

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

TO THE BOARD OF DIRECTORS

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of Sri Ayudhya General Insurance Public Company Limited as at March 31, 2012, and the statements of comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2012 and 2011 and the condensed notes to 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 reviews.

Scope of Reviews

We conducted our reviews in accordance with the 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

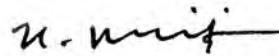
Based on our reviews, nothing has come to our attention that causes us to believe that the aforementioned interim financial information has not been prepared, in all material respects in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Comparative statement of financial position as at December 31, 2011

We have previously audited, in accordance with Thai Standards on Auditing, the financial statements of Sri Ayudhya General Insurance Public Company Limited for the year ended December 31, 2011, and expressed an unqualified opinion in our report dated February 28, 2012, with an emphasis of matter paragraphs summarized that the Company had been transferred all insurance policies including assets and liabilities relating to non-life insurance operation from the parent company. The statement of financial position as at December 31, 2011, presented herein for comparison, has been derived from such financial statements. We have not performed any other audit procedures subsequent to such report date.

Emphasis of matter

Without qualifying our conclusion, as discussed in Note 1 to the condensed financial statements, on October 1, 2011, the Company had been transferred the insurance business from the parent company which transferred all insurance policies including assets and liabilities relating to non-life insurance operation of the parent company to the Company. The insurance business has completely been transferred in December 2011.



Niti Jungnitnirundr
Certified Public Accountant (Thailand)
Registration No. 3809

BANGKOK
May 14, 2012

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

Baht : '000

	Notes	"Unaudited"	
		As at March 31, 2012	As at December 31, 2011
ASSETS			
Cash and cash equivalents		469,280	738,839
Accrued investment income		13,176	6,092
Premium due and uncollected - net	6	235,592	212,918
Reinsurance assets	7	4,944,777	5,258,564
Investments			
Investments in securities	8		
Available for sale securities		1,301,328	1,306,740
Held-to-maturity investment securities		246,207	140,277
General investment securities		1,211	1,211
Total investment in securities		<u>1,548,746</u>	<u>1,448,228</u>
Loans	9	3,432	3,634
Leasehold improvement and equipment - net	10	43,832	44,968
Intangible assets - net		125,427	123,688
Deferred tax assets	11	386,165	363,928
Deferred commission expense		39,049	38,408
Other assets	12	<u>46,746</u>	<u>47,787</u>
TOTAL ASSETS		<u><u>7,856,222</u></u>	<u><u>8,287,054</u></u>

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

Baht : '000

	Notes	"Unaudited"	
		As at March 31, 2012	As at December 31, 2011
LIABILITIES AND EQUITY			
Due to reinsurers	13	458,094	365,991
Insurance contract liabilities			
Loss reserves and outstanding claims	14	5,810,567	6,228,598
Premium reserve	15	841,415	796,725
Employee benefit obligation	16	39,840	38,479
Deferred tax liabilities	18	711	887
Premium written received in advance		242,132	256,904
Commission and brokerage payables		46,122	40,040
Accrued expense		21,353	28,136
Other liabilities	19	58,618	54,267
TOTAL LIABILITIES		<u>7,518,852</u>	<u>7,810,027</u>

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

Baht : '000

	Notes	"Unaudited"	
		As at March 31, 2012	As at December 31, 2011
LIABILITIES AND EQUITY (CONTINUED)			
EQUITY			
Share capital	20		
Authorized share capital			
120,000,000 ordinary shares of Baht 10.00 each		<u>1,200,000</u>	<u>1,200,000</u>
Issued and paid-up share capital			
120,000,000 ordinary shares of Baht 10.00 each		1,200,000	1,200,000
Retained deficit			
Unappropriated		(865,009)	(725,943)
Other components of equity			
Surplus on revaluation of investment		<u>2,379</u>	<u>2,970</u>
TOTAL EQUITY		<u>337,370</u>	<u>477,027</u>
TOTAL LIABILITIES AND EQUITY		<u>7,856,222</u>	<u>8,287,054</u>

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
"UNAUDITED"

Baht : '000

	Notes	2012	2011
Revenues			
Net premium earned	22	409,984	90,899
Fee and commission income	22	57,169	2,298
Total revenues		467,153	93,197
Expenses			
Underwriting expenses			
Losses incurred			
Insurance claims and loss adjustment expenses	22	406,068	48,612
Commissions and brokerage expenses	22	96,310	10,257
Other underwriting expenses	22	73,550	8,739
Operating expenses	23	59,320	16,586
Total Underwriting expenses		635,248	84,194
Profit (loss) on underwriting		(168,095)	9,003
Net investment income		11,201	3,504
Loss on investment in securities		(832)	(324)
Other income		33	757
Income (loss) from operating		(157,693)	12,940

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
"UNAUDITED"

		Baht : '000	
	Notes	2012	2011
Contribution to the Office of Insurance Commission		1,924	364
Contribution to Non - life guarantee fund		1,604	243
Contribution to Road victims protection fund		82	18
Income (loss) before income tax expense		(161,303)	12,315
Income tax - expense (income)	24	(22,237)	3,631
Net income (loss)		(139,066)	8,684
Other comprehensive income			
Deficit on revaluation of investments	5.1	(767)	(18)
Income tax relating to other comprehensive income	5.1	176	5
Other net comprehensive loss for the periods - net of tax		(591)	(13)
Total comprehensive income (loss) for the periods		(139,657)	8,671
Basic earnings (loss) per share	25	Baht (1.16)	0.19

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN EQUITY

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

"UNAUDITED"

Baht : '000

	Notes	Issued and paid-up share capital	Unappropriated Retain earnings (deficit)	Other components of equity - Surplus (deficit) on revaluation of investments	Total equity
Beginning balance as at January 1, 2011		300,000	30,511	1,168	331,679
Increase in share capital	20	900,000	-	-	900,000
Comprehensive income for the period	5.1	-	8,684	(13)	8,671
Ending balance as at March 31, 2011		<u>1,200,000</u>	<u>39,195</u>	<u>1,155</u>	<u>1,240,350</u>
Beginning balance as at January 1, 2012		1,200,000	(725,943)	2,970	477,027
Comprehensive loss for the period	5.1	-	(139,066)	(591)	(139,657)
Ending balance as at March 31, 2012		<u>1,200,000</u>	<u>(865,009)</u>	<u>2,379</u>	<u>337,370</u>

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

AS AT MARCH 31, 2012 AND DECEMBER 31, 2011

"UNAUDITED"

Baht : '000

	Notes	2012	2011
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Direct premium received		602,711	101,700
Cash received (paid) from reinsurance		613,252	(919)
Losses incurred from direct insurance		(1,139,201)	(42,616)
Loss adjustment expenses from direct insurance		(22,556)	(1,880)
Commissions and brokerages from direct insurance		(88,930)	(7,702)
Other underwriting expenses		(76,997)	(10,568)
Net investment income		3,155	5,866
Other income		32	671
Operating expenses		(48,928)	(27,746)
Income tax paid		(2,337)	(350)
Net cash provided by (used in) operating activities	5.3	<u>(159,799)</u>	<u>16,456</u>
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
CASH FLOWS PROVIDED BY			
Investment in securities		4,775	267,023
Loans		404	-
Leasehold improvement and equipment		1	99
Deposits at financial institutions with maturity over 3 months and deposits used as collateral		<u>25,203</u>	<u>-</u>
Cash provided by investing activities		<u>30,383</u>	<u>267,122</u>

SRI AYUDHYA GENERAL INSURANCE COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
"UNAUDITED"

		Baht : '000	
	Notes	2012	2011
CASH FLOWS USED IN			
Investment in securities		-	(84,278)
Cash paid to parent company - share subscription to be returned		-	(21,625)
Loans		(200)	-
Leasehold improvement and equipment		(2,857)	(1,171)
Intangible assets		(5,953)	
Deposits at financial institutions with maturity over 3 months and deposits used as collateral		(131,133)	(184,689)
Cash used in investing activities		<u>(140,143)</u>	<u>(291,763)</u>
Net cash used in investing activities		<u>(109,760)</u>	<u>(24,641)</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES			
Cash received from increase in share capital		-	900,000
Net cash provided by financing activities		<u>-</u>	<u>900,000</u>
Net increase (decrease) in cash and cash equivalents		(269,559)	891,815
Cash and cash equivalents as at January 1,		<u>738,839</u>	<u>54,578</u>
Cash and cash equivalents as at March 31,	5.2	<u><u>469,280</u></u>	<u><u>946,393</u></u>

See condensed notes to the financial statements

**SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2012 AND 2011
“UNAUDITED”**

1. GENERAL INFORMATION AND OPERATION OF THE COMPANY

Sri Ayudhya General Insurance Public Company Limited (“the Company”) is a limited company incorporated in Thailand on September 21, 1982. The main business is non-life insurance which the Company was awarded its license to operate all classes of non-life insurance on September 24, 1982. On October 3, 2011, the Company was registered to be Public Company Limited with the Ministry of Commerce and has been already approved by the Office of Insurance Commission. The Company’s office was registered at Ploenchit Tower, 18th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The major shareholder company is Sri Ayudhya Capital Public Company Limited which was incorporated in Thailand, holding 99.99% of its share capital.

On September 1, 2011, the Company and the parent company entered into the Transfer of Business Agreement to transfer all insurance policies including assets and liabilities relating to non-life insurance operation from the parent company (“non-life insurance business transfer”). The responsibilities and obligations under exiting insurance policies made between the parent company and clients or other parties will be responded by the Company. The non-life insurance business transfer prices on the transferred non-life insurance business date are based on the book values of assets and liabilities of the parent company as at September 30, 2011. The condition to determine the non-life insurance business transfer prices are as follows:

- (1) If the book value of assets to be transferred exceeds the book value of liabilities to be transferred, the Company is required to pay compensation to the parent company.
- (2) If the book value of liabilities to be transferred exceeds the book value of assets to be transferred, the parent company is required to pay compensation to the Company.

Additional, the Transfer of Business Agreement states that the obligations relating to all expenditure under the transfer of non-life insurance business will be responded by the Company.

Total assets held for transfer and liabilities held for transfer are as follows:

	Baht: million Book value as at September 30, 2011
Assets	
Premiums due and uncollected - net	172.05
Reinsurance assets	317.51
Loans	3.08
Equipment - net	40.56
Intangible assets - net	125.05
Deferred tax assets	175.42
Other assets	32.93
Total Assets	<u>866.60</u>

	Baht: million Book value as at September 30, 2011
Liabilities	
Due to reinsurers	251.72
Insurance contract liabilities	
Outstanding claims	462.26
Premium reserve	655.14
Employee benefit obligation	29.74
Premium written received in advance	136.64
Commission and brokerage payables	34.80
Other liabilities	24.60
Total liabilities	<u>1,594.90</u>
Liabilities over assets	<u>728.30</u>

Subsequently, on October 1, 2011, the Company has been transferred non-life insurance operation from the parent company. On November 30, 2011, the Company received the excess amount of liabilities over assets amounting to Baht 728.30 million for the transfer of insurance business from the parent company by transferring bonds at cost amounting to Baht 775.24 million with fair value including accrued interest amounting to Baht 787.77 million. For the excess amounting to Baht 59.47 million, the Company paid cash to the parent company. However, in December 2011, the Company found that the book value of deferred tax assets to be transferred from the parent company has difference amounting to Baht 8.92 million. As a result, the Company has to adjust by being received from the parent company at the same amount. As at February 24, 2012, the Company has already received such additional amount from the parent company.

The Company has extensive transactions and relationships with the parent company and related parties. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company had operated without such related parties.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim financial statements are prepared in accordance with Thai Accounting Standard (TAS) No. 34 (Revised 2009) "Interim Financial Statements", 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 No. 2 B.E. 2553 dated May 27, 2010 which was effective from January 1, 2011.

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with accounting standards and practices generally accepted in Thailand.

- 2.2 The interim financial statement for the three-month periods ended March 31, 2012 and 2011 are prepared by the management of the Company and are unaudited. However, in the opinion of the Company, all adjustments necessary for a fair presentation have been reflected therein.

The statement of financial position as at December 31, 2011, presented herein for comparison, has been derived from the financial statements for the year then ended which had been previously audited.

- 2.3 The unaudited results of operations presented in the interim financial statements for three-month periods ended March 31, 2012 and 2011 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in financial statements prepared in accordance with generally accepted accounting principles, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month period ended March 31, 2012 should be read in conjunction with the audited financial statements for the year ended December 31, 2011.
- 2.5 The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standards (“TAS”) Thai Financial Reporting Standards (“TFRS”) and Thai Accounting Standards Interpretation (“TSI”), which will become effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards as follows:

TAS	
TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS	
TFRS 8	Operating Segments
TSI	
TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company’s management will adopt the above TAS, TFRS and TSI relevant to the Company in the preparation of Company’s financial statements when they become effective. The Company’s management has assessed the effects of these standards and believes that they will not have any significant impact on the financial statements for the period in which they are initially applied. However, the Company has elected to early adopted TAS 12 “Income Taxes”.

2.6 The preparation of financial statements in conformity with generally accepted accounting principles also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

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, 2011.

4. IMPACT FROM SEVERE FLOODING IN THAILAND

From the severe flooding in Thailand by the end of 2011, as at December 31, 2011 the Company recorded loss reserve from flood claims advised from the insured amounting to Baht 5,977.98 million, as part of loss reserves and outstanding claims account (see Note 14), and recorded loss refundable from reinsurance amounting to Baht 4,947.59 million, as part of reinsurance assets account (see Note 7). Net insurance claims arising from such loss incurred and loss refundable amounting to Baht 1,030.39 million has been recorded as part of insurance claims and loss adjustment expenses account in the statements of comprehensive income for the year ended December 31, 2011.

For the three-month period ended March 31, 2012, the Company has paid insurance claims from the flooding to the insured by net of loss refundable from reinsurance amounting to Baht 219.34 million, and additional recorded net insurance claims arising from loss incurred and loss refundable from such situation amounting to Baht 122.93 million, as part of insurance claims and loss adjustment expenses account in the statements of comprehensive income for the three-month period ended March 31, 2012 (see Note 22). As at March 31, 2012, the Company has loss reserve from such claims of flooding amounting to Baht 5,020.39 million, as part of loss reserves and outstanding claims account (see Note 14), and loss refundable from reinsurance amounting to Baht 4,086.41 million as part of reinsurance assets account (see Note 7).

The Company's management has reviewed and estimated such loss reserves and loss recovery from the amount appraised by an independent appraiser or by the Company's appraiser, based on situation, received supporting documents and experience of the Company's management. However, there may be an uncertainty resulted from using various assumptions in estimation of such loss reserves and loss recovery.

5. ADDITIONAL INFORMATION FOR CASH FLOWS

5.1 Non-cash items

For the three-month periods ended March 31, 2012 and 2011, the surplus on revaluation of investments which is presented in other components of equity were shown net of deferred tax liabilities as follows:

	2012	Baht: '000 2011
Unrealized gain on investment in available for sale securities	3,090	1,650
<u>Less</u> Deferred tax liabilities	<u>(711)</u>	<u>(495)</u>
Surplus on revaluation of investments - net	<u>2,379</u>	<u>1,155</u>

For the three-month periods ended March 31, 2012 and 2011, changes in surplus on revaluation of investments - net of deferred tax were as follows:

	2012	Baht: '000 2011
Decrease of unrealized gain on investment in available for sale securities	(767)	(18)
Increase of deferred tax liabilities	<u>176</u>	<u>5</u>
Decrease of surplus on revaluation of investments - net	<u>(591)</u>	<u>(13)</u>

5.2 Cash and cash equivalents as at March 31, 2012 and 2011 consist of the following:

	2012	Baht: '000 2011
Cash	260	21
Deposits at bank - call deposits	469,020	273,634
Deposits at bank - time deposits and certificate of deposits	220,707	174,937
Treasury bill	-	799,677
	<u>689,987</u>	<u>1,248,269</u>
<u>Less</u> Deposits at bank with maturity over 3 months	<u>(5,777)</u>	<u>(55,140)</u>
Deposits at bank used as collateral	<u>(214,930)</u>	<u>(246,736)</u>
Cash and cash equivalents	<u>469,280</u>	<u>946,393</u>

5.3 Cash flows provided by operating activities

Items to reconcile net profit to net cash flows provided by operating activities for the three-month periods ended March 31, 2012 and 2011 are as follows:

	2012	Baht: '000 2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit (loss) before income tax	(161,303)	12,315
Items to reconcile net profit to net cash flows:		
Depreciation	4,040	575
Amortization of intangible assets	4,356	100
Gain on sale of assets	(1)	(86)
Employment benefit expense	1,361	298
Unearned premium reserve increase (decrease) from prior period	44,690	(13,524)
Amortization of bonds premium	458	105
Amortization of bonds discount	(601)	-
Amortization of treasury bills discount	(829)	-
Amortization of debentures premium	15	-
Amortization of debentures discount	(6)	(77)
Loss (gain) on sale of investment in available for sale securities - other securities	832	(7)
Loss on sale of investment in available for sale securities - bonds	-	174
Loss on sale of investment in available for sale securities - debentures	-	110
Loss on transfer of investment in trading securities - bonds	-	55
Loss on transfer of investment in trading securities - debentures	-	(8)
Profit (loss) from operations before changes in operating assets and liabilities	(106,988)	30
Operating assets (increase) decrease		
Accrued investment income	(7,084)	780
Premium due and uncollected	(22,674)	(17,243)
Reinsurance assets	313,787	(91,157)
Deferred commission expense	(641)	-
Other assets	3,376	(5,521)
Operating liabilities increase (decrease)		
Due to reinsurers	92,103	4,777
Loss reserves and outstanding claims	(418,031)	99,196
Premium written received in advance	(14,772)	27,390
Accrued expense	(6,783)	-
Accrued commissions	6,082	174
Other liabilities	4,163	(1,620)
Cash provided by (used in) operating activities	(157,462)	16,806
Income tax paid	(2,337)	(350)
Net cash provided by (used in) operating activities	(159,799)	16,456

6. PREMIUM DUE AND UNCOLLECTED - NET

Premium due and uncollected - net as at March 31, 2012 and December 31, 2011 consist of the following:

	As at March 31, 2012				As at December 31, 2011				Baht: '000
	Agent and		Inward	Total	Agent and		Inward	Total	
	Insured	Broker			Insured	Broker			
Within credit terms	7,149	144,149	659	151,957	15,541	123,816	499	139,856	
Less than 30 days	3,405	19,873	698	23,976	2,419	36,096	647	39,162	
30 - 60 days	4,404	24,089	5,261	33,754	244	12,697	3,557	16,498	
60 - 90 days	168	9,968	1,098	11,234	246	3,434	938	4,618	
90 days - 1 year	216	12,929	4,207	17,352	218	7,687	7,763	15,668	
Over 1 year	5,859	491	171	6,521	5,859	459	-	6,318	
Total premium due and uncollected	21,201	211,499	12,094	244,794	24,527	184,189	13,404	222,120	
<u>Less</u> Allowance for doubtful accounts	(6,077)	(3,125)	-	(9,202)	(6,077)	(3,125)	-	(9,202)	
Premium due and uncollected - net	15,124	208,374	12,094	235,592	18,450	181,064	13,404	212,918	

7. REINSURANCE ASSETS

Reinsurance assets as at March 31, 2012 and December 31, 2011 consist of the following:

	Baht: '000	
	As at March 31, 2012	As at December 31, 2011
Deposit on reinsurance	2	2
Due from reinsurers	563,952	247,817
Insurance reserve refundable from reinsurers	4,380,823	5,010,745
Reinsurance assets	<u>4,944,777</u>	<u>5,258,564</u>

Insurance reserve refundable from reinsurers as at March 31, 2012 and December 31, 2011 included an expected refundable from reinsurers caused by suffering losses from flooding in Thailand amounting to Baht 4,086.41 million and Baht 4,947.59 million, respectively (see Note 4).

Aging analyze for due from reinsurers as at March 31, 2012 and December 31, 2011 were as follows:

	Baht: '000	
	As at March 31, 2012	As at December 31, 2011
Within credit terms	532,833	240,324
Within 12 months	30,967	7,446
1-2 years	132	25
Over 2 years	20	22
Due from reinsurers	<u>563,952</u>	<u>247,817</u>

8. INVESTMENTS IN SECURITIES

Investments in securities as at March 31, 2012 and December 31, 2011 consist of the following:

	Baht: '000			
	As at March 31, 2012		As at December 31, 2011	
	Cost/ Amortized cost	Fair value	Cost/ Amortized cost	Fair value
Available for sale securities				
Government and state enterprise securities	518,090	517,834	521,744	523,460
Private enterprises debt securities	17,785	17,963	17,792	18,053
Foreign debt securities	705,107	703,062	704,983	704,855
Unit trusts	57,256	62,469	58,364	60,372
Total	<u>1,298,238</u>	<u>1,301,328</u>	<u>1,302,883</u>	<u>1,306,740</u>
<u>Less</u> Unrealized gain	3,090	-	3,857	-
Total available for sale securities	<u>1,301,328</u>	<u>1,301,328</u>	<u>1,306,740</u>	<u>1,306,740</u>
Held-to-maturity investment securities				
Private enterprises debt securities	25,500		25,500	
Fixed deposit with maturity over 3 months	5,777		30,777	
Fixed deposit used as collateral	214,930		84,000	
Total held-to-maturity investment securities	<u>246,207</u>		<u>140,277</u>	
General investment securities				
Equity securities	1,211		1,211	
Total general investment securities	<u>1,211</u>		<u>1,211</u>	
Total investment securities - net	<u>1,548,746</u>		<u>1,448,228</u>	

Debt securities classified by the remaining maturity as at March 31, 2012 were as follows:

	Maturities			Baht: '000
	Within 1 year	1 - 5 years	Over 5 years	Total
Available for sale in debt securities				
Government and state enterprise securities	289,225	171,569	57,296	518,090
Private enterprises debt securities	12,527	5,258	-	17,785
Foreign debt securities	299,815	405,292	-	705,107
<u>Add (Less) Unrealized gain (loss)</u>	48	(1,555)	61	(1,446)
Total available for sale debt securities	<u>601,615</u>	<u>580,564</u>	<u>57,357</u>	<u>1,239,536</u>
Held-to-maturity in debt securities				
Private enterprises debt securities	25,500	-	-	25,500
Total held-to-maturity debt securities	<u>25,500</u>	<u>-</u>	<u>-</u>	<u>25,500</u>
Total debt securities - net	<u>627,115</u>	<u>580,564</u>	<u>57,357</u>	<u>1,265,036</u>

Debt securities classified by the remaining maturity as at December 31, 2011 were as follows:

	Maturities			Baht: '000
	Within 1 year	1 - 5 years	Over 5 years	Total
Available for sale in debt securities				
Government and state enterprise securities	283,695	180,573	57,476	521,744
Private enterprises debt securities	12,530	5,262	-	17,792
Foreign debt securities	299,628	405,355	-	704,983
<u>Add (Less) Unrealized gain (loss)</u>	<u>(273)</u>	<u>1,446</u>	<u>676</u>	<u>1,849</u>
Total available for sale debt securities	595,580	592,636	58,152	1,246,368
Held-to-maturity debt securities				
Private enterprises debt securities	23,000	2,500	-	25,500
Total held-to-maturity debt securities	23,000	2,500	-	25,500
Total debt securities - net	618,580	595,136	58,152	1,271,868

As December 31, 2011, certain of bank deposits are pledged as collateral for bank overdrafts amounting to Baht 20 million (see Note 17).

As at March 31, 2012 and December 31, 2011, bonds and fixed deposits are pledged as collateral with the Registrar amounting to Baht 174.54 million and Baht 66.05 million, respectively (see Note 28).

As at March 31, 2012 and December 31, 2011, certain of investment in securities and bank deposits are deposited with a bank as the Company's backup assets according to the Notification of the Office of Insurance Commission (see Note 29).

9. LOANS

Loans of the Company is loan to employees in accordance with the welfare policy of the Company with interest rate of 3.85% per annum.

10. LEASEHOLD IMPROVEMENT AND EQUIPMENT - NET

Leasehold improvement and equipment - net as at March 31, 2012 and December 31, 2011 consist of the following:

	Cost				Accumulated depreciation				Beginning balance of leasehold improvement and equipment - net as at December 31, 2011	Ending balance of leasehold improvement and equipment - net as at March 31, 2012
	As at December 31, 2011	Increase	Disposal	As at March 31, 2012	As at December 31, 2011	Depreciation	Disposal	As at March 31, 2012		
Leasehold improvement	16,526	37	-	16,563	(13,507)	(266)	-	(13,773)	3,019	2,790
Furniture, fixtures and office equipment	108,684	302	(64)	108,922	(85,685)	(2,192)	64	(87,813)	22,999	21,109
Vehicles	38,608	2,565	-	41,173	(19,658)	(1,582)	-	(21,240)	18,950	19,933
Total	163,818	2,904	(64)	166,658	(118,850)	(4,040)	64	(122,826)	44,968	43,832

	Cost				Accumulated depreciation				Beginning balance of leasehold improvement and equipment - net as at December 31, 2010	Ending balance of leasehold improvement and equipment - net as at December 31, 2011		
	As at December 31, 2010	Increase	Disposal	Transfer from parent Company*	As at December 31, 2011	As at December 31, 2010	Depreciation	Disposal			Transfer from parent Company*	As at December 31, 2011
Leasehold improvement	4,435	1,885	(3,850)	14,056	16,526	(4,013)	(502)	3,592	(12,584)	(13,507)	422	3,019
Furniture, fixtures and office equipment	14,608	3,478	(3,959)	94,557	108,684	(12,951)	(3,056)	3,911	(73,589)	(85,685)	1,657	22,999
Vehicles	5,548	2,049	(1,217)	32,228	38,608	(4,153)	(2,471)	1,077	(14,111)	(19,658)	1,395	18,950
Total	24,591	7,412	(9,026)	140,841	163,818	(21,117)	(6,029)	8,580	(100,284)	(118,850)	3,474	44,968

As at March 31, 2012 and December 31, 2011, certain fixed assets at cost of Baht 85.14 million and Baht 66.62 million, respectively, were fully depreciated but still in use.

* The Company received transferred equipment relating to non-life insurance operation from the parent company which book value as at September 30, 2011 amounted of Baht 40.56 million (see Note 1).

11. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2012 and December 31, 2011 were as follows:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Deferred tax assets	<u>386,165</u>	<u>363,928</u>

Movements of deferred tax assets for the three-month periods ended March 31, 2012 and 2011 consist of tax effects from the following items:

	As at December 31, 2011	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2012
Allowance for doubtful accounts				
- Premium due and uncollected	1,840	-	-	1,840
Allowance for doubtful accounts				
- Other receivable	858	-	-	858
Unearned premium reserve	82,820	-	-	82,820
Loss reserve - net	261,680	(69,006)	-	192,674
Incurred but not reported claims	7,888	4,300	-	12,188
Employee benefit obligation	1,728	126	-	1,854
Unused tax losses	-	86,823	-	86,823
Others	7,114	(6)	-	7,108
Total deferred tax assets	<u>363,928</u>	<u>22,237</u>	<u>-</u>	<u>386,165</u>

	As at December 31, 2010	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2011
Allowance for doubtful accounts				
- Premium due and uncollected	471	-	-	471
Allowance for doubtful accounts				
- Other receivable	2,827	-	-	2,827
Unearned premium reserve	16,339	(1,033)	-	15,306
Loss reserve - net	11,046	3,201	-	14,247
Incurred but not reported claims	3,165	(283)	-	2,882
Employee benefit obligation	1,723	89	-	1,812
Unrealized loss on the change in value of investments - trading securities	60	(60)	-	-
Others	481	1,608	-	2,089
Total deferred tax assets	<u>36,112</u>	<u>3,522</u>	<u>-</u>	<u>39,634</u>

The Company used a tax rate of 30% for calculation of deferred tax for the three-month period ended March 31, 2011 and used a tax rate of 20% and 23% for calculation of deferred tax for the three-month period ended March 31, 2012 (see Note 24).

12. OTHER ASSETS

Other assets as at March 31, 2012 and December 31, 2011 consist of the following:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Other receivable	19,985	14,703
Accrued income - related company	588	11,821
Premium saving certificates used as collateral	12,500	12,500
Other assets	13,673	8,763
	<u>46,746</u>	<u>47,787</u>

13. DUE TO REINSURERS

Due to reinsurers as at March 31, 2012 and December 31, 2011 consist of the following:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Premium ceded payables	73,765	76,477
Amount withheld on reinsurance	184,331	175,449
Other reinsurance payables - treaty	199,998	114,065
	<u>458,094</u>	<u>365,991</u>

14. LOSS RESERVES AND OUTSTANDING CLAIMS

Loss reserves and outstanding claims as at March 31, 2012 and December 31, 2011 consist of the following:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
As at January 1,	6,228,598	107,204
Loss incurred and loss adjustment expenses in the period/year		
- Incurred but not reported	21,498	28,892
- Incurred but not yet agreed	(917,601)	6,090,183
- Incurred and agreed	1,259,073	316,906
Loss paid and loss adjustment paid in the period/year	(781,001)	(776,852)
<u>Add</u> Loss reserves and outstanding claims transferred from the parent company (see Note 1)	-	462,265
As at March 31, and December 31,	<u>5,810,567</u>	<u>6,228,598</u>

As at March 31, 2012 and December 31, 2011, the Company had loss reserves and outstanding claims under the reinsurance contracts amounting to Baht 2,354.29 million and Baht 2,230.89 million, respectively.

Loss reserves and outstanding claims as at March 31, 2012 and December 31, 2011 in the financial statements has been included claim from suffering losses from flooding in Thailand amounting to Baht 5,020.39 million and Baht 5,977.98 million, respectively (see Note 4).

15. PREMIUM RESERVE

Premium reserve as at March 31, 2012 and December 31, 2011 consist of the following:

15.1 Unearned premium reserve

	As at March 31, 2012	Baht: '000 As at December 31, 2011
As at 1 January	796,725	204,792
Premium written for the period/year	454,674	617,036
Earned premium for the period/year	(409,984)	(680,245)
<u>Add</u> Premium reserves transferred from the parent company (see Note 1)	-	655,142
As at March 31, and December 31,	<u>841,415</u>	<u>796,725</u>

As at March 31, 2012 and December 31, 2011, the Company did not include additional unearned premium reserve of ceded premium to foreign reinsurers amounting to Baht 88.79 million and Baht 41.06 million, respectively. Such unearned premium reserve was required to be recorded in the financial report to be submitted particularly to the Office of Insurance Commission under its relevant regulations.

15.2 Unexpired risk reserve

As at March 31, 2012 and December 31, 2011, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the Company amounting to Baht 640.10 million and Baht 644.90 million, respectively, is lower than the unearned premium reserve.

16. EMPLOYEE BENEFIT OBLIGATION

The Company calculated employee benefit obligation by using actuarial technique. The assumptions are included discount rate at 3.97% - 4.25%, turnover rate at 3%, 4%, 10% and 12% based on age group of employees, salary increase rate at 5% and retirement age at 60 years, respectively.

Employee benefit obligation for the three-month periods ended March 31, 2012 and 2011 consist of the following:

	2012	Baht: '000 2011
Current service cost	1,084	237
Interest cost	381	61
Reserve for retirement benefit expense	<u>1,465</u>	<u>298</u>

Movements in the present value of the employee benefit obligation as at March 31, 2012 and December 31, 2011 were as follows:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Present value of obligation at the beginning of the period/year	38,479	5,744
Current service cost of the period/year	1,084	2,750
Interest cost	381	244
Benefit paid during the period/year	(104)	-
Employee benefit obligation transferred from the parent company (see Note 1)	-	29,741
Present value of obligation at the ending of the period/year	<u>39,840</u>	<u>38,479</u>

17. BANK OVERDRAFTS

As at March 31, 2012 and December 31, 2011, the Company had unused credit lines for bank overdrafts of Baht 20 million which were guaranteed by fixed deposit of the Company of Baht 20 million. The interest rate was the fixed deposit rate of 2% - 3%, such credit lines were undrawn (see Note 8).

18. DEFERRED TAX LIABILITIES

Deferred tax liabilities as at March 31, 2012 and December 31, 2011 were as follows:

	As at March 31, 2012	Baht:'000 As at December 31, 2011
Deferred tax liabilities	<u>711</u>	<u>887</u>

Movements of deferred tax liabilities for three-month periods ended March 31, 2012 and 2011 consist of tax effects from the following items:

	As at December 31, 2011	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht:'000 As at March 31, 2012
Unrealized gain on the change in value of investments in available for sale securities	<u>887</u>	<u>-</u>	<u>(176)</u>	<u>711</u>
Total deferred tax liabilities	<u>887</u>	<u>-</u>	<u>(176)</u>	<u>711</u>

	As at December 31, 2010	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht:'000 As at March 31, 2011
Unrealized gain on the change in value of investments in available for sale securities	<u>500</u>	<u>-</u>	<u>(5)</u>	<u>495</u>
Total deferred tax liabilities	<u>500</u>	<u>-</u>	<u>(5)</u>	<u>495</u>

The Company used a tax rate of 30% for calculation of deferred tax for the three-month period ended March 31, 2011 and used a tax rate of 20% and 23% for calculation of deferred tax for the three-month period ended March 31, 2012 (see Note 24).

19. OTHER LIABILITIES

Other liabilities as at March 31, 2012 and December 31, 2011 consist of the following:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Other payable - promotion expense	17,123	19,450
Deferred premium received	20,258	19,950
Payable - Revenue Department	3,372	-
Withholding tax payable	5,891	3,584
Suspense output VAT	2,828	2,947
Others	9,146	8,336
	<u>58,618</u>	<u>54,267</u>

20. SHARE CAPITAL

On December 7, 2010, the extraordinary shareholders' meeting No. 3/2010 passed the resolution to increase the share capital from Baht 300 million (30 million ordinary shares of Baht 10.00 each) to Baht 1,200 million (120 million ordinary shares of Baht 10.00 each) by issuing 90 million new ordinary shares with a par value of Baht 10.00 each to be offered to the existing shareholders, at par value of Baht 10.00 each per share, totaling Baht 900 million. The Company has called and received subscriptions of the increased share capital and registered with the Registrar of Partnerships and Companies on January 31, 2011.

The number of weighted average ordinary shares as at March 31, 2012 and 2011 were as follows:

	2012 shares	2011 shares
Beginning balance	120,000,000	30,000,000
The number of weighted average ordinary shares during the period (90,000,000 x 60/365)	-	14,794,521
	<u>120,000,000</u>	<u>44,794,521</u>

21. CAPITAL FUND MAINTAINED

In accordance with the registrar declarations regarding “Rules, Procedures and Conditions for preparing Risk-Based Capital report of non-life insurance company B.E. 2554” dated August 31, 2011, non-life insurance company has to maintain the capital adequacy ratio at least 125 percent. As at March 31, 2012 and December 31, 2011, the Company has capital adequacy ratio less than condition. However, on April 12, 2012, the ordinary shareholders’ meeting No. 2 passed resolutions to approve an increase in share capital of the Company from Baht 1,200 million to Baht 2,400 million. The Company has called and received subscriptions of the increased share capital of 60 million ordinary shares, totaling Baht 600 million and registered on May 4, 2012 (see Note 34) resulting the Company has the capital adequacy ratio exceeded the requirement.

22. UNDERWRITING INFORMATION CLASSIFIED BY TYPE OF INSURANCE

Underwriting information classified by type of insurance for the three-month periods ended March 31, 2012 and 2011 were as follows:

	For the three-month periods ended March 31, 2012					Baht: '000
	Fire	Marine	Motor	Personal accident	Other miscellaneous	Total
Underwriting income						
Gross premiums written	139,453	89,729	198,508	63,961	160,544	652,195
Less Premiums ceded	49,285	66,817	3,310	8,554	69,555	197,521
Net premiums written	90,168	22,912	195,198	55,407	90,989	454,674
(Add) Less Unearned premium reserve	(16)	1,588	6,582	11,235	25,301	44,690
Earned premium	90,184	21,324	188,616	44,172	65,688	409,984
Fee and commission income	10,262	27,542	(3)	1,491	17,877	57,169
Total underwriting income	100,446	48,866	188,613	45,663	83,565	467,153
Underwriting expenses						
Insurance claims and loss adjustment expenses (see Note 4)	56,052	9,703	128,355	48,919	163,039	406,068
Commissions and brokerages expenses	30,739	10,830	26,560	11,014	17,167	96,310
Other underwriting expenses	12,605	6,610	15,245	19,077	20,013	73,550
Total underwriting expenses	99,396	27,143	170,160	79,010	200,219	575,928
Baht: '000						
	For the three-month periods ended March 31, 2011					
	Fire	Marine	Motor	Personal accident	Other miscellaneous	Total
Underwriting income						
Gross premiums written	14,570	1,617	38,180	1,716	37,203	93,286
Less Premiums ceded	4,359	736	609	1,063	9,144	15,911
Net premiums written	10,211	881	37,571	653	28,059	77,375
(Add) Less Unearned premium reserve	(2,194)	(78)	(2,520)	966	(9,698)	(13,524)
Earned premium	12,405	959	40,091	(313)	37,757	90,899
Fee and commission income	38	423	14	423	1,400	2,298
Total underwriting income	12,443	1,382	40,105	110	39,157	93,197
Underwriting expenses						
Insurance claims and loss adjustment expenses	2,181	113	34,039	(61)	12,340	48,612
Commissions and brokerages expenses	3,372	210	2,069	279	4,327	10,257
Other underwriting expenses	553	61	1,857	282	5,986	8,739
Total underwriting expenses	6,106	384	37,965	500	22,653	67,608

23. OPERATING EXPENSES

Operating expenses for the three-month periods ended March 31, 2012 and 2011, consist of the following:

	2012	Baht: '000 2011
Employee benefit expense, excluded underwriting and loss adjustment expenses	17,653	4,390
Premises and equipment expense, excluded underwriting expenses	20,268	4,273
Taxes and duties	170	25
Directors personnel's remuneration	341	305
Management fee (see Note 26.2)	10,760	3,812
Other operating expense	10,128	3,781
Total operating expenses	<u>59,320</u>	<u>16,586</u>

24. INCOME TAX EXPENSE

Income tax expenses for the three-month periods ended March 31, 2012 and 2011, consist of the following:

	2012	Baht: '000 2011
Income tax expense from taxable income per income tax return	-	7,153
Deferred tax expenses relating to the origination and reversal of temporary differences	<u>(22,237)</u>	<u>(3,522)</u>
Income tax - expense (income) per the statements of comprehensive income	<u>(22,237)</u>	<u>3,631</u>

The reconciliation between income tax - income (expense) and accounting income for the three-month periods ended March 31, 2012 and 2011 were as follows:

	2012	Baht: '000 2011
Accounting income (loss) before tax	<u>(161,303)</u>	<u>12,315</u>
Income tax at 30%	-	3,694
Income tax at 23%	(37,100)	-
Deferred income tax expenses related to change in corporation tax rate	14,762	-
Tax effect of non-deductible expenses (benefits)	<u>101</u>	<u>(63)</u>
Income tax expense (income) per the statements of comprehensive income	<u>(22,237)</u>	<u>3,631</u>

On October 11, 2011, the Thai Cabinet approved a reduction of the corporate income tax rate from 30% to 23% of profits for companies or juristic partnerships with a 2012 accounting period ending on or after December 31, 2012, and from 23% to 20% for companies or juristic partnerships with a 2013 accounting period beginning on or after January 1, 2013 onwards. According to the Royal Decree No. 530 dated December 21, 2011, the income tax rate has been reduced from 30% to 23% for the accounting period beginning on or after January 1, 2012 and 20% for the accounting periods beginning on or after January 1, 2013 and 2014.

The Company used tax rate of 23% and 30% for corporate income tax calculation for the three-month periods ended March 31, 2012 and 2011, respectively.

The Company used a tax rate of 30% for calculation of deferred tax for the three-month period ended March 31, 2011 and used a tax rate of 20% and 23% for calculation of deferred tax for the three-month period ended March 31, 2012 (see Notes 11 and 18).

25. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share for the three-month periods ended March 31, 2012 and 2011 were as follows:

	2012	2011
Net profit (loss) (Baht : '000)	(139,066)	8,684
Issued and paid-up share capital (shares) (see Note 20)	120,000,000	44,794,521
Basic earnings (loss) per share (Baht)	<u>(1.16)</u>	<u>0.19</u>

26. TRANSACTIONS WITH RELATED PARTIES

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

The relationships between the Company and its related parties are summarized below:

Companies	Relationship	Type of Business
Sri Ayudhya Capital Plc.	Parent company	Holding Company
Bank of Ayudhya Plc.	Some common shareholders and directors	Banking
BBTV Equity Co., Ltd.	Some common shareholders	Office Space Rental
Krungsri Securities Plc. (Formerly Ayudhya Securities Plc.)	Some common shareholders and directors	Finance
Krungsri Asset Management Co., Ltd. (Formerly Ayudhya Fund Management Co., Ltd.)	Some common shareholders	Fund Management
Siam City Cement Plc.	Some common shareholders and directors	Manufacturing
Bangkok Broadcasting & T.V. Co., Ltd.	Some common shareholders and directors	Television Business
Super Asset Co., Ltd.	Some common shareholders	Investment
Ayudhya Allianz C.P. Life Plc.	Some common shareholders and directors	Life Insurance
Grand Canal Land Public Co., Ltd.	Some common shareholders	Advertising
Ayudhya Asset Management Co., Ltd.	Some common shareholders	Asset Management
Siam Realty and Service Co., Ltd.	Some common shareholders	Services
Ayudhya Capital Auto Lease Plc.	Some common shareholders	Leasing
Krungsriayudhya Card Co., Ltd.	Some common shareholders	Services

26.1 Investments

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Investment - notes		
Bank of Ayudhya Plc.	20,000	20,000

26.2 Significant balances and transactions are as follows:

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Bank deposits		
Bank of Ayudhya Plc.	440,772	564,921
Premium due and uncollected		
Ayudhya Development Leasing Co., Ltd.	14	-
Krungsri Securities Plc.	1,382	72
Bank of Ayudhya Plc.	2,853	996
Krungsri Asset Management Co., Ltd.	1,569	25
Super Asset Co., Ltd.	73	-
Bangkok Broadcasting & T.V. Co., Ltd.	213	1,711
Siam City Cement Plc.	1,394	658
Ayudhya Allianz C.P. Life Plc.	290	43
Grand Canal Land Plc.	-	357
Ayudhya Asset Management Co., Ltd.	31	620
Siam Realty and Services Co., Ltd.	48	85
Ayudhya Capital Auto Lease Plc.	-	339
Krungsriayudhya Card Co., Ltd.	3,649	415
	11,516	5,321

	As at March 31, 2012	Baht: '000 As at December 31, 2011
Accrued interest income		
Bank of Ayudhya Plc.	368	512
Accrued income		
Sri Ayudhya Capital Plc.	588	11,821
Rental and facilities deposits		
BBTV Equity Co., Ltd.	1,097	1,097
Accrued expense - custodian fee		
Bank of Ayudhya Plc.	12	11
Accrued expense - commissions and brokerages		
Bank of Ayudhya Plc.	13,722	12,995
Accrued expense - other underwriting expenses		
Bank of Ayudhya Plc.	4,945	6,180
Accrued expense		
Sri Ayudhya Capital Plc.	10,474	1,370
Premium written		
Ayudhya Development Leasing Co., Ltd.	36	-
Krungsri Securities Plc.		
(Formerly Ayudhya Securities Plc.)	17	-
Bank of Ayudhya Plc.	2,912	-
Krungsri Asset Management Co., Ltd.		
(Formerly Ayudhya Fund Management Co., Ltd.)	1,346	-
Bangkok Broadcasting & T.V. Co., Ltd.	477	-
Super Assets Co., Ltd.	68	-
BBTV Equity Co., Ltd.	18	-
Siam City Cement Plc.	1,733	-
CKS Holding Ltd.	131	-
Ayudhya Allianz C.P. Life Plc.	790	-
Ayudhya Asset Management Co., Ltd.	(32)	-
Siam Realty and Services Co., Ltd.	252	-
Krungsriayudhya Card Co., Ltd.	3,010	-
	<u>10,758</u>	<u>-</u>

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

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2012	2011
	Baht	Baht
Interest income		
Bank of Ayudhya Plc.	865	8

Interest was charged at the same interest rates as the bank has offered to other insurance companies. For the interest rates charged by other related parties, the rates were the same as they charged to other customers.

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2012	2011
	Baht	Baht
Commissions and brokerages		
Bank of Ayudhya Plc.	34,209	-
Other underwriting expenses		
Bank of Ayudhya Plc.	20,897	-

The Company paid commissions and brokerages and other underwriting expenses as specified in the Bancassurance Agreement made between the Company 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 Company has offered to other insurance broker companies.

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2012	2011
	Baht	Baht
Custodian fee		
Ayudhya Securities Plc	33	-

Custodian fee was paid at the same rates and conditions as the related parties charged other customers.

	Baht: '000	
	For the three-month periods ended March 31,	
	2012	2011
Rental and service fees		
BBTV Equity Co., Ltd.	2,919	366
Management fee		
The Ayudhya Capital Plc. (see Note 23)	10,760	3,812

The Company has office rental, equipment rental and service agreements with related companies for a term of 3 year. Rental rates and conditions are the same as the related parties offer to other companies (see Note 31).

The Company enters into a management service agreement with the parent company for receiving managerial and administrative services of accounting, payroll and information technology. Service rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the Company.

27. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

During the three-month periods ended March 31, 2012 and 2011, the Company had salaries, bonuses, meeting allowances and employment benefit expense of its directors and key management personnel recognized as expenses as follows:

	Baht: '000	
	2012	2011
Directors and key management personnel's remuneration	7,084	1,764

Directors' remuneration for the three-month periods ended March 31, 2012 and 2011 were approved by the ordinary shareholders' meeting No.2 of the Company held on April 12, 2012 and April 29, 2011, respectively.

28. DEPOSITS WITH THE REGISTRAR

As at March 31, 2012 and December 31, 2011, certain fixed deposits and the Company's bond were deposited with the Registrar (see Note 8) in accordance with the Insurance Act and according to the announcement 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" as follows:

	Baht: '000	
	As at March 31, 2012	As at December 31, 2011
Bonds	51,639	52,054
Treasury bill	108,898	-
Fixed deposit	14,000	14,000
Total	<u>174,537</u>	<u>66,054</u>

29. BACKUP ASSETS

As at March 31, 2012 and December 31, 2011, the Company has deposited certain investments with bank used for the Company's backup assets (see Note 8) according to the Notification of the Office of Insurance Commission regarding "Asset allocation for liabilities and commitment of insurance contract and asset deposition at financial institution B.E. 2551". The backup assets were as follows:

	As at	Baht: '000
	March 31,	As at
	2012	December 31,
		2011
Government and state enterprise securities	357,297	363,391
Private enterprises debt securities	43,463	48,265
Foreign debt securities	703,062	700,143
Unit trusts	1,211	20,141
Fixed deposit	180,930	50,000
Equity securities	62,469	282
Total	<u>1,348,432</u>	<u>1,182,222</u>

30. CONTINGENT LIABILITIES

As at March 31, 2012 and December 31, 2011, lawsuits have been brought against the Company, as insurer, from which the Company estimates losses totaling Baht 11.31 million and Baht 9.23 million, respectively. Such amount has been set aside in the loss reserve and outstanding claims accounts. The Company's management does not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts.

31. LONG-TERM LEASES AND SERVICE AGREEMENTS

Long-term leases and service agreements as at March 31, 2012 and December 31, 2011 consist of the following:

Type of lease	Remaining periods		Baht: '000
	Within 1 year	Over 1 year to 5 years	Total rental payments for the remaining periods
As at March 31, 2012			
Building			
- related companies	3,440	4,746	8,186
- others	5,544	5,896	11,440
Service - related company	3,440	4,746	8,186
Equipment - related company	4,587	6,329	10,916
	<u>17,011</u>	<u>21,717</u>	<u>38,728</u>

Type of lease	Remaining periods		Total rental payments for the remaining periods
	Within 1 year	Over 1 year to 5 years	
As at December 31, 2011			
Building			
- related companies	1,317	1,536	2,853
- others	2,426	3,343	5,769
Service - related company	1,317	1,536	2,853
Equipment - related company	1,755	2,048	3,803
	<u>6,815</u>	<u>8,463</u>	<u>15,278</u>

32. SEGMENT INFORMATION

Management considers that the Company operates in a single line of business, namely non-life insurance business and a single geographic area, namely in Thailand, therefore, only one major business segment and one major geographic segment are presented.

33. COMMITMENT

As at March 31, 2012 and December 31, 2011, the Company had a capital commitment to pay computer program development expenses in the amount of approximately Baht 22.13 million and Baht 22.51 million, respectively.

34. EVENT AFTER THE REPORTING PERIOD

On April 12, 2012, the ordinary shareholders' meeting of the Company No. 2 passed resolutions to approve an increase in share capital of the Company from Baht 1,200 million (120 million ordinary shares of Baht 10.00 each) to Baht 2,400 million (240 million ordinary shares of Baht 10.00 each) by issuing of 120 million new ordinary shares with a par value of Baht 10.00 each to be offered to existing shareholders, totaling of Baht 1,200 million. The Company has called and received subscriptions of the increased share capital of 60 million new ordinary shares with par value of Baht 10.00 each per share, totaling Baht 600 million and registered with Department of Business Development on May 4, 2012 (see Note 21).

35. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on May 14, 2012.