of allowance for impairment (if any). Losses on impairment are realized through gains (losses) on investments, net in the statements of profit or loss and other comprehensive income.

Investments in marketable unit trust classified as trading and available-for-sale securities are stated at fair value whereas investments in non-marketable unit trust are stated at net asset value.

Investments in foreign asset-backed debt securities classified as trading securities-current investments are stated at fair value.

Investments in subsidiaries and associates, shown in the Bank's financial statements, are accounted for by the cost method, net of allowance for impairment (if any). Moreover, investments in associates, shown in the consolidated financial statements, are accounted for by the equity method (the Bank uses financial information from unaudited/unreviewed financial statements of the associates).

The cost of disposed investments is calculated by the weighted-average method. Gains or losses on disposal of investments are presented in gains (losses) on investments, net in the statements of profit or loss and other comprehensive income, except for trading securities are presented in gains on tradings and foreign exchange transactions, net.

3.7 Loans

Loans represent the outstanding principal amounts, except for overdrafts including accrued interest receivables. Deferred revenue is presented as deduction from the loans.

Hire-purchase and financial lease receivables represent the outstanding amounts, less deferred interest receivables, and deferred commission, plus amortized direct expenses.

3.8 Allowance for Doubtful Accounts

The Bank and its subsidiaries which operate the loan provider business recognize allowance for doubtful accounts compliance with the BoT's Notification No. SOR NOR SOR.5/2559 dated June 10, 2016, regarding Regulations on Assets Classification and Provision of Financial Institutions based on the BoT's Regulations on Valuation and Appraisal of Collateral and Immovable Properties for Sale acquired through Debt Repayment, Loan Collateral or Public Auction of Financial Institution dated June 10, 2016 summarized as follows:

1) The Bank has set aside provision for normal and special mention categories at 1 percent and 2 percent, respectively, in accordance with the BoT's regulations. The Bank also applies collective approach to set aside provision for each debtor group, grouping by similar credit risk.

2) Provision for impaired-debtors is at 100 percent of the difference between the book value of loans and the present value of expected cash flows from the disposals of collateral as to the practice stipulated by the BoT.

3) Collateral using for calculating the present value of expected cash flows from disposals are such as immovable properties and leasehold rights (e.g. the present value of the expected cash flows from disposals of immovable properties which are collateral of debtors under the litigation process equal to 62.03 percent of the appraisal value and the present value of the expected cash flows from disposals of immovable properties which are collateral of debtors under the public auction process equal to 66.38 percent of the appraisal value). Other types of collateral are calculated by using the valuation rate stipulated by the BoT.

4) Collateral valuation has been conducted according to the BoT's regulations relating to types of collateral, valuation methodology, valuation frequency, and values of collateral that could be deductible from loans balances before provisioning as follows:

- As for normal and special mention categories, the underlying collateral is required to reappraise or revalue on a 3-years basis excluding collateral of credit lines of housing loans and other loans in the charge of retail business and network support team, will be reappraised or revalued when changed to sub-standard, doubtful and doubtful of loss, as well as the collateral which have been reappraised or revalued over the past 3 years.

- As for sub-standard, doubtful and doubtful of loss categories are required to reappraise or revalue collaterals by using the methods stipulated by the BoT. Immovable properties collaterals are required to reappraise or revalue on a 3-years basis as minimum. In case of near cash collateral such as marketable securities, is required to reappraise or revalue at the end of the accounting period.

Bad debts written-off and bad debts recovered are either deducted from or added to the allowance for doubtful accounts, whichever the case may be. The Bank defines debt write off guidelines which any debtors classified as doubtful of loss are written off at the underlying value of irrecoverable provision in line with the BoT's debt write off regulations.

3.9 Troubled Debt Restructuring and Losses on Troubled Debt Restructuring (TDR)

The Bank's debt restructuring methodology includes the reduction of principal and/or accrued interest receivables already recorded as revenue, interest rate reduction, debt-equity conversion or debt-convertible securities conversion, repayment period extension, debt type modification, grace period permission for principal and/or interest, collateral assets transfers, noncollateral assets transfers, and assets transfers with buy back contracts.

Losses arising from debt restructuring are determined as follows:

1) In case of relaxation of the debt repayment conditions without reducing of principal and accrued interest receivables prior to troubled debt, the present value of expected cash flow received is discounted by using the interest rate under the conditions specified in the TDR contract. Where such interest rate is lower than financial cost rate, the financial cost rate will be used instead. If the present value computed is lower than the book value (the principal amount plus accrued interest receivables included in the outstanding balance of restructured debt), an allowance for losses on troubled debt restructuring will be fully recognized in the statements of profit or loss and other comprehensive income for the relevant period.

The component of financial costs features the weighted average cost of deposits and borrowings, contributions to the BoT and the Deposit Protection Agency (DPA), and expenses incurred to maintain liquidity.

2) In case of debt repayment through the transfer of assets, financial instruments or debtors' equity from debt-equity conversion, the Bank has entirely written off. Losses on debt restructuring are charged to the statements of profit or loss and other comprehensive income instantly upon the transfer of assets considering together with the original allowance for doubtful accounts. Thus, the value of transferred assets shall be recorded not higher than the book value of the debt plus accrued interest receivables entitled by the Bank.

In case of partial debt repayment through the transfer of assets, financial instruments or debtors' equity from debt-equity conversion, the Bank's will follow no. 2) in the first place. For the remaining amount of debt, if there is the relaxation of the repayment condition, the Bank will follow no. 1).

3.10 Properties for Sale

Properties for sale are immovable and movable properties which are stated at lower of cost or market value less allowance for impairment (if any). Losses on impairment or reversal of losses on impairment are recognized as other operating expenses or income in the statements of profit or loss and other comprehensive income. Gains or losses on disposals of those properties after deducting selling expenses are recognized as other operating income or expenses in the statements of profit or loss and other comprehensive income.

The Bank has followed the BoT's Notification No. SOR NOR SOR.20/2558 dated December 4, 2015, regarding Regulations on Accounting of Financial Institutions Section 1, Accounting for the Sales of Foreclosed Assets, SOR NOR SOR.5/2559 dated June 10, 2016, regarding Regulations on Assets Classification and Provision of Financial Institutions, SOR NOR SOR.22/2552 dated December 11, 2009, regarding Immovable Properties for Sale, and SOR NOR SOR.23/2552 dated December 11, 2009, regarding the Rules of the Purchase and Holding of Immovable Properties Used as Premises for the Business or as Facilities for its Officers and Employees of Financial Institutions.

According to the BoT's Policy No. THOR POR THOR. PHOR NOR SOR. (23) WOR.745/2559 dated June 10, 2016, regarding Delivery Policy of Appraisal Guarantee and Properties for Sale acquired through Debt Repayment, Loan Collateral or Public Auction of Financial Institutions, the properties for sale in the amount exceeding Baht 50 million are appraised by the external appraisers, and the amount of not exceeding Baht 50 million are considered to appraise by internal or external appraisers depending on the Bank.

3.11 Land, Premises, Equipment, and Depreciation

Land is presented at revalued amount. Premises and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). Land is revalued on a 3-5 years basis by independent appraisers in accordance with the BoT's regulations. In case that revaluation result decreased or decreased more than surplus on land revaluation which had been recognized in other components of equity, the Bank will recognize deficit in the statements of profit or loss and other comprehensive income. In case that revaluation result increased, the Bank will recognize surplus through appraisal surplus on assets in other components of equity. Except for the case that the Bank revalued decreased on land and already recognized loss in the statements of profit or loss and other comprehensive income, the Bank will recognize only surplus amounts that excess of the deficit amounts used to recognized of such land.

Depreciation of premises is calculated on the straight-line basis over their useful lives. Since April 1, 2012, depreciation of premises is calculated on the straight-line basis over their residual useful lives not over 50 years which appraised by independent expert appraisers. Before April 1, 2012, depreciation of premises is calculated on the straight-line basis over their useful lives of 20 years.

Depreciation of equipment is calculated on the straight-line basis over their useful lives of 5 years. Equipment with an acquisition cost not exceeding Baht 3,000 is charged directly to expense in the period of acquisition. The amounts of those transactions have no significant effect to the Bank's financial statements.

Depreciation method, useful lives, and residual value are annually reviewed.

Depreciation of premises and equipment in foreign countries is at the legal rates applicable in each locality.

3.12 Intangible Assets

Intangible assets, comprising software, licenses, and computer system development costs, are presented at cost net accumulated amortization and allowance for impairment (if any). Amortization is calculated by the straight-line basis over their useful lives and recognized as expense in the statements of profit or loss and other comprehensive income. Amortization of intangible assets in foreign countries is at the legal rates applicable in each locality.

3.13 Deferred Tax Assets or Liabilities

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding taxes basis used in the computation of taxable profit (tax base). The Bank recognized deferred tax assets arising from such temporary differences to the extent that it is probable that taxable profit will be available against those temporary differences could be utilized. The carrying amounts of deferred tax assets are reviewed at each reporting date and shall be reduced to the extent that the tax benefit will be realized.

The Bank and its subsidiaries recognize deferred tax in the statements of profit or loss and other comprehensive income, except for the extent that relates to items recognized in equity, shall be recognized directly in equity.

The Bank and its subsidiaries calculate amounts of deferred tax assets and liabilities by using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if the Bank has a legally enforceable right to offset current tax assets and current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.14 Leaseholds

Leaseholds, which are included in other assets, are stated at cost less accumulated amortization. Amortization charge is calculated by the straight-line basis over the lease period between 3 - 30 years and recognized as expense in the statements of profit or loss and other comprehensive income.

3.15 Impairment of Assets

For outstanding balances of assets as at the end of period, the Bank and its subsidiaries review the impairment of assets by items when there is an indication that the book value of those assets is higher than the expected recoverable amounts. As such, losses on impairment will be realized as other operating expenses. The reversal of losses on impairment will be recorded only when there is an indication that such impairment no longer exists or shown at a declining balance, if any, and reversed to other operating income in the statements of profit or loss and other comprehensive income. Except for the case that reversal of the revalued increased of the same assets that used to be recognized in equity, when impairment occurred latterly it will be recognized in equity.

3.16 Foreign Currency Translation

3.16.1 Presentation Currency

The consolidated and the Bank's financial statements are presented in Baht.

3.16.2 Foreign Currency Translation

Items denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the transaction dates. Balances of monetary assets and liabilities are translated by using the reference exchange rates of BoT as at the reporting date. Balances of non-monetary assets and liabilities are translated by using the exchange rates prevailing at the transaction dates or exchange rates at the date when the fair value was measured.

Gains or losses on foreign currency exchange and foreign currency translation are presented in the statements of profit or loss and other comprehensive income as gains (losses) on trading and foreign exchange transactions, net.

3.16.3 Foreign Currency Translation of Foreign Branches' Financial Statements

Items on the foreign branches' statements of financial position are translated into Baht by using the reference exchange rates of BoT as at the reporting date. The statements of profit or loss and other comprehensive income are translated into Baht by using the exchange rate prevailing at the transaction dates or average exchange rates of that accounting period.

Gains or losses on translation of foreign branches' financial statements are presented in equity through other comprehensive income.

3.17 Employees Benefit

3.17.1 Employees Provident Fund

The Bank established a Provident Fund under the Provident Fund Act B.E. 2530 (1987) and entered to the registered fund approved by the Ministry of Finance in June 25, 1992. The Provident Fund is managed by an external fund manager.

Permanent employees of the Bank are entitled to apply for membership according to the registered KTB Provident Fund regulations. Employees could opt to contribute to the Fund at the rate of either 3, 6, 10, 12 or 15 percent of their basic salaries while the Bank's supplemental contribution is at 10 percent of each employees' basic salary.

3.17.2 Defined Benefit Plan

The Bank and its subsidiaries have defined benefit plan to pay their employees under the employment agreements. The estimate of employee benefits obligations are calculated by using the actuarial techniques called the Projected Unit Credit Method. This method uses statistical data as a factor to estimate the present value of expected future payments and discounts by using market yields on high quality corporate bonds with the approximate maturity of those obligations. The estimate amount is shown in a part of the provisions. The actuarial gains (losses) are recognized in other comprehensive income and transferred immediately to the retained earnings.

3.18 Income Taxes

Income taxes comprise of current tax and deferred tax.

Current tax is the amount expected to be paid to the tax authorities by calculating from taxable profit for the period under Revenue Code.

3.19 Earnings per Share

Basic earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the Bank by the weighted average number of ordinary shares outstanding.

3.20 Provisions

The BoT's Notification No. SOR NOR SOR.5/2559 dated June 10, 2016, regarding Regulations on Assets Classification and Provision of Financial Institutions prescribed regulations to set aside provisions for off-the statements of financial position obligations in conformity with TAS 37 (revised 2016): Provisions, Contingent Liabilities and Contingent Assets. The Bank is required to set aside provisions for off-the statements of financial position obligations when satisfied all of the following criteria:

- 1) Off-the statements of financial position obligations classified as substandard, doubtful, doubtful of loss, and loss.
- 2) Off-the statements of financial position obligations which the Bank should recognize provisions according to TAS 37 (revised 2016), paragraph 14 when satisfied all of the following criteria:
 - 2.1 A present obligation (a legal or a constructive obligation) resulting from past events.
 - 2.2 It is possibly certain that there will be a future outflow of resources embodying economic benefit to settle such obligation and
 - 2.3 An estimate of obligation can be reliably made.
- 3) Off-the statements of financial position obligations engage in high credit risk such as guarantees on borrowings, aval to bills or irrevocable obligations whereby the Credit Conversion Factor stipulated by the BoT in calculating Capital Fund to be maintained is equal to 1.0.

3.21 Customer Loyalty Programme

The Bank's subsidiaries have customer loyalty programme by offering reward points to customer together with services entitling customers to redeem those reward points to gifts or discount in the future. The Bank's subsidiaries also allocate rewards or accrued rewards to the points by referring from fair value of accumulated points. Then, they are recognized to deferred revenue under "other liabilities" in the statements of financial position and shall be recognized to fees and service income when customers redeem.

3.22 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Bank and its subsidiaries have considered fair value of individual financial instrument. Fair value of financial instruments are quoted price (unadjusted) for similar assets or liabilities in active markets that the Bank and its subsidiaries are able to access. In case of there is no quoted price in active markets, the Bank and its subsidiaries will use general accepted valuation technique by maximizing observable inputs and minimizing unobservable inputs in commonly used models or the Bank's models. Those models are approved by the management and also regularly reviewed and updated.

4. RISK MANAGEMENT

4.1 The Bank's Risk Information

Credit Risk

Credit risk is the risk that a counterparty or borrower fails to comply with conditions and covenants as stated in the mutual agreement or the deterioration of assets' quality resulting in non-repayment debts as set out in the loan contract and an adverse effect over the Bank's income and capital funds. The assets on the statements of financial position, net of allowance for doubtful accounts, represent the Bank's credit risk exposure.

The Bank concerns about the contingent credit risk at all time. The Bank continually evaluate and follow up situations both inside and outside country in order to assess the risk that may impact on solvency of the debtors and the Bank's loan portfolio. The Bank focuses on a credit expansion to both existing and new customers with high potentiality and appropriate yield. The Bank highly concentrates on customer evaluation, business potential, ability to repay debt, and obvious objective of loan purpose. The Bank develops risk management tool for better evaluation of customer business performance in order to notice credit department and set the loan policy guideline to prevent the debtors become NPLs.

Moreover, the Bank has regularly improved credit risk management by reviewing/adjusting credit policies and other policies related to the credit risk management for the purpose of complying with economic situation and the Bank's business operation as well as being in consonant with risk management guidance prescribed by the BOT. The credit risk management policies and guidelines are reviewed/improved at least once a year in order to match with current situation. The Bank also concentrates on economic and business research that related to the Bank's loan portfolio in order to monitor loan portfolio efficiently and effectively, such as Industry Direction in managing Stress Testing and Industry Indicators as a tool for better loan portfolio management.

The Bank manages credit risk management of the companies in financial business group of the Bank under the Bot's regulations. The credit risk management policies and guidelines of those companies are also reviewed/improved annually and/or when significantly changed event occurs and affects credit risk management.

The Bank monitors and reports risk management results with the intention to control credit risk to be in compliance with the Bank's risk management plan, the Bot's supervision policy and other regulators' rules. The risk management results reports are normally submitted to the Risk Management Committee and the Audit Committee at least once a month and to the Board of Directors at least quarterly.

To follow up and manage the quality of credit, the Bank closely monitors the customers whose credits are approved in order to ensure that they are in comply with the terms and conditions of loan agreements by carrying out NPLs reduction project. The watch list debtors with weak performance will be monitored and controlled to prevent such loans becomes NPLs. However, in case those debtors become NPLs, the measure for debt restructuring shall be set up together with legal process. With this regards, the NPLs reduction project shall help stipulating the implementation plan to become clearer and more effective for the NPLs problem solving. Thus, the regular progress shall be reported regularly in order to expedite debt repayment with minimum loss.

In assessing the adequacy of provision as prescribed by the BoT, the Bank is required to examine the accuracy and completeness of loan classification, debt-restructuring and collateral data as type and value of collateral. Such associated data potentially has significant impacts on the allowance for doubtful accounts of the Bank.

According to assets written-off, the Bank has policy to write off any assets classified as doubtful of loss with 100 percent provision; however, the Bank still closely follow up uncollectible amounts or taken legal proceedings to the final action.

The credit review is established to ensure the compliance with standard operation procedures in relation to credit approval and debt restructuring. In addition, the qualitative assessment for loan and other related assets are conducted for loan classification as prescribed by the BoT.

Market Risk

Market risk is the risk that the Bank may affected by changes in value of position on the statements of financial position and off-the statements of financial position which is caused by fluctuation of interest rate, foreign exchange rate, equity securities price and commodity price resulting in negative impact on income and capital. The Bank monitors and controls the market risk in the trading book and banking book portfolio by comparing the existing risks with the approved risk limits/indicators, conducting the approval processes for the breach of the limits/indicators and reporting to the executives and the Risk Management Committee regularly.

Interest Rate Risk

Interest rate risk is the risk that income or capital is adversely affected by changes in interest rate of the asset, liability and off-the statements of financial position items which are Rate Sensitive Items. These may have negative impact on Net Interest Income, Economic Value, market values of Trading Account, and other income and expenses related to interest rate.

The Bank's significant financial assets and liabilities classified by periods of interest rate repricing are as follows:

(Million Baht)

December 31, 2017							
	Call to 1 month	1-3 Months	3-12 Months	Over 1 year	Non-interest Bearing	NPLs	Total
Financial assets							
Interbank and money market items	522,794.48	7,077.87	5,367.09	1.56	17,721.97	-	552,962.97
Investments*	30,848.88	9,753.61	10,825.23	133,922.83	19,991.57	-	205,342.12
Loans to customers	1,357,047.26	204,878.81	163,255.01	40,578.57	1,086.38	98,637.39	1,865,483.42
Total financial assets	1,910,690.62	221,710.29	179,447.33	174,502.96	38,799.92	98,637.39	2,623,788.51
Financial liabilities							
Deposits	1,462,873.53	132,820.09	255,548.29	126,012.48	96,339.62	-	2,073,594.01
Interbank and money market items	151,649.33	12,041.79	8,359.92	38,600.44	8,415.27	-	219,066.75
Debt issued and borrowings	0.70	-	16,335.70	50,935.03	-	-	67,271.43
Total financial liabilities	1,614,523.56	144,861.88	280,243.91	215,547.95	104,754.89	-	2,359,932.19

(Million Baht)

December 31, 2016							
	Call to 1 month	1-3 Months	3-12 Months	Over 1 year	Non-interest Bearing	NPLs	Total
Financial assets							
Interbank and money market items	381,469.53	16,399.42	5,895.40	0.77	29,039.39	-	432,804.51
Investments*	728.69	12,369.71	28,540.11	154,407.53	19,397.74	-	215,443.78
Loans to customers	1,406,749.48	174,714.37	122,088.65	45,912.51	992.25	86,785.96	1,837,243.22
Total financial assets	1,788,947.70	203,483.50	156,524.16	200,320.81	49,429.38	86,785.96	2,485,491.51
Financial liabilities							
Deposits	1,308,356.19	191,314.47	241,422.93	141,076.31	92,987.77	-	1,975,157.67
Interbank and money market items	114,295.70	28,628.75	15,731.38	38,620.07	4,440.10	-	201,716.00
Debt issued and borrowings	0.70	5,155.00	15,133.32	50,973.84	-	-	71,262.86
Total financial liabilities	1,422,652.59	225,098.22	272,287.63	230,670.22	97,427.87	-	2,248,136.53

* Included investments in subsidiaries and associates. (excluded trading securities, allowance for revaluation and impairment)

Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that foreign exchange rate volatility giving adverse impact on income or capital due to having foreign currency transactions or having assets or liabilities in foreign currency, when converting all items on the Bank's financial statements to local currency, the book values decrease including decline of income or loss incurred from foreign exchange trading.

Equity Securities Price Risk

Equity securities price risk is the risk that income or capital is negatively affected by changes in equity securities prices. However, the Bank focuses on investing in potential securities which have growth performance and have opportunities to generate bank's return.

Commodity Price Risk

This is the risk that income or capital is adversely affected by changes in commodity price. The Bank conducts commodity derivative transactions to accommodate customer hedging of risk. The Bank eliminates those risk exposures by doing back-to-back transactions.

The Bank's Market Risk Management Structure and Supervision

The Bank has designated the Board of Directors and Risk Management Committee to formulate policy and market risk limit as follows:

Board of Directors

Board of Directors are responsible for the approval of market risk management policy and the limitation acceptance or threshold of Bank in order to control risk exposure that affects to the market risk and decentralized to relevant committees or responsible departments to supervise as appropriate.

Risk Management Committee - RMC

RMC is responsible for the determination of risk management policy to the Board of Directors, controlling, monitoring, assessing the result of risk management and supervising that the risk management policy and guidelines set by the Bank and the regulators have been implemented and observed.

The Bank has designated the Market Risk Management Department, an independent business unit from front office, to supervision risk in order to create transparency and efficiency. Moreover, it conforms to the BoT's market risk supervision regulations and the Bank's market risk management policy. Besides, the Market Risk Management Department is responsible to follow up and supervise market risk not exceeding the limit specified by the Bank. Then, it reports to top-level executives and RMC.

The Bank has set the risk management policy to be in line with the Bank's strategy and the BoT's market risk supervision regulations.

For transactions in trading accounts, the Bank set the maximum acceptable risk limit such as investment value/position, maximum loss, including statistic risk measurement namely Value at Risk (VaR) and Sensitivity for the trading book portfolio. The Bank also regularly assesses market value and conducts stress testing for both trading book portfolio and banking book portfolio. Besides, the Bank prepares Product Programme while enhancing applications and tools used in risk assessment and control for higher efficiency capable of accommodate more complex transactions.

The Bank regularly monitors the interest rate risk in the Banking book portfolio by simulating the net interest income change and economic value change. The Bank also regularly conduct stress testing and closely monitor whenever there are some changes in the interest rate market movement that affects of the Bank significantly.

Market Risk Management Structure and Supervision of the Financial Business Group

The Bank has supervision of risk management of the financial business group and prescribes policy of risk management of the financial business group. The policy was approved by the Board of Directors determining the subsidiaries within the financial business group to complete all aspects of risk management in accordance with the Company's significant risks and risk management policy which defines the organization chart that support the efficiency of risk management, including the determining of clearly authorization. The policy also determines the subsidiaries to complete and efficiently follow the monitoring process and internal control system by identifying, measuring, monitoring and controlling risk under the guideline prescribed in the risk management policy of the financial business group. Moreover, the subsidiaries are required to prepare their market risk management report and relating information for submission to the Bank in order that the Bank can monitor market risk and risk level of companies in the financial business group and assess effect to the Bank's capital.

The Bank's financial business group has decentralized risk management that means companies within the financial business group manage their own risk and the Bank will consider and comment the companies' key market risk indicators as appropriate.

Liquidity Risk

Liquidity risk is the risk that the Bank fails to repay liabilities or contingencies on due date because of inability to liquidate assets into cash or having insufficient funds or acquiring funds at a higher unacceptable cost thus affecting income and capital funds at present and in the future.

The Bank's Liquidity Risk Management Structure and Supervision

The Bank has designated the Board of Directors, Risk Management Committee, Assets and Liabilities Management Committee to prescribe policy and strategy of liquidity risk management as follows:

Board of Directors

Board of Directors is responsible for the approval of liquidity risk management policy and liquidity emergency plan and to approve the Bank's acceptable limit or trigger of liquidity risk.

Risk Management Committee - RMC

RMC is responsible for the determination of risk management policy to the Board of Directors, controlling, monitoring, assessing the result of risk management and supervising that the risk management policy and guidelines set by the Bank and the regulators have been implemented. RMC also submitted the operational report to the Audit Committee for acknowledgement and/or for considering on monthly basis and report to the Board of Directors for acknowledgement and/or for considering on quarterly basis.

Assets and Liabilities Management Committee - ALCO

ALCO is responsible for the determination of strategy to manage the Bank's assets, liabilities, and capital to be appropriate. ALCO monitors various external factors affecting the Bank's liquidity, specifies strategy to manage liquidity and interest rate risk and submits ALCO report to the Board of Executive Directors for acknowledgement and/or for considering.

Liquidity Risk Management Structure and Supervision of the Financial Business Group

The Bank has supervision of risk management of the financial business group and prescribes policy of risk management of the financial business group. The policy was approved by the Board of Directors determining the subsidiaries within the financial business group to complete all aspects of risk management in accordance with risk management policy which defines the organization chart that supports the efficiency of risk management, including the determining of clearly authorization. The policy also determines the subsidiaries to complete and efficiently follow the monitoring process and internal control system by identifying, measuring, monitoring and controlling risk under the guideline prescribed in the risk management policy of the financial business group. Moreover, the group is required to prepare liquidity position report and relating information for submission to the Bank in order that the Bank can monitor liquidity position and risk level of companies in the financial business group and assess effect to the Bank's liquidity.

The Bank's financial business group has decentralized risk management that means companies within the financial business group manage their own risk and the Bank will consider supporting their liquidity as appropriate.

Structure of Sources and Uses of Funds

Liquidity risk is the significant risk of commercial banks. The Bank's liquidity risk factors are the structure of sources and uses of funds. The Bank's sources of funds are from short-term deposits mostly less than one year including saving deposits, while uses of funds for lending have maturity date longer than the deposits. Therefore, the Bank's liquidity risk stems from asset to cash turning period not matching with liability's maturity date. Besides, cost of fund that higher than acceptable limit could affect to the Bank's income and capital at present and in the future.

Thus, liquidity risk management process of the Bank is liquidity trend analysis by estimating the Bank's liquidity status and Net high-quality liquid assets to net liquidity gap ratio in order to evaluate the sufficiency of liquidity assets that supported short-term capital demand. The Bank also assigns the trigger to control liquidity risk and consistency report risk to the Risk Management Committee, the executive officers, and related parties.

Liquidity Risk Management Tools

Liquidity risk management tools are presented in several reports related to the Bank's liquidity to top-level executives and relating departments in order to efficiently apply to use of liquidity risk management.

- The Bank prepares liquidity risk report to determine liquidity risk on a daily and monthly basis by comparing with the approved risk limit/indicators to manage and control the risk level to the prescribed limit.
- Net liquidity position report is prepared on a daily basis in the first 14 calendar days to present daily details by showing estimated cash inflow and outflow information adjusted according to customer behavior, preceding cash flow model together with future trend considerations adhere to realistic and conservative principles.
- Liquidity gap report presents estimates of future cash flows determined in accordance with the customer behavior assumptions in normal situation.

- Daily financial position report presents the Bank's liquid assets in terms of balance amount of daily average deposits with the BoT. The BoT's regulation requires maintaining sum of the average daily deposit balance and the average daily cash balance at the cash inventory management center not less than 1 percent of total customers' deposit and other specified borrowings. Moreover, the report demonstrates high quality liquid assets in each asset category reserved as an operating liquidity for the Bank's normal operations.

- Liquidity coverage ratio (LCR) Report is reported to the Risk Management Committee and the Assets and Liabilities Management Committee on a monthly basis in accordance with BoT's regulations. LCR is the liquidity risk measurement standard that aims to ensure that a bank has an adequate stock of unencumbered high quality liquid assets (HQLA) which consists of cash or assets that can be converted into cash at little or no loss of value in private markets to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

- Simulation liquidity risk stress testing report is submitted to the Risk Management Committee on a quarterly basis.

Liquidity Risk Stress Testing

The Bank sets quarterly liquidity risk stress testing in conformity with the Bank's stress testing policy by using the 3 situations which are (1) Institution-specific crisis (2) Market-wide crisis and (3) Combination of both. Each situation is based on assumptions such as withdrawing customers' deposit in different proportion, declining in the market liquidity of assets, decreasing in ability to reach large-sized sources of funds. The Bank also prepares contingency plan to support crisis by considering to stress test result of each model situation. The contingency plan is set warning triggers of liquidity crisis in order that the Bank can reduce negative impact from liquidity problems that may occur with reasonable expenses/costs.

Liquidity Assets Ratio

As at December 31, 2017, and 2016, the Bank has deposits at the BOT and cash at Cash Center Bank of Baht 19,507.24 million and Baht 29,235.90 million which the Bank has average fortnightly liquid assets not less than 1 percent of deposits and borrowings as prescribed by the BoT.

Sources and Uses of Funds

Sources and uses of funds As at December 31, 2017, the Bank and its subsidiaries' major sources of funds were deposits accounting for 72.56 percent of total funds. Other significant sources of funds included net interbank and money market items (liabilities) of 8.01 percent, debt issued and borrowings of 3.88 percent, and equity of 10.31 percent.

The Bank and its subsidiaries' uses of funds were loans to customers 67.90 percent of total uses of funds. Other significant uses of funds included net interbank and money market items (assets) of 19.26 percent and net investments of 8.00 percent.

	December 31, 2017	December 31, 2016
Sources of Funds		
Deposits	72.56%	73.33%
Interbank and money market items, net	8.01%	7.85%
Debt issued and borrowings	3.88%	4.19%
Equity	10.31%	10.39%
Uses of Funds		
Loans to customers	67.90%	70.79%
Interbank and money market items, net	19.26%	16.05%
Investments, net	8.00%	9.02%

Loans to Deposits Ratio

On the consolidated financial statements as at December 31, 2017, the Bank has loans to deposits ratio of 93.59 percent which has decreased from 96.54 percent as at December 31, 2016.

Loan to deposits ratio on the Bank's financial statements as at December 31, 2017 is 89.96 percent which has decreased from 93.01 percent as at December 31, 2016. As a result of loan increased 1.54 percent and the reduction of deposits increased 4.98 percent from the end of the year 2016.

	December 31, 2017	December 31, 2016
Loans to deposits ratio (Consolidated financial statements)	93.59%	96.54%
Loans to deposits ratio (The Bank's financial statements)	89.96%	93.01%

As at December 31, 2017 and December 31, 2016, the Bank's financial assets and liabilities are classified by remaining maturity as follows:

(Million Baht)

December 31, 2017						
	Less than 1 Month	1-3 Months	Over 3 Months upto 1 Year	Over 1 Year	No Maturity	Total
Financial Assets						
Interbank and money market items, net	436,285.59	32,790.72	65,811.50	14,292.22	-	549,180.03
Investments, net*	39,337.15	9,754.27	10,907.06	149,313.41	10,697.95	220,009.84
Loans to customers	110,911.92	101,363.25	408,884.17	1,244,324.08	-	1,865,483.42
Total financial assets	586,534.66	143,908.24	485,602.73	1,407,929.71	10,697.95	2,634,673.29
Financial Liabilities						
Deposits	1,557,499.12	134,289.86	252,969.41	128,835.62	-	2,073,594.01
Interbank and money market items, net	163,604.12	8,558.36	8,303.53	38,600.74	-	219,066.75
Debt issued and borrowings	0.70	-	16,335.70	50,935.03	-	67,271.43
Total financial liabilities	1,721,103.94	142,848.22	277,608.64	218,371.39	-	2,359,932.19

(Million Baht)

December 31, 2016						
	Less than 1 Month	1-3 Months	Over 3 Months upto 1 Year	Over 1 Year	No Maturity	Total
Financial Assets						
Interbank and money market items, net	275,764.56	31,422.10	101,101.20	23,062.35	-	431,350.21
Investments, net*	-	-	58,816.44	167,853.60	10,687.70	237,357.74
Loans to customers	108,331.06	107,014.75	406,560.75	1,215,336.66	-	1,837,243.22
Total financial assets	384,095.62	138,436.85	566,478.39	1,406,252.61	10,687.70	2,505,951.17
Financial Liabilities						
Deposits	1,400,390.45	191,792.42	238,958.82	144,015.98	-	1,975,157.67
Interbank and money market items, net	118,730.17	26,837.34	17,528.31	38,620.18	-	201,716.00
Debt issued and borrowings	0.70	5,155.00	15,133.32	50,973.84	-	71,262.86
Total financial liabilities	1,519,121.32	223,784.76	271,620.45	233,610.00	-	2,248,136.53

* Included investments in subsidiaries and associates.

4.2 Fair Value of Financial Instruments

(Million Baht)

Consolidated Financial Statements				
December 31, 2017		December 31, 2016		
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Cash	73,572.87	73,572.87	72,106.42	72,106.42
Interbank and money market items, net	549,669.53	549,669.53	431,638.41	431,638.41
Derivative assets	33,833.40	33,833.40	30,063.05	30,063.05
Investments, net*	228,239.76	228,240.26	242,522.91	243,136.08
Loans to customers and accrued interest receivables, net	1,817,912.27	1,817,912.27	1,798,578.14	1,798,578.14
Total financial assets	2,703,227.83	2,703,228.33	2,574,908.93	2,575,522.10
Financial Liabilities				
Deposits	2,070,874.68	2,070,874.68	1,972,403.53	1,972,403.53
Interbank and money market items, net	228,691.40	223,399.10	211,171.31	206,139.44
Liabilities payable on demand	5,291.69	5,291.69	5,082.47	5,082.47
Derivative liabilities	30,284.42	30,284.42	31,516.69	31,516.69
Debt issued and borrowings	110,626.43	111,455.31	112,685.86	113,974.42
Total financial liabilities	2,445,768.62	2,441,305.20	2,332,859.86	2,329,116.55

* Included investments in subsidiaries and associates.

(Million Baht)

The Bank's Financial Statements				
	December 31, 2017		December 31, 2016	
	Book Value	Fair Value	Book Value	Fair Value
Financial Assets				
Cash	73,334.74	73,334.74	71,929.87	71,929.87
Interbank and money market items, net	549,180.03	549,180.03	431,350.21	431,350.21
Derivative assets	33,842.51	33,842.51	30,084.83	30,084.83
Investments, net*	220,009.84	254,948.87	237,357.74	263,697.95
Loans to customers and accrued interest receivables, net	1,753,343.80	1,753,343.80	1,738,973.35	1,738,973.35
Total financial assets	2,629,710.92	2,664,649.95	2,509,696.00	2,536,036.21
Financial Liabilities				
Deposits	2,073,594.01	2,073,594.01	1,975,157.67	1,975,157.67
Interbank and money market items, net	219,066.75	213,774.45	201,716.00	196,684.13
Liabilities payable on demand	5,291.69	5,291.69	5,082.47	5,082.47
Derivative liabilities	30,284.42	30,284.42	31,516.69	31,516.69
Debt issued and borrowings	67,271.43	68,100.31	71,262.86	72,551.42
Total financial liabilities	2,395,508.30	2,391,044.88	2,284,735.69	2,280,992.38

* Included investments in subsidiaries and associates.

4.3 Statutory Capital Fund

As at December 31, 2017 and 2016 the Bank calculated capital fund based on Basel III framework of the BoT. Since 2016, BoT required commercial banks registered in Thailand to maintain a capital conservation buffer in addition the tier 1 capital fund ratios until completion of the increment to more than 2.5 percent of total risk weighted assets. It could be gradually increase and maintain the conservation buffer more than 0.625 percent per annum, beginning on January 1, 2016 onward until reaching full amounts on January 1, 2019.

Capital Fund Ratios to Risk Weighted Assets

	2017	2016
	More than %	More than %
Tier 1 capital fund ratios - equity	5.75	5.125
Tier 1 capital fund ratios	7.25	6.625
Total capital fund ratios	9.75	9.125

The Bank also maintained capital fund and capital fund ratios to risk weighted assets in accordance with the BoT's regulations as follows:

(Million Baht)

Tier 1 capital fund - equity

Paid-up share capital	72,005.04
Premium on share capital	20,833.74
Legal reserve	7,200.50
Net income after appropriation	156,895.32
Other components of equity	20,937.26
Deduction items from Tier 1 capital fund - equity	(10,415.48)

Tier 1 capital fund - financial instruments

Total tier 1 capital fund

Tier 2 capital fund

Long-term subordinated debt	51,810.16
Allowance for assets classified as pass	22,331.26
Total tier 2 capital fund	74,141.42

Total capital fund

Financial Business Group	
December 31, 2017	December 31, 2016
Paid-up share capital	72,005.04
Premium on share capital	20,833.74
Legal reserve	7,200.50
Net income after appropriation	140,137.84
Other components of equity	17,049.51
Deduction items from Tier 1 capital fund - equity	(8,938.83)
	1,149.97
Total tier 1 capital fund	249,324.28
Long-term subordinated debt	52,098.48
Allowance for assets classified as pass	21,783.56
Total tier 2 capital fund	73,882.04
Total capital fund	323,206.32

(Million Baht)

Tier 1 capital fund - equity

Paid-up share capital	72,005.04
Premium on share capital	20,833.74
Legal reserve	7,200.50
Net income after appropriation	147,414.43
Other components of equity	14,860.62
Deduction items from Tier 1 capital fund - equity	(5,886.76)
Total tier 1 capital fund	256,427.57

Tier 2 capital fund

Long-term subordinated debt	51,810.16
Allowance for assets classified as pass	21,072.95
Total tier 2 capital fund	72,883.11

Total capital fund

The Bank's Financial Statements	
December 31, 2017	December 31, 2016
Paid-up share capital	72,005.04
Premium on share capital	20,833.74
Legal reserve	7,200.50
Net income after appropriation	134,179.80
Other components of equity	14,019.78
Deduction items from Tier 1 capital fund - equity	(4,984.63)
Total tier 1 capital fund	243,254.23
Long-term subordinated debt	52,098.48
Allowance for assets classified as pass	20,995.59
Total tier 2 capital fund	73,094.07
Total capital fund	316,348.30

	Capital Fund Ratios to Risk Weighted Assets			
	Financial Business Group		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Tier 1 capital fund ratios - equity	13.42	12.75	13.59	12.96
Tier 1 capital fund ratios	13.48	12.81	13.59	12.96
Total capital fund ratios	17.20	16.60	17.45	16.85

The Bank discloses information about capital maintenance of the Bank and financial business group under the BoT's notifications on disclosure of capital maintenance for commercial banks and disclosure of capital maintenance for financial business group.

Channel of disclosure	www.ktb.co.th >Investor Relations>Financial Information>Pillar III Disclosures
Date of disclosure	Within April 30, 2018
Information as at	December 31, 2017

5. ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with the Thai financial reporting standards requires managements to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from such estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected. Information about significant areas at estimation uncertainty and assumptions in applying accounting policies has significant effects on the amount recognized in the financial statements.

6. RETROSPECTIVE RESTATEMENT AND RECLASSIFICATION

6.1 Retrospective Restatement

TAS 28 regarding the Investments in Associates and Joint Venture also defines an associate by reference to the concept of "significant influence". The Bank has considered that the Bank has a "significant influence" on National ITMX Co., Ltd., as defines in TAS 28. The Bank presents the investment in ITMX Co., Ltd. as an associate company. By retrospective restatement that affects the financial statement as at December 31, 2016, January 1, 2016, and for the year ended December 31, 2016 as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2016	January 1, 2016	December 31, 2016	January 1, 2016
	Increase (Decrease)		Increase (Decrease)	
Statements of Financial Position				
Assets				
Investment, net	(23.11)	(23.11)	(23.11)	(23.11)
Investment in subsidiaries and associates, net	280.80	260.18	23.11	23.11
Liabilities and Equity				
Equity				
Unappropriated	257.69	237.07	-	-

(Million Baht)

Consolidated Financial Statements	
The Year Ended December 31, 2016	
Increase (Decrease)	
Statements of Profit or Loss and Other Comprehensive Income	
Share of profit from investments for using equity method	20.63
Net profit	20.63
Total comprehensive income	20.63
Net profit attributable	
Equity holders of bank	20.63
Total comprehensive income attributable	
Equity holders of bank	20.63

6.2 Reclassification

The Bank reclassified items in the statements of financial position as at December 31, 2016 and January 1, 2016 in order to be consistent and comparable with the statements of financial position as at the year ended December 30, 2017. This reclassification is ineffective to net profit and Equity holders of the Bank as follows.

(Million Baht)

	Consolidated Financial Statements			The Bank's Financial Statements		
	Before reclassification	Reclassification	After reclassification	Before reclassification	Reclassification	After reclassification
Statements of Financial Position						
As at December 31, 2016						
Liabilities and Equity						
Interbank and Money Market Items, Net	203,166.31	8,005.00	211,171.31	193,711.00	8,005.00	201,716.00
Debt Issued and Borrowing	120,690.86	(8,005.00)	112,685.86	79,267.86	(8,005.00)	71,262.86
As at January 1, 2016						
Liabilities and Equity						
Interbank and Money Market Items, Net	194,242.84	6,655.00	200,897.84	177,701.20	6,655.00	184,356.20
Debt Issued and Borrowing	116,240.46	(6,655.00)	109,585.46	86,937.98	(6,655.00)	80,282.98

7. SUPPLEMENTARY INFORMATION

7.1 Supplementary Information of Cash Flows

Significant non-cash items for the years ended December 31, 2017 and 2016 are as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Increase in revaluation surplus on available-for-sale investments net income tax expenses*	1,104.30	5,379.51	1,104.30	5,379.51
Increase in properties for sale from loan payment	4,426.16	12,179.94	4,426.16	12,179.94

*Included Gains (Losses) from reclassification of investments

7.2 Interbank and Money Market Items, Net (Assets)

(Million Baht)

Consolidated Financial Statements						
December 31, 2017			December 31, 2016			
	Demand	Time	Total	Demand	Time	Total
7.2.1 Domestic Items						
Bank of Thailand and Financial Institutions Development Fund	15,428.20	392,249.35	407,677.55	21,401.88	171,800.40	193,202.28
Commercial banks	493.02	3,197.44	3,690.46	297.79	34,841.55	35,139.34
Special purpose financial institutions	19.94	4,649.23	4,669.17	21.34	32,017.82	32,039.16
Other financial institutions	30.54	105,798.38	105,828.92	92.54	130,922.44	131,014.98
Total	15,971.70	505,894.40	521,866.10	21,813.55	369,582.21	391,395.76
<u>Add</u> Accrued interest receivables	-	292.55	292.55	-	281.06	281.06
<u>Less</u> Deferred Revenue	-	(5.89)	(5.89)	-	-	-
Allowance for doubtful accounts	(0.67)	(4,108.49)	(4,109.16)	(1.00)	(1,756.18)	(1,757.18)
Total domestic items	15,971.03	502,072.57	518,043.60	21,812.55	368,107.09	389,919.64
7.2.2 Foreign Items						
US Dollar	11,390.45	15,272.45	26,662.90	9,929.93	24,715.74	34,645.67
Japanese Yen	219.79	-	219.79	3,032.45	-	3,032.45
Euro	688.82	-	688.82	263.14	-	263.14
Other currencies	1,768.26	2,246.60	4,014.86	1,670.22	2,085.46	3,755.68
Total	14,067.32	17,519.05	31,586.37	14,895.74	26,801.20	41,696.94
<u>Add</u> Accrued interest receivables	0.31	179.68	179.99	0.23	250.94	251.17
<u>Less</u> Deferred revenue	-	(1.15)	(1.15)	-	(1.33)	(1.33)
Allowance for doubtful accounts	-	(139.28)	(139.28)	-	(228.01)	(228.01)
Total foreign items	14,067.63	17,558.30	31,625.93	14,895.97	26,822.80	41,718.77
Total domestic and foreign items	30,038.66	519,630.87	549,669.53	36,708.52	394,929.89	431,638.41

(Million Baht)

The Bank's Financial Statements						
December 31, 2017			December 31, 2016			
	Demand	Time	Total	Demand	Time	Total
7.2.1 Domestic Items						
Bank of Thailand and Financial Institutions Development Fund	15,428.20	392,249.35	407,677.55	21,401.88	171,800.40	193,202.28
Commercial banks	23.46	3,197.44	3,220.90	30.93	34,841.55	34,872.48
Special purpose financial institutions	-	4,649.23	4,649.23	-	32,017.82	32,017.82
Other financial institutions	30.54	105,798.38	105,828.92	92.54	130,922.44	131,014.98
Total	15,482.20	505,894.40	521,376.60	21,525.35	369,582.21	391,107.56
<u>Add</u> Accrued interest receivables	-	292.55	292.55	-	281.06	281.06
<u>Less</u> Deferred Revenue	-	(5.89)	(5.89)	-	-	-
Allowance for doubtful accounts	(0.67)	(4,108.49)	(4,109.16)	(1.00)	(1,756.18)	(1,757.18)
Total domestic items	15,481.53	502,072.57	517,554.10	21,524.35	368,107.09	389,631.44
7.2.2 Foreign Items						
US Dollar	11,390.45	15,272.45	26,662.90	9,929.93	24,715.74	34,645.67
Japanese Yen	219.79	-	219.79	3,032.45	-	3,032.45
Euro	688.82	-	688.82	263.14	-	263.14
Other currencies	1,768.26	2,246.60	4,014.86	1,670.22	2,085.46	3,755.68
Total	14,067.32	17,519.05	31,586.37	14,895.74	26,801.20	41,696.94
<u>Add</u> Accrued interest receivables	0.31	179.68	179.99	0.23	250.94	251.17
<u>Less</u> Deferred revenue	-	(1.15)	(1.15)	-	(1.33)	(1.33)
Allowance for doubtful accounts	-	(139.28)	(139.28)	-	(228.01)	(228.01)
Total foreign items	14,067.63	17,558.30	31,625.93	14,895.97	26,822.80	41,718.77
Total domestic and foreign items	29,549.16	519,630.87	549,180.03	36,420.32	394,929.89	431,350.21

7.3 Derivatives Held for Trading

The Fair Values and the Notional Amounts Classified by Type of Risk

(Million Baht)

Type of Risk	Consolidated Financial Statements					
	December 31, 2017			December 31, 2016		
	Fair Value		Notional Amounts	Fair Value		Notional Amounts
	Assets	Liabilities		Assets	Liabilities	
Exchange rate	24,337.94	20,486.77	1,778,097.10	22,954.07	24,803.64	1,638,535.02
Interest rate	4,913.34	4,736.26	1,162,066.51	4,088.77	3,676.02	945,244.59
Others	4,582.12	5,061.39	88,843.22	3,020.21	3,037.03	81,077.83
Total	33,833.40	30,284.42	3,029,006.83	30,063.05	31,516.69	2,664,857.44

(Million Baht)

Type of Risk	The Bank's Financial Statements					
	December 31, 2017			December 31, 2016		
	Fair Value		Notional Amounts	Fair Value		Notional Amounts
	Assets	Liabilities		Assets	Liabilities	
Exchange rate	24,337.94	20,486.77	1,778,097.10	22,954.06	24,803.64	1,638,535.02
Interest rate	4,922.45	4,736.26	1,162,958.94	4,110.56	3,676.02	947,082.35
Others	4,582.12	5,061.39	88,843.22	3,020.21	3,037.03	81,077.83
Total	33,842.51	30,284.42	3,029,899.26	30,084.83	31,516.69	2,666,695.20

The Proportion of Derivative Transactions Classified by Type of Counterparty based on the Notional Amounts

Counterparty	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	Proportion	Proportion	Proportion	Proportion
Financial institutions	76.16%	79.65%	76.14%	79.60%
Financial business group	0.32%	0.12%	0.35%	0.19%
Third parties	23.52%	20.23%	23.51%	20.21%
Total	100.00%	100.00%	100.00%	100.00%

7.4 Investments, Net

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	Fair Value	Fair Value	Fair Value	Fair Value
7.4.1 Trading Securities				
Government & state enterprise securities	8,315.31	15,210.53	8,315.31	15,210.53
Private enterprise debt securities	168.60	1,892.59	171.61	1,912.12
Total	8,483.91	17,103.12	8,486.92	17,122.65
7.4.2 Available-for-Sale Securities				
Government & state enterprise securities	111,990.81	69,006.84	111,990.81	69,006.84
Private enterprise debt securities	6,386.60	3,792.08	6,383.60	3,792.08
Foreign debt securities	27,295.31	20,296.92	27,295.31	20,296.92
Domestic marketable equity securities	12,348.33	12,582.23	12,348.33	12,582.23
Foreign marketable equity securities	478.68	562.79	478.68	562.79
Total	158,496.73	106,240.86	158,496.73	106,240.86
	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost
7.4.3 Held-to-Maturity Debt Securities				
Government & state enterprise securities	35,510.74	86,837.65	35,305.14	86,556.74
Private enterprise debt securities	295.96	2,692.12	295.96	2,692.12
Foreign debt securities	6,066.15	13,261.61	6,066.15	13,261.61
Total	41,872.85	102,791.38	41,667.25	102,510.47
<u>Less</u> Allowance for impairment	(35.71)	(35.87)	(35.71)	(35.87)
Total	41,837.14	102,755.51	41,631.54	102,474.60
7.4.4 General Investments				
Domestic non-marketable equity securities	1,862.19	1,943.22	1,862.14	1,943.17
Foreign non-marketable equity securities	3.97	70.73	3.97	70.73
Others	0.82	0.90	0.82	0.90
Total	1,866.98	2,014.85	1,866.93	2,014.80
<u>Less</u> Allowance for impairment	(1,170.23)	(1,182.88)	(1,170.23)	(1,182.88)
Total	696.75	831.97	696.70	831.92
Total investments, net	209,514.53	226,931.46	209,311.89	226,670.03

As at December 31, 2017 and 2016, general investments which are domestic non-marketable equity securities of Baht 1,862.14 million and Baht 1,943.17 million respectively, included investments in the Islamic Bank of Thailand of Baht 1,048.15 million which the Bank reserved the full amount of allowance for impairment and included investment for government policy support by investing in Private Equity Trust for SME Growing Together of Baht 34.79 million.

7.4.5 As at December 31, 2017 and 2016 Unrealized gains or losses arising from the revaluation of available-for-sale securities are as follows:

(Million Baht)

	Consolidated and The Bank's Financial Statements							
	December 31, 2017				December 31, 2016			
	Cost ¹	Unrealized Gain ²	Unrealized Loss ²	Fair Value	Cost ¹	Unrealized Gain ²	Unrealized Loss ²	Fair Value
Available-for-Sale Securities	150,307.36	9,253.48	(1,064.11)	158,496.73	99,431.86	7,811.97	(1,002.97)	106,240.86

¹ Net of allowance for impairment

² Included Gains (Losses) from reclassification of investments

7.4.6 As at December 31, 2017 and 2016 the Bank had investments in foreign securities affected by foreign exchange rate, resulting in a decrease of the carrying amount of Baht 965.77 million and Baht 86.94 million, respectively.

7.4.7 In addition, the Bank has acquired the investments in other securities, whereby the Bank holds for equal to or over 10 percent of the paid-up capital, classified into industrial sector and stated at their fair value as follows:

(Million Baht)

	Consolidated and The Bank's Financial Statements	
	December 31, 2017	December 31, 2016
Manufacturing	-	1.00
Public utilities and services	1,474.17	1,737.48
Total	1,474.17	1,738.48

7.4.8 As at December 31, 2017, the Bank has investments in 2 listed companies in which their financial position and performance fall under SET's delisted criteria, cost of Baht 0.10 million which are reserved full amount of allowance for impairment.

7.5 Investments in Subsidiaries and Associates, Net

7.5.1 The Bank's Financial Statements

(Million Baht)

Name of Company	Type of Business	Type of Shares	December 31, 2017		
			Percentages of Shareholdings	Investments (Cost Method)	Dividend
Subsidiaries					
KTB Law Co., Ltd.	Legal Services	Ordinary	100.00	30.00	19.00
KTB General Services and Security Co., Ltd.	General Services	Ordinary	100.00	140.00	203.00
Krung Thai Asset Management Pcl.	Securities Business	Ordinary	100.00	210.90	232.00
KTB Computer Services Co., Ltd.	IT Services	Ordinary	100.00	1,300.00	27.30
KTB Leasing Co., Ltd.*	Hire Purchase	Ordinary	100.00	1,000.00	-
KTB Advisory Co., Ltd.	Financial Counseling & Advisory Services	Ordinary	100.00	40.00	-
Krungthai Card Pcl.***	Credit Card Business	Ordinary	49.45	1,994.60	510.00
Total				4,715.50	991.30
Less Allowance for impairment****				(802.46)	-
Total				3,913.04	991.30
Associates					
Krungthai-AXA Life Insurance Pcl.	Life Insurance	Ordinary	50.00	4,071.77	1,825.00
Krungthai Panich Insurance Pcl.	Non-Life Insurance	Ordinary	45.00	1,518.82	158.40
Krung Thai IBJ Leasing Co., Ltd.	Hire Purchase	Ordinary	49.00	87.38	39.05
KT Zmico Securities Co., Ltd.	Securities Business	Ordinary	50.00	1,068.89	-
National ITMX Co., Ltd.	Service	Ordinary	21.13	38.05	6.19
Total				6,784.91	2,028.64
Investments in subsidiaries and associates, net				10,697.95	3,019.94

* Under consideration of business restructuring plan.

** Registered as the business dissolution on December 18, 2014 and completed registration of liquidation on September 13, 2017.

*** The Bank has entity control.

**** Allowance for impairment in subsidiaries occurs from cost higher than book value.

(Million Baht)

Name of Company	Type of Business	Type of Shares	December 31, 2016		
			Percentages of Shareholdings	Investments (Cost Method)	Dividend
Subsidiaries					
KTB Law Co., Ltd.	Legal Services	Ordinary	100.00	30.00	15.00
KTB General Services and Security Co., Ltd.	General Services	Ordinary	100.00	140.00	205.80
Krung Thai Asset Management Pcl.	Securities Business	Ordinary	100.00	210.90	205.00
KTB Computer Services Co., Ltd.	IT Services	Ordinary	100.00	1,300.00	13.00
KTB Leasing Co., Ltd.*	Hire Purchase	Ordinary	100.00	1,000.00	-
KTB Capital Holding Co., Ltd.**	Holding	Ordinary	100.00	1.00	-
KTB Advisory Co., Ltd.	Financial Counseling & Advisory Services	Ordinary	100.00	40.00	20.00
Krungthai Card Pcl.***	Credit Card Business	Ordinary	49.45	1,994.60	414.38
Total				4,716.50	873.18
Less Allowance for impairment****				(798.77)	
Total				3,917.73	873.18
Associates					
Krungthai-AXA Life Insurance Pcl.	Life Insurance	Ordinary	50.00	4,071.77	1,875.00
Krungthai Panich Insurance Pcl.	Non-Life Insurance	Ordinary	45.00	1,518.82	158.40
Krung Thai IBJ Leasing Co., Ltd.	Hire Purchase	Ordinary	49.00	87.38	34.20
KT Zmico Securities Co., Ltd.	Securities Business	Ordinary	50.00	1,068.89	138.63
National ITMX Co., Ltd.	Service	Ordinary	20.06	23.11	-
Total				6,769.97	2,206.23
Investments in subsidiaries and associates, net				10,687.70	3,079.41

* Under consideration of business restructuring plan.

** Registered as the business dissolution on December 18, 2014 and completed registration of liquidation on September 13, 2017.

*** The Bank has entity control.

**** Allowance for impairment in subsidiaries occurs from cost higher than book value.

7.5.2 The Consolidated Financial Statements

(Million Baht)

Name of Company	Type of Business	Type of Shares	December 31, 2017		
			Percentages of Shareholdings	Investments (Cost Method)	Investments (Equity Method)
Associates					
Krungthai-AXA Life Insurance Pcl.	Life Insurance	Ordinary	50.00	593.57	13,906.41
Krungthai Panich Insurance Pcl.	Non-Life Insurance	Ordinary	45.00	971.30	2,674.67
Krung Thai IBJ Leasing Co., Ltd.	Hire Purchase	Ordinary	49.00	87.38	617.15
KT Zmico Securities Co., Ltd.	Securities Business	Ordinary	50.00	1,068.89	1,220.55
National ITMX Co., Ltd.	Service	Ordinary	21.13	38.05	306.44
Total investments in associates, net				2,759.19	18,725.22

(Million Baht)

Name of Company	Type of Business	Type of Shares	December 31, 2016		
			Percentages of Shareholdings	Investments (Cost Method)	Investments (Equity Method)
Associates					
Krungthai-AXA Life Insurance Pcl.	Life Insurance	Ordinary	50.00	593.57	10,893.64
Krungthai Panich Insurance Pcl.	Non-Life Insurance	Ordinary	45.00	971.30	2,614.41
Krung Thai IBJ Leasing Co., Ltd.	Hire Purchase	Ordinary	49.00	87.38	577.29
KT Zmico Securities Co., Ltd.	Securities Business	Ordinary	50.00	1,068.89	1,225.31
National ITMX Co., Ltd.	Service	Ordinary	20.06	23.11	280.80
Total investments in associates, net				2,744.25	15,591.45

Investments in associates are accounted in the consolidated financial statements using the equity method based on financial information from unaudited/unreviewed financial statements of the associates.

7.5.3 Financial Positions and Operations of Associates

(Million Baht)

Name of Company	Consolidated Financial Statements					
	December 31, 2017			December 31, 2016		
	"Unaudited"			"Audited"		
	Total Assets	Total Liabilities	Shareholders' Equity	Total Assets	Total Liabilities	Shareholders' Equity
Krungthai-AXA Life Insurance Pcl.	244,733.14	216,920.32	27,812.82	201,598.62	179,811.33	21,787.29
Krungthai Panich Insurance Pcl.	9,182.15	3,238.44	5,943.71	8,961.00	3,243.16	5,717.84
Krung Thai IBJ Leasing Co., Ltd.	9,760.35	8,500.86	1,259.49	9,008.12	7,836.85	1,171.27
KT Zmico Securities Co., Ltd.	8,908.78	6,467.68	2,441.10	10,707.75	8,272.51	2,435.24
National ITMX Co., Ltd.	1,602.84	153.95	1,448.89	1,627.84	228.01	1,399.83
	274,187.26	235,281.25	38,906.01	231,903.33	199,391.86	32,511.47

(Million Baht)

Name of Company	Consolidated Financial Statements			
	December 31, 2017		December 31, 2016	
	"Unaudited"		"Audited"	
	Total Income	Net Profit (Loss)	Total Income	Net Profit (Loss)
Krungthai-AXA Life Insurance Pcl.	71,905.21	3,814.88	62,570.44	5,114.65
Krungthai Panich Insurance Pcl.	3,038.86	618.51	3,075.40	566.14
Krung Thai IBJ Leasing Co., Ltd.	851.22	167.92	728.84	159.49
KT Zmico Securities Co., Ltd.	1,492.62	15.14	2,045.97	377.79
National ITMX Co., Ltd.	516.93	79.90	512.69	102.83
	77,804.84	4,696.35	68,933.34	6,320.90

7.6 Loans to Customers and Accrued Interest Receivables, Net

7.6.1 Classified by Type of Loans

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Overdrafts	168,278.16	170,948.74	168,278.16	170,948.74
Loans	1,295,457.88	1,294,499.04	1,237,594.66	1,258,147.90
Bills	450,791.70	398,860.88	458,391.70	406,420.88
Hire purchase receivables	18,514.79	33,065.85	1.74	4.54
Financial lease receivables	4,352.46	7,742.24	-	-
Others	2,532.83	2,705.20	1,217.16	1,721.16
<u>Less</u> Deferred revenue	(1,846.30)	(3,733.25)	(87.09)	(122.92)
Total loans to customers net of deferred revenue	1,938,081.52	1,904,088.70	1,865,396.33	1,837,120.30
<u>Add</u> Accrued interest receivables	5,211.74	5,270.68	4,691.08	4,774.56
Total loans to customers net of deferred revenue, plus accrued interest receivables	1,943,293.26	1,909,359.38	1,870,087.41	1,841,894.86
<u>Less</u> Allowance for doubtful accounts				
1. Minimum reserve under BoT's regulations				
Individual approach	(85,134.73)	(84,302.74)	(82,907.08)	(82,639.69)
Collective approach	(3,803.50)	(4,010.43)	-	-
2. Excess allowance	(36,425.50)	(22,406.45)	(33,819.27)	(20,220.20)
<u>Less</u> Revaluation allowance for debt restructuring	(17.26)	(61.62)	(17.26)	(61.62)
Total loans to customers, net	1,817,912.27	1,798,578.14	1,753,343.80	1,738,973.35

As at December 31, 2017, the Bank has loans to accommodate the government policy program such as SMEs soft loans for working capital, SMEs soft loans for modifying the machine and optimizing production, Financial for supporting to people affected from the flood by the BoT's measure, Financial for supporting to entrepreneurs in 3 Southern border provinces, The revolving financial project for energy conservation by financial institution phase 6 and Loan project for environmental totaling to Baht 38,462.58 millions.

As at December 31, 2017 and 2016, the Bank's other loans of Baht 1,217.16 million and Baht 1,721.16 million included debts resulting from the Bank's liabilities under acceptances or guarantees of Baht 1,163.72 million and Baht 1,646.99 million, respectively.

7.6.2 Classified by Currency and Customer's Residence

(Million Baht)

Consolidated Financial Statements						
December 31, 2017			December 31, 2016			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Thai Baht	1,841,799.36	1.37	1,841,800.73	1,792,770.33	5.80	1,792,776.13
US Dollar	65,792.54	27,554.29	93,346.83	69,582.56	31,510.69	101,093.25
Other currencies	2,801.53	132.43	2,933.96	10,147.36	71.96	10,219.32
Total	1,910,393.43	27,688.09	1,938,081.52	1,872,500.25	31,588.45	1,904,088.70

(Million Baht)

Consolidated Financial Statements						
December 31, 2017			December 31, 2016			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Thai Baht	1,769,114.17	1.37	1,769,115.54	1,725,801.93	5.80	1,725,807.73
US Dollar	65,792.54	27,554.29	93,346.83	69,582.56	31,510.69	101,093.25
Other currencies	2,801.53	132.43	2,933.96	10,147.36	71.96	10,219.32
Total	1,837,708.24	27,688.09	1,865,396.33	1,805,531.85	31,588.45	1,837,120.30

7.6.3 Classified by Business Types and Loan Classification

(Million Baht)

Consolidated Financial Statements						
December 31, 2017						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	26,110.94	1,780.74	246.10	10,275.71	782.07	39,195.56
Manufacturing and commercial	474,662.38	34,147.33	5,018.44	13,058.77	24,680.61	551,567.53
Real estate and construction	88,839.74	5,472.79	406.89	2,881.74	7,996.12	105,597.28
Public utilities and services	293,552.42	16,019.45	663.85	4,383.22	5,730.66	320,349.60
Housing loans	327,161.82	6,143.16	2,845.77	3,205.40	10,566.70	349,922.85
Others	555,641.01	5,529.32	3,060.44	2,085.12	5,132.81	571,448.70
Total	1,765,968.31	69,092.79	12,241.49	35,889.96	54,888.97	1,938,081.52

(Million Baht)

Consolidated Financial Statements						
December 31, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	38,500.32	709.91	201.63	522.77	864.72	40,799.35
Manufacturing and commercial	500,018.36	34,910.32	5,311.79	6,436.80	27,527.34	574,204.61
Real estate and construction	109,088.22	7,104.43	718.16	1,853.40	8,416.61	127,180.82
Public utilities and services	237,383.95	15,281.84	2,568.43	2,998.21	5,768.78	264,001.21
Housing loans	338,321.25	6,211.63	3,214.09	3,000.13	11,022.30	361,769.40
Others	519,569.43	5,860.81	2,137.74	2,205.41	6,359.92	536,133.31
Total	1,742,881.53	70,078.94	14,151.84	17,016.72	59,959.67	1,904,088.70

(Million Baht)

The Bank's Financial Statements						
December 31, 2017						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	25,778.58	1,763.73	213.23	10,226.42	755.76	38,737.72
Manufacturing and commercial	470,747.10	33,986.11	4,925.07	12,866.04	24,335.96	546,860.28
Real estate and construction	88,548.16	5,400.04	355.13	2,513.17	7,852.42	104,668.92
Public utilities and services	290,011.94	15,765.12	563.18	4,249.00	5,399.54	315,988.78
Housing loans	327,161.82	6,143.16	2,845.77	3,205.41	10,566.70	349,922.86
Others	498,070.34	3,382.84	2,746.93	1,847.41	3,170.25	509,217.77
Total	1,700,317.94	66,441.00	11,649.31	34,907.45	52,080.63	1,865,396.33

(Million Baht)

The Bank's Financial Statements						
December 31, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	37,725.14	673.65	198.41	499.38	844.23	39,940.81
Manufacturing and commercial	493,212.56	34,444.13	5,163.22	6,276.31	27,235.31	566,331.53
Real estate and construction	106,526.91	6,995.96	625.33	1,800.39	8,320.79	124,269.38
Public utilities and services	230,984.42	14,956.64	1,959.66	2,794.07	5,665.26	256,360.05
Housing loans	338,321.25	6,211.63	3,214.09	3,000.13	11,022.30	361,769.40
Others	476,992.51	3,289.55	1,684.47	1,967.06	4,515.54	488,449.13
Total	1,683,762.79	66,571.56	12,845.18	16,337.34	57,603.43	1,837,120.30

7.6.4 Classified by Loan Classification

(Million Baht)

Consolidated Financial Statements				
December 31, 2017				
	Loans and Accrued Interest Receivables	Net Amount Used for Set aside the Allowance for Doubtful Accounts ¹	% Used for Set aside the Allowance for Doubtful Accounts ²	Allowance for Doubtful Accounts
1. Minimum reserve under Bot's regulations				
Normal	1,770,815.82	884,654.34	1	11,067.33
Special mention	69,361.72	28,189.24	2	17,305.19
Substandard	12,242.99	7,265.67	100	7,289.59
Doubtful	35,890.08	23,198.05	100	25,029.24
Doubtful of loss	54,982.65	19,924.29	100	28,246.88
2. Excess allowance				36,425.50
Total	1,943,293.26	963,231.59		125,363.73

(Million Baht)

Consolidated Financial Statements				
December 31, 2016				
	Loans and Accrued Interest Receivables	Net Amount Used for Set aside the Allowance for Doubtful Accounts ¹	% Used for Set aside the Allowance for Doubtful Accounts ²	Allowance for Doubtful Accounts
1. Minimum reserve under Bot's regulations				
Normal	1,747,553.39	887,489.96	1	16,062.69
Special mention	70,527.65	27,223.69	2	21,790.10
Substandard	14,156.39	6,714.81	100	6,784.86
Doubtful	17,059.06	8,778.08	100	9,059.46
Doubtful of loss	60,062.89	27,194.77	100	34,616.06
2. Excess allowance				22,406.45
Total	1,909,359.38	957,401.31		110,719.62

¹ Net amount used for set aside the allowance for doubtful accounts represents outstanding amount of principal excluding accrued interest receivables after deducted collateral, or debts after deducted the present value of expected cash flows from debtors, or present value of expected cash flows from sale of collateral.

² Included loss rate net of recovery.

(Million Baht)

The Bank's Financial Statements				
December 31, 2017				
	Loans and Accrued Interest Receivables	Net Amount Used for Set aside the Allowance for Doubtful Accounts ¹	% Used for Set aside the Allowance for Doubtful Accounts ²	Allowance for Doubtful Accounts
1. Minimum reserve under Bot's regulations				
Normal	1,704,657.61	834,514.36	1	8,948.50
Special mention	66,699.01	26,762.37	2	16,803.74
Substandard	11,649.33	6,979.62	100	7,003.55
Doubtful	34,907.56	22,820.07	100	24,651.26
Doubtful of loss	52,173.90	17,177.45	100	25,500.03
2. Excess allowance				33,819.27
Total	1,870,087.41	908,253.87		116,726.35

(Million Baht)

The Bank's Financial Statements				
December 31, 2016				
	Loans and Accrued Interest Receivables	Net Amount Used for Set aside the Allowance for Doubtful Accounts ¹	% Used for Set aside the Allowance for Doubtful Accounts ²	Allowance for Doubtful Accounts
1. Minimum reserve under Bot's regulations				
Normal	1,687,953.47	858,559.84	1	14,126.11
Special mention	67,008.34	25,605.38	2	21,232.11
Substandard	12,845.26	6,138.19	100	6,208.25
Doubtful	16,337.39	8,442.16	100	8,723.54
Doubtful of loss	57,750.40	24,928.40	100	32,349.68
2. Excess allowance				20,220.20
Total	1,841,894.86	923,673.97		102,859.89

¹ Net amount used for set aside the allowance for doubtful accounts represents outstanding amount of principal excluding accrued interest receivables after deducted collateral, or debts after deducted the present value of expected cash flows from debtors, or present value of expected cash flows from sale of collateral.

² Included loss rate net of recovery.

7.6.5 Non-Performing Loans (NPLs)

As at December 31, 2017 and 2016, the Bank and its subsidiaries had NPLs classified by the BoT's notifications as substandard, doubtful, doubtful of loss, and loss. Those are included loans that are interbank and money market items but excluded accrued interest receivables.

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
NPLs before deducting allowance for doubtful accounts	103,020.42	91,128.23	98,637.39	86,785.96
NPLs percentage of total loans	4.19	3.97	4.14	3.89
NPLs after deducting allowance for doubtful accounts	42,506.32	40,757.88	41,532.26	39,591.50
NPLs percentage of net loans	1.77	1.81	1.78	1.81

For the years ended December 31, 2017 and 2016, impaired loans have been written off both principal and accrued interest receivables of Baht 23,738.68 million and Baht 1,508.74 million, respectively.

7.6.6 Non-Accrual Loans based on the Accrual Basis

As at December 31, 2017 and 2016, the Bank and its subsidiaries have non-accrual loans based on the accrual basis and comply with the BoT's regulations as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Non-accrual loans	103,020.42	91,128.23	98,637.39	86,785.96
Percentage of total loans	4.19	3.97	4.14	3.89

7.6.7 Loans to Potential Delisted Companies

As at December 31, 2017 and 2016, the Bank and its subsidiaries has loans and accrued interest receivables to 5 potential delisted companies of Baht 10,331.11 million, accrued interest receivables of Baht 0.12 million, totaling to Baht 10,331.23 million which an allowance for doubtful accounts of Baht 7,640.29 million. Moreover, there are 3 potential delisted companies of Baht 10,855.55 million, accrued interest receivables of Baht 0.09 million, totaling to Baht 10,855.64 million which after an allowance for doubtful accounts of Baht 7,643.52 million, respectively.

7.6.8 Troubled Debt Restructuring (TDR)

For the year ended December 31, 2017, the original loan value of the 9,424 troubled debt restructuring cases are Baht 63,019.02 million. The repayment for related interest and principal are Baht 11,291.61, whereas extended lending increased by Baht 49,657.77 million and Bad debts from troubled debt restructuring of Baht 2.88 million.

TDR for the year ended December 31, 2017 is set out as follows:

(Million Baht)

Troubled Debt Restructuring Methods	The Bank's Financial Statements			
	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Transfers of assets	28	1,161.40	Land & Premises	1,161.40
Change of repayment conditions	401	26,542.34		
Debt restructuring in various forms	8,995	35,315.28		
	9,424	63,019.02		

As at December 31, 2017, the Bank has outstanding balance of loans to restructured debts for 36,555 cases of Baht 162,034.82 million, of which 13,097 cases of Baht 8,751.45 million, has been monitored under the new contractual agreements.

The consolidated financial statements for the year ended December 31, 2017, the Bank restructured debts of 9,492 cases which the debts before restructuring were Baht 65,605.11 million.

For year ended December 31, 2016, the Bank entered debts restructuring agreement of 11,662 cases, which the debts before restructuring were Baht 59,910.77 million, received from the principle repayments of Baht 27,350.82 million, additional lending of Baht 42,374.69 million and bad debts from debt restructuring of Baht 23.66 million.

TDR for the year ended December 31, 2016 was set out as follows:

(Million Baht)

Troubled Debt Restructuring Methods	The Bank's Financial Statements			
	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Transfers of assets	25	731.47	Land & Premises	716.59
Change of repayment conditions	544	15,396.92		
Debt restructuring in various forms	11,093	43,782.38		
	11,662	59,910.77		

As at December 31, 2016 the Bank has outstanding balance of loans to restructured debts for 34,314 cases of Baht 124,053.72 million, of which 9,348 cases of Baht 11,645.62 million, has been monitored under the new contractual agreements.

The consolidated financial statements for the year ended December 31, 2016, the Bank restructured debts of 11,996 cases which the debts before restructuring were Baht 61,406.17 million.

7.6.9 Financial Lease Receivables (Including Hire Purchase Receivables and Financial Lease Receivables)

(Million Baht)

	Consolidated Financial Statements							
	December 31, 2017				December 31, 2016			
	Amount Due of the Contract				Amount Due of the Contract			
	Not Over 1 Year	Over 1 - 5 Years	Over 5 Years	Total	Not Over 1 Year	Over 1 - 5 Years	Over 5 Years	Total
Gross investment of leases payment	12,762.83	10,069.96	34.46	22,867.25	19,392.43	20,973.33	442.33	40,808.09
<u>Less</u> Unearned financial income				(1,759.45)				(3,611.89)
Present value of minimum leases payment				21,107.80				37,196.20
<u>Less</u> Allowance for doubtful accounts				(1,841.17)				(1,863.93)
Financial lease receivables, net				19,266.63				35,332.27

(Million Baht)

	The Bank's Financial Statements							
	December 31, 2017				December 31, 2016			
	Amount Due of the Contract				Amount Due of the Contract			
	Not Over 1 Year	Over 1 - 5 Years	Over 5 Years	Total	Not Over 1 Year	Over 1 - 5 Years	Over 5 Years	Total
Gross investment of leases payment	1.74	-	-	1.74	4.54	-	-	4.54
<u>Less</u> Unearned financial income				(0.24)				(0.55)
Present value of minimum leases payment				1.50				3.99
<u>Less</u> Allowance for doubtful accounts				(1.46)				(2.98)
Financial lease receivables, net				0.04				1.01

7.7 Allowance for Doubtful Accounts

(Million Baht)

	Consolidated Financial Statements						
	December 31, 2017						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Allowance in Excess of BoT's Regulations	Total
Beginning balances	16,062.69	21,790.10	6,784.86	9,059.46	34,616.06	22,406.45	110,719.62
Doubtful accounts	(2,603.05)	(3,601.68)	5,359.53	16,165.46	15,362.30	14,019.05	44,701.61
Allowance for doubtful accounts transferred from allowance for debt restructuring revaluation	-	44.36	-	-	-	-	44.36
Bad debt recovered	-	-	-	-	2,493.41	-	2,493.41
Bad debt written-off	(191.72)	(864.93)	(4,854.80)	(195.68)	(24,182.01)	-	(30,289.14)
Others	(2,200.59)	(62.66)	-	-	(42.88)	-	(2,306.13)
Ending balances	11,067.33	17,305.19	7,289.59	25,029.24	28,246.88	36,425.50	125,363.73

(Million Baht)

	Consolidated Financial Statements						
	December 31, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Allowance in Excess of BoT's Regulations	Total
Beginning balances	15,163.11	11,014.83	8,975.04	9,715.25	17,068.79	23,886.91	85,823.93
Doubtful accounts	1,214.02	11,611.67	2,164.53	(196.86)	19,950.18	(1,480.46)	33,263.08
Allowance for doubtful accounts transferred from (to) allowance for debt restructuring revaluation	130.50	(59.49)	-	-	-	-	71.01
Bad debt recovered	-	-	-	-	1,279.89	-	1,279.89
Bad debt written-off	(205.66)	(750.96)	(4,354.71)	(458.93)	(2,903.77)	-	(8,674.03)
Others	(239.28)	(25.95)	-	-	(779.03)	-	(1,044.26)
Ending balances	16,062.69	21,790.10	6,784.86	9,059.46	34,616.06	22,406.45	110,719.62

(Million Baht)

	The Bank's Financial Statements						
	December 31, 2017						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Allowance in Excess of BoT's Regulations	Total
Beginning balances	14,126.11	21,232.11	6,208.25	8,723.54	32,349.68	20,220.20	102,859.89
Doubtful accounts	(2,977.02)	(4,410.07)	795.30	15,927.72	14,565.00	13,599.07	37,500.00
Allowance for doubtful accounts transferred from allowance for debt restructuring reevaluation	-	44.36	-	-	-	-	44.36
Bad debt recovered	-	-	-	-	2,366.91	-	2,366.91
Bad debt written-off	-	-	-	-	(23,738.68)	-	(23,738.68)
Others	(2,200.59)	(62.66)	-	-	(42.88)	-	(2,306.13)
Ending balances	8,948.50	16,803.74	7,003.55	24,651.26	25,500.03	33,819.27	116,726.35

(Million Baht)

	The Bank's Financial Statements						
	December 31, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Allowance in Excess of BoT's Regulations	Total
Beginning balances	13,190.30	10,240.94	8,413.17	9,332.64	14,220.78	21,823.23	77,221.06
Doubtful accounts	1,044.59	11,076.61	(2,204.92)	(609.10)	19,295.85	(1,603.03)	27,000.00
Allowance for doubtful accounts transferred from (to) allowance for debt restructuring reevaluation	130.50	(59.49)	-	-	-	-	71.01
Bad debt recovered	-	-	-	-	1,120.82	-	1,120.82
Bad debt written-off	-	-	-	-	(1,508.74)	-	(1,508.74)
Others	(239.28)	(25.95)	-	-	(779.03)	-	(1,044.26)
Ending balances	14,126.11	21,232.11	6,208.25	8,723.54	32,349.68	20,220.20	102,859.89

For the year ended December 31, 2017, the Bank has set aside allowance for doubtful accounts of Baht 37,500 million, including with the case that the Bank decided to set aside allowance for doubtful accounts in full amount of loans to the major group of debtor. The core business of the debtor group is agriculture and mining.

For the year ended December 31, 2016, the Bank has set aside allowance for doubtful accounts of Baht 27,000 million.

7.8 Revaluation Allowance for Debt Restructuring

(Million Baht)

	Consolidated and the Bank's Financial Statements	
	December 31, 2017	December 31, 2016
Beginning balances	61.62	132.63
Transfer to allowance for doubtful accounts	(44.36)	(71.01)
Ending balances	17.26	61.62

The revaluation allowance for debt restructuring was transferred from allowance for doubtful accounts for restructured debtors, and transferred to allowance for doubtful accounts when the debtors failed to comply with the new troubled debt restructuring agreement.

The revaluation allowance for debt restructuring has not been amortized and recognized as income upon receipt of debt repayment but transferred to allowance for doubtful accounts instead as the restructured debts may again become non-performing.

7.9 Properties for Sale, Net

(Million Baht)

Type of Properties for Sale	Consolidated Financial Statements							
	December 31, 2017				December 31, 2016			
	Beginning Balances	Additions	Disposals	Ending Balances	Beginning Balances	Additions	Disposals	Ending Balances
Assets from debt repayment								
Immovable properties								
Appraised by								
external appraisers	34,387.27	4,498.03	6,882.90	32,002.40	29,363.28	11,677.83	6,653.84	34,387.27
Appraised by								
internal appraisers	2,399.19	1,896.99	105.49	4,190.69	846.42	1,628.89	76.12	2,399.19
Movable properties	276.85	250.05	290.46	236.44	318.75	575.10	617.00	276.85
Total	37,063.31	6,645.07	7,278.85	36,429.53	30,528.45	13,881.82	7,346.96	37,063.31
Others (closed branches)	42.31	26.31	-	68.62	46.19	-	3.88	42.31
Properties for sale in transit	454.06	826.01	454.06	826.01	422.08	454.06	422.08	454.06
Total	37,559.68	7,497.39	7,732.91	37,324.16	30,996.72	14,335.88	7,772.92	37,559.68
Less Allowance for impairment	(1,816.05)	-	(1.83)	(1,814.22)	(988.58)	(827.47)	-	(1,816.05)
Properties for sale, net	35,743.63	7,497.39	7,731.08	35,509.94	30,008.14	13,508.41	7,772.92	35,743.63

(Million Baht)

Type of Properties for Sale	The Bank's Financial Statements							
	December 31, 2017				December 31, 2016			
	Beginning Balances	Additions	Disposals	Ending Balances	Beginning Balances	Additions	Disposals	Ending Balances
Assets from debt repayment								
Immovable properties								
Appraised by								
external appraisers	34,387.27	4,498.03	6,882.90	32,002.40	29,363.28	11,677.83	6,653.84	34,387.27
Appraised by								
internal appraisers	2,399.19	1,896.99	105.49	4,190.69	846.42	1,628.89	76.12	2,399.19
Movable properties	110.60	-	-	110.60	110.60	-	-	110.60
Total	36,897.06	6,395.02	6,988.39	36,303.69	30,320.30	13,306.72	6,729.96	36,897.06
Others (closed branches)	42.31	26.31	-	68.62	46.19	-	3.88	42.31
Properties for sale in transit	454.06	826.01	454.06	826.01	422.08	454.06	422.08	454.06
Total	37,393.43	7,247.34	7,442.45	37,198.32	30,788.57	13,760.78	7,155.92	37,393.43
<u>Less</u> Allowance for impairment	(1,724.88)	-	(12.90)	(1,711.98)	(878.71)	(846.17)	-	(1,724.88)
Properties for sale, net	35,668.55	7,247.34	7,429.55	35,486.34	29,909.86	12,914.61	7,155.92	35,668.55

As at December 31, 2017 and 2016, the Bank's allowance for impairment of properties for sale has decreased by Baht 12.90 million and increased by Baht 846.17 million, respectively, from reversal or additional of loss on impairment.

For the years ended December 31, 2017 and 2016, the Bank generated gains on sale of properties for sale of Baht 896.18 million and Baht 1,023.03 million, respectively (before deduction of selling expenses of Baht 448.52 million and Baht 539.36 million, respectively).

7.10 Premises and Equipment, Net

Premises and equipment As at December 31, 2017 and 2016 are as follows:

(Million Baht)

Consolidated Financial Statements										
December 31, 2017										
	Cost				Accumulated Depreciation				Allowance for Impairment	Premises and Equipment, Net
	Beginning Balances	Additions / Transfer in	Disposals / Transfer out	Ending Balances	Beginning Balances	Depreciation	Disposals	Ending Balances		
Land										
Historical cost	9,237.34	-	24.24	9,213.10	-	-	-	-	919.40	8,293.70
Revaluation Surplus*	10,459.17	-	12.93	10,446.24	-	-	-	-	-	10,446.24
Premises	11,918.86	101.04	110.01	11,909.89	8,205.50	322.51	107.04	8,420.97	-	3,488.92
Equipment	22,037.26	996.62	1,136.22	21,897.66	17,711.98	1,637.46	918.55	18,430.89	-	3,466.77
Others	946.50	168.58	226.26	888.82	449.59	120.83	5.38	565.04	-	323.78
Total	54,599.13	1,266.24	1,509.66	54,355.71	26,367.07	2,080.80	1,030.97	27,416.90	919.40	26,019.41

(Million Baht)

Consolidated Financial Statements										
December 31, 2016										
	Cost				Accumulated Depreciation				Allowance for Impairment	Premises and Equipment, Net
	Beginning Balances	Additions / Transfer in	Disposals / Transfer out	Ending Balances	Beginning Balances	Depreciation	Disposals	Ending Balances		
Land										
Historical cost	9,179.93	57.41	-	9,237.34	-	-	-	-	919.40	8,317.94
Revaluation Surplus*	7,931.15	10,459.17	7,931.15	10,459.17	-	-	-	-	-	10,459.17
Premises	10,720.20	1,212.88	14.22	11,918.86	7,342.93	876.16	13.59	8,205.50	-	3,713.36
Equipment	24,713.36	1,543.36	4,219.46	22,037.26	17,579.19	2,083.08	1,950.29	17,711.98	-	4,325.28
Others	354.90	873.43	281.83	946.50	-	525.50	75.91	449.59	-	496.91
Total	52,899.54	14,146.25	12,446.66	54,599.13	24,922.12	3,484.74	2,039.79	26,367.07	919.40	27,312.66

* The Bank revalues its land in 2016.

(Million Baht)

	The Bank's Financial Statements									
	December 31, 2017									
	Cost				Accumulated Depreciation				Allowance for Impairment	Premises and Equipment, Net
	Beginning Balances	Additions / Transfer in	Disposals / Transfer out	Ending Balances	Beginning Balances	Depreciation	Disposals	Ending Balances		
Land										
Historical cost	9,454.28	-	24.24	9,430.04	-	-	-	-	919.40	8,510.64
Revaluation Surplus*	10,459.17	-	12.93	10,446.24	-	-	-	-	-	10,446.24
Premises	10,884.67	88.50	16.60	10,956.57	7,432.11	279.88	13.78	7,698.21	-	3,258.36
Equipment	12,752.72	481.22	328.42	12,905.52	10,361.57	837.44	198.69	11,000.32	-	1,905.20
Others	850.84	59.80	52.23	858.41	449.59	120.83	5.38	565.04	-	293.37
Total	44,401.68	629.52	434.42	44,596.78	18,243.27	1,238.15	217.85	19,263.57	919.40	24,413.81

(Million Baht)

	The Bank's Financial Statements									
	December 31, 2016									
	Cost				Accumulated Depreciation				Allowance for Impairment	Premises and Equipment, Net
	Beginning Balances	Additions / Transfer in	Disposals / Transfer out	Ending Balances	Beginning Balances	Depreciation	Disposals	Ending Balances		
Land										
Historical cost	9,396.87	57.41	-	9,454.28	-	-	-	-	919.40	8,534.88
Revaluation Surplus*	7,931.15	10,459.17	7,931.15	10,459.17	-	-	-	-	-	10,459.17
Premises	9,696.54	1,188.92	0.79	10,884.67	6,605.64	827.24	0.77	7,432.11	-	3,452.56
Equipment	11,856.59	1,055.22	159.09	12,752.72	9,569.44	852.87	60.74	10,361.57	-	2,391.15
Others	293.67	748.20	191.03	850.84	-	525.50	75.91	449.59	-	401.25
Total	39,174.82	13,508.92	8,282.06	44,401.68	16,175.08	2,205.61	137.42	18,243.27	919.40	25,239.01

* The Bank revalues its land in 2016.

As at December 31, 2017 and 2016, the allowance for impairment is as follows:

(Million Baht)

	December 31, 2017	December 31, 2016
Beginning balances	919.40	1,622.89
Add Allowance for impairment	-	(703.49)
Ending balances	919.40	919.40

7.11 Other Intangible Assets, Net

(Million Baht)

Consolidated Financial Statements										
December 31, 2017										
	Cost				Accumulated Amortization				Allowance for Impairment	Intangible Assets, Net
	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances		
Software licenses	6,350.22	551.96	781.97	6,120.21	3,899.79	599.84	781.97	3,717.66	-	2,402.55
Other licenses	9.59	1.02	-	10.61	8.84	0.60	-	9.44	-	1.17
Development cost	4,215.42	8.71	-	4,224.13	2,566.41	272.26	-	2,838.67	-	1,385.46
Partial payment of intangible assets	384.16	143.85	137.25	390.76	-	-	-	-	273.45	117.31
Total	10,959.39	705.54	919.22	10,745.71	6,475.04	872.70	781.97	6,565.77	273.45	3,906.49

(Million Baht)

	Consolidated Financial Statements									
	December 31, 2016									
	Cost				Accumulated Amortization				Allowance for Impairment	Intangible Assets, Net
	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances		
Software licenses	5,949.85	403.78	3.41	6,350.22	3,338.81	564.35	3.37	3,899.79	-	2,450.43
Other licenses	9.14	0.45	-	9.59	8.42	0.42	-	8.84	-	0.75
Development cost	4,058.56	198.70	41.84	4,215.42	2,298.38	309.87	41.84	2,566.41	-	1,649.01
Partial payment of intangible assets	498.64	244.00	358.48	384.16	-	-	-	-	273.45	110.71
Total	10,516.19	846.93	403.73	10,959.39	5,645.61	874.64	45.21	6,475.04	273.45	4,210.90

(Million Baht)

	The Bank's Financial Statements								
	December 31, 2017								
	Cost				Accumulated Amortization				Intangible Assets, Net
	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	
Software licenses	803.94	163.06	-	967.00	459.20	86.01	-	545.21	421.79
Other licenses	5.12	-	-	5.12	4.95	0.02	-	4.97	0.15
Development cost	738.10	-	-	738.10	275.03	61.08	-	336.11	401.99
Partial payment of intangible assets	62.74	8.69	-	71.43	-	-	-	-	71.43
Total	1,609.90	171.75	-	1,781.65	739.18	147.11	-	886.29	895.36

(Million Baht)

	The Bank's Financial Statements								
	December 31, 2016								
	Cost				Accumulated Amortization				Intangible Assets, Net
	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	Beginning Balances	Additions	Decrease/ Disposals	Ending Balances	
Software licenses	732.70	72.52	1.28	803.94	387.20	73.24	1.24	459.20	344.74
Other licenses	5.12	-	-	5.12	4.90	0.05	-	4.95	0.17
Development cost	779.94	-	41.84	738.10	254.99	61.88	41.84	275.03	463.07
Partial payment of intangible assets	26.70	36.04	-	62.74	-	-	-	-	62.74
Total	1,544.46	108.56	43.12	1,609.90	647.09	135.17	43.08	739.18	870.72

7.12 Deferred Tax Assets and Deferred Tax Liabilities

Deferred tax assets and deferred tax liabilities As at December 31, 2017 and 2016 are as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Deferred Tax Assets	4,592.77	4,496.46	2,130.35	2,321.67
Deferred Tax Liabilities	-	-	-	-
Net	4,592.77	4,496.46	2,130.35	2,321.67

Movements in deferred tax assets and deferred tax liabilities during the period/year are as follows:

(Million Baht)

	Consolidated Financial Statements			
	January 1, 2017	Charged / credited to:		December 31, 2017
		Profit / Loss	Other Comprehensive Income	
Deferred Tax Assets				
Investments	463.44	(4.97)	12.23	470.70
Investments in subsidiaries and associates	159.75	0.74	-	160.49
Loans to customers and accrued interest receivables, net	3,628.12	246.39	-	3,874.51
Properties for sale	363.21	(0.31)	-	362.90
Premises and equipment	205.75	7.01	-	212.76
Provisions	2,843.72	57.77	229.89	3,131.38
Guarantee deposit under financial lease	51.03	(19.09)	-	31.94
Others	1,263.79	(212.33)	-	1,051.46
Total	8,978.81	75.21	242.12	9,296.14
Deferred Tax Liabilities				
Investments	1,565.19	14.37	288.30	1,867.86
Premises and equipment	2,366.62	(79.03)	(2.58)	2,285.01
Loans to customers and accrued interest receivables, net	550.54	(0.21)	-	550.33
Others	-	0.17	-	0.17
Total	4,482.35	(64.70)	285.72	4,703.37
Net	4,496.46	139.91	(43.60)	4,592.77

(Million Baht)

	Consolidated Financial Statements			
	January 1, 2016	Charged / credited to:		December 31, 2016
		Profit / Loss	Other Comprehensive Income	
Deferred Tax Assets				
Investments	570.34	(36.54)	(70.36)	463.44
Investments in subsidiaries and assoicates	159.75	-	-	159.75
Loans to customers and accrued interest receivables, net	3,665.58	(37.46)	-	3,628.12
Properties for sale	198.61	164.60	-	363.21
Premises and equipment	363.09	(157.34)	-	205.75
Provisions	4,138.61	(1,482.21)	187.32	2,843.72
Guarantee deposit under financial lease	51.37	(0.34)	-	51.03
Others	542.55	721.24	-	1,263.79
Total	9,689.90	(828.05)	116.96	8,978.81
Deferred Tax Liabilities				
Investments	291.63	(0.96)	1,274.52	1,565.19
Premises and equipment	1,812.76	48.26	505.60	2,366.62
Loans to customers and accrued interest receivables, net	589.40	(38.86)	-	550.54
Total	2,693.79	8.44	1,780.12	4,482.35
Net	6,996.11	(836.49)	(1,663.16)	4,496.46

(Million Baht)

The Bank's Financial Statements				
	January 1, 2017	Charged / credited to:		December 31, 2017
		Profit / Loss	Other Comprehensive Income	
Deferred Tax Assets				
Investments	463.44	(4.97)	12.23	470.70
Investments in subsidiaries and associates	159.75	0.74	-	160.49
Loans to customers and accrued interest receivables, net	1,742.37	109.03	-	1,851.40
Properties for sale	344.97	(2.58)	-	342.39
Premises and equipment	183.88	-	-	183.88
Provisions	2,167.67	23.68	224.90	2,416.25
Others	1,191.40	(209.42)	-	981.98
Total	6,253.48	(83.52)	237.13	6,407.09
Deferred Tax Liabilities				
Investments	1,565.19	14.37	288.30	1,867.86
Premises and equipment	2,366.62	44.84	(2.58)	2,408.88
Total	3,931.81	59.21	285.72	4,276.74
Net	2,321.67	(142.73)	(48.59)	2,130.35

(Million Baht)

The Bank's Financial Statements				
	January 1, 2016	Charged / credited to:		December 31, 2016
		Profit / Loss	Other Comprehensive Income	
Deferred Tax Assets				
Investments	570.34	(36.54)	(70.36)	463.44
Investments in subsidiaries and associates	159.75	-	-	159.75
Loans to customers and accrued interest receivables, net	1,896.89	(154.52)	-	1,742.37
Properties for sale	175.74	169.23	-	344.97
Premises and equipment	324.58	(140.70)	-	183.88
Provisions	3,523.60	(1,525.87)	169.94	2,167.67
Others	471.58	719.82	-	1,191.40
Total	7,122.48	(968.58)	99.58	6,253.48
Deferred Tax Liabilities				
Investments	291.63	(0.96)	1,274.52	1,565.19
Premises and equipment	1,810.27	50.75	505.60	2,366.62
Total	2,101.90	49.79	1,780.12	3,931.81
Net	5,020.58	(1,018.37)	(1,680.54)	2,321.67

7.13 Other Assets, Net

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Prepaid expenses	1,207.20	995.99	996.89	801.04
Account receivables - Revenue				
Department	1,681.74	1,557.49	3.41	31.44
Leaseholds	79.78	97.05	79.78	97.05
Suspense account debtors	3,354.47	3,003.57	3,345.30	2,995.84
Collateral under Credit Support Annex				
Contract and Cash Margin Debtors	3,918.35	5,763.60	3,918.35	5,763.60
Interbranch transactions	-	2,632.19	-	2,632.19
Settlement account between the				
Bank and other financial institutions	1,576.82	520.31	1,576.82	520.31
Sundry assets	9,480.09	6,533.02	9,618.75	6,464.78
Total	21,298.45	21,103.22	19,539.30	19,306.25
<u>Less</u> Allowance for impairment	(2,495.72)	(2,394.04)	(2,456.31)	(2,361.14)
Total other assets, net	18,802.73	18,709.18	17,082.99	16,945.11

As at December 31, 2017 and 2016, sundry assets are included default debtors from convertible preferred shares contracts of Baht 997.87 million with the same amounts of allowance for impairment (Note 7.37.1).

7.14 Deposits

7.14.1 Classified by Type of Deposits

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Demand deposits	95,462.41	92,573.87	96,317.51	92,938.84
Savings deposits	1,387,164.71	1,221,291.66	1,388,420.83	1,223,083.61
Time deposits	588,247.56	658,538.00	588,855.67	659,135.22
Total	2,070,874.68	1,972,403.53	2,073,594.01	1,975,157.67

7.14.2 Classified by Currency and Residence of Depositors

(Million Baht)

Consolidated Financial Statements						
December 31, 2017			December 31, 2016			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Thai Baht	2,011,185.44	12,909.23	2,024,094.67	1,915,115.62	12,614.53	1,927,730.15
US Dollar	34,310.68	7,282.32	41,593.00	29,266.68	8,508.15	37,774.83
Other currencies	2,401.03	2,785.98	5,187.01	4,102.08	2,796.47	6,898.55
Total	2,047,897.15	22,977.53	2,070,874.68	1,948,484.38	23,919.15	1,972,403.53

(Million Baht)

The Bank's Financial Statements						
December 31, 2017			December 31, 2016			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Thai Baht	2,013,904.77	12,909.23	2,026,814.00	1,917,869.76	12,614.53	1,930,484.29
US Dollar	34,310.68	7,282.32	41,593.00	29,266.68	8,508.15	37,774.83
Other currencies	2,401.03	2,785.98	5,187.01	4,102.08	2,796.47	6,898.55
Total	2,050,616.48	22,977.53	2,073,594.01	1,951,238.52	23,919.15	1,975,157.67

7.15 Interbank and Money Market Items (Liabilities)

(Million Baht)

Consolidated Financial Statements						
December 31, 2017			December 31, 2016			
Demand	Time	Total	Demand	Time	Total	
7.15.1 Domestic Items						
Bank of Thailand and Financial Institutions Development Fund	983.11	31,679.38	32,662.49	673.39	45,890.96	46,564.35
Commercial banks	331.51	106,564.88	106,896.39	239.67	80,448.42	80,688.09
Special purpose financial institutions	612.06	18,015.92	18,627.98	454.40	18,445.28	18,899.68
Other financial institutions	26,691.17	34,322.74	61,013.91	24,597.01	37,016.47	61,613.48
Total domestic items	28,617.85	190,582.92	219,200.77	25,964.47	181,801.13	207,765.60
7.15.2 Foreign Items						
US Dollar	398.25	8,791.16	9,189.41	932.85	2,189.25	3,122.10
Euro	143.98	-	143.98	154.81	-	154.81
Other currencies	157.23	-	157.23	128.80	-	128.80
Total foreign items	699.46	8,791.16	9,490.62	1,216.46	2,189.25	3,405.71
Total domestic and foreign items	29,317.31	199,374.08	228,691.39	27,180.93	183,990.38	211,171.31

(Million Baht)

The Bank's Financial Statements						
December 31, 2017			December 31, 2016			
Demand	Time	Total	Demand	Time	Total	
7.15.1 Domestic Items						
Bank of Thailand and Financial Institutions Development Fund	983.11	31,679.38	32,662.49	673.39	45,890.96	46,564.35
Commercial banks	331.51	97,900.10	98,231.61	239.67	76,000.09	76,239.76
Special purpose financial institutions	612.06	17,015.92	17,627.98	454.40	18,095.28	18,549.68
Other financial institutions	27,131.24	33,922.81	61,054.05	24,786.87	32,169.63	56,956.50
Total domestic items	29,057.92	180,518.21	209,576.13	26,154.33	172,155.96	198,310.29
7.15.2 Foreign Items						
US Dollar	398.25	8,791.16	9,189.41	932.85	2,189.25	3,122.10
Euro	143.98	-	143.98	154.81	-	154.81
Other currencies	157.23	-	157.23	128.80	-	128.80
Total foreign items	699.46	8,791.16	9,490.62	1,216.46	2,189.25	3,405.71
Total domestic and foreign items	29,757.38	189,309.37	219,066.75	27,370.79	174,345.21	201,716.00

7.16 Debt Issued and Borrowings

Classified by type of debts and sources of fund as follows:

(Million Baht)

				Consolidated Financial Statements					
				December 31, 2017			December 31, 2016		
	Currency	Interest Rate (%)	Maturity Date	Domestic	Foreign	Total	Domestic	Foreign	Total
Long term bonds									
2013	Baht	5.00	2018	800.00	-	800.00	5,800.00	-	5,800.00
2013 (EMTN Programme)	USD	2.25	2018	-	16,335.70	16,335.70	-	17,902.78	17,902.78
2014	Baht	3.80-4.30	2018	4,300.00	-	4,300.00	8,230.00	-	8,230.00
2015	Baht	2.54-4.00	2018-2025	8,755.00	-	8,755.00	9,393.00	-	9,393.00
2016	Baht	1.88-4.00	2018-2026	18,000.00	-	18,000.00	18,000.00	-	18,000.00
2017	Baht	2.46-3.80	2022-2027	11,500.00	-	11,500.00	-	-	-
KTB subordinated debentures									
No.1/2012	Baht	4.50	2022	-	-	-	5,155.00	-	5,155.00
No.2/2012	Baht	4.60	2022	-	-	-	15,133.32	-	15,133.32
No.1/2014 (EMTN Programme)	USD	5.20	2024	-	22,876.63	22,876.63	-	25,081.46	25,081.46
No.1/2015	MYR	5.10	2025	-	8,058.40	8,058.40	-	7,989.60	7,989.60
No.1/2017	Baht	3.40	2027	20,000.00	-	20,000.00	-	-	-
Bill of exchange (B/E)									
Short term*	Baht	-	2012	0.70	-	0.70	0.70	-	0.70
Total				63,355.70	47,270.73	110,626.43	61,712.02	50,973.84	112,685.86

* Short term bill of exchange (B/E) is a maturity but its holder is still not redeemable.

(Million Baht)

				The Bank's Financial Statements					
	Currency	Interest Rate (%)	Maturity Date	December 31, 2017			December 31, 2016		
				Domestic	Foreign	Total	Domestic	Foreign	Total
Long term bonds									
2013 (EMTN Programme)	USD	2.25	2018	-	16,335.70	16,335.70	-	17,902.78	17,902.78
KTb subordinated debentures									
No.1/2012	Baht	4.50	2022	-	-	-	5,155.00	-	5,155.00
No.2/2012	Baht	4.60	2022	-	-	-	15,133.32	-	15,133.32
No.1/2014 (EMTN Programme)	USD	5.20	2024	-	22,876.63	22,876.63	-	25,081.46	25,081.46
No.1/2015	MYR	5.10	2025	-	8,058.40	8,058.40	-	7,989.60	7,989.60
No.1/2017	Baht	3.40	2027	20,000.00	-	20,000.00	-	-	-
Bill of exchange (B/E)									
Short term*	Baht	-	2012	0.70	-	0.70	0.70	-	0.70
Total				20,000.70	47,270.73	67,271.43	20,289.02	50,973.84	71,262.86

* Short term bill of exchange (B/E) is a maturity but its holder is still not redeemable.

Bonds under Euro Medium Term Note Programme (EMTN Programme) in an amount of USD 2,500 Million

On March 11, 2013, the Bank issued USD 500 million of unsecured unsubordinated debentures, with a maturity of 5.5 years at a fixed coupon of 2.25 percent per annum. The interest payment is semiannually on 11st of March and September of each year, over the time to maturity.

On June 26, 2014, the Bank issued and offered USD 700 million of subordinated debentures in accordance with Basel III (Subordinated Tier 2), with a maturity of 10.5 years at a fixed coupon of 5.20 percent per annum for the first 5.5 years. After that the interest will equal to 5-years US Treasury Rate plus margin 3.535 percent per annum. The interest payment is semiannually on 26th of June and December of each year, over the time to maturity.

Subordinated Debentures under Malaysian Ringgit Medium Term Note Programme in an amount of MYR 5,000 Million

On July 6, 2015, the Bank issued and offered MYR 1,000 million of subordinated debentures in accordance with Basel III (Subordinated Tier 2), with a maturity of 10 years at a coupon of 5.10 percent per annum. The Bank may be granted the right to redeem the debentures prior to their maturities, on 5th anniversary of the issued date.

Subordinated Debentures

The Bank has issued subordinated debentures No. 1/2560 totaling of Baht 20,000 million with 20 million units, 1,000 Baht per value and a fixed coupon of 3.40 percent per annum. The coupon payments are made quarterly until maturity in 2027(B.E.2570). The debentures are redeemable at the instance of the issuer after the 5th years of the debenture or thereafter without holder's consent, within the scope of conditions.

Redemption of Subordinated Debentures

The Bank may be granted the right to redeem the debentures prior to their maturities, on 5th anniversary of the issued date or on any interest-payment date after 5th anniversary date, except for subordinated debentures under EMTN Programme which can be redeemed prior to their maturities, on 5.5th anniversary of the issued date or on any interest-payment date after 5.5th anniversary date.

7.17 Provisions

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Provisions for employee benefits	11,947.70	10,776.99	10,859.40	9,795.64
Provisions for Litigations	518.85	335.91	518.85	335.91
Other provisions	159.12	39.38	146.32	31.87
Total provisions	12,625.67	11,152.28	11,524.57	10,163.42

Provisions for Employee Benefits

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Provisions for employee benefits				
Beginning balances	10,776.99	10,391.04	9,795.64	9,609.72
Current service costs	608.26	565.65	506.27	465.14
Interest costs	420.53	496.46	383.64	457.63
Employee benefits paid during the period	(1,007.55)	(1,612.77)	(950.66)	(1,586.55)
Actuarial losses (gains) on defined benefit plans (Note 7.34)				
- from changes in demographic assumptions	(13.06)	(4.76)	(28.82)	(14.74)
- from changes in financial assumptions	1,162.53	941.37	1,153.33	864.44
Total provisions for employee benefits	11,947.70	10,776.99	10,859.40	9,795.64

The Principal Actuarial Assumptions

	December 31, 2017	December 31, 2016
Average discount rate	2.50% - 4.03%	2.75% - 4.34%
Average future salary increase rate	4.00% - 7.50%	4.00% - 7.50%
Average turnover rate	0.10% - 26.27%	0.11% - 30.00%
Retirement age	55 - 60 Years	55 - 60 Years

Sensitivity Analysis of Principal Actuarial Assumptions

Defined benefit plan of the Bank and its subsidiaries are sensitive to changes in assumptions used for calculation. The actuarial assumptions may change based on changes in market conditions, changed in inflation condition including demographic changes in the defined benefit plan. The following table shows the effect of changes in each key assumption. The change in each assumption occurs separately.

	(Million Baht)			
	Increase (Decrease) in Defined Benefit Plan			
	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Average discount rate				
Increase of 1 %	(1,216.67)	(1,008.35)	(1,091.60)	(890.52)
Decrease of 1 %	1,454.82	1,182.41	1,305.09	1,041.66
Average future salary increase rate				
Increase of 1 %	1,119.29	870.09	993.52	751.62
Decrease of 1 %	(959.60)	(761.55)	(849.49)	(658.15)
Average turnover rate				
Increase of 1 %	(137.92)	(120.43)	(111.83)	(99.86)
Decrease of 1 %	145.35	121.57	111.83	99.86

Maturity Profile of Defined Benefit Plan

The following table provides information on the weighted average duration of the defined benefit plan and the maturity analysis of benefit payments calculated based on the defined benefit plan expected to be paid in the future in the undiscounted form.

(Years)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Weighted average duration of the defined benefit plan	23	21	22	20

(Million Baht)

	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Maturity analysis of benefits expected to be paid				
Amount expected to be paid within 12 months	531.08	594.24	489.03	568.12
Amount expected to be paid between 1 to 2 years	586.87	535.90	543.84	499.08
Amount expected to be paid between 2 to 5 years	2,686.83	2,528.36	2,496.87	2,381.31
Amount expected to be paid between 5 to 10 years	6,646.06	6,365.81	6,125.71	5,884.33
Amount expected to be paid between 10 to 15 years	5,986.73	6,183.08	5,135.56	5,355.01
Amount expected to be paid between 15 to 25 years	10,425.51	8,419.47	7,713.35	5,540.87
Amount expected to be paid over 25 years	25,330.92	16,086.32	23,757.06	14,378.20

Provisions for Litigations

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Provisions for Litigations				
Beginning balance	335.91	538.01	335.91	538.01
Increase (decrease)	182.94	(202.10)	182.94	(202.10)
Ending balance	518.85	335.91	518.85	335.91

Other Provisions

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Other provisions				
Beginning balance	39.38	34.16	31.87	25.53
Increase	119.74	5.22	114.45	6.34
Ending balance	159.12	39.38	146.32	31.87

7.18 Other Liabilities comprise the followings:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Accrued interest expenses	3,734.98	4,125.33	3,443.08	3,849.37
Accrued expenses	11,760.42	14,339.86	10,011.39	12,663.39
Interbranch account	832.16	-	832.16	-
Suspense account creditors	3,495.95	2,955.41	5,064.80	4,148.10
Tax payables	2,730.09	3,132.80	1,965.53	2,510.59
Deferred revenue for reward points	2,558.54	2,640.55	-	152.82
Interbank account	812.09	-	812.09	-
Advanced account	198.34	186.36	198.34	186.36
Cheque in transit	5,289.95	5,020.70	5,289.95	5,020.70
Sundry liabilities	11,509.60	12,417.91	8,128.55	9,445.10
Total	42,922.12	44,818.92	35,745.89	37,976.43

7.19 Share Capital

7.19.1 Ordinary Shares

As at December 31, 2017 and 2016, the Bank's authorized share capital and issued and paid-up share capital are 13,976,061,250 shares.

7.19.2 Preferred Shares

The 5.5 million of preferred shares are fully paid-up. Preferred share has more preference over the ordinary share. Apart from entitling to the same voting rights and claims on dividends as ordinary shares, it may enjoy preferential rights to a special dividend at a 3 percent fixed rate per annum prior to the ordinary shares when paid.

7.19.3 The Bank is the state enterprise; its major shareholder is the Financial Institutions Development Fund (FIDF). As at December 31, 2017, FIDF holds 7,696,248,833 shares or 55.05 percent of paid-up ordinary and preferred shares.

7.20 Legal Reserve

According to the Public Limited Company Act, the Bank is required to appropriate net profit of the year as legal reserve which is not less than 5 percent after deducting accumulated losses brought forward (if any) until legal reserve reaches an amount not less than 10 percent of authorized share capital. The Bank also set aside full amount of legal reserve.

7.21 The Appropriation of 2016 Net Profit and Dividend Payment

On April 28, 2017, the 24th Annual General Shareholders' Meeting passed the resolution to approve the appropriation of 2016 net profit of Baht 29,967.79 million. On April 29, 2016, the 23rd Annual General Shareholders' Meeting passed the resolution to approve the appropriation of 2015 net profit of Baht 26,473.75 million and dividend payment as follows:

	(Million Baht)	
	Net Profit of 2016	Net Profit of 2015
Dividend - preferred shares (@ Baht 1.0145 and Baht 0.9145)	5.58	5.03
Dividend - ordinary shares (@ Baht 0.86 and Baht 0.76)	12,019.41	10,621.81
Net profit carried forward	17,942.80	15,846.91

7.22 Obligations and Contingent Liabilities

7.22.1 Contingent Liabilities

(Million Baht)

	Consolidated and the Bank's Financial Statements	
	December 31, 2017	December 31, 2016
Avals to bills	8,062.96	8,111.97
Guarantees of loans	4,011.56	4,011.03
Liability under unmatured import bills	4,368.59	4,756.16
Letters of credit	50,125.01	40,407.40
Other contingencies		
Unused credit line of overdraft	155,394.32	156,429.94
Other guarantees	168,116.68	156,273.58
Total	390,079.12	369,990.08

Besides the contingent liabilities mentioned above, As at December 31, 2017 and 2016, the Bank has material contingent liabilities owing to prosecutions of Baht 9,011.62 million and Baht 6,962.26 million, respectively. Such prosecutions comprised of the completed cases in the civil court and the cases proceedings in the Appeal Court and the Supreme Court.

As at December 31, 2017 and 2016, the Bank has set aside provisions of Baht 518.85 million and Baht 335.91 million, respectively, for estimated losses from such cases.

7.22.2 Obligations under Long-Terms Leased

The Bank has obligations arising from lease agreements. The amounts due are classified as follows:

(Million Baht)

Period	Consolidated Financial Statements							
	December 31, 2017				December 31, 2016			
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	Within 1 year	Over 1 to 5 years	Over 5 years	Total
Land and/or Premises	814.08	926.51	57.41	1,798.00	710.91	570.78	60.37	1,342.06
Vehicles	402.22	652.66	-	1,054.88	425.32	748.58	-	1,173.90
Others	54.15	32.94	-	87.09	137.93	43.92	-	181.85
Total	1,270.45	1,612.11	57.41	2,939.97	1,274.16	1,363.28	60.37	2,697.81

(Million Baht)

Period	The Bank's Financial Statements							
	December 31, 2017				December 31, 2016			
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	Within 1 year	Over 1 to 5 years	Over 5 years	Total
Land and/or Premises	568.90	557.36	57.41	1,183.67	560.25	480.54	60.37	1,101.16
Vehicles	355.69	582.52	-	938.21	374.79	671.74	-	1,046.53
Others	3.58	1.06	-	4.64	0.62	1.13	-	1.75
Total	928.17	1,140.94	57.41	2,126.52	935.66	1,153.41	60.37	2,149.44

7.23 Assets with Obligations and Restrictions

(Million Baht)

	Consolidated and the Bank's Financial Statements	
	December 31, 2017	December 31, 2016
Government and state enterprise bonds pledged as collateral		
Court collateral	413.76	102.65
Repurchase agreements	36,209.98	58,139.64
Properties for sale (debtor is granted the right to buy back or first right for this portion)	12,453.51	12,911.62
Total	49,077.25	71,153.91

7.24 Loans and Obligations

7.24.1 As at December 31, 2017 and 2016, loans to the Bank's executives (First Vice President and above) are Baht 134.96 million and Baht 106.35 million. The average outstanding balances of such loans at month end are Baht 119.47 million and Baht 98.12 million, respectively.

The loans outstanding As at December 31, 2017 and 2016 to close family of the Bank's executives mentioned above are Baht 18.90 million and Baht 29.51 million, respectively.

7.24.2 Loans and Obligations

The balances of loans and obligations to related companies, normal bank pricing policies, As at December 31, 2017 and 2016 are as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Loans				
Related parties which the Bank totally held from 10 to 20 percent of their paid-up capital	0.51	0.43	0.51	0.43
Related parties which the Bank acquired equal to or over 10 percent of their paid-up capital from TDR	28.93	106.39	28.93	106.39
Subsidiaries				
KTB General Services and Security Co., Ltd.	-	-	10.16	9.09
KTB Computer Services Co., Ltd.	-	-	2,486.61	3,080.72
KTB Leasing Co., Ltd.	-	-	20,726.91	36,815.11
Krung Thai Asset Management Pcl.	-	-	0.04	0.05
Krungthai Card Pcl.	-	-	0.63	0.66
Less Allowance for doubtful accounts	-	-	(232.24)	(399.06)
Total	-	-	22,992.11	39,506.57
Associates				
Krung Thai IBJ Leasing Co., Ltd.	0.10	0.09	0.10	0.09
KT Zmico Securities Co., Ltd.	955.20	2,568.94	955.20	2,568.94
Krungthai Panich Insurance Pcl.	0.68	0.63	0.68	0.63
Less Allowance for doubtful accounts	(9.56)	(25.70)	(9.56)	(25.70)
Total	946.42	2,543.96	946.42	2,543.96
Other parties related with directors or key managements	22,082.24	5,017.89	22,082.24	5,017.89
Less Allowance for doubtful accounts	(220.17)	(45.32)	(220.17)	(45.32)
Total	21,862.07	4,972.57	21,862.07	4,972.57

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Obligations				
Related parties which the Bank totally held from 10 to 20 percent of their paid-up capital	12.32	14.30	12.32	14.30
Related parties which the Bank acquired equal to or over 10 percent of their paid-up capital from TDR	0.96	0.29	0.96	0.29
Subsidiaries				
KTB General Services and Security Co., Ltd.	-	-	0.78	43.40
KTB Computer Services Co., Ltd.	-	-	4.55	4.55
KTB Leasing Co., Ltd.	-	-	1.18	1,061.20
Krungthai Card Pcl.	-	-	2.13	2.29
Associates				
Krung Thai IBJ Leasing Co., Ltd.	3.72	3.30	3.72	3.30
Krungthai Panich Insurance Pcl.	5.00	-	5.00	-
Other parties related with directors or key managements	8,375.97	4,191.87	8,375.97	4,191.87

7.24.3 Deposits and Borrowings

The balances of deposits and borrowings to related companies, normal bank pricing policies, As at December 31, 2017 and 2016 are as follows:

(Million Baht)				
	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Deposits				
Subsidiaries				
KTB Law Co., Ltd.	-	-	472.88	549.52
KTB General Services and Security Co., Ltd.	-	-	601.70	677.24
KTB Computer Services Co., Ltd.	-	-	307.62	177.22
KTB Leasing Co., Ltd.	-	-	218.27	274.78
Krung Thai Asset Management Pcl.	-	-	440.07	189.86
KTB Capital Holding Co., Ltd.	-	-	-	252.86
KTB Advisory Co., Ltd.	-	-	36.82	36.89
Krungthai Card Pcl.	-	-	1,082.04	785.63
Associates				
Krung Thai IBJ Leasing Co., Ltd.	21.15	23.26	21.15	23.26
KT Zmico Securities Co., Ltd.	25.65	36.24	25.65	36.24
Krungthai Panich Insurance Pcl.	183.11	42.36	183.11	42.36
Krungthai-AXA Life Insurance Pcl.	2,105.84	1,627.83	2,105.84	1,627.83
Other parties related with directors or key managements	25,557.49	24,522.80	25,557.49	24,522.80
Borrowings				
Associates				
Krungthai-AXA Life Insurance Pcl.	3,800.00	3,250.00	3,800.00	3,250.00

7.24.4 Income and Expenses

The Bank and its subsidiaries have significant income and expenses with related parties as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Interest Income				
Subsidiaries				
KTB Computer Services Co., Ltd.	-	-	80.05	140.93
KTB Leasing Co., Ltd.	-	-	859.28	1,408.15
Krungthai Card Pcl.	-	-	17.93	15.52
Associates				
KT Zmico Securities Co., Ltd.	39.97	30.80	39.97	30.80
Interest Expenses				
Subsidiaries				
KTB Law Co., Ltd.	-	-	3.74	2.10
KTB General Services and Security Co., Ltd.	-	-	5.04	5.05
KTB Computer Services Co., Ltd.	-	-	0.69	0.51
KTB Leasing Co., Ltd.	-	-	5.16	0.90
Krung Thai Asset Management Pcl.	-	-	1.16	0.44
KTB Capital Holding Co., Ltd.	-	-	-	0.94
KTB Advisory Co., Ltd.	-	-	0.14	0.17
Krungthai Card Pcl.	-	-	2.19	2.41
Associates				
KT Zmico Securities Co., Ltd.	0.08	5.44	0.08	5.44
Krungthai Panich Insurance Pcl.	0.88	1.01	0.88	1.01
Krungthai-AXA Life Insurance Pcl.	164.75	141.55	164.75	141.55
Dividend Income				
Subsidiaries				
KTB Law Co., Ltd.	-	-	19.00	15.00
KTB General Services and Security Co., Ltd.	-	-	203.00	205.80
KTB Computer Services Co., Ltd.	-	-	27.30	13.00
Krung Thai Asset Management Pcl.	-	-	232.00	205.00
KTB Advisory Co., Ltd.	-	-	-	20.00
Krungthai Card Pcl.	-	-	510.00	414.38
Associates				
Krung Thai IBJ Leasing Co., Ltd.	39.05	34.20	39.05	34.20
KT Zmico Securities Co., Ltd.	-	138.63	-	138.63
Krungthai Panich Insurance Pcl.	158.40	158.40	158.40	158.40
Krungthai-AXA Life Insurance Pcl.	1,825.00	1,875.00	1,825.00	1,875.00
National ITMX Co., Ltd.	6.19	-	6.19	-

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Other Income				
Subsidiaries				
KTB Law Co., Ltd.	-	-	0.15	0.21
KTB General Services and Security Co., Ltd.	-	-	5.66	4.40
KTB Computer Services Co., Ltd.	-	-	0.16	0.16
KTB Leasing Co., Ltd.	-	-	26.24	38.28
Krung Thai Asset Management Pcl.	-	-	473.91	301.78
KTB Advisory Co., Ltd.	-	-	-	0.01
Krungthai Card Pcl.	-	-	307.48	240.29
Associates				
KT Zmico Securities Co., Ltd.	21.71	40.92	21.71	40.92
Krungthai Panich Insurance Pcl.	169.09	0.22	169.09	0.22
Krungthai-AXA Life Insurance Pcl.	2,263.91	1,739.05	2,263.91	1,739.05
National ITMX Co., Ltd.	0.09	0.12	0.09	0.12
Other Expenses				
Subsidiaries				
KTB Law Co., Ltd.	-	-	1,018.56	995.00
KTB General Services and Security Co., Ltd.	-	-	2,286.08	2,379.83
KTB Computer Services Co., Ltd.	-	-	3,384.18	3,484.36
KTB Leasing Co., Ltd.	-	-	-	117.22
Krungthai Card Pcl.	-	-	6.18	22.08
Associates				
Krung Thai IBJ Leasing Co., Ltd.	211.05	150.42	211.05	150.42
KT Zmico Securities Co., Ltd.	2.35	1.74	2.35	1.74
National ITMX Co., Ltd.	91.98	89.66	91.98	89.66

7.24.5 The Bank has no compensations or other benefits, both monetary and non-monetary, to directors and executives except ordinary benefits as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Short-term employee benefits	1,118.00	1,078.36	752.46	710.59
Post-employment benefits	28.52	35.00	13.29	14.28
Total	1,146.52	1,113.36	765.75	724.87

7.24.6 Intercompany Trading Transactions

Subsidiaries

1) KTB Computer Services Co., Ltd. has been designated mainly to provide information technology (IT) services to various work units in the Bank. Service offers consist of introducing IT to the Bank's business operation and modernizing the existing systems in line with the Bank's requirement, rendering system control and maintenance system software development, offering preliminary consultancy service and organizing training in various applications of IT and techniques. The Bank incurs service charges on a cost plus method for the years ended December 31, 2017 and 2016 of Baht 3,256.50 million and Baht 3,361.60 million, respectively.

Since 2003, the GFMS project Phase 2 has been developed and implemented on behalf of the Bank by KTBCS. The Bank and the Office of GFMS attached to the Secretariat of the Prime Minister have unanimously signed on the Memorandum of Agreement upon the submission of deliverables and disbursement associated to the investments on the GFMS project on September 22, 2005. Further, the Bank has signed the hiring contract for the implementation and maintenance with the Office of GFMS. The Bank incurs service charges for the years ended December 31, 2017 and 2016 of Baht 127.68 million and Baht 122.76 million, respectively.

2) The Bank has operated student loans in subjects of public relations, policy, regulation, loan payment, documents filling, loan notification, loans status, including loan collection, claim for payment, and prosecution for the Student Loans Fund. KTB Law Co., Ltd. has been designated to prosecute debtors of the Student Loans Fund. The Bank incurs service charges for the years ended December 31, 2017 and 2016 of Baht 892.03 million and Baht 887.01 million, respectively.

3) KTB General Services and Security Co., Ltd. (KTBSGS) is assigned by the Bank to operate all receive-delivery cash, foreign bank notes, foreign and financial instruments, and the Bank's asset. KTBSGS also manages Krung Thai Bank Training Center and the Bank's other buildings. The Bank's expense from those services for the years ended December 31, 2017 and 2016 of Baht 2,286.08 million and Baht 2,379.53 million, respectively.

4) The Bank incurs service charges for sourcing and installing EDC machines for foreign exchange service to Krungthai Card Pcl. for the year ended December 31, 2017 of Baht 0.16 million.

5) The Bank incurs service charges on its subsidiaries (including service charges mentioned in No.1) to 4)) for the years ended December 31, 2017 and 2016 of Baht 6,695.00 million and Baht 6,980.25 million, respectively, at the agreed-upon rate.

6) The Bank generates fees income from service contracts for the years ended December 31, 2017 and 2016 of Baht 667.98 million and Baht 561.69 million, respectively.

7) The Bank generates premises rental income from subsidiaries for the years ended December 31, 2017 and 2016 of Baht 15.94 million and Baht 15.93 million, respectively, at the agreed-upon rate.

Intercompany Considerations

Intercompany income and expenses are based on the agreed-upon rate and the amount specified in the contract, whereas cost plus system has been applicable to some certain transactions.

The consolidated financial statements include the accounts of subsidiaries after eliminating intercompany transactions and balances.

Associates

1) The Bank generates premises rental income from associates for the years ended December 31, 2017 and 2016 at the amount of Baht 0.63 million at the agreed-upon rate.

2) The Bank generates fees income from supportive service contracts for the years ended December 31, 2017 and 2016 of Baht 2,363.06 million and Baht 1,741.43 million, respectively, at the agreed-upon rate.

7.25 Financial Position Classified by Business Segment

7.25.1 Financial Position Classified by Business Segment

(Million Baht)

	Consolidated Financial Statements					
	December 31, 2017			December 31, 2016		
	Domestic Business Segment	Foreign Branches Business Segment	Total	Domestic Business Segment	Foreign Branches Business Segment	Total
Total assets	2,804,573.24	55,231.82	2,859,805.06	2,629,299.92	64,197.67	2,693,497.59
Interbank and money						
market items, net	529,284.84	20,384.69	549,669.53	400,746.90	30,891.51	431,638.41
Investments, net*	226,479.52	1,760.24	228,239.76	240,951.98	1,570.93	242,522.91
Loans to customers and						
accrued interest						
receivables, net	1,790,762.28	27,149.99	1,817,912.27	1,767,185.68	31,392.46	1,798,578.14
Deposits	2,065,458.14	5,416.54	2,070,874.68	1,966,527.15	5,876.38	1,972,403.53
Interbank and money						
market items, net	227,074.21	1,617.19	228,691.40	208,966.02	2,205.29	211,171.31
Debt issued and borrowings	63,355.70	47,270.73	110,626.43	61,712.02	50,973.84	112,685.86

* Included investments in subsidiaries and associates.

(Million Baht)

The Bank's Financial Statements						
	December 31, 2017			December 31, 2016		
	Domestic Business Segment	Foreign Branches Business Segment	Total	Domestic Business Segment	Foreign Branches Business Segment	Total
Total assets	2,721,945.80	55,231.82	2,777,177.62	2,554,394.51	64,197.67	2,618,592.18
Interbank and money						
market items, net	528,795.34	20,384.69	549,180.03	400,458.70	30,891.51	431,350.21
Investments, net*	218,249.60	1,760.24	220,009.84	235,786.81	1,570.93	237,357.74
Loans to customers and						
accrued interest						
receivables, net	1,726,193.81	27,149.99	1,753,343.80	1,707,580.89	31,392.46	1,738,973.35
Deposits	2,068,177.47	5,416.54	2,073,594.01	1,969,281.29	5,876.38	1,975,157.67
Interbank and money						
market items, net	217,449.56	1,617.19	219,066.75	199,510.71	2,205.29	201,716.00
Debt issued and borrowings	20,000.70	47,270.73	67,271.43	20,289.02	50,973.84	71,262.86

* Included investments in subsidiaries and associates.

The consolidated and the Bank's financial statements As at December 31, 2017 and 2016, has total assets before eliminating net interbranch transactions of Baht 5,595.05 million and Baht 3,794.24 million, respectively.

7.25.2 Operations Classified by Business Segment

(Million Baht)

	Consolidated Financial Statements					
	December 31, 2017			December 31, 2016		
	Domestic Business Segment	Foreign Branches Business Segment	Total	Domestic Business Segment	Foreign Branches Business Segment	Total
Interest income	120,970.49	4,714.82	125,685.31	127,399.39	5,392.07	132,791.46
Interest expenses	(36,614.81)	(3,292.46)	(39,907.27)	(42,168.01)	(3,657.62)	(45,825.63)
Interest income, net	84,355.68	1,422.36	85,778.04	85,231.38	1,734.45	86,965.83
Fees and service income, net	23,946.00	75.15	24,021.15	21,944.65	97.34	22,041.99
Other operating income	13,335.34	2.36	13,337.70	15,578.52	102.10	15,680.62
Other operating expenses	(93,756.42)	(472.86)	(94,229.28)	(83,941.14)	(119.71)	(84,060.85)
Operating profit before income tax expenses	27,880.60	1,027.01	28,907.61	38,813.41	1,814.18	40,627.59

(Million Baht)

	The Bank's Financial Statements					
	December 31, 2017			December 31, 2016		
	Domestic Business Segment	Foreign Branches Business Segment	Total	Domestic Business Segment	Foreign Branches Business Segment	Total
Interest income	107,458.61	4,714.82	112,173.43	114,426.84	5,392.07	119,818.91
Interest expenses	(35,018.29)	(3,292.46)	(38,310.75)	(40,688.15)	(3,657.62)	(44,345.77)
Interest income, net	72,440.32	1,422.36	73,862.68	73,738.69	1,734.45	75,473.14
Fees and service income, net	20,187.70	75.15	20,262.85	18,680.61	97.34	18,777.95
Other operating income	11,207.91	2.36	11,210.27	12,582.72	102.10	12,684.82
Other operating expenses	(79,730.99)	(472.86)	(80,203.85)	(70,569.62)	(119.71)	(70,689.33)
Operating profit before income tax expenses	24,104.94	1,027.01	25,131.95	34,432.40	1,814.18	36,246.58

The consolidated and the Bank's financial statements for the years ended December 31, 2017 and 2016, has total interest income and interest expenses before eliminating net interbranch transactions of Baht 3,177.86 million and Baht 3,561.57 million, respectively.

7.26 Operations Classified by Operating Segment

Segment Definition

The Bank is organized into segments for internal management which the Management Committee of each segment is the chief operating decision-maker (CODM). Three reportable segments have been divided based on customer types and nature of businesses:

1) Retail banking segment: develops financial products and services, and also provides services for individual customers relating to deposits, loans, payment for goods and services as well as sale of products released by the Bank's subsidiaries and business alliances through network branches nationwide.

2) Wholesale banking segment: provides credit facilities and financial services to corporate clients.

3) Treasury and investment segment: controls the Bank's financial structure to appropriate to make profit from the Bank's equity investment, foreign currency exchange services, international business and excess liquidity, and also supervising overseas branches and companies in which the Bank has invested and etc.

Other segments comprise of middle offices, back offices, subsidiaries and associates.

Accounting Procedures for Segment Reporting

In contrast to the accounting procedures for external reporting, the accounting procedures of the operating segments are based on the principle of Economic Value Management (EVM), whereby performance is measured, as included in the internal management reports that are reviewed by the Bank's CODM. In accordance with the EVM concept, all business units are treated as profit centers, having internal service charge (ISC) between service providing unit and service receiving unit. Fund Transfer Pricing (FTP) concept is used to calculating value of fund for fund provider unit and cost of fund for fund user unit. Income and expenses are allocated according to ownership basis in order to gain net operating profit after tax (NOPAT).

(Million Baht)

Consolidated Financial Statements						
December 31, 2017						
	Retail Banking	Wholesale Banking	Treasury and Investment	Support and Others	Adjustments	Total
Total operating income	54,986.60	33,351.78	7,983.37	26,802.39	12.75 ¹	123,136.89
Total expenses (excluding bad debts, doubtful accounts and loss on impairment)	(31,296.92)	(4,529.13)	(2,859.37)	(15,494.90)	(12.90) ¹	(54,193.22)
Bad debts, doubtful accounts and loss on impairment	(3,588.15)	(27,601.91)	949.26	(14,592.74)	0.15	(44,833.39)
Net profit (loss)	20,101.53	1,220.74	6,073.26	(3,285.25)	-	24,110.28
Segment assets	972,067.56	1,055,116.71	35,139.65	720,781.50	71,104.59	2,854,210.01
Segment liabilities	1,450,229.30	630,888.09	203,356.79	196,836.55	78,680.33	2,559,991.06

(Million Baht)

Consolidated Financial Statements						
December 31, 2016						
	Retail Banking	Wholesale Banking	Treasury and Investment	Support and Others	Adjustments	Total
Total operating income	56,573.57	36,373.33	10,876.56	20,002.70	862.29 ¹	124,688.45
Total expenses (excluding bad debts, doubtful accounts and loss on impairment)	(30,904.51)	(9,171.82)	(3,215.31)	(13,540.50)	(862.44) ¹	(57,694.58)
Bad debts, doubtful accounts and loss on impairment	(5,039.53)	(8,050.98)	(641.45)	(19,697.57)	0.15	(33,429.38)
Net profit (loss)	20,629.53	19,150.53	7,019.80	(13,235.37)	-	33,564.49
Segment assets	829,308.90	1,075,229.16	165,231.60	663,328.82	(43,395.13)	2,689,703.35
Segment liabilities	1,424,588.67	604,016.42	201,037.61	213,338.08	(32,682.07)	2,410,298.71

¹ In the financial statements, certain gains are presented net of losses and shown either as gains under operating income or as losses under other operating expenses. However, these items from EVM data are predetermined as either income or expense regardless of whether they are gains or losses.

7.27 Interest Income

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Interbank and money market items	10,419.68	11,212.56	10,419.49	11,211.74
Investment and trading transactions	281.51	136.96	281.51	136.96
Investment in debt	3,749.88	4,585.02	3,746.95	4,580.89
Loans	106,186.68	110,297.76	94,485.80	100,286.12
Hire-purchase and finance lease	1,807.97	2,957.22	0.10	1.39
Others	61.73	40.37	61.72	40.25
Total interest income	122,507.45	129,229.89	108,995.57	116,257.35

7.28 Interest Expenses

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Deposits	20,142.20	24,770.33	20,159.15	24,782.41
Interbank and money market items	2,899.65	3,053.18	2,816.80	2,824.20
Contributions to Bank of Thailand (BoT)	9,172.53	9,451.72	9,172.53	9,451.72
Contributions to Deposit Protection Agency (DPA)	199.77	205.99	199.77	205.99
Debt issued				
Subordinated notes	4,237.74	4,726.24	2,728.59	3,487.91
B/E	0.91	0.54	-	-
Borrowings	26.50	29.01	5.21	6.65
Others	50.11	27.05	50.84	25.32
Total interest expenses	36,729.41	42,264.06	35,132.89	40,784.20

7.29 Fees and Service Income, Net

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Fees and service income				
Acceptance, aval and guarantee	1,841.59	1,786.33	1,841.59	1,786.33
Others	26,796.67	24,145.12	21,516.20	19,474.32
Total fees and service income	28,638.26	25,931.45	23,357.79	21,260.65
Fees and service expenses	(4,617.11)	(3,889.46)	(3,094.94)	(2,482.70)
Fees and service income, net	24,021.15	22,041.99	20,262.85	18,777.95

7.30 Gains on Tradings and Foreign Exchange Transactions, Net

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Gains (losses) on tradings and foreign exchange transactions				
Foreign currency and foreign currency related derivatives	3,245.80	4,488.76	3,247.35	4,488.75
Interest rate related derivatives	916.11	2,010.31	903.44	1,984.94
Debt securities	390.14	23.63	390.14	23.63
Equity securities	0.61	(2.40)	0.61	(2.40)
Others	(235.74)	307.21	(235.74)	307.21
Total gains on tradings and foreign exchange transactions, net	4,316.92	6,827.51	4,305.80	6,802.13

7.31 Gain on Investments, Net

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Gains on sale of				
Available-for-sale securities	631.89	664.85	631.89	664.85
General investments	31.87	5.47	31.87	5.47
Total	663.76	670.32	663.76	670.32
Gains on investments in the liquidation associate	252.25	-	252.25	-
Reverse (losses) on impairment of				
General investments	12.65	24.25	12.65	24.25
Investment in subsidiaries and associates	-	-	(3.69)	-
Total	12.65	24.25	8.96	24.25
Total gains on investments, net	928.66	694.57	924.97	694.57

7.32 Bad Debts, Doubtful Accounts, and Loss on Impairment

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Interbank and money market items	2,263.25	265.23	2,263.25	265.23
Available-for-sale debt securities	-	(3.69)	-	(3.69)
Held-to-maturity debt securities	(0.15)	(0.15)	(0.15)	(0.15)
Loans to customers	42,614.65	33,144.33	35,281.11	26,711.11
Loss from troubled debt restructuring	(44.36)	23.66	(44.36)	23.66
Total bad debts, doubtful accounts, and loss on impairment	44,833.39	33,429.38	37,499.85	26,996.16

7.33 Income Tax Expenses

The Bank has been conducting tax management under its tax management policy by carrying out tax payment, tax filing and tax benefit utilization correctly according to the regulations of law.

The Bank has considered tax effects both current and future of benefit from carrying amount of assets or settlement of carrying amount of liabilities. If there is reasonably possible that the Bank will get benefits from carrying amount of assets or settlement of carrying amount of liabilities, allowing the Bank to pay income tax increase (or decrease) in its tax base in the future. Such consideration is based on estimates, assumptions, law changes that may occurred, legal interpretation and past experience. In the future, if changes occur, which resulted in Bank to change its decision on the sufficiency of income tax payable, any changes in income tax payable will affect on income tax expenses in the period that the changes occur.

Income tax expenses recognized in profit or losses for the years ended December 31, 2017 and 2016 are as follows:

(Million Baht)

	Consolidated Financial Statements		The Bank's Financial Statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Current tax				
Current period	4,937.25	6,226.61	3,676.75	5,260.42
Deferred tax				
Movement in temporary differences	(139.91)	836.49	142.73	1,018.37
Total	4,797.34	7,063.10	3,819.48	6,278.79

Reconciliation of effective tax rates for the years ended December 31, 2017 and 2016 are as follows:

(Million Baht)

Consolidated Financial Statements			
December 31, 2017		December 31, 2016	
Tax Rate	Amount	Tax Rate	Amount
Operating profit before income tax expenses	28,907.61		40,627.59
Income tax calculated statutory tax rates	20.00% 5,781.52	20.00%	8,125.52
Tax effects of income and expenses			
that are not taxable and deductible for tax purposes, net	(984.18)		(1,062.42)
Total	16.60% 4,797.34	17.39%	7,063.10

(Million Baht)

The Bank's Financial Statements			
December 31, 2017		December 31, 2016	
Tax Rate	Amount	Tax Rate	Amount
Operating profit before income tax expenses	25,131.95		36,246.58
Income tax calculated statutory tax rates	20.00% 5,026.39	20.00%	7,249.32
Tax effects of income and expenses			
that are not taxable and deductible for tax purposes, net	(1,206.91)		(970.53)
Total	15.20% 3,819.48	17.32%	6,278.79

7.34 Components of Other Comprehensive Income and Related Taxes

Components of other comprehensive income and related taxes for the years ended December 31, 2017 and 2016.

(Million Baht)

	Consolidated Financial Statements					
	December 31, 2017			December 31, 2016		
	Amount before tax	Tax (expense) benefit	Net amount after tax	Amount before tax	Tax (expense) benefit	Net amount after tax
Changes in revaluation surplus on assets	(12.93)	2.58	(10.35)	2,528.02	(505.60)	2,022.42
Gains on remeasuring available-for-sale investments**	1,380.37	(276.07)	1,104.30	6,724.39	(1,344.88)	5,379.51
Gains (losses) arising from translating the financial statements of foreign operations	192.59	-	192.59	(79.91)	-	(79.91)
Actuarial losses on defined benefit plans* (Note 7.17)	(1,149.47)	229.89	(919.58)	(936.61)	187.32	(749.29)
Share of other comprehensive income from associates	2,883.38	-	2,883.38	(216.64)	-	(216.64)
Other comprehensive income	3,293.94	(43.60)	3,250.34	8,019.25	(1,663.16)	6,356.09

(Million Baht)

	The Bank's Financial Statements					
	December 31, 2017			December 31, 2016		
	Amount before tax	Tax (expense) benefit	Net amount after tax	Amount before tax	Tax (expense) benefit	Net amount after tax
Changes in revaluation surplus on assets	(12.93)	2.58	(10.35)	2,528.02	(505.60)	2,022.42
Gains on remeasuring available-for-sale investments**	1,380.37	(276.07)	1,104.30	6,724.39	(1,344.88)	5,379.51
Gains (losses) arising from translating the financial statements of foreign operations	192.59	-	192.59	(79.91)	-	(79.91)
Actuarial losses on defined benefit plans* (Note 7.17)	(1,124.51)	224.90	(899.61)	(849.70)	169.94	(679.76)
Other comprehensive income	435.52	(48.59)	386.93	8,322.80	(1,680.54)	6,642.26

* Recorded in retained earnings

** Included Gains (Losses) from reclassification of investments

7.35 Fair Value of Financial Instruments

Financial assets and financial liabilities instruments carried at fair value classified by levels of valuation as follows:

(Million Baht)

Consolidated Financial Statements								
December 31, 2017					December 31, 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Derivatives assets	-	33,833.40	-	33,833.40	-	30,063.05	-	30,063.05
Trading investments	-	8,483.91	-	8,483.91	-	17,103.12	-	17,103.12
Available-for-sale investments	39,514.28	118,982.45	-	158,496.73	32,883.94	73,356.92	-	106,240.86
Total financial assets	39,514.28	161,299.76	-	200,814.04	32,883.94	120,523.09	-	153,407.03
Financial Liabilities								
Derivatives liabilities	-	30,284.42	-	30,284.42	-	31,516.69	-	31,516.69
Total financial liabilities	-	30,284.42	-	30,284.42	-	31,516.69	-	31,516.69

(Million Baht)

	The Bank's Financial Statements							
	December 31, 2017				December 31, 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Derivatives assets	-	33,842.51	-	33,842.51	-	30,084.83	-	30,084.83
Trading investments	-	8,486.92	-	8,486.92	-	17,122.65	-	17,122.65
Available-for-sale investments	39,514.28	118,982.45	-	158,496.73	32,883.94	73,356.92	-	106,240.86
Total financial assets	39,514.28	161,311.88	-	200,826.16	32,883.94	120,564.40	-	153,448.34
Financial Liabilities								
Derivatives liabilities	-	30,284.42	-	30,284.42	-	31,516.69	-	31,516.69
Total financial liabilities	-	30,284.42	-	30,284.42	-	31,516.69	-	31,516.69

There is no transfer between level 1 and 2 of the fair value hierarchy in the period.

Fair Value Hierarchy

Fair value hierarchy of the above assets and liabilities instruments depends on differences of data inputs in valuation which determined as follows:

- Level 1 - quoted market price (unadjusted) in active markets for identical assets or liabilities that the Bank can access at the measurement date.
- Level 2 - other directly or indirectly observable inputs for those assets and liabilities besides quoted market price in level 1.
- Level 3 - unobservable inputs for those assets and liabilities.

Valuation Techniques for Level 2

Fair value of derivatives is calculated by using valuation techniques included discounted cash flow model and option pricing model commonly used by market participants. Data used in the valuation is the observable input from reliable institutions, such as interest rates, exchange rates, and volatilities.

Fair value of investment in domestic issued debt securities is calculated by using published price in the Thai Bond Market Association (ThaiBMA), while fair value of investment in foreign issued debt securities are presented fair value by using the latest published price from reliable institutions.

Besides, by using valuation techniques the Bank has valuation adjustment in order to properly reflect related risk i.e. Credit Valuation Adjustment (CVA), liquidity risk of market is considered by Bid - offer Spread Adjustment and model risk used in the option valuation by currency guarantee program for SMEs.

7.36 Business Transaction within the Financial Business Group Policies and Risk Management Policies regarding Business Transaction within the Financial Business Group.

The BOT's Notification No. SOR NOR SOR. 5/2560 - SOR NOR SOR. 9/2560 dated April 27, 2017 regarding the Regulations on Consolidated Supervision Policy requires the Bank to disclose the business transaction within the financial business group policies and risk management policies regarding business transaction within the financial business group as follows:

The business transaction and risk management within the financial business group are prepared as regulations to supervise business transaction within the financial business group, including the Bank and 11 companies within the financial business group (Note 7.5), in terms of common standards and procedures which conform to the BoT's consolidated supervision policy. the business transaction within the financial business group policies and risk management policies regarding business transaction within the financial business group are approved by the Bank's board of directors and reviewed at least once a year. The policies also include transaction types, rules and regulations of business transactions, ratio of business transactions within the financial business group, and other related operating procedures. Business transactions within the group are conducted in the same manner as public operations and follow the Bank's corporate governance.

In case of the Bank having business transactions with a company within the financial business group as it is the Bank's sector, the Bank will follow the BoT's relenting regulations.

7.37 Others

7.37.1 The Bank has certain default debtors in relation to convertible preferred shares sale and lending with the outstanding principal amounts as per the related agreements totaling Baht 9,745 million as at December 31, 2017, exclusive of the interest charged thereon at default rates. The Bank has fully made a provision for impairment and allowance for doubtful accounts according to the Bot's regulations and is currently in the execution process following the orders of the Civil and Bankruptcy Courts.

These debtors, together with certain other defendants, have also been prosecuted to the Criminal Division for Persons Holding Political Position of The Supreme Court by the Office of the Attorney General. The Supreme Court had issued the order of acceptance on July 25, 2012 and later gave a final judgment on August 26, 2015 that all defendants must be accountable for the damage caused to the Bank. The Bank submitted the letter to the Office of the Attorney General to designate its Department of Legal Execution as the Bank's legal executioner. In January 2016, the Office of the Attorney General filed a complaint to the Supreme Court to nominate the executing officers. The Supreme Court has nominated executing officers accordingly. The Bank also provided them with the result of property investigation of all debtors in accordance with the court judgment. On October 5, 2016 the attorneys of the Department of Special Litigation arranged a meeting for representatives from the Bank of Thailand, the Anti-Money Laundering Office and the Bank to consider the problems regarding the legal execution of the Supreme Court's order. They will coordinate and exchange information, and each party will utilize its authority by the law and the Supreme Court's order for legal execution towards the defendants for the Bank's benefits.

On August 17, 2017, a defendant of the criminal suit of the Persons Holding Political Positions, who was not one of the default debtors, made a partial settlement of Baht 1,635.74 million to the Bank in relation to the criminal lawsuit. The Bank has accepted such payment, which is recorded the transaction as revenue from litigation compensation, and also sent a letter to this defendant demanding for further payment together with all other defendants to the Bank for the remaining compensation amount according to the order of the Criminal Division for Persons Holding Political Position of The Supreme Court. For the civil lawsuit, the Bank still has the right to full suit and continues the legal execution and debt collection processes against all the default debtors according to the relevant judgments.

7.37.2 In 2010, the Bank lend a company of USD 95.67 million (Baht 2,884.61 million) pledged an investment in ordinary shares of a foreign financial institution as collateral. Although such shares equaled to 50 percent of its authorized shares capital, are on the Bank's behalf, but the Bank has no influences over this invested financial institution. The Bank has already received full loan repayment under this contract since July, 2011, but not yet transferred those ordinary shares as collateral back to the company because the company need to find a financial institution to be a new investor first.

7.37.3 On October 12, 2016, the Bank is considering the principle of closing a certain foreign branch. Currently, the Bank hired legal consultant and on the process of discussion with related departments. Assets, liabilities and operating performances of the branch do not have a material effect on the Bank's financial statements.

7.38 Approval of the Financial Statements

These financial statements have been authorized for issue by the Board of Directors on February 28, 2018.

General Information and Other Major Information

1. Company Information

Name of Company	:	Krung Thai Bank Public Company Limited
Registration Number	:	0107537000882 (formerly Bor.Mor.Jor.335) The Bank registered its transformation to public limited company on March 24, 1994
Business Type	:	Commercial Banking
Head Office	:	Building 1 35 Sukhumvit Road, Klong Toey Nua Subdistrict, Wattana District, Bangkok 10110 Tel. : +662 255-2222 Fax. : +662 255-9391-3
		Building 2 10 Sukhumvit Road, Klong Toey Subdistrict, Klong Toey District, Bangkok 10110 Tel. : +662 208-7000, 8000 Fax. : +662 255-9391
KTB Call Center	:	+662 111-1111 (available 24 hours)
Website	:	www.ktb.co.th

2. Bank's Shares

2.1 Number and Type of the Total Shares issued

As at December 31, 2017

Bank's registered and paid-up capital	amounted to	72,005,040,437.50	Baht	classified into
Ordinary shares	amounted to	13,976,061,250	shares	at THB 5.15 per share
Preferred shares	amounted to	5,500,000	shares	at THB 5.15 per share
	Total	13,981,561,250	shares	

2.2 Debt Instruments or Convertible Securities

Issuance Date	Type of Debt Instruments	Credit Rating	Outstanding	Period	Redemption Date
Mar. 11, 2013	Unsecured Unsubordinated Debenture under Euro Medium Term Note Programme	BBB (Fitch Ratings) Baa 1(Moody's) BBB (S&P)	USD 500 million	5.5 yrs.	Sep. 11, 2018
Jun. 26, 2014	Subordinated Debentures in accordance with Basel III (Subordinated Tier 2) under Euro Medium Term Note Programme	BBB- (Fitch Ratings)	USD 700 million	10.5 yrs.	Dec. 26, 2024 (Call option in 5.5th year)
Jul. 6, 2015	Subordinated Debentures in accordance with Basel III (Subordinated Tier 2) under Malaysian Ringgit Medium Term Note Programme	AA2 (RAM Berhad)	MYR 1,000 million	10 yrs.	Jul. 4, 2025
Nov. 23, 2017	Subordinated Debentures No. 1/2017 (Redemption in 2027). The debentures are redeemable at the instance of the issuer after the 5th years of the debenture or thereafter without holder's consent, within the scope of conditions.	AA(thai)	THB 20,000 million	10 yrs.	Nov. 23, 2027 (Call option in 5th year)
End of Dec. 2017	Bill of Exchange (Short-term and Long- term)	-	THB 0.70 million	-	Depend on the date of purchase

3. Companies in which Krung Thai Bank holds 10 percent or more of the total shares issued As at December 31, 2017

Name and Head Office's Address	Type of Business	Total Shares Issued	No. of Shares Invested	Percentage of Shareholding	Type of Share
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Life / Non-Life Insurance

1. Krungthai Panich Insurance Pcl. 1122 KPI Tower, New Phetchaburi Rd., Makasun, Rajathevi, Bangkok 10400 Tel. : +662 624-1111 Fax. : +662 624-1234	Non-Life Insurance	11,000,000	4,950,000	45.00	Ordinary
2. Dhipaya Insurance Pcl. 63/2 Rama IX Rd., Huay Khwang, Bangkok 10310 Tel. : +662 239-2200 Fax. : +662 239-2049	Non-Life Insurance	300,000,000	30,000,000	10.00	Ordinary
3. Krungthai-AXA Life Insurance Pcl. 9 G Tower Grand Rama 9, 1st 20th-27th Fl., Rama 9 Rd., Huaykwang, Bangkok 10310 Tel. : 1159	Life Insurance	135,500,000	67,750,000	50.00	Ordinary

Name and Head Office's Address	Type of Business	Total Shares Issued	No. of Shares Invested	Percentage of Shareholding	Type of Share
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Hire Purchase / Leasing

4. KTB Leasing Co., Ltd. 20 Suan Mali Tower, 6th - 8th Fl., Yukol 2 Rd., Wat Debsirin, Pom Prap Sattru Phai, Bangkok 10100 Tel. : +662 299-3800 Fax. : +662 299-3801-2	Hire Purchase	100,000,000	99,999,993	100.00	Ordinary
5. Krung Thai IBJ Leasing Co., Ltd. 161 Nantawan Bldg., 18th Fl., Rajadamri Rd., Lumpini, Pathumwan, Bangkok 10330 Tel. : +662 651-8120 Fax. : +662 254-6118	Hire Purchase	10,000,000	4,899,998	49.00	Ordinary

Credit Card

6. Krungthai Card Pcl. 591 UBC II Bldg., 14th Fl., Sukhumvit Rd., Klong Ton Nua, Wattana, Bangkok 10110 Tel. : +662 665-5000 Fax. : +662 661-7721	Credit Card	257,833,407	127,500,000	49.45	Ordinary
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Securities / Financial Consultant

7. Krung Thai Asset Management Pcl. 195 Empire Tower., 32nd Fl., South Sathorn Rd., Yannawa, Sathorn, Bangkok 10120 Tel. : +662 686-6100 Fax. : +662 670-0430	Asset Management	20,000,000	19,999,986	100.00	Ordinary
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Name and Head Office's Address	Type of Business	Total Shares Issued	No. of Shares Invested	Percentage of Shareholding	Type of Share
8. KT ZMICO Securities Co., Ltd. 287 Liberty Square Bldg., 8th, 15th-17 th, 19th , 21th Fl., Silom Rd., Bang Rak, Bangkok 10500 Tel. : +662 695-5000 Fax : +662 695-5173	Securities	259,127,200	129,563,600	50.00	Ordinary
9. KTB Advisory Co., Ltd. 35 Nana Nua Bldg., 5th Fl., Sukhumvit Rd., Klong Toey Nua, Wattana, Bangkok 10110 Tel. : +662 208-3047 Fax. : +662 256-8659	Financial Consultant	4,000,000	3,999,997	100.00	Ordinary

Services

10. KTB Law Co., Ltd. 191/50-53,55, 21 CTI Tower, 18th - 19th, 27th Fl., Ratchadapisek Rd., Klong Toey, Bangkok 10110 Tel. : +662 261-3739 Fax. : +662 261-3748 -50	Legal Services	300,000	299,993	100.00	Ordinary
11. KTB General Services and Security Co., Ltd. 96/12 Soi. Ladprao 106 (Boon-Udom 1), Ladprao Rd., Wang Thong Lang, Bangkok 10310 Tel. : +662 791-9800-1 Fax. : +662 935-3706	General Services	1,400,000	1,399,990	100.00	Ordinary

Name and Head Office's Address	Type of Business	Total Shares Issued	No. of Shares Invested	Percentage of Shareholding	Type of Share
12. KTB Computer Services Co., Ltd. 22/1 Sawai Brown 2 Bldg., Soi Sukhumvit 1, Sukhumvit Rd., Klong Toey Nua, Wattana, Bangkok 10110 Tel. : +662 251-8199 Fax. : +662 251-8198	IT Services	13,000,000	12,999,994	100.00	Ordinary

Others

13. National ITMX Co., Ltd. 5/13 Moo 3, Klong Kluea, Pak Kret, Nonthaburi 11120 Tel : +662 558-7555 Fax. : +662 558-7566	Interbank Transaction Management	500,000	105,637	21.13	Ordinary
14. Suvarnabhumi Airport Hotel Co., Ltd. 999 Moo 1 Suvarnabhumi Airport Hotel Bldg., Nongprue, Bang Phli, Samut Prakarn 10540 Tel. : +662 131-1042-4 Fax. : +662 131-1189	Hotel	10,177,800	1,017,780	10.00	Ordinary
15. Saraburi New Industrial City Co., Ltd. 123 Thai Life Insurance Bldg., 12th Fl., Ratchadapisek Rd., Huaykwang, Bangkok 10400 Tel. : +662 246-9487 Fax. : +662 246-9819	Industrial Estate	25,000,000	2,500,000	10.00	Ordinary

Name and Head Office's Address	Type of Business	Total Shares Issued	No. of Shares Invested	Percentage of Shareholding	Type of Share
16. Alphatec Electronics Pcl. (Contact Office of the Liquidator) 889 Thai CC Tower, 14th Fl., North Sathorn Rd., Sathorn, Bangkok 10120	Electronics Components Manufacturing	2,642	806	30.51	Ordinary
17. Manager Media Group Pcl. 98/3-10 Phra-Athit Rd., Chana Songkram, Phra Nakorn, Bangkok 10200 Tel. : +662 629-4488 Fax. : +662 629-4469	Publishing	129,354,620	20,814,928	16.09	Ordinary
18. Kung Pei San Food Products Pcl. 43 Tanasarn Tower, Chiangmai Rd., Khlong San, Bangkok 10600 Tel. : +662 863-3288 Fax. : +662-437-8123	Producing and Selling Tinned Foods	500,489,990	62,145,000	12.42	Ordinary

4. Other References

- Securities Registrar

Thailand Securities Depository Co., Ltd.

93 Ratchadapisek Rd., Dindaeng,
Bangkok 10400

Tel. : +662 009-9000

SET Contact Center : +662 009-9999

Fax. : +662 009-9991

E-mail : SETContactCenter@set.or.th

- Debenture Holder Agent and Debenture Registrar

- > Subordinated Debentures No. 1/2017 (Redemption in 2027). The debentures are redeemable at the instance of the issuer after the 5th years of the debenture or thereafter without holder's consent, within the scope of conditions.

Krung Thai Bank Pcl. (Debenture Registrar)

Registrar Team, Capital Market Service
Department

SM Tower, 3rd Fl.,

977/2 Phahonyothin Rd., Samsen Nai,
Phaya Thai, Bangkok 10400

Tel. : +662 298-0830-3 ext. 109,130,124

Fax. : +662 298-0835

- > Euro Medium Term Note Programme consists of Unsecured Unsubordinated Debentures amounting to USD 500 million and Subordinated Debentures in accordance with Basel III (Subordinated Tier 2) amounting to USD 700 million

The Bank of New York Mellon (Luxembourg) S.A. (Registrar for other financial instruments excluding CMU note)

2-4 rue Eugène Ruppert,

Vertigo Building, Polaris, L-2453,

Luxembourg

The Bank of New York Mellon, Hong Kong branch (Registrar for CMU note)

Level 24, Three Pacific Place,

Queen's Road East, Hong Kong

The Bank of New York Mellon, London branch (Debenture Holder Agent)

One Canada Square, 40th Floor,

London E14 5AL,

United Kingdom

Notes : CMU stands for the Central Money
markets Unit Service operated by the HKMA

- > Malaysian Ringgit Medium Term Note Programme consists of Subordinated Debentures in accordance with Basel III (Subordinated Tier 2) amounting to MYR 1,000 million.

CIMB Investment Bank Berhad
(Facility Agent)

Level 21, Menara CIMB,
Jalan Stesen Sentral 2,
Kuala Lumpur Sentral,
50470 Kuala Lumpur

CIMB Commerce Trustee Berhad
(Debenture Holder Agent)

Level 21, Menara CIMB,
Jalan Stesen Sentral 2,
Kuala Lumpur Sentral,
50470 Kuala Lumpur

- Auditor

Office of the Auditor General of Thailand

Rama VI Rd., Sam Sen Nai,
Phaya Thai, Bangkok 10400
Tel. : +662 271-8000
Fax. : +662 618-5788

- Legal Advisors

**Legal Affairs Department,
Compliance & Procedures Sector,
Compliance & Legal Management Group,**

Krung Thai Bank Pcl.
10 Sukhumvit Bldg., 17th Fl., Sukhumvit Rd.,
Klong Toey, Bangkok 10110
Tel. : +662 345-1770-6, 1778-9,
1988-95, 1998

KTB Law Co., Ltd.

191/50-53, 21 CTI Tower 18th-19th, 27th Fl.,
Ratchadapisek Rd., Klong Toey,
Klong Toey, Bangkok 10110
Tel. : +662 261-3739
Fax. : +662 261-3748-50

5. Credit Ratings of the bank

	December 2017	December 2016
<ul style="list-style-type: none"> Standard & Poor's 		
<ul style="list-style-type: none"> Long-term/Short-term 	BBB / A-2	BBB / A-2
<ul style="list-style-type: none"> Outlook 	Stable	Stable
<ul style="list-style-type: none"> Stand-Alone Credit Profile (SACP) 	bb+	bb+
<ul style="list-style-type: none"> Moody's Investors Service 		
<ul style="list-style-type: none"> Long-term/Short-term 	Baa1 / P-2	Baa1 / P-2
<ul style="list-style-type: none"> Outlook 	Stable	Stable
<ul style="list-style-type: none"> Baseline Credit Assessment (BCA) 	ba1	ba1
<ul style="list-style-type: none"> Fitch Ratings 		
Foreign Currency Credit Ratings		
<ul style="list-style-type: none"> Long-term/Short-term 	BBB / F3	BBB / F3
<ul style="list-style-type: none"> Outlook 	Stable	Stable
<ul style="list-style-type: none"> Viability Rating 	bbb-	bbb-
<ul style="list-style-type: none"> Subordinated Debt (USD) 	BBB-	BBB-
National Credit Ratings		
<ul style="list-style-type: none"> Long-term/Short-term 	AA+(tha) / F1+ (tha)	AA+(tha) / F1+ (tha)
<ul style="list-style-type: none"> Outlook 	Stable	Stable
<ul style="list-style-type: none"> Subordinated Debt 	AA(tha)	AA(tha)

Banking Network

Domestic Branches:

1,121 Branches and 39 Service Points as at December 31, 2017 Working hours: Mon.-Fri. 8.30-16.30 hrs.

(except specific branches indicated in the bracket)

Branch Name	Telephone	Fax.	Branch Name	Telephone	Fax.
Bangkok (259 Branches And 11 Service Points)			Bankok Metropolitan	+662-245-5174-5	+662-245-5176
Administrative Court	+662-143-9874,	+662-143-9875	Administration 2 Branch		
Service Point	7832		Big C Bangna Branch	+662-398-5175-6	+662-398-5177
Aia Capital Center Branch	+662-248-1156-7	+662-248-1158	(Mon-Sun 10.30-19.30 hrs.)		
(Mon-Fri 9.30-17.30 hrs.)			Big C Bangpakok Branch	+662-428-7713-4	+662-428-7715
All Seasons Place Branch	+662-252-8380-1	+662-252-8382	(Mon-Sun 10.00-19.00 hrs.)		
(Mon-Fri 9.00-17.00 hrs.)			Big C Chaengwattana	+662-574-3603-4	+662-574-3605
Asawann Mall Samsaen	+662-636-9784-5	+662-636-9782	Branch		
Branch			(Mon-Sun 11.00-19.00 hrs.)		
(Mon-Sun 11.00-19.00 hrs.)			Big C Kallapapreuk Branch	+662-416-7032-3	+662-416-7034
Asok Branch	+662-664-1600-5	+662-260-1365	(Mon-Sun 10.30-19.30 hrs.)		
Asok-Dindaeng Road	+662-246-0735-7,	+662-248-0134	Big C Ladprao 2 Branch	+662-511-4330,	+662-511-4295
Branch	+662-641-7488		(Mon-Sun 10.30-19.30 hrs.)	4336	
Avenue Ratchayothin	+662-512-3546-7	+662-512-3548	Big C National Housing	+662-451-5029-30	+662-451-5031
Branch			Rama 2 Branch		
(Mon-Sun 11.00-20.00 hrs.)			(Mon-Sun 10.30-19.30 hrs.)		
Baiyoke Center Branch	+662-251-7237-8	+662-251-7239	Big C On Nuch Branch	+662-311-5671-2	+662-311-5673
(Mon-Sun 9.00-18.00 hrs.)			(Mon-Sun 10.30-19.30 hrs.)		
Bang Bon Branch	+662-416-0090-3	+662-416-0094	Big C Petchkasem 2 Branch	+662-421-2941-2	+662-421-2943
Bang Chan Branch	+662-517-1223-5	+662-518-2001	(Mon-Sun 10.30-19.30 hrs.)		
Bang Khun Non Branch	+662-435-1893-5	+662-435-8006	Big C Prachauthit Branch	+662-463-0884-5	+662-463-0886
Bang Khun Thian Branch	+662-416-3015,	+662-415-3015	(Mon-Sun 10.00-19.00 hrs.)		
	3315-6		Big C Rama 4 Branch	+662-258-9300-1	+662-258-9302
Bang Plad (Sub) Branch	+662-424-3678,	+662-424-9313	(Mon-Sun 10.30-19.30 hrs.)		
	9028		Big C Sai Mai Branch	+662-197-5325-6	+662-197-5327
Bangkok Airport Branch	+662-535-2468	+662-535-2445	(Mon-Sun 11.00-19.00 hrs.)		
Bangkok Bus Terminal	+662-537-9097-8	+662-537-9075	Big C Saphankwai Branch	+662-615-4080-1	+662-615-4082
(Chatuchak) Branch			(Mon-Sun 10.30-19.30 hrs.)		
(Mon-Sun 8.30-17.30 hrs.)			Big C Sukhaphiban 3	+662-540-4958-9	+662-540-4960
Bangkok Bus Terminal	+662-894-6015-6	+662-894-6017	Branch		
(Thanon Borommarat-			(Mon-Sun 10.30-19.30 hrs.)		
Chachonnani) Branch			Big C Suwintawong Branch	+662-540-5024-5	+662-540-5026
(Mon-Sun 10.00-19.00 hrs.)			(Mon-Sun 10.30-19.30 hrs.)		
Bangkok Metropolitan	+662-226-3879	+662-226-3879	Central Bangna Tower	+662-361-0993-4	+662-361-0995
Administration Branch			Branch		
Bangkok Christian College	+662-236-8695-6	+662-236-8697	(Mon-Sun 10.30-19.30 hrs.)		
Branch			Central Festival East Ville	+662-553-6204-5,	+662-553-6206
Banglampu Branch	+662-281-6121,	+662-281-6120	Branch	+669-1773-8600	
	+662-282-8436		(Mon-Sun 11.00-20.00 hrs.)		
Bangpo Branch	+662-585-3562-3	+662-585-3564	Central Ladprao Branch	+662-541-1637-8	+662-541-1639
Bangyikhan Branch	+662-434-4895,	+662-435-3681	(Mon-Sun 11.00-20.00 hrs.)		
	7157		Central Pinklao Branch	+662-884-9000-7	+662-884-9011
Bank Rak Branch	+662-234-6975-6	+662-234-6977	(Mon-Sun 10.00-19.00 hrs.)		

Branch Name	Telephone	Fax.	Branch Name	Telephone	Fax.
Central Plaza Grand Rama 9 Branch (Mon-Sun 11.00-20.00 hrs.)	+662-160-3895-6	+662-160-3897	Government House Branch	+662-282-0275, 0478	+662-282-0472
Central Plaza Rama II Branch (Mon-Sun 11.00-20.00 hrs.)	+662-872-4025-6	+662-872-4027	Government Pharmaceutical Organization Branch	+662-354-8892-3	+662-354-8890
Central Rama 3 Branch (Mon-Sun 11.00-20.00 hrs.)	+662-673-7112, 4	+662-673-7113	Head Office Building 2 (Sukhumvit Soi 2) Service Point	+662-208-8443-4	+662-256-8615
Central World Plaza Branch (Mon-Sun 10.30-19.30 hrs.)	+662-646-1062-3	+662-646-1064	Hua Takhe (Lad Krabang) Branch	+662-326-6244, +662-739-1575-6	+662-326-6243
Century Branch (Mon-Sun 11.00-20.00 hrs.)	+662-245-7358	+662-245-7359	Huamark Town Center Branch (Mon-Sun 10.30-19.30 hrs.)	+662-718-7641, 7643	+662-718-7722
Chaeng Wattana Branch	+662-574-4197-8	+662-574-5778	I'm Park Chula Branch (Mon-Sun 10.30-18.30 hrs.)	+662-214-4615-6	+662-214-4617
Chamchuri Square Branch (Mon-Sun 10.00-19.00 hrs.)	+662-160-5122-5	+662-160-5129	Imperial World Ladprao Branch (Mon-Sun 11.00-19.00 hrs.)	+662-530-1815-6	+662-530-1817
Chan Road Branch	+662-213-2233, +662-286-2095-7	+662-287-1738	IT Square Laksi Branch (Mon-Sun 11.00-19.00 hrs.)	+662-576-0527-8	+662-576-0528
Charansanitwongse 13 Branch	+662-411-1288-90	+662-411-4027	IT Square Laksi Service Point (Mon-Sun 11.00-19.00 hrs.)	+662-576-0644	-
Charoen Nakhon Road Branch	+662-438-9551-3	+662-438-7600	J.J.Mall (Chatuchak) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-265-9063-4	+662-265-9046
Charoen Krung Pracharak Hospital Branch	+662-291-8041-2	+662-291-8855	Kao San Road Branch	+662-281-1987, 2301, 3345, +662-282-8507-8	+662-282-8506
Chinnakhet Soi 2/42 Branch	+662-591-4710-1	+662-591-4712	Kasetsart University Bang Khen Branch	+662-579-9810-1	+662-579-9808
Chokchai 4 Soi 22 Branch	+662-530-2571, 3616	+662-530-2572	Khlong Sam Wa Branch	+662-548-0517-8	+662-548-0510
Communication Authority Of Thailand Service Point	+662-506-4024-5	+662-574-2937	Khu Bon 5 Branch	+662-510-5934-5	+662-510-5936
Criminal Court Branch	+662-541-2870-1	+662-541-2872	King Mongkut's Institute Of Technology Ladkrabang Branch	+662-326-4700-1	+662-326-4702
Crystal Design Center Branch (Mon-Sun 11.00-19.00 hrs.)	+662-102-2485-6	+662-102-2487	Klang Hospital Service Point	+662-224-9938-9	+662-224-9921
Department Of Industrial Work Branch	+662-354-4334-5	+662-354-4336	Kpi Tower Branch	+662-252-9690-1	+662-252-9692
Department Of Land Transport Service Point	+662-272-4315-6	+662-272-4317	Krasuang Sueksathikan Branch	+662-282-3132, 5457	+662-282-5458
Department Of Special Investigation Service Point	+662-575-0602-3	+662-575-0604	Krungkasem Branch	+662-223-2431-2, +662-225-9697-8	+662-223-2430
Dindang Branch	+662-692-6351-3, 6373-5	+662-692-6350	Lad Krabang Industrial Estate Branch	+662-326-0545-6	+662-326-0547
Ekamai Branch	+662-381-4052-4, +662-390-1921	+662-391-2950	Ladplakhao 41 Branch	+662-570-7020, 7116-7	+662-570-7223
Energy Complex Branch	+662-537-0363-4	+662-537-0365	Ladprao 102 Branch	+662-530-4092, 4243, 4885,	+662-530-6252
Exchange Tower Branch (Mon-Fri 10.30-18.30 hrs.)	+662-261-5274	+662-260-3047	Ladprao 130/1 Branch	+662-731-3123-4	+662-375-6647
Fasion Island Branch (Mon-Sun 10.30-19.30 hrs.)	+662-947-5236-7	+662-947-5238			
Fortune Town Branch (Mon-Sun 11.00-19.00 hrs.)	+662-641-1081-2	+662-641-1083			

Branch Name	Telephone	Fax.
Ladprao 33 Branch	+662-511-2739, 3316, +662-512- 1326, 1879, +662-513-9430	+662-513-9432
Ladprao 71 Branch	+662-538-4041, 4102	+662-538-4130
Lak Si Branch	+662-522-7690-2	+662-522-7693
Legal Execution Department Branch	+662-424-4737-8	+662-424-4739
Liberty Square Branch (Mon-Fri 9.30-17.30 hrs.)	+662-233-6722-3	+662-233-6724
Mahanak Branch	+662-225-5611-4	+662-225-5615
Major Tower (Thong Lo Soi 10) Branch	+662-392-7347-8	+662-392-7349
Marketing Organization For Farmers (Chatuchak) Branch	+662-270-0260-3	+662-270-0794
Marro Charansanitwong Branch (Mon-Sun 10.00-19.00 hrs.)	+662-411-3657-8	+662-411-3659
Maxvalu Nawamin Branch (Mon-Sun 11.00-19.00 hrs.)	+662-510-0754-5	+662-510-0756
MBK Center Branch (Mon-Sun 11.00-20.00 hrs.)	+662-686-3945-6	+662-686-3947
Meenburi Branch	+662-918-8880-4	+662-918-8885
Metropolitan Waterworks Branch	+662-503-9474, 9907	+662-503-9930
Ministry Of Finance Branch	+662-273-9665-6	+662-273-9955
Ministry Of Labour Branch	+662-247-7763, 8030	+662-247-8072
Muangthong Building (Yaowaraj) Branch	+662-224-6371-2	+662-224-6387
N Mark Plaza Branch (Mon-Sun 11.00-19.00 hrs.)	+662-375-4220-1	+662-375-6518
Nananua Office Branch	+662-208-4205-6, 4230-2, 4241, 4246	+662-256-8425, 8696, 8473
Nanglingee Road Branch	+662-213-2181-2, +662-678-8411-3	+662-678-8414
Nanta-Uttayan Royal Thai Navy Branch	+662-418-5100-1	+662-418-5102
National Assembly Branch	+662-243-6107, +662-244-1479, +662-282-6911	+662-280-3682
National Housing Authority Branch	+662-374-1450, 1466	+662-374-1670
Nawamin Road Branch	+662-375-2844-6	+662-375-1154
Nawamin City Avenue Branch (Mon-Sun 11.00-19.00 hrs.)	+662-907-1485-6	+662-907-1648

Branch Name	Telephone	Fax.
New Phetchaburi Road Branch	+662-314-5580-7	+662-314-5588
Nongchok Branch	+662-548-3241-2	+662-548-3243
Nuan Chan 25 Branch	+662-184-2742-3	+662-184-2747
Oic. (Ratchada Phisak Road) Service Point	+662-513-8280-1	+662-513-8250
On Nuch Branch	+662-322-8932-4	+662-322-8933
Pakklong Talad Branch	+662-226-6350-2	+662-221-7552
Palladium World Shopping (Pratunam) Branch (Mon-Sun 9.00-18.00 hrs.)	+662-250-6326-7	+662-250-6328
Panya Ramindra Branch (Mon-Sun 11.00-19.00 hrs.)	+662-508-7390-1	+662-508-7392
Paradise Park Branch (Mon-Sun 10.30-19.30 hrs.)	+662-746-0907-9	+662-746-0620
Pathum Wan Branch	+662-215-0051-3	+662-215-7717
Petroleum Authority Branch	+662-537-8006-9	+662-936-2471
Phahonyothin 39 Branch	+662-561-1725-6, 3458, 4849	+662-561-1724
Phahonyothin 40 Branch	+662-561-3702-3	+662-561-3704
Phahonyothin 62/1 Branch	+662-532-2910-1	+662-532-2912
Phatthanakan 17 Branch	+662-319-3910-1, 7881	+662-319-7958
Phatthakan 65 Branch	+662-322-8549-51	+662-322-8552
Phetkasam 29 (Phasi Charoen) Branch	+662-458-0778-9	+662-467-5456
Phetkasem 66/1 (Bangkaenua) Branch	+662-421-9753-5	+662-421-0372
Phetkasem 77/2 (Nong Khaem) Branch	+662-444-2783-5	+662-444-2786
Phetkasem 81 Branch	+662-487-5760-1	+662-487-5762
Phetkasem 84 (Bangkae) Branch	+662-454-2100, 3737-8, +662-455-2047	+662-454-2102
Phutthamonthon Sai 2 Branch	+662-448-2371-2	+662-448-2373
Pleamary Mall	+662-136-8090-1	+662-136-8092
Watcharaphol Branch (Mon-Sun 11.00-19.00 hrs.)		
Ploenchit Metropolitan Electricity Branch	+662-251-9114-6	+662-255-2989
Police General Hospital Branch	+662-250-1452-3	+662-250-1454
Port Authority Of Thailand Branch	+662-350-2389-90	+662-350-2391
Prachaniwet Branch	+662-591-1742	+662-591-3947
Pracharaj Road Branch	+662-911-3105-8	+662-585-4010
Prachautis Road (Toongkru) Branch	+662-428-8813-4	+662-428-8815

Branch Name	Telephone	Fax.
Prachautit Branch	+662-934-7416, 7418-20	+662-934-7417
Pradipat 13 Branch	+662-618-4855-8	+662-270-0056
Pradipat 16 Branch	+662-278-1612-3	+662-279-6395
Prakanong Branch	+662-391-1961, +662-392-9173	+662-390-0150
Prannok Branch	+662-411-5590-2	+662-411-5593
Praram 3-Soi 7 Branch	+662-291-0756-7	+662-291-0758
Provincial Electricity Authority Branch	+662-591-6314	+662-591-3141
Q.house Lumpini Branch (Mon-Fri 9.00-17.30 hrs.)	+662-343-8828-9	+662-343-8830
Queen Sirikit National Convention Center Branch	+662-229-4235-9	+662-229-4234
Queen Sirikit National Institute Of Child Health Branch	+662-354-3806-7	+662-354-3808
Rachadapisek-Huaikhwang Branch	+662-276-0096-100	+662-276-0101
Rajathevi Branch	+662-215-8080-5	+662-215-8084
Rajawongse Branch	+662-222-2171-8	+662-222-9881
Rajchawat Branch	+662-241-4204-5	+662-241-4206
Rama 4 Road Branch	+662-249-3178, 3184, 3316	+662-249-3350
Rama 9 Soi 13 Branch	+662-717-0121-3	+662-717-0125
Ramindra Km.4 Branch	+662-510-6630-1	+662-509-0386
Raminthra Km. 2 Branch	+662-971-6167-70	+662-552-6029
Raminthra Km.10 Branch	+662-518-1112-5	+662-517-5375
Ramkhamhaeng 65 (Fbt Building) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-318-6130-1	+662-318-6121
Revenue Department Branch	+662-617-2566-7	+662-617-2568
Saint Louis Soi 3 Branch	+662-212-2318, 3379, 5702	+662-212-7981
Sammakorn PlaceRamkhamhaeng 110 Branch (Mon-Sun 10.00-19.00 hrs.)	+662-372-3517-8	+662-372-3519
Sampeng Branch	+662-221-8666-7	+662-221-0375
Samyod Branch	+662-222-1171-4	+662-225-9276, +662-226-1372
Sanphawut Branch	+662-361-1765-8	+662-361-1769
Saphan Kasatsuek Branch	+662-214-4147, 4846	+662-214-1826
Saphan Khao Branch	+662-282-2463-4, 5007-8	+662-282-0786
Saphanmai Branch	+662-551-0545-7, +662-972-5792-3	+662-521-1300
Sathorn Road Branch	+662-670-1700-4	+662-670-1705

Branch Name	Telephone	Fax.
Sathupradit Branch	+662-295-4921-3	+662-295-4924
Seacon Bangkake Branch (Mon-Sun 10.30-19.30 hrs.)	+662-454-8085-7	+662-454-8084
Seacon Square Branch (Mon-Sun 10.30-19.30 hrs.)	+662-138-5690-1	+662-138-5689
Securities And Exchange Commission Service Point	+662-272-2489-90	+662-272-2491
Seri Thai 47 Branch	+662-375-1653, 1836, 1954	+662-375-1644
Sermmit Tower Branch	+662-258-7022-3, +662-260-2697-8	+662-260-2698
Si Ayutthaya Road Branch	+662-246-7774-6, +662-247-9256-8	+662-246-2855
Si Nakarin Branch	+662-379-3241-2	+662-379-3243
Si Nakarin Km.9 Branch	+662-721-8010-3	+662-721-8014
Siam Square Branch	+662-251-1476, +662-252-1479, 4070, 7291	+662-254-8686
Siam Paragon Branch (Mon-Sun 10.30-19.30 hrs.)	+662-129-4831-4	+662-129-4835
Sieng Somboon Town Center (Meenburi) Branch	+662-540-7931-2	+662-540-7933
Silom Branch	+662-233-2383-4, +662-235-8153-4	+662-231-5695, +662-237-5920
Siyaek Bankhaek Branch	+662-465-7048, +662-466-1650	+662-466-1989
Siyaek Praya Sri Branch	+662-221-8570, +662-222-2206, 3670	+662-222-9252
Siyaek Saphan Krungthon Branch	+662-423-0530-1, +662-433-6197-8	+662-435-0423
Siyake Arun Amarin Branch	+662-433-0619, +662-435-3508, 3510	+662-433-0620
Siyake Rajawongse Branch	+662-221-1193-4, +662-222-2580	+662-222-6368
Soi Arlee Branch (Mon-Fri 8.30-17.30 hrs., Sat-Sun 9.30-18.30 hrs.)	+662-271-2570-3, 2575-6	+662-271-2579
Sports Authority Of Thailand (Huamark) Branch (Mon-Fri 9.00-17.00 hrs.)	+662-314-7240-1	+662-314-7242
Srinakharinwirot University Prasarnmit Branch	+662-259-5491-2	+662-259-5493
Sriwara Town In Town Branch	+662-530-3375-6	+662-530-3371
Sriyan Branch	+662-243-3738-40	+662-243-2863
Srong Prapa Branch	+662-566-4388, 4474	+662-566-4472

Branch Name	Telephone	Fax.
Suanmali Branch	+662-621-6501-4	+662-223-7759,
		+662-621-6570
Suanphak Road (Taladkrungnon) Branch (Mon-Fri 9.00-17.00 hrs.)	+662-448-8264-5	+662-448-8266
Suanplu Branch	+662-286-2626,	+662-287-1489
	+662-287-1252,	
	4556	
Sukhaphiban 3 Road Branch (Mon-Sun 9.00-17.00 hrs.)	+662-728-5523-6	+662-729-5424
Sukhumvit 33 Branch	+662-259-7995-6	+662-259-7994
Sukhumvit 47 Branch (Mon-Sun 9.00-17.00 hrs.)	+662-261-6480-1	+662-258-0511
Sukhumvit 64 Branch	+662-311-4706,	+662-331-6067
	4710, 6069	
Sukhumvit 71 Branch	+662-381-2603-5	+662-381-2602
Sukhumvit 93 Branch	+662-311-4216,	+662-331-6667
	4514, +662-332-5219-21	
Sun Towers Branch	+662-273-8101	+662-273-8102
Surawongse Branch	+662-233-0953,	+662-237-6596
	4977, +662-234-7837-8	
Sutthisanwinitchai Branch	+662-276-9351-3	+662-276-9354
Taksin Road Branch	+662-438-0023-4	+662-438-2625
Talad Noi Branch	+662-236-4866-7	+662-233-8875
Talad Plu Branch	+662-466-2464,	+662-466-7345
	7342, 9395,	
	+662-472-7019	
Talad Huai Khwang Branch	+662-275-2221,	+662-275-2503
	2306, 2385, 2554,	
	2518, 2588	
Talad Mai Don Mueang Branch	+662-565-9180-1	+662-565-9182
Talad Wongsakorn Branch	+662-533-3275,	+662-533-3243
	3379	
Tanam Rajawongse Branch	+662-221-1284,	+662-225-9708
	4624, 8368,	
	+662-222-1584	
Tanon Fuangnakhon Branch	+662-221-1832,	+662-224-3996
	4330, 9211	
Tanon Kanchana Phisek (Bangwaek) Branch	+662-449-6013-4	+662-449-6015
Tanon Mahachai Branch	+662-222-9444	+662-225-3965
Tao Poon Branch	+662-585-1312,	+662-585-8075
	2198	
Tesco Lotus Bangkai Branch (Mon-Sun 10.30-19.30 hrs.)	+662-454-9613-4	+662-454-9645

Branch Name	Telephone	Fax.
Tesco Lotus Bangkok Branch (Mon-Sun 11.00-19.00 hrs.)	+662-375-6058,	+662-375-6849
	6513, 6622, 6653	
Tesco Lotus Ladprao 101 Branch (Mon-Sun 10.30-18.30 hrs.)	+662-370-3276-7	+662-370-3278
Tesco Lotus Lak Si Branch (Mon-Sun 10.30-19.30 hrs.)	+662-521-5890-1	+662-521-5892
Tesco Lotus Rama 1 Branch (Mon-Sun 10.30-19.30 hrs.)	+662-214-2821-2	+662-214-2823
Tesco Lotus Wanghin Branch (Mon-Sun 10.30-19.30 hrs.)	+662-570-8201-2	+662-570-8203
Tha Tien Branch	+662-222-0198-9	+662-221-8483
Thadindaeng Branch	+662-437-2979,	+662-437-4491
	5278, 7429	
Thai Airways International Branch	+662-512-2008,	+662-512-2154
	+662-545-2069	
Thailand Post Branch	+662-573-8748-9	+662-573-8750
Thammasat University	+662-222-5207	+662-222-5194
Tha Prachan Branch		
Thanon Suksawat Branch	+662-468-6860-1,	+662-468-5255
	+662-476-3824,	
	4027	
Thanon Watcharaphol Branch	+662-519-8500,	+662-519-8639
	8604	
Thanon Bangkhunthian- Chaithalay Branch	+662-464-5550-1	+662-464-5552
Thanon Kheha Romkiao Branch	+662-329-9738	+662-329-9739
Thanon Ramkhamhaeng 2 Branch	+662-316-7493-4	+662-316-7495
Thanon Romkiao (Sub) Branch	+662-909-8266-7	+662-909-8268
Thapra Branch	+662-457-8208-9,	+662-457-2344
	+662-467-4224,	
	4292, +662-868-2330-1	
The Customs Department Branch	+662-249-9310-2	+662-249-9313
The Circle Ratchapreuk Service Point (Mon-Sun 10.00-19.00 hrs.)	+662-863-8766	+662-863-8767
The Government Complex Commemorating (Tower A) Branch	+662-143-8966-8	+662-143-8969
The Government Complex Commemorating (Tower B) Branch	+662-143-8961-4	+662-143-8965

Branch Name	Telephone	Fax.
The Krungdeb Co-Operative Store Ltd. (Ekamai) Branch	+662-391-9861-3	+662-391-9860
The Mall Bangapi 2 Branch (Mon-Sun 10.30-19.30 hrs.)	+662-363-3583-4	+662-363-3585
The Mall Bangkae Branch (Mon-Sun 10.30-19.30 hrs.)	+662-454-9201-2	+662-454-9203
The Mall Bangkok Branch (Mon-Sun 10.30-19.30 hrs.)	+662-363-3476-7	+662-363-3478
The Mall Thapra Branch (Mon-Sun 11.00-20.00 hrs.)	+662-477-7300-1	+662-477-7307
The Nine Rama 9 Road Branch (Mon-Sun 10.00-19.00 hrs.)	+662-314-6249-50	+662-314-6251
The Paseo (Lad Krabang) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-346-4195-6	+662-346-4197
The Platinum Fashion Mall Service Point (Mon-Sun 10.00-18.00 hrs.)	+662-121-8271-2	+662-121-8273
The Promenade (Fashion Island 2) Branch (Mon-Sun 10.00-19.00 hrs.)	+662-130-4275-6, +669-684-66078	+662-130-4277
Thewet Branch	+662-281-1332, 3937	+662-281-1127
Thonburi-Paktho Branch	+662-428-6362-3	+662-427-6550
Thong Lo Branch	+662-381-3508, 3867	+662-381-3868
TOT (Cheang Wattana) Branch	+662-574-1289, 9410	+662-574-9412
Tourism Authority Of Thailand Branch	+662-250-1504	+662-250-1503
Udomsuk Branch	+662-399-1168-9, 1351	+662-399-1375
Victory Memorial Branch	+662-298-0016-20	+662-298-0884
Victory Mall Branch (Mon-Sun 11.00-20.00 hrs.)	+662-245-2692-3	+662-245-2694
Viphavadi-Rangsit 5 Branch	+662-272-2214-5, 2241-2, 2484	+662-272-2386
Viphavadi-Rangsit 64 Branch	+662-521-6085-6	+662-521-6087
Vorachak Branch	+662-221-4578, +662-223-2311, 2496, +662-225-2395	+662-221-5878
Vue Charoennakhon Branch (Mon-Fri 10.00-18.00 hrs.)	+662-861-1450-1	+662-861-1452
Wannasorn Building Branch (Mon-Fri 11.00-19.00 hrs. Sat-Sun 8.30-16.30 hrs.)	+662-306-0878-80	+662-306-0881
Wisut Kasat Road Branch	+662-281-7476, 7483	+662-280-1874

Branch Name	Telephone	Fax.
Wong Sawang Branch	+662-913-2347-9	+662-913-2346
Wongsawang Town Center Branch (Mon-Sun 10.30-19.30 hrs.)	+662-913-9716-9	+662-913-9720
Yan Nawa Branch	+662-211-0156, 3300, +662-213-0300-1	+662-211-9989
Yaowaraj Branch	+662-222-0131-6	+662-225-9275
Yingcharoen Market Branch (Mon-Sun 9.00-18.00 hrs.)	+662-521-1494-5	+662-521-1496
Zuellig House Branch (Mon-Fri 8.30-17.30 hrs.)	+662-235-6292-3	+662-235-6294

Bangkok Vicinity (114 Branches And 5 Service Points)

Nakhon Pathom (17 Branches And 2 Service Points)

Bang Len Branch	+663-439-1032-3	+663-439-1034
Big C Nakhonpathom Branch (Mon-Sun 10.00-19.00 hrs.)	+663-425-1755	+663-425-1780
Central Plaza Salaya Branch (Mon-Sun 11.00-20.00 hrs.)	+662-429-6951-2	+662-429-6953
Dontum Branch	+663-438-2011-2	+663-438-2013
Kamphaeng Saen Branch	+663-435-1434-6	+663-435-1632
Nakhon Chaisi Branch	+663-433-1113-6	+663-433-2163
Nakhon Pathom Branch	+663-425-0770-2	+663-425-3956
Nakhon Pathom Rajabhat University Service Point	+663-426-1133-4	+663-426-1135
Om Yai Branch	+662-420-4980-1, 5183	+662-420-4983
Phrapratone Branch	+663-429-3052-3	+663-439-5052
Phutthamonthon Sai 5 Branch	+662-420-8771-2	+662-420-8773
Prapatomjedee Branch	+663-425-4297-8	+663-425-4237
Salaya Branch	+662-441-4451-2	+662-441-4450
Sam Phran Branch	+663-432-2900-2	+663-432-3155
Silpakorn University Sanam Chandra Palace Campus Service Point	+663-427-2507-8	+663-427-2509
Siyaek Sanamchan Branch	+663-425-4533-6	+663-425-4240
Tesco Lotus Nakhon Chaisi Branch (Mon-Sun 10.00-19.00 hrs.)	+663-433-9456	+663-433-9576
Tesco Lotus Nakhonpathom Branch (Mon-Sun 10.00-19.00 hrs.)	+663-425-9751-2	+663-425-9753
Tesco Lotus Salaya Branch (Mon-Sun 10.00-19.00 hrs.)	+662-482-2130-1	+662-482-2132

Branch Name	Telephone	Fax.
Nonthaburi (32 Branches And 2 Service Points)		
Bang Bua Thong Branch	+662-571-7668-9, +662-924-1031-3	+662-571-7667
Bang Kruai Branch	+662-447-0652-4	+662-447-1554
Bangkrui Electricity Generating Branch	+662-436-5950	+662-433-4663
Center Point (Bang Yai) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-594-0507-9	+662-594-0506
Central Plaza	+662-193-8106-7	+662-193-8108
Chaengwattana Branch (Mon-Sun 11.00-20.00 hrs.)		
Central Plaza	+662-526-0336-7	+662-526-0338
Rattanaithibech Branch (Mon-Sun 10.30-19.30 hrs.)		
Central Plaza Westgate Branch (Mon-Sun 11.00-20.00 hrs.)	+662-194-2907-8	+662-194-2909
Ministry Of Commerce Branch	+662-547-5941-2	+662-547-5943
Ministry Of Public Health Tiwanon Branch	+662-580-7000	+662-580-2538
Muang Thong Thani Branch	+662-503-4311, 4893-4	+662-503-4899
Ngamwongwan Branch	+662-580-1594, +662-591-6180-1	+662-589-8855
Nonthaburi Municipality Service Point	+662-580-2028-9	+662-580-2022
Nonthaburi Branch	+662-525-0421, 0447, 0775, +662-527-1037, 1148, 1274	+662-525-0857
Office Of Civil Service Commission Branch	+662-525-4727-8	+662-525-4729
Pak Kret Branch	+662-583-8616-7, +662-584-3157-8	+662-583-8618
Pantip Plaza Ngamwongwan Branch (Mon-Sun 10.30-19.30 hrs.)	+662-953-6280-1	+662-953-6276
Ratanathibet Branch	+662-591-3598, 8363	+662-591-3599
Robinson Sri Saman Branch (Mon-Sun 10.30-19.30 hrs.)	+662-501-5926-7	+662-501-5928
Social Security Office Service Point	+662-526-1337-8	+662-526-1322
Software Park Building Branch	+662-584-1319	+662-584-1039
Ta Nam Pakkret Branch	+662-584-0669, 1032	+662-584-1258

Branch Name	Telephone	Fax.
Talad Klang Bangyai Branch (Mon-Sun 9.00-18.00 hrs.)	+662-595-0597, 0703-4	+662-595-0719
Talad Pra Pin 3 (Tanon Kanchanaphisek) Branch (Mon-Sun 10.00-19.00 hrs.)	+662-595-5031-2	+662-595-5033
Talad Ruamjai (Muang Thong Thani) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-980-6069-70	+662-980-6071
Talad Tha It Branch	+662-595-8513-4	+662-595-8098
Tanam Nonthaburi Branch	+662-525-0683, 0931, 0957	+662-525-1139
Tanon Kanchana Phisek (Bangyai) Branch (Mon-Sun 10.30-19.30 hrs.)	+662-459-2281-2	+662-459-2280
Tesco Lotus Rattana Thibet Branch (Mon-Sun 10.00-19.00 hrs.)	+662-580-9653-4	+662-580-9655
Thai Lotto Center Branch	+662-589-6905-6	+662-589-6944
The Crystal Ratchapruet Branch (Mon-Sun 11.00-19.00 hrs.)	+662-102-5694-5	+662-102-5696
The Government Lottery Office Branch	+662-951-3688-9	+662-951-3690
The Mall Ngamwongwan Branch (Mon-Sun 10.30-19.30 hrs.)	+662-550-1226-7	+662-550-1228
The Walk Ratchapruet Branch (Mon-Sun 10.30-19.30 hrs.)	+662-489-6980-1	+662-489-6982
Tiwanon 3 Branch	+662-591-5525-7, 8228	+662-580-2254
Pathum Thani (24 Branches)		
Amphoe Sam Khok Branch	+662-593-1381-3	+662-593-1380
Big C Rungsit Klong 6 Branch (Mon-Sun 10.30-19.30 hrs.)	+662-577-4150-1	+662-577-4240
Big C Lum Luk Ka (Klong 5) Branch (Mon-Sun 11.00-19.00 hrs.)	+662-152-7671-2	+662-152-7673
Future Park Rangsit Branch (Mon-Sun 11.00-20.00 hrs.)	+662-567-3607, 4498	+662-567-5019
Klongluang Branch (Mon-Sun 8.30-17.30 hrs.)	+662-524-2141-2	+662-524-2143
Lat Lum Kaew (Yak Noppawong) Branch	+662-194-5564-5	+662-194-5563
Pathum Thani Branch	+662-581-2245-6, 4640, 6228, 6490, 6675	+662-581-1465

Branch Name	Telephone	Fax.	Branch Name	Telephone	Fax.
Phithaksanti (Talad Pathumthani) Branch	+662-581-6331-3	+662-581-4055	Bang Bo Branch	+662-708-5504	+662-708-5505
Poonsap Market Branch (Mon-Sun 10.00-19.00 hrs.)	+662-581-4260-1	+662-581-4362	Bangphli Branch	+662-316-1935-6	+662-316-1938
Rung Sit Branch	+662-567-1001-5	+662-531-3450	Bangpla Branch	+662-312-1722-3	+662-312-1724
Rungsit-Nakhonnayok Klong 3 Branch (Mon-Sun 8.30-17.30 hrs.)	+662-569-6933, 6973	+662-569-7466	Big C Bangphli Branch (Mon-Sun 10.30-19.30 hrs.)	+662-312-2732	+662-312-2733
Rungsit-Nakhonnayok Klong 4 Branch	+662-990-9939-42	+662-533-1543	Big C Samrong 2 Branch (Mon-Sun 10.30-19.30 hrs.)	+662-380-2657-8	+662-380-2659
Rungsit-Nakhonnayok Klong 6 Branch	+662-577-5827, 5853	+662-577-5933	Big C Samutprakan Branch (Mon-Sun 10.30-19.30 hrs.)	+662-395-4190	+662-395-4191
Rangsit-Nakhonnayok Klong 11 Branch	+662-546-1239-40	+662-546-1241	Free Zone Building	+662-134-1929-30	+662-134-1931
Sammakorn Place Rungsit Klong 2 Branch (Mon-Sun 10.00-18.00 hrs.)	+662-549-9238	+662-549-8233	Suvarnabhumi Airport Branch		
Talad Simummueng Branch	+662-531-5111-3	+662-531-7245	Imperial World Samrong Branch (Mon-Sun 10.30-19.30 hrs.)	+662-183-0758-9	+662-183-0760
Talad Nana Charoen (Lum Luk Ka Klong 2) Branch (Mon-Sun 9.00-18.00 hrs.)	+662-592-4493-4	+662-592-4483	Market Village Suvarnabhumi Branch (Mon-Sun 10.30-19.30 hrs.)	+662-316-6724-5	+662-316-6726
Talad Tai Branch (Mon-Sun 8.30-16.30 hrs.)	+662-529-2022, 4206-7	+662-529-4786	Mega Bangna Branch (Mon-Sun 10.30-19.30 hrs.)	+662-105-1824-5	+662-105-1826
Tesco Lotus Lam Luk Ka (Klong 2) Branch (Mon-Sun 10.30-19.30 hrs.)	+662-191-1577-8	+662-191-1579	Mueang Mai Bang Phli Branch	+662-315-2284-5	+662-315-2286
Tesco Lotus Navanakorn Branch (Mon-Sun 10.30-19.30 hrs.)	+662-529-2883-4	+662-529-5172	Operation Center Thai Airways International Public Company Limited (Sub) Branch	+662-134-1920-1	+662-134-1922
Thammasat University Rangsit Center Branch	+662-564-3377	+662-564-3378	Pak Nam Branch	+662-387-0704, +662-389-0993-7	+662-387-0705
Valaya Alongkorn Rajabhat University Branch	+662-520-3140, 3196	+662-520-3188	Phra Pradaeng Branch	+662-462-5000, 7988, +662-463- 3722, 2273, 2506, +662-464- 1457-8	+662-463-3721
Zeer Rangsit Branch (Mon-Sun 11.00-19.00 hrs.)	+662-992-6373-4	+662-992-6375	Puchao Saming Phrai Road Branch	+662-384-2757-9	+662-394-0955
Zpell Future Park Rangsit Branch (Mon-Sun 11.00-20.00 hrs.)	+662-150-9168-9	+662-150-9170	Robinson Samutprakan Branch (Mon-Sun 10.30-19.30 hrs.)	+662-174-2802-3	+662-174-2804
Samut Prakarn (29 Branches)			Samrong Branch	+662-384-4974, +662-394-1157	+662-384-4448
Airport Operating Building Branch	+662-134-1923-4	+662-134-1925	Samut Prakan Branch	+662-389-1161	+662-387-1182
Airport Rail Link Supvarnabhumi Branch (Mon-Sun 9.00-18.00 hrs.)	+662-134-1926-7	+662-134-1918	Si Nakarin Km.14 Branch	+662-385-8167	+662-385-8292
Bang Kru Branch	+662-462-7860-2	+662-817-8819	Srisamut Road Branch	+662-175-8894, +662-387-1003, +662-389-5970, +662-702-8207	+662-387-1002
Bang Poo Branch	+662-395-3047, 4599, +662-703-8093-4	+662-395-3048	Talad Nhamdaeng Branch	+662-385-1205-6	+662-385-1207
			Tepharak Branch	+662-394-4750, 6839-40	+662-394-0720

Branch Name	Telephone	Fax.
Tesco Lotus Bangpoo Branch (Mon-Sun 10.30-19.30 hrs.)	+662-710-9067-8	+662-710-9069
Tesco Lotus Si Nakarin Branch (Mon-Sun 10.30-19.30 hrs.)	+662-759-9267-8	+662-759-9269
Thanon Phraeksa Branch	+662-382-6712-3	+662-382-6714
Samut Sakorn (12 Branches And 1 Service Point)		
Ban Pheo Branch	+663-448-1173, +663-485-0684	+663-448-1364
Big C Mahachai Branch (Mon-Sun 10.30-19.30 hrs.)	+663-444-2855-6	+663-444-2857
Krathum Baen Branch	+663-447-1926-7, +663-484-6713	+663-447-1928
Krok Krak Branch	+663-442-5184-5	+663-442-5186
Phanthai Norasing (Rama 2 Km.17) Branch	+663-487-2031-2	+663-487-2033
Phetkasem 91 (Omnoi) Branch	+662-420-5454-5	+662-420-5456
Pho Chae (Sub) Branch	+663-449-1481-2	+663-449-1483
Phutthamonthon Sai 4 Branch (Mon-Fri 10.00-18.00 hrs.)	+662-420-5023-4	+662-420-5025
Porto Chino Rama 2 Branch (Mon-Sun 11.00-19.00 hrs.)	+663-411-0852-3	+663-411-0854
Samut Sakhon Branch	+663-441-1186, 1788, +663-442-1601, 4795, 5170, 8180	+663-442-1600
Samutsakhon City Hall Service Point	+663-441-3515-7	+663-441-3517
Talad Mahachai Branch	+663-481-0257-8, 0762	+663-442-7702
Thanon Settakit 1 Branch	+663-444-8154-5	+663-444-8156

Central Region (103 Branches And 2 Service Points)

Ang Thong (4 Branches)

Ang Thong Branch	+663-561-1720-1	+663-561-1665
Pa Mok Branch	+663-566-1329, 1429	+663-566-1323
Pho Thong Branch	+663-569-1352-3	+663-569-1351
Wisetchaichan Branch	+663-563-1740-1	+663-563-1742
Chainat (4 Branches)		
Chai Nat Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-15.00 hrs.)	+665-641-2406-7	+665-641-1107
Hankha Branch	+665-645-1099-101	+665-645-1269
Sankha Buri Branch	+665-648-1061-2	+665-648-1006
Wat Sing Branch	+665-646-1320-1	+665-646-1317

Branch Name	Telephone	Fax.
Kanchanaburi (11 Branches And 1 Service Point)		
Bophloi Branch	+663-462-8492-4	+663-462-8495
Kanchanaburi Branch	+663-451-2889-90	+663-451-4518
Kanchanaburi City Hall Service Point	+663-451-2803-4	+663-451-2805
Robinson Kanchanaburi Branch (Mon-Sun 10.30-19.30 hrs.)	+663-460-3356-7	+663-460-3358
Saengchuto Road Branch	+663-451-1292	+663-451-6768
Sai Yok Branch	+663-463-4263	+663-463-4266
Sungkhaburi Branch	+663-459-5198, 5345, 5507	+663-459-5601
Talad Phasuk Kanchanaburi Branch (Mon-Sun 9.30-18.30 hrs.)	+663-451-5934-5	+663-451-5936
Tha Maka Branch	+663-454-3310, 3312, +663-464-0682	+663-454-3311
Tha Muang Branch	+663-461-1441, 1891	+663-461-1890
Tharua Phrathaen Branch	+663-456-2767, +663-456-2177	+663-456-2877
Thong Pha Phum Branch	+663-459-9065-6, 9537-8	+663-459-9100
Lop Buri (12 Branches)		
Ban Mi Branch	+663-647-1239	+663-647-1360
Big C Lop Buri 1 Branch (Mon-Sun 10.00-19.00 hrs.)	+663-644-6150-1	+663-644-6152
Khao Phra Ngam Branch	+663-648-6615	+663-648-6651
Khok Samrong Branch	+663-644-1239, 1723	+663-644-1160
Lamnarai Branch	+663-646-1044, +663-663-0797-8	+663-646-1043
Lop Buri Branch	+663-641-1204-5	+663-642-0955
Phatthananihom Branch	+663-663-9313-4	+663-649-1506
Robinson Lop Buri (Mon-Sun 10.00-19.00 hrs.)	+663-674-1244-5	+663-674-1246
Tesco Lotus Sing Buri Branch (Mon-Sun 10.30-19.30 hrs.)	+663-651-2953-4	+663-651-1999
Tha Wung Branch	+663-662-2038-9	+663-662-2040
Vichayen Road Branch	+663-661-7953-4	+663-661-8836
Wong Wien Srakaew Branch	+663-641-3678, +663-642-0082	+663-641-3723
Phetchaburi (6 Branches)		
Cha-Am Branch	+663-247-1600	+663-247-1601
Phetchaburi Branch	+663-242-5501, 5516	+663-242-8229
Phetchaburi City Hall Branch	+663-240-1033, 1044	+663-240-1055

Branch Name	Telephone	Fax.
Phra Nakhonkiri Branch	+663-242-4229	+663-242-7099
Robinson Phetchaburi Branch	+663-249-1888-9	+663-249-1890
(Mon-Sun 10.00-19.00 hrs.)		
Tha Yang Branch	+663-246-1551-3	+663-246-1552
Phranakhon Si Ayutthaya (14 Branches And 1 Service Point)		
Ayuttaya Government Center Service Point	+663-3534-5684, 5755	+663-534-5901
Ayutthapark Shopping Complex Branch	+663-580-1216, 1229, 1230	+663-580-1204
(Mon-Sun 10.00-19.00 hrs.)		
Ayutthaya Branch	+663-521-1483-4	+663-524-1266
Bang Pa-In Branch	+663-522-1025-7	+663-522-1028
Big C Ayutthaya Branch	+663-574-7150-1	+663-574-7149
(Mon-Sun 10.00-19.00 hrs.)		
Phachi Branch	+663-531-1089	+663-531-1389
Phak Hai Branch	+663-539-1458-9	+663-539-1457
Phra Nakorn Si Ayutthaya Hospital Branch	+663-532-3017-8	+663-532-3019
Pratunam Phra In Branch	+663-536-1334-6	+663-536-2006
Rojana Branch	+663-524-3289, 3389, 3489, 3829	+663-532-2921
Rojana Industrial Park Branch	+663-533-0888-9	+663-533-0890
Sena Branch	+663-520-1289, +663-521-7169-70	+663-520-1089
Talad Hua Raw Branch	+663-525-2365-6, 2699	+663-525-2368
Talad Wang Noi Branch	+663-527-1321-2	+663-527-1323
Tha Rua Branch	+663-534-1189, 1989	+663-534-1990
Prachuap Khiri Khan (10 Branches)		
Bang Saphan Branch	+663-269-2254-5	+663-269-2263
Chumchon Eangnam (Hua Hin) Branch	+663-251-2936-7	+663-251-2938
Hua Hin Branch	+663-251-1307, 1812, 2053	+663-251-1242
Hua Hin Market Village Branch	+663-252-6192-3	+663-252-6242
(Mon-Sun 11.00-19.00 hrs.)		
Kui Buri Branch	+663-268-1195, 1585, 1646	+663-268-1546
Prachuap Khiri Khan Branch	+663-255-1140, +663-260-2366, +663-261-1171, 1353, 1372	+663-261-1575
Pran Buri Branch	+663-262-1444, 1664	+663-254-2366
Talad Chat-Chai (Hua Hin) Branch	+663-251-3208-9	+663-251-3300

Branch Name	Telephone	Fax.
Tesco Lotus Prachuap Khirikhan Branch	+663-265-2282-3	+663-265-2284
(Mon-Sun 10.00-19.00 hrs.)		
Tesco Lotus Pranburi Branch	+663-282-5803-4	+663-282-5805
(Mon-Sun 10.00-19.00 hrs.)		
Ratchaburi (14 Branches)		
Ban Pong Branch	+663-221-1044	+663-221-1891
Big C Ban Pong Branch	+663-220-1363-4	+663-220-1365
(Mon-Sun 10.00-19.00 hrs.)		
Big C Ratchaburi Branch	+663-233-2787-8	+663-233-2789
(Mon-Sun 10.00-19.00 hrs.)		
Chom Bung Branch	+663-236-2350-1	+663-226-1300
Damnoen Saduak Branch	+663-224-1500-2	+663-225-4133
Kraiphet Road Branch	+663-232-2049	+663-232-5590
Pak Tho Branch	+663-228-1479	+663-228-1480
Pho Tharam Branch	+663-274-7581-2	+663-274-7583
Rachaburi City Hall Branch	+663-232-5947	+663-235-0006
Ratchaburi Branch	+663-233-7146	+663-232-1737
Si Suriyawong Branch	+663-232-3394-5, 6721, +663-232-1648	+663-232-3393
Suan Phung Branch	+663-236-4262-3	+663-236-4264
Talad Srimuang (Ratchaburi) Branch	+663-233-2138-9	+663-233-2140
(Mon-Sun 8.30-16.30 hrs.)		
Tanon Khatha Thorn Branch	+663-232-5948	+663-231-4262
Samut Songkhram (2 Branches)		
Maeklong Branch	+663-471-6352-3	+663-471-6351
(Mon-Sat 8.30-16.30 hrs.)		
Samut Songkhram Branch	+663-471-1166, 1199	+663-472-3834
Saraburi (13 Branches)		
Hin Kong Branch	+663-633-7854, 7411-2, +663-637-9493	+663-637-9494
Kaeng Khoi Branch	+663-624-8284-6	+663-624-8287
Muak Lek Branch	+663-634-5640-1	+663-634-5642
Na Phra Lan Branch	+663-634-7192-3, +663-635-1193	+663-635-1192
Nong Khae Branch	+663-632-6452, +663-637-1374	+663-637-1324
Nong Zang Branch	+663-639-9239-40	+663-639-9237
Pakpreaw Branch	+663-621-2507, +663-631-2543	+663-622-2580
Phra Phutthabat Branch	+663-626-6090-1	+663-626-6092
Robinson Saraburi Branch	+663-635-1491-2	+663-635-1493
(Mon-Sun 10.30-19.30 hrs.)		
Sao Hai Branch	+663-633-2037, +663-673-1686	+663-673-1685

Branch Name	Telephone	Fax.
Sara Buri Branch	+663-622-2093-6, 2098-9	+663-622-2700
Sara Buri City Hall Branch	+663-623-1136-7	+663-623-1138
Thalan Branch	+663-628-1427	+663-628-1334
Sing Buri (2 Branches)		
In Buri Branch	+663-658-1476-8	+663-658-1331
Sing Buri Branch	+663-651-1004, 1115, 2032, 2581, +663-652-2717	+663-651-1006

Suphan Buri (11 Branches)

Dan Chang Branch	+663-550-9503-4	+663-559-5367
Doem Bang Nang Buat Branch	+663-557-8742	+663-557-8748
Don Chedi Branch	+663-559-1301-3	+663-559-1304
Phraphanvasa Road Branch	+663-552-3475	+663-552-3722
Robinson Suphanburi Branch (Mon-Sun 10.30-19.30 hrs.)	+663-545-4381-2	+663-545-4383
Sam Chuk Branch	+663-557-1033, 1755	+663-557-1022
Si Prachan Branch	+663-558-1984-5	+663-558-2595
Song Phi Nong Branch	+663-553-1395, 1454	+663-553-1453
Suphan Buri Branch	+663-552-3042, 5202-5	+663-552-3315
Suphanburi Government Centre Branch	+663-553-5060-3	+663-553-5064
U-Thong Branch	+663-555-1927-8	+663-555-1929

Northern Region (168 Branches And 5 Service Points)

Chiang Mai (37 Branches)

Big C Chiang Mai Branch (Mon-Sun 10.30-19.30 hrs.)	+665-324-6709-10	+665-324-6791
Big C Hang Dong Branch (Mon-Sun 10.30-19.30 hrs.)	+665-344-7809-10	+665-344-7811
Bo Sang Branch	+665-333-8289, 8389	+665-333-8376
Central Airport Plaza Chiang Mai Branch (Mon-Sun 11.00-20.00 hrs.)	+665-327-9337	+665-327-9676
Central Festival Chiang Mai Branch (Mon-Sun 11.00-20.00 hrs.)	+665-328-8783-4	+665-328-8785
Chaiprakarn Branch	+665-345-7002-3	+665-345-7004
Changklan Road Branch	+665-327-2093-5, 3276	+665-381-8368
Changpuak Road (Chiang Mai) Branch	+665-322-6916-7	+665-322-6918
Chiang Dao Branch	+665-345-5237-9, +665-338-8599-600	+665-345-5147
Chiang Mai Branch	+665-324-5250-1	+665-324-8868

Branch Name	Telephone	Fax.
Chiang Mai Government Center Branch	+665-311-2812-3	+665-311-2814
Chiangmai University Branch	+665-322-3191	+665-322-3172
Chom Thong Branch	+665-334-1351, +665-382-6840	+665-334-1350
Doi Saket Branch	+665-329-1993-4	+665-329-1996
Fang Branch	+665-345-1481-3	+665-345-2006
Hang Dong Branch	+665-344-1097-8	+665-344-1096
Hot Branch	+665-346-1244-5	+665-346-1246
Huai Kaew Road (Sub) Branch	+665-322-5808-9	+665-322-5810
Kad Suan Kaew Shopping Center Branch (Mon-Sun 10.30-19.30 hrs.)	+665-322-3254, 3268	+665-322-5807
Khuang Sing Branch	+665-340-9545-7	+665-340-9548
Mae Joe Branch	+665-335-3431-3	+665-335-3430
Mae Rim Branch	+665-329-7221, 7223, 7969, 8401	+665-329-7222
Mae Ai Branch	+665-345-9318-9	+665-345-9320
Mee Choke Plaza (Chiang Mai) Branch (Mon-Fri 10.00-18.00 hrs.)	+665-323-0058-9	+665-323-0060
Phra Sing Branch	+665-328-3270	+665-328-3269
Pratu Chiang Mai Branch	+665-327-4127-8	+665-327-4129
San Pa Khoi Branch	+665-324-1110, 1854, 3188	+665-324-5405
Sanpatong Branch	+665-331-1519-21	+665-331-1503
Saraphi Branch	+665-332-5472-3	+665-332-5474
Siyaek Sanambin Chiang Mai Branch	+665-328-0965-7	+665-328-0968
Siyaek Nong Hoi Branch	+665-380-0475-6, 0478	+665-380-0477
Sri Nakorn Pink Branch	+665-323-4395, 4890, +665-325-1044-6	+665-325-1724
Sun Kumphaeng Branch	+665-333-1993, 2311, 2628	+665-333-1994
Suthep Road Branch	+665-327-8084, 8087	+665-327-8871
Tesco Lotus Chiang Mai Hang Dong Branch (Mon-Sun 10.00-19.00 hrs.)	+665-328-0610-1	+665-328-0612
Tesco Lotus Mae Tang Branch (Mon-Sun 10.00-19.00 hrs.)	+665-347-1292-3	+665-347-1294
Tha Pae Branch	+665-325-2801-5	+665-323-2537

Branch Name	Telephone	Fax.
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Chiang Rai (13 Branches And 1 Service Point)

Chiang Khong Branch	+665-379-1665	+665-379-1772
Big C Chiangrai Branch (Mon-Sun 10.30-19.30 hrs.)	+665-315-3341-2	+665-315-3343
Central Plaza Chiang Rai Branch (Mon-Sun 11.00-20.00 hrs.)	+665-317-9780-1	+665-317-9782
Chiang Rai Branch	+665-374-4282-3	+665-371-1700
Chiang Saen Branch	+665-365-0696-7	+665-365-0698
Chiang Rai City Hall Service Point	+665-317-7314-6	+665-317-7317
Denha (Chiangrai) Branch (Mon-Sun 8.30-17.30 hrs.)	+665-371-8601, 603	+665-371-8604
Hayaek Phokhun Mengrai Branch	+665-371-7740-3	+665-371-9147
Mae Chan Branch	+665-377-1940	+665-377-1939
Mae Sai Branch (Mon-Fri 8.30-16.30 hrs. sat-Sun 9.30-17.30 hrs.)	+665-364-1001, +665-373-1624-5	+665-373-1831
Phan Branch	+665-372-1370-1	+665-372-1622
Talad Ban Du (Chiang Rai) Branch (Mon-Sun 8.30-17.30 hrs.)	+665-317-5680-1	+665-317-5682
Thoeng Branch	+665-379-5822-3	+665-379-5789
Wiangpapao Branch	+665-378-2175-6	+665-378-2177

Kamphaeng Phet (7 Branches And 1 Service Point)

Chakangrao Branch (Mon-Sun 8.30-16.30 hrs.)	+665-571-1003, 1013, 1023	+665-571-4024
Kamphaeng Phet Branch	+665-571-1007, 1117	+665-571-3567
Kamphaengphet Government Center Service Point	+665-570-5151-2	+665-570-5153
Khanu Worakabsuri Branch	+665-577-9074	+665-577-9014
Klong Khlung Branch	+665-586-3114-6	+665-586-3113
Lan Krabu Branch	+665-576-9117-9	+665-576-9174
Phran Kra Tai Branch	+665-577-5551	+665-577-5552
Salokbat Branch	+665-577-1100, 1200, 1300	+665-577-1491

Lampang (9 Branches And 1 Service Point)

Central Plaza Lampang Branch (Mon-Sun 11.00-20.00 hrs.)	+665-481-1843-4	+665-481-1845
Kelangnakorn Branch	+665-423-0193-5	+665-423-0192
Lam Pang Branch	+665-422-1276, 5074, 6275	+665-422-5748
Lampang Government Center Service Point	+665-426-5219-20	+665-426-5221

Branch Name	Telephone	Fax.
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Mae Mo Branch	+665-425-5611-2, +665-482-2852	+665-482-2851
Mae Tha Branch	+665-428-9155	+665-428-9154
Pratuchai Branch	+665-422-3638	+665-422-5051
Tesco Lotus Lampang Branch (Mon-Sun 10.00-19.00 hrs.)	+665-423-0443-4	+665-423-0445

Thoen Branch	+665-429-1111, 1333, 1444	+665-429-1555
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Wang Nua Branch	+665-427-9118-9	+665-427-9117
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Lamphun (7 Branches)

Ban Hong Branch	+665-359-1311	+665-359-1211
Big C Lamphun Branch (Mon-Sun 10.00-19.00 hrs.)	+665-358-2810-1	+665-358-2812
Lamphun Branch	+665-351-0309, 1109, 1950	+665-351-1189
Li Branch	+665-397-9333, 9555	+665-397-9455
Lumphun Industrial Estate Branch	+665-358-1442	+665-358-1443
Mae Thar Branch	+665-357-4322-5	+665-357-4821
Tesco Lotus Pasang Branch (Mon-Sun 10.00-19.00 hrs.)	+665-352-1302-3	+665-352-1332

Mae Hong Son (4 Branches)

Khun Yuam Branch	+665-369-1043	+665-369-1033
Mae Hong Son Branch	+665-361-2049, 2399, 2744	+665-361-2219
Mae Sariang Branch	+665-362-1330, +665-368-1111, 1482	+665-368-1222
Pai Branch	+665-369-9028-9	+665-369-9030

Nakhon Sawan (16 Branches)

Banphot Phisai Branch	+665-627-9034, 9068	+665-627-9227
Chumsaeng Branch	+665-628-2103	+665-628-2218
Fairy Land (Nakhon Sawan) Branch (Mon-Sun 10.00-19.00 hrs.)	+665-637-2122-3	+665-637-2124
Lat Yao Branch	+665-627-1267	+665-627-1328
Matuli Road Branch	+665-622-9904, 9885	+665-622-9853
Nakhon Sawan Branch	+665-621-6281-3	+665-621-6284
Nakhon Sawan Rajabhat University Branch	+665-688-2633-4	+665-688-2635
Nongbua Branch	+665-687-6031-2	+665-687-6033
Pak Nam Pho Branch	+665-622-1590, 7643	+665-622-1706
Phayuha Khiri Branch	+665-634-1502	+665-634-1455
Sawanviti Road Branch	+665-622-1628	+665-622-6790

Branch Name	Telephone	Fax.
Tak Fa Branch	+665-624-1074, 1178	+665-624-1177
Takhli Branch	+665-626-1556-7	+665-626-2500
Tesco Lotus Nakhonsawan Branch (Mon-Sun 10.00-19.00 hrs.)	+665-637-0258-9	+665-637-0260
Tha Tako Branch	+665-624-8727-8	+665-624-8729
V-Square (Big C)	+665-637-2116-7	+665-637-2118
Nakorn Sawan Branch (Mon-Sun 10.00-19.00 hrs.)		
Nan (5 Branches)		
Big C Nan Branch (Mon-Sun 10.00-19.00 hrs.)	+665-471-1231-2	+665-471-1233
Nan Branch	+665-471-0208, +665-477-2543-4	+665-471-0209
Nara Hypermart Branch (Mon-Sun 10.00-19.00 hrs.)	+665-477-3163, 5134	+665-477-4056
Pua Branch	+665-479-2979-80	+665-479-2981
Wiang Sa Branch	+665-478-2052, 2055	+665-478-2076
Phayao (7 Branches)		
Chiang Kham Branch	+665-445-1800, 1965, 2096	+665-445-1675
Dok Kham Tai Branch	+665-449-1478-9	+665-449-1476
Phayao Branch	+665-443-1032, 1733, 1992	+665-443-1802
Phayao Government Center Branch	+665-444-9723, 9725	+665-444-9726
Pong Branch	+665-449-7038	+665-449-7035
Tesco Lotus Chiang Khum Branch (Mon-Sun 10.00-19.00 hrs.)	+665-445-4226-7	+665-445-4228
University Of Phayao Branch	+665-446-6782-3	+665-446-6784
Phetchabun (10 Branches)		
Bueng Samphan Branch	+665-673-2503-4	+665-673-2505
Chon Daen Branch	+665-676-1275	+665-676-1277
Lom Sak Branch	+665-670-1029, 2400	+665-670-1676
Nong Phai Branch	+665-678-1886-8	+665-678-1884
Phetchabun Branch	+665-671-1055, 1344, 1388	+665-671-1168
Phetchabun Government Center Branch	+665-672-5458-9	+665-672-5460
Phetcharoen Road Branch	+665-671-1644-5	+665-671-1646
Si Thep Branch	+665-679-9717-8	+665-679-9719
Tesco Lotus Phetchabun Branch (Mon-Sun 10.00-19.00 hrs.)	+665-671-1841-2	+665-671-1843
Wichian Buri Branch	+665-679-1316	+665-679-1318

Branch Name	Telephone	Fax.
Phichit (6 Branches)		
Bang Mun Nak Branch	+665-663-1202-3, 1830, 1977	+665-663-1414
Phichit Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-15.00 hrs.)	+665-661-1376	+665-661-1396
Pho Thale Branch	+665-668-1022	+665-668-1024
Sak Leg Branch	+665-669-9128-9	+665-669-9130
Taphan Hin Branch	+665-662-1159, 1179, 2545	+665-662-1959
Thap Klo Branch	+665-664-1334	+665-664-1307
Phitsanulok (15 Branches And 1 Service Point)		
Bang Rakam Branch	+665-537-1227-8	+665-537-1148
Baromtrilokanart Branch (Mon-Fri 9.00-17.00 hrs.)	+665-525-2221-2	+665-525-2311
Big C Phitsanulok Branch (Mon-Sun 10.30-19.30 hrs.)	+665-530-1777, 3875	+665-530-3856
Buddhachinaraj Hospital	+665-525-2800,	+665-525-2679
Phitsanulok Branch (Mon-Fri 9.00-17.00 hrs.)	2678	
Central Plaza Phitsanulok Branch (Mon-Sun 11.00-20.00 hrs.)	+665-533-8500-1	+665-533-8502
Hayaek Khokmatoom Branch	+665-530-2007-8, 2010	+665-530-2011
Nakhon Thai Branch	+665-538-9296-7	+665-538-9090
Naresuan University Branch (Mon-Fri 9.00-17.00 hrs.)	+665-522-7293-4	+665-522-7445
Phitsanulok Branch	+665-523-0371-5, +665-524-2800	+665-524-2112
Phitsanulok City Hall Service Point	+665-525-9300, 9400	+665-525-9567
Phrom Phiram Branch	+665-536-9111	+665-536-9112
Singhawat Road Branch	+665-523-0721-4	+665-523-0723
Tesco Lotus Phitsanulok Branch (Mon-Sun 10.30-19.30 hrs.)	+665-533-0330-1	+665-533-0332
Tesco Lotus Phitsanulok	+665-524-7444, 7755	+665-524-7833
Thathong Branch (Mon-Sun 10.00-19.00 hrs.)		
Topland Phitsanulok Branch (Mon-Sun 10.30-19.30 hrs.)	+665-525-3601-2	+665-525-3603
Wang Thong Branch	+665-531-1314, 1317	+665-531-1231
Phrae (5 Branches)		
Big C Phrae Branch (Mon-Sun 10.00-19.00 hrs.)	+665-453-2183-4	+665-453-2185
Long Branch	+665-458-1452-4, 1666	+665-458-1456

Branch Name	Telephone	Fax.
Mark Four Plaza Branch (Mon-Sun 9.30-18.30 hrs.)	+665-452-1580-1	+665-452-1584
Phrae Branch	+665-451-1630, +665-452-2941	+665-452-2928
Sungmen Branch	+665-454-4448-9	+665-454-4688
Sukhothai (7 Branches And 1 Service Point)		
Big C Sukhothai Branch (Mon-Sun 10.00-19.00 hrs.)	+665-561-6018-9	+665-561-6020
Kong Krailat Branch	+665-569-1132-3	+665-569-1131
Sawankhalok Branch	+665-564-1422, 1681, 2252	+665-564-1539
Si Nakhon Branch	+665-565-2636, 2638	+665-565-2637
Si Samrong Branch	+665-562-8598, +665-568-1366-7	+665-568-1320
Sisatchanalai Branch	+665-567-2465-6	+665-567-2467
Sukhothai Branch	+665-561-1299, 1383	+665-561-2921
Sukhothai City Hall Service Point	+665-561-1667-8	+665-561-1616
Tak (10 Branches)		
Ban Tak Branch	+665-559-1451-2	+665-559-1453
Bumnet Narong Branch	+665-559-3197-8	+665-559-3199
Mae Sot Branch	+665-553-1006, 1193, 1600	+665-553-1436
Mae Ramat Branch	+665-558-1154-5	+665-558-1156
Rim Ping Branch	+665-551-1963-4	+665-551-1965
Robinson Mae Sot Branch (Mon-Sun 10.30-19.30 hrs.)	+665-553-0450-1	+665-553-0452
Tak Branch	+665-551-1116, 1423	+665-551-1597
Talad Phacharoen Maesot Branch	+665-553-6120-1	+665-553-6116
Tesco Lotus Maesot Branch (Mon-Sun 10.00-19.00 hrs.)	+665-550-6918-9	+665-550-6920
Tesco Lotus Tak Branch (Mon-Sun 10.00-19.00 hrs.)	+665-589-3374-5	+665-589-3376
Uthai Thani (3 Branches)		
Nong Chang Branch	+665-653-1797-8	+665-653-1799
Sawang Arom Branch	+665-654-4126, +665-659-9001	+665-654-4127
Uthai Thani Branch	+665-651-1027, 1330	+665-651-2400
Uttaradit (7 Branches)		
Nam Pat Branch	+665-548-1012, 1229	+665-548-1081
Phichai Branch	+665-542-1555, 1002	+665-542-1001
Si Utra Road Branch	+665-541-1285, 3860	+665-541-4692

Branch Name	Telephone	Fax.
Tesco Lotus Uttaradit Branch (Mon-Sun 10.00-19.00 hrs.)	+665-540-7422, +665-540-7593	+665-540-7424
Tron Branch	+665-582-5838	+665-582-5839
Uttaradit Branch	+665-540-7411, +665-544-4346	+665-540-7410
Uttaradit Rajabhat University Branch	+665-541-6803-4	+665-541-6805
Northeastern Region (214 Branches And 6 Service Points)		
Amnat Charoen (3 Branch)		
Amnat Charoen Branch	+664-551-1784	+664-551-1785
Amnat Charoen City Hall Branch (Mon-Sun 9.00-18.00 hrs.)	+664-552-3207-8	+664-552-3209
Pathumratchawongsa Branch	+664-546-5166, 5182	+664-546-5184
Bung Kan (4 Branches)		
Bung Kan Branch	+664-249-1756-8	+664-249-1760
Phon Charoen Branch	+664-248-7574-5	+664-248-7576
Seka Branch	+664-248-9087-8	+664-248-9098
Siyake Bungkan Branch	+664-249-2015	+664-249-2017
Buri Ram (13 Branches And 2 Service Points)		
Big C Buri Ram Branch (Mon-Sun 10.00-19.00 hrs.)	+664-469-0186-7	+664-469-0249
Buri Ram Branch	+664-461-1520, 3558-9	+664-461-3434
Buri Ram Government Center Service Point	+664-466-6677-8	+664-466-6679
Buriram Hospital Service Point	+664-460-2083-4	+664-460-2085
Krasang Branch	+664-469-1020-1	+664-469-1382
Kumueng Branch	+664-469-9001, 9121	+664-469-9123
Lahan Sai Branch	+664-464-9212-3	+664-464-9214
Lam Plaimat Branch	+664-466-1208-9	+664-462-3121
Nangrong Branch	+664-463-2105-7	+664-463-2104
Nong Ki Branch	+664-464-2026-7	+664-464-2028
Phutthaisong Branch	+664-468-9203	+664-468-9201
Prakhon Chai Branch	+664-467-1117, 1434	+664-467-1391
Robinson Buriram Branch (Mon-Sun 10.00-19.00 hrs.)	+664-460-0682-3	+664-460-0684
Satuk Branch	+664-462-7415, +664-468-1283	+664-468-1282
Thani Road Branch	+664-461-1233, 1560, 4270	+664-461-4306
Chaiyaphum (10 Branches)		
Bantant Branch	+664-488-7109	+664-488-7132
Bumnet Narong Branch	+664-485-9221-2	+664-485-9223
Chaiyaphum Branch	+664-482-1321-4	+664-482-1578

Branch Name	Telephone	Fax.
Chaiyaphum Government Center Branch	+664-482-4882-3	+664-482-4884
Chatturat Branch	+664-485-2171-2	+664-485-2173
Haruethai Road Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-15.00 hrs.)	+664-482-1799-800	+664-481-1325
Kang Kraw Branch	+664-488-2359, 2475	+664-488-2476
Nong Bua Rawe Branch	+664-489-7225-6	+664-489-7112
Nong Bua Daeng Branch	+664-487-2361-2	+664-487-2365
Pu Keaw Branch	+664-486-1277	+664-486-1411
Kalasin (8 Branches)		
Kalasin Branch	+664-381-1731, 4880	+664-381-2232
Kalasin City Hall Branch	+664-381-3300-1	+664-381-3322
Kalasin Plaza Branch (Mon-Sun 10.00-19.00 hrs.)	+664-381-5683	+664-381-5684
Khao Wong Branch	+664-385-9353, 9355	+664-385-9359
Kuchinarai Branch	+664-385-1312-4	+664-385-1052
Nong Kung Si Branch	+664-388-1123-4	+664-388-1222
Somdet Branch	+664-386-1917-8	+664-386-1919
Yang Talat Branch	+664-389-1486-7	+664-389-1488
Khon Kaen 5 Branches)		
Ban Phai Branch	+664-327-2116, 2996	+664-327-2886
Ban Thum Branch	+664-325-5193-4	+664-325-5195
Big C Khon Kaen Branch (Mon-Sun 10.30-19.30 hrs.)	+664-322-6012-3	+664-322-6014
Central Plaza Khon Kaen Branch (Mon-Fri 11.00-19.00 hrs. Sat-Sun 10.30-19.30 hrs.)	+664-328-8096-7	+664-328-8098
Chum Phae Branch	+664-331-1119, 2017, 2252	+664-331-1139
Khon Kaen Branch	+664-324-6837-40	+664-324-6838
Khonkaen City Hall Branch	+664-324-1826, 1836	+664-324-1846
Khonkaen University Branch (Mon-Sun 10.00-18.00 hrs.)	+664-320-4154-5	+664-320-4156
Klangmuang Road Branch	+664-332-1647-8	+664-332-1649
Kranuan Branch	+664-325-1700-2	+664-325-2013
Maliwal Road Branch	+664-324-1605-6	+664-324-1607
Mancha Khiri Branch	+664-328-9241	+664-328-9243
Mordindaeng Khonkaen Branch	+664-323-5978, +664-324-4461	+664-324-7044
Muang Phon Branch	+664-341-4273-4, 4915, 5784	+664-341-4275
Nam Phong Branch	+664-347-3347-8	+664-347-3349

Branch Name	Telephone	Fax.
Nong Rua Branch	+664-329-4013-4, 4119	+664-329-4118
Nongsonghong Branch	+664-349-1840-1	+664-349-1842
Phu Wiang Branch	+664-329-1886-7	+664-329-1996
Pratumuang Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-17.00 hrs.)	+664-327-1135-7	+664-322-2966
Si Chan Branch	+664-324-5634, 6604	+664-324-1865
Tesco Lotus Chumphae Branch (Mon-Sun 10.00-19.00 hrs.)	+664-331-3400, 3444	+664-331-1500
Tesco Lotus Khonkaen Branch (Mon-Sun 10.00-19.00 hrs.)	+664-347-2633, +664-347-2643	+664-347-2645
Tescolotus Khonkaen 2 Branch (Mon-Sun 10.00-19.00 hrs.)	+664-391-1779-80	+664-391-1781
Thungsang Road Branch	+664-324-1795-6	+664-324-1797
Ubol Ratana Branch	+664-344-6002-4	+664-344-6005
Loei (6 Branches)		
Chiangkan Branch	+664-282-2114-5	+664-282-2113
Dan Sai Branch	+664-289-1273, 1275	+664-289-1274
Loei Branch	+664-281-2650-1	+664-281-1728
Loei City Hall Branch	+664-281-5547-8	+664-281-5557
Tanon Ouaree Branch (Mon-Sun 9.00-17.00 hrs.)	+664-281-1941	+664-281-1942
Wangsaphung Branch	+664-284-2157-8	+664-284-2159
Maha Sarakham (11 Branches)		
Big C Mahasarakham Branch (Mon-Sun 10.00-19.00 hrs.)	+664-399-5636-7	+664-399-5638
Borabu Branch	+664-377-1451-2	+664-377-1113
Chiang Yun Branch	+664-378-1707-8	+664-378-1709
Hayaek Mahasarakham University Branch	+664-372-1125	+664-372-1625
Kosum Phisai Branch	+664-376-1846	+664-376-1844
Maha Sarakham Branch	+664-371-1048, 1310	+664-372-1512
Mahasarakham City Hall Branch	+664-377-7934-5	+664-377-7936
Na Chuak Branch	+664-377-9641, 9643	+664-377-9651
Phayakkaphumphisai Branch	+664-379-1401-2	+664-379-1112
Sermthai Plaza Branch (Mon-Sun 10.30-19.30 hrs.)	+664-397-0826	+664-397-0828

Branch Name	Telephone	Fax.
Tha Khon Yang	+664-397-0224-5	+664-397-0223
Maharakham Branch (Mon-Fri 10.00-18.00 hrs.)		
Mukdahan (5 Branches)		
Khamcha-I Branch	+664-269-1144	+664-269-1188
Mukdahan Branch	+664-261-1507, +664-263-3420	+664-261-1508
Mukdahan City Hall Branch (Mon-Fri 10.00-18.00 hrs.)	+664-261-4923-4	+664-261-4980
Nikhom Kham Soi Branch	+664-263-8312	+664-268-1075
Robinson Mukdahan Branch (Mon-Sun 10.30-19.30 hrs.)	+664-267-2466-7	+664-267-2468
Nakhon Phanom (7 Branches)		
Big C Nakhon Phanom Branch (Mon-Sun 10.00-19.00 hrs.)	+664-253-2781-2	+664-253-2780
Nakae Branch	+664-257-1121-3	+664-257-1323
Nakhon Phanom Branch	+664-251-1110	+664-251-1571
Nakhon Phanom City Hall Branch	+664-251-1835-6	+664-251-2837
Ranu Nakhon Branch	+664-257-9126-7	+664-257-9124
Sri Song Kham Branch	+664-259-9714-5	+664-259-9716
That Phanom Branch (Mon-Sun 9.00-17.00 hrs.)	+664-254-0250-1	+664-254-0268
Nakhon Ratchasima (28 Branches And 2 Service Points)		
Ampawan Branch	+664-435-2589	+664-435-2590
Big C Nakhonratchasima Branch (Mon-Sun 10.30-19.30 hrs.)	+664-427-1037-8	+664-427-1039
Bua Yai Branch	+664-446-1030-1	+664-446-1120
Central Plaza Nakhon Ratchasima Branch (Mon-Sun 10.30-19.30 hrs.)	+664-429-9441-2	+664-429-9443
Changpuak Road Nakhonratchasima Branch	+664-424-3300	+664-424-1328
Chok Chai Branch	+664-449-1701-3	+664-449-1704
Dan Khun Thot Branch	+664-420-4034, 4698, +664-438-9428-9, 9492	+664-438-9258
Fort Suranari Hospital Branch	+664-493-4123-4	+664-493-4125
Hua Thale Branch	+664-425-2517-8	+664-425-2519
Jua Hua Branch	+664-437-1035	+664-437-1158
Khonburi Branch	+664-444-4024-5	+664-444-4026
Klang Dong Branch	+664-436-1638-9, 1686-7	+664-436-1688
Mharat Hospital Nakhonratchasima Service Point	+664-424-8585-6	+664-424-8587

Branch Name	Telephone	Fax.
Mitraphap Road Branch	+664-425-7470-3	+664-425-9067
Nakhon Ratchasima Branch (Mon-Fri 8.30-19.30 hrs. Sat-Sun 11.30-19.30 hrs.)	+664-425-4918-9, 6285-6	+664-425-7432
Nakhon Ratchasima City Hall Branch	+664-425-8865-6	+664-425-8868
Non Thai Branch	+664-438-1212-3	+664-438-1214
Pak Chong Branch	+664-431-1095, 1421	+664-431-1401
Pak Thong Chai Branch	+664-444-1090, 1245	+664-444-1244
Phimai Branch	+664-492-8303-4	+664-492-8305
Phoklang Road Branch	+664-424-4194, 4222, +664-425-3710	+664-424-4154
Pra Thai Branch	+664-447-9464-5	+664-447-9467
Rajamangala University of Technology Isan Nakhonratchasima Service Point	+664-425-4293-4	+664-425-4295
Samyaeak Pakthongchai Branch	+664-422-2122-4	+664-422-2125
Save One Market Branch (Mon-Sun 11.30-19.30 hrs.)	+664-421-4646-7	+664-421-4648
Si Khui Branch	+664-441-1666, 1699, 2592	+664-441-1600
Soeng Sang Branch	+664-445-7133-4	+664-445-7135
Suranaree University Of Technology Branch	+664-421-6124-5	+664-421-6126
The Mall Nakhonratchasima Branch (Mon-Fri 10.30-19.30 hrs. Sat-Sun 10.00-19.00 hrs.)	+664-424-5432, 5444	+664-424-5444
Wang Num Khieo Branch	+664-422-8036-7	+664-422-8035
Nong Bua Lumphu (5 Branches)		
Na Klang Branch	+664-235-9480, 9490	+664-235-9767
Nong Bua Lumphu Branch	+664-231-2027-9	+664-231-2026
Nong Bua Lumphu Government Center Branch	+664-231-3274-5	+664-231-3279
Si Bun Ruang Branch	+664-235-3641-2	+664-235-3643
Tesco Lotus Nong Bua Lumphu Branch (Mon-Sun 10.00-19.00 hrs.)	+664-231-1800-1, +669-537-2529-8	+664-231-1802
Nong Khai (7 Branches)		
Asawann Complex	+664-241-3927-8	+664-241-3926
Nongkhai Branch (Mon-Sun 10.30-19.30 hrs.)		
Nong Khai Branch	+664-242-0065-7	+664-242-0068

Branch Name	Telephone	Fax.
Nong Khai Government Center Branch (Mon-Fri 9.00-17.00 hrs.)	+664-242-2606-7	+664-242-2608
Phonpisai Branch	+664-247-1827-8	+664-247-1666
Si Chiang Mai Branch	+664-245-1541, 1641	+664-245-1741
Tesco Lotus Thabo Branch (Mon-Sun 10.00-19.00 hrs.)	+664-243-2115, 2155	+664-243-2047
Tha Bo Branch	+664-243-1793-4	+664-243-1796
Roi Et (12 Branches)		
Big C Roi Et Branch (Mon-Sun 10.00-19.00 hrs.)	+664-362-4809-10	+664-362-4811
Bung Planchai Branch	+664-352-0489	+664-352-0491
Kaset Wisai Branch	+664-358-9590-1	+664-358-9592
Nong Phok Branch	+664-357-9179-80	+664-357-9099
Phon Thong Branch	+664-357-2325, 2335	+664-357-2345
Robinson Roi-Et Branch (Mon-Sun 10.00-19.00 hrs.)	+664-354-0941-2	+664-354-0943
Roi-Et Branch	+664-351-1135, 1153	+664-351-1992
Roi-Et City Hall Branch	+664-351-9162 , 9219	+664-351-9175
Selaphum Branch	+664-355-1251-2	+664-355-1252
Suwannaphum Branch	+664-358-1252-3	+664-358-1011
Talad Haisoke Branch	+664-352-2168-9	+664-351-3333
Tesco Lotus Roi Et Branch (Mon-Sun 11.00-19.00 hrs.)	+664-351-9536, 9576	+664-351-9741
Sakon Nakhon (9 Branches)		
Akat Amnuai Branch	+664-279-8123, 9252	+664-279-9251
Charoenmuang Branch	+664-271-5089	+664-271-3391
Kasetsart University Chalermphrakiat	+664-275-4264-5	+664-275-4266
Sakon Nakhon Branch		
Nevada Multiplex	+664-271-6850-1	+664-271-6852
Sakonnakhon Branch (Mon-Sun 10.00-19.00 hrs.)		
Phang Khon Branch	+664-277-1030, 1122-3	+664-277-1417
Robinson Sakon Nakhon Branch (Mon-Sun 10.00-19.00 hrs.)	+664-297-1785-6	+664-297-1787
Sakon Nakhon Branch	+664-271-1024, 1231, 6421	+664-271-2938
Sakon Nakhon Government Center Branch	+664-271-3162-3	+664-271-3187
Sawang Daen Din Branch	+664-272-1680-1	+664-272-1033

Branch Name	Telephone	Fax.
Si Sa Ket (11 Branches And 1 Service Point)		
Big C Sisaket Branch (Mon-Sun 10.00-19.00 hrs.)	+664-563-4252-3	+664-563-4254
Kantharalak Branch	+664-566-1245-6	+664-566-1730
Kanthararom Branch	+664-565-1134-5	+664-565-1136
Khukhan Branch	+664-567-1297, 1475	+664-567-1755
Khun Han Branch	+664-563-7498, 7605, 664-567-9042-3	+664-567-9044
Rasi Salai Branch	+664-568-2215-6	+664-568-2217
Si Sa Ket Branch	+664-561-1115, 1558, 2508, 2537	+664-561-3204
Sisaket City Hall Branch	+664-561-1288, 1314	+664-561-1663
Sisaket Hospital Service Point	+664-561-3675-6	+664-561-3677
Tepha Road Branch	+664-562-2871-2	+664-562-2873
Tesco Lotus Khukhan Branch (Mon-Sun 10.00-19.00 hrs.)	+664-567-1551-2	+664-567-1711
Uthumphon Phisai Branch	+664-569-1199	+664-569-1198
Surin (9 Branches)		
Chom Phra Branch	+664-458-1188-9	+664-458-1021
Lukmuang Road Branch	+664-451-9416, 9419	+664-451-9418
Prasat Branch	+664-455-1308	+664-455-1309
Rattanaaburi Branch	+664-459-9702-3	+664-459-9704
Robinson Surin Branch (Mon-Sun 10.00-19.00 hrs.)	+664-404-2735-6	+664-404-2737
Sangkha Branch	+664-457-1745, 1747	+664-457-1748
Si Khoraphum Branch	+664-456-1323-4	+664-456-1322
Surin Branch	+664-451-1021, 4567-8	+664-451-1423
Surin Plaza Branch (Mon-Sun 10.00-19.00 hrs.)	+664-471-4005-6	+664-471-4007
Ubon Ratchathani (21 Branches And 1 Service Point)		
Aupparaj Road Branch	+664-524-0381-2	+664-524-0384
Big C Warin Chamrap Branch (Mon-Sun 10.00-19.00 hrs.)	+664-585-4080-1	+664-585-4082
Buntharik Branch	+664-537-6005-7	+664-537-6008
Central Plaza	+664-542-2487-8	+664-542-2489
Ubonratchathani Branch (Mon-Sun 10.30-19.30 hrs.)		
Chayangkul Road Branch	+664-528-0157-9, 664-531-3304-5	+664-531-3306
Chongmek Branch	+664-547-6242-3	+664-547-6264

Branch Name	Telephone	Fax.
Det Udom Branch	+664-528-2457, +664-536-1058-9	+664-528-2458
Khong Chiam Branch	+664-535-1124-5	+664-535-1126
Khueang Nai Branch	+664-542-3730-1	+664-542-3732
Sappasit Road Branch	+664-524-0099, 4848-9	+664-524-2629
Siyaek Kilosoon Branch	+664-524-4790-4	+664-524-4792
Sunee Tower	+664-531-1311-2	+664-531-1300
Ubonratchathani Branch (Mon-Sun 10.00-19.00 hrs.)		
Talad Big C Ubon Ratchathani Branch (Mon-Sun 10.00-19.00 hrs.)	+664-531-7944, 7955	+664-531-7366
Tesco Lotus Det Udom Branch (Mon-Sun 10.00-19.00 hrs.)	+664-536-2721	+664-536-2743
Tesco Lotus Piboonmangsan Branch (Mon-Sun 9.00-18.00 hrs.)	+664-544-1676, 1797	+664-544-1763
Tesco Lotus Warinchamrap Branch (Mon-Sun 10.00-19.00 hrs.)	+664-532-4854-5	+664-532-4856
Trakan Phuet Phon Branch	+664-548-2199, 2299	+664-548-2259
Ubon Ratchathani Branch	+664-531-4931-4	+664-531-4935
Ubon Ratchathani University Branch	+664-543-3097-8	+664-543-3099
Ubon Ratchathani City Hall Service Point	+664-534-4572	+664-534-4573
Warin Chamrap Branch	+664-532-1894, 2841-3	+664-532-1613
Yingcharoen Park Branch (Mon-Sun 10.00-19.00 hrs.)	+664-547-4012	+664-547-4011
Udon Thani (14 Branches)		
Ban Phu Branch	+664-228-1281-2	+664-228-1283
Ban Dung Branch	+664-227-3281-2	+664-227-3283
Big C Udon Thani Branch (Mon-Sun 10.00-19.00 hrs.)	+664-212-8567, 8597	+664-212-8596
Central Plaza Udon Thani Branch (Mon-Sun 10.30-19.30 hrs.)	+664-224-9211-2	+664-224-9210
Kumphawapi Branch	+664-233-9784, 9788, 9855	+664-233-9856
Markkaeng Road Branch	+664-224-9701-3	+664-224-9704
Nonghan Branch	+664-226-1124	+664-226-1121
Talad Nong Bua Branch	+664-224-4035	+664-224-7654
Tesco Lotus Nadi Udonthani Branch (Mon-Sun 10.00-19.00 hrs.)	+664-213-0559	+664-213-0560

Branch Name	Telephone	Fax.
Tukcom Landmark	+664-224-7662	+664-224-7664
Udonthani Branch (Mon-Sun 11.00-19.00 hrs.)		
Ud Town Branch (Mon-Sun 11.00-19.00 hrs.)	+664-293-2956-7	+664-293-2958
Udon Thani Branch	+664-224-7755-7	+664-224-7758
Udondusadee Road Branch	+664-222-2490	+664-224-1768
Udonthani City Hall Branch	+664-221-2172-3	+664-221-2174
Yasothon (6 Branches)		
Big C Yasothon Branch (Mon-Sun 10.00-19.00 hrs.)	+664-572-4517-8	+664-572-4519
Kham Khuoen Kao Branch	+664-579-1470-1	+664-579-1472
Kut Chum Branch	+664-578-9416-7	+664-578-9114
Loeng Noktha Branch	+664-578-1171, 1374-5	+664-578-1172
Yasothon Branch	+664-571-2684-5	+664-571-2215
Yasothon City Hall Branch	+664-571-4834-5	+664-571-4836
Eastern Region (100 Branches And 5 Service Points)		
Chachoengsao (13 Branches And 1 Service Point)		
Bang Khla Branch	+663-854-1392-3,	+663-882-7499
Bang Nam Prieo Branch	+663-858-1215-7	+663-858-1179
Bang Pakong Branch	+663-853-1211-2,	+663-853-1213
Bangpakong Thermal Plant Branch	+663-857-3574-5	+663-857-3805
Big C Chachoengsao 2 Branch (Mon-Sun 10.00-19.00 hrs.)	+663-851-4676-7	+663-851-4668
Chachoengsao Branch	+663-898-1045-6, 1468-73	+663-898-1567
Chachoengsao City Hall Service Point	+663-851-3711-2	+663-851-3713
Mahachakapad Road Branch	+663-851-4449	+663-851-2023
Panich Road Branch	+663-851-6691-3	+663-851-6694
Phanom Sarakham Branch	+663-855-1600-1, +663-883-6870, 7063	+663-855-1154
Rajabhat Rajanagarindra University (Chachoengsao) Branch (Mon-Sun 10.00-19.00 hrs.)	+663-851-1535-6	+663-851-1664
Robinson Chachoengsao Branch (Mon-Sun 10.00-19.00 hrs.)	+663-856-4177-8	+663-856-4179
Sanam Chai Khet Branch	+663-859-7068, 7999	+663-859-7067
Tesco Lotus Bangpakong Branch (Mon-Sun 10.00-19.00 hrs.)	+663-854-0041-2	+663-854-0043

Branch Name	Telephone	Fax.
Chanthaburi (11 Branches)		
Chanthaburi Branch	+663-931-1008, 1507, +663-932-2050	+663-932-1153
Huai Saton Branch	+663-943-7200-1	+663-943-7202
Khlung Branch	+663-944-1239-40	+663-944-1241
Na Yai Am Branch	+663-937-1236-7	+663-937-1235
Pleaw Branch	+663-939-7225	+663-939-7222
Pong Nam Ron Branch	+663-938-7106-8	+663-938-7109
Robinson Chanthaburi Branch (Mon-Sun 10.00-19.00 hrs.)	+663-930-3255-6	+663-930-3257
Soydow Branch	+663-938-1035, 1301	+663-938-1511
Srirongmueng Road Branch	+663-932-1188, 2116-7	+663-932-2052
Tanon Triratana Branch	+663-932-5930-1	+663-931-3718
Tesco Lotus Chanthaburi Branch (Mon-Sun 10.00-19.00 hrs.)	+663-930-3414	+663-930-3415
Chon Buri (42 Branches / 1 Service Point)		
Amata Nakorn Industrail Estate Branch	+663-844-0518-9	+663-844-0520
Ao Udom Branch	+663-835-1357, 1620, 1665	+663-835-1679
Ban Bung Branch	+663-844-3006, 3498	+663-844-3005
Bang Pla Soi Branch	+663-827-4093-5	+663-827-4092
Banglamung (Talad Naklua) Branch	+663-841-6874-5	+663-841-6876
Bangphra Branch	+663-835-8265-6	+663-835-8267
Bangsan Branch	+663-839-4980-1	+663-839-4982
Big C Chonburi Branch (Mon-Sun 10.00-19.00 hrs.)	+663-819-2150-1	+663-819-2210
Borwin (331 Road) Branch	+663-834-6216-7	+663-834-6218
Central Festival Pattaya Beach Branch (Mon-Sun 11.00-20.00 hrs.)	+663-804-3285-6	+663-804-3287
Central Marina Pattaya Branch (Mon-Sun 11.00-20.00 hrs.)	+663-836-2547-8	+663-836-2574
Central Plaza Chonburi Branch (Mon-Sun 10.30-19.30 hrs.)	+663-805-3637-8	+663-805-3639
Chon Buri Branch	+663-827-3584-7	+663-827-3582
Chonburi City Hall Service Point	+663-828-7612-3	+663-828-7614
Chonburi Hospital Branch	+663-828-8101-2	+663-828-8103
Harbor Mall Pattaya Branch (Mon-Sun 10.00-19.00 hrs.)	+663-819-6495-6	+663-819-6497

Branch Name	Telephone	Fax.
Jadjamnong Road Branch	+663-828-2456, 3457-8	+663-827-2458
Kao Talo (Pataya Soi 83) Branch	+663-833-2616, 2665	+663-833-2636
Ko Pho Chonburi Branch	+663-820-9794	+663-820-9795
Laemtong Bangsean Branch (Mon-Sun 10.30-19.30 hrs.)	+663-815-3996-7	+663-815-3998
Najomtien (Bann Amphur) Branch	+663-823-5786-7	+663-823-5788
Noenplubwan (Pattaya Soi 53) Branch	+663-840-6546-7	+663-840-6541
Nong Yai Branch	+663-821-9472-3	+663-821-9471
Nongmon Branch	+663-839-2059-60, 3141	+663-839-2058
Nongtumlueng Branch	+663-820-6556-7	+663-820-6311
Pacific Park Sriracha Branch (Mon-Sun 11.00-20.00 hrs.)	+663-831-2152, 2154	+663-831-2085
Pattaya (Sukumvit Road) Branch	+663-842-7863, 7891	+663-842-7897
Patthaya Klang Branch	+663-842-8436	+663-842-3505
Patthayatai Branch	+663-842-5014-6, 9275-6	+663-842-3820
Phan Thong Branch	+663-845-2593-4	+663-845-2495
Phanat Nikhom Branch	+663-846-1400, +663-847-3034	+663-847-3041
Plutaluang Branch	+663-824-5057-8	+663-824-5091
Prayasatja Road Branch	+663-827-5871-2	+663-827-5873
Rong Po Branch	+663-870-4240-1	+663-870-4242
Sahapat Industrialpark Branch	+663-848-2929-30	+663-848-2932
Samyake Angsila Branch	+663-827-2471-3	+663-827-2475
Sattahip Branch	+663-843-8042-3	+663-843-8044
Si Racha Branch	+663-831-2002, 2854, +663-832-1661	+663-831-2001
Talad Sriracha Branch	+663-831-2200-1, +663-832-3224-5	+663-831-2202
Tesco Latus Banbung Branch (Mon-Sun 10.00-19.00 hrs.)	+663-875-2160-1	+663-875-2162
Tesco Lotus Amata Nakorn Branch (Mon-Sun 10.00-19.00 hrs.)	+663-845-7363-4	+663-845-7365
Tha Rua Laemchabang Branch	+663-849-4320-2	+663-849-4324
Thanon Thepprasit (Pattaya) Branch (Mon-Fri 9.00-17.00 hrs.)	+663-825-2445-6	+663-825-2447

Branch Name	Telephone	Fax.
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Nakhon Nayok (3 Branches And 1 Service Point)

Ban Na Branch	+663-738-1191, 1228-9	+663-738-1668
Nakhon Nayok Branch	+663-731-1475-6, 2037	+663-731-1076
Nakhon Nayok City Hall Service Point	+663-731-1759-60	+663-731-1770
Tesco Lotus Nakhon Nayok Branch (Mon-Sun 10.30-19.30 hrs.)	+663-731-6737-8	+663-731-6739

Prachin Buri (5 Branches And 1 Service Point)

304 Industrial Park (Klong Rang) Branch (Mon-Fri 10.00-18.00 hrs.)	+663-727-4631-2	+663-727-4633
Big C Sri Maha Phot Branch (Mon-Sun 11.00-19.00 hrs.)	+663-727-8725-6	+663-727-8727
Kabin Buri Branch	+663-729-8300-1	+663-729-8302
Prachin Buri Branch	+663-721-1080, 2022, 3184	+663-721-1369
Prachin Buri Government Center Service Point	+663-745-4034-5	+663-745-4036
Robinson Prachin Buri Branch (Mon-Sun 11.00-19.00 hrs.)	+663-745-4785, 4787	+663-745-4786

Rayong (16 Branches And 1 Service Point)

Ban Chang Branch	+663-860-1680, 2684	+663-860-3256
Ban Phe Branch	+663-865-1541-3	+663-865-1540
Ban Khai Branch	+663-864-2463-4	+663-864-2465
Big C Rayong Branch (Mon-Sun 10.30-19.30 hrs.)	+663-862-1793, 1853	+663-862-1914
Central Plaza Rayong Branch (Mon-Sun 10.30-19.30 hrs.)	+663-894-2616-7	+663-894-2618
Klaeng Branch	+663-867-1200, 1765-6	+663-867-1240
Mabtapud Branch	+663-860-7995-8	+663-860-7994
Nikhom Phatthana (Rayong) Branch (Mon-Fri 9.00-17.00 hrs.)	+663-863-7343-4	+663-863-7345
Passione Shopping Destination Branch (Mon-Sun 10.30-19.30 hrs.)	+663-802-3792-3	+663-802-3794
Pluak Daeng Branch (Mon-Fri 10.00-18.00 hrs.)	+663-865-9977-8	+663-865-9979
Rayong Branch	+663-861-1592, 3964-5	+663-861-1205
Siam Eastern Industrial Branch	+663-866-0046-7	+663-866-0048

Branch Name	Telephone	Fax.
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Star It Center Branch (Mon-Sun 10.30-19.30 hrs.)	+663-861-3659-60	+663-861-3661
Tapong Service Point	+663-865-5105-6	+663-865-5107
Tesco Lotus Rayong Branch (Mon-Sun 10.00-19.00 hrs.)	+663-862-4161, 4511	+663-862-4019
Tha Pradu Branch	+663-861-5180	+663-861-5181
Wangchan Branch	+663-888-8254-5	+663-866-6382

Si Racha (5 Branches)

Aranyaprathet Branch	+663-723-1031, 2576	+663-723-1331
Si Racha Branch	+663-724-1577, 2694-5	+663-724-1576
Ta Phraya Branch	+663-726-9114-5	+663-726-9116
Taladrongklua Branch (Mon-Sun 10.00-18.00 hrs.)	+663-723-0372-3	+663-723-0374
Watthana Nakhon Branch	+663-726-1021, 1031	+663-726-1022

Trad (5 Branches)

Khlong Yai Branch	+663-958-1243, 1245-6	+663-958-1244
Ko Chang Branch (Mon-Sun 10.00-19.00 hrs.)	+663-955-1621-2	+663-955-1623
Santung Branch	+663-959-9121-3	+663-959-9124
Trad Branch	+663-952-0541-4	+663-952-0545
Trad Consumer Store	+663-952-0353-4	+663-952-0355
Cooperative Branch (Mon-Sun 10.00-18.00 hrs.)		

Southern Region (163 Branches And 5 Service Point)

Chumphon (8 Branches And 1 Service Point)

Chumphon Branch	+667-751-1158, 1887	+667-751-1889
Chumphon Government Center Service Point	+667-765-8380-1	+667-765-8382
Lamae Branch	+667-755-9227-8	+667-755-9229
Lung Suan Branch	+667-754-1851	+667-754-1947
Map Ammarit Branch	+667-765-6315	+667-765-6318
Ocean Shopping Mall Branch (Mon-Sun 10.30-19.30 hrs.)	+667-750-1957-8	+667-750-1959
Pathomphon Branch	+667-753-4204-6	+667-753-4203
Sawi Branch	+667-753-1276, 1500	+667-753-1275
Thasae Branch	+667-759-9468-9	+667-759-9470

Krabi (10 Branches)

Ao Luk Branch	+667-561-9260	+667-561-9261
Aonang Branch	+667-569-5317-8	+667-569-5300
Khao Phanom Branch	+667-568-9527-8	+667-568-9541
Kho Lanta Branch	+667-568-4315-6	+667-568-4317

Branch Name	Telephone	Fax.
Klong Thom Branch	+667-564-0502, +667-569-9038, 9054	+667-569-9039
Krabi Branch	+667-561-1193-4, 2775-6	+667-561-2727
Lam Thap Branch	+667-570-2209-10	+667-570-2211
Nua Khlong Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-15.00 hrs.)	+667-569-1114-5	+667-569-1113
Talat Kao Branch	+667-566-3198-9	+667-566-3200
Tesco Lotus Krabi Branch (Mon-Sun 10.30-19.30 hrs.)	+667-565-0740-1	+667-565-0742
Nakhon Si Thammarat (24 Branches)		
Central Plaza Nakhon Si Thammarat Branch (Mon-Sun 10.30-19.30 hrs.)	+667-539-2855-6	+667-539-2857
Cha Uat Branch	+667-538-1344-6	+667-538-1348
Chandi Branch	+667-548-6271-2	+667-548-6154
Chawang Branch	+667-548-1272	+667-548-1172
Chian Yai Branch	+667-536-2484, 2486	+667-536-2485
Homarika (Nakhon Si Thammarat) Branch	+667-534-3051-2	+667-534-7860
Hua Sai Branch	+667-538-9551-2	+667-538-9553
Khanom Branch	+667-552-9441-2	+667-552-9100
Maharat Hospital Nakhonsithummarat Branch	+667-534-2017-8	+667-534-2011
Muangtong Nakhon Si Thammarat Branch	+667-543-2040, 2059, 2089	+667-543-2131
Nakhon Si Thammarat Branch	+667-534-2772, +667-535-6017, 6919	+667-534-1197
Nakorn Sri Thammarat City Hall Branch	+667-535-7137-8	+667-535-7145
Pak Phanang Branch	+667-551-7609, 7120-1	+667-551-7760
Robinson Ocean Nakhon Si Thammarat Branch (Mon-Sun 10.30-19.30 hrs.)	+667-534-6331-2	+667-534-6331
Ron Phibun Branch	+667-544-2137-8	+667-544-2139
Sichon Branch	+667-553-5330-1	+667-553-5332
Talad Hua It Branch	+667-534-3015	+667-531-5826
Taladkaset Branch	+667-541-1311, 1565, 1998	+667-541-1411
Tesco Lotus Nakhon Si Thammarat Branch (Mon-Sun 10.00-19.00 hrs.)	+667-534-3752-3	+667-534-7832
Tesco Lotus Thung Song Branch (Mon-Sun 10.30-19.30 hrs.)	+667-542-1724-5	+667-542-1726

Branch Name	Telephone	Fax.
Tha Sala Branch	+667-552-1453-4	+667-552-1455
Thawang Branch	+667-534-7334-6	+667-534-7338
Thung Song Branch	+667-541-1200, +667-542-0688, 0787	+667-541-1601
Thung Yai Branch	+667-548-9127, 9171	+667-548-9132
Narathiwat (5 Branches And 1 Service Point)		
Naradhiwas Rajanaga- Rindra Hospital Branch (Mon-Sun 9.00-15.00 hrs.)	+667-351-2893-4	+667-351-2895
Narathiwat Branch (Mon-Sun 9.00-15.00 hrs.)	+667-351-1004, 1389	+667-351-2012
Narathiwat City Hall Service Point (Mon-Fri 9.00-15.00 hrs.)	+667-353-2688-9	+667-353-2690
Sungai Kolok Branch (Mon-Fri 9.00-15.00 hrs.)	+667-361-2000	+667-361-4314
Tak Bai Branch (Mon-Fri 9.00-15.00 hrs.)	+667-352-4375, +667-358-1262-3	+667-358-1261
Tanyongmas Branch (Mon-Fri 9.00-15.00 hrs.)	+667-367-1002, 1113, 1393	+667-367-1451
Pattani (4 Branches)		
Big C Pattani Branch (Mon-Sun 10.00-18.00 hrs.)	+667-331-2554	+667-331-2555
Charoen Pradit Branch (Mon-Fri 9.00-15.00 hrs.)	+667-333-2553-5	+667-333-5991
Pattani Branch (Mon-Fri 9.00-15.00 hrs.)	+667-333-3024-6	+667-333-1036
Yarang Branch (Mon-Fri 9.00-15.00 hrs.)	+667-335-2277, +667-343-9049	+667-343-9112
Phang Nga (4 Branches And 1 Service Point)		
Khok Kloi Branch	+667-658-1110, 1111	+667-643-4754
Khura Buri Branch	+667-649-1392	+667-649-1118
Phang Nga Branch (Mon-Fri 8.30-16.30 hrs. Sat-Sun 9.00-15.00 hrs.)	+667-641-1365 , 1565 -6	+667-641-1810
Takua Pa Service Point	+667-642-5283 -4	+667-642-5286
Talad Yanyao Branch	+667-642-4762 -3	+667-642-4764
Phatthalung (8 Branches)		
Khao Chaison Branch	+667-469-1124	+667-469-1032
Khuan Khanun Branch	+667-468-1980-1	+667-468-1982
Mae Khri Branch	+667-469-5138-9	+667-463-3231
Pak Phayun Branch	+667-469-9038	+667-469-9028
Phatthalung Branch	+667-461-1432, 3033	+667-461-2156
Rames Road Branch	+667-460-6660-1	+667-460-6662
Tesco Lotus Pa Phayom Branch (Mon-Sun 9.30-17.30 hrs.)	+667-484-1141-2	+667-484-1143

Branch Name	Telephone	Fax.	Branch Name	Telephone	Fax.
Tesco Lotus Phatthalung Branch (Mon-Sun 10.00-19.00 hrs.)	+667-460-6517-8	+667-460-6519	Central Festival Hat Yai Branch (Mon-Sun 11.00-20.00 hrs.)	+667-433-9935 -6	+667-433-9937
Phuket (14 Branches)			Chana Branch (Mon-Fri 8.30-15.30 hrs.)	+667-420-7451 -2	+667-420-7453
Central Festival Phuket Branch (Mon-Sun 11.00-20.00 hrs.)	+667-624-8291-2	+667-624-8290	Chung Loon Branch (Mon-Fri 9.00-17.30 hrs.)	+667-455-7124 -5	+667-455-7126
Cherngthalay Branch	+667-632-4537-8	+667-632-4539	Had Yai Nai Branch (Mon-Fri 8.30-16.30 hrs.)	+667-425-3001 -4, 3717	+667-425-3719
Hayaek Chalong Branch	+667-638-4526-7	+667-638-4528	Sat-Sun 9.00-15.00 hrs.)		
Jungceylon Patong Phuket Branch (Mon-Sun 11.00-20.00 hrs.)	+667-636-6057-8	+667-637-6059	Hat Yai Branch	+667-422-0704 -5	+667-423-8235 -6
Kathu Branch (Mon-Fri 9.00-17.00 hrs.)	+667-632-2113-4	+667-632-2115	Hat Yai Hospital Branch	+667-424-5388 -9	+667-424-4667
Patong Branch (Mon-Fri 9.00-17.00 hrs.)	+667-634-4301-2	+667-634-4300	Kanjanavanit (Songkhla) Branch (Mon-Fri 10.00-18.00 hrs.)	+667-455-8622 -3	+667-455-8624
Phuket Branch	+667-621-1158, 1351, 1893	+667-621-3598	Khlong Ngae Branch	+667-454-1668 -9	+667-454-1667
Rawai Phuket Branch	+667-638-3519-20	+667-638-3533	Na Thawi Branch (Mon-Fri 8.30-15.30 hrs.)	+667-437-1545, 1547 -8	+667-437-1546
Rusda Road Branch	+667-621-2397, +667-622-2519, 5116	+667-621-1586	Nipatutit 2 Branch	+667-422-0795, +667-423-9088 -9	+667-424-6652
Talang Branch	+667-631-3376-7	+667-631-3378	Padang Besar Branch	+667-452-1616 -7	+667-452-1615
Tesco Lotus Phuket Branch (Mon-Sun 10.30-19.30 hrs.)	+667-630-4320, 4332	+667-630-4375	Poonnakan (Mor-Or. Hai Yai) Branch	+667-450-0263 -4	+667-450-0265
Thanon Sakdidech Branch	+667-652-6656-7	+667-652-6658	Raj Uthit Branch	+667-425-8463 -4	+667-425-8465
Thanon Wirat Hongyok Branch (Mon-Fri 10.00-18.00 hrs.)	+667-652-2161-2	+667-652-2164	Rajamangala University Of Technology Srivijaya Branch (Mon-Sun 8.30-16.30 hrs.)	+667-430-7312	+667-430-7313
Thep Kasatri Road Branch	+667-635-5284-6	+667-635-5288	Rajyindee Branch	+667-423-0481 -2, 0498	+667-423-0499
Ranong (2 Branches And 1 Service Point)			Ranot Branch	+667-439-2440 -1	+667-439-2442
Ranong Branch	+667-781-1502, +667-782-3021	+667-781-1646	Rattaphum Branch	+667-438-8780 -1	+667-438-8782
Ranong Government Center Service Point	+667-780-0180-1	+667-780-0182	Sadao Branch	+667-441-1007, 1955 -6	+667-441-1957
Ruengraj Road Branch (Mon-Sun 8.30-16.30 hrs.)	+667-781-1105, 1716, +667-782- 3841	+667-781-1152	Sathing Phra Branch	+667-439-7115 -6	+667-439-7044
Satun (4 Branches)			Siam Nakarin Complex (Hatyai) Branch (Mon-Sun 10.00-19.00 hrs.)	+667-422-1570 -1	+667-422-1572
Khuan Ka Long Branch	+667-479-7020-1	+667-479-7019	Singha Nakhon Branch	+667-433-1252, 1276, 1297	+667-433-1278
La Ngu Branch	+667-478-1984-5	+667-478-1986	Songkhla Branch (Mon-Fri 8.30-16.30 hrs.)	+667-431-1064, 1585,	+667-432-3316
Satun Branch	+667-472-1340-1	+667-472-1344	Sat-Sun 9.00-15.00 hrs.)	+667-432-4648	
Tesco Lotus Satun Branch (Mon-Sun 10.00-19.00 hrs.)	+667-475-1082-3	+667-475-1084	Songkhla City Hall Branch (Mon-Fri 9.00-17.00 hrs.)	+667-432-3186 -7	+667-432-3188
Songkhla (32 Branches)			Songkhla Hospital Branch	+667-433-0175	+667-433-0177
Big C Extra Hatyai Branch (Mon-Sun 10.30-19.30 hrs.)	+667-455-5463 -4	+667-455-5465	Tanon Phetkasem (Hadyai) Branch	+667-423-7742, 7960 -1, 9086, +667-424-5854	+667-424-6634
Big C Hat Yai Branch (Mon-Sun 10.00-19.00 hrs.)	+667-458-0913 -4	+667-458-0915	Tesco Lotus Hat Yai Branch (Mon-Sun 10.30-19.30 hrs.)	+667-422-3831 -2	+667-422-3820

Branch Name	Telephone	Fax.
Tesco Lotus Sadao Branch (Mon-Sun 10.00-19.00 hrs.)	+667-441-4300 -1	+667-441-4302
Tesco Lotus Songkhla Branch (Mon-Sun 10.00-19.00 hrs.)	+667-430-7911 -2	+667-430-7913
Thanon Nakhon Nok Branch	+667-431-5236 -7	+667-431-5239
Thung Lung Branch	+667-429-1487, +667-447-1254 -5	+667-429-1486
Surat Thani (28 Branches And 1 Service Point)		
Ban Na San Branch	+667-734-1450, 1999	+667-034-1010
Bang Rak Samui Branch	+667-744-7736-7	+667-744-7738
Bang Sawan Branch	+667-736-5100, 5111	+667-736-5200
Bantakhun Branch	+667-739-7425-6	+667-739-7427
Big C Surat Thani Branch (Mon-Sun 10.30-19.30 hrs.)	+667-760-0165-6	+667-760-0167
Central Festival Samui Branch (Mon-Sun 11.00-20.00 hrs.)	+667-741-0522-3	+667-741-0524
Central Plaza Suratthani Branch (Mon-Sun 10.30-19.30 hrs.)	+667-748-9821-2	+667-748-9823
Chaiya Branch	+667-743-1663-4	+667-743-1766
Chaweng Branch (Mon-Fri 9.00-17.00 hrs.)	+667-748-4745-6	+667-748-4744
Chonkasem Road Branch	+667-720-6889-90	+667-720-6891
Don Sak Branch	+667-737-1095	+667-737-1096
Kanchanadit Branch	+667-737-9439-40	+667-737-9417
Khiri Ratthanikhom Branch	+667-739-1074-5	+667-739-1019
Khuntalae Branch	+667-760-0826-7	+667-760-0828
Ko Phangan Branch	+667-737-7184, 7376	+667-737-7123
Ko Samui Branch	+667-742-1504-5	+667-742-1503
Lamai Branch	+667-742-4569-70	+667-742-4600
Maenam Branch	+667-742-7295-6	+667-742-7405
Phunphin Branch	+667-731-1016, 1134, 1334	+667-731-1988
Srivichai Road Branch	+667-728-6002-3, 6442	+667-728-6001
Surat Thani Branch	+667-728-1829-30, 2923-4	+667-728-3964
Surat Thani Cooperative Branch	+667-744-1091	+667-744-1116
Surat Thani City Hall Branch	+667-728-9117, 6555	+667-728-9118
Suratthani Hospital Service Point	+667-720-4072-3	+667-720-4074
Talad Mai Road Branch (Mon-Fri 9.30-17.30 hrs. Sat-Sun 10.30-18.30 hrs.)	+667-727-3967, +667-728-3042-3	+667-728-9042

Branch Name	Telephone	Fax.
Tesco Lotus Surat Thani Branch (Mon-Sun 10.30-19.30 hrs.)	+667-720-6945-6	+667-720-6947
Tesco Lotus Wiengsa Branch (Mon-Sun 10.00-19.00 hrs.)	+667-731-0510-1	+667-731-0512
Tha Chang Branch	+667-738-9054	+667-738-9015
Viengsra Branch	+667-736-3100-1	+667-736-2012
Trang (12 Branches)		
Big C Trang Branch (Mon-Sun 11.00-19.00 hrs.)	+667-558-1936-7	+667-558-1938
Huaiyot Branch	+667-527-1746, 1846	+667-527-1840
Kantang Branch	+667-525-1178, 1187	+667-525-1753
Kapang Branch	+667-528-6251-2, 6254	+667-528-6253
Nayong Branch	+667-524-2464-5	+667-524-2466
Robinson Trang Branch (Mon-Sun 10.30-19.30 hrs.)	+667-521-7827-8	+667-521-7830
Sikao Branch	+667-529-1064-5	+667-529-1036
Siriban Shopping Central Branch (Mon-Sun 10.30-19.30 hrs.)	+667-521-4208-9	+667-521-4204
Talad Muengtrang Branch	+667-521-9871-2, +667-522-3435-6	+667-521-3023
Thab Thiang Branch	+667-521-1482-4, +667-522-3142	+667-521-1485
Trang Branch	+667-521-8093, 8110	+667-521-1192
Yan Ta Khao Branch	+667-528-1194, 1198	+667-528-1196
Yala (8 Branches)		
Ban Nang Sata Branch (Mon-Fri 9.00-15.00 hrs.)	+667-328-9422, 9080	+667-328-9363
Betong Branch (Mon-Fri 9.00-15.00 hrs.)	+667-323-1372, 2034	+667-324-5793
Coliseum Cineplex Yala Branch (Mon-Sun 10.00-18.00 hrs.)	+667-321-3026-7	+667-321-3057
Raman Branch (Mon-Fri 9.00-15.00 hrs.)	+667-329-5101-2, 5295	+667-329-5024
Siroros Branch (Mon-Fri 9.00-15.00 hrs.)	+667-321-1749-51	+667-321-3732
Sukyang Road Branch (Mon-Fri 9.00-15.00 hrs.)	+667-323-0023-5	+667-323-0867
Yaha Branch (Mon-Fri 9.00-15.00 hrs.)	+667-325-0358, +667-329-1034	+667-329-1209
Yala Branch (Mon-Fri 9.00-15.00 hrs.)	+667-321-2545, 2596-7	+667-321-3458

Business Office Centers (BOC)

78 Centers as at January 31, 2018

Opening hours: Mon.-Fri. 8.00-17.00 hrs.

Business Office Center Name	Telephone	Fax.
Bangkok and Vicinity: 21 Centers		
Bang Bon	+662-415-8125, 8130, 8171	+662-415-8014
Chaeng Wattana	+662-573-0367-8	+662-573-0381
Charoennakon Road	+662-437-6217, 6374, 6829, 9171, 9943	+662-437-6886
Ekamai	+662-382-1135-8, 1775-6	+662-382-1134
Lad Prao	+662-538-2803, 2831, 3847	+662-538-4175
Nana Nua	+662-208-3301-7	+662-256-8174
Nonthaburi	+662-580-7544, 7561, 7563	+662-580-7603
Om Noi	+662-420-5953-7	+662-420-9577
Pak Nam	+662-385-8620-3	+662-385-8625
Pathum Thani	+662-581-8455-6	+662-581-8458
Phathanakarn	+662-714-6473-9	+662-714-6470
Phra Pinklao	+662-435-0264-6, 8380, 8391, 8401	+662-435-8385
Rajawongse	+662-225-3423-9	+662-222-9208
Raminthra	+662-521-7617-22	+662-521-7613
Samyod	+662-225-3043-4	+662-222-2107
Si Nakarin	+662-320-2476-9	+662-320-2480
Sphan Khao	+662-280-1036-40, +662-281-1374, 1478, 1530	+662-281-0847
Suanmali	+662-225-1260, 3031, 3042	+662-225-3034
Surawongse	+662-637-0572-7	+662-637-0578
Thepsirin	+662-225-3040-1, 1281-3	+662-225-3034
Wong Sawang	+662-556-1641-2	+662-556-1640
Central and Eastern Region: 17 Centers		
Ayutthaya	+663-534-5091-6	+663-534-5098
Chachoengsao	+663-898-1164-5, 1167, 1173-4	+663-898-1169
Chanthaburi	+663-930-3419-20	+663-930-3421
Chon Buri	+663-814-4070-2	+663-814-4075
Hua Hin	+663-251-1374-5	+663-251-1373
Kanchanaburi	+663-451-5337-8	+663-451-5339
Lop Buri	+663-641-4175-6	+663-641-4177
Nakhon Pathom	+663-439-5553, 5582, 5592-3	+663-439-5174
Phetchaburi	+663-242-3835-7	+663-242-3840
Prachin Buri	+663-721-4917, 4952, 4954	+663-721-4814
Ra Yong	+663-862-4983, 4989	+663-862-4986
Ratchaburi	+663-231-0956-8, 0967-8, 0977	+663-231-1022
Samut Sakhon	+663-442-1521, 2328, 4620	+663-442-5616
Saraburi	+663-673-1812-6	+663-673-1811
Si Racha	+663-832-4067	+663-831-4130
Srakaew	+663-742-1276	+663-742-1279
Suphan Buri	+663-552-5570-1	+663-552-5887

Business Office Center Name	Telephone	Fax.
Southern Region: 13 Centers		
Chumphon	+667-757-6807-8	+667-757-6809
Hat Yai	+667-423-9130, 9132, 9306	+667-423-4185
Ko Samui	+667-742-6154-6, 0624	
Krabi	+667-562-3367, 3505	
Nakhon Si Thammarat	+667-534-4612, 4614, 4642	+667-534-4644
Pattani	+667-322-2282-3, 5385-6	+667-322-2281
Phang Nga	+667-658-2244-5	+667-658-2247
Phuket	+667-623-2566-8	+667-623-2228
Songkhla	+667-431-1212, 3141	+667-431-3312
Surat Thani	+667-722-1648, 1661-3, 1696	+667-722-1660
Surat Thani 2	+668-4075-5506	
Trang	+667-521-7941-7	+667-521-7938
Yala	+667-322-2282-3, 5385-6	+667-322-2281
Northern Region: 13 Centers		
Chiang Mai	+665-340-9536-9, +665-322-6414-7	+665-340-9543
Chiang Rai	+665-374-8803-6	+665-374-8801
Kamphaeng Phet	+665-571-7025-7	+665-571-3093
Lam Pang	+665-423-0407, 0426, 0607	+665-423-0523
Mae Sot	+665-553-1309	+665-553-1310
Nakhon Sawan	+665-622-2400, 4219	+665-622-4593
Phetchabun	+665-672-0145	+665-672-0165
Phichit	+665-665-0670-1	+665-665-0672
Phitsanulok	+665-523-2460-5	+665-523-2469
Phrae	+665-452-4115	+665-452-4114
Sukhothai	+665-561-0629	+665-561-0627
Suthep Road	+665-328-1671-4	+665-328-1670
Uttaradit	+665-540-7420-1	+665-540-7423
North-Eastern Region: 14 Centers		
Buri Ram	+664-461-8748-9	+664-461-8764
Chaiyaphum	+664-481-3515-7	+664-481-3524
Khon Kaen	+664-324-5420-1, 5429-30	+664-324-5474
Loei	+664-281-3260-1	+664-281-3262
Maha Sarakham	+664-371-3201-3	+664-371-3204
Mukdahan	+664-261-1075, 4587	+664-261-4593
Nakhon Ratchasima	+664-422-2114-18	+664-422-2113
Nong Khai	+664-242-0366-7	+664-242-0368
Roi-et	+664-351-6002-3, 6006-8	+664-351-6066
Sakon Nakhon	+664-273-3793-6	+664-273-3802
Si Sa Ket	+664-561-2374-5	+664-561-2376
Surin	+664-451-2202-4	+664-451-2200
Ubon Ratchathani	+664-528-3027-33	+664-528-3034
Udon Thani	+664-232-5126-31	+664-232-5132

International Business Centers (IBC)

25 Centers as at December 31, 2017

Opening hours: Mon.-Fri. 8.00-17.00 hrs.

International Business Center Name	Telephone	Fax.
Bangkok and Vicinity: 15 Centers		
Ekamai	+662-382-1092-4, 1099	+662-382-1090
Nananua	+662-208-4318, 4320, 4325, 4366	+662-256-8695
Om Yai	+662-811-4323-5 ext. 10	+662-431-0156
Pak Nam	+662-389-3184, +662-395-0371-2	+662-389-2802
Phrapinklao	+662-884-6910-2, 6914	+662-884-9184
Rajawongse	+662-225-4507-14	+662-225-4506
Samut Prakan	+662-385-8473-4, 8820-1	+662-385-8464
Samut Sakhon	+663-441-3057-8	+663-441-3059
Samyod	+662-224-8931, 8933-5	+662-224-8929
Saphan Khao	+662-282-7152-4	+662-282-5152
Saphan Mai	+662-521-6340-2, 6345	+662-521-6343
Soi Arlee	+662-278-0107-8, 0146 ext. 201-204	+662-278-0147
Suan Mali	+662-223-7716-7, 7738, 7751, 9544, +662-226-8437	+662-225-3036, 3062
Surawongse	+662-233-3921-5	+662-233-3926-7
Wongsawang	+662-913-2660-1	+662-585-9469
Central Region: 1 Center		
Ayutthaya	+663-535-3671-3	+663-535-3674
Northern Region: 1 Center		
Chiang Mai	+665-321-6028, 6283	+665-321-4998
North-Eastern Region: 3 Centers		
Nakhon Ratchasima	+664-422-2742-3	+664-422-2740
Ubon Ratchathani	+664-524-0669, 0620	+664-524-0900
Udon Thani	+664-221-1879	+664-221-1897
Eastern Region: 1 Center		
Chon Buri	+663-835-2210-1	+663-835-2209
Southern Region: 4 Centers		
Hat Yai	+667-435-1571-5, 1577-80	+667-423-6045
Phuket	+667-623-2470-2	+667-623-2473
Suratthani	+667-731-1275	+667-731-1274
Trang	+667-521-2857	

OVERSEAS OFFICES

8 Branches & 1 Representative Office as at January 31, 2018

Kunming Branch

Overseas Branch Manager : Ms. Weeranee Tanasanvimol
Address : 19th Floor, Shun Cheng East
Building, No.11, Dong Feng
West Road, Kunming, Yunnan,
China, 650031
Tel. : +86 (871) 6313-8370
Fax. : +86 (871) 6313-8367
SWIFT : KRTHTHBKKNM
E-Mail : br.kunming@ktb.co.th

Los Angeles International Branch

Senior Manager-Credit & Acting GM : Mr. Ittisoonthorn Nuangyindee
Address : 707 Wilshire Boulevard, Suite
3150 Los Angeles, CA. 90017,
U.S.A.
Tel. : +1 (213) 488-9897, 488-9899
Fax. : +1 (213) 891-0733
SWIFT : KRTHUS6L
E-Mail : br.losangeles@ktb.co.th

Mumbai Branch

FVP Overseas Branch Head : Mr. Pisit Buranakitpinyo
(Since March 16, 2018) Acting
for Mumbai Branch Manager
Address : 6th Floor, 62 Maker Chambers VI,
Nariman Point, Mumbai 400021,
India
Tel. : +91 (22) 2287-3741, 2283-7693
Fax. : +91 (22) 2287-3744
SWIFT : KRTHINBB
E-Mail : br.mumbai@ktb.co.th

Phnom Penh Branch

Senior Overseas Branch Manager : Mr. Sethayut Maneesi
Address : 149, Street 215, Sangkat phsar
Depo 1, Khan Toulkok,
Phnom Penh 12153, Cambodia
Tel. : +855 (23) 882-959, 883-720
Fax. : +855 (23) 883-719
SWIFT : KRTHTHBKPMMP
E-Mail : br.phnompenh@ktb.co.th

Siem Reap Province Sub-Branch

Senior Overseas Branch Manager : Mr. Watcharapong Sompong
Address : 10-11, Sivatha Road, Mondol 2,
Khum Svay Dangkm Siem Reap District,
Siem Reap 17200, Cambodia
Tel. : +855 (63) 964-758
Fax. : +855 (63) 964-759
E-Mail : br.siemreap@ktb.co.th

Singapore Branch

FVP Overseas Branch Head : Mr. Pisit Buranakitpinyo
Address : 65 Chulia Street, OCB Centre, 32-05/07,
Singapore 049513
Tel. : +65 6533-6691
Fax. : +65 6533-0930
SWIFT : KRTHSGSG
E-Mail : br.singapore@ktb.co.th

Vientiane Branch

Senior Overseas Branch Manager : Ms. Weeranuch Tharmasakti
(Since March 16, 2018)
Address : 80 Lanexang Road, B.Xiengneuanthong
M.Chanthabouly, Vientiane People's
Democratic Republic of Lao
Tel. : +856 (21) 213-480, 222-761
Fax. : +856 (21) 222-762
E-Mail : br.vientiane@ktb.co.th

Cayman Islands Branch

FVP Overseas Branch Head : Mr. Wittaya Archewaparisut
Address : 5th Floor, Harbour Place, 103 South
Church Street, P.O. Box 1353, George Town,
Grand Cayman KY1-1108
E-Mail : br.cayman@ktb.co.th

Yangon Representative Office

Senior Manager, Representative Office : Mr. Wutichai Sermongsakunchai
Address : Centre Point Tower, 7th Floor, No.65 Corner
of Sule Pagoda Road and Merchant
Street, Kyuaktada Township, Yangon,
Myanmar
Tel. : +959 420-277, 056, +951 243-186
E-Mail : br.yangon@ktb.co.th,
wutichai.sermongsakunchai@ktb.co.th



Get together to be the ONE



ONE
Team

ONE
in the Market

ONE
in Customer's Mind

ONE
in Compliance

ONE
in Innovation

This report is

Printed on
green read paper
to protect
your eyes' health.



Printed with the
environmentally
friendly soy ink.



Printed on a light
weight paper
to save energy use.



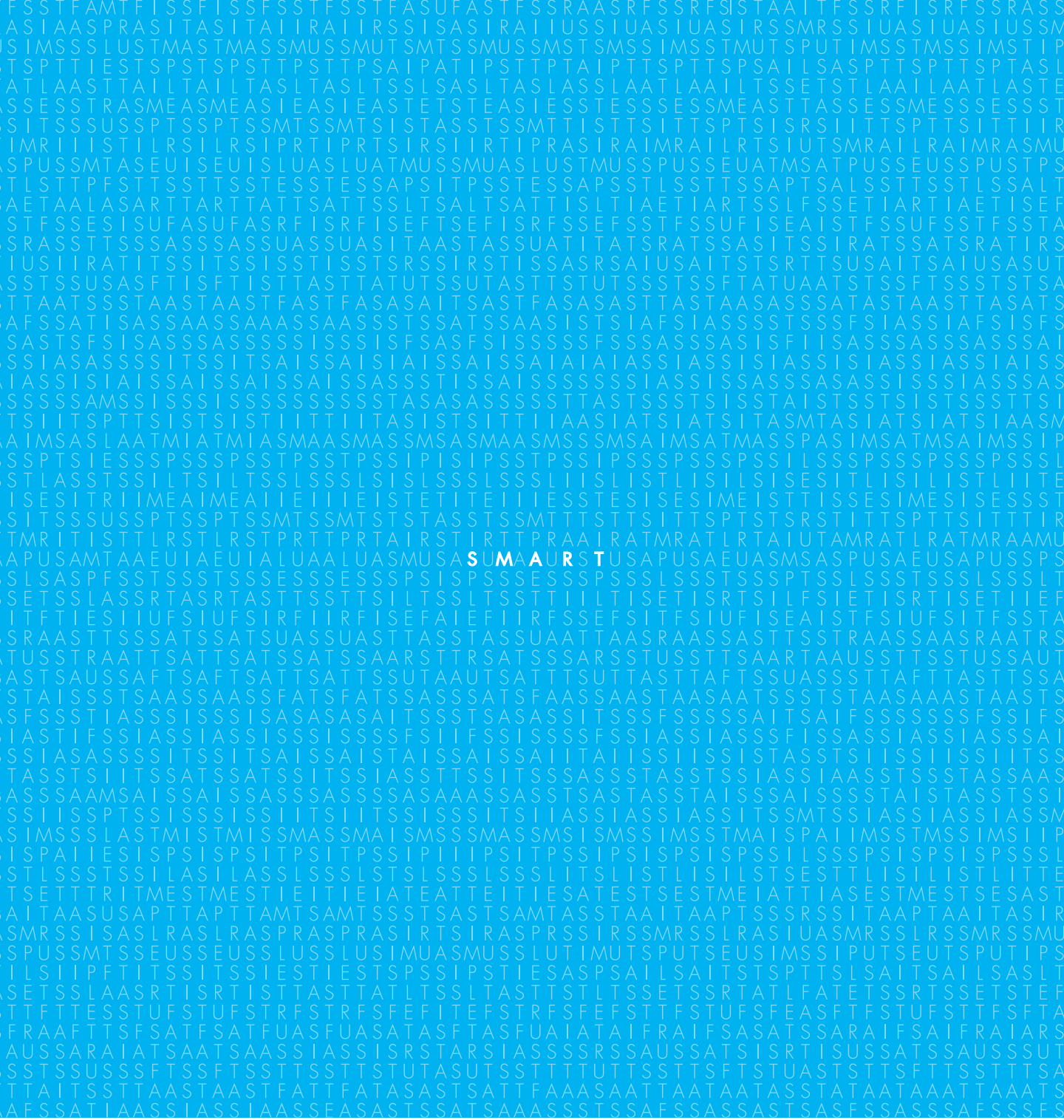
The information contained in this annual report, including the information regarding the Bank's current business operations, past results of operations, projections and prospects, is subject to change and may be amended or supplemented in the future without prior notice. Certain information in this annual report describes some of the significant risks or uncertainties that may affect the Bank's business operations, financial condition, results of operations as well as current risk management policy. However, some risks may be unknown to the Bank, and other risks, currently believed to be immaterial, may also impair our business operations, financial condition, results of operations and prospects, and could turn out to be material. Therefore, there can be no assurance that the Bank will be able to identify all the risks, nor can the Bank prevent all the risks that may affect our business operations, financial condition and results of operations from occurring. Furthermore, this annual report also contains forward-looking statements concerning analysis and other information (as well as the Bank's prospects, plans and business strategies). The Bank has based those forward-looking statements on the current view of the Bank with respect to future events, but it does not guarantee future results. The actual results in the future may differ materially from those anticipated in this annual report. Investors should consider the information carefully and must not place undue reliance on the forward-looking statements.

Hence, investors are cautioned to be particularly careful and exercise individual judgement in studying the Bank's information stated in this annual report

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