

Report of the Audit Committee

To: The Shareholders of the Ayudhya Insurance Public Company Limited

The Audit Committee consists of 3 independence directors. The scope of the Committee's responsibilities shall cover supervising the preparation of the company's financial reports, and monitoring the internal control and audit systems. Moreover, the Committee is also responsible for auditing compliance with related laws and regulations, as well as issuing recommendations on the appointment of the company's auditors and setting appropriate audit fees.

In 2005, Mr. Somboon Wongraksak resigned from Director and the Member of the Audit Committee. The Board of Directors Meeting approved the appointment of Mr. Metha Suvanasarn as a Director and the Member of the Audit Committee. The Audit Committee held 7 meetings to summarize the following key issues:

1. To review and hold discussion with the internal and external auditors, and the company's executives, regarding the quarterly and the fiscal financial statements, the results of audits of the Computer Control System, and reviews of risk management of the company.

2. To evaluate the performance of the company's internal audit department through reviews of audit plans, staffing policy, and audit results, as well as to monitor the company's compliance with the comments and recommendations of the internal auditors.

3. To consider the reports of the Company's internal control systems and the procedural regulations for investment in other businesses of the non-life insurance companies issued by Certified Public Accountant for fiscal year ended December 31st, 2004. The report of the Independent Certified Public Accountants was conducted in accordance with the Notification of the Insurance Registrar Re: Criteria, Methods, and Conditions for Auditing Internal Control System and Investment Procedures of Non-Life Insurance companies Investing in other Businesses, Dated 29th March, 2004.

4. To consider the principle of Good Corporate Governance of the Company and proposed to the Company Board of Directors for approval to put it into practice.

Furthermore, the Audit Committee seeks the approval of the Ordinary General Shareholders' Meeting on the appointment of Deloitte Touche Tohmatsu Jaiyos Company Limited, by Mrs. Nachalee Boonyakarnkul, and/or Dr. Subhamit Techamontrikul, and/or Mr. Permsak Jerajakwattana, as the company's auditors for the Accounting year 2006.

The Audit Committee has independently performed its duties with full information and cooperation. The Committee wishes to express sincere appreciation for the kind cooperation to all concerned.

Surachai Praukbamroong
(Mr. Surachai Prukbamroong)
Chairman of the Audit Committee
March 2, 2006