
***SRI AYUDHYA GENERAL INSURANCE
PUBLIC COMPANY LIMITED***

Interim Financial Statements

Three-month period ended March 31, 2015

**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, 2015, and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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



Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356

BANGKOK
May 13, 2015

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2015

Baht : '000

	Notes	"Unaudited"	
		As at March 31, 2015	As at December 31, 2014
ASSETS			
Cash and cash equivalents		2,597,741	1,331,413
Accrued investment income		7,472	10,300
Premium due and uncollected - net	6	296,668	305,664
Reinsurance assets	7	1,283,883	1,426,547
Investments			
Investment in securities	8		
Available-for-sale securities		415,785	414,234
Held-to-maturity securities		1,407,905	1,407,806
General investment		1,161	1,161
Total investment in securities		<u>1,824,851</u>	<u>1,823,201</u>
Loans	9	1,088	1,327
Leasehold improvement and equipment - net	10	43,528	44,999
Intangible assets - net		87,113	88,237
Deferred tax assets	11	213,413	205,245
Deferred commissions expenses		56,320	59,836
Other assets	12	68,430	65,812
TOTAL ASSETS		<u><u>6,480,507</u></u>	<u><u>5,362,581</u></u>

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2015

Baht : '000

		"Unaudited"	
		As at	As at
	Notes	March 31,	December 31,
		2015	2014
LIABILITIES AND EQUITY			
Income tax payable		23,596	6,152
Due to reinsurers	13	816,964	795,480
Insurance contract liabilities			
Loss reserves and outstanding claims	14	1,059,090	995,377
Premium reserve	15	1,473,272	1,451,942
Employee benefit obligations	16	58,431	56,375
Deferred tax liabilities	18	3,988	3,435
Premium written received in advance		313,607	334,883
Commissions and brokerages payables		62,052	62,711
Accrued expenses		30,759	76,835
Other liabilities	19	1,059,266	55,875
TOTAL LIABILITIES		<u>4,901,025</u>	<u>3,839,065</u>
EQUITY			
Share capital			
Authorized share capital			
240,000,000 ordinary shares			
of Baht 10.00 each		<u>2,400,000</u>	<u>2,400,000</u>
Issued and paid-up share capital			
180,000,000 ordinary shares			
of Baht 10.00 each		1,800,000	1,800,000
Retained deficits			
Unappropriated		(236,470)	(290,223)
Other components of equity			
Changes in fair value of available-for-sale securities		15,952	13,739
TOTAL EQUITY		<u>1,579,482</u>	<u>1,523,516</u>
TOTAL LIABILITIES AND EQUITY		<u>6,480,507</u>	<u>5,362,581</u>

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

Baht : '000

	Notes	2015	2014
Revenues			
Net premium earned	20	461,517	472,932
Fee and commission income	20	92,108	89,437
Total revenues		553,625	562,369
Expenses			
Underwriting expenses			
Losses incurred			
Insurance claims and loss adjustment expenses	20	207,548	85,121
Commissions and brokerage expenses	20	123,321	110,578
Other underwriting expenses	20	96,595	97,663
Operating expenses	21	70,868	69,923
Total underwriting expenses		498,332	363,285
Profit on underwriting		55,293	199,084
Net investment income		13,349	15,710
Other income		1,269	720
Income from operation		69,911	215,514

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
"UNAUDITED"

		Baht: '000	
	Notes	2015	2014
Contribution to the Office of Insurance Commission		2,361	2,296
Contribution to Non - life Guarantee Fund		1,967	1,913
Contribution to Road Victims Protection Fund		120	89
Income before income tax expense		65,463	211,216
Income tax expense	22	11,710	42,786
Net income		53,753	168,430
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Changes in fair value of available-for-sale securities		2,766	2,339
Income tax relating to items that will be reclassified subsequently		(553)	(467)
Other comprehensive income for the periods, net of income tax		2,213	1,872
Total comprehensive income for the periods		55,966	170,302
 Basic earnings per share	 23 Baht	 0.30	 0.94

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

Baht: '000

	Notes	Issued and paid-up share capital	Retained deficits Unappropriated	Other components of equity - Changes in fair value of available-for-sale securities	Total equity
Beginning balance as at January 1, 2014		1,800,000	(651,517)	9,765	1,158,248
Comprehensive income		-	168,430	1,872	170,302
Ending balance as at March 31, 2014		1,800,000	(483,087)	11,637	1,328,550
Beginning balance as at January 1, 2015		1,800,000	(290,223)	13,739	1,523,516
Comprehensive income		-	53,753	2,213	55,966
Ending balance as at March 31, 2015		1,800,000	(236,470)	15,952	1,579,482

See condensed notes to the financial statements

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

Baht: '000

	Notes	2015	2014
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Direct premium received		777,026	750,812
Cash received (paid) from reinsurance		78,648	(167,041)
Losses incurred from direct insurance		(247,974)	(321,447)
Loss adjustment expenses from direct insurance		(20,659)	(22,270)
Commissions and brokerages from direct insurance		(118,583)	(107,783)
Other underwriting expenses		(98,003)	(121,344)
Interest income		15,531	15,795
Other income		977	718
Operating expenses		(111,744)	(122,517)
Income tax paid		(2,872)	(2,615)
Net cash provided by (used in) operating activities	5.3	272,347	(97,692)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
CASH FLOWS PROVIDED BY			
Investment in securities		1,000,000	100,000
Deposits at financial institutions with maturity over 3 months and deposits used as collateral		446	21,721
Loans		257	369
Leasehold improvement and equipment		530	2
Cash provided by investing activities		1,001,233	122,092

SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

		Baht: '000	
	Notes	2015	2014
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
(CONTINUED)			
CASH FLOWS USED IN			
Investment in securities		(997,934)	(700,710)
Deposits at financial institutions with maturity over 3 months and deposits used as collateral		(749)	(502,624)
Loans		(18)	-
Leasehold improvement and equipment		(4,060)	(9,540)
Intangible assets		(2,120)	(729)
Cash used in investing activities		(1,004,881)	(1,213,603)
Net cash used in investing activities		(3,648)	(1,091,511)
Reconcile payable from purchase of government security			
- treasury bill with maturity less than 3 months		997,629	-
Net increase (decrease) in cash and cash equivalents		1,266,328	(1,189,203)
Cash and cash equivalents as at January 1,		1,331,413	1,592,292
Cash and cash equivalents as at March 31,	5.2	2,597,741	403,089

See condensed notes to the financial statements

**SRI AYUDHYA GENERAL INSURANCE PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“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.

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 AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2014) “Interim Financial Reporting” and accounting practices generally accepted in Thailand and the Notification of the Office of Insurance Commission regarding the Rules, Procedures, Conditions and Periods for Preparing and Submitting Financial Statements and Reports on the Operations of the Non-Life Insurance Business No. 2 B.E. 2553 dated May 27, 2010. The Company presents the condensed notes to interim financial statements.
- 2.2 The statement of financial position as at December 31, 2014, presented herein for comparison, has been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations are presented in the three-month period ended March 31, 2015 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 the annual financial statements prepared in accordance with TFRS, 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, 2015 should be read in conjunction with the audited financial statements for the year ended December 31, 2014.
- 2.5 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2015 onwards, as follow:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible assets
TAS 40 (Revised 2014)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2014)	Share - Based Payment
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2014)	Disclosure - Service Concession Arrangements
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

Above TFRSs have no material impact on these financial statements, except TFRS 13 which has resulted in more extensive disclosures (see Note 30).

2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions issued the Notification regarding Thai Financial Reporting Standard No.4 (Revised 2014) “Insurance Contracts”, which will be effective for the accounting period beginning on or after January 1, 2016 onwards. The Company’s management will adopt such TFRS in the preparation of the Company’s financial statements when it becomes effective.

The Company’s management is in the process to assess the impact of this TFRS on the financial statements of the Company in the period of initial application.

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, 2014, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2. Accounting policies which significantly changed are as follows:

Fair value measurements

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of TFRS 2 (Revised 2014), leasing transactions that are within the scope of TAS 17 (Revised 2014), and measurements that have some similarities to fair value but are not fair value, such as net realizable value in TAS 2 (Revised 2014) or value in use in TAS 36 (Revised 2014).

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. IMPACT FROM SEVERE FLOODING IN THAILAND

From the severe flooding in Thailand by the end of 2011, the Company's management has continued to monitor the development of the flood losses. As at March 31, 2015 and December 31, 2014, the Company recorded loss reserves from claims of flooding and recorded loss refundable from reinsurance as follows:

	As at March 31, 2015	Baht: million As at December 31, 2014
Loss reserves (see Note 14)	389.30	390.88
<u>Less</u> Loss refundable from reinsurance (see Note 7)	<u>(243.19)</u>	<u>(255.91)</u>
Loss reserves - net	<u>146.11</u>	<u>134.97</u>

For the three-month periods ended March 31, 2015 and 2014, the Company had insurance claims from the flooding which paid to the insured by net of loss refundable from reinsurance, and reversed such net insurance claims, as part of insurance claims and loss adjustment expenses in the statements of profit or loss and other comprehensive income for the three-month periods ended March 31, 2015 and 2014 as follows:

	Baht: million For the three-month periods ended March 31, 2015 2014	
Net insurance claims paid (received)	(11.12)	68.34
Net insurance claims decreased (see Note 20)	4.95	142.26

In 2014, the Company has additional loss refundable from reinsurers from the flooding amounting to Baht 245.87 million with certain business obligations. For the three-month periods ended March 31, 2015 and 2014, the Company recorded such loss refundable from reinsurers amounting to Baht 4.97 million and Baht 131.56 million, respectively (see Note 20). The remaining loss refundable from reinsurers will be recognized as specified in business obligations aforementioned.

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

5.1.1 Leasehold improvement and equipment for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	2015	Baht: '000 2014
Other payable - fixed assets as at January 1,	897	1,813
<u>Add</u> Purchases of fixed assets	3,377	9,236
<u>Less</u> Cash paid for purchase of fixed assets	<u>(4,060)</u>	<u>(9,540)</u>
Other payable - fixed assets as at March 31,	<u>214</u>	<u>1,509</u>

5.1.2 Intangible assets for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	2015	Baht: '000 2014
Other payable - intangible assets as at January 1,	-	279
<u>Add</u> Purchases of intangible assets	2,270	450
<u>Less</u> Cash paid for purchase of intangible assets	<u>(2,120)</u>	<u>(729)</u>
Other payable - intangible assets as at March 31,	<u>150</u>	<u>-</u>

5.2 Cash and cash equivalents as at March 31, 2015 and 2014, consisted of the following:

	2015	Baht: '000 2014
Cash	265	265
Cheque on hands	4,750	12,232
Deposits at bank - call deposits	495,325	891,995
Deposits at bank - time deposits	408,490	288,895
Government securities - treasury bills	3,096,816	599,510
	<u>4,005,646</u>	<u>1,792,897</u>
<u>Less</u> Deposits at bank with maturity over 3 months	(150,000)	-
Deposits at bank used as collateral	(258,490)	(790,298)
Government securities - treasury bills used as collateral	<u>(999,415)</u>	<u>(599,510)</u>
Cash and cash equivalents	<u>2,597,741</u>	<u>403,089</u>

5.3 Cash flows provided by (used in) operating activities

Items to reconcile net profit to net cash flows provided by (used in) operating activities for the three-month periods ended March 31, 2015 and 2014 were as follows:

	2015	Baht: '000 2014
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Profit before income tax	65,463	211,216
Items to reconcile net profit to net cash flows:		
Depreciation	4,661	4,453
Amortization	3,394	4,306
Gain on sale of fixed assets	(343)	(2)
Employment benefit expenses	2,056	1,779
Unearned premium reserve increase (decrease) from prior periods	26,028	(25,363)
Amortization of bonds premium	1,213	1,436
Amortization of bonds discount	-	(45)
Amortization of debentures premium	2	2
Amortization of treasury bills discount	(1,862)	-
Allowance for doubtful accounts (reversal)	(5,935)	-
Profit from operations before changes in operating assets and liabilities	94,677	197,782
Operating assets (increase) decrease		
Accrued investment income	2,828	(1,308)
Premium due and uncollected	8,996	(32,858)
Reinsurance assets	143,901	186,451
Deferred commission expense	3,516	(5,187)
Other assets	(2,180)	(27,365)
Operating liabilities increase (decrease)		
Due to reinsurers	21,484	70,173
Loss reserves and outstanding claims	63,713	(463,014)
Premium written received in advance	(21,276)	29,323
Commission and brokerage payables	(659)	6,076
Accrued expenses	(46,076)	(38,933)
Other liabilities	6,295	(16,217)
Cash provided by (used in) operating activities	275,219	(95,077)
Income tax paid	(2,872)	(2,615)
Net cash provided by (used in) operating activities	<u>272,347</u>	<u>(97,692)</u>

6. PREMIUM DUE AND UNCOLLECTED - NET

Premium due and uncollected - net as at March 31, 2015 and December 31, 2014 consists of the following:

	As at March 31, 2015				As at December 31, 2014				Baht: '000
	Insured	Agent and		Total	Insured	Agent and		Total	
		Broker	Inward			Broker	Inward		
Within credit terms	17,428	201,755	3,563	222,746	12,550	221,502	1,866	235,918	
Less than 30 days	178	22,820	1,534	24,532	478	34,701	837	36,016	
31 - 60 days	328	23,847	3,562	27,737	387	12,890	1,742	15,019	
61 - 90 days	84	7,254	1,258	8,596	1,521	4,252	1,579	7,352	
91 days - 1 year	3	16,939	4,157	21,099	90	13,704	3,202	16,996	
Over 1 year	-	585	949	1,534	-	476	3,463	3,939	
Total premium due and uncollected	18,021	273,200	15,023	306,244	15,026	287,525	12,689	315,240	
<u>Less</u> Allowance for doubtful accounts	-	(9,576)	-	(9,576)	-	(9,576)	-	(9,576)	
Premium due and uncollected - net	18,021	263,624	15,023	296,668	15,026	277,949	12,689	305,664	

7. REINSURANCE ASSETS

Reinsurance assets as at March 31, 2015 and December 31, 2014 consisted of the following:

	Baht: '000	
	As at March 31, 2015	As at December 31, 2014
Due from reinsurers	208,744	387,823
Unearned reinsurance premium reserve	541,557	546,255
Insurance reserve refundable from reinsurers	533,582	498,404
	<u>1,283,883</u>	<u>1,432,482</u>
<u>Less</u> Allowance for doubtful accounts	-	(5,935)
Total reinsurance assets	<u>1,283,883</u>	<u>1,426,547</u>

Insurance reserve refundable from reinsurers - net as at March 31, 2015 and December 31, 2014 included an expected loss refundable from reinsurers caused by suffering losses from flooding in Thailand amounting to Baht 243.19 million and Baht 255.91 million, respectively (see Note 4).

Aging analyzes for due from reinsurers as at March 31, 2015 and December 31, 2014 were as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Within credit terms	182,260	360,676
Within 12 months	22,673	24,897
Over 1 year to 2 years	2,126	508
Over 2 years	1,685	1,742
Total due from reinsurers	208,744	387,823

8. INVESTMENT IN SECURITIES

Investment in securities as at March 31, 2015 and December 31, 2014 consisted of the following:

	As at March 31, 2015		As at December 31, 2014	
	Cost/ Amortized cost	Fair value	Cost/ Amortized cost	Fair value
Available-for-sale securities				
Government and state enterprise securities	366,320	375,770	367,535	375,759
Unit trusts	29,525	40,015	29,525	38,475
Total	395,845	415,785	397,060	414,234
<u>Add Unrealized gains</u>	19,940	-	17,174	-
Total available-for-sale securities	415,785	415,785	414,234	414,234
Held-to-maturity securities				
Deposits at bank with maturity over 3 months	150,000		150,000	
Deposits at bank used as collateral	258,490		258,187	
Government securities - Treasury bill used as collateral	999,415		999,619	
Total held-to-maturity securities	1,407,905		1,407,806	
General investment				
Equity securities	1,161		1,161	
Total general investment in securities	1,161		1,161	
Total investment in securities - net	1,824,851		1,823,201	

Debt securities classified by the remaining maturity as at March 31, 2015 were as follows:

	Maturities			Baht: '000
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale debt securities				
Government and state enterprise securities	100,524	265,796	-	366,320
<u>Add Unrealized gains</u>	<u>406</u>	<u>9,044</u>	<u>-</u>	<u>9,450</u>
Total available-for-sale debt securities	100,930	274,840	-	375,770
Held-to-maturity debt securities				
Government and state enterprise securities	999,415	-	-	999,415
Total held-to-maturity debt securities	999,415	-	-	999,415
Total debt securities - net	1,100,345	274,840	-	1,375,185

Debt securities classified by the remaining maturity as at December 31, 2014 were as follows:

	Maturities			Baht: '000
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale debt securities				
Government and state enterprise securities	-	367,535	-	367,535
<u>Add Unrealized gains</u>	<u>-</u>	<u>8,224</u>	<u>-</u>	<u>8,224</u>
Total available-for-sale debt securities	-	375,759	-	375,759
Held-to-maturity debt securities				
Government and state enterprise securities	999,619	-	-	999,619
Total held-to-maturity debt securities	999,619	-	-	999,619
Total debt securities - net	999,619	375,759	-	1,375,378

As at March 31, 2015 and December 31, 2014, certain of deposits at bank are pledged as collateral for bank overdrafts amounting to Baht 20 million (see Note 17).

As at March 31, 2015 and December 31, 2014, certain investment in securities are deposited as collateral with the Registrar amounting to Baht 273.04 million and Baht 273.34 million, respectively (see Note 26).

As at March 31, 2015 and December 31, 2014, certain investment in securities are deposited with a bank as the Company's backup assets according to the Notification of the Office of Insurance Commission amounting to Baht 1,381.81 million and Baht 1,379.86 million, respectively (see Note 27).

9. LOANS

Loans of the Company were loans to employees with personal collateral in accordance with the welfare policy of the Company, consisted of the following:

Types of loans	Credit line of loans	Interest rate per year
General loans	Not exceed Baht 100,000 per person	3.85
Loans for residential from the flooding crisis	Not exceed Baht 100,000 per person	2.00

10. LEASEHOLD IMPROVEMENT AND EQUIPMENT - NET

Leasehold improvement and equipment - net as at March 31, 2015 and December 31, 2014 consisted of the following:

	Cost				Accumulated depreciation				Ending balance of leasehold improvement and equipment - net as at March 31, 2015	Bahrt: '000
	As at January 1, 2015	Increase	Disposal/ Write off	As at March 31, 2015	As at January 1, 2015	Depreciation	Disposal/ Write off	As at March 31, 2015		
Leasehold improvement	27,691	84	(52)	27,723	(17,075)	(836)	52	(17,859)	9,864	
Furniture, fixtures and office equipment	67,869	1,999	(4,955)	64,913	(48,015)	(1,985)	4,904	(45,096)	19,817	
Vehicles	41,350	1,294	(900)	41,744	(26,821)	(1,840)	764	(27,897)	13,847	
Total	136,910	3,377	(5,907)	134,380	(91,911)	(4,661)	5,720	(90,852)	43,528	

	Cost				Accumulated depreciation				Ending balance of leasehold improvement and equipment - net as at December 31, 2014	Bahrt: '000
	As at January 1, 2014	Increase	Disposal/ Write off	As at December 31, 2014	As at January 1, 2014	Depreciation	Disposal/ Write off	As at December 31, 2014		
Leasehold improvement	22,939	6,066	(1,314)	27,691	(15,299)	(2,982)	1,206	(17,075)	10,616	
Furniture, fixtures and office equipment	60,245	10,492	(2,868)	67,869	(42,776)	(8,089)	2,850	(48,015)	19,854	
Vehicles	39,325	3,291	(1,266)	41,350	(20,525)	(7,537)	1,241	(26,821)	14,529	
Total	122,509	19,849	(5,448)	136,910	(78,600)	(18,608)	5,297	(91,911)	44,999	

As at March 31, 2015 and December 31, 2014, certain leasehold improvement and equipment at cost of Baht 40.83 million and Baht 41.52 million, respectively, were fully depreciated but still in use.

11. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2015 and December 31, 2014 were as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Deferred tax assets	<u>213,413</u>	<u>205,245</u>

Movements of deferred tax assets for the three-month periods ended March 31, 2015 and 2014 consisted of tax effects from the following items:

	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2015
Allowance for doubtful accounts				
- Premium due and uncollected	1,915	-	-	1,915
Allowance for doubtful accounts				
- Other receivable	256	-	-	256
Unearned premium reserve	93,810	2,008	-	95,818
Loss reserve - net	84,410	4,102	-	88,512
Incurred but not reported claims	13,220	1,684	-	14,904
Employee benefits obligations	6,134	411	-	6,545
Premium ceded payables - Excess of loss	5,500	(37)	-	5,463
Total	<u>205,245</u>	<u>8,168</u>	<u>-</u>	<u>213,413</u>

	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2014
Allowance for doubtful accounts				
- Premium due and uncollected	1,915	-	-	1,915
Allowance for doubtful accounts				
- Other receivable	256	-	-	256
Unearned premium reserve	92,259	(2,624)	-	89,635
Loss reserve - net	160,520	(40,487)	-	120,033
Incurred but not reported claims	12,541	553	-	13,094
Employee benefits obligations	4,588	356	-	4,944
Premium ceded payables - Excess of loss	3,839	-	-	3,839
Total	<u>275,918</u>	<u>(42,202)</u>	<u>-</u>	<u>233,716</u>

12. OTHER ASSETS

Other assets as at March 31, 2015 and December 31, 2014 consisted of the following:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Other receivable	20,413	13,937
Revenue Department receivable	3,070	4,803
Refundable withholding tax	2,094	1,656
Premium saving certificates used as collateral	14,850	25,000
Prepaid expenses	17,443	14,784
Others	10,560	5,632
Total other assets	68,430	65,812

13. DUE TO REINSURERS

Due to reinsurers as at March 31, 2015 and December 31, 2014 consisted of the following:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Premium ceded payables	71,323	66,433
Amount withheld on reinsurance	399,740	393,849
Other reinsurance payables	345,901	335,198
Total due to reinsurers	816,964	795,480

14. LOSS RESERVES AND OUTSTANDING CLAIMS

Loss reserves and outstanding claims as at March 31, 2015 and December 31, 2014 consisted of the following:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
As at January 1,	995,377	2,176,599
Loss incurred and loss adjustment expenses during the period/year		
- Incurred but not reported	8,420	3,395
- Incurred but not yet agreed	55,690	(1,185,993)
- Incurred and agreed	268,532	2,309,548
Loss paid and loss adjustment paid during the period/year	(268,929)	(2,308,172)
As at March 31, and December 31,	1,059,090	995,377

As at March 31, 2015 and December 31, 2014, the Company had loss reserves and outstanding claims under the reinsurance contracts of Baht 424.15 million and Baht 416.83 million, respectively.

Loss reserves and outstanding claims as at March 31, 2015 and December 31, 2014 in the financial statements included claim from suffering losses from flooding in Thailand amounting to Baht 389.30 million and Baht 390.88 million, respectively (see Note 4).

15. PREMIUM RESERVE

Premium reserve as at March 31, 2015 and December 31, 2014 consisted of the following:

15.1 Unearned premium reserve

	As at March 31, 2015	Baht: '000 As at December 31, 2014
As at January 1,	1,451,942	1,338,150
Premium written for the period/year	797,491	3,087,164
Earned premium for the period/year	<u>(776,161)</u>	<u>(2,973,372)</u>
As at March 31, and December 31,	<u>1,473,272</u>	<u>1,451,942</u>

15.2 Unexpired risk reserve

As at March 31, 2015 and December 31, 2014, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the Company amounting to Baht 699.66 million and Baht 743.24 million, respectively, is lower than the unearned premium reserve.

16. EMPLOYEE BENEFIT OBLIGATIONS

Movements in the present value of the employee benefit obligations as at March 31, 2015 and December 31, 2014 were as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Present value of obligation at the beginning of the period/year	56,375	48,185
Current service cost of the period/year	1,570	5,131
Interest cost	486	1,985
Actuarial loss	-	1,656
Employee benefit obligations transferred from the parent company	-	913
Benefit paid during the period/year	-	(1,495)
Present value of obligation at the ending of the period/year	<u>58,431</u>	<u>56,375</u>

The expenses that were recorded in the statement of profit or loss and other comprehensive income for employee benefit obligations for the three-month periods ended March 31, 2015 and 2014 consisted of the following:

	2015	Baht: '000 2014
Current service cost	1,570	1,283
Interest cost	486	496
Total employee benefit expenses	<u>2,056</u>	<u>1,779</u>

17. BANK OVERDRAFTS

As at March 31, 2015 and December 31, 2014 the Company had credit lines for bank overdrafts of Baht 20 million with interest rate of the fixed deposit rate of plus 2% per annum which were guaranteed by fixed deposit of the Company of Baht 20 million (see Note 8).

18. DEFERRED TAX LIABILITIES

Deferred tax liabilities as at March 31, 2015 and December 31, 2014 were as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Deferred tax liabilities	<u>3,988</u>	<u>3,435</u>

Movements of deferred tax liabilities for the three-month periods ended March 31, 2015 and 2014 consisted of tax effects from the following items:

	As at January 1, 2015	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2015
Unrealized gain on the change in value of investment in available-for-sale securities	3,435	-	553	3,988
Total	<u>3,435</u>	<u>-</u>	<u>553</u>	<u>3,988</u>

	As at January 1, 2014	Transactions recognized in profit or loss	Transaction recognized in other comprehensive income or loss	Baht: '000 As at March 31, 2014
Unrealized gain on the change in value of investment in available-for-sale securities	2,442	-	467	2,909
Total	<u>2,442</u>	<u>-</u>	<u>467</u>	<u>2,909</u>

19. OTHER LIABILITIES

Other liabilities as at March 31, 2015 and December 31, 2014 consisted of the following:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Payable from purchase of securities (see Note 24)	997,629	-
Other payable - promotion expense	11,642	11,797
Amount received in advance - premium	17,378	15,138
Revenue Department payable	8,725	7,229
Undue output VAT	2,831	2,869
Others	21,061	18,842
Total other liabilities	<u>1,059,266</u>	<u>55,875</u>

20. UNDERWRITING INFORMATION CLASSIFIED BY TYPE OF INSURANCE

Underwriting information classified by type of insurance for the three-month periods ended March 31, 2015 and 2014 was as follows:

	For the three-month period ended March 31, 2015					Baht: '000
	Fire	Marine	Motor	Personal accident	Other miscellaneous	Total
Underwriting income						
Gross premiums written	180,149	95,650	233,853	104,962	182,877	797,491
<u>Less</u> Premiums ceded	67,066	68,036	83,141	9,048	82,655	309,946
Net premiums written	113,083	27,614	150,712	95,914	100,222	487,545
<u>(Add) Less</u> Unearned premium reserve	8,918	(1,627)	(35)	14,056	4,716	26,028
Net premium earned	104,165	29,241	150,747	81,858	95,506	461,517
Fee and commission income	18,277	17,770	28,641	1,750	25,670	92,108
Total underwriting income	<u>122,442</u>	<u>47,011</u>	<u>179,388</u>	<u>83,608</u>	<u>121,176</u>	<u>553,625</u>
Underwriting expenses						
Insurance claims and loss adjustment expenses (see Note 4)	24,625	5,244	95,779	44,261	37,639	207,548
Commissions and brokerages expenses	39,290	11,703	30,534	18,623	23,171	123,321
Other underwriting expenses	16,082	8,957	31,473	22,055	18,028	96,595
Total underwriting expenses	<u>79,997</u>	<u>25,904</u>	<u>157,786</u>	<u>84,939</u>	<u>78,838</u>	<u>427,464</u>
Baht: '000						
	For the three-month period ended March 31, 2014					Total
	Fire	Marine	Motor	Personal accident	Other miscellaneous	
Underwriting income						
Gross premiums written	172,054	85,189	240,250	77,410	184,696	759,599
<u>Less</u> Premiums ceded	62,927	56,877	79,246	9,165	103,815	312,030
Net premiums written	109,127	28,312	161,004	68,245	80,881	447,569
<u>(Add) Less</u> Unearned premium reserve	27,823	(110)	(65,629)	14,491	(1,938)	(25,363)
Net premium earned	81,304	28,422	226,633	53,754	82,819	472,932
Fee and commission income	17,213	19,471	27,311	978	24,464	89,437
Total underwriting income	<u>98,517</u>	<u>47,893</u>	<u>253,944</u>	<u>54,732</u>	<u>107,283</u>	<u>562,369</u>
Underwriting expenses						
Insurance claims and loss adjustment expenses (see Note 4)	13,106	3,755	155,441	31,279	(118,460)	85,121
Commissions and brokerages expenses	37,015	10,360	30,068	13,196	19,939	110,578
Other underwriting expenses	11,062	7,639	33,623	19,857	25,482	97,663
Total underwriting expenses	<u>61,183</u>	<u>21,754</u>	<u>219,132</u>	<u>64,332</u>	<u>(73,039)</u>	<u>293,362</u>

21. OPERATING EXPENSES

Operating expenses for the three-month periods ended March 31, 2015 and 2014, consisted of the following:

	2015	Baht: '000 2014
Employee benefit expenses, excluded underwriting and loss adjustment expenses	23,935	20,549
Premises and equipment expense, excluded underwriting expenses	26,582	23,566
Taxes and duties	1,043	1,005
Allowance for doubtful accounts (reversal)	(5,935)	-
Directors' remuneration	3,000	2,975
Management fee (see Note 24)	9,514	5,153
Other operating expenses	12,729	16,675
Total operating expenses	<u>70,868</u>	<u>69,923</u>

22. INCOME TAX EXPENSE

Income tax expense for the three-month periods ended March 31, 2015 and 2014, consisted of the following:

	2015	Baht: '000 2014
Income tax expense from taxable income per income tax return	19,878	584
Deferred tax expenses relating to the origination and reversal of temporary differences	<u>(8,168)</u>	<u>42,202</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>11,710</u>	<u>42,786</u>

The reconciliation between income tax expense and accounting income for the three-month periods ended March 31, 2015 and 2014 was as follows:

	2015	Baht: '000 2014
Accounting income before tax	<u>65,463</u>	<u>211,216</u>
Income tax at 20%	13,093	42,243
Tax effect of non-deductible expenses (benefit)	<u>(1,383)</u>	<u>543</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>11,710</u>	<u>42,786</u>

23. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended March 31, 2015 and 2014 were as follows:

	2015	2014
Net profit (Baht : '000)	53,753	168,430
Number of share capital (shares)	<u>180,000,000</u>	<u>180,000,000</u>
Basic earnings per share (Baht)	<u>0.30</u>	<u>0.94</u>

24. 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
Krungsri Securities Plc.	Some common shareholders and directors	Finance
Krungsri Asset Management Co., Ltd.	Some common shareholders	Fund Management
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	Leasing
Siam City Cement Plc.	Some common shareholders and directors	Construction Materials
Bangkok Broadcasting & T.V. Co., Ltd.	Some common shareholders and directors	Television Business
Great Luck Equity Co., Ltd.	Some common shareholders	Advertising
Super Asset Co., Ltd.	Some common shareholders	Investment
BBTV Equity Co., Ltd.	Some common shareholders	Office Space Rental
CKS Holding Co., Ltd.	Some common shareholders	Investments
Allianz Ayudhya Assurance Plc.	Some common shareholders and directors	Life Insurance
Grand Canal Land Plc.	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
Eastern Star Real Estate Plc.	Some common shareholders and directors	Property

Significant balances and transactions were as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Deposits at bank		
Bank of Ayudhya Plc.	682,474	706,755
Premium due and uncollected		
Bank of Ayudhya Plc.	10,131	446
Krungsri Asset Management Co., Ltd.	1,354	-
Ayudhya Development Leasing Co., Ltd.	-	(7)
Siam City Cement Plc.	633	227
Bangkok Broadcasting & T.V. Co., Ltd.	213	383
CKS Holding Ltd.	-	90
Allianz Ayudhya Assurance Plc.	537	37
BBTV Equity Co., Ltd.	-	26
Grand Canal Land Plc.	-	312
Ayudhya Asset Management Co., Ltd.	577	-
Siam Realty and Services Co., Ltd.	161	70
Ayudhya Capital Auto Lease Plc.	38	-
Krungsriayudhya Card Co., Ltd.	-	233
Eastern Star Real Estate Plc.	19	40
	<u>13,663</u>	<u>1,857</u>
Accrued interest income		
Bank of Ayudhya Plc.	2,198	1,676
Rental and facilities deposits		
BBTV Equity Co., Ltd.	4,516	4,516
Premium written received in advance		
Bank of Ayudhya Plc.	11,915	13,404
Accrued expense - custodian fee		
Bank of Ayudhya Plc.	12	12
Accrued expense - commissions and brokerages		
Bank of Ayudhya Plc.	14,840	12,957
Accrued expense - other underwriting expenses		
Bank of Ayudhya Plc.	8,676	10,085
Accrued expense		
Sri Ayudhya Capital Plc.	13,608	13,848
Payable from purchase of securities (see Note 19)		
Bank of Ayudhya Plc.	997,629	-

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2015	2014
Premium written		
Bank of Ayudhya Plc.	10,841	19,948
Krungsri Securities Plc.	-	5
Krungsri Asset Management Co., Ltd.	1,260	1,251
Ayudhya Development Leasing Co., Ltd.	60	38
Siam City Cement Plc.	1,564	2,288
Bangkok Broadcasting & T.V. Co., Ltd.	505	520
Great Luck Equity Co., Ltd.	65	-
Super Assets Co., Ltd.	61	61
BBTV Equity Co., Ltd.	-	29
Allianz Ayudhya Assurance Plc.	499	273
Ayudhya Asset Management Co., Ltd.	452	648
Siam Realty and Services Co., Ltd.	358	7
Ayudhya Capital Auto Lease Plc.	35	-
Krungsriayudhya Card Co., Ltd.	55	-
	<u>15,755</u>	<u>25,068</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,	
	2015	2014
Interest income		
Bank of Ayudhya Plc.	972	1,423

Interest was charged at the same interest rates as the bank has offered to other insurance companies.

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2015	2014
Commissions and brokerages		
Bank of Ayudhya Plc.	43,272	45,052
Other underwriting expenses		
Bank of Ayudhya Plc.	22,844	19,427

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,	
	2015	2014
Custodian fee		
Bank of Ayudhya Plc.	34	39

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,	
	2015	2014
Rental and service fees		
BBTV Equity Co., Ltd.	4,437	3,920
Management fee		
Sri Ayudhya Capital Plc. (see Note 21)	9,514	5,153

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

The Company enters into a management service agreement with 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.

25. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

During the three-month periods ended March 31, 2015 and 2014, the Company had salaries, bonuses, directors allowances and other benefits of its directors and key management personnel recognized as expenses as follows:

	Baht: '000	
	For the three-month	
	periods ended March 31,	
	2015	2014
	Baht	Baht
Directors and key management personnel's remuneration		
Short-term benefits	7,085	5,204
Post-employment benefits	286	251
Directors' remuneration	536	536
	<u>7,907</u>	<u>5,991</u>

Directors' remunerations for the years of 2015 and 2014 were approved by the ordinary shareholders' meeting of the Company held on April 9, 2015 and March 21, 2014, respectively.

26. DEPOSITS WITH THE REGISTRAR

As at March 31, 2015 and December 31, 2014, certain investment in securities of the Company were deposited with the Registrar (see Note 8) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding “Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2552” as follows:

	As at March 31, 2015	Baht: '000 As at December 31, 2014
Government and state enterprise securities	259,043	259,342
Deposits at banks	14,000	14,000
Total deposits with the Registrar	273,043	273,342

27. BACKUP ASSETS

As at March 31, 2015 and December 31, 2014, the Company has deposited certain investment in securities 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 March 31, 2015	Baht: '000 As at December 31, 2014
Government and state enterprise securities	116,727	116,417
Government securities - treasury bills	999,415	999,619
Unit trusts	40,015	38,475
Deposits at bank	224,490	224,187
Equity securities	1,161	1,161
Total backup assets	1,381,808	1,379,859

28. CONTINGENT LIABILITIES AND COMMITMENT

28.1 As at March 31, 2015 and December 31, 2014, lawsuits have been brought against the Company, as insurer, from which the Company estimates losses totaling Baht 12.20 million and Baht 12.23 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, that would be material to the Company’s operating results.

28.2 As at March 31, 2015 and December 31, 2014, the Company had a capital commitment to pay computer program development expenses in the amount of approximately Baht 17.67 million and Baht 13.59 million, respectively.

29. LONG-TERM LEASES AND SERVICE AGREEMENTS

Long-term leases and service agreements as at March 31, 2015 and December 31, 2014 consisted 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, 2015			
Building			
- related company	5,325	7,288	12,613
- others	3,212	7,221	10,433
Service - related company	5,280	7,215	12,495
Equipment - related company	7,041	9,619	16,660
	<u>20,858</u>	<u>31,343</u>	<u>52,201</u>

Type of leases	Remaining periods		Baht: '000
	Within 1 year	Over 1 year to 5 years	Total rental payments for the remaining periods
As at December 31, 2014			
Building			
- related company	5,325	8,619	13,944
- others	3,008	5,539	8,547
Service - related company	5,280	8,534	13,814
Equipment - related company	7,041	11,380	18,421
	<u>20,654</u>	<u>34,072</u>	<u>54,726</u>

For the three-month periods ended March 31, 2015 and 2014, the Company recorded the rental and service fees under operating agreements as expense in statement of profit or loss and other comprehensive income in the amount of Baht 6.29 million and Baht 5.69 million, respectively.

30. FAIR VALUE MEASUREMENT

Certain financial assets of the Company were measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets were determined.

Financial assets	Fair value as at March 31, 2015 (Baht : '000)	Fair value hierarchy	Valuation techniques and key inputs
Government and state enterprise securities	375,770	Level 2	Discount cash flow using yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Associate
Unit trusts	40,015	Level 2	The unit trust's net asset value of the last working day of the reporting period

31. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The Company has four reportable segments, which represent the major products that the Company underwrites and consists of fire, marine, motor and miscellaneous.

The Company is only operated and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month periods ended March 31, 2015 and 2014, there is no underwriting income with a single external customer contributed 10% or more to the Company's total revenue.

The reporting of underwriting information classified by type of insurance for the three-month periods ended March 31, 2015 and 2014 were as follows:

	For the three-month period ended March 31, 2015				Baht: '000
	Fire	Marine	Motor	Miscellaneous	Total
Underwriting income					
Gross premiums written	180,149	95,650	233,853	287,839	797,491
<u>Less</u> Premiums ceded	<u>67,066</u>	<u>68,036</u>	<u>83,141</u>	<u>91,703</u>	<u>309,946</u>
Net premiums written	113,083	27,614	150,712	196,136	487,545
<u>(Add) Less</u> Unearned premium reserve	<u>8,918</u>	<u>(1,627)</u>	<u>(35)</u>	<u>18,772</u>	<u>26,028</u>
Net premium earned	104,165	29,241	150,747	177,364	461,517
Fee and commission income	18,277	17,770	28,641	27,420	92,108
Total underwriting income	<u>122,442</u>	<u>47,011</u>	<u>179,388</u>	<u>204,784</u>	<u>553,625</u>
Underwriting expenses					
Insurance claims and loss adjustment expenses	24,625	5,244	95,779	81,900	207,548
Commissions and brokerages expenses	39,290	11,703	30,534	41,794	123,321
Other underwriting expenses	<u>16,082</u>	<u>8,957</u>	<u>31,473</u>	<u>40,083</u>	<u>96,595</u>
Total underwriting expenses	<u>79,997</u>	<u>25,904</u>	<u>157,786</u>	<u>163,777</u>	<u>427,464</u>
Profit on underwriting before					
operating expenses	<u>42,445</u>	<u>21,107</u>	<u>21,602</u>	<u>41,007</u>	<u>126,161</u>
Operating expenses					<u>70,868</u>
Profit on underwriting					<u>55,293</u>

	For the three-month period ended March 31, 2014				Baht: '000
	Fire	Marine	Motor	Miscellaneous	Total
Underwriting income					
Gross premiums written	172,054	85,189	240,250	262,106	759,599
<u>Less</u> Premiums ceded	<u>62,927</u>	<u>56,877</u>	<u>79,246</u>	<u>112,980</u>	<u>312,030</u>
Net premiums written	109,127	28,312	161,004	149,126	447,569
<u>(Add) Less</u> Unearned premium reserve	<u>27,823</u>	<u>(110)</u>	<u>(65,629)</u>	<u>12,553</u>	<u>(25,363)</u>
Net premium earned	81,304	28,422	226,633	136,573	472,932
Fee and commission income	17,213	19,471	27,311	25,442	89,437
Total underwriting income	<u>98,517</u>	<u>47,893</u>	<u>253,944</u>	<u>162,015</u>	<u>562,369</u>
Underwriting expenses					
Insurance claims and loss adjustment expenses	13,106	3,755	155,441	(87,181)	85,121
Commissions and brokerages expenses	37,015	10,360	30,068	33,135	110,578
Other underwriting expenses	<u>11,062</u>	<u>7,639</u>	<u>33,623</u>	<u>45,339</u>	<u>97,663</u>
Total underwriting expenses	<u>61,183</u>	<u>21,754</u>	<u>219,132</u>	<u>(8,707)</u>	<u>293,362</u>
Profit on underwriting before					
operating expenses	<u>37,334</u>	<u>26,139</u>	<u>34,812</u>	<u>170,722</u>	<u>269,007</u>
Operating expenses					<u>69,923</u>
Profit on underwriting					<u>199,084</u>

32. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on May 13, 2015.