



ธนาคารเอเชีย
BANK OF ASIA

Member of  ABN-AMRO



ASIA CyberBanking
ASIA M-Banking
e-Trade

ANNUAL REPORT 2001

On-line shopping
B2B e-Commerce
B2C e-Commerce
e-Bill Presentment & Payment



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Million Baht

Consolidated Equity Method

2001 2000 1999

Income Statement

Net interest income	3,288	2,709	1,434
Non interest income	1,731	2,315	1,870
Total income	8,871	9,678	9,912
Profit before provision, loss on trouble debt restructuring and income tax	507	659	(837)
Bad debt and doubtful accounts and loss on trouble debt restructuring	4,318	4,720	10,370
Net profit (loss)	(3,812)	(4,118)	(11,218)
Earnings (loss) per share-Basic (Baht)	(1.00)	(1.31)	(5.59)

Balance Sheet

Total assets	159,022	155,864	156,954
Total loans	108,438	111,569	125,878
Allowance for doubtful accounts and allowance for loss on trouble debt restructuring	4,208	1,849	17,924
Total deposits	139,363	134,809	125,255
Total liabilities	150,381	144,089	145,260
Total shareholders' equity	8,641	11,739	11,650

Ratios (%)

Return on average assets	(2.42)	(2.63)	(7.32)
Return on average equity	(37.41)	(35.21)	(108.31)
Net interest income to average assets	2.09	1.73	0.94
Net profit to gross revenue	(75.95)	(81.97)	(339.55)
Dividend per share (Baht)	-	-	-
Book value per share (Baht)	2.26	3.07	3.75



Dear Shareholders,

Thailand started 2001 anticipating an accelerating recovery from the 1997 Asian financial crisis. Instead it experienced a grim year of disappointment, marked by a fall in the rate of GDP growth. Bank of Asia nevertheless still achieved positive results in a difficult economic environment. An uncertain outlook, however, underlines the need for more reform and restructuring to put the economy on a more competitive footing.

Thailand has fared better than some of its Asian neighbours. It achieved a growth rate that was still positive. The economic slowdown in the US and Japan's deepening recession, however, hit Thai sales to its biggest export markets and dampened demand around the region. Excess capacity in manufacturing deterred new investment and thus the demand for credit. The Thai Stock Market, after ranking among the region's best performers in the first half of the year, lost ground again after September 11.

These circumstances made 2001 a difficult year for banks. While deposits continued to rise despite low rates of interest, there remained few opportunities for judicious lending. Banks continued to struggle with problem loans and, in a stagnating economy, face a higher risk that loans already restructured would again become non-performing.

In order to help itself out of this predicament, Thailand still needs to do more. The government fulfilled its pledge to set up the Thai Asset Management Corporation, which by year's end had taken over impaired assets with a nominal book value of 698,400 million Baht. While this should accelerate clearance of these NPL's, most of these problem loans were from state banks. So far, transfers from private banks have been too small to relieve the real pressure of bad debts.

It is clear, therefore, that the TAMC is no substitute for the long-awaited reform of Thailand's bankruptcy and foreclosure laws. This is necessary to provide quicker and more effective instruments for ruling on debt defaults and to unlock the value of non-performing assets. Moreover, growing competition from state banks with balance sheets cleared of NPL risks is compromising the cautious lending policies pursued by private banks since the crisis.

Even in this gloomy environment, Bank of Asia's performance demonstrated a further improvement. In 2001, it continued to strengthen its capital base, issuing subordinated debentures worth 2,000 million Baht, which were fully subscribed by retail investors. Operating profit of 866 million Baht remained close to the level achieved in the year 2000. As a result of further provisioning, its net loss fell 7 per cent from 4,118 million Baht in 2000 to 3,812 million Baht. This result is a reward for Bank of Asia's unwavering commitment to global best practice, ensuring that its internal management and customer services conform to international standards.

In 2001 the Bank also made a switch to performance-related bonuses, a dramatic departure with normal practice in the Thai banking industry. This move should help raise efficiency and competitiveness by aligning rewards to individual performance.

It also continued to strengthen the important areas of IT, auditing, risk management and treasury operations - to further enhance its reputation as the retail bank that sets the pace for the quality of its products and services for the whole of Thailand.

I would like, therefore, to express the Board of Directors' gratitude to its customers, employees and shareholders for their continued confidence and support.



Message from the President

Chulakorn Singhakowin



Dear Shareholders,

In tough economic conditions, I am pleased to report Bank of Asia's operating results showed solid improvement. This attests to the vigorous restructuring carried out over the past four years to position Bank of Asia as the Thai retail bank giving customers international quality products and service.

A sharp drop in Thailand's rate of economic growth and the uncertain outlook for the world economy presented Thai banks few opportunities for growth, yet Bank of Asia achieved a 21 per cent rise in net interest and dividend income. The uniquely favorable bond market conditions which prevailed in 2000 were not repeated in 2001, resulting in a decline in overall non-interest income of 25%. Fees and service income, however, was up by 25% and expenses remained flat.

Still, Bank of Asia could not be immune to the adverse environment. The fragile state of business and investor confidence created few opportunities to build the loan book but the Bank still achieved a 5% rise in new loans. The transfer of NPL's amounting to Baht 6.2 billion to the government's Thai Asset Management Corporation, combined with the writing down of bad debts in accordance with regulations, left total loans outstanding at Baht 109.1 billion.

The Bank made substantial progress in clearing up problem loans. As a result of debt-for-asset swaps, the portfolio of foreclosed properties awaiting sale grew by almost a third to Baht 12,604 million. But NPL's remain at a level that drains profits and continuing efforts will be dedicated to normalising the situation. Nevertheless, provisions in excess of regulatory requirements have been set aside. In spite of this, the Bank still maintains a capital adequacy ratio of 10.9%.

During 2001, the Bank continued to expand both the range and depth of products and services, with a particular focus on e-Banking and e-Commerce, further building the bank's reputation as a market leader. The new initiative on managing customer relationships will further enhance our ability to deliver superior products seamlessly over a range of channels and to improve further customers' experiences of doing business with the bank. Leading edge technology provides the basis for this initiative, but we know from past experience that successful implementation depends on the active participation of all our staff in embracing higher levels of customer service. A comprehensive management programme has therefore been launched to communicate our vision of seamless customer service to all staff.

The Bank continues to set the pace in Thailand for developing credit risk management systems that meet stringent international standards. New reporting procedures being put in place will prepare the Bank for the eventual introduction of new Bank for International Settlement (BIS) provisioning guidelines due to take effect in 2005. At the same time, as part of its drive for greater efficiency, Bank of Asia also brought into effect a system of performance-based bonuses to replace the automatic bonuses that have been the norm in the industry.

Several senior executives have reached retirement age this year, including Senior Executive Vice President, Khun James Stent, and Executive Vice President, Khun Phiphat Phornsuvan who will be leaving us. I would like to thank all of them for their many years of dedication and service. At the same time I would like to welcome our new younger generation of executives including Khun Thammasak Jittimaporn and Khun Jonathan Truslow who will be responsible for the bank's sales and marketing groups respectively.

It is the professionalism and commitment of Bank of Asia's staff that have brought it through five difficult years substantially stronger and equipped with quality products and service. I would like to thank them for their hard work, dedication and continue support to the Bank.

A handwritten signature in black ink, appearing to be 'R. J.', is centered on the page.



Earnings Performance

Bank of Asia and its subsidiaries reported an operating profit of Baht 866 million in 2001. The Bank made large provisions for bad debt and doubtful accounts, which resulted in an overall loss, but this was substantially lower than the previous year. The net loss amounted to Baht 3,812 million for 2001, compared with Baht 4,118 million in 2000. The improvement came from an increase in net interest and dividend income, which rose 21.4% year on year.

The financial market continued to suffer from the excess liquidity it experienced in 2000, causing a drop in both lending and deposit rates during 2001. As a result, interest and dividend income declined to Baht 7,140 million in 2001 from Baht 7,364 million in the previous year. Interest expenses also declined to Baht 3,852 million in 2001 from Baht 4,655 million in the year before. As a result, net interest and dividend income rose from Baht 2,709 million in 2000 to Baht 3,288 million in 2001. The interest spread of the Bank and its subsidiaries also improved from 1.7 % in 2000 to 2.1 % in 2001.

Earnings Performance

	Million Baht		
	2001	2000	% Change
Interest and dividend income	7,140	7,364	(3.0)
Interest expense	(3,852)	(4,655)	(17.3)
Net interest and dividend income	3,288	2,709	21.4
Bad debt and doubtful accounts	(4,124)	(3,511)	17.5
Non interest income	1,731	2,315	(25.2)
Non interest expenses	(4,518)	(4,374)	3.3
Net loss	(3,812)	(4,118)	(7.4)

Non-interest income of the Bank and its subsidiaries was reported at Baht 1,731 million in 2001, down by 25.2% from the previous year. This significant drop was mainly due to a sharp fall in gains from bond trading. These amounted to only Baht 225 million in 2001, compared with Baht 1,073 million the year before, when the Bank's conservative policy of reducing its portfolio prompted a one-off sale of bonds. The main improvement came in fee and services income, which increased to Baht 982 million, up 25.5% year on year. That income mainly stemmed from the Bank's drive to focus on and develop such businesses as credit cards, international trade finance, e-Commerce and cash management. The profit from foreign exchange transaction was in line with the year before at Baht 241 million.

The Bank had divested all shares in two subsidiaries-BOA Securities Company Limited and BOA Finance Company Limited in August and December 2001, respectively. The gain from share divestment was booked in other income account amounted to Baht 85 million.

Non interest income

	Million Baht		
	2001	2000	% Change
Fees and service income	982	782	25.5
Gain on exchange	241	266	(9.7)
Gain on disposal of securities	311	1,085	(71.3)
Impairment loss of securities	(22)	(54)	(59.3)
Unrealized gain (loss) on revaluation of securities	(3)	(2)	21.9
Share of profit (loss) of subsidiaries and associated companies	(20)	0	-
Other income	243	237	2.6
Total non interest income	1,731	2,315	(25.2)

After a normal increase in staff expenses, including annual salary increases, the operating expenses of the Bank and its subsidiaries rose to Baht 3,297 million, up only 2.1% from 2000. Fee and services expenses fell sharply from Baht 352 million in 2000 to Baht 235 million in 2001, mainly due to a drop of Baht 160 million in costs allocated by the Bank's major shareholder.

During the last quarter of 2001, the Bank has reappraised its land and buildings, resulting in an increase in the loss from revaluation of Baht 234 million, which is reported as expenses in the profit and loss account. In the meantime, the increased value of land and buildings resulting from this reappraisal was reported separately in the shareholders' equity account and amounted to Baht 386 million. The Bank has applied to the Bank of Thailand to register the increased land value as second tier capital. This is expected to take effect in the first half of 2002.

As a result of the Bank's hard work on troubled debts since 1999, losses incurred from debt restructuring fell sharply from Baht 1,208 million in 2000 to Baht 194 million in 2001. The loss from the revaluation of properties foreclosed also decreased from Baht 250 million in 2000 to Baht 115 million in 2001.

Capital expenditure of Baht 344 million in 2001 mainly involved investment in high technology to support the expansion of e-Commerce business in which the Bank is a market leader. These investments also included computer hardware and software to enhance the efficiency of customer services in various distribution channels.

Non interest expenses

	Million Baht		
	2001	2000	% Change
Operating expenses	3,297	3,230	2.1
Taxes and duties	305	335	(9.0)
Payment to the FIDF	567	558	1.6
Loss on diminution in value of properties foreclosed	115	250	(54.0)
Loss on revaluation of assets	234	0	-
Total non interest expenses	4,518	4,373	3.3

Profitability

The Bank and its subsidiaries' net interest income to total income improved significantly to 37.1% in 2001, up from 28.0 % in 2000. Operating expenses to total income also rose from 33.4 % in 2000 to 37.2% in 2001, but the Bank and its subsidiaries showed an operating profit equal to 9.8% of total income, compared with 9.4% in the year before. The Bank and its subsidiaries recorded another year of net loss in their income statements mainly as a result of the provisions for bad debts and doubtful accounts. However, such loss was smaller than that of 2000.

	%	
	2001	2000
Net interest and dividend income	37.1	28.0
Non interest income	19.5	23.9
Net income	56.6	51.9
Operating expenses	37.2	33.4
Operating profit (loss)	9.8	9.4
Net loss	(43.0)	(42.6)

Payment of a dividend was not permitted in 2001, in accordance with the Public Limited Companies Act, since the Bank and its subsidiaries still had retained loss of Baht 26 billion as of December 31, 2001.

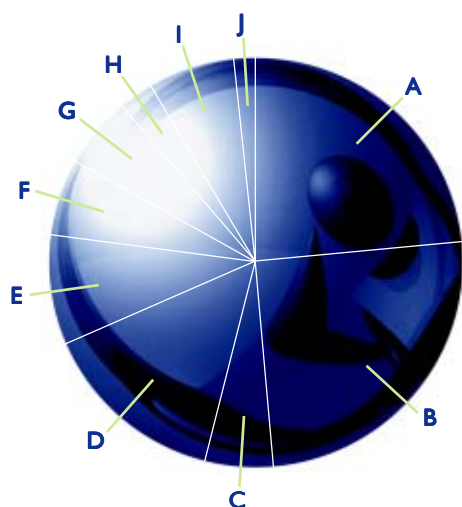
Asset Quality

The Bank and its subsidiaries had total assets as at the end of 2001 of Baht 159,022 million, a rise of 2.0% over the previous year. Total loans accounted for Baht 108,438 million, which represented 68.2% of total assets, down 2.8% from a year earlier. The decline in loans was mainly due to the transfer in the last quarter of 2001 of Baht 6.2 billion in NPL's to the Thai Asset Management Corporation (TAMC), set up by the government to solve the bad assets problem of the banking system. The Bank and its subsidiaries also wrote off bad loans of Baht 1,710 million in accordance with Bank of Thailand guidelines. Before the NPL transfer and bad debt write-offs, total loans amounted to Baht 114,638 million, 2.7 % up on level at the end of 2000.

Maintaining a prudent reserve policy, the Bank and its subsidiaries set aside a high level of provision for bad debts and doubtful accounts. In 2001, the Bank booked Baht 3,906 million in allowance for doubtful accounts, an increase of 171% over its allowance in 2000. The Bank alone made provisions of Baht 3,715 million, which represented 251.2% of the Bank of Thailand's minimum requirement.

The composition of the Bank's loan portfolio remained largely unchanged. As of the end of 2001, loans to manufacturing accounted for the largest share of the portfolio at 26.3%, followed by trade at 23.0%. Consumer loans remained at the same level of 16.9% of total loans as in 2000.

Loan portfolio



		% of total loans	
		2001	2000
A	Trading	23.0	22.0
B	Manufacturing	26.3	27.0
C	Real estate	4.5	6.0
D	Private consumption	16.9	16.0
E	Services	10.4	12.8
F	Agriculture & forestry	4.6	4.8
G	Financial services	5.7	4.7
H	Construction	2.3	2.4
I	Utilities	6.0	4.0
J	Mining	0.3	0.3
Total		100.0	100.0

The investment in securities of the Bank and its subsidiaries stood at Baht 21,825 million at the end of 2001, up by 20% from Baht 18,193 million invested in 2000. Most of the increase was accounted for by the 10-year promissory notes issued by the Thai Asset Management Corporation (TAMC) in exchange for the full amount of the transferred loans of Baht 6.2 billion. As a result of the excess liquidity in the market and the fierce competition to lend to qualified borrowers, the Bank had to reinvest more in the money market. The inter-bank and money market items increased by 16.8%, from Baht 10,020 million in 2000 to Baht 11,708 million. Restructuring of bad debts also saw the value of assets foreclosed by the Bank and its subsidiaries rise to Baht 12,172 million, an increase of 30.3% over the previous year.

The Bank's relentless effort to restructure troubled debts together with the transfer of loans to TAMC produced a significant drop in non-accrual loans to Baht 21,885 million, or 19.9% of the total loan portfolio in 2001, compared to Baht 31,832 million, or 28.3% of total loans in 2000.

The structure of the Bank and its subsidiaries' classified assets improved significantly. Normal assets stood at 77.2% of total classified assets in 2001 compared to 69.9% in 2000, whereas doubtful and doubtful of loss assets declined to 18.5% in 2001 from 25.6% in 2000.

Classified assets

	2001		2000	
	Million Baht	%	Million Baht	%
Pass	87,317	77.2	81,068	69.6
Special mention	2,009	1.8	3,614	3.1
Substandard	2,830	2.5	2,001	1.7
Doubtful	4,108	3.6	1,713	1.5
Doubtful of loss	16,798	14.9	28,090	24.1
Total	113,062	100.0	116,486	100.0

Source of Funds

The Bank's deposits rose from Baht 134,809 million at the end of 2000 to Baht 139,363 million at the end of 2001, a rise of 3.4%. Deposits accounted for 87.6% of the Bank's total funding. The loans to deposits ratio of the Bank dropped to 77.8% in 2001, compared to 82.8% in 2000. In August 2001, the Bank issued Baht 2,000 million in seven-year subordinated debentures to build up its second-tier capital funds. The issues were fully subscribed by retail investors.

Capital Adequacy

As of 31 December 2001, the Bank's capital adequacy ratio was strong at 10.9% of total risk weighted assets, which exceeded the Bank of Thailand's minimum requirement of 8.5%. Total capital funds at the end of 2001 amounted to Baht 12,706 million, which comprised Baht 8,135 million of Tier 1 capital, or 7.0% of total risk weighted assets, and Baht 4,571 million tier 2 capital, or 3.9% of total risk weighted assets.

Capital adequacy

	2001		2000	
	Million Baht	%	Million Baht	%
Total capital	12,706	10.9	15,075	12.6
Tier 1 capital	8,135	7.0	11,945	10.0
Tier 2 capital	4,571	3.9	3,131	2.6

Bank of Asia is committed to supporting social and community development to complement Thailand's economic development. Over the years, the Bank has started to focus its contributions on two key areas, environmental conservation and the disabled.

1. Environmental Conservation

The Bank became a founding member of the World Wide Fund for Nature Thailand Corporate Club, established in 2001 to raise private sector awareness of activities to preserve natural resources and the environment. The Club in Thailand works within the framework of the World Wide Fund for Nature, an international agency with more than 4.7 million members in 153 countries working on 12,000 projects.

Bank of Asia is also continuing to support the activities of Wildlife Fund Thailand carried out under the patronage of Her Majesty the Queen. It participated as a main sponsor of the seminar, "40 Years of the Royal Forest Department", held at Khao Paeng Ma in Nakorn Ratchasima Province to increase awareness of RFD efforts to restore Thailand's forests. The Bank also sponsored a charity concert at the same location to raise funds for the preservation of Gaur (*Bos gaurus*) at the Khao Paeng Ma Reforestation Site, of which only 50 survive.

2. The Disabled

Bank of Asia provided support for the 2001 Paralympics, held in Kuala Lumpur, Malaysia, through its own financial contribution, by publicizing the event and providing facilities for public donations to be channelled through the Bank's branches. The Bank also received a certificate from the Sports Authority of Thailand recognizing its support for the "2000 Paralympics".

Bank of Asia participated in public relations activities on behalf of the 22nd Chao Praya Games staged by the Sports Association for the Disabled of Thailand. The Bank also supported fund raising activities on behalf of the Sotsuksa Thungmahamek School for the Deaf.

3. Other

Bank of Asia supported the "Thai Encyclopaedia for Youngsters" by buying copies to donate to 65 provincial schools. It also helped to promote the "Books for Thailand Foundation".

The Bank's management structure consists of the Board of Directors, Executive Committee, Audit Committee and Compensation Committee. In addition, the Bank has instated six other major committees to direct various businesses of the Bank. These are the Management Committee, Assets and Liabilities Committee (ALCO), Risk Management Committee, Financial Restructuring and Recovery Committee, Business Development Committee, and the Operational Risk Management Steering Committee.

Board of Directors

The Board of Directors comprises at least seven directors, three of whom are independent directors. The Board meets at least once every three months and no fewer than half of the total number shall constitute a quorum for meetings.

The Board of Directors' duties are to set the Bank's policies and operational objectives, and to oversee management to ensure it operates in accordance with the Bank's policies, relevant laws, articles of association, and the shareholders' resolutions.

The Board of Directors consists of:

1.	Chavalit Thanachanan	Chairman
2.	Ammar Siamwalla	Director
3.	Chulakorn Singhakowin	Director
4.	Herman Mulder	Director
5.	Jacob Cornelio Adriano de Jonge	Director
6.	Jan Joost Oyevaar	Director
7.	Paul Arnoldus Maria Loven	Director
8.	Pichai Vasnasong	Director
	Ekchai Chansue	Secretary

Executive Committee

The Board of Directors manages the Bank through the Executive Committee, whose main responsibility includes monitoring progress of the Bank in carrying out its business plan.

The committee consists of:

1.	Chavalit Thanachanan	Chairman
2.	Chulakorn Singhakowin	Director
3.	Abhai Asavanund	Director
4.	Chitraporn Tangsuwan	Director
5.	Gert Jan van der Putten	Director
6.	Jan Joost Oyevaar	Director
	M.R. Rajanikorn Rajani	Secretary

Audit Committee

The Audit Committee is nominated by the Board of Directors. Its main responsibilities are to ensure that the Bank has an adequate internal audit system and operates in accordance with the regulations imposed by the Securities and Exchange Commission and other governing laws. The committee is also responsible for the nomination of the Bank's auditors, determining the auditors' remuneration and for the accuracy of the disclosure of information on related-party transactions or transactions where conflict of interest may occur.

The committee consists of:

- | | |
|------------------------------------|-----------|
| 1. Pichai Varnasong | Chairman |
| 2. Ammar Siamwalla | Director |
| 3. Jacob Cornelio Adriano de Jonge | Director |
| Ko van der Meer | Secretary |

Compensation Committee

The committee consists of:

- | | |
|--------------------------|----------|
| 1. Chavalit Thanachanan | Chairman |
| 2. Chulakorn Singhakowin | Director |
| 3. Jan Joost Oyevaar | Director |

The Compensation Committee is responsible for considering and making recommendations on Directors' emoluments. It designates which managers will come under the authority of the committee and considers and reviews their appropriate remuneration and other benefits. It also considers and decides issues relating to separation payments in the case of early termination or dismissals of the designated managers.

Management Committee

The committee consists of:

- | | | | |
|----------------------------|---------------------------------|----|---------------|
| 1. Chulakorn Singhakowin | President and CEO | as | Chairman |
| 2. Abhai Asavanund | Senior Executive Vice President | as | Vice Chairman |
| 3. Chitraporn Tangsuwan | Senior Executive Vice President | as | Vice Chairman |
| 4. Gert Jan van der Putten | Senior Executive Vice President | as | Director |
| 5. Aart Jongejans | Executive Vice President | as | Director |
| 6. Chris Power | Executive Vice President | as | Director |
| 7. Egge de Vries | Executive Vice President | as | Director |
| 8. Jonathan Truslow | Executive Vice President | as | Director |
| 9. Ko van der Meer | Executive Vice President | as | Director |
| 10. Pimolrat Tangkosakul | Executive Vice President | as | Director |
| 11. Thammasak Jittimaporn | Executive Vice President | as | Director |
| 12. Vilawan Vanadurongvan | Executive Vice President | as | Director |
| M.R. Rajanikorn Rajani | Vice President | as | Secretary |

The Management Committee is responsible for establishing the Bank's strategy in carrying out its businesses in order to achieve operational objectives. The committee also approves the Bank's financial budget and major investments as well as supervising and monitoring the progress of work done by each business group, other committees or working groups appointed to specific projects.

Assets and Liabilities Committee (ALCO)

The committee consists of:

- | | | | | |
|----|-----------------------|---------------------------------|----|---------------|
| 1. | Chulakorn Singhakowin | President and CEO | as | Chairman |
| 2. | Chitraporn Tangsuwan | Senior Executive Vice President | as | Vice Chairman |
| 3. | Aart Jongejans | Executive Vice President | as | Director |
| 4. | Egge de Vries | Executive Vice President | as | Director |
| 5. | Jonathan Truslow | Executive Vice President | as | Director |
| 6. | Thammasak Jittimaporn | Executive Vice President | as | Director |
| | Egathi Rattana-aree | Vice President | as | Secretary |

The Assets and Liabilities Committee is responsible for identifying and managing the associated risks (i.e. market risk, liquidity risk, interest rate risk, etc.) inherent in the Bank's balance sheet and income statement. It also determines interest rate and pricing strategy, reviews and determines asset and liability structures, and approves the Bank's major strategic investments.

Risk Management Committee

The committee consists of:

- | | | | | |
|----|-------------------------|---------------------------------|----|---------------|
| 1. | Abhai Asavanund | Senior Executive Vice President | as | Chairman |
| 2. | Gert Jan van der Putten | Senior Executive Vice President | as | Vice Chairman |
| 3. | Aart Jongejans | Executive Vice President | as | Vice Chairman |
| 4. | Thammasak Jittimaporn | Executive Vice President | as | Director |
| 5. | Chongrak Politanont | Senior Vice President | as | Director |
| 6. | Maleewan Phongsathorn | Senior Vice President | as | Director |

The committee is responsible for formulating the Bank's risk management policies, credit procedures and processes as well as approving credit applications.

Financial Restructuring and Recovery Committee

The committee consists of:

- | | | | | |
|----|-------------------------|---------------------------------|----|---------------|
| 1. | Abhai Asavanund | Senior Executive Vice President | as | Chairman |
| 2. | Gert Jan van der Putten | Senior Executive Vice President | as | Vice Chairman |
| 3. | Aart Jongejans | Executive Vice President | as | Director |
| 4. | Mark Chen | Senior Vice President | as | Director |
| 5. | Suthep Dansiriviroj | Senior Vice President | as | Director |
| 6. | Vajee Pramualrat | Senior Vice President | as | Director |

The committee is responsible for approving the terms and conditions for the Bank's impaired loans.

Business Development Committee

The committee consists of:

- | | | | | |
|----|-----------------------|---------------------------------|----|------------------------|
| 1. | Chulakorn Singhakowin | President and CEO | as | Chairman |
| 2. | Abhai Asavanund | Senior Executive Vice President | as | Director |
| 3. | Chitraporn Tangsuwan | Senior Executive Vice President | as | Director |
| 4. | Thammasak Jittimaporn | Executive Vice President | as | Director |
| 5. | Vilawan Vanadurongvan | Executive Vice President | as | Director |
| 6. | Jonathan Truslow | Executive Vice President | as | Director and secretary |

The committee is responsible for formulating the Bank's marketing and distribution strategies. It ensures that the objectives of individual lines of business are aligned with the Bank's overall direction. In addition, the committee approves the features of new products and services, new distribution channels as well as oversees service quality of its service networks so as to ensure a standard of excellence to customers.

Operational Risk Management Steering Committee

The committee consists of:

- | | | | | |
|----|-----------------------|---------------------------------|----|---------------|
| 1. | Chulakorn Singhakowin | President and CEO | as | Chairman |
| 2. | Abhai Asavanund | Senior Executive Vice President | as | Vice Chairman |
| 3. | Aart Jongejans | Executive Vice President | as | Director |
| 4. | Chris Power | Executive Vice President | as | Director |
| 5. | Ko van der Meers | Executive Vice President | as | Director |
| 6. | Thammasak Jittimaporn | Executive Vice President | as | Director |
| 7. | Yongyuth Yodinlom | Senior Vice President | as | Director |
| 8. | Egathi Rattana-aree | Vice President | as | Director |
| | Napaporn Patoomban | Vice President | as | Secretary |

The committee is responsible for setting the policy and guidelines of the Bank's Operational Risk Management (ORM). It is also in charge of developing, and improving the (bank-wide) ORM process. In addition, the committee provides support with implementing the process and interpreting related policy and guidelines. This includes developing and rolling out the risk assessment methodology.

Nominating Committee and the Management

In 2001, although the nominating committee procedure has not been put in place, the Directors and the Management of the Bank strictly complied with Guidelines and Code of Ethics in accordance with rules and regulations of related authorities and the Code of Conduct of the Bank.

Election of Bank's Board of Directors:

In the election of directors, each shareholder shall have one vote for each share held. Each shareholder must exercise all of his votes to elect one or several candidates as directors. He may not distribute his votes among the candidates (such that one candidate receives more votes than another). Those candidates who receive the most votes shall be elected as directors, in number equal to the number of directors to be elected at such election. If there are tie votes, such that the number of candidates receiving the most votes would exceed the number of directors to be elected at such election, the chairman shall have a casting vote.

If a vacancy occurs in the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall elect a person who has the required qualifications and who does not have a prohibited characteristic under the Public Limited Companies Act as a replacement at the next meeting of the Board of Directors, unless the duration of the remaining term of such director is less than two months. Such replacement director shall hold office for the remaining term of office of the director whom he replaces. The resolution of the Board of Directors as above shall be passed by a vote of not less than three fourths of the number of the remaining directors.

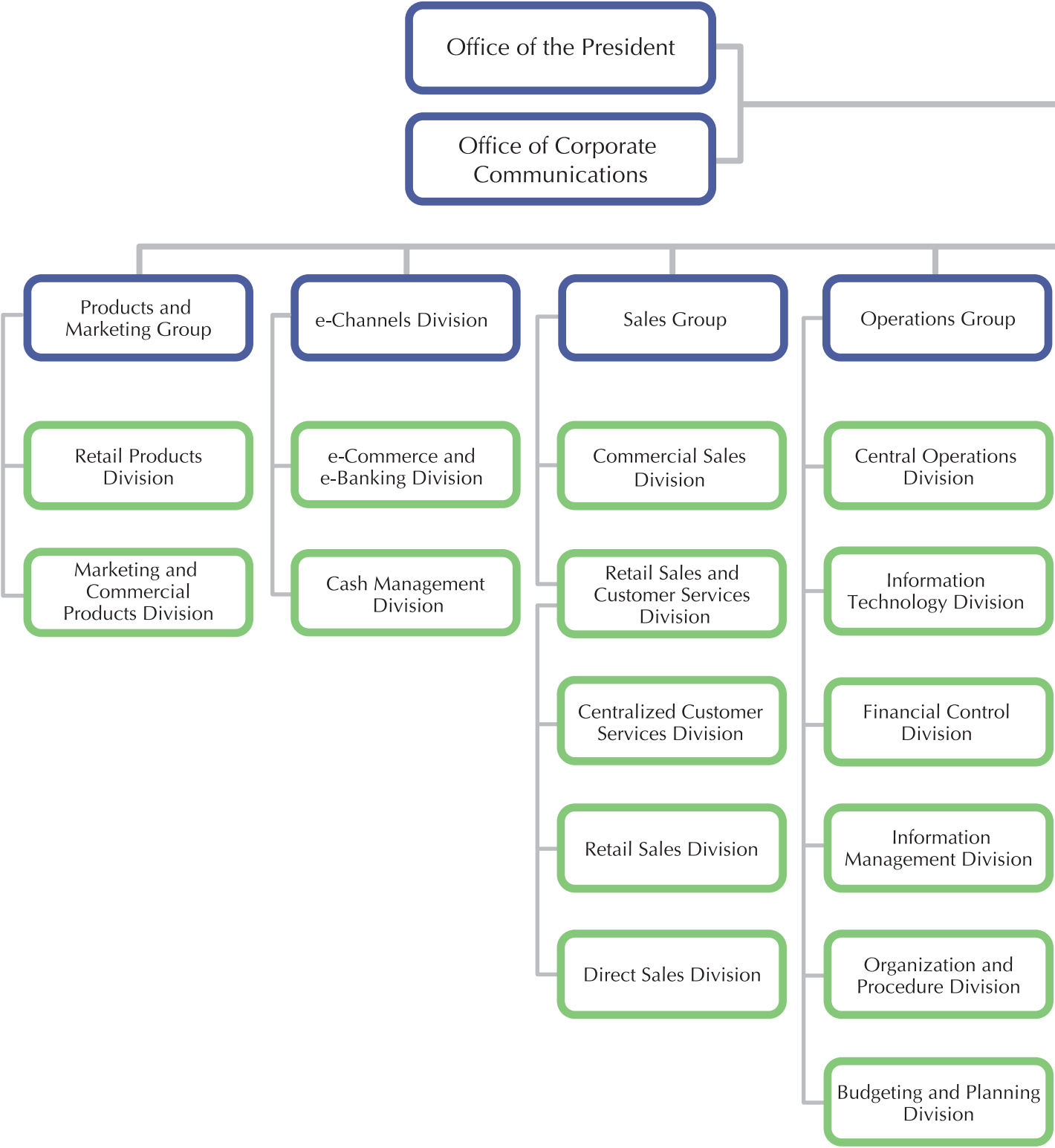
Corporate Governance

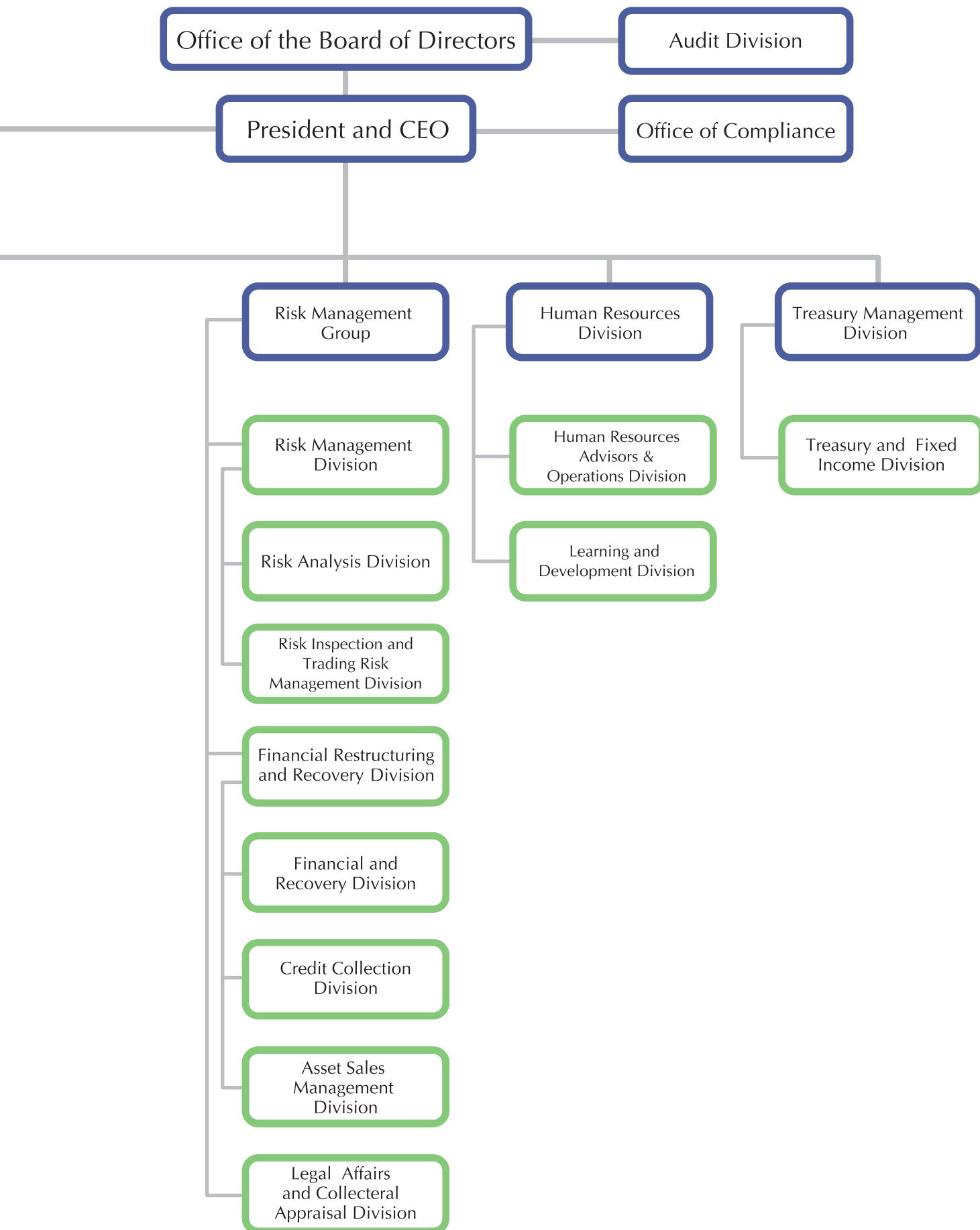
The Bank pays particular attention to maintaining the highest standards of governance in order to retain the trust and confidence of its customers, business partners, investors, shareholders, government agencies and the general public. Accordingly, the Bank has introduced a Code of Conduct for employees that goes beyond banking rules and regulations to lay down the principles of good governance and avoid conflicts of interest in the areas of: Investment in Securities; Gifts and Entertainment; Prevention of money laundering; and External Functions and Employment. The Compliance Department's supervision ensures all bank activities are carried out in compliance with the rules and regulations of related authorities and the Bank's Code of Conduct.

Insider Trading

As part of its policy on good governance, the Bank has incorporated into its Code of Conduct rules governing Investment in Securities. The rules prohibit any member of the management and/or their spouse and minor child from using internal information which has not been disclosed to the public to trade, transfer or receive any securities issued by the Bank. Under Stock Exchange of Thailand rules, members of management also have a duty to report to the SET any transaction involving securities issued by the Bank within 3 days.

Organization Chart









Senior Management



▶ Products and Marketing Group

1. **Jonathan Truslow** **Executive Vice President**
2. **Wanvimol Kanoktanaporn** **Senior Vice President**

During 2001 the Products and Marketing Group continued to develop the Bank's range of products for both consumer and business customers. To enhance Bank of Asia's reputation as Thailand's leading retail bank, the Group worked with and drew on the experience of customers in order to tailor products to their needs.

The Group ran a successful campaign to attract the holders of other banks' credit cards to transfer their outstandings by offering low rates of interest on the balance they transferred. It also achieved good results from a campaign encouraging Bank staff to introduce cards to their family and friends. As a result of both initiatives, Bank of Asia nearly doubled its card holder base to 70,000 at the end of 2001.

A range of special promotions launched in 2001 further encouraged customers to make more use of their cards. The Group ran a sweepstake distributing copies of the Irish boy band Westlife's latest CD to debit card holders and at the same time offering a chance to win tickets to their concert in Singapore. Bank of Asia also teamed up with Major Cineplex operators enabling holders of its credit and debit cards to win "All Year Movie Preview" tickets giving them free access to top films.

A series of other promotions, including "Banking with love" on Valentine's Day and "Banking can be fun" successfully showcased Bank of Asia's products. The Bank's housing loan facility won awards for Thailand's best radio advertisement.

During the year the bank worked closely with AIG to develop and launch a range of Bancassurance products, once more pushing Bank of Asia to the forefront of product innovation. Over 60 "AsiaPersonalAdvisors" were trained to help customers of the bank assess their financial needs from the range of banking, investment and insurance products that the bank will offer.

In 2001 the Group broadened its responsibilities to include customer database marketing. A new team has been created to develop a customer database and to start collecting and analysing data in order to more appropriately target product offerings to customers.



e-Channels Division

1. **Vilawan Vanadurongvan** **Executive Vice President**
2. **Apirom Noi-am** **Senior Vice President**
3. **Jittima Pongpojkasem** **Senior Vice President**
4. **Silawat Santivisat** **Senior Vice President**

Bank of Asia continues to spearhead the development of e-Banking and e-Commerce services in Thailand, offering products that cater to private and corporate clients as part of the drive to attract both consumer and middle market customers.

In mid-1999 Bank of Asia became the first Thai bank to launch internet banking services through ASIA CyberBanking and last year experienced a dramatic rise in both the number of customers using this facility and the volume of transactions. The expanded range of online facilities enable customers to check their account balance, transfer funds between accounts and pay a range of bills, including mobile telephone and internet charges. The Bank is the first in Thailand to enable customers to pay their electricity bills online. ASIA CyberBanking also facilitates a full range of trade services, allowing importers and exporters to issue or receive letters of credits online, to make or receive global fund transfers and to have Bank of Asia act as the settlement bank for them.

In 2001 Bank of Asia also took the lead developing M-banking services which allow customers to perform many functions such as checking their account balance, transferring funds and paying bills over their mobile phones, 24 hours a day, seven days a week. It is also the first bank whose service interfaces with both Thailand's major mobile phone companies, namely AIS and DTAC.

In addition, Bank of Asia offers its customers the most complete and advanced range of e-Commerce and e-Banking services available in Thailand. B2B solutions such as e-Bill Presentment and Payment has brought Bank of Asia a growing list of Thailand's biggest corporate names.

To maintain its lead in B2C services, the Bank has also worked with the government and private sector to develop the best payment gateway available in Thailand. This enables customers to make online payment for any type of goods. Through its joint effort with the government, Bank of Asia customers are able for the first time in Thailand to pay value added tax online and will this year also be able to pay personal income tax by this means.

In the area of cash management services, Bank of Asia provides a comprehensive suite of services, offering solutions for all types of transaction, including cash, cheques, internal transfers and multi-bank transfers. The bank also continues to be the most innovative in meeting customers' cash management needs. New products introduced in 2001 included invoice matching, escrow accounts and smart clearing. As a result, the Bank now serves over 300 core corporate customers and provides account services to 18,000 corporate clients.



Sales Group

1. **Thammasak Jittimaporn** Executive Vice President
2. **Chaveephan Huntrakul** Senior Vice President
3. **Chongrak Politanont** Senior Vice President
4. **Sematat Chuntamongkol** Senior Vice President
5. **Sewsin Singprasong** Senior Vice President

Thailand's depressed macroeconomic and business environment made 2001 another difficult year for credit expansion yet Bank of Asia achieved a substantial rise in its fee and services income.

The Bank rationalized its distribution channels during the year and put more effort into expanding the product range in order to build up its income from fees.

Despite weak demand for credit, the Bank added net new loans amounting to Baht 11 billion in 2001. Most of the new loans went to industry, particularly export-oriented businesses and small and medium sized clients, thus helping to stimulate the economy. However, its gross loans appeared to shrink after the transfer of non-performing loans with a net book value of Baht 6.2 billion to the Thai Asset Management Corporation and a further drop in impaired assets as a result of debt work-outs.

Still, Bank of Asia experienced a 25 per cent rise in its fee and services income, reaping the rewards of the “sales culture” adopted in 2000 when it unified marketing operations within the Sales Group. The increase attests to a better focus on selling profitable products, success in pre-defining customer targets and successful coordination with the Product Group, the e-Channels Group, Cash Management and others in tailoring products to customer needs.

In a further move intended to better serve the customer, Bank of Asia continued to rationalize its distribution network. Within the year, the bank closed 13 branches in the North East and has relocated two branches. At the same time, the Bank also opened three new supermarket outlets, two foreign exchange kiosks and increased the number of ATM’s by 25.

As part of its drive to attract new customers, Sales Group is now upgrading the Bank’s Call Center. After reviewing the call flow in 2001, Sales Group is in the process of expanding the range of services available through the Call Center. These will include product information and the buying and selling of mutual funds. To handle the extra business it will double the number of telephone lines in 2002 and more than double the number of agents. In 2001 it set up a quality assurance unit to monitor the service provided by the Group’s agents and it plans to expand this unit in 2002.



Operations Group

- | | | |
|----|-------------------------------|--|
| 1. | Chitraporn Tangsuwan | Senior Executive Vice President |
| 2. | James Stent | Senior Executive Vice President |
| 3. | Chris Power | Executive Vice President |
| 4. | Benjana Asavametha | Senior Vice President |
| 5. | Civic Leung | Senior Vice President |
| 6. | Ngamjitt Sirijindalert | Senior Vice President |
| 7. | Sanchai Apisaksirikul | Senior Vice President |
| 8. | Yongyut Yodinlom | Senior Vice President |

During the year 2001, the Operations Group concentrated its efforts in five key areas.

In support of the Bank's focus on a "seamless service" approach to the market, all sections of the Group worked on seamless coordination with the marketing, sales and risk areas of the Bank. This has accelerated the response time to customers, and shortened the time for delivery of new products from the design phase to the point where they are ready for successful offering to customers. The ability of the Operations Group to work in close coordination with the front office sections of the Bank is essential for the Bank to achieve a high level of customer satisfaction. Service level agreements have been put in place between the operations and sales units, guaranteeing standards of performance, and over the past year the standards set were surpassed.

In the key area of operating processes, efficiency was promoted in the Centralized Operational Division, with a 10% reduction in manpower while transaction volumes increased by 30% over the course of the year. The re-engineering work in this area is ongoing, and steady further operational efficiency gains can be expected in the year ahead.

Operations Group worked closely with Treasury to support the implementation of a new state of the art treasury system and to facilitate changes related to the implementation of the EURO.

Furthermore, in order to strengthen the stability of the IT systems, the Bank has put in place a well-designed disaster recovery plan in order to ensure the continuing integrity of the Bank's operations.

The Integration Project commenced in January of 2000 and was designed to introduce ABN AMRO standards of operational risk control into the Bank of Asia. This project was brought to a successful conclusion at the end of 2001, with all parts of the Bank having achieved compliance with international standards of risk control. This upgrading of Bank of Asia's operational risk procedures and controls, positions the Bank well to meet the imposition of the new Basle Agreement on operational risk.



Risk Management Group

- | | |
|----------------------------|---------------------------------|
| 1. Abhai Asavanund | Senior Executive Vice President |
| 2. Gert Jan van der Putten | Senior Executive Vice President |
| 3. Aart Jongejans | Executive Vice President |
| 4. Phiphat Phornsuan | Executive Vice President |
| 5. Dhirajai Yongkittikul | Senior Vice President |
| 6. Maleewan Phongsathorn | Senior Vice President |
| 7. Mark Chen | Senior Vice President |
| 8. Prasert Larppitmongkol | Senior Vice President |
| 9. Suthep Dansiriviroj | Senior Vice President |
| 10. Thanapol Sirithanachai | Senior Vice President |
| 11. Vajee Pramualrat | Senior Vice President |



A grim economic and financial environment in 2001 created little demand for credit but Bank of Asia has taken the opportunity to strengthen further its credit review processes. This will continue to be one of the main areas of attention in 2002.

Implementation of more stringent credit control procedures over the past two years has already ensured Bank of Asia's risk management complies with global best practice and is in the forefront of Thai banking practice. The Bank has made significant progress developing Management Information Systems to reinforce procedures. A priority in 2002 will be to make credit processes more efficient, dealing with credit applications within a guaranteed timeframe in line with the bank's drive to make its services more customer-focused.

In 2001 the Group also convened a steering committee to prepare new operational risk assessment and control processes. These will be tailored to meet new Bank for International Settlements guidelines requiring banks to make provisions for operational risk. By acting now, Bank of Asia will minimise the provisioning needed when the BIS standards take effect in 2005.

The Bank's firm commitment to stringent credit risk management reflects its conviction that prudent lending practices are essential to Thailand's economic recovery and to avoiding the recurrence of a credit bubble that contributed to the 1997 crisis. In the present economic circumstances, criticism of banks for a supposed reluctance to lend is misplaced. As banks are carrying the costs of high liquidity, they badly need to lend, but the appetite for new credit among customers eligible to borrow remains limited.

Bank of Asia has taken a deliberately measured and cautious approach to restructuring problem loans. The safeguards that risk management procedures already provide to the bank and its customers are evident in the low rate of relapse in restructured NPL's.



Human Resources Division

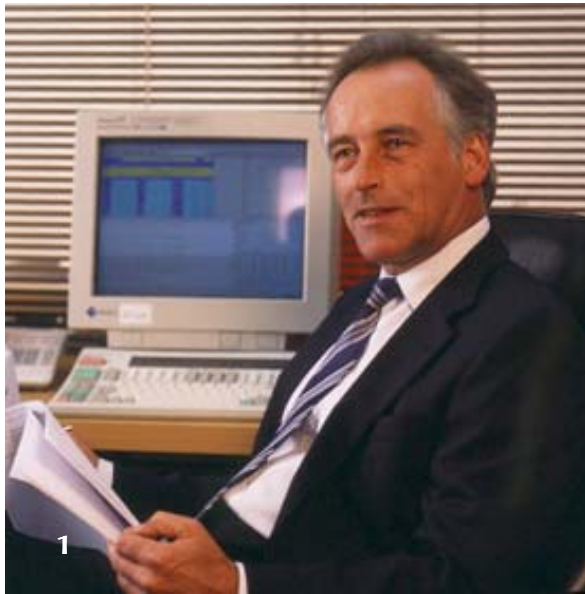
1. **Pimolrat Tangkosakul** Executive Vice President
2. **Poonsup Janyasupab** Senior Vice President

In an important step towards performance-driven management, Bank of Asia in 2001 dropped the old practice of awarding staff discretionary bonuses regardless of overall performance. In its place, the Bank adopted a system of performance-related bonuses.

The system uses a model that seeks to measure staff performance against key indicators set by management in consultation with staff. These take account of the bank's operating results, the performance of a staff member's unit and the performance of the individual.

At the same time, Bank of Asia is putting in place a succession plan for key positions. It aims to provide the bank with a clearer resources plan and to provide staff with a clearer career opportunities.

In conjunction with these programs, Bank of Asia remains committed to providing staff with development plans in order to promote their performance and assist them in developing a career with the bank.



 Treasury Management Division

- 1. **Egge de Vries** **Executive Vice President**
- 2. **Montira Utarapichat** **Senior Vice President**

Bank of Asia remained one of Thailand's most active primary dealers in fixed income instruments. In 2001 it participated in the distribution of corporate bonds issued by AIS.

The depressed state of the economy in 2001 generated little activity in the Thai bond market, but increased marketing efforts by the Treasury Management Division resulted in higher customer FX volumes. Fixed income results were substantially lower than in 2000. This was due to the one-time sale and realization of profits on a substantial part of the investment portfolio in 2000 together with reduced bond yields in 2001. Bank of Asia will continue to give customers a high quality service in treasury and fixed income products, backed by increased client coverage where necessary.

The successful introduction of a new treasury front office system, Kondor +, has significantly improved controls and further enhanced the division's capabilities.



Audit Division

Ko van der Meer Executive Vice President

Bank of Asia's drive to establish itself as "*The International Thai Bank*" by applying international best practice has resulted in a considerable strengthening of banking controls over the last four years. The Audit Division has significantly contributed to improving the control environment through continuous development and refining of the audit process. Recognising these improvements, ABN AMRO Head Office Audit now relies extensively on the division to execute audits of Bank of Asia operations to exacting Group-wide standards.

The division introduced a new standard format for audit reports of the Bank's different businesses units. The new procedures require more detailed follow-up and scrutiny of outstanding audit findings.

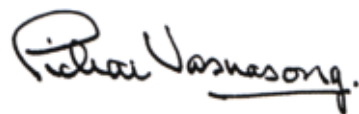
The division has hired additional qualified audit staff to strengthen the professional quality of its service and reinforce the implementation of higher control and auditing standards.

The Bank of Asia Audit Committee comprises of three independent members. They are Mr. Pichai Vasnasong , the Chairman of the Audit Committee and two members, Mr. Jacob de Jonge, and Mr. Ammar Siamwalla. All Audit Committee members are non-executive directors and non-employees of the Bank.

The Audit Committee met at five meetings to review its role and responsibilities outlined by the Stock Exchange of Thailand and exchanged opinions with the management, internal and the Bank's auditors. Furthermore, the Committee acknowledged and reviewed the Internal Audit Year Plan, the assessment of the internal control system, the compliance to the regulations, and the quarterly Internal Audit reports prepared by the Bank of Asia's Audit Division.

The Audit Committee has undertaken continually review and assess the Bank's key risks, controls and monitoring system through the Bank of Asia's Audit Division which received the reliance from the ABN AMRO Bank to execute audits of the Bank operations to the Group-Wide standards. From the evaluation of the Bank's internal control system, it concluded that the Bank's internal controls in the area of financial reporting and risk management are both adequate and reliable and that the Bank has introduced significant improvements in the overall control framework within the Bank.

As for the 2002 financial statements, the committee has recommended Mr. Nirand Lilamethwat, certified public accountant ID number 2316 of KPMG Audit (Thailand) Limited, as the Bank's auditor with a Baht 6.4 million fee for the Bank. The matter will be put forward to the shareholders' meeting for its approval.



Pichai Vasnasong
Chairman of the Audit Committee
February 22, 2002



To the Shareholders of Bank of Asia Public Company Limited:

I have audited the consolidated balance sheets of Bank of Asia Public Company Limited and subsidiaries as at December 31, 2001 and 2000, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for the years then ended and the separate financial statements of Bank of Asia Public Company Limited for the same years then ended. The Bank's management are responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about 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. I believe that my audits provide a reasonable basis for my opinion.

As discussed in Note 10 to the financial statements, the actual allowance for doubtful accounts at December 31, 2000 was 165.94 % of the calculated allowance for doubtful accounts based on loans and accrued interest receivables classified in accordance with the Notification of the Bank of Thailand on a consolidated basis and 166.42 % for the Bank only. However, in order to comply with generally accepted accounting principles at that date, the Bank and subsidiary should have provided additional allowance for doubtful accounts for uncollectible debt. The Bank's loans were in the process of being collected, restructured, renegotiated and qualitatively reviewed, which might have affected the classification of loans and accrued interest receivables and the resulting estimate of allowance for doubtful accounts. The effects of the additional allowance for doubtful accounts on the financial statements as at and for the year ended December 31, 2000 have not been determined. The Bank has provided the additional allowance for doubtful accounts in drawing up its financial statements for the year ended December 31, 2001.

In my opinion, except for the effects on the balance sheet as at December 31, 2000 and the statements of income, changes in shareholders' equity and cash flows for the years ended December 31, 2001 and 2000 of the matters mentioned in the third paragraph, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Bank of Asia Public Company Limited and subsidiaries at December 31, 2001 and 2000, and the consolidated results of operations and cash flows for the years then ended and the equivalent separate financial position and results of operations and cash flows of Bank of Asia Public Company Limited, in conformity with generally accepted accounting principles.

Without further qualifying my opinion, in order to assist the reader in understanding my audit report, I would like to clarify that had there been no consequential impact on the financial statements for the year ended December 31, 2001 of the Bank not providing the additional allowance for doubtful accounts as at December 31, 2000, my opinion in respect of the financial statements for the year ended December 31, 2001 would not have been qualified.

I draw attention to Note 2.1 to the financial statements. The operations of the Bank have been affected and will continue to be affected for the foreseeable future by the economic conditions in Thailand and the Asia Pacific Region in general. The ultimate effect that these uncertainties may have on the Bank's business cannot presently be determined.



Nirand Lilamethwat
Certified Public Accountant
Registration Number 2316

KPMG Audit (Thailand) Limited
Bangkok, February 22, 2002



BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

ASSETS	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
Cash	2,121,910,769	1,884,261,883	2,121,828,462	1,884,127,105
Interbank and money market items (Note 6)				
Domestic items				
Interest bearing	2,234,757,460	1,967,872,060	2,212,038,443	2,151,600,612
Non-interest bearing	1,440,069,353	2,345,144,290	1,436,210,264	2,345,099,037
Foreign items				
Interest bearing	7,800,510,746	5,332,947,215	7,800,510,746	5,332,947,215
Non-interest bearing	232,788,566	374,438,212	232,788,566	374,438,212
Total Interbank and Money Market Items - net	11,708,126,125	10,020,401,777	11,681,548,019	10,204,085,076
Securities purchased under resale agreements (Note 7)	900,000,000	550,000,000	900,000,000	550,000,000
Investments (Notes 4.3, 4.4, 8 and 22)				
Current investments - net	957,990,464	8,818,003,364	957,990,464	8,815,030,026
Long-term investments - net	20,730,368,829	9,239,402,485	20,704,335,569	9,115,619,407
Investments in subsidiaries and associated companies - net	137,041,583	135,135,935	191,410,944	311,896,834
Total Investments - net	21,825,400,876	18,192,541,784	21,853,736,977	18,242,546,267
Loans and accrued interest receivables				
Loans (Notes 4.6, 4.8, 9 and 22)	108,438,202,355	111,569,130,001	109,106,483,288	111,499,802,412
Accrued interest receivables	1,189,000,343	1,818,257,249	1,183,833,917	1,800,050,740
Total Loans and Accrued Interest Receivables	109,627,202,698	113,387,387,250	110,290,317,205	113,299,853,152
Less Allowance for doubtful accounts (Notes 4.7 and 10)	(3,905,631,868)	(1,440,891,806)	(3,704,505,299)	(1,254,017,980)
Less Revaluation allowance for debt restructuring (Notes 4.8 and 11)	(302,205,139)	(408,012,008)	(302,205,139)	(405,896,200)
Loans and Accrued Interest Receivables - net	105,419,365,691	111,538,483,436	106,283,606,767	111,639,938,972



Chavalit Thanachanan
Chairman




Chulakorn Singhakowin
President and Chief Executive Officer

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

ASSETS	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
Properties foreclosed - net (Notes 4.12 and 12)	12,171,904,238	9,343,903,502	12,194,913,948	9,400,896,676
Customers' liabilities under acceptances	232,609,642	251,167,398	232,609,642	251,167,398
Premises and equipment - net (Notes 4.11 and 13)	2,681,387,021	2,608,231,187	2,248,593,931	2,142,096,833
Leasehold improvements - net (Note 4.11)	377,612,677	390,559,559	373,942,856	386,033,879
Other accounts receivable	606,666,481	475,989,076	571,734,953	442,109,427
Goodwill (Note 4.3)	11,145,975	12,800,742	-	-
Other assets - net	966,033,480	596,077,299	909,403,477	554,353,070
Total Assets	159,022,162,975	155,864,417,643	159,371,919,032	155,697,354,703

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

LIABILITIES AND SHAREHOLDERS' EQUITY	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
Deposits (Note 14)				
Deposits in Baht	138,176,134,320	134,085,240,090	138,232,776,584	133,665,956,756
Deposits in foreign currencies	1,186,469,599	724,236,478	1,186,469,600	724,236,478
Total Deposits	<u>139,362,603,919</u>	<u>134,809,476,568</u>	<u>139,419,246,184</u>	<u>134,390,193,234</u>
Interbank and money market items (Note 15)				
Domestic items				
Interest bearing	2,447,326,123	2,088,897,366	2,441,784,275	2,154,325,932
Non-interest bearing	129,537,358	697,465,907	129,537,358	697,465,907
Foreign items				
Interest bearing	4,970,147	192,436,668	4,970,147	192,436,668
Non-interest bearing	396,149,000	406,396,663	396,149,000	406,396,663
Total Interbank and Money Market Items	<u>2,977,982,628</u>	<u>3,385,196,604</u>	<u>2,972,440,780</u>	<u>3,450,625,170</u>
Liabilities payable on demand	848,450,571	611,195,705	848,450,571	611,195,705
Securities sold under repurchase agreements (Note 16)	-	20,000,000	-	20,000,000
Borrowings				
Long-term borrowings (Note 17)	4,921,479,317	2,917,172,650	4,921,479,317	2,917,172,650
Total Borrowings	<u>4,921,479,317</u>	<u>2,917,172,650</u>	<u>4,921,479,317</u>	<u>2,917,172,650</u>
Bank's liabilities under acceptances	232,609,642	251,167,398	232,609,642	251,167,398
Accrued interest payable	750,271,180	799,645,148	751,443,224	798,554,502
Other liabilities	1,287,288,803	1,295,078,904	1,584,772,399	1,519,448,931
Total Liabilities	<u>150,380,686,060</u>	<u>144,088,932,977</u>	<u>150,730,442,117</u>	<u>143,958,357,590</u>

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
BALANCE SHEETS
AS AT DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

LIABILITIES AND SHAREHOLDERS' EQUITY	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
SHAREHOLDERS' EQUITY				
Share capital (Note 19)				
Authorized share capital, Baht 10 par value				
4,661,345,081 ordinary shares	46,613,450,810	46,613,450,810	46,613,450,810	46,613,450,810
Issued and fully paid-up share capital				
3,827,580,479 ordinary shares	38,275,804,790	38,275,804,790	38,275,804,790	38,275,804,790
Discount on share capital	(4,806,506,208)	(4,806,506,208)	(4,806,506,208)	(4,806,506,208)
Unrealized increment per assets appraisal (Note 4.11)	769,854,998	384,126,733	769,854,998	384,126,733
Unrealized loss on investment in securities - net (Note 8.4)	(264,141,263)	(590,033,689)	(264,141,263)	(590,033,689)
Unrealized gain on hedging forward foreign exchange contracts (Notes 4.10 and 18)	1,142,208	-	1,142,208	-
Retained earnings (deficit)				
Appropriated				
Statutory reserve (Note 20)	367,591,201	367,591,201	367,591,201	367,591,201
Other reserve	72,000,000	72,000,000	72,000,000	72,000,000
Unappropriated (deficit)	(25,774,268,811)	(21,963,985,714)	(25,774,268,811)	(21,963,985,714)
	8,641,476,915	11,738,997,113	8,641,476,915	11,738,997,113
Minority interests	-	36,487,553	-	-
Total Shareholders' Equity	8,641,476,915	11,775,484,666	8,641,476,915	11,738,997,113
Total Liabilities and Shareholders' Equity	159,022,162,975	155,864,417,643	159,371,919,032	155,697,354,703
OFF- BALANCE SHEET ITEMS - CONTINGENCIES (Note 21)				
Avals to bills and guarantees of loans	943,172,712	852,110,747	943,172,712	852,110,747
Liability under unmatured import bills	1,318,498,184	1,171,478,203	1,318,498,184	1,171,478,203
Letters of credit	2,465,931,801	1,826,294,817	2,465,931,801	1,826,294,817
Other contingencies	102,175,626,063	124,131,617,396	102,175,626,063	124,131,617,396

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
Interest and dividend income				
Loans (Note 4.1)	5,875,782,105	5,644,692,686	5,872,576,173	5,624,492,565
Interbank and money market items	587,004,668	824,405,194	600,045,205	828,324,219
Hire purchase and financial lease income (Note 4.2)	35,494,377	37,023,501	-	-
Investment	641,423,878	857,635,954	637,200,193	851,993,255
Total Interest and Dividend Income	7,139,705,028	7,363,757,335	7,109,821,571	7,304,810,039
Interest expenses (Note 4.5)				
Deposits	3,220,905,093	3,657,888,781	3,213,658,258	3,639,974,594
Interbank and money market items	381,702,306	782,492,148	382,185,777	783,276,981
Long-term borrowings	249,165,202	214,251,711	249,165,202	214,251,711
Total Interest Expenses	3,851,772,601	4,654,632,640	3,845,009,237	4,637,503,286
Net income from interest and dividends	3,287,932,427	2,709,124,695	3,264,812,334	2,667,306,753
Bad debt and doubtful accounts	(4,123,961,705)	(3,511,344,964)	(4,094,029,135)	(3,501,611,524)
Loss on debt restructuring	(193,980,143)	(1,208,376,533)	(188,400,118)	(1,208,376,533)
Net loss from interest and dividends after bad debt and doubtful accounts and loss on debt restructuring	(1,030,009,421)	(2,010,596,802)	(1,017,616,919)	(2,042,681,304)
Non-interest income				
Gain on disposal of securities	311,056,371	1,084,773,777	271,471,598	1,084,827,399
Unrealised gain (loss) on revaluation of securities	(2,923,490)	(2,397,436)	(2,923,490)	3,533,589
Loss on impairment of securities	(21,884,869)	(53,796,172)	(23,473,693)	(48,620,369)
Share of profit (loss) of subsidiaries and associated companies	(20,106,184)	433,104	(46,474,850)	(27,165,408)
Fees and service income				
Acceptances, avals and guarantees	14,587,576	13,388,581	14,587,576	13,388,581
Others	966,975,342	768,752,798	907,567,327	716,155,879
Gain on exchange	240,580,531	266,312,578	240,580,531	266,312,578
Rental income	158,898,602	176,984,821	37,086,465	30,733,013
Other income	84,290,786	60,128,715	65,335,675	35,802,620
Total Non-interest Income	1,731,474,665	2,314,580,766	1,463,757,139	2,074,967,882

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
Non-interest expenses				
Personnel expenses	1,578,087,675	1,358,361,449	1,490,801,707	1,253,022,632
Premises and equipment expenses	957,375,124	971,053,092	783,144,350	837,892,309
Taxes and duties	305,214,570	334,848,219	302,242,633	331,504,813
Fees and service expenses	234,664,221	352,449,985	222,632,050	346,710,766
Directors' remuneration	5,718,500	5,791,750	5,495,000	5,283,750
Payments to the Financial Institutions				
Development Fund (Note 4.15)	566,557,462	558,130,367	563,583,491	555,154,109
Loss on diminution in value of properties foreclosed	114,643,990	250,174,239	113,512,419	249,187,581
Loss on revaluation of assets	233,923,681	-	233,923,681	-
Other expenses	521,318,595	542,747,492	542,832,575	515,423,648
Total Non-interest Expenses	<u>4,517,503,818</u>	<u>4,373,556,593</u>	<u>4,258,167,906</u>	<u>4,094,179,608</u>
Loss before income tax	(3,816,038,574)	(4,069,572,629)	(3,812,027,686)	(4,061,893,030)
Income tax expense (Note 4.16)	983,028	56,747,152	-	55,984,919
Loss before minority interests	(3,817,021,602)	(4,126,319,781)	(3,812,027,686)	(4,117,877,949)
Minority interests in subsidiaries' loss	4,993,916	8,441,832	-	-
Net loss	<u>(3,812,027,686)</u>	<u>(4,117,877,949)</u>	<u>(3,812,027,686)</u>	<u>(4,117,877,949)</u>
Loss per share (Notes 4.17, 27 and 28)				
Basic	(1.00)	1.31	(1.00)	(1.31)
Diluted	(0.97)	(1.27)	(0.97)	(1.27)

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2001

	Ordinary share capital	Discount on share capital	Unrealized increment per assets appraisal	Unrealized loss on investment in securities - net	Unrealized gain on hedging forward foreign exchange contracts	Retained earnings (deficit)	Minority interests	Total
Beginning balance as of December 31, 2000	38,275,804,790	(4,806,506,208)	384,126,733	(590,033,689)	-	(21,524,394,513)	36,487,553	11,775,484,666
Unrealized increment per assets appraisal	-	-	385,728,265	-	-	1,744,589	-	387,472,854
Unrealized loss on investment in securities - net	-	-	-	325,892,426	-	-	-	325,892,426
Unrealized gain on hedging forward foreign exchange contracts	-	-	-	-	1,142,208	-	-	1,142,208
Net gains not recognised in the statement of income	-	-	385,728,265	325,892,426	1,142,208	1,744,589	-	714,507,488
Net loss	-	-	-	-	-	(3,812,027,686)	-	(3,812,027,686)
Minority interests	-	-	-	-	-	-	(36,487,553)	(36,487,553)
Ending balance as of December 31, 2001	38,275,804,790	(4,806,506,208)	769,854,998	(264,141,263)	1,142,208	(25,334,677,610)	-	8,641,476,915

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2000

	Ordinary share capital	Discount on share capital	Unrealized increment per assets appraisal	Unrealized loss on investment in securities - net	Retained earnings (deficit)	Minority interests	Total
Beginning balance as of December 31, 1999	31,055,055,400	(2,281,258,172)	386,085,791	(103,204,322)	(17,409,551,532)	44,037,622	11,691,164,787
Changes in accounting policy	-	-	-	-	3,034,968	-	3,034,968
Beginning balance after adjustment	31,055,055,400	(2,281,258,172)	386,085,791	(103,204,322)	(17,406,516,564)	44,037,622	11,694,199,755
Unrealized increment per assets appraisal	-	-	(1,959,058)	-	-	-	(1,959,058)
Unrealized loss on investment in securities - net	-	-	-	(486,829,367)	-	-	(486,829,367)
Net losses not recognised in the statement of income	-	-	(1,959,058)	(486,829,367)	-	-	(488,788,425)
Net loss	-	-	-	-	(4,117,877,949)	-	(4,117,877,949)
Ordinary share capital	7,220,749,390	-	-	-	-	-	7,220,749,390
Discount on share capital	-	(2,525,248,036)	-	-	-	-	(2,525,248,036)
Minority interests	-	-	-	-	-	(7,550,069)	(7,550,069)
Ending balance as of December 31, 2000	38,275,804,790	(4,806,506,208)	384,126,733	(590,033,689)	(21,524,394,513)	36,487,553	11,775,484,666

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2001

	Ordinary share capital	Discount on share capital	Unrealized increment per assets appraisal	Unrealized loss on investment in securities - net	Unrealized gain on hedging forward foreign exchange contracts	Retained earnings (deficit)	Total
Beginning balance as of December 31, 2000	38,275,804,790	(4,806,506,208)	384,126,733	(590,033,689)	-	(21,524,394,513)	11,738,997,113
Unrealized increment per assets appraisal	-	-	385,728,265	-	-	1,744,589	387,472,854
Unrealized loss on investment in securities - net	-	-	-	325,892,426	-	-	325,892,426
Unrealized gain on hedging forward foreign exchange contracts	-	-	-	-	1,142,208	-	1,142,208
Net gains not recognised in the statement of income	-	-	385,728,265	325,892,426	1,142,208	1,744,589	714,507,488
Net loss	-	-	-	-	-	(3,812,027,686)	(3,812,027,686)
Ending balance as of December 31, 2001	38,275,804,790	(4,806,506,208)	769,854,998	(264,141,263)	1,142,208	(25,334,677,610)	8,641,476,915

(Amounts in Baht)

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2000

(Amounts in Baht)

	Ordinary share capital	Discount on share capital	Unrealized increment per assets appraisal	Unrealized loss on investment in securities - net	Retained earnings (deficit)	Total
Beginning balance as of December 31, 1999	31,055,055,400	(2,281,258,172)	386,085,791	(103,440,643)	(16,763,773,209)	12,292,669,167
Changes in accounting policy	-	-	-	236,321	(642,743,355)	(642,507,034)
Beginning balance after adjustment	31,055,055,400	(2,281,258,172)	386,085,791	(103,204,322)	(17,406,516,564)	11,650,162,133
Unrealized increment per assets appraisal	-	-	(1,959,058)	-	-	(1,959,058)
Unrealized loss on investment in securities - net	-	-	-	(486,829,367)	-	(486,829,367)
Net losses not recognised in the statement of income	-	-	(1,959,058)	(486,829,367)	-	(488,788,425)
Net loss	-	-	-	-	(4,117,877,949)	(4,117,877,949)
Ordinary share capital	7,220,749,390	-	-	-	-	7,220,749,390
Discount on share capital	-	(2,525,248,036)	-	-	-	(2,525,248,036)
Ending balance as of December 31, 2000	38,275,804,790	(4,806,506,208)	384,126,733	(590,033,689)	(21,524,394,513)	11,738,997,113

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss	(3,812,027,686)	(4,117,877,949)	(3,812,027,686)	(4,117,877,949)
Adjustments to reconcile net loss to net cash (used in) operating activities:				
Depreciation	471,356,087	488,933,863	221,771,601	179,403,885
Amortisation and loss on assets written off	119,249,003	74,781,534	113,479,155	70,920,440
Amortisation of goodwill	1,654,767	13,540,738	-	-
Unrealised (gain) loss on revaluation of securities	2,923,490	2,397,436	2,923,490	(3,533,589)
Loss on impairment of securities	21,884,869	53,796,172	23,473,693	48,620,369
Bad debt and doubtful accounts	4,533,535,961	3,511,719,393	4,500,000,000	3,501,985,952
Loss on debt restructuring	193,980,143	1,208,376,533	188,400,118	1,208,376,533
Gain on transfer of assets	(90,730,191)	-	(90,730,191)	-
Loss on revaluation of assets	233,923,681	-	233,923,681	-
Loss on impairment of assets	7,332,478	-	7,332,478	-
Loss on diminution in value of properties foreclosed	114,643,990	250,174,239	113,512,419	249,187,581
Gain on disposal of long-term investments	(316,632,825)	(68,586,473)	(269,365,532)	(68,586,473)
(Gain) loss on sales of premises and equipment	(46,456,994)	21,573,493	(32,320,882)	(4,346,407)
Loss on translation of foreign currencies	465,560,949	159,268,972	465,560,949	159,268,972
Amortisation of (premium) discount on long-term investments - net	52,481,524	(26,460,255)	52,189,473	(26,650,086)
Decrease in interest and dividend receivables	445,062,233	1,076,539,176	443,172,754	1,059,767,545
Decrease in accrued non - interest income	1,128,654	329,790,519	1,864,054	329,774,519
Increase (decrease) in accrued interest expenses	(48,353,811)	40,192,266	(47,114,811)	43,680,206
Increase in accrued non-interest expenses	198,133,581	226,415,646	196,180,609	221,190,923
Share of (profit) loss of subsidiaries and associated companies	20,106,184	(433,104)	46,474,850	27,165,408
Net cash inflow from operating activities before changes in operating assets and liabilities	2,568,756,087	3,244,142,199	2,358,700,222	2,878,347,829

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

(Amounts in Baht)

	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2001	2000	2001	2000
(Increase) decrease in operating assets				
Interbank and money market items	(1,149,937,722)	(5,352,106,924)	(1,550,071,080)	(5,465,761,075)
Securities purchased under resale agreements	(350,000,000)	(250,000,000)	(350,000,000)	(250,000,000)
Current investments	754,807,349	5,445,712,217	751,834,011	5,445,549,636
Loans	(9,090,469,099)	(9,522,232,499)	(9,273,071,280)	(9,490,678,567)
Properties foreclosed	(37,798,652)	(445,039,248)	(609,608)	(452,947,045)
Other assets	(272,062,408)	(131,736,062)	(254,356,788)	(128,704,526)
Increase (decrease) in operating liabilities				
Deposits	4,570,477,783	9,510,209,759	5,036,945,057	9,603,963,428
Interbank and money market items	(607,120,576)	(7,870,250,260)	(473,220,718)	(7,824,838,346)
Liabilities payable on demand	237,398,197	(172,160,248)	237,398,197	(172,160,248)
Securities sold under repurchase agreements	(20,000,000)	(2,930,000,000)	(20,000,000)	(2,930,000,000)
Other liabilities	(326,297,975)	175,972,330	(287,943,914)	243,117,017
Decrease in minority interests	(4,993,917)	(8,441,752)	-	-
Net cash used in operating activities	<u>(3,727,240,933)</u>	<u>(8,305,930,488)</u>	<u>(3,824,395,901)</u>	<u>(8,544,111,897)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of long-term investments	33,465,530,131	2,848,738,585	33,298,186,481	2,830,238,585
Purchases of long-term investments	(31,091,624,078)	(459,898,381)	(31,090,548,557)	(412,824,885)
Purchases of premises and equipment	(470,184,802)	(522,079,281)	(188,099,830)	(302,805,747)
Proceeds from sales of premises and equipment	56,861,901	13,348,182	38,252,497	3,710,613
Net cash provided by investing activities	<u>1,960,583,152</u>	<u>1,880,109,105</u>	<u>2,057,790,591</u>	<u>2,118,318,566</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in long-term borrowings	2,004,306,667	8,678,000	2,004,306,667	8,678,000
Increase in issued and fully paid-up share capital	-	4,689,846,353	-	4,689,846,353
Net cash provided by financing activities	<u>2,004,306,667</u>	<u>4,698,524,353</u>	<u>2,004,306,667</u>	<u>4,698,524,353</u>
Net increase (decrease) in cash and cash equivalents	237,648,886	(1,727,297,030)	237,701,357	(1,727,268,978)
Cash and cash equivalents as at January 1, (Note 4.13)	1,884,261,883	3,611,558,913	1,884,127,105	3,611,396,083
Cash and cash equivalents as at December 31, (Note 4.13)	<u>2,121,910,769</u>	<u>1,884,261,883</u>	<u>2,121,828,462</u>	<u>1,884,127,105</u>

Notes to the financial statements form an integral part of these financial statements

BANK OF ASIA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2001 AND 2000

1. GENERAL INFORMATION

Bank of Asia Public Company Limited ("the Bank") is a public limited company registered in the Kingdom of Thailand with its head office located at 191 South Sathon Road, Sathon, Bangkok. The Bank's main business is retail banking and the Bank conducts its business through a network of branches covering all parts of Thailand. As at December 31, 2001 and 2000, the Bank had a total staff of 2,636 persons and 2,613 persons, respectively.

2. ECONOMIC DETERIORATION AND OPERATIONS OF THE BANK AND ITS SUBSIDIARIES

2.1 Economic deterioration and operations of the Bank and its subsidiaries

Notwithstanding recent economic indicators suggesting that the worst of the Asian crisis is over, Thailand and many Asia-Pacific countries are still experiencing severe economic difficulties, including currency instability, business contraction, financial system instability and a sharp rise in loan defaults. This has and may continue to adversely affect the operations of banks operating in Thailand, including the Bank of Asia Public Company Limited and its subsidiaries. Specifically, it has led to many of the customers of the Bank and its subsidiaries becoming unable to meet their obligations when due. As at December 31, 2001 the Bank has estimated that allowances for doubtful accounts of Baht 3,715 million would adequately provide against the effects of the deteriorating economy and the resultant likely rise in loan payment defaults. In the face of possible further economic turmoil and deterioration, the adequacy of this estimate will be dependent on many factors external to the Bank which it cannot control or accurately forecast at this time. It is therefore not possible to forecast the effect which a continuation of adverse economic conditions might have on the earnings and balance sheets of the Bank. Should a further increase in non-performing loans above the amount estimated occur, then additional allowances would be required, with resultant impact on the adequacy of the Bank's capital base.

2.2 Regulatory requirements

The Bank and the subsidiary which is a financial institution are subject to various capital and regulatory requirements administered by the Bank of Thailand (the "BOT"). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank and the subsidiary 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 and the subsidiary's capital amounts and classification are also subject to qualitative judgement by the BOT about components, risk weightings and other factors. However, these capital and regulatory requirements are subject to change, as considered necessary by the BOT.

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

3.1 The consolidated financial statements and the Bank's financial statements are prepared in accordance with Generally Accepted Accounting Principles practiced in Thailand and the Announcement of The Bank of Thailand Re: "Forms of Balance Sheet and Statement of Income of Commercial Bank" dated May 10, 2001.

As required by Thai law and regulatory requirements, the financial statements have been prepared in the Thai language. They have been translated into English for convenience of the reader.

3.2 The consolidated financial statements for the years ended December 31, 2001 and 2000 include the accounts of all branches and the following subsidiaries after the elimination of significant inter-company transactions and balances: Asia Property Co., Ltd., BOA Leasing Co., Ltd., BOA Asset Management Co., Ltd., Asia Leasehold Co., Ltd., and BOA Finance Co., Ltd. up to the date of its disposal by the Bank on December 19, 2001 (see Note 8.5).

The subsidiary BOA Securities Co., Ltd., which was established on June 1, 2000 was included in the consolidated financial statements for the year ended December 31, 2000. The Bank disposed of all of its shares in BOA Securities Co., Ltd. on August 2, 2001 and excluded BOA Securities Co., Ltd. from the consolidated financial statements for year ended December 31, 2001. However, the financial results and cash flows of this subsidiary are not material to the consolidated financial results and cash flows of the Bank for the year in question.

3.3 The Bank's financial statements include the accounts of all branches of the Bank after elimination of significant inter-office transactions and balances.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The Bank and its subsidiaries recognize interest on loans as income on an accrual basis, with the exception of income on import bills, which is recognized on a cash basis. In accordance with the Bank of Thailand's regulation, interest in arrears for more than 3 months, from the due date, regardless of whether the loans are covered by collateral, is not accrued as interest income but is instead recognized as income as received. In addition, interest accrued in arrears for 3 months is reversed against interest income.

4.2 Hire purchase income is recognized by the "sum of the years digits" method which recognizes income in relation to the principal outstanding at the end of any given month over the period of instalment.

4.3 The Bank and its subsidiaries classify investments in securities as either trading securities, available-for-sale securities, held-to-maturity securities, or general investments (for non-marketable equity securities) and investments in subsidiaries and associated companies.



Investments in debt and marketable equity securities classified as trading securities are stated at fair value. Unrealized gains or losses arising on the revaluation of trading securities are reflected in the statement of income.

Investments in debt and marketable equity securities classified as available-for-sale securities, separated into short-term or long-term investments, are stated at fair value. Unrealized gains or losses arising on revaluation of available-for-sale securities are shown as a separate component of shareholders' equity and are realized in the statement of income upon disposal or impairment.

Investments in debt securities held to maturity, separated into short-term or long-term investments, are stated at amortized cost net of allowance for impairment. Premiums and discounts arising on the acquisition of securities held to maturity are amortized or accreted to interest income in the statement of income over the term of the securities in order to provide a constant yield to maturity. Any loss from impairment is charged to the statement of income.

General investments, other than investments in subsidiaries and associated companies, are stated at cost net of allowance for impairment. Loss on impairment is charged to the statement of income.

Investments in subsidiaries and associated companies are recorded using the equity method. Goodwill is amortised by the straight-line method over a period of 10 years. In the event that the Bank's equity interest in a subsidiary or associated company represents a share of the net liabilities of that company, the resulting amount is recorded under the heading other liabilities in the balance sheet.

Realized gains or losses resulting from the disposal of securities are recognized in the statement of income by using the weighted average cost calculation method.

Interest income in respect of coupon payments on debt securities is recognized on an accrual basis.

Dividend income is recognized as declared.

4.4 Fair values of securities are calculated on the following bases:

For Government securities and state enterprises securities, fair values are calculated by using the Bank of Thailand formula, based on the risk free yield curve of the Bank of Thailand.

For equity securities which are listed securities, fair value is the last bid price quoted in The Stock Exchange of Thailand on the last business day of the year.

For private enterprises debt securities, which are listed securities and non-listed securities, the last closing prices of The Thai Bond Dealing Centre are used as fair values. In the absence of such prices, fair values are determined by applying the aforementioned yield curve adjusted for risk in accordance with the criteria established by the Bank of Thailand.

4.5 The Bank and its subsidiaries recognize interest expense on deposits and borrowings on an accrual basis.

4.6 Overdrafts are stated at the drawn amounts together with any accrued interest. With the exception of overdrafts, all items included within loans, including bills purchased, hire-purchase receivables and leasing receivables which are shown net of any discounts and unearned interest income, are recorded in the balance sheet at the principal amount outstanding only. Discounts received in advance in respect of bills purchased and other unearned interest income are recognized on an accrual basis over the period to maturity of the loans.

4.7 Allowance for doubtful accounts

The BOT has guidelines for establishing a minimum level of allowance for doubtful accounts, which is primarily determined by applying specified percentages to the different classifications of loans in conjunction with the consideration of collateral valuation. The period that a loan is past due is the principal criterion utilized in classifying a loan. The guidelines for establishing the minimum level of allowance for doubtful accounts have changed periodically.

The Bank and the subsidiary which is a financial institution have established a minimum required allowance for doubtful accounts using the guidelines established by the BOT ("the Guidelines").

Under the Guidelines, commercial banks and finance companies were allowed by the BOT to accrue the allowance for doubtful accounts on a pro rata basis semi-annually from December 31, 1998 to December 31, 2000. The guidelines also require the Bank and the subsidiary which is a financial institution to use certain criteria to estimate the allowance for doubtful accounts including qualitative review procedures.

Bad debts are written off as required by the instruction of the BOT for bad debts in the related accounting period. Bad debts are charged to the allowance for doubtful accounts.

Bad debts recovered are presented net of bad debt and doubtful accounts in the statement of income.

4.8 Debt restructuring

The Bank and the subsidiary which is a financial institution have restructured their loans by any or a combination of the transferring of assets, transferring of equity and modification of terms.

The Bank and the subsidiary's restructured loans that have been subject to a modification of terms are stated at the present value of the future cash flows that the Bank and the subsidiary expect to receive from those customers, using discount rates equivalent to the market rates of interest applicable to those customers at the time of restructuring. The difference between the cash flows that the Bank and the subsidiary expect to receive from those customers whose loans have been

restructured through a modification of terms and the present value of those expected future cash flows, which is referred to as a valuation allowance, has been taken into consideration in arriving at the recorded amounts for loans that have been restructured through a modification of terms. This valuation allowance is amortised to the profit and loss account over the remaining period of the loans that have been restructured through a modification of terms in order to provide a constant rate of return equivalent to the current market rates of interest applicable to those customers.

- 4.9 Assets and liabilities denominated in foreign currencies are converted into Baht at rates of exchange prevailing at the transaction dates. All balances of assets and liabilities in foreign currencies at the end of the year are converted at the reference exchange rates established by the BOT at the end of the year, except for subordinated convertible debentures which are converted at the fixed rates as specified in the prospectus (see Note 17).

Outstanding forward foreign exchange contracts are marked to market by comparing contract rates to forward rates established by the Bank for contracts with similar maturity. At each balance sheet reporting date, the unrealised gains or losses on outstanding forward foreign exchange contracts, calculated as described above, are included within other assets or other liabilities, respectively.

All foreign exchange gains or losses are recognized in the statement of income.

4.10 Cash flow hedges

The Bank applies hedge accounting for hedges of forecasted transactions if the transaction is committed or highly probable and presents an exposure to variations in the cash flows that could ultimately effect net profit or loss.

Hedging instruments are measured at fair value, which is based on quoted market prices at the balance sheet date. The Bank recognizes the effective part of any gain or loss on remeasurement of the hedging instrument directly in equity. The ineffective part of any gain or loss is recognized in the income statement.

When the hedged anticipated transaction or firm commitment results in the recognition of an asset or liability, the cumulative gain or loss on the hedging instrument recognized in equity is removed from equity and included in the initial measurement of the asset or liability. Otherwise the cumulative gain or loss recognized in equity is transferred to the income statement at the same time that the hedged transaction affects net profit or loss and is included in the same line item as the hedged transaction.

When a hedging instrument or hedge relationship is terminated but the hedge transaction is still expected to occur, the cumulative gain or loss recognized in equity remains in equity and is recognized in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recognized in equity is recognized in the income statement immediately.

4.11 Land is stated at cost or valuation. Premises and equipment are stated at cost or valuation less depreciation. Leasehold property is stated at cost less amortisation. Depreciation and amortisation are calculated by the straight-line method, based on the estimated useful lives of the assets, as follows:

Premises	5 - 20 years
Equipment	5 years
Leasehold property	Based on contractual term
Building improvement	Based on contractual term
Leasehold improvement	Based on contractual term
Furniture and fittings	10 years
Vehicles	5 years
Office equipment	5 - 10 years

Land and buildings were reappraised in 2001 (the former was done in 1993) by an independent appraiser. The increase resulting from the appraisal, was recorded in the accounts as unrealised increment per land and buildings appraisal and shown as part of shareholders' equity. Amortisation of the increment per buildings appraisal is deducted from the unrealised increment per buildings appraisal and transferred to retained earnings (deficit).

4.12 Properties foreclosed consist of movable and immovable properties.

In 2000 immovable properties are booked at the lower of cost or market value. Movable properties are stated at book value.

In accordance with guidance set out by the Institute of Certified Accountants and Auditors of Thailand in a memorandum to the Secretary of the Thai Bankers Association dated December 6, 2001, the Bank revised its methodology for accounting for assets received in satisfaction of receivables through foreclosure.

Properties acquired through foreclosure in December 2001 are recorded at the lower of the legally claimable value of the loan or the market value of the property foreclosed at the time of foreclosure. In prior periods the Bank recorded foreclosed property at the lower of the net book value of the loan or the market value of the foreclosed property. As a result of this change in accounting methodology, the Bank recognized an increase of Baht 90.73 million in the value of foreclosed property. This amount has been recorded in the statement of income in the current year.

Gain on sale of properties foreclosed is recognized when sold.

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



4.14 Provident fund and severance payment scheme

The Bank established provident funds under the Provident Fund Act B.E. 2530 by joining to "The Registered BOA Multiple Security Provident Fund" and "The Registered BOA Fixed Income Provident Fund". The Bank's name has been registered as an additional employer's name on December 29, 2000.

According to the Fund's regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the Fund at the rate of 2 % or 5 % of basic salary and the Bank contributes to the Fund at the rate of 5 % of basic salary. The employees are entitled to the benefits upon termination of employment status except when the terminated employee has violated the rules of the Bank. Contributions to this fund commenced in January 2001.

Contributory provident funds which have been registered in accordance with the Provident Fund Act B.E. 2530 have also been set up by subsidiary companies.

The funds set up by the Bank and its subsidiaries in accordance with the Provident Fund Act B.E. 2530 are managed independently and therefore do not appear in the consolidated balance sheets or the separate balance sheets of the Bank and the relevant subsidiaries.

The Bank has a gratuities scheme for employees with at least 5 years continuous service, the benefit being based on monthly salary including interest. The Bank also has a severance payment scheme for employees with at least 15 years' service, the benefit being based on last month salary and service years of such employee. The provisions for both schemes are recorded as expenses for the period. Payment to the employees will be made on the retirement date.

4.15 Contributions to the Financial Institutions Development Fund are recorded as expenses for the year.

4.16 Income tax payable is recorded as an expense for the year.

4.17 Basic loss per share is computed on the basis of average number of ordinary shares outstanding weighted according to time and amount paid.

The Bank has issued subordinated convertible bonds which the debenture holders have the right to convert into ordinary shares. The fully diluted loss per share information is presented in Note 28.

4.18 Preparation of financial statements in conformity with generally accepted accounting principles requires the 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.

5. ADDITIONAL INFORMATION

Supplemental Disclosures of Cash Flows Information

- 5.1 Cash paid for interest and income tax for the years ended December 31 are as follows:

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Interest	3,900,126,412	4,614,440,374	3,892,124,048	4,593,823,080
Income tax	57,208,326	46,113,660	52,950,832	43,154,427

- 5.2 Non-cash items

The consolidated and the Bank's financial statements for the years ended December 31, 2001 and 2000 include an unrealized gain on securities of Baht 325,892,426 and unrealized loss on securities of Baht 486,829,367 respectively.

6. INTERBANK AND MONEY MARKET ITEMS (ASSETS)

Interbank and money market items (assets) as at December 31 are as follows:

	Amounts in Baht		
	CONSOLIDATED FINANCIAL STATEMENTS		
	At Call	2001 Time	Total
6.1 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	526,983,844	-	526,983,844
Commercial Banks	918,611,704	1,652,182,672	2,570,794,376
Other Banks	146,192	-	146,192
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies	456,700,831	9,500,000	466,200,831
Other Financial Institutions	91,190,652	10,000,000	101,190,652
Total domestic items	1,993,633,223	1,671,682,672	3,665,315,895
<u>Add</u> Accrued interest receivables	49,222	19,762,916	19,812,138
<u>Less</u> Allowance for doubtful accounts	(5,002,268)	(5,298,952)	(10,301,220)
Total	1,988,680,177	1,686,146,636	3,674,826,813
6.2 Foreign items			
US Dollars	59,155,382	7,717,611,500	7,776,766,882
Yen	14,536,509	-	14,536,509
Other Currencies	159,096,675	59,840,977	218,937,652
Total foreign items	232,788,566	7,777,452,477	8,010,241,043
<u>Add</u> Accrued interest receivables	-	23,058,269	23,058,269
Total	232,788,566	7,800,510,746	8,033,299,312
Total domestic and foreign items	2,221,468,743	9,486,657,382	11,708,126,125

CONSOLIDATED FINANCIAL STATEMENTS			
2000			
	At Call	Time	Total
6.3 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	1,387,698,999	-	1,387,698,999
Commercial Banks	971,352,343	1,823,733,185	2,795,085,528
Other Banks	79,016	-	79,016
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies	700,000	10,000,000	10,700,000
Other Financial Institutions	88,681,652	10,000,000	98,681,652
Total domestic items	2,448,512,010	1,843,733,185	4,292,245,195
<u>Add</u> Accrued interest receivables	-	30,612,327	30,612,327
<u>Less</u> Allowance for doubtful accounts	(2,743,011)	(7,098,161)	(9,841,172)
Total	2,445,768,999	1,867,247,351	4,313,016,350
6.4 Foreign items			
US Dollars	47,471,701	5,329,878,400	5,377,350,101
Yen	85,797,222	-	85,797,222
Deutsche Mark	26,548,082	-	26,548,082
Other Currencies	214,621,207	-	214,621,207
Total foreign items	374,438,212	5,329,878,400	5,704,316,612
<u>Add</u> Accrued interest receivables	-	3,068,815	3,068,815
Total	374,438,212	5,332,947,215	5,707,385,427
Total domestic and foreign items	2,820,207,211	7,200,194,566	10,020,401,777

BANK ONLY FINANCIAL STATEMENTS			
2001			
	At Call	Time	Total
6.1 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	526,983,844	-	526,983,844
Commercial Banks	909,415,100	1,644,428,925	2,553,844,025
Other Banks	146,192	-	146,192
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies	456,700,831	-	456,700,831
Other Financial Institutions	91,190,652	10,000,000	101,190,652
Total domestic items	<u>1,984,436,619</u>	<u>1,654,428,925</u>	<u>3,638,865,544</u>
<u>Add</u> Accrued interest receivables	-	19,684,383	19,684,383
<u>Less</u> Allowance for doubtful accounts	(5,002,268)	(5,298,952)	(10,301,220)
Total	<u>1,979,434,351</u>	<u>1,668,814,356</u>	<u>3,648,248,707</u>
6.2 Foreign items			
US Dollars	59,155,382	7,717,611,500	7,776,766,882
Yen	14,536,509	-	14,536,509
Other Currencies	159,096,675	59,840,977	218,937,652
Total foreign items	<u>232,788,566</u>	<u>7,777,452,477</u>	<u>8,010,241,043</u>
<u>Add</u> Accrued interest receivables	-	23,058,269	23,058,269
Total	<u>232,788,566</u>	<u>7,800,510,746</u>	<u>8,033,299,312</u>
Total domestic and foreign items	<u>2,212,222,917</u>	<u>9,469,325,102</u>	<u>11,681,548,019</u>

BANK ONLY FINANCIAL STATEMENTS			
	2000		
	At Call	Time	Total
6.3 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	1,382,698,999	-	1,382,698,999
Commercial Banks	963,321,513	1,822,471,807	2,785,793,320
Other Banks	79,016	-	79,016
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies	208,700,000	-	208,700,000
Other Financial Institutions	88,681,652	10,000,000	98,681,652
Total domestic items	2,643,481,180	1,832,471,807	4,475,952,987
<u>Add</u> Accrued interest receivables	-	30,587,834	30,587,834
<u>Less</u> Allowance for doubtful accounts	(2,743,011)	(7,098,161)	(9,841,172)
Total	2,640,738,169	1,855,961,480	4,496,699,649
6.4 Foreign items			
US Dollars	47,471,701	5,329,878,400	5,377,350,101
Yen	85,797,222	-	85,797,222
Deutsche Mark	26,548,082	-	26,548,082
Other Currencies	214,621,207	-	214,621,207
Total foreign items	374,438,212	5,329,878,400	5,704,316,612
<u>Add</u> Accrued interest receivables	-	3,068,815	3,068,815
Total	374,438,212	5,332,947,215	5,707,385,427
Total domestic and foreign items	3,015,176,381	7,188,908,695	10,204,085,076

As at December 31, 2001 and 2000, approximately Baht 0.70 million and 0.70 million, respectively, of interbank and money market items (assets) on both a consolidated basis and for the Bank only are non-accrual loans based on the Notification of the Bank of Thailand.

As at December 31, 2001 and 2000, interbank and money market items included Baht 571.72 million of the 2 percent 5 years Negotiable Certificates of Deposit (NCDs) issued by Krung Thai Bank PCL which came from the exchange of loans to and investments in debt instruments issued by financial institutions that were forced to cease operations by order of the Ministry of Finance in accordance with the Notification dated December 8, 1997.

As at December 31, 2001 and 2000, the Bank and its subsidiaries have estimated that approximately 91.30% and 83.38% respectively of the time interbank and money market placements have residual maturities within one year.

7. SECURITIES PURCHASED UNDER RESALE AGREEMENTS

Securities purchased under resale agreements as at December 31 are as follows:

	Amounts in Baht	
	CONSOLIDATED FINANCIAL STATEMENTS AND	
	BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Government bonds and Bank of Thailand bonds	<u>900,000,000</u>	<u>550,000,000</u>
Total	<u>900,000,000</u>	<u>550,000,000</u>

8. INVESTMENTS

Investments as at December 31 are as follows:

Amounts in Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2001		2000	
	Cost/Book Value	Fair Value	Cost/Book Value	Fair Value
8.1 Current investments				
8.1.1 Securities for trading				
Government and state enterprises securities	395,176,201	395,786,299	1,147,010,212	1,150,543,801
Marketable equity domestic securities	-	-	10,241,014	2,973,338
Total	395,176,201	395,786,299	1,157,251,226	1,153,517,139
<u>Add (less) unrealised gain (loss) on revaluation of securities</u>	610,098	-	(3,734,087)	-
Total	395,786,299	395,786,299	1,153,517,139	1,153,517,139
8.1.2 Available-for-sale securities				
Government and state enterprises securities	161,796,129	162,346,907	658,297,117	662,259,884
Marketable equity domestic securities	6,867,600	2,406,820	-	-
Total	168,663,729	164,753,727	658,297,117	662,259,884
<u>Add (less) unrealised gain (loss) on revaluation of securities</u>	(3,910,002)	-	3,962,767	-
Total	164,753,727	164,753,727	662,259,884	662,259,884
8.1.3 Held-to-maturity debt instruments				
Government and state enterprises securities	397,450,438		6,969,402,988	
Private enterprises debt securities	8,540,000		41,363,353	
Total	405,990,438		7,010,766,341	
<u>Less allowance for impairment of securities</u>	(8,540,000)		(8,540,000)	
Total	397,450,438		7,002,226,341	
Total current investments - net	957,990,464		8,818,003,364	

CONSOLIDATED FINANCIAL STATEMENTS					
		2001		2000	
		Cost/Book Value	Fair Value	Cost/Book Value	Fair Value
8.2 Long - term investments					
8.2.1 Available-for-sale securities					
Government and state enterprises securities	6,708,701,116	7,130,647,712	5,914,212,032	6,172,718,548	
Private enterprises debt securities	228,005,635	-	258,269,896	10,000,000	
Marketable equity domestic securities	2,546,208,146	1,790,890,128	2,540,555,451	1,645,914,268	
Total	9,482,914,897	8,921,537,840	8,713,037,379	7,828,632,816	
<u>Less</u> unrealised loss on revaluation of securities	(283,824,382)	-	(586,587,627)	-	
<u>Less</u> allowance for impairment of securities	(331,982,936)	-	(331,982,936)	-	
Total	8,867,107,579	8,921,537,840	7,794,466,816	7,828,632,816	
8.2.2 Held-to-maturity debt instruments					
Government and state enterprises securities	11,483,584,058		14,912,082		
Private enterprises debt securities	<u>529,013,292</u>		<u>1,532,197,104</u>		
Total	12,012,597,350		1,547,109,186		
<u>Less</u> allowance for impairment of securities	<u>(268,128,294)</u>		<u>(272,817,643)</u>		
Total	<u>11,744,469,056</u>		<u>1,274,291,543</u>		
8.2.3 General investment					
Non-marketable equity domestic securities	215,662,372		361,898,719		
Non-marketable equity foreign securities	<u>10,733,316</u>		<u>11,225,932</u>		
Total	226,395,688		373,124,651		
<u>Less</u> allowance for impairment of securities	<u>(107,603,494)</u>		<u>(202,480,525)</u>		
Total	<u>118,792,194</u>		<u>170,644,126</u>		
Total long - term investments - net	<u>20,730,368,829</u>		<u>9,239,402,485</u>		

		BANK ONLY FINANCIAL STATEMENTS			
		2001		2000	
		Cost/Book Value	Fair Value	Cost/Book Value	Fair Value
8.1 Current investments					
8.1.1 Securities for trading					
Government and state enterprises securities		395,176,201	395,786,299	1,147,010,212	1,150,543,801
<u>Add</u> unrealised gain on revaluation of securities		610,098	-	3,533,589	-
Total		<u>395,786,299</u>	<u>395,786,299</u>	<u>1,150,543,801</u>	<u>1,150,543,801</u>
8.1.2 Available-for-sale securities					
Government and state enterprises securities		161,796,129	162,346,907	658,297,117	662,259,884
Marketable equity domestic securities		<u>6,867,600</u>	<u>2,406,820</u>	-	-
Total		168,663,729	164,753,727	658,297,117	662,259,884
<u>Add (less)</u> unrealised gain (loss) on revaluation of securities		<u>(3,910,002)</u>	-	<u>3,962,767</u>	-
Total		<u>164,753,727</u>	<u>164,753,727</u>	<u>662,259,884</u>	<u>662,259,884</u>
8.1.3 Held-to-maturity debt instruments					
Government and state enterprises securities		397,450,438		6,969,402,988	
Private enterprises debt securities		<u>8,540,000</u>		<u>41,363,353</u>	
Total		405,990,438		7,010,766,341	
<u>Less</u> allowance for impairment of securities		<u>(8,540,000)</u>		<u>(8,540,000)</u>	
Total		<u>397,450,438</u>		<u>7,002,226,341</u>	
Total current investments - net		<u>957,990,464</u>		<u>8,815,030,026</u>	

	BANK ONLY FINANCIAL STATEMENTS			
	2001		2000	
	Cost/Book Value	Fair Value	Cost/Book Value	Fair Value
8.2 Long - term investments				
8.2.1 Available-for-sale securities				
Government and state enterprises securities	6,708,701,116	7,130,647,712	5,856,806,049	6,109,419,498
Private enterprises debt securities	228,005,635	-	258,269,896	10,000,000
Marketable equity domestic securities	2,528,847,626	1,780,481,868	2,524,270,451	1,636,731,518
Total	9,465,554,377	8,911,129,580	8,639,346,396	7,756,151,016
<u>Less</u> unrealised loss on revaluation of securities	(276,872,122)	-	(585,378,444)	-
<u>Less</u> allowance for impairment of securities	(331,982,936)	-	(331,982,936)	-
Total	8,856,699,319	8,911,129,580	7,721,985,016	7,756,151,016
8.2.2 Held-to-maturity debt instruments				
Government and state enterprises securities	11,483,584,058	-	-	-
Private enterprises debt securities	529,013,292	-	1,532,197,104	-
Total	12,012,597,350	-	1,532,197,104	-
<u>Less</u> allowance for impairment of securities	(268,128,294)	-	(272,817,643)	-
Total	11,744,469,056	-	1,259,379,461	-
8.2.3 General investment				
Non-marketable equity domestic securities	200,033,878	-	320,330,225	-
Non-marketable equity foreign securities	10,733,316	-	11,225,932	-
Total	210,767,194	-	331,556,157	-
<u>Less</u> allowance for impairment of securities	(107,600,000)	-	(197,301,227)	-
Total	103,167,194	-	134,254,930	-
Total long - term investments - net	20,704,335,569	9,115,619,407	9,115,619,407	9,115,619,407

8.3 The remaining period of debt instruments

Debt securities, classified by the remaining period of the instrument as at December 31 are as follows:

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS			
2001			
Remaining Maturity			
Within 1 year	More than 1 - 5 years	More than 5 years	Total

8.3.1 Securities for trading

Government and state enterprises securities	-	131,472,424	263,703,777	395,176,201
<u>Add (less) unrealised gain (loss) on revaluation of securities</u>	-	(454,562)	1,064,660	610,098
Total	-	131,017,862	264,768,437	395,786,299

8.3.2 Available-for-sale securities

Government and state enterprises securities	161,796,129	2,781,180,809	3,927,520,307	6,870,497,245
Private enterprises debt securities	228,005,635	-	-	228,005,635
Total	389,801,764	2,781,180,809	3,927,520,307	7,098,502,880
<u>Add unrealised gain on revaluation of securities</u>	550,777	148,914,452	273,032,144	422,497,373
<u>Less allowance for impairment of securities</u>	(267,069,896)	-	-	(267,069,896)
Total	123,282,645	2,930,095,261	4,200,552,451	7,253,930,357

8.3.3 Held-to-maturity debt instruments

Government and state enterprises securities	397,450,438	311,230,924	11,172,353,134	11,881,034,496
Private enterprises debt securities	8,540,000	467,692,075	61,321,217	537,553,292
Total	405,990,438	778,922,999	11,233,674,351	12,418,587,788
<u>Less allowance for impairment of securities</u>	(8,540,000)	(183,494,294)	(84,634,000)	(276,668,294)
Total	397,450,438	595,428,705	11,149,040,351	12,141,919,494
Total debt instruments	520,733,083	3,656,541,828	15,614,361,239	19,791,636,150

CONSOLIDATED FINANCIAL STATEMENTS				
2000				
Remaining Maturity				
	Within 1 year	More than 1 - 5 years	More than 5 years	Total
8.3.1 Securities for trading				
Government and state				
enterprises securities	526,937,129	12,780,377	607,292,706	1,147,010,212
<u>Add (less)</u> unrealised gain				
(loss) on revaluation of				
securities	49,639	(4,234)	3,488,184	3,533,589
Total	<u>526,986,768</u>	<u>12,776,143</u>	<u>610,780,890</u>	<u>1,150,543,801</u>
8.3.2 Available-for-sale securities				
Government and state				
enterprises securities	658,297,117	4,665,446,684	1,248,765,348	6,572,509,149
Private enterprises debt				
securities	258,269,896	-	-	258,269,896
Total	<u>916,567,013</u>	<u>4,665,446,684</u>	<u>1,248,765,348</u>	<u>6,830,779,045</u>
<u>Add</u> unrealised gain on				
revaluation of securities	3,962,767	180,826,497	77,680,020	262,469,284
<u>Less</u> allowance for				
impairment of securities	(267,069,896)	-	-	(267,069,896)
Total	<u>653,459,884</u>	<u>4,846,273,181</u>	<u>1,326,445,368</u>	<u>6,826,178,433</u>
8.3.3 Held-to-maturity debt instruments				
Government and state				
enterprises securities	6,969,402,988	14,912,082	-	6,984,315,070
Private enterprises debt				
securities	41,363,353	1,472,380,645	59,816,459	1,573,560,457
Total	<u>7,010,766,341</u>	<u>1,487,292,727</u>	<u>59,816,459</u>	<u>8,557,875,527</u>
<u>Less</u> allowance for				
impairment of securities	(8,540,000)	(188,183,643)	(84,634,000)	(281,357,643)
Total	<u>7,002,226,341</u>	<u>1,299,109,084</u>	<u>(24,817,541)</u>	<u>8,276,517,884</u>
Total debt instruments	<u>8,182,672,993</u>	<u>6,158,158,408</u>	<u>1,912,408,717</u>	<u>16,253,240,118</u>

BANK ONLY FINANCIAL STATEMENTS				
2000				
Remaining Maturity				
	Within 1 year	More than 1 - 5 years	More than 5 years	Total
8.3.1 Securities for trading				
Government and state				
enterprises securities	526,937,129	12,780,377	607,292,706	1,147,010,212
<u>Add (less)</u> unrealised gain				
(loss) on revaluation of				
securities	49,639	(4,234)	3,488,184	3,533,589
Total	<u>526,986,768</u>	<u>12,776,143</u>	<u>610,780,890</u>	<u>1,150,543,801</u>
8.3.2 Available-for-sale Securities				
Government and state				
enterprises securities	658,297,117	4,640,446,684	1,216,359,365	6,515,103,166
Private enterprises debt				
securities	258,269,896	-	-	258,269,896
Total	916,567,013	4,640,446,684	1,216,359,365	6,773,373,062
<u>Add</u> unrealised gain on				
revaluation of securities	3,962,767	179,179,347	73,434,103	256,576,217
<u>Less</u> allowance for				
impairment of securities	(267,069,896)	-	-	(267,069,896)
Total	<u>653,459,884</u>	<u>4,819,626,031</u>	<u>1,289,793,468</u>	<u>6,762,879,383</u>
8.3.3 Held-to-maturity debt instruments				
Government and state				
enterprises securities	6,969,402,988	-	-	6,969,402,988
Private enterprises debt				
securities	41,363,353	1,472,380,645	59,816,459	1,573,560,457
Total	7,010,766,341	1,472,380,645	59,816,459	8,542,963,445
<u>Less</u> allowance for				
impairment of				
securities	(8,540,000)	(188,183,643)	(84,634,000)	(281,357,643)
Total	<u>7,002,226,341</u>	<u>1,284,197,002</u>	<u>(24,817,541)</u>	<u>8,261,605,802</u>
Total debt instruments	<u>8,182,672,993</u>	<u>6,116,599,176</u>	<u>1,875,756,817</u>	<u>16,175,028,986</u>

8.4 Unrealised loss on investment in securities-net included in shareholders' equity as at December 31 are as follows:

	Amounts in Baht	
	CONSOLIDATED AND BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Unrealised gain on revaluation of investment in securities		
Debt securities	422,497,373	256,677,379
Equity securities	190,508,693	139,076,808
Total	613,006,066	395,754,187
Unrealised loss on revaluation of investment in securities		
Debt securities	-	24,691,183
Equity securities	877,147,329	961,096,693
Total	877,147,329	985,787,876
Net unrealised gain (loss) on revaluation of investment in securities		
Debt securities	422,497,373	231,986,196
Equity securities	(686,638,636)	(822,019,885)
Total	(264,141,263)	(590,033,689)

As at December 31, 2000, the Bank has investments in debt securities issued by financial institutions that were forced to cease operations by order of the Ministry of Finance in accordance with the Notification dated December 8, 1997 of Baht 73.74 million. Of this amount, the Bank expects to receive repayment of Baht 10 million by participating in the distribution of the assets of these financial institutions on liquidation. The remaining amount of Baht 63.74 million has already been provided for in full in the allowance for impairment. During the year ended December 31, 2001, one of these financial institutions repaid to the Bank by Baht 16.58 million.

As at December 31, 2001 and 2000, the Bank only and the Bank and the subsidiary which is a financial institution respectively had investments in companies having problems with respect to financial positions and results of operations, as follows:

Amounts in Million Baht

CONSOLIDATED AND BANK ONLY FINANCIAL STATEMENTS						
	2001			2000		
	Cost/ Book Value	Fair Value	Allowance for Impairment of Securities	Cost/ Book Value	Fair Value	Allowance for Impairment of Securities
1) Financial institutions controlled by order of BOT to decrease or increase capital						
- Debt securities	43.60	-	63.74	106.56	10.00	63.74
2) Companies which are under SET delisting criteria						
- Ordinary shares	49.55	-	49.55	49.55	-	49.55
3) Companies which have certain problems in repayment						
- Ordinary shares	134.93	26.24	108.69	129.60	8.81	120.79
- Debt securities	365.96	-	415.86	369.27	-	420.55
4) Investment in unlisted companies with financial position and operations that are the same as companies which are under SET delisting criteria						
- Ordinary shares	4.00	-	4.00	4.00	-	4.00
	598.04	26.24	641.84	658.98	18.81	658.63

The Bank has classified the above investments in companies having problems in financial positions and results of operations, some of which may fall into more than one category.

The Bank has inadequate information to disclose the investments in companies which have going concern problems identified by their auditors, except for two subsidiaries - Asia Leasehold Co., Ltd. (Registration of dissolution on December 30, 1999) and BOA Leasing Co., Ltd. The total cost of the Bank's investment in these two subsidiaries of approximately Baht 201 million has been included in the Bank's financial statements at an equity value of zero.

Investments in companies in which the Bank holds more than 10% of the paid-up capital in each company, excluding investments in subsidiaries and associated companies, classified by industry type are as follows :

	Amounts in Baht			
	CONSOLIDATED FINANCIAL STATEMENTS		BANK ONLY FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Real Estate	60,000,000	60,000,000	60,000,000	60,000,000
Services	13,232,000	31,232,000	4,232,000	4,232,000
Total	73,232,000	91,232,000	64,232,000	64,232,000

8.5 Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies as at December 31 are as follows:

Name	Business Type	Security Type	% of Investment	Amounts in Baht	
				CONSOLIDATED FINANCIAL STATEMENTS	
				2001	2001
				Investment (Cost Method)	Investment (Book Value)
Axa Insurance Public Co., Ltd.	Non-Life Insurance	Common share	22.06	121,117,516	137,041,583
Total				121,117,516	137,041,583

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS					
Name	Business Type	Security Type	2000		
			% of Investment	Investment (Cost Method)	Investment (Book Value)
Axa Insurance Public Co., Ltd.	Non-Life Insurance	Common share	22.06	121,117,516	135,135,935
Total				121,117,516	135,135,935

BANK ONLY FINANCIAL STATEMENTS					
Name	Business Type	Security Type	2001		
			% of Investment	Investment (Cost Method)	Investment (Book Value)
Asia Property Co., Ltd.	Asset Management	Common share	99.99	109,354,000	(50,844,024)
BOA Leasing Co., Ltd.	Leasing	Common share	99.99	199,999,930	(309,493,402)
BOA Asset Management Co., Ltd.	Fund Management	Common share	99.99	135,725,724	54,369,361
Asia Leasehold Co., Ltd.	Real Estate	Common share	99.93	999,300	(28,472,935)
Axa Insurance Public Co., Ltd.	Non-Life Insurance	Common share	22.06	121,117,516	137,041,583
Total				567,196,470	(197,399,417)
<u>Less</u> Allowance for impairment				(240,999,230)	-
Net Investments in Subsidiaries and Associated Companies				326,197,240	(197,399,417)

BANK ONLY FINANCIAL STATEMENTS					
2000					
Name	Business Type	Security Type	% of Investment	Investment (Cost Method)	Investment (Book Value)
Asia Property Co., Ltd.	Asset Management	Common share	99.99	109,354,000	(59,910,970)
BOA Leasing Co., Ltd.	Leasing	Common share	99.99	199,999,930	(229,676,378)
BOA Asset Management Co., Ltd.	Fund Management	Common share	99.99	135,725,724	67,296,291
Asia Leasehold Co., Ltd.	Real Estate	Common share	99.93	999,300	(88,989,386)
BOA Finance Co., Ltd.	Finance	Common share	75.00	265,497,813	109,464,608
Axa Insurance Public Co., Ltd.	Non-Life Insurance	Common share	22.06	121,117,516	135,135,935
Total				832,694,283	(66,679,900)
<u>Less Allowance for impairment</u>				<u>(240,999,230)</u>	<u>-</u>
Net Investments in Subsidiaries and Associated Companies				<u>591,695,053</u>	<u>(66,679,900)</u>

As at January 16, 2001, the Bank invested in 6 million ordinary shares with a par value of Baht 10 each in BOA Securities Co., Ltd., amounting to Baht 60 million. The shares of BOA Securities Co., Ltd. are 37.50% and 46.88% owned directly and indirectly by the Bank, respectively.

On August 2, 2001, the Bank and the subsidiary which is a financial institution disposed of all of their ordinary shares in BOA Securities Co., Ltd. to a non-related company for cash consideration of Baht 198.64 million.

On December 19, 2001, the Bank received the Bank of Thailand's approval to dispose of all of its ordinary shares in BOA Finance Co., Ltd. to a non-related company for cash consideration of Baht 115.82 million, which was settled on January 31, 2002. The gain on disposal of these securities amounting to Baht 21.02 million has been recorded in both the consolidated and bank only statement of income for the year ended December 31, 2001.

9. LOANS, ACCRUED INTEREST RECEIVABLES

Loans and accrued interest receivables as at December 31 are as follows:

9.1 Classified by type of credit

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Overdrafts	16,679,054,590	17,884,923,659	16,679,054,590	17,884,923,659
Loans	61,306,587,955	62,856,166,943	62,308,967,366	63,163,491,941
Trade bills	26,956,199,486	28,445,001,321	26,956,199,486	28,371,775,695
Hire-purchase receivables	10,997,250	31,880,360	-	-
Finance lease receivables	323,101,228	270,769,647	-	-
Others	3,162,261,846	2,080,388,071	3,162,261,846	2,079,611,117
Total	<u>108,438,202,355</u>	<u>111,569,130,001</u>	<u>109,106,483,288</u>	<u>111,499,802,412</u>
<u>Add</u> Accrued interest				
receivables	1,189,000,343	1,818,257,249	1,183,833,917	1,800,050,740
<u>Less</u> Allowance for				
doubtful accounts	(3,905,631,868)	(1,440,891,806)	(3,704,505,299)	(1,254,017,980)
Revaluation allowance				
for debt restructuring	(302,205,139)	(408,012,008)	(302,205,139)	(405,896,200)
Total	<u>105,419,365,691</u>	<u>111,538,483,436</u>	<u>106,283,606,767</u>	<u>111,639,938,972</u>

9.2 Classified by the remaining period of the credit agreement

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Not over 1 year	61,045,336,055	62,393,375,853	61,407,030,171	61,959,984,880
Over 1 year	47,392,866,300	49,175,754,148	47,699,453,117	49,539,817,532
Total	<u>108,438,202,355</u>	<u>111,569,130,001</u>	<u>109,106,483,288</u>	<u>111,499,802,412</u>
<u>Add</u> Accrued interest				
receivables	1,189,000,343	1,818,257,249	1,183,833,917	1,800,050,740
Total	<u>109,627,202,698</u>	<u>113,387,387,250</u>	<u>110,290,317,205</u>	<u>113,299,853,152</u>

9.3 Classified by the currencies and residence of debtors

Amounts in Baht

	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Domestic				
Baht	103,932,365,622	106,360,499,356	104,600,646,555	106,291,171,767
US Dollars	4,103,353,294	4,771,168,143	4,103,353,294	4,771,168,143
Other Currencies	402,483,439	437,462,502	402,483,439	437,462,502
Total	108,438,202,355	111,569,130,001	109,106,483,288	111,499,802,412
<u>Add</u> Accrued interest				
receivables	1,189,000,343	1,818,257,249	1,183,833,917	1,800,050,740
Total	109,627,202,698	113,387,387,250	110,290,317,205	113,299,853,152

9.4 Classified by type of business and by grade

As at December 31, 2001, the Bank has loans together with accrued interest receivables which are classified by type of business as follows :

Amounts in Baht

	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS					
	2001					
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Total
Agriculture and mining	3,642,330,280	214,809,145	144,849,572	286,112,694	1,224,528,932	5,512,630,623
Manufacturing and trading	43,266,688,739	820,208,541	2,227,818,906	2,453,883,883	6,303,864,033	55,072,464,102
Real estate and construction	4,030,341,392	349,361,931	180,277,053	360,502,650	2,680,071,818	7,600,554,844
Public utilities and services	14,659,276,238	162,181,082	133,395,521	125,157,025	3,186,196,265	18,266,206,131
Housing loan	9,601,148,604	220,163,760	72,807,797	234,332,117	804,987,350	10,933,439,628
Others	11,513,030,804	276,606,120	69,810,972	638,473,397	407,100,584	12,905,021,877
Total loans and accrued interest receivables	86,712,816,057	2,043,330,579	2,828,959,821	4,098,461,766	14,606,748,982	110,290,317,205

As at December 31, 2000, the Bank and the subsidiary which is a financial institution have loans together with accrued interest receivables which are classified by type of business as follows:

	Amounts in Baht	
	2000	
	CONSOLIDATED FINANCIAL STATEMENTS	BANK ONLY FINANCIAL STATEMENTS
Agriculture and mining	5,791,026,308	5,769,154,025
Manufacturing and trading	55,197,771,489	55,165,474,167
Real estate and construction	9,782,346,405	9,540,503,041
Public utilities and services	19,110,741,578	18,840,304,082
Housing loan	11,248,944,584	11,215,947,049
Others	10,990,194,780	10,968,420,048
Total	112,121,025,144	111,499,802,412
<u>Add</u> Accrued interest receivables	1,812,244,569	1,800,050,740
Total loans and accrued interest receivables	<u>113,933,269,713</u>	<u>113,299,853,152</u>

The above loans and accrued interest receivables include intercompany loans which have been eliminated for consolidation purposes.

9.5 Classified in accordance with the Notification of the Bank of Thailand
As at December 31, 2001, the Bank has loans together with accrued interest receivables and other claims which are classified in accordance with the Notification of the Bank of Thailand as follows:

	Amounts in Baht					
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS					
	2001					
	Loans and Accrued Interest Receivables	Other Claims	Total	Outstanding Balance (After Deduction of Collateral Value)	% Set by Bank of Thailand	Provision
Pass	86,712,820,415	9,694,031	86,722,514,446	34,869,543,535	1	348,695,435
Special mention	2,043,329,516	1,097,475	2,044,426,991	531,299,940	2	10,625,999
Substandard	2,828,959,471	1,459,413	2,830,418,884	1,430,679,207	20	286,135,841
Doubtful	4,098,461,535	9,582,131	4,108,043,666	1,645,574,582	50	822,787,291
Doubtful of loss	14,606,746,268	64,056,348	14,670,802,616	-	100	-
Additional provision over and above the minimum requirement of the BOT	-	-	-	-		2,236,260,733
Total	<u>110,290,317,205</u>	<u>85,889,398</u>	<u>110,376,206,603</u>	<u>38,477,097,264</u>		<u>3,704,505,299</u>

As at December 31, 2000, the Bank and the subsidiary which is a financial institution have loans together with accrued interest receivables and other claims which are classified in accordance with the Notification of the Bank of Thailand as follows:

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS						
2000						
	Loans and Accrued Interest Receivables	Other Claims	Total	Outstanding Balance (After Deduction of Collateral Value)	% Set by Bank of Thailand	Provision
Pass	80,650,195,703	14,525,226	80,664,720,929	31,528,743,488	1	315,287,435
Special mention	3,670,602,286	2,971,977	3,673,574,263	1,112,583,529	2	22,251,671
Substandard	2,007,081,220	3,359,928	2,010,441,148	545,497,292	20	109,099,458
Doubtful	1,707,405,222	5,515,959	1,712,921,181	616,951,502	50	308,475,751
Doubtful of loss	25,897,985,282	57,419,269	25,955,404,551	-	100	-
Additional provision over and above the minimum requirement of the BOT	-	-	-	-	-	504,403,310
Total	113,933,269,713	83,792,359	114,017,062,072	33,803,775,811		1,259,517,625

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS						
2000						
	Loans and Accrued Interest Receivables	Other Claims	Total	Outstanding Balance (After Deduction of Collateral Value)	% Set by Bank of Thailand	Provision
Pass	80,355,920,689	14,051,157	80,369,971,846	31,433,145,356	1	314,331,454
Special mention	3,604,155,336	2,938,103	3,607,093,439	1,050,142,214	2	21,002,844
Substandard	1,986,134,659	3,031,282	1,989,165,941	530,171,461	20	106,034,292
Doubtful	1,702,213,929	5,490,726	1,707,704,655	616,492,160	50	308,246,080
Doubtful of loss	25,651,428,539	57,121,623	25,708,550,162	-	100	-
Additional provision over and above the minimum requirement of the BOT	-	-	-	-	-	504,403,310
Total	113,299,853,152	82,632,891	113,382,486,043	33,629,951,191		1,254,017,980

As at December 31, 2001, the amounts of deferred interest attributable to bills purchased at a discount, hire purchase contracts and finance lease receivables, which have been set off against the receivables amounts recorded in the balance sheets of the Bank and a subsidiary, are Baht 54,123,303 and for the Bank only of Baht 12,196,855.

As at December 31, 2000, the amounts of deferred interest attributable to bills purchased at a discount, hire purchase contracts and finance lease receivables, which have been set off against the receivables amounts recorded in the balance sheets of the Bank and two subsidiaries, are Baht 64,483,781 and for the Bank only of Baht 16,220,074.

The above tables include intercompany loans which have been eliminated for consolidation purposes.

As at December 31, 2000, approximately Baht 32,280 million of loans of the Bank and the subsidiary which is a financial institution are non-accrual loans based on the Notification of the Bank of Thailand. Of these non-accrual loans balances as at December 31, 2001 and 2000, approximately Baht 21,885 million and Baht 31,832 million, respectively are attributable to the Bank.

As at December 31, 2001, the Bank had loans and accrued interest receivables due from companies which have certain problems in financial position and results of operations against which allowance for doubtful accounts has been made as follows:

Amounts in Million Baht				
	Number of Companies	Outstanding Balance	2001 Collateral	Allowance for Doubtful Accounts
1) Companies which are under SET delisting criteria	3	326	301	1
2) Companies which have problem in repayment of debt	391	14,166	11,626	2,211

As at December 31, 2000, the Bank and the subsidiary which is a financial institution had loans and accrued interest receivables due from companies which have certain problems in financial position and results of operations against which allowance for doubtful accounts has been made as follows:

Amounts in Million Baht				
	Number of Companies	Outstanding Balance	2000 Collateral	Allowance for Doubtful Accounts
1) Companies which are under SET delisting criteria	5	429	401	5
2) Companies which have problem in repayment of debt	630	20,477	19,700	394

The Bank and the subsidiary which is a financial institution have inadequate information to disclose loans and accrued interest receivables from the companies which have been identified as having going concern problems in the auditors' reports, and the non-listed companies for which the financial position and results of operations are the same as the companies which are under The Stock Exchange of Thailand (SET) delisting criteria as of December 31, 2001 and 2000.

9.6 Debt restructuring

During the year ended December 31, 2001, the Bank and the subsidiary which is a financial institution entered into agreements with 1,526 of their customers to restructure loans and accrued interest receivables amounting to Baht 7,993.93 million in aggregate. Details of the amounts restructured which have given rise to losses on restructuring in accordance with TAS No.34 and the aggregate losses arising on these restructurings are set out in the table below:

Type of restructuring	Number of customers subject to restructuring	Recorded amounts before restructuring	Type of assets/equity acquired	Fair value of assets/equity acquired	Amounts in Baht	
					Recorded amounts as at December 31, 2001	Loss on restructuring
- Transfer of assets or debt for equity conversion	35	337,561,511	{ Land Cash }	{ 63,170,000 131,237,108 }	-	143,154,404
- Modification of terms	10	598,076,172	-	-	567,503,467	41,749,851
- Transfer of assets and modification of terms	3	255,015,577	Land	147,393,750	93,188,241	9,075,888
Total	48	1,190,653,260		341,800,858	660,691,708	193,980,143

As at December 31, 2001, the recorded net investment by the Bank in all loans subject to troubled debt restructuring, after deducting the outstanding valuation allowance at that date, amounted to Baht 8,937,522,283.

During the year ended December 31, 2000, the Bank and the subsidiary which is a financial institution entered into agreements with 1,744 of their customers to restructure loans and accrued interest receivables amounting to Baht 20,547 million in aggregate. Details of the amounts restructured which have given rise to losses on restructuring in accordance with TAS No.34 and the aggregate losses arising on these restructurings are set out in the table below:

Type of restructuring	Number of customers subject to restructuring	Recorded amounts before restructuring	Type of assets/equity acquired	Fair value of assets/equity acquired	Amounts in Baht	
					Recorded amounts as at December 31, 2000	Loss on restructuring
- Transfer of assets or debt for equity conversion	73	1,620,278,307	{ Land Investment in securities Leasehold Cash }	{ 975,716,094 65,155,685 2,497,800 182,672,559 }	23,698,936	386,917,235
- Modification of terms	37	3,355,368,589	-	-	3,548,119,718	313,863,839
- Transfer of assets and modification of terms	12	5,668,752,754	Land	969,440,515	4,403,337,278	507,595,459
Total	122	10,644,399,650		2,195,482,653	7,975,155,932	1,208,376,533

As at December 31, 2000, the recorded net investment by the Bank and the subsidiary which is a financial institution in all loans subject to troubled debt restructuring, after deducting the outstanding valuation allowance at that date, amounted to Baht 9,104,832,794.

9.7 Transfer of Assets to the Thai Asset Management Corporation (TAMC)

On October 12, 2001, the Bank entered into an agreement with the Thai Asset Management Corporation (TAMC) to transfer non-performing loans in accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544. Under the agreement, the Bank will receive a ten-year non-transferable promissory note avaled by the Financial Institutions Development Fund, which will bear interest at a rate based on the quarterly average deposit rate of the Thai Commercial Banks payable annually on the last working day of the year. The face value of the promissory note will be determined based on the lower of (a) the collateral value or (b) the net book value of the loans including three months accrued interest receivable as determined by the TAMC.

In 2001, the Bank transferred 59 accounts to the TAMC, which had an aggregate book value of debts at the date of transfer of Baht 6,199 million (or Baht 10,150 million before bad debt write-off). The Bank will receive the promissory note, amounting to Baht 6,200 million, from the TAMC within 180 days after the transfer date.

In accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544, the TAMC and the Bank will jointly be responsible for any profits or losses arising from managing the impaired assets in accordance with the conditions specified in the agreement at the end of the fifth year and at the end of the tenth year commencing July 1, 2001. The calculation of such profits or losses shall take into consideration the cost of transfer and all operating expenses of the TAMC, including interest on the promissory note. In the event that the TAMC incurs losses on the impaired assets transferred to it by the Bank, the Bank will be responsible for the first portion of losses, not exceeding 20% of the transfer price. The second portion of losses, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. The remaining losses will be absorbed by the TAMC. In the event that the TAMC makes profits on the impaired assets transferred to it by the Bank, the first portion of profits, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. Should there be any profits remaining, the Bank is entitled to the remaining profits up to an amount not exceeding the sum of the book value of the assets transferred less the transfer price and the Bank's share of the first portion of the profits.



10. ALLOWANCE FOR DOUBTFUL ACCOUNTS

As at December 31, for the Bank and a subsidiary which is a financial institution and for the Bank only the allowance for doubtful accounts are as follows:

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS							
2001							
	Pass	Special Mention	Substandard	Doubtful	Doubtful of Loss	Additional Provision	Total
Beginning balance	315,287,435	22,251,671	109,099,458	308,475,751	-	504,403,310	1,259,517,625
Doubtful accounts	33,575,751	(10,312,591)	189,751,779	520,073,614	2,049,316,422	1,731,857,423	4,514,262,398
Bad debts written off	-	-	-	-	(2,050,528,807)	-	(2,050,528,807)
Others	(167,751)	(1,313,081)	(12,715,396)	(5,762,074)	1,212,385	-	(18,745,917)
Ending balance	348,695,435	10,625,999	286,135,841	822,787,291	-	2,236,260,733	3,704,505,299

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS							
2000							
	Pass	Special Mention	Substandard	Doubtful	Doubtful of Loss	Additional Provision	Total
Beginning balance	157,533,866	22,165,893	116,431,044	385,513,177	13,896,312,971	3,071,796,906	17,649,753,857
Doubtful accounts	158,608,565	85,777	(7,331,586)	(75,945,586)	6,126,645,141	(2,567,393,596)	3,634,668,715
Bad debts recovered	-	-	-	-	111,256	-	111,256
Bad debts written off	-	-	-	-	(20,021,935,946)	-	(20,021,935,946)
Others	(854,996)	-	-	(1,091,839)	(1,133,422)	-	(3,080,257)
Ending balance	315,287,435	22,251,670	109,099,458	308,475,752	-	504,403,310	1,259,517,625

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS							
2001							
	Pass	Special Mention	Substandard	Doubtful	Doubtful of Loss	Additional Provision	Total
Beginning balance	314,331,454	21,002,844	106,034,292	308,246,080	-	504,403,310	1,254,017,980
Doubtful accounts	34,363,981	(10,376,845)	180,101,549	514,541,211	2,049,052,633	1,731,857,423	4,499,539,952
Bad debts written off	-	-	-	-	(2,050,265,018)	-	(2,050,265,018)
Others	-	-	-	-	1,212,385	-	1,212,385
Ending balance	348,695,435	10,625,999	286,135,841	822,787,291	-	2,236,260,733	3,704,505,299

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS							
2000							
	Pass	Special Mention	Substandard	Doubtful	Doubtful of Loss	Additional Provision	Total
Beginning balance	154,179,230	21,997,955	115,620,755	381,310,544	13,724,008,593	3,071,796,906	17,468,913,983
Doubtful accounts	160,152,224	(995,111)	(9,586,463)	(73,064,464)	6,128,935,706	(2,567,393,596)	3,638,048,296
Bad debts recovered	-	-	-	-	111,256	-	111,256
Bad debts written off	-	-	-	-	(19,853,190,549)	-	(19,853,190,549)
Others	-	-	-	-	134,994	-	134,994
Ending balance	314,331,454	21,002,844	106,034,292	308,246,080	-	504,403,310	1,254,017,980

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

As at December 31, 2001 and 2000, the allowance for doubtful accounts, in respect of loans and interbank and money market items, of the Bank only based on classified loans and accrued interest receivables calculated in accordance with the minimum requirements set out in the Notification of the Bank of Thailand, was Baht 1,479 million and Baht 759 million, respectively. As at the same date, the Bank had recorded an allowance for doubtful accounts of approximately Baht 3,715 million and Baht 1,264 million which represents 251.25% and 166.42% of the required minimum allowance for doubtful accounts, respectively.

As at December 31, 2000, the allowance for doubtful accounts, in respect of loans and interbank and money market items, of the Bank and the subsidiary which is a financial institution, based on classified loans and accrued interest receivables calculated in accordance with the minimum requirements set out in the Notification of the Bank of Thailand, was Baht 764 million. As at the same date, the Bank and the subsidiary which is a financial institution had recorded an allowance for doubtful accounts of approximately Baht 1,269 million which represents 165.94% of the required minimum allowance for doubtful accounts.

As at December 31, 2001 and 2000, Baht 10.30 million and Baht 9.84 million, respectively, of the total allowance for doubtful accounts at those dates was established in respect of interbank and money market items on both a consolidated basis and for the Bank only.

11. REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING

Movements in the revaluation allowance for debt restructuring as at December 31 are as follows:

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Beginning balance	408,012,008	69,752,582	405,896,200	67,920,830
Additions	47,902,948	449,496,466	40,865,503	443,691,055
Amortisation	(144,556,564)	(111,237,040)	(144,556,564)	(105,715,685)
Other	(9,153,253)	-	-	-
Ending balance	<u>302,205,139</u>	<u>408,012,008</u>	<u>302,205,139</u>	<u>405,896,200</u>

12. PROPERTY FORECLOSED

Property foreclosed as at December 31 are as follows:

Amounts in Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
2001				
Types	Beginning Balance	Additions	Sales	Ending Balance
1. Transfer of asset from debt restructuring				
Immovable properties	9,618,670,402	3,823,893,522	(877,327,759)	12,565,236,165
Movable properties	34,707,365	10,974,955	(31,717,727)	13,964,593
Total	9,653,377,767	3,834,868,477	(909,045,486)	12,579,200,758
2. Others	11,457,863	13,532,605	(39,595)	24,950,873
Total	9,664,835,630	3,848,401,082	(909,085,081)	12,604,151,631
<u>Less Allowance for impairment</u>	(320,932,128)	(114,994,990)	3,679,725	(432,247,393)
Property foreclosed - net	9,343,903,502	3,733,406,092	(905,405,356)	12,171,904,238

Amounts in Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
2000				
Types	Beginning Balance	Additions	Sales	Ending Balance
1. Transfer of asset from debt restructuring				
Immovable properties	4,352,619,541	5,563,436,318	(297,385,457)	9,618,670,402
Movable properties	10,900,199	29,338,235	(5,531,069)	34,707,365
Total	4,363,519,740	5,592,774,553	(302,916,526)	9,653,377,767
2. Others	-	11,457,863	-	11,457,863
Total	4,363,519,740	5,604,232,416	(302,916,526)	9,664,835,630
<u>Less Allowance for impairment</u>	(67,166,710)	(253,768,018)	2,600	(320,932,128)
Property foreclosed - net	4,296,353,030	5,350,464,398	(302,913,926)	9,343,903,502

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS				
2001				
Types	Beginning Balance	Additions	Sales	Ending Balance
1. Transfer of asset from debt restructuring				
Immovable properties	9,700,297,623	3,823,893,522	(929,856,840)	12,594,334,305
Movable properties	1,628,771	-	-	1,628,771
Total	9,701,926,394	3,823,893,522	(929,856,840)	12,595,963,076
2. Others	11,457,863	13,532,604	(39,595)	24,950,872
Total	9,713,384,257	3,837,426,126	(929,896,435)	12,620,913,948
<u>Less Allowance for impairment</u>	<u>(312,487,581)</u>	<u>(113,512,419)</u>	<u>-</u>	<u>(426,000,000)</u>
Property foreclosed - net	9,400,896,676	3,723,913,707	(929,896,435)	12,194,913,948

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS				
2000				
Types	Beginning Balance	Additions	Sales	Ending Balance
1. Transfer of asset from debt restructuring				
Immovable properties	4,431,870,034	5,563,436,318	(295,008,729)	9,700,297,623
Movable properties	-	1,628,771	-	1,628,771
Total	4,431,870,034	5,565,065,089	(295,008,729)	9,701,926,394
2. Others	-	11,457,863	-	11,457,863
Total	4,431,870,034	5,576,522,952	(295,008,729)	9,713,384,257
<u>Less Allowance for impairment</u>	<u>(63,300,000)</u>	<u>(249,187,581)</u>	<u>-</u>	<u>(312,487,581)</u>
Property foreclosed - net	4,368,570,034	5,327,335,371	(295,008,729)	9,400,896,676

In December 2001, the Bank recorded an increase in the value of foreclosed property as a result of changing the basis on which assets received in satisfaction of receivables through foreclosure are recognised amounting to Baht 90.73 million. This amount has been recorded in the statement of income for the year ended December 31, 2001.

13. PREMISES AND EQUIPMENT

During the three-month period ended December 31, 2001, the Bank had its land and buildings reappraised by an independent appraisal company based on the market value approach for both land and buildings. Based on the results of this reappraisal, the Bank had an additional surplus on land and buildings revaluation amounting to Baht 399 million from the previous revaluation in 1993. As of December 31, 2001, the Bank showed an unrealized increment per land and buildings in shareholder's equity amounting to Baht 770 million and losses on revaluation of land and buildings amounting to Baht 234 million in the statement of income. This additional surplus has not yet been approved for inclusion in the Bank's capital fund by the Bank of Thailand.

As at December 31, 2001, if the Bank had not reappraised its land and buildings, the book value of land and buildings would have been shown as follows:

	Amounts in Baht As at December 31, 2001
Land	
Original cost	511,409,423
Revaluation (1993)	<u>304,285,690</u>
Total	<u>815,695,113</u>
Premises	
Original cost	1,176,642,209
Revaluation (1993)	53,621,000
Accumulated depreciation	<u>(466,868,350)</u>
Total	<u>763,394,859</u>

Movements in premises and equipment during the year ended December 31 are summarized as follows:

	CONSOLIDATED FINANCIAL STATEMENTS										Amounts in Baht
	2001					2001					
	Net book value as of Jan 1, 2001	Beginning balance	Movement in cost during the year Addition	Deduction	Ending balance	Beginning balance	Depreciation	Loss on impairment	Deduction	Ending balance	Net book value as of Dec 31, 2001
Land											
Original Cost	631,340,846	631,340,846	3,660,000	(122,585,498)	512,415,348	-	-	-	-	-	512,415,348
Revaluation	337,870,670	337,870,670	379,497,930	(5,234,880)	712,133,720	-	-	-	-	-	712,133,720
Allowance for impairment of land								63,287,707	-	63,287,707	(63,287,707)
Premises											
Original Cost	642,696,157	1,002,805,461	107,715,685	(470,649,068)	639,872,078	360,109,304	63,606,497	-	(423,715,801)	-	639,872,078
Revaluation	46,256,063	61,424,000	29,814,003	(33,516,725)	57,721,278	15,167,937	1,744,589	-	(16,912,526)	-	57,721,278
Allowance for impairment of buildings								170,635,974	-	170,635,974	(170,635,974)
Equipment	950,067,451	2,514,933,345	442,866,807	(421,161,054)	2,536,639,098	1,562,065,894	406,005,001	-	(394,536,040)	1,573,534,855	963,104,243
Allowance for impairment of equipment								-	(2,800,000)	-	-
Assets unused	-	-	30,064,035	-	30,064,035	2,800,000	-	-	-	-	30,064,035
Total	2,608,231,187	4,548,374,322	993,618,460	(1,053,147,225)	4,488,845,557	1,940,143,135	471,356,087	233,923,681	(837,964,367)	1,807,458,536	2,681,387,021

As of December 31, 2001, the Bank and its subsidiaries have assets still in use which have been fully depreciated, with original cost of Baht 409,393,777.

	BANK ONLY FINANCIAL STATEMENTS								Amounts in Baht	
	2001				2001					
	Net book value as of Jan 1, 2001	Beginning balance	Movement in cost during the year	Ending balance	Beginning balance	Movement of depreciation / allowance for impairment during the year	Ending balance	Net book value as of Dec 31, 2001		
			Beginning balance	Addition	Deduction	Ending balance	Beginning balance	Loss on impairment	Deduction	
Land										
Original Cost	614,206,113	614,206,113	3,660,000	(105,450,765)	512,415,348	-	-	-	-	
Revaluation	337,870,670	337,870,670	379,497,930	(5,234,880)	712,133,720	-	-	-	-	
Allowance for impairment of land								63,287,707	(63,287,707)	
Premises										
Original Cost	707,787,993	1,121,066,198	108,365,685	(504,523,726)	724,908,157	413,278,205	70,169,570	(483,447,775)	-	
Revaluation	46,256,063	61,424,000	29,814,003	(33,516,725)	57,721,278	15,167,937	1,744,589	(16,912,526)	-	
Allowance for impairment of buildings								170,635,974	(170,635,974)	
Equipment	435,975,994	964,255,571	160,345,924	(26,353,058)	1,098,248,437	528,279,577	149,857,442	(25,163,656)	652,973,363	
Assets unused	-	-	30,064,035	-	30,064,035	-	-	-	-	
Total	2,142,096,833	3,098,822,552	711,747,577	(675,079,154)	3,135,490,975	956,725,719	221,771,601	233,923,681	(525,523,957)	886,897,044
										2,248,593,931

As of December 31, 2001, the Bank has assets still in use which have been fully depreciated, with original cost of Baht 378,064,321.

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS									
2000									
	Net book value as of Jan 1, 2000	Movement in cost during the year			Ending balance	Movement of depreciation / allowance for impairment during the year			Net book value as of Dec 31, 2000
		Beginning balance	Addition	Deduction		Beginning balance	Depreciation	Loss on impairment	
Land									
Original Cost	631,340,846	631,340,846	-	-	631,340,846	-	-	-	631,340,846
Revaluation	337,870,670	337,870,670	-	-	337,870,670	-	-	-	337,870,670
Premises									
Original Cost	639,964,497	952,012,955	50,819,971	(27,465)	1,002,805,461	312,048,458	48,071,618	(10,772)	360,109,304
Revaluation	48,215,121	61,424,000	-	-	61,424,000	13,208,879	1,959,058	-	15,167,937
Equipment	976,115,290	2,521,172,695	471,371,113	(477,610,463)	2,514,933,345	1,542,557,405	440,862,245	(421,353,756)	1,562,065,894
Allowance for impairment of equipment						2,500,000	-	300,000	2,800,000
Total	2,633,506,424	4,503,821,166	522,191,084	(477,637,928)	4,548,374,322	1,870,314,742	490,892,921	300,000	1,940,143,135
									2,608,231,187

As of December 31, 2000, the Bank and its subsidiaries have assets still in use which have been fully depreciated, with original cost of Baht 436,459,329.

Amounts in Baht

	BANK ONLY FINANCIAL STATEMENTS									
	Net book value as of Jan 1, 2000	2000				2000				Net book value as of Dec 31, 2000
		Beginning balance	Movement in cost during the year Addition	Deduction	Ending balance	Beginning balance	Movement of depreciation during the year Depreciation	Deduction	Ending balance	
Land										
Original Cost	614,206,113	-	-	614,206,113	-	-	-	-	-	614,206,113
Revaluation	337,870,670	-	-	337,870,670	-	-	-	-	-	337,870,670
Premises										
Original Cost	709,458,599	52,319,970	(27,465)	1,121,066,198	359,315,094	53,973,883	(10,772)	413,278,205		707,787,993
Revaluation	48,215,121	-	-	61,424,000	13,208,879	1,959,058	-	15,167,937		46,256,063
Equipment	314,637,300	250,485,777	(71,100,355)	964,255,571	470,232,849	125,430,002	(67,383,274)	528,279,577		435,975,994
Total	2,024,387,803	2,867,144,625	(71,127,820)	3,098,822,552	842,756,822	181,362,943	(67,394,046)	956,725,719		2,142,096,833

As of December 31, 2000, the Bank has assets still in use which have been fully depreciated, with original cost of Baht 339,258,601.

14. DEPOSITS

Deposits as at December 31 are as follows:

14.1 Classified by type of deposits

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Current deposits	3,136,668,789	2,485,775,255	3,138,645,245	2,471,360,384
Saving deposits	52,645,904,240	45,108,571,483	52,680,305,958	45,158,163,130
Time deposits with original maturity:				
- Not over 6 months	50,852,962,020	54,698,521,701	50,853,226,110	54,447,112,525
- Over 6 months but not over 1 year	5,035,291,638	5,797,627,622	5,035,291,639	5,574,576,688
- 1 year and over	27,691,777,232	26,718,980,507	27,711,777,232	26,738,980,507
Total	139,362,603,919	134,809,476,568	139,419,246,184	134,390,193,234

14.2 Classified by the remaining period of the deposit agreements

	Amounts in Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2001	2000	2001	2000
- Not over 1 year	126,281,029,486	114,210,526,408	126,337,671,750	113,771,243,074
- Over 1 year	13,081,574,433	20,598,950,160	13,081,574,434	20,618,950,160
Total	139,362,603,919	134,809,476,568	139,419,246,184	134,390,193,234

14.3 Classified by the currencies and residence of depositors

	Amounts in Baht		
	CONSOLIDATED FINANCIAL STATEMENTS		
	2001		
	Domestic	Foreign	Total
Baht	138,176,134,319	-	138,176,134,319
US Dollars	766,297,640	226,885,737	993,183,377
Other Currencies	44,214,817	149,071,406	193,286,223
Total	138,986,646,776	375,957,143	139,362,603,919

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS			
2000			
	Domestic	Foreign	Total
Baht	134,084,400,107	839,983	134,085,240,090
US Dollars	478,338,674	128,667,243	607,005,917
Other Currencies	7,204,847	110,025,714	117,230,561
Total	<u>134,569,943,628</u>	<u>239,532,940</u>	<u>134,809,476,568</u>

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS			
2001			
	Domestic	Foreign	Total
Baht	138,232,776,584	-	138,232,776,584
US Dollars	766,297,640	226,885,737	993,183,377
Other Currencies	44,214,817	149,071,406	193,286,223
Total	<u>139,043,289,041</u>	<u>375,957,143</u>	<u>139,419,246,184</u>

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS			
2000			
	Domestic	Foreign	Total
Baht	133,665,956,756	-	133,665,956,756
US Dollars	478,338,674	128,667,243	607,005,917
Other Currencies	7,204,847	110,025,714	117,230,561
Total	<u>134,151,500,277</u>	<u>238,692,957</u>	<u>134,390,193,234</u>

In the consolidated financial statements as at December 31, 2001 and 2000, it is estimated that 81.15% and 78.99% respectively of total deposits have residual maturities within three months, 9.47% and 5.73% respectively have residual maturities of between three months and one year, and 9.39% and 15.28% respectively have residual maturities between one year and five years from the balance sheet date.

15. INTERBANK AND MONEY MARKET ITEMS (LIABILITIES)

Interbank and money market items (liabilities) as at December 31 are as follows:

Amounts in Baht

	CONSOLIDATED FINANCIAL STATEMENTS		
	At call	2001 Time	Total
15.1 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	267,496,000	-	267,496,000
Commercial Banks	17,502,177	110,743,044	128,245,221
Other Banks	1,044,890,735	-	1,044,890,735
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies	346,857,045	30,384,217	377,241,262
Other Financial Institutions	44,716,568	714,273,695	758,990,263
Total domestic items	<u>1,721,462,525</u>	<u>855,400,956</u>	<u>2,576,863,481</u>
15.2 Foreign items			
US Dollars	69,992,638	-	69,992,638
Other Currencies	331,126,509	-	331,126,509
Total foreign items	<u>401,119,147</u>	<u>-</u>	<u>401,119,147</u>
Total domestic and foreign items	<u>2,122,581,672</u>	<u>855,400,956</u>	<u>2,977,982,628</u>

CONSOLIDATED FINANCIAL STATEMENTS			
2000			
	At call	Time	Total
15.3 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	266,510,000	-	266,510,000
Commercial Banks	5,009,021	-	5,009,021
Other Banks	1,394,181,231	-	1,394,181,231
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies			
	808,710,104	31,022,525	839,732,629
Other Financial Institutions	53,930,392	227,000,000	280,930,392
Total domestic items	<u>2,528,340,748</u>	<u>258,022,525</u>	<u>2,786,363,273</u>
15.4 Foreign items			
US Dollars	87,575,628	147,281,224	234,856,852
Other Currencies	323,976,479	40,000,000	363,976,479
Total foreign items	<u>411,552,107</u>	<u>187,281,224</u>	<u>598,833,331</u>
Total domestic and foreign items	<u>2,939,892,855</u>	<u>445,303,749</u>	<u>3,385,196,604</u>

BANK ONLY FINANCIAL STATEMENTS			
2001			
	At call	Time	Total
15.1 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	267,496,000	-	267,496,000
Commercial Banks	10,454,303	110,743,044	121,197,347
Other Banks	1,044,890,735	-	1,044,890,735
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies			
	348,363,071	30,384,217	378,747,288
Other Financial Institutions	44,716,568	714,273,695	758,990,263
Total domestic items	<u>1,715,920,677</u>	<u>855,400,956</u>	<u>2,571,321,633</u>
15.2 Foreign items			
US Dollars	69,992,638	-	69,992,638
Other Currencies	331,126,509	-	331,126,509
Total foreign items	<u>401,119,147</u>	<u>-</u>	<u>401,119,147</u>
Total domestic and foreign items	<u>2,117,039,824</u>	<u>855,400,956</u>	<u>2,972,440,780</u>

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS			
2000			
	At call	Time	Total
15.3 Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	266,510,000	-	266,510,000
Commercial Banks	5,009,021	-	5,009,021
Other Banks	1,394,181,231	-	1,394,181,231
Finance Companies, Finance and Securities Companies, Securities Companies and Credit Foncier Companies			
	874,138,670	31,022,525	905,161,195
Other Financial Institutions	53,930,392	227,000,000	280,930,392
Total domestic items	<u>2,593,769,314</u>	<u>258,022,525</u>	<u>2,851,791,839</u>
15.4 Foreign items			
US Dollars	87,575,628	147,281,224	234,856,852
Other Currencies	<u>323,976,479</u>	<u>40,000,000</u>	<u>363,976,479</u>
Total foreign items	<u>411,552,107</u>	<u>187,281,224</u>	<u>598,833,331</u>
Total domestic and foreign items	<u>3,005,321,421</u>	<u>445,303,749</u>	<u>3,450,625,170</u>

As at December 31, 2001 and 2000, the Bank and its subsidiaries have estimated that 78.26% and 93.32% of the interbank and money market liabilities have residual maturities within one year.

16. SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

Securities sold under repurchase agreements as at December 31 are as follows :

CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2001	2000
Government bonds and Bank of Thailand bonds	-	20,000,000
Total	<u>-</u>	<u>20,000,000</u>

17. LONG-TERM BORROWINGS

Long-term borrowings as at December 31 are as follows:

17.1 Long-term borrowings by types of securities and sources:

Amounts in Baht

	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2001		
	Domestic	Foreign	Total
Subordinated convertible debentures	8,150,000	900,344,650	908,494,650
Subordinated debentures	4,000,000,000	-	4,000,000,000
Others	12,984,667	-	12,984,667
Total	4,021,134,667	900,344,650	4,921,479,317

	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2000		
	Domestic	Foreign	Total
Subordinated convertible debentures	8,150,000	900,344,650	908,494,650
Subordinated debentures	2,000,000,000	-	2,000,000,000
Others	8,678,000	-	8,678,000
Total	2,016,828,000	900,344,650	2,917,172,650

17.2 Long-term borrowings by types of securities, currency, maturity and interest rate:

Types	Currency	Maturity	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
			2001	
			Interest rate per annum	Amounts (Baht)
Subordinated convertible debentures	USD	Feb. 9, 2004	3.75 %	900,344,650
Subordinated convertible debentures	Baht	Dec. 30, 2003	8.00 %	8,150,000
Subordinated debentures	Baht	Jun. 25, 2006	7.15 %	2,000,000,000
Subordinated debentures	Baht	Aug. 15, 2008	6.50 %	2,000,000,000
Others	Baht	Oct. 31, 2007	-	12,984,667
Total				4,921,479,317

Types	Currency	Maturity	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
			2000	
			Interest rate per annum	Amounts (Baht)
Subordinated convertible debentures	USD	Feb. 9, 2004	3.75 %	900,344,650
Subordinated convertible debentures	Baht	Dec. 30, 2003	8.00 %	8,150,000
Subordinated debentures	Baht	Jun. 25, 2006	7.15 %	2,000,000,000
Others	Baht	Oct. 31, 2007	-	8,678,000
Total				2,917,172,650

Issuance of subordinated convertible debentures to offshore investors

In 1994, the Bank offered subordinated convertible debentures, which the shareholders passed a resolution to issue on October 15, 1993, to foreign investors amounting to US\$ 75 million at the exchange rate of US\$ 1 to Baht 25.45 or approximately Baht 1,908.75 million, at an interest rate of 3.75 percent per annum and 10-year maturity, with conversion price equal to Baht 66.90 at the exchange rate of US\$ 1 to Baht 25.45 on the condition that the Bank can convert or redeem the debentures before maturity. The debenture holders have the right to convert the debentures into ordinary shares from March 9, 1994 onwards.

As at December 31, 2001, and 2000, the conversion prices were Baht 24 per share, calculated in compliance with the conditions in the prospectus, respectively. The shareholders passed a resolution to issue ordinary shares totaling 53,727,766 shares with a par value of Baht 10 per share for conversion of the remaining subordinated convertible debentures.

Up to December 31, 2001, the conversion rights had been exercised for 39,623 subordinated convertible debentures into 19,272,234 ordinary shares.

Issuance of subordinated convertible debentures to the Bank's management

In 1995, the Bank offered 14,000 convertible debentures with no collateral, which the shareholders passed a resolution to issue on November 27, 1992, to the Bank's management at Baht 10,000 par value each, totaling Baht 140 million, with an interest rate of 8 percent per annum and 10-year maturity. The conversion rate was 1 convertible debenture to 1,000 ordinary shares.

The debentureholders have the right to receive any payments from the Bank before ordinary shareholders and preferred shareholders (if any) but after the repayment of debts to the outsiders.

On April 25, 1995, the shareholders passed a resolution to issue ordinary shares totaling 1,078,000 shares with a par value of Baht 10 per share for conversion of the remaining subordinated convertible debentures. In this case 77 ordinary shares will be allocated to support the change in the conversion ratio in one unit of the management subordinated convertible debentures.

On July 31, 1998, the shareholders passed a resolution to issue ordinary shares totaling 2,608,480 shares with a par value of Baht 10 per share for conversion of the remaining subordinated convertible debentures. In this case 548 ordinary shares will be allocated to support the change in the conversion ratio in one unit of the management subordinated convertible debentures.

On November 3, 1999, the shareholders passed a resolution to issue ordinary shares totaling 289,900 shares, with a par value of Baht 10 per share for conversion of the remaining subordinated convertible debentures. In this case 260 ordinary



shares will be allocated to support the change in the conversion ratio in one unit of the management subordinated convertible debentures.

Up to December 31, 2001, the conversion rights had been exercised for 13,185 subordinated convertible debentures into 16,440,105 ordinary shares.

For the remaining subordinated convertible debentures, as at December 31, 2001 and 2000, had these debentureholders exercised their conversion rights, the difference between market value and par value of the ordinary shares amounts to Baht 7,712,101 and Baht 5,223,335 respectively.

Issuance of subordinated debentures to specific investor

On June 25, 1999, the Bank offered 2 million units of subordinated debentures No.1 of Baht 1,000 per unit, totaling Baht 2,000 million, with 7-year term at the fixed interest rate of 7.15 percent per annum, due for redemption on June 25, 2006 to ABN AMRO Bank N.V., Bangkok Branch.

On August 15, 2001, the Bank offered 2 million units of subordinated debentures No.2 of Baht 1,000 per unit, totaling Baht 2,000 million, with 7-year term at the floating interest rate based on average of one-year deposit rate of four major banks and the Bank plus 2.50 percent per annum with a minimum guaranteed rate of 6.50 percent per annum, due for redemption on August 15, 2008 through private placement.

Other long-term borrowings

As at December 31, 2001 and 2000, the Bank has long-term borrowings from the National Science and Technology Development Agency amounting to Baht 12,984,667 and Baht 8,678,000 respectively, which are non-interest bearing and will mature on October 31, 2007.

18. CASH FLOW HEDGE

The Bank uses forward foreign exchange contracts to hedge foreign currency exposure relating to highly probable and committed transactions. The following table shows anticipated future cash outflows and corresponding forward contracts executed to hedge the foreign exchange exposure associated with these outflows as at December 31, 2001:

Period	Anticipated value of transactions (Equivalent Baht millions)	Outstanding forward contracts (Equivalent Baht millions)
1 to 3 months	230.3	132.4
4 to 6 months	81.0	132.5

In accordance with its accounting policy, the Bank has remeasured the forward contracts at fair value as at December 31, 2001. The entire resulting gain of Baht 1,142,208 has been recognized directly in equity.

The anticipated transactions include capital and revenue expenditure to be incurred in the first half of 2002. Where the forward contracts hedge the anticipated acquisition of assets the corresponding gain recorded in equity will adjust the initial measurement of the underlying asset and will therefore affect net profit or loss only when the underlying asset does so. Where the forward contracts hedge anticipated revenue expenditure, the corresponding gain reported in equity will be transferred to the income statement when the forecasted transaction occurs.

19. SHARE CAPITAL

Issued and paid-up share capital at December 31 are as follows:

	Amounts in Baht	
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Paid-up share capital from shareholders	37,918,681,400	37,918,681,400
Paid-up share capital from conversion of subordinated convertible debentures (domestic)	164,401,050	164,401,050
Paid-up share capital from conversion of subordinated convertible debentures (foreign)	192,722,340	192,722,340
Total	<u>38,275,804,790</u>	<u>38,275,804,790</u>

At the Extraordinary General Meeting No. 1/2000 held on October 20, 2000, the shareholders resolved the following significant matters:

1. Approval is given to increase the registered capital of the Bank from Baht 31,613.45 million to Baht 46,613.45 million by issuing 1,500 million new ordinary shares, each having a par value of Baht 10, with a total worth of Baht 15,000 million to be offered for sale to all existing shareholders of the Bank.
2. Approval is given to allocate new ordinary shares from the capital increase by authorizing the Board of Directors to issue the new ordinary shares by allotment from time to time, to prescribe details of the issue in respect of price and time of issue or conditions of each allotment until all of the new shares will be fully subscribed, to authorize the Board of Directors to determine the price of new ordinary shares to be offered in each allotment at an amount that may be lower than the par value but not be less than Baht 6 per share, and to authorize the Board of Directors to allocate unsubscribed new ordinary shares from each allotment issued to those oversubscribing shareholders in proportion to their oversubscribed amount of new ordinary shares. Each allotment will not be less than Baht 1,500 million. The amount of new ordinary shares that each shareholder shall be permitted to oversubscribed shall not exceed the amount of shares allocated pursuant to his / her original entitlement to subscribed to new ordinary shares, and if, subsequent to the foregoing allocation, there remain any unsubscribed new ordinary shares, the Board of Directors will (i) offer any unsubscribed new ordinary shares to all existing shareholders as part of the subsequent allotment issue, or (ii) in respect of the final allotment issue, cancel any such unsubscribed new ordinary

shares.

At the Board of Directors' Meeting No. 528 held on October 30, 2000 the Board of Directors resolved the increase in share capital through the issuance of 776.52 million new ordinary shares, each having a par value of Baht 10 to be offered for sale to the existing shareholders in proportion to their shareholding in the ratio of 4 existing shares to 1 new share, at the price of Baht 6.50 per share according to the Extraordinary General Meeting No. 1/2000 mentioned above.

On December 22, 2000, the Bank registered the fully paid-up shares of Baht 38,275.80 million with the Registrar of Partnerships and Companies, Ministry of Commerce.

Capital Fund

The Bank's actual capital amounts and ratios as at December 31, calculated based on Bank of Thailand guidelines are also presented below :

	Amounts in Baht	
	BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Tier 1 capital		
Paid-up share capital and premium (discount)		
on share capital	33,469,298,582	33,469,298,582
Statutory reserve	367,591,201	367,591,201
Other reserve	72,000,000	72,000,000
Unappropriated retained earnings (deficit)	(21,963,985,714)	(17,846,107,765)
Less Loss for the year	(3,810,283,097)	(4,117,877,949)
	<u>8,134,620,972</u>	<u>11,944,904,069</u>
Tier 2 capital		
Unrealized increment per land appraisal (70%)	232,845,053	236,509,469
Unrealized increment per buildings appraisal (50%)	13,953,638	23,128,032
Subordinated convertible debentures	3,965,027,860	2,546,726,790
General provision for pass loans and receivables	359,113,329	324,172,626
	<u>4,570,939,880</u>	<u>3,130,536,917</u>
Total Capital Fund	<u>12,705,560,852</u>	<u>15,075,440,986</u>
Tier 1 capital ratio	7.00 %	9.97 %
Total capital ratio	10.93 %	12.58 %
Minimum tier 1 capital ratio requirement	4.25 %	4.25 %
Minimum total capital ratio requirement	8.50 %	8.50 %

The Bank reappraised its land and buildings in the fourth quarter of 2001. Should the Bank of Thailand approve an additional surplus on land and buildings to count as tier 2 capital, the Bank's tier 2 capital would increase by Baht 280,555,552 to Baht 4,851,495,432. In addition, the Bank's tier 2 capital and total capital ratios as at December 31, 2001 would increase by 0.24% to 4.17% and 11.17%,

respectively.

20. STATUTORY RESERVE

Under the Public Limited Companies Act, the Bank is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the authorized capital, and under the provision of the Civil and Commercial Code of Thailand, subsidiary companies are required to set aside as a legal reserve of at least 5% of net income each time a dividend is declared until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.

21. CONTINGENCIES

As at December 31, in the ordinary course of business the Bank had the following contractual contingencies:

Amounts in Baht			
CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS			
2001			
	Baht Currency	Foreign Currencies	Total
Aval to bills	754,792,556	-	754,792,556
Guarantees of loans	93,048,560	95,331,596	188,380,156
Other guarantees	8,251,187,421	521,485,525	8,772,672,946
Letters of credit	114,924,718	2,351,007,083	2,465,931,801
Forward exchange			
- Forward exchange bought	24,240,683,899	14,810,706,983	39,051,390,882
- Forward exchange sold	13,081,274,677	25,794,662,812	38,875,937,489
Undrawn overdraft amount	15,475,624,746	-	15,475,624,746
Others	8,660,387	1,309,837,797	1,318,498,184
Total	62,020,196,964	44,883,031,796	106,903,228,760

Amounts in Baht			
CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS			
2000			
	Baht Currency	Foreign Currencies	Total
Aval to bills	649,029,633	-	649,029,633
Guarantees of loans	116,402,783	86,678,331	203,081,114
Other guarantees	7,392,430,887	876,897,010	8,269,327,897
Letters of credit	40,927,307	1,785,367,510	1,826,294,817
Forward exchange			
- Forward exchange bought	29,268,350,564	20,857,589,528	50,125,940,092
- Forward exchange sold	19,514,845,265	30,774,740,396	50,289,585,661
Undrawn overdraft amount	15,443,334,760	-	15,443,334,760
Others	47,061,063	1,127,846,126	1,174,907,189
Total	<u>72,472,382,262</u>	<u>55,509,118,901</u>	<u>127,981,501,163</u>

The forward foreign exchange contracts entered into by the Bank relate primarily to purchases and sales of US dollars against the Thai Baht. As at December 31, 2001 and 2000, all such forward foreign exchange contracts had residual maturities of less than one year from the balance sheet date. In respect of the Bank and its subsidiaries other commitments, the notional amounts do not necessarily reflect future cash requirements as the facilities may expire without being drawn upon.

22. ASSETS USED AS COLLATERAL

Assets used as collateral as at December 31 are as follows:

Amounts in Baht		
CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2001	2000
Government bonds		
- deposited as collateral for securities		
sold under repurchase agreement	1,988,500,000	2,546,000,000
Government bonds		
- deposited as collateral for Government		
departments	1,670,000,000	1,670,000,000
Promissory notes		
- deposited as collateral for borrowings from		
Export-Import Bank of Thailand	1,476,409,400	1,281,604,400

23. LITIGATION

In the ordinary course of business, the Bank is a defendant in a number of litigations against the Bank. These include a case of wrongful acts brought against the Bank, claiming Baht 339.01 million as at December 31, 2001. Management believe that the liability, if any, resulting from the litigations will not be material to the Bank's financial position or results of operations.

24. RELATED PARTY TRANSACTIONS

The Bank has business transactions with related companies. These transactions are with companies that have joint directors and/or shareholders with the Bank. The financial statements reflect the effects of these transactions in the normal business practice, and the price, interest rates, terms and conditions are considered to be at arms length except for loans to certain subsidiary and related companies upon which the Bank calculated interest at a lower interest rate than the market rate.

The significant transactions with related companies for the years ended December 31 are as follows:

24.1 Loans to and commitments with certain officers from the levels of departmental chief upwards and the companies in which they and/or the Bank's directors and/or the Bank hold 10% or more of each company's paid up capital at December 31, are as follows:

	Amounts in Baht			
	CONSOLIDATED FINANCIAL STATEMENTS		BANK ONLY FINANCIAL STATEMENTS	
	2001	2000	2001	2000
Loans				
Ending balance	3,812,412,748	1,640,035,184	5,392,412,748	3,358,035,184
Average balance	2,297,760,046	1,918,711,424	3,842,962,797	3,140,241,424
Commitments				
Ending balance	45,446,410	24,669,483	45,446,410	24,669,483
Average balance	34,073,905	14,515,432	34,073,905	14,515,432

As at December 31, 2001 and 2000, the Bank has staff loans with certain officers from the levels of department chief upwards amounting to Baht 14,700,042 and Baht 35,224,089 respectively.

Certain information related to the aforementioned loans and commitments of the Bank are as follows:

2001					
	Amounts (Baht)	Interest Rate	Maturity Date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	5,392,412,748	% per annum 2.00 - 19.00	Apr. 23, 1993 to Nov. 15, 2020	3,259	2,179
Commitments	45,446,410	1.00 - 2.50	Jan. 16, 1996 to Dec. 31, 2030		

2000					
	Amounts (Baht)	Interest Rate	Maturity Date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	3,358,035,184	% per annum 3.50 - 19.00	Apr. 23, 1993 to Nov. 15, 2020	792	2,591
Commitments	24,669,483	0.50 - 2.50	Aug. 1, 1997 to Dec. 31, 2030		

24.2 Significant transactions with the related companies whose shares are more than 20 percent owned by the Bank consisted mainly of the following at December 31:

CONSOLIDATED FINANCIAL STATEMENTS						
2001						
TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT COST METHOD	DIVIDEND EQUITY METHOD	
INVESTMENT						
ASSOCIATED COMPANY						
Axa Insurance Public Co., Ltd.	Non-life insurance	Shareholder	352,642,100	22.06	121,117,516	137,041,583 -

Amounts in Baht

Amounts in Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
2000							
TYPE OF BUSINESS	RELATIONSHIP		PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT COST METHOD	DIVIDEND EQUITY METHOD	
INVESTMENT							
ASSOCIATED COMPANY							
Axa Insurance Public Co., Ltd.	Non-life insurance	Shareholder	352,642,100	22.06	121,117,516	135,135,935	-

Amounts in Baht							
BANK ONLY FINANCIAL STATEMENTS							
2001							
TYPE OF BUSINESS	RELATIONSHIP		PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT COST METHOD	DIVIDEND EQUITY METHOD	
INVESTMENT							
SUBSIDIARY COMPANIES							
Asia Property Co., Ltd.	Asset management	Shareholder	40,000,000	99.99	109,354,000	(50,844,024)	-
BOA Leasing Co., Ltd.	Leasing	Shareholder	200,000,000	99.99	199,999,930	(309,493,402)	-
BOA Asset Management Co., Ltd.	Fund management	Shareholder	100,000,000	99.99	135,725,724	54,369,361	-
Asia Leasehold Co., Ltd.	Real estate	Shareholder	1,000,000	99.93	999,300	(28,472,935)	-
ASSOCIATED COMPANY							
Axa Insurance Public Co., Ltd.	Non-life insurance	Shareholder	352,642,100	22.06	121,117,516	137,041,583	-

Amounts in Baht

LOANS

SUBSIDIARY COMPANIES

BOA Leasing Co., Ltd.	1,580,000,000
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BANK ONLY FINANCIAL STATEMENTS

2000

TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT COST METHOD	DIVIDEND EQUITY METHOD
INVESTMENT					
SUBSIDIARY COMPANIES					
Asia Property Co., Ltd.	Asset management	Shareholder	40,000,000	99.99	109,354,000 (59,910,970) -
BOA Leasing Co., Ltd.	Leasing	Shareholder	200,000,000	99.99	199,999,930 (229,676,378) -
BOA Asset Management Co., Ltd.	Fund management	Shareholder	100,000,000	99.99	135,725,724 67,296,291 -
Asia Leasehold Co., Ltd.	Real estate	Shareholder	1,000,000	99.93	999,300 (88,989,386) -
BOA Finance Co., Ltd.	Finance	Shareholder	160,000,000	75.00	265,497,813 109,464,608 -
ASSOCIATED COMPANY					
Axa Insurance Public Co., Ltd.	Non-life insurance	Shareholder	352,642,100	22.06	121,117,516 135,135,935 -

Amounts in Baht

LOANS**SUBSIDIARY COMPANIES**

BOA Leasing Co., Ltd.	1,510,000,000
BOA Finance Co., Ltd.	208,000,000

In addition, during the year ended December 31, 2001, the Bank acquired 30% of the registered share capital of N.Y. Sugar Co., Ltd., with a par value of Baht 900 million through a debt restructuring agreement. The Bank determined the fair value of these shares at December 31, 2001 to be nil. The Bank also has loans and commitments to this company amounting to Baht 2,345,590,375 and Baht 16,364,622 respectively at the same date.

24.3 As at December 31, significant transactions with the related companies whose shares are 10 - 20 percent owned by the Bank and its subsidiaries consisted mainly of the following :

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS						
2001						
TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT (COST METHOD)	DIVIDEND	
INVESTMENT						
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	shareholder	30,000,000	13.33	4,232,000	160,000
Piyalai Holdings Co., Ltd.	Real estate	shareholder	600,000,000	10.00	60,000,000	-
J.A.T. Leasing Co., Ltd.	Hire-purchase	shareholder	90,000,000	10.00	9,000,000	-

Amounts in Baht

LOANS

Wing Fat Co., Ltd.	287,060,738
Piyalai Holdings Co., Ltd.	418,150,000
J.A.T. Leasing Co., Ltd.	1,186,032

Amounts in Baht

CONSOLIDATED FINANCIAL STATEMENTS						
2000						
TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT (COST METHOD)	DIVIDEND	
INVESTMENT						
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	shareholder	30,000,000	13.33	4,232,000	160,000
Piyalai Holdings Co., Ltd.	Real estate	shareholder	600,000,000	10.00	60,000,000	-
T.L. Leasing Co., Ltd.	Hire-purchase	shareholder	60,000,000	10.00	6,000,000	-
J.A.T. Leasing Co., Ltd.	Hire-purchase	shareholder	90,000,000	10.00	9,000,000	-
Eastern Commercial Leasing Co., Ltd.	Hire-purchase	shareholder	120,000,000	10.00	12,000,000	-

Amounts in Baht

LOANS

Wing Fat Co., Ltd.	291,208,838
Piyalai Holdings Co., Ltd.	418,150,000
T.L. Leasing Co., Ltd.	80,000,000
Eastern Commercial Leasing Co., Ltd.	120,012,715

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS

2001

	TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT (COST METHOD)	DIVIDEND
INVESTMENT						
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	shareholder	30,000,000	13.33	4,232,000	160,000
Piyalai Holdings Co., Ltd.	Real estate	shareholder	600,000,000	10.00	60,000,000	-

Amounts in Baht

LOANS

Wing Fat Co., Ltd.	287,060,738
Piyalai Holdings Co., Ltd.	418,150,000

Amounts in Baht

BANK ONLY FINANCIAL STATEMENTS

2000

	TYPE OF BUSINESS	RELATIONSHIP	PAID-UP SHARE CAPITAL	HOLDING %	INVESTMENT (COST METHOD)	DIVIDEND
INVESTMENT						
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	shareholder	30,000,000	13.33	4,232,000	160,000
Piyalai Holdings Co., Ltd.	Real estate	shareholder	600,000,000	10.00	60,000,000	-

Amounts in Baht

LOANS

Wing Fat Co., Ltd.	291,208,838
Piyalai Holdings Co., Ltd.	418,150,000

24.4 Other significant items with related parties are as follows:

CONSOLIDATED FINANCIAL STATEMENTS							Amounts in Baht
As at December 31,							
2001			2000				
	Associated Company	Major Shareholder	Total	Associated Company	Major Shareholder	Total	
Interbank and money market items (Assets)	-	1,811,239,796	1,811,239,796	-	1,533,964,042	1,533,964,042	
Deposits	41,459,431	-	41,459,431	99,425,215	-	99,425,215	
Interbank and money market items (Liabilities)	-	32,979,243	32,979,243	-	85,447,945	85,447,945	
Borrowings	-	2,000,000,000	2,000,000,000	-	2,000,000,000	2,000,000,000	
Other liabilities	-	4,815,000	4,815,000	-	17,821,781	17,821,781	
CONSOLIDATED FINANCIAL STATEMENTS							
For the year ended December 31,							
2001			2000				
	Associated Company	Major Shareholder	Total	Associated Company	Major Shareholder	Total	
Interest income	-	67,334,960	67,334,960	-	79,166,178	79,166,178	
Other income	959,424	-	959,424	3,261,836	-	3,261,836	
Interest expenses	-	143,104,072	143,104,072	-	146,812,580	146,812,580	
Insurance expenses	10,849,658	-	10,849,658	27,050,969	-	27,050,969	
Commission and service expenses	-	46,829,184	46,829,184	-	204,911,803	204,911,803	

	BANK ONLY FINANCIAL STATEMENTS							Amounts in Baht
	2001				2000			
	Subsidiaries	Associated Company	Major Shareholder	Total	Subsidiaries	Associated Company	Major Shareholder	
Interbank and money market items (Assets)	-	-	1,811,239,796	1,811,239,796	208,000,000	-	1,533,964,042	1,741,964,042
Loans	1,580,000,000	-	-	1,580,000,000	1,510,206,296	-	-	1,510,206,296
Accrued interest receivables	3,080,918	-	-	3,080,918	2,767,452	-	-	2,767,452
Deposits	56,642,265	41,459,431	-	98,101,696	75,603,582	99,425,215	-	175,028,797
Interbank and money market items (Liabilities)	1,188,364	-	32,979,243	34,167,607	65,428,566	-	85,447,945	150,876,511
Borrowings	-	-	2,000,000,000	2,000,000,000	-	-	2,000,000,000	2,000,000,000
Accrued interest expenses	1,172,045	-	-	1,172,045	2,214,074	-	-	2,214,074
Other liabilities	-	-	4,815,000	4,815,000	-	-	17,821,781	17,821,781

	BANK ONLY FINANCIAL STATEMENTS							Amounts in Baht
	2001			2000			Total	
	Subsidiaries	Associated Company	Major Shareholder	Subsidiaries	Associated Company	Major Shareholder		
Interest income	74,753,195	-	67,334,960	61,315,131	-	79,166,178	140,481,309	
Other income	7,847,933	959,424	-	4,895,091	3,261,836	-	8,156,927	
Interest expenses	2,947,512	-	143,104,072	3,675,351	-	146,812,580	150,487,931	
Rental expenses	84,690,202	-	-	195,129,306	-	-	195,129,306	
Insurance expenses	-	10,849,658	-	-	27,050,969	-	27,050,969	
Commission and service expenses	-	-	46,829,184	-	-	204,911,803	204,911,803	
Premises and equipment expenses	13,800,000	-	-	9,541,057	-	-	9,541,057	
Purchases of fixed assets	650,000	-	-	1,500,000	-	-	1,500,000	

Management cost allocation charged to related company

For the years ended December 31, 2001 and 2000, the Bank recorded the cost allocation by the major shareholder and a subsidiary of the major shareholder of Baht 30.56 million and Baht 200.04 million, respectively.

25. LONG-TERM LEASES

The Bank has entered into lease agreements for branches' land and buildings. Lease terms range from 3 - 30 years which are renewable.

Long-term leases as at December 31 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS			Amounts in Baht
Type of Lease	2001		Remaining Rental Expenses
	Period		
Office buildings	2002 - 2006		102,796,603
Office buildings	2007 - 2011		45,288,099
Office buildings	2012 - 2016		29,225,516
Office buildings	2017 - 2021		24,711,494
Office buildings	2022 - 2026		1,799,267
Land	2002 - 2020		1,572,000

CONSOLIDATED FINANCIAL STATEMENTS			Amounts in Baht
Type of Lease	2000		Remaining Rental Expenses
	Period		
Office buildings	2001 - 2005		110,674,643
Office buildings	2006 - 2010		49,513,860
Office buildings	2011 - 2015		30,118,364
Office buildings	2016 - 2020		27,237,987
Office buildings	2021 - 2025		5,044,352
Land	2001 - 2020		1,906,500

BANK ONLY FINANCIAL STATEMENTS			Amounts in Baht
Type of Lease	2001		Remaining Rental Expenses
	Period		
Office buildings	2002 - 2006		94,416,745
Office buildings	2007 - 2011		45,288,099
Office buildings	2012 - 2016		29,225,516
Office buildings	2017 - 2021		24,711,494
Office buildings	2022 - 2026		1,799,267

BANK ONLY FINANCIAL STATEMENTS			Amounts in Baht
Type of Lease	2000		Remaining Rental Expenses
	Period		
Office buildings	2001 - 2005		90,493,566
Office buildings	2006 - 2010		49,513,860
Office buildings	2011 - 2015		30,118,364
Office buildings	2016 - 2020		27,237,987
Office buildings	2021 - 2025		5,044,352

26. CLASSIFIED ASSETS

Classified assets in the consolidated financial statements and the Bank's financial statements as at December 31, based on the Bank of Thailand's announcements are as follows:

CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS						Amounts in Million Baht
Classifications	2001					Total
	Investments	Loans*	Properties Foreclosed	Other Assets		
Pass	-	87,307	-	10		87,317
Special mention	-	2,008	-	1		2,009
Substandard	-	2,802	-	28		2,830
Doubtful	-	3,998	-	110		4,108
Doubtful of loss	1,594	14,120	385	699		16,798

Total	1,594	110,235	385	848	113,062
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Amounts in Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

2000

	Investments	Loans*	Properties Foreclosed	Premises and Equipment	Other Assets	Total
Classifications						
Pass	-	81,054	-	-	14	81,068
Special mention	-	3,611	-	-	3	3,614
Substandard	-	1,964	-	-	47	2,011
Doubtful	-	1,688	-	-	25	1,713
Doubtful of loss	1,784	24,887	316	3	1,100	28,090
Total	1,784	113,204	316	3	1,189	116,496

Amounts in Million Baht

BANK ONLY FINANCIAL STATEMENTS

2000

	Investments	Loans*	Properties Foreclosed	Other Assets	Total
Classifications					
Pass	-	80,767	-	14	80,781
Special mention	-	3,545	-	3	3,548
Substandard	-	1,944	-	45	1,989
Doubtful	-	1,683	-	25	1,708
Doubtful of loss	1,772	24,643	312	1,097	27,824
Total	1,772	112,582	312	1,184	115,850

* Loans include part of interbank and money market items.

27. BASIC LOSS PER SHARE

For the years ended December 31, the Bank had the following basic loss per share:

	Amounts in Baht	
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Net loss for the year (Baht)	(3,812,027,686)	(4,117,877,949)
Weighted average number of ordinary shares calculated by using number of ordinary share issued, including those from conversion of debentures upon cash received (shares)	3,827,580,479	3,145,504,015
Basic loss per share (Baht)	(1.00)	(1.31)

28. FULLY DILUTED LOSS PER SHARE

For the years ended December 31, the Bank had the following fully diluted loss per share:

	Amounts in Baht	
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
- Calculation of net loss		
Net income for the year	(3,812,027,686)	(4,117,877,949)
Plus : Interest paid on debenture, saved from conversion [assumed that all remaining debentures were converted on January 1,]		
Interest expense		
- debentures issued in Thailand	644,855	652,898
- debentures issued outside Thailand	57,438,155	70,207,032
Total interest expense	58,083,010	70,859,930
Income tax	-	-
Calculated net loss for fully diluted loss per share	<u>(3,753,944,676)</u>	<u>(4,047,018,019)</u>

		Amounts in Baht	
		CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
		2001	2000
-	Calculation of weighted number of ordinary shares during the year		
	Number of weighted average ordinary shares during the year (shares)	3,827,580,479	3,145,504,015
	Number of shares from conversion of remaining debentures in Thailand (shares) of		
	: Baht 8,150,000	1,536,275	1,536,275
	Number of shares from conversion of remaining debentures outside Thailand (shares) of		
	: Baht 900,344,650	<u>37,514,360</u>	<u>37,514,360</u>
	Total weighted average number of ordinary shares during the year (shares)	<u>3,866,631,114</u>	<u>3,184,554,650</u>
	Fully diluted loss per share (Baht)	(0.97)	(1.27)

29. FINANCIAL POSITION AND RESULTS OF OPERATIONS CLASSIFIED BY DOMESTIC AND FOREIGN BUSINESSES

(1) Financial positions as at December 31, classified by type of business segment :

		Amounts in Baht		
		CONSOLIDATED FINANCIAL STATEMENTS		
		2001		
		Domestic	Foreign	Total
Total assets		158,069,318,263	952,844,712	159,022,162,975
Interbank and money market items (assets)		11,519,833,024	188,293,101	11,708,126,125
Loans		108,438,202,355	-	108,438,202,355
Investments - net		21,825,400,876	-	21,825,400,876
Deposits		139,362,603,919	-	139,362,603,919
Interbank and money market items (liabilities)		2,977,982,628	-	2,977,982,628
Borrowings		4,021,134,667	900,344,650	4,921,479,317
Total contingencies		106,903,228,760	-	106,903,228,760

Amounts in Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
2000			
	Domestic	Foreign	Total
Total assets	154,912,562,661	951,854,982	155,864,417,643
Interbank and money market items (assets)	9,811,886,898	208,514,879	10,020,401,777
Loans	111,569,130,001	-	111,569,130,001
Investments - net	18,192,541,784	-	18,192,541,784
Deposits	134,809,476,568	-	134,809,476,568
Interbank and money market items (liabilities)	3,385,196,604	-	3,385,196,604
Borrowings	2,016,828,000	900,344,650	2,917,172,650
Total contingencies	127,981,501,163	-	127,981,501,163

(2) Results of operations for the years ended December 31, classified by type of business segment :

CONSOLIDATED FINANCIAL STATEMENTS			
2001			
	Domestic	Foreign	Total
Interest and dividend income	7,139,692,347	12,681	7,139,705,028
Interest expenses	<u>(3,794,334,446)</u>	<u>(57,438,155)</u>	<u>(3,851,772,601)</u>
Net interest income	3,345,357,901	(57,425,474)	3,287,932,427
Non-interest income	1,693,271,444	38,203,221	1,731,474,665
Non-interest expenses	<u>(8,833,363,476)</u>	<u>(2,082,190)</u>	<u>(8,835,445,666)</u>
Income (loss) before tax	<u>(3,794,734,131)</u>	<u>(21,304,443)</u>	<u>(3,816,038,574)</u>

CONSOLIDATED FINANCIAL STATEMENTS			
2000			
	Domestic	Foreign	Total
Interest and dividend income	7,363,757,335	-	7,363,757,335
Interest expenses	<u>(4,584,425,608)</u>	<u>(70,207,032)</u>	<u>(4,654,632,640)</u>
Net interest income	2,779,331,727	(70,207,032)	2,709,124,695
Non-interest income	2,284,840,146	29,740,620	2,314,580,766
Non-interest expenses	<u>(9,086,030,791)</u>	<u>(7,247,299)</u>	<u>(9,093,278,090)</u>
Income (loss) before tax	<u>(4,021,858,918)</u>	<u>(47,713,711)</u>	<u>(4,069,572,629)</u>

30. DISCLOSURE OF 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 and financial guarantees, and forward foreign exchange contracts. These instruments involve, to varying degrees, elements of credit and foreign exchange risk in excess of the amount recognized in the consolidated 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.

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's 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 the Board's approved guidelines and parameters set by the Assets and Liabilities Committee.

Accounting Policies

Details of significant accounting policies and methods adopted, including criteria for 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 4.

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 and its subsidiaries. The Bank and its subsidiaries have adopted the policy of only dealing with creditworthy 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 consolidated balance sheet, net of a portion of allowance for doubtful accounts (see Notes 4.7 and 10), represents the Bank and its subsidiaries' maximum exposure to credit risk.

The Bank's exposure to credit loss in the event of nonperformance by the counterparty 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 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 credit approvals, limits, and monitoring procedures set by its Assets and Liabilities Committee. Credit risk also arises from the possibility that the counterparty to off-balance sheet financial instruments will not adhere to the terms of the contract with the Bank when settlement becomes due.

For the purpose of calculating the credit risk associated with the Bank's off-balance sheet financial instruments, the Bank applies a credit conversion factor to the notional amount in order to determine a credit equivalent amount in accordance with regulations established by the Bank of Thailand. However, in the case of foreign exchange contracts, the Bank applies a credit conversion factor of between 8% and 50% to the notional amount of the contracts depending on the type of counter-party and the residual maturity of the contract, compared to the Bank of Thailand's prescribed credit conversion factors of 2% and 5% for contracts with a residual maturity of less than one year and greater than one year, respectively.

The following table shows the credit equivalent of unmatured off balance sheet financial instruments at December 31.

	Amounts in Million Baht	
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS	
	2001	2000
Forward foreign exchange contracts (Foreign currencies)	<u>8,014</u>	<u>8,823</u>

Interest Rate Risk

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

The Bank and its subsidiaries expose to interest rate risk showing the contractual repricing dates or maturity dates, whichever dates are earlier, and effective weighted average interest rates, where applicable, for classes of financial assets and financial liabilities subject to interest rate risk is set out below:

Period to earlier of contractual repricing date or maturity

	2001							Amounts in Million Baht	
	Call	Within 3 months	More than 3-12 months	More than 1-5 years	> 5 years	Non-int. bearing/ sensitive	Non-accrual loans	Total	Weighted average effective interest rate per annum (%)
Financial Assets									
Cash	-	-	-	-	-	2,122	-	2,122	n/a
Interbank and money market items - net	708	6,704	1,589	1,028	-	1,669	10	11,708	2.31
Securities purchased under resale agreement	-	900	-	-	-	-	-	900	2.50
Investments - net	-	6,519	240	3,671	9,414	1,981	-	21,825	3.81
Loans (gross)	17,080	29,048	10,257	9,880	8,844	-	33,329	108,438	4.46
Financial Liabilities									
Deposits	52,610	57,305	12,219	14,056	-	3,173	-	139,363	2.17
Interbank and money market items	568	702	1,012	170	-	526	-	2,978	2.27
Liabilities payable on demand	-	-	-	-	-	848	-	848	n/a
Long-term borrowings	-	-	2,000	2,908	-	13	-	4,921	6.70

Note : No interest rate risk disclosure has been provided in respect of off-balance sheet financial instruments as they are not subject to interest rate risk.
 Period to earlier of contractual repricing date or maturity

	Call	Within 3 months	More than 3-12 months	More than 1-5 years	2000 > 5 years	Non-int. bearing/ sensitive	Non-accrual loans	Total	Amounts in Million Baht	
									Weighted average effective interest rate per annum	(%)
Financial Assets										
Cash	-	-	-	-	-	1,884	-	1,884		n/a
Interbank and money market items - net	5,634	23	22	1,621	-	2,720	-	10,020		4.44
Securities purchased under resale agreements	-	550	-	-	-	-	-	550		1.33
Investments - net	-	7,506	1,753	5,090	1,679	2,165	-	18,193		3.76
Loans	15,919	40,569	5,051	5,094	172	-	44,764	111,569		4.45
Financial Liabilities										
Deposits	47,598	58,888	9,714	18,609	-	-	-	134,809		2.70
Interbank and money market items	1,188	1,421	428	226	-	122	-	3,385		1.66
Liabilities payable on demand	-	-	-	-	-	611	-	611		n/a
Securities sold under repurchase agreements	-	20	-	-	-	-	-	20		1.50
Long-term borrowings	-	-	-	908	2,000	9	-	2,917		6.85

Note : No interest rate risk disclosure has been provided in respect of off-balance sheet financial instruments as they are not subject to interest rate risk.

Off-balance sheet financial instruments classified by maturity date as at December 31, are as follows:

Amounts in Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS			
2001			
	within 1 year	more than 1 year	Total
Avals to bills and guarantees of loans	432	511	943

Maturities of Financial Assets and Liabilities

Details of the maturities of financial instruments have been provided in the relevant notes to the financial statements.

Hedging

The Bank uses derivative financial instruments, including forward contracts, to manage the potential earnings impact of foreign currency movements. The purpose of the Bank's hedging activities is to protect the Bank from the risk that net cash outflows will be affected by changes in exchange rates. The Bank enters into transactions to ensure that it is economically hedged in accordance with risk management policies. For qualifying hedge relationships, the Bank uses hedge accounting.

Each qualifying hedge accounting relationship is evidenced and driven by management's approach to risk management and the decision to hedge the particular risk. Where hedge accounting is applied, the Bank assesses, at the inception of the hedge relationship and on an on-going basis, whether the derivatives used as hedges are highly effective in offsetting the changes in the value or cash flows associated with the hedge item. A hedge is normally regarded as highly effective if changes in fair value or cash flows of the hedged item are expected to almost fully offset the changes in fair value or cash flows of the hedging instrument. The designation and effectiveness measurement follows the methodologies that management has in place for risk identification and measurement. The ineffective portion of any gain or loss on a hedging instrument is recognized in the income statement.

Estimated Fair Value of Financial Instruments

The fair values of financial instruments have been estimated by the Bank and its subsidiaries using available market information and appropriate valuation methodologies.

The following is a summary of carrying amounts and estimated fair values of financial instruments as at December 31.

	Amounts in Baht			
	2001			
	CONSOLIDATED FINANCIAL STATEMENTS		BANK ONLY FINANCIAL STATEMENTS	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets :				
Cash	2,121,910,769	2,121,910,769	2,121,828,462	2,121,828,462
Interbank and money market items	11,708,126,125	11,708,126,125	11,681,548,019	11,681,548,019
Securities purchased under resale agreements	900,000,000	900,000,000	900,000,000	900,000,000
Investments - net	21,825,400,876	22,111,545,251	21,853,736,977	22,085,499,271
Loans	108,438,202,355	105,012,727,581	109,106,483,288	105,853,880,191
Financial Liabilities :				
Deposits	139,362,603,919	139,264,014,699	139,419,246,184	139,320,656,964
Interbank and money market items	2,977,982,628	2,977,982,628	2,972,440,780	2,972,440,780
Liabilities payable on demand	848,450,571	848,450,571	848,450,571	848,450,571
Long-term borrowings	4,921,479,317	5,339,836,179	4,921,479,317	5,339,836,179

	Amounts in Baht			
	2000			
	CONSOLIDATED FINANCIAL STATEMENTS		BANK ONLY FINANCIAL STATEMENTS	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets :				
Cash	1,884,261,883	1,884,261,883	1,884,127,105	1,884,127,105
Interbank and money market items	10,020,401,777	10,020,401,777	10,204,085,076	10,204,085,076
Securities purchased under resale agreements	550,000,000	550,000,000	550,000,000	550,000,000
Investments - net	18,192,541,784	18,524,102,386	18,242,546,267	18,589,205,510
Loans	111,569,130,001	108,394,303,310	111,499,802,412	108,184,628,189

	Amounts in Baht			
	2000			
	CONSOLIDATED FINANCIAL STATEMENTS		BANK ONLY FINANCIAL STATEMENTS	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Liabilities:				
Deposits	134,809,476,568	134,634,517,290	134,390,193,234	134,215,116,940
Interbank and money market items	3,385,196,604	3,385,196,604	3,450,625,170	3,450,625,170
Liabilities payable on demand	611,195,705	611,195,705	611,195,705	611,195,705
Securities sold under repurchase agreements	20,000,000	20,000,000	20,000,000	20,000,000
Long-term borrowings	2,917,172,650	3,162,384,855	2,917,172,650	3,162,384,855

	Amounts in Million Baht		
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2001		
	Notional < 1 year	Notional Total	Fair Value
Forward foreign exchange contracts (Foreign currencies)	<u>40,605</u>	<u>40,605</u>	<u>40,771</u>

	Amounts in Million Baht		
	CONSOLIDATED FINANCIAL STATEMENTS AND BANK ONLY FINANCIAL STATEMENTS		
	2000		
	Notional < 1 year	Notional Total	Fair Value
Forward foreign exchange contracts (Foreign currencies)	<u>51,632</u>	<u>51,632</u>	<u>51,487</u>

Methods and assumptions in estimating market value or fair value of financial instruments.

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

- Cash, interbank and money market items - The carrying amounts of cash and short-term instruments which have remaining maturities of less than 90 days or bear variable rates of interest approximate their fair value. Fair value for fixed rate instruments with remaining maturities greater than 90 days is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments.
- Securities purchased under resale agreements - The carrying value of securities purchased under resale agreements estimates fair value.
- Investments - Fair value for securities, is based on quoted market prices, where available. If quoted market prices are not available, market value is based on quoted market prices of comparable instruments after adjusted for risk involved or the net asset values of such securities.
- Loans - For variable-rate loans that reprice frequently and have no significant change in credit risk, fair value is based on carrying values. The fair value of fixed rate loans that reprice within 90 days from the balance date is the carrying value at the balance sheet date. Fair value for the other fixed interest loan is estimated using discounted cash flow analysis and using interest rates currently being offered for loans with similar terms to borrowers of similar credit quality. Fair value of hire-purchase receivables is estimated by using discounted cash flow analysis and using interest rates currently being offered with average remaining years to maturity.
- Accrued interest receivables - The carrying amount of accrued interest receivables approximates fair value.
- Deposit liabilities - The fair value disclosed for deposits which is payable on demand by the depositor, is equal to the carrying value of such deposits. The carrying amounts of variable-rate, fixed-term money-market accounts, certificates of deposit (CDs) and fixed rate deposits repricing within 90 days approximate their fair value at the reporting date. Fair value for other deposits is estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregate expected monthly maturities on time



deposits.

- Interbank and money market items (Liabilities) - The carrying amount of interbank and money market items which have remaining maturities of less than 90 days and/or bear variable rates of interest approximates their fair value at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 90 days is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments.
- Securities sold under repurchase agreements - The carrying value of securities sold under repurchase agreements approximates fair value.
- Long-term borrowings - The fair value of long-term borrowings is estimated using discounted cash flow analysis based on the average current borrowing rates for similar types of borrowing arrangements.
- Financial assets carried in the financial statements at amounts in excess of their fair values represent fixed interest rate loans and debt instruments that are being held to maturity and non-listed equity investments that are being held for long term purposes. On the basis of the information available to the Bank's management as to the financial soundness of the respective corporations to which these assets relate and the provisions for loss that have already been made, it is management's opinion that the net carrying amounts of these assets, as reflected in the balance sheet, will be recovered.
- Fair value of off-balance sheet financial instruments

Commitments to extend credit, letters of credit, aval and guarantees - These financial instruments are generally not sold or traded such that estimated fair values are not readily ascertainable. Fair value of these items was not calculated for the following reasons:

- (i) very few of the commitments extending beyond 90 days would commit the Bank to a predetermined rate of interest;
 - (ii) the fees attaching to these commitments are the same as those currently charged to enter into similar arrangements; and
 - (iii) the quantum of fees collected under these arrangements, upon which fair value would be determined, is not material.
- Other off-balance sheet financial instruments
The fair values of foreign exchange contracts were obtained from quoted market

prices.

31. SUBSEQUENT EVENT

On February 22, 2002, the Board of Directors resolved to reduce the registered capital of the Bank from Baht 46,613.45 million to Baht 38,828.45 million by removing 778,500,561 unissued ordinary shares and to increase the registered capital of the Bank from Baht 38,828.45 million to Baht 53,828.45 million by issuing 1,500 million new ordinary shares, each having a par value of Baht 10, with a total worth of Baht 15,000 million to be offered for sale to all existing shareholders of the Bank.

32. RECLASSIFICATION OF ACCOUNTS

Certain comparative information for the year ended December 31, 2000 has been reclassified to conform with the presentation adopted for the year ended December 31, 2001.





1. Companies in which Bank of Asia holds 10% or more of the paid-up capital.

1. BOA Asset Management Co., Ltd.

Business:	Provides asset management for funds, including mutual funds (equity and fixed income) and provident funds.
Location:	5 th Fl., Bangkok City Tower, 179 South Sathon Road, Khet Sathon, Bangkok 10120
Tel:	+66 (0) 2679-5577
Fax:	+66 (0) 2679-5571-5
Paid-up Capital:	Baht 100,000,000 (10,000,000 ordinary shares)
BOA's Holding:	99.99%

2. BOA Leasing Co., Ltd.

Business:	Provides leasing, hire purchases and factoring services, primarily to small and medium-sized companies.
Location:	29 th Fl., United Center Building, 323 Silom Road, Khet Bang Rak, Bangkok 10500
Tel:	+66 (0) 2266-7290-9
Fax:	+66 (0) 2266-7300
Paid-up Capital:	Baht 200,000,000 (20,000,000 ordinary shares)
BOA's Holding:	99.99%

3. Asia Property Co., Ltd.

Business:	Manages Bank of Asia's premises and real estate properties. Provides consultant services and collects rental fees for such properties on behalf of the Bank.
Location:	8 th Fl., Bank of Asia Head Office, 191 South Sathon Road, Khet Sathon, Bangkok 10120
Tel:	+66 (0) 2285-1619
Fax:	+66 (0) 2285-1501
Paid-up Capital:	Baht 40,000,000 (400,000 ordinary shares)
BOA's Holding:	99.99%

4. Asia Leasehold Co., Ltd.

Business:	The company registered its dissolution with the Ministry of Commerce on 30 December 1999 and is presently in the process of liquidation.
Location:	8 th Fl., Bank of Asia Head Office, 191 South Sathon Road, Khet Sathon, Bangkok 10120
Tel:	+66 (0) 2287-2211-3 ext. 1220
Fax:	+66 (0) 2285-1501
Paid-up Capital:	Baht 1,000,000 (10,000 ordinary shares)
BOA's Holding:	99.93%

5. AXA Insurance PCL

Business:	Operates as a non-life insurance company.
Location:	23 rd Fl., Unit-C Lumpini Tower, 1168/67 Rama IV Road, Khet Sathon, Bangkok 10120
Tel:	+66 (0) 2285-6376-82
Fax:	+66 (0) 2285-6383
Paid-up Capital:	Baht 352,642,100 (3,526,421 ordinary shares)
BOA's Holding:	22.06%

6. ASIA Dhanavadh Warehouse Co., Ltd.

Business: Provides warehousing services.
Location: 2194/97 Charoen Krung Road, Khet Bang Khoe Laem, Bangkok 10120
Tel: +66 (0) 2289-4610-1
Fax: +66 (0) 2291-9860
Paid-up Capital: Baht 30,000,000 (30,000 ordinary shares)
BOA's Holding: 13.33%

7. Piyalai Holdings Co., Ltd.

Business: Engages in activities related to properties and real estate developments.
Location: 22nd Fl., Wall Street Tower, 33/114, Surawong Road, Bangkok 10500
Tel: +66 (0) 2233-1666 ext. 2220-1
Fax: +66 (0) 2233-3895
Paid-up Capital: Baht 600,000,000 (6,000,000 ordinary shares)
BOA's Holding: 10.00%



2. Directors and Senior Managements (31 January 2002)

2.1 Information on Directors and Senior Managements

Name	Age	Education	Position	Position/Experience
1. Chavalit Thanachanan	71	Bachelor Degree	Position 1997 - Present 2001 - Present 1999 - Present 1994 - 1997	Chairman of the Board of Directors (Authorised Signature) Chairman of the Board of Directors, Bank of Asia PCL Chairman, The Stock Exchange of Thailand Chairman, Institute of Directors Chairman, S-ONE Securities PCL
2. Ammar Siamwalla	62	Doctorate	Position 2000 - Present	Director (Authorised Signature) and Director of the Audit Committee Director, Bank of Asia PCL
3. Herman Mulder	55	Master Degree	Position 1998 - Present 1998 - Present	Director Director, Bank of Asia PCL Senior Executive Vice President, ABN AMRO Bank
4. Jacob Cornelio Adriano de Jonge	48	Bachelor Degree	Position 1998 - Present 1998 - Present	Director (Authorised Signature) and Director of the Audit Committee Director, Bank of Asia PCL President & CEO, Makro Asia President, Siam Makro
5. Jan Joost Oyevaar	61	Bachelor Degree	Position 1998 - Present 1986 - Present	Director Director, Bank of Asia PCL Senior Executive Vice President, ABN AMRO Bank
6. Paul Arnoldus Maria Loven	46	Bachelor Degree	Position 2001 - Present 2001 - Present 1997 - 2001	Director Director, Bank of Asia PCL CFO C&CC SBU (Amsterdam), ABN AMRO Bank Regional COO Latin America & Caribbean (Sao Paulo), ABN AMRO Bank
7. Pichai Vasanong	72	Bachelor Degree	Position 1999 - Present 2000 - Present	Director (Authorised Signature) and Chairman of Director of the Audit Committee Director, Bank of Asia PCL Honourary Member, Institute of Directors
8. Chulakorn Singhakowin	51	Master Degree	Position 1992 - Present	Director (Authorised Signature) and President & CEO President & CEO, Bank of Asia PCL
9. Abhai Asavanund	57	Master Degree	Position 1996 - Present	Senior Executive Vice President Senior Executive Vice President, Bank of Asia PCL
10. Chitraporn Tangsuwan	52	Master Degree	Position 2001 - Present 1995 - 2001	Senior Executive Vice President Senior Executive Vice President Executive Vice President, Bank of Asia PCL
11. Gert Jan van der Putten	53	Master Degree	Position 2002 - Present 1979 - 2001	Senior Executive Vice President Senior Executive Vice President, Bank of Asia PCL ABN AMRO Bank
12. James Stent	56	Master Degree	Position 1998 - Present 1995 - 1998	Senior Executive Vice President Senior Executive Vice President Executive Vice President, Bank of Asia PCL

2.1 Information on Directors and Senior Managements (continued)

Name	Age	Education	Position	Position/Experience
13. Aart Jongejans	50	Bachelor Degree	1999 - Present 1998 - 1999 1981 - 1998	Executive Vice President Executive Vice President Senior Vice President, Bank of Asia PCL ABN AMRO Bank
14. Chris Power	40	Master Degree	2000 - Present 1998 - 2000 1994 - 1998	Executive Vice President Executive Vice President Senior Vice President, Bank of Asia PCL ABN AMRO Bank
15. Egge de Vries	53	Bachelor Degree	2000 - Present 1989 - 2000	Executive Vice President Executive Vice President, Bank of Asia PCL ABN AMRO Bank
16. Jonathan Truslow	41	Master Degree	2001 - Present 2000 - 2001 1997 - 2000	Executive Vice President Executive Vice President, Bank of Asia PCL Deloitte Consulting, Bangkok Booz Allen & Hamilton
17. Ko van der Meer	54	Master Degree	2001 - Present 1972 - 2000	Executive Vice President Executive Vice President, Bank of Asia PCL ABN AMRO Bank
18. Phiphat Phornsuan	54	Master Degree	1995 - Present	Executive Vice President Executive Vice President, Bank of Asia PCL
19. Pimolrat Tangkosakul	48	Master Degree	2000 - Present 2000 1999 - 2000 1994 - 1999	Executive Vice President Executive Vice President Senior Vice President, Bank of Asia PCL Coca Cola Service Asia Ltd. Inchcape (Thai) Ltd.
20. Thammasak Jittimaporn	40	Master Degree	2001 - Present 1995 - 2001	Executive Vice President Executive Vice President, Bank of Asia PCL Green Spot (Thailand) Ltd.
21. Vilawan Vanadurongvan	54	Master Degree	1997 - Present 1994 - 1997	Executive Vice President Executive Vice President Senior Vice President, Bank of Asia PCL

All of the Bank's directors and management committee acknowledge and comply with the rules and regulations of the Stock Exchange of Thailand. Also a Code of Conduct in relation to employee's personal securities investment was set as employees' guideline.

2.2 Shares in Bank of Asia's Subsidiaries and Associated Companies held by Senior Management as at 31 December 2001

	Unit : Share(s)			
	BOA Leasing	Asia Property	Asia Leasehold	BOA Asset Management
1. Abhai Asavanund	-	1	1	-
2. Chitraporn Tangsuwan	-	-	1	-
3. James Stent	1	1	1	1
4. Phiphat Phornsuan	-	-	1	-

3. Director's remunerations in 2001

	<u>Meeting Allowance</u>	<u>Salaries</u>
Board of Directors (5 persons)	-	5,280,000
Board of Directors and Audit Committees (3 persons)	395,000	960,000
Total	<u>Baht 395,000</u>	<u>6,240,000</u>

4. Management's remunerations in 2001

- Management's remunerations (14 persons)	154,650,000	Baht
- Other benefits		

As part of remuneration, middle management receives the right to purchase subordinated convertible debentures of Baht 10,000 par value. As at 31 December 2001, 7 officers held subordinated convertible debentures of Bank of Asia totalling 815 units, with a conversion ratio of one debenture unit to 1,885 shares.

5. Structure of the Group's revenue

Type of Income	Serviced By	% of Shares Held By Bank of Asia	2001		2000		1999	
			Baht	% of Total Revenue	Baht	% of Total Revenue	Baht	% of Total Revenue
Interest and Dividend Income	Bank of Asia		7,034,976,253	78.90	7,244,078,510	74.42	7,950,283,228	80.21
	Asia Property	99.99	-	0.00	-	0.00	80,000	0.00
	BOA Asset Management	99.99	555,922	0.01	1,577,356	0.02	3,007,781	0.03
	BOA Leasing	99.99	79,723,461	0.89	72,842,818	0.75	46,963,599	0.47
	Asia Leasehold	99.93	-	0.00	-	0.00	80,000	0.00
	BOA Finance	75.00	24,449,392	0.27	45,258,652	0.46	41,720,358	0.42
Total			7,139,705,028	80.08	7,363,757,335	75.65	8,042,134,966	81.13
Less : Interest Expense			3,851,772,601	43.42	4,654,632,640	47.79	6,608,571,175	66.67
Less : Allowance for doubtful accounts and loss on trouble debt restructuring			4,317,941,848	48.67	4,719,721,497	48.46	10,370,173,444	104.62
Net Interest and Dividend Income			(1,030,009,421)	(12.02)	(2,010,596,802)	(20.60)	(8,936,609,653)	(90.16)
Fees and Services Income	Bank of Asia		914,738,970	10.26	725,081,369	7.45	523,227,788	5.28
	BOA Asset Management	99.99	66,823,948	0.75	50,232,318	0.52	40,373,603	0.41
	BOA Leasing	99.99	-	0.00	308,670	0.00	598,386	0.01
	BOA Finance	75.00	-	0.00	6,827,692	0.07	17,926,705	0.18
			981,562,918	11.01	782,450,049	8.04	582,126,482	5.87
Gain on Exchange	Bank of Asia		240,580,531	2.70	266,312,578	2.74	338,237,564	3.41
	BOA Leasing	99.99	-	0.00	-	0.00	178,200	0.00
			240,580,531	2.70	266,312,578	2.74	338,415,764	3.41
Gain on Sale of Securities	Bank of Asia		271,471,598	3.04	1,084,827,399	11.14	658,116,098	6.64
	BOA Asset Management	99.99	1,613,394	0.02	-	0.00	-	0.00
	Asia Leasehold	99.93	-	0.00	-	0.00	(559,340)	(0.01)
	BOA Finance	75.00	37,971,379	0.43	(53,622)	(0.00)	17,791,440	0.18
			311,056,371	3.49	1,084,773,777	11.14	675,348,198	6.81
Rental Income	Bank of Asia		36,242,865	0.41	30,301,013	0.31	-	0.00
	Asia Property	99.99	144,000	0.00	76,000	0.00	96,000	0.00
	BOA Leasing	99.99	122,511,737	1.37	146,607,807	1.51	213,412,091	2.15
	Asia Leasehold	99.93	-	0.00	-	0.00	3,370,000	0.03
			158,898,602	1.78	176,984,821	1.82	216,878,091	2.19
Other Income	Bank of Asia		65,335,675	0.73	35,802,620	0.37	13,283,908	0.13
	Asia Property	99.99	1,120,931	0.01	7,052,434	0.07	2,704,808	0.03
	BOA Asset Management	99.99	628,307	0.01	596,931	0.01	4,664,629	0.05
	BOA Leasing	99.99	16,142,458	0.18	15,431,041	0.16	31,892,716	0.32
	Asia Leasehold	99.93	-	0.00	-	0.00	319,100	0.00
	BOA Finance	75.00	1,063,415	0.01	937,020	0.01	4,516,359	0.05
			84,290,786	0.95	59,820,045	0.61	57,381,520	0.58
			8,916,094,236	100.00	9,734,098,605	100.00	9,912,285,022	100.00

6. Other Referred Persons

Auditor

Nirand Lilamethwat
Certified Public Accountant ID # 2316
KPMG Audit (Thailand) Limited
21st - 22nd Fl., Empire Tower
195 South Sathon Road, Sathon, Bangkok 10120
Tel. +66 (0) 2677-2000
Fax. +66 (0) 2677-2222

Legal Adviser

Freshfields
175 Sathorn City Tower
10th Fl., South Sathon Road,
Khet Sathon, Bangkok 10120
Tel. +66 (0) 2679-6121-32
Fax. +66 (0) 2679-6133-4

Principal Paying and Conversion

Agent-Euro Convertible Bonds

Citibank, N.A.
Citibank House
336 Strand, London WC2R 1 HB UK
Tel. (44) 171 5001655
Fax. (44) 171 5000483

Registrar

Thailand Securities Depository Co., Ltd.
62 The Stock Exchange of Thailand Building 4, 6-7th Fl.,
Rachadapisek Road, Khet Klong Toey, Bangkok 10110
Tel. +66 (0) 2359-1200-1
Fax. +66 (0) 2359-1259

7. Opinion of the Audit Committee on the Bank's Internal Control System.

The Board of Directors has reviewed the opinion and the Assessment Form on the Adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting no. 534 held on February 22, 2002. Participants in the meeting included the Audit Committee members comprising three non-executive directors and non-employees of the Bank.

The Audit Committee's opinion on the Bank's internal control system was summarized from the evaluation of the Bank's internal control system in five sections as follows:

- Organization Control and Environment Measure
- Risk Management Measure
- Management Control Activities
- Information and Communication Measure
- Monitoring

The Audit Committee is of the opinion that the Bank has adequate control over the activities with the major shareholders, directors, management or parties related to aforementioned persons. (Refer to Section #3, point #3.3 to 3.7 of Assessment Form)

For the internal control system in other points, the Audit Committee is of the opinion that the Bank has adequate control systems. Ongoing issues, which have been rectified, were notified and addressed at the ongoing Audit Committee Meetings.

The auditor of the Bank is Mr. Nirand Lilamethwat, certified public accountant ID number 2316 of KPMG Audit (Thailand) Limited which examined the Financial Statements as at December 31, 2001. KPMG qualified audit report as at the year ended December 31, 2001 only in respect of the impact of any adjustments that would be necessary to the balance sheet as at December 31, 2000 in relation to the provision for doubtful accounts, and the impact on the statements of income, changes in shareholder's equity and cash flows for the year ended December 31, 2001 and 2000. However, from KPMG's year end credit reviews for the year ended December 31, 2001, they concluded that the existing provision was adequate as at December 31, 2001.



Pichai Vasnasong
Chairman of the Audit Committee

February 22, 2002



Contact

Branch	Location	Telephone	Fax
Sathon (9.30am-5.00pm)	South Sathon Road, Bangkok	0-2287-2211-3 Ext.1001	0-2287-2973-4
BANGKOK METROPOLITAN BRANCH OFFICES			
1. Amarin Plaza (Mon.-Fri. 9.30am-5.00pm) (Sat. 11.00am-5.00pm)	Amarin Plaza, Ploenchit Road, Bangkok	0-2252-6292-3, 0-2251-8579, 0-2251-0856, 0-2256-9045-6	0-2252-7871
2. Anusavaree Chaisamoraphoom	Phaholyothin Road, Bangkok	0-2271-0089, 0-2271-2662, 0-2279-5137-8	0-2271-0088
3. Bang Bon	Eakchai-Bangbon Road, Bangkok	0-2898-0423-5, 0-2415-6984	0-2898-0426
4. Bang Kapi (Sub Branch)	Ladphrao Road, Bangkok	0-2378-0973-4, 0-2375-0201, 0-2375-0203	0-2378-0975
5. Bang Khunnon (Sub Branch)	Bangkok Noi-Taling Chan Road, Bangkok	0-2435-7267, 0-2435-7269, 0-2423-0523	0-2435-7270
6. Bang Rak	Jems Tower, Charoen Krung Road, Bangkok	0-2237-5050-1, 0-2237-8577-8, 0-2234-5265-6	0-2266-9667
7. Bangna K.M.2	Bangna, Bangkok	0-2396-1931-2, 0-2399-0178-81, 0-2393-9825	0-2393-6147
8. BTS Mochit (Sub Branch) (everyday 10.00am-7.00pm)	BTS Mochit, Phaholyothin Road, Bangkok	0-2617-4005-6, 0-2617-4009	0-2617-4007
9. BTS Onnuch (Sub Branch) (everyday 10.00am-7.00pm)	BTS Onnuch, Sukhumvit Road, Bangkok	0-2741-4206-7, 0-2741-4212	0-2741-4208
10. Buntudtong	Rama I Road, Bangkok	0-2214-1733, 0-2214-2135, 0-2214-2252, 0-2214-2067	0-2215-4836
11. Chaengwatana	Na Nakorn Building, Chaengwatana Road, Bangkok	0-2576-1057-9, 0-2576-1544-5	0-2576-1533
12. City Complex (Mon.-Fri. 9.30am-5.00pm) (Sat. 11.00am-5.00pm)	Phaya Thai Road, Bangkok	0-2255-0746-7, 0-2653-8522, 0-2252-1211 Ext. 1001-2	0-2255-0748
13. Dao Khanong (Sub Branch)	Taksin Road, Bangkok	0-2460-0157, 0-2460-0159, 0-2460-0243	0-2460-0245
14. Department of Industrial Works (Sub Branch)	Department of Industrial Works Building, Rama VI Road, Bangkok	0-2640-9723-4, 0-2640-9727	0-2640-9725
15. Hua Mark	Ramkhamhaeng Road, Bangkok	0-2318-8561-4, 0-2718-4624, 0-2319-3062	0-2318-0139
16. Imperial (Ladphrao 81)	Imperial World Department Store, Ladphrao Road, Bangkok	0-2934-8686-9	0-2934-8690
17. Klong Toey	Rama IV Department Store, Rama IV Road, Bangkok	0-2249-0886-9	0-2249-4075
18. Ladphrao	Ladphrao Road, Bangkok	0-2514-2709, 0-2514-2964, 0-2539-5800, 0-2530-1120	0-2539-2003
19. Ngam Wong Wan (Sub Branch)	Ngam Wong Wan Road, Bangkok	0-2591-0770, 0-2591-7902	0-2591-0771
20. Nong Khaem	Phetchakasem Road, Bangkok	0-2420-7941-3	0-2420-7940
21. Nonthaburi	Bangkok-Nonthaburi Road, Nonthaburi	0-2525-1770-2, 0-2968-4591-3	0-2526-2993
22. Odeon (Sub Branch)	Soi Pathum Kongka, Samphanthawong, Bangkok	0-2234-3399, 0-2234-6823, 0-2639-5491	0-2234-4771
23. Onnuch	Onnuch Road, Bangkok	0-2332-3135-8	0-2331-8519
24. Phaholyothin K.M.26	Phaholyothin K.M.26 Road, Pathum Thani	0-2532-3645-50	0-2532-3641
25. Phaholyothin Soi 19	Rasa Tower, Phaholyothin Road, Bangkok	0-2937-0300-3	0-2937-0305

Branch	Location	Telephone	Fax
26. Phahurad (also open on Sat. 11.00am-5.00pm)	The Old Siam Plaza, Burapa Road, Bangkok	0-2222-0176-9, 0-2223-1854-5	0-2223-0708
27. Phetchakasem 35 (also open on Sat. 11.00am-5.00pm)	Future Park-Robinson Bangkae, Phetchakasem 35 Road, Bangkok	0-2454-8690-3	0-2454-8695
28. Phlapphla Chai (Sub Branch)	Phlapphla Chai Road, Bangkok	0-2222-3455, 0-2226-2935-6	0-2222-6284
29. Phra Pinklao	Charansnidvongs Road, Bangkok	0-2434-7110-2	0-2434-7114
30. Ramindra K.M.9	Fashion Island Department Store, Bangkok	0-2947-5307-9	0-2947-5310
31. Ratchada-Huay Khwang	Ratchadaphisake Road, Bangkok	0-2276-9408-12	0-2276-9413
32. Ratchada-Sathupradit	Nonsee Road, Bangkok	0-2681-1111-4	0-2681-1110
33. Ratchada-Tha Phra	Ratchadaphisake Road, Bangkok	0-2476-8672-5, 0-2476-8677-8	0-2476-8676
34. Rangsit (Mon.-Fri. 9.30am-5.00pm) (Sat.-Sun. 11.00am-5.00pm)	Future Park Rangsit, Pathum Thani	0-2958-0562-6	0-2958-0568
35. Sam Yaek	Charoen Krung Road, Bangkok	0-2222-5111-6	0-2222-1354
36. Samrong	Sukhumvit Road, Samut Prakan	0-2384-7656, 0-2384-4510, 0-2394-0422, 0-2394-0428	0-2384-4352
37. Saphan Khao	Lukluang Road, Bangkok	0-2282-3665, 0-2282-3796, 0-2282-3694-5, 0-2282-4374	0-2282-1914
38. Sathon II	Bangkok City Tower, South Sathon Road, Bangkok	0-2679-5700-2	0-2679-5703
39. Si Phraya (9.30am-5.00pm)	Si Phraya Road, Bangkok	0-2235-2884-7, 0-2631-5440-1	0-2235-2882
40. Siam Square (Sub Branch) (Mon.-Fri. 9.30am-5.00pm) (Sat. 11.00am-5.00pm)	Rama I Road, Bangkok	0-2251-3343, 0-2251-2145, 0-2251-2278	0-2251-2280
41. Silom Complex (Sub Branch)	Silom Road, Bangkok	0-2231-3100, 0-2231-3139-40, 0-2632-1177-8	0-2231-3137
42. Soi Chokechai 4 (Sub Branch)	Soi Ladphrao 53 (Chokechai 4), Bangkok	0-2539-6111-3	0-2539-3500
43. Soi Sukhumvit 101/1 (9.30am-5.00pm)	Sukhumvit 101/1 Road, Bangkok	0-2393-9951-2, 0-2399-4968, 0-2361-6418-9	0-2399-5132
44. Soi Yoo Dee	Soi Watchannai, Chan Road, Bangkok	0-2292-1627-9, 0-2291-4904-5	0-2291-4906
45. Songwad	Songwad Road, Bangkok	0-2225-6254-5, 0-2225-3596-7	0-2225-6256
46. Sri Yan (Sub Branch)	Nakhon Chai Sri Road, Bangkok	0-2243-0914-5	0-2241-3425
47. St.Louis 3 (Sub Branch)	Soi St.Louis 3, Sathon Road, Bangkok	0-2211-1407, 0-2212-7024	0-2211-0815
48. Sukhumvit 4 (Sub Branch)	Two Pacific Place, Sukhumvit Road, Bangkok	0-2653-2178-9, 0-2653-2218-9	0-2653-2181
49. Sukhumvit 25	Ban Chang Glass House Building, Sukhumvit 25 Road, Bangkok	0-2258-0270-1, 0-2258-9330-2	0-2258-4582
50. Sukhumvit 83	Market Plus Building, Sukhumvit Road, Bangkok	0-2742-5812-5, 0-2742-5818	0-2742-5816
51. Sukhumvit 101 (Piyarom Park) (also open on Sat. 11.00am-5.00pm)	Piyarom Park Building, Sukhumvit Road, Bangkok	0-2730-5100-3	0-2730-5106
52. Suksawat	Suksawat Road, Bangkok	0-2468-4796-7, 0-2477-2408-10	0-2468-6028
53. Taksin	Taksin Road, Bangkok	0-2438-6429, 0-2438-0063, 0-2439-1864, 0-2437-2387	0-2438-6426

Branch	Location	Telephone	Fax
54. Talard Si Mummuang	Phaholyothin Road, Pathum Thani	0-2536-7850, 0-2536-7854-6	0-2536-7853
55. Thai Wah Tower (Sub Branch)	Thai Wah Tower, South Sathon Road, Bangkok	0-2285-0092-3	0-2285-0095
56. Thanon Chaloe Khet 1 (Sub Branch)	Chaloe Khet 1 Road, Bangkok	0-2226-4495-6	0-2226-4497
57. Thanon Kaosan (Sub Branch)	Kaosan Road, Bangkok	0-2281-2633, 0-2281-2849, 0-2629-3827	0-2281-2669
58. Thanon Khaolarm (Sub Branch)	Khaolarm Road, Bangkok	0-2238-2540-2	0-2238-2543
59. Thanon Phaholyotin 8 (Sub Branch)	Shinawatra Tower 1, Phaholyotin Road, Bangkok	0-2616-9760-2, 0-2357-1690	0-2357-1490
60. Thanon Phraram 4	Udom Wittaya Building, Rama IV Road, Bangkok	0-2636-2514-7	0-2636-2518
61. Thanon Phraram 6 (Sub Branch)	Tipco Tower, Rama VI Road, Bangkok	0-2357-3460-3	0-2357-3464
62. Thanon Phraram 9	Vong Vanich Complex, Rama IX Road, Bangkok	0-2245-5326-8, 0-2245-5117-8	0-2245-9458
63. Thanon Pracha-U-Thit	Pracha-U-Thit Road, Bangkok	0-2873-1457-60	0-2873-1440
64. Thanon Srinakarin (Sub Branch) <i>(also open on Sat. 11.00am-5.00pm)</i>	Seree Center Building, Srinakarin Road, Bangkok	0-2746-0816-7	0-2746-0819
65. Thanon Sri Wara	Soi Ladphrao 94, Sri Wara Road, Bangkok	0-2559-3600-4	0-2559-3606
66. Thanon Vorachak (Sub Branch)	Vorachak Road, Bangkok	0-2221-5223, 0-2225-9088, 0-2225-9086	0-2225-9087
67. Thanon Witthayu (Sub Branch)	Wireless Road, Bangkok	0-2256-7074-5	0-2256-7077
68. Thanon Yaowaraj (Sub Branch)	Hua Seng Heng Building, Yaowaraj Road, Bangkok	0-2226-2930-2	0-2226-2933
69. Thonglor	Soi Sukhumvit 55, Bangkok	0-2712-7150-4	0-2712-7156
70. Tops Bangna (Sub Branch) <i>(everyday 9.30am-8.00pm)</i>	Bangna-Trad Road, Bangkok	0-2361-7851-3	0-2361-7854
71. Tops Chidlom (Sub Branch) <i>(everyday 9.30am-8.00pm)</i>	Central Chidlom Department Store Building, Ploenchit Road, Bangkok	0-2254-7120-2	0-2254-7123
72. Tops Lad Phrao <i>(everyday 10.00am-8.00pm)</i>	Central Lad Phrao Department Store, Phaholyothin Road, Bangkok	0-2937-1727-9	0-2937-1730
73. Tops Pra Pra Daeng <i>(everyday 9.30am-8.00pm)</i>	Major Hollywood, Suksawat Road, Bangkok	0-2818-1970-2	0-2818-1973
74. Tops Pinklao (Sub Branch) <i>(everyday 9.30am-8.00pm)</i>	Central Pinklao Department Store, Baromratchonnane Road, Bangkok	0-2884-8030-2	0-2884-8033
75. Wiphawadi-Rangsit 9 (Sub Branch)	T.S.T. Tower, Wiphawadi-Rangsit Road, Bangkok	0-2273-8120-1, 0-2273-8939	0-2273-8122
UPCOUNTRY BRANCH OFFICES			
CENTRAL AREA			
1. Damnoen Saduak	Bangpare-Samut Songkhram Road, Ratchaburi	0-3225-4444, 0-3234-5857	0-3225-4913
2. Nakhon Pathom <i>(8.30am-5.00pm)</i>	Rajvithi Road, Nakhon Pathom	0-3425-1184-6	0-3425-1187
3. Phetchaburi	Panich Charoen Road, Phetchaburi	0-3241-5883-4, 0-3242-5169	0-3242-8517
4. Phra Nakhon Si Ayutthaya	Rojana Road, Phra Nakhon Si Ayutthaya	0-3524-6030, 0-3524-6116, 0-3522-9049	0-3524-1546
5. Sam Chuk	Sam Chuk, Suphan Buri	0-3557-1055, 0-3557-1980	0-3557-1044

Branch	Location	Telephone	Fax
6. Samut Sakhon	Sethakit 1 Road, Samut Sakhon	0-3442-7139-40, 0-3481-0514, 0-3481-0516	0-3481-0513
7. Saraburi	Phaholyothin Road, Saraburi	0-3621-2137-8, 0-3631-2055	0-3622-1636
8. Tops Ratchaburi (everyday 9.30am-8.00pm)	Robinson Madhawalai Shopping Center, Srisuriyawong Road, Ratchaburi	0-3231-0321-3	0-3231-0324
EASTERN AREA			
9. Baan Bung	Chon Buri- Baan Bung Road, Chon Buri	0-3844-3628, 0-3844-3026, 0-3875-0979-80	0-3844-3039
10. Baan Chang	Sukhumvit Road, Rayong	0-3860-3120-5	0-3860-3119
11. Bang Lamung	Pattaya-Naglue Road, Chon Buri	0-3842-8418, 0-3842-9333	0-3842-3332
12. Bang Pakong	Bang Pakong, Chachoengsao	0-3853-1297-8, 0-3853-2882	0-3853-2086
13. Chachoengsao	Chumphon Road, Chachoengsao	0-3851-1621-2, 0-3851-4627	0-3851-1623
14. Chanthaburi	Thachalab Road, Chanthaburi	0-3931-2822, 0-3934-6616, 0-3934-6434-5	0-3932-1201
15. Chon Buri	Chetchamnong Road, Chon Buri	0-3827-3601-6	0-3827-3607
16. Chon Buri II	Sukhumvit Road, Chon Buri	0-3879-7457-9, 0-3879-7462	0-3879-7461
17. Eastern Seaboard	Thanon Hemaraj Avenue, Rayong	0-3895-5284-6	0-3895-5289
18. Pattaya (Sub Branch) (8.30am-5.00pm)	Pattaya Sai 2 Road, Chon Buri	0-3842-9399, 0-3842-9464, 0-3871-0414	0-3842-9400
19. Rayong	Sukhumvit Road, Rayong	0-3861-4730-2	0-3861-4734
20. Si Racha	Sukhumvit Road, Chon Buri	0-3832-4500-2	0-3832-4503
NORTHERN AREA			
21. Chiang Mai	Chang-Klarn Road, Chiang Mai	0-5327-0029-30, 0-5382-1080-1	0-5328-2015
22. Chiang Rai	Uttrakit Road, Chiang Rai	0-5371-6786, 0-5371-1414, 0-5371-6557	0-5371-5429
23. Lampang	Boonwat Road, Lampang	0-5421-8383, 0-5422-7383, 0-5421-8454	0-5422-7637
24. Nakhon Sawan	Kosi Road, Nakhon Sawan	0-5621-4109, 0-5621-4690, 0-5621-4709, 0-5631-4234-5	0-5621-3224
25. Pa Sang	Lamphun-Pa Sang Road, Lamphun	0-5352-0282, 0-5355-7337	0-5352-0283
26. Phitsanulok	Akartodsrod Road, Phitsanulok	0-5522-5153-5	0-5522-5156
27. Thanon Highway- Chiang Mai	Chiang Mai-Lampang Road, Chiang Mai	0-5330-4701-4	0-5330-4705
NORTH EAST AREA			
28. Khon Kaen	Namuang Road, Khon Kaen	0-4323-7620-1, 0-4324-1703, 0-4333-4577	0-4323-7435
29. Nakhon Ratchasima	Choopol Road, Nakhon Ratchasima	0-4426-8873-6	0-4425-5476
30. Nakhon Ratchasima II	Friendship Highway, Nakhon Ratchasima	0-4426-3487-92	0-4426-3493
31. Surin	Chitbumrung Road, Surin	0-4451-8997, 0-4451-1848, 0-4451-8998	0-4451-1081
32. Ubon Ratchathani	Ubparat Road, Ubon Ratchathani	0-4524-3830-1, 0-4524-4718, 0-4524-4270-1	0-4524-3832
33. Udon Thani (8.30am-5.00pm)	Phosri Road, Udon Thani	0-4222-1333, 0-4222-3613, 0-4234-3023	0-4224-4062
34. Waeng Yai (Sub Branch)	Sai Chonbod-Kudul Road, Khon Kaen	0-4349-6124-5	0-4349-6126

Branch	Location	Telephone	Fax
SOUTHERN AREA			
35. Hat Pa Tong (Sub Branch)	Thawiwong Road, Phuket	0-7634-0489, 0-7634-0142-3	0-7634-1169
36. Hat Yai	Nipat-utit 1 Road, Songkhla	0-7424-3032, 0-7424-5033, 0-7424-3810	0-7423-5606
37. Nakhon Sri Thammarat	Rajdamnern Road, Nakhon Si Thammarat	0-7535-6860-1, 0-7535-6112	0-7532-2352
38. Pak Phanang	Chainam Road, Nakhon Sri Thammarat	0-7551-7324, 0-7551-7064	0-7551-7248
39. Phuket	Phuket Road, Phuket	0-7621-1566, 0-7621-1577, 0-7621-4901-2	0-7621-4903
40. Surat Thani	Chonkasem Road, Surat Thani	0-7728-6293-5	0-7728-6298
41. Tops Hat Yai (Sub Branch) <i>(everyday 9.30am-8.00pm)</i>	Central Hat Yai Department Store, Songkhla	0-7422-5440-3	0-7422-5444
42. Tops Phuket (Sub Branch) <i>(everyday 9.30am-8.00pm)</i>	Robinson Ocean Phuket Department Store, Phuket	0-7621-0492, 0-7621-0526, 0-7621-0534	0-7621-0596
43. Yala	Pipitpakdi Road, Yala	0-7321-2218, 0-7321-2414, 0-7324-0872	0-7321-3764
INTERNATIONAL BRANCH			
Cayman Islands	Scotiabank Building, Cardinal Avenue, George Town, Cayman Island, British West Indies. Contact: 191 South Sathon Road, Bangkok 10120, Thailand Telex. 84351 BKASIA TH S.W.I.F.T. BKASTHBK	+66 (0) 2287-3054	+66 (0) 2285-1445

DISTRIBUTION CHANNELS (31 December 2001)

Branches	119
ATM	271
Foreign Exchange Kiosks	18
Mobile Banking	7
Asia Phone	0-2285-1555
Homepage	www.BankAsia4U.com

Company Information

Name	Bank of Asia Public Company Limited
Public Company Registration Number	50
Nature of Business	Commercial Bank
Registration Address	191 South Sathon Road, Sathon, Bangkok 10120
Telephone	+66 (0) 2287-2211-3
Facsimile	+66 (0) 2287-2973-4
Telex	84351 BKASIA TH
S.W.I.F.T.	BKASTHBK
Homepage	www.BankAsia4U.com
Number of Employees	2,636 persons (31 December 2001)

Bank of Asia's ten largest shareholders as at 30 March 2001

(The latest closing date of the shareholder register book)

	No. of Shares Held %	
of Total Shares		
ABN AMRO Holdings (Thailand) Limited	3,018,231,096	78.85
Nongluk Phatraprasit	55,778,909	1.46
Supachai Ampuch	44,488,753	1.16
Bank Thai Public Company Limited	27,269,300	0.71
Phatraprasit Holdings Co., Ltd.	25,000,000	0.65
Vilaiphon Euarchukiati	21,890,380	0.57
Euarchukiati Family Co., Ltd.	20,229,753	0.53
Krisna Ampuch	17,260,902	0.45
Luckana Naviroj	12,065,988	0.31
28 Commercial Co., Ltd.	11,702,500	0.30
	3,253,917,581	85.00

	2001	2000	1999
Share Capital			
Registered Capital (Shares)	4,661,345,081	4,661,345,081	3,161,345,081
Paid-up Capital (Shares)	3,827,580,479	3,827,580,479	3,105,505,540
Trading Information			
Average Daily Turnover (Shares)	5,978,643	3,022,893	3,067,033
High/Low Price (Baht)	10.50 / 4.30	24.75 / 6.50	34.50 / 16.25
Closing Price (Baht)	4.98	6.70	22.25
Market Capitalization (Million Baht)	19,061	20,811	69,098

Credit Ratings

	International Ratings	
	Long-term	Short-term
Moody's	Ba1	Not prime
S & P	BB	B
Fitch	BBB-	F3
Capital Intelligence	BB+	B

	National Ratings		
	Senior Debt		Subordinated Debt (Bt. 2.0 bn, due 2008)
	Long-term	Short-term	
Fitch	AA+ (tha)	F1+ (tha)	AA (tha)

To become the best Thai financial service center
with a record of innovation,
a reputation for professionalism and
a practice founded upon
the philosophy of doing right for our customers.



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