



BANK OF AYUDHYA
Public Company Limited

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Financial Summary

	2002	2001	2000
Consolidated Financial Data (Million baht)			
Total assets	468,520	443,566	435,366
Total liabilities	451,434	428,263	419,895
Shareholders' equity	17,086	15,302	15,472
Total income	23,981	21,958	24,227
Interest and dividend income	19,473	19,203	22,688
Net interest income	6,923	5,123	6,050
Net profit (loss)	2,119	(2,667)	(8,530)

Financial Ratios

Net profit (loss) / total income	(%)	8.84	(12.15)	(35.21)
Return on equity	(%)	12.40	(17.43)	(44.42)
Return on assets	(%)	0.45	(0.60)	(1.93)
Net profit (loss) per share	(Baht)	1.15	(1.44)	(4.61)
Book value per share	(Baht)	9.24	8.27	8.36

	2002	2001	2000
The Bank's Financial Data (Million baht)			
Total assets	463,584	438,560	430,860
Total liabilities	446,678	423,402	415,505
Shareholders' equity	16,906	15,158	15,354
Total income	23,213	21,627	23,655
Interest and dividend income	19,311	18,889	22,372
Net interest income	6,861	4,916	5,845
Net profit (loss)	2,119	(2,667)	(8,530)

Financial Ratios

Net profit (loss) / total income	(%)	9.13	(12.33)	(36.06)
Return on equity	(%)	12.53	(17.60)	(44.56)
Return on assets	(%)	0.46	(0.61)	(1.96)
Net profit (loss) per share	(Baht)	1.15	(1.44)	(4.61)
Book value per share	(Baht)	9.14	8.19	8.30
Capital to Risk Assets Ratio	(%)	10.80	11.01	12.22

Message from the Chairman of the Board

In 2002, external economic conditions were relatively unstable, with many of the world's leading industrialized countries experiencing slower than expected growth. But on the strength of the US economy, which proved to be more robust than originally predicted, the overall global economy managed to avoid a downturn. For Thailand, the year 2002 saw the Thai economy experience higher than anticipated growth. This was the result not just of the government's stimulus measures, which boosted domestic consumption and investment, but also of a better-than-expected performance by the export sector. These factors accounted for the country's economic growth of higher than 5%.

The higher than expected economic growth, brought on by the government's stimulus package, the low interest rate regime, and increased consumer confidence, all contributed to higher domestic spending, business expansion, and evidence of some new investment. Consequently, loan portfolios of the financial system expanded. Financial institutions as a whole posted a better performance in 2002 than in 2001. This reflects the gradual recovery and more promising outlook of Thailand's commercial banking system.

As for Bank of Ayudhya, 2002 marked an important milestone as the Bank managed to record its first net profit since the economic meltdown. This was in line with the target date set by the Bank for generating successive net profit from the year 2002 onward. The urgent measures and major structural overhaul in recent years have raised efficiency and helped the Bank meet the challenges of rapidly changing business conditions and increasingly intense competition in the banking sector. The prudent management practices that the Bank has always observed have also played a part in the success of the Bank's recovery plan for long-term profitability and sustained growth and stability.

In 2002, the Bank's operating profit (before allowance for doubtful accounts) totaled 2,719 million baht, and a net profit of 2,119 million baht, or 1.15 baht per share, was posted for the year. This significant improvement is a result of both higher revenues and effective cost controls. As in 2001, net loan growth also exceeded the set target. Measures taken over the last few years also bore fruit, as the Bank succeeded in expanding its non-interest revenue base while cutting operating costs. In recent years substantial investments in new information technology were made, thus enabling the Bank to handle an increasing volume of transactions and launch a number of new products and services in response to customer needs and increasing competition in the banking sector. The Bank has also carried out a branch restructuring plan, which has improved service at branch offices throughout the country and helped to build a larger and more loyal customer base. Finally, steps to make the Bank leaner and more streamlined have had a positive impact on staffing costs and will continue to enhance profitability in the years to come.

As for assets quality management, the Bank has made determined efforts to find solutions to the problem of non-performing loans (NPL), a continuing drag on all of the country's financial institutions. It has also placed emphasis on management of non-performing assets (NPA). Last year, the Bank succeeded in reducing its proportion of NPLs to less than 20% (based on the new regulations of the Bank of Thailand), and sold off NPAs worth approximately 2.6 billion baht. These sales yielded a profit of 69 million baht and are an indication of the Bank's good quality collateral. As of the end of 2002, the Bank's capital to risk assets ratio remained at approximately 11%, which is sufficient for future business expansion.

In the years ahead, the Bank will continue to implement new measures to boost efficiency and promote growth. Further expansion of our loan portfolio to qualified clients will generate higher interest revenues, and effective means to quickly reduce NPLs will be implemented. The Bank will also enlarge the non-interest revenue base, taking advantage of our technological resources to offer top quality service and a wide range of financial services, both old and new. Awarded “Best Consumer Bank 2002” by the Money and Banking Magazine is one proof of the Bank’s commitment to good customer service. In 2003, the Bank is intent on improving internal information systems to support management and on updating the customer database to help strengthen ties with customers. Finally, the Bank will enhance its performance evaluation system to give staff at all levels a powerful incentive for achieving organizational goals.

Furthermore, the Bank will continue to look for additional ways to cut costs. This is key to raising its potential for sustained, long-term profitability. A number of options have been drawn up to ensure that the Bank is able to redeem the subordinated debts at the end of 2003 and the subordinated debentures cum preferred shares set to be callable in early 2004. The option the Bank ultimately takes will be determined by market conditions at the time. As a reflection of our business acumen and commitment to remaining a good Thai bank, the Bank has adopted a policy of good corporate governance and fiscal transparency. As a result, the Bank received the 2002 Disclosure Award from the Securities and Exchange Commission, in recognition of excellence in financial reporting.

The success that the Bank achieved is due in great part to the hard work and dedication of our entire staff and to the confidence and support of our shareholders, customers, the general public, and government and private-sector organizations and institutions, both here in Thailand and abroad. Without them, we would not have been able to overcome all the obstacles and emerge strong and stable. The Bank would like to take this opportunity to express our sincere thanks and appreciation to all.



Krit Ratanarak
Chairman
Board of Directors



The Thai economy continued to rebound in 2002, posting better results than in the previous year. The strong performance was the result of increase in local and foreign demand.

World Economy in 2002

In 2002, the world economy did not rebound as quickly as predicted, chiefly because growth in many of the leading industrialized nations proved to be weaker than expected. Overall, the **global growth rate for the past year is estimated to be about 2.8%**. In the United States, however, economic growth was more robust than in 2001. This, coupled with economic recovery in much of Asia, helped to propel growth in the world economy as a whole.

The U.S. economy posted a growth rate of 2.2% in 2002, a marked improvement over the sluggish 0.3% growth rate of the year before. In 2001, the Federal Reserve introduced its decisive monetary relaxation measures and thereby cutting interest rates to their lowest levels in 40 years. As a result, the economy experienced a healthy recovery in the first six months of 2002. But with the ***collapse of a number of major companies listed on the U.S. stock exchange***, and the increasing likelihood of a ***war between the U.S. and Iraq***, investor confidence was severely shaken. Major indexes fell to their new lows during the year, and ***key economic indicators for the second half of 2002*** all failed to meet projected figures. The situation was compounded by a record ***trade deficit*** estimated to be some 21.5% higher than in 2001. Figures also showed that the labor market was shrinking, with ***unemployment*** rising to 6.0%. The inflation rate remained low, fueling expectation that the economy could sink into a deflationary spiral. These, then, were the negative factors responsible for the overall slow growth of the U.S. economy over the past year.

	2001	2002 E
World	2.2	2.8
United States	0.3	2.2
Euro Zone	1.5	0.8
Japan	-0.3	-0.5
Newly Industrialized Asian Economies	0.8	4.7

In **Japan**, the economy continued to contract, shrinking 0.5% last year. Domestic spending and investment remained sluggish, both in the business and household sectors, despite the government's policy to freeze interest rates at 0% as a means of spurring economic growth. Meanwhile, accumulated public debt exceeded the country's gross domestic product (GDP), forcing the authorities to put a cap on further deficit spending. Deflation also posed a risk to economic stability as the price levels continued to shrink in 2002.

In the **Euro zone**, there were clear signs of economic weakness in the second half of the year. Domestic consumption and investment both cooled, and unemployment rose to relatively high levels. The export sector, which has been the engine for the region's economic growth, also failed to live up to expectations. This was due chiefly to the rise in the value of the Euro currency in relation to the U.S. dollar, and the economic slowdown in the United States, Europe's principal trading partner. The International Monetary Fund (IMF) estimates economic growth within the Euro zone at 0.8% in 2002, as compared with 1.5% the previous year.

In the **newly industrialized countries and throughout Asia**, increasing local demand helped many economies in the region post satisfactory gains in 2002. Growth rates were further boosted by improved performance by the export sector, aided by economic growth in the major trading partners. Growth was therefore said to be the story for most of the Asian economies last year, especially in China, where growth was fueled substantially by the country's accession into the World Trade Organization (WTO). For the newly industrialized nations and Asia as a whole, growth rates are expected to be 4.7% and 6.1%, respectively, in 2002. This is compared with the figures of 0.8% and 5.6% in the previous year.

In **Latin America**, meanwhile, a number of countries teetered on the verge of economic and financial collapse. The financial crisis which erupted in Argentina at the end of 2001 spread to neighboring countries, namely, Uruguay, Paraguay and Brazil last year, eventually forcing the IMF to grant Brazil an emergency loan totaling US\$ 30 billion. The U.S. and some other international organizations authorized an emergency loan to Uruguay worth US\$ 3.0 billion, in order to prevent capital outflow. As a result, the IMF was forced to revise its earlier prediction for the region's economic growth from 0.7% to minus 0.6% for the year. Latin America is the U.S.'s third-largest export market, representing 20% of the total value of exports. Consequently, the economic crises which shook the region also had a negative impact on the U.S. economy.

Faced with slowing economic growth, most of the industrialized countries have adopted policies to inject money into the domestic economy and spur growth by cutting interest rates. The central banks in both the U.S. and Europe cut lending rates by half a percentage point near the end of last year. These moves have made it easier for banks in Asia to reduce interest rates in their own countries, which has been expected as an effective means of boosting economic growth.

In **exchange rate markets**, the value of the U.S. dollar in relation to the Japanese yen and the Euro currency unit was relatively volatile in 2002 due to uncertainties over the strength of the U.S. economy and concerns of a war between the U.S. and Iraq. The American currency dipped as low as 115 yen to the dollar in July and 1.0496 dollars to the Euro in December. In contrast, the dollar had been worth as much as 134.56 yen and 0.8582 dollars to the Euro at the start of the year. As of the end of 2002, the greenback had weakened 10.9% against the Japanese yen and 15.2% against the Euro over the course of the year. The U.S. dollar stood at 118.74 yen and 1.0496 dollars to the Euro at the close of 2002.

There was a great deal of instability in most of the **world's major stock markets** in 2002. Market indexes in many of the leading industrialized nations continued to fall throughout the year as it became increasingly apparent that the U.S. economy was weakening. A lack of investor confidence in certain U.S. business sectors also took its toll, with stocks markets in a number of countries hitting all-time lows. The Dow Jones and NASDAQ indexes were especially hard hit, reaching their lowest levels in 5 and 6 years, respectively, and in Japan, the Nikkei index fell to its lowest mark in 19 years. The fluctuations in the U.S. stock exchange caused most Asian markets to drop as well. The exception was Thailand, where the SET index rose in response to the strong recovery of the country's economy.

The IMF estimates **global trade** in 2002 to have grown by 2.1%, after falling by 0.1% in the previous year. Strong economic growth in the United States helped to lift exports from various countries, especially in Asia. China's entry into the WTO at the end of 2001 was also a boon for trade within the Asian region. **Crude oil prices on world markets** rose higher throughout 2002. This was a reflection of the political uncertainties in the Middle East, especially an impending war in Iraq, and the rioting which erupted in

Venezuela in the second half of 2002. Venezuela is the Organization of Petroleum Exporting Countries (OPEC) member and the world's fifth leading oil exporter. Combined with OPEC's efforts to enforce oil production quotas among its member states in December last year, these factors pushed crude oil prices up above US\$ 30 a barrel, their highest level in the past two years. European Brent crude prices closed at US\$ 30.12 a barrel at the end of 2002, a year-to-date increase of 57%.

The Thai Economy in 2002

The Thai economy continued to rebound in 2002, posting better results than in the previous year. The strong performance was the result of increases in local and foreign demand, especially in private investment, household spending and the export sector. The government's stimulus package, which included measures to increase public spending, cut taxes, encourage private spending, prop up the real estate industry, and provide support for small and medium-sized enterprises and grassroots economy, also bore fruit last year. Local interest rates were cut repeatedly over the course of the year, while the value of the Thai currency on international exchange markets held steady. Overall, the **Thai economy posted a growth rate of 5.2% in 2002**, as compared with 1.9% in 2001.

Although the country's recovery has not spread to all sectors of the economy, there are a number of generally recognized bright spots. One of these is private investment sector, especially in the real estate industry and investment to replace capital goods. Business confidence has also improved. This is a particularly positive sign as it should help to sustain the economy's momentum in the years to come. Most publicly listed companies reported satisfactory results in 2002, with economic growth per sector described in detail below:

Agricultural production slowed last year, compared with 3.3% in the previous year. Sharp decreases in exports of seafood, especially black tiger prawns, and chicken accounted for much of the slowdown. Produce prices were fairly strong, and the flooding which affected parts of the country last year ultimately had little impact on overall production of agricultural goods. **Non-agricultural production**, in contrast, grew more quickly in 2002 than in 2001. Manufacturing, construction, trade and real estate all posted improved results last year. **Manufacturing production**, for instance, grew by 7.7% as compared with a meager 1.4% in 2001. Excess production capacity gradually began to ease, and capacity utilization rose in the second half of the year to between 58.2% and 64.7%. In brief, then, manufacturing output benefited from the improving economic conditions and increased global trade, which stimulated growth in the country's exports. Some of the best performers in the manufacturing sector were auto parts and equipment, steel and metal goods, electronics, electrical appliances, and food and beverages.

Construction was given a boost as a result of measures adopted by the government to stimulate growth in the local real estate industry. Taxes on specific businesses (sales) and transfer fees were cut, and measures to speed up government spending were also approved. Low interest rates and competition among financial institutions to expand their portfolios of personal housing loans also spurred growth in the local construction industry. The **real estate sector** picked up noticeably in 2002, but growth was restricted almost exclusively to sales of single-family houses and townhouses. Sales of office buildings, condominiums and shopping centers, however, recorded only modest gains. Growth in **trading sector** returned to positive figures last year, after having contracted in 2001. This was the result of a number of new large-scale projects which got under way last year and expansion by foreign wholesalers. Other factors contributing to the improved trade figures included strategies promoting individual credit purchases and increased consumer purchasing power, due in part to increased use of personal credit cards.

	% change	
	2001	2002 E
GDP Growth	1.9	5.2
Agriculture	3.3	-0.0
Non-Agriculture	1.8	5.8
Manufacturing	1.4	7.7
Construction	-0.9	6.0
Trade	-1.2	2.9
Others	3.7	5.2

Total consumption rose by 4.1% in 2002, as compared with 3.6% the previous year. **Private consumption sector** fueled the bulk of the increase, growing by 4.7% in 2002, as compared with 3.7% in 2001. Higher household incomes in both the agricultural and non-agricultural sectors, coupled with more widely available personal credit services and low interest rates, accounted for most of the increase in private consumption. Commercial banks have also eased the rules governing credit card applications, and this has helped to drive up consumer spending, especially for durable goods such as automobiles and electrical appliances. **Government consumption**, in contrast, grew by only a modest 0.5%, as state spending on goods and services fell off last year.

Investment rose dramatically in 2002. Total investments grew by 6.3% last year, a significant improvement over the 0.9% increase in 2001. Much of the increase was **private investment** in machinery and equipment to produce goods for export. There was also considerable investment in construction of housing units and factories, as well as in commerce and real estate business, which posted significant gains in 2002. Higher rates of capacity utilization in the manufacturing sector reflect increasing investment, which has helped to absorb some of the sector's overall unused capacity. In addition, government measures aimed at stimulating consumer spending and investment were put in place, and this, combined with low interest rates and the absence of inflationary pressures, accounted for the double-digit increase in private investment in 2002. Specifically, the private investment rose by 13.3% last year.

	% change	
	2001	2002 E
Consumption	3.6	4.1
Private Sector	3.7	4.7
Public Sector	2.9	0.5
Investment	0.9	6.3
Private Sector	4.7	13.3
Public Sector	-5.5	-6.8

Public investment in fiscal year 2002 (October 2001–September 2002) totaled 186,932 million baht, and represented some 18.3% of the total budget. This was a decrease from 24.0% in the previous fiscal year. Investment slowdowns in a number of central government and state enterprise projects, budget cuts for non-essential projects, and bureaucratic delays all contributed to the reduction in government investment last year. Even so, the government pushed ahead with a number of major infrastructure projects, such as the new Suvannabhumi Airport, scheduled for completion at the end of the 2004 and due to be officially opened in September the following year. Investment in the construction of the new airport and related activities totaled 26,950 million baht. An additional 7,362 million baht was allocated for construction of roads and bridges all around the country. As a result, public investment fell less sharply last year, shrinking by a mere 6.8% as compared with 5.5% the previous year.

In **international trade**, the country's export sector overcame a number of external threats to post positive results in 2002. The sector was buoyed by increased global trade, and economic growth world-wide and in its regional trading partners. In U.S. dollar terms, the value of **Thai exports** rose 5.8% after contracting by 6.9% one year earlier. Exports declined to the European Union and Japan, traditionally two of Thailand's largest export markets, while they increased to fellow ASEAN nations and the United States, currently the largest and second-largest markets for Thai goods. Thanks to government efforts to penetrate new regions and lessen the country's reliance on traditional export markets, Thailand also managed to boost exports to China, India, the Middle East and Africa. And although **imports** also rose by 4.6% last year, the value of exports surpassed imports, giving Thailand a **trade surplus** worth some US\$ 3.5 billion. The country's **current accounts surplus** also increased to 6.0% of GDP due to continued growth in the tourism industry. At the same time, the **net capital outflows** improved from US\$ 5.1 billion in 2001 to US\$ 4.7 billion last year. The outflows arising from non-resident baht accounts of investors making swap transactions as a hedge against risk, and private sector loan repayments to parent companies and affiliates, accounted for much of the deficit. This was partially offset, however, by capital inflows stemming from government loans under the Thailand economic recovery scheme and net purchases of foreign exchange transactions. Additional inflows of capital entered the country through the stock market. In 2002, Thailand had a **balance of payments** surplus totaling US\$ 4.2 billion, an increase of US\$ 2.9 billion over the US\$ 1.3 billion surplus posted at the end of 2001.

In the **banking sector**, efforts to speed up debt restructuring made some progress last year. As of the end of November, restructured debt accounted for 57.55% of total debt, or 98.36% of the highest

non-performing loans (NPL), figure registered in May 1999. But because of overall economic conditions and insufficient new investment, new and restructured NPLs continue to weigh substantially on the banking system. It is noted that commercial banks are gradually expanding their loan portfolios, especially for industrial production and consumer loans, but generally, the banks are continuing to exercise considerable caution. Loan approvals depend less on securities collateral and more on cash flows as a guard against various types of risk. Overall, **total credit** as of the end of 2002 grew by a rate of 7.5%, whereas it had shrunk by 5.8% the previous year. **Deposits** grew by 2.5%, as compared with 4.0% in 2001. Excess liquidity in the system, which continued to hover at roughly 500–600 billion baht, permitted cuts in interest rates as a means of stimulating the economy. In turn, the lower interest rates contributed to increased consumer spending and spurred the recovery of the local real estate and manufacturing industries. They also facilitated debt restructuring and lowered debt financing costs for many businesses. The **interest rates on savings accounts, three-month fixed deposit accounts and the MLR** for the country's leading commercial banks had been slashed to 1.50%, 1.75% and 6.50–7.00% respectively by year's end 2002.

The **value of the baht** averaged 43.00 to the U.S. dollar last year, compared with 44.48 baht to the greenback in 2001. The baht traded within narrow bounds, reflecting movements in the value of the U.S. currency, capital movements, and activities on the stock exchange and foreign exchange markets. At one point last year, the baht strengthened to 40 to the U.S. dollar as a result of a confidence crisis of certain business sectors in the United States, which weakened the American currency. At its weakest, the Thai baht traded at 44.22 to the U.S. dollar soon after the terrorist attack in Bali, Indonesia. In general, though, the baht showed considerable stability, moving in line with the Japanese yen and other regional currencies.

In **fiscal year 2002**, the government continued its policy of budget deficit as a mechanism for stimulating the country's economy. Projected government outlays totaled 1,023,000 million baht, the largest budget in Thailand's history, while government revenues were projected to be 823,000 million baht. This leaves a budget deficit of 200,000 million baht, which is equivalent to 3.8% of GDP. At the end of the fiscal year, actual government spending totaled 972,200 million baht, or roughly 92.8% of the amount budgeted (exclusive of the 58,000 million baht economic stimulus package). This exceeded the target figure of 91.0%. Of the 58,000 million baht budgeted to stimulate the Thai economy, 36,000 million baht had been spent, leaving 22,000 million baht to be carried over into the 2003 fiscal year. The government also collected revenues totaling 845,000 million baht, or 2.5% above the projected target. Thanks to the stronger performance of the Thai economy as a whole, the government's cash deficit amounted to 118,700 million baht, a slight rise over 2001, when the deficit was 107,900 million baht. Public debt remained high, with the latest available figures showing that as of November 2002, it was equal to 54.25% of GDP. This is, however, below official estimates which predicted the ratio to peak at 58% of GDP by the close of fiscal year 2002.

In 2002, share prices on **Thailand's stock exchange** moved generally higher, bucking the market trend in most of the leading industrialized nations, where indexes fell to record low levels. This was especially true of the U.S. market, which was shaken by doubts over the strength of the country's economic recovery and a crisis of confidence in the U.S. business sector. As signs of Thailand's economic recovery became increasingly apparent, investors took their money out of the foreign bourses and put it into the SET. The average value of trading per session on the Thai stock exchange rose from 6,439.8 million baht in 2001 to 8,356.9 million baht last year. Net purchase by foreign investors amounted to 14.3 billion baht, which drove the SET index up to 356.48 points at end of 2002, a year-to-date increase of 17.3%.

Prices remained quite stable throughout the year, facilitating the introduction of measures aimed at stimulating the country's economy. The **Consumer Price Index**, or the **inflation rate**, rose by a mere 0.7% last year despite some pressure from rising oil prices in world markets. As exchange rates remained fairly stable and prices for consumer goods in world markets stayed at levels comparable to those of a year earlier, prices in general rose only slightly last year. **Employment** prospects also brightened as a result of increased private investment and impressive growth in construction and manufacturing sectors. These two sectors were able to absorb a significant number of people laid off from jobs in other parts of the economy. The government also speeded up investment in several grassroots projects, most notably credit to the unemployed and to independent entrepreneurs. These projects stimulated investment and helped to create jobs. In 2002, the unemployment rate averaged 2.4%, as compared with 3.3% in 2001.

Since the Thai economy in 2003 is facing a number of international uncertainties, internal factors especially domestic consumption and private investment become the key sustenance of recovery momentum.

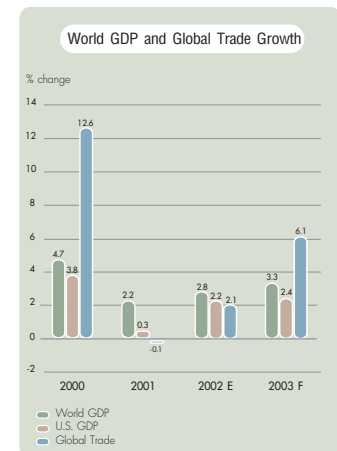
World Economic Outlook in 2003

The outlook for the global economy in 2003 appears volatile for a number of reasons. Based on figures compiled by a number of key sources, economic growth is projected to be between 2.2% and 3.3%, lower than estimated at between 3.6% and 4.0%. While **the U.S. economy** is expected to post a growth rate of 2.3% to 3.3%, it may be necessary to adjust this figure downward in light of persistent tensions between the U.S. and Iraq and the potential for further terrorist attacks. The strength of the U.S. economy is also subject in part to its ability to restore consumer confidence, which was sorely shaken last year. Domestic spending needs to rise in order to support future growth in the U.S. economy.

Although conditions in **Japan** seem set to improve and the economy is predicted to grow by roughly 0.5%, after having contracted somewhat in 2002, growth will remain so weak that the economy may slide back into another recession. The recovery which got under way last year is very fragile, and conditions in Japan hinge on what happen in the U.S., which is by far the largest market for Japanese exports. At home, domestic spending in the business and household sectors will remain too weak to drive any real, sustained growth. The Japanese government, which has used deficit spending as a mechanism to stimulate the economy, will need to exercise greater fiscal restraint as cumulative public debt now exceeds the country's GDP.

In the **Euro zone**, the region would be able to fuel higher rates of economic growth worldwide, but later this prediction was revised. Because of the slow recovery of the U.S. economy in 2002, coupled with economic uncertainties among various members of the European grouping itself, growth in the Euro zone is estimated to hover between 0.8% and 2.3% in 2003.

The **newly industrialized nations of Asia** and other countries in the region are expected to continue to grow in 2003. The Asian economies will be only minimally affected by conditions in the industrialized countries elsewhere in the world. Asia has corrected many of the weaknesses that led to the economic and financial crises that shook the region a few years ago. Growth in a number of countries will be propelled chiefly by increased domestic spending. China's entry into the WTO and its subsequent relaxing of trade barriers will be another powerful engine for growth in many parts of Asia. In addition, cooperative trade pacts between neighboring countries and efforts to locate new markets to replace ones that have been lost should also help to promote mutual growth throughout the region. The newly industrialized nations of Asia are predicted to grow by 4.0% to 4.9% this year, while Asia as a whole is expected to post a growth rate of between 5.2% and 5.7%.



The degree of major risk factors influencing **global economic growth in 2003** depends on the length and severity of a possible **war in the Middle East and the success of the U.S. in halting further terrorist attacks**. These conflicts threaten to stifle trade and investment in numerous countries around the world. They are also likely to drive up **oil prices**. If the price of oil were to remain above US\$ 30 a barrel for an extended period, it would have negative consequences for the economic recovery of various countries and be a drag on growth worldwide. **Deflation** is another risk looming on the horizon this year, especially in Japan and Hong Kong where demand for consumer goods and services has shrunk in recent months. In the U.S., Europe and Asia, inflation will remain low, and consequently, deflation is a possibility in these regions as well. Unless consumer spending picks up, the resulting deflation may send an unfavourable signal

for economic recovery all around the world in 2003. It is also important to keep a close watch over developments in **Latin America**. If a new round of economic and financial turmoil were to get out of hand, the health of the global economy as a whole could be at risk.

To head off such a crisis and to stimulate growth, countries are likely to continue to pursue a policy of fiscal and monetary relaxation, much as in 2002. The major industrialized powers will adopt complementary fiscal policies. In **Japan**, for example, the government is expected to approve tax cuts worth 3 trillion yen. The measure is intended to spur spending by the country's business sector. But rising public debt may restrict the government's options in terms of its budget policy. The U.S. plans to inject money in an effort to create jobs and bring down the country's unemployment rate, which, at its present level, threatens future U.S. economic growth. The government also intends to slash taxes by US\$ 300–350 billion over a five-year period. As in Japan, the move is aimed at stimulating consumer spending and investment. In the **Euro zone**, several countries are struggling to stay within the limits set by the EMU regulations regarding budget deficits (not more than 3%) and public debt as a proportion of GDP (not more than 60%). In **Latin America**, those countries which experienced a financial meltdown last year are required by the IMF to implement a policy requiring a budget surplus.

In **global money markets** are expected in 2003, exchange rates for many of the world's currencies are expected to stabilize. This will be true especially for the value of the U.S. dollar in relation to other major currencies. Any movement should be within narrower bounds, as the U.S. economy continues its gradual recovery. As for **stock exchanges**, U.S. investments are expected to become more attractive, as the problems which plagued the American business sector, most importantly last year's crisis in confidence, begin to ease. If this does in fact happen, stock market indexes in the U.S. should rise, and this in turn will boost stock markets elsewhere in the world, particularly in Asia, where indexes only just began to rebound in 2002.

Global trade is likely to grow in 2003, picking up pace as economies throughout much of the world begin to recover. Developing countries will make their presence felt on the world stage this year, especially countries in Asia, and trade agreements between regional neighbors and countries from other parts of the globe will also play a greater role in the international trade arena. Some of these groupings include AFTA, ASEAN+3 (China, Japan and South Korea) and ASEAN-Australia, New Zealand. The anticipated recovery of the IT sector should also help to push up global trade by as much as 6.1% this year. As for **world oil prices** in 2003, it all depends on the policies of OPEC and tensions in the Middle East.

The Thai Economy in 2003

The **Thai economy** is still exposed to a number of external threats in 2003. For instance, it may be impacted by a possible war in the Middle East, or by falling prices for certain types of goods as part of a greater deflationary trend. Higher oil prices may also have a negative impact on the country's export sector this year. Important internal factors that seem likely to affect economic performance include private consumption and investment, as well as anticipated growth in Thai exports. The country's ongoing economic recovery should also help to rebuild investors' and consumers' confidence, which is a vital prerequisite for measures so implemented to bear some fruit this year. For example the solving of problems have affected the commercial banking sector, the encouragement of private businesses to make necessary adjustments, and the support for SMEs activities, etc. Overall, the **Thai economy is projected to grow by 4.2% in 2003**.



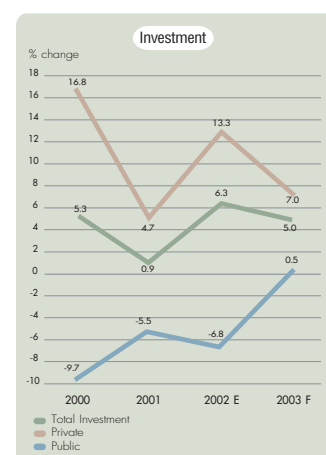
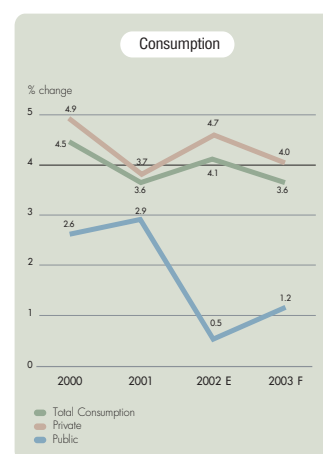
Broken down by sector, **agricultural production** seems set to increase in line with prices for farm products on world markets. Meanwhile, the total volume of produce reaching the market is expected to be less than normal as farms in a number of provinces were struck by severe flooding near the end of last year.

The possibility of a war in the Middle East will also spur short-term demand for agricultural goods. In addition, the government will introduce zoning measures for core agricultural products over a four-year period between 2003 and 2006. These measures, which focus on production, processing, marketing, research and development, and management, should bring some relief to farmers, and help to increase agricultural output by 2.4% this year, as compared with -0.0% in 2002.

Non-agricultural production should grow at roughly the same pace as in 2002. Actual growth rates will depend on economic conditions in Thailand's principal trading partners and on the effectiveness of government measures to stimulate domestic demand as an engine for economic growth overall. Growth in the **manufacturing sector** will concentrate on certain types of business, namely automobiles and auto parts, frozen, canned and other processed food, and steel and other metals. This particular sector of the Thai economy is predicted to grow by 5.2% in 2003, as compared with 7.7% in the previous year.

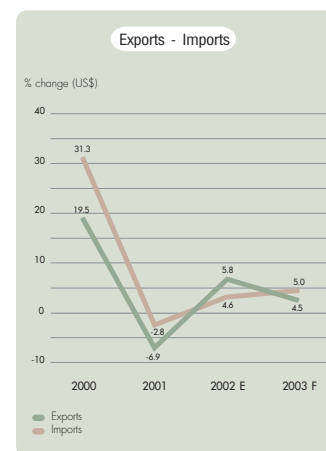
The health of **construction industry** hinges on conditions in the **real estate business**, which is expected to continue the recovery it began in 2002. The industry is benefiting from low interest rates and the government's decision to extend short-term stimulus measures for an additional year. (These measures include reduced transfer and mortgage fees and specific business (sales) tax cuts, now set to expire at the end of 2003.) The government has also approved a personal income tax exemption on individuals who sell their old home in order to purchase a new home within a one-year period. This measure has been successful in spurring public demand for personal housing. **Trading sector** is expected to grow at roughly the same pace as in 2002. One of the reasons for growth in this sector is government measures aimed at providing support for small retailers. With the creation of Allied Retail Trade Co., Ltd., or ART, the government intends to help the country's small retailers compete against large international retail chains at the local and national levels.

In the economic sector, broken down by type of expenditure, **total consumption** is expected to rise by 3.6%, a slight decline from the previous year's rate. **Consumption in the private sector** is predicted to slow slightly from 4.7% in 2002 to 4.0% in 2003 due to a number of external risk factors, which will encourage more cautious spending. Nevertheless, private sales of durable goods should continue to grow as a result of the low interest rates and the government's decision to raise the personal income tax deduction from 50,000 to 80,000 baht, a move which will put more money in consumers' pockets. **Public consumption**, meanwhile, will continue to grow albeit budget constraints. The 2003 budget calls for government expenditures totaling 999 billion baht, down 2.6% from the 2002 budget figure of 1.023 trillion baht. **Total investment** is projected to rise, owing to government measures aimed at stimulating domestic demand and boosting consumer purchasing power in order to prop up investment in real estate industry. Increased investment in real estate should then have a beneficial effect on investment in other business sectors, as well. In addition, more foreign manufacturers are expected to shift their production base to Thailand, with Japanese investors in the automobile, food, appliance, and electronic industries leading the way. But economic uncertainties in world markets, most notably the possibility of war in the Middle East and the subsequent rise in crude oil prices, may have a negative impact on trade and investment in many countries, not excluding Thailand, and therefore, caution should be exercised. **Private investment** is therefore projected to increase at a slower pace this year, down to 7.0% from last year's 13.3%. **Government investment**, however, should pick up after shrinking somewhat last year. Investment in public utilities and 22 major projects associated with construction of the new Suvannabhumi Airport, worth altogether 33,527 million baht, will account for the lion's share of expenditures. Some of the larger construction projects connected with the airport include: runways and



parking facilities (9,949 million baht), cargo terminal facilities (2,523 million baht), elevated roadways in front of the passenger terminal (1,929 million baht), and electrical systems (1,810 million baht).

In **international trade**, Thailand's export sector will probably continue to be the major force driving the country's economy, although this will depend on global trade and economic conditions, especially on the situation in the Middle East. Because inflation will remain low in the U.S., Europe and Asia, consumer spending is unlikely to make a significant rebound, and this will have an impact on the growth of the world economy and the Thai export sector. At the same time, increasingly stringent trade restrictions have been placed on a number of Thai goods, most notably exports of frozen chicken, which the European Union found to contain chemical impurities. In the United States, the government has implemented the Bioterrorism Preparedness Act of 2001, a set of measures intended to protect food supplies against possible acts of terrorism. It has also imposed penalties on foreign steel manufacturers found guilty of dumping cheap steel on the U.S. and other related markets. In addition, the new Farm Act of 2002 protects American farmers against foreign competition. To compensate for the possible loss of traditional sources of revenue, Thailand's Commerce Ministry has plans to increase the proportion of exports to a number of new markets this year, the most important of which will be China, India, the Middle East and Africa. Due to these various factors, it is predicted that **Thai exports** will increase by a rate of 4.5% this year, down from last year's figure of 5.8%. Meanwhile, **imports** will continue to grow, increasing by approximately 5.0%, as a result of imports of raw materials, machinery and equipment. The country is expected to have **trade and current accounts surpluses** again this year, but likely to be less than in 2002. There will continue to be a net capital outflow as the private sector takes advantage of the low domestic interest rates to pay off foreign debt ahead of schedule. Likewise, the Thai government intends to speed up repayment of the loans it received under the IMF rescue package a few years ago. Plans are to repay the outstanding balance of US\$ 4.8 billion by July 2003 (the original due date is May 2005). The likelihood of further interest rate cuts in the United States in 2003 will widen the gap between local and foreign rates. Foreign direct investment (FDI) in Thailand is expected to increase this year, and this should help total **net capital movement** to improve at roughly the same rate as last year.



In the **banking sector**, accelerated efforts to restructure debt in the banking system have helped to clear up the NPL problem to some extent, although under new government regulations, NPL totals will appear higher in the latest reports by Thai financial institutions. Even so, the problem is expected to gradually ease since banks and other financial institutions have all made considerable progress in solving their bad debts. Meanwhile, commercial banks have also set aside loan loss reserve to cover their losses in excess of the amount required by law. Nevertheless, they will need to continue to take a cautious approach to expanding their loan portfolios. In addition, because of the presence of certain external risk factors, there is still only limited demand for new credit by the private sector. In 2003, **credit** is expected to increase by 5.0%, which is roughly compatible to the expansion of 7.5% a year ago. **Deposits** will increase at approximately the same rate as in 2002, as savings are partially absorbed by debt instruments, debentures and other financial instruments issued by private sector concerns. Excess liquidity will remain high, even though investment in bonds issued to make up for the budget deficit and capital shortfalls in the Financial Institution Development Fund (FIDF) will help to reduce liquidity somewhat. When this is added to the lack of pressure from foreign interest rates, it seems likely that **interest rates on savings and loans** will remain at present levels or may even fall further. Inflation will also remain low, and the country will continue to run a current accounts surplus this year. Consequently, the **value of the Thai baht** is expected to stabilize, trading within a narrow range of 42 to 43 to the U.S. dollar in 2003.

In **fiscal year 2003**, the government will maintain its policy of deficit spending as a mechanism for stimulating growth in the domestic economy. But as public debt mounts, the government will need to adopt a more prudent approach to spending; otherwise, it may be unable to meet its repayment obligations in the years ahead. In the 2003 budget, expenditures total 999,900 million baht, which is equivalent to 17.9% of

the country's GDP and 23,100 million baht less than the total in fiscal year 2002. Revenues are estimated at 825,000 million baht, which leaves a cash deficit of 162,000 million baht, or roughly 2.9% of GDP. The government has also allocated 16,000 million baht in emergency funds, which, when added to last year's remaining balance of 22,000 million baht, gives the government reserves totaling 38,000 million baht.

The **stock market** is expected to gain ground in 2003. The country's fundamentals look good, interest rates are low, the political situation is stable, and many of the major publicly-listed firms have posted positive results. The privatization of several state enterprises has also added to the list of firms traded on the SET. Furthermore, rating institutions have recently upped the country's credit rating, which should also buoy the stock market. Despite the threat of war in the Middle East and the possibility of negative pressure from foreign bourses, the SET index is projected to move between 360 and 450 points this year.

The prospects for the country's economic stability this year also appear bright. **Inflation** is predicted to measure just 0.6%, reflecting lower production costs. Because domestic demand is continuing to grow, the concerns over disinflation should not be realized in the near future. **Unemployment** is expected to continue to drop to just 2.0% this year, as government policies and measures aimed at reducing the joblessness begin to bear fruit. New private investment should also help to generate additional jobs.

The strength of Thailand's economic recovery this year is still linked with a number of external factors. For example, economic growth in the world's leading industrialized nations, most notably the U.S., Japan and the European Union, may cool more quickly than expected. A war between the U.S. and Iraq, the fight against terrorism, and economic and financial uncertainties in Latin America may all have negative consequences for the Thai economy. These risks may hamper trade and investment in countries all around the world and push crude oil prices even higher. This, in turn, would make imports of capital goods more expensive and drive down the earnings of Thailand's exports. Consequently, internal factors, especially private consumption and investment and accelerated government spending on major infrastructure projects, will all have a particularly important bearing on the country's economic performance this year. Continue supportive government measures, such as programs to help Thai businesses compete in the world marketplace and steps aimed at facilitating foreign direct investment in a number of targeted industries and services, are equally vital to the sustainable growth of the Thai economy.



Competition in the Commercial Banking System



In 2002, competition among commercial banks was particularly intense in the area of consumer loans. The performance of commercial banking system also continued the healthy rebound it began previous year. As for outlook in 2003, Thailand's commercial banks expect to be able to increase deposits and expand their loan portfolio again as the economy is prospected to continue its recovery.

The Thai commercial banking system comprises 13 banks divided into two major groups based on the value of their assets. There are seven large banks and six medium or small banks. All of them offer a full range of products and lending services to large and small customers within the parameters set by the Thai law.

In 2002, competition among the country's commercial banks was particularly intense in the area of consumer loans, such as housing loans and credit cards, and in loans to small and medium-sized enterprises (SMEs). These are areas with high growth potential under the current economic conditions and the government's economic stimulus package. The banks also invested heavily in new technologies that allow them to offer faster, more convenient customer service and earn additional income. New innovations such as E-banking are seen as ways of enhancing competitiveness and enlarging market share.

As of the end of 2002, deposits in the commercial banking system as a whole totaled 4,913,423 million baht, an increase of 2.39% over the previous year. Loans in the system (net of allowance for doubtful accounts) rose 8.84% to 3,680,896 million baht, chiefly as a result of improved economic conditions which allowed banks to expand their credit portfolios.

Market Share for Bank of Ayudhya Pcl. and Major Competitors as of the End of 2002

Commercial Banks	Total Assets			Loans ^{1/}			Deposits		
	Amt. (billion baht)	Rank	Market share (%)	Amt. (billion baht)	Rank	Market share (%)	Amt. (billion baht)	Rank	Market share (%)
Bank of Ayudhya	463.58	6	8.03	354.52	5	9.63	391.91	6	7.98
Large commercial banks (7 banks)*	5,074.68		87.91	3,269.80		88.83	4,378.53		89.11
Small and medium-sized banks (6 banks)**	697.62		12.10	411.10		11.17	534.89		10.89
Banking system (13 banks)	5,772.30		100.00	3,680.90		100.00	4,913.42		100.00

* BBL, KTB, TFB, SCB, SCIB, BAY and TMB

** BT, BOA, DTDB, SCNB, UOBR, and NBANK

^{1/} Net of allowance for doubtful accounts

Source : C.B.1.1

As of the close of 2002, Bank of Ayudhya Public Company Limited was the country's sixth largest among 13 commercial banks in terms of assets and deposits and ranked fifth in terms of loans. The Bank's deposits and loans (net of allowance for doubtful accounts) grew by 5.28% and 6.97%, respectively, from the end of the previous year. Its market share in these two areas stood at 7.98% and 9.63%.

In 2002, the country's commercial banking system continued the healthy rebound it began the previous year. Net profits for the entire system, prior to special items and before deducting for bad and doubtful debts, totaled 57,324 million baht. This compares favorably with the 25,827 million baht in net profits posted in 2001. Private banks earned net profits of 41,276 million baht in 2002, while government banks made a total of 16,048 million baht.

As the economy is projected to continue its recovery in 2003, Thailand's commercial banks expect to be able to increase deposits and expand their loan portfolios again this year. At the same time, competition in the banking sector appears likely to intensify, especially in the business sectors with growth potential. Banks will need to expand their range of financial products and services both to businesses and individual customers as a means of increasing their revenues and profits. In conclusion, the commercial banking system is expected to post even better results in 2003 than in the year just past.



Performance in 2002



In 2002, the Bank staged a very impressive turnaround from the previous year. While in 2001, the Bank registered a net loss of 2,667 million baht, this past year it posted a net profit of 2,119 million baht. This dramatic reversal was due to a number of factors, including increased net interest income as well as the Bank's ability to cut non-interest expense and its success in generating additional non-interest income.

Review of Bank Operations

Profitability

In 2002, the Bank (which, unless otherwise specified, includes the Bank's subsidiaries) staged a very impressive turnaround from the previous year. While in 2001, the Bank registered a net loss of 2,667 million baht, or a net loss of 1.44 baht per share, this past year it posted a net profit of 2,119 million baht, or a net profit of 1.15 baht per share. This dramatic reversal was due to a number of factors, including increased net interest and dividend income after deducting bad and doubtful debts as well as the Bank's ability to cut non-interest expense and its success in generating higher non-interest income.

In 2002, the Bank's net interest and dividend income totaled 6,923 million baht, a year-on year increase of 1,800 million baht, or 35.12%. By expanding its loan portfolio, the Bank significantly increased its interest income earnings. At the same time, interest expense was reduced as a result of lower interest rates on deposits. The Bank's share of relatively low-cost savings accounts as a percentage of total deposits also rose while its share of more expensive fixed deposit accounts fell.

After subtracting bad and doubtful debt and debt restructuring costs, the Bank's net income from interest and dividends totaled 6,066 million baht in 2002, an increase of 2,266 million baht, or 59.65%, over the previous year. This was mainly due to higher interest earnings from an expanded loan portfolio and lower interest payments on deposits. The Bank also completed provisioning in line with government regulations and made significant progress in debt restructuring. As a result, the Bank only needed to set aside normalized provisioning.

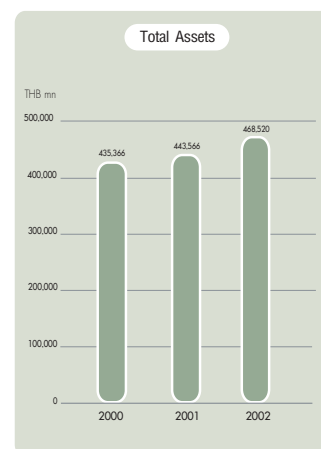
The Bank's non-interest income rose 63.63% from 2,755 million baht in 2001 to 4,507 million baht in 2002. This was partly due to new products developments and improved services which enabled an expansion of fee-based income.

Operating costs, or non-interest expenses, which are costs other than the Bank's funding costs, continued to fall in 2002. Non-interest expenses totaled 8,419 million baht in 2002, a decline of 8.44% from 2001. Organizational downsizing and restructuring which helped to boost efficiency accounted for the bulk of the decrease.

Assets

The total value of the Bank's assets rose from 443,566 million baht as of the end of 2001 to 468,520 million baht at the close of 2002. This is an increase of 5.63% and is due to growth in the Bank's loan portfolio.

The largest portion of the Bank's assets is in the form of loans and accrued interest receivable, which together accounted for 76.99% of the total as of the end of 2002. Securities, fixed assets and interbank and money market items account for the next largest percentages of the Bank's assets. The table below shows the breakdown of the Bank's total assets for both 2001 and 2002.



Type	2001		2002	
	Baht (millions)	%	Baht (millions)	%
Cash	5,804	1.31	10,397	2.22
Interbank and money market items	25,465	5.74	20,318	4.34
Securities purchased under resale agreements	7,256	1.64	3,250	0.69
Investment in securities	34,825	7.85	38,800	8.28
Loans and accrued interest receivable	337,707	76.13	360,703	76.99
Fixed assets	29,712	6.70	31,949	6.82
Others	2,797	0.63	3,103	0.66
Total	443,566	100.00	468,520	100.00

Liquid Assets

As of the close of 2002, the Bank's liquid assets, consisting of cash, interbank and money market items, securities purchased under resale agreements and securities investments, had a combined value of 72,765 million baht, or 15.53% of total assets. This is only a slight change from the 73,350 million baht total posted at the end of 2001.

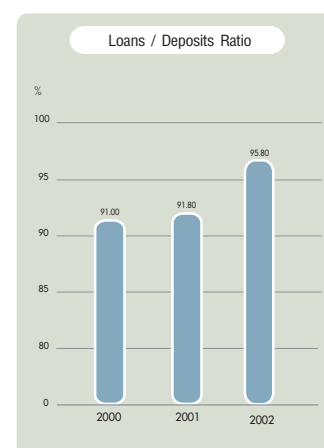
The ratio of liquid assets to deposits stood at 18.40% as of the end of 2002, higher than the requirement set by the Bank of Thailand. The Bank's ratio of loans to deposits was 95.80%.

Investment in Securities

1. Government securities

The Bank's investment in government securities is intended chiefly to fulfill the Bank of Thailand's requirement concerning liquid assets as well as to maintain daily liquidity position or other reserves as required by the authority. These securities are free of risk on principal repayment, or in the case of securities not insured by the Ministry of Finance, they are still considered low-risk. However, as market prices of these securities may fluctuate in response to movements in interest rates, it is the Bank's policy to invest in different issues of government bonds with different maturity dates. Likewise, the Bank has a policy for managing the average age of its investments in government securities.

As of December 31, 2002, according to the Bank's financial statements, investments in government securities consisted of treasury bills, government bonds, FIDF bonds, state enterprise bonds covering those guaranteed and not guaranteed by the Ministry of Finance, with maturity dates ranging from 1 month to 12 years.



These government securities have a combined face value, or book value, of 24,743 million baht, and their market value is reassessed each month. The difference between the market and book values appears in the Bank's profit and loss statement or in the shareholder's equity, depending on the type of investment, in accordance with standard accounting practice. The Bank's financial statements thus always reflect the current market value of its government securities.

2. Private securities

As of December 31, 2002, according to the Bank's financial statement, investments in private-securities had a total value of 13,891 million baht and were divided into equity securities worth 8,252 million baht and debt securities worth 5,639 million baht.

Types of Investments	Investment (millions of baht)
Equity investment	8,252
Investments in listed companies	1,000
Investments in subsidiaries	3,147
Investments in associated companies	336
General investments	3,769
Debt securities	5,639
Securities for trading	11
Securities available for sale	2,620
Securities held to maturity	3,008
Total	13,891

The Bank has adopted a policy not to concentrate more than 25% of its total investments in industries within a single sector, except in the case of subsidiaries and associated companies.

3) Returns on investments in securities

An analysis of the Bank's holdings shows that its investments in securities yield a satisfactory rate of return. Not including stocks obtained as a result of debt restructuring, the annual rate of return on equity securities is equivalent to 14.25%. The annual yield on government debt instruments is 6.09%, and the return on the Bank's investments in private debt instruments is equal to 7.10% annually.

4) Provisioning for investment in securities

In compliance with guidelines set by the Bank of Thailand, the Bank had set aside, as of December 31, 2002, reserves for securities investment totaling 435 million baht. This is 100% of the required figure.

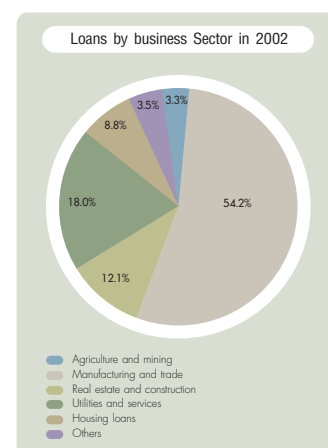
Investment Spending

Financial statements for the Bank show that, as of the end of 2002, the Bank had investments in subsidiaries and associated companies (based on equity method) worth 2,503 million baht. This represents an increase of 6.87% over previous year's figure of 2,342 million baht.

Loans

The value of the Bank's outstanding loans rose 9.78% from 345,081 million baht in 2001 to 378,836 million baht as of December 31, 2002. The increase was due mainly to new loans extension as well as the reversal of fully-provisioned loans written-off earlier which is in accordance with new BOT guidelines.

Broken down by business sector, the Bank's loan portfolio, amounting to 378,887 million baht at the end of 2002, shows a preference for trade and manufacturing industries, which are two of the country's top money earners. Together, these two sectors account for 54.20% of total loans.



Business Sector	2001		2002	
	Millions of baht	%	Millions of baht	%
Agriculture and mining	11,491	3.33	12,595	3.32
Manufacturing and trade	182,235	52.80	205,361	54.20
Real estate and construction	43,186	12.51	45,674	12.05
Utilities and services	60,875	17.64	68,234	18.01
Housing loans	30,884	8.95	33,477	8.84
Others	16,451	4.77	13,546	3.58
Total	345,122	100.00	378,887	100.00

Note : Prior to unearned discount on loans.

A breakdown of the Bank's loans and accrued interest receivable, not including interbank and money market items, shows that normal loans account for 290,128 million baht, or 75.68% of the total, an increase of 21,820 million baht, or 8.13% over the year 2001. Loans in the substandard to doubtful of loss categories total 83,270 million baht, or 21.72%. This is an increase of 12,608 million baht, or 17.84%, over the previous year. This is due chiefly to the inclusion in the doubtful of loss category of fully-provisioned loans totaling 14,136 million baht written off earlier.

Category	2001		2002	
	Millions of baht	%	Millions of baht	%
Normal	268,308	76.71	290,128	75.68
Special mention	10,771	3.08	9,987	2.60
Substandard	15,839	4.53	15,108	3.94
Doubtful	5,589	1.60	7,205	1.88
Doubtful of loss	49,234	14.08	60,957 *	15.90
Total **	349,741	100.00	383,385	100.00

Remarks : * Inclusive of 14,136 million baht in loans fully provided and written off

** Not include interbank and money market items

Based on guidelines set by the Bank of Thailand, which classifies non-performing loans as substandard, doubtful, and doubtful of loss categories, the Bank's non-performing loans (not including restructured debt) totaled 74,667 million baht as of December 31, 2002, and represented 19.86% of the Bank's total loans. This compares with the previous year's total of 56,920 million baht, or 16.63% of total loans. This increase is explained by the reversal of fully-provisioned loans written-off earlier according to Bank of Thailand guidelines issued on February 18, 2002. If, however, the same guidelines had applied to the previous year's figures, the Bank's total non-performing loans in 2002 would be some 684 million baht less than in 2001.

In 2001 and 2002, the Bank (exclusive of its subsidiaries) transferred 5,565 million baht and 1,409 million baht (after provisions as required by the Bank of Thailand) of impaired assets to the Thai Asset Management Corporation (TAMC) in exchange for 10-year promissory notes availed by FIDF. As of December 31, 2002, the Bank had received promissory notes valued at 5,384 million baht, with the remaining portion of transferred assets still being inspected and appraised. The Bank's right to take receipt of promissory notes in exchange for the transfer of these assets is reported in the Bank's financial statements as long-term investment to be held until maturity (government and state enterprise securities).

The Bank and its subsidiaries also restructured debt in the amount of 28,875 million baht in 2002. This is equivalent to 7.53% of total loans and is substantially less than the 46,371 million baht in debt that was restructured in 2001. The decrease can be attributed to the fact that this was a continuation of the debt restructuring program, and much of the outstanding debt yet to be restructured is complicated and will require considerable time to clear up.

As of December 31, 2002, using guidelines set by the Bank of Thailand, the Bank calculated minimum allowances for doubtful accounts in the amount of 17,107 million baht for its consolidated financial statements and 16,546 million baht for the Bank's own financial statements. The Bank's accounting records, however, show actual allowances for the consolidated and Bank's financial statements of 22,632 million baht and 21,319 million baht, respectively, or 132.30% and 128.85% of the estimates, figures substantially above the official requirements.

Loans are written off in the year that they are determined to be irrecoverable. Bad debts recovered are recorded as income in statements of income.

Obviously, extending credit to customers exposes the Bank to certain risks. But the Bank has taken steps to minimize this risk. First of all, the ability of any potential borrower to repay the loan is carefully scrutinized. A credit applicant must provide some form of collateral or a guarantor to obtain credit, and if a debtor fails to honor the terms of the loan agreement, the Bank has the right to seize or foreclose on the collateral and to sell it at a fair price. To ensure that the Bank is able to recoup any losses, it has adopted a general policy to grant loans worth approximately 75% of the value of the collateral provided by the customer.

Properties Foreclosed

Properties foreclosed consist of immovable and movable properties which are recorded at the lower of net investment in the loan and accrued interest (including previously unrecognized contractual interest) or fair value of the property at the date of foreclosure. Should the carrying value of a property foreclosed become impaired, management would establish an impairment allowance.

Gains or losses on such properties are realized upon disposition of the underlying asset, including in non-interest income in the statements of income.

Sources and Uses of Funds

As of the end of December 2002, deposits accounted for the largest share of the Bank's total funds at 84.40%. This was followed by borrowings including subordinated debentures cum preferred shares at 8.16%, shareholders' equity at 3.65% and other sources at 3.79%.

Customer deposits amounted to 395,439 million baht at the end of the year. This was an increase of 19,591 million baht, or 5.21% over the year-end figure in 2001. These deposits by category and deposit period appear in the table below:

Category	2001		2002	
	Millions of baht	%	Millions of baht	%
Payable on demand	7,645	2.04	8,405	2.13
Savings	115,044	30.61	131,695	33.30
Fixed deposits				
• Not over 6 months	175,184	46.61	134,080	33.91
• Over 6 months to not over 1 year	33,010	8.78	46,023	11.64
• Over 1 year	44,965	11.96	75,236	19.02
Total	375,848	100.00	395,439	100.00

The Bank's borrowings (including subordinated debentures cum preferred shares) as of the end of 2002 totaled 38,249 million baht, a decrease of 0.48% from the previous year's figure of 38,432 million baht.

The Bank's operating funds are divided among credit extension at 80.86%, liquid assets (consisting of cash, interbank and money market items, securities purchased under resale agreements, and investment in securities) at 15.53% and other items at 3.61%.

An examination of the relationship between the Bank's sources and uses of funds shows that the majority of its sources of funds come from short-term domestic deposits with a maturity date of less than one year. The largest portion of its uses of funds is on loans. The expiry dates for the Bank's outstanding loan agreements as of the end of 2002 appear in the table below:

Period	Loans			
	2001		2002	
	Millions of baht	%	Millions of baht	%
One year or less	130,092	37.69	153,844	40.60
More than one year	215,030	62.31	225,043	59.40
Total	345,122	100.00	378,887	100.00

Note: Prior to unearned discount on loans.

The Bank's financial statements as of the close of 2002 show that loans (prior to unearned discount on loans) and exclusive of interbank and money market items, totaled 378,887 million baht. Classified by tenor, loans set to expire in one year or less totaled 153,844 million baht, an increase of 18.26% over the previous year. Loans with an expiry date of more than one year totaled 225,043 million baht. This is an increase of 4.66% over the year-end figure in 2001.

As these figures show, the average loan period is longer than the average term of deposits, but because the typical depositor automatically renews deposit account once it has reached maturity, there is always a reasonable and reliable balance between the sources and uses of the Bank's funds.

The average yield on the use of funds was 4.48% in 2002, a slight decrease from the previous year, when the rate stood at 4.62%. The lower yield is a result of lower interest rates in money markets last year. Falling interest rates also caused the average cost of funds to drop from 3.38% in 2001 to 2.90% in 2002. The spread between the Bank's return on use of funds and its costs rose from 1.24 in 2001 to 1.58 in 2002, due to the fact that costs fell more quickly than the Bank's return on the use of funds.

Cash Flows

The Bank's cash flow statements in 2002 show a net increase in cash and cash equivalents of 4,593 million baht, as compared with the 976 million baht increase one year earlier. Reasons for the year-on-year increase of 370.38% are:

- Net cash flows from investments totaled 972 million baht in 2002, compared with cash outflows for investments which totaled 4,015 million baht in 2001.
- Cash outflows from fund-raising activities amounted to 183 million baht in 2002, compared with the previous year's total outflow of 3,667 million baht.

- Cash flows from the Bank's operations brought in some 3,783 million baht in 2002, compared with 8,660 million baht in 2001.
- Exchange rate effect resulted in 20.94 million baht surplus in 2002, compared with a deficit of 0.38 million baht in 2001.

In short, the liquid assets held by the Bank and its subsidiaries are well within the guidelines set by the Bank of Thailand.

Shareholders' Equity

As of the end of 2002, shareholders' equity was equal to 17,086 million baht, up from 15,302 million baht at the end of the previous year. The main reason for the increase was the turnaround in the Bank's performance in 2002, with net profits totaling 2,119 million baht. Surplus from the revaluations of land and buildings fell 73 million baht, and the Bank's revaluation surplus on investment likewise dropped 298 million baht. Nevertheless, the Bank still has adequate capital resources to finance future expansion when market conditions are favorable. This is for a maximum benefit to shareholders.

Capital Adequacy

As a result of continued capital increases, the Bank has adequate capital to finance its business activities and satisfy the legal provisioning requirements of the Bank of Thailand. As of December 31, 2002, tier 1 capital totaled 23,719 million baht, or 5.97% of risk assets, significantly higher than the Bank of Thailand's requirement of 4.25%. Combined, tier 1 and tier 2 capital amounted to 42,884 million baht, for a ratio of 10.80%. Again, this is well above the official requirement of 8.50%.





Highlights in 2002

- January 10** The Bank signed on to a new program co-sponsored by the Ministries of Finance and Industry called “Invigorating Thai Business,” which aims to provide low interest loans to the country’s small and medium-sized enterprises (SMEs).
- January 15** In cooperation with the Revenue Department, the Bank launched a new service which allows individuals to pay their personal income tax (Por. Ngor. Dor. 91) through its network of ATM machines.
- January 24** In conjunction with Khon Kaen University, the Bank operated a booth at the KKU Innovation Show 2002, held at the University’s Golden Jubilee Hall. It was also chief sponsor of the “KKU-Krungsri Innovation Award 2002,” the student debate competition, and the “KKU-Krungsri Banner Award” for the best public relations website.
- March 7** The Bank signed an agreement with the Metropolitan Electricity Authority to enable MEA customers to pay their electric bills through 6 different channels: over the counter at any Bank’s branch, through the Bank’s ATM network, through the Krungsri Phone 1572 telephone banking service, by Internet, and by the Bank’s mobile phone service Krungsri m-Banking.
- April 5** The Bank joined with TRSC International Lasik Center to offer customers special credit privileges so that they and their families can have their vision problems corrected with LASIK surgery. No collateral is required, and the transaction is free of charge.
- April 18** “The Krungsri Chronicles,” a television feature sponsored by the Bank, received a 2002 Star Entertainment Award from the Association of Entertainment Reporters for excellence in promoting Thai arts and culture.
- May 8** The Bank signed an agreement with Total Access Communications Plc. (DTAC) and Advanced Info Services Plc. (AIS) in support of the Bank’s Krungsri m-Banking service. Bank customers can perform a complete range of financial transactions over the DTAC 1800 and the AIS Digital GSM Advance systems.



- May 8 The Bank agreed to act as selling agent supporting the sell of AJF Global Convertible Bond Fund unit trust, a type of Foreign Investment Fund issued by Ayudhya JF Asset Management Limited.
- May 9 The Bank announced the availability of three new credit options for customers. No collateral is required, and customers may borrow up to one million baht. The three new options are : the **Krungsri Payroll Loan**, a multi-purpose loan available to customers whose salaries are paid directly into their Bank of Ayudhya accounts; the **Krungsri Consumer Loan**, a multi-purpose loan available to everyone, and the **Krungsri Electronic Loan**, a loan serving as revolving funds and enhancement of liquidity for businesses. This loan allows customers to withdraw cash through their Visa Electron card.
- May 19 Bank of Ayudhya Pcl. was named Best Consumer Bank 2002 in a Suan Dusit poll conducted at the second annual Consumer Banking & Technology Fair 2002, where the Bank occupied a booth titled Krungsri Cyber Street. The Fair, sponsored by Money and Banking magazine, was held at the Central Plaza Trade Center in Lard Prao, Bangkok.
- June 3 The Bank joined the Lalin Group for the opening of the Ban Burirom 3 housing project (Ram Intra - Koo Bon). Homebuyers were eligible for a low-interest loan of up to 95% of the purchase price and were entered in a draw for 50 savings accounts with a combined value of one million baht.
- July 3 The Bank set up a booth at the Amazing Saraburi Provincial Fair, held at the Kiew-an Hotel, and sponsored by the Saraburi Chamber of Commerce, the Industrial Council of Saraburi and the Provincial Banking Association.
- July 11 The Bank joined in the signing ceremony on agreement to sell government bond issued by Finance Ministry at the price of Baht 10,000 per unit. The bond is negotiable and redeemable before its due date since September 2, 2003. Bond holders are entitled to receive payment of principal and interest according to the details specified.
- July 26 The Bank set up a booth at the NPA Grand Sale, organized by the Housing Credit Association and held at the Central Plaza Trade Center. The Bank and Ayudhya Asset Management Company had more than 700 properties worth over 10 billion baht on offer to interested buyers at very attractive prices.



- August 3 Together with the KENAN Institute Asia, the Bank sponsored a workshop for SMEs owners on the subject of “Brand Recognition as a Key to Business Success”. Held at the Bank of Ayudhya headquarters, the workshop gave those in attendance financial and business management advice.
- August 5 Together with seven other businesses and financial institutions, the Bank invested in a new joint venture called Thai Smart Card Ltd. The company has a registered capital of 395 million baht and offers a cash card service known as “Digital Purse”.
- August 8 The Bank was one of six Thai financial institutions which joined to offer a Thai-denominated syndicate loan worth 7,000 million baht to United Communication Industry, Limited (UCOM).
- August 27 The Bank was one of the sponsors of the Catholic Education Fair, held at the Bang Na Campus of Assumption University.
- September 5 The Bank signed an agreement with Rangsit University which allows students to pay their tuition fees through the Bank’s bill payment system. In other words, payments may be made over the counter, through the Krungsri ATM network anywhere in Thailand, over the Internet, by telephone using the Krungsri Phone 1572 service, or through the Bank’s new Krungsri m-Banking service.
- September 18 The Bank signed a memorandum of cooperation with the Social Securities Bureau to enable employers and individual voluntary contributors to pay into or receive benefits from the government insurance program through Bank of Ayudhya branches throughout the Kingdom. The Bank is the country’s first bank to offer this service on-line. The service is free of charge, and users can immediately get receipts issued by the Bank.
- September 25 The Bank agreed to act as selling agent for PrimaVest Mutual Fund Management Limited. The Bank handles investment in three funds : the open PrimaVest Long-term Savings Bond, the open PrimaVest Long-term Debt Instrument Fund, and the open PrimaVest Long-term Flexible Savings Fund -- three options for people interested in long-term investment and savings.
- September 30 The Bank signed an agreement with the Metropolitan Waterworks Authority under which it agreed to absorb the cost of deducting customers’ water bills directly from their savings accounts - one way of helping consumers save money.



- October 3 The Bank organized a Road Show to introduce its new Krungsri Visa Electron card. With the help of the Visa Instant Machine, customers could obtain cards immediately. The road show not only built a solid users' base for the Krungsri Visa Electron card but also enhanced the image of the Bank.
- October 7 The Bank signed a joint agreement with G.E. Capital (Thailand) which allows holders of credit cards issued by G.E. Capital corporate customers to make cash withdrawals from any cash point in the Bank's extensive ATM network.
- October 17 The Bank held a launch for its second Million Baht Sweepstakes Drawing for Krungsri ATM and Krungsri Visa Electron card holders. Customers who collect their transaction slips and send them in to the Bank can compete for the top prize of a one-million baht savings account and other gift certificates worth a total of over 1.8 million baht.
- October 24 The Bank coordinated with Vibhavadee Hospital to give patients in need of medical care access to loans of up to 150,000 baht, without any additional service charge. The loans may be used to treat the borrower or anyone in his or her family.
- October 30 In cooperation with the Legal Execution Department, the Bank sponsored a Giant Sale of Land and Houses in Greater Bangkok, with properties worth over 900 million baht on offer. Interested buyers were eligible for loans of up to 90% of the appraised value of the property.
- November 1 The Bank introduced a special Housing Loan 3 in 1 program for new home purchases and refinancing. Approved credit applicants receive three special benefits : a low interest rate, free accident insurance for one year worth 100,000 baht coverage, and a lifetime complimentary Krungsri Visa card.
- November 1 The Bank introduced a new service that allows customers to apply for three types of credit on-line : housing loans, personal C-loans, and personal P-loans. Customers are notified of preliminary approval within 24 hours.
- November 5 The Bank was honored with the 2002 Disclosure Award from the Securities and Exchange Commission in recognition of excellence in financial reporting.
- November 27 The Bank and Major Cineplex jointly introduced a new project called **Krungsri Major e-ATM**, eligible only to Krungsri Visa Electron and Krungsri ATM cardholders. The new scheme lets moviegoers buy their tickets and make their seat selection for any Major Cineplex movie theater in Greater Bangkok through any Krungsri ATM machine.
- December 16 The Bank became one of the sponsors of Thai tennis ace Paradorn Srichapan and his world professional tennis tour throughout 2003.



- *Internet Banking, Krungsri e-trade, e-Banking, Online Banking, e-Mobile Banking, e-Payment, e-ATM and e-Cash.*
- *The Bank's new Centralized Clearing Center, with the Imaging Workflow System, the first facility of its kind in Thailand.*
- *Enterprise Datawarehouse: Profitability and Cost Analysis of Products and Customers, and Risk Management.*

Innovations and New Product Developments

In today's volatile economic climate and the increasingly competitive world of commercial banking, it is essential to be always on the lookout for technological innovations and new product opportunities. The Bank has allocated 3.5 billion baht for the implementation of a three-year IT development plan for the years 2001-2003. By the end of last year, the Bank had succeeded in completing more than 20 of the 27 projects contained in the IT master plan. Some of these projects include: the Internet Banking 7 Series, which comprises Krungsri e-trade, Krungsri e-Banking, Krungsri Online Banking, Krungsri e-Mobile Banking, Krungsri e-Payment, Krungsri e-ATM, and Krungsri e-Cash Management, all applying Internet services that enhance the Bank's ability to serve customers through a comprehensive range of channels. The Bank has also expanded the Krungsri network throughout the country, bringing its total number of ATM machines to 750 nationwide. Bank of Ayudhya is also the only bank in Thailand that allows ATM cardholders to buy movietickets for any Major Cineplex movie theater in Greater Bangkok through its network of ATM machines.

Another important development is the opening of the Bank's new Centralized Clearing Center, which employs the Unisys (Thailand) Imaging Workflow system. Again, Bank of Ayudhya is the first bank in Thailand with such facilities for inward and outward clearing of checks with the Bank of Thailand. The Bank has also introduced a new web signature system, which enables branch offices to verify the signatures of checking account customers with the help of a browser. Thanks to these new developments, branches can devote more time to customer service and customers can now have their checks drawn from any branch in real time.

The Bank also appreciates the need to make constant improvements in IT infrastructure. A medium-sized SUN E10K computer was recently purchased to process its cash management system and data warehouse, and upgraded its branch communications network to the Protocol TCP/IP system nationwide. The Bank also introduced a new Ethernet system for internal communications at bank headquarters to accommodate online transactions both today and in the future.

To improve core work systems, the Bank has introduced ALLTEL's Advanced Loan System, a software application that facilitates the launch of new credit options such as P-Loans and C-Loans. Another project called the Enterprise Datawarehouse, which runs on Oracle's OFSA (Oracle Financial Services Application) software and consists of two phases, has been invested. The first phase -- Profitability Analysis & Cost Allocation - assesses the Bank's performance in terms of business, product and customer units. The second phase is Risk Management.

Finally, the Bank began a new Branch Re-engineering program in 2002. A new design for a model Mini-Branch was developed with completed installation of equipment and essential work programs at 15 branch offices last year. The Bank will carry out similar retooling of branch offices throughout Thailand between 2003 and 2005.



The Bank is expanding the number of “Modern Branches” which take advantage of the modernized technology. The Bank is also carrying out a branch re-engineering program to streamline operations and provide branch customers with more services such as cross selling and the new products especially to accept contribution payment mode to the national Social Security Fund for which Bank of Ayudhya is the only bank authorized to issue same-day receipts at all branches throughout Thailand.

Branch Development

To deal successfully with increasing competition in today’s commercial banking sector, the Bank has not only speeded up efforts to improve operations throughout the organization, but it has also given top priority to raising the standards of service at its branch offices throughout Thailand and abroad. The Bank has a number of short and long-term projects designed to improve the performance of the Bank’s branch network, including the following:

- The Bank is expanding the number of “Modern Branches”, which take advantage of the modernized technology, at major tourist sites and selected colleges and universities around Thailand. The Bank is also adding to the number of foreign exchange offices and expanding its range of ATM banking services to better serve foreign visitors at important tourist centers throughout the country.
- The Bank is carrying out a branch re-engineering program intended to streamline operations and provide branch customers around the country with complete one stop service.
- Cross selling is an extension of marketing activities at branch offices throughout the network. Cross selling makes the Bank’s branch offices centers for the sale of a wide range of products offered by the Bank and its associated companies.
- The Bank has set up a new Clearing Center and new cash and clearing facilities in major provincial centers in order to speed up operations at branch offices around the country.
- The Bank is also offering a new range of services, which include the withdrawal of cash from current “checking” account or through the Bank’s instruments, i.e., cashier’s check, demand draft, etc., at any of the Bank’s branch office, as well as the new Krungsri Online, Krungsri m-Banking, Krungsri e-Payment, and Krungsri Tradelink services, all of which expand the range of services available at branch offices everywhere.

In addition, the Bank has entered into agreements with a number of government organizations and private businesses to allow customers to pay taxes, electric bills, water bills, telephone and mobile phone bills, credit card and personal loan repayments, payments of tuition fees and insurance premiums etc. Bank of Ayudhya is the country’s only bank authorized to accept contributions from employers to the national Social Security Fund and to issue same-day receipts at all branch offices throughout Thailand.

Branch Network

As of December 2002, the Bank had a network of 391 branch offices, with 388 located in Thailand, and an additional 3 branches in Hong Kong, Vientiane and the Cayman Islands. Locally, Bank of Ayudhya branch offices account for approximately 10.7% of branches by all commercial banks in the kingdom.

Locations	Numbers of Offices
Head Office	1
Bangkok	130
Suburban Bangkok (<i>Nonhaburi, Samut Prakarn, Samut Sakhon and Nakhon Pathom</i>)	39
Other provinces	219
Abroad	3

New Branches

Over the past year, the Bank opened 13 new mini-branches in key regional centers around the country. Three of the new branches are in Bangkok; one is in suburban Bangkok; 2 are in the Northeast; 3 are in the North, and 4 are in the southern region.

- | | |
|--|---|
| <i>Bangkok:</i>
(3 new branches) | <ol style="list-style-type: none"> 1. <i>Rajabhat Institute Suan Dusit, Dusit district</i> 2. <i>Central Store Lard Prao, Chatuchak district</i> 3. <i>Assumption University (Hua Mark), Bang Kapi district</i> |
| <i>Suburban Bangkok:</i>
(1 new branch) | <ol style="list-style-type: none"> 4. <i>Rajabhat Institute Petchburiwittayalongkorn, Klong Luang district, Pathum Thani</i> |
| <i>Northeast:</i>
(2 new branches) | <ol style="list-style-type: none"> 5. <i>Rajabhat Institute Sakon Nakhon, Muang district, Sakon Nakhon</i> 6. <i>Rajabhat Institute BuriRam, Muang district, Buriram</i> |
| <i>North:</i>
(3 new branches) | <ol style="list-style-type: none"> 7. <i>Rajabhat Institute Chiang Rai, Muang district, Chiang Rai</i> 8. <i>Mae Fah Luang University, Muang district, Chiang Rai</i> 9. <i>Rajabhat Institute Uttaradit, Muang district, Uttaradit</i> |
| <i>South:</i>
(4 new branches) | <ol style="list-style-type: none"> 10. <i>Chaweng Beach, Koh Samui district, Surat Thani</i> 11. <i>Mae Nam, Koh Samui district, Surat Thani</i> 12. <i>Kata, Muang district, Phuket</i> 13. <i>Thanon Thawiwong (Patong), Kratu district, Phuket</i> |

Branch Mergers

In 2002, the Bank merged 27 branch offices, which, because of their proximity to other branches, have relatively little business of their own. The mergers are in line with the Bank's policy to maximize the use of resources and raise overall efficiency without sacrificing the quality of customer service.

Extended Banking Hours

To better serve customers and expand its business base, the Bank has extended its business hours at branches in and around Bangkok, and upcountry. In 2002, some 125 branch offices extended banking hours on regular working days, Monday through Friday. Another 17 branches are now open for business on Saturdays and/or Sundays. In other words, a total of 142 branch offices in various locations around the country now offer extended banking hours. Five of these branches are in office buildings; 14 are in business districts; 8 are in shopping centers, and 5 are at educational institutions.

Foreign Exchange Services

As of December 2002, the Bank operated 33 foreign exchange booths, including 3 mobile facilities, for the convenience of foreign visitors to Thailand. This is in addition to regular foreign exchange counters at many branches nationwide. Eleven of the booths are in Bangkok, while the remaining 22 are upcountry.

ATM Services

As of December 2002, the Bank had a network of 761 ATM machines serving Bank of Ayudhya ATM and credit card customers, as well as ATM and credit card customers from other financial institutions both in Thailand and abroad. This includes 5 automatic deposit machines in Bangkok and one upcountry. In total, 394 of the Bank's ATMs are located in Bangkok, and 367 are upcountry.



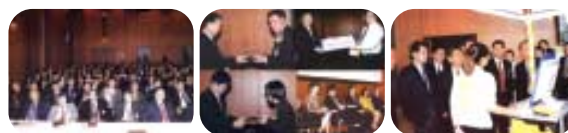
Over the past year the Bank has made a number of improvements in organizational restructuring aimed at streamlining its operations. These improvements allow the Bank to fulfill its obligations, both old and new, with more speed and reliability.

Organizational Restructuring

Over the past year the Bank has made a number of improvements in organizational restructuring aimed at streamlining its operations. These improvements allow the Bank to fulfill its obligations, both old and new, with more speed and reliability. They have also played an important part in helping the Bank to respond to the needs of customers and the general public with greater efficiency. The Bank is confident that these structural adjustments will raise the level of customer satisfaction and convince the people who use its services to remain loyal customers long into the future.

Bank of Ayudhya has made significant improvements in work processes, branch network organization, and the support system linking the main office and its branches throughout the country. For example, with the opening of the new Centralized Check Clearing Center, customers can have checks from other branches cleared in real time. The new Cash Centers allow the Bank to supply cash to more ATMs both in Bangkok and at major urban centers in the provinces. The Bank has also revamped its marketing departments, assigning it greater responsibility for promoting the Bank's range of products and services.

Finally, the Bank has made a serious effort to eliminate redundancy by merging units with similar or overlapping areas of responsibility. It has also taken measures to make credit services faster and more responsive to customers' needs. Finally, the Bank has adopted a policy to hire outside firms to take charge of certain types of support services, such as clerical tasks and the Bank's car pool.



The Bank continued to observe the policies for staff management and development introduced the previous year, especially in the area of marketing skills which is essential to its ability to compete in the banking business.

Human Resource Development

In 2002, the Bank continued to observe the policies for staff management and development introduced the previous year. One of these is the Bank's early retirement policy, which is intended to bring total employment down to more appropriate levels. As a result of this program and due to other staff resignations during the course of the year, the total number of Bank employees as of the end of 2002 was 7,670, a year-on-year decline of 16.56%. The operations of the Bank and the morale of employees were, however, intact by such reduction in the number of staff.

In recruiting new staff, the Bank has continued to use the Competency-based Model to select candidates best suited to the position. It has devised staff development plans that complement the organizational vision and business strategies of the Bank. The Bank has also developed its own set of success indicators for evaluating individual and organizational performance. Clearly defined, fair, and relevant criteria on evaluation of performance have contributed to the successful management of the Bank's human resource last year.

Again in 2002, the Bank conducted an extensive training program designed to upgrade the skills and knowledge of staff at all levels. Employees took part in courses dealing with topics ranging from risk management to new products and services offered by the Bank. Altogether, 18,068 attendants took part in some 110 training courses last year. Another 287 employees were sent to attend 141 training programs arranged by organizations outside the Bank. In addition, the Bank sponsored 26 employees enrolled in certificate or Master's degree programs in banking-related fields.

Last year, the Bank also focused its attention on the development of marketing skills which is essential to its ability to compete in the banking business. Management staff from the head office and branches throughout the country attended courses to obtain licenses to work as investment planners, fundamental guides, and certified marketing representatives (debt). At present, a total of 273 Bank officers from the head office and branches in Bangkok and the provinces are licensed investment planners. An additional 307 have obtained fundamental guide certification, and 381 are qualified as certified marketing representatives on debt securities. Training courses to prepare bank staff to work as life and non-life insurance agents for the Bank's planned expansion into the Bancassurance business were also arranged. Currently, 114 employees have qualified as life insurance agents, and 139 are licensed non-life insurance agents.



On October 9, 2002, the Board of Directors appointed a Risk Management Committee, responsible for integrated risk management and implementation of effective strategies for assessing, monitoring and minimizing risks to the Bank. This appointment is in line with the principles of good corporate governance.

Risk Management

The major risks facing commercial banks today are, first of all, constant fluctuations in interest rates, exchange rates and securities prices. Banks are also exposed to risk from credit customers who fail to comply with the terms of their loan agreements. Other risks include inadequate capital and liquidity, and various operational risks. The Bank realizes the seriousness of these risks and, to keep their repercussions within acceptable limits, it has adopted a comprehensive set of risk management policies, appropriate management procedures, and risk assessment and control measures. On October 9, 2002, the Board of Directors appointed a Risk Management Committee, responsible for integrated risk management and implementation of effective strategies for assessing, monitoring and minimizing risks to the Bank. This appointment is in line with the principles of good corporate governance.

Market Risk

Market risk refers to risk resulting from fluctuations in interest rates, foreign exchange rates, and prices of instruments in capital and money market. In one way or another, these fluctuations, which are unavoidable and beyond the Bank's control, have an impact on operations and the Bank's profit potential. The Bank has structures for monitoring, assessing and evaluating these risks and policies for keeping their potential impact within certain acceptable parameters. The risk management division uses such tools as gap reports, value at risk (VaR) and scenario analysis to assess possible risk resulting from day-to-day changes in financial transactions. It also looks at how these changes affect the overall economic picture. Not only does the risk management team submit daily reports to Bank executives, but it also prepares an assessment report to the Assets & Liability Management Committee (ALCO). ALCO uses these reports, first, to evaluate the risk currently confronting the Bank and then to formulate appropriate strategies for minimizing potential risk from changes in interest rates, exchange rates, and stock prices. Additionally, it is Bank policy to comply strictly with the rules and regulations set by the Bank of Thailand.

Studies have found that the principal market risk facing the Bank derives from changes in interest rates, as most of the cash inflows and outflows are in Thai baht. Risks resulting from movements in foreign exchange rates, meanwhile, are relatively low since most of the Bank's foreign currency transactions are with customers, and to minimize its risk exposure, the Bank draws up forward contracts. Trading in derivatives with local and foreign financial institutions are very few and each must be approved by the Committee on a case-by-case basis. A limit is also set on the net position of foreign currency exposure. To minimize potential losses from sudden changes in share prices, the Bank makes long-term investments after

a careful assessment of the companies' strengths and prospects for future growth. This requires the Committee's approval on a case-by-case basis and the setting of a discretionary limit.

Credit Risk

The Bank has always exercised caution in all its lending decisions and will remain committed to the same policy in the future. Before extending any credit, the Bank carefully considers the customer's cash flow as a gauge of his ability to repay the loan. There are also clear collateral requirements that protect the Bank against bad debt.

As further protection, the Bank has introduced a system of checks and balances to safeguard against internal risk factors. Within the loan approval process, for example, marketing and credit analysis functions are strictly separated. This ensures more thorough and more reliable analysis. In the post-approval process, the Bank has also separated the limit control, processing, collateral evaluation, and marketing functions.

In addition to the checks and balances which help to minimize internal risk, the Bank has adopted measures to limit its exposure to risk from certain external factors. It is Bank policy, not to concentrate a disproportionate amount of credit in any one type of industry, customer or type of loan. Instead, it pursues a policy of diversification, extending loans to different types of customers throughout the country.

As of the close of December 2002, the manufacturing and trading sectors accounted for 54.20% of the Bank's total loans. Next in line were utilities and services, which together represented 18.01% of the total.

At the same time, the Bank's normal loans (loans and accrued interest receivable, but not including interbank and money market items) were valued at 290,128 million baht, or 75.68% of total loans. This is an increase of 21,820 million baht over the previous year's figures, when these loans totaled 268,308 million baht and represented 76.71% of the total. Substandard, doubtful and doubtful of loss loans as of the end of December 2002 amounted to 83,270 million baht, or 21.72% of total loans, an increase of 12,608 million baht over 2001. This is the result of the Bank of Thailand announcement of February 18, 2002, which allows the re-entry of fully provided loan and written off earlier because of the possibility of recovery.

As non-performing loans continue to pose a serious problem for all of the country's commercial banks, the Bank is taking urgent measures to solve this problem. One of these measures is complying with the provisioning requirements of the Bank of Thailand (including loss on debt restructuring). As of the close of December last year, the Bank had completed provisioning in the amount of 22,632 million baht, which is equivalent to 132.30% of official minimum requirements.

Furthermore, the Bank is subject to other credit risk in the case of contractual partners who fail to comply with the terms of agreements in the off-balance sheet items. These include agreements to increase credit limit, standby letters of credit, and letters of guarantee. In these cases, the risk is equivalent to the value initially agreed upon in the contract, and the Bank applies the same methods for minimizing risk as for regular loans reported. As for the on-balance sheet items, the contracts values do not reflect potential losses on loans. Therefore, the control of credit risk on such financial instruments is subject to a particularly thorough approval process and careful scrutiny to ensure full compliance with the terms of the agreement made with the Bank.

Liquidity Risk

Liquidity risk refers to the possible inability of the Bank to meet its payment obligations on time or to convert assets into cash quickly enough to prevent or minimize a loss. It may also refer to the Bank's failure to raise adequate capital. As a safeguard against this risk, the Bank has adopted a policy of excess liquidity, which allows it to meet its operating needs and finance its loan expansion plans. The amount of liquidity is determined by customer behavior, deposit and loan patterns, competition, money market conditions, the state of the economy and return on funds. Liquidity is the key to the Bank's ability to offer customers new and better services. Not only does the Bank keep a liquid assets to deposits ratio in excess of

the minimum requirement of 6%, it also complies strictly with Bank of Thailand regulations for insuring deposits. Further, the Bank's liquidity risk is kept in check by the close supervision of the Accounting and Treasury Departments as well as the Asset and Liability Management Committee.

As of the end of December 2002, the Bank's funding structure was composed of deposits (84.40%), borrowings (including subordinated debentures cum preferred shares) (8.16%), shareholders' equity (3.65%) and others (3.79%). Fund allocations were as follows: loans (80.86%), interbank and money market items (4.34%), investment in securities (8.28%) and others (6.52%).

An analysis of changes in deposits, the Bank's principal source of revolving funds, reveals that between the end of December 2001 and the end of December 2002, changes amounted to approximately 19,591 million baht, or roughly 5.21%. The ratio of savings deposits and current account deposits to total deposits was equal to 35.43%. Fixed deposits of less than one year accounted for 45.55%, and fixed deposits for one year or more represented 19.03%. Overall, the Bank's loans/deposits ratio was 95.80%. The Bank is satisfied that its exposure to liquidity risk remains within acceptable bounds. Reasons for confidence include the Bank's own policies of excess liquidity and credit diversification. In addition, most customers automatically renew their deposits accounts once they reach maturity, and the proportion of early withdrawals is almost negligible. Consequently, the Bank is able to use its deposits as a source of long-term capital.

From the point of view of capital adequacy, as of the end of 2002, the Bank's combined tier 1 and tier 2 capital totaled 42,884 million baht, giving the Bank a ratio of total capital to total risk assets equivalent to 10.80%. Tier 1 capital equalled 23,719 million baht, or 5.97% of total risk assets. Both of these figures are well above the minimum guidelines set by the Bank of Thailand at 8.50% for total capital and 4.25% for tier 1 capital.

Operational Risk

The Bank uses numerous departments, including auditing, computer auditing and risk management, to evaluate operational risk throughout the Bank and its branch offices. It is the duty of these departments to assess key risk factors and identify appropriate measures for preventing damage that results from operational errors. A working committee has also been set up to review work manuals for departments in the Bank where operational risk is comparatively high. The Bank hopes to keep risk within acceptable levels by upgrading principles and practices to international best practice.

The Bank has also established an independent Audit Committee consisting of experts with long years of experience in auditing and commercial banking. None of the committee members is employed directly by the Bank. Their job is to make sure that the Bank's financial statements are accurate and complete; that there are reliable internal and risk management systems, and that the Bank's operations comply fully with government rules and regulations as well as the principles of good corporate governance.

In Conclusion

Over the past year, the Bank complied with its risk management policies in order to limit the potential impact of risk. The Bank also implemented a number of organizational changes in response to its risk management policies. It set up a Risk Management Committee in order to better manage possible risks to the Bank. The Committee complements the work done by other risk management teams throughout the organization, whose goals are to ensure the Bank's stability and protect the interests of shareholders.

Although the Bank was able to expand businesses and earned annual profits from its operations in 2002, accumulated losses carried over still existed and the Public Company Act of 1992 forbids commercial banks to pay dividends to shareholders under this circumstance.



In addition to its role as one of the country's leading commercial banks, Bank of Ayudhya is also involved in a number of educational, social, and cultural activities benefiting the Thai public. In 2002, the Bank provided support for a number of charitable activities.

Social Contributions

In addition to its role as one of the country's leading commercial banks, Bank of Ayudhya is also involved in a number of educational, social, and cultural activities benefiting the Thai public. In 2002, the Bank provided support for the following charitable activities:

Education and Sports. The Bank provided funding for education, research, seminars and other educational activities to various academic institutions and organizations. For example, the Bank sponsored a seminar on "Enron: Impact on Investment, Accounting and Auditing", organized by the National Institute of Development Administration (NIDA); it contributed to the Law Foundation's Professor Sanya Thammasak Fund at Thammasat University; it presented scholarships to students at the Ban Mahamek Boys' Home to mark National Youth Day, and on Children's Day, the Bank distributed educational supplies to various schools. The Bank also sponsored a number of sports and recreational activities at schools and colleges around the country. In 2002, the Bank contributed to the 13th Annual Suan Dusit Games for students from Rajabhat Institutes nationwide, and sports competitions at the Chulalongkorn University Demonstration School. The Bank also provided support for the Games organized by the Army and the Supreme Command headquarters. Finally, it contributed to charity golf events sponsored by Sasin Institute of Business Administration of Chulalongkorn University and by Bangkok General Hospital.

Social Assistance. Through the Bank's *Krungsri River of Kindness* program, Bank employees donated money to help people whose lives were impacted by natural disasters. The Bank gave life jackets to villagers affected by flooding in northern Thailand and blankets to poor villagers living near Petchburi's Kaeng Krachan Dam. The Bank also donated sports equipment to schools in Kaeng Krachan and Nong Ya Plong districts of Petchburi province. The Bank made cash contributions to the Cataract Fund and the National Kidney Society. It also donated a statue of Her Late Majesty Queen Rambaibarni to the King Prajadhipok Museum. On four separate occasions last year, bloodmobiles from the Thai Red Cross Society came to the Bank's main office to take donations of blood from Bank staff.

Arts, Culture and Religion. The Bank renewed its sponsorship of "Krungsri Chronicles", a TV feature broadcast on Channel 7 that spotlights Thai history, arts and culture. In addition, the Bank contributed to a number of religious activities and international cultural exchanges in the past year. It took part in Songkran celebrations in the Lao People's Democratic Republic, and joined in royal *krathin* ceremonies with organizations such as the Royal Household Bureau, the Royal Thai Army, the National Petrochemical Public Co., Ltd., the Thailand Tobacco Monopoly and the Office of the Narcotics Control Board.



Subsidiaries, Associated and Related Companies

Details of companies where the Bank's holdings exceed 10% of the company's paid-up capital.

As of December 31, 2002

Names	Business Type	Issued Shares		Ownership (%)
		Share Type	No.of Shares	
1. Ayudhya Asset Management Co., Ltd. Bank of Ayudhya Plc. Fl 11, 1222 Rama II Road, Bang Phongphang, Yanawa, Bangkok 10120 Tel : 0-2296-4129 Fax : 0-2683-1400	Asset Management	Ordinary	200,000,000	99.99
2. Ayudhya Services and Management Co., Ltd. 550 Fl 2 Ploenchit Road, Patumwan, Bangkok 10330 Tel : 0-2208-2324-30, Fax : 0-2208-2325	Services	Ordinary	1,500,000	99.99
3. Siam Realty and Service Co., Ltd. 550 Fl 6 Ploenchit Road, Patumwan, Bangkok 10330 Tel : 0-2208-2700, 0-2208-2449 Fax : 0-2253-8609	Services	Ordinary	1,000,000	99.99
4. K.S. Law Office Co., Ltd. 550 Fl 6 Ploenchit Road, Patumwan, Bangkok 10330 Tel : 0-2251-6581, Fax : 0-2251-6581	Services	Ordinary	200,000	99.99

Names	Business Type	Issued Shares		Ownership (%)
		Share Type	No.of Shares	
5. Ayudhya Investment and Trust Plc. 898 Ploenchit Tower Building Fl 3, Patumwan, Bangkok 10330 Tel : 0-2263-0355, Fax : 0-2263-0388	Finance	Ordinary (listed) Preferred	235,000,000 50,000,000	80.03
6. Ayudhya International Factors Co., Ltd. Lumpini Tower Fl 20, 1168/55 Rama IV Road, Sathorn, Bangkok 10120 Tel : 0-2285-6326-32 Fax : 0-2285-6335, 0-2679-9159	Finance	Ordinary	50,000,000	49.99
7. Krungsriayudhya Card Co., Ltd. 550 Fl 7 Ploenchit Road, Patumwan, Bangkok 10330 Tel : 0-2646-3000, Fax : 0-2254-6661	Service	Ordinary	2,500,000	49.99
8. Ayudhya JF Asset Management Limited 898 Ploenchit Tower Building Fl 8A, Patumwan, Bangkok 10330 Tel : 0-2263-0200, Fax : 0-2263-0196-7	Investment	Ordinary	1,500,000	38.33
9. Advance Die Casting Service Co., Ltd. ^{1/} 588/29-30 Rama VI, Phayathai, Ratchatavi, Bangkok 10400 Tel : 0-2613-7617-8, Fax : 0-2215-3704	Manufacturing (Vehicle parts)	Ordinary Preferred	1,328,550 10,797,300	27.05
10. Ayudhya Development Leasing Co., Ltd. Chamnan-Penchat Building Fl 22, 65/182-185 Rama IX Road, Huykwang, Bangkok 10320 Tel : 0-2643-1980, Fax : 0-2643-1059-60	Finance (Leasing)	Ordinary	47,000,000	26.65
11. UMC Metals Ltd. ^{1/} Sino-Thai Tower Fl 15, 32-37 Sukhumvit 21 Road, (Asoke) Wattana, Bangkok 10110 Tel : 0-2259-2942-5, Fax : 0-2259-2946	Manufacturing and Trading (Steel rod)	Ordinary	139,000,000	15.70
12. Wongpaitoon Group Public Co., Ltd. ^{1/} 70/19 Moo 6 Ekkachai Road, Bangborn, Bangkok 10150 Tel : 0-2416-4647-9, 0-2415-8680 Fax : 0-2416-1850	Manufacturing (Shoes)	Ordinary (listed)	604,845,880	14.14

Names	Business Type	Issued Shares		Ownership (%)
		Share Type	No.of Shares	
13. I.G.S. Public Co., Ltd. ^{1/} 47/31 Moo 4 Sukhabhiban 2 Pravet, Bangkok 10260 Tel : 0-2727-0022, Fax : 0-2727-0099	Construction & Real Estate	Ordinary	80,215,000	11.22
14. Prachuap Port Co., Ltd. 28/1 Prapawit Building, Fl 6 Bangrak, Bangkok 10500 Tel : 0-2630-0323-32, Fax : 0-2236-7046, 0-2236-7057	Commercial	Ordinary	40,000,000	10.00
15. Thai Smart Card Co., Ltd. Sriboonrueng Building 1, Fl 6, 283 Silom Road, Bangrak, Bangkok 10500 Tel : 0-2677-1015, Fax : 0-2677-1070	Service	Ordinary	39,500,000	10.00
16. Thai U.S. Leather co., Ltd. 39/98 Moo 2 Amphur Muang, Samutsakorn 74000 Tel : 0-3449-0082-7, Fax : 0-3449-0051	Manufacturing (Leather)	Ordinary	25,000,000	10.00
17. PrimaVest Asset Management Co., Ltd. Tonson Tower Fl 5, 900 Ploenchit Road, Lumpini Patumwan, Bangkok 10330 Tel : 0-2257-0555, Fax : 0-2257-0360	Asset Management	Ordinary	12,500,000	10.00
18. Asian Trade and Leasing Co., Ltd. 130-132 Sinthorn Building 3, Fl 24, Patumwan, Bangkok 10330 Tel : 0-2263-3841-8, Fax : 0-2263-3849-50	Leasing	Ordinary	1,500,000	10.00

Remarked : 1/ Shares acquired from debt restructuring process.



Income Structure of the Bank, Subsidiaries and Associated Companies

(1) Financial Business

Names and Income Structure	2002		2001		2000	
	THBmn.	%	THBmn.	%	THBmn.	%
1. Bank of Ayudhya Pcl.						
Income Structure						
Total Interest and Dividend Income	19,473.3	-	19,203.1	-	22,687.7	-
Net Interest and Dividend Income ^{1/}	6,065.9	57.4	3,799.5	58.0	(738.3)	N.M.
Non-interest Income	4,507.3	42.6	2,754.7	42.0	1,539.6	N.M.
Total	10,573.2	100.0	6,554.2	100.0	801.3	N.M.
2. Ayudhya Investment and Trust Pcl.						
Income Structure						
Total Interest and Dividend Income	304.8	-	340.1	-	339.4	-
Net Interest and Dividend Income ^{1/}	196.7	42.8	281.7	78.0	(1,076.7)	N.M.
Non-interest Income	262.7	57.2	79.6	22.0	85.5	N.M.
Total	459.4	100.0	361.3	100.0	(991.2)	N.M.
3. Ayudhya International Factors Co., Ltd.						
Income Structure						
Total Interest and Dividend Income	51.7	-	64.3	-	67.0	-
Operating Income ^{2/}	22.7	55.2	10.4	29.2	(17.4)	N.M.
Non-interest Income	18.4	44.8	25.2	70.8	24.8	N.M.
Total	41.1	100.0	35.6	100.0	7.4	N.M.
4. Ayudhya Development Leasing Co., Ltd.						
Income Structure						
Leasing Income	181.2	89.3	171.5	89.8	185.4	83.3
Other Income	21.7	10.7	19.4	10.2	37.2	16.7
Total	202.9	100.0	190.9	100.0	222.6	100.0

(2) Service Business

Names and Income Structure	2002		2001		2000	
	THBmn.	%	THBmn.	%	THBmn.	%
1. Ayudhya Services and Management Co., Ltd.						
Income Structure						
Service Income	91.5	99.5	183.7	99.4	185.4	100.0
Other Income	0.5	0.5	1.2	0.6	0.0	0.0
Total	92.0	100.0	184.9	100.0	185.4	100.0
2. Siam Realty and Service Co., Ltd.						
Income Structure						
Car Leasing Income	133.9	42.1	147.6	59.9	178.3	69.0
Other Income	184.4	57.9	98.8	40.1	80.0	31.0
Total	318.3	100.0	246.4	100.0	258.3	100.0
3. K.S. Law Office Co., Ltd.						
Income Structure						
Operating Income	82.5	99.8	132.9	97.8	183.7	99.7
Other Income	0.2	0.2	3.0	2.2	0.6	0.3
Total	82.7	100.0	135.9	100.0	184.3	100.0
4. Krungsriayudhya Card Co., Ltd.						
Income Structure						
Service Income	853.3	64.1	349.0	54.2	60.0	92.9
Non-interest Income	477.6	35.9	294.4	45.8	4.6	7.1
Total	1,330.9	100.0	643.4	100.0	64.6	100.0

(3) Other Businesses

Names and Income Structure	2002		2001		2000	
	THBmn.	%	THBmn.	%	THBmn.	%
1. Ayudhya Asset Management Co., Ltd.						
Income Structure						
Total Interest and Dividend Income	25.7	6.1	1.42	96.6	0.03	100.0
Non-interest Income	395.1	93.9	0.05	3.4	-	-
Total	420.8	100.0	1.47	100.0	0.03	100.0
2. Ayudhya JF Asset Management Limited						
Income Structure						
Fee Income	323.5	98.1	248.8	99.7	235.9	100.0
Other Income	6.4	1.9	0.8	0.3	0.1	-
Total	329.9	100.0	249.6	100.0	236.0	100.0

Remarkd : Year 2002 data are unaudited except Bank of Ayudhya Plc.

1/ Refers to interest and dividend income after provision for bad and doubtful accounts and loss on debt restructuring.

2/ Refers to operating income after interest expense and allowance for doubtful debt.

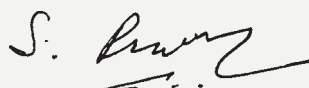
Report from the Audit Committee

To: The Shareholders of Bank of Ayudhya Public Company Limited

The Audit Committee, consisting of three independent members who are neither executives nor employees of the Bank, was appointed in May 1999 to serve a three-year term. As this term expired in 2002, the Bank's Board of Directors resolved on May 8, 2002, to reappoint the current members of the Audit Committee to a second three-year term.

In 2002, the Audit Committee performed the following duties within its prescribed scope of responsibilities:

- The Audit Committee met six times during fiscal year 2002. Reports of these meetings were subsequently submitted to the Bank's Board of Directors.
- The Audit Committee reviewed the Bank's quarterly financial statements and annual report to ensure compliance with accepted accounting standards and practices. It also examined information disclosed in the Bank's notes to the financial statements for completeness and accuracy. These reviews took place at meetings attended by external financial auditors, officers of the Bank's Accounting Department and internal auditors.
- The Audit Committee approved the annual audit plan prepared by the Bank's Compliance and Audit Section giving special attention to risk management and management of audited work units. The Committee also monitored operations and preventive measures implemented by the Bank management in case that any material wrongdoings or irregularities are found or reported.
- According to suggestions made by the Audit Committee, the Bank has already made a number of organizational changes in the loan approval process which have effectively segregated the credit analysis function from the marketing and customer relations functions, thus achieving a better balance of power as required by the new Bank of Thailand regulations. Accordingly, the Credit Analysis Department was established. At the same time, as a means of honing the Bank's competitive edge and ensuring the fulfillment of its policies, goals and business strategies, the Bank has appointed a Credit Management Committee to be in charge of independently overseeing the quality of the Bank's loan portfolio.
- The Bank has appointed a Risk Management Committee to help keep the Bank's risk exposure within acceptable limits and to set risk management policies and strategies. The Committee, which regularly reports to the Bank's Board of Directors, is also responsible for ensuring that the overall risk management strategies are in line with the principles of good corporate governance. The Audit Committee shall evaluate the accuracy and adequacy of control measures adopted by the Bank to manage risk, and monitor compliance with these measures.
- The Audit Committee proposed for approval the appointment of Deloitte Touche Tomatsu Jaiyos Limited as the Bank's financial auditors for fiscal year 2002 together with the proposed auditing fees.



(Mr. Surachai Prukbamroong)
Chairman of the Audit Committee
March 12, 2003

Financial Statements : Year Ended December 31, 2002

Report of the Independent Certified Public Accountants
Responsibility of the Board of Directors for Financial Reporting
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Statements of Income
Statements of Changes In Shareholders' Equity
Statements of Cash Flows
Notes to the Consolidated and the Bank's Financial Statements

1. Economic situation and the operations of the bank and its subsidiaries
2. The Bank's Information and basis for preparation of the consolidated and the Bank's financial statements
3. Significant accounting policies
4. Additional information
 - 4.1 Supplementary disclosures of cash flow information
 - 4.2 Interbank and money market items
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Report of the Independent Certified Public Accountants

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF BANK OF AYUDHYA PUBLIC COMPANY LIMITED

We have audited the accompanying consolidated balance sheets of Bank of Ayudhya Public Company Limited and subsidiaries and the balance sheets of Bank of Ayudhya Public Company Limited as at December 31, 2002 and 2001, and the related consolidated and the Bank's statements of income, changes in shareholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and the Bank's financial statements present fairly, in all material respects, the financial position of Bank of Ayudhya Public Company Limited and subsidiaries and of Bank of Ayudhya Public Company Limited as at December 31, 2002 and 2001, and the results of operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

Without qualifying our opinion, as described in Note 1 to the financial statements, Thailand and many other Asia-Pacific countries continue to experience economic difficulties. Such conditions have affected and may continue to adversely affect bank operations in Thailand including the Bank and its subsidiaries.



Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)

Registration No. 3356

DELOITTE TOUCHE TOHMATSU JAIYOS

BANGKOK
February 11, 2003

Responsibility of the Board of Directors for Financial Reporting

The Board of Directors is responsible for the Bank's financial statements, the consolidated financial statements of the Bank and its subsidiaries, and all financial information appearing in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards which are based on appropriate accounting policies applied and practiced on a regular basis. The financial statements have also been prepared under careful consideration and the best estimation method. All material information has been sufficiently disclosed in the notes to the financial statements.

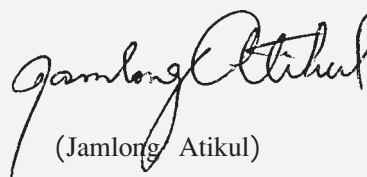
The Board of Directors has initiated the adoption and maintenance of an effective system of internal controls which allows it to be reasonably confident that accounting records are accurate, complete and adequate to protect the assets of the Bank. These controls also identify weaknesses requiring preventive measures against possible wrongdoing or other irregularities in the operation of the Bank.

In this regard, the Board of Directors has appointed an independent Audit Committee, consisting of 3 members, responsible for the quality of the Bank's financial reporting and internal control mechanisms. The opinion of the Audit Committee with regard to these matters appears in the Report from the Audit Committee, contained in the annual report.

The Board of Directors has the opinion that the Bank's internal controls are adequate and allow for reasonable confidence in the reliability of the Bank's financial statements and the consolidated financial statements of the Bank and its subsidiaries as of December 31, 2002.



(Krit Ratanarak)
Chairman



(Jamlong Atikul)
President

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
ASSETS				
CASH	10,396,986,441	5,804,169,456	10,396,828,981	5,804,107,565
INTERBANK AND MONEY MARKET ITEMS (Note 4.2)				
Domestic items				
Interest bearing	2,306,586,019	4,045,578,148	2,024,974,381	3,800,050,742
Non-interest bearing	4,782,395,184	3,574,013,564	4,740,064,194	3,476,996,044
Foreign items				
Interest bearing	10,614,130,832	17,172,627,750	10,614,130,832	17,172,627,750
Non-interest bearing	2,614,262,552	672,644,725	2,614,262,552	672,644,725
Total interbank and money market items	<u>20,317,374,587</u>	<u>25,464,864,187</u>	<u>19,993,431,959</u>	<u>25,122,319,261</u>
SECURITIES PURCHASED UNDER RESALE AGREEMENTS (Note 4.3)	3,250,000,000	7,256,000,000	3,250,000,000	6,300,000,000
INVESTMENTS (Notes 3.2 and 4.4)				
Current investments, net	9,444,976,093	3,437,585,181	7,900,473,995	2,708,879,996
Long-term investments, net	28,659,416,846	30,760,505,196	28,271,545,963	29,985,368,496
Investments in subsidiaries and associated companies, net	695,773,625	626,617,770	2,503,253,534	2,342,332,511
Investments, net	<u>38,800,166,564</u>	<u>34,824,708,147</u>	<u>38,675,273,492</u>	<u>35,036,581,003</u>
LOANS AND ACCRUED INTEREST RECEIVABLE (Notes 3.3, 3.5 and 4.6)				
Loans	378,836,141,134	345,080,550,219	375,840,597,484	342,276,549,891
Accrued interest receivable	4,497,930,504	4,618,695,324	4,334,653,376	4,292,458,771
Total loans and accrued interest receivable	383,334,071,638	349,699,245,543	380,175,250,860	346,569,008,662
Less Allowance for doubtful accounts (Notes 3.4 and 4.7)	(20,966,112,907)	(9,697,915,281)	(19,784,273,520)	(8,727,887,661)
Less Revaluation allowance for debt restructuring (Notes 3.5 and 4.8)	(1,664,346,259)	(2,293,944,325)	(1,533,176,729)	(2,124,570,461)
Net loans and accrued interest receivable	<u>360,703,612,472</u>	<u>337,707,385,937</u>	<u>358,857,800,611</u>	<u>335,716,550,540</u>
PROPERTIES FORECLOSED, NET (Notes 3.6 and 4.9)	18,983,878,394	16,226,633,678	16,479,013,036	14,533,240,154
CUSTOMERS' LIABILITIES UNDER ACCEPTANCES	1,239,788,435	946,283,275	1,239,788,435	946,283,275
PROPERTY, PREMISES AND EQUIPMENT - NET (Notes 3.7 and 4.10)	12,965,730,046	13,484,671,836	12,898,112,459	13,434,586,797
ACCRUED INTEREST ON INVESTMENT	408,936,064	359,116,229	408,936,064	359,116,229
OTHER ASSETS	1,453,556,540	1,491,675,908	1,384,994,628	1,306,784,114
TOTAL ASSETS	<u>468,520,029,543</u>	<u>443,565,508,653</u>	<u>463,584,179,665</u>	<u>438,559,568,938</u>

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS (CONTINUED)
AS AT DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
LIABILITIES AND SHAREHOLDERS' EQUITY				
DEPOSITS (Note 4.11)				
Deposits in Baht	394,223,850,226	374,675,115,287	390,698,470,255	371,077,402,597
Deposits in foreign currencies	1,214,753,825	1,172,632,896	1,214,753,825	1,172,632,896
Total deposits	<u>395,438,604,051</u>	<u>375,847,748,183</u>	<u>391,913,224,080</u>	<u>372,250,035,493</u>
INTERBANK AND MONEY MARKET ITEMS				
(Note 4.12)				
Domestic items				
Interest bearing	9,050,881,419	5,192,117,990	8,234,932,875	4,179,103,591
Non-interest bearing	994,156,908	805,811,730	1,036,954,181	839,974,853
Foreign items				
Interest bearing	10,791,139	195,059,614	10,791,139	195,059,614
Non-interest bearing	28,344,190	75,541,742	28,344,190	75,541,742
Total interbank and money market items	<u>10,084,173,656</u>	<u>6,268,531,076</u>	<u>9,311,022,385</u>	<u>5,289,679,800</u>
LIABILITIES PAYABLE ON DEMAND	790,586,632	1,146,487,124	790,586,632	1,146,487,124
BORROWINGS (Note 4.13)				
Long - term borrowings	25,252,566,540	25,435,622,000	25,239,644,540	25,422,700,000
Total borrowings	<u>25,252,566,540</u>	<u>25,435,622,000</u>	<u>25,239,644,540</u>	<u>25,422,700,000</u>
SUBORDINATED DEBENTURES CUM PREFERRED SHARES				
(Notes 3.8 and 4.14)	12,996,343,750	12,996,343,750	12,996,343,750	12,996,343,750
BANK'S LIABILITIES UNDER ACCEPTANCES	1,239,788,435	946,283,275	1,239,788,435	946,283,275
ACCRUED INTEREST PAYABLE	1,882,782,396	1,863,430,762	1,854,657,280	1,833,704,536
ACCRUED PENSION FUND	1,116,776,560	1,255,397,847	1,116,776,560	1,255,397,847
OTHER LIABILITIES	<u>2,632,071,636</u>	<u>2,503,560,644</u>	<u>2,216,425,051</u>	<u>2,261,197,827</u>
TOTAL LIABILITIES	<u>451,433,693,656</u>	<u>428,263,404,661</u>	<u>446,678,468,713</u>	<u>423,401,829,652</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS (CONTINUED)
AS AT DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)				
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 4.15)				
Authorized share capital				
325,000 preferred shares of Baht 10 each	3,250,000	3,250,000	3,250,000	3,250,000
7,850,000,000 ordinary shares of Baht 10 each	<u>78,500,000,000</u>		<u>78,500,000,000</u>	
5,550,000,000 ordinary shares of Baht 10 each		<u>55,500,000,000</u>		<u>55,500,000,000</u>
Issued and paid-up share capital				
325,000 preferred shares of Baht 10 each, fully paid	3,250,000	3,250,000	3,250,000	3,250,000
1,850,000,000 ordinary shares of Baht 10 each, fully paid	18,500,000,000	18,500,000,000	18,500,000,000	18,500,000,000
PREMIUM ON PREFERRED SHARE CAPITAL	406,250	406,250	406,250	406,250
PREMIUM ON ORDINARY SHARE CAPITAL	20,263,389,004	20,263,389,004	20,263,389,004	20,263,389,004
LAND REVALUATION SURPLUS	2,751,885,746	2,768,119,226	2,751,885,746	2,768,119,226
PREMISES REVALUATION SURPLUS	956,331,580	1,012,690,944	956,331,580	1,012,690,944
REVALUATION SURPLUS ON INVESTMENTS	1,414,342,447	1,712,558,937	1,414,342,447	1,712,558,937
RETAINED EARNINGS				
Appropriated				
Statutory reserve (Note 4.16)	800,000,000	800,000,000	800,000,000	800,000,000
General reserve (Note 4.16)	11,821,791,500	11,821,791,500	11,821,791,500	11,821,791,500
Unappropriated (Deficits)	<u>(39,605,685,575)</u>	<u>(41,724,466,575)</u>	<u>(39,605,685,575)</u>	<u>(41,724,466,575)</u>
Total	16,905,710,952	15,157,739,286	16,905,710,952	15,157,739,286
MINORITY INTEREST	180,624,935	144,364,706	-	-
TOTAL SHAREHOLDERS' EQUITY	<u>17,086,335,887</u>	<u>15,302,103,992</u>	<u>16,905,710,952</u>	<u>15,157,739,286</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>468,520,029,543</u>	<u>443,565,508,653</u>	<u>463,584,179,665</u>	<u>438,559,568,938</u>

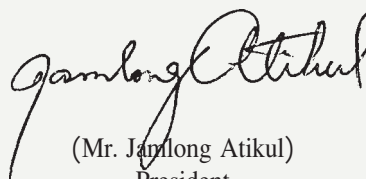
BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS (CONTINUED)
AS AT DECEMBER 31,

	CONSOLIDATED		THE BANK'S		BAHT
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2002	2001	2002	2001	
OFF - BALANCE SHEET					
ITEMS - CONTINGENCIES (Note 4.18)					
AVALS TO BILLS AND GUARANTEES					
OF LOANS	6,456,448,412	5,799,627,304	6,451,448,412	5,794,627,304	
LIABILITY UNDER UNMATURED					
IMPORT BILLS	1,557,048,831	1,278,096,113	1,557,048,831	1,278,096,113	
LETTERS OF CREDIT	5,732,663,606	4,540,001,177	5,732,663,606	4,540,001,177	
OTHER CONTINGENCIES	119,611,549,863	94,001,700,686	119,342,611,435	93,871,694,288	

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



(Mr. Krit Ratanarak)
Chairman



(Mr. Jamlong Atikul)
President


BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,


	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
INTEREST AND DIVIDEND INCOME				
Interest on loans	17,110,578,528	16,483,242,725	17,013,793,503	16,242,091,146
Interest on interbank and money market items	716,268,098	1,046,076,592	711,208,408	1,041,836,689
Hire purchase and financial lease income	391,872	19,305	-	-
Investments	1,646,111,155	1,673,762,128	1,585,599,591	1,605,074,944
Total Interest and Dividend Income	<u>19,473,349,653</u>	<u>19,203,100,750</u>	<u>19,310,601,502</u>	<u>18,889,002,779</u>
INTEREST EXPENSES				
Interest on deposits	8,249,908,105	9,660,950,391	8,172,789,437	9,583,649,602
Interest on interbank and money market items	252,951,596	110,154,827	230,935,736	81,733,260
Interest on short-term borrowings	-	153,027,720	-	153,027,720
Interest on long-term borrowings	4,047,533,959	4,155,526,146	4,046,241,759	4,154,233,816
Total Interest Expenses	<u>12,550,393,660</u>	<u>14,079,659,084</u>	<u>12,449,966,932</u>	<u>13,972,644,398</u>
Interest and Dividend Income, net	6,922,955,993	5,123,441,666	6,860,634,570	4,916,358,381
BAD DEBT AND DOUBTFUL ACCOUNTS				
(Note 4.7)	790,783,958	1,458,085,080	624,969,109	1,509,655,599
LOSS ON DEBT RESTRUCTURING				
(REVERSAL) (Note 4.8)	66,253,592	(134,158,540)	(24,969,109)	(113,139,947)
Interest and Dividend Income after Bad Debt and Doubtful Accounts and Loss on Debt Restructuring, net	<u>6,065,918,443</u>	<u>3,799,515,126</u>	<u>6,260,634,570</u>	<u>3,519,842,729</u>
NON-INTEREST INCOME				
Gain (loss) on investments	818,175,034	(174,000,425)	771,101,095	(159,580,202)
Gain on equity	115,304,854	60,377,582	193,946,917	122,357,949
Fees and service income				
Acceptances, aval and guarantees	89,608,434	273,130,876	86,733,815	271,984,218
Others	2,244,446,240	1,868,413,370	2,245,067,095	1,868,413,370
Gain on exchange	282,936,063	334,069,632	282,062,478	334,069,632
Bad debt recovered	107,316,690	4,685,043	78,088,716	4,685,043
Gain on sales of properties foreclosed	221,627,321	175,211,796	126,287,443	175,211,796
Gain on sales of investment in receivables	182,514,283	-	-	-
Other income	445,403,655	212,775,021	118,699,962	121,265,318
Total Non-Interest Income	<u>4,507,332,574</u>	<u>2,754,662,895</u>	<u>3,901,987,521</u>	<u>2,738,407,124</u>
NON-INTEREST EXPENSES				
Personnel expenses	2,667,683,665	3,173,411,072	2,469,775,245	3,030,580,063
Premises and equipment expenses	1,849,158,967	1,838,877,766	1,788,291,855	1,790,013,034
Taxes and duties	759,960,959	757,237,463	745,780,251	744,132,024
Fees and service expenses	201,857,108	243,486,683	200,574,877	242,552,721
Directors' remuneration	21,756,000	13,416,000	17,080,000	10,580,000
Contributions to the Financial Institution				
Development Fund	1,567,458,250	1,486,824,726	1,549,863,163	1,470,897,230
Other expenses	1,351,141,406	1,682,174,138	1,269,088,068	1,632,516,358
Total Non-Interest Expenses	<u>8,419,016,355</u>	<u>9,195,427,848</u>	<u>8,040,453,459</u>	<u>8,921,271,430</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
INCOME (LOSS) BEFORE INCOME TAX	2,154,234,662	(2,641,249,827)	2,122,168,632	(2,663,021,577)
INCOME TAX EXPENSES				
(Notes 3.13 and 4.17)	3,387,632	4,405,888	3,387,632	4,405,888
INCOME (LOSS) BEFORE MINORITY				
INTEREST	2,150,847,030	(2,645,655,715)	2,118,781,000	(2,667,427,465)
MINORITY INTEREST IN NET INCOME				
OF SUBSIDIARIES	(32,066,030)	(21,771,750)	-	-
NET INCOME (LOSS)	<u>2,118,781,000</u>	<u>(2,667,427,465)</u>	<u>2,118,781,000</u>	<u>(2,667,427,465)</u>
BASIC EARNINGS PER SHARE (LOSS)				
(Note 3.14)	1.15	(1.44)	1.15	(1.44)
WEIGHTED AVERAGE NUMBER				
OF ORDINARY SHARES				
SHARES	1,850,000,000	1,850,000,000	1,850,000,000	1,850,000,000

Notes to the consolidated and the Bank's financial statements form an integral part of these statements


(Mr. Krit Ratanarak)
Chairman


(Mr. Jamlong Atikul)
President

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
PREFERRED SHARE CAPITAL				
Beginning balance	3,250,000	3,250,000	3,250,000	3,250,000
Ending balance	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>	<u>3,250,000</u>
ORDINARY SHARE CAPITAL				
Beginning balance	18,500,000,000	18,500,000,000	18,500,000,000	18,500,000,000
Ending balance	<u>18,500,000,000</u>	<u>18,500,000,000</u>	<u>18,500,000,000</u>	<u>18,500,000,000</u>
PREMIUM ON PREFERRED SHARE CAPITAL				
Beginning balance	406,250	406,250	406,250	406,250
Ending balance	<u>406,250</u>	<u>406,250</u>	<u>406,250</u>	<u>406,250</u>
PREMIUM ON ORDINARY SHARE CAPITAL				
Beginning balance	20,263,389,004	20,263,389,004	20,263,389,004	20,263,389,004
Ending balance	<u>20,263,389,004</u>	<u>20,263,389,004</u>	<u>20,263,389,004</u>	<u>20,263,389,004</u>
LAND REVALUATION SURPLUS				
Beginning balance	2,768,119,226	1,253,055,061	2,768,119,226	1,253,055,061
Additions	-	1,546,649,760	-	1,546,649,760
Deductions - Revaluation decrease	-	(21,989,595)	-	(21,989,595)
- Transfer out of closed branches	(16,233,480)	(9,596,000)	(16,233,480)	(9,596,000)
Ending balance	<u>2,751,885,746</u>	<u>2,768,119,226</u>	<u>2,751,885,746</u>	<u>2,768,119,226</u>
PREMISES REVALUATION SURPLUS				
Beginning balance	1,012,690,944	285,243,288	1,012,690,944	285,243,288
Additions	796,007	795,901,721	796,007	795,901,721
Deductions - Depreciation of premises appraisal for the year	(37,115,744)	(33,265,358)	(37,115,744)	(33,265,358)
- Revaluation decrease	-	(26,121,504)	-	(26,121,504)
- Transfer out of closed branches	(20,039,627)	(9,067,203)	(20,039,627)	(9,067,203)
Ending balance	<u>956,331,580</u>	<u>1,012,690,944</u>	<u>956,331,580</u>	<u>1,012,690,944</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
				BAHT
REVALUATION SURPLUS ON INVESTMENTS				
UNREALIZED GAIN ON SECURITIES				
AVAILABLE FOR SALE				
Beginning balance	1,990,052,096	2,000,635,593	1,990,052,096	2,000,635,593
Deductions	<u>(575,337,707)</u>	<u>(10,583,497)</u>	<u>(575,337,707)</u>	<u>(10,583,497)</u>
Ending balance	<u>1,414,714,389</u>	<u>1,990,052,096</u>	<u>1,414,714,389</u>	<u>1,990,052,096</u>
UNREALIZED LOSS ON SECURITIES				
AVAILABLE FOR SALE				
Beginning balance	(277,493,159)	(459,133,718)	(277,493,159)	(459,133,718)
Deductions	<u>277,121,217</u>	<u>181,640,559</u>	<u>277,121,217</u>	<u>181,640,559</u>
Ending balance	<u>(371,942)</u>	<u>(277,493,159)</u>	<u>(371,942)</u>	<u>(277,493,159)</u>
RETAINED EARNINGS				
APPROPRIATED				
STATUTORY RESERVE				
Beginning balance	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>
Ending balance	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>
OTHER RESERVE				
Beginning balance	<u>11,821,791,500</u>	<u>11,821,791,500</u>	<u>11,821,791,500</u>	<u>11,821,791,500</u>
Ending balance	<u>11,821,791,500</u>	<u>11,821,791,500</u>	<u>11,821,791,500</u>	<u>11,821,791,500</u>
UNAPPROPRIATED (DEFICITS)				
Beginning balance	(41,724,466,575)	(39,114,197,175)	(41,724,466,575)	(39,114,197,175)
Additions - Net income	2,118,781,000	-	2,118,781,000	-
- Reversal accrued dividend	-	57,158,065	-	57,158,065
Deductions	<u>-</u>	<u>(2,667,427,465)</u>	<u>-</u>	<u>(2,667,427,465)</u>
Ending balance (deficits)	<u>(39,605,685,575)</u>	<u>(41,724,466,575)</u>	<u>(39,605,685,575)</u>	<u>(41,724,466,575)</u>
MINORITY INTEREST				
Beginning balance	144,364,706	117,382,084	-	-
Additions	<u>36,260,229</u>	<u>26,982,622</u>	<u>-</u>	<u>-</u>
Ending balance	<u>180,624,935</u>	<u>144,364,706</u>	<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY	<u>17,086,335,887</u>	<u>15,302,103,992</u>	<u>16,905,710,952</u>	<u>15,157,739,286</u>

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

BAHT

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income (Loss)	2,118,781,000	(2,667,427,465)	2,118,781,000	(2,667,427,465)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:				
Depreciation and amortization	792,507,556	747,641,435	775,163,129	734,108,538
Discretion of discount on investment	(30,913,152)	(4,907,442)	(54,968,527)	(11,386,810)
Bad debt and doubtful accounts	790,783,958	1,493,685,427	624,969,109	1,509,655,599
Loss on debt restructuring (reversal)	66,253,592	(134,158,540)	(24,969,109)	(113,139,947)
Reserve for TDR-NPV loss (reversal)	(29,990,909)	(41,309,734)	-	-
Interest income from assets acquired from debt repayment	(441,095,855)	-	(440,821,901)	-
Interest and fee income from conversion of debt to equity	-	(303,267,507)	-	(304,084,182)
Gain on transfer of non-performing loans	(16,731,939)	-	-	-
(Gain) loss on investments	(839,810,720)	174,766,260	(802,916,665)	158,566,781
Loss on impairment of properties foreclosed	163,202,237	104,416,911	160,453,036	91,331,675
Loss on revaluation of property and premises	-	388,503,417	-	388,503,417
Gain on sales of property, premises and equipment	(8,038,186)	(12,285,468)	(3,470,259)	(11,385,876)
Loss on translation of balances in foreign currencies	197,380,372	61,431,974	197,380,372	61,431,974
Decrease in accrued interest and dividend income	567,300,740	986,228,655	404,448,700	1,200,632,028
Increase (decrease) in accrued interest payable	19,351,634	(250,349,236)	20,952,744	(262,212,735)
Decrease in other accrued expenses	(372,590,182)	(31,440,317)	(379,382,038)	(34,028,341)
Minority interest in net income of subsidiaries	32,066,030	21,771,750	-	-
Gain on equity	(115,304,854)	(60,377,582)	(193,946,917)	(122,357,949)
Income from operations before changes in operating assets and liabilities	2,893,151,322	472,922,538	2,401,672,674	618,206,707
(Increase) decrease in operating assets				
Interbank and money market items	5,052,016,980	3,733,656,560	5,033,414,681	3,742,522,651
Securities purchased under resale agreements	4,006,000,000	16,859,000,000	3,050,000,000	17,815,000,000
Current investments - securities for trading	(3,378,149,059)	(89,770,262)	(3,376,589,059)	(129,769,785)
Loans	(28,710,388,135)	(23,521,589,415)	(28,450,885,693)	(25,389,685,536)
Properties foreclosed	70,493,152	(730,495,849)	868,869,762	844,572,816
Other assets	114,709,815	153,499,425	(1,746,444)	226,258,953
Increase (decrease) in operating liabilities				
Deposits	19,617,635,178	14,214,870,133	19,689,967,897	13,555,603,363
Interbank and money market items	3,839,944,276	(871,418,474)	4,045,644,280	(1,395,384,930)
Securities sold under repurchase agreements	-	(430,000,000)	-	-
Liabilities payable on demand	(355,900,492)	279,518,248	(355,900,492)	279,518,248
Other liabilities	633,581,904	(1,410,652,658)	468,454,429	(1,093,117,232)
Net cash provided by operating activities	3,783,094,941	8,659,540,246	3,372,902,035	9,073,725,255

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31,

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
BAHT				
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments - securities available for sales and other investments	22,456,949,698	8,315,147,144	19,668,793,561	7,502,806,751
Cash paid for purchase of investments - securities available for sales and other investments	(20,838,760,537)	(11,692,206,136)	(17,670,521,227)	(11,323,586,633)
Proceeds from sales of property, premises and equipment	13,565,911	35,713,387	8,013,751	35,562,762
Cash paid for purchase of property, premises and equipment	(659,915,934)	(674,111,394)	(624,349,610)	(644,447,534)
Net cash provided by (used in) investing activities	<u>971,839,138</u>	<u>(4,015,456,999)</u>	<u>1,381,936,475</u>	<u>(4,429,664,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in borrowings	(183,055,460)	(3,667,294,000)	(183,055,460)	(3,667,294,000)
Net cash used in financing activities	<u>(183,055,460)</u>	<u>(3,667,294,000)</u>	<u>(183,055,460)</u>	<u>(3,667,294,000)</u>
Total	4,571,878,619	976,789,247	4,571,783,050	976,766,601
Effect of exchange rate change on cash	<u>20,938,366</u>	<u>(381,336)</u>	<u>20,938,366</u>	<u>(381,336)</u>
Net increase in cash and cash equivalents	4,592,816,985	976,407,911	4,592,721,416	976,385,265
Cash and cash equivalents as at January 1,	<u>5,804,169,456</u>	<u>4,827,761,545</u>	<u>5,804,107,565</u>	<u>4,827,722,300</u>
Cash and cash equivalents as at December 31,	<u>10,396,986,441</u>	<u>5,804,169,456</u>	<u>10,396,828,981</u>	<u>5,804,107,565</u>

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2002 AND 2001

1. ECONOMIC SITUATION AND THE OPERATIONS OF THE BANK AND ITS SUBSIDIARIES

1.1 Economic situation and the operations of the Bank and its subsidiaries

Thailand and many Asia-Pacific countries continue to experience economic difficulties. Such conditions have affected and many continue to adversely affect bank operations in Thailand, including Bank of Ayudhya Public Company Limited. The accompanying consolidated and the Bank's financial statements reflect management's assessment of the possible impact of the economic conditions on the financial position of the Bank and its subsidiaries. However, the ultimate effect of such uncertainties on the financial position of the Bank and its subsidiaries cannot be presently determined.

1.2 Guideline regarding allowance for doubtful accounts

The allowance for doubtful accounts is established in accordance with the Bank of Thailand (the "BOT") regulations and guideline.

BOT guidelines require banks to categorize their loan portfolios into six categories subject to different levels of provisioning and establish new interest accrual and reversal policies and maximum collateral valuation limits for the purpose of calculating the allowance for doubtful accounts (see Notes 3.4 and 4.7). In addition, in September 2002, and December 2002, the BOT revised the guidelines on qualitative review of loans and all commitments for commercial banks including their related reports. The revised guidelines require banks to perform qualitative reviews of all loans and commitments outstanding at the fiscal year-end. By 2002, the commercial banks are required to perform BOT defined qualitative reviews at the rate of 25% of their loans outstanding at the fiscal year-end. As of December 31, 2002, the Bank has already performed such qualitative reviews of its loans in accordance with the revised guidelines.

In addition, the BOT has issued additional guidelines clarifying the above guidelines, regarding the basis for debt restructuring and collateral appraisal of the financial institutions, worthless or irrecoverable assets or assets with doubtful value of recoverability and reports to be submitted to the BOT.

1.3 Other regulatory requirements

The Bank is subject to various capital and regulatory requirements administered by the BOT. Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measures of its assets, liabilities and certain off-balance sheet items as calculated in accordance with regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgements by the BOT about components, risk weightings, and other factors. Management believes that as at December 31, 2002, the Bank met all capital adequacy requirements. However, these capital and regulatory requirements are subject to change, as considered necessary by the BOT.

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

Bank of Ayudhya Public Company Limited is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok. The Bank's main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and some parts of the world. As at December 31, 2002 and 2001, the Bank has total staff of 7,670 and 9,192, respectively.

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

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

Ayudhya Services and Management Company Limited, the Bank's subsidiary, incorporated in Thailand since March 27, 1997 and located at 550 Ploenchit Road, Lumpini District, Patumwan, Bangkok. The main business is personnel services. As of December 31, 2002, the company is being in the process of liquidation.

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

Ayudhya Investment and Trust Public Limited Company, the Bank's subsidiary, incorporated in Thailand since February 1, 1994 and located at 898 Ploenchit Tower Building, Fl 3, Lumpini District, Patumwan District, Bangkok. The main business is related to finance and securities.

2.1 The consolidated and the Bank's financial statements for the year ended December 31, 2002 and 2001, are presented in accordance with the BOT's Notification regarding the balance sheets and statements of income of commercial banks dated May 10, 2001 and its related letter of July 9, 2001.

The Bank prepares its statutory financial statements in Thai language in conformity with accounting standards in Thailand and as stated above. The accompanying financial statements are prepared in accordance with accounting principles and practices generally accepted in Thailand.

2.2 The consolidated financial statements for the years ended December 31, 2002 and 2001, included the accounts of all branches of the Bank, "The Preferred Shares-Subordinated Debentures of Bank of Ayudhya Public Company Limited Fund" (unaudited) which is considered as a special purpose entity for raising fund on behalf of the Bank, and Ayudhya Investment and Trust Public Company Limited (AITCO) (audited) whose shares are held by the Bank as follows :

	Ordinary share	Preferred share	Total
Number of shares issued and paid-up	235,000,000	50,000,000	285,000,000
Owned by the Bank	178,083,790	50,000,000	228,083,790
Percentage of total	75.78	100.00	80.03

In addition, the consolidated financial statements also include the account balances of AITCO's subsidiary, namely Ayudhya Securities Company Limited (audited) whose shares are 99.99% held by AITCO.

The preferred shareholders of AITCO are entitled to an annual noncumulative dividend of five percent per annum or equivalent to the dividend declared for ordinary shareholders whichever is higher and have the same voting rights as ordinary shareholders.

As at December 31, 2002 and 2001, AITCO held 2,478,750 ordinary shares of the Bank. The acquisition cost was Baht 98 million which was presented as investments in subsidiaries and associated companies-net in the consolidated balance sheet. Such investment was not deducted from shareholders' equity as the amount was immaterial.

The financial statements of AITCO which is the Bank's subsidiary for the years ended December 31, 2002 and 2001 have been audited. The auditor expressed an unqualified opinion with an explanatory paragraph regarding the economic turmoil and going concern issues.

In addition, the consolidated financial statements for the years ended December 31, 2002 and 2001, also include the account balances of Ayudhya Asset Management Company Limited (audited) whose shares were held by the Bank as follows:

	Ordinary shares	Baht
Authorized	200,000,000	2,000,000,000
Issued and paid - up share capital		
Ordinary shares issued and fully paid up	36,063,000	360,630,000
Ordinary shares issued and 25% paid up	163,937,000	409,842,500
Total capital issued and paid - up	<u>200,000,000</u>	<u>770,472,500</u>
Owned by the bank	199,999,994	770,472,440
Percentage of total	99.99	99.99

All material intercompany transactions and balances have been eliminated.

- 2.3 The consolidated financial statements as at December 31, 2002 and 2001, included the unaudited financial statements of special purpose entity namely The Preferred shares – Subordinated Debenture of Bank of Ayudhya Public Company Limited. Total assets after eliminating intercompany transaction are Baht 253 million and 246 million or 0.05% and 0.06% of total assets in the consolidated financial statements as at December 31, 2002 and 2001, respectively. No revenues are recorded in the consolidated financial statements.

In addition, the consolidated and the Bank's financial statements for the years ended December 31, 2002 and 2001, included gain (loss) on equity of associated companies, which have not been audited as follows:

1. Ayudhya JF Asset Management Limited
2. Ayudhya Development Leasing Company Limited
3. Krungsriayudhya Card Company Limited
4. Ayudhya International Factors Company Limited

For the years ended December 31, 2002 and 2001, the aforementioned gain (loss) on equity of associated companies recorded gain of Baht 89 million and loss of Baht 21 million, respectively, in the consolidated and the Bank's financial statements .

- 2.4 The consolidated financial statements for the years ended December 31, 2002 and 2001, do not include the account balances of Siam Realty and Services Company Limited (99.99% holding), K.S. Law Office Company Limited (99.99% holding) and Ayudhya Services and Management Company Limited (99.99% holding), which are immaterial with regard to the Bank's financial position and results of operations.

The financial position and the results of operations of such companies are shown as additional information in Note 4.4 to the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

For the Bank, cash and cash equivalents are those amounts included cash in the balance sheet under the caption of cash, which consists of cash on hand and cash on collection.

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

3.2 Investment in securities

The Bank's investments which consist of debt securities and equity securities are classified as either trading securities, available for sale securities, held to maturity securities or general investments.

In additions, the Bank also complied with BOT's Notification dated May 10, 2001 regarding the balance sheets and statements of income of commercial banks which requires the commercial bank to present the investments as current investments-net, long-term investments-net and investments in subsidiaries and associated companies-net.

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

Debt securities for which the Bank has the positive intent and ability to hold until maturity are classified as held to maturity and carried at the amortized cost, net of valuation allowances for impairment, if any, and presented as long-term investments except for maturity within one year. Valuation allowances are established by recognizing an unrealized loss when the impairment of a security is assessed by management. In addition, the Bank classified the rights of the Bank against the non-negotiable promissory notes, which is availed by the Financial Institutions Development Fund (FIDF) issued by the Thai Asset Management Corporation (TAMC) under the Asset Transfer Agreement for transfer of sub-quality assets, as long-term investment classified as debt securities held-to-maturity.

Debt and equity securities with readily determinable market values that are not classified as either held to maturity securities or trading securities are classified as available for sale securities which may be presented as short-term or long-term investments depending on the intent of management and carried at fair value. The unrealized gains or losses related to available for sale securities are reported as a component of shareholders' equity until realized. Gains or losses on available for sale securities are recognized in the statement of income upon the sale or disposition of such securities.

Non-marketable equity securities which are classified as general investments are presented as long-term investments, net and carried at cost, net of valuation allowances for impairment, if any. Valuation allowances are established by recognizing an unrealized loss in the statement of income when the impairment of a security is assessed by management.

Premiums and discounts are amortized and accreted into income as adjustments to interest income using the effective interest rate method.

In the consolidated and the Bank's financial statements, investments in subsidiary and associated companies are accounted for by the equity method.

When an investment is assessed as being impaired, the amount of impairment is recognized as expense in the statement of income.

Fair value or market value of securities is calculated on the following basis:

1. For Government bonds and state enterprises bonds guaranteed by the Government, the fair values of these securities were estimated by management using the BOT formula, based on the risk free yield curve of the Bank. The fair value of government bonds and state enterprise bonds without guarantee is estimated using the yield curve adjusted by an appropriate risk premium.
2. For private sector's debt and equity securities which are listed securities and securities in The Thai Bond Dealing Center, market values are estimated using the bidding prices at the Stock Exchange of Thailand and The Thai Bond Dealing Center on the last business day of the year.
3. For private sector's debt securities which are non-listed securities, the last closing prices of The Thai Bond Dealing Center are used to estimate fair value. In the absence of such prices, fair value is estimated by applying the aforementioned risk adjusted yield curve, in accordance with the criteria established by the BOT.

Equity securities which are non-listed securities are stated at cost, except in the case where a permanent decline in value is deemed to have occurred in which case the loss will be charged to the statement of income.

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

3.3 Loans

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

Unearned discounts on notes receivable are presented at the net amount in loans.

3.4 Allowance for doubtful accounts

The Bank estimated the minimum total allowance in accordance with BOT Guidelines and additional reserves based on managements assessment of the ultimate collectibility of loan and interest amounts.

Loans are written off in the year that they are determined to be irrecoverable. Bad debts recovered are recorded as income in statements of income.

Bad debts written off during the year are recorded as deductions from the allowance for doubtful accounts.

Bad debt and doubtful accounts are shown as an expense in the statement of income.

The significant factor in the determination of the allowance for doubtful accounts is the value of collateral. Collateral pledged as support for loans typically consists of land, buildings, and buildings under construction. Value of such collateral is based on independent and/or internally performed appraisals.

Loans classified as doubtful of loss which are in excess of collateral and fully provisioned were written off. This is in accordance to the BOT's Notification dated March 17, 2000, regarding worthless or irrecoverable assets or assets with doubtful value of recoverability and the management believes that they are uncollectible. For the year ended December 31, 2002, the Bank considered the possibilities of repayment from loans classified as doubtful of loss which had been written off and recorded the reversal of such loans classified as doubtful of loss which were considered to be recoverable amounting to Baht 14,802 million in accordance with Bank of Thailand's Notification dated February 18, 2002 regarding the worthless or irrecoverable assets or assets which are doubtful of being worthless or irrecoverable (see Notes 4.6 and 4.7). In addition, the Bank changes the basis of calculation of the minimum total allowance under such BOT Guidelines. The significant changes are in respect of the cancellation of the preference over the collateral for calculating the allowance.

3.5 Troubled Debt Restructuring

Loss on troubled debt restructuring resulting from the reduction of principal and accrued interest and other restructuring methodology including modification of terms, asset transfer, equity securities transfer, etc. are recognized as expenses in the statements of income.

In case of troubled debt restructuring using modification terms of restructuring, the Bank has applied in accordance with the BOT's criteria requiring the Bank to choose between the collateral method by which a loss amount is to be estimated and/or net present value method which represents expected cash flow in the future applying the discount market interest rates on the restructuring date. Loss from such debt restructuring recognized in the statements of income.

After restructuring the Bank has recalculated fair value of restructured debts based on aforementioned discount interest rate as of the date on the quarterly financial statements and made an adjustment of valuation on debt restructured, if the fair value has been changed. The recalculation made on the quarterly financial statements has been in accordance with the aforementioned BOT's criteria. The adjustment of valuation on restructured debt shall not cause the book value of restructured debt to exceed the investment value on restructured debt.

Before January 1, 2002, in case of restructured debt, assets or equity securities transferred for debt repayment either in whole or in part were recorded at the fair value which was not over the investment value on such debt.

Since January 1, 2002, in case of restructured debt, assets or equity securities transferred for debt repayment either in whole or in part are recorded at the fair value, net of estimated selling expenses, which is not over the total amount of the investment value on such debt and the right-to-claim interest income. This has been in accordance with the Thai Accounting Standard No.34 "Accounting for troubled debt restructuring (Revised in 2002)". The adoption of such accounting standards results in the increase of the Bank's interest income for the years ended December 31, 2002 in the amount of Baht 441 million.

3.6 Properties foreclosed

Properties foreclosed consist of immovable and movable properties which are recorded at the lower of net investment in the loan and accrued interest (including previously unrecognized contractual interest) or fair value of the property at the date of foreclosure. Should the carrying value of a property foreclosed become impaired, management would establish an impairment allowance.

Gains or losses on such properties are realized upon disposition of the underlying asset, including in non-interest income in the statements of income.

3.7 Property, premises and equipment

Land and premises are stated at the appraised value and equipment is stated at cost less accumulated depreciation.

3.7.1 Revaluation of assets

In 2001, land and premises have been revalued by independent premises appraisers based on market value for land and depreciated replacement cost for premises. For the portion of land and premises which have been revalued, the increments above the previous appraisal were recorded in the aforementioned land revaluation surplus and premises revaluation surplus accounts. In case of revaluation decrease, the decline in value is

deducted from such revaluation surplus to the extent that the new value is above original cost and recognized in the statements of income for the decrease in value below original cost.

Suite units in condominium used as branch office have been revalued by independent premises appraisers in accordance with BOT guideline using depreciated replacement cost for premises. The Bank has recorded the increment per appraisal of premises as revaluation surplus. In case of revaluation decrease which is still in excess of the original cost, such decrease is recorded by deducting from revaluation surplus.

3.7.2 Depreciation

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

Premises	20 - 50	years
Equipment	5 - 10	years

Depreciation of premises appraisal increase is recorded by reducing the premises revaluation surplus.

3.8 Subordinated debentures cum preferred shares

The Bank has complied with the Interpretation of Accounting Standard No.3, on the issue of compound financial instruments by financial institutions issued by the Institute of Certified Accountants and Auditors of Thailand (“ICAAT”). The interpretation requires that in summary,

- 1) The equity instrument component (preferred shares) is valued at fair value at the time of issue or by reference to ordinary share’s market price if there is no market value for the preferred shares, and the face value is to be recorded separately from the premium.
- 2) The balance of the financial instruments, calculated by the net amount received from the issuance of the financial instruments, deducted by the fair value of equity instrument component, is shown as a liability in the balance sheet.
- 3) The payment for the right under the compound instrument is not recognized as an asset in the balance sheet.

3.9 Recognition of income

The Bank and its subsidiary have been required by the BOT to stop accruing interest income for debtors which are more than three months past due and reverse such accrued interest income which has been recorded as interest income. Thereafter, interest income from such debtors shall be recognized on cash basis.

The subsidiary that is the asset management company recognizes interest income from investment in receivables by using the effective interest rate in calculating present value of future cash flows which are expected to be collected from such receivables. For receivables that have uncertainty in collectibilities, the Company recognizes interest income from such investment in receivables on cash basis.

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

Gains and losses on the sale of debt and equity securities are computed by the weighted average method and included in non-interest income in the statements of income.

3.10 Recognition of expenses

Interest expense is recognized on an accrual basis.

Goodwill on acquisition of additional share of subsidiary is totally amortized to be an expense in the statements of income.

3.11 Provident fund and pension fund

The individual’s contributions for provident fund made by the Bank are recorded as an expense in the statements of income.

The Bank has recorded accrued pension fund after deducted provident fund which employees’ length of services reaches 10 years and employees who have been in service before January 1, 1998 as an expense in the statements of income.

3.12 Contributions to the Financial Institutions Development Fund

Contributions to the Financial Institutions Development Fund are recognized as expenses in the period in the statements of income.

3.13 Income tax

Income tax expense, if any, is based on tax paid and accrued for the year.

3.14 Earnings per share

Basic earnings (loss) per shares are calculated by dividing net income by the number of weighted average ordinary share outstanding during the year.

The preferred shares that can be converted into ordinary shares are not used to calculate the diluted earnings (loss) per share since number of preferred shares is not material to effect the computation of diluted earnings (loss) per share.

3.15 Foreign currency transactions

Transactions during the year denominated in foreign currencies are translated into Baht at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities at the end of the year denominated in foreign currencies are translated into Baht at the exchange rates announced by Bank of Thailand at that date.

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

3.16 Forward foreign exchange contracts

Income and expense from interest rate swaps used to manage interest rate exposures are recognized as adjustments to interest income or expense. Gains and losses on contracts designated as hedges of existing assets and liabilities are recognized as income and expenses in the statements of income.

The Bank uses the forward exchange rate for the remaining period (Mark-to-Market) in measuring undue forward exchange contracts outstanding at the end of the year in order to approximate their fair values. Such practice was approved by Bank of Thailand.

3.17 Translation of the financial statements of the foreign branches

The financial statements of foreign branches whose currency is foreign currency are translated into Baht by using the reference exchange rate established by the BOT at the end of the year for the translation of foreign monetary items, the historical exchange rate for the translation of foreign non-monetary items and the average exchange rate for the translation of transactions in the statements of income. Difference of exchange rate from translation of the financial statements of the foreign branches are recognized as gain or loss on foreign exchange in the statements of income.

3.18 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

4. ADDITIONAL INFORMATION

4.1 Supplementary disclosures of cash flow information

4.1.1 Cash paid for interest and income tax for the year ended December 31, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002 Baht	2001 Baht	2002 Baht	2001 Baht
Interest	12,531,042,027	14,330,008,320	12,429,014,188	14,234,857,132
Income tax	50,807,660	194,597,037	40,870,874	193,143,544

4.1.2 Non-cash transactions for the year ended December 31, are as follows :

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002 Baht	2001 Baht	2002 Baht	2001 Baht
Revaluation surplus on investments increase (decrease) presented as item in shareholder's equity	(298,216,490)	171,057,062	(298,216,490)	171,057,062
Accumulated depreciation of premises appraisal which was set up and deducted from premises revaluation surplus	37,115,744	33,265,358	37,115,744	33,265,358
Properties foreclosed acquired from debt repayment	2,635,516,246	3,859,284,132	2,620,614,997	3,850,090,682
Property foreclosed used as branch office	26,288,167	22,067,600	26,288,167	22,067,600
Property and premises transferred to be properties foreclosed due to the change of branch office's location	354,480,683	321,109,621	354,480,683	321,109,621
Property and premises transferred from other assets	-	8,400,000	-	8,400,000
Net increments (decrements) resulting from land and premises appraisal which were presented as land and premises revaluation surplus	(35,477,100)	2,275,777,179	(35,477,100)	2,275,777,179
Reversal accrued dividend payable	-	57,158,065	-	57,158,065
Investments from transfer of non - performing assets	1,426,419,863	5,271,835,308	1,409,687,924	5,140,691,348
Suspense interest income	-	196,941,430	-	196,941,430

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

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002 Baht	2001 Baht	2002 Baht	2001 Baht
Increase in property, premises and equipment	677,363,564	3,752,434,716	641,682,740	3,721,148,997
Less The increments resulting from land and premises appraisal	-	(3,059,267,389)	-	(3,059,267,389)
Purchase of property, premises and equipment	677,363,564	693,167,327	641,682,740	661,881,608
Less Cash payment	(659,915,934)	(674,111,394)	(624,349,610)	(644,447,534)
Non-cash items	17,447,630	19,055,933	17,333,130	17,434,074

4.1.4 Realized and unrealized gain (loss) on foreign exchange

For cash flows statement, realized gain (loss) on exchange is based on cash basis for the amount that the special business tax has been paid. Unrealized gain (loss) on foreign exchange is based on the amount of liabilities in foreign currencies as recorded in various accounts and based on the amount of assets in foreign currencies on the outstanding balances as recorded in each category.

4.2 Interbank and money market items

(1) Domestic items

CONSOLIDATED FINANCIAL STATEMENTS						
	2002			2001		
	At Call Baht	Time Baht	Total Baht	At Call Baht	Time Baht	Total Baht
Bank of Thailand and Financial Institution						
Development Fund	4,436,087,820	223	4,436,088,043	3,272,265,609	223	3,272,265,832
Commercial banks	623,670,763	1,142,434,162	1,766,104,925	594,808,421	2,391,664,219	2,986,472,640
Other banks	8,762,094	-	8,762,094	11,363,925	-	11,363,925
Finance companies, trust and securities companies, Securities company and credit foncier companies	-	63,182,000	63,182,000	-	644,122,947	644,122,947
Other financial institutions	250,131,570	540,104,235	790,235,805	244,512,294	436,266,478	680,778,772
Total domestic items	5,318,652,247	1,745,720,620	7,064,372,867	4,122,950,249	3,472,053,867	7,595,004,116
<u>Add</u> Accrued interest receivables	7,030,754	17,577,582	24,608,336	7,112,579	21,046,680	28,159,259
<u>Less</u> Allowance for doubtful accounts	-	-	-	-	(3,571,663)	(3,571,663)
Total	5,325,683,001	1,763,298,202	7,088,981,203	4,130,062,828	3,489,528,884	7,619,591,712

THE BANK'S FINANCIAL STATEMENTS						
	2002			2001		
	At Call Baht	Time Baht	Total Baht	At Call Baht	Time Baht	Total Baht
Bank of Thailand and Financial Institution						
Development Fund	4,416,398,920	223	4,416,399,143	3,260,219,107	223	3,260,219,330
Commercial banks	319,417,035	1,142,434,162	1,461,851,197	264,309,997	2,391,664,219	2,655,974,216
Other banks	8,762,094	-	8,762,094	11,363,925	-	11,363,925
Finance companies, trust and securities companies, Securities company and credit foncier companies	-	63,182,000	63,182,000	-	644,122,947	644,122,947
Other financial institutions	250,131,570	540,104,235	790,235,805	244,512,294	436,266,478	680,778,772
Total domestic items	4,994,709,619	1,745,720,620	6,740,430,239	3,780,405,323	3,472,053,867	7,252,459,190
<u>Add</u> Accrued interest receivables	7,030,754	17,577,582	24,608,336	7,112,579	21,046,680	28,159,259
<u>Less</u> Allowance for doubtful accounts	-	-	-	-	(3,571,663)	(3,571,663)
Total	5,001,740,373	1,763,298,202	6,765,038,575	3,787,517,902	3,489,528,884	7,277,046,786

(2) Foreign items

CONSOLIDATED FINANCIAL STATEMENTS						
	2002			2001		
	At Call Baht	Time Baht	Total Baht	At Call Baht	Time Baht	Total Baht
US Dollar	1,977,350,159	10,645,315,195	12,622,665,354	275,677,863	17,250,924,096	17,526,601,959
Yen	148,424,511	-	148,424,511	85,067,497	-	85,067,497
Deutsche Mark	-	-	-	3,188,430	-	3,188,430
Other currencies	356,257,076	97,749,820	454,006,896	176,286,173	21,427,270	197,713,443
Total foreign items	2,482,031,746	10,743,065,015	13,225,096,761	540,219,963	17,272,351,366	17,812,571,329
<u>Add</u> Accrued interest receivables	-	4,433,185	4,433,185	-	32,701,146	32,701,146
<u>Less</u> Allowance for doubtful accounts	-	(1,136,562)	(1,136,562)	-	-	-
Total	2,482,031,746	10,746,361,638	13,228,393,384	540,219,963	17,305,052,512	17,845,272,475
Total domestic and foreign items	7,807,714,747	12,509,659,840	20,317,374,587	4,670,282,791	20,794,581,396	25,464,864,187

THE BANK'S FINANCIAL STATEMENTS

	2002			2001		
	At Call Baht	Time Baht	Total Baht	At Call Baht	Time Baht	Total Baht
US Dollar	1,977,350,159	10,645,315,195	12,622,665,354	275,677,863	17,250,924,096	17,526,601,959
Yen	148,424,511	-	148,424,511	85,067,497	-	85,067,497
Deutsche Mark	-	-	-	3,188,430	-	3,188,430
Other currencies	356,257,076	97,749,820	454,006,896	176,286,173	21,427,270	197,713,443
Total foreign items	2,482,031,746	10,743,065,015	13,225,096,761	540,219,963	17,272,351,366	17,812,571,329
<u>Add</u> Accrued interest receivables	-	4,433,185	4,433,185	-	32,701,146	32,701,146
<u>Less</u> Allowance for doubtful accounts	-	(1,136,562)	(1,136,562)	-	-	-
Total	2,482,031,746	10,746,361,638	13,228,393,384	540,219,963	17,305,052,512	17,845,272,475
Total domestic and foreign items	7,483,772,119	12,509,659,840	19,993,431,959	4,327,737,865	20,794,581,396	25,122,319,261

4.3 Securities purchased under resale agreements

Securities purchased under resale agreements classified by type of securities and the related repurchase market are as follows :

CONSOLIDATED FINANCIAL STATEMENTS

	2002			2001		
	Repurchase Market at Bank of Thailand Baht	Other Repurchase Market Baht	Total Baht	Repurchase Market at Bank of Thailand Baht	Other Repurchase Market Baht	Total Baht
Government bond	1,250,000,000	-	1,250,000,000	20,000,000	-	20,000,000
State enterprise securities	-	-	-	10,000,000	-	10,000,000
Financial Institution Development Fund bonds	2,000,000,000	-	2,000,000,000	7,226,000,000	-	7,226,000,000
Total	3,250,000,000	-	3,250,000,000	7,256,000,000	-	7,256,000,000

THE BANK'S FINANCIAL STATEMENTS

	2002			2001		
	Repurchase Market at Bank of Thailand Baht	Other Repurchase Market Baht	Total Baht	Repurchase Market at Bank of Thailand Baht	Other Repurchase Market Baht	Total Baht
Government bond	1,250,000,000	-	1,250,000,000	-	-	-
Financial Institution Development Fund bonds	2,000,000,000	-	2,000,000,000	6,300,000,000	-	6,300,000,000
Total	3,250,000,000	-	3,250,000,000	6,300,000,000	-	6,300,000,000

4.4 Investment in securities

4.4.1 Current Investments

CONSOLIDATED FINANCIAL STATEMENTS

	2002				2001			
	Cost/Amortized Cost Baht	Unrealized Gains Baht	Unrealized Losses Baht	Fair Value Baht	Cost/Amortized Cost Baht	Unrealized Gains Baht	Unrealized Losses Baht	Fair Value Baht
Securities for Trading								
Government and state enterprise securities	25,840,870	119,525	-	25,960,395	-	-	-	-
Private sector's debt securities	10,946,634	12,653	-	10,959,287	20,325,093	468,461	-	20,793,554
Domestic marketable equity securities	61,660,477	708,641	-	62,369,118	60,100,477	1,109,535	-	61,210,012
	98,447,981	840,819	-	99,288,800	80,425,570	1,577,996	-	82,003,566
<u>Add</u> Revaluation allowance	840,819			-	1,577,996			-
Total	99,288,800			99,288,800	82,003,566			82,003,566

CONSOLIDATED FINANCIAL STATEMENTS

Securities Available for Sale	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	7,625,241,098	69,428,329	(371,942)	7,694,297,485	2,697,197,618	70,446,218	-	2,767,643,836
Private sector's debt securities	699,882,895	8,685,638	-	708,568,533	491,427,226	14,620,553	-	506,047,779
	8,325,123,993	78,113,967	(371,942)	8,402,866,018	3,188,624,844	85,066,771	-	3,273,691,615
<u>Add</u> Revaluation allowance	77,742,025			-	85,066,771			-
Total	8,402,866,018			8,402,866,018	3,273,691,615			3,273,691,615

CONSOLIDATED FINANCIAL STATEMENTS

Securities Held to Maturity	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	942,821,275	647,893	-	943,469,168	81,890,000	2,635,884	-	84,525,884
Private sector's debt securities	110,000,000	-	-	-	130,000,000	-	-	-
	1,052,821,275	647,893	-	943,469,168	211,890,000	2,635,884	-	84,525,884
<u>Less</u> Allowance for impairment	(110,000,000)			-	(130,000,000)			-
Total	942,821,275			943,469,168	81,890,000			84,525,884
Total Current Investments, net	9,444,976,093			9,445,623,986	3,437,585,181			3,440,221,065

THE BANK'S FINANCIAL STATEMENTS

Securities for Trading	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	25,840,870	119,525	-	25,960,395	-	-	-	-
Private sector's debt securities	10,946,634	12,653	-	10,959,287	20,325,093	468,461	-	20,793,554
	36,787,504	132,178	-	36,919,682	20,325,093	468,461	-	20,793,554
<u>Add</u> Revaluation allowance	132,178			-	468,461			-
Total	36,919,682			36,919,682	20,793,554			20,793,554

THE BANK'S FINANCIAL STATEMENTS

Securities Available for sale	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	6,559,851,049	46,103,550	(371,942)	6,605,582,657	2,284,624,421	51,529,815	-	2,336,154,236
Private sector's debt securities	389,337,074	3,807,143	-	393,144,217	341,677,226	10,254,980	-	351,932,206
	6,949,188,123	49,910,693	(371,942)	6,998,726,874	2,626,301,647	61,784,795	-	2,688,086,442
<u>Add</u> Revaluation allowance	49,538,751			-	61,784,795			-
Total	6,998,726,874			6,998,726,874	2,688,086,442			2,688,086,442

THE BANK'S FINANCIAL STATEMENTS

Securities Held to Maturity	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	864,827,439	5,582	-	864,833,021	-	-	-	-
Private sector's debt securities	110,000,000	-	-	-	130,000,000	-	-	-
	974,827,439	5,582	-	864,833,021	130,000,000	-	-	-
<u>Less Allowance for impairment</u>	<u>(110,000,000)</u>			<u>-</u>	<u>(130,000,000)</u>			<u>-</u>
Total	864,827,439			864,833,021	-			-
Total current investments, net	7,900,473,995			7,900,479,577	2,708,879,996			2,708,879,996

4.4.2 Long-Term Investments

CONSOLIDATED FINANCIAL STATEMENTS

Securities Available for Sale	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	10,500,107,087	1,178,476,302	-	11,678,583,389	14,270,900,984	1,826,518,507	(31,824,483)	16,065,595,008
Private sector's debt securities	2,003,338,809	104,959,506	-	2,108,298,315	3,058,804,115	97,396,365	(1,861,583)	3,154,338,897
Domestic marketable equity securities	1,113,689,622	143,182,632	(136,996,723)	1,119,875,531	1,392,278,227	86,168,636	(401,369,355)	1,077,077,508
	13,617,135,518	1,426,618,440	(136,996,723)	14,906,757,235	18,721,983,326	2,010,083,508	(435,055,421)	20,297,011,413
<u>Add Revaluation allowance</u>	<u>1,289,621,717</u>			<u>-</u>	<u>1,575,028,087</u>			<u>-</u>
Total	14,906,757,235			14,906,757,235	20,297,011,413			20,297,011,413

CONSOLIDATED FINANCIAL STATEMENTS

Securities Held to Maturity	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	7,190,755,172	24,157,476	-	7,214,912,648	5,843,363,699	15,246,556	(13,280,853)	5,845,329,402
Private sector's debt securities	2,925,455,112	1,961,186	-	2,927,416,298	1,737,770,042	996,413	-	1,738,766,455
	10,116,210,284	26,118,662	-	10,142,328,946	7,581,133,741	16,242,969	(13,280,853)	7,584,095,857
<u>Less Allowance for impairment</u>	<u>(25,000,000)</u>			<u>(25,000,000)</u>	<u>(25,000,000)</u>			<u>(25,000,000)</u>
Total	10,091,210,284			10,117,328,946	7,556,133,741			7,559,095,857

CONSOLIDATED FINANCIAL STATEMENTS

Securities for General Investments	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Domestic non-marketable equity securities	3,904,968,692	347,779,178	(455,167,884)	3,797,579,986	3,206,346,040	99,024,938	(461,898,451)	2,843,472,527
Foreign non-marketable equity securities	27,605,753	841,427	(13,498,797)	14,948,383	26,536,038	1,000,675	(11,974,099)	15,562,614
	3,932,574,445	348,620,605	(468,666,681)	3,812,528,369	3,232,882,078	100,025,613	(473,872,550)	2,859,035,141
<u>Less Allowance for impairment</u>	<u>(271,125,118)</u>			<u>-</u>	<u>(325,522,036)</u>			<u>-</u>
Total	3,661,449,327			3,812,528,369	2,907,360,042			2,859,035,141
Total long-term Investments, net	28,659,416,846			28,836,614,550	30,760,505,196			30,715,142,411

THE BANK'S FINANCIAL STATEMENTS

	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
Securities Available for sales	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	10,350,456,217	1,164,903,663	-	11,515,359,880	14,094,708,558	1,825,753,597	(31,824,483)	15,888,637,672
Private sector's debt securities	2,230,416,809	104,959,506	-	2,335,376,315	2,988,231,245	84,294,308	(778,905)	3,071,746,648
Domestic marketable equity securities	999,917,199	135,608,177	(53,696,887)	1,081,828,489	1,273,542,881	82,140,066	(310,007,748)	1,045,675,199
	13,580,790,225	1,405,471,346	(53,696,887)	14,932,564,684	18,356,482,684	1,992,187,971	(342,611,136)	20,006,059,519
<u>Add</u> Revaluation allowance	1,351,774,459			-	1,649,576,835			-
Total	14,932,564,684			14,932,564,684	20,006,059,519			20,006,059,519

THE BANK'S FINANCIAL STATEMENTS

	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
Securities Held to Maturity	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Government and state enterprise securities	6,942,379,273	16,878,993	-	6,959,258,266	5,533,760,832	22,813	(13,280,853)	5,520,502,792
Private sector's debt securities	2,897,950,715	-	-	2,897,950,715	1,704,296,139	-	-	1,704,296,139
Total	9,840,329,988	16,878,993	-	9,857,208,981	7,238,056,971	22,813	(13,280,853)	7,224,798,931

THE BANK'S FINANCIAL STATEMENTS

	2002				2001			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
Securities for General Investments	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Domestic marketable equity securities	3,742,170,656	310,827,952	(451,740,918)	3,601,257,690	3,040,238,004	73,129,137	(447,990,122)	2,665,377,019
Private sector's debt securities	27,605,753	841,427	(13,498,797)	14,948,383	26,536,038	1,000,675	(11,974,099)	15,562,614
	3,769,776,409	311,669,379	(465,239,715)	3,616,206,073	3,066,774,042	74,129,812	(459,964,221)	2,680,939,633
<u>Less</u> Allowance for impairment	(271,125,118)			-	(325,522,036)			-
Total	3,498,651,291			3,616,206,073	2,741,252,006			2,680,939,633
Total long-term investments, net	28,271,545,963			28,405,979,738	29,985,368,496			29,911,798,083

As at December 31, 2002 and 2001, long-term investments classified as debt securities held-to-maturity (as government and state enterprise securities) included the right over the promissory note in consolidated financial statements of Baht 6,698 million and Baht 5,272 million and in the Bank's financial statements of Baht 6,550 million and Baht 5,141 million, respectively, issued by the Thai Asset Management Corporation (TAMC) for asset transfer to TAMC. As of December 31, 2002 the Bank and its subsidiary receive promissory notes of Baht 5,384 million and Baht 22 million, respectively. The rest is being validated and confirmed by TAMC prior to issuing the 10 years term non-negotiable promissory notes availed by Financial Institutions Development Fund to the Bank and its subsidiary (see Notes 4.6 and 4.25).

For the years ended December 31, 2002 and 2001, gain (loss) on sale of securities presented in the statement of income consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Gain (loss) on sale of securities				
- Securities for trading	38,827,111	18,512,595	25,898,268	17,153,755
- Securities available for sale	716,560,745	57,326,895	684,885,420	63,060,263
- Securities Held to Maturity	-	15,325,934	-	-
- Securities for general investments	52,793,253	(61,737,517)	51,260,723	(61,737,517)
	808,181,109	29,427,907	762,044,411	18,476,501
Loss for revaluation securities recovered	9,621,567	-	9,392,967	-
Loss for revaluation securities	-	(203,580,818)	-	(177,099,654)
Unrealized gain (loss) on securities or trading	372,358	152,486	(336,283)	(957,049)

For the years ended December 31, 2002 and 2001, unrealized gain (loss) on the change in value of investments presented in shareholders' equity consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Beginning balance	1,712,558,937	1,541,501,875	1,712,558,937	1,541,501,875
Increase (decrease)	(298,216,490)	171,057,062	(298,216,490)	171,057,062
Ending balance	1,414,342,447	1,712,558,937	1,414,342,447	1,712,558,937

4.4.3 The maturities of debt securities

	CONSOLIDATED FINANCIAL STATEMENTS							
	2002				2001			
	Due within				Due within			
	1 Year	Greater than 1 Year-5 Years	Greater than 5 Years	Total	1 Year	Greater than 1 Year-5 Years	Greater than 5 Years	Total
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Securities Available for Sale								
Government and state enterprise securities	6,685,467,567	7,718,436,996	3,571,792,751	17,975,697,314	2,284,624,421	10,121,870,712	4,561,603,469	16,968,098,602
Private enterprises debt securities	470,587,073	2,196,981,034	185,304,468	2,852,872,575	361,677,226	3,136,213,783	52,340,332	3,550,231,341
Total	7,156,054,640	9,915,418,030	3,757,097,219	20,828,569,889	2,646,301,647	13,258,084,495	4,613,943,801	20,518,329,943
<u>Add</u> Allowances for valuation	51,272,257	1,044,988,897	264,916,679	1,361,177,833	62,591,107	1,388,945,425	523,759,045	1,975,295,577
Total	7,207,326,897	10,960,406,927	4,022,013,898	22,189,747,722	2,708,892,754	14,647,029,920	5,137,702,846	22,493,625,520

CONSOLIDATED FINANCIAL STATEMENTS

	2002				2001			
	Due within				Due within			
	Greater than	Greater than	Total	Greater than	Greater than	Total		
	1 Year	1 Year-5 Years	5 Years	1 Year	1 Year-5 Years	5 Years		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Securities Held to Maturity								
Government and state enterprise								
securities	942,821,275	585,169,033	7,090,255,171	8,618,245,479	81,890,000	179,528,392	5,663,835,307	5,925,253,699
Private enterprises debt								
securities	110,000,000	1,044,916,140	1,395,869,940	2,550,786,080	130,000,000	270,969,506	1,466,800,536	1,867,770,042
Total	1,052,821,275	1,630,085,173	8,486,125,111	11,169,031,559	211,890,000	450,497,898	7,130,635,843	7,793,023,741
<u>Less</u> Allowances for impairment	(110,000,000)	(25,000,000)	-	(135,000,000)	(130,000,000)	(25,000,000)	-	(155,000,000)
Total	942,821,275	1,605,085,173	8,486,125,111	11,034,031,559	81,890,000	425,497,898	7,130,635,843	7,638,023,741
Total Debt securities	8,150,148,172	12,565,492,100	12,508,139,009	33,223,779,281	2,790,782,754	15,072,527,818	12,268,338,689	30,131,649,261

THE BANK'S FINANCIAL STATEMENTS

	2002				2001			
	Due within				Due within			
	Greater than	Greater than	Total	Greater than	Greater than	Total		
	1 Year	1 Year-5 Years	5 Years	1 Year	1 Year-5 Years	5 Years		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Securities Available for Sale								
Government and state enterprise								
securities	6,559,851,049	7,036,543,418	3,313,912,798	16,910,307,265	2,284,624,421	9,709,297,515	4,385,411,043	16,379,332,979
Private sector's debt								
securities	389,337,073	2,107,452,675	122,964,136	2,619,753,884	341,677,226	2,938,231,245	50,000,000	3,329,908,471
Total	6,949,188,122	9,143,996,093	3,436,876,934	19,530,061,149	2,626,301,647	12,647,528,760	4,435,411,043	19,709,241,450
<u>Add</u> Allowances for valuation	49,538,752	1,011,951,742	257,911,426	1,319,401,920	61,784,795	1,354,967,234	522,477,283	1,939,229,312
Total	6,998,726,874	10,155,947,835	3,694,788,360	20,849,463,069	2,688,086,442	14,002,495,994	4,957,888,326	21,648,470,762

THE BANK'S FINANCIAL STATEMENTS

	2002				2001			
	Due within				Due within			
	Greater than	Greater than	Total	Greater than	Greater than	Total		
	1 Year	1 Year-5 Years	5 Years	1 Year	1 Year-5 Years	5 Years		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Securities Held to Maturity								
Government and state enterprise								
securities	864,827,439	484,669,033	6,942,379,272	8,291,875,744	-	1,069,484	5,532,691,348	5,533,760,832
Private sector's debt								
securities	110,000,000	1,019,916,140	1,393,365,543	2,523,281,683	130,000,000	240,000,000	1,464,296,139	1,834,296,139
Total	974,827,439	1,504,585,173	8,335,744,815	10,815,157,427	130,000,000	241,069,484	6,996,987,487	7,368,056,971
<u>Less</u> Allowances for impairment	(110,000,000)	-	-	(110,000,000)	(130,000,000)	-	-	(130,000,000)
Total	864,827,439	1,504,585,173	8,335,744,815	10,705,157,427	-	241,069,484	6,996,987,487	7,238,056,971
Total Debt securities	7,863,554,313	11,660,533,008	12,030,533,175	31,554,620,496	2,688,086,442	14,243,565,478	11,954,875,813	28,886,527,733

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

4.4.4 Investments in subsidiaries and associated companies

CONSOLIDATED FINANCIAL STATEMENTS					
Company Name	Business Type	Securities Investment Type	2002	Investment	
			% Ownership	Cost Baht	Equity Baht
Subsidiary companies					
Siam Realty and Services Company Limited	Car rent, and Personnel services	Common stock	99.99%	99,999,400	273,503,850
K.S. Law Office Company Limited	Law advisor	Common stock	99.99%	1,999,940	- 0 -
Ayudhya Services and Management Company Limited	Personnel services	Common stock	99.99%	14,999,940	11,971,090
Associated companies					
Ayudhya International Factors Company Limited	Factoring	Common stock	49.99%	147,497,460	106,516,804
Krungsriayudhya Card Company Limited	Credit card	Common stock	49.99%	12,499,960	22,227,759
Ayudhya JF Asset Management Limited	Investment management	Common stock	38.33%	51,263,810	103,757,976
Ayudhya Development Leasing Company Limited	Leasing	Common stock	26.65%	125,248,310	177,796,146
Investment for subsidiaries and associated companies				<u>453,508,820</u>	<u>695,773,625</u>

CONSOLIDATED FINANCIAL STATEMENTS					
Company Name	Business Type	Securities Investment Type	2001	Investment	
			% Ownership	Cost Baht	Equity Baht
Subsidiary companies					
Siam Realty and Services Company Limited	Car rent	Common stock	99.99%	99,999,400	242,903,955
K.S. Law Office Company Limited	Law advisor	Common stock	99.99%	1,999,940	- 0 -
Ayudhya Services and Management Company Limited	Personnel services	Common stock	99.99%	14,999,940	19,492,759
Associated companies					
Ayudhya International Factors Company Limited	Factoring	Common stock	49.99%	147,497,460	102,117,714
Krungsriayudhya Card Company Limited	Credit card	Common stock	49.99%	12,499,960	- 0 -
Ayudhya JF Asset Management Limited	Investment management	Common stock	38.33%	51,263,810	90,705,271
Ayudhya Development Leasing Company Limited	Leasing	Common stock	26.65%	125,248,310	171,398,071
Investment for subsidiaries and associated companies				<u>453,508,820</u>	<u>626,617,770</u>

THE BANK'S FINANCIAL STATEMENTS

Company Name	Business Type	Securities Investment Type	2002	Investment	
			% Ownership	Cost Baht	Equity Baht
Subsidiary companies					
Siam Realty and Services Company Limited	Car rent, and Personnel services	Common stock	99.99%	99,999,400	273,503,850
K.S. Law Office Company Limited	Law advisor	Common stock	99.99%	1,999,940	- 0 -
Ayudhya Services and Management Company Limited	Personnel services	Common stock	99.99%	14,999,940	11,971,090
Ayudhya Asset Management Company Limited	Assets management	Common stock	99.99%	770,472,440	742,328,517
Ayudhya Investment and Trust Public Company Limited	Finance	Common stock Preferred stock	80.03%	1,759,238,246 500,000,000	565,151,392 500,000,000
Associated companies					
Ayudhya International Factors Company Limited	Factoring	Common stock	49.99%	147,497,460	106,516,804
Krungriayudhya Card Company Limited	Credit card	Common stock	49.99%	12,499,960	22,227,759
Ayudhya JF Asset Management Limited	Investment management	Common stock	38.33%	51,263,810	103,757,976
Ayudhya Development Leasing Company Limited	Leasing	Common stock	26.65%	125,248,310	177,796,146
Investment for subsidiaries and associated companies				<u>3,483,219,506</u>	<u>2,503,253,534</u>

THE BANK'S FINANCIAL STATEMENTS

Company Name	Business Type	Securities Investment Type	2001	Investment	
			% Ownership	Cost Baht	Equity Baht
Subsidiary companies					
Siam Realty and Services Company Limited	Car rent	Common stock	99.99%	99,999,400	242,903,955
K.S. Law Office Company Limited	Law advisor	Common stock	99.99%	1,999,940	- 0 -
Ayudhya Services and Management Company Limited	Personnel services	Common stock	99.99%	14,999,940	19,492,759
Ayudhya Asset Management Company Limited	Assets management	Common stock	99.99%	770,472,440	764,014,009
Ayudhya Investment and Trust Public Company Limited	Finance	Common stock Preferred stock	80.03%	1,759,238,246 500,000,000	451,700,732 500,000,000
Associated companies					
Ayudhya International Factors Company Limited	Factoring	Common stock	49.99%	147,497,460	102,117,714
Krungriayudhya Card Company Limited	Credit card	Common stock	49.99%	12,499,960	- 0 -
Ayudhya JF Asset Management Limited	Investment management	Common stock	38.33%	51,263,810	90,705,271
Ayudhya Development Leasing Company Limited	Leasing	Common stock	26.65%	125,248,310	171,398,071
Investment for subsidiaries and associated companies				<u>3,483,219,506</u>	<u>2,342,332,511</u>

Information about financial position and results of operations which is summarized from the financial statements of subsidiary companies which are not included in the consolidated financial statements as stated above are as follows:

**SIAM REALTY AND SERVICES CO., LTD.
CONDENSED BALANCE SHEETS
AS AT DECEMBER 31,**

	“UNAUDITED” 2002	BAHT “AUDITED” 2001
ASSETS	<u>280,779,955</u>	<u>281,272,628</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities	7,265,165	36,347,698
Shareholders' equity	<u>273,514,790</u>	<u>244,924,930</u>
	<u>280,779,955</u>	<u>281,272,628</u>

**SIAM REALTY AND SERVICES CO., LTD.
CONDENSED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,**

	“UNAUDITED” 2002	BAHT “AUDITED” 2001
REVENUES	318,359,803	246,353,862
EXPENSES	<u>287,135,902</u>	<u>200,785,358</u>
NET INCOME	<u>31,223,901</u>	<u>45,568,504</u>
 EARNINGS PER SHARE	 31.22	 90.38

**K.S. LAW OFFICE CO., LTD.
CONDENSED BALANCE SHEETS
AS AT DECEMBER 31,**

	“UNAUDITED” 2002	BAHT “AUDITED” 2001
ASSETS	<u>27,285,479</u>	<u>31,597,355</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities	42,965,401	38,525,865
Shareholders' equity	<u>(15,679,922)</u>	<u>(6,928,510)</u>
	<u>27,285,479</u>	<u>31,597,355</u>

**K.S. LAW OFFICE CO., LTD.
CONDENSED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,**

	“UNAUDITED” 2002	BAHT “AUDITED” 2001
REVENUES	82,653,914	135,913,469
EXPENSES	<u>91,496,222</u>	<u>106,363,166</u>
NET INCOME (LOSS)	<u>(8,842,308)</u>	<u>29,550,303</u>
 BASIC EARNINGS PER SHARE (LOSS)	 (44.21)	 147.75

**AYUDHYA SERVICES AND MANAGEMENT CO., LTD.
CONDENSED BALANCE SHEETS
AS AT DECEMBER 31,**

	“UNAUDITED” 2002	BAHT “AUDITED” 2001
ASSETS	<u>11,972,307</u>	<u>24,326,479</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities	1,071	3,664,365
Shareholders' equity	<u>11,971,236</u>	<u>20,662,114</u>
	<u>11,972,307</u>	<u>24,326,479</u>

AYUDHYA SERVICES AND MANAGEMENT CO., LTD.
CONDENSED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,

	“UNAUDITED”	BAHT “AUDITED”
	2002	2001
REVENUES	91,958,144	184,937,094
EXPENSES	<u>96,524,023</u>	<u>180,322,309</u>
NET INCOME (LOSS)	<u>(4,565,879)</u>	<u>4,614,785</u>
 BASIC EARNINGS PER SHARE (LOSS)	 (3.04)	 3.08

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

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

	2002	BAHT 2001
ASSETS		
Cash and financial institutions deposit	3,562,861	24,652,507
Investment in receivables, net	5,506,721,330	6,311,728,988
Properties foreclosed, net	2,402,395,788	1,587,524,754
Equipment, net	5,359,747	59,163
Amount due from parent company	16,550,105	464,305,735
Other assets	<u>14,827,082</u>	<u>144,095</u>
TOTAL ASSETS	<u>7,949,416,913</u>	<u>8,388,415,242</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Borrowings	7,198,730,454	7,613,263,239
Other liabilities	8,356,160	11,136,160
Shareholders' equity	<u>742,330,299</u>	<u>764,015,843</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>7,949,416,913</u>	<u>8,388,415,242</u>

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

	2002	BAHT 2001
INTEREST AND DIVIDEND INCOME	25,683,183	1,422,741
INTEREST EXPENSES	<u>144,971,012</u>	<u>3,476,225</u>
NET INTEREST AND DIVIDEND INCOME	(119,287,829)	(2,053,484)
BAD DEBT AND DOUBTFUL ACCOUNTS	241,685,130	-
LOSS ON DEBT RESTRUCTURING	<u>1,362,905</u>	<u>-</u>
NET INTEREST AND DIVIDEND INCOME AFTER BAD DEBT AND DOUBTFUL ACCOUNTS AND LOSS ON DEBT RESTRUCTURING	<u>(362,335,864)</u>	<u>(2,053,484)</u>
NON-INTEREST INCOME	395,138,433	45,031
NON-INTEREST EXPENSES	<u>54,488,113</u>	<u>4,138,421</u>
NET LOSS	<u>(21,685,544)</u>	<u>(6,146,874)</u>
 BASIC LOSS PER SHARE	 (0.28)	 (0.31)

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

	2002	BAHT 2001
Cash flows from operation activities		
Net loss	(21,685,544)	(6,146,874)
Adjustments to reconcile net loss to net cash flows from operating activities		
Bad debt and doubtful accounts	241,685,130	-
Loss on debt restructuring	1,362,905	-
Depreciation	542,169	1,073
Interest income from assets acquired from debt repayment	(273,954)	-
Loss on impairment of properties foreclosed	-	3,072,411
Increase (decrease) in accrued interest expenses	(1,501,968)	3,474,225
Increase in other accrued expenses	2,722,673	81,850
Income from operations before change in operating assets and liabilities	222,851,411	482,685
Increase (decrease) in operating assets		
Investment in receivables	391,468,761	(6,311,728,987)
Properties foreclosed	(799,663,109)	(1,590,597,165)
Amounts due from parent company	151,262,663	(464,305,736)
Withholding tax	(6,825,160)	(12,269)
Other assets	(7,731,451)	(131,531)
Increase (decrease) in operating liabilities		
Amounts due to parent company	(7,337,940)	7,455,464
Guarantee to lease assets	1,806,056	-
Other liabilities	1,087,427	24,621
Net cash used in operating activities	<u>(53,081,342)</u>	<u>(8,358,812,918)</u>
Cash flows from investing activities		
Cash paid for purchase of equipment	<u>(5,832,053)</u>	<u>(60,236)</u>
Net cash used in investing activities	<u>(5,832,053)</u>	<u>(60,236)</u>
Cash flows from financing activities		
Increase in borrowings	37,823,749	7,613,263,239
Proceeds from increase in share capital	-	745,472,500
Net cash provided by financing activities	<u>37,823,749</u>	<u>8,358,735,739</u>
Net decrease in cash and cash equivalents	<u>(21,089,646)</u>	<u>(137,415)</u>
Cash and equivalents as at January 1,	<u>24,652,507</u>	<u>24,789,922</u>
Cash and cash equivalents as at December 31,	<u>3,562,861</u>	<u>24,652,507</u>
Supplementary disclosures of cash flow information		
Cash paid for interest and income tax		
Interest expense	146,472,980	2,000
Income tax	6,825,160	12,269

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

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Manufacturing	31,641,530	-	31,641,530	-
Trading	43,750,000	24,000,000	43,750,000	24,000,000
Banking and finance	19,180,000	19,180,000	12,500,000	12,500,000
Services	15,000,000	15,000,000	15,000,000	15,000,000
Total	<u>109,571,530</u>	<u>58,180,000</u>	<u>102,891,530</u>	<u>51,500,000</u>

As at December 31, 2002 and 2001, securities available for sales and general investments in the Bank's financial statements included investment in company subject to be delisted from SET which are investment in common share and convertible preferred share of such 6 companies and 5 companies with cost of Baht 752 million and Baht 753 million and market price of Baht 753 million and Baht 755 million respectively. In the consolidated financial statements, there were investments in common share, convertible preferred share and convertible debentures of such 7 companies and 6 companies with cost of Baht 755 million and Baht 756 million and market price of Baht 757 million and Baht 759 million, respectively.

4.5 Securities used as collateral

Government and state enterprise securities having face values of Baht 2,785 million and Baht 5,887 million were used as collateral for other commitments with government departments and state enterprises as at December 31, 2002 and 2001, respectively.

4.6 Loans and accrued interest receivables

(1) Classified by products

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Overdrafts	57,127,082,999	53,890,331,859	56,991,289,280	53,753,408,832
Loan against contract	234,286,406,981	219,169,223,100	232,394,795,427	217,160,025,868
Trade bill	77,896,056,543	63,107,112,273	76,941,311,514	62,455,416,807
Hire purchase	14,028,989	5,367,717	-	-
Others	9,563,067,546	8,949,924,170	9,562,250,660	8,949,107,284
Total	378,886,643,058	345,121,959,119	375,889,646,881	342,317,958,791
Less Unearned discount on loans	(50,501,924)	(41,408,900)	(49,049,397)	(41,408,900)
Total	378,836,141,134	345,080,550,219	375,840,597,484	342,276,549,891
Add Accrued interest receivables	4,497,930,504	4,618,695,324	4,334,653,376	4,292,458,771
Less Allowance for doubtful accounts	(20,966,112,907)	(9,697,915,281)	(19,784,273,520)	(8,727,887,661)
Revaluation allowance for debt restructuring	(1,664,346,259)	(2,293,944,325)	(1,533,176,729)	(2,124,570,461)
Total	360,703,612,472	337,707,385,937	358,857,800,611	335,716,550,540

(2) Classified by maturity

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Not over 1 year*	153,843,430,809	130,091,602,585	151,095,990,512	127,944,419,087
Over 1 year	225,043,212,249	215,030,356,534	224,793,656,369	214,373,539,704
Total	378,886,643,058	345,121,959,119	375,889,646,881	342,317,958,791
Less Unearned discount on loans	(50,501,924)	(41,408,900)	(49,049,397)	(41,408,900)
Total	378,836,141,134	345,080,550,219	375,840,597,484	342,276,549,891
Add Accrued interest receivables	4,497,930,504	4,618,695,324	4,334,653,376	4,292,458,771
Total	383,334,071,638	349,699,245,543	380,175,250,860	346,569,008,662

* Included those without agreements and past due agreements

(3) Classified by currency and residence of debtors

CONSOLIDATED FINANCIAL STATEMENTS						
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Baht	365,431,023,062	36,929,298	365,467,952,360	332,146,535,647	37,360,000	332,183,895,647
US Dollar	11,287,412,855	710,160,731	11,997,573,586	10,385,229,042	2,012,344,106	12,397,573,148
Other currencies	898,144,305	522,972,807	1,421,117,112	409,611,333	130,878,991	540,490,324
Total	377,616,580,222	1,270,062,836	378,886,643,058	342,941,376,022	2,180,583,097	345,121,959,119
Less Unearned discount on loans			(50,501,924)			(41,408,900)
Total			378,836,141,134			345,080,550,219
Add Accrued interest receivables			4,497,930,504			4,618,695,324
Total			383,334,071,638			349,699,245,543

THE BANK'S FINANCIAL STATEMENTS						
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Baht	362,435,857,495	35,098,688	362,470,956,183	329,354,270,730	25,624,589	329,379,895,319
US Dollar	11,287,412,855	710,160,731	11,997,573,586	10,385,229,042	2,012,344,106	12,397,573,148
Other currencies	898,144,305	522,972,807	1,421,117,112	409,611,333	130,878,991	540,490,324
Total	374,621,414,655	1,268,232,226	375,889,646,881	340,149,111,105	2,168,847,686	342,317,958,791
Less Unearned discount on loans			(49,049,397)			(41,408,900)
Total			375,840,597,484			342,276,549,891
Add Accrued interest receivables			4,334,653,376			4,292,458,771
Total			380,175,250,860			346,569,008,662

(4) Classified by business type and classification

CONSOLIDATED FINANCIAL STATEMENTS						
	2002					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Agriculture and mining	8,827,898,442	536,904,989	292,493,706	297,198,835	2,640,626,015	12,595,121,987
Manufacturing and trading	159,112,993,772	4,612,201,995	8,535,432,429	5,072,443,737	28,027,762,013	205,360,833,946
Real estate and construction	27,698,383,155	734,290,938	1,621,404,935	478,337,450	15,141,177,048	45,673,593,526
Public utilities and services	56,005,242,829	2,721,095,568	3,529,166,645	623,772,135	5,355,263,223	68,234,540,400
Housing loans	24,771,744,073	952,491,512	674,200,015	463,208,692	6,615,360,207	33,477,004,499
Others	11,567,408,681	189,522,203	133,053,261	168,700,336	1,486,864,219	13,545,548,700
Total	287,983,670,952	9,746,507,205	14,785,750,991	7,103,661,185	59,267,052,725	378,886,643,058
Less Unearned discount on loans						(50,501,924)
Total						378,836,141,134
Add Accrued interest receivables						4,497,930,504
						383,334,071,638

CONSOLIDATED FINANCIAL STATEMENTS

2001

	Normal	Special	Substandard	Doubtful	Doubtful	Total
	Baht	Mention	Baht	Baht	of Loss	Baht
	Baht	Baht	Baht	Baht	Baht	Baht
Agriculture and mining	7,956,078,032	738,580,649	543,081,355	294,056,323	1,958,988,729	11,490,785,088
Manufacturing and trading	145,109,394,320	5,187,147,208	8,471,073,150	3,321,711,356	20,145,737,614	182,235,063,648
Real estate and construction	26,677,873,740	643,485,956	2,399,855,568	902,979,271	12,561,955,155	43,186,149,690
Public utilities and services	49,876,136,528	2,306,945,010	2,978,503,640	360,505,083	5,352,890,414	60,874,980,675
Housing loans	22,337,934,371	969,418,360	849,613,999	384,326,262	6,343,054,353	30,884,347,345
Others	13,899,846,382	707,862,293	181,747,605	210,391,672	1,450,784,721	16,450,632,673
Total	265,857,263,373	10,553,439,476	15,423,875,317	5,473,969,967	47,813,410,986	345,121,959,119
Less Unearned discount on loans						(41,408,900)
Total						345,080,550,219
Add Accrued interest receivables						4,618,695,324
						<u>349,699,245,543</u>

THE BANK'S FINANCIAL STATEMENTS

2002

	Normal	Special	Substandard	Doubtful	Doubtful	Total
	Baht	Mention	Baht	Baht	of Loss	Baht
	Baht	Baht	Baht	Baht	Baht	Baht
Agriculture and mining	8,757,898,442	536,904,989	292,493,706	247,198,835	2,622,159,623	12,456,655,595
Manufacturing and trading	157,122,410,522	4,550,449,941	8,308,131,122	5,072,443,737	27,842,867,033	202,896,302,355
Real estate and construction	26,881,270,411	734,290,938	1,621,404,935	470,993,527	14,903,526,968	44,611,486,779
Public utilities and services	55,830,051,413	2,717,876,778	3,526,396,405	623,772,135	5,299,758,452	67,997,855,183
Housing loans	24,585,862,106	931,416,774	672,438,186	457,168,948	1,601,810,899	28,248,696,913
Others	18,402,793,003	171,437,802	128,972,224	165,554,346	809,892,681	19,678,650,056
Total	291,580,285,897	9,642,377,222	14,549,836,578	7,037,131,528	53,080,015,656	375,889,646,881
Less Unearned discount on loans						(49,049,397)
Total						375,840,597,484
Add Accrued interest receivables						4,334,653,376
						<u>380,175,250,860</u>

THE BANK'S FINANCIAL STATEMENTS

2001

	Normal	Special	Substandard	Doubtful	Doubtful	Total
	Baht	Mention	Baht	Baht	of Loss	Baht
	Baht	Baht	Baht	Baht	Baht	Baht
Agriculture and mining	7,906,078,032	688,580,649	543,081,355	294,056,323	1,940,522,337	11,372,318,696
Manufacturing and trading	143,427,547,740	5,076,214,212	8,286,017,224	3,110,091,724	20,001,268,039	179,901,138,939
Real estate and construction	25,905,463,233	643,485,956	2,392,422,885	747,977,100	12,435,236,266	42,124,585,440
Public utilities and services	49,797,626,078	2,303,726,219	2,978,503,640	358,256,549	5,299,634,177	60,737,746,663
Housing loans	22,251,944,573	943,715,485	833,730,096	363,418,260	895,399,241	25,288,207,655
Others	21,086,721,800	659,015,868	171,069,675	206,028,360	771,125,695	22,893,961,398
Total	270,375,381,456	10,314,738,389	15,204,824,875	5,079,828,316	41,343,185,755	342,317,958,791
Less Unearned discount on loans						(41,408,900)
Total						342,276,549,891
Add Accrued interest receivables						4,292,458,771
						<u>346,569,008,662</u>

(5) Classified by type of classification

CONSOLIDATED FINANCIAL STATEMENTS				
2002				
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal -Securities Business receivable	171,337,939	-	-	-
Normal	289,956,309,510	75,208,687,796	1	752,086,878
Special mention	9,986,796,630	1,612,901,291	2	32,258,026
Substandard	15,107,913,355	4,471,786,377	20	894,357,275
Doubtful	7,205,052,126	1,965,896,591	50	982,948,296
Doubtful of loss	<u>60,957,164,003</u>	<u>13,170,441,278</u>	100	<u>13,170,441,278</u>
Total	383,384,573,563	96,429,713,333		15,832,091,753**
Less Unearned discount on loans	<u>(50,501,925)</u>			
Total	383,334,071,638			
Surplus Reserve				<u>5,134,021,154*</u> <u>20,966,112,907</u>

CONSOLIDATED FINANCIAL STATEMENTS				
2001				
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal -Securities Business receivable	324,366,506	-	-	-
Normal	267,983,334,792	69,284,350,712	1	692,843,507
Special mention	10,770,675,080	1,498,685,139	2	29,973,703
Substandard	15,839,642,356	4,984,173,547	20	996,834,709
Doubtful	5,588,652,559	1,191,817,223	50	595,908,612
Doubtful of loss	<u>49,233,983,150</u>	<u>2,042,895</u>	100	<u>2,042,895</u>
Total	349,740,654,443	76,961,069,516		2,317,603,426**
Less Unearned discount on loans	<u>(41,408,900)</u>			
Total	349,699,245,543			
Surplus Reserve				<u>7,380,311,855*</u> <u>9,697,915,281</u>

(* Including allowance for doubtful accounts of loans granted to Ayudhya Asset Management Company Limited as of December 31, 2002 and 2001, at the rate of 1% of Baht 7,199 million and Baht 7,613 million equaled Baht 72 million and Baht 76 million, respectively which is eliminated from loans classified as normal in consolidated financial statements)

(** Excluding revaluation allowance for debt restructuring as at December 31, 2002 and 2001, of Baht 1,274 million and Baht 1,714 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2002 and 2001, of Baht 1 million and Baht 4 million, respectively.)

**THE BANK'S FINANCIAL STATEMENTS AND AYUDHYA
ASSET MANAGEMENT COMPANY LIMITED**

2002

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal	286,581,702,654	73,490,908,674	1	806,896,391
Special mention	9,878,780,037	1,554,160,659	2	31,083,213
Substandard	14,866,150,167	4,323,077,528	20	864,615,506
Doubtful	7,134,722,051	1,910,409,051	50	955,204,526
Doubtful of loss	60,374,508,586	12,982,026,083	100	12,982,026,083
Total	<u>378,835,863,495</u>	<u>94,260,581,995</u>		15,639,825,719
Less Unearned discount on loans	(49,049,397)			
Total	<u>378,786,814,098</u>			4,520,616,820*
Surplus Reserve				<u>20,160,442,539</u>

**THE BANK'S FINANCIAL STATEMENTS AND AYUDHYA
ASSET MANAGEMENT COMPANY LIMITED**

2001

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal	265,162,310,994	67,829,345,974	1	754,460,834
Special mention	10,516,971,635	1,296,384,511	2	25,927,690
Substandard	15,615,503,771	4,792,688,140	20	958,537,628
Doubtful	5,193,268,340	948,986,883	50	474,493,442
Doubtful of loss	48,819,891,082	-	100	-
Total	<u>345,307,945,822</u>	<u>74,867,405,508</u>		2,213,419,594
Less Unearned discount on loans	(41,408,900)			
Total	<u>345,266,536,922</u>			6,517,004,803*
Surplus Reserve				<u>8,730,424,397</u>

(* Including allowance for doubtful accounts of loans granted to Ayudhya Asset Management Company Limited as at December 31, 2002 and 2001, at the rate of 1% of Baht 7,199 million and Baht 7,613 million equaled Baht 72 million and Baht 76 million, respectively which is eliminated from loan classified as normal in consolidated financial statements)

THE BANK'S FINANCIAL STATEMENTS

2002

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal	293,677,387,062	80,688,304,759	1	806,883,048**
Special mention	9,878,154,769	1,554,148,154	2	31,082,963
Substandard	14,865,170,781	4,322,881,651	20	864,576,330
Doubtful	7,134,013,051	1,910,054,551	50	955,027,276
Doubtful of loss	54,669,574,594	12,744,232,978	100	12,744,232,978
Total	<u>380,224,300,257</u>	<u>101,219,622,093</u>		15,401,802,595***
Less Unearned discount on loans	(49,049,397)			
Total	<u>380,175,250,860</u>			4,382,470,925
Surplus Reserve				<u>19,784,273,520</u>

THE BANK'S FINANCIAL STATEMENTS

2001

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Provision
	Baht	Baht		Baht
Normal	272,779,048,458	75,446,083,438	1	754,460,834**
Special mention	10,516,971,635	1,296,384,511	2	25,927,690
Substandard	15,615,503,771	4,792,688,140	20	958,537,628
Doubtful	5,193,268,340	948,986,883	50	474,493,442
Doubtful of loss	42,505,625,358	- ****	100	-
Total	346,610,417,562	82,484,142,972		2,213,419,594***
Less unearned discount on loans	(41,408,900)			
Total	346,569,008,662			
Surplus Reserve				6,514,468,067
				8,727,887,661

(** Including allowance for doubtful accounts of loans given to Ayudhya Asset Management Company Limited as at December 31, 2002 and 2001, at the rate of 1% of Baht 7,199 million and Baht 7,613 million equaled Baht 72 million and Baht 76 million, respectively.)

(*** Excluding revaluation allowance for debt restructuring as at December 31, 2002 and 2001, of Baht 1,143 million and Baht 1,545 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2002 and 2001, of Baht 1 million and Baht 4 million, respectively.)

(**** As at December 31, 2001, the Bank has loans classified as doubtful of loss which the provisions was fully set up in accordance with BOT's guideline and written off amounting to Baht 14,136 million.)

In October 2001, the Bank and a subsidiary entered into Assets Transfer Agreements with the Thai Asset Management Corporation (TAMC) in order to transfer their impaired assets (classified as loss and doubtful of loss) at the net amount after deducting the allowance for doubtful accounts pursuant to the BOT's notification of Baht 5,565 million and Baht 131 million, respectively, to TAMC and incurred the loss from transfer of assets of Baht 424 million and Baht 1 million, respectively. For the year ended December 31, 2002, the Bank transferred the impaired assets at the net amount after deducting the allowance for doubtful accounts pursuant to the BOT's notification of Baht 1,409 million, to TAMC. The transfer price is being validated and confirmed by TAMC prior to issuing the non-negotiable promissory notes, 10 years term to the Bank and its subsidiary from date of transfer of assets. The Bank and its subsidiary recorded the transfer out of assets as a deduction from the loan and presented the right over the promissory notes issued by TAMC as the long-term investments classified as held-to-maturity (as government and state enterprise securities) in the financial statements (see Notes 4.4.2 and 4.25). As of December 31, 2002, the Bank and the subsidiary received the bill of exchange in the amount of Baht 5,384 million and Baht 22 million, respectively.

In December 2001, the Bank entered into an Assets Transfer Agreement with Ayudhya Asset Management Company Limited ("AMC") (a subsidiary, 99% owned by the Bank) in order to transfer sub-quality assets including rights over the collateral of which its net book value at the date of transfer is Baht 6,319 million at the transfer price of Baht 6,316 million and incurred loss from transfer of assets of Baht 3 million. Such impaired assets are classified as doubtful of loss according to BOT's notification (see note 4.21.7). The Bank already received the settlement in full according to the agreement and recorded such transfer out of assets from the loan account.

According to BOT's Notification dated January 16, 2003, the definition of non-performing loan (NPL) has been changed to be the loan classified as substandard, doubtful, doubtful of loss and loss in accordance with BOT's Notification dated February 18, 2002 regarding the worthless or irrecoverable assets or assets which are doubtful of being worthless or irrecoverable or any amendments thereof including doubtful of loss loan which has already been written off earlier but has not yet been written back. The Bank has considered the classification on a customer basis.

As at December 31, 2002 and 2001, the Bank and AMC had non-performing loans as follow:

	Unit : million Baht		
	2002		
	Bank only	AMC	The Bank and AMC
Non-performing loans	74,667	5,614	80,281
Percentage of total loans	19.86	98.16	21.04

	Unit : million Baht		
	2001 (New Definition)		
	Bank only	AMC	The Bank and AMC
Non-performing loans	75,351	6,057	81,408
Percentage of total loans	22.01	100.00	23.37

	Unit : million Baht		
	2001 (Previous Definition)		
	Bank only	AMC	The Bank and AMC
Non-performing loans	56,920	6,057	62,977
Percentage of total loans	16.63	100.00	18.08

As at December 31, 2002 and 2001, the Bank's and its subsidiary's non-performing loans classified as substandard, doubtful, doubtful of loss and loss are Baht 82,152 million and Baht 83,504 million, respectively. If the non-performing loans were considered as those representing past due loans on which principal or interest is uncollected after a period of three months from date of maturity except for those which have been restructured under the BOT's regulation, the Bank's and its subsidiary's stop accrued loans would be Baht 64,164 million at December 31, 2001.

In determining an allowance for doubtful accounts, a major factor that has been taken into consideration is the value of collateral. As the real estate and building business is currently facing marketing and liquidity problems, the value of collateral for the loans which consists of land, building and building under construction is dependent upon the ability of the debtors to continue to make payments as liabilities become due until the completion of the project. Collateral pledged as support for loans typically consists of land, buildings, and buildings under construction. Value of such collateral is based on either independent or internally performed appraisals.

Collateral supporting either certain significant loans or a portion of classified loans were reappraised by either internal appraisers of the Bank or independent appraisers approved by the BOT. For collateral valuation of special mention and normal loans, according to the BOT's guideline dated February 18, 2002, 90 percent of appraised value is permitted to be deducted from the debtor's balance before provision for collaterals that have been marked to market or appraised within 36 months. For collaterals that are less frequently appraised, 50 percent deduction is permitted. For collateral valuation of substandard, doubtful and doubtful of loss loans, 90 percent of appraised value is permitted to be deducted from the debtor's balance before provision for collaterals that have been marked to market or appraised within 12 months. For collaterals that are less frequently appraised, 50 percent deduction is permitted.

For debtor with balance of less than Baht 5 million, 90 percent of the appraised value of collateral is permitted to be deducted from the debtor's balance before provision if the collaterals have been marked to market or appraised within 36 months. For collaterals that are less frequently appraised, 50 percent deduction is permitted.

(6) Troubled Debt Restructuring

For the year ended December 31, 2002, the Bank and its subsidiary have restructured the following debts :

	CONSOLIDATED FINANCIAL STATEMENTS	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended		
December 31, 2002	2,686	28,875
Total debtors as at December 31, 2002	138,270	383,334

Details of restructured debts of the Bank and its subsidiary for the year ended December 31, 2002 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	14	1,253	Land, Building, Machine and Condominium	1,511
Conversion to equity	5	57		
Modification of terms	1,227	8,678		
Reduction of principal and Interest	13	190		
Various forms of restructuring (including modification of terms)	1,427	18,697	Land, Building, Machine, Condominium, Vehicles and Securities	1,042
Total	<u>2,686</u>	<u>28,875</u>		<u>2,553</u>

For the year ended December 31, 2002, the Bank and subsidiary calculate the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as per details follow:

CONSOLIDATED FINANCIAL STATEMENTS				
Method	Average Aging	Number	Amount of Debt Before Restructuring (million Baht)	Amount of Debt After Restructuring (million Baht)
Present value of future cash flows	5.05	210	983	958
Fair value of collateral	7.20	1,021	7,772	7,710

As at December 31, 2002, the Bank and its subsidiary had Baht 30,615 million of debtors who have been restructured by modification of repayment terms.

As at December 31, 2002, the Bank and its subsidiary had restructured debt of Baht 120,081 million, including debts restructured during the year of Baht 21,139 million. Substantially all of the restructured loans are classified as normal. For the year ended December 31, 2002, the Bank and its subsidiary recognized interest received from debt restructured of Baht 2,427 million. The loss on debt restructuring of Baht 76 million has been recognized in the statement of income.

For the year ended December 31, 2001, the Bank and its subsidiary have restructured the following debts:

CONSOLIDATED FINANCIAL STATEMENTS		
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2001	3,918	46,371
Total debtors as at December 31, 2001	123,210	349,699

Details of restructured debts of the Bank and its subsidiary are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	42	2,653	Land, Building, Machine and Condominium	2,401
Conversion to equity	1	6		
Modification of terms	1,278	9,300		
Reduction of principal and interest	8	288		
Various forms of restructuring (including modification of terms)	2,589	34,124	Land, Building, Machine, Condominium and Vehicles	2,847
Total	<u>3,918</u>	<u>46,371</u>		<u>5,248</u>

As at December 31, 2001, the Bank and its subsidiary have Baht 27,242 million of debtors who have been restructured by modification of repayment terms.

As at December 31, 2001, the Bank and its subsidiary have the balance of the restructured debt of Baht 124,333 million, including debts restructured during the year of Baht 36,992 million. Substantially all of the restructured loans are classified as normal. For the year ended December 31, 2001, the Bank and its subsidiary recognized interest received from debt restructured of Baht 1,403 million and loss on debt restructuring of Baht 113 million has been recognized in the statement of income.

For the year ended December 31, 2002, the Bank has restructured the following debts:

THE BANK'S FINANCIAL STATEMENTS		
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2002	2,467	28,704
Total debtors as at December 31, 2002	129,090	380,175

Details of restructured debts of the Bank are as follows:

THE BANK'S FINANCIAL STATEMENTS				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	8	1,249	Land, Building, Machine and Condominium	1,506
Conversion to equity	5	57		
Modification of terms	1,027	8,525		
Reduction of principal and interest				
Various forms of restructuring (including modification of terms)	10	186	Land, Building, Machine, Condominium and Vehicles	1,039
Total	<u>2,467</u>	<u>28,704</u>		<u>2,545</u>

For the year ended December 31, 2002, the Bank calculates the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as per details follow:

THE BANK'S FINANCIAL STATEMENTS

Method	Average Aging	Number	Amount of Debt Before Restructuring (million Baht)	Amount of Debt After Restructuring (million Baht)
Present value of future cash flows	6.89	9	830	844
Fair value of collateral	7.20	1,021	7,772	7,710

As at December 31, 2002, the Bank has Baht 30,014 million of debtors who have been restructured by modification of repayment terms.

As at December 31, 2002, the Bank has the balance of the restructured debt of Baht 117,716 million, including debts restructured during the year of Baht 21,018 million. Substantially all of the restructured loans are classified as normal. For the year ended as of December 31, 2002, the Bank recognized interest received from debt restructured of Baht 2,331 million and reversal of loss on debt restructuring of Baht 25 million has been recognized in the statement of income.

For the year ended December 31, 2001, the Bank has restructured the following debts:

THE BANK'S FINANCIAL STATEMENTS

	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2001	3,879	45,998
Total debtors as at December 31, 2001	122,820	346,569

Details of restructured debts of the Bank are as follows:

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	42	2,653	Land, Building, Machine and Condominium	2,401
Conversion to equity	1	6		
Modification of terms	1,266	9,265		
Reduction of principal and interest	6	180		
Various forms of restructuring (including modification of terms)	2,564	33,894	Land, Building, Machine, Condominium and Vehicles	2,834
Total	<u>3,879</u>	<u>45,998</u>		<u>5,235</u>

As at December 31, 2001, the Bank has Baht 26,751 million of debtors who have been restructured by modification of repayment terms.

As at December 31, 2001, the Bank has the balance of the restructured debts of Baht 121,699 million, including debts restructured during the year of Baht 36,734 million. Substantially all of the restructured loans are classified as normal. For the year ended December 31, 2001 the Bank recognized interest received from debt restructuring of Baht 1,295 million and reversal of loss on debt restructuring of Baht 113 million which has been recognized in the statement of income.

4.7 Allowance for doubtful accounts

CONSOLIDATED FINANCIAL STATEMENTS

	2002						
	Normal	Special	Substandard	Doubtful	Doubtful	General	Total
	Baht	Mention Baht	Baht	Baht	of Loss Baht	Reserve Baht	Baht
Beginning Balance	769,010,881	29,973,703	996,834,709	595,908,612	2,042,895	7,304,144,481	9,697,915,281
Doubtful Accounts	55,063,301	2,284,323	(102,477,434)	387,039,684	2,151,137,177	(1,851,690,867)	641,356,184
Bad Debts written off	-	-	-	-	11,017,261,206	22,422,858	11,039,684,064
Allowance for doubtful accounts transferred to							
- Thai Asset Management Corporation	-	-	-	-	-	(314,334,875)	(314,334,875)
- Ayudhya Asset Management Co., Ltd	-	-	-	-	-	(155,863,567)	(155,863,567)
Other	-	-	-	-	-	57,355,820	57,355,820
Ending Balance	824,074,182	32,258,026	894,357,275	982,948,296	13,170,441,278	5,062,033,850	20,966,112,907

CONSOLIDATED FINANCIAL STATEMENTS

	2001						
	Normal	Special	Substandard	Doubtful	Doubtful	General	Total
	Baht	Mention Baht	Baht	Baht	of Loss Baht	Reserve Baht	Baht
Beginning Balance	588,088,254	29,167,992	494,396,602	428,763,774	2,082,124	4,054,725,793	5,597,224,539
Doubtful Accounts	180,922,627	805,711	502,438,107	167,144,838	(3,349,544,106)	3,988,952,737	1,490,719,914
Bad Debts written off	-	-	-	-	3,349,504,877	(424,243,146)	2,925,261,731
Allowance for doubtful accounts transferred to							
- Thai Asset Management Corporation	-	-	-	-	-	(397,536,566)	(397,536,566)
- Krungsri Ayudhya Card Co., Ltd.	-	-	-	-	-	(19,438,655)	(19,438,655)
Other	-	-	-	-	-	101,684,318	101,684,318
Ending Balance	769,010,881	29,973,703	996,834,709	595,908,612	2,042,895	7,304,144,481	9,697,915,281

THE BANK'S FINANCIAL STATEMENTS

	2002						
	Normal	Special	Substandard	Doubtful	Doubtful	General	Total
	Baht	Mention Baht	Baht	Baht	of Loss Baht	Reserve Baht	Baht
Beginning Balance	754,460,834	25,927,690	958,537,628	474,493,442	-	6,514,468,067	8,727,887,661
Doubtful Accounts	52,422,214	5,155,273	(93,961,298)	480,533,834	1,627,535,646	(1,681,617,530)	390,068,139
Bad Debts written off	-	-	-	-	11,116,697,332*	22,422,858	11,139,120,190
Allowance for doubtful accounts transferred to							
- Thai Asset Management Corporation	-	-	-	-	-	(314,334,875)	(314,334,875)
- Ayudhya Asset Management Co. Ltd	-	-	-	-	-	(155,863,567)	(155,863,567)
Other	-	-	-	-	-	(2,604,028)	(2,604,028)
Ending Balance	806,883,048	31,082,963	864,576,330	955,027,276	12,744,232,978	4,382,470,925	19,784,273,520

THE BANK'S FINANCIAL STATEMENTS

	2001						
	Normal	Special	Substandard	Doubtful	Doubtful	General	Total
	Baht	Mention Baht	Baht	Baht	of Loss Baht	Reserve Baht	Baht
Beginning Balance	570,270,515	25,797,244	466,229,365	368,646,909	-	2,723,252,369	4,154,196,402
Doubtful Accounts	184,190,319	130,446	492,308,263	105,846,533	(3,809,209,100)	4,533,286,483	1,506,552,944
Bad Debts written off	-	-	-	-	3,809,209,100**	(424,243,146)***	3,384,965,954
Allowance for doubtful accounts transferred to							
- Thai Asset Management Corporation	-	-	-	-	-	(397,536,566)	(397,536,566)
- Krungsri Ayudhya Card Co., Ltd.	-	-	-	-	-	(19,438,655)	(19,438,655)
Other	-	-	-	-	-	99,147,582	99,147,582
Ending Balance	754,460,834	25,927,690	958,537,628	474,493,442	-	6,514,468,067	8,727,887,661

(* Bad debt written off included the reversal of bad debt written off for loans classified as doubtful of loss of Baht 14,802 million which provision was fully set up in accordance with BOT's guideline and the management believes that such loans are collectible)

(** Reversal of bad debt written off included loans classified as doubtful of loss of Baht 4,011 million which provision was fully set up in accordance with BOT's guideline.)

(*** Decrease in allowance for doubtful accounts resulting from loans transferred to Thai Asset Management Corporation)

As at December 31, 2002 and 2001, the Bank estimated the minimum total allowance under BOT Guidelines of Baht 17,107 million and 4,112 million for the consolidated financial statements and Baht 16,546 million and Baht 3,762 million for the Bank's financial statements.

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

	Unit : million Baht	
	2002	2001
Consolidated financial statements	22,632	11,995
The Bank and The Ayudhya Asset Management Company Limited	21,624	10,859
The Bank's financial statements	21,319	10,856

Such allowance for doubtful accounts consists of allowance for doubtful account for loans and accrued interest receivable, allowance for doubtful account for interbank and money market items and revaluation allowance for debt restructuring.

As at December 31, 2002 and 2001, the Bank and its subsidiary had loans and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and an allowance for doubtful accounts for such loans is as follows:

	2002		
	Number	Outstanding	Appraisal
		Baht	Value of Collateral Baht
Companies subject to be delisted by SET	18	6,852,113,502	1,777,678,598
Total	18	6,852,113,502	1,777,678,598

CONSOLIDATED FINANCIAL STATEMENTS

2001

	Number	Outstanding	Appraisal Value of Collateral	Allowance for Doubtful Accounts
		Baht	Baht	Baht
Companies subject to be delisted by SET	14	7,595,365,265	1,803,852,453	153,958,595
Total	14	7,595,365,265	1,803,852,453	153,958,595

THE BANK'S FINANCIAL STATEMENTS

2002

	Number	Outstanding	Appraisal Value of Collateral	Allowance for Doubtful Accounts
		Baht	Baht	Baht
Companies subject to be delisted by SET	14	6,682,070,391	1,777,678,598	1,398,321,899
Total	14	6,682,070,391	1,777,678,598	1,398,321,899

THE BANK'S FINANCIAL STATEMENTS

2001

	Number	Outstanding	Appraisal Value of Collateral	Allowance for Doubtful Accounts
		Baht	Baht	Baht
Companies subject to be delisted by SET	12	7,425,638,062	1,803,852,453	101,811,370
Total	12	7,425,638,062	1,803,852,453	101,811,370

4.8 Revaluation allowance for debt restructuring

CONSOLIDATED FINANCIAL STATEMENTS

2002

Baht

2001

Baht

Beginning Balance	2,293,944,325	2,984,371,254
Decrease during the year	(33,182,534)	(134,295,682)
Amortization	(596,415,532)	(556,131,247)
Ending Balance	<u>1,664,346,259</u>	<u>2,293,944,325</u>

THE BANK'S FINANCIAL STATEMENTS

2002

Baht

2001

Baht

Beginning Balance	2,124,570,461	2,752,531,921
Decrease during the year	(24,969,109)	(113,139,947)
Amortization	(566,424,623)	(514,821,513)
Ending Balance	<u>1,533,176,729</u>	<u>2,124,570,461</u>

4.9 Properties Foreclosed

CONSOLIDATED FINANCIAL STATEMENTS

	January 1, 2002	Acquisition	Disposition	December 31, 2002
	Baht	Baht	Baht	Baht
1. Assets acquired from debt repayment				
1.1 Immovable	15,472,924,650	5,123,840,455	(2,594,192,761)	18,002,572,344
1.2 Movable	184,070,607	6,352,297	(13,789,675)	176,633,229
Total	15,656,995,257	5,130,192,752	(2,607,982,436)	18,179,205,573
2. Others	910,463,359	823,014,308	(424,861,672)	1,308,615,995
Total properties foreclosed	16,567,458,616	5,953,207,060	(3,032,844,108)	19,487,821,568
Less Provision for impairment	(340,824,938)	(167,083,136)	3,964,900	(503,943,174)
Total properties foreclosed	<u>16,226,633,678</u>	<u>5,786,123,924</u>	<u>(3,028,879,208)</u>	<u>18,983,878,394</u>

CONSOLIDATED FINANCIAL STATEMENTS

	January 1,2001	Acquisition	Disposition	December 31,2001
	Baht	Baht	Baht	Baht
1. Assets acquired from debt repayment				
1.1 Immovable	11,665,977,947	6,647,869,343	(2,840,922,640)	15,472,924,650
1.2 Movable	9,177,949	175,217,639	(324,981)	184,070,607
Total	11,675,155,896	6,823,086,982	(2,841,247,621)	15,656,995,257
2. Others	11,539,943	904,542,982	(5,619,566)	910,463,359
Total properties foreclosed	11,686,695,839	7,727,629,964	(2,846,867,187)	16,567,458,616
Less Provision for Impairment	(244,467,251)	(96,357,687)	-	(340,824,938)
Total properties foreclosed	11,442,228,588	7,631,272,277	(2,846,867,187)	16,226,633,678

THE BANK'S FINANCIAL STATEMENTS

	January 1,2002	Acquisition	Disposition	December 31,2002
	Baht	Baht	Baht	Baht
1. Assets acquired from debt repayment				
1.1 Immovable	13,771,085,115	3,863,703,599	(2,139,228,339)	15,495,560,375
1.2 Movable	184,070,607	6,352,297	(13,789,675)	176,633,229
Total	13,955,155,722	3,870,055,896	(2,153,018,014)	15,672,193,604
2. Others	910,463,359	814,049,708	(424,861,672)	1,299,651,395
Total properties foreclosed	14,865,619,081	4,684,105,604	(2,577,879,686)	16,971,844,999
Less Provision for impairment	(332,378,927)	(160,453,036)	-	(492,831,963)
Total properties foreclosed	14,533,240,154	4,523,652,568	(2,577,879,686)	16,479,013,036

THE BANK'S FINANCIAL STATEMENTS

	January 1,2001	Acquisition	Disposition	December 31,2001
	Baht	Baht	Baht	Baht
1. Assets acquired from debt repayment				
1.1 Immovable	11,540,341,301	5,048,078,728	(2,817,334,914)	13,771,085,115
1.2 Movable	9,177,949	175,217,639	(324,981)	184,070,607
Total	11,549,519,250	5,223,296,367	(2,817,659,895)	13,955,155,722
2. Others	11,539,943	904,542,982	(5,619,566)	910,463,359
Total properties foreclosed	11,561,059,193	6,127,839,349	(2,823,279,461)	14,865,619,081
Less Provision for impairment	(241,047,251)	(91,331,676)	-	(332,378,927)
Total properties foreclosed	11,320,011,942	6,036,507,673	(2,823,279,461)	14,533,240,154

During the year 2002 and 2001 the Bank entered into an agreement to sell the impaired assets and the rights to Ayudhya Asset Management Company Limited (AMC), a wholly owned subsidiary. The Bank sold the immovable properties foreclosed having the book value of Baht 1,149 million and Baht 1,590 million, respectively. No gain or loss was recognized from sale of such properties and the Bank has already collected such amount in full.

4.10 Property, premises and equipment

CONSOLIDATED FINANCIAL STATEMENTS					
	January 1, 2002 Baht	Increase Baht	Decrease Baht	Others* Baht	December 31, 2002 Baht
Land					
Cost	3,769,718,133	-	-	(156,624,983)	3,613,093,150
Appraisal increase	2,790,108,821	-	-	(16,233,480)	2,773,875,341
Appraisal decrease	(327,277,000)	-	-	-	(327,277,000)
Premises					
Cost	5,322,536,276	26,481,087	-	(231,965,287)	5,117,052,076
Appraisal increase	1,873,282,154	-	-	(28,180,268)	1,845,101,886
Appraisal decrease	(288,546,735)	-	-	-	(288,546,735)
Equipment	5,578,019,401	490,939,831	(123,488,503)	26,178,538	5,971,649,267
Construction in progress	55,141,092	159,942,646	-	(97,766,736)	117,317,002
Leasehold improvement	2,419,937	-	-	-	2,419,937
Total	18,775,402,079	677,363,564	(123,488,503)	(504,592,216)	18,824,684,924
<u>Less</u> Accumulated depreciation					
Premises					
- Cost	(1,130,074,689)	(169,008,390)	-	43,771,436	(1,255,311,643)
- Appraisal increase	(784,164,165)	-	-	(28,179,097)	(812,343,262)
Equipment	(3,376,491,389)	(593,522,779)	119,047,145	59,667,050	(3,791,299,973)
Total	(5,290,730,243)	(762,531,169)	119,047,145	75,259,389	(5,858,954,878)
Property, premises and equipment - net	13,484,671,836				12,965,730,046
				2002 Baht	2001 Baht
Depreciation for the year				762,531,169	707,344,209

(* Including property, premises and equipment transferred to be properties foreclosed of Baht 354 million due to the change of branch office's location and closed branches.)

THE BANK'S FINANCIAL STATEMENTS					
	January 1, 2002 Baht	Increase Baht	Decrease Baht	Others* Baht	December 31, 2002 Baht
Land					
Cost	3,769,718,133	-	-	(156,624,983)	3,613,093,150
Appraisal increase	2,790,108,821	-	-	(16,233,480)	2,773,875,341
Appraisal decrease	(327,277,000)	-	-	-	(327,277,000)
Premises					
Cost	5,322,536,276	26,481,087	-	(231,965,287)	5,117,052,076
Appraisal increase	1,873,282,154	-	-	(28,180,268)	1,845,101,886
Appraisal decrease	(288,546,735)	-	-	-	(288,546,735)
Equipment	5,421,516,647	458,926,158	(114,654,498)	21,776,119	5,787,564,426
Construction in progress	52,967,511	156,275,495	-	(93,364,317)	115,878,689
Leasehold improvement	2,419,937	-	-	-	2,419,937
Total	18,616,725,744	641,682,740	(114,654,498)	(504,592,216)	18,639,161,770
<u>Less</u> Accumulated depreciation					
Premises					
- Cost	(1,130,074,689)	(169,008,390)	-	43,771,436	(1,255,311,643)
- Appraisal increase	(784,164,165)	-	-	(28,179,097)	(812,343,262)
Equipment	(3,267,900,093)	(576,178,353)	111,016,990	59,667,050	(3,673,394,406)
Total	(5,182,138,947)	(745,186,743)	111,016,990	75,259,389	(5,741,049,311)
Property, premises and equipment - net	13,434,586,797				12,898,112,459
				2002 Baht	2001 Baht
Depreciation for the year				745,186,743	693,811,312

(* Including property, premises and equipment transferred to be properties foreclosed of Baht 354 million due to the change of branch office's location and closed branches.)

During the year ended December 31, 2001, land and premises have been revalued by independent premises appraisers based on market value for land and depreciated replacement cost for premises. The Bank has recorded the increments of land and premises in land and premises revaluation surplus. In case of revaluation decrease which is still in excess of the original cost recorded by deducting from such revaluation surplus and recognized in the statement of income for the decrease in value below original cost.

During the year 2001, the Bank has recorded the increments of land appraisal of Baht 1,547 million in land revaluation surplus and the increments of premises appraisal of Baht 796 million in premises revaluation surplus. The Bank has recorded revaluation decrease which is still in excess of the original cost for land of Baht 22 million and premises of Baht 26 million by deducting from land and premises revaluation surplus. The Bank has recorded revaluation decrease which is below the original cost for land and premises of Baht 389 million as expenses in the statements of income.

4.11 Deposits

(1) Classified by product

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
At call	8,404,628,287	7,645,127,047	7,847,551,545	6,301,054,881
Savings deposit	131,695,487,628	115,044,252,311	131,695,488,133	115,044,252,311
Time deposit				
- Not over 6 months	134,079,740,665	175,184,165,720	133,616,678,024	174,040,136,147
- Over 6 months but not over 1 year	46,022,669,956	33,009,539,866	44,406,446,707	32,538,190,653
- Over 1 year	75,236,077,515	44,964,663,239	74,347,059,671	44,326,401,501
Total	395,438,604,051	375,847,748,183	391,913,224,080	372,250,035,493

(2) Classified by maturity

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002	2001	2002	2001
	Baht	Baht	Baht	Baht
Not over 1 year*	354,830,761,226	340,003,944,161	351,315,381,255	336,406,231,471
Over 1 year	40,607,842,825	35,843,804,022	40,597,842,825	35,843,804,022
Total	395,438,604,051	375,847,748,183	391,913,224,080	372,250,035,493

* Including matured time deposits

(3) Classified by currency and residence of depositors

	CONSOLIDATED FINANCIAL STATEMENTS					
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Baht	394,086,085,298	137,764,928	394,223,850,226	374,507,838,145	167,277,142	374,675,115,287
US Dollar	655,994,145	538,831,665	1,194,825,810	646,535,918	512,274,053	1,158,809,971
Other currencies	14,513,147	5,414,868	19,928,015	10,987,031	2,835,894	13,822,925
Total	394,756,592,590	682,011,461	395,438,604,051	375,165,361,094	682,387,089	375,847,748,183

	THE BANK'S FINANCIAL STATEMENTS					
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Baht	390,616,050,507	82,419,748	390,698,470,255	370,965,987,130	111,415,467	371,077,402,597
US Dollar	655,994,145	538,831,665	1,194,825,810	646,535,918	512,274,053	1,158,809,971
Other currencies	14,513,147	5,414,868	19,928,015	10,987,031	2,835,894	13,822,925
Total	391,286,557,799	626,666,281	391,913,224,080	371,623,510,079	626,525,414	372,250,035,493

4.12 Interbank and money market items
(1) Domestic items

CONSOLIDATED FINANCIAL STATEMENTS						
	At Call	2002	Total	At Call	2001	Total
	Baht	Time	Baht	Baht	Time	Baht
		Baht			Baht	
Bank of Thailand and Financial Institution Development Fund	-	3,926,423,912	3,926,423,912	-	2,501,212,800	2,501,212,800
Commercial banks	740,745,819	109,890,414	850,636,233	567,319,897	111,637,879	678,957,776
Other banks	355,218,909	198,806,000	554,024,909	331,751,644	228,720,500	560,472,144
Finance companies, trust and securities companies, securities companies and credit foncier companies	291,414,774	215,204,251	506,619,025	277,955,778	74,103,892	352,059,670
Other financial institutions	1,406,101,899	2,801,232,349	4,207,334,248	1,060,123,517	845,103,813	1,905,227,330
Total domestic items	2,793,481,401	7,251,556,926	10,045,038,327	2,237,150,836	3,760,778,884	5,997,929,720

THE BANK'S FINANCIAL STATEMENTS						
	At Call	2002	Total	At Call	2001	Total
	Baht	Time	Baht	Baht	Time	Baht
		Baht			Baht	
Bank of Thailand and Financial Institution Development Fund	-	3,926,423,912	3,926,423,912	-	2,501,212,800	2,501,212,800
Commercial banks	783,544,101	111,696,256	895,240,357	626,135,528	111,637,879	737,773,407
Other banks	355,218,909	198,806,000	554,024,909	331,751,644	228,720,500	560,472,144
Finance companies, trust and securities companies, securities companies and credit foncier companies	136,959,379	1,904,251	138,863,630	110,288,871	103,892	110,392,763
Other financial institutions	1,406,101,899	2,351,232,349	3,757,334,248	1,054,123,517	55,103,813	1,109,227,330
Total domestic items	2,681,824,288	6,590,062,768	9,271,887,056	2,122,299,560	2,896,778,884	5,019,078,444

(2) Foreign items

CONSOLIDATED FINANCIAL STATEMENTS						
	At Call	2002	Total	At Call	2001	Total
	Baht	Time	Baht	Baht	Time	Baht
		Baht			Baht	
US Dollar	10,687,412	-	10,687,412	-	186,382,485	186,382,485
Other currencies	103,727	28,344,190	28,447,917	75,541,742	8,677,129	84,218,871
Total foreign items	10,791,139	28,344,190	39,135,329	75,541,742	195,059,614	270,601,356
Total domestic and foreign items	2,804,272,540	7,279,901,116	10,084,173,656	2,312,692,578	3,955,838,498	6,268,531,076

THE BANK'S FINANCIAL STATEMENTS						
	At Call	2002	Total	At Call	2001	Total
	Baht	Time	Baht	Baht	Time	Baht
		Baht			Baht	
US Dollar	10,687,412	-	10,687,412	-	186,382,485	186,382,485
Other currencies	103,727	28,344,190	28,447,917	75,541,742	8,677,129	84,218,871
Total foreign items	10,791,139	28,344,190	39,135,329	75,541,742	195,059,614	270,601,356
Total domestic and foreign items	2,692,615,427	6,618,406,958	9,311,022,385	2,197,841,302	3,091,838,498	5,289,679,800

4.13 Borrowings

	CONSOLIDATED FINANCIAL STATEMENTS					
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Subordinated Debentures # 1 and # 2	7,920,000,000	-	7,920,000,000	8,000,000,000	-	8,000,000,000
Subordinated Debentures	12,922,000	-	12,922,000	12,922,000	-	12,922,000
Subordinated floating rate notes (US\$ 100.0 million)	-	4,319,644,540	4,319,644,540	-	4,422,700,000	4,422,700,000
Subordinated Debentures # 4 of Bank Of Ayudhya Public Company Limited (see Note 4.14)	13,000,000,000	-	13,000,000,000	13,000,000,000	-	13,000,000,000
Total borrowings	20,932,922,000	4,319,644,540	25,252,566,540	21,012,922,000	4,422,700,000	25,435,622,000

	THE BANK'S FINANCIAL STATEMENTS					
	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Subordinated Debentures # 1 and # 2	7,920,000,000	-	7,920,000,000	8,000,000,000	-	8,000,000,000
Subordinated floating rate notes (US\$ 100.0 million)	-	4,319,644,540	4,319,644,540	-	4,422,700,000	4,422,700,000
Subordinated Debentures # 4 of Bank of Ayudhya Public Company Limited (see Note 4.14)	13,000,000,000	-	13,000,000,000	13,000,000,000	-	13,000,000,000
Total borrowings	20,920,000,000	4,319,644,540	25,239,644,540	21,000,000,000	4,422,700,000	25,422,700,000

Borrowings consist of the following :

- 4.13.1 Domestic subordinated debentures in the amount of Baht 8,000 million with maturity in 2005 and carrying floating interest payable quarterly at the rate of the Bank's highest 3 month time deposit rate plus 3.75% per annum and the minimum interest rate set at 12.5% per annum. However, the Bank has the right to redeem the debentures before the maturity date at the end of the fifth year or in 2003. During the year 2002, the Bank has repurchased such subordinated debentures in the amount of Baht 80 million before due date that the Bank already informed to BOT.
- 4.13.2 Subordinated floating rate notes in the amount of US\$ 100 million with maturity in 2006 and carrying interest at the higher rate of six-month LIBOR plus 0.92% per annum for the years 1-5 and the higher rate of six-month LIBOR plus 2.25% per annum for the years 6-10.
- 4.13.3 Subordinated debentures in the amount of Baht 12.92 million issued by a subsidiary with maturity in 2006 and carrying interest at the fixed rate 10% per annum. However, the bond may be redeemed before due date by the subsidiary at end of year 5 or in 2004.
- 4.13.4 Subordinated Debentures # 4 of Bank of Ayudhya Public Company Limited maturing in 2006 "Subordinated Debentures # 4" consist of 13,000,000 units at a par value of Baht 1,000 per unit totaling Baht 13,000 million. The Debentures bear an interest at the rate of 22.0% p.a. plus a margin which will cover fees and expenses relating to the operations of the Fund. The Bank has the option to redeem the Debentures # 4 after 5 years or in 2004. Such redemption will be in full amount at par and upon the approval of the BOT.

4.14 Subordinated debentures cum preferred shares

THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS

	2002			2001		
	Domestic Baht	Foreign Baht	Total Baht	Domestic Baht	Foreign Baht	Total Baht
Subordinated Debentures # 3 cum Preferred Shares of Bank of Ayudhya Public Company Limited	25,996,343,750	-	25,996,343,750	25,996,343,750	-	25,996,343,750
Less Advance Payment to the Fund	(13,000,000,000)	-	(13,000,000,000)	(13,000,000,000)	-	(13,000,000,000)
Total	12,996,343,750	-	12,996,343,750	12,996,343,750	-	12,996,343,750

On March 17, 1999, the Bank issued certain securities to the Preferred Shares-Subordinated Debentures of Bank of Ayudhya Public Company Limited Fund (the "Fund") under the following terms and conditions:

4.14.1 Preferred Shares class A consisting of 325,000 shares with a par value of Baht 10 per share, issued at Baht 40,000 per share totaling Baht 13,000 million. The Preferred Shares are noncumulative. In the year the Bank records a profit without accumulated loss and pays dividend on ordinary shares, the Bank shall also pay dividend on preferred shares at the following rate:

1. In case the Bank continues to pay interest on the Subordinated Debentures # 3 in full on a due date pursuant to the terms and conditions of the Subordinated Debentures # 3 or in case the Subordinated Debentures # 3 have been redeemed, at the rate of Baht 1.00 per share or,
2. In case the Bank does not pay interest on the Subordinated Debentures # 3 in full on a due date pursuant to the terms and conditions of the Subordinated Debentures # 3, at the rate equivalent to an annual amount of interest payable on Subordinated Debentures # 3 as to be mentioned below minus the amount of interest on Subordinated Debentures which the Bank is able to pay in such year.

4.14.2 Subordinated Debentures # 3 Cum Preferred Shares of Bank of Ayudhya Public Company Limited maturing upon the liquidation of the Bank. The Subordinated Debentures # 3 consist of 325,000 units at a par value of Baht 40,000 totaling Baht 13,000 million. The Debentures bear interest at the rate of 23.0% p.a. payable semi-annually on the last business day of April and October of each year. Such interest is payable only when a dividend is paid on Preferred Shares. The Bank has an option to pay part or full interest if the Bank has the right to pay or not to pay dividend on Preferred Shares. The interest unpaid in any year shall not be cumulative for payment in the following year. In any case, the Bank shall pay interest in any year in an amount which would not incur any loss to the Bank in such accounting year.

Under certain conditions and with approval from the BOT, the Bank can at its option redeem Subordinated Debentures # 3 before maturity. The conditions are as follows :

1. On or subsequent to the maturity date 5 years after issuance of the Subordinated Debentures # 3, or
2. The Bank is informed by the BOT that Subordinated Debentures # 3 Cum Preferred Shares no longer qualify as tier 1 capital of the Bank, or
3. Interest payments on Subordinated Debentures # 3 are no longer deductible as an expense for income tax purposes.

As part of the above transaction with the Fund, the Bank entered into a Master Investment Contract (the "Contract") that set forth certain terms and conditions herein for the securities sold to the Fund. In accordance with the Contract the Bank paid Baht 13,000 million to the Fund.

In addition, the Contract also stipulates that prior to redemption of the Debentures # 3, the Preferred Shares may only be transferred to another person if the Fund simultaneously transfers the Debentures # 3 to the same person and such person agrees to be bound by all conditions in the Contract. Upon redemption of the Debentures # 3, the liquidation preference of the Preferred Shares is reduced to par and each Preferred Share shall be converted into one ordinary share of the Bank.

The Bank accounted for the issue of preferred shares and subordinated debentures # 3 cum preferred shares in accordance with the ICAAT's interpretation and the presentation in the balance sheet as at December 31, 2002 and 2001 is as follows:

	Baht
Borrowings	12,996,343,750
Preferred shares	3,250,000
Premium on preferred shares	406,250

Had the Bank accounted for the issue under the BOT's guideline, the presentation in the balance sheet as at December 31, 2002 and 2001, would be as follows:

	Baht
Preferred shares	3,250,000
Premium on preferred shares	12,996,750,000

4.15 Share capital

	2002 Baht	2001 Baht
Registered capital	78,503,250,000	55,503,250,000
Issued and paid-up share capital	18,503,250,000	18,503,250,000

Capital funds

The Bank maintains its capital funds as a proportion of risk assets in accordance with the criteria, methodologies, and conditions prescribed by the Bank of Thailand. As at December 31, 2002 and 2001, the Bank's total capital funds can be categorized as follows :

	2002 Baht	2001 Baht
Tier 1 capital		
Issued and paid-up share capital	18,503,250,000	18,503,250,000
Premium on share capital	20,263,795,254	20,263,795,254
Statutory reserve	800,000,000	800,000,000
Other reserve	11,821,791,500	11,821,791,500
Net loss after appropriations	(40,666,224,392)	(41,724,466,575)
Subordinated debentures # 3 cum preferred shares*	12,996,343,750	12,996,343,750
Total Tier 1 capital	23,718,956,112	22,660,713,929
Tier 2 capital		
Assets revaluation surplus	2,404,485,854	2,444,028,972
Subordinated unsecured floating rate notes	11,797,400,000	11,330,356,965
Reserve for normal assets	4,963,648,855	4,664,273,338
Total Tier 2 capital	19,165,534,709	18,438,659,275
Total capital fund	42,884,490,821	41,099,373,204

* Included in tier 1 as approved by BOT.

As at December 31, 2001, tier 2 capital included the increments of land appraisal of Baht 1,270 million, which are recorded as land revaluation surplus account and included increment of premises of Baht 374 million, which are recorded as premises revaluation surplus account, (see Note 4.10) since the increments resulting from such land and premises appraisal have been approved by BOT to include in tier 2 capital.

As at December 31, 2002 and 2001, the Bank maintained its capital adequacy ratio to total risk assets and commitments according to the BOT's regulation and procedures as follows:

	Percentage	
	2002	2001
Total capital	10.80	11.01
Tier 1 capital	5.97	6.07

On April 22, 2002, the ordinary shareholders' meeting passed a resolution to approve the decrease in the registered capital from Baht 55,503 million to Baht 18,503 million. On that date, the ordinary shareholders' meeting passed another resolution to approve the increase in the registered capital from Baht 18,503 million to Baht 78,503 million by an issuance of 6,000,000,000 new ordinary shares with a par value of Baht 10 each. A resolution was also passed to approve an issuance of not more than 4,000,000,000 units of warrants to purchase the Bank's ordinary shares offered for sale to local and international investors, and/or to 17 types of institutional investors in accordance with the relevant Notifications of the Securities and Exchange Commission, and/or to general public, and/or to the Bank's shareholders pro rata to their existing shareholding and/or to shareholders who subscribe for new shares and/or to existing shareholders who subscribe for new share more than their rights and/or to an individual shareholder or group of shareholders. In this regards, the Board of Directors, the Executive Board of Directors, the Chairman, the President and any person approved by the Board of Directors or Executive Board of Directors are authorized to determine and change the details and conditions in relation to the offering of shares, for example, number of shares, offering prices, offering period, procedures and other details as they deem appropriate.

Regarding the allocation of the 6,000,000,000 shares, the shareholders' meeting passed a resolution to approve the followings :

1. 1,000,000,000 new ordinary shares with a par value of Baht 10 each, to be allocated to existing shareholders pro rata to their existing shareholding.
2. 1,000,000,000 new ordinary shares with a par value of Baht 10 each, to be allocated to specific investors and/or to 17 types of institutional investors in accordance with the relevant Notifications of Securities and Exchange Commission.
3. Not more than 4,000,000,000 new ordinary shares with a par value of Baht 10 each, to accommodate the exercise of the warrants to purchase ordinary shares of the Bank.

On February 25, 1999, at the extraordinary shareholders' meeting the shareholders passed the resolution on additional matters as follows :

1 Special Purpose Vehicle

The shareholders' meeting passed a resolution to set up, or hold shares or other securities in a subsidiary or a Special Purpose Vehicle (SPV) or a mutual fund for the purpose of raising fund from both in and outside Thailand investors.

2 Capital Securities

The shareholders' meeting passed a resolution to issue and offer for sale the Capital Securities of the Bank and to authorize the establishment or use of its foreign branch or subsidiaries or Special Purpose Vehicle (SPV) overseas to issue such Capital Securities, in an amount of not exceeding US\$ 1,000 million or an equivalent amount in other currency. Such Capital Securities shall be offered to specific investors and/or institutional investors as specified under the SEC regulations both in and outside Thailand.

3 Debentures

The shareholders' meeting passed a resolution to issue and sell debentures in the aggregate principal amount of not exceeding US\$ 2,500 million by issuing in Baht or in other currency in the equivalent amount to public and/or specific investors and/or institutional investors pursuant to the notification of the Securities and Exchange Commission (Thailand), both in and outside Thailand.

Details and conditions in the relation of the above resolution shall be decided by the Board of Directors or the Executive Board of Directors or any person authorized by the Board of Directors or the Executive Board of Directors or the Chairman or the President as they deem appropriate. The Bank have not had any activities relating to the aforementioned resolution after the date of the meeting until present.

4.16 Statutory reserve and other reserve

- 4.16.1 Pursuant to the Public Limited Companies Act B.E. 2535 (1992) the Bank must allocate to a reserve fund from the annual net profit, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount not less than ten percent of the registered capital.

4.16.2 The Bank appropriated a part of annual profit as other reserve, which is treated as general reserve with no specific purpose.

4.17 Income tax

Income tax for the years ended December 31, 2002 and 2001, mainly consisted of income tax for foreign branches calculated separately from head office.

4.18 Contingencies

CONSOLIDATED FINANCIAL STATEMENTS						
	2002			2001		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
		Baht	Baht		Baht	Baht
Avals to bills	2,444,174,183	-	2,444,174,183	718,389,301	-	718,389,301
Guarantees of loans	1,549,286,815	2,462,987,414	4,012,274,229	1,312,011,324	3,769,226,679	5,081,238,003
Other guarantees	15,821,021,326	4,850,194,814	20,671,216,140	15,834,733,400	3,623,679,545	19,458,412,945
Letters of credit	294,197,801	5,438,465,805	5,732,663,606	290,769,034	4,249,232,143	4,540,001,177
Exchange rate contracts						
Bought	-	16,157,688,340	16,157,688,340	-	5,805,159,263	5,805,159,263
Sold	-	39,559,549,372	39,559,549,372	-	30,756,196,880	30,756,196,880
Currency swap contracts						
Bought	632,075,955	-	632,075,955	631,250,000	-	631,250,000
Sold	-	966,804,635	966,804,635	-	893,688,110	893,688,110
Interest rate swap						
Bought	-	1,081,000,000	1,081,000,000	-	-	-
Sold	-	1,081,000,000	1,081,000,000	-	-	-
Unused overdraft limit	38,891,909,997	-	38,891,909,997	36,383,857,324	-	36,383,857,324
Others	4,822,265	2,122,531,990	2,127,354,255	4,804,260	1,346,428,017	1,351,232,277
Total	59,637,488,342	73,720,222,370	133,357,710,712	55,175,814,643	50,443,610,637	105,619,425,280

THE BANK'S FINANCIAL STATEMENTS						
	2002			2001		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
		Baht	Baht		Baht	Baht
Avals to bills	2,444,174,183	-	2,444,174,183	718,389,301	-	718,389,301
Guarantees of loans	1,544,286,815	2,462,987,414	4,007,274,229	1,307,011,324	3,769,226,679	5,076,238,003
Other guarantees	15,554,057,898	4,850,194,814	20,404,252,712	15,709,531,262	3,623,679,545	19,333,210,807
Letters of credit	294,197,801	5,438,465,805	5,732,663,606	290,769,034	4,249,232,143	4,540,001,177
Exchange rate contracts						
Bought	-	16,157,688,340	16,157,688,340	-	5,805,159,263	5,805,159,263
Sold	-	39,559,549,372	39,559,549,372	-	30,756,196,880	30,756,196,880
Currency swap contracts						
Bought	632,075,955	-	632,075,955	631,250,000	-	631,250,000
Sold	-	966,804,635	966,804,635	-	893,688,110	893,688,110
Interest rate swap						
Bought	-	1,081,000,000	1,081,000,000	-	-	-
Sold	-	1,081,000,000	1,081,000,000	-	-	-
Unused overdraft limit	38,891,909,997	-	38,891,909,997	36,383,857,324	-	36,383,857,324
Others	2,847,265	2,122,531,990	2,125,379,255	-	1,346,428,017	1,346,428,017
Total	59,363,549,914	73,720,222,370	133,083,772,284	55,040,808,245	50,443,610,637	105,484,418,882

As at December 31, 2002, the Bank has commitments with regard to information technology in the amount of Baht 60 million.

During the year 2002, the Bank entered into an interest rate swap agreements of USD 25,000,000 with a foreign bank which is effective for a period of 4 years from November 4, 2002 and January 14, 2003. The Bank will pay semi-annually interest at the fixed rate in exchange for floating interest rate receiving.

4.19 Long-term lease

December 31, 2002

TYPE OF LEASE	PERIOD	RENTAL	
		CONSOLIDATED	THE BANK'S
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		Baht	Baht
Land and/or premises	Jan. 1, 2003 - Dec. 31, 2003	73,645,804	54,328,052
	Jan. 1, 2004 - Dec. 31, 2004	51,022,896	33,355,472
	Jan. 1, 2005 - Dec. 31, 2005	21,950,145	19,826,202
	Jan. 1, 2006 - Dec. 31, 2006	11,697,718	11,697,718
	Jan. 1, 2007 - Dec. 31, 2007	11,365,892	11,365,892
	Jan. 1, 2008 - Dec. 31, 2008	10,372,921	10,372,921
	Jan. 1, 2009 - Mar. 2, 2027	82,207,984	82,207,984
		<u>262,263,360</u>	<u>223,154,241</u>

December 31, 2001

TYPE OF LEASE	PERIOD	RENTAL	
		CONSOLIDATED	THE BANK'S
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		Baht	Baht
Land and/or premises	Jan. 1, 2002 - Dec. 31, 2002	62,425,450	56,275,475
	Jan. 1, 2003 - Dec. 31, 2003	43,722,517	41,171,042
	Jan. 1, 2004 - Dec. 31, 2004	21,607,797	20,545,597
	Jan. 1, 2005 - Dec. 31, 2005	10,652,488	10,652,488
	Jan. 1, 2006 - Dec. 31, 2006	9,750,491	9,750,491
	Jan. 1, 2007 - Dec. 31, 2007	9,535,887	9,535,887
	Jan. 1, 2008 - Mar. 2, 2027	77,338,768	77,338,768
		<u>235,033,398</u>	<u>225,269,748</u>

4.20 Related-party transactions

The Bank has business transactions with subsidiaries, associated and related companies. Those transactions are with companies that have shareholding and/or major shareholders and/or joint directors with the Bank. Such related transactions are in the arm-length and normal business of the Bank which the pricing is changed at the market rate and has the same condition with the other customers, including the policy of providing allowance for doubtful accounts. The Bank has complied with the same BOT regulation as those granted to other debtors.

4.20.1 Loans to and commitment with certain officers from the levels of departmental chief upwards and the companies in which they and/or the Bank directors and/or the Bank owned 10% or more of each company's paid-up capital are as follows:

	THE BANK'S	
	FINANCIAL STATEMENTS	
	2002	2001
	Baht	Baht
Loans		
Balance as at December 31,	8,581,145,699	8,408,684,780
Average balance at the end of the month	8,456,328,809	876,407,310
Allowance for doubtful accounts as at December 31,	401,659,408	83,461,081
Commitments		
Balance as at December 31,	938,773,151	409,397,388
Average balance at the end of the month	499,979,135	458,789,629

Certain information related to the aforementioned loans and commitments as at December 31, 2002 and 2001, are as follows :

December 31, 2002

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	8,581	Sep. 10, 1996 to Apr. 2, 2019	68	9,452
Commitments	939	Jan. 15, 2000 to Sep. 30, 2003		

As at December 31, 2002, the Bank charges interest rates of 2.00% - 14.50% on loans to these related parties, 8.00% - 14.50% on default loans and 2.50% - 9.50% on other loans.

December 31, 2001

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	8,409	Sep. 10, 1996 to Jan. 1, 2058	64	8,754
Commitments	409	Feb. 21, 2000 to Jan. 1, 2057		

As at December 31, 2001, the Bank charges interest rates of 1.00% - 18.75% on loans to these related parties, 14.50% on default loans, 18.75% on credit cards receivables, 1% on guarantee loans and 2% - 10.00% on other loans.

4.20.2 In addition to 4.20.1 the Bank has loans and commitments to the companies which are related to the directors and/or major shareholders of the Bank as identified by having the same executive officers as the Bank and/or the companies in which the directors and/or shareholders of the Bank having significant voting right both direct and indirect.

**THE BANK'S
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	2002 Baht	2001 Baht
Loans		
Balance as at December 31,	3,943,216,716	2,978,881,350
Average balance at the end of the month	3,476,116,897	3,235,563,530
Allowance for doubtful accounts as at December 31,	10,943,521	226,070
Commitments		
Balance as at December 31,	322,748,110	96,990,416
Average balance at the end of the month	207,564,230	85,828,968

Certain information related to the aforementioned loans and commitments as at December 31, 2002 and 2001, are as follows:

December 31, 2002

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	3,943	Jan. 27, 2003 to Oct. 18, 2012	3,104	1,162
Commitments	323	Oct. 10, 2002 to Sep. 30, 2005		

December 31, 2001		Maturity Date	Outstanding Balance	
Total Amount (Million Baht)			Secured (Million Baht)	Unsecured (Million Baht)
Loans	2,979	Mar. 22, 2002 to Feb. 15, 2011	2,986	90
Commitments	97	Sep. 30, 2001 to Sep. 30, 2004		

Interest rates of loan as at December 31, 2002 and 2001, are equal to 2.90% - 8.00% and 5.63% - 9.00%, respectively.

4.20.3 The Bank has investments in and loans to subsidiary, associated and the related companies as follows :

1. Investment in subsidiaries, associated and related companies

December 31, 2002

		CONSOLIDATED FINANCIAL STATEMENTS					
	Business Type	Registered Share Baht	Ownership	Investment		Dividend Amount Baht	
				Cost Baht	Equity Baht		
Subsidiaries							
Siam Realty and Services Company Limited	Car rent, and Personnel services	100,000,000	99.99%	99,999,400	273,503,850	-	
K.S.Law Office Company Limited	Law advisor	2,000,000	99.99%	1,999,940	- 0 -	-	
Ayudhya Services and Management Company Limited	Personnel services	15,000,000	99.99%	14,999,940	11,971,090	4,124,984	
Associated companies							
Ayudhya International Factors Company Limited	Factoring	250,000,000	49.99%	147,497,460	106,516,804	-	
Krungsriayudhya Card Company Limited	Credit card	25,000,000	49.99%	12,499,960	22,227,759	-	
Ayudhya JF Asset Management Limited.	Investment management	150,000,000	38.33%	51,263,810	103,757,976	16,099,916	
Ayudhya Development Leasing Company Limited	Leasing	470,000,000	26.65%	125,248,310	177,796,146	-	
Related companies (10%-20% holding)							
Prachaup Port Company Limited	Commercial	400,000,000	10.00%	24,000,000	-	-	
Thai U.S. Leather Company Limited	Manufacturing	193,750,000	10.00%	- 0 -	-	-	
Asian Trade and Leasing Company Limited	Service	150,000,000	10.00%	15,000,000	-	-	
Primavest Asset Management Company Limited	Investment management	125,000,000	10.00%	12,500,000	-	-	
Thai Smart Card Company Limited	Service	197,500,000	10.00%	19,750,000	-	-	

December 31, 2001

CONSOLIDATED FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital Baht	Ownership	Investment Cost Baht	Equity Baht	Dividend Amount Baht
Subsidiaries						
Siam Realty and Services Company Limited	Car rent	100,000,000	99.99%	99,999,400	242,903,955	3,749,850
K.S.Law Office Company Limited	Law advisor	2,000,000	99.99%	1,999,940	- 0 -	-
Ayudhya Services and Management Company Limited	Personnel services	15,000,000	99.99%	14,999,940	19,492,759	-
Associated companies						
Ayudhya International Factors Company Limited	Factoring	250,000,000	49.99%	147,497,460	102,117,714	-
Krungsriayudhya Card Company Limited	Credit card	25,000,000	49.99%	12,499,960	- 0 -	-
Ayudhya JF Asset Management Limited	Investment management	150,000,000	38.33%	51,263,810	90,705,271	4,599,976
Ayudhya Development Leasing Company Limited	Leasing	470,000,000	26.65%	125,248,310	171,398,071	-
Related companies (10%-20% holding)						
Prachaup Port Company Limited	Commercial	400,000,000	10.00%	24,000,000	-	-
Thai U.S. Leather Company Limited	Manufacturing	193,750,000	10.00%	- 0 -	-	-
Asian Trade and Leasing Company Limited	Service	150,000,000	10.00%	15,000,000	-	-

December 31, 2002

THE BANK'S FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital Baht	Ownership	Investment Cost Baht	Investment Equity Baht	Dividend Amount Baht
Subsidiaries						
Siam Realty and Services Company Limited	Car rent, and Personnel services	100,000,000	99.99%	99,999,400	273,503,850	-
K.S.Law Office Company Limited	Law advisor	2,000,000	99.99%	1,999,940	- 0 -	-
Ayudhya Services and Management Company Limited	Personnel services	15,000,000	99.99%	14,999,940	11,971,090	4,124,984
Ayudhya Asset Management Company Limited	Assets Management	770,472,500	99.99%	770,472,440	742,328,517	-
Ayudhya Investment and Trust Public Company Limited	Finance	2,850,000,000	80.03%	2,259,238,246	1,065,151,392	-
Associated companies						
Ayudhya International Factors Company Limited	Factoring	250,000,000	49.99%	147,497,460	106,516,804	-
Krungsriayudhya Card Company Limited	Credit card	25,000,000	49.99%	12,499,960	22,227,759	-
Ayudhya JF Asset Management Limited	Investment management	150,000,000	38.33%	51,263,810	103,757,976	16,099,916
Ayudhya Development Leasing Company Limited	Leasing	470,000,000	26.65%	125,248,310	177,796,146	-
Related companies (10%-20% holding)						
Prachaup Port Company Limited	Commercial	400,000,000	10.00%	24,000,000	-	-
Thai U.S. Leather Company Limited	Manufacturing	193,750,000	10.00%	- 0 -	-	-
Asian Trade and Leasing Company Limited	Service	150,000,000	10.00%	15,000,000	-	-
Primavest Asset Management Company Limited	Investment management	125,000,000	10.00%	12,500,000	-	-
Thai Smart Card Company Limited	Service	197,500,000	10.00%	19,750,000	-	-

December 31, 2001

THE BANK'S FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital Baht	Ownership	Investment Cost Baht	Equity Baht	Dividend Amount Baht
Subsidiaries						
Siam Realty and Services Company Limited						
	Car rent	100,000,000	99.99%	99,999,400	242,903,955	3,749,850
K.S.Law Office Company Limited						
	Law advisor	2,000,000	99.99%	1,999,940	- 0 -	-
Ayudhya Services and Management Company Limited						
	Personnel services	15,000,000	99.99%	14,999,940	19,492,759	-
Ayudhya Asset Management Company Limited						
	Assets Management	770,472,500	99.99%	770,472,440	764,014,009	-
Ayudhya Investment and Trust Public Company Limited						
	Finance	2,850,000,000	80.03%	2,259,238,246	951,700,732	-
Associated companies						
Ayudhya International Factors Company Limited						
	Factoring	250,000,000	49.99%	147,497,460	102,117,714	-
Krungsriayudhya Card Company Limited						
	Credit card	25,000,000	49.99%	12,499,960	- 0 -	-
Ayudhya JF Asset Management Limited						
	Investment management	150,000,000	38.33%	51,263,810	90,705,271	4,599,976
Ayudhya Development Leasing Company Limited						
	Leasing	470,000,000	26.65%	125,248,310	171,398,071	-
Related companies						
(10%-20% holding)						
Prachaup Port Company Limited						
	Commercial	400,000,000	10.00%	24,000,000	-	-
Thai U.S. Leather Company Limited						
	Manufacturing	193,750,000	10.00%	- 0 -	-	-
Asian Trade and Leasing Company Limited						
	Service	150,000,000	10.00%	15,000,000	-	-

2. Loans to the subsidiaries, associated and related companies and allowance for doubtful accounts.

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	December 31, 2002 Baht	December 31, 2001 Baht	December 31, 2002 Baht	December 31, 2001 Baht
Subsidiaries				
Ayudhya Asset Management Company Limited	7,198,730,454	7,613,263,239	7,198,730,454	7,613,263,239
Total	7,198,730,454	7,613,263,239	7,198,730,454	7,613,263,239
<u>Less</u> Allowance for doubtful accounts	71,987,305	76,132,632	71,987,305	76,132,632
Total	7,126,743,149	7,537,130,607	7,126,743,149	7,537,130,607
Associated companies				
Ayudhya International Factors Company Limited	265,000,000	365,000,000	265,000,000	365,000,000
Ayudhya Development Leasing Company Limited	746,435,402	360,535,679	746,435,402	360,535,679
Total	1,011,435,402	725,535,679	1,011,435,402	725,535,679
<u>Less</u> Allowance for doubtful accounts	10,113,732	7,254,735	10,113,732	7,254,735
Total	1,001,321,670	718,280,944	1,001,321,670	718,280,944
Related companies (10% - 20% holding)				
Thai U.S. Leather Company Limited	349,353,549	47,034,000	349,353,549	47,034,000
<u>Less</u> Allowance for doubtful accounts	319,539,706	-	319,539,706	-
Total	29,813,843	47,034,000	29,813,843	47,034,000
Related companies having joint major shareholders or directors				
CKS Holding Company Limited	-	13,344,734	-	13,344,734
Great Fortune Equity Company Limited	346,312,616	591,056,616	346,312,616	591,056,616
BBTV Equity Company Limited	1,741,120,000	2,080,480,000	1,741,120,000	2,080,480,000
G.L. Asset Company Limited	174,999,800	224,000,000	174,999,800	224,000,000
Karat Faucet Company Limited	60,000,000	70,000,000	60,000,000	70,000,000
Grand Fortune Company Limited	8,964,300	-	8,964,300	-
Conwood Company Limited	178,500,000	-	178,500,000	-
Royal Porcelain Public Company Limited	433,320,000	-	433,320,000	-
Siam City Public Company Limited	1,000,000,000	-	1,000,000,000	-
Total	3,943,216,716	2,978,881,350	3,943,216,716	2,978,881,350
<u>Less</u> Allowance for doubtful accounts	10,943,521	226,070	10,943,521	226,070
Total	3,932,273,195	2,978,655,280	3,932,273,195	2,978,655,280

The aforementioned loans carry interest at substantially the same rates and are subject substantially to the same conditions as those granted to the other customers.

As at December 31, 2002 and 2001, the Bank loaned to Ayudhya Asset Management Company Limited of Baht 5,597 million and Baht 6,768 million, respectively for 10-year term loan and Baht 1,602 million and Baht 845 million, respectively for 5-year term loan.

Interests are charged at the following rates:

Years 1 -3	2% per annum
Year 4 onward	Fixed deposit rate (12-month)

The repayment will be commenced in the fourth year onward at the amount specified in the agreement.

- 4.20.4 Account balances between the Bank and its subsidiary company, associated companies and related companies as at December 31, 2002 and 2001, in the balance sheet and for the years ended December 31, 2002 and 2001, in statement of income are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2002 Baht	2001 Baht	2002 Baht	2001 Baht
Balance Sheets				
Subsidiaries				
Investment securities				
- Debenture	-	-	227,078,000	227,078,000
Cash advance	211,242,984	252,855,444	211,242,984	252,855,444
Other assets	-	-	3,294,833	4,345,209
Deposit	93,090,893	34,941,424	96,566,737	59,593,932
Interbank and money market items (liabilities)	-	-	44,604,124	34,163,124
Other liabilities	-	-	16,697,605	464,415,736
Contingencies	-	-	7,963,180	-
Associated companies				
Other assets	1,432,726	17,743,115	1,432,726	17,743,115
Deposit	354,093,698	198,000,723	354,093,698	198,000,723
Other liabilities	-	1,275,253	-	1,275,253
Contingencies	884,250,446	407,399,877	884,250,446	407,399,877
Statements of Income				
Subsidiaries				
Interest and dividend income	6,307	463,940	167,691,154	26,660,165
Interest expenses	174,786	196,164	195,181	1,423,032
Non-interest income	61,694	105,755	1,985,433	812,559
Non-interest expenses	457,239,324	392,342,832	458,412,488	393,045,127
Associated companies				
Interest and dividend income	50,652,493	34,114,297	50,652,493	34,114,297
Interest expenses	418,920	771,780	418,920	771,780
Non-interest income	72,062,273	23,122,967	72,062,273	23,122,967
Non-interest expenses	18,441,749	16,099,521	18,441,749	16,099,521

Significant transactions between the Bank, subsidiary, associated and related companies are determined using the borrowing cost as in the normal business practice and same conditions as other customers.

- 4.20.5 On January 9, 2001, the Bank entered into an agreement with Krungsriyudhya Card Company Limited. According to such agreement, the Bank would sell credit card receivables to the subsidiary, together with the documents related to the such receivables which its book value as at December 20, 2000, is Baht 1,615 million. Such credit card receivables were transferred to the associated company on January 11, 2001 and the Bank already collected such amount in full.
- 4.20.6 In December 2001, the Bank entered into an Assets Transfer Agreement with Ayudhya Assets Management Company Limited (a subsidiary) in order to transfer impaired assets including rights over the collateral of which its net book value at the date of transfer is Baht 6,319 million at the transfer price of Baht 6,316 million and incurred loss from transfer of assets of Baht 3 million. Such impaired assets are classified as doubtful of loss according to BOT's notification. The Bank had the intention to sell out such impaired assets to its subsidiary without any obligation to refund or buy back or transfer back. Subsequently in June 2002, the Bank and its subsidiary have changed net book value of the impaired assets which decrease by Baht 156 million to conform to the change of the BOT'S guideline regarding the cancellation of the preference over the collateral to be used in calculating the allowance.
- 4.20.7 During the year 2001 and 2002, the Bank entered into agreements to sell the impaired assets and the related rights with Ayudhya Asset Management Company Limited, a subsidiary. The Bank sold the immovable properties foreclosed having the book value of Baht 1,590 million and Baht 1,149 million, respectively. The Bank has no gain or loss occurred from sale of such properties and the Bank has already collected such amount in full. The Bank also sold impaired assets which are classified as doubtful of loss according to BOT's notification and had no carrying value. The Bank had the intention to sell out such impaired assets to its subsidiary without any obligation to refund or buy back or transfer back.

4.21 Benefits given to the Directors and Executive Officers

The Bank has no special benefits given to the directors and executive officers beyond the general benefits made as usual, i.e. remuneration, transportation, salary and bonus (if any).

4.22 Position and results of operations classified by domestic and foreign business.

(1) Position classified by type of business segment

CONSOLIDATED FINANCIAL STATEMENTS

	2002			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Total assets	464,950,092,824	6,899,747,199	3,329,810,480	468,520,029,543
Interbank and money				
market items	19,087,748,468	1,229,626,119	-	20,317,374,587
Investments, net	37,669,936,492	1,130,230,072	-	38,800,166,564
Loans	377,567,908,907	1,268,232,227	-	378,836,141,134
Deposits	395,306,803,025	131,801,026	-	395,438,604,051
Interbank and money				
market items	10,084,173,656	-	-	10,084,173,656
Borrowing	20,932,922,000	4,319,644,540	-	25,252,566,540
Total commitments	129,180,856,537	4,176,854,175	-	133,357,710,712

CONSOLIDATED FINANCIAL STATEMENTS

	2001			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Total assets	440,657,136,535	6,126,344,877	3,217,972,759	443,565,508,653
Interbank and money				
market items	24,814,702,960	650,161,227	-	25,464,864,187
Investments, net	34,824,708,147	-	-	34,824,708,147
Loans	342,741,199,653	2,339,350,566	-	345,080,550,219
Deposits	375,744,292,871	103,455,312	-	375,847,748,183
Interbank and money				
market items	6,268,531,076	-	-	6,268,531,076
Borrowing	21,012,922,000	4,422,700,000	-	25,435,622,000
Total commitments	103,759,720,387	1,859,704,893	-	105,619,425,280

THE BANK'S FINANCIAL STATEMENTS

	2002			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Total assets	460,014,242,946	6,899,747,199	3,329,810,480	463,584,179,665
Interbank and money				
market items	18,763,805,840	1,229,626,119	-	19,993,431,959
Investments, net	37,545,043,420	1,130,230,072	-	38,675,273,492
Loans	374,572,365,257	1,268,232,227	-	375,840,597,484
Deposits	391,781,423,054	131,801,026	-	391,913,224,080
Interbank and money				
market items	9,311,022,385	-	-	9,311,022,385
Borrowing	20,920,000,000	4,319,644,540	-	25,239,644,540
Total commitments	128,906,918,109	4,176,854,175	-	133,083,772,284

THE BANK'S FINANCIAL STATEMENTS

	2001			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Total assets	435,651,196,820	6,126,344,877	3,217,972,759	438,559,568,938
Interbank and money				
market items	24,472,158,034	650,161,227	-	25,122,319,261
Investments, net	35,036,581,003	-	-	35,036,581,003
Loans	339,937,199,325	2,339,350,566	-	342,276,549,891
Deposits	372,146,580,181	103,455,312	-	372,250,035,493
Interbank and money				
market items	5,289,679,800	-	-	5,289,679,800
Borrowing	21,000,000,000	4,422,700,000	-	25,422,700,000
Total commitments	103,624,713,989	1,859,704,893	-	105,484,418,882

(2) Results of operations classified by type of business segment

THE CONSOLIDATED FINANCIAL STATEMENTS

	2002			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Interest and dividend income	19,349,516,319	123,833,334	-	19,473,349,653
Interest expenses	12,345,307,368	205,086,292	-	12,550,393,660
Net interest income	7,004,208,951	(81,252,958)	-	6,922,955,993
Non-interest income	8,877,160,314	243,138,292	4,612,966,032	4,507,332,574
Non-interest expenses	13,817,667,314	71,352,623	4,612,966,032	9,276,053,905
Income before tax	2,063,701,951	90,532,711	-	2,154,234,662

THE CONSOLIDATED FINANCIAL STATEMENTS

	2001			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Interest and dividend income	19,447,622,398	(244,521,648)	-	19,203,100,750
Interest expenses	13,631,091,141	448,567,943	-	14,079,659,084
Net interest income	5,816,531,257	(693,089,591)	-	5,123,441,666
Non-interest income	7,036,376,216	1,015,411,358	5,297,124,679	2,754,662,895
Non-interest expenses	15,760,240,855	56,238,212	5,297,124,679	10,519,354,388
Income (loss) before tax	(2,907,333,382)	266,083,555	-	(2,641,249,827)

THE BANK'S FINANCIAL STATEMENTS

	2002			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Interest and dividend income	19,186,768,168	123,833,334	-	19,310,601,502
Interest expenses	12,244,880,640	205,086,292	-	12,449,966,932
Net interest income	6,941,887,528	(81,252,958)	-	6,860,634,570
Non-interest income	8,271,815,261	243,138,292	4,612,966,032	3,901,987,521
Non-interest expenses	13,182,066,868	71,352,623	4,612,966,032	8,640,453,459
Income before tax	2,031,635,921	90,532,711	-	2,122,168,632

THE BANK'S FINANCIAL STATEMENTS

	2001			
	Domestic Baht	Foreign Baht	Elimination Baht	Total Baht
Interest and dividend income	19,133,524,427	(244,521,648)	-	18,889,002,779
Interest expenses	13,524,076,455	448,567,943	-	13,972,644,398
Net interest income	5,609,447,972	(693,089,591)	-	4,916,358,381
Non-interest income	7,020,120,445	1,015,411,358	5,297,124,679	2,738,407,124
Non-interest expenses	15,558,673,549	56,238,212	5,297,124,679	10,317,787,082
Income (loss) before tax	(2,929,105,132)	266,083,555	-	(2,663,021,577)

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

4.23 Provident and pension funds

The Bank has both a staff leaving gratuities plan where employees are beneficiary in the form of pension for those leaving and provident fund for its employees who are required to make contributions. The pension shall be paid to employees leaving after having completed at least 10 years of continuous services determined on the basis of length of service and the amount of the last pay received. The staff leaving gratuities plan shall be effective for employees who have been in service before January 1, 1998 only.

On January 1, 1998, the Bank established the provident fund for its employees to replace the staff leaving gratuities plan previously set up. Every employee being a member of the fund is required to make contributions at the rate of not less than 3% of salary but not more than the Bank's contribution. The Bank will contribute 3% for employees whose service periods are less than 10 years, 7% and 10% for those whose service periods reach 10 years and 20 years, respectively. The Bank's contributions are recorded as an expense in the statement of income. The fund is managed by an authorized fund manager.

After the establishment of provident fund, an amount to be paid to an entitled employee when leaving shall be firstly disbursed from the provident fund. If the estimated contributions made by the Bank and interest thereon are less than the pension receivable under the staff leaving gratuities plan, the Bank shall make payment for the difference through disbursement from the pension fund.

4.24 Disclosure of financial instruments

The Bank has disclosed the financial instruments both on-balance sheet and off-balance sheet in accordance with the Thai Accounting Standard No. 48, Presentations and Disclosure of Financial Instruments.

For off-balance sheet financial instruments, the Bank is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates and foreign exchange rates. These financial instruments include commitments to extend credit, standby letters of credit, financial guarantees, interest rate swap and forward foreign exchange contracts. Those instruments involve, to varying degrees, elements of credit and foreign exchange risk in excess of the amount recognized in the financial statements. The contract or notional amounts of those instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The Bank does not speculate in or engage in the trading of any derivative financial instruments.

Accounting policies

Details of significant accounting policies and methods adopted, including criteria of recognition, the basis of measurement and the basis on which revenues and expenses are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Note 3.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank has adopted the policy of dealing with counterparts and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial losses from defaults.

In the case of recognized financial assets, the carrying amount of the assets recorded in the balance sheet, net of a portion of allowance for doubtful accounts (see Note 4.7), represents the Bank's maximum exposure to credit risk.

The Bank considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-balance-sheet financial instrument will not adhere to the terms of the contract with the Bank when settlement becomes due.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, standby letters of credit, and financial guarantees written is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on balance sheet instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amounts do not represent exposure to credit loss. The Bank controls the credit risk of its derivatives instruments through prudent credit approvals, limits, and strict monitoring procedures.

As at December 31, 2002 and 2001, the Bank has credit equivalent of off-balance sheet financial instruments which remained undue as follows :

	Unit : million Baht	
	2002	2001
Spot and Forward Foreign Bought Exchange Contracts	220	40
Spot and Forward Foreign sold Exchange contracts	73	190

Interest rate risk

Interest rate risk in the balance sheet arises from the potential for a change in interest rates to have an adverse effect on the net interest earnings of the Bank in the current reporting period, and in future years. Interest rate risk arises from the structure and characteristics of the Bank's assets, liabilities and equity, and in the mismatch in repricing dates of its assets and liabilities.

Foreign exchange rate risk

The Bank serves primarily as intermediary agent in foreign exchange transactions to its customers. For asset and liability management purposes, the Bank manages foreign exchange risk and interest rate risk by entering into forward foreign exchange contract and currency and interest rate swap contract.

The Bank enters into forward foreign exchange contracts as part of its risk management strategy primarily to manage the market risk arising from the Bank underlying assets and liabilities and to offset risk created by its customers. The utilization of forward foreign exchange contracts for these purposes is governed by policies and guidelines approved by Board of Directors and controlling procedures set by the Assets and Liabilities Committee.

The Bank and its subsidiaries have summarized financial assets and liabilities classified on maturity of interest repricing period as at December 31, 2002 and 2001, as follow :

CONSOLIDATED FINANCIAL STATEMENTS							
2002							
	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	Non-Interest Bearing	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets							
Interbank and money market items and securities purchased under resale agreement	6,369,981,245	-	7,636,935	83,867,300	-	17,105,889,107	23,567,374,587
Investments, net	6,418,549,459	4,106,127,578	11,522,610,105	12,295,240,310	-	4,457,639,112	38,800,166,564
Loans	110,335,916,479	9,015,908,214	53,369,475,833	124,633,823,052	81,154,664,303	326,353,253	378,836,141,134
Financial liabilities							
Deposits	280,891,697,194	67,553,624,166	39,149,206,485	-	-	7,844,076,206	395,438,604,051
Interbank and money market items and securities sold under repurchase agreement	6,538,046,137	708,463,296	1,667,991,125	147,172,000	-	1,022,501,098	10,084,173,656
Borrowings	-	-	4,332,566,540	20,920,000,000	-	-	25,252,566,540
Subordinated debentures cum preferred shares	-	-	-	12,996,343,750	-	-	12,996,343,750

CONSOLIDATED FINANCIAL STATEMENTS							
2001							
	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	Non-Interest Bearing	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets							
Interbank and money market items and securities purchased under resale agreement	26,489,505,788	1,331,204,852	21,074,986	300	-	4,879,078,261	32,720,864,187
Investments, net	565,121,410	2,435,955,601	18,138,576,994	9,732,941,972	-	3,952,112,170	34,824,708,147
Loans	147,188,405,007	15,114,076,363	10,583,864,943	30,347,312,732	82,433,266,637	59,413,624,537	345,080,550,219
Financial liabilities							
Deposits	281,559,226,733	43,661,065,068	44,326,401,501	-	-	6,301,054,881	375,847,748,183
Interbank and money market items and securities sold under repurchase agreement	4,113,062,084	832,463,960	23,069,800	200,000,000	-	1,099,935,232	6,268,531,076
Borrowings	-	-	21,012,922,000	4,422,700,000	-	-	25,435,622,000
Subordinated debentures cum preferred shares	-	-	-	12,996,343,750	-	-	12,996,343,750

THE BANK'S FINANCIAL STATEMENTS							
2002							
	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	Non-Interest Bearing	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets							
Interbank and money market items and securities purchased under resale agreement	6,088,370,616	-	7,636,935	83,867,300	-	17,063,557,108	23,243,431,959
Investments, net	6,089,434,429	3,855,626,915	10,671,813,754	12,056,493,570	-	6,001,904,824	38,675,273,492
Loans	115,371,035,776	8,479,236,600	52,791,320,853	124,532,020,492	74,666,983,763	-	375,840,597,484
Financial liabilities							
Deposits	278,604,540,479	66,321,925,570	39,139,206,485	-	-	7,847,551,546	391,913,224,080
Interbank and money market items and securities sold under repurchase agreement	6,073,290,742	355,463,296	1,669,797,976	147,172,000	-	1,065,298,371	9,311,022,385
Borrowings	-	-	4,319,644,540	20,920,000,000	-	-	25,239,644,540
Subordinated debentures cum preferred shares	-	-	-	12,996,343,750	-	-	12,996,343,750

THE BANK'S FINANCIAL STATEMENTS

	2001						Total Baht
	0-3 Months Baht	3-12 Months Baht	1 - 5 years Baht	Greater than 5 years Baht	Non-Performing Loans Baht	Non-Interest Bearing Baht	
Financial assets							
Interbank and money market items and securities purchased under resale agreement	25,287,978,382	1,331,204,852	21,074,986	300	-	4,782,060,741	31,422,319,261
Investments, net	388,991,963	2,168,966,412	17,518,893,019	9,550,623,056	-	5,409,106,553	35,036,581,003
Loans	145,327,045,065	14,770,042,559	11,345,396,152	30,574,408,079	75,351,673,838	64,907,984,198	342,276,549,891
Financial liabilities							
Deposits	278,559,710,290	43,062,868,821	44,326,401,501	-	-	6,301,054,881	372,250,035,493
Interbank and money market items and securities sold under repurchase agreement	3,841,045,684	91,463,960	23,069,800	200,000,000	-	1,134,100,356	5,289,679,800
Borrowings	-	-	21,000,000,000	4,422,700,000	-	-	25,422,700,000
Subordinated debentures cum preferred shares	-	-	-	12,996,343,750	-	-	12,996,343,750

Interest bearing financial instruments

The following table presents the Bank's average balance and interest amount for the years ended December 31, 2002 and 2001 as follow :

Unit : million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2002			2001		
	Average Balance (12 months)	Interest Amount	Average Rate %	Average Balance (12 months)	Interest Amount	Average Rate %
Interest earning financial assets						
Interbank and money market items	11,830	323	2.7	23,382	1,058	4.5
Securities purchased under resale agreement	19,473	365	1.9	14,794	355	2.4
Investments	38,370	1,523	4.0	32,427	1,635	5.0
Loans	369,241	17,137	4.6	336,366	16,445	4.9
Total	438,914	19,348		406,969	19,493	
Interest bearing financial liabilities						
Deposits	380,313	8,250	2.2	360,600	9,661	2.7
Interbank and money market items	8,721	151	1.7	5,664	107	1.9
Securities sold under repurchase agreement	1	-	-	236	4	1.7
Borrowings	38,285	4,047	10.6	40,374	4,308	10.7
Total	427,320	12,448		406,874	14,080	

Unit : million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2002			2001		
	Average Balance (12 months)	Interest Amount	Average Rate %	Average Balance (12 months)	Interest Amount	Average Rate %
Interest earning financial assets						
Interbank and money market items	11,822	323	2.7	23,382	1,058	4.5
Securities purchased under resale agreement	19,188	360	1.9	14,612	351	2.4
Investments	37,024	1,450	3.9	31,094	1,542	5.0
Loans	365,135	16,939	4.6	331,658	16,223	4.9
Total	433,169	19,072		400,746	19,174	
Interest bearing financial liabilities						
Deposits	376,866	8,173	2.2	357,312	9,584	2.7
Interbank and money market items	8,058	129	1.6	5,005	82	1.6
Borrowings	38,272	4,046	10.6	40,361	4,307	10.7
Total	423,196	12,348		402,678	13,973	

Maturities of financial assets and liabilities

The following table presents the Bank and its subsidiaries' maturities of financial assets and liabilities as at December 31, 2002 and 2001, as follow :

CONSOLIDATED FINANCIAL STATEMENTS								
2002								
	Call	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	No Maturity	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets								
Interbank and money market items and securities purchased under resale agreement	17,243,716,577	6,085,720,251	14,010,963	7,636,935	83,867,300	-	132,422,561	23,567,374,587
Investments	434,822,005	5,733,868,710	4,062,964,486	11,576,772,846	12,534,099,405	-	4,457,639,112	38,800,166,564
Loans	31,407,079,927	70,849,882,751	11,909,544,955	49,870,017,446	117,161,371,238	81,154,664,303	16,483,580,514	378,836,141,134
Financial liabilities								
Deposits	147,409,166,127	141,023,279,054	66,937,732,924	40,068,425,946	-	-	-	395,438,604,051
Interbank and money market items and securities sold under repurchase agreement	2,884,631,195	4,727,550,039	656,829,297	1,667,991,125	147,172,000	-	-	10,084,173,656
Borrowings	-	-	-	4,332,566,540	20,920,000,000	-	-	25,252,566,540
Subordinated debentures cum preferred shares	-	-	-	-	12,996,343,750	-	-	12,996,343,750

CONSOLIDATED FINANCIAL STATEMENTS								
2001								
	Call	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	No Maturity	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets								
Interbank and money market items and securities purchased under resale agreement	7,866,874,201	24,277,669,391	443,735,039	-	-	-	132,585,556	32,720,864,187
Investments in securities	-	413,881,963	2,246,772,724	18,347,855,359	9,864,085,931	-	3,952,112,170	34,824,708,147
Loans	13,102,733,193	32,848,517,305	28,783,688,363	26,013,995,198	161,898,349,523	82,433,266,637	-	345,080,550,219
Financial liabilities								
Deposits	7,711,344,343	280,151,514,305	43,658,488,034	44,326,401,501	-	-	-	375,847,748,183
Interbank and money market items and securities sold under repurchase agreement	1,273,602,139	4,020,751,177	751,107,960	23,069,800	200,000,000	-	-	6,268,531,076
Borrowings	-	-	-	25,435,622,000	-	-	-	25,435,622,000
Subordinated debentures cum preferred shares	-	-	-	-	12,996,343,750	-	-	12,996,343,750

THE BANK'S FINANCIAL STATEMENTS								
2002								
	Call	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	No Maturity	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets								
Interbank and money market items and securities purchased under resale agreement	17,173,248,341	5,832,245,859	14,010,963	7,636,935	83,867,300	-	132,422,561	23,243,431,959
Investments	434,822,005	5,654,612,424	3,855,626,915	10,671,813,754	12,056,493,570	-	6,001,904,824	38,675,273,492
Loans	30,625,666,112	70,518,108,891	11,332,461,453	50,261,081,827	121,952,714,924	74,666,983,763	16,483,580,514	375,840,597,484
Financial liabilities								
Deposits	146,830,901,044	139,317,862,763	65,706,034,327	40,058,425,946	-	-	-	391,913,224,080
Interbank and money market items and securities sold under repurchase agreement	2,772,973,073	4,417,250,039	303,829,297	1,669,797,976	147,172,000	-	-	9,311,022,385
Borrowings	-	-	-	4,319,644,540	20,920,000,000	-	-	25,239,644,540
Subordinated debentures cum preferred shares	-	-	-	-	12,996,343,750	-	-	12,996,343,750

THE BANK'S FINANCIAL STATEMENTS

	2001							
	Call	0-3 Months	3-12 Months	1 - 5 years	Greater than 5 years	Non-Performing Loans	No Maturity	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets								
Interbank and money market items and securities purchased under resale agreement	7,769,856,681	23,076,141,985	443,735,039	-	-	-	132,585,556	31,422,319,261
Investments	-	388,991,963	2,168,966,412	17,518,893,019	9,550,623,056	-	5,409,106,553	35,036,581,003
Loans	11,991,302,395	33,087,158,017	29,291,927,611	25,262,702,705	167,291,785,325	75,351,673,838	-	342,276,549,891
Financial liabilities								
Deposits	6,367,272,178	278,496,070,027	43,060,291,787	44,326,401,501	-	-	-	372,250,035,493
Interbank and money market items and securities sold under repurchase agreement	1,134,100,356	3,922,401,684	10,107,960	23,069,800	200,000,000	-	-	5,289,679,800
Borrowings	-	-	-	25,422,700,000	-	-	-	25,422,700,000
Subordinated debentures cum preferred shares	-	-	-	-	12,996,343,750	-	-	12,996,343,750

Estimated fair value of financial instruments

The fair values of financial instruments have been estimated by the Bank using available market information and appropriate valuation methodologies for each type of financial statements. A summary of carrying amounts and fair value of financial instruments at December 31, 2002 and 2001, is as follow :

	2002		2001	
	Carrying Amount Baht	Fair Value Baht	Carrying Amount Baht	Fair Value Baht
Financial assets :				
Cash, interbank and money market items	30,714,361,028	30,714,314,870	31,269,033,643	31,269,033,643
Securities purchased under resale agreements	3,250,000,000	3,250,000,000	7,256,000,000	7,256,000,000
Current investments, net	9,444,976,093	9,445,623,986	3,437,585,181	3,440,221,065
Long-term investment, net	28,659,416,846	28,836,614,550	30,760,505,196	30,715,142,411
Investment in subsidiary and associated companies, net	695,773,625	695,773,625	626,617,770	626,617,770
Loans receivable and accrued interest receivable, net	360,703,612,472	360,703,612,472	337,707,385,937	337,707,385,937
Customers' liabilities under acceptances	1,239,788,435	1,239,788,435	946,283,275	946,283,275
Financial liabilities:				
Deposits	395,438,604,051	393,010,680,686	375,847,748,183	332,612,008,183
Interbank and money market items	10,084,173,656	10,080,746,078	6,268,531,076	6,268,531,076
Liabilities payable on demand	790,586,632	790,586,632	1,146,487,124	1,146,487,124
Securities sold under repurchase agreements	-	-	-	-
Borrowings	25,252,566,540	28,525,717,016	25,435,622,000	25,300,902,836
Subordinated debentures cum preferred shares	12,996,343,750	9,551,951,076	12,996,343,750	13,618,006,486
Bank's liabilities under acceptances	1,239,788,435	1,239,788,435	946,283,275	946,283,275
Accrued interest payable	1,882,782,396	1,882,782,396	1,863,430,762	1,863,430,762

THE BANK'S FINANCIAL STATEMENTS

	2002		2001	
	Carrying Amount Baht	Fair Value Baht	Carrying Amount Baht	Fair Value Baht
Financial assets :				
Cash, interbank and money market items	30,390,260,940	30,390,260,940	30,926,426,826	30,926,426,826
Securities purchased under resale agreements	3,250,000,000	3,250,000,000	6,300,000,000	6,300,000,000
Current investment, net	7,900,473,995	7,900,479,577	2,708,879,996	2,708,879,996
Long-term investment, net	28,271,545,963	28,405,979,738	29,985,368,496	29,911,798,083
Investment in subsidiary and associated companies, net	2,503,253,534	2,503,253,534	2,342,332,511	2,342,332,511
Loans receivable and accrued interest receivable, net	358,857,800,611	358,857,800,611	335,716,550,540	335,716,550,540
Customers' liabilities under acceptances	1,239,788,435	1,239,788,435	946,283,275	946,283,275
Financial liabilities:				
Deposits	391,913,224,080	389,503,753,215	372,250,035,493	329,014,295,493
Interbank and money market items	9,311,022,385	9,311,022,385	5,289,679,800	5,289,679,800
Liabilities payable on demand	790,586,632	790,586,632	1,146,487,124	1,146,487,124
Borrowings	25,239,644,540	30,164,098,771	25,422,700,000	25,285,836,774
Subordinated debentures cum preferred shares	12,996,343,750	9,551,951,076	12,996,343,750	13,618,006,486
Bank's liabilities under acceptances	1,239,788,435	1,239,788,435	946,283,275	946,283,275
Accrued interest payable	1,854,657,280	1,854,657,280	1,833,704,536	1,833,704,536

Off-balance sheet financial instruments

	Unit : million Baht					
	2002			2001		
	Notional < 1 year	Market value	Fair Value	Notional > 1 year	Market value	Fair Value
Spot and Forward Bought Foreign Exchange Contracts	15,416	15,548	132	1,638	1,650	12
Spot and Forward Sold Foreign Exchange Contracts	39,008	39,481	473	79	89	10
Unit : million Baht						
	2001			2001		
	Notional < 1 year	Market value	Fair Value	Notional > 1 year	Market value	Fair Value
	Spot and Forward Bought Foreign Exchange Contracts	5,786	5,807	21	-	-
Spot and Forward Sold Foreign Exchange Contracts	30,873	30,778	(95)	-	-	-

The Bank has estimated the fair value of the above instruments to be estimated from notional amount less market value at the end of period.

Methods and assumptions in estimating fair value of financial instruments

The following methods and assumptions were used by the Bank in estimating fair value of financial instruments as disclosed herein:

Cash, interbank and money market items

The carrying amounts of cash and interbank and money market items presented in balance sheet are approximate their fair value.

Securities purchased under resale agreements

The carrying value of securities purchased under resale presented in balance sheet agreements approximate their fair value.

Current investments, net

Fair value for current investments, net, is as disclosed in note 3.2 to the financial statements.

Long-term investments, net

The determination of fair value for long-term investments, net is as disclosed in note 3.2 to the financial statements except for equity seriates which are non-listed securities are presented as net book value.

Investments in subsidiaries and associated companies, net

Fair value for investments in subsidiaries and associated companies, net, is as disclosed in note 3.2.

Loans and accrued interest receivables

The Bank's loans and accrued interest receivables include variable interest rate loans, fixed rate loans with relatively short maturities and non-performing loans. Most loans bear floating interest rate. As such, management believes that as at December 31, 2002 and 2001, the fair value is the outstanding balance of loans and accrued interest receivables less allowance for doubtful accounts per book.

Customers' liability under acceptances

The carrying amounts of customers' liability under acceptances presented in balance sheet approximates fair value.

Deposits

The carrying amount is approximate the fair value except for deposits which term more than 90 days, fair value is calculated base on discounted cash flow.

Interbank and money market items (Liabilities)

The carrying amount of interbank and money market items (liabilities) approximate fair value, except for floating rate certificates of deposit (FRCD) is based on quoted market price.

Liabilities payable on demand

The carrying amount of liabilities payable on demand approximates fair value.

Borrowings

The fair value of borrowings is based on carrying value except for subordinated floating rate note which is based on the actual market price.

Subordinated debentures cum preferred shares

The fair value is determined by discounting the expected cash flows, using market interest rate currently offered to the Bank for debt of same remaining maturity.

Accrued interest payable

The carrying amounts of accrued interest payable presented in balance sheet approximate its fair value due to short term of maturity.

Derivative financial instruments

Derivative financial instruments mainly comprise forward foreign exchange contracts of which derive their value from underlying interest rates, and foreign exchange rates. The fair value of derivatives are determined using quoted market prices, prevailing market rates for instruments with similar characteristics and maturities.

4.25 Transfer of Impaired Assets to Thai Asset Management Corporation

On October 12, 2001, the Bank and a subsidiary entered into Assets Transfer Agreement with the Thai Asset Management Corporation ("TAMC") in order to transfer sub-quality assets including rights over the collateral as specified in the agreement. The sub-quality assets to be transferred should be those which have outstanding balances as at December 31, 2000 and possess certain characteristics as specified in the Emergency Decree on TAMC B.E. 2544 ("TAMC Decree"). The price of the sub-quality assets shall equal the value of the collateral which should not exceed the loan value less allowance for doubtful accounts, which was determined based on the BOT guideline. The Company will receive a non-negotiable promissory note when TAMC confirms the price. The note matures in 10 years and bears the interest rate calculated based on the average rate of deposits, payable annually. The note is availed by Financial Institutions Development Fund.

The Bank, its subsidiary and TAMC agreed to allocate any profits or losses from managing the sub-quality assets at the end of the fifth and the tenth year starting from July 1, 2001. Profits or losses are calculated based on the amount collected on a cash basis less TAMC's costs of transfer and operations including the total interests which have to be paid by TAMC to the Bank and subsidiary. The allocation of gain or loss shall be made only for those sub-quality assets that TAMC has completed the collection from repayment or completed the transfer of assets as a repayment of debts. In addition, pursuant to the TAMC Decree, in case when profits are realized, the first portion of the profits, not exceeding 20% of the transfer price of the impaired assets transferred to TAMC, will be allocated equally between TAMC, the Bank and subsidiary. The second portion of the profits will be allocated in full to the Bank and subsidiary. The two portions of the Company's profits combined together shall not exceed the difference between the book value and the transfer price of the impaired assets transferred to TAMC. The residual amount of the profits after allocation of the second portions will be given to TAMC. In case when losses are realized, this will be shared between TAMC, the Bank and subsidiary. The Bank and subsidiary will absorb the first portion of the losses, not exceeding 20% of the transfer price of the impaired assets transferred to TAMC. The second portion of losses, the residual amount of the first portion, not exceeding 20% of the transfer price of the impaired assets transferred to TAMC, will be shared equally between TAMC, the Bank and subsidiary. The residual amount of the losses after allocation of the second portions will be absorbed by TAMC.

During the year 2001, the Bank and its subsidiary transferred the impaired assets at the net amount after deducting the allowance for doubtful accounts pursuant to the BOT's notification of Baht 5,565 million and Baht 131 million, respectively, to TAMC. Also, for the year ended December 31, 2002, the Bank transferred their impaired assets at the net amount after deducting the allowance for doubtful accounts pursuant to the BOT's notification of Baht 1,409 million to TAMC. The transfer price is being validated by TAMC. The Bank and its subsidiary presented the right to receive the promissory notes issued by TAMC for assets transferred to TAMC as long-term investments classified as held-to maturity (as government and state enterprise securities) in financial statements (see Notes 4.4 and 4.6). As at December 31, 2002 the Bank and its subsidiary have already received promissory notes of Baht 5,384 million and Baht 22 million, respectively.

2002 Profit Summary

Retained Earnings (Deficits) carried forward from December 31, 2001	Baht	(41,724,466,574.72)
Net Profit for 2002	Baht	<u>2,118,781,000.30</u>
Total Retained Earnings (Deficits)	Baht	<u>(39,605,685,574.42)</u>

According to the Public Limited Companies Act B.E. 2535, a payment of dividend is not allowed if there exist retained losses. Thus the Bank would not pay dividend for the year 2002 operations.

Organization and Management

Registration and Capital Structure

Name and Type of Business

Name of the Company : Bank of Ayudhya Public Company Limited
Company Registration Number : Plc. 181
Type of Business : Commercial bank

Nature of Business :

The Bank of Ayudhya Public Company Limited was established on January 27, 1945 and started its operation on April 1 of the same year. The Bank was converted into a public company limited on September 28, 1993. As a commercial bank, the company accepts deposits, which it puts to a variety of uses, including : credit extension, purchases of bills of exchange or negotiable instruments, and trade in foreign exchange, etc.

The Bank is also licensed to conduct business pertaining to or resulting from commercial banking or other businesses traditionally undertaken by commercial banks, for example: bills collection, bills acceptances, avals to bills, issuing letters of credit, providing custodian services, acting as an agent for the sale of government and state enterprise debt securities, acting as a representative of debenture holders, a custodian of mutual fund, a registrar of securities, an agent for sale of unit trusts of mutual funds, an agent for the businesses of life and non-life insurance, etc.

Types and Total Number of Shares Sold

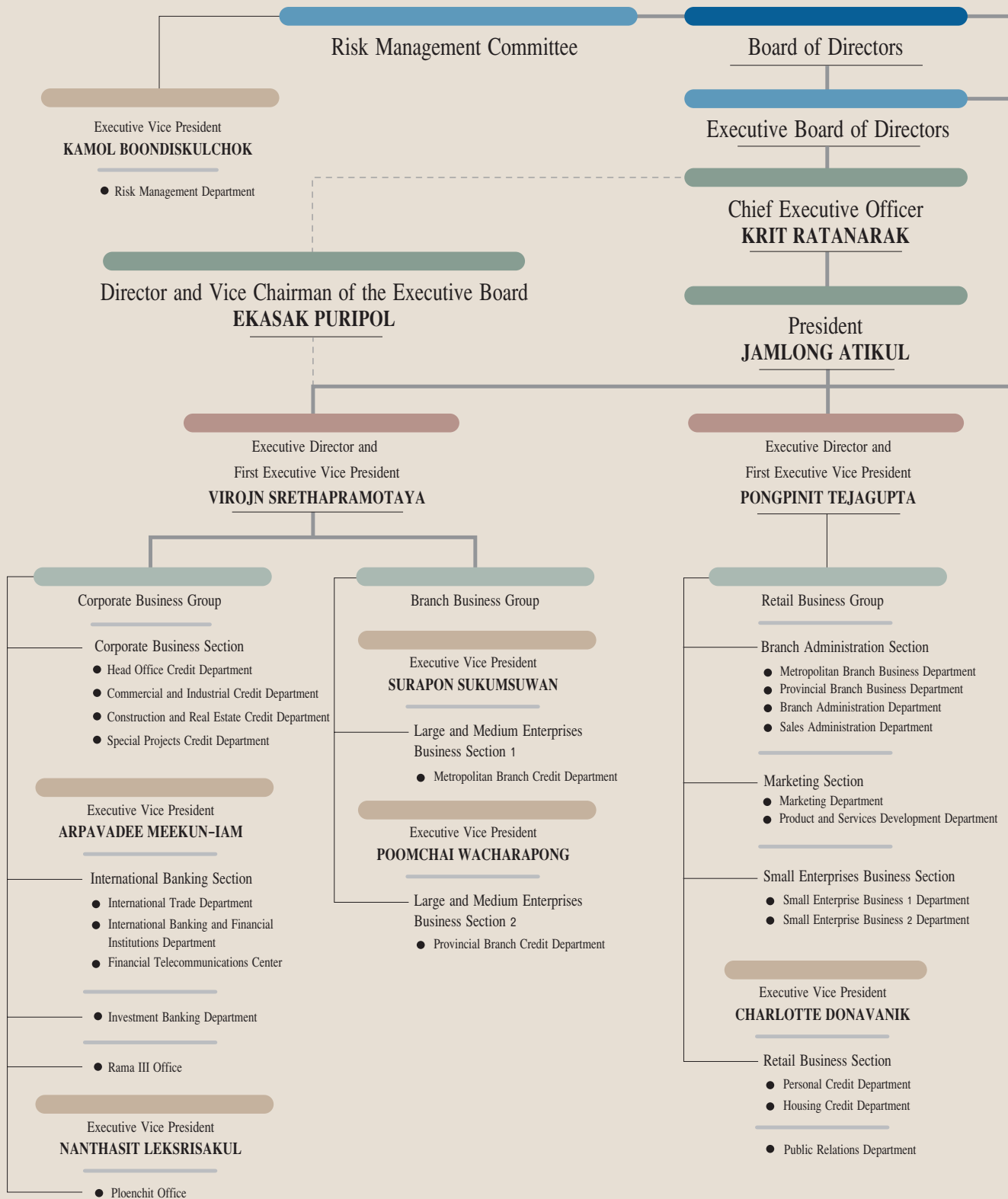
Ordinary shares : 1,850 million shares, par value 10.00 baht
Preferred shares : 0.325 million shares, par value 10.00 baht

10 Largest Shareholders

The Bank's 10 largest ordinary shareholders as of the close of the shareholders register on April 2, 2002, were:

Name	Number of Shares	% of Total Shares
1. Thailand Securities Depository Company Limited for Depositors	93,600,957	5.06
2. Stronghold Assets Co., Ltd.	92,451,200	5.00
3. Bangkok Boardcasting and T.V. Co., Ltd.	91,992,300	4.97
4. Tun Rungrueng Co., Ltd.	91,484,100	4.95
5. Mahakij Holdings Co., Ltd.	85,400,550	4.62
6. HSBC (Singapore) Nominees Pte. Ltd.	55,222,684	2.99
7. Super Assets Co., Ltd.	42,729,796	2.31
8. BBTB Satelvision Co., Ltd.	40,900,000	2.21
9. BBTB Asset Management Co., Ltd.	38,419,300	2.08
10. C.K.R. Co., Ltd.	36,006,310	1.95
Total	668,207,197	36.12

Organization Chart



As of January 21, 2003

Audit Committee

Credit Management Committee

Executive Vice President
CHALERMPOL VUTTISOMBUT

Compliance and Audit Section

- Audit Department
- Information Technology Audit Department
- Compliance Office
- Credit Review Department

Executive Vice President
NUTTAWIT BOONYAWAT

Credit Management Group

Credit Analysis Section

- Credit analysis Department

Credit Management Section

- Credit Management Department
- Asset Quality Improvement Department
- Debt Collection and Improvement Department

First Executive Vice President
CHET RAKTAKANISHTA

Operations Group

Banking Operations Section

- Banking Operations Department
- Credit Operations Department
- Merchant Service Department

First Executive Vice President
AMORNSUK NOPARUMPA

Legal and Credit Documentation Group

Legal Section

- Legal Advisory Office

- Collateral Valuation Department

- Credit Documentation Department

- Document Storage Center

Executive Vice President
TINNAWAT MAHATHARADOL

Treasury Section

- Treasury Department
- Currency Exchange and Foreign Remittances Department
- Capital Markets Office
- Private Fund Management Office
- Securities Service Office

Executive Vice President
PREEPRAME TESPRASIT

Information Technology Section

- Information Technology Development Department
- Information Technology Operations Department
- Information Technology Service Department

Executive Vice President
NOPPORN TIRAWATTANAGOOL

Accounting Section

- Accounting Department
- Treasury and Capital Markets Operations Department
- Management Information Systems Department

Executive Management Section

- Office of the Chief Executive Officer
- Research Department

Executive Vice President
SOMRIT SRITHONGDEE

Central Resources Management Section

- Human Resources Department
- Central Administration Department

Executive Vice President
SANSRIT YENBAMRUNG

Asset Management Section

- Asset Management Department

Board of Directors

Mr. Krit Ratanarak

Chairman

Mr. Thipsamat Na Chiengmai

Mr. Ekasak Puripol

Mr. Pakorn Thavisin

Mr. Yongyuth Withyawongsaruchi

Mr. Virat Phairatphiboon

Mr. Surachai Prukbamroong

Mr. Anek Srisawat

Mr. Jamlong Atikul

Directors

Mr. Suwat Suksongkroh

Secretary to the Board of Directors

Executive Board of Directors

Mr. Krit Ratanarak

Chairman

Mr. Ekasak Puripol

Vice Chairman

Mr. Jamlong Atikul

Mr. Virojn Srethapramotaya

Mr. Pongpinit Tejagupta

Executive Directors

Miss Nopporn Tirawattanagool

Secretary to the Executive Board of Directors

Mr. Yong Luangrangsee

Adviser

Audit Committee

Mr. Surachai Prukbamroong

Chairman

Mr. Anek Srisawat

Mr. Virat Phairatphiboon

Members

Mr. Kanit Arjariya

Secretary to the Audit Committee

Risk Management Committee

Mr. Krit Ratanarak

Chairman

Mr. Ekasak Puripol

Vice Chairman

Mr. Jamlong Atikul

Mr. Virojn Srethapramotaya

Mr. Pongpinit Tejagupta

Mr. Chalernpol Vuttisombut

Miss Nopporn Tirawattanagool

Members

Mr. Kamol Boondiskulchok

Member and Secretary to the Risk Management Committee

Executive Officers

Mr. Krit Ratanarak
Chief Executive Officer

Mr. Ekasak Puripol
Director and Vice Chairman of the Executive Board

Mr. Jamlong Atikul
President

Mr. Virojn Srethapramotaya
Executive Director and First Executive Vice President

Mr. Pongpinit Tejagupta
Executive Director and First Executive Vice President

Mr. Amornsuk Noparumpa
First Executive Vice President and Legal Adviser

Mr. Chet Raktakanishta
First Executive Vice President

Mrs. Charlotte Donavanik
Executive Vice President and Adviser of Risk Management Department

Mr. Kamol Boondiskulchok
Executive Vice President

Mrs. Arpavadee Meekun-Iam
Executive Vice President

Mr. Nanthasit Leksrisakul
Executive Vice President

Mr. Somrit Srithongdee
Executive Vice President and Acting Manager, Human Resources Department

Mr. Chalernpol Vuttisombut
Executive Vice President and Acting Manager, Information Technology Audit Department

Mr. Tinnawat Mahatharadol
Executive Vice President

Mrs. Preeprame Tesprasit
Executive Vice President

Mr. Nuttawit Boonyawat
Executive Vice President and Acting Manager, Asset Quality Improvement Department

Mr. Surapon Sukumsuwan
Executive Vice President

Miss Nopporn Tirawattanagool
Executive Vice President

Mr. Poomchai Wacharapong
Executive Vice President and Acting Manager, Provincial Branch Credit Department

Mr. Sansrit Yenbamrung
Executive Vice President and Acting Manager, Asset Management Department

Mr. Kanit Arjariya
Senior Vice President and Manager, Audit Department

Mr. Somporn Ongsakorn
Senior Vice President and Manager, Credit Review Department

Mr. Suwat Summashipvitsavakul
Senior Vice President, Head Office Credit Department

Mr. Kriengkrai Viriyaatthakit
Senior Vice President and Manager, Metropolitan Branch Credit Department

Mr. Chansak Charoenpoj
Senior Vice President and Manager, Commercial and Industrial Credit Department

Mr. Vorasit Vongphaibul
Senior Vice President and Manager, Debt Collection and Improvement Department

Mrs. Rassana Wangphoka
Senior Vice President, Marketing Department

Mr. Suvichai Lovichit
Senior Vice President and Manager, Information Technology Development Department

Mr. Werachat Wahawisan
Senior Vice President and Manager, Information Technology Operations Department

Mr. Poonsak Charoonsiri
Senior Vice President and Manager, Rama III Office

Mr. Kaitisak Lohitanon
Senior Vice President and Manager, Metropolitan Branch Business Department

Mr. Suvinai Tosirisuk
Senior Vice President, Training Center, Human Resources Department

Mr. Sa-Win Akkharayut
Legal Adviser, Legal Advisory Office

Mr. Veerapoj Rakwongsa
Vice President and Manager, Legal Advisory Office and Assistant Legal Adviser

Miss Vacharee Pinyai
Assistant Legal Adviser, Legal Advisory Office

Mr. Jirachai Chansurb
Vice President and Group Manager, Head Office and Overseas Branch Audit Group, Audit Department

Mr. Somsakdi Siriwatanachok
Vice President and Group Manager, Branch Audit Group, Audit Department

Miss Malee Supabovonvivat
Vice President and Group Manager, Risk Management and Special Audit Group, Audit Department

Mr. Yingyong Athisirikul
Vice President and Acting Manager, Risk Management Department

Mrs. Sirinthip Silapacharanan
*Vice President and Group Manager,
Large Enterprise Group 1, Metropolitan
Branch Credit Department*

Mrs. Sunee Nontikarn
*Vice President and Group Manager,
Large Enterprise Group 2, Metropolitan
Branch Credit Department*

Mrs. Pimon Tharapan
*Vice President and Group Manager,
Medium Enterprise Group 1, Metropolitan
Branch Credit Department*

Mr. Suvit Janthamrongkul
*Vice President and Group Manager,
Medium Enterprise Group 2, Metropolitan
Branch Credit Department*

Mr. Pichai Archapiroj
*Vice President and Group Manager,
Medium Enterprise Group 3, Metropolitan
Branch Credit Department*

Mr. Isra Chitradhara
*Vice President and Group Manager,
Small Enterprise Group 5, Metropolitan
Branch Credit Department.*

Mr. Teerayut Sirichayaporn
*Vice President, Provincial Branch
Credit Department*

Mr. Phairot Jaruwatthanapradit
*Vice President and Group Manager,
Large Enterprise Group 3, Provincial
Branch Credit Department*

Mr. Manoj Ruamsuk
*Vice President and Group Manager,
Small Enterprise Group 1, Provincial
Branch Credit Department*

Miss Jitra Sirikoon
*Vice President and Group Manager,
Small Enterprise Group 4, Provincial
Branch Credit Department*

Mrs. Sritana Phandhufung
*Vice President and Group Manager,
Small Enterprise Group 6, Provincial
Branch Credit Department*

Mr. Thongprecha Kulthamrongsri
*Vice President and Group Manager,
Small Enterprise Group 7, Provincial
Branch Credit Department*

Miss Umpa Panyasrivarom
*Vice President and Manager, Construc-
tion and Real Estate Credit Department*

Miss Panudda Varithorn
*Vice President and Manager, Special
Projects Credit Department*

Mr. Putchong Tanthasri
*Vice President and Manager, Personal
Credit Department*

Mr. Suvit Ungphakorn
*Vice President and Manager, Credit
Management Department*

Miss Pitakul Pakchotanon
*Vice President and Manager, Credit
Analysis Department*

Mrs. Nitaya Ounhirunskul
*Vice President and Group Manager,
Asset Quality Improvement Group 1,
Asset Quality Improvement Department*

Mr. Yuke Sutarat
*Vice President and Group Manager,
Asset Quality Improvement Group 2,
Asset Quality Improvement Department*

Mr. Kiatisak Jotanuphap
*Vice President and Manager, Collat-
eral Valuation Department*

Mrs. Krongthip Suthasoonthorn
*Vice President and Manager, Credit
Documentation Department*

Mr. Kongchakara Kunjara Na Ayuthaya
*Vice President and Manager, Banking
Operations Department*

Mr. Tammavit Metchanun
*Vice President and Manager, Merchant
Service Department*

Mr. Rungsun Tamanakitprasart
Vice President, Marketing Department

Mr. Thiravut Trairatana
*Vice President, International Trade
Department*

Mrs. Ninna Korprapun
*Vice President, International Trade
Department*

Mr. Pravit Saitongkum
*Vice President, International Trade
Department*

Mr. Sawang Thaisriwongse
*Vice President and Manager,
International Banking and Financial
Institutions Department*

Mrs. Phuangthong Mungkararat
*Vice President and Acting Manager,
Financial Telecommunications Center*

Mrs. Sukanya Tulyayon
*Vice President and Manager, Treasury
Department*

Mr. Chainarong Isadawong
*Vice President and Manager, Treasury
and Capital Markets Operations
Department*

Mrs. Pongsima Koslathip
*Vice President and Manager, Currency
Exchange and Foreign Remittances
Department*

Miss Ladawan Kongkruapun
*Vice President and Manager, Invest-
ment Banking Department*

Mr. Somsak Deemongkolsuk
*Vice President and Group Manager,
Financial Service Group, Investment
Banking Department*

Miss Vatinee Suksathier
*Vice President and Group Manager,
Deposit Account System Group, Infor-
mation Technology Development De-
partment*

Mr. Somboon Tangjaikajor
*Vice President and Group Manager,
System Programming Group, Infor-
mation Technology Operations Department*

Mrs. Duangporn Srirongmuang
*Vice President and Manager, Infor-
mation Technology Service Department*

Miss Sudaphan Watanalappoonpol
*Vice President and Group Manager,
Information Technology Security Group*

Mr. Somchai Nopsuwan
*Vice President and Manager, Ploenchit
Office Branch*

Mr. Worawit Simachai
Vice President and Manager, Provincial Branch Business Department

Mr. Phanyod Viyakornvilas
Vice President and Manager, Branch Administration Department

Mr. Paiboon Jamjan
Vice President and Manager, Central Administration Department

Mr. Suwat Suksongkroh
Vice President and Secretary to the Board of Directors, Office of the Chief Executive Officer

Mr. Chertkiat Chanakit
Vice President and Group Manager, System Analysis Group, Office of the Chief Executive Officer

Mrs. Hathaya Wiranuvat
Vice President and Group Manager, Budget Group, Office of the Chief Executive Officer

Mr. Ganchanaget Thumavatanagul
Vice President and Manager, Research Department

Miss Jiraporn Popairoj
Vice President and Manager, Accounting Department

Mr. Payong Pitimol
Vice President, Commercial and Industrial Credit Department

Mrs. Somanas Suwannatap
Vice President, Debt Collection and Improvement Department

Mr. Chai Asavakarn
Vice President, Debt Collection and Improvement Department

Mr. Natee Juengniponsakul
Vice President, Credit Documentation Department

Mr. Apinun Hornopparat
Vice President, Credit Documentation Department

Mrs. Chanyada Manatas
Vice President, Banking Operations Department

Mr. Pornchai Wongsonvanee
Vice President and Manager, Hong Kong Branch

FLT. LT. Peerabol Promvong
Vice President, Information Technology Operations Department

Mrs. Siengratt Chawapand
Vice President, Rama III Office

Miss Sompis Vathanaphundhumkomol
Vice President, Rama III Office

Mr. Chalit Utayanwutigul
Vice President, Provincial Branch Business Department

Miss Pantee Warapasakul
Vice President, Branch Administration Department

Mr. Wirat Sathapornpat
Vice President, Central Administration Department

Mr. Saprung Sinchalong
Vice President and Manager, Metropolitan Region 1, Metropolitan Branch Business Department

Mr. Thana Osathanond
Vice President and Manager, Metropolitan Region 2, Metropolitan Branch Business Department

Mr. Visut Suvannasankha
Vice President and Manager, Metropolitan Region 4, Metropolitan Branch Business Department

Mr. Thanin Pornpiphatpong
Vice President and Manager, Metropolitan Region 5, Metropolitan Branch Business Department

Mr. Suchin Srisurangkul
Vice President and Manager, Metropolitan Region 6, Metropolitan Branch Business Department

Miss Pongporn Vongpratipsiri
Vice President and Manager, Provincial Region 1, Provincial Branch Business Department

Mr. Niwat Sivaruj
Vice President and Manager, Provincial Region 2, Provincial Branch Business Department

Mr. Somnarm Amimtum
Vice President and Manager, Provincial Region 3, Provincial Branch Business Department

Mr. Surapong Tungtagulwong
Vice President and Manager, Provincial Region 4, Provincial Branch Business Department

Mr. Charal Suttiwong
Vice President and Manager, Provincial Region 5, Provincial Branch Business Department

Mr. Adisorn Worawongkraisri
Vice President and Manager, Provincial Region 6, Provincial Branch Business Department

Mr. Chumpon Wongpanich
Vice President and Manager, Provincial Region 7, Provincial Branch Business Department

Mr. Prapon Jiravipakorn
Vice President and Manager, Provincial Region 8, Provincial Branch Business Department

Mr. Anek Tuntisirin
Vice President and Manager, Provincial Region 9, Provincial Branch Business Department

Management

1. Committees and Executive Officers

1.1 Committee Structures

The Bank's committee structure consists of four executive committees: the Board of Directors, the Executive Board of Directors, the Audit Committee and the Risk Management Committee. The membership, selection methods, and the scope of authority for each of these bodies are described in detail below:

• Board of Directors

Number of Board Members

As of December 31, 2002, the Board of Directors had a total of 9 members and one secretary. The names of the Board members appear in the section "Board of Directors." Members with the authority to sign on behalf of the company are Mr. Krit Ratanarak, Mr. Ekasak Puripol, and Mr. Jamlong Atikul. To be valid, any two of these three Board members must affix their signatures along with the Company seal.

Scope of Authority

- (1) Under Item 22 of the Bank's rules and regulations, the Board of Directors has the power and duty to supervise the management of the company in compliance with the law, shareholders resolutions, and the objectives and regulations of the company. The Board of Directors is responsible for protecting the interests of shareholders and may make decisions on all matters concerned with the running of the Bank, except as specified below, when the law requires prior shareholders approval:
 - a. With regard to matters for which the law requires shareholders' approval, e.g. increasing or decreasing registered capital, declaring liquidation, deciding on mergers and takeovers, etc.
 - b. In the case of related party transactions for which the Stock Exchange of Thailand requires prior shareholders approval, e.g. related party transactions not covered by the exceptions in Items 8 and 9 of the Stock Exchange of Thailand's announcement concerning principles, methods and disclosure of related party transactions for publicly-listed companies.
 - c. Acquisition or sale of assets for which Stock Exchange of Thailand regulations require prior shareholders approval, e.g. major transactions, related-party transactions, etc.
- (2) To set overall directions and strategic goals for the Bank, and to approve directions and policies proposed by the Bank executives, taking into account the interest of the Bank and its shareholders.
- (3) To oversee implementation of an effective set of internal controls and internal audit mechanisms.
- (4) To monitor the Bank's business at all times in order to ensure full compliance by the executives with all relevant laws and the stated policies of the Bank.

Selection Process

Directors are not chosen by a nominating committee. Instead, they are selected in one of the two following ways:

- (1) Board members may be elected by a vote of the general shareholders, for example, when replacing a member whose term has expired, and/or appointing a new Board member. In such cases, the Board of Directors nominates a suitable candidate for the shareholders' consideration, and a vote is taken in accordance with the procedures set down in Item 16 of the Bank's rules and regulations, which reads:
 - a. Each shareholder shall have one vote for each share held.
 - b. The selection of Board members may be on a one-by-one or group basis, as the shareholders see fit, but in either case, individual shareholders must cast all of their votes pursuant to (a) for only one candidate or one set of candidates. Votes may not be distributed among different candidates.
 - c. Candidates who receive the most votes are elected Directors. In the event of a tie, the Chairman shall cast the deciding vote.
- (2) When a seat on the Board becomes vacant for any other reason than the expiry of a member's

term, the remaining Board members shall appoint a legally qualified individual to fill the seat. Selection is made in accordance with Article 75 of the Public Company Limited Act of 1992 and Item 19 of the Bank's rules and regulations, which states that the candidate must receive approval from not less than three-quarters of the remaining Board members. Each of the remaining Board members is responsible for identifying suitable candidates, and voting shall take place at the next Board of Directors meeting.

- **Executive Board of Directors**

Number of Members

As of December 31, 2002, the Executive Board of Directors consisted of 5 members and one secretary. Their names appear under the "Board of Directors" section of the annual report.

Scope of Authority

- (1) The Executive Board of Directors is assigned by the Board of Directors to supervise the operations of the Bank.
- (2) The Executive Board of Directors is charged with setting policy and ensuring that the Bank achieves set goals within the framework of its stated policies.
- (3) The Executive Board complies with risk management policies and strategies as approved by the Board of Directors.
- (3) The Executive Board complies with risk management policies and strategies as approved by the Board of Directors.

Selection of Members

In accordance with Item 26 of the Bank's rules and regulations, the Board of Directors is empowered to appoint a certain number of members of the Board of Directors and/or one or more other individuals as the Board of Directors sees fit to be a member or members of the Executive Board of Directors. One of the appointees is selected to serve as Chairman of the Executive Board.

- **Audit Committee**

Number of Members

As of December 31, 2002, the Bank's Audit Committee consisted of 3 members and one secretary. Their names appear in the "Board of Directors" section of the annual report.

Scope of Authority

- (1) To ensure that the Bank's financial reporting is accurate and adequate.
- (2) To ensure that the Bank has an adequate and effective system of internal audit and controls.
- (3) To verify the Bank's compliance with all relevant laws and regulations.
- (4) To nominate the Bank's auditor and to propose auditing fees.
- (5) To ensure that disclosures of information relevant to a particular matter or to a possible conflict of interest are accurate and complete.
- (6) The Audit Committee has the authority to examine all Bank documents or data, and to summon any Bank employee for questioning.
- (7) To prepare a governance report which is contained in the Bank's annual report.
- (8) To carry out any other duties assigned by the Board of Directors and approved by the Audit Committee.

Selection of Members

Members of the Audit Committee are appointed by the Board of Directors and/or the shareholders, in compliance with the requirements of the Stock Exchange of Thailand and the Bank of Thailand's guidelines for promoting good corporate governance in the commercial banking business.

- **Risk Management Committee**

Number of Members

As of December 31, 2002, the Bank's Risk Management Committee consisted of 8 members and 1 secretary. Their names appear in the "Board of Directors" section of the annual report.

Scope of Authority

- (1) To make policy recommendations relating to Integrated Risk Management to the Bank's Board of Directors. Recommendations are in line with the Bank of Thailand's Risk-based Approach to commercial banking, which sets guidelines for assessing core risks such as strategic risk, credit risk, market risk, liquidity risk, operational risk, legal risk and other forms of risk which may have an impact on the reputation of the Bank.
- (2) To set strategies in line with the Bank's overall risk management policies. The Risk Management Committee is responsible for monitoring and assessing risk and ensuring that it remains within acceptable limits.
- (3) To ensure that the Bank's overall risk management is in line with the principles of good corporate governance.
- (4) To review the Bank's policies and risk management practices in order to find ways to improve the quality and effectiveness of the Bank's approach to risk management.
- (5) The Risk Management Committee has the authority to appoint additional committees/working committees to oversee management of different types of risk, as it sees fit. These committees/working committees report directly to the Risk Management Committee.
- (6) The Risk Management Committee has the right to inspect any Bank documents and to question any Bank employee as necessary for the successful completion of the Committee's work.
- (7) The Risk Management Committee notifies the Audit Committee of all operations in need of improvement or adjustment for the successful completion of the Committee's work.
- (8) The Risk Management Committee reports directly to the Bank's Board of Directors.

Selection of Members

Risk Management Committee members are selected by the Board of Directors, in compliance with the Bank of Thailand's guidelines for promoting good corporate governance in the commercial banking business.

1.2 Background of Directors and Management as of December 31, 2002

Name/Education	Experience/		
	Year	Position	Name of Organization
Mr. Krit Ratanarak <ul style="list-style-type: none">• M.B.A., Eastern New Mexico University, U.S.A.	2002-Present	Chairman of the Risk Management Committee	Bank of Ayudhya Plc.
	1993-Present	Chairman Chairman of the Executive Boards Chief Executive Officer	
	Present	Chairman Chairman	Siam City Cement Plc. Bangkok Broadcasting & TV. Co., Ltd.
Mr. Thipsamat Na Chiengmai <ul style="list-style-type: none">• A.F.A. (Associateship Diploma of the Institute of Financial Accountants, England)• Diploma in Accounting and Auditing, City of London College, England	1993-Present	Director	Bank of Ayudhya Plc.
	1993-2001	Vice Chairman of the Executive Board	

Name/Education	Experience/		
	Year	Position	Name of Organization
Mr. Ekasak Puripol <ul style="list-style-type: none"> M.B.A., SASIN Graduate Institute of Business Administration Chulalongkorn University 	2002-Present 1993-Present Present	Vice Chairman of the Risk Management Committee Director Vice Chairman of the Executive Board Chairman	Bank of Ayudhya Plc. Ayudhya Asset Management Co., Ltd.
Mr. Pakorn Thavisin <ul style="list-style-type: none"> Dulwich College, London. The Chartered Institute of Bankers, London. Directors Certification Program, Thai Institute of Director Association National Defence College 	2002-Present Present	Director Chairman Chairman Independent Director Chairman of the Audit Committee	Bank of Ayudhya Plc. T C J Motor PCL. Colgate Palmolive (Thailand) Co., Ltd. Royal Orchid Hotel (Thailand) PCL.
Mr. Yongyuth Withyawongsaruchi <ul style="list-style-type: none"> Bachelor of Accounting (Honor) and Bachelor of Commerce (Honor), Thammasat University 	1998-Present 1998-2001 1997-2000	Director Executive Director Executive Vice President	Bank of Ayudhya Plc.
Mr. Virat Phairatphiboon <ul style="list-style-type: none"> B.A. in Economics and Business Administration Adams State College, Colorado, U.S.A. 	1999-Present 1998-Present	Director of the Audit Committee Director	Bank of Ayudhya Plc.
Mr. Surachai Prukbamroong <ul style="list-style-type: none"> Bachelor of Accounting and Bachelor of Commerce, Thammasat University Directors Certification Program, Thai Institute of Director Association 	1999-Present Present	Director Chairman of the Audit Committee Director Chairman of the Audit Committee	Bank of Ayudhya Plc. The Ayudhya Insurance Plc.
Mr. Anek Srisawat <ul style="list-style-type: none"> Bachelor of Accounting and Bachelor of Commerce, Thammasat University 	1999-Present	Director Director of the Audit Committee	Bank of Ayudhya Plc.

Name/Education	Experience/		
	Year	Position	Name of Organization
Mr. Jamlong Atikul <ul style="list-style-type: none"> • Ph.D. (City & Regional Planning), Cornell University, U.S.A. 	2002-Present	Director of the Risk Management Committee	Bank of Ayudhya Plc.
	2000-Present	President	
	1999-Present	Director	
	1998-2000	Executive Director	
	1997-1998	Senior Executive Vice President	
	Present	Director	Siam City Cement Plc.
Mr. Virojn Srethapramotaya <ul style="list-style-type: none"> • M.B.A., Jacksonville State University, U.S.A. 	2002-Present	Executive Director Director of the Risk Management Committee	Bank of Ayudhya Plc.
	1999-Present	First Executive Vice President	
	1994-1998	Executive Vice President	The Ayudhya Insurance Plc. The Thai Institute of Banking and Finance Association
	Present	Director Executive Director	
Mr. Pongpinit Tejagupta <ul style="list-style-type: none"> • M.B.A., University of Detroit, U.S.A. 	2002-Present	Executive Director Director of the Risk Management Committee	Bank of Ayudhya Plc.
	2001-Present	First Executive Vice President	
	1994-2001	Executive Vice President	Ayudhya Securities Co., Ltd. Siam Purimongkol Co., Ltd.
	Present	Director Director	
Mr. Amornsuk Noparumpa <ul style="list-style-type: none"> • Barrister-at-Law, Council of Legal Education, Thailand • Barrister-at-Law, Lincoln's Inn, England 	1996-Present	First Executive Vice President and Legal Adviser	Bank of Ayudhya Plc.
	Present	Chairman Chairman	K.S. Law Office Co., Ltd. Ayudhya Services and Management Co., Ltd.
Mr. Chet Raktakanishta <ul style="list-style-type: none"> • Bachelor of Science (Management), Brigham Young University, U.S.A. 	1995-Present	First Executive Vice President	Bank of Ayudhya Plc.
	1993-1994	Executive Vice President	Krungsriayudhya Card Co., Ltd. The Ayudhya Insurance Plc. Siam City Cement Plc.
	Present	Chairman	
	Director		
Director Director of the Audit Committee			

Name/Education	Experience/		
	Year	Position	Name of Organization
Miss Nopporn Tirawattanagool • Master of Commerce and Accountancy (Accountancy) Thammasat University	2002-Present	Secretary to the Executive Board, Director of the Risk Management Committee, Executive Vice President (In charge of Account Department and Treasury Operation Department)	Bank of Ayudhya Plc.
	Present	Director	K.S. Law Office Co., Ltd.
		Director	Ayudhya Services and Management Co., Ltd.
	Director	Ayudhya Asset Management Co., Ltd.	

1.3 Bank shares held by Directors and Management

Name	Dec. 31, 2002		Dec. 31, 2001	
	Ordinary Shares	%	Ordinary Shares	%
Mr. Krit Ratanarak	1,828,324	0.0988	1,828,324	0.0988
Mr. Thipsamat Na Chiangmai	5,228	0.0003	5,228	0.0003
Mr. Ekasak Puripol	15	0.0000	15	0.0000
Mr. Pakorn Thavisin	1,024	0.0001	1,024	0.0001
Mr. Yongyuth Withyawongsaruchi	8,082	0.0004	8,082	0.0004
Mr. Virat Phairatphiboon	-	-	-	-
Mr. Surachai Prukbamroong	-	-	-	-
Mr. Anek Srisawat	-	-	23,500	0.0013
Mr. Jamlong Atikul	-	-	-	-
Mr. Virojn Srethapramotaya	-	-	-	-
Mr. Pongpinit Tejagupta	-	-	-	-
Mr. Amornsuk Noparumpa	-	-	-	-
Mr. Chet Raktakanishta	10,025	0.0005	10,025	0.0005
Miss Nopporn Tirawattanagool	-	-	-	-

2. Complying with the 15 Principles of Good Corporate Governance

2.1 Policies for Good Corporate Governance

Bank of Ayudhya Public Company Limited recognizes the importance of good corporate governance as one of the bases for improving the business standards of the Bank and maintaining fairness to all the stakeholders, which would lead to the enhancement of the Bank's ability to compete and its long-term growth and stability.

The Bank's Directors are determined to use their knowledge, skills and experience to ensure that the Bank runs smoothly and that it complies with all relevant laws, general shareholders resolutions, and the goals and regulations of the Bank. The Directors exercise good judgment and prudence in protecting the interests of the Bank, its shareholders, and all other stakeholders. The Bank adheres to a policy of transparency, providing investors with complete and accurate financial information. The Bank has clearly defined goals and directions, and ensures that the Bank executives observe the Bank's policy to maximize economic value and shareholders' wealth.

2.2 Shareholders: Rights and Equality

The Bank respects shareholders rights and treats all shareholders fairly and equitably, in accordance with the law. For the convenience of shareholders, the Bank conducts all shareholder meetings in accordance with a set of simple rules and procedures.

Shareholders' meetings are held on regular business days at approximately 2 p.m. at the head office of the Bank. Shareholders are notified of meetings at least ten days in advance and are sent details of the agenda and the recommendations of the Board of Directors for their consideration prior to the meeting.

On the day of the meeting, shareholders may register to attend not less than two hours prior to the scheduled start of the meeting. All shareholders are entitled to attend the meetings and to cast their vote, or if they prefer, they may appoint a proxy to attend and vote in their stead. Each share represents one vote, and all shares are considered equal. A complete and accurate report of each shareholders meeting is made available to shareholders for their inspection.

Shareholders who are unable to attend the annual general shareholders meeting scheduled for 2003 may choose to authorize an independent member of the Board of Directors proposed by the Bank to attend the meeting as the shareholder's representative and vote in accordance with the shareholder's wishes.

2.3 Stakeholders' Rights

The Bank appreciates the need to respect the rights of all its stakeholders, whether they are groups within the Bank itself, such as the management and staff, or external groups such as customers, competitors, creditors, government agencies, and other relevant organizations. The Bank realizes that the support of all these stakeholders is essential to its ability to survive in an increasingly competitive environment and achieve long-term success.

2.4 Shareholders Meetings

The members of the Board and the Bank's Audit Committee are all present at shareholders meetings, unless urgent business prevents them from attending. At each meeting, the Chairman gives equal opportunity to all shareholders present to inspect the Bank's operations, to make inquiries, and to offer their views and suggestions. The more noteworthy opinions and recommendations are included in the report prepared at the conclusion of each meeting.

At the 90th annual general shareholders meeting, held on April 22, 2002, the meeting was informed of the number of votes in favor and the number opposed to each item on the agenda. The results of each vote were noted and later recorded in the report of the shareholders meeting.

2.5 Leadership and Vision

The Board of Directors has a role in setting the overall direction and strategic goals of the Bank. In protecting the interests of the Bank and its shareholders, the Board oversees the decisions of the executives and ensures their compliance with stated policy. It is the responsibility of the Board of Directors to make sure that all executives obey all relevant laws and adhere to the Bank policy.

The Board of Directors has overseen the implementation of an effective set of internal control and audit mechanisms. The Directors have assigned the Bank executives to oversee management of various types of risk, which include, as a minimum, strategic risk, credit risk, market risk, investment risk, liquidity risk, operational risk, legal risk, and possible risks to the Bank's reputation. The Board of Directors is responsible for reviewing all policies and strategies intended to guard against risk.

2.6 Conflicts of Interest

The Board of Directors and the Bank executives take all possible precautions to avoid conflicts of interest. For example, at meetings of the Board, if it is felt that any particular Board member has a vested interest in the matter under discussion, such member is required to abstain from voting, and the name of the member and the reason for the abstention are immediately recorded in the meeting's notes.

It is the duty of the Audit Committee to consider when it is warranted to release complete and accurate information relating to possible conflicts of interest.

2.7 Business Ethics

The Bank has compiled a code of ethics, defining the standards of honesty and integrity to which the Board of Directors, executive officers and the staff are expected to conform in the performance of their duties. The code has been distributed to employees throughout the Bank.

2.8 Checks and Balances: Non-Executive Directors

The Board of Directors is composed of the following 9 members:

(1) 3 members holding executive positions in the Bank

Mr. Krit Ratanarak
Mr. Ekasak Puripol
Mr. Jamlong Atikul

(Members holding executive positions in the Bank represent one-third of the total Board membership.)

(2) 3 members not holding executive positions in the Bank

Mr. Thipsamat Na Chiangmai
Mr. Pakorn Thavisin
Mr. Yongyuth Withyawongsaruchi

(Members not holding executive positions in the Bank represent one-third of the total Board membership.)

(3) 3 independent members

Mr. Surachai Prukbamroong
Mr. Anek Srisawat
Mr. Virat Phairatphiboon

(Independent members comprise one-third of the total Board membership.)

2.9 Merging and Separating Positions

The Chairman of the Board of Directors and the President are two separate positions and are not occupied by the same individual. There is a clear separation of powers and duties between these two posts, and neither post may exercise unlimited authority.

2.10 Compensation Given to Board Members and Executive Officers

- *Compensation for the Members of the Board:* The Bank has clear and transparent policies for the compensation of members of the Board. Compensation is comparable to that paid in industry and has been approved at the annual general shareholders meeting. Members appointed to the Audit Committee receive additional compensation reflecting the amount of work assigned.
- *Compensation for Bank executives.* Compensation for Bank executives corresponds to the principles and policies set by the Board of Directors. Payment is based on the Bank's annual operating results and on the individual performance of each executive.
- *Total Compensation paid in 2002.* Details of the total compensation paid to Board members and Bank executives in 2002 are as follows:
 - (1) *Cash compensation*

Compensation paid to the 9 members of the Board of Directors (pensions, transportation and meeting fees) totaled 16,780,000 baht.

Compensation paid to the 7 Bank executives (Executive Directors and First Executive Vice Presidents) totaled 35,563,956 baht in 2002.
 - (2) *Other compensation*

A total of 2,356,363.20 baht was paid into the provident funds of the Bank's executive officers.

The Bank does not offer any non-cash benefits (e.g. shares or warrants) other than cash compensation to its executives.

Cash Compensation paid to each member of the Board of Directors in 2002 is shown below:

<i>Board members</i>	<i>Amount received</i>
1. Mr. Krit Ratanarak	1,520,000 baht
2. Mr. Thipsamat Na Chiengmai	2,110,000 baht
3. Mr. Ekasak Puripol	960,000 baht
4. Mr. Jamlong Atikul	960,000 baht
5. Mr. Yongyuth Withyawongsaruchi	2,110,000 baht
6. Mr. Virat Phairatphiboon	2,070,000 baht
7. Mr. Surachai Prukbamroong	2,470,000 baht
8. Mr. Anek Srisawat	2,470,000 baht
9. Mr. Pakorn Thavisin	* 1,399,000 baht
Mr. Praphaisith Tankeyura	* 711,000 baht
Total	<u>16,780,000 baht</u>

Remarks : * At the 90th annual general shareholders meeting, held on April 22, 2002, Mr. Praphaisith Tankeyura chose not to accept reappointment to the Board of Directors for another term. The shareholders meeting then elected Mr. Pakorn Thavisin to replace him.

2.11 Board of Directors Meetings

In 2002, the Board of Directors voted to convene regular meetings on alternate Wednesdays and to hold other special meetings as needed. Each meeting has a clear and specific agenda, and the Directors regularly review the performance of the Bank over the previous period. Notification of upcoming meetings, together with the agenda and any other accompanying documents, is sent to the Board members 7 days in advance in order to give them sufficient time to prepare. The Board of Directors is also free to take up for discussion any scrutinized consideration affecting the Bank. Written minutes of each meeting are taken, and a report is subsequently prepared and approved by the members of the Board. These reports are available for inspection by the Board and any other interested party.

2.12 Committees

The Board of Directors has appointed an Executive Board of Directors, Audit Committee, and Risk Management Committee to assist with the supervision of the Bank.

1. *Executive Board of Directors.* The current Executive Board was appointed by the Bank's Board of Directors on April 24, 2002. The names of the five members and the roles and responsibilities of the Board appear under the sections "Board of Directors" and "Committee Structures."
2. *Audit Committee.* The Board of Directors appointed the Audit Committee to a three-year term on May 21, 1999. When this term expired on May 8, 2002, the Board of Directors reappointed the same committee members to a second three-year term. The names of the three independent members who comprise the Committee can be found under "Board of Directors."

The Audit Committee meets regularly. In 2002, six meetings were convened, and reports of these meetings were submitted to the Board of Directors.

The Audit Committee reports to the Board of Directors and is responsible for ensuring that the Bank complies with the principles of good corporate governance. Specific duties of the Committee are described in the section "Committee Structures."

3. *Risk Management Committee.* Appointed by the Board of Directors on October 9, 2002 and chaired by Bank's executive chairman, the Risk Management Committee is composed of eight members and is responsible for promoting the practice of good corporate ethics, as defined for commercial banks by the Bank of Thailand. Specific roles and responsibilities are described under "Committee Structures."

2.13 Internal Audit and Control Mechanisms

The Bank places tremendous importance on its system of internal controls at both the management and operational levels. There is a written job description, spelling out the precise duties and responsibilities of every position in the Bank. Operational staff is distinctly separate from staff responsible for monitoring and evaluating Bank procedures. This creates an effective system of checks and balances. The Bank also has a system of financial control with financial reporting submitted to relevant executives.

The Bank has an internal audit team charged with ensuring that the Bank's main business and its important financial operations comply with set guidelines. It is the duty of the Compliance Office to verify the Bank's compliance with all laws and regulations pertaining to the commercial banking and securities business. To ensure independence and an effective system of checks and balances, the Compliance Office and the internal audit team report directly to the Audit Committee.

The Bank has adopted a risk-based approach to business as a means of guarding against potential loss. The Bank has appointed an Audit Committee charged with setting parameters and policies for risk management. It has also created a risk management department that is responsible for limited the Bank's exposure to risk. It also prepares regular risk management reports.

2.14 Board of Directors Reports

The Board of Directors bears ultimate responsibility for the Bank's financial statements, the consolidated financial statements of the Bank and its subsidiaries, and all financial data which appear in the annual report. The Board of Directors has also prepared a statement of responsibility for financial reporting, which follows the auditor's report.

2.15 Investor Relations

It is important to the Bank that investors have access to complete, accurate and updated information about its financial status and any other information which may have a bearing on the price of the Bank's stock. The Bank regularly releases financial statements and other Bank-related news to investors and other stakeholders, through a variety of channels, including the Stock Exchange of Thailand and the Bank's own website.

On January 16, 2002, the Bank created the Investor Relations Group with the following responsibilities:

- (1) To promote good investor relations by coordinating with and providing information to investors, analysts, fund managers, credit rating agencies, correspondent banks, and other relevant organizations.
- (2) To keep abreast of current financial trends and conduct comparative analyses of commercial banks and other financial institutions in order to be able to provide accurate information to analysts, investors, financial institutions, credit rating agencies and other pertinent organizations.

Investors can contact the Investor Relations Group by telephone at 0-2296-2971, or by e-mail at traj@Krungsri.com. They can also reach the group through the Bank's website at Krungsri.com.

3. Monitoring the Use of Insider Information

The Bank has a policy to prevent executives from abusing their access to insider information. All top-level Bank staff must comply with Article 59 of the Securities and Securities Exchange Act of 1992, which requires them to make a full declaration of their stock holdings to the SEC and the Bank's Board of Directors within a stipulated period of time.

The Code of Conduct, contained in the Bank's rules and regulations, specifies that all employees must carry out their duties honestly and in accordance with the law. They must not abuse their authority or allow abuses by other employees which are intended for their benefit or the benefit of any other individual, either directly or indirectly. Violators are subject to the following disciplinary actions, as the case may be:

- 1) Verbal warning
- 2) Written warning
- 3) Suspension
- 4) Termination of employment

4. Internal Controls

At the Board of Directors meeting (7/2545) held on March 27, 2002, which was also attended by all three members of the Bank's Audit Committee, the Board evaluated the adequacy of the Bank's internal control mechanisms in the following areas:

- Organizational and environmental management
- Risk management
- Executive inspection and control on operations
- Information technology and communications
- Monitoring systems

The Board has determined that existing control procedures are adequate and conform to official guidelines set by the Securities and Exchange Commission. Possible improvements will be considered in the future.

In its dealings with major shareholders, directors, executive officers and other interested parties, the Bank complies with commercial banking laws and laws pertaining to securities and securities exchange, which prevent the parties named above from making unauthorized or unapproved use of the Bank's assets. The Board of Directors is in general accord with the Audit Committee on these matters.

The members of the Audit Committee are present at all meetings of the Board of Directors, unless urgent business prevents one of the members from attending. In any case, there are at least two Audit Committee members present at each meeting.

The Bank appointed Deloitte Touche Tohmatsu Limited to audit the Bank's financial statement for 2002. A complete examination of the Bank's internal accounting system was conducted within the necessary parameters and in accordance with generally accepted accounting standards. Previously the auditors found no reason to believe that the financial statements contained any inaccuracies or failed to comply with generally accepted principles of accounting.

5. Related Party Transaction

The Bank disclosed information regarding related-party transactions under section 4.20 of the notes to the Consolidated and the Bank's financial statements for the year ended December 31, 2002.

The Bank has business transaction with subsidiary, associated and related companies which are companies that have shareholding and/or major shareholders and/or joint directors with the Bank. Such related transactions are in the arm-length and normal business of the Bank on which the pricing is charged at the market rate and has the same condition with the other customers. As for the policy of providing allowance for doubtful accounts, the Bank has complied with the same BOT regulation as those treated to other debtors.

The Bank's policy and tendency of related-party transactions in the future shall be the same as those of the previous year's and would be based on the Bank's normal business and the pricing at market rates.

In December 2002, the Bank loaned to Ayudhya Asset Management Company Limited, a subsidiary 99.99% owned by the Bank, of Baht 5,597 million for 10-year term loan and Baht 1,602 million for 5-year term loan.

Directory

Office	Address	Tel	Fax
REGIONAL AND AREA OFFICES			
METROPOLITAN			
Regional Office 1	<i>Mr. Saprunng Sinchalong</i>	0-2758-2855-6	0-2394-1503
Samrong			
Area 1	<i>Mr. Saprunng Sinchalong</i>	0-2758-2855-6	0-2394-1503
Samrong	(Acting)		
Area 2	<i>Mrs. Kalaya Ravirujipan</i>	0-2390-0021	0-2390-2913
Thanon Sukhumwit 71		0-2390-2914	
Regional Office 2	<i>Mr. Tana Osathanonda</i>	0-2931-1617-9	0-2931-1617-8
Chok Chai 4			
Area 3	<i>Mrs. Tana Osathanonda</i>	0-2931-1617-9	0-2931-1617
Chok Chai 4	(Acting)		
Area 4	<i>Mr. Waris Akanich</i>	0-2995-8823	0-2995-9391
Thanon lam luk ka	(Senior)	0-2995-9923	
(Khlung 2)			
Regional Office 3	<i>Mr. Kaitisak Lohitanon</i>	0-2969-8304-6	0-2969-8301
Saphan Pra Nangklae	(Acting)		
Area 5	<i>Mr. Kaitisak Lohitanon</i>	0-2969-8304-6	0-2969-8301
Saphan Pra Nangklae	(Acting)		
Area 6	<i>Mrs. Patchra Mookdasatit</i>	0-2880-9026-8	0-2880-9028
Thanon Boromarajajonani			
(Taling Chan)			
Regional Office 4	<i>Mr. Visut Suvannasankha</i>	0-2433-4678-81	0-2433-4682
Saphan Pha Pinklao			
Area 7	<i>Mrs. Visut Suvannasankha</i>	0-2433-7044	0-2433-4682
Saphan Pha Pinklao	(Acting)		
Area 8	<i>Mrs. Chanpen Puthivorachai</i>	0-2463-5772-4	0-2463-2723
Rat Burana	(Senior)	0-2464-1445-6	
Regional Office 5	<i>Mr. Thanin Pompiphatpong</i>	0-2222-4530	0-2221-5333
Samyaek			
Area 9	<i>Mr. Chatchrin Kulswet</i>	0-2221-0893	0-2221-5333
Samyaek		0-2221-7828	
Area 10	<i>Mr. Thanin Pompiphatpong</i>	0-2222-4530	0-2221-5333
Samyaek	(Acting)	0-2223-4978	
Regional Office 6	<i>Mr. Suchin Srisurangkul</i>	0-2208-2775-9	0-2208-2778
Ploenchit Office			
Area 11	<i>Mr. Somchai Viraboonthai</i>	0-2208-2770-3	0-2208-2778
Ploenchit Office			
Area 12	<i>Mr. Sothorn Suthasunthorn</i>	0-2208-2774	0-2208-2778
Ploenchit Office			
PROVINCIAL			
Regional Office 1	<i>Miss Pongporm Vongpratsiri</i>	0-3521-5434-5	0-3521-5434-5
Wang Noi			
Area 5	<i>Mr. Manop Sriganjana</i>	0-3622-2266	0-3622-2255
Thanon Phahon Yothin Saraburi		0-3631-8045	
Area 11	<i>Mr. Pramote Ngamsrikum</i>	0-3524-2643	0-3524-3779
Ayudhya		0-3524-3771	
Area 21	<i>Mr. Somkiat Krasantisuk</i>	0-3562-5152-3	0-3562-5152
Ang Thong	(Senior)		
Regional Office 2	<i>Mr. Niwat Sivaruj</i>	0-3827-7741-2	0-3827-7741-2
Cholburi			
Area 6	<i>Mrs. Srivarn Sankhum</i>	0-3827-8155-6	0-3827-8155-6
Noen Teng Cholburi	(Senior)		
Area 7	<i>Mrs. Tida Thamsaraj</i>	0-3880-0177-8	0-3861-5178
Rayong	(Senior)		
Area 22	<i>Mrs. Tida Thamsaraj</i>	0-3934-6362-6	0-3934-6362-4
Chantaburi	(Acting)		
Area 23	<i>Mr. Pairoch Wongsupphaluk</i>	0-3739-9977-9	0-3739-9977-9
Pak Phli			

Office	Address	Tel	Fax
Regional Office 3	<i>Mr. Somnam Aimintham</i>	0-4322-2070	0-4322-2070
Thanon Mittraphap Khon Kaen		0-4322-1276	
Area 1	<i>Mr. Mongkol Kasemrunghaikit</i>	0-4322-0858	0-4322-2200
Thanon Mittraphap	(Senior)	0-4322-3431	
Khon Kaen			
Area 17	<i>Mr. Chertsak Anuratwechaikul</i>	0-4224-1771	0-4224-1981
Udon Thani		0-4224-1981	
Area 24	<i>Mr. Chatchai Plangsiri</i>	0-4271-2329	0-4271-2329
Sakon Nakhon		0-4271-3573	
Regional Office 4	<i>Mr. Surapong Tungtagulwong</i>	0-5524-2193	0-5523-0462
Hua Thale Nakhon Ratchasima			
Area 2	<i>Mr. Vinus Chinsupaluck</i>	0-4351-5165-6	0-4351-5165-6
Roi Et			
Area 3	<i>Mr. Winai Koothong</i>	0-4524-4694-5	0-4524-4887
Ubolrajdhani			
Area 4	<i>Miss Araya Lertritsirikul</i>	0-4424-3972	0-4424-3972
Hua Thale Nakhon Ratchasima		0-4425-3922	
Area 25	<i>Mr. Jirayoud Anuntasak</i>	0-4453-8148-9	0-4453-8148-9
Surin			
Regional Office 5	<i>Mr. Charul Suttiwong</i>	0-5335-7108-10	0-5335-7108-9
Thanon Chotana Chiang Mai			
Area 8	<i>Mr. Borirak Tungjang</i>	0-5322-2944	0-5322-2957
Thanon Chotana Chiang Mai		0-5322-2948	
Area 26	<i>Mr. Jirasak Kroechai</i>	0-5432-3273-5	0-5432-3276
Lampang	(Acting)		
Area 27	<i>Mr. Jirasak Kroechai</i>	0-5371-2350	0-5371-1460
Ha Yaek Phokhun Mengrai Subbranch		0-5374-8166	
Regional Office 6	<i>Mr. Adison Worawongkraiari</i>	0-5522-1239-41	0-5522-1339-41
Phitsanulok			
Area 9	<i>Mr. Nipon Chakkrawut</i>	0-5522-1579-81	0-5522-1579-81
Phitsanulok			
Area 10	<i>Mr. Visoot Choosamai</i>	0-5622-8211-3	0-5622-8213
Thanon Sawanwithi			
Nakhon Sawan			
Area 18	<i>Mr. Suriya Sripodok</i>	0-5672-0313	0-5672-2890
Petchaboon		0-5672-1757	
Regional Office 7	<i>Mr. Chumpon Wangpanich</i>	0-3441-3366-7	0-3441-3366-7
Samut Sakhon			
Area 12	<i>Mr. Ruangvate Wongsakulthong</i>	0-3428-4036-9	0-3428-4036-9
Phra Prathon	(Senior)		
Area 13	<i>Mr. Ampon Chareonkul</i>	0-3241-3496-7	0-3241-3496
Phetchaburi			
Area 19	<i>Mr. Raphephan Bhumibhanit</i>	0-3552-1918	0-3552-1922
Suphanburi		0-3552-1922	
Area 28	<i>Mr. Peera Eimburanapravat</i>	0-3231-0461-3	0-3231-0462
Ratchaburi			
Regional Office 8	<i>Mr. Prapon Jeravipakom</i>	0-7722-1650-2	0-7722-1650
Makham Tia Surat Thani			
Area 14	<i>Miss Arunee Dalodom</i>	0-7728-6006	0-7728-3112
Surat Thani		0-7721-0225	
Area 15	<i>Mrs. Oralak Amompyroj</i>	0-7621-7112-3	0-7621-7000
Thanon Poon Phol Phuket			
Regional Office 9	<i>Mr. Anek Tuntisirin</i>	0-7435-1508-10	0-7435-1510
Haadyai			
Area 16	<i>Mr. Somkiat Limsomboon</i>	0-7421-7300-1	0-7421-7300
Thanon Kanchanawanit	(Senior)		
Hat Yai			
Area 20	<i>Mr. Perapatna Charoenrak</i>	0-7531-8767-70	0-7531-8767-9
Thanon Phatthanakan Khu Khwang			
Nakhon Si Thammarat			

Branch/Office	Address	Tel	Fax
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DOMESTIC BRANCHES

BANGKOK

Bang Bon District

BANG BON	103/127-128 Ekkachai Rd., BKK 10150	0-2416-8366 0-2416-8316	0-2416-8367
THANON BANG KHUN	8/128,20/37	0-2416-3481-2	0-2416-4389
THIAN *	Bang Khun Thian Rd., BKK 10150	0-2416-3489	

Bang Kae District

THANON PHET KASEM 55 *	603/14-15 Phet Kasem Rd., BKK 10160	0-2454-6969 0-2454-9966	0-2454-9922
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Bang Kapi District

ASSUMPTION UNIVERSITY (HUA MARK) *	682 Ramkhamhaeng Rd., BKK 10240	0-2300-4452-4	0-2300-4452-4
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BANGKAPI	149/5 Lat Phrao Rd., BKK 10240	0-2377-1724 0-2377-5352	0-2377-1774
HUAMARK	2229/11-12-13 Ramkhamhaeng Rd., BKK 10240	0-2314-6746-7	0-2318-0565

THANON RAMKHAMHAENG 19	S.P. Arcade, 2555 Ramkhamhaeng Rd., BKK 10240	0-2314-6261	0-2719-9646
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THANON SRINAKARIND-KRUNG	T.F.Group, 278 Sinakharintara Rd., BKK 10240	0-2375-1249	0-2375-4271
THEP KRITHA *	45/30-31 Sukha Phiban 3 Rd., BKK 10240	0-2375-6174	0-2735-0088
THANON SUKHAPHIBAN 3 *	68/16 Ram Intra Rd., BKK 10230	0-2509-4993	0-2509-4993

Bang Khen District

DONMUANG (NEW BRIDGE)	342/137 Phahon Yothin Rd., BKK 10220	0-2972-5644-7	0-2521-3596
THANON RAM INDRA KM.2	9/36-39 Ramm Intra Rd., BKK 10220	0-2971-6678-82	0-2971-6682
THANON RAM INDRA- VACHARAPHOL *	68/16 Ram Intra Rd., BKK 10230	0-2509-4993	0-2509-4993

Bang Kholae District

BANGKOK BRIDGE	35/5-6 Mahai Sawan Rd., BKK 10120	0-2292-0673-4	0-2291-1962
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Bang Khunthian District

RAMA II (KHEHA THONBURI 3) *	110/988-989 Rama II Rd., BKK 10150	0-2451-4094-8	0-2451-4094-8
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Bang Na District

SUKHUMWIT 101/2	3131/27-30 Sukhumvit Rd., BKK 10260	0-2747-5566-8	0-2398-5402
THANON BANG NA- TRAT (CENTRAL CITY)	1093/3 Bangna-Trat Rd., BKK 10260	0-2361-0625-6	0-2361-0562-4
THANON BANG NA TRAT (NATION TOWER)	46/1 Bangna-Trat Rd., BKK 10260	0-2751-4036-9	0-2751-4036-9

Bang Plad District

BANG-O	397,399 Charan Sanit- Wong Rd., BKK 10700	0-2424-0948 0-2435-2257	0-2435-2258
SAPHAN PHA PINKLAO	32 Charan Sanit Wong Rd., BKK 10700	0-2433-0085-8	0-2434-3829
SIYAEK SAPAN	644 Charan Sanit Wong Rd., BKK 10700	0-2424-0125	0-2435-5469
KRUNGDHON	640,642 Boromratchonnani Rd., BKK 10700	0-2433-1468	0-2433-3273

Bang Rak District

BANGRAK	318 Silom Rd., BKK 10500	0-2237-7177 0-2237-7140-59	0-2237-7151
PRAI-SANEE KLANG	1149,1151,1153 Charoen Krung Rd., BKK 10500	0-2233-4372-3	0-2237-7147

Branch/Office	Address	Tel	Fax
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SALA DAENG	Charn Issara Tower, 942/32 Rama IV Rd., BKK 10500	0-2237-7143-4	0-2236-7615
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SURAWONG	A.I.G Tower, 182 Surawong Rd., BKK 10500	0-2631-4050-9	0-2631-4055
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THANON SATHON NUA (A.I-CENTER) *	138 North Sathon Rd., BKK 10500	0-2637-7276-85	0-2637-7279
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Bang Sue District

BANG SU	616/120 Techa Wanit Rd., BKK 10800	0-2587-0635-6	0-2585-9661
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SIYAEK WONG SAWANG	1405/2-3 Krungthep- Nonthaburi Rd., BKK 10800	0-2585-9990-2	0-2585-9993
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TAO PUN	7/2-3 Krungthep- Nonthaburi Rd., BKK 10800	0-2585-4217	0-2585-9655
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THANON PRACHARAT SAI 1 *	1094/1 Pracha Rat Sai 1 Rd., BKK 10800	0-2585-2610	0-2585-9418
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Bangkok Noi District

ARUN-AMARIN	799/2 Arun Amarin Rd., BKK 10700	0-2412-6186-8	0-2418-4789
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BANGKOK NOI	631/16 Charan Sanit Wong Rd., BKK 10700	0-2424-0599	0-2435-2259
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PHRAN NOK *	992/10-11 Phran Nok Rd., BKK 10700	0-2411-4543	0-2411-4345
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Bangkok Yai District

SOI CHARAN	853/3-4 Charan Sanit Wong 13 Rd., BKK 10600	0-2864-0977-8	0-2864-0977
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SANITWONG 13 *	226/4 Phet Kasem Rd., BKK 10600	0-2457-0067	0-2457-1431
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Bung Kum District

THANON	105/457-460 Nawamin Rd., BKK 10240	0-2375-5801-2	0-2377-5648
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SUKHAPHIBAN 1 THANON	62/138 Sukha Phiban 2 Rd., BKK 10240	0-2374-1935-9	0-2374-8490
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Chatuchak District

BANG-KHEN	1979 Phahon Yothin Rd., BKK 10900	0-2561-3017-8	0-2579-9929
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CENTRAL LAT PHRAO *	1691 Phahon Yothin Rd., BKK 10900	0-2541-1176-7	0-2541-1177
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KASETSART UNIVERSITY *	50 Phahon Yothin Rd., BKK 10900	0-2561-3490-1	0-2579-7727
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LAD PHRAO	1284,1286,1288,1290 Lat Phrao Rd., BKK 10900	0-2511-3149	0-2513-5918
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PRACHA NIWET 1 *	88/136-137 Thetsaban Songkhro Rd., BKK 10900	0-2954-3880-2	0-2580-7108-9
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THANON PHAHON YOTHIN 26	3300 Phahon Yothin Rd., BKK 10900	0-2937-4983-92	0-2937-4983-90
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(ELEPHANT TOWER) THANON	123 Wiphawadi Rangsit Rd., BKK 10900	0-2617-6486-90	0-2617-6430
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VIBHAVADIRANGSIT (SUNTOWERS)

Chom Thong District

BANG MOT	2/91-93 Rama II Rd., BKK 10105	0-2428-4389-90	0-2870-0120-2
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THANON CHOM THONG	14 Chom Thong Rd., BKK 10150	0-2476-5741	0-2476-5740
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DIN DAENG	2/14 Pracha Songkhro Rd., BKK 10320	0-2642-8838-40	0-2245-4732
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FORTUNE TOWN	5 Ratchada Phisek Rd., BKK 10400	0-2248-3380-3	0-2248-3384
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SAM LIAM DIN DAENG	520 Din Daeng Rd., BKK 10400	0-2642-4020-1	0-2245-6038
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Branch/Office	Address	Tel	Fax
Don Muang District			
THANON SONG PRAPHA (DON MUANG)	310/75-77 Song Prapha Rd., BKK 10210	0-2566-4291-3	0-2566-4536-7
Dusit District			
BANGKRABUE	873/3 Samsen Rd., BKK 10300	0-2243-3256 0-2243-3262	0-2243-7988-9
RAJABHAT INSTITUTE	295 Ratchasima Rd., BKK 10300	0-2241-8325-6	0-2241-8325-6
SUAN DUSIT *	BKK 10300		
RAJAVAT	1256/5 Nakhon Chaisi Rd., BKK 10300	0-2241-3978 0-2241-4143	0-2241-3842
Huai Khwang District			
PETCHBURI NEW EXTRD.	Krungthep Tower, 2170 Phetchaburi Rd., BKK 10310	0-2308-0041-5	0-2308-0040
RATCHADAPHISEK (HUIAI KHWANG)	286 Ratchada Phisek Rd., BKK 10310	0-2275-4906-10 0-2275-8222	0-2277-9962
THANON RATCHADA-PHISEK (OLYMPIA THAI TOWER)	444 Ratchada Phisek Rd., BKK 10310	0-2513-8731-5	0-2511-2491
THANON THIAM RUAM MIT	280,282,284 Thiam Ruam Mit Rd., BKK 10310	0-2274-4008-10	0-2274-4011
Kannayao District			
THANON RAM INDRA KM.8	39/165-167 Rarm Intra Rd., BKK 10230	0-2509-5880-3	0-2509-5884
Khlong San District			
KLONGSARN	1153 Charoen Nakhon Rd., BKK 10600	0-2437-1377 0-2437-2646	0-2437-1351 0-2860-1223
SAPHAN PHRACHAO TAKSIN	79 Krung Thonburi Rd., BKK 10600	0-2437-0230 0-2438-7726	0-2437-9980
THA DIN DAENG	360-362 Tha Din Daeng Rd., BKK 10600	0-2437-2509 0-2437-3359	0-2437-7885
THANON CHAROEN NAKHON SOI 4 *	96,98,100 Charoen Nakhon Rd., BKK 10600	0-2437-9978-9	0-2438-9982
THANON CHAROEN NAKHON SOI 35 *	1503 Charoen Nakhon Rd., BKK 10600	0-2439-1104 0-2439-6448	0-2439-1158
WONGWIEN-YAI	649 Prachathipok Rd., BKK 10600	0-2437-0173-4 0-2437-8029	0-2437-8030
Khlong Toei District			
KLONGTEOI	209/7-12 Na Ranong Rd., BKK 10110	0-2249-8012-4	0-2240-0528
SUKHUMWIT 14	304,306 Sukhumvit Rd., BKK 10110	0-2229-4433 0-2229-4435	0-2225-0773
THANON PHRARAM THI 4 (KLONGTEOI) *	2697-2699 Rama IV Rd., BKK 10110	0-2260-9506-10	0-2260-9509
Lak Si District			
CHAENG WATTHANA 14	29/189-191 Chaeng Watthana Rd., BKK 10210	0-2574-6174-6 0-2982-4006-7	0-2573-7377
Lat Krabang District			
LAT KRABANG	146/2 Lat Krabang Rd., BKK 10520	0-2326-8815-8	0-2326-8816
Lat Phrao District			
CHOK CHAI 4	22/329 Soi Lat Phrao 53 (Chok Chai 4), BKK 10231	0-2530-1696 0-2530-3790	0-2530-2959
SIYAEK WANG HIN	6/15-16 Lat Phrao Wang Hin Rd., BKK 10230	0-2570-5584-7	0-2570-5586
Min Buri District			
MIN BURI *	140/2-3 Rarm Intra Rd., BKK 10510	0-2517-9897-9	0-2517-9900
Nong Khaem District			
NONG KHAEM	14/23-25 Phet Kasem Rd., BKK 10160	0-2444-2958-9	0-2808-8508

Branch/Office	Address	Tel	Fax
Pathumwan District			
CHARU MUANG	160,160/1-2 Charu Muang Rd., BKK 10400	0-2214-2352-3	0-2216-1338
PLOENCHIT OFFICE	550 Phloen Chit Rd., BKK 10330	0-2208-2081 0-2208-2175	0-2208-2116
PLOENCHIT TOWER	898 Phloen Chit Rd., BKK 10330	0-2263-0667-9	0-2263-0170
SAPHAN LUANG	1317,1319,1321 Rama IV Rd., BKK 10330	0-2215-4593-4	0-2215-4794
SIAM SQUARE	430/30-32 Rama I Rd., BKK 10330	0-2255-1116-7	0-2251-7622
Phasicharoen District			
BANGKHAE	186 Phet Kasem Rd., BKK 10160	0-2454-2947-50 0-2413-1231	0-2454-2951
THANON PHET KASEM 33 (FUTURE PARK PLAZA) *	110 Phet Kasem Rd., BKK 10160	0-2454-8702-7	0-2454-8701
Phaya Thai District			
KLONG PRAPA	136 Rama VI Rd., BKK 10400	0-2270-0829 0-2271-3171	0-2278-0260
SANAM PAO	S.P.E. Tower, 252 Phahon Yothin Rd., BKK 10400	0-2615-0198-9	0-2278-0223
SAPAN-KWAI	Shinawatra Tower 2, 1291/1 Phahon Yothin Rd., BKK 10400	0-2272-2991-4	0-2278-0236
SUTTHISAN	365 Suthisan Witichai Rd., BKK 10400	0-2270-0164-5	0-2278-0210
Phra Khanong District			
SUKHUMWIT 103 (UDOM SUK) *	749,751,753 Sukhumvit Rd., BKK 10260	0-2383-8793-7	0-2383-8793-7
Phra Nakhon District			
BANGLAMPOO	83 Chakrabongse Rd., BKK 10200	0-2282-8253-4	0-2281-1698
PAKKLONG-TALAD	73/1 Chakkrapath Rd., BKK 10200	0-2223-0530 0-2222-9637	0-2222-6360
PHAHURAD	119 Phahurat Rd., BKK 10200	0-2221-1604 0-2221-7740	0-2224-4834
SAM YOD	10,12,14 Sap Sin Rd., BKK 10200	0-2223-7855-7	0-2225-9853
SAO-CHINGCHA	174 Bamrung Muang Rd., BKK 10200	0-2222-5206 0-2224-8805	0-2225-9856
SIYAEK WISUTKASAT	115 Wisut Kasat Rd., BKK 10200	0-2282-4688-9	0-2281-1694
Pomprap Sattruphai			
CHAKRAPHAT PHONG	314 Chakkaphatdi Phong Rd., BKK 10100	0-2280-1757-8	0-2281-7330
SIYAEK SUAPA	387,389 Charoen Krung Rd., BKK 10100	0-2223-5334-5	0-2225-9501
SUAN MALI	494,494/1-4 Bamrung Muang Rd., BKK 10100	0-2223-5413 0-2223-7305	0-2223-5414
VORACHAK	69-71 Luang Rd., BKK 10100	0-2221-7678 0-2223-7118	0-2221-9507
WONGWIEN 22	380 Rob Wongwien 22	0-2222-7585	0-2223-4370
KARAKADA	Karakada Rd., BKK 10100	0-2223-0760	
Pravet District			
ON NUJ 69 *	22/14 On Nuj Rd., BKK 10250	0-2726-0475-8	0-2726-0475-8
THANON SRINAKARIND (SERI CENTER) *	12/90 Sinakharintara Rd., BKK 10260	0-2746-0194-9	0-2746-0200

Branch/Office	Address	Tel	Fax
Rat Burana District			
RAT BURANA	103/1 Suk Sawat Rd., BKK 10140	0-2463-5772-3 0-2464-1445-6	0-2463-5774
THANON RAT BURANA (BANG PAKOK)	331/25-26 Rat Burana Rd., BKK 10140	0-2428-4534-7	0-2428-4536
Ratchatewi District			
PRATUNAM	640/2 Phetchaburi Rd., BKK 10400	0-2251-3277 0-2253-8963	0-2251-5389
RATCHATHEVI	75/11 Phaya Thai Rd., BKK 10400	0-2653-6720-2	0-2253-8962
URUPHONG	46/28 Rama VI Rd., BKK 10400	0-2215-7000-1	0-2613-6658
Samphanthawong District			
CHAKKRAWAT	192-194 Chakkrawat Rd., BKK 10100	0-2222-1677 0-2222-1848	0-2221-5804
RAJWONGSE	299 Ratchawong Rd., BKK 10100	0-2224-5510 0-2224-5626	0-2224-5681
SAMYAEK	34-37 Lamphun Chai Rd., BKK 10100	0-2221-1520-9	0-2222-4532
YAOWARAT	437 Yaowarat Rd., BKK 10100	0-2223-5336-7	0-2223-1097
Sathon District			
LUMPINI	Lumpini Tower, 1168/1 Rama IV Rd., BKK 10120	0-2285-6696-9	0-2286-5792
SUAN-PHLU	7 Soi Suan-Phlu, South Sathon Rd., BKK 10120	0-2287-3011-3	0-2287-4979
Suan Luang District			
ON NUJ 23 *	1097,1099 On Nuj Rd., BKK 10250	0-2332-2737 0-2332-2837	0-2332-6243
RAMA IX-SRINAKARIND	31-31/1 Rama IX Rd., BKK 10250	0-2300-1642 0-2300-1645	0-2300-1619
SRINAKARIND-ON NUJ *	2201 On Nuj Rd., BKK 10250	0-2321-1584 0-2321-8838	0-2321-7910
THANON PHAT- THANAKAN	1150 Phatthanakan Rd., BKK 10250	0-2318-3289 0-2314-7700	0-2318-9679
Taling Chan District			
THANON	49/8 Boromratchonnani Rd., BKK 10170	0-2880-9908-9	0-2433-6910
BOROMARAJAJONANI (TALING CHAN)		0-2433-4386	
Thon Buri District			
DAO-KHANONG	1033-35,37 Somdet Phrachao Taksin Rd., BKK 10600	0-2476-0036 0-2476-5369	0-2468-1162
RATCHADAPHISEK (THA PHRA-TAKSIN)	97/7-9 Ratchada Phisek Rd., BKK 10600	0-2477-9692-4 0-2477-9689	0-2477-8577
SAMRAY	407/9-10 Somdet Phrachao Taksin Rd., BKK 10600	0-2438-6811-2	0-2860-6457
TALAT PHLU	439,441,443 Thoet Thai Rd., BKK 10600	0-2466-9766 0-2466-9672	0-2465-9218
Thung Kru District			
THANON PRACHA	644/73-76 Pracha Uthit Rd., BKK 10140	0-2427-1041	0-2427-1324
UTHIT *		0-2427-1415	
Vadhana District			
EKAMAI	1473 Sukhumvit Rd., BKK 10110	0-2714-0082-5	0-2714-0082
SIYAEK ASOK	Serm-Mit Tower, 159 Sukhumvit 21 Rd., BKK 10110	0-2261-8119-21	0-2661-7675
SOI THONG LO *	936/6 Sukhumvit 55 Rd., BKK 10110	0-2392-2838-9	0-2381-6428
SUKHUMWIT 35	593/7-9 Sukhumvit Rd., BKK 10110	0-2259-0020-3	0-2258-5062
THANON SUKHUMWIT 63	S.S.P. Tower, 555/3-4 Sukhumvit Rd., BKK 10110	0-2711-4600-6	0-2711-4606

Branch/Office	Address	Tel	Fax
THANON SUKHUMWIT 71	956/1-2 Sukhumvit Rd., BKK 10110	0-2390-1936 0-2381-2171	0-2381-0022-3
Wang Thonglang District			
LAT PHRAO 102	2238 Lat Phrao Rd., BKK 10310	0-2539-4508-11	0-2931-9753
Yannawa District			
THANON CHAN	7/62-64 Chan Rd., BKK 10120	0-2287-4384-8	0-2287-4387
THANON NANG LINCHI	95/3 Nang Linchi Rd., BKK 10120	0-2678-3016-8	0-2287-4885
THANON RATCHADA- PHISEK (CENTRAL RAMA III)	79/325 Sathu Pradit Rd., BKK 10120	0-2673-6309-14	0-2673-6309-14
THANON SATHU PRADIT	570/14 Sathu Pradit Rd., BKK 10120	0-2295-1104-5	0-2295-1104-5
BANGKOK SUBURBAN			
Nonthaburi			
NONTHABURI	5/3 Phibun Songkham Rd., NBI 11000	0-2967-2000-1 0-2525-2764	0-2525-3282
TIWANON (KHAERAI)	64/9 Tiwanon Rd., NBI 11000	0-2588-3986 0-2588-4638	0-2589-6693
SAPHAN PRA NANGKLAO	47/18 Rattanathibet Rd., NBI 11000	0-2527-0241-4	0-2527-0245
THANON TIWANON (KHLONG BANG TALAT) *	54/88-89 Tiwanon Rd., NBI 11000	0-2580-6611 0-2580-6622	0-2580-6644
THANON NGAM *	49/32-34 Ngam Wong Wan Rd., NBI 11000	0-2951-8403-4 0-2591-7526	0-2588-2784
WONG WAN			
BANG BUA THONG	267 Bang Krui-Sai Noi Rd., NBI 11110	0-2571-3530-4 0-2923-1093	0-2571-3531
PAK KRET	100/4 Chaeng Watthana Rd., NBI 11120	0-2960-7961-2 0-2583-8593	0-2583-4387
THANON CHAENG WATTHANA (SOFTWARE PARK)	99/39,99/43 Chaeng Watthana Rd., NBI 11120	0-2962-3104-8	0-2962-3104-8
BANG YAI	48/3 Rattanathibet Rd., NBI 11140	0-2594-0608-9 0-2594-1777	0-2594-0605
Pathum Thani			
PATHUM THANI	26/9-10-11 Pathum Samphan Rd., PTI 12000	0-2581-3908-10	0-2581-3933
MAJOR RANGSIT *	439 Phahon Yothin Rd., PTI 12130	0-2567-5010 0-2567-5042-4	0-2532-0018
THANON RANGSIT- NAKHON NAYOK (KLONG 2) *	77/143-146 Rangsit-Nakhon Nayok Rd., PTI 12110	0-2966-0916-8	0-2533-1051
RANGSIT	Future Park Plaza Rangsit, 161 Phahon Yothin Rd., PTI 12130	0-2958-0245-9	0-2958-0245-9
NAVANAKORN	58/606-608 Phahon Yothin Rd., PTI 12120	0-2529-2076-8	0-2529-2086
RAJABHAT INSTITUTE PETCHBURI	1 Phahon Yothin Rd., PTI 13180	0-2529-5309 0-2529-5346	0-2529-5309
WITTAYALONGKORN *			
THANON LAM LUK KA (KHLONG 2)	20/6 Lam Luk Ka Rd., PTI 12130	0-2523-3933-5	0-2523-3933-5
TALAT SI MUM MUANG	600/465-468 Phahon Yothin Rd., PTI 12150	0-2536-8154-6	0-2536-8155
Samut Prakan			
SAMUT PRAKAN	85 Prakhon Chai Rd., SPK 10270	0-2387-1814-5	0-2395-3353

Branch/Office	Address	Tel	Fax
SAMRONG	2119 Thepharak Rd., SPK 10270	0-2384-3623-4	0-2394-1503
THANON THEPHARAK	2119 Thepharak Rd., SPK 10270	0-2385-0975-9	0-2385-0975-9
THANON SRINAKARIND- THEPHARAK	411/1-2-3 Sinakharintara Rd., SPK 10270	0-2385-7120-1	0-2385-7120-1
THANON SRINAKARIND	220/15-16 Sinakharintara Rd.,	0-2389-1443	0-2389-1568
SUKHUMWIT *	SPK 10270	0-2389-1465	
BANG PU *	999/15-16 Sukhumvit Rd., SPK 10270	0-2323-9838-42	0-2323-9838-42
THANON PHRAEKSA	529/1-2 Phraeksa Rd.,	0-2387-0081-2	0-2387-0081-2
SAMUT PRAKAN *	SPK 10280		
THANON WAT	46/9 Wat King Kao Rd.,	0-2316-9495-6	0-2750-1722
KINGKAE0	SPK 10540		
THANON WAT	9/109-110 Wat King	0-2312-4795-7	0-2312-4795-7
KINGKAE0	Ka0 Rd., SPK 10540		
(RACHA TEWA)			
ASSUMPTION	88 Bang Na-Trat Rd.,	0-2707-0350-4	0-2707-0350-4
UNIVERSITY (THANON BANGNA-TRAD KM.26) *	SPK 10540		
BANG BO	250/2 Bang Na-Trat Rd., SPK 10560	0-2708-5393	0-2708-4920
PHRA-PRADAENG	528.530 Nakhon Khaenkhan Rd., SPK 10130	0-2463-5230	0-2463-0115
THANON	58/19 Suk Sawat Rd.,	0-2463-2510	0-2463-2560
SUKSAWAT 53 *	SPK 10130	0-2463-2920	
Samut Sakhon			
SAMUT SAKHON	923/27 Setthakit 1 Rd., SKN 74000	0-3441-1986-7	0-3442-6475
THANON RAT BANCHOP	887/1-3 Rat Banchop Rd.,	0-3442-8126-7	0-3442-8127
SAMUT SAKHON *	SKN 74000		
KRATHUMBAEN	773-774/1 Setthakit 1 Rd., SKN 74110	0-3447-2580-1	0-3447-1477
OM NOI *	307/11-12 Phet Kasem Rd., SKN 74130	0-2431-0131-6	0-2431-0131-6
Nakhon Pathom			
NAKHON PATHOM	78/2 Song Phon Rd., NPT 73000	0-3425-1155-7	0-3421-9425
PHRA PRATHON	183 Phet Kasem Rd., NPT 73000	0-3424-2826-7	0-3424-2826
SAM PHRAN	242-242/1 Sukha Phiban 1 Rd., NPT 73110	0-3432-2796-9	0-3432-2795
NAKHON CHAIS1	62/20-21 Phet Kasem Rd., NPT 73120	0-3433-3640-4	0-3433-1885
KAMPHAENG SAEN	151/1 Phon Damri Rd., NPT 73140	0-3435-1705-6	0-3435-1705 0-3435-1809-10
PROVINCES			
CENTRAL			
Ang Thong			
ANG THONG	64 Ang Thong-Pho Thong Rd., ATG 14000	0-3562-5150-1	0-3562-5150-1
Chai Nat			
CHAINAT	100 Wong To Rd., CNT 17000	0-5641-2696	0-5641-2697 0-5641-1064-5
Lop Buri			
LOP BURI	101 Sura-Songkhram Rd., LRI 15000	0-3641-1599-6000	0-3641-1600
WONG WIEN SA KAE0	227/36-37 Narai Maharat Rd.,	0-3642-2601-2	0-3661-2691
LOP BURI *	LRI 15000		
LAM NARAI	424 Sura Narai Rd., LRI 15130	0-3646-1994-5	0-3646-1994-5

Branch/Office	Address	Tel	Fax
Phra Nakhon Si Ayutthaya			
AYUDHYA	Kho Khwai 108/6 U Thong Rd., AYA 13000	0-3524-5718-20	0-3524-1783
SENA	Ko Kai 407/2 Wilai Sena Rd., AYA 13110	0-3520-2009	0-3520-2279
THA RUA	223 Thetsaban 1 Rd., AYA 13130	0-3534-1969-70	0-3534-1129
BANG PA-IN	44/26-29 Udom Sorrayut Rd., AYA 13160	0-3522-1071-4	0-3522-1071-4
PRATUNAM PHRA-IN	55/10 Phahon Yothin Rd., AYA 13180	0-3521-9851-4	0-3521-9851-4
WANG NOI	409 Phahon Yothin Rd., AYA 13170	0-3527-1882-3	0-3527-1882-3
BANG SAI	120 Pathum Thani-Samkok- Sena Highway, AYA 13190	0-3537-1444-5	0-3537-1124
ROJANA INDUSTRIAL PARK *	1/145-148 Rotchana Rd., AYA 13210	0-3533-0515	0-3533-0505 0-3533-0525
LAT BUA LUANG *	33/49-52 Bangkok- Suphan Buri Highway, AYA 13230	0-3537-9350	0-3537-9352
Saraburi			
SARABURI	55/2 Sut Banthat Rd., SRI 18000	0-3622-2277	0-3622-1325 0-3631-5696
THANON PHAHON YOTHIN SARABURI	510/34 Phahon Yothin Rd., SRI 18000	0-3631-8401-4	0-3631-8401-4
PHRABUDHABATH	43 Sai Ek Rd., SRI 18120	0-3626-8022-4	0-3626-8022-4
NONG KHAE	48 Setthasamphan Rd., SRI 18140	0-3632-6400-3	0-3632-6400-3
HIN-KONG	218-220 Phahon Yothin Rd., SRI 18230	0-3637-9013-4	0-3637-9013
MUAKLEK	48/7 Sukha Phiban Rd., SRI 18180	0-3634-1076-7	0-3634-1076-7
KAENG KHOI	119 Sut Banthat Rd., SRI 18110	0-3624-5320-3	0-3624-5320-3
NONG DON	320 Sukha Phiban Rd., SRI 18190	0-3639-7225-8	0-3639-7225-8
DON PHUT *	119 Pho Phraya-Ang Thong- Tha Rua Rd., SRI 18210	0-3638-5112-4	0-3638-5113
Sing Buri			
SING BURI	809-812 Khun San Rd., SBR 16000	0-3652-0697-8	0-3652-0699
KHAI BANG RACHAN *	74/1-2 Sing Buri-Suphan Buri Highway, SBR 16150	0-3659-7050-2	0-3659-7050
EAST			
Chachoengsao			
CHACHOENGSAO	5/1 Prem Pracha Rd., CCO 24000	0-3851-4272-3	0-3851-4273
BANG KHLA	57 Bang Khla-Plang Yao Rd., CCO 24110	0-3854-2014-6	0-3854-2014-6
PHANOM SAKAKHAM	1144/1 Chachoengsao- Kabin Buri Rd., CCO 24120	0-3855-1840-3	0-3855-1842
BANG PAKONG	73 Sukhumvit Rd., CCO 24130	0-3853-1250-1	0-3853-1250-1
Chanthaburi			
CHANTABURI	181 Khwang Rd., CTI 22000	0-3934-6385-8	0-3934-6385-8
SIYAEK KHAO RAI YA	48/14 Rak Sak Chamun Rd., CTI 22000	0-3933-5398-9	0-3933-5398-9
Chon Buri			
CHOLBURI	170 Wachira Prakan Rd., CBI 20000	0-3879-2318-9	0-3879-2318-9

Branch/Office	Address	Tel	Fax
THANON SUKHUMWIT CHOLBURI	64/1 Sukhumvit Rd., CBI 20000	0-3827-4520-1	0-3827-4520-1
NOEN TENG CHOLBURI	413/67 Chon Buri-Ban Bung Rd., CBI 20000	0-3826-1101-3	0-3826-1101-3
PHANAT NIKHOM	36/1 Si Kunchon Rd., CBI 20140	0-3846-1378-9	0-3846-1378-9
BAN BUNG	325 Chon Buri-Ban Bung Rd., CBI 20170	0-3844-4019-20	0-3844-3623
SI RACHA	122 Sukhumvit Rd., CBI 20110	0-3831-1375 0-3831-1852	0-3831-1375 0-3831-1852
THANON SURASAK 1 SI RACHA *	1/18 Thetsaban 1 Rd., CBI 20110	0-3832-4272-6	0-3832-4272-6
AO UDOM	166/403 Sukhumvit Rd., CBI 20230	0-3835-2466-9	0-3835-2466-9
BAN RONG PO	39 Sukhumvit Rd., CBI 20150	0-3824-1031-4	0-3824-1033
PATTAYA	513 Central-Pattaya Rd., CBI 20260	0-3842-6907-8	0-3842-6907-8
THANON PATTAYA TAI	37/37-41 South-Pattaya Rd., CBI 20260	0-3842-5524-5	0-3841-1992
SATTAHIP	0526/17-18-19 Ban Na Rd., CBI 20180	0-3843-7781-3	0-3843-7781-4
Nakhon Nayok			
NAKHON NAYOK	Kho Khai / 1-400 Sena Phinit Rd., NYK 26000	0-3731-2644-5	0-3731-2644-5
ONGKHARAK	54 Ongkharak-Bang Nam Prieo Rd., NYK 26120	0-3732-2268-9	0-3739-1594
Prachin Buri			
PRACHIN BURI	81 Thetsaban Damri Rd., PRI 25000	0-3721-3217-8	0-3721-3217-8
KABIN BURI	599 Suwannason Rd., PRI 25240	0-3720-3015-9	0-3720-3015-9
Rayong			
RAYONG	125/11 Sukhumvit Rd., RYG 21000	0-3861-1534 0-3861-6072-3	0-3861-6073
MAP TA PHUT	195 Sukhumvit Rd., RYG 21150	0-3860-8991-4	0-3860-8991-4
KACHET *	209 Sukhumvit Rd., RYG 21160	0-3864-8295-6	0-3864-8001
KLAENG	141/1 Sukhumvit Rd., RYG 21110	0-3867-4427-8	0-3867-4427-8
Sa Kaeo			
SA KAEO	304 Suwannason Rd., SKW 27000	0-3724-1810-3	0-3724-1810-3
Trat			
TRAD	421 Sukhumvit Rd., TRT 23000	0-3952-1151-3	0-3952-1151-3
THANON SUKHUMWIT TRAD *	56 Sukhumvit Rd., TRT 23000	0-3952-0969 0-3952-0993	0-3952-1326
UPPER NORTHEAST			
Chaiyaphum			
CHAIYAPHOOM	141/20 Chaiyaphum-Si Khu Rd., CPM 36000	0-4482-1339-41	0-4482-1340
Kalasin			
KALASIN	297/1 Thetsaban 23 Rd., KSN 46000	0-4381-1556-7	0-4382-1882
Khon Kaen			
KHON-KAEN	114 Si Chan Rd., KKN 40000	0-4322-0856-7	0-4322-2800
THANON MALIWAN	84 Maliwan Rd., KKN 40000	0-4323-7952 0-4324-2565	0-4323-7965

Branch/Office	Address	Tel	Fax
THANON MITTRAPHAP KHON KAEN	359/3 Mittraphap Rd., KKN 40000	0-4332-5411-5	0-4332-5411-5
THA PHRA KHON KAEN *	426-429 Mittraphap Rd., KKN 40260	0-4326-1661-5	0-4326-1661-5
CHUM PHAE	1249 Maliwan Rd., KKN 40130	0-4331-1309-10	0-4331-2258
NAM PHONG	68/1 Phadung Panich Rd., KKN 40140	0-4343-1341-2	0-4343-1113
BANPHAI	147 Ratchanikun Rd., KKN 40110	0-4327-2108 0-4327-2162	0-4327-2501
PHU WIANG	490 Phu Wiang-Gut Chim Rd., KKN 40150	0-4329-1290-2	0-4329-1290-2
Loei			
LOEI	24/10 Ruam Chit Rd., LEI 42000	0-4281-2619-20	0-4281-2620
Mukdahan			
MUKDAHAN	12 Wiwit Surakan Rd., MDH 49000	0-4261-3035-6	0-4261-3035
Nakhon Phanom			
NAKHON PHANOM	275/1 Nittayo Rd., NPT 48000	0-4251-3082-5	0-4251-3086
PHON SAWAN *	473 Kusuman-Tha Uthen Rd., NPT 48190	0-4259-5119 0-4259-5091	0-4259-5044
Nong Bua Lam Phu			
NONG BUA LAM PHU	16/1 Wisai Udon Kit Rd., NBP 39000	0-4231-2536-40	0-4231-2540
NA KLANG	66 Wang Saphung-Udon Thani Highway, NBP 39170	0-4235-9023-4	0-4235-9023-4
Nong Khai			
NONG KHAI	038/2 Prachak Rd., NKI 43000	0-4242-0743-4	0-4242-0743
SRI CHIENGMAI	640 Si Ming Muang Rd., NKI 43130	0-4245-1336-8	0-4245-1336-8
Sakon Nakhon			
SAKON NAKHON	1575/7 Suk Kasem Rd., SNK 47000	0-4271-3001-2	0-4271-3002
RAJABHAT INSTITUTE SAKON NAKHON *	680 Nittayo Rd., SNK 47000	0-4271-4303 0-4271-7109	0-4271-7109
WANON NIWAT	379 Watthanatham Wattana Rd., SNK 47120	0-4279-1165-6	0-4279-1165
Udon Thani			
UDORNTHANI	229/9 Prachak Sinlapakhom Rd., UDN 41000	0-4224-6511 0-4222-1497	0-4222-1523
THANON PHO SI UDON THANI *	112-112/1 Pho Si Rd., UDN 41000	0-4224-9736-7	0-4224-9736
NONG BUA UDON THANI	999 Udon-Sakon Nakhon Highway, UDN 41000	0-4224-3434 0-4224-8494	0-4224-8636
LOWER NORTHEAST			
Amnat Charoen			
AMNAT CHAROEN	890 Chayangkun Rd., ACR 37000	0-4551-1731-4	0-4551-1731-4
Buri Ram			
BURI RAM	57,57/1 Soonthon Thep Rd., BRM 31000	0-4461-4128-30	0-4461-4128-30
RAJABHAT INSTITUTE BURI RAM *	439 Jira Rd., BRM 31000	0-4460-1519 0-4461-4159	0-4461-7653
NANG RONG	605 Chok Chai-Det Udom Rd., BRM 31110	0-4462-4318-22	0-4462-4318-22
PHUTTHAISONG	322 Aphairat Rd., BRM 31120	0-4468-9114-5	0-4468-9164

Branch/Office	Address	Tel	Fax
Maha Sarakham			
MAHA SARAKHAM	1168/5 Worabut Rd., MKM 44000	0-4372-2227-8	0-4372-2227
Nakhon Ratchasima			
NAKORNRAJSIMA	168 Chom Phon Rd., NMA 30000	0-4425-1340-2 0-4424-2388	0-4425-1340-2
THANON MITTRAPHAP (NAKHON RATCHASIMA)	672 Mittraphap Rd., NMA 30000	0-4425-6866 0-4425-6899	0-4425-3257
HUA THALE NAKHON RATCHASIMA	66/1 Thao Sura Rd., NMA 30000	0-4426-6042-6	0-4426-6042-6
THANON MITTRAPHAP- YAEK PAK THONG CHAI *	1279/1 Mittraphap Rd., NMA 30000	0-4427-7324-5	0-4427-7324-5
RAJABHAT INSTITUTE	340 Sura Narai Rd., NMA 30000	0-4424-8405-6	0-4425-8867
NAKHON RATCHASIMA* PAKCHONG	680 Mittraphap Rd., NMA 30130	0-4431-3908-9	0-4431-3908-9
SIKHU	323-325 Chum Ka Rd., NMA 30140	0-4441-2465-6	0-4441-2465-6
NON SUNG	17 Non Sung-Mittraphap Rd., NMA 30160	0-4437-9111-3	0-4437-9111-3
Roi Et			
ROI ET	166 Theva Phiban Rd., RET 45000	0-4351-1615-6	0-4351-1615-6
THANON HAI SOKE ROI ET *	4/2-3 Hai Sok Rd., RET 45000	0-4351-4830 0-4351-3307	0-4351-1830
PHON THONG	218 Selaphum-Phon Thong Rd., RET 45110	0-4357-1035-7	0-4357-1035-7
PHANOM PHRAI	169 Pracha Khet Raksa Rd., RET 45140	0-4359-1141-2	0-4359-1143
Si Sa Ket			
SI SAKET	0980/6 Khu-Khan Rd., SSK 33000	0-4561-2293-4	0-4561-2293-4
Surin			
SURIN	44 Thanasan Rd., SRN 32000	0-4451-5061-2	0-4451-2850
Ubon Ratchathani			
UBOLRAJDHANI	304-310 Phrommarat Rd., UBN 34000	0-4524-4885 0-4525-5214	0-4525-4064
THANON CHAYANGKUN UBON RATCHATHANI	183 Chayangkun Rd., UBN 34000	0-4524-4594-5	0-4524-4594-5
PHIBUN MANGSAHAN	67/22 Phibun Rd., UBN 34110	0-4544-1400-1	0-4544-1400-1
DET-UDOM	299 Sathonlamak Rd., UBN 34160	0-4536-1001-2	0-4536-1500
WARIN CHAMRAP	151/2 Warin-Phibun Rd., UBN 34190	0-4526-9470-4	0-4526-9470-4
MUANG SAMSIP *	331 Chayangkun Rd., UBN 34140	0-4548-9004-5	0-4548-9119
Yasothon			
YASOTHON	109 Uthai Ram Rit Rd., YST 35000	0-4571-2954-6	0-4571-2954-6
UPPER NORTH			
Chiang Mai			
CHIENGMAI	222,224,226 Tha Pae Rd., CMI 50300	0-5325-1811-2	0-5325-1811-2
THANON MAHIDOL (SI YAEK NONG HOI)	202-204 Mahidol Rd., CMI 50000	0-5380-1700-3	0-5380-1703
NONG PRATHIP CHIANG MAI	84/13 Charoen Muang Rd., CMI 50000	0-5324-0241-3	0-5324-0243

Branch/Office	Address	Tel	Fax
THANON CHANG	164/52-53 Chang Khlan Rd., CMI 50100	0-5327-0431-4	0-5327-0434
KHLAN CHIANG MAI	70 Chang Phuak Rd., CMI 50200	0-5321-1700-1	0-5321-7576
SIYAEK SANAM BIN CHIANG MAI	125 Chiang Mai-Hot Highway, CMI 50200	0-5328-0525-7	0-5328-0525-7
THANON HUAI KAE0 CHIANG MAI *	203/16 Huai Kaeo Rd., CMI 50200	0-5321-9804-6	0-5321-9804
THANON CHOTANA CHIANG MAI	51/22 Chotana Rd., CMI 50300	0-5340-9420-4	0-5340-9420-4
FANG	50/2 Chiang Mai-Fang Rd., CMI 50110	0-5338-2813-7	0-5338-2815
SAN KAMPHAENG	90/5 Chiang Mai-San Kampaeng Rd., CMI 50130	0-5339-2592-6	0-5339-2592-6
MAE RIM	458 Chiang Mai-Fang Rd., CMI 50180	0-5329-9916-9	0-5329-9916-9
HANG DONG *	35 Chiang Mai-Hot Highway, CMI 50230	0-5344-1986-7	0-5344-1987
Chiang Rai			
CHIANG RAI	231-232 Tanalai Rd., CRI 57000	0-5374-4641-3	0-5374-4642
HA YAEK PHOKHUN MENGRAI *	116/6-8 Chiang Rai-Mae Chan Highway, CRI 57000	0-5371-1292 0-5371-1793	0-5371-2373
MAE FAH LUANG UNIVERSITY *	333 Phahon Yothin Rd., CRI 57100	0-5378-7121 0-5378-7185	0-5378-7467
RAJABHAT INSTITUTE CHIANG RAI *	80 Rhahon Yothin Rd., CRI 57100	0-5377-6038 0-5377-6066	0-5377-6079
PHAN	1262 Phahon Yothin Rd., CRI 57120	0-5372-1251-2	0-5372-1251
MAE SAI	490/2-5 Phahon Yothin Rd., CRI 57130	0-5364-0769-71	0-5364-0769-71
Lampang			
LAMPANG	427 Tip Chang Rd., LPG 52100	0-5432-3270 0-5422-5077	0-5421-8303
THANON BOONYAWAT LAMPANG *	67-71 Bunyawat Rd., LPG 52100	0-5422-8184-6	0-5422-8184-6
Lamphun			
LAMPHUN	175/28 Rob Muang Nai Rd., LPN 51000	0-5351-0246-50	0-5351-0248
Mae Hong Son			
MAE HONG SON	61 Khun Lum Praphat Rd., MSN 58000	0-5361-1868-9	0-5361-2334
Nan			
NAN	92/1 Anantawarariththid Rd., NAN 55000	0-5477-2584-6	0-5477-2584-6
Phayao			
PHAYAO	478 Phahon Yothin Rd., PYO 56000	0-5448-1863-4	0-5448-1863-4
Phrae			
PHRAE	163 Yantrakot Kosol Rd., PRE 54000	0-5451-1595-6	0-5451-1595-6
LOWER NORTH			
Kamphaeng Phet			
KAMPHAENG PHET	95 Wichit Rd., KPT 62000	0-5571-3013-4	0-5571-3981
Nakhon Sawan			
NAKHON SAWAN	433-433/1 Kosi Rd., NSN 60000	0-5622-8017-8	0-5622-2598
THANON SAWANWITHI NAKHON SAWAN	269/4 Sawan Withi Rd., NSN 60000	0-5622-7866-7	0-5622-7866-7

Branch/Office	Address	Tel	Fax
CHUMSAENG	26/1 Saeng Thinakon Rd., NSN 60120	0-5628-2247-8	0-5628-2544
TAKHLI	10 Takhli Phathana Rd., NSN 60140	0-5626-1249 0-5632-2042	0-5626-1530
Phetchabun			
PETCHABOON	88/2 Samakkhi Chai Rd., PBN 67000	0-5672-2572-3	0-5672-2572-3
THANON SUEKSA CHAROEN	6,8,10 Sueksa Charoen Rd., PBN 67000	0-5672-2247-8 0-5674-4154-5	0-5672-2247
PHETCHABOON *			
LOM SAK	152/6 Samakkhi Chai Rd., PBN 67110	0-5670-2009-11	0-5670-2009-11
NONG-PHAI	51 Saraburi-Lomsak Rd., PBN 67140	0-5678-1411-5	0-5678-1412
Pichit			
PHICHIT	2/285 Si Mala Rd., PCT 66000	0-5661-2512-4	0-5661-3517
TAPHAN-HIN	10 Ratsadon Kasem Rd., PCT 66110	0-5662-2313-4	0-5662-2313-4
BANG MUN NAK	286/1 Pravet Nua Rd., PCT 66120	0-5663-1844-7	0-5663-1845
Phitsanulok			
PHITSANULOK	275/1 Phichai Songkhram Rd., PLK 65000	0-5522-1721-3	0-5522-1721-3
THANON AKATOSAROT	112/19 Ekathosarot Rd., PLK 65000	0-5522-5173-7	0-5522-5173-7
PHITSANULOK *			
NARESUAN UNIVERSITY *	99 Phitsanulok-Nakhon Sawan Rd., PLK 65000	0-5526-1125-6	0-5526-1125-6
Sukhothai			
SUKHOTHAI	292/24 Charot Withi Thong Rd., STI 64000	0-5561-2671-2	0-5562-1989
Tak			
TAK	561/3 Taksin Rd., TAK 63000	0-5551-3511-3	0-5551-3513
MAE SOT	519 Inthara Khiri Rd., TAK 63110	0-5553-3781-3	0-5553-3784
BAN TAK *	195 Trok Soi Rd., TAK 63120	0-5559-1249-50	0-5559-1246
Uthai Thani			
UTHAI THANI	5-5/1-5/2 Thoepr Siri Rd., UTI 61000	0-5651-2561-4	0-5651-2561-4
Uttaradit			
UTTARADIT	1/62 Sumran Ruan Rd., UTT 53000	0-5541-1357 0-5541-1457	0-5541-2443
RAJABHAT INSTITUTE UTTARADIT *	27 Injaimee Rd., UTT 53000	0-5541-3736	0-5541-7505
WEST			
Kanchanaburi			
KANCHANABURI	73/18 U Thong Rd., KPI 71000	0-3451-5058-9	0-3451-2396-7
THA RUA PHRA THAEN	439 Saeng Chuto Rd., KPI 71130	0-3456-2005-6	0-3456-2005-6
LUK KAE	75/2,76-78 Saeng Chuto Rd., KPI 71120	0-3456-6423-4	0-3456-6423-4
THA MUANG	974/184 Saeng Chuto Rd., KPI 71110	0-3461-1412-3	0-3461-1412-3
BO PHLOI	1/15 Lad Ya-Bo Phloi Rd., KPI 71160	0-3458-1055-6	0-3458-1055-6
Phetchaburi			
PHETCHABURI	87/11 Phet Kasem Rd., PBI 76000	0-3242-8611-2	0-3242-5880
SAPHAN CHOM KLAO PHETCHABURI *	7 Thevet Rd., PBI 76000	0-3241-3185-7	0-3241-3185-7

Branch/Office	Address	Tel	Fax
CHA-AM	402/4-7 Phet Kasem Rd., PBI 76120	0-3247-2047-51	0-3247-2049
THA YANG	328/4 Yai Rd., PBI 76130	0-3246-1826-7	0-3246-1826-7
KHAO YOI	120/34-38 Phet Kasem Rd., PBI 76140	0-3249-9057-8	0-3249-9057-8
NONG YA PLONG *	130 Highway 3349, PBI 76160	0-3249-4246-50	0-3249-4246-50
Prachuap Khiri Khan			
PRACHUAP KHIRI KHAN	196 Sala Cheep Rd., PKN 77000	0-3261-1980-1	0-3261-1980-1
PRANBURI	30/8 Phet Kasem Rd., PKN 77160	0-3254-4105-6	0-3254-4105-6
HUA HIN	77/20-23 Phet Kasem Rd., PKN 77110	0-3251-1120	0-3251-1444
BANG SAPHAN	339/109 Bang Saphan- Chai Talay Rd., PKN 77140	0-3254-8404-7	0-3269-1574
Ratchaburi			
RATCHABURI	286/24 Si Suriyawong Rd., RBR 70000	0-3232-5650-2	0-3233-7991
THANON ROTFAI	36/4-6 Rot Fai Rd., RBR 70000	0-3232-2388-92	0-3232-2392
RATCHABURI *			
BAN PONG	7/38 Saeng Chuto Rd., RBR 70110	0-3220-1949-50	0-3220-1949-50
HUAI KRA BOK *	361/3-5 Sukha Phiban 1 Rd., RBR 70190	0-3229-1091-2	0-3229-1091
PHOTHARAM	116 Photharam Rd., RBR 70120	0-3235-4317-8	0-3223-3291-4
Samut Songkhram			
SAMUT SONGKHRAM	133/25 Thang Khao Muang Rd., SKM 75000	0-3471-3039-40	0-3471-3039
Suphan Buri			
SUPHANBURI	64/23 Nen Kaeo Rd., SPB 72000	0-3552-3961-3	0-3552-3961-3
THANON PHRAPANVASA	251 Phra Phanvasa Rd., SPB 72000	0-3552-5128-32	0-3552-5130
SUPHANBURI *			
SONGPHINONG	62 Banglee Nongvanprieng Rd., SPB 72110	0-3553-1491-2	0-3553-1491-2
BANG PLA MA	295/1 Mu 5 Tumbol Khok Khram, Amphoe Bang Pla Ma, SPB 72150	0-3558-7623-4	0-3558-7623
U THONG	748 Malai Maen Rd., SPB 72160	0-3552-3022-3	0-3555-1933
UPPER SOUTH			
Chumphon			
CHUMPHON	14/3 Chumphon-Ranong Highway, CPN 86000	0-7751-1491	0-7750-3044
THANON SALADAENG	91 Saladaeng Rd., CPN 86000	0-7750-5032	0-7750-5032
CHUMPHON *		0-7750-5034	0-7750-5034
LANG SUAN	157 Kao Ngoen Rd., CPN 86110	0-7758-2513-5	0-7758-2514
Krabi			
KRABI	533/2 Uttarakit Rd., KBI 81000	0-7562-1258-61	0-7562-1258-61
Nakhon Si Thammarat			
NAKHON SI THAMMARAT	1366/1-3 Ratchadamnoen Rd., NRT 80000	0-7534-2789	0-7534-2292
THANON	99 Phatthanakan Khu Khwang Rd., NRT 80000	0-7531-7841-5	0-7531-7841-5
PHATTHANAKAN KHU KHWANG			
NAKHON SI THAMMARAT			

Branch/Office	Address	Tel	Fax
TUNGSONG	312 Chon Preeda Rd., NRT 80110	0-7541-2684-5	0-7541-1475
THUNG YAI	188 Thung Yai-Thung Song Highway, NRT 80240	0-7548-9004-5	0-7548-9173
Phangnga			
PHANGNGA	179 Phet Kasem Rd., PNA 82000	0-7641-1989	0-7641-2333
THAP PUT	6/16 Thap Put-Phangnga Rd., PNA 82180	0-7644-2228-30	0-7659-9098
Phuket			
PHUKET	64 Ratsada Rd., PKT 83000	0-7621-1110	0-7622-1359
THANON THEP	6/7 Thap Krasattri Rd., PKT 83000	0-7623-6337-8	0-7622-2301
KRASATTRI PHUKET	PKT 83000		
THANON POON PHOL	25/1 Phun Phol Rd., PKT 83000	0-7622-1284-6	0-7622-1284-6
PHUKET	PKT 83000		
KATA *	11/1 Karon Rd., PKT 83100	0-7633-3518-20	0-7633-3519
PA TONG	145 Rat Uthit Rd., PKT 83150	0-7634-0809-10	0-7634-0194
THANON THAWIWONG (PATONG)*	116 Thawiwong Rd., PKT 83150	0-7634-6074-6	0-7634-6075
Ranong			
RANONG	228/2 Tha Muang Rd., RNG 85000	0-7781-1777	0-7781-1777
		0-7782-1205	0-7782-1205
Surat Thani			
SURAT THANI	273 Na Muang Rd., SNI 84000	0-7728-3116-9	0-7728-3116-9
MAKHAM TIA SURAT THANI	181/291 Phun Phin-Surat Thani Highway, SNI 84000	0-7728-8750-3	0-7728-8750-3
PHUNPHIN	23,25,27 Chulachomkiao Rd., SNI 84130	0-7731-1523	0-7731-1423
		0-7731-1967	
KO SAMUI	11/13 Thawee Rat Phakdi Rd., SNI 84140	0-7742-0176-9	0-7742-0179
CHAWENG BEACH *	110/29-32 Thawee Rat Phakdi Rd., SNI 84320	0-7741-3736-8	0-7741-3709
MAE NAM *	12/41-42 Thawee Rat Phakdi Rd., SNI 84330	0-7742-7787-8	0-7742-7789
KANCHANADIT	60/1 Kadaeh Rd., SNI 84160	0-7737-9028-30	0-7737-9031
WIANG SA	97/3 Ban Song-Phra Saeng Rd., SNI 84190	0-7736-1958-60	0-7736-1959
LOWER SOUTH			
Narathiwat			
NARADHIWAAS	274/1 Phupa Pakdi Rd., NWT 96000	0-7351-1202-3	0-7351-2752
SUNGAi KOLOK	76 Charoen Khet Rd., NWT 96120	0-7361-5741-3	0-7361-3606
Pattani			
PATTANI	50 Phiphit Rd., PTN 94000	0-7333-2772-3	0-7333-2772-3
Phatthalung			
PHATTHALUNG	1 Ramet Rd., PLG 93000	0-7461-1365-6	0-7461-1367
SI BANPHOT *	96 Highway 4164 (Kuan Khanun-Khao Poo), PLG 93190	0-7468-9164-7	0-7468-9167
Satun			
SATUN	171/3-5 Satun Thani Rd., STN 91000	0-7472-2500-2	0-7472-2159
KHUAN DON *	410 Yontrakan Kamthon Rd., STN 91160	0-7473-5271-5	0-7473-5271-5

Branch/Office	Address	Tel	Fax
Songkhla			
SONGKHLA	44 Nakhon Nai Rd., SKA 90000	0-7432-1077-9	0-7432-1077-9
THANON KANCHANA WANIT SONGKHLA *	60/89 Kanchanawanit Rd., SKA 90000	0-7432-5806-10	0-7432-5806-10
HAADYAI	90-92-94 Niphat Uthit 1 Rd., SKA 90110	0-7423-9065-6	0-7423-9065-6
		0-7424-3051	
THANON KANCHANA- WANIT HAT YAI	333 Kanchanawanit Rd., SKA 90110	0-7421-7111-3	0-7443-8685
THANON PHET KASEM HAT YAI	578 Phet Kasem Rd., SKA 90110	0-7423-0557-8	0-7423-0350
THANON SI PHUWANAT HAT YAI	251 Si Phuwanat Rd., SKA 90110	0-7422-1003-5	0-7422-1006
Trang			
TRANG	78 Kantang Rd., TRG 92000	0-7522-2416-7	0-7521-2791
Yala			
YALA	33,35 Yala Rd., YLA 95000	0-7321-1688-9	0-7321-1688-9
BETONG	116/2 Sukkhayang Rd., YLA 95110	0-7324-5861-4	0-7324-5865
FOREIGN EXCHANGE OFFICES BANGKOK			
Fortuna (Mobile Unit)	19 Soi Sukhumvit 5 (Fortuna Hotel), Sukhumvit Rd., BKK 10110	0-2254-5658	0-2253-6282
Narayana Phand	127 Ratchadamri Rd., BKK 10330	0-2251-7462	
Patpong	124 Silom Rd., BKK 10500	0-2235-2007	
Ploenchit Office	550 Phloen Chit Rd., BKK 10330	0-2208-2005	
River City	23 Yotha Rd., BKK 10110	0-2234-9154	
Silom	62 Silom Rd., BKK 10500	0-2238-2822	
Suan Rim Nam	82-84 Soi Wat Suan Phlu, Charoen Krung Rd., BKK 10500	0-2237-3496	
Sukhumvit 22	187 Soi Sukhumvit 22, Sukhumvit Rd., BKK 10110	0-2258-5668	
Sukhumvit Soi 15 (Mobile Unit)	217/1 Soi Sukhumvit 15-17, Sukhumvit Rd., BKK 10110	0-2254-5504	0-2254-8926
Thaniya	52 Silom Rd., BKK 10500	0-2231-2012	
Thanon Phra Arthit	18-20 Phra Arthit Rd., BKK 10200	0-2281-2277	
PROVINCES EAST			
Central Pattaya	164 Central Pattaya Rd., CBI 20260	0-3842-0905	
Pattaya Soi 13	182-182/2 Pattaya Beach Rd., CBI 20260	0-3842-0274	
South Pattaya	183/21, Pattaya Beach Rd., CBI 20260	0-3842-7484	
UPPER NORTHEAST			
Udon Thani Airport	224 Udon Thani Airport UDN 41000	0-4224-0802	

Branch/Office	Address	Tel	Fax
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UPPER NORTH

Thanon Loikhroh (Mobile Unit)	Soi Loi Khro 4,Loi Khro Rd., CMI 50000	(01) 3211563	
Thanon Moon Muang	31 Moon Muang Rd., CMI 50000	0-5327-7266	

WEST

Hua Hin Airport	Hua Hin Airport,Hua Hin, PKN 77110	0-3252-0131	
Hua Hin Complex	110 Phet Kasem Rd.,Hua Hin, PKN 77110	0-3251-1386	
Thanon Damnern Kasem	60/1 Damnern Kasem Rd., Hua Hin, PKN 77110	0-3251-2408	
Thanon Naretdamri	162/3 Naret Damri Rd., Hua Hin, PKN 77110	0-3251-1715	

UPPER SOUTH

Ao Nang	142 Mu 2,Ao Nang, KBI 81000	0-7563-7771-2	
Ao Nang 2	119 Ao Nang, KBI 81000	0-7569-5433	
Kabi Airport	133 Phet kasem Rd., KBI 81130	0-7569-1681	
Ban Khao Lak	16/3 Phet Kasem Rd., PNA 82190	0-7642-0811	
Patong 2	130 Thawiwong Rd., PKT 83150	0-7634-5757	
Koh Phangan (Tha Rua Thong Sala)	44/59 Mu 1,Ko Phangan, SNI 84280	0-7737-7044	
Chaweng Beach	2/2 Mu 2,Bo Put,Ko Samui, SNI 84320	0-7742-2493	
Chaweng Beach 2	4/2 Mu 3,Bo Put,Ko Samui, SNI 84320	0-7742-2203	
Chaweng Beach 3	159/73 Bo Put,Ko Samui, SNI 84320	0-7741-3719	
Choeng Mon Beach	24-35 Bu Put,Ko Samui, SNI 84320	0-7743-0039	
Lamai Beach	995 Mu 3,Ma Let,Ko Samui, SNI 84310	0-7742-4386	
Lamai Beach 2	131/7 Mu 3,Ma Let,Ko Samui, SNI 84310	0-7741-8656	

FOREIGN BUSINESS CENTERS

BANGKOK

Bang Na-Trat	46/1 Bangna-Trat Rd., BKK 10260	0-2751-4043-4	0-2751-4045
Bangrak	318 Silom Rd., BKK 10500	0-2235-5968	0-2235-4956
Chok Chai 4	22/329 Chok Chai 4 Rd., BKK 10230	0-2539-8615-6	0-2539-8614
Nong Khaem	14/23-25 Phet Kasem Rd., BKK 10160	0-2444-4336-7	0-2444-4338
Ploenchit	550 Phloen Chit Rd., BKK 10330	0-2208-2136-8	0-2253-8615
Samyae	34-37 Lamphun Chai Rd., BKK 10100	0-2221-1520-9	0-2222-4563

Branch/Office	Address	Tel	Fax
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PROVINCES

Pratunam Phra-in	55/10 Phahon Yothin Rd., AYA 13160	0-3521-9851-4	0-35219851-4
Cholburi	64/1-4 Sukhumvit Rd., CBI 20000	0-3827-2653-5	0-3827-4521
Ao Udom	166/403 Sukhumvit Rd., CBI 20230	0-3835-2466-9	0-3835-2466-9
Chiangmai	125 Chiang Mai-Hot Highway, CMI 50200	0-5320-0150	0-5328-5348
Haadyai	90-94 Niphat Uthit 1 Rd., SKA 90110	0-7423-7690-1	0-7423-6512

INTERNATIONAL BANKING FACILITIES OFFICE
1222 Rama III Rd.,Yan Nawa, BKK 10120
66-2296-2289-9466-2683-1291

OVERSEAS BRANCHES

VIENTIANE BRANCH	79/6 Unit 17, Lane-Xang Avenue, Vientiane,Lao P.D.R. TLX : 4350 BAYVTE E-Mail : baylaos@laotel.com Manager : Mr. Suwat Tantipatanasakul	(856-21) 214575-7 (856-21) 213520	
CAYMAN ISLANDS BRANCH	C/O P.O. BOX 501, George Town, Grand Cayman, Cayman Islands, British West Indies E-Mail : bay-oba@krungsri.com Manager : Mrs. Kanokrat Jaturapisanukul	(345) 949-2001 (345) 949-7097	
HONG KONG BRANCH	Rm. 1708-9, 17/F Jardine House, 1 Connaught Place, Central,Hong Kong TLX : 62219 HKAYFHK,SWIFT:AYUDHKHH E-Mail : bayhk@netnavigator.com Manager : Mr. Pornchai Wongsonvane	(852) 2525-7398-9 (852) 2-525-4445	

Referral Parties

Registration of Ordinary Shares : Thailand Security Depository Company Limited
4th, 6-7th Floor, The Stock Exchange of Thailand Building
62 Ratchadapisek Road, Klongtoey, Bangkok 10110
Telephone 0-2229-2800
Facsimile 0-2359-1259

Registration of Subordinated Debts : Bank of Ayudhya Public Company Limited
1222 Rama III Road, Bang Phongphang Subdistrict
Yan Nawa District, Bangkok 10120
Telephone 0-2296-4442
Facsimile 0-2683-1460

Auditor : Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356
Deloitte Touche Tohmatsu Jaiyos
Rajanakarn Building, 25th Floor
183 South Sathorn Road, Yan Nawa Subdistrict
Sathorn District, Bangkok 10120
Telephone 0-2676-5700
Facsimile 0-2676-5757

Legal Advisor : Mr. Amornsuk Noparumpa
Bank of Ayudhya Public Company Limited
1222 Rama III Road, Bang Phongphang Subdistrict
Yan Nawa District, Bangkok 10120
Telephone 0-2296-3833
Facsimile 0-2683-1412



BANK OF AYUDHYA
Public Company Limited

Head Office

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