



Report of the Audit Committee

To : The Shareholders of the Ayudhya Insurance Public Company Limited

The Audit Committee consists of three independence directors :

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| 1. Mr.Surachai Prukbamroong | Chairman of the Audit Committee |
| 2. Mr.Savang Tongsmutra | Member of the Audit Committee |
| 3. Mr.Metha Suvanasarn | Member of the Audit Committee |
| Mrs.Paporn Piyayodilokchai | Secretary to the Audit Committee |

The Audit Committee is responsible for supervising of the company's financial reports, and monitoring the systems of internal control and audit systems. The Committee is also assigned to monitor the company's compliance with all rules and regulations given and enforced by the relevant authorities, as well as, to nominate the company's auditors and propose auditing fees.

In the year 2006, the Audit Committee held six meetings. The key issues can be summarized as follow:

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 audits results 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 made by the internal auditors and review the company's compliance with the principles of Good Corporate Governance.
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, 2005. 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 Systems and Investment Procedures of Non-Life Insurance Companies Investing in Other Businesses, Dated 29th March, 2004.
4. To provide the training on Risk Management, Information Technology and Communication System Auditing to create value added for management of the company's resource.

Furthermore, the Audit Committee proposed for approval to the Ordinary General Shareholders' Meeting on the appointment of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, by Mrs. Nachalee Boonyakarnkul, and/or Dr. Subhamit Techamontrikul, and/or Mr. Permsak Jerajakwattana, as the company's auditors for the fiscal year 2007.

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.

(Mr. Surachai Prukbamroong)
Chairman of the Audit Committee
March 2, 2007

March 2, 2007

Subject : Opinion on Related Transactions
To : The Shareholders of The Ayudhya Insurance Public Company Limited

We, as a Member of The Audit Committee of The Ayudhya Insurance Public Company Limited has opinions on related transactions between The Ayudhya Insurance Public Company Limited and related companies for the fiscal year ended December 31, 2006 were conducted in the company's normal course of business.

For your acknowledgement

Respectfully,

(Mr.Surachai Prukbamroong) (Mr.Savang Tongsmutra) (Mr. Metha Suvanasarn)
Member of the Audit Committee
The Ayudhya Insurance Public Company Limited