

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

TO THE BOARD OF DIRECTORS

BANGKOK BANK PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Bank Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bangkok Bank Public Company Limited as at March 31, 2015, and the related consolidated and Bank's statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Bank'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".

BANGKOK
May 12, 2015

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2015 (Unaudited)	December 31, 2014	March 31, 2015 (Unaudited)	December 31, 2014
ASSETS					
CASH		48,031,299	59,898,596	47,923,816	59,782,345
INTERBANK AND MONEY MARKET ITEMS, NET		595,452,640	532,205,093	544,738,768	467,829,801
CLAIMS ON SECURITY		9,804	64,802	-	-
DERIVATIVES ASSETS		16,539,057	15,941,003	16,340,017	15,669,766
INVESTMENTS, NET	5.2	398,848,095	382,054,379	380,535,020	365,455,991
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	5.3	1,217,408	1,156,058	33,182,329	33,182,329
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET					
Loans to customers	5.4	1,774,986,003	1,782,848,508	1,724,262,484	1,731,042,377
Accrued interest receivables		3,438,919	4,233,232	3,325,690	4,118,775
Total loans to customers and accrued interest receivables					
		1,778,424,922	1,787,081,740	1,727,588,174	1,735,161,152
<u>Less</u> Deferred revenue		(733,024)	(615,678)	(664,537)	(537,521)
<u>Less</u> Allowance for doubtful accounts		(87,750,793)	(89,411,506)	(85,353,886)	(87,095,271)
<u>Less</u> Revaluation allowance for debt restructuring		(2,402,153)	(2,513,971)	(2,402,153)	(2,513,971)
Total loans to customers and accrued interest receivables, net					
		1,687,538,952	1,694,540,585	1,639,167,598	1,645,014,389
CUSTOMER'S LIABILITY UNDER ACCEPTANCES		1,484,029	1,852,323	280,356	372,770
PROPERTIES FOR SALE, NET		15,826,594	16,515,654	11,249,043	11,581,876
PREMISES AND EQUIPMENT, NET		31,193,124	31,454,587	29,740,681	29,980,362
OTHER INTANGIBLE ASSETS, NET		611,972	698,464	558,947	643,210
DEFERRED TAX ASSETS		2,069,302	2,132,488	1,174,149	1,176,208
OTHER ASSETS, NET		20,177,759	21,376,107	15,047,043	17,220,656
TOTAL ASSETS		2,819,000,035	2,759,890,139	2,719,937,767	2,647,909,703

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2015

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2015 (Unaudited)	December 31, 2014	March 31, 2015 (Unaudited)	December 31, 2014
LIABILITIES AND SHAREHOLDERS' EQUITY					
DEPOSITS		2,117,969,341	2,058,778,930	2,058,581,126	1,992,588,427
INTERBANK AND MONEY MARKET ITEMS, NET		126,723,059	140,048,135	113,663,311	119,818,538
LIABILITY PAYABLE ON DEMAND		10,071,589	9,135,590	9,972,896	9,069,981
LIABILITY TO DELIVER SECURITY		150,236	152,330	-	-
DERIVATIVES LIABILITIES		16,974,683	17,851,695	16,290,287	17,183,330
DEBT ISSUED AND BORROWINGS	5.6	139,216,133	140,844,779	139,158,206	140,824,104
BANK'S LIABILITY UNDER ACCEPTANCES		1,484,029	1,852,323	280,356	372,770
PROVISIONS		9,165,642	9,241,494	9,060,809	9,142,816
DEFERRED TAX LIABILITIES		4,907,470	4,168,735	4,585,772	3,843,828
OTHER LIABILITIES		58,378,651	54,172,542	42,864,778	39,936,999
TOTAL LIABILITIES		2,485,040,833	2,436,246,553	2,394,457,541	2,332,780,793
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	5.7				
Authorized share capital					
1,655,000 preferred shares of Baht 10 each		16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each		39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital					
1,908,842,894 common shares of Baht 10 each		19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES		56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES		43,853,768	43,137,084	44,128,411	42,615,658
RETAINED EARNINGS					
Appropriated	5.8				
Legal reserve		19,000,000	19,000,000	19,000,000	19,000,000
Others		81,500,000	81,500,000	81,500,000	81,500,000
Unappropriated		114,040,924	104,419,537	105,417,154	96,578,591
TOTAL BANK'S EQUITY		333,829,353	323,491,282	325,480,226	315,128,910
NON-CONTROLLING INTEREST		129,849	152,304	-	-
TOTAL SHAREHOLDERS' EQUITY		333,959,202	323,643,586	325,480,226	315,128,910
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,819,000,035	2,759,890,139	2,719,937,767	2,647,909,703

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Deja Tulananda)
Vice Executive Chairman

(Mr. Singh Tangtatswas)
Director

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2015	2014	2015	2014
INTEREST INCOME	5.17	26,589,095	25,834,292	25,285,991	24,500,819
INTEREST EXPENSES	5.18	12,354,500	11,767,653	11,745,971	11,169,874
NET INTEREST INCOME		14,234,595	14,066,639	13,540,020	13,330,945
FEE AND SERVICE INCOME	5.19	8,543,490	7,145,377	6,979,194	6,498,461
FEE AND SERVICE EXPENSES	5.19	2,149,429	1,939,329	1,957,018	1,922,709
NET FEES AND SERVICE INCOME		6,394,061	5,206,048	5,022,176	4,575,752
GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS		1,683,281	1,898,507	1,516,462	1,626,545
GAINS ON INVESTMENTS		1,208,884	484,785	1,206,262	501,235
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		61,350	52,510	-	-
GAINS ON DISPOSAL OF ASSETS		543,923	370,928	292,019	233,897
DIVIDEND INCOME		793,826	558,552	996,447	703,769
OTHER OPERATING INCOME		128,171	99,772	87,774	84,696
TOTAL OPERATING INCOME		25,048,091	22,737,741	22,661,160	21,056,839
OTHER OPERATING EXPENSES					
Employee's expenses		6,016,557	5,420,709	5,321,382	4,939,547
Directors' remuneration		32,717	19,723	14,300	14,700
Premises and equipment expenses		2,050,458	2,142,560	1,888,464	1,986,986
Taxes and duties		925,366	903,969	866,806	856,233
Others		1,351,252	925,262	1,168,722	787,146
TOTAL OTHER OPERATING EXPENSES		10,376,350	9,412,223	9,259,674	8,584,612
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	5.20	2,979,534	2,103,242	2,817,637	1,738,992
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		11,692,207	11,222,276	10,583,849	10,733,235
INCOME TAX EXPENSES		2,235,128	2,221,618	1,959,772	2,094,715
NET PROFIT		9,457,079	9,000,658	8,624,077	8,638,520
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that may be reclassified subsequently to profit or loss					
Gains on remeasuring available-for-sale investment		3,235,639	3,036,154	3,323,788	3,000,804
Gains (losses) arising from translating the financial statements of foreign operations		(1,643,878)	(533,517)	(919,236)	260,452
Related income tax		(652,448)	(604,555)	(669,038)	(597,961)
Items that will not be reclassified subsequently to profit or loss					
Actuarial losses on defined benefit plans		(13,177)	-	(13,177)	-
Related income tax		4,902	-	4,902	-
TOTAL OTHER COMPREHENSIVE INCOME		931,038	1,898,082	1,727,239	2,663,295
TOTAL COMPREHENSIVE INCOME		10,388,117	10,898,740	10,351,316	11,301,815
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		9,406,901	8,965,122	8,624,077	8,638,520
Non-controlling interest		50,178	35,536	-	-
		9,457,079	9,000,658	8,624,077	8,638,520
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		10,338,071	10,863,181	10,351,316	11,301,815
Non-controlling interest		50,046	35,559	-	-
		10,388,117	10,898,740	10,351,316	11,301,815
BASIC EARNINGS PER SHARE (BAHT)		4.93	4.70	4.52	4.53
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Deja Tulananda)
Vice Executive Chairman

(Mr. Singh Tangtatswas)
Director

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(Unaudited)

Baht : '000

	CONSOLIDATED										Total	
	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves			Foreign Exchange Adjustment	Retained Earnings			Total Equity Attributable to the Bank's Shareholders		Non-controlling Interest
			Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments		Appropriated		Unappropriated			
							Legal Reserve	Others				
Balance as at January 1, 2014	19,088,429	56,346,232	10,280,263	5,246,682	25,328,396	(1,018,192)	18,000,000	76,500,000	86,164,059	295,935,869	115,821	296,051,690
Dividend paid	-	-	-	-	-	-	-	-	-	-	(50,001)	(50,001)
Total comprehensive income	-	-	-	-	2,431,576	(533,517)	-	-	8,965,122	10,863,181	35,559	10,898,740
Transfer to retained earnings	-	-	-	(222,782)	-	-	-	-	222,782	-	-	-
Balance as at March 31, 2014	19,088,429	56,346,232	10,280,263	5,023,900	27,759,972	(1,551,709)	18,000,000	76,500,000	95,351,963	306,799,050	101,379	306,900,429
Balance as at January 1, 2015	19,088,429	56,346,232	10,280,263	4,342,722	31,015,155	(2,501,056)	19,000,000	81,500,000	104,419,537	323,491,282	152,304	323,643,586
Dividend paid	-	-	-	-	-	-	-	-	-	-	(72,501)	(72,501)
Total comprehensive income	-	-	-	-	2,583,323	(1,643,878)	-	-	9,398,626	10,338,071	50,046	10,388,117
Transfer to retained earnings	-	-	-	(222,761)	-	-	-	-	222,761	-	-	-
Balance as at March 31, 2015	19,088,429	56,346,232	10,280,263	4,119,961	33,598,478	(4,144,934)	19,000,000	81,500,000	114,040,924	333,829,353	129,849	333,959,202

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(Unaudited)

Baht : '000

	THE BANK									Total
	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves				Retained Earnings		Unappropriated	
			Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments	Foreign Exchange Adjustment	Appropriated			
							Legal Reserve	Others		
Balance as at January 1, 2014	19,088,429	56,346,232	10,280,263	5,246,682	25,385,682	(2,416,996)	18,000,000	76,500,000	80,534,438	288,964,730
Total comprehensive income	-	-	-	-	2,402,843	260,452	-	-	8,638,520	11,301,815
Transfer to retained earnings	-	-	-	(222,782)	-	-	-	-	222,782	-
Balance as at March 31, 2014	19,088,429	56,346,232	10,280,263	5,023,900	27,788,525	(2,156,544)	18,000,000	76,500,000	89,395,740	300,266,545
Balance as at January 1, 2015	19,088,429	56,346,232	10,280,263	4,342,722	31,034,749	(3,042,076)	19,000,000	81,500,000	96,578,591	315,128,910
Total comprehensive income	-	-	-	-	2,654,750	(919,236)	-	-	8,615,802	10,351,316
Transfer to retained earnings	-	-	-	(222,761)	-	-	-	-	222,761	-
Balance as at March 31, 2015	19,088,429	56,346,232	10,280,263	4,119,961	33,689,499	(3,961,312)	19,000,000	81,500,000	105,417,154	325,480,226

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Deja Tulananda)
Vice Executive Chairman

(Mr. Singh Tangtatswas)
Director

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit from operating before income tax expenses		11,692,207	11,222,276	10,583,849	10,733,235
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities					
Depreciation and amortization expenses		897,859	854,090	866,181	819,400
Bad debt and doubtful accounts		3,076,025	2,292,291	2,914,128	1,928,041
Loss on debt restructuring (reversal)		(96,491)	(189,049)	(96,491)	(189,049)
Loss (gain) on foreign exchange		(375,600)	931,745	(336,840)	1,057,926
Amortization of premium (discount) on investment in debt securities		86,131	(26,029)	122,477	(3,417)
Unrealized loss (gain) on revaluation of trading securities		(140,528)	(19,984)	(28,311)	11,246
Unrealized gain on transfer of investments		(5,613)	(15,519)	(5,613)	(15,519)
Gain on disposal of securities for investments		(1,473,783)	(487,356)	(1,471,161)	(503,806)
Loss on impairment of investments		264,899	2,570	264,899	2,570
Share of profit from investment using equity method		(61,350)	(52,510)	-	-
Loss on impairment of properties for sale		36,718	18,052	36,718	18,052
Gain on disposal of premises, equipment and leasehold		(5,538)	(1,735)	(1,224)	(1,735)
Loss on valuation adjustment of other assets (reversal)		(22,457)	(18,381)	(22,457)	(18,381)
Provision expenses		205,568	169,523	199,414	165,078
Net interest income		(14,234,595)	(14,066,639)	(13,540,020)	(13,330,945)
Dividend income		(793,826)	(558,552)	(996,447)	(703,769)
Proceeds from interest income		28,487,511	27,704,880	27,013,746	26,493,456
Interest expenses paid		(9,748,700)	(13,057,405)	(9,264,044)	(12,658,988)
Proceeds from dividend income		440,127	245,047	425,249	240,266
Income tax paid		(393,386)	(256,142)	(306,319)	(195,220)
Decrease (increase) in other accrued receivables		(34,294)	(25,016)	1,526	1,754
Decrease in other accrued expenses		(1,403,163)	(1,808,722)	(1,212,417)	(1,390,055)
Profit from operating before changes in operating assets and liabilities		16,397,721	12,857,435	15,146,843	12,460,140
Decrease (increase) in operating assets					
Interbank and money market items		(64,592,959)	(41,297,196)	(77,375,024)	(41,159,495)
Investment in short-term securities		4,356,759	(17,062,825)	3,954,548	(16,976,438)
Loans to customers		3,289,921	6,771,703	2,216,900	7,947,445
Properties for sale		852,997	821,174	496,770	344,238
Other assets		728,407	5,860,173	1,525,889	6,888,718
Increase (decrease) in operating liabilities					
Deposits		59,190,412	(2,351,370)	65,992,699	(4,901,817)
Interbank and money market items		(13,325,076)	9,672,238	(6,155,227)	11,830,416
Liabilities payable on demand		935,999	(542,271)	902,915	(518,825)
Short-term borrowings		(85,463)	(467,727)	(122,714)	(467,727)
Other liabilities		(1,444,264)	(15,211,954)	(2,617,890)	(16,077,948)
Net cash from operating activities		6,304,454	(40,950,620)	3,965,709	(40,631,293)

Notes to the financial statements form an integral part of these interim financial statements

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2015	2014	2015	2014
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of available-for-sale securities		(175,684,867)	(55,115,974)	(164,184,490)	(53,329,288)
Proceeds from disposal of available-for-sale securities		149,993,821	79,647,163	141,297,026	78,763,369
Purchase of held-to-maturity debt securities		(7,897,964)	(13,806,113)	(402,184)	(2,867,236)
Proceeds from redemption of held-to-maturity debt securities		15,528,077	22,633,050	7,880,027	10,639,335
Purchase of general investments		(187,988)	(3,042,426)	(187,988)	(3,042,426)
Proceeds from disposal of general investments		130,778	195,369	130,778	195,369
Proceeds from dividend income					
from subsidiaries and associates		-	-	217,499	149,999
Purchase of premises, equipment and leasehold		(594,012)	(583,037)	(499,208)	(286,371)
Proceeds from disposal of premises and equipment		12,203	1,797	1,341	1,797
Net cash from investing activities		<u>(18,699,952)</u>	<u>29,929,829</u>	<u>(15,747,199)</u>	<u>30,224,548</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Decrease in borrowings		(12,772)	(28,344)	(12,772)	(28,344)
Dividend paid to non-controlling interest		(72,501)	(50,001)	-	-
Net cash from financing activities		<u>(85,273)</u>	<u>(78,345)</u>	<u>(12,772)</u>	<u>(28,344)</u>
Effect on cash due to changes in the exchange rates		<u>(71,965)</u>	<u>(9,813)</u>	<u>(64,267)</u>	<u>(9,758)</u>
Net decrease in cash and cash equivalents		(12,552,736)	(11,108,949)	(11,858,529)	(10,444,847)
Cash and cash equivalents as at January 1,		62,802,942	57,168,584	59,782,345	53,299,523
Cash and cash equivalents as at March 31,	5.1.1	<u>50,250,206</u>	<u>46,059,635</u>	<u>47,923,816</u>	<u>42,854,676</u>

Notes to the financial statements form an integral part of these interim financial statements

(Mr. Deja Tulananda)
Vice Executive Chairman

(Mr. Singh Tangtatswas)
Director

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(UNAUDITED)

1. REGULATORY REQUIREMENTS

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand (BOT). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measurements of the Bank's assets, liabilities and certain off-balance sheet items calculated in accordance with regulatory requirements. The Bank's capital amounts and classification are also subject to qualitative judgement by the BOT about components, risk weightings and other factors. The Bank believes that as at March 31, 2015 and December 31, 2014, the Bank complied with all capital adequacy requirements. However, these capital and regulatory requirements are subject to change by the BOT.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS

Bangkok Bank Public Company Limited is a public company limited registered in the Kingdom of Thailand and registered in the Stock Exchange of Thailand with its head office located at 333 Silom Road, Bangrak, Bangkok. The Bank's main business is commercial banking and the Bank conducts its businesses through a network of branches covering all parts of Thailand and some major parts of the world.

2.1 The consolidated and the Bank's interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2014) regarding Interim Financial Reporting and presented in accordance with the Regulations of The Stock Exchange of Thailand (SET) regarding the Basis, Conditions and Procedures for the Preparation and Submission of Financial Position and Results of Operations of Listed Companies B.E. 2544 dated January 22, 2001, including the BOT's Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups dated December 3, 2010.

Certain financial information which is normally included in financial statements prepared in accordance with Thai Financial Reporting Standards but which is not required for interim reporting purposes, has been omitted. The aforementioned interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2014.

The consolidated and the Bank's statements of financial position as at December 31, 2014, presented herein for comparison, had been derived from the consolidated and the Bank's financial statements for the year then ended which had been audited.

The results of operations for the three-month period ended March 31, 2015 are not necessarily indicative of the operating results anticipated for the full year.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards also requires the Bank to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. The actual results may differ from those estimates.

The Bank prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and the regulations as stated above. These financial statements are prepared in accordance with accounting principles and practices generally accepted in Thailand.

2.2 New or Revised Thai Financial Reporting Standards

The Application of the New or Revised Thai Financial Reporting Standards

Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations to be applied for the financial statements of the periods beginning on or after January 1, 2015 onward that are relevant to the Bank are as follows :

	Thai Financial Reporting Standards	Effective date
Thai Accounting Standards (TAS)		
TAS 1 (Revised 2014)	Presentation of Financial Statements	January 1, 2015
TAS 7 (Revised 2014)	Statement of Cash Flows	January 1, 2015
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2015
TAS 10 (Revised 2014)	Events after the Reporting Period	January 1, 2015
TAS 12 (Revised 2014)	Income Taxes	January 1, 2015
TAS 16 (Revised 2014)	Property, Plant and Equipment	January 1, 2015
TAS 17 (Revised 2014)	Leases	January 1, 2015
TAS 18 (Revised 2014)	Revenue	January 1, 2015
TAS 19 (Revised 2014)	Employee Benefits	January 1, 2015
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates	January 1, 2015
TAS 24 (Revised 2014)	Related Party Disclosures	January 1, 2015
TAS 27 (Revised 2014)	Separate Financial Statements	January 1, 2015
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures	January 1, 2015
TAS 33 (Revised 2014)	Earnings per Share	January 1, 2015
TAS 34 (Revised 2014)	Interim Financial Reporting	January 1, 2015
TAS 36 (Revised 2014)	Impairment of Assets	January 1, 2015
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	January 1, 2015
TAS 38 (Revised 2014)	Intangible assets	January 1, 2015

Thai Financial Reporting Standards		Effective date
Thai Financial Reporting Standards (TFRS)		
TFRS 5 (Revised 2014)	Non - current Assets Held for Sale and Discontinued Operations	January 1, 2015
TFRS 8 (Revised 2014)	Operating Segments	January 1, 2015
TFRS 10	Consolidated Financial Statements	January 1, 2015
TFRS 11	Joint Arrangements	January 1, 2015
TFRS 12	Disclosure of Interests in Other Entities	January 1, 2015
TFRS 13	Fair Value Measurement	January 1, 2015
Thai Accounting Standards Interpretations (TSI)		
TSI 15 (Revised 2014)	Operating Leases - Incentives	January 1, 2015
TSI 32 (Revised 2014)	Intangible Assets - Web Site Costs	January 1, 2015
Thai Financial Reporting Interpretations (TFRI)		
TFRI 4 (Revised 2014)	Determining whether an arrangement contains a lease	January 1, 2015
TFRI 10 (Revised 2014)	Interim Financial Reporting and Impairment	January 1, 2015
TFRI 13 (Revised 2014)	Customer loyalty programmes	January 1, 2015
TFRI 14	IAS 19 (Revised 2014)-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	January 1, 2015
TFRI 17 (Revised 2014)	Distributions of Non-cash Assets to Owners	January 1, 2015

The Bank has adopted the above accounting standards, financial reporting standards, accounting standards interpretations and financial reporting interpretations with no material impact on the Bank's financial statements. The Bank has disclosed the accounting policy and information according to TFRS 12 Disclosure of Interests in Other Entities in Note 5.3, and TFRS 13 Fair Value Measurement in Note 5.15, respectively.

- 2.3 The consolidated interim financial statements for the three-month periods ended March 31, 2015 and 2014, included the accounts of the head office and all branches of the Bank and its subsidiaries, which the accounts of subsidiaries had been derived from their reviewed financial statements except for the financial statements of BBL Asset Management Company Limited which had not been reviewed, and the consolidated financial position as at December 31, 2014, included the accounts of the head office and all branches of the Bank and its subsidiaries, which the accounts of subsidiaries had been derived from their audited financial statements by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries. The subsidiaries consist of BBL (Cayman) Limited, Bangkok Bank Berhad, Sinnsuptawee Asset Management Company Limited, BBL Asset Management Company Limited, Bualuang Securities Public Company Limited and Bangkok Bank (China) Company Limited.

In addition, the consolidated interim financial statements for the three-month periods ended March 31, 2015 and 2014 and the consolidated statement of financial position as at December 31, 2014, also included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad.

The consolidated interim financial statements for the three-month period ended March 31, 2015 and the consolidated statement of financial position as at December 31, 2014, also included Bangkok Capital Asset Management Company Limited which was incorporated on May 12, 2014, the 100.00% owned subsidiary of Bualuang Securities Public Company Limited.

All subsidiaries of the Bank were incorporated in the Kingdom of Thailand except for BBL (Cayman) Limited which was incorporated in the Cayman Islands British West Indies, Bangkok Bank Berhad which was incorporated in Malaysia and Bangkok Bank (China) Company Limited which was incorporated in the People's Republic of China.

The consolidated interim financial statements for the three-month periods ended March 31, 2015 and 2014 included equity interest in associates which was determined from the unreviewed financial statements of these companies and the consolidated statement of financial position as at December 31, 2014 included equity interest in associates which was determined from the unaudited financial statements of these companies and all associates of the Bank were incorporated in the Kingdom of Thailand.

- 2.4 The Bank's interim financial statements for the three-month periods ended March 31, 2015 and 2014 and the Bank's statement of financial position as at December 31, 2014 included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates are accounted for using the cost method, net of valuation allowance for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

The Bank applies accounting policies and calculation methods to the interim financial statements consistent with those used in the financial statements for the year ended December 31, 2014. This includes the application of the new or revised Thai financial reporting standards as mentioned in Note 2.2.

4. CAPITAL FUND

It is the Bank's policy to maintain an adequate level of capital to support growth strategies under an acceptable risk framework taking into consideration regulatory requirements and market expectations. The Bank regularly assesses its capital adequacy under various scenarios in order to anticipate capital requirements for the purpose of its capital planning and management process.

The guideline on capital fund based on the Basel III guidelines of the Bank of Thailand maintain the minimum capital adequacy ratios as follows :

	Capital fund ratio	Percentage
Common equity Tier 1 ratio		4.50
Tier 1 capital ratio		6.00
Total capital fund ratio		8.50

As at March 31 2015 and December 31, 2014, the Bank had capital fund and maintained capital adequacy ratios to risk assets in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Million Baht			
Tier 1 capital	305,612	303,810	299,124	297,006
Common Equity Tier 1 capital	305,524	303,683	299,124	297,006
Paid-up share capital	19,088	19,088	19,088	19,088
Premium on share capital	56,346	56,346	56,346	56,346
Legal reserve	19,000	19,000	19,000	19,000
Reserves appropriated from net profit	81,500	81,500	81,500	81,500
Retained earnings after appropriation	86,200	86,200	79,619	79,619
Other comprehensive income	43,635	41,689	43,794	41,581
Deductions from Common Equity				
Tier 1 capital	(245)	(140)	(223)	(128)
Additional Tier 1 capital	88	127	-	-
Tier 2 capital	43,308	46,287	42,459	45,417
Total capital fund	348,920	350,097	341,583	342,423

	PERCENTAGE			
	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Million Baht				
Common equity Tier 1 capital to risk assets ratio	15.20	15.10	15.34	15.24
Additional Tier 1 capital to risk assets ratio	15.21	15.11	15.34	15.24
Total capital to risk assets ratio	17.36	17.41	17.52	17.56

Disclosure of capital maintenance information of the Bank and the Financial Holding Group under the BOT's Notification regarding the disclosure of the capital requirement of commercial banks and regarding the disclosure of the capital requirement of the Financial Holding Group.

Location of disclosure www.bangkokbank.com
Date of disclosure April 30, 2015
Information as of December 31, 2014

5. ADDITIONAL INFORMATION

5.1 Supplementary disclosures of cash flow information

5.1.1 Cash and cash equivalents are cash on hand and cash in transit including subsidiaries' cash at bank and short-term investments with a maturity of less than or equal to three months from the acquisition date and without any obligations.

Cash and cash equivalents as at March 31, 2015 and 2014 are as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	Million Baht			
Cash	48,031	43,283	47,924	42,855
Cash equivalents				
Cash at Bank - current and saving account	29	67	-	-
Fixed deposit and notes with a maturity				
less than or equal to three months	<u>2,190</u>	<u>2,710</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>50,250</u>	<u>46,060</u>	<u>47,924</u>	<u>42,855</u>

5.1.2 Significant non-cash items for the three-month periods ended March 31, 2015 and 2014 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Million Baht				
Unrealized gains on investments in				
shareholders' equity increase	2,583	2,432	2,655	2,403
Properties for sale increased from loans				
payment/inactive assets	215	74	215	74
Unrealized increment per premises				
appraisal transferred to retained earnings	223	223	223	223

5.2 Investments, net

5.2.1 Investments as at March 31, 2015 and December 31, 2014 consisted of the following :

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Fair Value	Fair Value	Fair Value	Fair Value
Million Baht				
Trading securities				
Government and state enterprise securities	28,825	34,848	28,825	34,848
Private enterprise debt securities	60	5	60	5
Foreign debt securities	-	471	-	-
Domestic marketable equity securities	1,543	1,380	-	-
Total	<u>30,428</u>	<u>36,704</u>	<u>28,885</u>	<u>34,853</u>

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Fair Value	Fair Value	Fair Value	Fair Value
Million Baht				
Available-for-sale securities				
Government and state enterprise securities	214,049	194,607	214,049	194,607
Private enterprise debt securities	9,536	10,378	9,536	10,378
Foreign debt securities	29,950	26,978	18,369	16,526
Domestic marketable equity securities	62,331	52,829	61,047	52,791
Foreign marketable equity securities	1,479	1,537	1,479	1,537
Others	4,746	4,832	4,617	4,487
Total	<u>322,091</u>	<u>291,161</u>	<u>309,097</u>	<u>280,326</u>

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost
Million Baht				
Held-to-maturity debt securities				
Government and state enterprise securities	18,302	25,935	14,543	22,040
Private enterprise debt securities	700	700	700	700
Foreign debt securities	2,649	2,745	2,649	2,745
Total	<u>21,651</u>	<u>29,380</u>	<u>17,892</u>	<u>25,485</u>

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Cost	Cost	Cost	Cost
General investments				
Domestic non-marketable equity securities	6,656	6,743	6,647	6,734
Foreign non-marketable equity securities	<u>21,188</u>	<u>21,242</u>	<u>21,180</u>	<u>21,234</u>
Total	27,844	27,985	27,827	27,968
<u>Less</u> Allowance for impairment	<u>(3,166)</u>	<u>(3,176)</u>	<u>(3,166)</u>	<u>(3,176)</u>
Total	<u>24,678</u>	<u>24,809</u>	<u>24,661</u>	<u>24,792</u>
Total investments, net	<u>398,848</u>	<u>382,054</u>	<u>380,535</u>	<u>365,456</u>

Investments classified in accordance with the notification of the BOT as at March 31, 2015 and December 31, 2014 are presented in Note 5.5.

As at March 31, 2015 and December 31, 2014, the Bank has investments in 32 companies with cost values of Baht 256 million, which are companies whose prospects as a going concern are uncertain or are unlisted companies but whose financial positions and operations would fall under the SET delisting criteria, which the Bank had set aside allowance for impairment of these investments amounting to Baht 256 million and these companies had net book value totaling Baht 0 million.

As at March 31, 2015 and December 31, 2014, the Bank has investments in 4 listed companies that are under the SET delisting criteria, amounting to Baht 49 million and Baht 72 million, with the fair value of Baht 43 million, which the Bank had set aside allowance for impairment of these investments amounting to Baht 6 million and Baht 29 million, respectively.

For the three-month periods ended March 31, 2015 and 2014, the Bank has recorded loss for impairment of investments in the statements of comprehensive income amounting to Baht 265 million and Baht 3 million, respectively.

On December 30, 2004, the Bank entered into a transaction to transfer certain investments classified as available-for-sale securities received from debt restructuring to Sinnsuptawee Asset Management Co., Ltd., a subsidiary of the Bank, at the closing price on December 28, 2004 quoted on The Stock Exchange of Thailand in the amount of Baht 3,323 million. The proceeds from the aforementioned transfer were recorded as other liabilities and the related securities recorded as securities transferred to subsidiary under available-for-sale securities in accordance with accounting treatment guidance for transfers and accept transfers of financial assets. As at March 31, 2015 and December 31, 2014, the Bank had outstanding balances of other liabilities from such transaction amounting to Baht 1,133 million.

5.2.2 As at March 31, 2015 and December 31, 2014, the Bank and subsidiaries had investments in other companies of 10% and upwards of the paid-up capital of the respective companies but which are not considered to be investments in subsidiaries and associates. The classification is as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Manufacturing and commercial	11	11	11	11
Real estate and construction	187	187	187	187
Utilities and services	41	41	41	41
Others	<u>1,448</u>	<u>1,450</u>	<u>1,448</u>	<u>1,450</u>
Total	<u><u>1,687</u></u>	<u><u>1,689</u></u>	<u><u>1,687</u></u>	<u><u>1,689</u></u>

5.3 Investments in subsidiaries and associates, net

As at March 31, 2015 and December 31, 2014, the Bank had investments in subsidiaries and associates, net as follows :

Company	Type of Business	Type of Shares	Million Baht					
			CONSOLIDATED				Investment	
			Direct and Indirect Shareholding (%)		(Cost Method)		(Equity Method)	
			March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Associates								
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	43	43	594	568
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15	299	277
National ITMX Co., Ltd.	Service	Ordinary share	19.80	19.80	10	10	234	221
Thai Payment Network Co., Ltd.	Service	Ordinary share	49.99	49.99	<u>90</u>	<u>90</u>	<u>90</u>	<u>90</u>
Total					158	158	1,217	1,156
<u>Less</u> Allowance for impairment					<u>(2)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Investments in associates, net					<u><u>156</u></u>	<u><u>156</u></u>	<u><u>1,217</u></u>	<u><u>1,156</u></u>

Company	Type of Business	Type of Shares	THE BANK			
			Direct and Indirect Shareholding (%)		Investment (Cost Method)	
			March	December	March	December
			31, 2015	31, 2014	31, 2015	31, 2014
Subsidiaries						
BBL (Cayman) Limited	Finance	Ordinary share	100.00	100.00	2	2
Bangkok Bank Berhad	Banking	Ordinary share	100.00	100.00	6,082	6,082
Sinnsuptawee Asset Management Co., Ltd.	Asset management	Ordinary share	100.00	100.00	2,500	2,500
Bangkok Bank (China) Co., Ltd.	Banking	Ordinary share	100.00	100.00	19,585	19,585
BBL Asset Management Co., Ltd.	Finance	Ordinary share	75.00	75.00	183	183
Bualuang Securities PCL.	Securities	Ordinary share	99.89	99.89	4,769	4,769
Associates						
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	43	43
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15
National ITMX Co., Ltd.	Service	Ordinary share	19.80	19.80	10	10
Thai Payment Network Co., Ltd.	Service	Ordinary share	49.99	49.99	90	90
Total					33,279	33,279
<u>Less</u> Allowance for impairment					(97)	(97)
Investments in subsidiaries and associates, net					33,182	33,182

The aggregated financial information of associates that are not individually material is as follows :

	THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014
Net profit	201	192
Total comprehensive income	201	192

5.4 Loans to customers and accrued interest receivables, net

5.4.1 As at March 31, 2015 and December 31, 2014, the Bank and subsidiaries had classified loans and allowance for doubtful accounts in accordance with the notification of the BOT as follows :

	CONSOLIDATED March 31, 2015			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,675,125	1,068,067	1	12,682
Special mentioned	55,035	30,288	2	710
Substandard	10,474	2,749	100	2,780
Doubtful	14,729	4,836	100	4,951
Doubtful of loss	22,329	10,012	100	10,012
Excess provision according to the BOT's requirement				56,616
Total	<u>1,777,692</u>	<u>1,115,952</u>		<u>87,751</u>

	CONSOLIDATED December 31, 2014			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,704,086	1,055,551	1	12,687
Special mentioned	37,312	17,695	2	449
Substandard	5,803	1,619	100	1,631
Doubtful	17,156	4,822	100	4,860
Doubtful of loss	22,109	10,998	100	11,005
Excess provision according to the BOT's requirement				58,779
Total	<u>1,786,466</u>	<u>1,090,685</u>		<u>89,411</u>

	THE BANK March 31, 2015			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,626,112	1,036,954	1	12,382
Special mentioned	54,406	30,241	2	709
Substandard	10,235	2,674	100	2,706
Doubtful	14,591	4,730	100	4,845
Doubtful of loss	21,580	9,566	100	9,566
Excess provision according to the BOT's requirement				55,146
Total	<u><u>1,726,924</u></u>	<u><u>1,084,165</u></u>		<u><u>85,354</u></u>

	THE BANK December 31, 2014			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,654,059	1,020,170	1	12,346
Special mentioned	36,437	17,056	2	436
Substandard	5,733	1,599	100	1,614
Doubtful	17,059	4,726	100	4,764
Doubtful of loss	21,335	10,528	100	10,535
Excess provision according to the BOT's requirement				57,400
Total	<u><u>1,734,623</u></u>	<u><u>1,054,079</u></u>		<u><u>87,095</u></u>

As at March 31, 2015 and December 31, 2014, the consolidated and the Bank's financial statements included the allowance for doubtful accounts amounting to Baht 4,143 million and Baht 4,280 million, respectively, on a collective approach, for loans classified as normal and special mentioned.

5.4.2 As at March 31, 2015 and December 31, 2014, the Bank and subsidiaries had non-performing loans (NPLs), defined according to the BOT's notification as loans classified as substandard, doubtful and doubtful of loss including interbank and money market items but excluding accrued interest receivable, as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
	Million Baht			
NPLs before allowance for doubtful accounts	47,473	45,046	46,346	44,105
NPLs as percentage of total loans	2.17	2.14	2.18	2.15
Net NPLs after allowance for doubtful accounts	20,367	18,260	19,896	17,917
Net NPLs as percentage of net total loans	0.94	0.88	0.95	0.89

5.4.3 As at March 31, 2015 and December 31, 2014, the Bank and subsidiaries had loans and accrued interest receivables due from companies experiencing financial difficulties as defined in the SET's guidelines dated July 8, 1998 regarding the disclosure of asset quality and related party transactions, for which the Bank and subsidiaries had provided an allowance for doubtful accounts, as follows :

	No. of Companies	Outstanding Balance	CONSOLIDATED		
			March 31, 2015		
			Loans Net of Collateral/ Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

	No. of Companies	Outstanding Balance	CONSOLIDATED		
			December 31, 2014		
			Loans Net of Collateral/ Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

					Million Baht
THE BANK					
March 31, 2015					
	No. of Companies	Outstanding Balance	Loans Net of Collateral/Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

					Million Baht
THE BANK					
December 31, 2014					
	No. of Companies	Outstanding Balance	Loans Net of Collateral/Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

5.4.4 Troubled debt restructurings

Details of the restructured debts of the Bank for the three-month periods ended March 31, 2015 and 2014, classified by the restructuring methods are as follows :

					Million Baht
THE BANK					
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015					
Restructuring Method	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value	
Asset transfer	7	83	Land, building	83	
Debt restructuring in various forms	1,163	4,710	-	-	
Total	1,170	4,793			

The weighted average tenure of the above-mentioned restructuring is 4 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 4,793 million.

Million Baht

Restructuring Method	THE BANK FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014			
	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Debt restructuring in various forms	1,585	9,853	-	-
Total	<u>1,585</u>	<u>9,853</u>		

The weighted average tenure of the above-mentioned restructuring is 4 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 9,853 million.

For the three-month periods ended March 31, 2015 and 2014, the Bank recognized interest income from restructured debts amounting to Baht 1,044 million and Baht 933 million, respectively.

As at March 31, 2015 and December 31, 2014, the Bank had outstanding balances of loans to restructured debtors amounting to Baht 58,726 million and Baht 63,328 million, respectively.

Disclosures for the consolidated financial statements for troubled debt restructurings which occurred during the three-month periods ended March 31, 2015 and 2014 have not been provided, as such information is not significantly different from the above disclosures for the Bank's financial statements.

- 5.5 As at March 31, 2015 and December 31, 2014, classified assets in accordance with the notification of the BOT are as follows :

	CONSOLIDATED March 31, 2015				Million Baht
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,675,125	-	-	-	1,675,125
Special mentioned	55,035	-	-	-	55,035
Substandard	10,474	-	-	-	10,474
Doubtful	14,729	-	-	-	14,729
Doubtful of loss	22,329	5,901	2,210	1,201	31,641
Total	<u>1,777,692</u>	<u>5,901</u>	<u>2,210</u>	<u>1,201</u>	<u>1,787,004</u>

	CONSOLIDATED				Million Baht
	December 31, 2014				
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,704,086	-	-	-	1,704,086
Special mentioned	37,312	-	-	-	37,312
Substandard	5,803	-	-	-	5,803
Doubtful	17,156	-	-	-	17,156
Doubtful of loss	22,109	6,219	2,235	1,224	31,787
Total	<u>1,786,466</u>	<u>6,219</u>	<u>2,235</u>	<u>1,224</u>	<u>1,796,144</u>

	THE BANK				Million Baht
	March 31, 2015				
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,626,112	-	-	-	1,626,112
Special mentioned	54,406	-	-	-	54,406
Substandard	10,235	-	-	-	10,235
Doubtful	14,591	-	-	-	14,591
Doubtful of loss	21,580	5,837	1,281	1,196	29,894
Total	<u>1,726,924</u>	<u>5,837</u>	<u>1,281</u>	<u>1,196</u>	<u>1,735,238</u>

	THE BANK				Million Baht
	December 31, 2014				
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,654,059	-	-	-	1,654,059
Special mentioned	36,437	-	-	-	36,437
Substandard	5,733	-	-	-	5,733
Doubtful	17,059	-	-	-	17,059
Doubtful of loss	21,335	6,221	1,306	1,219	30,081
Total	<u>1,734,623</u>	<u>6,221</u>	<u>1,306</u>	<u>1,219</u>	<u>1,743,369</u>

5.6 Debt Issued and Borrowings

5.6.1 Classified by type of instruments and source of fund as at March 31, 2015 and December 31, 2014 :

	Million Baht					
	CONSOLIDATED					
	March 31, 2015			December 31, 2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	110,758	110,758	-	112,155	112,155
Unsecured subordinated notes	20,000	14,648	34,648	20,000	14,832	34,832
Bills of exchange	150	-	150	273	-	273
Others	126	-	126	96	-	96
<u>Less</u> Discount on borrowings	<u>-</u>	<u>(6,466)</u>	<u>(6,466)</u>	<u>-</u>	<u>(6,511)</u>	<u>(6,511)</u>
Total	<u>20,276</u>	<u>118,940</u>	<u>139,216</u>	<u>20,369</u>	<u>120,476</u>	<u>140,845</u>

	Million Baht					
	THE BANK					
	March 31, 2015			December 31, 2014		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	110,758	110,758	-	112,155	112,155
Unsecured subordinated notes	20,000	14,648	34,648	20,000	14,832	34,832
Bills of exchange	150	-	150	273	-	273
Others	68	-	68	75	-	75
<u>Less</u> Discount on borrowings	<u>-</u>	<u>(6,466)</u>	<u>(6,466)</u>	<u>-</u>	<u>(6,511)</u>	<u>(6,511)</u>
Total	<u>20,218</u>	<u>118,940</u>	<u>139,158</u>	<u>20,348</u>	<u>120,476</u>	<u>140,824</u>

5.6.2 Classified by type of instruments, currency, maturity and interest rate as at March 31, 2015 and December 31, 2014 :

Type	Currency	Maturity	Interest Rate	Million Baht	
				CONSOLIDATED	
				March 31, 2015	December 31, 2014
Senior unsecured notes	USD	2015 - 2023	2.75% - 5.00%	110,758	112,155
Unsecured subordinated notes	USD	2029	9.025%	14,648	14,832
Unsecured subordinated notes	THB	2022	4.375%	20,000	20,000
Bills of exchange	THB	2015	1.00% - 2.75%	150	273
Others	THB	2015 - 2019	0.00% - 0.50%	126	96
<u>Less</u> Discount on borrowings				<u>(6,466)</u>	<u>(6,511)</u>
Total				<u>139,216</u>	<u>140,845</u>

Million Baht

Type	Currency	Maturity	THE BANK		Amount	
			Interest Rate	March 31, 2015	December 31, 2014	
Senior unsecured notes	USD	2015 - 2023	2.75% - 5.00%	110,758	112,155	
Unsecured subordinated notes	USD	2029	9.025%	14,648	14,832	
Unsecured subordinated notes	THB	2022	4.375%	20,000	20,000	
Bills of exchange	THB	2015	1.00% - 2.75%	150	273	
Others	THB	2015 - 2019	0.50%	68	75	
<u>Less Discount on borrowings</u>				<u>(6,466)</u>	<u>(6,511)</u>	
Total				<u>139,158</u>	<u>140,824</u>	

5.7 Share capital

The Bank's share capital consists of :

- Ordinary shares
- Class A and Class B preferred shares, the holders of which have rights according to Article 3 of the Bank's Articles of Association.

As at March 31, 2015 and December 31, 2014, the Bank had registered share capital of Baht 40,000,000,000 divided into ordinary shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

Type	Number of Registered Shares	
	March 31, 2015	December 31, 2014
Ordinary shares	3,998,345,000	3,998,345,000
Class A preferred shares	655,000	655,000
Class B preferred shares	1,000,000	1,000,000
Total	<u>4,000,000,000</u>	<u>4,000,000,000</u>

As at March 31, 2015 and December 31, 2014, the Bank had 1,908,842,894 issued ordinary shares and 2,039,502,106 unissued ordinary shares and 655,000 Class A unissued preferred shares and 1,000,000 Class B unissued preferred shares. In relation to the allocation of the unissued ordinary shares, the Bank will follow the resolutions of the 12th ordinary shareholders' meeting convened on April 12, 2005, as per the following details :

1. Allocation of 1,339,502,106 ordinary shares as follows :
 - 1.1) Allocation of 459,502,106 ordinary shares for offer and sale to the general public, including the existing shareholders and the beneficial owners of the shares held by custodian or by any other similar arrangements.
 - 1.2) Allocation of 440,000,000 ordinary shares for offer and sale to institutional investors or investors

with specific characteristics prescribed by the Securities and Exchange Commission.

- 1.3) Allocation of 440,000,000 ordinary shares for offer and sale to the existing shareholders and the beneficial owners of the ordinary shares in proportion to their shareholdings.
2. Allocation of 50,000,000 ordinary shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds issued by the Bank and offered for sale in 1999 as part of the Capital Augmented Preferred Securities (CAPS).
3. Allocation of 500,000,000 ordinary shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds and/or convertible bonds that may further be issued in the future by the Bank.
4. Allocation of 200,000,000 ordinary shares to be reserved for the exercise of right to purchase ordinary shares by holders of warrants that may further be issued in the future by the Bank.
5. Allocation of 655,000 Class A preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds.
6. Allocation of 1,000,000 Class B preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds and/or unsubordinated bonds and/or subordinated convertible bonds and/or convertible bonds.

The offer and sale of the Bank's securities shall comply with the regulations prescribed by the Securities and Exchange Commission.

5.8 The appropriation of the profit and the dividend payments

On April 11, 2014, the 21st Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2013 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2013 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2013), and the amount to be appropriated for the period of July - December 2013 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,407 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,818 million on September 20, 2013, and the remaining amount will be paid on May 9, 2014 at the rate of Baht 4.50 per share amounting to Baht 8,589 million.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 8,589 million on May 9, 2014.

On August 28, 2014, the meeting of the Board of Directors of the Bank No. 8/2014 approved the resolutions regarding the appropriation of the profit and the payment of interim dividend as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2014 amounting to Baht 500 million and Baht 5,000 million, respectively.
- The payment of interim dividend at the rate of Baht 2.00 per ordinary share amounting to Baht 3,818 million on September 26, 2014.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 3,818 million on September 26, 2014.

5.9 Assets pledged as collateral and under restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowances for impairment, as at March 31, 2015 and December 31, 2014 amounted to Baht 14,850 million and Baht 33,519 million, respectively.

5.10 Contingent liabilities

As at March 31, 2015 and December 31, 2014, the Bank and subsidiaries had contingent liabilities as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Avals to bills	5,534	5,237	5,534	5,237
Guarantees of loans	9,509	9,479	6,079	6,650
Liability under unmatured import bills	19,169	19,788	17,846	18,221
Letters of credit	27,673	31,927	26,887	30,578
Other commitments				
Underwriting commitments	129	-	129	-
Amount of unused bank overdraft	171,587	176,298	170,120	174,981
Other guarantees	215,183	226,608	213,567	224,854
Others	67,491	4,927	67,691	4,543
Total	516,275	474,264	507,853	465,064

5.11 Litigation

As at March 31, 2015 and December 31, 2014, a number of civil proceedings have been brought against the Bank and subsidiaries in the ordinary course of business. The Bank and subsidiaries believe that such proceedings, when resolved, will not materially affect the Bank and subsidiaries's financial position and result of operations.

5.12 Related party transactions

As at March 31, 2015 and December 31, 2014, related parties of the Bank consisted of subsidiaries, associates, key management personnel that are directors, executives at the level of executive vice president and higher or equal, any parties related to key management personnel, including the entities in which key management personnel and any parties related which are controlled or significantly influenced.

The Bank and subsidiaries had significant assets, liabilities and commitments with related parties, as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
PLACEMENT				
Subsidiaries				
Bangkok Bank Berhad	-	-	2,849	5,382
Bangkok Bank (China) Co., Ltd.	-	-	7,547	5,333
Total	<u>-</u>	<u>-</u>	<u>10,396</u>	<u>10,715</u>
LOANS				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	3,630	4,300
Associate				
BSL Leasing Co., Ltd.	245	400	245	400
Other related parties	113	118	106	110
Total	<u>358</u>	<u>518</u>	<u>3,981</u>	<u>4,810</u>
ALLOWANCE FOR DOUBTFUL ACCOUNTS				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	44	52
Associate				
BSL Leasing Co., Ltd.	3	5	3	5
Total	<u>3</u>	<u>5</u>	<u>47</u>	<u>57</u>

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Million Baht				
OTHER ASSETS				
Subsidiaries				
Bangkok Bank Berhad	-	-	2	5
Sinnsuptawee Asset Management Co., Ltd.	-	-	-	1
Bualuang Securities PCL.	-	-	1	2
Bangkok Bank (China) Co., Ltd.	-	-	2	2
Associates				
BSL Leasing Co., Ltd.	1	-	1	-
Processing Center Co., Ltd.	15	27	15	27
Other related parties	3	5	-	-
Total	19	32	21	37
DEPOSITS				
Subsidiaries				
BBL (Cayman) Limited	-	-	741	750
Bangkok Bank Berhad	-	-	62	67
Sinnsuptawee Asset Management Co., Ltd.	-	-	6	55
BBL Asset Management Co., Ltd.	-	-	41	40
Bualuang Securities PCL.	-	-	31	33
Bangkok Bank (China) Co., Ltd.	-	-	42	52
Bangkok Capital Asset Management Co., Ltd.*	-	-	21	18
Associates				
BSL Leasing Co., Ltd.	14	63	14	63
Processing Center Co., Ltd.	56	90	56	90
National ITMX Co., Ltd.	33	19	33	19
Thai Payment Network Co., Ltd.	11	179	11	179
Other related parties	5,693	5,291	5,693	5,291
Total	5,807	5,642	6,751	6,657
BORROWINGS				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	-	-	550	557

* Holding by Bualuang Securities PCL.

	CONSOLIDATED		THE BANK	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Million Baht				
OTHER LIABILITIES				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	1,133	1,133
Associates				
Processing Center Co., Ltd.	3	2	3	2
National ITMX Co., Ltd.	7	7	7	7
Thai Payment Network Co., Ltd.	-	1	-	1
Other related parties	63	20	18	6
Total	73	30	1,161	1,149
COMMITMENTS				
Subsidiaries				
Bangkok Bank Berhad	-	-	6	14
Bualuang Securities PCL.	-	-	241	16
Associate				
BSL Leasing Co., Ltd.	51	22	51	22
Other related parties	6	6	6	6
Total	57	28	304	58

For the three-month period ended March 31, 2015, the Bank and subsidiaries charged interest at rates between 1.75% to 13.13% on loans to these related parties depending on the types of loans and collateral and interest rate charged 1.90% on loans to Sinnsuptawee Asset Management Co., Ltd.

For the year ended December 31, 2014, the Bank and subsidiaries charged interest at rates between 2.00% to 13.13% on loans to these related parties depending on the types of loans and collateral and interest rate charged between 2.08% to 2.10 % on loans to Sinnsuptawee Asset Management Co., Ltd.

The Bank follows the BOT guidelines in estimating the minimum allowance for doubtful accounts on loans to related parties similar to loans to normal debtors.

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at March 31, 2015 and December 31, 2014 are shown in Note 5.3.

Significant accounting transactions between the Bank and subsidiaries, associates and other related parties were transacted under normal business practices. The prices, interest rates, commission charges, terms and conditions are determined on an arm's length basis.

The Bank and subsidiaries had significant income and expenses with related parties as follows :

	Million Baht			
	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	4	-
Sinnsuptawee Asset Management Co., Ltd.	-	-	20	34
Bualuang Securities PCL.	-	-	1	-
Bangkok Bank (China) Co., Ltd.	-	-	6	-
Associate				
BSL Leasing Co., Ltd.	3	6	3	6
Total	<u>3</u>	<u>6</u>	<u>34</u>	<u>40</u>
Fees and service income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	303	-
Bualuang Securities PCL.	-	-	7	-
Associate				
Processing Center Co., Ltd.	3	3	3	3
Other related parties	12	12	-	12
Total	<u>15</u>	<u>15</u>	<u>313</u>	<u>15</u>
Dividend income				
Subsidiary				
BBL Asset Management Co., Ltd.	-	-	217	150
Other income				
Subsidiaries				
Bualuang Securities PCL.	-	-	1	-
Bangkok Bank (China) Co., Ltd.	-	-	34	-
Associate				
National ITMX Co., Ltd.	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>36</u>	<u>1</u>

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH		FOR THE THREE-MONTH	
	PERIODS ENDED		PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Interest paid				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	1	-
Bualuang Securities PCL.	-	-	2	-
Bangkok Bank (China) Co., Ltd.	-	-	1	-
Other related parties	16	18	16	18
Total	<u>16</u>	<u>18</u>	<u>20</u>	<u>18</u>
Commission paid				
Subsidiary				
Bualuang Securities PCL.	-	-	1	-
Other related parties	7	4	-	4
Total.	<u>7</u>	<u>4</u>	<u>1</u>	<u>4</u>
Other expenses				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	-	-	-	1
Associates				
Processing Center Co., Ltd.	6	4	6	4
National ITMX Co., Ltd.	18	20	18	20
Other related parties	9	11	5	11
Total	<u>33</u>	<u>35</u>	<u>29</u>	<u>36</u>

5.13 Disclosure of the statements of cash flows of the Asset Management Company (AMC)

In accordance with the BOT's regulations, the Bank is required to disclose the statements of cash flows of the AMC of the Bank in the notes to the financial statements. The statements of cash flows of Sinnsuptawee Asset Management Co., Ltd. are as follows :

SINNSUPTAWEE ASSET MANAGEMENT COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
(UNAUDITED)

	2015	2014
		Million Baht
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) from operating before income tax expense	189	77
Items to reconcile net profit (loss) to cash received (paid) from operating activities		
Net gain on disposal of securities	(1)	(1)
Net interest expenses	19	34
Interest expenses paid	(19)	(34)
Income tax paid	(8)	(6)
Profit (loss) from operating before changes in operating assets and liabilities	180	70
Operating assets (increase) decrease		
Properties for sale	356	477
Operating liabilities increase (decrease)		
Accrued expenses	(1)	(2)
Deposits	(61)	(59)
Advance received for properties for sale	(62)	(46)
Other liabilities	(7)	-
Net cash from operating activities	<u>405</u>	<u>440</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale securities	(50)	(594)
Proceeds from disposal of available-for-sale securities	266	602
Net cash from investing activities	<u>216</u>	<u>8</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for loan from the parent company	(670)	(460)
Net cash from financing activities	<u>(670)</u>	<u>(460)</u>
Net increase (decrease) in cash and cash equivalents	(49)	(12)
Cash and cash equivalents as at January 1,	<u>55</u>	<u>17</u>
Cash and cash equivalents as at March 31,	<u><u>6</u></u>	<u><u>5</u></u>

5.14 Events after the reporting period

On April 10, 2014, the 22nd Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2014 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2014 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2014), and the amount to be appropriated for the period of July - December 2014 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,407 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,818 million on September 26, 2014, and the remaining amount will be paid on May 8, 2015 at the rate of Baht 4.50 per share amounting to Baht 8,589 million.

5.15 Application of the new accounting policy

Since January 1, 2015, the Bank has applied the new accounting policy regarding the fair value measurement which is in accordance with TFRS 13 Fair Value Measurement.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or in the absence, the most advantageous market, where is accessible to by the Bank. The fair value of instruments that are quoted in active markets is determined using the quoted prices. A market is regarded as active if transactions take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market is not active, or an asset or a liability is not traded in an active market, the Bank uses valuation techniques to determine fair value by using the assumptions that market participants would use when pricing the asset or liability. Where applicable, a valuation adjustment is applied to arrive at the fair value.

The following table shows an analysis of financial assets and financial liabilities by level of the fair value hierarchy as at March 31, 2015

	CONSOLIDATED March 31, 2015			Million Baht
	Level 1	Level 2	Level 3	Total
Items measured at fair value :				
Financial assets				
Derivatives	-	16,539	-	16,539
Investments, net	76,612	275,907	-	352,519
Financial liabilities				
Derivatives	502	16,473	-	16,975

	THE BANK March 31, 2015			Million Baht
	Level 1	Level 2	Level 3	Total
Items measured at fair value :				
Financial assets				
Derivatives	-	16,340	-	16,340
Investments, net	73,655	264,327	-	337,982
Financial liabilities				
Derivatives	-	16,290	-	16,290

Fair values are determined according to the following hierarchy :

- Level 1 - quoted prices in active market for identical assets or liabilities
- Level 2 - value derived from valuation techniques for which the significant input used for the fair value measurement is directly or indirectly observable in the market
- Level 3 - value derived from valuation techniques for which the significant input used for the fair value measurement is unobservable in the market

The following methods and assumptions were used by the Bank in estimating the fair value of financial instruments measured at fair value

The fair value of derivatives is derived from market price or valuation techniques which are based on the market prices of instruments with similar characteristics and maturities or the valuation quoted by a reliable institution.

The fair value determination of investments in debt securities

- For domestic debt securities listed in the Thai Bond Market Association, the fair value is determined by using the bid yield of debt securities published in the Thai Bond Market Association. For such debt securities that are not listed in the Thai Bond Market Association, the average bid yield from three reliable financial institutions will be used.
- For foreign debt securities, the value quoted by reliable international financial institutions will be used.

The fair value determination of investments in equity securities

- For marketable equity securities with readily determinable market values, the fair value is determined by the last bid price on The Stock Exchange of Thailand on the last business day of the reporting date. If the last bid price is not available, the last closing price will be used.
- Investment in unit trusts are stated at fair value based on redemption value at the reporting date.

When using valuation techniques, the valuation adjustments are adopted, when the Bank considers that there are additional factors that would be considered by a market participant but are not incorporated within the valuation measurements. The considering factors are such as bid-offer spread, counterparty credit and liquidity etc.

5.16 Operating Segments

5.16.1 Operating Segments

Operating segments are reported measured on a basis that is consistent with internal reporting. Amounts for each operating segment are shown after the allocation of centralized costs and transfer pricing.

Transactions between operating segments are recorded within the segment as if they were third party transactions and are eliminated on consolidated financial statement.

The Bank is organized into segments based on products and services as follows :

Domestic Banking

Domestic Banking provides financial services in domestic. The main products and services are loans, deposits, trade finance, remittances and payments, electronic services, credit cards, debit cards and related other financial services.

International Banking

International Banking provides financial services through overseas branches and subsidiaries. The main products and services are loans, deposits, foreign exchange services, international fund transfers and payments, and export and import services.

Investment Banking

Investment Banking provides project services, corporate finance services, financial advisory services, securities business services, business strategic management by trading financial instruments including liquidity management of the Bank.

Others

Segments other than banking and investment banking business provide fund management services, securities services, assets management services and others, including operating expenses not allocated to operating segments.

The operating results of operating segments for the three-month periods ended March 31, 2015 and 2014 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	15,160	2,555	4,490	2,843	-	25,048
Total operating expenses before credit losses	<u>(7,013)</u>	<u>(923)</u>	<u>(168)</u>	<u>(2,272)</u>	<u>-</u>	<u>(10,376)</u>
Profit from operating before credit losses and income tax expenses	<u>8,147</u>	<u>1,632</u>	<u>4,322</u>	<u>571</u>	<u>-</u>	<u>14,672</u>

	CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	14,987	2,584	3,083	2,084	-	22,738
Total operating expenses before credit losses	<u>(6,770)</u>	<u>(986)</u>	<u>(151)</u>	<u>(1,505)</u>	<u>-</u>	<u>(9,412)</u>
Profit from operating before credit losses and income tax expenses	<u>8,217</u>	<u>1,598</u>	<u>2,932</u>	<u>579</u>	<u>-</u>	<u>13,326</u>

The financial position of operating segments as at March 31, 2015 and December 31, 2014 are as follows :

	CONSOLIDATED					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total assets						
As at March 31, 2015	1,463,903	643,640	1,003,547	138,875	(430,965)	2,819,000
As at December 31, 2014	1,474,751	665,498	894,465	148,255	(423,079)	2,759,890

5.16.2 Geographical Segments

The operating results classified by geographical areas for the three-month periods ended March 31, 2015 and 2014 are as follows :

	CONSOLIDATED						Million Baht
	FOR THE THREE-MONTH PERIODS ENDED						
	March 31, 2015			March 31, 2014			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Total operating income	22,125	2,923	25,048	19,882	2,856	22,738	
Total operating expenses*	(11,695)	(1,661)	(13,356)	(9,832)	(1,684)	(11,516)	
Profit from operating							
before income tax expenses	10,430	1,262	11,692	10,050	1,172	11,222	

The financial position classified by geographical areas as at March 31, 2015 and December 31, 2014 are as follows :

	CONSOLIDATED						Million Baht
	March 31, 2015			December 31, 2014			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Non-current assets**	27,867	3,938	31,805	28,171	3,982	32,153	
Total assets	2,351,413	467,587	2,819,000	2,267,564	492,326	2,759,890	

* Including credit losses.

** Consisting of premises and equipment, net and other intangible assets, net.

5.17 Interest income

Interest income for the three-month periods ended March 31, 2015 and 2014 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Interest on interbank and money market items	3,038	2,402	2,476	1,749
Investments and trading transactions	119	65	119	65
Investment in debt securities	1,614	2,166	1,515	2,069
Interest on loans	21,811	21,198	21,168	20,615
Others	7	3	8	3
Total interest income	<u>26,589</u>	<u>25,834</u>	<u>25,286</u>	<u>24,501</u>

5.18 Interest expenses

Interest expenses for the three-month periods ended March 31, 2015 and 2014 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Interest on deposits	7,998	7,522	7,475	6,988
Interest on interbank and money market items	450	488	365	421
Contributions to the Deposit Protection Agency	2,231	2,079	2,231	2,079
Interest on debt issued				
Bonds and subordinated notes	1,674	1,673	1,674	1,677
Others	-	3	-	3
Interest on borrowings	-	-	-	-
Others	1	2	1	2
Total interest expenses	<u>12,354</u>	<u>11,767</u>	<u>11,746</u>	<u>11,170</u>

5.19 Net fees and service income

Net fees and service income for the three-month periods ended March 31, 2015 and 2014 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Fees and service income				
Acceptances, aval and guarantees of loans	25	30	21	26
Others	8,518	7,115	6,958	6,473
Total fees and service income	<u>8,543</u>	<u>7,145</u>	<u>6,979</u>	<u>6,499</u>
Fees and service expenses	2,149	1,939	1,957	1,923
Net fees and service income	<u>6,394</u>	<u>5,206</u>	<u>5,022</u>	<u>4,576</u>

5.20 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities for the three-month periods ended March 31, 2015 and 2014 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2015	March 31, 2014 [*]	March 31, 2015	March 31, 2014 [*]
Interbank and money market items (reversal)	(45)	3	(50)	(78)
Loans to customers	3,121	2,289	2,964	2,006
Loss on debt restructuring (reversal)	(96)	(189)	(96)	(189)

5.21 Approval of the financial statements

On May 12, 2015, the Audit Committee and the Board of Executive Directors have authorized to issue these interim financial statements.

^{*} The Bank had made changes the presentation of 2014 comparison to be in accordance with the current year presentations.