



หรืออยุธยาประกันภัย

The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT JUNE 30, 2008 AND DECEMBER 31, 2007

Baht : '000

	"Unaudited"	
	As at June 30, 2008	As at December 31, 2007
ASSETS		
INVESTMENT IN SECURITIES (Note 4)		
Bonds	39,208	150,329
Treasury bills	1,449,251	898,486
Notes	341,654	636,030
Stocks	1,378,390	1,853,015
Debentures	224,751	130,000
Other securities		
Unit trusts	<u>2,000,924</u>	<u>2,045,833</u>
Total investment in securities	<u>5,434,178</u>	<u>5,713,693</u>
LOANS (Note 5)	2,416	2,948
CASH AND DEPOSITS AT FINANCIAL INSTITUTIONS (Note 6)	622,390	486,472
PREMISES AND EQUIPMENT - NET	58,971	56,462
AMOUNT DEPOSIT ON REINSURANCE TREATIES	7,250	6,737
DUE FROM REINSURERS	34,002	33,987
PREMIUMS DUE AND UNCOLLECTED - NET (Note 7)	221,957	224,517
ACCRUED INCOME ON INVESTMENT	12,686	12,503
OTHER ASSETS		
Deferred tax assets (Note 13)	96,483	108,605
Intangible assets - net	14,198	14,317
Others	<u>46,831</u>	<u>51,698</u>
TOTAL ASSETS	<u><u>6,551,362</u></u>	<u><u>6,711,939</u></u>



ศรีอยุธยาประกันภัย

The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS (CONTINUED)

AS AT JUNE 30, 2008 AND DECEMBER 31, 2007

Baht : '000

	"Unaudited"	
	As at June 30, 2008	As at December 31, 2007
LIABILITIES AND SHAREHOLDERS' EQUITY		
UNEARNED PREMIUM RESERVE	469,833	443,095
LOSS RESERVES AND OUTSTANDING CLAIMS (Note 8)	217,424	198,816
AMOUNT WITHHELD ON REINSURANCE TREATIES	101,123	95,834
DUE TO REINSURERS	82,583	118,647
BANK OVERDRAFTS (Note 9)	223	5,266
OTHER LIABILITIES		
Premium written received in advance	85,845	86,800
Accrued commissions	40,458	38,996
Deferred tax liabilities (Note 13)	56,062	123,484
Others	66,070	37,105
TOTAL LIABILITIES	<u>1,119,621</u>	<u>1,148,043</u>
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Authorized share capital		
500,000,000 ordinary shares of Baht 1.00 each	<u>500,000</u>	<u>500,000</u>
Issued and paid-up share capital		
250,000,000 ordinary shares of Baht 1.00 each, fully paid	250,000	250,000
PREMIUM ON SHARE CAPITAL	3,512,184	3,512,184
SURPLUS ON REVALUATION OF INVESTMENTS (Note 3.1)	168,185	288,128
RETAINED EARNINGS		
Appropriated		
Statutory reserve	50,000	50,000
Other reserves	900,000	900,000
Unappropriated	<u>551,372</u>	<u>563,584</u>
TOTAL SHAREHOLDERS' EQUITY	<u>5,431,741</u>	<u>5,563,896</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>6,551,362</u>	<u>6,711,939</u>

See notes to the interim financial statements



หรืออยุธยาประกันภัย

The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

FOR THE QUARTERS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	2008					2007	
	Fire	Marine		Motor	Miscellaneous	Total	Total
		Hull	Cargo				
Underwriting income							
Gross premiums written	119,638	3,651	57,414	104,715	98,970	384,388	358,528
<u>Less</u> Premium ceded	25,649	3,128	45,111	1,239	62,687	137,814	116,148
Net premium written	93,989	523	12,303	103,476	36,283	246,574	242,380
<u>Less</u> Unearned premium reserve increase (decrease) from previous period	18,839	(197)	1,576	(1,763)	(3,382)	15,073	(7,245)
Earned premium	75,150	720	10,727	105,239	39,665	231,501	249,625
Underwriting expenses							
Losses incurred	26,004	(38)	2,008	60,723	16,025	104,722	113,792
Loss adjustment expenses	752	61	413	829	803	2,858	2,393
Commissions and brokerages	18,558	(271)	(6,011)	16,252	(4,232)	24,296	27,554
Other underwriting expenses	8,702	6	3,567	3,215	5,013	20,503	15,407
Total underwriting expenses	54,016	(242)	(23)	81,019	17,609	152,379	159,146
Profit on underwriting	21,134	962	10,750	24,220	22,056	79,122	90,479
Net investment income						70,119	71,483
Gain on investment in securities						6,299	14,008
Other income							
Gain on sale of assets						1,959	299
Others						418	158
Total other income						2,377	457



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The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME (CONTINUED)

FOR THE QUARTERS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	2008	2007	
Operating expenses			
Personnel expenses	40,528	39,142	
Premises and equipment expenses	17,529	15,676	
Taxes and duties	211	272	
Bad debt and doubtful accounts	92	297	
Directors' remuneration	2,268	1,992	
Other operating expenses	5,675	5,711	
Total operating expenses	<u>66,303</u>	<u>63,090</u>	
PROFIT BEFORE INCOME TAXES	91,614	113,337	
INCOME TAXES (Note 13)	<u>21,960</u>	<u>17,589</u>	
NET PROFIT	<u><u>69,654</u></u>	<u><u>95,748</u></u>	
BASIC EARNINGS PER SHARE	BAHT	0.28	0.38
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000

See notes to the interim financial statements



ศรีอยุธยาประกันภัย

The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007
"UNAUDITED"

Baht : '000

	2008					2007	
	Fire	Marine		Motor	Miscellaneous	Total	Total
		Hull	Cargo				
Underwriting income							
Gross premiums written	242,840	14,503	107,788	219,662	227,280	812,073	798,113
<u>Less</u> Premium ceded	70,659	13,232	84,761	4,115	147,649	320,416	293,616
Net premium written	172,181	1,271	23,027	215,547	79,631	491,657	504,497
<u>Less</u> Unearned premium reserve increase (decrease) from previous period	21,237	(164)	2,761	2,571	333	26,738	(8,244)
Earned premium	150,944	1,435	20,266	212,976	79,298	464,919	512,741
Underwriting expenses							
Losses incurred	36,683	(150)	4,835	125,443	26,634	193,445	237,323
Loss adjustment expenses	865	65	777	1,786	929	4,422	4,956
Commissions and brokerages	27,580	(3,689)	(15,717)	33,773	(12,821)	29,126	39,008
Other underwriting expenses	15,690	39	5,722	5,009	8,826	35,286	26,659
Total underwriting expenses	80,818	(3,735)	(4,383)	166,011	23,568	262,279	307,946
Profit on underwriting	70,126	5,170	24,649	46,965	55,730	202,640	204,795
Net investment income						134,065	131,505
Gain on investment in securities						19,214	18,450
Other income							
Gain on sale of assets						2,275	1,359
Others						890	178
Total other income						3,165	1,537



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The Ayudhya Insurance Public Company Limited

STATEMENTS OF INCOME (CONTINUED)
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007
"UNAUDITED"

Baht : '000

	2008	2007	
Operating expenses			
Personnel expenses	82,678	79,055	
Premises and equipment expenses	35,805	33,497	
Taxes and duties	626	644	
Bad debt and doubtful accounts	92	297	
Directors' remuneration	4,536	3,624	
Other operating expenses	11,973	11,479	
Total operating expenses	<u>135,710</u>	<u>128,596</u>	
PROFIT BEFORE INCOME TAXES	223,374	227,691	
INCOME TAXES (Note 13)	<u>48,086</u>	<u>18,964</u>	
NET PROFIT	<u>175,288</u>	<u>208,727</u>	
BASIC EARNINGS PER SHARE	BAHT	0.70	0.83
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000

See notes to the interim financial statements



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The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	Issued and paid-up share capital	Premium on share capital	Surplus (deficit) on revaluation of investments	Retained earnings			Total
				Statutory reserve	Other reserves	Unappropriated	
Beginning balance as at January 1, 2007	250,000	3,512,184	105,362	50,000	900,000	506,486	5,324,032
Changes during the period							
Increase in the surplus on revaluation of investments (Note 3.1)	-	-	200,291	-	-	-	200,291
Net profit for the period	-	-	-	-	-	208,727	208,727
Dividend paid (Note 12.1)	-	-	-	-	-	(187,500)	(187,500)
Ending balance as at June 30, 2007	250,000	3,512,184	305,653	50,000	900,000	527,713	5,545,550
Beginning balance as at January 1, 2008	250,000	3,512,184	288,128	50,000	900,000	563,584	5,563,896
Changes during the period							
Decrease in the surplus on revaluation of investments (Note 3.1)	-	-	(119,943)	-	-	-	(119,943)
Net profit for the period	-	-	-	-	-	175,288	175,288
Dividend paid (Note 12.2)	-	-	-	-	-	(187,500)	(187,500)
Ending balance as at June 30, 2008	250,000	3,512,184	168,185	50,000	900,000	551,372	5,431,741

See notes to the interim financial statements



ศรีอยุธยาประกันภัย

The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	2008	2007
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Direct premium received	738,132	726,507
Cash paid from reinsurance	(128,640)	(63,541)
Losses incurred from direct insurance	(231,533)	(317,023)
Loss adjustment expenses from direct insurance	(4,422)	(4,956)
Commissions and brokerages from direct insurance	(119,305)	(117,386)
Other underwriting expenses	(34,216)	(26,646)
Net investment income	127,249	123,590
Other income	890	178
Operating expenses	(121,583)	(124,539)
Income taxes	(4,615)	(34,596)
Others	(962)	375
Net cash provided by operating activities (Note 3.3)	<u>220,995</u>	<u>161,963</u>
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	170,000	50,000
Redemption of investment in available-for-sale securities - bonds	360,000	-
Sale of investment in available-for-sale securities - ordinary shares	387,757	36,091
Sale of investment in available-for-sale securities - other securities	3,362	393
Sale of investment in available-for-sale securities - warrants	141	-
Sale of general investment - ordinary shares	62,413	-
Loans	632	897
Premises and equipment	2,364	1,359
Deposits at financial institutions with maturity over 3 months	22,699	35,000
Net cash provided by investing activities	<u>1,009,368</u>	<u>123,740</u>



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The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	2008	2007
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Direct premium received	738,132	726,507
Cash paid from reinsurance	(128,640)	(63,541)
Losses incurred from direct insurance	(231,533)	(317,023)
Loss adjustment expenses from direct insurance	(4,422)	(4,956)
Commissions and brokerages from direct insurance	(119,305)	(117,386)
Other underwriting expenses	(34,216)	(26,646)
Net investment income	127,249	123,590
Other income	890	178
Operating expenses	(121,583)	(124,539)
Income taxes	(4,615)	(34,596)
Others	(962)	375
Net cash provided by operating activities (Note 3.3)	<u>220,995</u>	<u>161,963</u>
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	170,000	50,000
Redemption of investment in available-for-sale securities - bonds	360,000	-
Sale of investment in available-for-sale securities - ordinary shares	387,757	36,091
Sale of investment in available-for-sale securities - other securities	3,362	393
Sale of investment in available-for-sale securities - warrants	141	-
Sale of general investment - ordinary shares	62,413	-
Loans	632	897
Premises and equipment	2,364	1,359
Deposits at financial institutions with maturity over 3 months	22,699	35,000
Net cash provided by investing activities	<u>1,009,368</u>	<u>123,740</u>



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The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

"UNAUDITED"

Baht : '000

	2008	2007
CASH FLOWS USED IN		
Investment in securities		
Purchase of investment in held-to-maturity securities - treasury bills with maturity over 3 months	-	(180,000)
Purchase of investment in available-for-sale securities - bonds	(250,962)	-
Purchase of investment in available-for-sale securities - ordinary shares	(98,786)	(42,261)
Purchase of investment in available-for-sale securities - debentures	(96,424)	-
Purchase of investment in available-for-sale securities - other securities	-	(100,170)
Purchase of investment in available-for-sale securities - warrants	(113)	-
Purchase of general investment - ordinary shares	-	(35)
Loans	(100)	(780)
Deposits at financial institutions with maturity over 3 months and deposits used as collateral	(107,227)	(4,130)
Premises and equipment	(12,881)	(7,712)
Intangible assets	(619)	(1,460)
Cash used in investing activities	<u>(567,112)</u>	<u>(336,548)</u>
Net cash provided by (used in) investing activities	<u>442,256</u>	<u>(212,808)</u>
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Bank overdrafts	(5,043)	786
Dividend paid	<u>(187,500)</u>	<u>(187,500)</u>
Net cash used in financing activities	<u>(192,543)</u>	<u>(186,714)</u>
Net increase (decrease) in cash and cash equivalents	470,708	(237,559)
Cash and cash equivalents as at January 1,	<u>1,227,022</u>	<u>909,129</u>
Cash and cash equivalents as at June 30, (Note 3.2)	<u><u>1,697,730</u></u>	<u><u>671,570</u></u>

See notes to the interim financial statements



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The Ayudhya Insurance Public Company Limited

THE AYUDHYA INSURANCE PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE QUARTERS AND SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

“UNAUDITED”

1. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- 1.1 The Company’s interim financial statements for the quarter and six-month period ended June 30, 2008, and the financial statements for the year 2007, have been prepared in accordance with the regulations of The Stock Exchange of Thailand dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of listed companies B.E. 2544, and in accordance with the Registrar’s Notification of the Department of Insurance No. 10/2545 regarding the presentation of the financial statements of insurance companies dated March 6, 2002 and in accordance with accounting standards generally accepted in Thailand.
- 1.2 The Company prepares its interim financial statements in conformity with the Accounting Standard No. 41 (Revised 2007) “Interim Financial Reporting” and practices generally accepted in Thailand. During the year 2007, Thai Accounting Standard No. 25 (Revised 2007) “Cash Flows Statements” and Thai Accounting Standard No. 35 (Revised 2007) “Presentation of Financial Statements” were revised and announced by the Federation of Accounting Professions and are effective for the financial statements with fiscal periods beginning on or after January 1, 2008. The revised accounting standard has no material impact on the financial statements of the Company. However, the financial statements for the quarters and six-month periods ended June 30, 2008 and 2007 are still presented in accordance with the Registrar’s Notification of the Department of Insurance No. 10/2545 regarding the presentation of the financial statements of insurance companies dated March 6, 2002.
- 1.3 The Company’s balance sheet as at December 31, 2007, presented herein, has been derived from the Company’s financial statements for the year then ended, which have been audited. In addition, the statements of income, changes in shareholders’ equity and cash flows for the six-month period ended June 30, 2007, presented herein, have been reviewed.
- 1.4 Certain financial information which is normally included in financial statements prepared in accordance with generally accepted accounting principles, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements should be read in conjunction with the Company’s financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2007, which have been audited.
- 1.5 The preparation of financial statements in conformity with generally accepted accounting principles also required management to make estimates and assumptions that affected the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differ from those estimates.



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The Ayudhya Insurance Public Company Limited

2. SIGNIFICANT ACCOUNTING POLICIES AND CHANGE IN ACCOUNTING POLICY

The Company applies accounting policies and calculation method in the financial statements consistent with the financial statements for the year ended December 31, 2007.

The balance sheets as at June 30, 2008 and December 31, 2007 did not include additional unearned premium reserve of ceded premium to foreign reinsurers of Baht 36.53 million and Baht 48.70 million, respectively. Such unearned premium reserve was required to be recorded in the financial report to be submitted particularly to the Department of Insurance under its relevant regulations.

3. ADDITIONAL INFORMATION FOR CASH FLOWS

3.1 As at June 30, 2008 and December 31, 2007, the surplus on revaluation of investments of Baht 168.19 million and Baht 288.13 million, respectively, in the shareholders' equity, were shown net of deferred tax of Baht 56.06 million and Baht 123.48 million, respectively. For the six-month periods ended June 30, 2008 and 2007, the Company has an increase (decrease) in the surplus on revaluation of investments of Baht (119.94) million (net of deferred tax of Baht 39.98 million) and Baht 200.29 million (net of deferred tax of Baht 85.84 million), respectively.

3.2 Cash and cash equivalents consist of the following:

	Baht : '000	
	For the six-month periods	
	ended June 30,	
	2008	2007
Cash and deposits at financial institutions	622,390	402,811
Investment in securities - treasury bills	1,449,251	328,257
Investment in securities - notes	<u>341,654</u>	<u>681,722</u>
	2,413,295	1,412,790
<u>Less</u> Deposits at bank with maturity over 3 months	(292,911)	(231,664)
Deposits at bank used as collateral	(124,000)	(44,000)
Treasury bills with maturity over 3 months	-	(178,619)
Notes with maturity over 3 months	<u>(298,654)</u>	<u>(286,937)</u>
Cash and cash equivalents	<u>1,697,730</u>	<u>671,570</u>



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The Ayudhya Insurance Public Company Limited

3.3 Net cash flow provided by operating activities

Items to reconcile net profit to net cash flows provided by operating activities for the six-month periods ended June 30, 2008 and 2007 are as follows:

	Baht : '000	
	For the six-month periods ended June 30,	
	2008	2007
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		
Net profit	175,288	208,727
Items to reconcile net profit to net cash flows:		
Depreciation	10,283	10,293
Amortization of intangible assets	738	712
Gain on sale of assets	(2,275)	(1,359)
Unearned premium reserve increase (decrease) from previous period	26,738	(8,244)
Amortization of bonds premium	1,107	114
Amortization of bonds discount	(735)	(943)
Amortization of notes discount	(5,930)	(5,217)
Amortization of treasury bills discount	(1,009)	-
Amortization of debentures discount	(65)	-
Gain on sale of investment in available-for-sale securities - ordinary shares	(17,443)	(4,495)
Gain on sale of investment in available-for-sale securities - other securities	(1,533)	(13,955)
Gain on sale of investment in available-for-sale securities - warrants	(28)	-
Gain on sale of general investment - ordinary shares	(210)	-
Deferred tax	12,122	(26,479)
Profit from operations before changes in operating assets and liabilities	197,048	159,154
Operating assets (increase) decrease		
Amount deposit on reinsurance treaties	(513)	105
Due from reinsurers	(15)	(14,380)
Premium due and uncollected	2,560	9,525
Accrued income on investment	(183)	(1,869)
Other assets	4,867	(695)
Operating liabilities increase (decrease)		
Loss reserves and outstanding claims	18,608	3,436
Amount withheld on reinsurance treaties	5,289	837
Due to reinsurers	(36,064)	5,545
Premium written received in advance	(955)	(6,054)
Accrued commissions	1,462	1,304
Other liabilities	28,891	5,055
Net cash provided by operating activities	<u>220,995</u>	<u>161,963</u>



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The Ayudhya Insurance Public Company Limited

4. INVESTMENT IN SECURITIES

Investment in securities as at June 30, 2008 consists of the following:

	Cost/Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Baht : '000
Available-for-sale securities					
Equity securities					
Investment in listed securities					
Ordinary shares	397,150	231,411	(17,756)	610,805	
Other securities					
Unit trusts	2,012,399	22,753	(34,267)	2,000,885	
Debt securities					
Bonds	40,059	-	(851)	39,208	
Treasury bills	1,449,251	-	-	1,449,251	
Notes	301,654	-	-	301,654	
Debentures	226,489	371	(2,109)	224,751	
Total	4,427,002	254,535	(54,983)	4,626,554	
					Cost/ Book Value
General investment securities					
Equity securities					
Ordinary shares				742,890	
Add Unrealized gain on transfer of investment				24,695	
				<u>767,585</u>	
Other securities : Unit trusts					
Cost			3,092		
Less Allowance for impairment			(3,053)	39	
Total				<u>767,624</u>	
					Amortized Cost
					Maturity within
					1 year
					2-5 years
Held-to-maturity securities					
Debt securities					
Notes	40,000	-	-	40,000	
Total	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	
Total value of investment in securities				<u>5,434,178</u>	

Other information related to held to maturity securities is as follows: Baht : '000

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Held-to-maturity securities				
Debt securities				
Notes	40,000	-	-	40,000
Total	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>



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The Ayudhya Insurance Public Company Limited

Investment in securities as at December 31, 2007 consists of the following:

	Cost/Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Baht : '000				
Available-for-sale securities				
Equity securities				
Investment in listed securities				
Ordinary shares	668,606	425,858	(71,237)	1,023,227
Other securities				
Unit trusts	2,014,228	47,818	(16,252)	2,045,794
Debt securities				
Bonds	149,469	860	-	150,329
Treasury bills	898,483	3	-	898,486
Notes	423,489	-	(134)	423,355
Debentures	130,000	-	-	130,000
Total	<u>4,284,275</u>	<u>474,539</u>	<u>(87,623)</u>	<u>4,671,191</u>
				Cost/ Book Value
General investment securities				
Equity securities				
Ordinary shares				830,390
Less Allowance for impairment				(25,297)
Add Unrealized gain on transfer of investment				<u>24,695</u>
				829,788
Other securities : Unit trusts				
Cost			3,092	
Less Allowance for impairment			<u>(3,053)</u>	<u>39</u>
Total				<u>829,827</u>
				Amortized Cost
Held-to-maturity securities				
Debt securities				
Notes	<u>212,675</u>	<u>-</u>		<u>212,675</u>
Total	<u>212,675</u>	<u>-</u>		<u>212,675</u>
Total value of investment in securities				<u>5,713,693</u>

Other information related to held-to-maturity securities are as follows:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Baht : '000				
Held-to-maturity securities				
Debt securities				
Notes	<u>212,675</u>	<u>-</u>	<u>-</u>	<u>212,675</u>
Total	<u>212,675</u>	<u>-</u>	<u>-</u>	<u>212,675</u>



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In 2002, the Company transferred stock of a related company previously included in securities available for sale to general investment as such company delisted their shares from The Stock Exchange of Thailand. The fair value of the stock at the transfer date amounted to Baht 154.70 million. The unrealized gain on the transfer of investment amounting to Baht 24.69 million was included in surplus on revaluation of investments under shareholders' equity.

As at December 31, 2007, certain government bonds which were pledged with the court under consideration of the appeal court were as follows: (see Note 8)

	Par value	Baht : '000 Fair value as at December 31, 2007
Government bonds	80,000	79,845

During the quarter ended June 30, 2008, such government bonds were due.

5. LOANS

Loans are loans to employees with personal guarantee in accordance with the welfare policy of employee loans of the Company, with interest rate of 4.0% per annum for the quarter and six-month period ended June 30, 2008 and for the year ended December 31, 2007.

6. CASH AND DEPOSITS AT FINANCIAL INSTITUTIONS

Cash and deposits at financial institutions consist of the following:

	As at June 30, 2008	Baht : '000 As at December 31, 2007
Cash	215	215
Cash at banks - call deposits	75,775	23,697
Cash at banks - time deposits	546,400	462,560
Total cash and deposits at financial institutions	<u>622,390</u>	<u>486,472</u>

As at June 30, 2008 and December 31, 2007, fixed deposits amounting to Baht 44 million are pledged as collateral for bank overdrafts, loans in the form of promissory notes and deposited as collateral with the Registrar of Baht 20 million, Baht 10 million and Baht 14 million, respectively (see Notes 9 and 10).

As at June 30, 2008, fixed deposit amounting to Baht 80 million were pledged with the court under consideration of the appeal court (see Note 8).



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7. PREMIUMS DUE AND UNCOLLECTED - NET

Premiums due and uncollected - net consist of the following:

	As at June 30, 2008	Baht : '000 As at December 31, 2007
Not over 60 days	130,733	147,418
Over 60 days up to 90 days	38,900	47,503
More than 90 days	<u>59,243</u>	<u>36,515</u>
Total premiums due and uncollected	228,876	231,436
<u>Less</u> Allowance for doubtful accounts	<u>(6,919)</u>	<u>(6,919)</u>
Total premiums due and uncollected - net	<u><u>221,957</u></u>	<u><u>224,517</u></u>

The balances as at June 30, 2008 and December 31, 2007 of premiums due and uncollected are classified by aging as follows:

	As at June 30, 2008	Baht : '000 As at December 31, 2007
Not over 3 months	169,633	194,921
Over 3 months up to 6 months	46,598	26,175
Over 6 months up to 12 months	9,114	9,891
More than 12 months	<u>3,531</u>	<u>449</u>
Total	<u><u>228,876</u></u>	<u><u>231,436</u></u>

8. LOSS RESERVES AND OUTSTANDING CLAIMS

As at June 30, 2008 and December 31, 2007, the loss reserves and outstanding claims account included outstanding claims and accrued interest of Baht 74.64 million and Baht 73.09 million, respectively, caused by a loss claim incurred litigated by an insured company on September 24, 1997. On September 30, 2003, the Civil Court passed a verdict that the Company had to pay the claim of Baht 41.29 million, including 7.5% per annum for 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 submitted an appeal to the Court. Currently, such case is still under consideration of the Appeal Court.

In addition, during 2005 certain government bonds were pledged with the Court for such appeal (see Note 4).

During the quarter ended June 30, 2008, such government bonds were due and replaced with fixed deposits (see Note 6).



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9. BANK OVERDRAFTS

As at June 30, 2008 and December 31, 2007, the Company had credit lines for bank overdrafts and loans in the form of promissory notes of Baht 20 million and Baht 10 million, respectively, which were guaranteed by the fixed deposit of Baht 30 million. The interest rate was the fixed deposit rate plus 2% (see Note 6).

10. DEPOSITS WITH THE REGISTRAR

As at June 30, 2008 and December 31, 2007, fixed deposits amounting to Baht 14 million were deposited with the Registrar in accordance with the Insurance Act (see Note 6).

11. LONG-TERM LEASES AND SERVICE AGREEMENTS

Long-term leases and service agreements consist of the following:

Type of lease	Remaining periods	Rental payments for the remaining periods
Baht : '000		
June 30, 2008		
Building	July 1, 2008 - August 31, 2011	13,503
Service	July 1, 2008 - August 31, 2011	13,503
Equipment	July 1, 2008 - August 31, 2011	18,005
		<u>45,011</u>
December 31, 2007		
Building	January 1, 2008 - August 31, 2008	2,197
Service	January 1, 2008 - August 31, 2008	2,198
Equipment	January 1, 2008 - August 31, 2008	2,930
		<u>7,325</u>

12. DIVIDENDS

12.1 On April 5, 2007, the ordinary shareholders' meeting passed a resolution to pay an annual dividend for the year 2006 of Baht 1.40 per share. The Company had paid an interim dividend for the operation result from January 1, to June 30, 2006 at Baht 0.65 per share, which was paid on September 21, 2006. The remaining portion of the annual dividend of Baht 0.75 per share, which was paid from the second half of year 2006 operation result for 250 million shares, totaling Baht 187.5 million, was paid on April 12, 2007.

12.2 On April 22, 2008, the ordinary shareholders' meeting passed a resolution to pay an annual dividend for the year 2007 of Baht 1.40 per share. The Company had paid an interim dividend for the operation result from January 1, to June 30, 2007 at Baht 0.65 per share, which was paid on September 14, 2007. The remaining portion of the annual dividend of Baht 0.75 per share, which was paid from the second half of year 2007 operation result for 250 million shares, totaling Baht 187.5 million, was paid on April 28, 2008.



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13. INCOME TAX EXPENSE

For the quarters and six-month periods ended June 30, 2008 and 2007, income tax expense consisted of the following:

	For the quarters		For the six-month	
	ended June 30, 2008	2007	periods ended June 30, 2008	2007
Income tax expense - current tax	13,778	12,054	35,964	45,443
<u>Add (Less)</u> Tax effect from deferred income tax				
Effect of change in the applicable tax rate used in tax calculation for the portion of net income up to Baht 300 million				
- from 30% to 25%	15,444	-	15,444	-
- from 25% to 30%	-	-	-	(20,183)
Unearned premium reserve	(3,185)	-	(6,684)	(5,637)
Loss reserve - net	(4,728)	5,339	(4,976)	(938)
Incurred but not reported claims	(48)	225	80	330
Allowance for impairment of general investment	(1,265)	-	6,324	-
Others	1,964	(29)	1,934	(51)
Income tax expense	<u>21,960</u>	<u>17,589</u>	<u>48,086</u>	<u>18,964</u>

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand has been reduced from 30% to 25% of net profit which does not exceed Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008. Therefore, the Company has used a tax rate of 25% for the corporate income tax and deferred income tax calculations for the quarter and six-month period ended June 30, 2008 to conform to such tax rate change.

As at June 30, 2008 and December 31, 2007, deferred tax assets and liabilities resulting from temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base were as follows:

	Baht : '000	
	As at June 30, 2008	As at December 31, 2007
Deferred tax assets resulting from :		
Allowance for doubtful accounts of premium due and uncollected	1,730	2,076
Unearned premium reserve	35,802	34,941
Loss reserve - net	51,027	52,073
Incurred but not reported claims	5,725	6,966
Allowance for impairment of general investment	763	8,505
Others	1,436	4,044
Total deferred tax assets	<u>96,483</u>	<u>108,605</u>
Deferred tax liabilities resulting from :		
Unrealized gain on the change in value of investment		
- available-for-sale securities	49,888	116,075
Unrealized gain on transfer of investment - general investment	6,174	7,409
Total deferred tax liabilities	<u>56,062</u>	<u>123,484</u>



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14. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, revenues and expenses arose from transactions with related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The Company's management believes that the Company has no significant influence over the related parties. The accompanying financial statements reflect the effects of these transactions determined on the basis of commitments and conditions as in the normal course of business. Transactions with the related parties are mainly as follows:

14.1 Investments

As at June 30, 2008

Companies	Type of Business	Relationship	Paid-up share capital	Share holding %	Baht : '000	
					Investments	Dividend
Investments - ordinary shares						
Bank of Ayudhya Plc.	Finance	Some common shareholders and directors	57,760,705	0.01	6,213	-
Ayudhya Securities Plc.	Finance	Some common shareholders and directors	600,000	0.43	3,167	-
Sunrise Equity Co., Ltd.	Consulting	Some common shareholders	9,970,000	5.48	546,137	32,768
Siam City Cement Plc.	Manufacturing	Some common shareholders and directors	2,375,000	0.73	343,275	13,768
Thai Reinsurance Plc.	Reinsurance	Some common shareholders and directors	1,187,355	1.77	128,118	4,201
Ayudhya Allianz C.P. Life Plc.	Life Insurance	Some common shareholders and directors	2,950,000	5.82	217,144	-
					<u>1,244,054</u>	<u>50,737</u>

Companies	Type of Business	Relationship	Baht : '000	
			Investments	Dividend
Investments - unit trusts				
Unit trusts managed by				
Ayudhya Fund Management Co., Ltd.	Fund Management	Some common shareholders		
- AYF Medium Term Fixed Income Dividend Fund			444,243	8,799
- AYF Medium Term Fixed Income Fund			115,683	-
- AYF Cash Plus Fund			243,643	-
- AYF Sang Kamrai Fund			33,673	-
- AYF Dividend Stock Fund			19,106	800
			<u>856,348</u>	<u>9,599</u>
PrimaVest Asset Management Co., Ltd.	Fund Management	Some common shareholders		
- PrimaVest Flexible Fund			94,092	4,000
- PrimaVest Equity Dividend Fund			6,939	1,181
- PrimaVest Fixed Income Fund			20,213	-
- Krungsri - PrimaVest Equity Fund			10,360	1,500
- Krungsri - PrimaVest Money Fund			120,447	-
- PrimaVest (Thailand) Oriental Income Fund			29,796	-
- PrimaVest (Thailand) Global High Payout Fund			17,605	-
			<u>299,452</u>	<u>6,681</u>

Companies	Type of Business	Relationship	Baht : '000
			Investments
Investments - notes			
Ayudhya Development Leasing Co., Ltd.	Service	Some common shareholders	298,654



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As at December 31, 2007

Companies	Type of Business	Relationship	Paid-up share capital	Share holding %	Baht : '000	
					Investments	Dividend
Investments - ordinary shares						
Bank of Ayudhya Plc.	Finance	Some common shareholders and directors	57,477,468	0.08	112,018	3,676
Ayudhya Securities Plc.	Finance	Some common shareholders and directors	600,000	0.43	3,167	-
Praram 9 Square Co., Ltd.	Service	Some common shareholders	875,000	10.00	62,202	-
Sunrise Equity Co., Ltd.	Consulting	Some common shareholders	9,970,000	5.48	546,137	46,422
Siam City Cement Plc.	Manufacturing	Some common shareholders and directors	2,375,000	1.04	629,402	56,827
Thai Reinsurance Plc.	Reinsurance	Some common shareholders and directors	1,187,355	1.77	128,118	7,561
Ayudhya Allianz C.P. Life Plc.	Life Insurance	Some common shareholders and directors	2,950,000	5.82	217,144	5,835
					<u>1,698,188</u>	<u>120,321</u>

Companies	Type of Business	Relationship	Baht : '000	
			Investments	Dividend
Investments - unit trusts				
Unit trusts managed by				
Ayudhya Fund Management Co., Ltd.	Fund Management	Some common shareholders		
- AYF Star Income Fund			-	2,044
- AYF Star Capital Fund			-	8,604
- AYF Medium Term Fixed Income Dividend Fund			443,961	21,997
- AYF Medium Term Fixed Income Fund			113,000	-
- AYF Cash Management Fund			240,302	-
- AYF Sang Kamrai Fund			33,670	-
- AYF Dividend Stock Fund			22,058	1,600
			<u>852,991</u>	<u>34,245</u>
PrimaVest Asset Management Co., Ltd.	Fund Management	Some common shareholders		
- PrimaVest Flexible Fund			108,523	7,521
- PrimaVest Equity Dividend Fund			8,962	758
- PrimaVest Fixed Income Fund			20,292	-
- Krungsri - PrimaVest Value Fund			8,571	-
- Krungsri - PrimaVest Equity Fund			12,872	700
- Krungsri - PrimaVest Money Fund			110,489	-
- PrimaVest (Thailand) Oriental Income Fund			32,463	-
- PrimaVest (Thailand) Global High Payout Fund			19,814	-
			<u>321,986</u>	<u>8,979</u>

Companies	Type of Business	Relationship	Baht : '000
			Investments
Investments - notes			
Ayudhya Development Leasing Co., Ltd.	Service	Some common shareholders	292,724

During the quarter ended March 31, 2008, the Company sold entire holding of securities for general investment in Praram 9 Square Co., Ltd. amounting to Baht 62.5 million to a related company at the cost net of impairment.



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14.2 Significant balances and transactions are as follows:

	Relationship	Baht : '000	
		June 30, 2008	December 31, 2007
Bank deposits			
Bank of Ayudhya Plc.	Some common shareholders and directors	187,786	51,274
Premium due and uncollected			
Ayudhya Auto Lease Plc.	Some common shareholders and directors	8	121
Ayudhya Capital Lease Co., Ltd.	Some common shareholders	-	1
Ayudhya Securities Plc.	Some common shareholders and directors	-	141
Bank of Ayudhya Plc.	Some common shareholders and directors	8,535	10,100
Ayudhya Fund Management Co., Ltd.	Some common shareholders	30	114
Bangkok Broadcasting & T.V. Co., Ltd.	Some common shareholders and directors	98	1,816
BBTV Equity Co., Ltd.	Some common shareholders	-	521
Siam City Cement Plc.	Some common shareholders and directors	707	533
Ayudhya Allianz C.P. Life Plc.	Some common shareholders and directors	552	455
Hyla (Thailand) Co., Ltd.	Some common shareholders and directors	1	14
Media of Medias Plc.	Some common shareholders and directors	14	184
Ayudhya Asset Management Co., Ltd.	Some common shareholders	643	326
Siam Realty and Services Co., Ltd.	Some common shareholders	103	94
		<u>10,691</u>	<u>14,420</u>
Accrued interest income			
Bank of Ayudhya Plc.	Some common shareholders and directors	1,429	397
Rental and facilities deposits			
BBTV Equity Co., Ltd.	Some common shareholders	3,944	3,944
Siam City Cement Plc.	Some common shareholders and directors	30	30
		<u>3,974</u>	<u>3,974</u>
Due to reinsurers			
Thai Reinsurance Plc.	Some common shareholders and directors	14,495	24,962
Bank overdrafts			
Bank of Ayudhya Plc.	Some common shareholders and directors	223	5,266
Financial lease liabilities			
Ayudhya Capital Lease Co., Ltd.	Some common shareholders	5,939	6,480
Accrued interest of financial lease			
Ayudhya Capital Lease Co., Ltd.	Some common shareholders	23	28
Accrued expense - management fee			
Ayudhya Securities Plc.	Some common shareholders and directors	35	37
Accrued expense - custodian fee			
Bank of Ayudhya Plc.	Some common shareholders and directors	2	2
Accrued expense - commission and brokerages			
Bank of Ayudhya Plc.	Some common shareholders and directors	10,080	2,179
Accrued expense - other underwriting expenses			
Bank of Ayudhya Plc.	Some common shareholders and directors	3,486	1,211



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	Relationship	Baht : '000			
		For the quarters		For the six-month periods	
		ended June 30, 2008	2007	ended June 30, 2008	2007
Premium written					
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	-	2	80	60
Ayudhya Auto Lease Plc.	Some common shareholders and directors	7	(12)	(19)	10
Ayudhya Capital Lease Co., Ltd.	Some common shareholders	-	25	49	25
Ayudhya Securities Plc.	Some common shareholders and directors	-	-	-	151
Bank of Ayudhya Plc.	Some common shareholders and directors	10,234	9,969	20,673	32,549
Ayudhya Fund Management Co., Ltd.	Some common shareholders	28	1,183	1,339	1,281
Bangkok Broadcasting & T.V. Co., Ltd.	Some common shareholders and directors	2,907	2,715	2,941	2,799
Super Assets Co., Ltd.	Some common shareholders	-	-	-	11
BBTV Equity Co., Ltd.	Some common shareholders	-	-	25	32
Siam City Cement Plc.	Some common shareholders and directors	830	671	7,470	6,961
Great Luck Equity Co., Ltd.	Some common shareholders	42	49	42	49
Thai Reinsurance Plc.	Some common shareholders and directors	6,690	5,943	11,826	11,110
PrimaVest Asset Management Co., Ltd.	Some common shareholders	-	57	13	70
Ayudhya Allianz C.P. Life Plc.	Some common shareholders and directors	(12)	(57)	503	530
Hyla (Thailand) Co., Ltd.	Some common shareholders and directors	1	1	1	1
Media of medias Plc.	Some common shareholders and directors	18	1	268	292
Ayudhya Asset Management Co., Ltd.	Some common shareholders	974	1,012	1,816	1,984
Siam Realty and Services Co., Ltd.	Some common shareholders	207	211	413	521
Ayudhya Factoring Co., Ltd.	Some common shareholders and directors	4	4	4	4
Krungriayudhya Card Co., Ltd.	Some common shareholders and directors	-	-	2,721	3,563
		<u>21,930</u>	<u>21,774</u>	<u>50,165</u>	<u>62,003</u>
Premium ceded					
Thai Reinsurance Plc.	Some common shareholders and directors	39,608	36,528	87,160	80,601

The Company uses the same pricing policy and conditions for the above premiums as it does for other customers and other insurance companies.

	Relationship	Baht : '000			
		For the quarters		For the six-month periods	
		ended June 30, 2008	2007	ended June 30, 2008	2007
Commissions and brokerages					
Bank of Ayudhya Plc.	Some common shareholders and directors	19,233	5,902	40,733	11,794
Other underwriting expenses					
Bank of Ayudhya Plc.	Some common shareholders and directors	7,295	7,250	15,082	7,769

Commissions and brokerages are paid on the basis of the commission rate that the Company has offered to other insurance broker companies. Other underwriting expenses are conditions as agreed upon by the Company and related party.



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Relationship		Baht : '000			
		For the quarters ended June 30,		For the six-month periods ended June 30,	
		2008	2007	2008	2007
Interest received					
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	2,965	2,965	5,930	5,898
Bank of Ayudhya Plc.	Some common shareholders and directors	1,960	828	3,425	3,625
		<u>4,925</u>	<u>3,793</u>	<u>9,355</u>	<u>9,523</u>
Interest paid					
Bank of Ayudhya Plc.	Some common shareholders and directors	-	-	2	2

Interest is charged at the same interest rates as the bank offers to other insurance companies. For the interest rates charged by other related parties, the rates are the same as they charge other customers.

Relationship		Baht : '000			
		For the quarters ended June 30,		For the six-month periods ended June 30,	
		2008	2007	2008	2007
Commission paid					
Ayudhya Securities Plc.	Some common shareholders and directors	220	57	1,115	120
Management Fee					
Ayudhya Securities Plc.	Some common shareholders and directors	113	107	224	209
Custodian Fee					
Bank of Ayudhya Plc.	Some common shareholders and directors	6	6	13	13

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

Relationship		Average rate of rental and service expenses per month		Baht : '000			
		2008	2007	For the quarters ended June 30,		For the six-month periods ended June 30,	
		2008	2007	2008	2007	2008	2007
Rental and service expenses							
BBTV Equity Co., Ltd	Some common shareholders	1,004	1,004	3,012	3,012	6,024	6,024
Siam City Cement Plc.	Some common shareholders and directors	10	10	30	30	60	60

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



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15. DISCLOSURE OF FINANCIAL INSTRUMENT INFORMATION

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

15.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy to protect against credit risk by having securities valuations strictly appraised by specialists and limiting lines of loans so as not to exceed the securities value, which is in accordance with the Department of Insurance regulation related to investment for other business of non-life companies.

In the case of recognized financial assets in the balance sheet, the carrying amount of the assets recorded in the balance sheet represents the Company's maximum exposure to credit risk.

15.2 Interest rate risk

Interest rate risk refers to the risk of changes in interest rates which will affect the interest income from investments. The Company's investments include both short-term and long-term investments that have floating and fixed rates. The Company manages the risk by considering the risk of investments together with the return on such investments.

As at June 30, 2008 and December 31, 2007, significant financial assets classified by type of interest rate are as follows:

	Baht : '000			
	Balance as at			
	June 30, 2008		December 31, 2007	
	Variable interest rate	Fixed interest rate	Variable interest rate	Fixed interest rate
Investment in securities-net				
Bonds	-	39,208	-	150,329
Treasury bills	-	1,449,251	-	898,486
Notes	3,000	338,654	40,000	596,030
Debentures	-	224,751	-	130,000
Cash and deposits at financial institutions	180,058	427,881	133,197	345,717
Total	<u>183,058</u>	<u>2,479,745</u>	<u>173,197</u>	<u>2,120,562</u>



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The financial instruments carrying interest at fixed rates are classified below on the basis of the length of time from the balance sheet date to the date specified for the fixing of a new rate, or to the maturity date (whichever is sooner) as follows:

As at June 30, 2008

	Period specified for fixing new interest rate			Baht : '000
	Within 1 year	Over 1 year	Total	Average interest rate
				%
Investment in securities - net				
Bonds	20,080	19,128	39,208	4.21
Treasury bills	1,449,251	-	1,449,251	3.22
Notes	338,654	-	338,654	4.35
Debentures	-	224,751	224,751	5.01
Cash and deposits at financial institutions	427,881	-	427,881	2.82
Total	<u>2,235,866</u>	<u>243,879</u>	<u>2,479,745</u>	

As at December 31, 2007

	Period specified for fixing new interest rate			Baht : '000
	Within 1 year	Over 1 year	Total	Average interest rate
				%
Investment in securities - net				
Bonds	109,868	40,461	150,329	4.59
Treasury bills	898,486	-	898,486	3.05
Notes	596,030	-	596,030	3.82
Debentures	-	130,000	130,000	4.47
Cash and deposits at financial institutions	345,717	-	345,717	2.86
Total	<u>1,950,101</u>	<u>170,461</u>	<u>2,120,562</u>	

15.3 Estimated Fair Value of Financial Instruments

The fair values have been estimated by the Company using available market information and appropriate valuation methodologies.

As at June 30, 2008 and December 31, 2007, the carrying amounts of financial assets and financial liabilities, which were different from the estimated fair value, were as follows:

	June 30, 2008		December 31, 2007	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:				
Cash and deposits at financial institutions	622,390	622,295	486,472	486,386
Stocks	1,378,390	2,016,714	1,853,015	2,441,713
Other securities - unit trusts	2,000,924	2,001,250	2,045,833	2,046,158



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

Financial assets - Fair value of financial assets for which their remaining terms to maturity are within 90 days are based on carrying value. Financial assets with remaining terms to maturity greater than 90 days are estimated by using a discounted cash flow analysis based on current interest rates for the remaining years to maturity, except for values of stocks and other securities classified as available for sales securities, which are based on the bidding prices at The Stock Exchange of Thailand on the last business day of the period. For non-listed securities, fair values are estimated based on either net asset value or carrying value.

Financial liabilities - Fair value of financial liabilities for which their remaining terms to maturity are within 90 days are based on carrying value. Financial liabilities with remaining terms to maturity greater than 90 days are estimated by using a discounted cash flow analysis based on current interest rates for the remaining years to maturity.

16. COMMITMENT

As at June 30, 2008, the Company had a capital commitment to pay computer program development expenses in the amount of approximately Baht 12.06 million.

17. AN APPROVAL OF INTERIM FINANCIAL STATEMENTS

The interim financial statements for the quarter and six-month period ended June 30, 2008 have been approved by the Company's authorized executive directors for issuance on August 13, 2008.