
***SRI AYUDHYA CAPITAL PUBLIC COMPANY
LIMITED AND SUBSIDIARY***

Interim Financial Statements

Three-month period ended March 31, 2017

**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, 2017, 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 12, 2017

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2017

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,
		2017	2016	2017	2016
ASSETS					
Cash and cash equivalents	5	1,490,536	1,417,050	18,396	68,445
Premium due and uncollected - net	6	215,026	217,433	-	-
Accrued investment income		9,563	10,048	4,292	2,661
Reinsurance assets	7	1,031,962	1,050,276	-	-
Due from reinsurers	8	78,312	58,569	-	-
Investments					
Investment in securities	9	4,669,514	4,594,203	2,395,638	2,319,176
Loans	10	108	129	2	7
Investment in an associate	11	2,925,653	2,830,475	1,487,264	1,487,264
Investment in a subsidiary	11	-	-	1,823,579	1,823,579
Premises and equipment	12	57,212	60,534	2,481	2,617
Intangible assets		73,984	75,159	-	-
Deferred tax assets	13	182,732	185,959	15,885	19,451
Deferred commissions expenses		64,347	63,404	-	-
Other assets		52,266	53,412	15,116	20,182
TOTAL ASSETS		10,851,215	10,616,651	5,762,653	5,743,382

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2017

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
LIABILITIES AND EQUITY					
Insurance contract liabilities	14	2,232,138	2,249,889	-	-
Due to reinsurers	15	654,124	705,692	-	-
Payable from purchase of security	18	208,560	-	8,681	-
Income tax payable		1,127	688	803	688
Employee benefit obligations		81,590	79,071	7,279	7,058
Premium written received in advance		343,533	337,983	-	-
Commissions and brokerages payables		50,896	50,979	-	-
Accrued expenses		28,495	62,104	13,865	28,921
Other liabilities		82,601	87,932	3,854	1,444
TOTAL LIABILITIES		<u>3,683,064</u>	<u>3,574,338</u>	<u>34,482</u>	<u>38,111</u>
EQUITY					
Share capital					
Authorized share capital					
500,000,000 ordinary shares of					
Baht 1.00 each					
		<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
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					
		2,741,178	2,630,188	1,992,253	1,983,796
Other components of equity					
Changes in fair value of available-for-sale securities					
		(73,817)	(87,985)	(76,266)	(90,709)
Share of other comprehensive income					
of an associate					
		688,606	687,926	-	-
TOTAL EQUITY		<u>7,168,151</u>	<u>7,042,313</u>	<u>5,728,171</u>	<u>5,705,271</u>
TOTAL LIABILITIES AND EQUITY		<u>10,851,215</u>	<u>10,616,651</u>	<u>5,762,653</u>	<u>5,743,382</u>

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, 2017
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
Revenues					
Gross premiums written		733,942	817,727	-	-
<u>Less</u> Premiums ceded		310,608	301,827	-	-
Net premiums written		423,334	515,900	-	-
<u>Less</u> Unearned premium reserve increase (decrease)					
from previous period		(3,855)	37,582		
Net premium earned		427,189	478,318	-	-
Fee and commission income		99,986	88,346	-	-
Net investment income		21,805	20,047	9,281	9,446
Gain on investment in securities		15,930	513	15,930	513
Share of profit on investment in an associate	11.1	94,498	109,440	-	-
Other income		791	100,728	8,599	110,036
Total revenues		660,199	797,392	33,810	119,995
Expenses					
Losses incurred		464,859	349,023	-	-
<u>Less</u> Loss refundable from reinsurers		228,233	127,292	-	-
Commissions and brokerages expenses		109,252	125,625	-	-
Other underwriting expenses		112,902	120,181	-	-
Operating expenses		88,080	94,836	24,830	22,663
Total expenses		546,860	562,373	24,830	22,663
Income before income tax expense		113,339	235,019	8,980	97,332
Income tax expense	13	2,349	25,026	523	19,494
Net income		110,990	209,993	8,457	77,838

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, 2017
"UNAUDITED"

Baht: '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
Other comprehensive income (loss)					
Items that will be reclassified subsequently to profit or loss					
Changes in fair value of available-for-sale securities		17,710	57,214	18,054	57,316
Share of other comprehensive income of an associate	11.1	3,370	1,416,130	-	-
Income tax relating to items that will be reclassified subsequently		(6,232)	(295,087)	(3,611)	(11,463)
Other comprehensive income for the periods, net of income tax		14,848	1,178,257	14,443	45,853
Total comprehensive income for the periods		<u>125,838</u>	<u>1,388,250</u>	<u>22,900</u>	<u>123,691</u>
Earnings per share					
Basic earnings per share	17 Baht	0.44	0.84	0.03	0.31

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

"UNAUDITED"

Baht: '000

CONSOLIDATED FINANCIAL STATEMENTS

	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity		Total equity
			Appropriated Statutory 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, 2016	250,000	3,512,184	50,000	2,519,163	(115,308)	813,621	7,029,660
Comprehensive income	-	-	-	209,993	45,771	1,132,486	1,388,250
Ending balance as at March 31, 2016	250,000	3,512,184	50,000	2,729,156	(69,537)	1,946,107	8,417,910
Beginning balance as at January 1, 2017	250,000	3,512,184	50,000	2,630,188	(87,985)	687,926	7,042,313
Comprehensive income	-	-	-	110,990	14,168	680	125,838
Ending balance as at March 31, 2017	250,000	3,512,184	50,000	2,741,178	(73,817)	688,606	7,168,151

See condensed notes to financial statements

SRI AYUDHYA CAPITAL PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

"UNAUDITED"

Baht: '000

SEPARATE FINANCIAL STATEMENTS

	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity Changes in fair value of available-for-sale securities	Total equity
			Appropriated Statutory reserve	Unappropriated		
Beginning balance as at January 1, 2016	250,000	3,512,184	50,000	1,978,320	(121,226)	5,669,278
Comprehensive income	-	-	-	77,838	45,853	123,691
Ending balance as at March 31, 2016	250,000	3,512,184	50,000	2,056,158	(75,373)	5,792,969
Beginning balance as at January 1, 2017	250,000	3,512,184	50,000	1,983,796	(90,709)	5,705,271
Comprehensive income	-	-	-	8,457	14,443	22,900
Ending balance as at March 31, 2017	250,000	3,512,184	50,000	1,992,253	(76,266)	5,728,171

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, 2017
"UNAUDITED"

Baht: '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	2017	2016	2017	2016
CASH FLOWS PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Direct premium received	731,639	849,613	-	-
Cash paid to reinsurance	(62,426)	(106,603)	-	-
Interest income	13,851	18,681	3,481	3,288
Dividend income	4,820	4,201	4,820	4,201
Other income	256	295	14,090	9,782
Losses incurred from direct insurance	(443,449)	(303,499)	-	-
Commissions and brokerages from direct insurance	(108,283)	(124,406)	-	-
Other underwriting expenses	(113,058)	(114,053)	-	-
Operating expenses	(111,683)	(114,463)	(36,149)	(29,372)
Income tax expense	(4,377)	(3,060)	(453)	(322)
Investment in securities	(30,700)	118,934	(35,843)	16,814
Deposits at bank with maturity over 3 months	(66)	(199)	-	-
Loans	21	152	5	5
Cash received from subscriptions receivable	-	9,268	-	9,268
Net cash provided by (used in) operating activities	<u>(123,455)</u>	<u>234,861</u>	<u>(50,049)</u>	<u>13,664</u>
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES				
CASH FLOWS PROVIDED BY				
Premises and equipment	<u>704</u>	<u>4,042</u>	<u>-</u>	<u>2,654</u>
Cash provided by investing activities	<u>704</u>	<u>4,042</u>	<u>-</u>	<u>2,654</u>
CASH FLOWS USED IN				
Premises and equipment	<u>(1,795)</u>	<u>(8,361)</u>	<u>-</u>	<u>(1)</u>
Intangible assets	<u>(1,847)</u>	<u>(752)</u>	<u>-</u>	<u>-</u>
Cash used in investing activities	<u>(3,642)</u>	<u>(9,113)</u>	<u>-</u>	<u>(1)</u>
Net cash provided by (used in) investing activities	<u>(2,938)</u>	<u>(5,071)</u>	<u>-</u>	<u>2,653</u>
Reconcile payable from purchase of government security				
- treasury bill with maturity less than 3 months	199,879	-	-	-
Net increase (decrease) in cash and cash equivalents	73,486	229,790	(50,049)	16,317
Cash and cash equivalents as at January 1,	<u>1,417,050</u>	<u>1,065,246</u>	<u>68,445</u>	<u>74,212</u>
Cash and cash equivalents as at March 31,	<u><u>1,490,536</u></u>	<u><u>1,295,036</u></u>	<u><u>18,396</u></u>	<u><u>90,529</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, 2017
“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 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 2016) “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 B.E. 2559 dated March 4, 2016. 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 11). Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month period ended March 31, 2017 have included the subsidiaries’ interim financial statements for the three-month period ended March 31, 2017 which were reviewed.

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, 2016, 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 presented in the three-month period ended March 31, 2017 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. Therefore, the interim financial statements for the three-month period ended March 31, 2017 should be read in conjunction with the audited financial statements for the year ended December 31, 2016.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

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, 2016.

4. ADDITIONAL INFORMATION FOR CASH FLOWS

4.1 Non-cash items of premises and equipment for the three-month periods ended March 31, 2017 and 2016 consisted of the following:

	Baht: '000	
	Consolidated	
	financial statements	
	For the three-month	
	periods ended March 31,	
	2017	2016
Other payable - fixed assets as at January 1,	-	801
<u>Add</u> Purchases of fixed assets	1,801	7,807
<u>Less</u> Cash paid for purchase of fixed assets	(1,795)	(8,361)
Other payable - fixed assets as at March 31,	<u>6</u>	<u>247</u>

4.2 Non-cash items of intangible assets for the three-month periods ended March 31, 2017 and 2016 consisted of the following:

	Baht: '000	
	Consolidated	
	financial statements	
	For the three-month	
	periods ended March 31,	
	2017	2016
Other payable - intangible assets as at January 1,	20	-
<u>Add</u> Purchases of intangible assets	2,012	1,080
<u>Less</u> Cash paid for purchase of intangible assets	(1,847)	(752)
Other payable - intangible assets as at March 31,	<u>185</u>	<u>328</u>

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at March 31, 2017 and December 31, 2016, 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,
	2017	2016	2017	2016
Cash	270	270	10	10
Cheque on hand	8,256	5,929	-	-
Deposits at bank - at call	182,788	198,555	18,386	33,439
Deposits at bank - maturity not over 3 months	-	28,215	-	-
Short-term investments	1,299,222	1,184,081	-	34,996
Cash and cash equivalents	<u>1,490,536</u>	<u>1,417,050</u>	<u>18,396</u>	<u>68,445</u>

6. PREMIUM DUE AND UNCOLLECTED - NET

Premium due and uncollected - net as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000	
	Consolidated financial statements	
	From direct insurance	
	As at March 31, 2017	As at December 31, 2016
Within credit terms	166,995	175,614
Less than 30 days	16,685	20,840
31 - 60 days	16,971	6,781
61 - 90 days	6,147	5,808
Over 90 days	12,679	12,841
Total premium due and uncollected	219,477	221,884
Less Allowance for doubtful accounts	(4,451)	(4,451)
Premium due and uncollected - net	<u>215,026</u>	<u>217,433</u>

7. REINSURANCE ASSETS

Reinsurance assets as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2017	As at December 31, 2016
Insurance reserve refundable from reinsurers		
Loss reserves	467,712	454,210
Unearned premium reserve		
- Unearned reinsurance premium reserve	564,250	596,066
Total reinsurance assets (see Note 14)	<u>1,031,962</u>	<u>1,050,276</u>

8. DUE FROM REINSURERS

Due from reinsurers as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2017	As at December 31, 2016
Due from reinsurers	<u>78,312</u>	<u>58,569</u>

9. INVESTMENT IN SECURITIES

Investment in securities as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000			
	Consolidated financial statements			
	As at March 31, 2017		As at December 31, 2016	
	Cost/Amortized Cost	Fair value	Cost/Amortized Cost	Fair value
Available-for-sale securities				
Government and state enterprise securities	519,579	523,963	488,902	494,225
Equity securities	2,268,255	2,171,600	2,241,425	2,126,121
Total	2,787,834	2,695,563	2,730,327	2,620,346
<u>Less</u> Unrealized losses	(92,271)	-	(109,981)	-
Total available-for-sale securities	<u>2,695,563</u>	<u>2,695,563</u>	<u>2,620,346</u>	<u>2,620,346</u>
Held-to-maturity securities				
Government and state enterprise securities	1,510,590		1,510,561	
Deposits at bank with maturity over 3 months	443,871		443,806	
Total held-to-maturity securities	<u>1,954,461</u>		<u>1,954,367</u>	
General investment				
Equity securities	20,997		20,997	
<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>4,669,514</u>		<u>4,594,203</u>	

Investment in securities as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000			
	Separate financial statements			
	As at March 31, 2017		As at December 31, 2016	
	Cost/Amortized cost	Fair value	Cost/Amortized cost	Fair value
Available-for-sale securities				
Government and state enterprise securities	163,856	165,666	132,278	134,604
Equity securities	2,242,878	2,145,735	2,216,048	2,100,335
Total	2,406,734	2,311,401	2,348,326	2,234,939
<u>Less</u> Unrealized losses	(95,333)	-	(113,387)	-
Total available-for-sale securities	<u>2,311,401</u>	<u>2,311,401</u>	<u>2,234,939</u>	<u>2,234,939</u>
Held-to-maturity securities				
Deposits at bank with maturity over 3 months	66,239		66,239	
Total held-to-maturity securities	<u>66,239</u>		<u>66,239</u>	
General investment				
Equity securities	19,505		19,505	
<u>Less</u> Allowance for impairment	(1,507)		(1,507)	
Total general investment	<u>17,998</u>		<u>17,998</u>	
Total investment in securities - net	<u>2,395,638</u>		<u>2,319,176</u>	

As at March 31, 2017 and December 31, 2016, certain government and state enterprise securities of its subsidiary were used as collateral for insured driver (see Note 21.1) (Company : Nil)

As at March 31, 2017 and December 31, 2016, 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 amounting to Baht 40 million and Baht 10 million, respectively. (Company : Baht 20 million and Baht 10 million, respectively.) (see Note 21.2)

As at March 31, 2017 and December 31, 2016, certain investment in securities of the Company and its subsidiary are deposited as collateral with Registrar (see Note 20).

10. 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

11. INVESTMENTS IN A SUBSIDIARY AND AN ASSOCIATE

11.1 Investment in an associate in the consolidated financial statements

As at March 31, 2017 and December 31, 2016, the Company had investment in an associated company accounted for under equity method in the consolidated financial statements as follows:

Baht: '000

Consolidated financial statements								
Company name	Nature of business	Place of incorporation and operation	Percentage of shareholding		Cost		Carrying value under equity method	
			As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
			(%)	(%)				
Associated company								
Allianz Ayudhya Assurance								
Public Company Limited	Life Insurance	Thailand	20.17	20.17	1,487,264	1,487,264	2,925,653	2,830,475

As at March 31, 2017 and December 31, 2016, an associate had total assets and total liabilities as follows:

	As at March 31, 2017	Baht: million As at December 31, 2016
Total assets	164,662.38	161,095.54
Total liabilities	150,397.06	147,302.10

For the three-month periods ended March 31, 2017 and 2016, 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,	
	2017	2016
Total revenues	8,802.58	8,430.63
Net income	468.51	542.60
Items that are or may be reclassified to profit or loss		
Effective portion of changes in fair value of cash flow hedges	(4.19)	1,018.97
Net change in fair value of available-for-sale investments	20.90	6,002.14
Income tax relating to items that will be reclassified subsequently	(13.34)	(1,406.29)
Other comprehensive income - net of income tax	<u>3.37</u>	<u>5,614.82</u>

The consolidated statement of profit or loss and other comprehensive income for the three-month periods ended March 31, 2017 and 2016 recognized share of profit, resulting from portion of holding of investment in an associate as follows:

	Baht: million	
	For the three-month periods ended	
	March 31,	
	2017	2016
Share of profit on investment in an associate	94.50	109.44
Share of other comprehensive income of an associate	3.37	1,416.13
Income tax relating to share of other comprehensive income of an associate	(2.69)	(283.64)
Share of other comprehensive income of an associate - net of income tax	<u>0.68</u>	<u>1,132.49</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	As at
	March 31,	December 31,
	2017	2016
Net assets of an associate	14,265.32	13,793.44
Proportion of the Group's ownership interest in an associate (%)	20.17	20.17
	<u>2,877.25</u>	<u>2,782.07</u>
Investment amount over net assets at investment date	48.40	48.40
Carrying amount of the Group's interest in an associate	<u>2,925.65</u>	<u>2,830.47</u>

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

As at March 31, 2017 and December 31, 2016, investments in a subsidiary and an associate were as follows:

Company's name	Separate financial statements						Baht: '000
	Paid-up capital		Shareholding percentage		Cost		
	As at	As at	As at	As at	As at	As at	
	March 31, 2017	December 31, 2016	March 31, 2017 (%)	December 31, 2016 (%)	March 31, 2017	December 31, 2016	
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	

12. PREMISES AND EQUIPMENT - NET

Premises and equipment - net as at March 31, 2017 and December 31, 2016 consisted of the following:

	Consolidated financial statements										Baht: '000
	Cost					Accumulated depreciation					
	As at January 1, 2017	Increase	Disposal / Write off	Transfer in/ (transfer out)	As at March 31, 2017	As at January 1, 2017	Depreciation	Disposal / Write off	As at March 31, 2017	Beginning balance of premises and equipment - net as at January 1, 2017	
Land	1,610	-	-	-	1,610	-	-	-	-	1,610	1,610
Building	774	-	-	-	774	(774)	-	(774)	-	-	-
Office equipment	69,120	244	(177)	-	69,187	(55,783)	(1,419)	177	(57,025)	13,337	12,162
Furniture and fixtures	52,975	296	-	-	53,271	(25,654)	(2,127)	-	(27,781)	27,321	25,490
Vehicles	40,783	1,261	(2,164)	-	39,880	(22,517)	(1,408)	1,995	(21,930)	18,266	17,950
Total	165,262	1,801	(2,341)	-	164,722	(104,728)	(4,954)	2,172	(107,510)	60,534	57,212

	Consolidated financial statements										Baht: '000
	Cost					Accumulated depreciation					
	As at January 1, 2016	Increase	Disposal / Write off	Transfer in/ (transfer out)	As at December 31, 2016	As at January 1, 2016	Depreciation	Disposal / Write off	As at December 31, 2016	Beginning balance of premises and equipment - net as at January 1, 2016	
Land	1,610	-	-	-	1,610	-	-	-	-	1,610	1,610
Building	774	-	-	-	774	(774)	-	-	(774)	-	-
Office equipment	67,653	3,036	(1,569)	-	69,120	(51,158)	(6,163)	1,538	(55,783)	16,495	13,337
Furniture and fixtures	44,626	1,166	(2,303)	9,486	52,975	(19,513)	(8,146)	2,005	(25,654)	25,113	27,321
Vehicles	65,315	6,475	(31,007)	-	40,783	(37,054)	(7,237)	21,774	(22,517)	28,261	18,266
Office equipment and furniture and fixtures - under installation	3,832	5,654	-	(9,486)	-	-	-	-	-	3,832	-
Total	183,810	16,331	(34,879)	-	165,262	(108,499)	(21,546)	25,317	(104,728)	75,311	60,534

Baht: '000

Separate financial statements									
Cost			Accumulated depreciation				Ending balance of		
As at	Increase	Disposal /	As at	As at	Depreciation	Disposal /	As at	Beginning balance of	Ending balance of
January 1,		Write off	March 31,	January 1,		Write off	March 31,	premises and	premises and
2017			2017	2017			2017	equipment - net	equipment - net
								as at	as at
								January 1, 2017	March 31, 2017
Land	-	-	1,610	-	-	-	-	1,610	1,610
Building	-	-	774	(774)	-	-	(774)	-	-
Office equipment	-	-	2,894	(2,494)	(52)	-	(2,546)	400	348
Furniture and fixtures	-	-	4,456	(3,939)	(76)	-	(4,015)	517	441
Vehicles	-	-	8,708	(8,618)	(8)	-	(8,626)	90	82
Total	-	-	18,442	(15,825)	(136)	-	(15,961)	2,617	2,481

Baht: '000

Separate financial statements									
Cost			Accumulated depreciation				Ending balance of		
As at	Increase	Disposal /	As at	As at	Depreciation	Disposal /	As at	Beginning balance of	Ending balance of
January 1,		Write off	December 31,	January 1,		Write off	December 31,	premises and	premises and
2016			2016	2016			2016	equipment - net	equipment - net
								as at	as at
								January 1, 2016	December 31, 2016
Land	-	-	1,610	-	-	-	-	1,610	1,610
Building	-	-	774	(774)	-	-	(774)	-	-
Office equipment	-	(197)	2,894	(2,442)	(231)	179	(2,494)	649	400
Furniture and fixtures	1	(5)	4,456	(3,608)	(335)	4	(3,939)	852	517
Vehicles	-	(15,307)	8,708	(15,729)	(992)	8,103	(8,618)	8,286	90
Total	1	(15,509)	18,442	(22,553)	(1,558)	8,286	(15,825)	11,397	2,617

As at March 31, 2017 and December 31, 2016, certain premises and equipment of the Company and its subsidiary at cost of Baht 63.53 million and Baht 62.16 million, respectively, were fully depreciated but still in use (Company : Baht 14.08 million and Baht 14.07 million, respectively).

13. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2017 and December 31, 2016 were as follows:

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
Deferred tax assets	182,732	185,959	15,885	19,451

Movements of deferred tax assets for the three-month periods ended March 31, 2017 and 2016 consisted of tax effects from the following items:

	Baht: '000			
	As at January 1, 2017	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2017
Deferred tax assets				
Allowance for doubtful accounts				
- premium due and uncollected	890	-	-	890
Allowance for doubtful accounts				
- Other receivable	567	-	-	567
Unearned premium reserve	79,616	(771)	-	78,845
Unrealized loss on the change in fair value of investment in available-for-sale securities	22,677	-	(3,611)	19,066
Loss reserve - net	56,699	(1,045)	-	55,654
Incurred but not reported claims	15,818	1,626	-	17,444
Employee benefit obligations	10,944	505	-	11,449
Allowance for impairment of general investment	301	-	-	301
Premium ceded payables - Excess of loss	4,067	-	-	4,067
	<u>191,579</u>	<u>315</u>	<u>(3,611)</u>	<u>188,283</u>
Deferred tax liabilities				
Unrealized gain on the change in value of investment in available-for-sale securities	(681)	-	69	(612)
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(5,620)</u>	<u>-</u>	<u>69</u>	<u>(5,551)</u>
Deferred tax assets	<u>185,959</u>	<u>315</u>	<u>(3,542)</u>	<u>182,732</u>

	Consolidated financial statements			Baht: '000
	As at January 1, 2016	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2016
Deferred tax assets				
Allowance for doubtful accounts	979	-	-	979
Unearned premium reserve	93,810	10,379	-	104,189
Unrealized loss on the change in fair value of investment in available-for-sale securities	30,306	-	(11,463)	18,843
Loss reserve - net	79,390	(23,861)	-	55,529
Incurred but not reported claims	14,943	978	-	15,921
Employee benefit obligations	9,616	537	-	10,153
Allowance for impairment of general investment	301	-	-	301
Premium ceded payables - Excess of loss	2,737	(2)	-	2,735
Others	256	-	-	256
	<u>232,338</u>	<u>(11,969)</u>	<u>(11,463)</u>	<u>208,906</u>
Deferred tax liabilities				
Unrealized gain on the change in value of investment in available-for-sale securities	(1,479)	-	20	(1,459)
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(6,418)</u>	<u>-</u>	<u>20</u>	<u>(6,398)</u>
Deferred tax assets	<u>225,920</u>	<u>(11,969)</u>	<u>(11,443)</u>	<u>202,508</u>

	Separate financial statements			Baht: '000
	As at January 1, 2017	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2017
Deferred tax assets				
Unrealized loss on the change in value of investment in available-for-sale securities	22,677	-	(3,611)	19,066
Employee benefit obligations	1,412	45	-	1,457
Allowance for impairment of general investment	301	-	-	301
	<u>24,390</u>	<u>45</u>	<u>(3,611)</u>	<u>20,824</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets	<u>19,451</u>	<u>45</u>	<u>(3,611)</u>	<u>15,885</u>

	Separate financial statements			Baht: '000
	As at January 1, 2016	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	As at March 31, 2016
Deferred tax assets				
Unrealized loss on the change in value of investment in available-for-sale securities	30,306	-	(11,463)	18,843
Loss reserve - net	19,575	(19,575)	-	-
Employee benefit obligations	1,902	81	-	1,983
Allowance for impairment of general investment	301	-	-	301
	<u>52,084</u>	<u>(19,494)</u>	<u>(11,463)</u>	<u>21,127</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets	<u>47,145</u>	<u>(19,494)</u>	<u>(11,463)</u>	<u>16,188</u>

Income tax expense for the three-month periods ended March 31, 2017 and 2016 consisted of the following:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Income tax expense from taxable income per income tax return	2,664	13,057	568	-
Deferred tax expenses relating to the origination and reversal of temporary differences	(315)	11,969	(45)	19,494
Income tax expense per the statements profit or loss and other comprehensive income	<u>2,349</u>	<u>25,026</u>	<u>523</u>	<u>19,494</u>

Reconciliation of effective tax rate for the three-month periods ended March 31, 2017 and 2016 was as follow:

	Consolidated financial statements			
	For the three-month periods ended March 31,			
	2017		2016	
	Tax Rate (%)	Amount	Tax Rate (%)	Amount
Accounting income before tax		<u>113,339</u>		<u>235,019</u>
Income tax at 20%	20.00	<u>22,668</u>	20.00	<u>47,004</u>
Tax effect of non-deductible expenses (benefits)	(17.93)	<u>(20,319)</u>	(9.35)	<u>(21,978)</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>2.07</u>	<u>2,349</u>	<u>10.65</u>	<u>25,026</u>

Baht: '000			
Separate financial statements			
For the three-month periods ended March 31,			
	2017		2016
	Tax Rate (%)	Amount	Tax Rate (%)
		Amount	Amount
Accounting income before tax		8,980	97,332
Income tax at 20%	20.00	1,796	19,466
Tax effect of non-deductible expenses (benefits)	(14.18)	(1,273)	28
Income tax expense per the statements of profit or loss and other comprehensive income	5.82	523	19,494

14. INSURANCE CONTRACT LIABILITIES

Insurance contract liabilities as at March 31, 2017 and December 31, 2016 consisted of the following:

Baht: '000			
Consolidated financial statements			
As at March 31, 2017			
	Insurance contract liabilities	Reinsurance liabilities (see Note 7)	Net
Loss reserves			
Loss incurred and reported	685,776	(403,686)	282,090
Loss incurred but not reported	151,247	(64,026)	87,221
Premium reserve			
Unearned Premium reserve	1,395,115	(564,250)	830,865
Total	2,232,138	(1,031,962)	1,200,176

Baht: '000			
Consolidated financial statements			
As at December 31, 2016			
	Insurance contract liabilities	Reinsurance liabilities (see Note 7)	Net
Loss reserves			
Loss incurred and reported	694,871	(409,068)	285,803
Loss incurred but not reported	124,232	(45,142)	79,090
Premium reserve			
Unearned Premium reserve	1,430,786	(596,066)	834,720
Total	2,249,889	(1,050,276)	1,199,613

14.1 Insurance reserve for short term insurance contract

14.1.1 Loss reserves

Loss reserves as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2017	As at December 31, 2016
Balance as at beginning period/year	819,103	928,842
Loss incurred during the period/year	439,126	1,577,788
Changing on estimated loss and assumptions used in calculating loss reserve	25,733	(262,313)
Loss paid during the period/year	(446,939)	(1,425,214)
Balance as at ending period/year	<u>837,023</u>	<u>819,103</u>

	Baht: '000	
	Separate financial statements	
	As at March 31, 2017	As at December 31, 2016
Balance as at beginning period/year	-	97,875
Change in estimate of loss and assumptions used in calculating less reserve	-	(97,875)
Balance as at ending period/year	<u>-</u>	<u>-</u>

As at December 31, 2015, the loss reserve and outstanding claims account in the separate financial statements are included outstanding claims and accrued interest of Baht 97.87 million, caused by a loss claim incurred by an insured company on September 24, 1997. On March 15, 2016, the supreme court had passed a verdict to dismissal for this case. Therefore, the Company reversed such loss reserve to be an other income in the statement of profit or loss and other comprehensive income for the year ended December 31, 2016 of Baht 97.87 million.

14.1.2 Unearned premium reserve

	Baht: '000	
	Consolidated financial statements	
	As at March 31, 2017	As at December 31, 2016
As at January 1,	1,430,786	1,472,282
Premium written for the period/year	733,942	3,082,392
Earned premium for the period/year	(769,613)	(3,123,888)
As at March 31, and December 31,	<u>1,395,115</u>	<u>1,430,786</u>

14.1.3 Unexpired risk reserve

As at March 31, 2017 and December 31, 2016, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the subsidiary amounting to Baht 720.85 million and Baht 816.17 million, respectively is lower than the unearned premium reserve.

15. DUE TO REINSURERS

Due to reinsurers as at March 31, 2017 and December 31, 2016 consisted of the following:

	Baht: '000	
	<u>Consolidated financial statements</u>	
	As at March 31, 2017	As at December 31, 2016
Amount withheld on reinsurance	400,639	402,551
Reinsurance payables	253,485	303,141
Total due to reinsurers	<u>654,124</u>	<u>705,692</u>

16. 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 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, 2017 and 2016, there is no revenue from a single external customer 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, 2017 and 2016 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	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from external	539,699	577,265	25,211	9,959	-	-	564,910	587,224
Share of profit on investment in an associate	-	-	94,498	109,440	-	-	94,498	109,440
Other income	723	1,627	8,599	110,036	(8,531)	(10,935)	791	100,728
Total revenues	540,422	578,892	128,308	229,435	(8,531)	(10,935)	660,199	797,392
Insurance business expenses	458,780	467,537	-	-	-	-	458,780	467,537
Directors and key management personnel's remuneration	9,373	9,536	10,361	14,511	-	-	19,734	24,047
Other expenses	62,408	73,572	14,469	8,152	(8,531)	(10,935)	68,346	70,789
Income tax expense	1,826	5,532	523	19,494	-	-	2,349	25,026
Net income	8,035	22,715	102,955	187,278	-	-	110,990	209,993

17. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended March 31, 2017 and 2016 were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Net profit (Baht '000)	110,990	209,993	8,457	77,838
Issued and paid-up share capital (shares)	250,000,000	250,000,000	250,000,000	250,000,000
Basic earnings per share (Baht)	0.44	0.84	0.03	0.31

18. 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	Finance
Krungsri Asset Management Co., Ltd.	Some common shareholders	Fund Management
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	Hire-purchase and 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

Companies	Relationship	Type of 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 and directors	Investments
BBTV Equity Co., Ltd.	Some common shareholders and directors	Office Space Rental
CKS Holding Co., Ltd.	Some common shareholders and directors	Investments
Allianz Ayudhya Assurance Plc.	Some common shareholders and directors	Life Insurance
Grand Canal Land Plc.	Some common shareholders and directors	Advertising
Ayudhya Asset Management Co., Ltd.	Some common shareholders	Asset Management
Siam Realty and Service Security Co., Ltd.	Some common shareholders	Services
Ayudhya Capital Auto Lease Plc.	Some common shareholders	Hire-purchase and auto leasing
Krungsriayudhya Card Co., Ltd	Some common shareholders	Services
Eastern Star Real Estate Plc.	Some common shareholders and directors	Property

18.1 Investments

As at March 31, 2017

	Baht: '000	
	Consolidate and Separate financial statements	
	Investment	Dividend
Investment - ordinary shares		
Siam City Cement Plc.	2,065	-
	<u>2,065</u>	<u>-</u>
Investment - unit trusts		
Unit trusts managed by		
Krungsri Asset Management Co., Ltd.		
- Krungsri Star Plus Fund	1,182,460	-
- Krungsri Star Equity Dividend Fund	25,721	1,253
- Krungsri Dividend Stock Fund	143,502	1,368
- Krungsri Dynamic Dividend Fund	13,613	-
- Krungsri Flexible Dividend Fund	70,181	-
- Krungsri Financial Focus Dividend Fund	7,095	894
- Krungsri Global High Payout Fund	21,579	-
- Krungsri Europe Equity Fund	16,464	-
- Krungsri Global Small-Mid Cap Equity Dividend Fund	9,457	-
- Krungsri Global Healthcare Equity Dividend Fund	37,546	1,155
	<u>1,527,618</u>	<u>4,670</u>

As at December 31, 2016

	Baht: '000	
	Consolidate and Separate financial statements	
	Investment	Dividend
Investment - ordinary shares		
Siam City Cement Plc.	1,904	105
	<u>1,904</u>	<u>105</u>
Investment - unit trusts		
Unit trusts managed by		
Krungsri Asset Management Co., Ltd.		
- Krungsri Star Plus Fund	511,521	-
- Krungsri Cash Management Fund	677,115	-
- Krungsri Star Equity Dividend Fund	26,577	2,997
- Krungsri Dividend Stock Fund	139,310	14,359
- Krungsri Dynamic Dividend Fund	12,663	312
- Krungsri Flexible Dividend Fund	67,802	11,601
- Krungsri Financial Focus Dividend Fund	7,343	644
- Krungsri Global High Payout Fund	21,792	-
- Krungsri Europe Equity Fund	15,594	-
- Krungsri Global Small-Mid Cap Equity Dividend Fund	9,314	295
- Krungsri Global Healthcare Equity Dividend Fund	36,792	1,155
	<u>1,525,823</u>	<u>31,363</u>

18.2 Significant balances and transactions were as follows:

	Baht: '000			
	Consolidated		Separate	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
Deposits at bank				
Bank of Ayudhya Plc.	394,396	379,948	62,326	53,496
Premium due and uncollected				
Bank of Ayudhya Plc.	6,770	542	-	-
Krungsri Asset Management Co.,Ltd	1,346	-	-	-
Ayudhya Development Leasing Co., Ltd.	-	8	-	-
Siam City Cement Plc.	1,531	1,949	-	-
Bangkok Broadcasting & T.V. Co., Ltd.	380	206	-	-
CKS Holding Ltd.	-	53	-	-
Allianz Ayudhya Assurance Plc.	193	34	-	-
Ayudhya Asset Management Co., Ltd.	69	-	-	-
Grand Canal Land Plc.	-	263	-	-
Siam Realty and Services Security Co., Ltd.	203	94	-	-
Ayudhya Capital Auto Lease Plc.	1	1	-	-
Eastern Star Real Estate Plc.	158	363	-	-
	<u>10,651</u>	<u>3,513</u>	<u>-</u>	<u>-</u>

	Baht: '000			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
Accrued interest income				
Bank of Ayudhya Plc.	1,563	1,340	80	245
Accrued income				
Sri Ayudhya General Insurance Plc.	-	-	10,728	16,219
Rental and facilities deposits				
BBTV Equity Co., Ltd.	5,715	5,719	1,303	1,303
Bank of Ayudhya Plc.	8	8	8	8
	<u>5,723</u>	<u>5,727</u>	<u>1,311</u>	<u>1,311</u>
Premium written received in advance				
Bank of Ayudhya Plc.	8,936	10,426	-	-
Payable from purchase of securities				
Krungsri Securities Plc.	199,879	-	-	-
Accrued expense - custodian fee				
Bank of Ayudhya Plc.	33	16	7	-
Accrued expense - commissions and brokerages				
Bank of Ayudhya Plc.	15,084	13,700	-	-
Accrued expense - other underwriting expenses				
Bank of Ayudhya Plc.	21,925	20,279	-	-

	Baht: '000	
	Consolidated financial statements	
	For the three-month periods ended March 31,	
	2017	2016
Premium written		
Bank of Ayudhya Plc.	7,819	5,189
Krungsri Asset Management Co., Ltd.	1,253	1,220
Ayudhya Development Leasing Co., Ltd.	8	45
Siam City Cement Plc.	1,552	1,774
Bangkok Broadcasting & T.V. Co., Ltd.	504	585
Great Luck Equity Co., Ltd.	41	47
Super Assets Co., Ltd.	70	58
BBTV Equity Co., Ltd.	29	23
Allianz Ayudhya Assurance Plc.	179	419
Ayudhya Asset Management Co., Ltd.	401	478
Siam Realty and Services Security Co., Ltd.	417	317
Eastern Star Real Estate Plc.	231	68
	<u>12,504</u>	<u>10,223</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	
	<u>Consolidated financial statements</u>	
	<u>For the three-month periods ended March 31,</u>	
	2017	2016
Commissions and brokerages		
Bank of Ayudhya Plc.	43,394	49,524
Other underwriting expenses		
Bank of Ayudhya Plc.	26,610	35,140

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.

	Baht: '000			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month periods ended March 31,</u>		<u>For the three-month periods ended March 31,</u>	
	2017	2016	2017	2016
Interest income				
Bank of Ayudhya Plc.	707	882	99	111
Management income				
Sri Ayudhya General Insurance Plc.	-	-	8,411	10,815

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.

	Baht: '000			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month periods ended March 31,</u>		<u>For the three-month periods ended March 31,</u>	
	2017	2016	2017	2016
Commission paid				
Krungsri Securities Plc.	-	133	-	133
Management fee				
Krungsri Securities Plc.	-	142	-	142
Custodian fee				
Bank of Ayudhya Plc.	62	49	7	4

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

	Baht: '000			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2017	2016	2017	2016
Rental and service fees				
BBTV Equity Co., Ltd.	5,759	5,761	1,325	1,325
Bank of Ayudhya Plc.	3	3	3	3
Other expense				
Sri Ayudhya General Insurance Plc.	-	-	120	120

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.

The Company enters into a management service agreement with a subsidiary for receiving about services of personnel, internal audit and information technology. Services rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the Company.

19. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

During the three-month periods ended March 31, 2017 and 2016, 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:

	Baht: '000			
	Consolidated		Separate financial	
	financial statements		statements	
	2017	2016	2017	2016
Directors and key management personnel's remuneration				
Short-term benefits	18,854	22,496	9,969	13,768
Post-employment benefits	543	684	179	339
Directors' remuneration	337	867	213	404
	<u>19,734</u>	<u>24,047</u>	<u>10,361</u>	<u>14,511</u>

Directors' remunerations for the years 2017 and 2016 were approved by the ordinary shareholders' meeting of the Company held on April 24, 2017 and April 26, 2016, respectively.

Furthermore, directors' remuneration of the subsidiary for the years 2017 and 2016 were approved by the ordinary shareholders' meeting of the subsidiary held on April 17, 2017 and April 25, 2016, respectively.

20. SECURITIES PLEDGED AND ASSETS RESERVED WITH THE REGISTRAR

As at March 31, 2017 and December 31, 2016, certain investment in securities of the Company and its subsidiary were pledged and used for assets reserved with the Registrar (see Note 9) 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 March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
Investment in securities used to secure the facilities collateral with the Office of Insurance Commission				
Securities pledged with the registrar				
Deposits at banks	28,000	28,000	14,000	14,000
Assets reserved with the registrar				
Government and state enterprise securities	386,105	385,690	135,508	134,604
Total investment in securities of pledged	<u>414,105</u>	<u>413,690</u>	<u>149,508</u>	<u>148,604</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.

21. RESTRICTED ASSETS AND COMMITMENT

21.1 As at March 31, 2017, the subsidiary has Premium saving certificates amount of Baht 3.10 million (As at December 31, 2016: Baht 4.10 million) were used as collateral in case where the insured driver is an alleged offender (see Note 9).

21.2 As at March 31, 2017 and December 31, 2016, the Company has the undrawn committed borrowing facilities which is pledged as collateral by deposit at bank of the Company and its subsidiary in the same amount of credit limit as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
Overdraft facilities	40,000	40,000	20,000	20,000
Borrowing facilities (Domestic Bill)	10,000	10,000	10,000	10,000

22. CONTINGENT LIABILITIES AND COMMITMENT

22.1 As at March 31, 2017 and December 31, 2016, lawsuits have been brought against the subsidiary, as insurer, from which the subsidiary estimate losses which has been set aside in the loss reserve and outstanding claims accounts as follows:

	Baht: '000	
	Consolidated financial statement	
	As at March 31, 2017	As at December 31, 2016
Estimate losses from lawsuits	30,224	22,326

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.

22.2 As at March 31, 2017 and December 31, 2016, the subsidiary had a capital commitment to pay computer program development expenses in the amount of approximately Baht 12.87 million and Baht 14.03 million, respectively.

23. LONG-TERM LEASES AND SERVICE AGREEMENTS

Long-term leases and service agreements as at March 31, 2017 and December 31, 2016 consisted of the following:

Type of leases	Baht: '000		
	Consolidated financial statement		
	Remaining periods		Total rental
	Within 1 year	Over 1 year to 5 years	payments for the remaining periods
As at March 31, 2017			
Building			
- related company	4,257	3,142	7,399
- others	1,920	4,120	6,040
Service - related company	4,228	3,142	7,370
Equipment - related company	5,636	4,190	9,826
	<u>16,041</u>	<u>14,594</u>	<u>30,635</u>
As at December 31, 2016			
Building			
- related company	5,266	-	5,266
- others	2,825	3,350	6,175
Service - related company	4,222	-	4,222
Equipment - related company	4,491	-	4,491
	<u>16,804</u>	<u>3,350</u>	<u>20,154</u>

Type of leases	Baht: '000		
	Separate financial statement		
	Remaining periods	Total rental	
	Within 1 year	Over 1 year to 5 years	payments for the remaining periods
As at March 31, 2017			
Building - related company	530	-	530
Service - related company	530	-	530
Equipment - related company	706	-	706
	1,766	-	1,766
As at December 31, 2016			
Building - related company	927	-	927
Service - related company	927	-	927
Equipment - related company	1,237	-	1,237
	3,091	-	3,091

For the three-month periods ended March 31, 2017 and 2016, 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		Separate	
	financial statements		financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2017	2016	2017	2016
Rental and service fees	7,713	7,665	1,325	1,325

24. 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:

	Consolidated financial statements			Fair value hierarchy	Valuation techniques and key inputs
	Fair Value				
	As at March 31, 2017 (Baht : '000)	As at December 31, 2016 (Baht : '000)			
<u>Financial assets</u>					
Government and state enterprise securities	523,963	494,225	Level 2	Discounted cash flow using yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Associate	
Equity securities	452,268	287,389	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand	
Equity securities	1,719,332	1,838,732	Level 2	The unit trust's net asset value of the last working day of the reporting period	

	Separate financial statements			Valuation techniques and key inputs
	Fair Value		Fair value hierarchy	
	As at March 31, 2017 (Baht : '000)	As at December 31, 2016 (Baht : '000)		
<u>Financial assets</u>				
Government and state enterprise securities	165,666	134,604	Level 2	Discounted cash flow using yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Associate
Equity securities	452,268	287,389	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Equity securities	1,693,467	1,812,946	Level 2	The unit trust's net asset value of the last working day of the reporting period

25. EVENTS AFTER THE REPORTING PERIOD

- 25.1 At the annual general meeting of the shareholders of the associated Company held on April 20, 2017 the shareholders approved the appropriation of dividend of Baht 1,923.40 million. The dividend is pending endorsement from the Office of Insurance Commission.
- 25.2 On April 24, 2017, the general shareholders' meeting of the Company has the resolution to pay dividend of Baht 2 per share. The Company has already paid for the interim dividend of Baht 1.00 per share for 250 million shares, totaling Baht 250 million on September 13, 2016. The remaining dividend of Baht 1.00 per share for 250 million shares, totaling Baht 250 million will be paid to shareholders on May 8, 2017.

26. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on May 12, 2017.