
*SRI AYUDHYA CAPITAL PUBLIC COMPANY
LIMITED AND SUBSIDIARY*

Interim Financial Statements

Three-month period ended March 31, 2015

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Sri Ayudhya Capital Public Company Limited and its subsidiary and the separate statement of financial position of Sri Ayudhya Capital Public Company Limited as at March 31, 2015, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".



Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356

BANGKOK
May 13, 2015

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2015

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
ASSETS					
Cash and cash equivalents		2,677,277	1,368,953	79,536	37,540
Accrued investment income		15,530	15,072	8,058	4,772
Premium due and uncollected - net	6	296,668	305,664	-	-
Reinsurance assets	7	1,283,883	1,426,547	-	-
Investments					
Investment in securities	8				
Available-for-sale securities		2,984,186	3,033,717	2,568,401	2,619,483
Held-to-maturity securities		1,607,797	1,613,550	199,892	205,744
General investment		19,490	19,490	18,329	18,329
Total investment in securities		<u>4,611,473</u>	<u>4,666,757</u>	<u>2,786,622</u>	<u>2,843,556</u>
Loans	9	1,133	1,378	45	50
Investment in an associate	10	2,929,530	2,717,156	1,487,264	1,487,264
Investment in a subsidiary	10	-	-	1,823,579	1,823,579
Premises and equipment - net	11	51,298	55,125	7,769	10,126
Intangible assets - net		87,113	88,237	-	-
Deferred tax assets	12	233,902	225,365	20,489	20,121
Deferred commissions expenses		56,320	59,836	-	-
Other assets	13	89,006	71,230	34,184	19,266
TOTAL ASSETS		<u><u>12,333,133</u></u>	<u><u>11,001,320</u></u>	<u><u>6,247,546</u></u>	<u><u>6,246,274</u></u>

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2015

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2015	2014	2015	2014
LIABILITIES AND EQUITY					
Income tax payable		288,129	268,869	264,535	262,718
Due to reinsurers	14	816,964	795,480	-	-
Insurance contract liabilities					
Loss reserves and outstanding claims	15	1,154,632	1,090,155	95,542	94,778
Premium reserve	16	1,473,272	1,451,942	-	-
Employee benefit obligations	17	64,110	60,975	5,677	4,600
Deferred tax liabilities	19	9,103	14,138	5,115	10,703
Premium written received in advance		313,607	334,883	-	-
Commissions and brokerages payables		62,052	62,711	-	-
Accrued expenses		30,194	85,377	13,043	22,390
Other liabilities	20	1,065,492	60,050	6,226	4,175
TOTAL LIABILITIES		<u>5,277,555</u>	<u>4,224,580</u>	<u>390,138</u>	<u>399,364</u>

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2015

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
LIABILITIES AND EQUITY (CONTINUED)					
EQUITY					
Share capital					
Authorized share capital					
500,000,000 ordinary shares of					
Baht 1.00 each		500,000	500,000	500,000	500,000
Issued and paid-up share capital					
250,000,000 ordinary shares of					
Baht 1.00 each		250,000	250,000	250,000	250,000
Premium on share capital		3,512,184	3,512,184	3,512,184	3,512,184
Retained earnings					
Appropriated					
Statutory reserve		50,000	50,000	50,000	50,000
Unappropriated		2,697,323	2,466,340	2,044,520	2,011,671
Other components of equity					
Changes in fair value of available-for-sale securities		16,656	36,794	704	23,055
Share of other comprehensive income					
of an associate		529,415	461,422	-	-
TOTAL EQUITY		7,055,578	6,776,740	5,857,408	5,846,910
TOTAL LIABILITIES AND EQUITY		12,333,133	11,001,320	6,247,546	6,246,274

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2015	2014	2015	2014
Revenues					
Net premium earned	21	461,517	472,932	-	-
Fee and commission income	21	92,108	89,437	-	-
Total revenues		<u>553,625</u>	<u>562,369</u>	<u>-</u>	<u>-</u>
Expenses					
Underwriting expenses					
Losses incurred					
Insurance claims and loss					
adjustment expenses	21	207,548	85,121	-	-
Commissions and brokerages expenses	21	123,321	110,578	-	-
Other underwriting expenses	21	96,595	97,663	-	-
Operating expenses	22	90,365	89,984	29,011	25,214
Total underwriting expenses		<u>517,829</u>	<u>383,346</u>	<u>29,011</u>	<u>25,214</u>
Profit (loss) on underwriting		35,796	179,023	(29,011)	(25,214)
Net investment income		45,708	28,552	32,359	12,842
Gain on investment in securities		21,526	17,702	21,526	17,702
Share of profit of investment in an associate	10.1	144,381	97,963	-	-
Other income		1,488	1,164	9,733	5,597
Income from operation		<u>248,899</u>	<u>324,404</u>	<u>34,607</u>	<u>10,927</u>

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE		
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
		2015	2014	2015	2014	
Contribution to the Office of Insurance						
Commission		2,361	2,296	-	-	
Contribution to Non-life Guarantee Fund		1,967	1,913	-	-	
Contribution to Road Victims Protection Fund		120	89	-	-	
Income before income tax expense		244,451	320,106	34,607	10,927	
Income tax expense	23	13,468	43,746	1,758	960	
Net income		230,983	276,360	32,849	9,967	
Other comprehensive income (loss)						
Items that will be reclassified subsequently to profit or loss						
Changes in fair value of available-for-sale securities		(25,173)	18,389	(27,939)	16,050	
Share of other comprehensive income of an associate	10.1	84,991	70,010	-	-	
Income tax relating to items that will be reclassified subsequently		(11,963)	(17,679)	5,588	(3,210)	
Other comprehensive income (loss) for the periods, net of income tax		47,855	70,720	(22,351)	12,840	
Total comprehensive income for the periods		278,838	347,080	10,498	22,807	
Basic earnings per share	24	Baht	0.92	1.11	0.13	0.04

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other components of equity			Total equity
			Statutory reserve	Appropriated reserve	Other reserve	Unappropriated	Changes in fair value of available-for-sale securities	Share of other comprehensive income of an associate	
Beginning balance as at January 1, 2014	250,000	3,512,184	50,000	900,000	231,197	29,030	5,786	4,978,197	
Comprehensive income	-	-	-	-	276,360	14,712	56,008	347,080	
Ending balance as at March 31, 2014	250,000	3,512,184	50,000	900,000	507,557	43,742	61,794	5,325,277	
Beginning balance as at January 1, 2015	250,000	3,512,184	50,000	-	2,466,340	36,794	461,422	6,776,740	
Comprehensive income	-	-	-	-	230,983	(20,138)	67,993	278,838	
Ending balance as at March 31, 2015	250,000	3,512,184	50,000	-	2,697,323	16,656	529,415	7,055,578	

Baht: '000

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings			Unappropriated	Other components of equity - Changes in fair value of available-for-sale securities	Total equity
			Statutory reserve	Appropriated	Other reserve			
Beginning balance as at January 1, 2014	250,000	3,512,184	50,000	900,000	525,136	19,265	5,256,585	
Comprehensive income	-	-	-	-	9,967	12,840	22,807	
Ending balance as at March 31, 2014	250,000	3,512,184	50,000	900,000	535,103	32,105	5,279,392	
Beginning balance as at January 1, 2015	250,000	3,512,184	50,000	-	2,011,671	23,055	5,846,910	
Comprehensive income	-	-	-	-	32,849	(22,351)	10,498	
Ending balance as at March 31, 2015	250,000	3,512,184	50,000	-	2,044,520	704	5,857,408	

Baht: '000

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2015	2014	2015	2014
CASH FLOWS PROVIDED BY (USED IN)					
OPERATING ACTIVITIES					
Direct premium received		777,026	750,812	-	-
Cash received (paid) from reinsurance		78,648	(167,041)	-	-
Losses incurred from direct insurance		(247,974)	(321,447)	-	-
Loss adjustment expenses from					
direct insurance		(20,659)	(22,270)	-	-
Commissions and brokerages from					
direct insurance		(118,583)	(107,783)	-	-
Other underwriting expenses		(98,003)	(121,344)	-	-
Interest income		20,305	25,508	4,775	9,713
Dividend income		24,817	6,550	24,817	6,550
Other income		1,103	844	9,880	10,686
Operating expenses		(135,127)	(140,895)	(33,140)	(28,938)
Income tax paid		(3,183)	(3,020)	(309)	(405)
Net cash provided by (used in) operating					
activities	5.3	278,370	(100,086)	6,023	(2,394)

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Babt: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2015	2014	2015	2014
CASH FLOWS PROVIDED BY (USED IN)					
INVESTING ACTIVITIES					
CASH FLOWS PROVIDED BY					
Investment in securities					
Redemption of investment in					
held-to-maturity securities - treasury bills					
with maturity over 3 months		1,000,000	-	-	-
Redemption of investment in					
available-for-sale securities - bonds		-	100,000	-	-
Redemption of investment in					
available-for-sale securities - debentures		20,000	-	20,000	-
Sale of investment in available-for-sale securities					
- debentures		-	100,616	-	100,616
Sale of investment in available-for-sale securities					
- ordinary shares		98,405	69,817	98,405	69,817
Sale of investment in available-for-sale securities					
- unit trusts		-	24,757	-	24,757
Cash received from subscriptions receivable		1,570	164	1,570	164
Deposits at financial institutions with					
maturity over 3 months and deposits					
used as collateral		7,332	22,369	6,886	648
Loans		263	380	5	11
Premises and equipment		1,647	320	1,118	318
Cash provided by investing activities		<u>1,129,217</u>	<u>318,423</u>	<u>127,984</u>	<u>196,331</u>

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2015	2014	2015	2014
CASH FLOWS PROVIDED BY (USED IN)					
INVESTING ACTIVITIES (CONTINUED)					
CASH FLOWS USED IN					
Investment in securities					
Purchase of investment in available-for-sale securities					
- bonds		-	(101,200)	-	-
Purchase of investment in available-for-sale securities					
- ordinary shares		(90,977)	(56,686)	(90,977)	(56,686)
Deposits at financial institutions with					
maturity over 3 months and deposits					
used as collateral		(1,783)	(504,465)	(1,034)	(1,841)
Government securities - treasury bills					
used as collateral		(997,934)	(599,510)	-	-
Loans		(18)	-	-	-
Premises and equipment		(4,060)	(12,746)	-	(3,206)
Intangible assets		(2,120)	(729)	-	-
Cash used in investing activities		<u>(1,096,892)</u>	<u>(1,275,336)</u>	<u>(92,011)</u>	<u>(61,733)</u>
Net cash provided by (used in)					
investing activities		<u>32,325</u>	<u>(956,913)</u>	<u>35,973</u>	<u>134,598</u>
Reconcile payable from purchase of government security					
- treasury bill with maturity less than 3 months		997,629	-	-	-
Net increase (decrease) in cash and cash equivalents		1,308,324	(1,056,999)	41,996	132,204
Cash and cash equivalents as at January 1,		1,368,953	1,687,252	37,540	94,960
Cash and cash equivalents as at March 31,	5.2	<u><u>2,677,277</u></u>	<u><u>630,253</u></u>	<u><u>79,536</u></u>	<u><u>227,164</u></u>

See condensed notes to financial statements

**SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONDENSED NOTES TO CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“UNAUDITED”**

1. GENERAL INFORMATION AND OPERATION OF THE COMPANY AND ITS SUBSIDIARY

1.1 The Company

Sri Ayudhya Capital Public Company Limited (“the Company”) was registered in The Stock Exchange of Thailand. The main business is an investment holding company. The head office is located at Ploenchit Tower, 7th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The Company has a subsidiary company, Sri Ayudhya General Insurance Public Company Limited which operate non-life insurance business, holding by 99.99%.

1.2 The subsidiary

Sri Ayudhya General Insurance Public Company Limited (“subsidiary”) is a limited company incorporated in Thailand on September 21, 1982. The main business is non-life insurance and the subsidiary was awarded its license to operate all classes of non-life insurance on September 24, 1982 and the subsidiary has registered to be Public Company Limited on October 3, 2011. The subsidiary’s office was registered at Ploenchit Tower, 18th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

2. BASIS FOR PREPARATION OF THE INTERIM CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS

2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2014) “Interim Financial Reporting” and accounting practices generally accepted in Thailand and the Notification of the Office of Insurance Commission regarding the Rules, Procedures, Conditions and Periods for Preparing and Submitting Financial Statements and Reports on the Operations of the Non-Life Insurance Business No. 2 B.E. 2553 dated May 27, 2010. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

- 2.2 These interim consolidated financial statements include the financial statements of Sri Ayudhya Capital Public Company Limited and Sri Ayudhya General Insurance Public Company Limited which 99.99% owned by the Company (see Note 10). Significant transactions and balances between the Company and its subsidiary have been eliminated.
- The accounting period and significant accounting policies used for the financial statements of the subsidiary is the same as those of the Company.
- 2.3 The consolidated and separate statements of financial position as at December 31, 2014, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.4 The unaudited results of operations are presented in the three-month period ended March 31, 2015 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.5 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month period ended March 31, 2015 should be read in conjunction with the audited financial statements for the year ended December 31, 2014.
- 2.6 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2015 onwards, as follow:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share

Thai Accounting Standards (“TAS”) (Continued)

TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible assets
TAS 40 (Revised 2014)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2014)	Share - Based Payment
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2014)	Disclosure - Service Concession Arrangements
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

Above TFRSs have no material impact on these financial statements, except TFRS 12 and TFRS 13 which have resulted in more extensive disclosures (see Notes 10.1 and 31).

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions issued the Notification regarding Thai Financial Reporting Standard No.4 (Revised 2014) “Insurance Contracts”, which will be effective for the accounting period beginning on or after January 1, 2016 onwards. The Company’s and its subsidiaries’ management will adopt such TFRS in the preparation of the Company’s and its subsidiaries’ financial statements when it becomes effective.

The Company’s and its subsidiaries’ management is in the process to assess the impact of this TFRS on the financial statements of the Company and its subsidiaries in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2014, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2. Accounting policies which significantly changed are as follows:

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of TFRS 2 (Revised 2014), leasing transactions that are within the scope of TAS 17 (Revised 2014), and measurements that have some similarities to fair value but are not fair value, such as net realizable value in TAS 2 (Revised 2014) or value in use in TAS 36 (Revised 2014).

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. IMPACT FROM SEVERE FLOODING IN THAILAND

From the severe flooding in Thailand by the end of 2011, the subsidiary's management has continued to monitor the development of the flood losses. As at March 31, 2015 and December 31, 2014, the subsidiary recorded loss reserves from claims of flooding and recorded loss refundable from reinsurance as follows:

	As at March 31, 2015	Baht: million As at December 31, 2014
Loss reserves (see Note 15)	389.30	390.88
<u>Less</u> Loss refundable from reinsurance (see Note 7)	(243.19)	(255.91)
Loss reserves - net	<u>146.11</u>	<u>134.97</u>

For the three-month periods ended March 31, 2015 and 2014, the subsidiary had insurance claims from the flooding which paid to the insured by net of loss refundable from reinsurance, and reversed such net insurance claims, as part of insurance claims and loss adjustment expenses in the statements of profit or loss and other comprehensive income for the three-month periods ended March 31, 2015 and 2014 as follows:

	Baht: million For the three-month periods ended March 31,	
	2015	2014
Net insurance claims paid (received)	(11.12)	68.34
Net insurance claims decreased (see Note 21)	4.95	142.26

In 2014, the subsidiary has additional loss refundable from reinsurers from the flooding amounting to Baht 245.87 million with certain business obligations. For the three-month periods ended March 31, 2015 and 2014, the subsidiary recorded such loss refundable from reinsurers amounting to Baht 4.97 million and Baht 131.56 million, respectively (see Note 21). The remaining loss refundable from reinsurers will be recognized as specified in business obligations aforementioned.

The subsidiary's management has reviewed and estimated such loss reserves and loss recovery from the amount appraised by an independent appraiser or by the subsidiary's appraiser, based on situation, received supporting documents and experience of the subsidiary's management. However, there may be an uncertainty resulted from using various assumptions in estimation of such loss reserves and loss recovery.

5. ADDITIONAL INFORMATION FOR CASH FLOWS

5.1 Non-cash items

5.1.1 Premises and equipment for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Baht: '000	
	Consolidated	
	financial statements	
	2015	2014
Other payable - fixed assets as at January 1,	897	1,813
<u>Add</u> Purchases of fixed assets	3,378	12,442
<u>Less</u> Cash paid for purchase of fixed assets	(4,060)	(12,746)
Other payable - fixed assets as at March 31,	<u>215</u>	<u>1,509</u>

5.1.2 Intangible assets for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Baht: '000	
	Consolidated	
	financial statements	
	2015	2014
Other payable - intangible assets as at January 1,	-	279
<u>Add</u> Purchases of intangible assets	2,270	450
<u>Less</u> Cash paid for purchase of intangible assets	(2,120)	(729)
Other payable - intangible assets as at March 31,	<u>150</u>	<u>-</u>

5.2 Cash and cash equivalents as at March 31, 2015 and 2014, consisted of the following:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Cash	295	295	30	30
Cheque on hands	4,750	12,232	-	-
Deposits at bank - call deposits	574,831	1,059,152	79,506	167,157
Deposits at bank - time deposits	608,382	541,757	199,892	252,862
Government securities - treasury bills	3,096,816	659,487	-	59,977
	<u>4,285,074</u>	<u>2,272,923</u>	<u>279,428</u>	<u>480,026</u>
<u>Less</u> Deposits at bank with maturity over 3 months	(305,892)	(208,862)	(155,892)	(208,862)
Deposits at bank used as collateral	(302,490)	(834,298)	(44,000)	(44,000)
Government securities - treasury bills used as collateral	(999,415)	(599,510)	-	-
Cash and cash equivalents	<u>2,677,277</u>	<u>630,253</u>	<u>79,536</u>	<u>227,164</u>

5.3 Cash flows provided by (used in) operating activities

Items to reconcile net profit to net cash flows provided by (used in) operating activities for the three-month periods ended March 31, 2015 and 2014 were as follows:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
CASH FLOWS PROVIDE BY (USED IN)				
OPERATING ACTIVITIES				
Profit before income tax	244,451	320,106	34,607	10,927
Items to reconcile net profit to net cash flows:				
Share of profit of investment in an associate	(144,381)	(97,963)	-	-
Depreciation	5,994	5,762	1,332	1,309
Amortization	3,394	4,306	-	-
Gain on sale of fixed assets	(436)	(320)	(93)	(318)
Employee benefit expenses	3,135	2,108	1,077	329
Unearned premium reserve increase (decrease) from prior periods	26,028	(25,363)	-	-
Amortization of bonds premium	1,732	1,939	519	503
Amortization of bonds discount	-	(45)	-	-
Amortization of debentures premium	2	2	-	-
Amortization of treasury bills discount	(1,862)	(156)	-	(156)
Gain on sale of investment in available-for-sale securities - ordinary shares	(2,947)	(4,244)	(2,947)	(4,244)
Gain on sale of investment in available-for-sale securities - debentures	-	(801)	-	(801)
Gain on sale of investment in available-for-sale securities - unit trusts	(18,579)	(12,657)	(18,579)	(12,657)
Allowance for doubtful accounts (reversal)	(5,935)	-	-	-
Profit (loss) from operations before changes in operating assets and liabilities	<u>110,596</u>	<u>192,674</u>	<u>15,916</u>	<u>(5,108)</u>

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
CASH FLOWS PROVIDE BY (USED IN)				
OPERATING ACTIVITIES (CONTINUED)				
Operating assets (increase) decrease				
Accrued investment income	(458)	1,766	(3,286)	3,074
Premium due and uncollected	8,996	(32,858)	-	-
Reinsurance assets	143,901	186,451	-	-
Deferred commission expense	3,516	(5,187)	-	-
Other assets	(1,607)	(24,206)	813	8,566
Operating liabilities increase (decrease)				
Due to reinsurers	21,484	70,173	-	-
Loss reserves and outstanding claims	64,477	(462,250)	764	764
Premium written received in advance	(21,276)	29,323	-	-
Commission brokerage payables	(659)	6,076	-	-
Accrued expenses	(55,183)	(46,546)	(9,347)	(13,020)
Other liabilities	7,766	(12,482)	1,472	3,735
Cash provided by (used in) operating activities	281,553	(97,066)	6,332	(1,989)
Income tax paid	(3,183)	(3,020)	(309)	(405)
Net cash provided by (used in) operating activities	278,370	(100,086)	6,023	(2,394)

6. PREMIUM DUE AND UNCOLLECTED - NET

Premium due and uncollected - net as at March 31, 2015 and December 31, 2014 consisted of the following:

	Baht: '000							
	Consolidated financial statements							
	As at March 31, 2015				As at December 31, 2014			
	Agent and				Agent and			
	Insured	Broker	Inward	Total	Insured	Broker	Inward	Total
Within credit terms	17,428	201,755	3,563	222,746	12,550	221,502	1,866	235,918
Less than 30 days	178	22,820	1,534	24,532	478	34,701	837	36,016
31 - 60 days	328	23,847	3,562	27,737	387	12,890	1,742	15,019
61 - 90 days	84	7,254	1,258	8,596	1,521	4,252	1,579	7,352
91 days - 1 year	3	16,939	4,157	21,099	90	13,704	3,202	16,996
Over 1 year	-	585	949	1,534	-	476	3,463	3,939
Total premium due and uncollected	18,021	273,200	15,023	306,244	15,026	287,525	12,689	315,240
<u>Less</u> Allowance for doubtful accounts	-	(9,576)	-	(9,576)	-	(9,576)	-	(9,576)
Premium due and uncollected - net	18,021	263,624	15,023	296,668	15,026	277,949	12,689	305,664

7. REINSURANCE ASSETS

Reinsurance assets as at March 31, 2015 and December 31, 2014 consisted of the following:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2015	As at December 31, 2014
Due from reinsurers	208,744	387,823
Unearned reinsurance premium reserve	541,557	546,255
Insurance reserve refundable from reinsurers	533,582	498,404
	<u>1,283,883</u>	<u>1,432,482</u>
<u>Less</u> Allowance for doubtful accounts	-	(5,935)
Total reinsurance assets	<u>1,283,883</u>	<u>1,426,547</u>

Insurance reserve refundable from reinsurers - net as at March 31, 2015 and December 31, 2014 included an expected loss refundable from reinsurers caused by suffering losses from flooding in Thailand amounting to Baht 243.19 million and Baht 255.91 million, respectively (see Note 4).

Aging analyzes for due from reinsurers as at March 31, 2015 and December 31, 2014 were as follows:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2015	As at December 31, 2014
Within credit terms	182,260	360,676
Within 12 months	22,673	24,897
1 - 2 years	2,126	508
Over 2 years	1,685	1,742
Total due from reinsurers	<u>208,744</u>	<u>387,823</u>

8. INVESTMENT IN SECURITIES

Investment in securities as at March 31, 2015 and December 31, 2014 consisted of the following:

	Baht: '000			
	Consolidated financial statements			
	As at March 31, 2015		As at December 31, 2014	
	Cost/Amortized Cost	Fair value	Cost/Amortized Cost	Fair value
Available-for-sale securities				
Government and state enterprise securities	502,416	516,660	504,150	516,362
Private enterprises debt securities	-	-	20,000	20,023
Equity securities	373,920	381,602	386,168	391,618
Unit trusts	2,087,030	2,085,924	2,077,406	2,105,714
Total	2,963,366	2,984,186	2,987,724	3,033,717
<u>Add</u> Unrealized gains	20,820	-	45,993	-
Total available-for-sale securities	<u>2,984,186</u>	<u>2,984,186</u>	<u>3,033,717</u>	<u>3,033,717</u>
Held-to-maturity securities				
Deposits at bank with maturity over 3 months	305,892		311,744	
Deposits at bank used as collateral	302,490		302,187	
Government securities - Treasury bill used as collateral	999,415		999,619	
Total held-to-maturity securities	<u>1,607,797</u>		<u>1,613,550</u>	
General investment				
Equity securities	19,450		19,450	
Unit trusts	1,547		1,547	
<u>Less</u> Allowance for impairment	(1,507)		(1,507)	
Total general investment	<u>19,490</u>		<u>19,490</u>	
Total investment in securities - net	<u>4,611,473</u>		<u>4,666,757</u>	

Debt securities classified by the remaining maturity as at March 31, 2015 were as follows:

	Consolidated financial statement			Baht: '000
	Maturities			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale debt securities				
Government and state enterprise securities	100,524	401,892	-	502,416
Add Unrealized gains	406	13,838	-	14,244
Total available-for-sale debt securities	100,930	415,730	-	516,660
Held-to-maturity debt securities				
Government and state enterprise securities	999,415	-	-	999,415
Total held-to-maturity debt securities	999,415	-	-	999,415
Total debt securities - net	1,100,345	415,730	-	1,516,075

Debt securities classified by the remaining maturity as at December 31, 2014 were as follows:

	Consolidated financial statement			Baht: '000
	Maturities			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale debt securities				
Government and state enterprise securities	-	504,150	-	504,150
Private enterprises debt securities	20,000	-	-	20,000
Add Unrealized gains	23	12,212	-	12,235
Total available-for-sale debt securities	20,023	516,362	-	536,385
Held-to-maturity debt securities				
Government and state enterprise securities	999,619	-	-	999,619
Total held-to-maturity debt securities	999,619	-	-	999,619
Total debt securities - net	1,019,642	516,362	-	1,536,004

Investment in securities as at March 31, 2015 and December 31, 2014 consisted of the following:

Baht: '000

	Separate financial statements			
	As at March 31, 2015		As at December 31, 2014	
	Cost/Amortized cost	Fair value	Cost/Amortized cost	Fair value
Available-for-sale securities				
Government and state enterprise securities	136,096	140,890	136,615	140,603
Private enterprises debt securities	-	-	20,000	20,023
Equity securities	373,920	381,602	386,168	391,618
Unit trusts	2,057,505	2,045,909	2,047,881	2,067,239
Total	<u>2,567,521</u>	<u>2,568,401</u>	<u>2,590,664</u>	<u>2,619,483</u>
<u>Add</u> Unrealized gains	880	-	28,819	-
Total available-for-sale securities	<u>2,568,401</u>	<u>2,568,401</u>	<u>2,619,483</u>	<u>2,619,483</u>
Held-to-maturity securities				
Deposits at bank with maturity over 3 months	155,892		161,744	
Deposits at bank used as collateral	<u>44,000</u>		<u>44,000</u>	
Total held-to-maturity securities	<u>199,892</u>		<u>205,744</u>	
General investment				
Equity securities	18,289		18,289	
Unit trusts	1,547		1,547	
<u>Less</u> Allowance for impairment	<u>(1,507)</u>		<u>(1,507)</u>	
Total general investment	<u>18,329</u>		<u>18,329</u>	
Total investment in securities - net	<u>2,786,622</u>		<u>2,843,556</u>	

Debt securities classified by the remaining maturity as at March 31, 2015 were as follows:

Baht: '000

	Separate financial statement			
	Maturities			Total
	Within 1 year	1 - 5 years	Over 5 years	
Available-for-sale debt securities				
Government and state enterprise securities	-	136,096	-	136,096
<u>Add</u> Unrealized gains	-	4,794	-	4,794
Total available-for-sale debt securities	<u>-</u>	<u>140,890</u>	<u>-</u>	<u>140,890</u>
Total debt securities - net	<u>-</u>	<u>140,890</u>	<u>-</u>	<u>140,890</u>

Debt securities classified by the remaining maturity as at December 31, 2014 were as follows:

	Separate financial statement			Baht: '000
	Maturities			Total
	Within 1 year	1 - 5 years	Over 5 years	
Available-for-sale debt securities				
Government and state enterprise securities	-	136,615	-	136,615
Private enterprises debt securities	20,000	-	-	20,000
<u>Add Unrealized gains</u>	<u>23</u>	<u>3,988</u>	<u>-</u>	<u>4,011</u>
Total available-for-sale debt securities	<u>20,023</u>	<u>140,603</u>	<u>-</u>	<u>160,626</u>
Total debt securities - net	<u>20,023</u>	<u>140,603</u>	<u>-</u>	<u>160,626</u>

As at March 31, 2015 and December 31, 2014, certain deposits at bank of the Company and its subsidiary are pledged as collateral for credit facilities for bank overdrafts and loans in the form of promissory notes (see Note 18).

As at March 31, 2015 and December 31, 2014, certain investment in securities of the Company and its subsidiary are deposited as collateral with Registrar (see Note 27).

As at March 31, 2015 and December 31, 2014, certain investments in securities of subsidiary are deposited as collateral with subsidiary's backup assets (see Note 28).

9. LOANS

Loans of the Company and its subsidiary were loans to employees with personal collateral in accordance with the welfare policy of the Company and its subsidiary, consisted of the following:

Types of loans	Credit line of loans	Interest rate per year
General loans	Not exceed Baht 100,000 per person	3.85
Loans for residential from the flooding crisis	Not exceed Baht 100,000 per person	2.00

10. INVESTMENT IN A SUBSIDIARY AND AN ASSOCIATE

10.1 Investments in an associate in the consolidated financial statements

As at March 31, 2015 and December 31, 2014, the Company had investment in an associated company accounted for under equity method in the consolidated financial statements as follows:

Consolidated financial statements								Baht: '000	
Company name	Nature of business	Place of incorporation and operation	Percentage of shareholding		Cost		Carrying value under equity method		
			As at March 31, 2015 (%)	As at December 31, 2014 (%)	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	
Associated company									
Allianz Ayudhya Assurance Public Company Limited	Life Insurance	Thailand	20.17	20.17	1,487,264	1,487,264	2,929,530	2,717,156	

As at March 31, 2015 and December 31, 2014, an associate had total assets and total liabilities as follows:

	As at March 31, 2015	Baht: million As at December 31, 2014
Total assets	134,419.28	129,575.46
Total liabilities	120,134.73	116,343.86

For the three-month periods ended March 31, 2015 and 2014, an associate had total revenues, net income and net of other comprehensive income as follows:

	Baht: million For the three-month periods ended March 31,	
	2015	2014
Total revenues	7,818.05	7,304.15
Net income	715.84	485.70
Other comprehensive income	421.38	347.11
Income tax relating to other comprehensive income	(84.27)	(69.42)
Other comprehensive income - net of income tax	337.11	277.69

The consolidated statement of profit or loss and other comprehensive income for the three-month periods ended March 31, 2015 and 2014 recognized share of profit other, resulting from portion of holding of investment in an associate as follows:

	Baht: million	
	For the three-month periods ended March 31,	
	2015	2014
Share of profit of investment in an associate	144.38	97.96
Share of other comprehensive income of an associate	84.99	70.01
Income tax relating to share of other comprehensive income of an associate	(17.00)	(14.00)
Share of other comprehensive income of an associate - net of income tax	<u>67.99</u>	<u>56.01</u>

Reconciliation of the above summarized financial information to the carrying amount of the interest in an associate recognized in the consolidated financial statements was as follows:

	Baht: million	
	As at March 31, 2015	As at December 31, 2014
	Net assets of an associate	14,284.55
Proportion of the Group's ownership interest in an associate (%)	20.17	20.17
	<u>2,881.13</u>	<u>2,668.76</u>
Investment amount over net assets at investment date	48.40	48.40
Carrying amount of the Group's interest in an associate	<u>2,929.53</u>	<u>2,717.16</u>

10.2 Investments in a subsidiary and an associate in the separate financial statements

As at March 31, 2015 and December 31, 2014, investment in a subsidiary and an associate were as follows:

Company's name	Baht: '000					
	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015 (%)	As at December 31, 2014 (%)	As at March 31, 2015	As at December 31, 2014
Associated company						
Allianz Ayudhya Assurance Plc.	2,950,000	2,950,000	20.17	20.17	1,487,264	1,487,264
Subsidiary company						
Sri Ayudhya General Insurance Plc.	1,800,000	1,800,000	99.99	99.99	1,823,579	1,823,579

11. PREMISES AND EQUIPMENT - NET

Premises and equipment - net as at March 31, 2015 and December 31, 2014 consisted of the following:

Consolidated financial statements											Baht: '000
Cost					Accumulated depreciation						
As at January 1, 2015	Increase	Disposal/ Write off	As at March 31, 2015	As at January 1, 2015	Depreciation	Disposal/ Write off	As at March 31, 2015	Beginning balance of premises and equipment - net as at January 1, 2015	Ending balance of premises and equipment - net as at March 31, 2015		
Land	-	-	1,610	-	-	-	-	1,610	1,610		
Building	774	-	774	(774)	-	-	(774)	-	-		
Office equipment	1,999	(5,686)	68,057	(50,834)	(2,071)	5,545	(47,360)	20,910	20,697		
Furniture and fixtures	32,214	(121)	32,178	(20,197)	(1,016)	121	(21,092)	12,017	11,086		
Vehicles	65,310	1,294	59,478	(44,722)	(2,907)	6,056	(41,573)	20,588	17,905		
Total	171,652	3,378	162,097	(116,527)	(5,994)	11,722	(110,799)	55,125	51,298		
Consolidated financial statements											Baht: '000
Cost					Accumulated depreciation						
As at January 1, 2014	Increase	Disposal/ Write off	As at December 31, 2014	As at January 1, 2014	Depreciation	Disposal/ Write off	As at December 31, 2014	Beginning balance of premises and equipment - net as at January 1, 2014	Ending balance of premises and equipment - net as at December 31, 2014		
Land	-	-	1,610	-	-	-	-	1,610	1,610		
Building	774	-	774	(774)	-	-	(774)	-	-		
Office equipment	64,013	10,909	71,744	(45,558)	(8,436)	3,160	(50,834)	18,455	20,910		
Furniture and fixtures	27,453	6,076	32,214	(17,687)	(3,716)	1,206	(20,197)	9,766	12,017		
Vehicles	62,003	6,249	65,310	(35,801)	(11,836)	2,915	(44,722)	26,200	20,588		
Total	155,851	23,234	171,652	(99,820)	(23,988)	7,281	(116,527)	56,031	55,125		

Baht: '000

Separate financial statements

	Cost			Accumulated depreciation			Ending balance of premises and equipment - net as at March 31, 2015
	As at January 1, 2015	Disposal / Write off	As at March 31, 2015	As at January 1, 2015	Depreciation	Disposal / Write off	
Land	1,610	-	1,610	-	-	-	1,610
Building	774	-	774	(774)	-	-	-
Office equipment	3,874	(731)	3,143	(2,820)	(86)	641	1,054
Furniture and fixtures	4,524	(69)	4,455	(3,121)	(180)	69	1,403
Vehicles	23,960	(6,226)	17,734	(17,901)	(1,066)	5,291	6,059
Total	34,742	(7,026)	27,716	(24,616)	(1,332)	6,001	10,126
							7,769
							Baht: '000

Separate financial statements

	Cost			Accumulated depreciation			Ending balance of premises and equipment - net as at December 31, 2014
	As at January 1, 2014	Disposal / Write off	As at December 31, 2014	As at January 1, 2014	Depreciation	Disposal / Write off	
Land	1,610	-	1,610	-	-	-	1,610
Building	774	-	774	(774)	-	-	-
Office equipment	3,768	(310)	3,458	(2,783)	(347)	310	985
Furniture and fixtures	4,514	-	4,514	(2,387)	(734)	-	2,127
Vehicles	22,676	(1,674)	21,002	(15,276)	(4,300)	1,675	7,400
Total	33,342	(1,984)	31,358	(21,220)	(5,381)	1,985	12,122
							10,126
							Baht: '000

As at March 31, 2015 and December 31, 2014, certain premises and equipment of the Company and its subsidiary at cost of Baht 46.23 million and Baht 47.53 million, respectively, were fully depreciated but still in use (Company : Baht 5.40 million and Baht 6.01 million, respectively).

12. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2015 and December 31, 2014 were as follows:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Deferred tax assets	233,902	225,365	20,489	20,121

Movements of deferred tax assets for the three-month periods ended March 31, 2015 and 2014 consisted of tax effects from the following items:

	Baht: '000			
	Consolidated financial statements			As at March 31, 2015
	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	
Allowance for doubtful accounts	1,915	-	-	
Unearned premium reserve	93,810	2,008	-	95,818
Loss reserve - net	103,365	4,255	-	107,620
Incurred but not reported claims	13,220	1,684	-	14,904
Employee benefit obligations	6,998	627	-	7,625
Allowance for impairment of general investment	301	-	-	301
Premium ceded payables - Excess of loss	5,500	(37)	-	5,463
Others	256	-	-	256
Total	225,365	8,537	-	233,902

	Baht: '000			
	Consolidated financial statements			As at March 31, 2014
	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	
Allowance for doubtful accounts	1,915	-	-	
Unearned premium reserve	92,259	(2,624)	-	89,635
Loss reserve - net	178,857	(40,334)	-	138,523
Incurred but not reported claims	12,541	553	-	13,094
Employee benefit obligations	7,446	422	-	7,868
Allowance for impairment of general investment	301	-	-	301
Premium ceded payables - Excess of loss	3,839	-	-	3,839
Others	256	-	-	256
Total	297,414	(41,983)	-	255,431

	Separate financial statements			Baht: '000
	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2015
Loss reserve - net	18,956	153	-	19,109
Employee benefit obligations	864	215	-	1,079
Allowance for impairment of general investment	301	-	-	301
Total	20,121	368	-	20,489

	Separate financial statements			Baht: '000
	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2014
Loss reserve - net	18,337	153	-	18,490
Employee benefit obligations	2,858	66	-	2,924
Allowance for impairment of general investment	301	-	-	301
Total	21,496	219	-	21,715

13. OTHER ASSETS

Other assets as at March 31, 2015 and December 31, 2014 consisted of the following:

	Consolidated financial statements		Separate financial statements		Baht: '000
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	
Other receivables	20,413	13,937	-	-	
Receivable from sell of securities (see Note 25.2)	17,301	1,570	17,301	1,570	
Revenue Department receivable	3,070	4,803	-	-	
Refundable withholding tax	2,094	1,656	-	-	
Premium saving certificates used as collateral	15,050	25,865	200	865	
Prepaid expenses	17,912	15,180	469	396	
Others	13,166	8,219	16,214	16,435	
Total other assets	89,006	71,230	34,184	19,266	

14. DUE TO REINSURERS

Due to reinsurers as at March 31, 2015 and December 31, 2014 consisted of the following:

	Baht: '000	
	Consolidated	
	financial statements	
	As at	As at
	March 31,	December 31,
	2015	2014
Premium ceded payables	71,323	66,433
Amount withheld on reinsurance	399,740	393,849
Other reinsurance payables	345,901	335,198
Total due to reinsurers	<u>816,964</u>	<u>795,480</u>

15. LOSS RESERVES AND OUTSTANDING CLAIMS

Loss reserves and outstanding claims as at March 31, 2015 and December 31, 2014 consisted of the following:

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015	2014	2015	2014
As at January 1,	1,090,155	2,268,281	94,778	91,682
Loss incurred and loss adjustment expenses during the period/year				
- Incurred but not reported	8,420	3,395	-	-
- Incurred but not yet agreed	56,454	(1,182,897)	764	3,096
- Incurred and agreed	268,532	2,309,548	-	-
Loss paid and loss adjustment paid during the period/year	(268,929)	(2,308,172)	-	-
As at March 31, and December 31,	<u>1,154,632</u>	<u>1,090,155</u>	<u>95,542</u>	<u>94,778</u>

As at March 31, 2015 and December 31, 2014, the subsidiary had loss reserves and outstanding claims under the reinsurance contracts of Baht 424.15 million and Baht 416.83 million, respectively.

As at March 31, 2015 and December 31, 2014, the loss reserves and outstanding claims account in the separate financial statements included outstanding claims and accrued interest of Baht 95.54 million and Baht 94.78 million, respectively, caused by a loss claim incurred by an insured company on September 24, 1997. On September 30, 2003, the courts passed a verdict that the Company had to pay the claim of Baht 41.29 million including 7.5% per annum of interest from the date of litigation until such claim is paid. The Company recorded such claim and accrued interest since 2003. However, in 2004 the Company has submitted an appeal to the court. On November 27, 2008, the appeal court had the dismissal for this case. After that the insured company submitted the case to the supreme court in December 2008. Currently, such case is still under consideration of the supreme court.

Loss reserves outstanding claims as at March 31, 2015 and December 31, 2014, in the consolidated financial statements included claim from suffering losses from flooding in Thailand amounting to Baht 389.30 million and Baht 390.88 million, respectively (see Note 4).

16. PREMIUM RESERVE

Premium reserve as at March 31, 2015 and December 31, 2014 consisted of the following:

16.1 Unearned premium reserve

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2015	As at December 31, 2014
As at January 1,	1,451,942	1,338,150
Premium written for the period/year	797,491	3,087,164
Earned premium for the period/year	<u>(776,161)</u>	<u>(2,973,372)</u>
As at March 31, and December 31,	<u>1,473,272</u>	<u>1,451,942</u>

16.2 Unexpired risk reserve

As at March 31, 2015 and December 31, 2014, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the subsidiary amounting to Baht 699.66 million and Baht 743.24 million, respectively is lower than the unearned premium reserve.

17. EMPLOYEE BENEFIT OBLIGATIONS

Movements in the present value of the employee benefit obligations as at March 31, 2015 and December 31, 2014 were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Present value of obligation at the beginning of the period/year	60,975	62,757	4,600	14,572
Current service cost of the period/year	2,613	15,487	1,042	10,357
Interest cost	522	2,270	35	284
Actuarial loss	-	2,177	-	521
Benefit paid during the period/year	-	(21,716)	-	(20,221)
Transfer benefit to subsidiary company	-	-	-	(913)
Present value of obligation at the ending of the period/year	<u>64,110</u>	<u>60,975</u>	<u>5,677</u>	<u>4,600</u>

The expenses that were recorded in the statement of profit or loss and other comprehensive income for employee benefit obligations for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current service cost	2,613	1,541	1,042	258
Interest cost	522	567	35	71
Total employee benefit expenses	<u>3,135</u>	<u>2,108</u>	<u>1,077</u>	<u>329</u>

18. BANK OVERDRAFTS

As at March 31, 2015 and December 31, 2014, the Company and its subsidiary had credit lines for bank overdrafts and loans in the form of promissory notes were guaranteed by deposits at bank of the Company and its subsidiary in the same amount of credit limit. The interest rate was deposits at bank rate as follows (see Note 8):

	Interest rate (% per annum)	Collateral	Baht: million			
			The Company		The subsidiary	
			As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Bank overdrafts	Fix deposit rate of plus 2%	Deposits at bank	20	20	20	20
Loans in the form of promissory notes	Fix deposit rate of plus 2%	Deposits at bank	10	10	-	-

19. DEFERRED TAX LIABILITIES

Deferred tax liabilities as at March 31, 2015 and December 31, 2014 were as follows:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Deferred tax liabilities	<u>9,103</u>	<u>14,138</u>	<u>5,115</u>	<u>10,703</u>

Movements of deferred tax liabilities for the three-month periods ended March 31, 2015 and 2014 consisted of tax effects from the following items:

	Consolidated financial statements			Baht: '000
	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2015
Unrealized gain on the change in value of investment in available-for-sale securities	9,199	-	(5,035)	4,164
Unrealized gain on transfer of investments	4,939	-	-	4,939
Total	14,138	-	(5,035)	9,103

	Consolidated financial statements			Baht: '000
	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2014
Unrealized gain on the change in value of investment in available-for-sale securities	7,258	-	3,677	10,935
Unrealized gain on transfer of investments	4,939	-	-	4,939
Total	12,197	-	3,677	15,874

	Separate financial statements			Baht: '000
	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2015
Unrealized gain on the change in value of investment in available-for-sale securities	5,764	-	(5,588)	176
Unrealized gain on transfer of investments	4,939	-	-	4,939
Total	10,703	-	(5,588)	5,115

	Separate financial statements			Baht: '000
	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2014
Unrealized gain on the change in value of investment in available-for-sale securities	4,816	-	3,210	8,026
Unrealized gain on transfer of investments	4,939	-	-	4,939
Total	9,755	-	3,210	12,965

20. OTHER LIABILITIES

Other liabilities as at March 31, 2015 and December 31, 2014 consisted of the following:

	Consolidated financial statements		Separate financial statements	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Payable from purchase of securities (see Note 25.2)	998,208	-	579	-
Other payables - promotion expense	11,642	11,797	-	-
Amount received in advance - premium	17,378	15,138	-	-
Revenue Department payable	14,371	11,403	5,646	4,174
Undue output VAT	2,831	2,869	-	-
Others	21,062	18,843	1	1
Total other liabilities	1,065,492	60,050	6,226	4,175

21. UNDERWRITING INFORMATION CLASSIFIED BY TYPE OF INSURANCE

Underwriting information classified by type of insurance for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Consolidated financial statements					Baht: '000
	For the three-month period ended March 31, 2015					Total
	Fire	Marine	Motor	Personal accident	Other miscellaneous	
Underwriting income						
Gross premiums written	180,149	95,650	233,853	104,962	182,877	797,491
Less Premiums ceded	67,066	68,036	83,141	9,048	82,655	309,946
Net premiums written	113,083	27,614	150,712	95,914	100,222	487,545
(Add) Less Unearned premium reserve	8,918	(1,627)	(35)	14,056	4,716	26,028
Net premium earned	104,165	29,241	150,747	81,858	95,506	461,517
Fee and commission income	18,277	17,770	28,641	1,750	25,670	92,108
Total underwriting income	122,442	47,011	179,388	83,608	121,176	553,625
Underwriting expenses						
Insurance claims and loss adjustment expenses (see Note 4)	24,625	5,244	95,779	44,261	37,639	207,548
Commissions and brokerages expenses	39,290	11,703	30,534	18,623	23,171	123,321
Other underwriting expenses	16,082	8,957	31,473	22,055	18,028	96,595
Total underwriting expenses	79,997	25,904	157,786	84,939	78,838	427,464

Baht: '000

	Consolidated financial statements					Total
	For the three-month period ended March 31, 2014					
	Fire	Marine	Motor	Personal accident	Other miscellaneous	
Underwriting income						
Gross premiums written	172,054	85,189	240,250	77,410	184,696	759,599
<u>Less</u> Premiums ceded	<u>62,927</u>	<u>56,877</u>	<u>79,246</u>	<u>9,165</u>	<u>103,815</u>	<u>312,030</u>
Net premiums written	109,127	28,312	161,004	68,245	80,881	447,569
<u>(Add) Less</u> Unearned premium reserve	<u>27,823</u>	<u>(110)</u>	<u>(65,629)</u>	<u>14,491</u>	<u>(1,938)</u>	<u>(25,363)</u>
Net premium earned	81,304	28,422	226,633	53,754	82,819	472,932
Fee and commission income	17,213	19,471	27,311	978	24,464	89,437
Total underwriting income	<u>98,517</u>	<u>47,893</u>	<u>253,944</u>	<u>54,732</u>	<u>107,283</u>	<u>562,369</u>
Underwriting expenses						
Insurance claims and loss adjustment expenses (see Note 4)	13,106	3,755	155,441	31,279	(118,460)	85,121
Commissions and brokerages expenses	37,015	10,360	30,068	13,196	19,939	110,578
Other underwriting expenses	11,062	7,639	33,623	19,857	25,482	97,663
Total underwriting expenses	<u>61,183</u>	<u>21,754</u>	<u>219,132</u>	<u>64,332</u>	<u>(73,039)</u>	<u>293,362</u>

22. OPERATING EXPENSES

Operating expenses for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Employee benefit expenses, excluded underwriting and loss adjustment expenses	37,685	35,749	13,750	15,200
Premises and equipment expense excluded underwriting expenses	29,830	27,002	3,248	3,436
Taxes and duties	1,056	1,140	13	135
Allowance for doubtful accounts (reversal)	(5,935)	-	-	-
Directors' remuneration	12,406	5,731	9,406	2,756
Other operating expenses	15,323	20,362	2,594	3,687
Total operating expenses	<u>90,365</u>	<u>89,984</u>	<u>29,011</u>	<u>25,214</u>

23. INCOME TAX EXPENSE

Income tax expense for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Income tax expense from taxable income per income tax return	22,005	1,763	2,126	1,179
Deferred tax expenses relating to the origination and reversal of temporary differences	(8,537)	41,983	(368)	(219)
Income tax expense per the statements of profit or loss and other comprehensive income	<u>13,468</u>	<u>43,746</u>	<u>1,758</u>	<u>960</u>

The reconciliation between income tax expense and accounting income for the three-month periods ended March 31, 2015 and 2014 was as follow:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Accounting income before tax	244,450	320,106	34,607	10,927
Income tax at 20%	48,890	64,021	6,921	2,185
Tax effect of non-deductible expenses (benefits)	(35,422)	(20,275)	(5,163)	(1,225)
Income tax expense per the statements of profit or loss and other comprehensive income	<u>13,468</u>	<u>43,746</u>	<u>1,758</u>	<u>960</u>

24. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended March 31, 2015 and 2014 were as follows:

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Net profit (Baht '000)	230,983	276,360	32,849	9,967
Issued and paid-up share capital (shares)	<u>250,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>	<u>250,000,000</u>
Basic earnings per share (Baht)	<u>0.92</u>	<u>1.11</u>	<u>0.13</u>	<u>0.04</u>

25. TRANSACTIONS WITH RELATED PARTIES

The consolidated and separate financial statements include certain transactions with the subsidiary and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiary and the related parties which are as follows:

The relationships between the Company and its related parties are summarized below:

Companies	Relationship	Type of Business
Sri Ayudhya General Insurance Plc.	Some common shareholders and directors	Insurance
Bank of Ayudhya Plc.	Some common shareholders and directors	Banking
Krungsri Securities Plc.	Some common shareholders and directors	Finance
Krungsri Asset Management Co., Ltd.	Some common shareholders	Fund Management
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	Leasing
Siam City Cement Plc.	Some common shareholders and directors	Construction Materials
Bangkok Broadcasting & T.V. Co., Ltd.	Some common shareholders and directors	Television Business
Great Luck Equity Co., Ltd.	Some common shareholders	Advertising
Great Fortune Co., Ltd.	Some common shareholders	Advertising
Super Asset Co., Ltd.	Some common shareholders	Investments
BBTV Equity Co., Ltd.	Some common shareholders	Office Space Rental
CKS Holding Co., Ltd.	Some common shareholders	Investments
Sunrise Equity Co., Ltd.	Some common shareholders	Consulting
Allianz Ayudhya Assurance Plc.	Some common shareholders and directors	Life Insurance
Grand Canal Land Plc.	Some common shareholders	Advertising
Ayudhya Asset Management Co., Ltd.	Some common shareholders	Asset Management
Siam Realty and Service Co., Ltd.	Some common shareholders	Services
Ayudhya Capital Auto Lease Plc.	Some common shareholders	Leasing
Krungsriayudhya Card Co., Ltd	Some common shareholders	Services
Eastern Star Real Estate Plc.	Some common shareholders and directors	Property

25.1 Investments

As at March 31, 2015

	Baht: '000	
	Consolidate and Separate financial statements	
	Investment	Dividend
Investment - ordinary shares		
Siam City Cement Plc.	2,667	-
	<u>2,667</u>	<u>-</u>
Investment - unit trusts		
Unit trusts managed by		
Krungsri Asset Management Co., Ltd.		
- Krungsri Star Plus Fund	624,589	-
- Krungsri Cash Management Fund	31	-
- Krungsri Cash Plus Fund	802,254	-
- Krungsri Star Equity Dividend Fund	26,912	-
- Krungsri Dividend Stock Fund	170,407	4,103
- Krungsri Dynamic Dividend Fund	11,022	-
- Krungsri Flexible Dividend Fund	76,254	10,881
- Krungsri Financial Focus Dividend Fund	7,201	-
- Krungsri Global High Payout Fund	19,343	-
- Krungsri Europe Equity Fund	45,444	-
- Krungsri Global Small-Mid Cap Equity Dividend Fund	9,756	-
- Krungsri Global Healthcare Equity Dividend Fund	49,983	3,464
	<u>1,843,196</u>	<u>18,448</u>

As at December 31, 2014

	Baht: '000	
	Consolidate and Separate financial statements	
	Investment	Dividend
Investment - ordinary shares		
Siam City Cement Plc.	3,038	140
	<u>3,038</u>	<u>140</u>
Investment - unit trusts		
Unit trusts managed by		
Krungsri Asset Management Co., Ltd.		
- Krungsri Star Plus Fund	1,416,199	-
- Krungsri Cash Management Fund	31	-
- Krungsri Cash Plus Fund	2,250	-
- Krungsri Star Equity Dividend Fund	27,203	615
- Krungsri Dividend Stock Fund	175,680	8,894
- Krungsri Dynamic Dividend Fund	10,963	1,032
- Krungsri Flexible Dividend Fund	87,267	18,002
- Krungsri Financial Focus Dividend Fund	7,213	343
- Krungsri Global High Payout Fund	19,663	-
- Krungsri Europe Equity Fund	43,693	-
- Krungsri Global Small-Mid Cap Equity Dividend Fund	9,295	-
- Krungsri Global Healthcare Equity Dividend Fund	50,511	1,112
	<u>1,849,968</u>	<u>29,998</u>

25.2 Significant balances and transactions were as follows:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Deposits at bank				
Bank of Ayudhya Plc.	788,989	779,487	106,515	72,734
Premium due and uncollected				
Bank of Ayudhya Plc.	10,131	446	-	-
Krungsri Asset Management Co., Ltd.	1,354	-	-	-
Ayudhya Development Leasing Co., Ltd.	-	(7)	-	-
Siam City Cement Plc.	633	227	-	-
Bangkok Broadcasting & T.V. Co., Ltd.	213	383	-	-
CKS Holding Co., Ltd.	-	90	-	-
Allianz Ayudhya Assurance Plc.	537	37	-	-
BBTV Equity Co., Ltd.	-	26	-	-
Grand Canal Land Plc.	-	312	-	-
Ayudhya Asset Management Co., Ltd.	577	-	-	-
Siam Realty and Services Co., Ltd.	161	70	-	-
Ayudhya Capital Auto Lease Plc.	38	-	-	-
Krungsri Ayudhya Card Co., Ltd.	-	233	-	-
Eastern Star Real Estate Plc.	19	40	-	-
	<u>13,663</u>	<u>1,857</u>	<u>-</u>	<u>-</u>

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015	2014	2015	2014
Investment in associate (see Note 10)				
Allianz Ayudhya Assurance Plc.	2,929,530	2,717,156	1,487,264	1,487,264
Investment in subsidiary (see Note 10)				
Sri Ayudhya General Insurance Plc.	-	-	1,823,579	1,823,579
Accrued interest income				
Bank of Ayudhya Plc.	2,318	2,070	120	394
Receivable from sell of securities (see Note 13)				
Krungsri Securities Plc.	17,301	1,570	17,301	1,570
Accrued income				
Sri Ayudhya General Insurance Plc.	-	-	13,608	13,848
Rental and facilities deposits				
BBTV Equity Co., Ltd.	5,819	5,819	1,303	1,303
Bank of Ayudhya Plc.	6	6	6	6
	<u>5,825</u>	<u>5,825</u>	<u>1,309</u>	<u>1,309</u>
Premium written received in advance				
Bank of Ayudhya Plc.	11,915	13,404	-	-
Accrued expense - management fee				
Krungsri Securities Plc.	55	57	55	57
Accrued expense - custodian fee				
Bank of Ayudhya Plc.	14	13	2	2
Accrued expense - commissions and brokerages				
Bank of Ayudhya Plc.	14,840	12,957	-	-
Accrued expense - other underwriting expenses				
Bank of Ayudhya Plc.	8,676	10,085	-	-
Payable from purchase of securities (see Note 20)				
Bank of Ayudhya Plc.	997,629	-	-	-
Krungsri Securities Plc.	579	-	579	-
	<u>998,208</u>	<u>-</u>	<u>579</u>	<u>-</u>

	Baht: '000	
	Consolidated	
	financial statements	
	For the three-month periods	
	ended March 31,	
	2015	2014
Premium written		
Bank of Ayudhya Plc.	10,841	19,948
Krungsri Securities Plc.	-	5
Krungsri Asset Management Co., Ltd.	1,260	1,251
Ayudhya Development Leasing Co., Ltd.	60	38
Siam City Cement Plc.	1,564	2,288
Bangkok Broadcasting & T.V. Co., Ltd.	505	520
Great Luck Equity Co., Ltd.	65	-
Super Assets Co., Ltd.	61	61
BBTV Equity Co., Ltd.	-	29
Allianz Ayudhya Assurance Plc.	499	273
Ayudhya Asset Management Co., Ltd.	452	648
Siam Realty and Services Co., Ltd.	358	7
Ayudhya Capital Auto Lease Plc.	35	-
Eastern Star Real Estate Plc.	55	-
	<u>15,755</u>	<u>25,068</u>

The subsidiary used the same pricing policy and conditions for the above premiums as it did for other customers and other insurance companies.

	Baht: '000	
	Consolidated	
	financial statements	
	For the three-month periods	
	ended March 31,	
	2015	2014
Commissions and brokerages		
Bank of Ayudhya Plc.	43,272	45,052
Other underwriting expenses		
Bank of Ayudhya Plc.	22,844	19,427

The subsidiary paid commissions and brokerages and other underwriting expenses as specified in the Bancassurance Agreement made between the subsidiary and such related bank. The commission rates were in compliance with the Office of Insurance Commission criteria and the same basis of the commission rate that the subsidiary has offered to other insurance broker companies.

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015	2014	2015	2014
Interest income				
Bank of Ayudhya Plc.	1,122	1,905	150	482
Management income				
Sri Ayudhya General Insurance Plc.	-	-	9,514	5,153

Interest was charged at the same interest rates as the bank has offered to other insurance companies.

The Company enters into a management service agreement with the subsidiary company for providing managerial and administrative services of accounting, payroll and information technology. Services rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the subsidiary company.

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015	2014	2015	2014
Commission paid				
Krungsri Securities Plc.	233	160	233	160
Management fee				
Krungsri Securities Plc.	163	148	163	148
Custodian fee				
Bank of Ayudhya Plc.	39	43	5	4

Commission, management fee and custodian fee were paid at the same rates and conditions as the related parties charged other customers.

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015	2014	2015	2014
Rental and service fees				
BBTV Equity Co., Ltd.	5,762	5,100	1,325	1,180

The Company and its subsidiary have office rental, equipment rental and service agreements with related companies for a term of 3 years. Rental rates and conditions are the same as the related parties offer to other companies.

26. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

During the three-month periods ended March 31, 2015 and 2014, the Company and its subsidiary had salaries, bonuses, directors allowances and other benefits of its directors and key management personnel recognized as expenses as follows:

	Consolidated		Separate financial	
	financial statements		statements	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Directors and key management personnel's remuneration				
Short-term benefits	17,420	16,422	10,335	11,218
Post-employment benefits	1,290	401	1,004	150
Directors' remuneration	1,818	1,122	1,282	586
	<u>20,528</u>	<u>17,945</u>	<u>12,621</u>	<u>11,954</u>

Directors' remunerations for the years of 2015 and 2014 were approved by the ordinary shareholders' meeting of the Company held on April 21, 2015 and April 22, 2014, respectively.

Furthermore, directors' remuneration of the subsidiary for the years of 2015 and 2014 were approved by the ordinary shareholders' meeting of the subsidiary held on April 9, 2015 and March 21, 2014, respectively.

27. DEPOSITS WITH THE REGISTRAR

As at March 31, 2015 and December 31, 2014, certain investment in securities of the Company and subsidiary were deposited with the Registrar (see Note 8) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2552", respectively as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015	2014	2015	2014
Government and state enterprise securities	399,933	399,945	140,890	140,603
Deposits at bank	28,000	28,000	14,000	14,000
Total deposits with the Registrar	<u>427,933</u>	<u>427,945</u>	<u>154,890</u>	<u>154,603</u>

On January 13, 2012, the Company requested to return deposits with the Registrar from the Notification of the Office of Insurance Commission. According to, the Company returned insurance license on October 17, 2011 and this license had been terminated since December 20, 2011. Subsequently on November 1, 2012, the Notification of the Office of Insurance Commission refused the appeal because the Company has contingent liabilities about insurance policies under considering by court. Such creditors of insurance policies have a preferential right on unearned premium reserve of the Company which deposit placed with the Office of Insurance Commission according to section 26 of Non-life Insurance Act B.E. 2535. Therefore, the Office of Insurance Commission has not yet returned such securities to the Company.

28. BACKUP ASSETS

As at March 31, 2015 and December 31, 2014, the subsidiary has deposited certain investment in securities with bank used for the subsidiary's backup assets (see Note 8) according to the Notification of the Office of Insurance Commission regarding "Asset allocation for liabilities and commitment of insurance contract and asset deposition at financial institution B.E. 2551". The backup assets were as follows:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2015	As at December 31, 2014
Government and state enterprise securities	116,727	116,417
Government securities - treasury bills	999,415	999,619
Unit trusts	40,015	38,475
Deposits at bank	224,490	224,187
Equity securities	1,161	1,161
Total backup assets	1,381,808	1,379,859

29. CONTINGENT LIABILITIES AND COMMITMENT

29.1 As at March 31, 2015 and December 31, 2014, lawsuits have been brought against the Company and its subsidiary, as insurer, from which the Company and its subsidiary estimate losses totaling Baht 107.74 million and Baht 107.01 million, respectively, (Company : Baht 95.54 million and Baht 94.78 million, respectively). Such amount has been set aside in the loss reserve and outstanding claims accounts. The Company and its subsidiary's management do not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts that would be material to the Company and its subsidiary's operating results.

29.2 As at March 31, 2015 and December 31, 2014, the subsidiary had a capital commitment to pay computer program development expenses in the amount of approximately Baht 17.67 million and Baht 13.59 million, respectively.

30. LONG-TERM LEASES AND SERVICE AGREEMENTS

Long-term leases and service agreements as at March 31, 2015 and December 31, 2014 consisted of the following:

Type of leases	Baht: '000		
	Consolidated financial statement		
	Remaining periods		Total rental payments for the remaining periods
Within 1 year	Over 1 year to 5 years		
As at March 31, 2015			
Building			
- related company	6,915	9,408	16,323
- others	3,212	7,221	10,433
Service - related company	6,870	9,335	16,205
Equipment - related company	9,161	12,444	21,605
	<u>26,158</u>	<u>38,408</u>	<u>64,566</u>
As at December 31, 2014			
Building			
- related company	6,915	11,136	18,051
- others	3,008	5,539	8,547
Service - related company	6,870	11,052	17,922
Equipment - related company	9,160	14,736	23,896
	<u>25,953</u>	<u>42,463</u>	<u>68,416</u>

Type of leases	Baht: '000		
	Separate financial statement		
	Remaining periods		Total rental payments for the remaining periods
Within 1 year	Over 1 year to 5 years		
As at March 31, 2015			
Building - related company	1,590	2,120	3,710
Service - related company	1,590	2,120	3,710
Equipment - related company	2,120	2,825	4,945
	<u>5,300</u>	<u>7,065</u>	<u>12,365</u>
As at December 31, 2014			
Building - related company	1,590	2,517	4,107
Service - related company	1,590	2,517	4,107
Equipment - related company	2,120	3,356	5,476
	<u>5,300</u>	<u>8,390</u>	<u>13,690</u>

For the three-month periods ended March 31, 2015 and 2014, the Company and its subsidiary recorded the rental and service fees under operating agreements as expense in statement of profit or loss and other comprehensive income as follows:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015	2014	2015	2014
Rental and service fees	7,620	6,866	1,325	1,180

31. FAIR VALUE MEASUREMENT

Certain financial assets of the Group are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	Fair value as at March 31, 2015 (Baht : '000)		Fair value hierarchy	Valuation techniques and key inputs
	Consolidated financial statement	Separate financial statement		
Government and state enterprise securities	516,660	140,890	Level 2	Discount cash flow using yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Associate
Equity securities	381,602	381,602	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Unit trusts	28,077	28,077	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Unit trusts	2,057,847	2,017,832	Level 2	The unit trust's net asset value of the last working day of the reporting period

32. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the management of the Company and its subsidiary. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The Company and its subsidiary have been operating in two principal business segments: (1) Non-life insurance business and (2) Investment business, which are only organized and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month periods ended March 31, 2015 and 2014, there is no revenue from a single external customers contributed 10% or more to the Company and its subsidiary's total revenue.

The financial information of the Company and its subsidiary for the three-month periods ended March 31, 2015 and 2014 were presented by business segment as follows:

Baht: '000

	Consolidated financial statements							
	For the three-month periods ended March 31,							
	Non-life insurance business		Investment business		Elimination of inter-segment		Total	
2015	2014	2015	2014	2015	2014	2015	2014	
Revenue from external	566,974	578,079	53,885	30,544	-	-	620,859	608,623
Share of profit of investment in an associate	-	-	144,381	97,963	-	-	144,381	97,963
Other income	1,269	720	9,733	5,597	(9,514)	(5,153)	1,488	1,164
Total revenues	<u>568,243</u>	<u>578,799</u>	<u>207,999</u>	<u>134,104</u>	<u>(9,514)</u>	<u>(5,153)</u>	<u>766,728</u>	<u>707,750</u>
Insurance business expense	431,912	297,660	-	-	-	-	431,912	297,660
Directors and key management personnel's remuneration	7,907	5,991	12,621	11,954	-	-	20,528	17,945
Other expense	62,961	63,932	16,390	13,260	(9,514)	(5,153)	69,837	72,039
Income tax expense	11,710	42,786	1,758	960	-	-	13,468	43,746
Net income	<u>53,753</u>	<u>168,430</u>	<u>177,230</u>	<u>107,930</u>	<u>-</u>	<u>-</u>	<u>230,983</u>	<u>276,360</u>

33. EVENT AFTER THE REPORTING PERIOD

On April 21, 2015, the ordinary shareholders' meeting of the Company passed a resolution to pay the dividend of Baht 1.50 per share from the second half of 2014 operating result for 250 million shares, totaling Baht 375 million which was paid on May 6, 2015, and when such dividend combined with the interim dividend for the first half of 2014 operating result paid on September 5, 2014 of Baht 1.00 per share, total dividend paid for fiscal of 2014 was Baht 2.50 per share.

34. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on May 13, 2015.