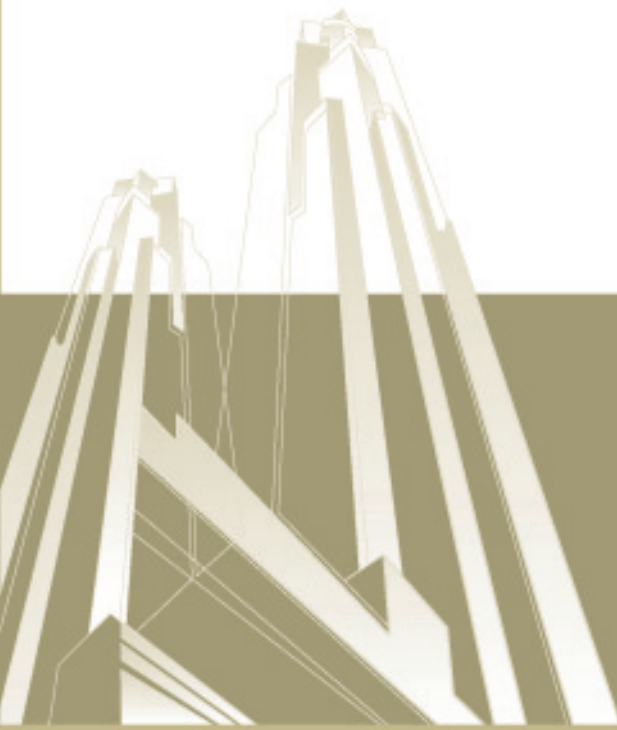




Member of  United Overseas Bank



ANNUAL REPORT 2004

# **Bank of Asia Public Company Limited**

(a subsidiary of United Overseas Bank Limited)

## **Contents**

Financial Highlights	1
Chairman's Statement	2
Board of Directors	4
Management Team	5
Organization Chart	6
The Thai Economy in 2004 and the Outlook for 2005	8
Trends in the Thai Banking Environment	9
Management Discussion and Analysis	10
Financial Statements	15
Other Information	109
Risk Factors and Risk Management	116
Report of the Audit Committee	119
Opinion of the Audit Committee on the Bank's Internal Control System	120
Corporate Governance	121
Management Structure	125
Election of Bank's Board of Directors	130
Contact	131
Referred Persons	141
Company Information	142

## Financial Highlights

(consolidated basis)

(Unit : Million Baht)

	2004	2003	2002
<b>Balance sheet</b>			
Assets	<b>163,862</b>	170,514	161,271
Loans	<b>118,517</b>	122,141	114,304
Allowance for doubtful accounts and allowance for loss on trouble debt restructuring	<b>14,016</b>	15,440	8,945
Deposits	<b>138,034</b>	141,981	138,455
Liabilities	<b>148,627</b>	155,916	149,542
Shareholders' equity	<b>15,235</b>	14,597	11,729
Capital funds	<b>16,326</b>	16,046	15,963
<b>Earnings performance</b>			
Net interest and dividend income	<b>4,125</b>	3,846	3,642
Non-interest income	<b>2,749</b>	2,603	2,468
Net profit (loss)	<b>761</b>	1,818	(3,030)
<b>Ratios (%)</b>			
Net interest and dividend income to average assets	<b>2.47</b>	2.32	2.27
Return on average assets	<b>0.46</b>	1.10	(1.89)
Return on average equity	<b>5.10</b>	13.81	(29.74)
Earnings (loss) per share - Basic (Baht)	<b>0.15</b>	0.36	(0.66)
Dividend per share (Baht)	-	-	-
Book value per share (Baht)	<b>2.99</b>	2.86	2.30
Capital adequacy ratio	<b>14.56</b>	13.31	13.37

## Chairman's Statement



**Wee Cho Yaw**  
*Chairman*

### 2004 Review

On 25 April 2004, United Overseas Bank (UOB) of Singapore signed a Sale and Purchase agreement with ABN AMRO for the acquisition of 80.77% of Bank of Asia (BoA). With the conclusion of the deal on 27 July, BoA became a member of the UOB Group. As required by Thai regulations, UOB then extended an offer to the other shareholders of BoA to buy their shares at the same price of Baht 5.35 per share. When the offer closed on 11 October, UOB's shareholdings in BoA increased to 96.09%.

Following UOB's acquisition, the BoA Board of Directors and top management were re-constituted. Mr. Wong Kim Choong, who has served in a multitude of positions with the UOB Group for more than 20 years, was appointed President & Chief Executive. He was previously the Deputy CEO of UOB Malaysia.

In tandem with the buoyant Thai economy, BoA's total income grew by 6.6% to Baht 6,874 million from Baht 6,449 million in 2003. On the other hand, total non-interest expenses went up at a lower rate of 4.9% to Baht 4,894 million from 2003's Baht 4,666 million. This resulted in the Bank's operating profit improving by 21.5% to Baht 2,165 million from Baht 1,782 million recorded in 2003. However, profit after tax fell

from Baht 1,818 million to Baht 761 million largely due to additional provisions set aside for the qualitative reclassification of several performing loans to be in line with UOB's prudent provisioning practice. The Bank's capital adequacy ratio improved from 13.31% to 14.56% in 2004.

### 2005 Prospects

The Thai economy is expected to remain robust in 2005, propelled by strong exports, increased domestic consumption and higher investments. The tsunami disaster that struck on 26 December 2004 and affected the six provinces fronting the Andaman Sea should not have a major impact on the tourism industry, given the fact that Thailand has so many other tourist attractions. Barring unforeseen external factors, the GDP is forecast to grow between 5.25% and 6.25%.

For BoA, the main challenge is integration with UOB's other Thai banking subsidiary, UOB Radanasin. The integration of both banks would create a bigger, stronger and more dynamic bank for the benefit of all our customers, staff and shareholders. Work on the merger of the two banks started in late 2004 and we hope to fully integrate the IT systems and work processes before the end of 2005.

The integration would not only expand the Bank's branch and ATM network within Thailand for greater customer convenience but also provide a regional platform in supporting our customers' regional business banking needs. The integration will also lead to better economies of scale for the Bank.

At the same time, we intend to expand our product range in Thailand by drawing from the wide array of instruments and services that we have initiated in Singapore. The Bank believes that there are exciting opportunities in Personal Financial Services, the Small and Medium Enterprise (SME) markets as well a growing demand for more sophisticated Treasury products.

As an integral part of the UOB Group, BoA staff will also have greater opportunities to gain regional exposure as well as participate in a growing organization.

We believe there is tremendous potential for synergizing the resources and business activities of BoA/UOB Radanasin and UOB Singapore for the benefit of our Thai customers. It will also enable us to contribute more significantly towards the growing Thai economy.

#### **Acknowledgement**

I would like to place on record my deep

appreciation to the former Chairman, President & CEO and Directors who have contributed towards the growth of BoA in the past few years. In particular, I thank Khun Chulakorn Singhakowin for helping the smooth management transfer.

Board Director, Dr. Ammar Siamwalla, has indicated his desire to retire from the Board in April this year. I take this opportunity to thank Dr. Ammar for his contributions and wish him all the very best.

My thanks also go to the management and staff members of BoA for their support and contributions in the past year. I am happy to report that our staff in Phuket did not suffer any serious personal injuries and everyone in the Bank worked tirelessly in the fund raising efforts for the tsunami victims. Besides the Bank's contribution of Baht 1.5 million, BoA's staff and customers generously donated another Baht 6.5 million to help those affected by the tsunami.

Most importantly, we thank all our customers for their continuous support and look forward to serving you even better in the coming years.

Wee Cho Yaw  
Chairman  
February 2005

## Board of Directors



*Sitting from left to right : Mr. Chinnawat Bulsuk, Dr. Ammar Siamwalla, Mr. Wee Cho Yaw, Mr. Suebrakul Soonthornthum  
Standing from left to right : Mr. Chua Teng Hui, Mr. Lee Chin Yong Francis, Mr. Wee Ee Cheong, Mr. Wong Kim Choong, Mr. Poon Hon Thang Samuel*

**Mr. Wee Cho Yaw**

Chairman

**Mr. Wee Ee Cheong**

Deputy Chairman and Member of Nomination and Compensation Committee

**Dr. Ammar Siamwalla**

Independent Director and Chairman of Audit Committee

**Mr. Wong Kim Choong**

Director and President & CEO

**Mr. Chinnawat Bulsuk**

Independent Director and Member of Audit Committee

**Mr. Chua Teng Hui**

Director and Deputy President & Deputy CEO

**Mr. Lee Chin Yong Francis**

Director and Member of Nomination and Compensation Committee

**Mr. Poon Hon Thang Samuel**

Director

**Mr. Suebrakul Soonthornthum**

Independent Director and Member of Audit Committee and  
Chairman of Nomination and Compensation Committee

## Management Team



**Mr. Wong Kim Choong**  
President & CEO



**Mr. Chua Teng Hui**  
Deputy President & Deputy CEO



**Mr. Goh Choo Han Dennis**  
Senior Executive Vice President  
Institutional Banking



**Mr. Lee Tse Tiong**  
Senior Executive Vice President  
Corporate Services



**Mr. Ngeo Swee Guan Steven**  
Senior Executive Vice President  
Risk Management and  
Compliance



**Mr. Thanachai Thanachaiary**  
Senior Executive Vice President  
Individual Banking



**Mr. Jonathan Truslow**  
Executive Vice President  
Marketing & Support



**Ms. Ngamjitt Sirijindalert**  
Executive Vice President  
Strategic Projects



**Mrs. Pimolrat  
Tangkosakul**  
Executive Vice President  
Staff Development  
& Corporate Affairs



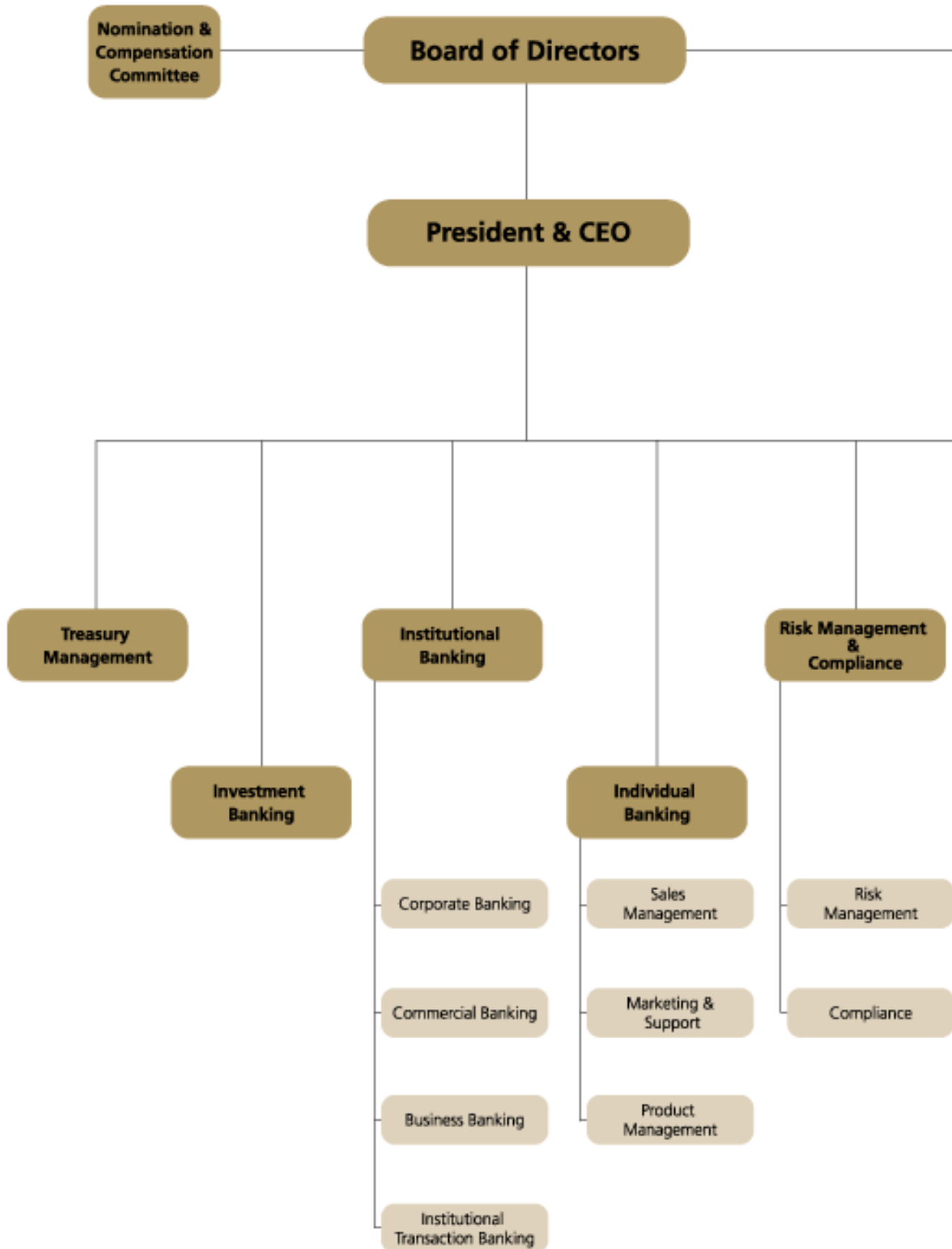
**Mr. Somkid  
Jiranuntarat**  
Executive Vice President  
Information Technology



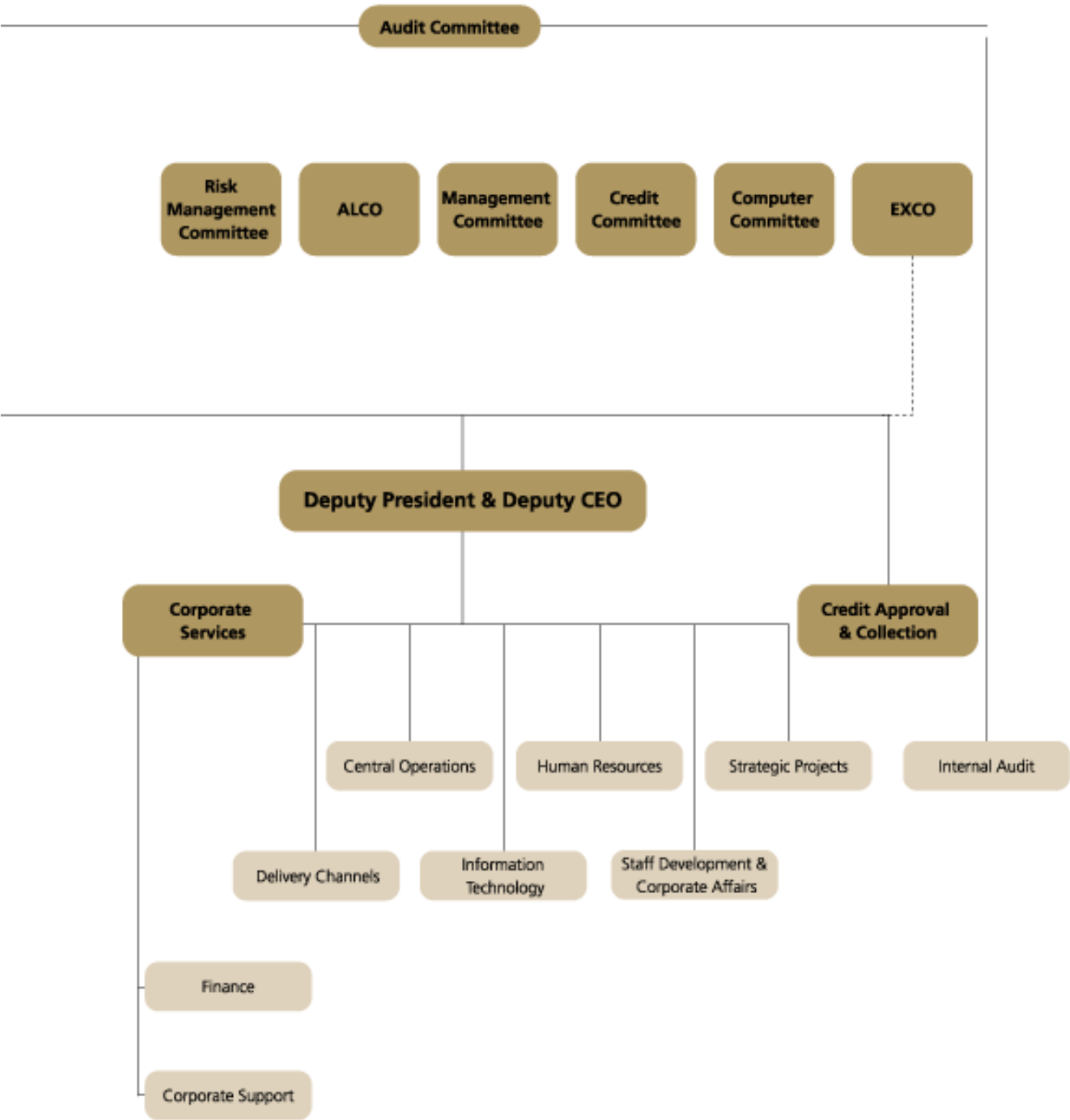
**Mr. Thammasak  
Jittimaporn**  
Executive Vice President  
Sales Management



# Organization Chart







as at March 1, 2005

## The Thai Economy in 2004 and the Outlook for 2005

The Thai economy in 2004 demonstrated great resilience in the face of the bird flu, unrest in the deep south region, surging oil prices, and a rising interest rate environment that sapped both business and consumer confidence.

Consensus has pegged 2004 economic growth at 6.2%, slightly lower than the 6.8% growth achieved in 2003, powered primarily by a 23% increase in exports which were buoyed by increase in world prices, and increase in investment growth of about 15% year on year in a generally low interest rate environment. The impact of the December tsunami disaster on the economy has been assessed to be short term, mainly affecting southern tourism, fishing and shrimp farming where job loss would reduce domestic consumption.

Thailand closed 2004 with a strong economic scorecard: low inflation (2.7%) with pressure mainly from energy prices, low unemployment (2.1%), strong reserves (US\$ 50 billion), and current account surplus of 4.2% of GDP. The strong fundamentals put the country in good stead, in the absence of externally driven adverse events, to achieve its growth targets in the future. The key risks confronting Thailand going forward are mainly external oriented in the areas of persistent high oil price, steep interest rate rise particularly in the US, and a weak US dollar that triggers a global economic slowdown.

Economic growth for 2005 has been projected at 5-6%. This is marginally lower than 2004, in light of the tsunami disaster aftermath and a global economy that is likely to grow at a slower pace. The world economy and some of Thailand's major export markets, in particular China, are expected to achieve slower growth in 2005. Moreover, the expected action by the Government to end diesel subsidy after the February general elections is likely to reduce private consumption and private investment growth in 2005.

Economic growth in 2005, as with the previous year, is anticipated to be underpinned by the twin pillars of exports and investments. Exports are projected to expand by 10-12%, with key markets continuing to be Asean, China, Japan and US. To this end, the foreign exchange strength of the Thai baht is a key factor, particularly in the face of a US dollar under pressure from trade and budget imbalance concerns. Investments within the economy are projected to rise in 2005 in line with capacity utilization and would be greatly boosted by the Bt1.5 trillion infrastructure improvement spending planned by the public sector.

Bank lending grew 8% in 2004 and growth would likely continue in 2005 with the projected investment expenditures. Imports are also expected to escalate to support the investment projects, and this might result in the trade account surplus being reduced or going into slight deficit. The current account, however, is projected to stay in surplus.

## Trends in the Thai Banking Environment

The Thai banking environment in 2004 was overall stable with excess liquidity keeping a lid on domestic interest rates and fuelling much price competition within the market. In spite of continuing strong economic performance stimulating both private and public investments, excess liquidity prevailed within the banking system throughout 2004, made worst during periods of high inflow of foreign funds, with surplus at the end of the year estimated at Bt400 billion. As a result, domestic rates were kept depressed even as the US started to tighten their rates from the middle of the year to ward off threats of inflation. The benchmark BOT 14-day repurchase rate trailed the US Federal Fund Reserve rate by 0.25% at the close of 2004. The low interest rate environment allowed Thai commercial banks to boost their net interest margins as evident in their financial results in 2004.

The excess liquidity within the system also contributed to intense price competition within the banking industry, particularly in the segments of corporate lending and home loans. With the capital market becoming more expensive to access, many large corporations had returned to bank borrowing, enticed by the attractive rates available. With continuing economic growth driving up investments within the economy, it is anticipated that the excess liquidity will dry up by the latter half of 2005, whereupon domestic interest rate hikes will take place.

At the end 2004, NPL in the system represented about 12% of total outstanding loans, a great improvement from the level in 2000. NPL is projected to continue to decline as economic growth facilitates resumption of loan servicing by affected borrowers, as well as disposal of collateral in settlement of NPL.

Bank lending grew about 8% in 2004, with the momentum expected to continue in 2005, with underpinning by rising investments and housing demand assuming any interest rate hikes would be gradual to facilitate demand planning.

Unlike the previous years when the banking industry was preoccupied with NPL resolution and internal restructuring, 2004 saw many banks taking the lead to address more strategic challenges like channel expansion, re-branding and response to opportunities afforded by regulatory changes. The most significant of these is the framework under the Finance Sector Masterplan that aims to spur the consolidation of the more than 80 local and foreign banks, finance companies, credit fonciers and BIBF. The Masterplan, underpinned by the notion of “one presence”, opens new opportunities for banks under a “universal banking” concept and helps to ensure that Thai financial institutions can build up resources and strength to cope with increased competition in the future. Under this plan, finance companies and credit fonciers are set to disappear, either through upgrade to banks or relegation to credit corporations. Arising from this process, there will be some new retail or full service banks in the industry, leading to increased competition for customers and experienced banking personnel in the future.

Overall, the Thai banking environment is stable, with prospective economic expansion providing opportunities for growth and earnings. NPL would continue to be managed down as more of such loans get resolved. Sometime in the latter half of 2005, domestic interest rates will start to rise in response to surplus liquidity in the system drying up as well as pressure from US rates. The banking industry would likely experience some changes and disruptions as new players under the finance masterplan make their entry, as well as preparations to meet the stringent requirements of the Basel II capital requirement framework.

## Management Discussion and Analysis

### Earnings Performance

Bank of Asia and its subsidiaries reported an operating profit of Bt 2,165 million in 2004. This was an increase of 21.5 per cent over the operating profit of Bt 1,782 million achieved in 2003. However, the Bank made higher provisions in 2004, amounting to Bt 1,198 million, compared to a reversal of Bt 58 million in 2003. The provisions made in 2004 were largely for qualitative downgrading of several performing accounts reflecting the Bank's prudent policies. As a result, net profits declined 58.2 per cent from Bt 1,818 million made in 2003 to Bt 761 million in 2004.

### Earnings Performance

	Million baht		
	2004	2003	% change
Interest and dividend income	5,893	6,229	(5.4)
Interest expense	1,768	2,383	(25.8)
Net interest and dividend income	4,125	3,846	7.3
Non interest income	2,749	2,603	5.6
Total income	6,874	6,449	6.6
Operating expenses	3,886	3,844	1.1
FIDF payment and Tax & duties	823	823	0.0
Operating profit	2,165	1,782	21.5
Bad debt and doubtful accounts & Loss on TDR	1,198	(58)	N.M.
Other expense	185	(1)	N.M.
Net profit before tax	782	1,841	(57.5)
Income tax	22	22	0.0
<b>Net profit</b>	<b>761</b>	<b>1,818</b>	<b>(58.2)</b>

Note: N.M. refers to "Not Meaningful"

The Bank and its subsidiaries' total income increased by 6.6 per cent from 2003 to Bt 6,874 million in 2004. Net interest and dividend income went up 7.3 per cent to Bt 4,125 million. This was partly due to the lower interest expense following the redemption of Bt 2,000 million subordinated debentures in June 2004. Non-interest income in 2004 grew 5.6 per cent from last year to Bt 2,749 million. The increase was accounted for largely by fees and services income, with an increase of 11.2 per cent to Bt 1,587 million in 2004. The increase in fee and services income was mainly due to the Bank's business expansion and development in several areas including e-Channels, credit card, and Bancassurance. Other contributors to non-interests income growth were higher gains on disposal of government securities as well as liquidation of two subsidiaries namely Asia Property Co., Ltd. and Asia Leasehold Co., Ltd.

### Non-interest Expenses

The Bank and its subsidiaries' non-interest expense, comprising of staff and other non interest expenses, increased by 4.9 per cent to Bt 4,894 million. Non staff expenses (excluding loss on impairment of properties foreclosed) increased by 7.5 per cent to Bt 2,974 million, mainly due to higher fee expenses related to business expansion, and advertising activities. This was offset by lower staff costs, which fell by 8.8 per cent to Bt 1,733 million as a result of lower staff headcount. Operating expenses remained relatively unchanged at around Bt 3,886 million.

## Management Discussion and Analysis

### Operating expenses

	Million Baht		
	2004	2003	% change
Personnel expenses	1,733	1,901	(8.8)
Premises and equipment expenses	1,051	1,001	5.0
Fees and service expenses	389	330	17.8
Directors' remuneration	5	6	(11.8)
Other expenses	708	606	16.8
<b>Total operating expenses</b>	<b>3,886</b>	<b>3,844</b>	<b>1.0</b>

Capital expenditure for 2004 was mainly for IT related and system development items. Total capital expenditure was Bt 209 million, lower than the Bt 480 million spent in 2003.

### Profitability

Operating profit to total income increased from 27.6 per cent in 2003 to 31.5 per cent in 2004. Operating expense to total income declined from 59.6 per cent in 2003 to 56.5 per cent in 2004.

Average interest spread (net interest income to average assets) in 2004 improved to 2.47 per cent, 15 basis points higher than that of 2003. This was partly due to higher mix of consumer loans in loans portfolio.

### Percentage to Total income\*

	%	
	2004	2003
Net interest and dividend income	60.0	59.6
Non interest income	40.0	40.4
Total income	100.0	100.0
Operating expenses	56.5	59.6
FIDF payment and Tax & duties	12.0	12.8
Operating profit	31.5	27.6
Net profit	11.1	28.2

\* Total income = Net interest and dividend income + Non-interest income

### Dividend Payment

In compliance with the Public Company Act that prohibits companies with negative retained earnings from declaring dividends, the Bank, which had retained loss of Bt 26,219 million as of end-2004, does not declare any dividends for 2004.

Dividend payment of the Bank's subsidiaries depend on their respective financial performances. After consideration, the Board of Directors of the Bank's subsidiary companies did not declare any dividends for 2004.

## Management Discussion and Analysis

### Assets

Total assets of the Bank and its subsidiaries as at 31 December 2004 was Bt 163,862 million, a decline of 3.9 per cent from 31 December 2003. The decline was largely from lower holdings in government securities, which declined 46 per cent from 2003 to Bt 13,957 million as at end-2004. Outstanding loans declined by 3.0 per cent to Bt 118,517 million, due mainly to the 18.3 per cent reduction in NPLs to Bt 18,962 million as at end-2004. NPLs as a percentage of total loans (under BOT reporting basis) was 16.1 per cent as at end-2004, an improvement from the 19.1 per cent at end-2003. The improved NPL ratio was a result of the management's pro-active NPL management methodologies.

Loans for consumer customers marked an increase of 13 per cent from 2003, whereas loan for business sectors remained at almost the same level as at end-2003. The Bank's housing loan portfolio grew from 16.0 per cent of total loan as at end-2003 to 18.5 per cent as at end-2004. Loans to manufacturing and trading sectors accounted for 46 per cent of total loans, down from 50 per cent as at end-2003. Contribution of loans for other industry sectors was largely unchanged.

### Loan Portfolio

	% to total loans	
	2004	2003
Trading	26.1%	27.7%
Manufacturing	19.7%	20.6%
Housing	18.5%	16.0%
Others	10.8%	10.5%
Services	6.3%	6.2%
Bank and Finance	5.9%	5.7%
Utility	4.9%	5.0%
Real Estate	3.9%	3.7%
Construction	2.1%	2.2%
Agriculture, Forestry and Mining	1.8%	2.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

As at end-2004 loans to the 10 largest customer groups accounted for 12.4 per cent of total loans, marginally lower from the 12.6 per cent recorded as at end-2003.

### Loans to top 10 customer groups

	% to total loans	
	2004	2003
Loan to top 10 customer groups	12.4%	12.6%
Others	87.6%	87.4%
<b>Total loans</b>	<b>100.0%</b>	<b>100.0%</b>

## Management Discussion and Analysis

In 2004, the Bank made higher provisions, which was largely for qualitative downgrading of several performing accounts, accordingly to the Bank's prudent provisioning policy. The Bank and its subsidiaries made provisions of Bt 1,198 million in 2004. As at end-2004, allowance for doubtful accounts and loss on debt restructuring was Bt 14,016 million. As a consequence, the Bank's provisions to NPLs ratio improved to 73.9 per cent, compared to 66.5 per cent as at end-2003.

### Asset quality ratios

	2004	2003
Loan loss provision / Total loans	<b>11.8</b>	12.6
NPLs / Total loans*	<b>16.1</b>	19.1
Loan loss provision / NPLs	<b>73.9</b>	66.5
Accrued interest / Total loans	<b>0.9</b>	1.0

\*BOT reporting basis

### Asset classification

In 2004, the Bank restructured a total of Bt 9,576 million in problem loans and sold a total of Bt 2,285 million foreclosed properties. As at end-2004, quality of classified asset reported an improvement. Asset in Pass and Special mention classes, which are good quality asset, was 82.7 per cent of total classified assets, improved from 79.6 per cent as at end-2003.

### Classified assets

	2004		2003	
	Million baht	%	Million baht	%
Pass	<b>96,405</b>	<b>80.5</b>	96,176	78.1
Special mention	<b>2,686</b>	<b>2.2</b>	1,867	1.5
Substandard	<b>1,432</b>	<b>1.2</b>	955	0.8
Doubtful	<b>613</b>	<b>0.5</b>	2,595	2.1
Doubtful of loss	<b>18,670</b>	<b>15.6</b>	21,608	17.5
<b>Total</b>	<b>119,806</b>	<b>100.0</b>	123,201	100.0

### Source of Funds and Liquidity

As at 31 December 2004, the Bank and its subsidiaries' had total deposits of Bt 138,034 million, accounting for 92.9 per cent of total liabilities. 44.4 per cent of total deposits were time deposits, and the remaining 55.6 per cent were in current deposits and savings deposits. The Bank monitored its liquidity closely to ensure efficient liability management. Loans to deposits ratio was 85.9 per cent as at end-2004.



## Management Discussion and Analysis

### Deposit structure

	% to total deposits	
	2004	2003
Current deposits	3.2%	2.8%
Saving deposits	52.4%	50.7%
Time deposits		
- under 6 months	24.4%	26.1%
- 6 months - under 1 year	2.4%	2.7%
- 1 year and over	17.6%	17.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Capital Funds

Arising from the profit made in 2004, the Bank's total capital structure strengthened. Overall capital adequacy ratio is 14.6 per cent, up 1.3 percentage points from 2003, and higher than the Bank of Thailand's minimum requirement of 8.5 per cent. Tier 1 capital went up to 11.1 per cent, up 2.2 percentage points from 2003. The Bank redeemed Bt 2,000 million subordinated debentures in June 2004 resulting in Tier 2 capital declining from 3.8 per cent in 2003 to 2.9 per cent.

### Capital adequacy ratios

	2004		2003	
	Million baht	%	Million baht	%
Total capital	16,326	14.6	16,046	13.3
Tier 1 capital	13,130	11.7	11,447	9.5
Tier 2 capital	3,196	2.9	4,599	3.8

### Integration with UOB Radanasin Bank (UOBR)

BoA has applied to the Ministry of Finance through the Bank of Thailand to merge with UOBR. This merger will also result in BoA's major shareholder, the United Overseas Bank of Singapore, complying to the Bank of Thailand's "One Presence" policy for financial institutions. At the publication date of this annual report, BoA is awaiting formal approval for this merger from the Ministry of Finance.

BoA began its integration efforts with UOBR in late 2004. This integration will cover human resources, computer systems, processes and procedures. An internal Integration Project Management team consisting of staff from both BoA and UOBR has been formed to coordinate the overall integration efforts. Hewitt Associates, an international human resources consulting firm, has been appointed to assist BoA in the human resource aspects in the merger with UOBR. UOB Singapore is also assisting and providing support in all other aspects of the integration including IT, processes, procedures and Project Management.

The Legal Merger between BoA and UOBR, and the operational integration are expected to be completed in the second half of 2005.

# AUDIT REPORT OF CERTIFIED PUBLIC ACCOUNTANT

## To the Shareholders of Bank of Asia Public Company Limited

I have audited the consolidated balance sheets of Bank of Asia Public Company Limited and subsidiaries as at December 31, 2004 and 2003, and the consolidated statements of income, changes in shareholders' equity and cash flows for each of the years then ended. I have also audited the balance sheets of Bank of Asia Public Company Limited as at December 31, 2004 and 2003, and the statements of income, changes in shareholders' equity and cash flows for each of the years then ended. The management of Bank of Asia Public Company Limited is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Bank of Asia Public Company Limited and subsidiaries as at December 31, 2004 and 2003 and the consolidated results of their operations and cash flows for each of the years then ended, and the separate financial position and results of operations and cash flows of Bank of Asia Public Company Limited for the same period, in conformity with generally accepted accounting principles.



Thirdthong Thepmongkorn  
Certified Public Accountant  
Registration No. 3787

KPMG Phoomchai Audit Ltd.  
Bangkok  
February 15, 2005

## BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

### ASSETS

	Notes	Baht			
		Consolidated		Bank Only	
		Financial Statements		Financial Statements	
		2004	2003	2004	2003
<b>Cash</b>		<b>3,703,172,631</b>	3,148,121,858	<b>3,703,079,708</b>	3,147,989,867
<b>Interbank and money market items</b>	4, 25				
Domestic items					
Interest bearing		<b>566,655,392</b>	163,308,429	<b>401,159,232</b>	72,581,822
Non-interest bearing		<b>1,349,782,433</b>	1,459,998,684	<b>1,349,352,339</b>	1,471,132,433
Foreign items					
Interest bearing		<b>12,063,318,702</b>	4,756,472,463	<b>12,063,318,702</b>	4,756,472,463
Non-interest bearing		<b>409,266,576</b>	359,036,579	<b>409,266,576</b>	359,036,579
<b>Total interbank and money market items - net</b>		<b>14,389,023,103</b>	6,738,816,155	<b>14,223,096,849</b>	6,659,223,297
<b>Securities purchased under resale agreements</b>	5	<b>8,400,000,000</b>	7,900,000,000	<b>8,400,000,000</b>	7,900,000,000
<b>Investments</b>	6, 23, 25				
Current investments - net		<b>1,872,836,937</b>	6,596,730,375	<b>1,872,836,937</b>	6,596,730,375
Long-term investments - net	7	<b>11,945,536,687</b>	18,989,159,813	<b>11,921,240,626</b>	18,938,024,164
Investments in subsidiaries and associated companies - net		<b>138,433,834</b>	165,837,506	<b>746,756,647</b>	697,814,423
<b>Total investments - net</b>		<b>13,956,807,458</b>	25,751,727,694	<b>14,540,834,210</b>	26,232,568,962
<b>Loans and accrued interest receivable</b>	8, 25				
Loans		<b>118,516,940,249</b>	122,141,371,392	<b>117,636,821,197</b>	121,161,675,961
Accrued interest receivable		<b>1,053,824,935</b>	1,259,243,326	<b>1,056,851,606</b>	1,254,395,913
Total loans and accrued interest receivable		<b>119,570,765,184</b>	123,400,614,718	<b>118,693,672,803</b>	122,416,071,874
Less allowance for doubtful accounts	9	<b>(13,787,440,335)</b>	(15,160,542,447)	<b>(13,657,581,242)</b>	(15,081,754,867)
Less revaluation allowance for debt restructuring	10	<b>(228,182,391)</b>	(279,923,454)	<b>(228,182,391)</b>	(279,923,454)
<b>Loans and accrued interest receivable - net</b>		<b>105,555,142,458</b>	107,960,148,817	<b>104,807,909,170</b>	107,054,393,553

The accompanying notes are an integral part of these financial statements.

## BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

### ASSETS (Continued)

		Baht			
		Consolidated		Bank Only	
		Financial Statements		Financial Statements	
Notes		2004	2003	2004	2003
	<b>Properties foreclosed - net</b>	<b>13,003,254,363</b>	13,936,693,097	<b>13,002,116,838</b>	13,963,646,761
	<b>Customers' liabilities under acceptances</b>	<b>378,754,564</b>	371,140,267	<b>378,754,564</b>	371,140,267
	<b>Premises and equipment - net</b>	<b>3,067,856,634</b>	3,117,907,558	<b>2,681,233,332</b>	2,738,430,005
	<b>Leasehold improvements - net</b>	<b>299,463,823</b>	338,470,515	<b>299,224,893</b>	337,141,430
	<b>Goodwill</b>	<b>6,181,674</b>	7,836,441	-	-
	<b>Other assets - net</b>	<b>1,102,645,981</b>	1,242,734,066	<b>1,046,831,585</b>	1,123,109,833
	<b>TOTAL ASSETS</b>	<b>163,862,302,689</b>	170,513,596,468	<b>163,083,081,149</b>	169,527,643,975



Kim Choong Wong  
President &  
Chief Executive Officer




Teng Hui Chua  
Deputy President &  
Deputy Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

## BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

### LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated		Bank Only	
		Financial Statements		Financial Statements	
Notes		2004	2003	2004	2003
<b>Deposits</b>	13, 25				
Deposits in Baht		<b>136,783,535,973</b>	140,732,608,527	<b>136,827,353,183</b>	140,802,552,926
Deposits in foreign currencies		<b>1,250,008,512</b>	1,248,231,495	<b>1,250,008,512</b>	1,248,231,495
<b>Total deposits</b>		<b>138,033,544,485</b>	141,980,840,022	<b>138,077,361,695</b>	142,050,784,421
<b>Interbank and money market items</b>	14, 25				
Domestic items					
Interest bearing		<b>2,069,434,883</b>	2,135,379,764	<b>1,975,694,138</b>	1,729,480,690
Non-interest bearing		<b>364,132,344</b>	936,193,525	<b>364,132,344</b>	947,709,376
Foreign items					
Interest bearing		<b>4,176,410</b>	8,469,938	<b>4,176,410</b>	8,469,938
Non-interest bearing		<b>416,968,671</b>	542,883,378	<b>416,968,671</b>	542,883,378
<b>Total interbank and money market items</b>		<b>2,854,712,308</b>	3,622,926,605	<b>2,760,971,563</b>	3,228,543,382
<b>Liabilities payable on demand</b>		<b>1,816,145,264</b>	1,395,637,007	<b>1,816,145,264</b>	1,395,637,007
<b>Securities sold under repurchase agreements</b>	15	<b>200,000,000</b>	-	<b>200,000,000</b>	-
<b>Borrowings</b>	16, 25				
Short-term borrowings		<b>500,500,000</b>	1,332,344,650	-	900,344,650
Long-term borrowings	7	<b>2,011,819,675</b>	4,014,775,671	<b>2,011,819,675</b>	4,014,775,671
<b>Total borrowings</b>		<b>2,512,319,675</b>	5,347,120,321	<b>2,011,819,675</b>	4,915,120,321
<b>Bank's liabilities under acceptances</b>		<b>378,754,564</b>	371,140,267	<b>378,754,564</b>	371,140,267
<b>Accrued interest payable</b>	25	<b>408,801,685</b>	529,230,509	<b>408,092,926</b>	529,784,952
<b>Accrued expense payable</b>	25	<b>974,071,107</b>	1,014,452,797	<b>916,444,880</b>	971,034,430
<b>Other liabilities</b>	25	<b>1,448,939,719</b>	1,654,954,734	<b>1,278,476,700</b>	1,468,304,989
<b>TOTAL LIABILITIES</b>		<b>148,627,288,807</b>	155,916,302,262	<b>147,848,067,267</b>	154,930,349,769

The accompanying notes are an integral part of these financial statements.

## BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

### LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		Baht			
		Consolidated		Bank Only	
		Financial Statements		Financial Statements	
Notes		2004	2003	2004	2003
<b>SHAREHOLDERS' EQUITY</b>					
<b>Share capital</b>					
	18				
Authorized share capital					
5,382,844,520 ordinary shares,					
		<b>53,828,445,200</b>	53,828,445,200	<b>53,828,445,200</b>	53,828,445,200
Issued and fully paid-up share capital					
5,095,446,713 ordinary shares,					
		<b>50,954,467,130</b>	50,954,467,130	<b>50,954,467,130</b>	50,954,467,130
		<b>(11,145,837,378)</b>	(11,145,837,378)	<b>(11,145,837,378)</b>	(11,145,837,378)
<b>Discount on share capital</b>					
<b>Unrealised increment on appraisal of assets</b>					
		<b>745,416,749</b>	749,676,160	<b>745,416,749</b>	749,676,160
<b>Unrealised gain on investment in securities - net</b>					
	6	<b>466,633,784</b>	667,255,913	<b>466,633,784</b>	667,255,913
<b>Unrealised loss on cash flow hedging instruments</b>					
	17	<b>(6,737,609)</b>	(86,553,929)	<b>(6,737,609)</b>	(86,553,929)
<b>Retained earnings (deficit)</b>					
Appropriated :					
Statutory reserve					
	20	<b>367,591,201</b>	367,591,201	<b>367,591,201</b>	367,591,201
Other reserve					
	21	<b>72,000,000</b>	72,000,000	<b>72,000,000</b>	72,000,000
Unappropriated					
		<b>(26,218,519,995)</b>	(26,981,304,891)	<b>(26,218,519,995)</b>	(26,981,304,891)
<b>TOTAL SHAREHOLDERS' EQUITY</b>					
		<b>15,235,013,882</b>	14,597,294,206	<b>15,235,013,882</b>	14,597,294,206
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		<b>163,862,302,689</b>	170,513,596,468	<b>163,083,081,149</b>	169,527,643,975
<b>OFF- BALANCE SHEET ITEMS</b>					
<b>- CONTINGENCIES AND COMMITMENTS</b>					
	22, 25				
Avals to bills and guarantees of loans					
		<b>829,424,067</b>	1,031,136,618	<b>829,424,067</b>	1,031,136,618
Liability under unmatured import bills					
		<b>1,362,973,173</b>	1,359,128,965	<b>1,362,973,173</b>	1,359,128,965
Letters of credit					
		<b>3,226,503,381</b>	3,076,511,862	<b>3,226,503,381</b>	3,076,511,862
Other contingencies and commitments					
		<b>107,658,208,662</b>	93,212,797,174	<b>107,658,208,662</b>	93,212,797,174

The accompanying notes are an integral part of these financial statements.

# STATEMENTS OF INCOME

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2004 AND 2003

		Baht				
		Consolidated		Bank Only		
		Financial Statements		Financial Statements		
Notes		2004	2003	2004	2003	
<b>Interest and dividend income</b>						
	Loans	25	4,748,874,157	5,255,980,974	4,743,221,510	5,244,017,958
	Interbank and money market items		247,943,586	223,533,209	246,525,107	222,707,391
	Hire purchase and finance lease		169,102,537	98,966,962	-	-
	Investments		727,069,033	650,346,915	722,635,283	649,459,765
	<b>Total interest and dividend income</b>		<b>5,892,989,313</b>	6,228,828,060	<b>5,712,381,900</b>	6,116,185,114
<b>Interest expense</b>						
	Deposits	25	1,421,791,401	1,926,765,769	1,421,843,069	1,927,083,152
	Interbank and money market items		131,083,834	115,846,422	122,502,702	112,147,345
	Short-term borrowings		12,397,723	64,467,598	-	53,528,929
	Long-term borrowings		202,768,735	275,991,781	202,768,735	275,991,781
	<b>Total interest expense</b>		<b>1,768,041,693</b>	2,383,071,570	<b>1,747,114,506</b>	2,368,751,207
	<b>Net income from interest and dividends</b>		<b>4,124,947,620</b>	3,845,756,490	<b>3,965,267,394</b>	3,747,433,907
	<b>Net (charge) recovery from movements in bad debts and doubtful accounts</b>		<b>(1,198,091,548)</b>	57,864,228	<b>(1,153,387,867)</b>	51,760,196
	<b>Net profit from interest and dividends after net (charge) recovery from movements in bad debts and doubtful accounts</b>		<b>2,926,856,072</b>	3,903,620,718	<b>2,811,879,527</b>	3,799,194,103
<b>Non-interest income</b>						
	Gain on disposal of securities	6	360,283,410	238,365,130	360,283,410	238,365,130
	(Loss) gain on revaluation of securities		(2,736,774)	545,674	(2,736,774)	545,674
	(Loss) reversal of loss on impairment of securities		(128,202,992)	25,459,288	(113,202,992)	25,459,288
	Share of profit of subsidiaries and associated companies		8,048,932	47,957,093	90,008,552	189,673,326
	<b>Fees and service income</b>	25				
	Acceptances, avals and guarantees		14,982,468	18,410,539	14,982,468	18,410,539
	Others		1,571,970,374	1,409,200,881	1,446,344,074	1,285,664,241
	Gain on exchange		339,739,973	349,634,148	339,739,973	349,634,148
	Gain on disposal of properties foreclosed		85,981,442	143,972,482	84,453,289	145,570,410
	Rental income		252,494,641	240,710,388	80,505,695	68,922,871
	Other income		246,874,749	129,168,794	187,930,671	74,822,842
	<b>Total non-interest income</b>		<b>2,749,436,223</b>	2,603,424,417	<b>2,488,308,366</b>	2,397,068,469

The accompanying notes are an integral part of these financial statements.



## STATEMENTS OF INCOME (Continued)

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2004 AND 2003

		Baht			
		Consolidated		Bank Only	
		Financial Statements		Financial Statements	
Notes		2004	2003	2004	2003
<b>Non-interest expense</b>					
		<b>1,733,291,778</b>	1,901,354,097	<b>1,627,260,451</b>	1,816,020,882
		<b>1,051,042,049</b>	1,001,277,349	<b>885,203,657</b>	850,339,118
		<b>249,830,773</b>	258,796,438	<b>247,120,204</b>	256,093,130
		<b>388,611,210</b>	329,818,843	<b>362,697,965</b>	310,326,549
		<b>5,350,000</b>	6,064,000	<b>5,110,000</b>	5,980,000
		<b>573,138,112</b>	564,435,217	<b>573,138,112</b>	564,435,217
		<b>184,989,681</b>	(1,347,663)	<b>184,062,295</b>	-
		<b>707,556,274</b>	605,689,832	<b>654,807,393</b>	552,617,869
		<b>4,893,809,877</b>	4,666,088,113	<b>4,539,400,077</b>	4,355,812,765
		<b>782,482,418</b>	1,840,957,022	<b>760,787,816</b>	1,840,449,807
		<b>21,694,602</b>	22,496,115	-	21,988,900
		<b>760,787,816</b>	1,818,460,907	<b>760,787,816</b>	1,818,460,907
		<b>0.15</b>	0.36	<b>0.15</b>	0.36
		<b>0.15</b>	0.36	<b>0.15</b>	0.36

The accompanying notes are an integral part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AND STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2003

	Baht					
	Ordinary share capital	Discount on share capital	Unrealised increment on appraisal of assets	Unrealised gain (loss) on investment in securities - net hedging instruments	Unrealised loss on cash flow	Total
<b>Beginning balance as at</b>						
<b>January 1, 2003</b>	50,954,467,130	(11,145,837,378)	751,683,579	(372,385,189)	(96,759,603)	(28,362,182,016) 11,728,986,523
Amortisation of unrealised increment on appraisal of assets	-	-	(2,007,419)	-	-	2,007,419
Unrealised gain on investment in securities - net	-	-	-	1,039,641,102	-	- 1,039,641,102
Unrealised gain on cash flow hedging instruments	-	-	-	-	10,205,674	- 10,205,674
Gains (losses) not recognised in the statement of income	-	-	(2,007,419)	1,039,641,102	10,205,674	2,007,419 1,049,846,776
Net profit	-	-	-	-	-	1,818,460,907 1,818,460,907
<b>Ending balance as at</b>						
<b>December 31, 2003</b>	50,954,467,130	(11,145,837,378)	749,676,160	667,255,913	(86,553,929)	(26,541,713,690) 14,597,294,206

The accompanying notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
AND STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2004

	Baht					
	Ordinary share capital	Discount on share capital	Unrealised increment on appraisal of assets	Unrealised gain on investment in securities - net	Unrealised loss on cash flow hedging instruments	Total
<b>Beginning balance as at</b>						
<b>January 1, 2004</b>	50,954,467,130	(11,145,837,378)	749,676,160	667,255,913	(86,553,929)	14,597,294,206
Amortisation of unrealised increment on appraisal of assets	-	-	(4,259,411)	-	-	(2,262,331)
Unrealised loss on investment in securities - net	-	-	-	(200,622,129)	-	(200,622,129)
Unrealised gain on cash flow hedging instruments	-	-	-	-	79,816,320	79,816,320
Gains (losses) not recognised in the statement of income	-	-	(4,259,411)	(200,622,129)	79,816,320	(123,068,140)
Net profit	-	-	-	-	760,787,816	760,787,816
<b>Ending balance as at</b>						
<b>December 31, 2004</b>	<u>50,954,467,130</u>	<u>(11,145,837,378)</u>	<u>745,416,749</u>	<u>466,633,784</u>	<u>(6,737,609)</u>	<u>15,235,013,882</u>

The accompanying notes are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	Baht			
	Consolidated		Bank Only	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
Notes	2004	2003	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit	<b>760,787,816</b>	1,818,460,907	<b>760,787,816</b>	1,818,460,907
Adjustments to reconcile net profit to net cash provided by (used in) operating activities:				
Depreciation	<b>519,203,224</b>	424,244,843	<b>328,178,179</b>	250,847,166
Amortisation and loss on assets written off	<b>49,798,255</b>	99,874,037	<b>48,708,100</b>	98,648,231
Amortisation of goodwill	<b>1,654,767</b>	1,654,767	-	-
Unrealised loss (gain) on revaluation of securities	<b>2,736,774</b>	(545,674)	<b>2,736,774</b>	(545,674)
Loss on impairment of securities	<b>128,202,992</b>	1,157,940,891	<b>113,202,992</b>	1,157,940,891
Charge for bad debts and doubtful accounts	<b>1,354,782,547</b>	56,919,050	<b>1,310,078,866</b>	65,000,000
Interest income from amortisation of present value of loss on debt restructuring	<b>(51,741,064)</b>	(79,186,927)	<b>(51,741,064)</b>	(79,186,927)
Reversal of allowance for doubtful accounts-hire purchase	<b>(200,000)</b>	(2,934,696)	-	-
Gain on reversal of other liabilities	<b>(135,000,000)</b>	-	<b>(135,000,000)</b>	-
Loss on (reversal of loss on) impairment of properties foreclosed	<b>184,989,681</b>	(1,347,663)	<b>184,062,295</b>	-
Reversal of loss on revaluation on assets	<b>(2,289,099)</b>	(2,206,020)	<b>(2,289,099)</b>	(2,206,020)
Loss on diminution of other assets	-	23,141,053	-	25,117,971
Gain on disposal of investments	<b>(243,938,702)</b>	(211,630,369)	<b>(243,938,702)</b>	(211,630,369)
Gain on liquidation	<b>(97,881,725)</b>	-	<b>(97,881,725)</b>	-
Gain on sales of premises and equipment	<b>(36,648,371)</b>	(22,101,518)	<b>(15,039,054)</b>	(18,269,853)
(Gain) loss on translation of foreign currencies	<b>(17,184,317)</b>	74,082,165	<b>(17,184,317)</b>	74,082,165

*The accompanying notes are an integral part of these financial statements.*

## STATEMENTS OF CASH FLOWS (Continued)

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2004 AND 2003

Notes	Baht			
	Consolidated		Bank Only	
	Financial Statements		Financial Statements	
	2004	2003	2004	2003
Amortisation of premium on long-term investments - net	<b>71,484,147</b>	35,388,654	<b>71,484,147</b>	35,388,654
Decrease in interest and dividend receivables	<b>134,021,069</b>	288,206,681	<b>126,146,985</b>	286,501,082
Increase in accrued non - interest income	<b>(15,099,049)</b>	(39,216,331)	<b>(14,072,067)</b>	(32,162,516)
Decrease in accrued interest expenses	<b>(120,414,988)</b>	(127,814,934)	<b>(121,678,190)</b>	(128,288,051)
(Decrease) increase in accrued non-interest expenses	<b>(40,381,690)</b>	110,611,030	<b>(54,589,549)</b>	94,181,332
Share of profit of subsidiaries and associated companies	<b>(8,048,932)</b>	(47,957,093)	<b>(90,008,552)</b>	(189,673,326)
<b>Net cash inflow from operating activities before changes in operating assets and liabilities</b>	<b>2,438,833,335</b>	3,555,582,853	<b>2,101,963,835</b>	3,244,205,663
<b>(Increase) decrease in operating assets</b>				
Interbank and money market items	<b>(7,733,067,695)</b>	3,880,974,296	<b>(7,646,734,299)</b>	3,897,348,271
Securities purchased under resale agreements	<b>(500,000,000)</b>	(7,600,000,000)	<b>(500,000,000)</b>	(7,600,000,000)
Investment in securities for trading	<b>(1,138,840,203)</b>	1,921,197,307	<b>(1,138,840,203)</b>	1,921,197,307
Loans	<b>1,216,929,324</b>	(3,792,625,164)	<b>1,121,327,787</b>	(2,888,169,196)
Properties foreclosed	<b>1,159,166,426</b>	1,130,514,692	<b>1,182,851,751</b>	1,124,048,904
Other assets	<b>88,843,170</b>	(109,316,871)	<b>12,574,266</b>	(86,077,091)
<b>Increase (decrease) in operating liabilities</b>				
Deposits	<b>(3,935,453,284)</b>	3,550,774,951	<b>(3,961,580,472)</b>	3,543,408,234
Interbank and money market items	<b>(766,380,643)</b>	2,567,390,277	<b>(465,738,166)</b>	1,751,206,313
Liabilities payable on demand	<b>420,849,164</b>	208,554,469	<b>420,849,164</b>	208,554,469
Securities sold under repurchase agreements	<b>200,000,000</b>	(400,000,000)	<b>200,000,000</b>	(400,000,000)
Other liabilities	<b>(388,719,989)</b>	484,313,290	<b>(377,789,830)</b>	491,423,474
<b>Net cash (used in) provided by operating activities</b>	<b>(8,937,840,395)</b>	5,397,360,100	<b>(9,051,116,167)</b>	5,207,146,348

## STATEMENTS OF CASH FLOWS (Continued)

FOR EACH OF THE YEARS ENDED DECEMBER 31, 2004 AND 2003

	Baht				
	Notes	Consolidated		Bank Only	
		Financial Statements		Financial Statements	
	2004	2003	2004	2003	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sales of investments	<b>38,921,325,215</b>	13,910,587,937	<b>38,905,930,455</b>	13,910,587,937	
Purchases of investments	<b>(26,177,794,416)</b>	(19,189,265,245)	<b>(26,168,625,519)</b>	(19,170,766,299)	
Dividends received	<b>28,389,079</b>	14,388,986	<b>28,389,079</b>	14,388,986	
Proceeds from sales of premises and equipment	<b>82,085,310</b>	79,152,080	<b>23,096,787</b>	36,309,598	
Purchases of premises and equipment	<b>(526,313,374)</b>	(833,749,568)	<b>(279,284,148)</b>	(619,235,989)	
<b>Net cash provided by (used in) investing activities</b>	<b>12,327,691,814</b>	(6,018,885,810)	<b>12,509,506,654</b>	(5,828,715,767)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
(Decrease) increase in borrowings	<b>(2,834,800,646)</b>	505,033,671	<b>(2,903,300,646)</b>	505,033,671	
<b>Net cash (used in) provided by financing activities</b>	<b>(2,834,800,646)</b>	505,033,671	<b>(2,903,300,646)</b>	505,033,671	
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>555,050,773</b>	(116,492,039)	<b>555,089,841</b>	(116,535,748)	
<b>CASH AND CASH EQUIVALENTS AS AT JANUARY 1,</b>	<b>3,148,121,858</b>	3,264,613,897	<b>3,147,989,867</b>	3,264,525,615	
<b>CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,</b>	<b>3,703,172,631</b>	3,148,121,858	<b>3,703,079,708</b>	3,147,989,867	
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>					
Interest	<b>1,888,456,682</b>	2,516,146,324	<b>1,868,792,696</b>	2,502,299,078	
Income tax	<b>62,318,108</b>	52,765,638	<b>43,041,784</b>	46,058,971	

*The accompanying notes are an integral part of these financial statements.*

# Notes to Financial Statements

For the years ended December 31, 2004 and 2003

## 1. GENERAL INFORMATION

Bank of Asia Public Company Limited ("the Bank") is a public limited company registered in the Kingdom of Thailand with its head office located at 191 South Sathon Road, Sathon, Bangkok. The Bank's main business is banking which it conducts through a network of branches covering all parts of Thailand and other parts of the world. As at December 31, 2004 and 2003, the Bank had a total staff of 2,649 persons and 2,952 persons, respectively.

## 2. BASIS OF FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

The accompanying financial statements are required to be prepared in the Thai language, are expressed in Thai Baht, and are in accordance with generally accepted accounting principles in Thailand as well as the announcement of The Bank of Thailand: "Forms of Balance Sheet and Statement of Income of Commercial Banks" dated May 10, 2001. These financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Thailand.

Other than specified in the notes to the financial statements, all balances presented in these financial statements are prepared under the historical cost basis.

For the convenience of readers, this English version of the financial statements has been translated from the Thai version of the financial statements. These financial statements have been prepared for statutory reporting purposes in Thailand.

Subsidiaries are those enterprises controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. Special purpose entities are consolidated when the substance of the relationship between the Bank and the special purpose entity indicates that the special purpose entity is controlled by the Bank. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. These subsidiaries are detailed as follows:

	Business type	Country of Registration	Percentage of holdings	
			As at December 31, 2004	2003
<b>Subsidiaries</b>				
Asia Property Co., Ltd.	Asset Management	Thailand	-	99.99
B.O.A. Leasing Co., Ltd.	Leasing	Thailand	99.99	99.99
BoA Asset Management Co., Ltd.	Fund Management	Thailand	99.99	99.99
Asia Leasehold Co., Ltd.	Real Estate	Thailand	-	99.93

Asia Property Co., Ltd. and Asia Leasehold Co., Ltd. were liquidated on June 17, 2004 and June 22, 2004, respectively. For the year ended December 31, 2003 the Consolidated and Bank only financial statements do not include the financial position and the results of operations of Asia Property Co., Ltd. and Asia Leasehold Co., Ltd. because the companies were in the process of liquidation and the results of operations were immaterial to the financial statements of the Bank (see note 6 below).



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The accompanying financial statements include the accounts of all branches and of the Bank's International Banking Facility after the elimination of significant inter-company transactions and balances.

The consolidated financial statements do not include the financial position or results of operations of companies in which the Bank holds over 50% of the issued share capital as a result of debt restructuring or which are held for a temporary period without the intention to take control.

For the years ended December 31, 2004 and 2003, the consolidated financial statements did not include the financial position or results of operations of High Rise Development Co., Ltd. in which the Bank held 76.21% of the common shares as a result of a debt restructuring until their disposal on March 18, 2004.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Income recognition

The Bank recognises interest on loans as income on an accrual basis. In accordance with the Bank of Thailand's regulation, interest in arrears for more than three months from the due date, regardless of whether the loans are covered by collateral, is not accrued as interest income but is instead recognised as income when received. In addition, interest accrued in arrears for three months is reversed against interest income.

Income of a subsidiary is recognised as follows:

Income from hire-purchase and finance lease contracts is recognised on the accrual basis according to the sum-of-the-digits method except for installments overdue more than six months, which are recognised on a cash basis.

Rental income from operating lease contracts and car lease rentals are recognised based on the term of the lease excepted receivables overdue more than six months, which are recognised on a cash basis.

Factoring receivables are recognised on the accrual basis except for receivables more than six months overdue, which are recognised on a cash basis.

Interest income from loans subject to litigation is recognised on a cash basis.

#### 3.2 Expenses recognition

The Bank and its subsidiaries recognise interest expense on an accrual basis.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 3.3 Investments

The Bank and its subsidiaries classify investments in securities as either trading securities, available-for-sale securities, held-to-maturity securities, general investments (for non-marketable equity securities) or investments in subsidiaries and associated companies.

Financial instruments are measured initially at cost, including the transaction cost.

Investments in debt and marketable equity securities classified as trading securities are stated at fair value. Unrealised gains or losses arising on the revaluation of trading securities are reflected in the statement of income.

Investments in debt and marketable equity securities classified as available-for-sale securities are stated at fair value. Investments in debt securities are separated into short term or long term investments based on residual maturity. Unrealised gains or losses arising on the revaluation of available-for-sale securities are shown as a separate component of shareholders' equity and are realised in the statement of income upon disposal or impairment.

Investments in debt securities held to maturity are separated into short-term or long-term investments based on residual maturity and are stated at amortised cost net of allowance for impairment. Premiums and discounts arising on the acquisition of securities held to maturity are amortised or accreted to interest income in the statement of income over the term of the securities in order to provide a constant yield to maturity. Any loss from impairment is charged to the statement of income.

General investments, other than investments in subsidiaries and associated companies, are stated at cost net of allowance for impairment. Losses on impairment are charged to the statement of income.

Investments in subsidiaries and associated companies are recorded using the equity method. Goodwill is amortised by the straight-line method over a period of 10 years. In the event that the Bank's equity interest in a subsidiary or associated company represents a share of the net liabilities of that company, the resulting amount is recorded under the heading "other liabilities" in the balance sheet (see note 6).

Realised gains or losses resulting from the disposal of securities are recognised in the statement of income by using the weighted average cost calculation method.

Interest income in respect of coupon payments on debt securities is recognised on an accrual basis.

Dividend income is recognised in the statement of income on the date that the dividend is declared.

Income from equity investments and other non-fixed income investments is recognised as dividend income when it accrues.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 3.4 Securities purchased (sold) under resale (repurchase) agreements

The Bank enters into purchases (sales) of securities under agreements to resell (repurchase) securities at certain dates in the future at a fixed price. Amounts paid for securities purchased subject to a commitment to be resold at a future date are recognised as securities purchased under resale agreements. These receivables are shown as collateralised by the underlying security.

Securities sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with the accounting policy at Note 3.3 above. Proceeds from the sale of these securities are reported as securities sold under repurchase agreements.

The difference between the sale and purchase considerations is recognised on an accrual basis over the period of the agreement and is included in interest income or expense.

### 3.5 Fair values of securities

Fair values of securities are calculated on the following bases:

For Government securities and state enterprises securities, fair values are calculated by using the Bank of Thailand formula, based on the risk free yield curve of the Bank of Thailand.

For listed equity securities, fair value is the last bid price quoted in The Stock Exchange of Thailand on the last business day of the period.

For marketable unit trusts, fair value is the Net Asset Value (NAV) as at the end of the period.

For private enterprise debt securities, the last closing prices of The Thai Bond Dealing Centre are used as fair values. In the absence of such prices, fair values are determined by applying the aforementioned yield curve adjusted for risk in accordance with the criteria established by the Bank of Thailand.

### 3.6 Loans

Loans include overdrafts, loans, trade bills, hire purchase and finance lease receivables and other loans. Except for overdrafts, all items categorized under loans are disclosed as principal amount outstanding net of unearned discounts received in advance, with accrued interest income added as a single line item for all the instruments together.

Overdrafts are stated at the drawn amounts together with any accrued interest.

Discounts received in advance in respect of bills purchased and other unearned interest income are recognised on an accrual basis over the period to maturity of the bills.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 3.7 Allowance for doubtful accounts

#### **Bank :**

The Bank of Thailand has guidelines for establishing a minimum level of allowance for doubtful accounts (see note 9), which is primarily determined by applying specified percentages to the different classifications of loans in conjunction with the consideration of collateral valuation. Loan classifications are based principally on the period that a loan is past due. The guidelines for establishing the minimum level of allowance for doubtful accounts have changed periodically.

The Bank classifies its loans and advances at a customer level rather than by facility in recognition of the common credit risk attached to all facilities associated with a particular borrower. The Bank then determines an appropriate allowance for doubtful accounts for each customer based on this classification in accordance with the Bank's own conservative provisioning methodology.

Bad debts are written off as approved by the Board of Directors and are presented net of bad debt recoveries and movements in the allowance for doubtful accounts in the statement of income.

#### **Subsidiary :**

The allowance for doubtful accounts of a subsidiary is calculated at the determined percent of the outstanding receivables and is an estimate of those amounts which may prove to be uncollectable based on historical collection experience and a review of the current status of existing receivables.

### 3.8 Debt restructuring

Certain loans have been restructured by transferring assets, transferring equity or modifying the terms of the loan.

Loans which have been restructured through a modification of terms ("modified loans") are stated at the present value of estimated future receivable cash flows using discount rates equivalent to the market interest rates applicable at the time of the restructuring.

### 3.9 Foreign exchange

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, are translated at the foreign exchange rate ruling at that date using reference exchange rates established by the Bank of Thailand, except for subordinated, convertible debentures which are translated at the fixed rates specified in the contract (see note 16).

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Outstanding forward foreign exchange contracts are marked to market by comparing contract rates to forward rates established by the Bank for contracts with similar maturity. At each balance sheet reporting date, the unrealised gains or losses on outstanding forward foreign exchange contracts, calculated as described above, are included within other assets or other liabilities, respectively.

All foreign exchange gains or losses, except those relating to the effective hedge of a qualifying forecasted transaction (see note 3.10), are recognised in the statement of income.

### 3.10 Hedge accounting

Where there is a hedging relationship between a derivative instrument and a related item being hedged, the hedging instrument is measured at fair value. The treatment of any resultant gains and losses is set out below.

A hedging relationship exists where:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the reporting period; and
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect net profit or loss.

The fair value of derivative hedging instruments is calculated in the same way as the fair value of trading instruments (see note 3.3 above).

Where a derivative financial instrument hedges the exposure to changes in the fair value of a recognised asset or liability, the hedged item is stated at fair value in respect of the risk being hedged. Gains or losses on re-measurement of both the hedging instrument and the hedged item are recognised in the statement of income. These amounts are included in gains less losses from non-trading financial instruments.

Where a derivative financial instrument hedges the exposure to variability in the cash flows of recognised assets or liabilities (or homogeneous groups/portfolios thereof) or anticipated transactions or firm commitments, the effective part of any gain or loss on re-measurement of the hedging instrument is recognised directly in equity. The ineffective part of any gain or loss is recognised in the statement of income. The Bank has adopted this accounting treatment for hedges of floating interest rates through interest rate swaps to fixed rates (see note 17).

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

When a hedged anticipated transaction or firm commitment results in the recognition of an asset or liability, the cumulative gain or loss on the hedging instrument recognised in equity is removed from equity and included in the initial measurement of the asset or liability.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in equity remains in equity and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recognised in equity is recognised in the statement of income immediately.

### 3.11 Properties foreclosed

Properties foreclosed on the Bank and a subsidiary are stated at the lower of cost or market value. Market value is determined by using the latest appraisal value.

Properties foreclosed which have been received as a result of an asset swap are recorded at the lower of the legally claimable value of the loan or the market value of the property foreclosed.

Losses on impairment are charged to the statement of income. Gains on the sale of properties foreclosed are recognised only when such properties are sold.

### 3.12 Premises and equipment

Land is stated at cost or valuation. Premises and equipment are stated at cost or valuation less depreciation and impairment. Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets, as follows:

Premises	50 years
Equipment	5 years
Furniture and fittings	5 years
Vehicles	5 years
Office equipment	5 years

Land and buildings were appraised by an independent appraiser. The increase resulting from the appraisal was recorded in the financial statements as unrealised increment on the appraisal of land and buildings and shown as part of shareholders' equity. Amortisation of the increment on the appraisal of buildings is transferred directly to retained earnings (deficit).

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 3.13 Leasehold improvements

Leasehold property and building improvements are stated at cost less amortisation, which is calculated using the straight-line method, based on the contractual terms.

### 3.14 Cash and cash equivalents

Cash and cash equivalents are those amounts included in the balance sheet under the caption of cash, and consist of cash on hand and cash on collection.

### 3.15 Provident fund and severance payment scheme

The Bank established provident funds under the Provident Fund Act B.E. 2530 by joining "The Registered BOA Multiple Security Provident Fund" and "The Registered BOA Fixed Income Provident Fund" on December 29, 2000.

According to the Fund's regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the fund at the rate of 2% or 5% of basic salary and the Bank contributes to the fund at the rate of 5% of basic salary. The employees are entitled to the benefits upon termination of employment status except when the terminated employee has violated the rules of the Bank. Contributions to this fund commenced in January 2001.

Contributory provident funds which have been registered in accordance with the Provident Fund Act B.E. 2530 have also been set up by subsidiary companies.

The funds set up by the Bank and its subsidiaries in accordance with the Provident Fund Act B.E. 2530 are managed independently and therefore do not appear in the consolidated or individual balance sheets of the Bank and the relevant subsidiaries.

The Bank has a gratuities scheme which pays out every 5 years to employees with at least 5 years' continuous service, the benefit being based on the level of last monthly salary plus interest. The Bank also has a severance payment scheme for employees with at least 15 years' service, the benefit being based on the last month's salary and the service years of the employee. The provisions for both schemes are recorded as expenses over the period of employment. Payment to the employee is made on the retirement date.

### 3.16 Contributions to the Financial Institutions Development Fund

Contributions to the Financial Institutions Development Fund are recorded as expenses for the year.

### 3.17 Income tax

The Bank and its subsidiaries recorded income tax as an expense for the year.



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 3.18 Earnings per share

Basic earnings per share is computed on the basis of the average number of ordinary shares outstanding weighted according to time and amount paid. The Bank has issued subordinated convertible bonds which the debenture holders have the right to convert into ordinary shares. The fully diluted earnings per share information is presented in note 30.

### 3.19 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank or its subsidiaries have a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

### 3.20 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles in Thailand requires the management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 4. INTERBANK AND MONEY MARKET ITEMS (ASSETS)

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2004			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions Development Fund	1,348	-	1,348
Commercial banks	36	444	480
Other banks	1	-	1
Finance companies, securities companies and credit foncier companies	-	91	91
Total domestic items	1,385	535	1,920
Less allowance for doubtful accounts	-	(4)	(4)
<b>Total domestic items - net</b>	<b>1,385</b>	<b>531</b>	<b>1,916</b>
<b>Foreign items</b>			
US dollars	115	12,010	12,125
Yen	79	-	79
Other currencies	215	54	269
<b>Total foreign items</b>	<b>409</b>	<b>12,064</b>	<b>12,473</b>
<b>Total domestic and foreign items - net</b>	<b>1,794</b>	<b>12,595</b>	<b>14,389</b>

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2003			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions Development Fund	1,471	-	1,471
Commercial banks	5	1	6
Finance companies, securities companies and credit foncier companies	31	63	94
Other financial institutions	-	53	53
<b>Total domestic items</b>	<b>1,507</b>	<b>117</b>	<b>1,624</b>
<b>Foreign items</b>			
US dollars	8	4,754	4,762
Yen	117	-	117
Other currencies	234	-	234
Total foreign items	359	4,754	5,113
Add accrued interest receivable	-	2	2
<b>Total foreign items</b>	<b>359</b>	<b>4,756</b>	<b>5,115</b>
<b>Total domestic and foreign items - net</b>	<b>1,866</b>	<b>4,873</b>	<b>6,739</b>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht			
BANK ONLY FINANCIAL STATEMENTS			
As at December 31, 2004			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions Development Fund	1,348	-	1,348
Commercial banks	4	401	405
Other banks	1	-	1
Total domestic items	1,353	401	1,754
Less allowance for doubtful accounts	-	(4)	(4)
<b>Total domestic items - net</b>	<b>1,353</b>	<b>397</b>	<b>1,750</b>
<b>Foreign items</b>			
US dollars	115	12,010	12,125
Yen	79	-	79
Other currencies	215	54	269
<b>Total foreign items</b>	<b>409</b>	<b>12,064</b>	<b>12,473</b>
<b>Total domestic and foreign items - net</b>	<b>1,762</b>	<b>12,461</b>	<b>14,223</b>

In Million Baht			
BANK ONLY FINANCIAL STATEMENTS			
As at December 31, 2003			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions Development Fund	1,471	-	1,471
Commercial banks	6	1	7
Finance companies, securities companies and credit foncier companies	13	-	13
Other financial institutions	-	53	53
<b>Total domestic items</b>	<b>1,490</b>	<b>54</b>	<b>1,544</b>
<b>Foreign items</b>			
US dollars	8	4,754	4,762
Yen	117	-	117
Other currencies	234	-	234
Total foreign items	359	4,754	5,113
Add accrued interest receivable	-	2	2
<b>Total foreign items</b>	<b>359</b>	<b>4,756</b>	<b>5,115</b>
<b>Total domestic and foreign items - net</b>	<b>1,849</b>	<b>4,810</b>	<b>6,659</b>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 5. SECURITIES PURCHASED UNDER RESALE AGREEMENTS

	In Million Baht	
	CONSOLIDATED AND BANK ONLY	
	FINANCIAL STATEMENTS	
	As at December 31,	
	2004	2003
Government and Bank of Thailand bonds	3,900	200
Financial Institutions Development Fund bonds	4,500	7,700
Total	<u>8,400</u>	<u>7,900</u>

### 6. INVESTMENTS

	In Million Baht			
	CONSOLIDATED AND BANK ONLY			
	FINANCIAL STATEMENTS			
	As at December 31,			
	2004		2003	
	Cost/ amortised cost	Fair value	Cost/ amortised cost	Fair value
<b>Current investments</b>				
<b>Securities for trading</b>				
Government and state enterprises securities	1,514	1,513	376	377
(Less) add unrealised (loss) gain on revaluation of securities	(1)	-	1	-
Total	<u>1,513</u>	<u>1,513</u>	<u>377</u>	<u>377</u>
<b>Available-for-sale securities</b>				
Government and state enterprises securities	256	256	280	281
Private enterprise debt securities	102	104	44	44
Total	<u>358</u>	<u>360</u>	<u>324</u>	<u>325</u>
Add unrealised gain on revaluation of securities	2	-	1	-
Total	<u>360</u>	<u>360</u>	<u>325</u>	<u>325</u>
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	-		5,595	
Private enterprise debt securities	-		309	
Total	-		<u>5,904</u>	
Less allowance for impairment of securities	-		(9)	
Total	-		<u>5,895</u>	
<b>Total current investments - net</b>	<u>1,873</u>		<u>6,597</u>	

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

	In Million Baht			
	CONSOLIDATED FINANCIAL STATEMENTS			
	As at December 31,			
	2004		2003	
	Cost/ amortised cost	Fair value	Cost/ amortised cost	Fair value
<b>Long - term investments</b>				
<b>Available-for-sale securities</b>				
Government and state enterprises securities	2,409	2,419	233	238
Private enterprise debt securities	1,291	1,169	693	588
Marketable equity domestic securities	527	763	485	911
Marketable unit trusts	1,919	1,782	3,426	3,604
Total	<u>6,146</u>	<u>6,133</u>	<u>4,837</u>	<u>5,341</u>
Add unrealised gain on revaluation of securities	323	-	655	-
Less allowance for impairment of securities	(336)	-	(151)	-
Total	<u>6,133</u>	<u>6,133</u>	<u>5,341</u>	<u>5,341</u>
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	5,742		11,607	
Private enterprise debt securities	-		1,998	
Total	<u>5,742</u>		<u>13,605</u>	
Less allowance for impairment of securities	-		(56)	
Total	<u>5,742</u>		<u>13,549</u>	
<b>General investments</b>				
Non-marketable equity domestic securities	201		223	
Non-marketable equity foreign securities	10		10	
Total	<u>211</u>		<u>233</u>	
Less allowance for impairment of securities	(141)		(134)	
Total	<u>70</u>		<u>99</u>	
<b>Total long - term investments - net</b>	<u>11,945</u>		<u>18,989</u>	

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31,

	2004		2003	
	Cost/ amortised cost	Fair value	Cost/ amortised cost	Fair value
<b>Long - term investments</b>				
<b>Available-for-sale securities</b>				
Government and state enterprises securities	2,409	2,419	233	238
Private enterprise debt securities	1,276	1,154	675	570
Marketable equity domestic securities	527	763	485	911
Marketable unit trusts	1,905	1,774	3,408	3,587
Total	6,117	6,110	4,801	5,306
Add unrealised gain on revaluation of securities	329	-	656	-
Less allowance for impairment of securities	(336)	-	(151)	-
Total	6,110	6,110	5,306	5,306
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	5,742		11,607	
Private enterprise debt securities	-		1,998	
Total	5,742		13,605	
Less allowance for impairment of securities	-		(56)	
Total	5,742		13,549	
<b>General investments</b>				
Non-marketable equity domestic securities	185		207	
Non-marketable equity foreign securities	10		10	
Total	195		217	
Less allowance for impairment of securities	(126)		(134)	
Total	69		83	
<b>Total long - term investments - net</b>	<b>11,921</b>		<b>18,938</b>	

As at December 31, 2004 and 2003, government and state enterprise securities classified as investments held-to-maturity debt instruments included promissory notes from TAMC in the amount of Baht 5,742 million and Baht 6,399 million, respectively (See note 8 below).

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Within the above investments are debt instruments, excluding trading debt instruments, with remaining maturities as follows:

In Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
As at December 31, 2004				
Remaining maturity				
Within 1 year	1 - 5 years	More than 5 years	Total	
<b>Available-for-sale securities</b>				
Government and state enterprises securities	256	2,327	82	2,665
Private enterprise debt securities	164	1,229	-	1,393
Marketable unit trusts	5	1,455	-	1,460
Total	425	5,011	82	5,518
Add unrealised gain on revaluation of securities	2	143	-	145
Less allowance for impairment of securities	(67)	(52)	-	(119)
Total	360	5,102	82	5,544
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	-	-	5,742	5,742
Total	-	-	5,742	5,742

In Million Baht				
BANK ONLY FINANCIAL STATEMENTS				
As at December 31, 2004				
Remaining maturity				
Within 1 year	1 - 5 years	More than 5 years	Total	
<b>Available-for-sale securities</b>				
Government and state enterprises securities	256	2,327	82	2,665
Private enterprise debt securities	164	1,214	-	1,378
Marketable unit trusts	5	1,455	-	1,460
Total	425	4,996	82	5,503
Add unrealised gain on revaluation of securities	2	143	-	145
Less allowance for impairment of securities	(67)	(52)	-	(119)
Total	360	5,087	82	5,529
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	-	-	5,742	5,742
Total	-	-	5,742	5,742

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

Remaining maturity

	Within 1 year	1 - 5 years	More than 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	280	190	43	513
Private enterprise debt securities	155	577	5	737
Marketable unit trusts	5	2,574	-	2,579
Total	440	3,341	48	3,829
Add unrealised gain on revaluation of securities	1	260	1	262
Less allowance for impairment of securities	(116)	-	-	(116)
Total	325	3,601	49	3,975
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	5,595	2,701	8,906	17,202
Private enterprise debt securities	309	1,998	-	2,307
Total	5,904	4,699	8,906	19,509
Less allowance for impairment of securities	(9)	(56)	-	(65)
Total	5,895	4,643	8,906	19,444

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

Remaining maturity

	Within 1 year	1 - 5 years	More than 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	280	190	43	513
Private enterprise debt securities	155	559	5	719
Marketable unit trusts	5	2,574	-	2,579
Total	440	3,323	48	3,811
Add unrealised gain on revaluation of securities	1	260	1	262
Less allowance for impairment of securities	(116)	-	-	(116)
Total	325	3,583	49	3,957
<b>Held-to-maturity debt instruments</b>				
Government and state enterprises securities	5,595	2,701	8,906	17,202
Private enterprise debt securities	309	1,998	-	2,307
Total	5,904	4,699	8,906	19,509
Less allowance for impairment of securities	(9)	(56)	-	(65)
Total	5,895	4,643	8,906	19,444



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Unrealised gain on investment in securities - net

	In Million Baht	
	<b>CONSOLIDATED AND BANK ONLY</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>As at December 31,</b>	
	<u>2004</u>	<u>2003</u>
<b>Unrealised gain on revaluation of investments in securities</b>		
Debt securities	306	302
Equity securities	<u>270</u>	<u>444</u>
Total	<u>576</u>	<u>746</u>
<b>Unrealised loss on revaluation of investments in securities</b>		
Debt securities	(23)	(40)
Equity securities	<u>(86)</u>	<u>(39)</u>
Total	<u>(109)</u>	<u>(79)</u>
<b>Net unrealised gain on revaluation of investments in securities</b>		
Debt securities	283	262
Equity securities	<u>184</u>	<u>405</u>
Total	<u>467</u>	<u>667</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The Bank had investments in companies with problems in respect of financial position and results of operations, as follows:

<b>In Million Baht</b>						
<b>CONSOLIDATED AND BANK ONLY FINANCIAL STATEMENTS</b>						
<b>As at December 31,</b>						
<b>2004</b>			<b>2003</b>			
<b>Cost/ book value</b>	<b>Fair value</b>	<b>Unrealised (gain)/loss on revaluation/ impairment of securities</b>	<b>Cost/ book value</b>	<b>Fair value</b>	<b>Unrealised (gain)/loss on revaluation/ impairment of securities</b>	
<b>Financial institutions controlled by order of BOT to decrease or increase capital</b>						
Debt instruments	34	-	34	34	-	34
<b>Companies which have certain problems in repayment</b>						
Ordinary shares	218	197	21	182	329	(147)
Debt instruments	94	-	82	154	-	142
<b>Investment in unlisted companies with financial position and operations that are the same as companies which are under SET delisting criteria</b>						
Ordinary shares	-	-	-	4	-	4
	<b>346</b>	<b>197</b>	<b>137</b>	<b>374</b>	<b>329</b>	<b>33</b>

The Bank does not have adequate information in its possession to disclose the investments in companies which have going concern problems identified by their auditors, with two exceptions: Asia Leasehold Co., Ltd. (Registration of dissolution on December 30, 1999) and Asia Property Co., Ltd. (Registration of dissolution on April 18, 2003).

Asia Property Co., Ltd. and Asia Leasehold Co., Ltd. were liquidated on June 17, 2004 and June 22, 2004, respectively. For the year ended December 31, 2003 the Consolidated and Bank only financial statements do not include the financial position and the results of operations of Asia Property Co., Ltd. and Asia Leasehold Co., Ltd. because the companies were in the process of liquidation and were immaterial to the financial statements.

A gain on liquidation in respect of the above of Baht 98 million was included in the statement of income for the year ended December 31, 2004.

As at December 31, 2003, the excess of the Bank's equity interest in losses of Baht 71 million over the cost of the Bank's investment of Baht 110 million in these companies was included in the heading "other liabilities".

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Investments in companies in which the Bank and its subsidiaries hold more than 10% of the paid-up capital in each company, excluding investments in subsidiaries and associated companies, classified by industry, were as follows:

	In Million Baht			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at December 31,		As at December 31,	
	2004	2003	2004	2003
Manufacturing	41	42	41	42
Real estate	60	60	60	60
Services	13	33	4	24
Total	<u>114</u>	<u>135</u>	<u>105</u>	<u>126</u>

Investments in marketable unit trusts in which the Bank and its subsidiaries hold more than 10% of the paid-up capital, excluding investments in subsidiaries and associated companies, classified by type, were as follows:

	In Million Baht	
	CONSOLIDATED AND BANK ONLY	
	FINANCIAL STATEMENTS	
	As at December 31,	
	2004	2003
Investment in equity fund	149	745
Investment in fixed income fund	466	1,462
Investment in flexible fund	927	1,362

Investments in subsidiaries and associated companies

	In Million Baht							
	CONSOLIDATED				BANK ONLY			
	FINANCIAL STATEMENTS				FINANCIAL STATEMENTS			
	As at December 31,				As at December 31,			
	2004	2003	2004	2003	2004	2003	2004	2003
Investments	Cost method	Book value	Cost method	Book value	Cost method	Book value	Cost method	Book value
Subsidiaries	-	-	-	-	456	609	566	461
Associated companies	121	138	121	166	121	138	121	166
Total	121	138	121	166	577	747	687	627
Allowance for impairment	-	-	-	-	(200)	-	(241)	-
Total	<u>121</u>	<u>138</u>	<u>121</u>	<u>166</u>	<u>377</u>	<u>747</u>	<u>446</u>	<u>627</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 7. INVESTMENT IN SPURVEC LIMITED

#### Summary of the transaction

On November 11, 2003, Spurvec Limited ("Spurvec") was incorporated in the Cayman Islands with its share capital entirely owned by a charitable trust. Spurvec was created as a Special Purpose Vehicle and its activities are substantially limited.

On December 15, 2003, Bank of Asia Cayman Islands Branch ("BOACIB") entered into a term loan agreement with ABN AMRO London Branch ("ABNLB") for a sum of USD 43 million (equivalent to Baht 1,704 million). Both BOACIB and ABNLB held options that allowed either to cancel the BOACIB term loan in exchange for the transfer of the BOACIB holding in Spurvec shares from BOACIB to ABNLB. The rate of interest for the term loan was 11.8% per annum which was priced to take into account market rates including the reduced credit risk because of BOACIB's option to cancel the term loan in exchange for its shares in Spurvec.

BOACIB drew down on this loan on December 17, 2003 and used the proceeds to purchase 430 non-voting, participating, redeemable shares of USD 100,000 in Spurvec, for USD 43 million (equivalent to Baht 1,704 million), which Spurvec issued to BOACIB.

On December 17, 2003, Spurvec used the proceeds generated from the share issue to purchase a 10 year Credit Linked Note ("CLN").

There was no credit risk associated with this transaction because it is fully reversible through the exercise of the above-mentioned option.

On December 24, 2003, Spurvec received an interest payment relating to the CLN of Baht 1,189 million. It used the profit generated by this interest received to pay a dividend of Baht 1,189 million to BOACIB. On December 24, 2003, BOACIB paid a sum of Baht 1,189 million to ABNLB in respect of the term loan of which the full amount was a repayment of principal.

On June 25, 2004, ABNLB exercised the option to cancel the term loan in exchange for the transfer from BOACIB to ABNLB of the BOACIB holding in Spurvec shares. The transfer was effected on June 29, 2004, at which date the net book value of the Bank's investment in Spurvec was Baht 563 million and the total outstanding principal and interest on the term loan was of Baht 563 million.

#### Accounting treatment

The accounting treatment for the transaction was as follows:

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### Statement of income

For the year ended December 31, 2003, the dividends of Baht 1,189 million received were recorded as dividend income in the statement of income. As at December 31, 2003, had the Bank or BOACIB exercised the option to cancel the term loan in exchange for its shares in Spurvec, the Bank would have incurred a reversal of loss of Baht 1,184 million on its investment. A charge of Baht 1,184 million was made to the statement of income in respect of this unrealised loss on the option. In order to record the substance of the transaction, this charge was netted off against the dividends received. Interest accrued of Baht 5 million, was recorded as an interest charge in the statement of income with a corresponding liability in the balance sheet.

For the year ended December 31, 2004, the Bank recorded an interest charge of Baht 31 million in the statement of income and reversed loss on impairment of investment in the sum of Baht 31 million.

### Balance sheet

As at December 31, 2003, the investment was recorded at Baht 520 million in general investments - non-marketable equity foreign securities. This represents the initial investment of Baht 1,704 million less Baht 1,184 million for impairment in respect of the unrealised loss on the option.

As the Bank had a legally enforceable right to cancel the term loan in exchange for its investment in Spurvec, and it intended to exercise this right, as at December 31, 2003 the outstanding principal of the term loan and accrued interest payable of Baht 520 million was offset in the statutory records against the investment in accordance with Thai Accounting Standard 48.

As at December 31, 2003, the resulting net balance sheet position in relation to the investment was Baht Nil.

The balances in relation to the above can be shown as follows:

	<b>In Million Baht</b>	
	<b>As at December 31,</b>	
	<b>2004</b>	<b>2003</b>
Investment	-	1,704
Allowance for impairment of securities	-	(1,184)
Investment - net	-	520
Long-term borrowings	-	(515)
Accrued interest payable	-	(5)
Total long-term borrowings and accrued interest payable	-	(520)

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 8. LOANS AND ACCRUED INTEREST RECEIVABLE

Classified by type of credit

	CONSOLIDATED		In Million Baht	
	FINANCIAL STATEMENTS		BANK ONLY	
	As at December 31,		As at December 31,	
	2004	2003	2004	2003
Overdrafts	15,724	16,588	15,724	16,588
Loans	61,416	57,556	63,127	58,306
Trade bills	37,983	40,547	37,983	40,547
Hire-purchase receivables	272	153	-	-
Finance lease receivables	2,319	1,576	-	-
Others	803	5,721	803	5,721
Total	118,517	122,141	117,637	121,162
Add accrued interest receivable	1,054	1,259	1,057	1,254
Less allowance for doubtful accounts	(13,788)	(15,160)	(13,658)	(15,082)
Less revaluation allowance for debt restructuring	(228)	(280)	(228)	(280)
Total	105,555	107,960	104,808	107,054

Classified by the remaining period of the credit agreement

	CONSOLIDATED		In Million Baht	
	FINANCIAL STATEMENTS		BANK ONLY	
	As at December 31,		As at December 31,	
	2004	2003	2004	2003
Under 1 year	68,231	67,430	67,856	65,744
Over 1 year	50,286	54,711	49,781	55,418
Total	118,517	122,141	117,637	121,162
Add accrued interest receivable	1,054	1,259	1,057	1,254
Total	119,571	123,400	118,694	122,416

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Classified by the currencies and residence of debtors

	CONSOLIDATED		In Million Baht	
	FINANCIAL STATEMENTS		BANK ONLY	
	As at December 31,		FINANCIAL STATEMENTS	
	2004	2003	As at December 31,	2003
	2004	2003	2004	2003
Domestic				
Baht	<b>114,798</b>	117,636	<b>113,918</b>	116,657
US dollars	<b>3,321</b>	3,804	<b>3,321</b>	3,804
Other currencies	<b>398</b>	701	<b>398</b>	701
Total	<b>118,517</b>	122,141	<b>117,637</b>	121,162
Add accrued interest receivable	<b>1,054</b>	1,259	<b>1,057</b>	1,254
Total	<b>119,571</b>	123,400	<b>118,694</b>	122,416

Classified by type of business and by grade

	In Million Baht					
	BANK ONLY FINANCIAL STATEMENTS					
	As at December 31, 2004					
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Total
Agriculture and mining	<b>1,056</b>	<b>185</b>	<b>11</b>	<b>44</b>	<b>848</b>	<b>2,144</b>
Manufacturing and trading	<b>40,839</b>	<b>539</b>	<b>1,092</b>	<b>398</b>	<b>11,765</b>	<b>54,633</b>
Real estate and construction	<b>4,171</b>	<b>28</b>	<b>25</b>	<b>15</b>	<b>2,999</b>	<b>7,238</b>
Public utilities and services	<b>10,452</b>	<b>1,671</b>	<b>117</b>	<b>90</b>	<b>1,025</b>	<b>13,355</b>
Housing loan	<b>21,128</b>	<b>159</b>	<b>34</b>	<b>47</b>	<b>331</b>	<b>21,699</b>
Others	<b>18,661</b>	<b>152</b>	<b>119</b>	<b>18</b>	<b>675</b>	<b>19,625</b>
Total loans and accrued interest receivable	<b>96,307</b>	<b>2,734</b>	<b>1,398</b>	<b>612</b>	<b>17,643</b>	<b>118,694</b>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Total
Agriculture and mining	1,186	54	55	60	1,494	2,849
Manufacturing and trading	42,933	1,164	394	2,072	12,703	59,266
Real estate and construction	3,580	32	89	332	3,294	7,327
Public utilities and services	11,813	324	250	79	1,345	13,811
Housing loan	18,726	168	56	25	520	19,495
Others	18,207	153	110	27	1,171	19,668
Total loans and accrued interest receivable	96,445	1,895	954	2,595	20,527	122,416

The above loans and accrued interest receivable include intercompany loans which have been eliminated for consolidation purposes.

Classified in accordance with the Notification of the Bank of Thailand

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

	Loans and accrued interest receivable	Other claims	Total	Outstanding balance (after deduction of collateral value)	% Set by the Bank of Thailand	Provision
Pass	96,307	11	96,318	38,177	1	382
Special mention	2,734	1	2,735	1,865	2	37
Substandard	1,398	1	1,399	943	20	189
Doubtful	612	2	614	237	50	119
Doubtful of loss	17,643	99	17,742	9,099	100	9,099
Additional provision over and above the minimum requirement of the BoT	-	-	-	-		3,831
Total	118,694	114	118,808	50,321		13,657



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

	Loans and accrued interest receivable	Other claims	Total	Outstanding balance (after deduction of collateral value)	% Set by the Bank of Thailand	Provision
Pass	96,446	12	96,458	40,305	1	403
Special mention	1,894	2	1,896	601	2	12
Substandard	954	2	956	443	20	88
Doubtful	2,595	1	2,596	1,158	50	579
Doubtful of loss	20,527	145	20,672	10,276	100	10,276
Additional provision over and above the minimum requirement of the BoT	-	-	-	-		3,724
Total	<u>122,416</u>	<u>162</u>	<u>122,578</u>	<u>52,783</u>		<u>15,082</u>

At as December 31, 2004, the Bank changed its provisioning methodology for calculating the allowance for doubtful accounts in order to conform with BoT's letter Sor.Nor.Sor. (21) Wor. 125/2547 dated August 23, 2004 "Commercial Banks: Worthless or Irrecoverable Assets and Doubtful assets that may be Worthless or Irrecoverable"

In June 2003, the Bank was subject to a qualitative review of its loan portfolio by the Bank of Thailand. If this review approach had been applied to the December 31, 2004 and 2003 loan portfolio, part of the provision classified "additional provision over and above the minimum requirement of the BoT", with a value of Baht 1,634 million and Baht 2,840 million, respectively, would have been reclassified as provision within the minimum requirement of the BoT. If the reclassification had been performed at December 31, 2004 and 2003, then the total of "additional provision over and above the minimum requirement of the BoT" would have fallen to Baht 2,197 million and Baht 884 million, respectively. As no formal notification in relation to this issue was received from the Bank of Thailand, no reclassification was made.

As at December 31, 2004 and 2003, the amounts of deferred interest attributable to bills purchased at a discount, hire purchase contracts and finance lease receivables, which have been set off against amounts recorded as receivables in the balance sheets of the Bank and one of its subsidiaries, were Baht 258 million and Baht 192 million and for the Bank only were Baht 16 million and Baht 22 million, respectively.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The Bank had loans and accrued interest receivable due from companies which have certain problems in their financial position and results of their operations against which an allowance for doubtful accounts has been made as follows:

	In Million Baht			
	As at December 31, 2004			
	Number of companies	Outstanding balance	Collateral	Allowance for doubtful accounts
Companies which are under SET delisting criteria	1	3	-	3
Companies which have a problem in repayment of debt	341	15,374	7,246	8,175

	In Million Baht			
	As at December 31, 2003			
	Number of companies	Outstanding balance	Collateral	Allowance for doubtful accounts
Companies which are under SET delisting criteria	2	268	201	3
Companies which have a problem in repayment of debt	386	17,230	7,793	9,292

The Bank does not have adequate information in its possession to disclose loans and accrued interest receivable from the companies which have going concern problems identified by their auditors, and the non-listed companies for which the financial position and results of operations are the same as the companies which are under the Stock Exchange of Thailand (SET) delisting criteria as of December 31, 2004 and 2003.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### Debt restructuring

During the year ended December 31, 2004, the Bank entered into agreements with 1,198 of its customers to restructure loans and accrued interest receivable amounting to Baht 9,576 million in aggregate. Details of the amounts restructured which have given rise to losses on restructuring in accordance with TAS No.34 and the aggregate losses arising on restructuring are set out in the table below:

In Million Baht						
Type of restructuring	Number of customers subject to restructuring	Recorded amounts before restructuring	Type of assets/ equity acquired	Fair value of assets/equity acquired	Loss on restructuring	Recorded amounts as at Dec. 31, 2004
Transfer of assets or debt for equity conversion	79	2,901	{ Cash Land }	{ 1,679 140 }	1,082	-
Modification of terms	2	22		-	1	22
Transfer of assets and modification of terms	46	525	Land	35	17	467
<b>Total</b>	<b>127</b>	<b>3,448</b>		<b>1,854</b>	<b>1,100</b>	<b>489</b>

During the year, the Bank recorded the losses on restructuring in relation to particular customers as utilization of allowance for doubtful accounts rather than as a charge in the statement of income for the year ended December 31, 2004 since the Bank had fully provided for these loans.

As at December 31, 2004, the recorded net investment by the Bank in all loans subject to troubled debt restructuring, after deducting the outstanding valuation allowance at that date, amounted to Baht 4,652 million.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

During the year ended December 31, 2003, the Bank entered into agreements with 1,159 of its customers to restructure loans and accrued interest receivable amounting to Baht 6,876 million in aggregate. Details of the amounts restructured which have given rise to losses on restructuring in accordance with TAS No.34 and the aggregate losses arising on restructuring are set out in the table below:

						In Million Baht
Type of restructuring	Number of customers subject to restructuring	Recorded amounts before restructuring	Type of assets/equity acquired	Fair value of assets/equity acquired	Loss on restructuring	Recorded amounts as at Dec. 31, 2003
Transfer of assets or debt for equity conversion	67	6,416	{ Investment Land Cash }	{ 463 1,386 2,322 }	2,245	-
Modification of terms	2	46		-	4	43
Transfer of assets and modification of terms	54	467	{ Investment Land Cash }	{ 2 52 34 }	178	203
<b>Total</b>	<b>123</b>	<b>6,929</b>		<b>4,259</b>	<b>2,427</b>	<b>246</b>

During the year, the Bank recorded the losses on restructuring in relation to particular customers as utilization of allowance for doubtful accounts rather than as a charge in the statement of income for the year ended December 31, 2003 since the Bank had fully provided for these loans.

As at December 31, 2003, the recorded net investment by the Bank in all loans subject to troubled debt restructuring, after deducting the outstanding valuation allowance at that date, amounted to Baht 5,208 million.

### Transfer of Assets to the Thai Asset Management Corporation

On October 12, 2001, the Bank entered into an agreement with the Thai Asset Management Corporation (TAMC) to transfer non-performing loans in accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544. Under the agreement, the Bank will receive a ten-year non-transferable promissory note availed by the Financial Institutions Development Fund, which will bear interest at a rate based on the quarterly average deposit rate of Thai Commercial Banks payable annually on the last working day of the year. The face value of the promissory note will be determined based on the lower of (a) the collateral value or (b) the net book value of the loans including three months accrued interest receivable as determined by the TAMC.

In accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544, the TAMC and the Bank will jointly be responsible for any profits or losses arising from managing the impaired assets in accordance with the conditions specified in the agreement at the end of the fifth year and at the end of the tenth year commencing July 1, 2001. The calculation of such profits or losses shall take into consideration the cost of transfer and all operating expenses of the TAMC, including interest on the promissory note. In the event that the TAMC incurs losses on the impaired assets transferred to it by the Bank, the Bank will be responsible for the first portion of losses, not exceeding

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

20% of the transfer price. The second portion of losses, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. The remaining losses will be absorbed by the TAMC. In the event that the TAMC makes profits on the impaired assets transferred to it by the Bank, the first portion of profits, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. Should there be any profits remaining, the Bank is entitled to the remaining profits up to an amount not exceeding the sum of the book value of the assets transferred less the transfer price and the Bank's share of the first portion of the profits.

On May 20, 2004, the TAMC issued a letter to the Bank informing that it was reviewing whether to reduce, by Baht 1,660.2 million, the value of machinery and inventory which had been pledged as collateral relating to a major debtor. The receivable relating to this debtor was one of the assets transferred to the TAMC in October 2001. The letter argues that, as the pledged machinery and inventory was never moved to the location of the pledgee, the pledge agreement had been made with no intention of actual obligation and, as such, was invalid.

Based on legal advice received from independent legal counsel, the Bank's management assesses as remote, the possibility that the Bank will have to accept a reduction in the value of the promissory note from the TAMC because of the TAMC's contention that the above pledge of assets was invalid. As such, for the year ended December 31, 2004, no loss has been recorded in the statement of income of the Bank for impairment of securities.

During the year ended December 31, 2004, the Bank received a repayment from TAMC of principal totaling Baht 619 million and interest totaling Baht 204 million.

For the year ended December 31, 2004, the Bank did not have any non-performing loans transferred to the TAMC and for the year ended December 31, 2003, the Bank transferred 3 accounts to the TAMC, with a gross book value as at their transfer dates of Baht 138 million and estimated total transfer price of Baht 137 million.

The Bank had transferred non-performing loans to the TAMC, with a gross book value as of their transfer dates totaling Baht 10,418 million, and the valuation of promissory notes were issued by TAMC totaling as at December 31, 2004 and 2003 of Baht 5,742 million and Baht 6,399 million, respectively. (See note 6 above)

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 9. ALLOWANCE FOR DOUBTFUL ACCOUNTS

In Million Baht

BANK ONLY FINANCIAL STATEMENTS							
As at December 31, 2004							
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Additional provision	Total
Beginning balance	403	12	88	579	10,276	3,724	15,082
Doubtful accounts	(21)	25	101	(460)	1,558	107	1,310
Reversal due to accrued interest of overdrafts	-	-	-	-	(42)	-	(42)
Reversal due to debt restructuring	-	-	-	-	(1,100)	-	(1,100)
Reversal due to loan to interbank and money market	-	-	-	-	(4)	-	(4)
Reversal due to allowance for revaluation of other assets	-	-	-	-	(60)	-	(60)
Bad debts written off	-	-	-	-	(1,481)	-	(1,481)
Additional loss from loan transfer to TAMC	-	-	-	-	(39)	-	(39)
Others	-	-	-	-	(9)	-	(9)
Ending balance	<u>382</u>	<u>37</u>	<u>189</u>	<u>119</u>	<u>9,099</u>	<u>3,831</u>	<u>13,657</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

BANK ONLY FINANCIAL STATEMENTS							
As at December 31, 2003							
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Additional provision	Total
Beginning balance	412	13	103	817	3,040	4,042	8,427
Doubtful accounts	(9)	(1)	(15)	(238)	646	(318)	65
Write-back of allowance for doubtful accounts net of reversal for the write off	-	-	-	-	9,886	-	9,886
Reversal due to debt restructuring	-	-	-	-	(2,427)	-	(2,427)
Reversal due to loan to interbank and money market	-	-	-	-	1	-	1
Reversal due to allowance for revaluation of other assets	-	-	-	-	(98)	-	(98)
Bad debts written off	-	-	-	-	(766)	-	(766)
Others	-	-	-	-	(6)	-	(6)
Ending balance	<u>403</u>	<u>12</u>	<u>88</u>	<u>579</u>	<u>10,276</u>	<u>3,724</u>	<u>15,082</u>

### 10. REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING

In Million Baht		
CONSOLIDATED AND BANK ONLY		
FINANCIAL STATEMENTS		
As at December 31,		
	2004	2003
Beginning balance	280	331
Additions	-	28
Amortisation	(52)	(79)
Ending balance	<u>228</u>	<u>280</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 11. PROPERTIES FORECLOSED

In Million Baht

#### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2004

Types	Beginning balance	Additions	Sales	Ending balance
Immovable properties	14,237	1,323	(2,278)	13,282
Movable properties	10	6	(6)	10
Total	14,247	1,329	(2,284)	13,292
Others	50	32	(7)	75
Total	14,297	1,361	(2,291)	13,367
Less allowance for impairment	(360)	(185)	181	(364)
Properties foreclosed - net	<u>13,937</u>	<u>1,176</u>	<u>(2,110)</u>	<u>13,003</u>

In Million Baht

#### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

Types	Beginning balance	Additions	Sales	Ending balance
Immovable properties	13,900	2,114	(1,777)	14,237
Movable properties	14	3	(7)	10
Total	13,914	2,117	(1,784)	14,247
Others	40	16	(6)	50
Total	13,954	2,133	(1,790)	14,297
Less allowance for impairment	(440)	(1)	81	(360)
Properties foreclosed - net	<u>13,514</u>	<u>2,132</u>	<u>(1,709)</u>	<u>13,937</u>



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

Types	Beginning balance	Additions	Sales	Ending balance
Immovable properties	14,266	1,294	(2,278)	13,282
Movable properties	-	-	-	-
Total	14,266	1,294	(2,278)	13,282
Others	50	32	(7)	75
Total	14,316	1,326	(2,285)	13,357
Less allowance for impairment	(352)	(184)	181	(355)
Properties foreclosed - net	13,964	1,142	(2,104)	13,002

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

Types	Beginning balance	Additions	Sales	Ending balance
Immovable properties	13,929	2,114	(1,777)	14,266
Movable properties	2	-	(2)	-
Total	13,931	2,114	(1,779)	14,266
Others	40	16	(6)	50
Total	13,971	2,130	(1,785)	14,316
Less allowance for impairment	(431)	-	79	(352)
Properties foreclosed - net	13,540	2,130	(1,706)	13,964

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 12. PREMISES AND EQUIPMENT

Movements in premises and equipment are summarized as follows:

	CONSOLIDATED FINANCIAL STATEMENTS										In Million Baht
	Net book value as of Jan 1, 2004		Movement in cost during the year			Movement of depreciation/allowance for impairment during the year				Net book value as of Dec 31, 2004	
			Beginning balance	Additions	Deductions	Ending balance	Beginning balance	Depreciation	Loss on impairment		
For the year ended December 31, 2004											
<b>Land</b>											
Original cost	515	515	-	(1)	514	-	-	-	-	-	514
Revaluation	696	696	-	(2)	694	-	-	-	-	-	694
Allowance for impairment of land	(63)	-	-	-	-	-	-	63	-	-	63
<b>Premises</b>											
Original cost	680	1,143	98	(6)	1,235	463	17	-	5	485	750
Revaluation	53	73	-	(1)	72	20	2	-	-	22	50
Allowance for impairment of buildings	(164)	-	-	-	-	164	-	(2)	-	162	(162)
<b>Equipment</b>	1,398	2,939	436	(249)	3,126	1,541	500	-	(197)	1,844	1,282
Allowance for impairment of equipment	(5)	-	-	-	-	5	-	-	-	5	(5)
Assets unused	8	8	-	-	8	-	-	-	-	-	8
<b>Total</b>	<b>3,118</b>	<b>5,374</b>	<b>534</b>	<b>(259)</b>	<b>5,649</b>	<b>2,256</b>	<b>519</b>	<b>(2)</b>	<b>(192)</b>	<b>2,581</b>	<b>3,068</b>

As of December 31, 2004, the Bank and its subsidiaries had assets still in use which had been fully depreciated, with an original cost of Baht 754 million.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS For the year ended December 31, 2003

	Net book value as of Jan 1, 2003	Movement in cost during the year			Movement of depreciation/allowance for impairment during the year			Net book value as of Dec 31, 2003			
		Beginning balance	Additions	Deductions	Ending balance	Beginning balance	Depreciation		Loss on impairment	Additions/ deductions	Ending balance
<b>Land</b>											
Original cost	515	515	-	-	515	-	-	-	-	-	515
Revaluation	696	696	-	-	696	-	-	-	-	-	696
Allowance for impairment of land	(63)	-	-	-	-	63	-	-	-	63	(63)
<b>Premises</b>											
Original cost	650	1,097	47	(1)	1,143	447	16	-	-	463	680
Revaluation	55	73	-	-	73	18	2	-	-	20	53
Allowance for impairment of buildings	(166)	-	-	-	-	166	-	(2)	-	164	(164)
<b>Equipment</b>											
Original cost	1,063	2,548	787	(396)	2,939	1,485	406	-	(350)	1,541	1,398
Allowance for impairment of equipment	(8)	-	-	-	-	8	-	(3)	-	5	(5)
Assets unused	25	25	-	(17)	8	-	-	-	-	-	8
<b>Total</b>	<b>2,767</b>	<b>4,954</b>	<b>834</b>	<b>(414)</b>	<b>5,374</b>	<b>2,187</b>	<b>424</b>	<b>(5)</b>	<b>(350)</b>	<b>2,256</b>	<b>3,118</b>

As of December 31, 2003, the Bank and its subsidiaries had assets still in use which had been fully depreciated, with an original cost of Baht 567 million.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS For the year ended December 31, 2004

Net book value as of Jan 1, 2004	Movement in cost during the year				Movement of depreciation/allowance for impairment during the year				Net book value as of Dec 31, 2004
	Beginning balance	Additions	Deductions	Ending balance	Beginning balance	Depreciation	Loss on impairment	Additions/ deductions	
<b>Land</b>									
Original cost	515	-	(1)	514	-	-	-	-	-
Revaluation	696	-	(2)	694	-	-	-	-	-
Allowance for impairment of land	(63)	-	-	-	63	-	-	-	63
<b>Premises</b>									
Original cost	757	1,228	13	1,235	471	17	-	(3)	485
Revaluation	53	73	(1)	72	20	2	-	-	22
Allowance for impairment of buildings	(164)	-	-	-	164	-	(2)	-	162
<b>Equipment</b>	936	1,939	266	2,156	1,003	309	-	(46)	1,266
Assets unused	8	8	-	8	-	-	-	-	-
<b>Total</b>	<b>2,738</b>	<b>4,459</b>	<b>279</b>	<b>4,679</b>	<b>1,721</b>	<b>328</b>	<b>(2)</b>	<b>(49)</b>	<b>1,998</b>

As of December 31, 2004, the Bank had assets still in use which had been fully depreciated, with an original cost of Baht 712 million.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS For the year ended December 31, 2003

Net book value as of Jan 1, 2003	Movement in cost during the year			Movement of depreciation/allowance for impairment during the year				Net book value as of Dec 31, 2003	
	Beginning balance	Additions	Deductions	Ending balance	Beginning balance	Depreciation	Loss on impairment		Additions/ deductions
<b>Land</b>									
Original cost	515	-	-	515	-	-	-	-	-
Revaluation	696	-	-	696	-	-	-	-	-
Allowance for impairment of land	(63)	-	-	-	63	-	-	-	63
<b>Premises</b>									
Original cost	727	1,182	46	1,228	455	16	-	-	471
Revaluation	55	73	-	73	18	2	-	-	20
Allowance for impairment of buildings	(166)	-	-	-	166	-	(2)	-	164
<b>Equipment</b>									
Assets unused	25	1,403	573	1,939	806	233	-	(36)	1,003
	25	25	(17)	8	-	-	-	-	-
Total	2,386	3,894	619	4,459	1,508	251	(2)	(36)	1,721

As of December 31, 2003, the Bank had assets still in use which had been fully depreciated, with an original cost of Baht 529 million.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 13. DEPOSITS

Classified by type of deposit

	CONSOLIDATED		In Million Baht	
	FINANCIAL STATEMENTS		BANK ONLY	
	As at December 31,		As at December 31,	
	2004	2003	2004	2003
Current deposits	<b>4,381</b>	3,906	<b>4,385</b>	3,914
Saving deposits	<b>72,377</b>	72,055	<b>72,416</b>	72,097
Time deposits with original maturity:				
- Under 6 months	<b>33,704</b>	37,002	<b>33,704</b>	37,022
- Over 6 months but not over 1 year	<b>3,270</b>	3,888	<b>3,270</b>	3,888
- 1 year and over	<b>24,302</b>	25,130	<b>24,302</b>	25,130
Total	<b>138,034</b>	141,981	<b>138,077</b>	142,051

Classified by the remaining period of the deposit agreement

	CONSOLIDATED		In Million Baht	
	FINANCIAL STATEMENTS		BANK ONLY	
	As at December 31,		As at December 31,	
	2004	2003	2004	2003
Under 1 year	<b>131,000</b>	127,079	<b>131,043</b>	127,149
Over 1 year	<b>7,034</b>	14,902	<b>7,034</b>	14,902
Total	<b>138,034</b>	141,981	<b>138,077</b>	142,051

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Classified by the currency and residence of depositors

	In Million Baht		
	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>		
	As at December 31, 2004		
	Domestic	Foreign	Total
Baht	136,784	-	136,784
US dollars	651	223	874
Other currencies	99	277	376
Total	<u>137,534</u>	<u>500</u>	<u>138,034</u>

	In Million Baht		
	CONSOLIDATED FINANCIAL STATEMENTS		
	As at December 31, 2003		
	Domestic	Foreign	Total
Baht	140,733	-	140,733
US dollars	706	273	979
Other currencies	70	199	269
Total	<u>141,509</u>	<u>472</u>	<u>141,981</u>

	In Million Baht		
	<b>BANK ONLY FINANCIAL STATEMENTS</b>		
	As at December 31, 2004		
	Domestic	Foreign	Total
Baht	136,827	-	136,827
US dollars	651	223	874
Other currencies	99	277	376
Total	<u>137,577</u>	<u>500</u>	<u>138,077</u>

	In Million Baht		
	BANK ONLY FINANCIAL STATEMENTS		
	As at December 31, 2003		
	Domestic	Foreign	Total
Baht	140,803	-	140,803
US dollars	706	273	979
Other currencies	70	199	269
Total	<u>141,579</u>	<u>472</u>	<u>142,051</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 14. INTERBANK AND MONEY MARKET ITEMS (LIABILITIES)

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2004			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions			
Development Fund	509	180	689
Commercial banks	674	98	772
Other banks	43	-	43
Finance companies, securities companies and credit foncier companies	767	-	767
Other financial institutions	62	101	163
<b>Total domestic items</b>	<b>2,055</b>	<b>379</b>	<b>2,434</b>
<b>Foreign items</b>			
US dollars	25	-	25
Other currencies	396	-	396
<b>Total foreign items</b>	<b>421</b>	<b>-</b>	<b>421</b>
<b>Total domestic and foreign items</b>	<b>2,476</b>	<b>379</b>	<b>2,855</b>

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2003			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions			
Development Fund	306	-	306
Commercial banks	700	199	899
Other banks	256	-	256
Finance companies, securities companies and credit foncier companies	1,390	30	1,420
Other financial institutions	70	121	191
<b>Total domestic items</b>	<b>2,722</b>	<b>350</b>	<b>3,072</b>
<b>Foreign items</b>			
US dollars	157	-	157
Other currencies	394	-	394
<b>Total foreign items</b>	<b>551</b>	<b>-</b>	<b>551</b>
<b>Total domestic and foreign items</b>	<b>3,273</b>	<b>350</b>	<b>3,623</b>



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht			
<b>BANK ONLY FINANCIAL STATEMENTS</b>			
As at December 31, 2004			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions			
Development Fund	509	180	689
Commercial banks	680	98	778
Other banks	43	-	43
Finance companies, securities companies and credit foncier companies	767	-	767
Other financial institutions	62	1	63
<b>Total domestic items</b>	<b>2,061</b>	<b>279</b>	<b>2,340</b>
<b>Foreign items</b>			
US dollars	25	-	25
Other currencies	396	-	396
<b>Total foreign items</b>	<b>421</b>	<b>-</b>	<b>421</b>
<b>Total domestic and foreign items</b>	<b>2,482</b>	<b>279</b>	<b>2,761</b>

In Million Baht			
<b>BANK ONLY FINANCIAL STATEMENTS</b>			
As at December 31, 2003			
	At call	Time	Total
<b>Domestic items</b>			
Bank of Thailand and the Financial Institutions			
Development Fund	306	-	306
Commercial banks	500	99	599
Other banks	256	-	256
Finance companies, securities companies and credit foncier companies	1,396	30	1,426
Other financial institutions	70	21	91
<b>Total domestic items</b>	<b>2,528</b>	<b>150</b>	<b>2,678</b>
<b>Foreign items</b>			
US dollars	157	-	157
Other currencies	394	-	394
<b>Total foreign items</b>	<b>551</b>	<b>-</b>	<b>551</b>
<b>Total domestic and foreign items</b>	<b>3,079</b>	<b>150</b>	<b>3,229</b>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 15. SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

In Million Baht	
CONSOLIDATED AND BANK ONLY FINANCIAL STATEMENTS	
As at December 31,	
2004	2003
Government Saving Bank Bonds	-
<b>200</b>	<b>-</b>

### 16. BORROWINGS

Borrowings by types of securities and sources:

In Million Baht		
CONSOLIDATED FINANCIAL STATEMENTS		
As at December 31, 2004		
Domestic	Foreign	Total
Short- term borrowings		
Bills of exchange		
500	-	500
500	-	500
Long - term borrowings		
Subordinated debentures		
2,000	-	2,000
Term loan agreements		
12	-	12
2,012	-	2,012
2,512	-	2,512

Short- term borrowings  
Bills of exchange  
Total short - term borrowings  
Long - term borrowings  
Subordinated debentures  
Term loan agreements  
Total long - term borrowings  
Total

In Million Baht		
CONSOLIDATED FINANCIAL STATEMENTS		
As at December 31, 2003		
Domestic	Foreign	Total
Short- term borrowings		
Bills of exchange		
432	-	432
Subordinated convertible debentures		
-	900	900
432	900	1,332
Long - term borrowings		
Subordinated debentures		
4,000	-	4,000
Term loan agreements		
15	-	15
4,015	-	4,015
4,447	900	5,347

Short- term borrowings  
Bills of exchange  
Subordinated convertible debentures  
Total short - term borrowings  
Long - term borrowings  
Subordinated debentures  
Term loan agreements  
Total long - term borrowings  
Total

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht			
<b>BANK ONLY FINANCIAL STATEMENTS</b>			
As at December 31, 2004			
	Domestic	Foreign	Total
Long - term borrowings			
Subordinated debentures	2,000	-	2,000
Term loan agreements	12	-	12
Total	<u>2,012</u>	<u>-</u>	<u>2,012</u>

In Million Baht			
<b>BANK ONLY FINANCIAL STATEMENTS</b>			
As at December 31, 2003			
	Domestic	Foreign	Total
Short - term borrowings			
Subordinated convertible debentures	-	900	900
Total short - term borrowings	<u>-</u>	<u>900</u>	<u>900</u>
Long - term borrowings			
Subordinated debentures	4,000	-	4,000
Term loan agreements	15	-	15
Total long - term borrowings	<u>4,015</u>	<u>-</u>	<u>4,015</u>
Total	<u>4,015</u>	<u>900</u>	<u>4,915</u>

Borrowings by type of security, currency, maturity and interest rate:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>				
As at December 31, 2004				
Types	Currency	Maturity	Interest rate per annum	Amounts Million Baht
Short - term borrowings				
Bills of exchange	Baht	Jun. 21, 2005	2.50-3.05%	500
Total short - term borrowings				<u>500</u>
Long - term borrowings				
Subordinated debentures	Baht	Aug. 15, 2008	6.50%	2,000
Term loan agreement	Baht	Oct. 31, 2007	-	5
Term loan agreement	Baht	Mar. 31, 2009	-	7
Total long - term borrowings				<u>2,012</u>
Total				<u>2,512</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

Types	Currency	Maturity	Interest rate	Amounts
			per annum	Million Baht
Short - term borrowings				
Bills of exchange	Baht	Jul. 8 2004	2.35-2.60%	432
Subordinated convertible debentures	USD	Feb. 9, 2004	3.75%	900
Total short - term borrowings				1,332
Long - term borrowings				
Subordinated debentures	Baht	Jun. 25, 2006	7.15%	2,000
Subordinated debentures	Baht	Aug. 15, 2008	6.50%	2,000
Term loan agreement	Baht	Oct. 31, 2007	-	7
Term loan agreement	Baht	Mar. 31, 2009	-	8
Total long - term borrowings				4,015
Total borrowings				5,347

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

Types	Currency	Maturity	Interest rate	Amounts
			per annum	Million Baht
Long - term borrowings				
Subordinated debentures	<b>Baht</b>	<b>Aug. 15, 2008</b>	<b>6.50%</b>	<b>2,000</b>
Term loan agreement	<b>Baht</b>	<b>Oct. 31, 2007</b>	-	<b>5</b>
Term loan agreement	<b>Baht</b>	<b>Mar. 31, 2009</b>	-	<b>7</b>
Total long - term borrowings				<b>2,012</b>
Total				<b>2,012</b>

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

Types	Currency	Maturity	Interest rate	Amounts
			per annum	Million Baht
Short - term borrowings				
Subordinated convertible debentures	USD	Feb. 9, 2004	3.75%	900
Total short - term borrowings				900
Long - term borrowings				
Subordinated debentures	Baht	Jun. 25, 2006	7.15%	2,000
Subordinated debentures	Baht	Aug. 15, 2008	6.50%	2,000
Term loan agreement	Baht	Oct. 31, 2007	-	7
Term loan agreement	Baht	Mar. 31, 2009	-	8
Total long - term borrowings				4,015
Total borrowings				4,915

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### **Issuance of subordinated convertible debentures to offshore investors**

At a shareholders' meeting on October 15, 1993, the shareholders approved the issue of a subordinated convertible debenture to foreign investors. The debenture was for a total of US\$ 75 million (exchange rate of US\$ 1 to Baht 25.45), comprised of 75,000 units of US\$ 1,000 each, had a maturity date of February 9, 2004, and was subject to interest at 3.75% per annum.

As at December 31, 2003, the conversion price was Baht 23 per share and 39,623 units had been converted into 19,272,234 ordinary shares.

The outstanding balance on the debenture was redeemed in full on February 9, 2004.

### **Subordinated debentures sold to local specific investors**

On June 25, 1999, the Bank offered 2 million units of a subordinated debenture at Baht 1,000 per unit, totaling Baht 2,000 million to ABN AMRO Bank N.V., Bangkok Branch. The debenture had a 7-year term, carried a fixed interest rate of 7.15 percent per annum and was due for redemption on June 25, 2006.

The Board of Directors meeting No.543, held on February 19, 2004, resolved to redeem the above subordinated debenture before maturity. Upon approval from Bank of Thailand, the subordinated debenture was redeemed on June 25, 2004.

On August 15, 2001, the Bank offered 2 million units of subordinated debenture No.2 at Baht 1,000 per unit, totaling Baht 2,000 million through private placement. The debenture has a 7-year term, carries a floating interest rate calculated based on the average of the deposit rate for one year of four major banks and the Bank plus 2.50 percent per annum with a minimum guaranteed rate of 6.50 percent per annum and is due for redemption on August 15, 2008.

### **Term loan agreements**

As at December 31, 2004 and 2003, the Bank has term loan agreements from the National Science and Technology Development Agency amounting to Baht 12 million and Baht 15 million, respectively. These are non-interest bearing and will mature on March 31, 2009 and October 31, 2007.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 17. HEDGE ACCOUNTING

#### Cash flow hedges of interest rate risk

Interest rate swaps are used to hedge cash flow exposures primarily on floating rate liabilities by changing interest paid to fixed rates. The swap notional amount used as a cash flow hedge as at December 31, 2004 and 2003 was Baht 5,000 million. The average pay rate and average receipt rate were approximately 4% p.a. and 2% p.a. respectively. Average floating rates are based on rates implied in the yield curve as at the respective dates. These may change significantly, affecting future cash flows.

The Bank purchased interest rate swap agreements to fix the long-term cost of funds. Those agreements are normally entered into when the fixed rates available under interest rate swaps are considered too low relative to the Bank's view about the level of future interest rates.

### 18. SHARE CAPITAL

	In Million Baht	
	CONSOLIDATED AND BANK ONLY	
	FINANCIAL STATEMENTS	
	As at December 31,	
	2004	2003
Paid-up share capital from shareholders	50,597	50,597
Paid-up share capital from conversion of subordinated convertible debentures (domestic)	164	164
Paid-up share capital from conversion of subordinated convertible debentures (foreign)	193	193
Total	<u>50,954</u>	<u>50,954</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 19. CAPITAL FUND

		In Million Baht	
		<b>BANK ONLY FINANCIAL STATEMENTS</b>	
		As at December 31,	
		2004	2003
<b>Tier 1 capital</b>			
Paid-up share capital and discount on share capital		39,809	39,809
Statutory reserve		368	368
Other reserve		72	72
Deficit		(26,982)	(28,802)
Less net loss		(137)	-
		<u>13,130</u>	<u>11,447</u>
<b>Tier 2 capital</b>			
Unrealised increment on land appraisal (70%)		486	487
Unrealised increment on buildings appraisal (50%)		26	27
General provision for pass loans and receivables		1,401	1,507
Unrealised gain on investment in equity securities (available-for-sale)-net (45%)		83	178
Subordinated debentures		1,200	2,400
		<u>3,196</u>	<u>4,599</u>
<b>Total capital fund</b>		<u>16,326</u>	<u>16,046</u>
Tier 1 capital ratio	%	11.71	9.49
Total capital ratio	%	14.56	13.31
Minimum tier 1 capital ratio requirement	%	4.25	4.25
Minimum total capital ratio requirement	%	8.50	8.50

### 20. STATUTORY RESERVE

Under the Public Limited Companies Act, the Bank is required to set aside as a statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the authorized capital, and under the provision of the Civil and Commercial Code of Thailand, subsidiary companies are required to set aside as a legal reserve at least 5% of net income each time a dividend is declared until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.

### 21. OTHER RESERVE

The Bank allocates part of its net income to become other reserves which are classified or considered to be general capital with no specific purpose.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 22. CONTINGENCIES AND COMMITMENTS

In Million Baht			
CONSOLIDATED AND BANK ONLY			
FINANCIAL STATEMENTS			
As at December 31, 2004			
	Baht currency	Foreign currencies	Total
Aval to bills	754	-	754
Guarantees of loans	5	70	75
Other guarantees	10,129	724	10,853
Letters of credit	82	3,145	3,227
Forward exchange contract			
Forward exchange - bought	8,777	26,074	34,851
Forward exchange - sold	23,886	10,752	34,638
Interest rate swap contract			
Interest rate swap - bought	5,000	-	5,000
Interest rate swap - sold	5,000	-	5,000
Undrawn overdraft amount	17,316	-	17,316
Liability under unmatured import bills	36	1,327	1,363
Total	<u>70,985</u>	<u>42,092</u>	<u>113,077</u>

In Million Baht			
CONSOLIDATED AND BANK ONLY			
FINANCIAL STATEMENTS			
As at December 31, 2003			
	Baht currency	Foreign currencies	Total
Aval to bills	927	-	927
Guarantees of loans	29	76	105
Other guarantees	8,945	876	9,821
Letters of credit	168	2,908	3,076
Forward exchange			
Forward exchange - bought	16,748	11,313	28,061
Forward exchange - sold	8,249	19,733	27,982
Interest rate swap contract			
Interest rate swap - bought	5,000	-	5,000
Interest rate swap - sold	5,000	-	5,000
Undrawn overdraft amount	17,348	-	17,348
Liability under unmatured import bills	5	1,354	1,359
Total	<u>62,419</u>	<u>36,260</u>	<u>98,679</u>



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The Bank has commitments related to revocable contracts in respect of purchases and servicing, information technology systems as well as other services. Major contractual commitments relating to these items as at December 31, 2004 and 2003 were approximately Baht 124 million and Baht 217 million respectively.

In 2001, the Bank entered into a ten-year agreement to annually purchase units of the Thailand Equity Fund, a marketable unit trust. As at December 31, 2004 and 2003 the Bank is committed to pay Baht 30 million and Baht 46 million, respectively, using the foreign exchange rate of the period-end.

The Bank has commitments in relation to various sale and purchase agreements for properties foreclosed. Properties foreclosed-net subject to such commitments as at December 31, 2004 and 2003 were Baht 899 million and Baht 1,088 million, respectively. As at December 31, 2004 the estimated gain from these agreements was Baht 42 million and as at December 31, 2003, the estimated loss was Baht 119 million. The Bank books sale transactions and gains or losses arising therefrom on the transfer dates.

### 23. ASSETS USED AS COLLATERAL

	<b>In Million Baht</b>	
	<b>CONSOLIDATED AND BANK ONLY</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>As at December 31,</b>	
	<b>2004</b>	<b>2003</b>
<b>Government bonds</b>		
Deposited as collateral for securities		
sold under repurchase agreement	<b>521</b>	2,088
Deposited as collateral for Government departments	<b>1,195</b>	1,246

### 24. LITIGATION

In the ordinary course of business, the Bank is a defendant in a number of lawsuits against it. These include allegations of labor related and other wrongful acts brought against the Bank, totaling Baht 695 million and Baht 224 million as at December 31, 2004 and 2003, respectively. Management believes that the liability, if any, resulting from the lawsuits will not be material to the Bank's financial position or results of operations.

### 25. RELATED PARTY TRANSACTIONS

The Bank has business transactions with related parties. These transactions are with companies that share joint directors and/or shareholders with the Bank. The financial statements reflect the effects of these transactions in the normal course of business, and the price, interest rates, terms and conditions are considered to be at arm's length.

Interest rates on loans to employees are calculated based on the Bank's employee welfare policy.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

During the year ended December 31, 2004, the Bank expanded its definition of related parties to include individuals as well as companies. Comparative information for the year ended December 31, 2003, has been expanded accordingly.

On July 27, 2004, ABM AMRO Bank completed the sale of its 80.77% stake in the Bank to United Overseas Bank (UOB). Accordingly, UOB has been treated as a related party from that date.

Loans and commitments to executive officers from Senior Vice President level upwards, directors, major shareholders, and to business entities where the Bank or its subsidiaries, their directors, employees of Executive Vice President level upwards or close family members of the above hold 10% or more of the paid-up capital at December 31, 2004 and 2003, were as follows:

	<b>In Million Baht</b>			
	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
	<b>As at December 31, 2004</b>		<b>As at December 31, 2003</b>	
	<u>Ending balance</u>	<u>Average balance</u>	<u>Ending balance</u>	<u>Average balance</u>
<b>Loans</b>				
1. Major Shareholder	<b>200</b>	<b>200</b>	-	-
2. Senior Vice President level upwards and close family members	<b>30</b>	<b>45</b>	55	39
3. Business entities where the Bank or its subsidiaries, their directors, employees of Executive Vice President level and higher and close family members of the above, hold 10% or more of the paid-up capital	<b>2,990</b>	<b>3,341</b>	4,431	4,599
Total	<b>3,220</b>	<b>3,586</b>	4,486	4,638
<b>Commitments</b>				
1. Major shareholder	<b>1,060</b>	<b>9,014</b>	18,531	17,585
2. Business entities where the Bank or its subsidiaries, their directors, employees of Executive Vice President level and higher and close family members of the above, hold 10% or more of the paid-up capital	<b>3</b>	<b>3</b>	3	5
Total	<b>1,063</b>	<b>9,017</b>	18,534	17,590

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

	In Million Baht			
	<b>BANK ONLY FINANCIAL STATEMENTS</b>			
	As at December 31, 2004		As at December 31, 2003	
	<u>Ending balance</u>	<u>Average balance</u>	<u>Ending balance</u>	<u>Average balance</u>
<b>Loans</b>				
1. Major shareholder	200	200	-	-
2. Senior Vice President level upwards and close family members	30	30	55	39
3. Business entities where the Bank or its subsidiaries, their directors, employees of Executive Vice President level and higher and close family members of the above, hold 10% or more of the paid-up capital	5,460	5,654	6,270	6,300
Total	<u>5,690</u>	<u>5,899</u>	<u>6,325</u>	<u>6,339</u>
<b>Commitments</b>				
1. Major shareholder	1,060	9,014	18,531	17,585
2. Business entities where the Bank or its subsidiaries, their directors, employees of Executive Vice President level and higher and close family members of the above, hold 10% or more of the paid-up capital	3	3	3	5
Total	<u>1,063</u>	<u>9,017</u>	<u>18,534</u>	<u>17,590</u>

As at December 31, 2004 and 2003, the Bank had staff loans with certain officers from Senior Vice President level upwards amounting to Baht 10 million and Baht 5 million, respectively.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Certain information related to the aforementioned loans and commitments of the Bank were as follows:

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2004

	Amounts (Million Baht)	Interest rate % per annum	Maturity date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	3,220	1.25 - 19.00	Apr. 23, 1993 to May. 18, 2019	2,824	1,459
Commitments	1,063	1.50 - 2.50			

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

	Amounts (Million Baht)	Interest rate % per annum	Maturity date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	4,486	1.25 - 19.00	Apr. 23, 1993 to Dec. 19, 2018	4,319	18,701
Commitments	18,534	1.00 - 4.10			

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

	Amounts (Million Baht)	Interest rate % per annum	Maturity date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	5,690	1.25 - 19.00	Apr. 23, 1993 to May. 18, 2019	2,824	3,929
Commitments	1,063	1.50 - 2.50			

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

	Amounts (Million Baht)	Interest rate % per annum	Maturity date	Amounts	
				Secured (Million Baht)	Unsecured (Million Baht)
Loans	6,325	1.25 - 19.00	Apr. 23, 1993 to Dec. 19, 2018	4,319	20,540
Commitments	18,534	1.00 - 4.10			

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Significant transactions with related companies whose shares were more than 20 percent owned by the Bank consisted mainly of the following:

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2004

	Type of business	Relationship	Paid-up share capital	Holding %	Investment		Dividend
					Cost method	Equity method	
<b>INVESTMENT</b>							
<b>ASSOCIATED COMPANY</b>							
AXA Insurance Public Co., Ltd.	Non-life insurance	Shareholder	353	22.06	121	138	28

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

	Type of business	Relationship	Paid-up share capital	Holding %	Investment		Dividend
					Cost method	Equity method	
<b>INVESTMENT</b>							
<b>ASSOCIATED COMPANY</b>							
AXA Insurance Public Co., Ltd.	Non-life insurance	Shareholder	353	22.06	121	166	14

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

	Type of business	Relationship	Paid-up share capital	Holding %	Investment		Dividend
					Cost method	Equity method	
<b>INVESTMENT</b>							
<b>SUBSIDIARY COMPANIES</b>							
B.O.A. Leasing Co., Ltd.	Leasing	Shareholder	320	99.99	320	476	-
BoA Asset Management Co., Ltd.	Fund management	Shareholder	100	99.99	136	133	-
<b>ASSOCIATED COMPANY</b>							
AXA Insurance Public Co., Ltd.	Non-life insurance	Shareholder	353	22.06	121	138	28

### LOANS

In Million Baht

#### SUBSIDIARY COMPANIES

B.O.A. Leasing Co., Ltd.	2,470
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#### INVESTMENT FROM DEBT RESTRUCTURING

In Million Baht

##### N.Y. Sugar Co., Ltd.

Acquired 30.00% of the registered share capital (par value of Baht 900 million)

Investment-net	-
Loans (before allowance for doubtful accounts)	1,853
Commitments	2

The above investment is classified as general investments, which is stated at cost net of allowance for impairment of securities.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

Type of business	Relationship	Paid-up share capital	Holding %	Investment		Dividend	
				Cost method	Equity method		
<b>INVESTMENT</b>							
<b>SUBSIDIARY COMPANIES</b>							
Asia Property Co., Ltd.	Asset management	Shareholder	40	99.99	109	(42)	-
B.O.A. Leasing Co., Ltd.	Leasing	Shareholder	320	99.99	320	429	-
BoA Asset Management Co., Ltd.	Fund management	Shareholder	100	99.99	136	102	-
Aisa Leasehold Co., Ltd.	Real estate	Shareholder	1	99.93	1	(28)	-
<b>ASSOCIATED COMPANY</b>							
AXA Insurance Public Co., Ltd.	Non-life insurance	Shareholder	353	22.06	121	166	14

### LOANS

In Million Baht

#### SUBSIDIARY COMPANIES

B.O.A. Leasing Co., Ltd. 1,840

#### INVESTMENT FROM DEBT RESTRUCTURING

In Million Baht

##### N.Y. Sugar Co., Ltd.

Acquired 30.00% of the registered share capital (par value of Baht 900 million)

Investment-net -

Loans (before allowance for doubtful accounts) 2,078

##### High-Rise Development Co., Ltd.

Investment-net -

Acquired 76.21% of the registered share capital (par value of Baht 135.46 million)

Loans (before allowance for doubtful accounts) 1,218

Commitments 1

The above investments are classified as general investments, which are stated at cost net of allowance for impairment of securities.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Significant transactions with related companies whose shares are 10 - 20 percent owned by the Bank and its subsidiaries consisted mainly of the following:

<b>In Million Baht</b>						
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>						
<b>As at December 31, 2004</b>						
<b>Type of</b>	<b>Relationship</b>	<b>Paid-up</b>	<b>Holding</b>	<b>Investment</b>		
<b>business</b>		<b>share capital</b>	<b>%</b>	<b>(Cost method)</b>	<b>Dividend</b>	
<b>INVESTMENT</b>						
Wing Fat Co., Ltd.	<b>Leather</b>	<b>Shareholder</b>	<b>70</b>	<b>14.29</b>	-	-
Asia Dhanavadh Warehouse Co., Ltd.	<b>Warehouse</b>	<b>Shareholder</b>	<b>30</b>	<b>13.33</b>	<b>4</b>	-
Piyalai Holdings Co., Ltd.	<b>Real estate</b>	<b>Shareholder</b>	<b>600</b>	<b>10.00</b>	<b>60</b>	-
JAT Leasing Co., Ltd.	<b>Hire-purchase</b>	<b>Shareholder</b>	<b>90</b>	<b>10.00</b>	<b>9</b>	-
Advanced CCC Services Co., Ltd.	<b>Service</b>	<b>Shareholder</b>	<b>2</b>	<b>10.00</b>	-	-

Advanced CCC Services Co., Ltd. registered for liquidation on November 30, 2004 and was liquidated on January 25, 2005.

<b>LOANS</b>	<b>In Million Baht</b>
Wing Fat Co., Ltd.	<b>367</b>
Piyalai Holdings Co., Ltd.	<b>574</b>
JAT Leasing Co., Ltd.	<b>10</b>

<b>INVESTMENT FROM DEBT RESTRUCTURING</b>	<b>In Million Baht</b>
<b>Distar Electric Corporation Public Co., Ltd.</b>	
Acquired 12.70% of the registered share capital (par value of Baht 230 million)	
Investment-net	<b>61</b>
Loans (before allowance for doubtful accounts)	-
Commitments	-

The above investment is classified as available-for-sale securities, which are stated at fair value.



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2003

	Type of business	Relationship	Paid-up share capital	Holding %	Investment (Cost method)	Dividend
<b>INVESTMENT</b>						
Wing Fat Co., Ltd.	Leather	Shareholder	70	14.29	-	-
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	Shareholder	30	13.33	4	-
Piyalai Holdings Co., Ltd.	Real estate	Shareholder	600	10.00	60	-
JAT Leasing Co., Ltd.	Hire- purchase	Shareholder	90	10.00	9	-
Advanced CCC Services Co., Ltd.	Service	Shareholder	2	10.00	-	-

### LOANS

In Million Baht

Wing Fat Co., Ltd.	367
Piyalai Holdings Co., Ltd.	574
JAT Leasing Co., Ltd.	7

### INVESTMENT FROM DEBT RESTRUCTURING

In Million Baht

#### **Distar Electric Corporation Public Co., Ltd.**

Acquired 13.04% of the registered share capital (par value of Baht 230 million)

Investment-net	176
Loans (before allowance for doubtful accounts)	-
Commitments	-

The above investment is classified as available-for-sale securities, which are stated at fair value.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

	Type of business	Relationship	Paid-up share capital	Holding %	Investment (Cost method)	Dividend
<b>INVESTMENT</b>						
Wing Fat Co., Ltd.	Leather	Shareholder	70	14.29	-	-
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	Shareholder	30	13.33	4	-
Piyalai Holdings Co., Ltd.	Real estate	Shareholder	600	10.00	60	-
Advanced CCC Services Co., Ltd.	Service	Shareholder	2	10.00	-	-

Advanced CCC Services Co., Ltd. registered for liquidation on November 30, 2004 and was liquidated on January 25, 2005.

### LOANS

In Million Baht

Wing Fat Co., Ltd.	<b>367</b>
Piyalai Holdings Co., Ltd.	<b>574</b>

### INVESTMENT FROM DEBT RESTRUCTURING

In Million Baht

#### Distar Electric Corporation Public Co., Ltd.

Acquired 12.70% of the registered share capital (par value of Baht 230 million)

Investment-net	<b>61</b>
Loans (before allowance for doubtful accounts)	-
Commitments	-

The above investment is classified as available-for-sale securities, which are stated at fair value.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

BANK ONLY FINANCIAL STATEMENTS  
As at December 31, 2003

	Type of business	Relationship	Paid-up share capital	Holding %	Investment (Cost method)	Dividend
<b>INVESTMENT</b>						
Wing Fat Co., Ltd.	Leather	Shareholder	70	14.29	-	-
Asia Dhanavadh Warehouse Co., Ltd.	Warehouse	Shareholder	30	13.33	4	-
Piyalai Holdings Co., Ltd.	Real estate	Shareholder	600	10.00	60	-
Advanced CCC Services Co., Ltd.	Service	Shareholder	2	10.00	-	-

### LOANS

	<u>In Million Baht</u>
Wing Fat Co., Ltd.	367
Piyalai Holdings Co., Ltd.	574

### INVESTMENT FROM DEBT RESTRUCTURING

#### **Distar Electric Corporation Public Co., Ltd.**

Acquired 13.04% of the registered share capital (par value of Baht 230 million)

	<u>In Million Baht</u>
Investment-net	176
Loans (before allowance for doubtful accounts)	-
Commitments	-

The above investment is classified as available-for-sale securities, which are stated at fair value.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Other significant balances and transactions with related parties were as follows:

**In Million Baht**

**CONSOLIDATED FINANCIAL STATEMENTS**

	As at December 31, 2004			As at December 31, 2003		
	Associated	Major	Total	Associated	Major	Total
	company	shareholder		company	shareholder	
Interbank and money market items (assets)	-	280	280	-	1,202	1,202
Deposits	29	-	29	4	-	4
Interbank and money market items (liabilities)	-	4	4	-	393	393
Borrowings	-	-	-	-	2,000	2,000
Accrued interest payable	-	-	-	-	33	33
Other liabilities	-	-	-	-	44	44
Contingencies	-	1,060	1,060	-	18,531	18,531

**In Million Baht**

**CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended December 31,**

	2004				2003		
	Associated	Major shareholder		Total	Associated	Major	Total
	company	UOB	ABN AMRO		company	shareholder	
Interest income	-	2	1	3	-	10	10
Commission and service income	20	-	-	20	24	-	24
Interest expense	-	-	132	132	-	233	233
Insurance expenses	15	10	-	25	16	-	16
Fees and service expenses	-	-	45	45	-	35	35
Premises and equipment expenses	-	-	9	9	-	13	13

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

	As at December 31, 2004				As at December 31, 2003			
	Associated		Major		Associated		Major	
	Subsidiaries	company	shareholder	Total	Subsidiaries	company	shareholder	Total
Interbank and money market items (assets)	6	-	280	286	-	-	1,202	1,202
Loans	2,470	-	-	2,470	1,840	-	-	1,840
Accrued interest receivable	5	-	-	5	-	-	-	-
Other assets	48	-	-	48	17	-	-	17
Deposits	44	29	-	73	59	4	-	63
Interbank and money market items (liabilities)	-	-	4	4	5	-	393	398
Borrowings	-	-	-	-	-	-	2,000	2,000
Accrued interest payable	-	-	-	-	1	-	33	34
Other liabilities	-	-	-	-	-	-	44	44
Contingencies	-	-	1,060	1,060	-	-	18,531	18,531

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

For the year ended December 31,

	2004					2003			
	Associated		Major shareholder			Associated		Major	
	Subsidiaries	company	UOB	ABN AMRO	Total	Subsidiaries	company	shareholder	Total
Interest income	56	-	2	1	59	49	-	10	59
Fees income	86	20	-	-	106	38	24	-	62
Interest expense	-	-	-	132	132	-	-	233	233
Rental expenses	41	-	-	-	41	38	-	-	38
Insurance expenses	-	15	10	-	25	-	16	-	16
Fees and service expenses	-	-	-	45	45	-	-	35	35
Premises and equipment expenses	-	-	-	9	9	-	-	13	13

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 26. LONG-TERM LEASES

As at December 31, 2004 and 2003 the Bank and its subsidiaries had land/building lease agreements for branch offices, for which the lease terms ranged from 3 - 30 years and are renewable. The Bank and subsidiary also had committed to pay future rental payments on vehicles. These are summarized as follows:

		In Million Baht	
		December 31, 2004	
Type of lease	Period	CONSOLIDATED FINANCIAL STATEMENTS	BANK ONLY FINANCIAL STATEMENTS
Land/building lease agreements	January 1, 2005 - December 31, 2025	163	155
Vehicle rental agreements	January 1, 2005 - May 17, 2009	2	142
Total		<u>165</u>	<u>297</u>

		In Million Baht	
		December 31, 2003	
Type of lease	Period	CONSOLIDATED FINANCIAL STATEMENTS	BANK ONLY FINANCIAL STATEMENTS
Land/building lease agreements	January 1, 2004 - September 30, 2025	174	159
Vehicle rental agreements	January 1, 2004 - May 3, 2009	4	136
Total		<u>178</u>	<u>295</u>

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 27. CLASSIFIED ASSETS

In Million Baht

#### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2004

	Investments	Loans*	Properties foreclosed	Other assets	Total
<b>Classifications</b>					
Pass	-	96,394	-	11	96,405
Special mention	-	2,685	-	1	2,686
Substandard	-	1,392	-	40	1,432
Doubtful	-	587	-	26	613
Doubtful of loss	508	16,983	325	854	18,670
Total	<u>508</u>	<u>118,041</u>	<u>325</u>	<u>932</u>	<u>119,806</u>

In Million Baht

#### BANK ONLY FINANCIAL STATEMENTS

As at December 31, 2003

	Investments	Loans*	Properties foreclosed	Other assets	Total
<b>Classifications</b>					
Pass	-	96,164	-	12	96,176
Special mention	-	1,865	-	2	1,867
Substandard	-	951	-	4	955
Doubtful	-	2,563	-	32	2,595
Doubtful of loss	355	19,690	319	1,244	21,608
Total	<u>355</u>	<u>121,233</u>	<u>319</u>	<u>1,294</u>	<u>123,201</u>

\* including interbank and money market loans.

According to the BOT's announcement dated January 16, 2003, non-performing loans (NPLs) were redefined as sub-quality loans, being outstanding loans of substandard, doubtful, doubtful of loss accounts including fully provisioned loans which had previously been written-off. Based on the BOT's guidelines, the Bank's NPLs as of December 31, 2004 and 2003 were Baht 18,962 million and Baht 23,204 million respectively.

### 28. BENEFITS OF DIRECTORS AND MANAGEMENT

As at December 31, 2004 and 2003, the Bank and its subsidiaries had not paid benefits, other than normal staff benefits, to its directors and management.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 29. BASIC EARNINGS PER SHARE

The Bank had the following basic earnings per share:

	In Million Baht	
	<b>CONSOLIDATED AND BANK ONLY</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>For the year ended December 31,</b>	
	<u>2004</u>	<u>2003</u>
Net income (Million Baht)	761	1,818
Weighted average number of ordinary shares calculated by using number of ordinary shares issued, including those from conversion of debentures during the period upon cash received (shares)	<b>5,095,446,713</b>	5,095,446,713
Basic earnings per share (Baht)	<b>0.15</b>	0.36

### 30. FULLY DILUTED EARNINGS PER SHARE

	In Million Baht	
	<b>CONSOLIDATED AND BANK ONLY</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>For the year ended December 31,</b>	
	<u>2004</u>	<u>2003</u>
<b>Calculation of net income</b>		
Net income	761	1,818
Plus : interest paid on debenture, saved from conversion (on the basis that all remaining debentures were converted on January 1)		
Convertible debentures issued in Thailand	-	1
Convertible debentures issued outside Thailand	-	53
Total interest expense	-	54
Calculated net income for fully diluted income per share	<b>761</b>	1,872
<b>Calculation of weighted average number of ordinary shares</b>		
Number of weighted average ordinary shares (shares)	<b>5,095,446,713</b>	5,095,446,713
Number of shares from conversion of remaining convertible debentures outside Thailand (shares)	-	39,145,420
Total weighted average number of ordinary shares (shares)	<b>5,095,446,713</b>	5,134,592,133
Fully diluted earnings per share (Baht)	<b>0.15</b>	0.36



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### 31. FINANCIAL POSITION AND RESULTS OF OPERATIONS CLASSIFIED BY DOMESTIC AND FOREIGN BUSINESSES

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2004			
	Domestic	Foreign	Total
Total assets	163,859	3	163,862
Interbank and money market items-net (assets)	14,389	-	14,389
Investments - net	13,957	-	13,957
Loans and accrued interest receivable - net	105,555	-	105,555
Deposits	138,034	-	138,034
Interbank and money market items (liabilities)	2,855	-	2,855
Borrowings	2,512	-	2,512
Total contingencies - off-balance sheet financial instruments	113,077	-	113,077

In Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2003			
	Domestic	Foreign	Total
Total assets	170,513	1	170,514
Interbank and money market items-net (assets)	6,738	1	6,739
Investments - net	25,752	-	25,752
Loans and accrued interest receivable - net	107,960	-	107,960
Deposits	141,981	-	141,981
Interbank and money market items (liabilities)	3,623	-	3,623
Borrowings	4,447	900	5,347
Total contingencies - off-balance sheet financial instruments	98,679	-	98,679

In Million Baht			
BANK ONLY FINANCIAL STATEMENTS			
As at December 31, 2004			
	Domestic	Foreign	Total
Total assets	163,080	3	163,083
Interbank and money market items-net (assets)	14,223	-	14,223
Investments - net	14,541	-	14,541
Loans and accrued interest receivable - net	104,808	-	104,808
Deposits	138,077	-	138,077
Interbank and money market items (liabilities)	2,761	-	2,761
Borrowings	2,012	-	2,012
Total contingencies - off-balance sheet financial instruments	113,077	-	113,077

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

	In Million Baht		
	BANK ONLY FINANCIAL STATEMENTS		
	As at December 31, 2003		
	Domestic	Foreign	Total
Total assets	168,527	1	169,528
Interbank and money market items-net (assets)	6,658	1	6,659
Investments - net	26,233	-	26,233
Loans and accrued interest receivable - net	107,054	-	107,054
Deposits	142,051	-	142,051
Interbank and money market items (liabilities)	3,229	-	3,229
Borrowings	4,015	900	4,915
Total contingencies - off-balance sheet financial instruments	98,679	-	98,679

Results of operations classified by type of business segment:

	In Million Baht		
	CONSOLIDATED FINANCIAL STATEMENTS		
	For the year ended December 31, 2004		
	Domestic	Foreign	Total
Interest and dividend income	<b>5,893</b>	-	<b>5,893</b>
Interest expense	<b>(1,764)</b>	<b>(4)</b>	<b>(1,768)</b>
Net income from interest and dividends	<b>4,129</b>	<b>(4)</b>	<b>4,125</b>
Non-interest income	<b>2,747</b>	<b>2</b>	<b>2,749</b>
Non-interest expenses	<b>(6,089)</b>	<b>(3)</b>	<b>(6,092)</b>
Profit (loss) before tax	<b>787</b>	<b>(5)</b>	<b>782</b>

	In Million Baht		
	CONSOLIDATED FINANCIAL STATEMENTS		
	For the year ended December 31, 2003		
	Domestic	Foreign	Total
Interest and dividend income	6,229	-	6,229
Interest expense	(2,330)	(53)	(2,383)
Net income from interest and dividends	3,899	(53)	3,846
Non-interest income	2,603	-	2,603
Non-interest expenses	(4,605)	(3)	(4,608)
Profit (loss) before tax	1,897	(56)	1,841

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

	In Million Baht		
	<b>BANK ONLY FINANCIAL STATEMENTS</b>		
	<b>For the year ended December 31, 2004</b>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Interest and dividend income	5,712	-	5,712
Interest expense	<u>(1,743)</u>	<u>(4)</u>	<u>(1,747)</u>
Net income from interest and dividends	3,969	(4)	3,965
Non-interest income	2,486	2	2,488
Non-interest expenses	<u>(5,689)</u>	<u>(3)</u>	<u>(5,692)</u>
Profit (loss) before tax	<u>766</u>	<u>(5)</u>	<u>761</u>

	In Million Baht		
	<b>BANK ONLY FINANCIAL STATEMENTS</b>		
	<b>For the year ended December 31, 2003</b>		
	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
Interest and dividend income	6,116	-	6,116
Interest expense	<u>(2,315)</u>	<u>(53)</u>	<u>(2,368)</u>
Net income from interest and dividends	3,801	(53)	3,748
Non-interest income	2,397		2,397
Non-interest expenses	<u>(4,301)</u>	<u>(3)</u>	<u>(4,304)</u>
Profit (loss) before tax	<u>1,897</u>	<u>(56)</u>	<u>1,841</u>

### 32. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Bank is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers and to reduce its own exposure to fluctuations in interest rates and foreign exchange rates. These financial instruments with off-balance sheet risk include commitments to extend credit, standby letters of credit, financial guarantees, and forward foreign exchange contracts. These instruments involve, to varying degrees, elements of credit and foreign exchange risk in excess of the amount recognised in the financial statements. The contract or notional amounts of those instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The Bank enters into forward foreign exchange contracts as part of its risk management strategy primarily to manage the market risk arising from the Bank's underlying assets and liabilities and to offset risk created by its customers. The utilization of forward foreign exchange contracts for these purposes is governed by the Board's approved guidelines and parameters set by the Assets and Liabilities Committee.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The Bank does not heavily speculate in or engage in the trading of any derivative financial instruments except forward foreign exchange in which the Bank will speculate from time to time when the opportunity arises within predefined limits.

### **Accounting policies**

Details of significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed in note 3.

### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Bank and its subsidiaries. The Bank and its subsidiaries have adopted the policy of only dealing with creditworthy counterparts and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial losses from defaults.

In the case of recognised financial assets, the carrying amount of the assets recorded in the consolidated balance sheet, net of allowance for doubtful accounts, represents the Bank's and its subsidiaries' maximum exposure to credit risk.

The Bank's exposure to credit loss in the event of nonperformance by the counterparty to the financial instrument for commitments to extend credit, standby letters of credit, and financial guarantees written is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on balance sheet instruments. For forward foreign exchange contracts, the contract or notional amounts do not represent exposure to credit loss. The Bank controls the credit risk of its derivative instruments through credit approvals, limits, and monitoring procedures set by its Risk Management Committee. Credit risk also arises from the possibility that the counterparty to off-balance sheet financial instruments will not adhere to the terms of the contract with the Bank when settlement becomes due.

For the purpose of calculating the credit risk associated with the Bank's off-balance sheet financial instruments which are not foreign exchange contracts and interest rate swap contracts, the Bank applies a credit conversion factor to the notional amount in order to determine a credit equivalent amount in accordance with regulations established by the Bank of Thailand. However, in the case of foreign exchange contracts and interest rate swap contracts, the Bank applies a credit conversion factor of between 8% to 50% to the notional amount of the contracts depending on the type of currency and the residual maturity of the contract, compared to the Bank of Thailand's prescribed credit conversion factors of 2% and 5% for foreign exchange contracts and 0.5% and 1% for interest rate swap contracts with a residual maturity of less than one year and greater than one year, respectively.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

The following table shows the credit equivalent of unmatured off balance sheet financial instruments:

	<b>In Million Baht</b>	
	<b>CONSOLIDATED AND BANK ONLY</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>As at December 31,</b>	
	<b>2004</b>	2003
Forward foreign exchange contracts (foreign currencies)	<b>2,349</b>	3,948
Interest rate swap contracts	<b>580</b>	760
Avals to bills	<b>754</b>	927
Guarantees of loans	<b>75</b>	105
Performance guarantees	<b>4,938</b>	4,425
Bid guarantees	<b>338</b>	345
Liability under unmatured import bills	<b>273</b>	272
Import letters of credit	<b>645</b>	615
Others	<b>97</b>	82
Total	<b>10,049</b>	11,479

### **Interest rate risk**

Interest rate risk in the balance sheet arises from the potential for a change in interest rates to have an adverse effect on the net interest earnings of the Bank and its subsidiaries in the current reporting period, and in future years. Interest rate risk arises from the structure and characteristics of the Bank and its subsidiaries' assets, liabilities and equity, and in the mismatch in repricing rates of its assets and liabilities.

The Bank and its subsidiaries' exposure to interest rate risk showing the contractual repricing dates or maturity dates, whichever dates are earlier, and weighted average contractual interest rates, where applicable, for classes of financial assets and financial liabilities subject to interest rate risk is set out below:

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Period to the earlier of the repricing date or the contractual maturity

In Million Baht

### CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2004

	Call	Within				1-5 years	More than 5 years	Non-int. bearing/sensitive	Non-accrual loans	Total	Weighted average effective interest rate per annum (%)
		3 months	3-12 months	1-5 years	5 years						
<b>Financial assets</b>											
Cash	-	-	-	-	-	-	-	3,703	-	3,703	n/a
Interbank and money market items - net	32	12,540	58	-	-	-	1,759	-	-	14,389	2.01
Securities purchased under resale agreement	-	8,400	-	-	-	-	-	-	-	8,400	1.96
Investments - net	-	663	1,068	3,426	5,876	-	2,924	-	-	13,957	1.45
Loans	15,712	61,952	13,502	2,680	-	-	-	24,671	-	118,517	3.63
<b>Financial liabilities</b>											
Deposits	72,365	38,126	14,752	8,398	-	-	4,393	-	-	138,034	1.03
Interbank and money market items	1,366	588	120	-	-	-	781	-	-	2,855	0.38
Liabilities payable on demand	-	-	-	-	-	-	1,816	-	-	1,816	n/a
Securities sold under repurchase agreements	-	200	-	-	-	-	-	-	-	200	2.07
Short-term borrowings	154	35	311	-	-	-	-	-	-	500	2.58
Long-term borrowings	-	-	-	2,000*	-	-	12	-	-	2,012	6.46

\* See note 16 above.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Period to the earlier of the repricing date or the contractual maturity

		CONSOLIDATED FINANCIAL STATEMENTS							Weighted average effective interest rate per annum (%)
		As at December 31, 2003							
Call	Within 3 months	3-12 months	1-5 years	More than 5 years	Non-int. bearing/ sensitive	Non-accrual loans	Total		
<b>Financial assets</b>									
Cash	-	-	-	-	3,148	-	3,148	n/a	
Interbank and money market items - net	7	4,808	34	52	-	-	6,739	0.79	
Securities purchased under resale agreement	-	7,900	-	-	-	-	7,900	1.24	
Investments - net	-	2,864	3,697	5,414	8,979	-	25,752	2.09	
Loans	21,771	32,986	17,466	14,389	5,082	30,447	122,141	3.65	
<b>Financial liabilities</b>									
Deposits	72,033	41,506	9,611	14,902	-	-	141,981	1.05	
Interbank and money market items	1,776	298	58	-	-	-	3,623	0.48	
Liabilities payable on demand	-	-	-	-	-	-	1,396	n/a	
Short-term borrowings	-	900	432	-	-	-	1,332	8.27	
Long-term borrowings	-	-	-	4,000*	-	-	4,015	6.80	

\*See note 16 above.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Period to the earlier of the repricing date or the contractual maturity

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS As at December 31, 2004

	Call	3 months	Within 3 months	3-12 months	1-5 years	More than 5 years	Non-int. bearing/ sensitive	Non-accrual loans	Total	Weighted average effective interest rate per annum (%)
<b>Financial assets</b>										
Cash	-	-	-	-	-	-	3,703	-	3,703	n/a
Interbank and money market items - net	-	12,411	-	53	-	-	1,759	-	14,223	2.02
Securities purchased under resale agreement	-	8,400	-	-	-	-	-	-	8,400	1.96
Investments - net	-	663	1,068	5,876	3,426	5,876	3,508	-	14,541	1.44
Loans	15,982	61,569	13,240	2,321	-	-	-	24,525	117,637	3.51
<b>Financial liabilities</b>										
Deposits	72,408	38,126	14,752	8,398	-	-	4,393	-	138,077	1.03
Interbank and money market items	1,372	588	20	-	-	-	781	-	2,761	0.30
Liabilities payable on demand	-	-	-	-	-	-	1,816	-	1,816	n/a
Securities sold under repurchase agreements	-	200	-	-	-	-	-	-	200	2.07
Long-term borrowings	-	-	-	-	2,000*	-	12	-	2,012	6.46

\*See note 16 above.



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

Period to the earlier of the repricing date or the contractual maturity

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS As at December 31, 2003

	Call	Within 3 months	3-12 months	1-5 years	More than 5 years	Non-int. bearing/ sensitive	Non-accrual loans	Total	Weighted average effective interest rate per annum (%)
<b>Financial assets</b>									
Cash	-	-	-	-	-	3,148	-	3,148	n/a
Interbank and money market items - net	15	4,762	-	52	-	1,830	-	6,659	0.78
Securities purchased under resale agreement	-	7,900	-	-	-	-	-	7,900	1.24
Investments - net	-	2,864	3,697	5,414	8,979	5,279	-	26,233	2.09
Loans	22,811	32,407	16,456	14,019	5,082	-	30,387	121,162	3.54
<b>Financial liabilities</b>									
Deposits	72,082	41,526	9,611	14,902	-	3,930	-	142,051	1.05
Interbank and money market items	1,282	398	58	-	-	1,491	-	3,229	0.16
Liabilities payable on demand	-	-	-	-	-	1,396	-	1,396	n/a
Short-term borrowings	-	900	-	-	-	-	-	900	5.84
Long-term borrowings	-	-	-	4,000*	-	15	-	4,015	6.80

\* See note 16 above.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### Liquidity risk

Liquidity risk is the risk that the Bank may not be able to meet its obligations as they fall due, because of inability to release its assets or to cover funding requirements at an appropriate price resulting in a loss to the Bank. The Bank's Assets and Liabilities Committee sets policies and supervises the management of liquidity risk

A maturity analysis of financial assets, financial liabilities and off-balance sheet items were as follows:

In Million Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
December 31, 2004							
	Call	Within 3 months	3-12 months	1-5 years	More than 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	3,703	3,703
Interbank and money market items - net	1,791	12,539	59	-	-	-	14,389
Securities purchased under resale agreements	-	8,400	-	-	-	-	8,400
Investments - net	-	663	1,068	3,426	5,876	2,924	13,957
Loans	29,453	29,182	9,742	17,728	32,412	-	118,517
<b>Financial liabilities</b>							
Deposits	76,762	38,122	16,116	7,034	-	-	138,034
Interbank and money market items	2,143	588	124	-	-	-	2,855
Liabilities payable on demand	1,816	-	-	-	-	-	1,816
Securities sold under repurchase agreements	-	200	-	-	-	-	200
Short-term borrowings	154	35	311	-	-	-	500
Long-term borrowings	-	-	-	2,005	7	-	2,012
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	584	106	64	-	-	754
Guarantee of loans	5	-	-	-	70	-	75
Other guarantees	863	1,591	3,809	519	3,948	123	10,853
Letters of credit	149	2,632	316	-	130	-	3,227
Forward foreign exchange contracts (foreign currencies)	-	28,490	8,336	-	-	-	36,826
Interest rate swap contract	-	-	-	5,000	-	-	5,000
Undrawn overdraft amount	17,316	-	-	-	-	-	17,316
Liabilities under unmatured import bills	-	987	376	-	-	-	1,363

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
December 31, 2003							
	Call	Within 3 months	3-12 months	1-5 years	More than 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	3,148	3,148
Interbank and money market items - net	1,850	4,803	34	52	-	-	6,739
Securities purchased under resale agreements	-	7,900	-	-	-	-	7,900
Investments - net	-	2,864	3,697	5,414	8,979	4,798	25,752
Loans	30,073	29,629	6,651	20,081	35,707	-	122,141
<b>Financial liabilities</b>							
Deposits	75,962	41,506	9,611	14,902	-	-	141,981
Interbank and money market items	3,267	298	58	-	-	-	3,623
Liabilities payable on demand	1,396	-	-	-	-	-	1,396
Short-term borrowings	-	900	432	-	-	-	1,332
Long-term borrowings	-	-	-	4,015	-	-	4,015
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	328	155	444	-	-	927
Guarantee of loans	-	-	6	-	99	-	105
Other guarantees	879	1,342	3,118	373	3,992	117	9,821
Letters of credit	144	2,351	527	-	54	-	3,076
Forward foreign exchange contracts (foreign currencies)	-	21,671	9,375	-	-	-	31,046
Interest rate swap contract	-	-	-	5,000	-	-	5,000
Undrawn overdraft amount	17,348	-	-	-	-	-	17,348
Liabilities under unmatured import bills	942	-	417	-	-	-	1,359

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

### BANK ONLY FINANCIAL STATEMENTS

December 31, 2004

	Call	Within 3 months	3-12 months	1-5 years	More than 5 years	No maturity	Total
<b>Financial assets</b>							
Cash	-	-	-	-	-	3,703	3,703
Interbank and money market items - net	1,760	12,410	53	-	-	-	14,223
Securities purchased under resale agreements	-	8,400	-	-	-	-	8,400
Investments - net	-	663	1,068	3,426	5,876	3,508	14,541
Loans	29,577	28,799	9,480	17,369	32,412	-	117,637
<b>Financial liabilities</b>							
Deposits	76,805	38,122	16,116	7,034	-	-	138,077
Interbank and money market items	2,149	588	24	-	-	-	2,761
Liabilities payable on demand	1,816	-	-	-	-	-	1,816
Securities sold under repurchase agreements	-	200	-	-	-	-	200
Long-term borrowings	-	-	-	2,005	7	-	2,012
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	584	106	64	-	-	754
Guarantee of loans	5	-	-	-	70	-	75
Other guarantees	863	1,591	3,809	519	3,948	123	10,853
Letters of credit	149	2,632	316	-	130	-	3,227
Forward foreign exchange contracts (foreign currencies)	-	28,490	8,336	-	-	-	36,826
Interest rate swap contract	-	-	-	5,000	-	-	5,000
Undrawn overdraft amount	17,316	-	-	-	-	-	17,316
Liabilities under unmatured import bills	-	987	376	-	-	-	1,363

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

In Million Baht

	BANK ONLY FINANCIAL STATEMENTS						Total
	December 31, 2003						
	Call	Within 3 months	3-12 months	1-5 years	More than 5 years	No maturity	
<b>Financial assets</b>							
Cash	-	-	-	-	-	3,148	3,148
Interbank and money market items - net	1,851	4,756	-	52	-	-	6,659
Securities purchased under resale agreements	-	7,900	-	-	-	-	7,900
Investments - net	-	2,864	3,697	5,414	8,979	5,279	26,233
Loans	31,053	29,050	5,640	19,712	35,707	-	121,162
<b>Financial liabilities</b>							
Deposits	76,012	41,526	9,611	14,902	-	-	142,051
Interbank and money market items	2,773	398	58	-	-	-	3,229
Liabilities payable on demand	1,396	-	-	-	-	-	1,396
Short-term borrowings	-	900	-	-	-	-	900
Long-term borrowings	-	-	-	4,015	-	-	4,015
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	328	155	444	-	-	927
Guarantee of loans	-	-	6	-	99	-	105
Other guarantees	879	1,342	3,118	373	3,992	117	9,821
Letters of credit	144	2,351	527	-	54	-	3,076
Forward foreign exchange contracts (foreign currencies)	-	21,671	9,375	-	-	-	31,046
Interest rate swap contract	-	-	-	5,000	-	-	5,000
Undrawn overdraft amount	17,348	-	-	-	-	-	17,348
Liabilities under unmatured import bills	942	-	417	-	-	-	1,359

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### Hedging

The Bank uses derivative financial instruments, including forward contracts and interest rate swaps, to manage the potential earnings impact of foreign currency movements and floating interest rates. The purpose of the Bank's hedging activities is to protect the Bank from the risk that net cash outflows will be affected by changes in exchange rates and the risk from floating interest rates. The Bank enters into transactions to ensure that it is economically hedged in accordance with risk management policies. For qualifying hedge relationships, the Bank uses hedge accounting.

Each qualifying hedge accounting relationship is evidenced and driven by management's approach to risk management and the decision to hedge the particular risk. Where hedge accounting is applied, the Bank assesses, at the inception of the hedge relationship and on an on-going basis, whether the derivatives used as hedges are highly effective in offsetting the changes in the value or cash flows associated with the hedged item. A hedge is normally regarded as highly effective if changes in fair value or cash flows of the hedged item are expected to almost fully offset the changes in fair value or cash flows of the hedging instrument. The designation and effectiveness measurement follows the methodologies that management has in place for risk identification and measurement. The ineffective portion of any gain or loss on a hedging instrument is recognised in the statement of income.

### Estimated fair value of financial instruments

The fair values of financial instruments have been estimated by the Bank and its subsidiaries using available market information and appropriate valuation methodologies.

The following is a summary of carrying amounts and estimated fair values of financial instruments:

	In Million Baht			
	As at December 31, 2004			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	Carrying amounts	Fair value	Carrying amounts	Fair value
<b>Financial assets</b>				
Cash	3,703	3,703	3,703	3,703
Interbank and money market items - net	14,389	14,389	14,223	14,223
Securities purchased under resale agreements	8,400	8,400	8,400	8,400
Investments - net	13,957	14,002	14,541	14,607
Loans and accrued interest receivable - net	105,555	108,806	104,808	108,430
<b>Financial liabilities</b>				
Deposits	138,034	138,180	138,077	138,224
Interbank and money market items	2,855	2,855	2,761	2,761
Liabilities payable on demand	1,816	1,816	1,816	1,816
Securities sold under repurchase agreement	200	200	200	200
Short-term borrowings	500	499	-	-
Long-term borrowings	2,012	2,234	2,012	2,234

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

	In Million Baht			
	As at December 31, 2003			
	CONSOLIDATED		BANK ONLY	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	Carrying amounts	Fair value	Carrying amounts	Fair value
<b>Financial assets</b>				
Cash	3,148	3,148	3,148	3,148
Interbank and money market items - net	6,739	6,739	6,659	6,659
Securities purchased under resale agreements	7,900	7,900	7,900	7,900
Investments - net	25,752	26,449	26,233	26,931
Loans and accrued interest receivable - net	107,960	109,634	107,054	108,957
<b>Financial liabilities</b>				
Deposits	141,981	141,981	142,051	142,051
Interbank and money market items	3,623	3,623	3,229	3,229
Liabilities payable on demand	1,396	1,396	1,396	1,396
Short-term borrowings	1,332	1,386	900	959
Long-term borrowings	4,015	4,468	4,015	4,455

The fair values of off-balance sheet financial instruments were as follows:

	In Million Baht	
	CONSOLIDATED AND BANK ONLY	
	FINANCIAL STATEMENTS	
	As at December 31, 2004	
	Notional value	Fair value
Forward foreign exchange contracts (foreign currencies)	36,826	217
Interest rate swap contract	5,000	(7)

	In Million Baht	
	CONSOLIDATED AND BANK ONLY	
	FINANCIAL STATEMENTS	
	As at December 31, 2003	
	Notional value	Fair value
Forward foreign exchange contracts (foreign currencies)	31,046	78
Interest rate swap contract	5,000	(86)

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

### **Methods and assumptions in estimating market value or fair value of financial instruments.**

The following methods and assumptions were used by the Bank and its subsidiaries in estimating market value or fair value of financial instruments as disclosed herein:

**Cash, interbank and money market items** - The carrying amounts of cash and short-term instruments which have remaining maturities of less than 90 days or bear variable rates of interest approximate their fair value. Fair value for fixed rate instruments with remaining maturities greater than 90 days is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments.

**Securities purchased under resale agreements** - The carrying value of securities purchased under resale agreements approximates fair value.

**Investments** - Fair value for securities is based on quoted market prices, where available. If quoted market prices are not available, market value is based on quoted market prices of comparable instruments after adjusting for risk involved or the net asset values of such securities.

**Loans** - For variable-rate loans that reprice frequently and have no significant change in credit risk, fair value is based on carrying values. The fair value of fixed rate loans that reprice within 90 days from the balance sheet date is the carrying value at the balance sheet date. Fair value for other fixed interest rate loans is estimated using discounted cash flow analysis and using interest rates currently being offered for loans with similar terms to borrowers of similar credit quality.

Fair value of hire-purchase receivables is estimated by using discounted cash flow analysis and using interest rates currently being offered with average remaining years to maturity.

**Accrued interest receivable** - The carrying amount of accrued interest receivable approximates fair value.

**Deposit liabilities** - The fair value disclosed for deposits which are payable on demand by the depositor, is equal to the carrying value of such deposits. The carrying amounts of variable-rate, fixed-term money-market accounts, certificates of deposit (CDs) and fixed rate deposits repricing within 90 days approximate their fair value at the reporting date. Fair value for other deposits is estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates or deposit to a schedule of aggregate expected monthly maturities on time deposits.

**Interbank and money market items (liabilities)** - The carrying amount of interbank and money market items which have remaining maturities of less than 90 days and/or bear variable rates of interest approximates their fair value at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 90 days is estimated by using a discounted cash flow calculation applying interest rates currently being offered on similar instruments.



## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

**Securities sold under repurchase agreements** - The carrying value of securities sold under repurchase agreements approximates fair value.

**Borrowings** - The fair value of borrowings is estimated using discounted cash flow analysis based on the average current borrowing rates for similar types of borrowing arrangements.

Financial assets carried in the financial statements at amounts in excess of their fair values represent fixed interest rate loans and debt instruments that are being held to maturity and non-listed equity investments that are being held for long term purposes. On the basis of the information available to the Bank's management as to the financial soundness of the respective corporations to which these assets relate and the provisions for loss that have already been made, it is management's opinion that the net carrying amounts of these assets, as reflected in the balance sheet, will be recovered.

### **Fair value of off-balance sheet financial instruments**

**Commitments to extend credit, letters of credit, aval and guarantees** - These financial instruments are generally not sold or traded such that estimated fair values are not readily ascertainable. Fair value of these items was not calculated for the following reasons:

- (i) very few of the commitments extending beyond 90 days would commit the Bank to a predetermined rate of interest;
- (ii) the fees attaching to these commitments are the same as those currently charged to enter into similar arrangements; and
- (iii) the quantum of fees collected under these arrangements, upon which fair value would be determined, is not material.

### **Other off-balance sheet financial instruments**

The fair values of foreign exchange contracts were obtained from quoted market prices.

## **33. FINANCIAL SECTOR MASTER PLAN**

On January 6, 2004, the Thai cabinet approved a financial sector master plan ("FSMP") for the consolidation of the banking and finance sector in Thailand. Under the plan, the Bank's major shareholder will be limited to holding one banking license.

## Notes to Financial Statements (Continued)

For the years ended December 31, 2004 and 2003

On May 12, 2004, the Bank was informed by ABN AMRO Bank, the Bank's major shareholder, that ABN AMRO Bank had signed a sale and purchase agreement with United Overseas Bank ("UOB") under which it planned to sell its 80.77% stake in the Bank (equivalent to 4,115,769,676 shares) to UOB for the sum of Baht 22,019 million (EUR 462 million). Completion of this transaction occurred on July 27, 2004. At meeting No. 545, held on July 27, 2004, the Board of Directors passed a resolution, under the terms of which, the existing Board of Directors resigned and a new Board of Directors was appointed.

The Bank submitted its Bangkok International Banking Facility ("BIBF") Integration Plan for approval from the Ministry of Finance on July 28, 2004 and applied, on July 29, 2004, to the Bank of Thailand ("BoT") to liquidate its BIBF. At present, this application is pending BoT approval.

On August 9, 2004, in accordance with the Stock Exchange of Thailand regulations, UOB made a tender offer for outstanding shares at a price of Baht 5.35 per share. Completion of this transaction occurred on October 8, 2004, as a result of which UOB purchased an additional 15.31% stake in the Bank (equivalent to 780,338,554 shares) at a price of Baht 5.35 per share, and for a total sum of Baht 4,175 million. Accordingly, UOB's stake in the Bank increased from 80.77% to 96.09%.

On November 26, 2004, the Bank submitted its plan to comply with the FSMP. The plan envisages the consolidation of all operations of UOB in Thailand.

On November 30, 2004, the Bank was informed by UOB that UOB had purchased a further 35,396,461 of the Bank's shares at a price of Baht 5.40 per share, and for a total sum of Baht 189 million. Accordingly, UOB's stake in the Bank increased from 96.09% to 96.81%.

### **34. RECLASSIFICATION OF ACCOUNTS**

Certain comparative information for the year ended December 31, 2003 has been reclassified to conform with the presentation adopted for the year ended December 31, 2004.

## Other Information

### 1. Companies in which Bank of Asia holds 10% or more of the number of paid up shares

#### 1. BoA Asset Management Co., Ltd.

Business	: Provides asset management for funds, including mutual funds (equity and fixed income) and provident funds
Location	: 5 <sup>th</sup> Fl., Bangkok City Tower Building, 179/6-10 South Sathon Road, Thungmahamek, Sathon, Bangkok 10120
Telephone	: 0-2679-5577
Facsimile	: 0-2679-5571-5
Paid-up Capital	: Baht 100,000,000 (10,000,000 ordinary shares)
BoA's Holding	: 99.99%

#### 2. B.O.A. Leasing Co., Ltd.

Business	: Provides leasing, car fleet management and factoring services, primarily to small and medium-sized companies.
Location	: 29 <sup>th</sup> Fl., United Center Building, 323 Silom Road, Bangrak, Bangkok 10500
Telephone	: 0-2266-7290-9
Facsimile	: 0-2266-7300
Paid-up Capital	: Baht 320,000,000 (32,000,000 ordinary shares)
BoA's Holding	: 99.99%

#### 3. AXA Insurance PCL

Business	: Non-life insurance company
Location	: 23 <sup>rd</sup> Fl., Lumpini Tower Building, 1168/67 Rama IV Road, Thungmahamek, Sathon, Bangkok 10120
Telephone	: 0-2285-6376-82
Facsimile	: 0-2285-6383
Paid-up Capital	: Baht 352,642,100 (3,526,421 ordinary shares)
BoA's Holding	: 22.06%

#### 4. ASIA Dhanavadh Warehouse Co., Ltd.

Business	: Provides warehousing services
Location	: 2194/97 Charoen Krung Road, Bang Khoe Laem, Bangkok 10120
Telephone	: 0-2289-4610-1
Facsimile	: 0-2291-9860
Paid-up Capital	: Baht 30,000,000 (30,000 ordinary shares)
BoA's Holding	: 13.33%

## Other Information

### 5. Piyalai Holdings Ltd.

Business	: Engages in activities related to properties and real estate developments
Location	: 22 <sup>nd</sup> Fl., Wall Street Tower Building, 33/114 Surawong Road, Bangkok 10500
Telephone	: 0-2233-1666 Ext. 2220-1
Facsimile	: 0-2233-3895
Paid-up Capital	: Baht 600,000,000 (6,000,000 ordinary shares)
BoA's Holding	: 10.00%

### 6. N.Y. Sugar Co., Ltd.

Business	: Sugar Mill
Location	: 164 Soi Sukhumvit 23 (Prasarnmitt), Sukhumvit Road, Klong Toey Nuar, Wattana, Bangkok 10110
Telephone	: 0-2260-4951-9
Facsimile	: 0-2260-4950
Paid-up Capital	: Baht 900,000,000 (90,000 ordinary shares)
BoA's Holding	: 30.00% (from debt restructuring)

### 7. Distar Electric Corporation PCL

Business	: Manufacturer and distributor of electrical appliances
Location	: 5 <sup>th</sup> Fl., 214 Wongwienyai, Latya Road, Khlong San, Bangkok 10600
Telephone	: 0-2437-0367, 0-2437-1915
Facsimile	: 0-2437-7861
Paid-up Capital	: Baht 230,000,000 (230,000,000 ordinary shares)
BoA's Holding	: 12.70% (from debt restructuring)

### 8. Advanced CCC Services Co., Ltd.

Business	: Provides debt collection services
Location	: 8 <sup>th</sup> Fl., Bank of Asia Head Office Building, 191 South Sathon Road, Yannawa, Sathon, Bangkok 10120
Telephone	: 0-2343-3400
Facsimile	: -
Paid-up Capital	: Baht 2,000,000 (200,000 ordinary shares)
BoA's Holding	: 10.00%
Remarks	: Advanced CCC Services Co., Ltd. was liquidated on January 25, 2005.

## Other Information

### 2. Directors and Senior Management

#### 2.1 Information on Directors

Name	Period	Experience
1. Mr. Wee Cho Yaw	Jul 04 - Present 1974 - Present	<ul style="list-style-type: none"> <li>Chairman of the Board of Directors (Authorized Signatory), Bank of Asia PCL</li> <li>Chairman and CEO, United Overseas Bank Ltd., Singapore</li> </ul>
2. Mr. Wee Ee Cheong	Jul 04 - Present 2000 - Present	<ul style="list-style-type: none"> <li>Deputy Chairman of the Board of Directors (Authorized Signatory), Bank of Asia PCL</li> <li>Deputy Chairman and President, United Overseas Bank Ltd., Singapore</li> </ul>
3. Dr. Ammar Siamwalla	Nov 03 - Present 2000 - Nov 03	<ul style="list-style-type: none"> <li>Independent Director and Chairman of the Audit Committee</li> <li>Independent Director and Member of the Audit Committee, Bank of Asia PCL</li> </ul>
4. Mr. Wong Kim Choong	Aug 04 - Present 2003 - 2004 1998 - 2003	<ul style="list-style-type: none"> <li>Director (Authorized Signatory) and President &amp; CEO, Bank of Asia PCL</li> <li>Deputy CEO, United Overseas Bank (Malaysia) Berhad</li> <li>Head of the Commercial Lending Division, United Overseas Bank (Malaysia) Berhad</li> </ul>
5. Mr. Chinnawat Bulsuk	Aug 04 - Present 2003 - Present 2000 - 2002	<ul style="list-style-type: none"> <li>Independent Director and Member of the Audit Committee, Bank of Asia PCL</li> <li>CEO, The Ocean General Insurance Co., Ltd.</li> <li>Managing Director, The Ocean General Insurance Co., Ltd.</li> </ul>
6. Mr. Chua Teng Hui	Jul 04 - Present 1999 - Jul 04	<ul style="list-style-type: none"> <li>Director (Authorized Signatory) and Deputy President &amp; Deputy CEO, Bank of Asia PCL</li> <li>CEO, United Overseas Bank Philippines</li> </ul>
7. Mr. Lee Chin Yong Francis	Aug 04 - Present 2003 - Present 1998 - 2003	<ul style="list-style-type: none"> <li>Director (Authorized Signatory), Bank of Asia PCL</li> <li>Senior Executive Vice President, United Overseas Bank Ltd., Singapore</li> <li>CEO, United Overseas Bank (Malaysia) Berhad</li> </ul>

## Other Information

Name	Period	Experience
8. Mr. Poon Hon Thang Samuel	Aug 04 - Present 2000 - Present  1992 - 2000	<ul style="list-style-type: none"> <li>• Director, Bank of Asia PCL</li> <li>• Senior Executive Vice President, United Overseas Bank Ltd., Singapore</li> <li>• Executive Vice President, United Overseas Bank Ltd., Singapore</li> </ul>
9. Mr. Suebtrakul Soonthornthum	Aug 04 - Present   1992 - Present	<ul style="list-style-type: none"> <li>• Independent Director and Member of the Audit Committee, and Chairman of Nomination and Compensation Committee, Bank of Asia PCL</li> <li>• Senior Executive Vice President, Loxley PCL</li> </ul>

### 2.2 Information on Senior Management

Name	Education	Period	Experience
1. Mr. Goh Choo Han Dennis	Bachelor Degree	Aug 04 - Present  2003 - 2004  2002 - 2003  2000 - 2002	<ul style="list-style-type: none"> <li>• Senior Executive Vice President–Institutional Banking, Bank of Asia PCL</li> <li>• Senior Vice President, United Overseas Bank Ltd., Singapore</li> <li>• Director, Standard Chartered Bank, Singapore Branch</li> <li>• CEO, Iteru Net Pte Ltd., Singapore</li> </ul>
2. Mr. Lee Tse Tiong	Master Degree	Oct 04 - Present  Jan - Oct 04  2000 - 2003	<ul style="list-style-type: none"> <li>• Senior Executive Vice President - Corporate Services, Bank of Asia PCL</li> <li>• Managing Director, Group Finance, DBS Thai Danu Bank PCL</li> <li>• Vice President, DBS Thai Danu Bank PCL</li> </ul>
3. Mr. Ngeo Swee Guan Steven	Bachelor Degree	Aug 04 - Present   1999 - 2004	<ul style="list-style-type: none"> <li>• Senior Executive Vice President - Risk Management and Compliance, Bank of Asia PCL</li> <li>• Senior Vice President, UOB Radanasin Bank PCL</li> </ul>

## Other Information

Name	Education	Period	Experience
4. Mr. Thanachai Thanachaiary	Bachelor Degree	Sep 04 - Present Jan 04 - Present Jan 04 - Aug 04  2003 2000 - 2002 1999	<ul style="list-style-type: none"> <li>• Senior Executive Vice President - Individual Banking, Bank of Asia PCL</li> <li>• Chairman of Audit Committee, Siam City Securities Co., Ltd.</li> <li>• Executive Director and Consultant, ITF (Thailand) Co., Ltd.</li> <li>• Consultant, Thai Kayha Credit Foncier Co., Ltd.</li> <li>• Consultant, Ayudhaya Investment and Trust PCL</li> <li>• President, Adkinson Securities PCL</li> <li>• Executive Vice President, UOB Radanasin PCL</li> <li>• President and CEO, AIG Finance (Thailand) PCL</li> </ul>
5. Mr. Jonathan Truslow	Master Degree	2001 - Present  2000 - 2001 1997 - 2000	<ul style="list-style-type: none"> <li>• Executive Vice President - Marketing &amp; Support, Bank of Asia PCL</li> <li>• Senior Manager, Deloitte Consulting, Bangkok</li> <li>• Senior Associate, Booz Allen &amp; Hamilton</li> </ul>
6. Miss Ngamjitt Sirijindalert	Master Degree	Apr 03 - Present 2000 - Apr 03 1999	<ul style="list-style-type: none"> <li>• Executive Vice President - Strategic Projects</li> <li>• Senior Vice President, Bank of Asia PCL</li> <li>• Director - Quality, GE (Thailand) Ltd.</li> </ul>
7. Mrs. Pimolrat Tangkosakul	Master Degree	2000 - Present  2000 1999 - 2000	<ul style="list-style-type: none"> <li>• Executive Vice President - Staff Development &amp; Corporate Affairs</li> <li>• Senior Vice President, Bank of Asia PCL</li> <li>• HR Operations Manager and Deputy Division HR Director, Coca Cola Service Asia Ltd.</li> </ul>
8. Mr. Somkid Jiranuntarat	Master Degree	Apr 03 - Present 2002 - Apr 03 2001 - 2002 1990 - 2000	<ul style="list-style-type: none"> <li>• Executive Vice President - Information Technology</li> <li>• Senior Vice President, Bank of Asia PCL</li> <li>• CEO, SETTRADE.COM Co., Ltd.</li> <li>• Vice President, The Stock Exchange of Thailand (SET)</li> </ul>
9. Mr. Thammasak Jittimaporn	Master Degree	2001 - Present  1995 - 2001	<ul style="list-style-type: none"> <li>• Executive Vice President - Sales Management, Bank of Asia PCL</li> <li>• General Manager, Green Spot (Thailand) Ltd.</li> </ul>

### 2.3 Shares in Bank of Asia and its subsidiaries and associated companies held by Directors and Senior Management

As at 31 December 2004, the Bank's directors and senior management did not have any share in the Bank and its subsidiaries and associated companies.

## Other Information

### 3. Director's and Senior Management's remuneration in 2004

#### 3.1 Directors' remuneration

Baht

	Board of Directors	Audit Committee
Mr. Wee Cho Yaw (appointed 27 Jul. 2004)	200,000	-
Mr. Wee Ee Cheong (appointed 27 Jul. 2004)	100,000	-
Dr. Ammar Siamwalla	580,000	200,000
Mr. Wong Kim Choong (appointed 27 Jul. 2004)	100,000	-
Mr. Chinnawat Bulsuk (appointed 2 Aug. 2004)	200,000	100,000
Mr. Chua Teng Hui (appointed 27 Jul. 2004)	100,000	-
Mr. Lee Chin Yong Francis (appointed 27 Jul. 2004)	100,000	-
Mr. Poon Hon Thang Samuel (appointed 2 Aug. 2004)	100,000	-
Mr. Suebtrakul Soonthornthum (appointed 2 Aug. 2004)	200,000	100,000
Mr. Lau Hwai Keong Michael (appointed 2 Aug. 2004 and resigned 4 Nov. 2004)	60,000	-
Mr. Chavalit Thanachanan (resigned 2 Aug. 2004)	2,310,000	-
Mr. Chulakorn Singhakowin (resigned 2 Aug. 2004)	-	-
Mr. Alexander M. Kloosterman (resigned 2 Aug. 2004)	-	-
Mr. Herman Mulder (resigned 27 Jul. 2004)	-	-
Mr. James Stent (resigned 27 Jul. 2004)	280,000	50,000
Mr. Jan Peter Schmittmann (resigned 27 Jul. 2004)	-	-
Mr. Jerry Letendre (resigned 27 Jul. 2004)	-	-
Mr. Paul C.A. Lembrechts (resigned 27 Jul. 2004)	-	-
Mr. Pichai Vasnasong (resigned 2 Aug. 2004)	280,000	50,000
<b>Total</b>	<b>4,610,000</b>	<b>500,000</b>

#### 3.2 Management's remuneration

Remuneration of the Bank's senior managements team (52 persons of Senior Vice President rank and above) totaled Baht 307,154,000 for 2004.

#### 3.3 Other remuneration

- No -

#### 4. Auditor's remuneration

In 2004, Bank of Asia and its subsidiaries, paid a total of Baht 7.68 million to KPMG Phoomchai Audit Limited, for external audit related work. The Bank and its subsidiaries paid a further Baht 10.56 million to KPMG Group for non-external audit related work.



## Other Information

### 5. Structure of Group's Revenue

Type of service / Type of revenue	Earned by	% Holding by Bank of Asia	2004		2003		2002	
			Amounts in Baht	% of total revenue	Amounts in Baht	% of total revenue	Amounts in Baht	% of total revenue
Interest and dividend income	Bank of Asia		5,656,353,642	82.28	6,067,470,460	94.08	6,576,822,750	107.64
	BoA Asset Management	99.99	1,413,482	0.02	819,521	0.01	499,848	0.01
	B.O.A. Leasing	99.99	235,222,188	3.42	160,538,079	2.49	90,211,767	1.48
Total interest and dividend income			5,892,989,313	85.72	6,228,828,060	96.58	6,667,534,365	109.13
Interest expenses			1,768,041,693	25.72	2,383,071,569	36.95	3,026,007,575	49.53
Net interest and dividend income			4,124,947,620	60.00	3,845,756,491	59.63	3,641,526,789	59.60
Bad debt and doubtful accounts and loss on debt restructuring			(1,198,091,548)	(17.43)	57,864,228	0.90	(4,456,047,670)	(72.93)
Fees and service income	Bank of Asia		1,375,333,496	20.01	1,266,534,636	19.64	1,238,321,379	20.27
	BoA Asset Management	99.99	211,619,346	3.08	161,076,784	2.50	90,488,593	1.48
			1,586,952,842	23.09	1,427,611,419	22.14	1,328,809,971	21.75
Gain on exchange	Bank of Asia		339,739,973	4.94	349,634,148	5.42	256,668,704	4.20
			339,739,973	4.94	349,634,148	5.42	256,668,704	4.20
Investment in Securities	Bank of Asia		252,392,576	3.67	312,327,185	4.84	461,946,414	7.56
	B.O.A. Leasing	99.99	(15,000,000)	(0.22)	-	0.00	-	0.00
			237,392,576	3.45	312,327,185	4.84	461,946,414	7.56
Other income	Bank of Asia		354,131,448	5.15	286,517,459	4.44	220,323,007	3.61
	BoA Asset Management	99.99	1,648,346	0.02	1,771,818	0.03	505,100	0.01
	B.O.A. Leasing	99.99	229,571,038	3.34	225,562,387	3.50	199,708,351	3.27
	Asia Property	99.99	-	0.00	-	0.00	484,454	0.01
			585,350,832	8.51	513,851,664	7.97	421,020,911	6.89
			6,874,383,843	100.00	6,449,180,906	100.00	6,109,972,790	100.00

### 6. Related Party Transactions

Details of all related-party transactions are disclosed in Note 25 in the Financial Statements.

## Risk Factors and Risk Management

In 2004, the practice of our risk management continued to be maintained at the international standard level, meanwhile complied with the standard measurement of the Bank of Thailand. At the same time, the information management technology, including processing and storage of data has been progressively developed in an attempt to assist the analysis activity by broadening views and coverage to achieve a rational risk management.

In addition, the Corporate Risk Management Committee and Basel II Steering Committee, which were set up in 2003, remained their full force and activities, with the objectives to ensure and improve the Bank's risk management capabilities, while implementing a comprehensive risk management system across the Bank.

During 2004, the Corporate Risk Management Committee still maintained the advisory role to the Board of directors in all aspects of risk policy, and also coordinated with the various related units to review the adequacy and enforcement of the risk management policy. It also set up the limits on the overall bank risk exposure.

With respect to the Basel II Steering Committee, it was established to prepare the Bank for the implementation of the New Capital Accord that was scheduled for implementation in 2007. Following the policy of United Overseas Bank ("UOB") – the new major shareholder, we shall firstly adopt the Standardized Approach the requirements of which have already been identified, with the schedule to commence the system enhancement in 2005. We, however, ultimately aim to implement the Advanced Internal Ratings-Based Approach in order to have the best risk-management practices.

### **Change of shareholders and business merger**

Despite the recent change of the Bank's major shareholder to UOB in the mid of 2004, the Bank has been constantly following the existing standard of practices in managing the risks of all aspects. Furthermore, for the subsequent business merger with UOB Radanasin Bank, we are adopting some policies and practices of UOB Group to

effectively integrate into our existing systems, as such to develop a new bank, whose risk management fundamental shall hold its solid ground of international standard.

### **Credit Risks**

Credit Risks refer to the risks when the borrower fails to fulfill his / her obligations under the agreement with the Bank, which includes the payment obligations as well as his / her other obligations to the third party against the acceptance or guarantee by the Bank. For the latter, such failure would require the Bank to bear the damages through the compensation or reimbursement.

The operating units under the Credit Risk Management include the followings.

#### **(1) Corporate Risk Analysis Division**

Corporate Risk Analysis Division is an independent unit from the marketing unit. It is responsible to the analysis of the credit proposals submitted from the marketing unit. By issuing the credit comments, the analyst shall address the degree of risks and concerns in each risk aspect of the borrower in order to evaluate whether the assessed risks lie in the acceptable range of the Bank. The comment can also cover suggestion for the restructuring or adjusting of the credit facility structures, collateral and other credit conditions to best represent the risk profiles of each borrower.

In addition, Corporate Risk Analysis Division also prepares and proposes the policy and guidelines relating to the risk management to the Risk Management Committee for consideration.

#### **(2) AB Line Department**

This unit involves the consideration for credit approvals to the retail business segment of the Bank in accordance with the Bank guidelines of the credit program namely "AB Line".

#### **(3) Risk Inspection & Risk Management Information Department**

The department's role is to monitor the risk processes post

## Risk Factors and Risk Management

approval to ensure proper procedures have been taken by responsible departments in compliance with Bank of Thailand rules and regulations and the Bank's internal risk control. The other role is to manage risk information and prepare reports for risk management.

### **(4) Consumer Risk/Retail Risk Management Department**

This unit collects all relevant figures and statistics for the quality monitoring and controls of the lending portfolio to consumer clients of the Bank. In addition, it also issues the risk comments on the consumer credit program to be proposed for approval to the Consumer Risk Management Committee and/or Risk Management Committee, whichever the cases.

### **(5) Financial Restructuring and Recovery Department**

This department is responsible for the restructuring of the problem accounts of commercial lending, such as the client's failure to fulfill his/her obligations to the Bank including the payment obligations, in order to minimize the damages that may cause to the Bank. Its scope of responsibility covers the problem accounts of the corporate segment.

### **(6) Collection Division**

This division is in charge of the settlement of the payment defaults and other breach of lending conditions by the consumer, retail and SME clients.

### **(7) Litigation Department**

Litigation Department oversees the process of all related legal actions against the clients whose problem accounts cannot be settled by means of credit restructuring and negotiations.

In connection to the foregoing, all of the policies, guidelines and approvals will be initiated and directed for implementation by the following committees.

### **1. Risk Management Committee**

This committee generally considers the credit policy including measures and guidelines that are relevant to

the credit granting process. Also, this Risk Management Committee acts as the approving unit for the credit proposal, and assigns its authority to the sub-committee of the risk management to enhance the efficiency of the Bank's business work flow.

### **2. Financial Restructuring and Recovery Committee**

This committee focuses its activity on considering the credit proposals for the problem accounts, and advising some alternatives and directions for the credit restructuring. In addition, the Committee stipulates policy and strategic measures to manage the default accounts of the Bank. Again, to enhance the work flow efficiency of the Bank, the Committee delegates its authority to the sub-committee for necessary actions.

### **Market Risks**

Market Risks refer to the risks caused by the changes and fluctuation of the interest rate, foreign exchange rate, and the price of security, following the general business practice, investment and trades of financial instrument by the Bank.

The Bank manages the market risks by three independent units under the overall responsibility of the Assets and Liabilities Committee (ALCO). The ALCO has responsibility to set policies and approve limits for market risk products, i.e. interest rate risk, foreign exchange risk and security price risk, the three independent units that have different functions in managing the market risk are :

#### **(1) Treasury Management Division**

This is the front office or business unit that undertakes the business activities and the day-to-day management, as well as executes the transactions, according to the ALCO policies, within the strategic direction and approved limits.

#### **(2) Treasury Services Department**

This department as the back office unit will take the operation functions from the front office dealer's instructions to ensure that there is proper validation/confirmation of contracts with counterparties and settlements have been effected.

## Risk Factors and Risk Management

### (3) Market Risk and Asset Liability Department

This unit is responsible for monitoring transactions undertaken by Treasury Management Division to ensure compliance with policies and regulatory requirements. To monitor overall risk exposures and ensure that risk exposures are reported appropriately i.e. properly marked to market, market risk assessment tools namely VaR, Stress test are implemented and generated reports to the Management. The unit is also responsible for preparing ALM report to ALCO for monitoring Asset and Liability yield and performance.

### Liquidity Risks

Liquidity risks refer to the risk when the Bank cannot manage its liquidity position at each point in time for the best benefits of the Bank.

Liquidity Risk Management is under the responsibility of ALCO and Treasury Management Division where ALCO will review and consider the liquidity position of the Bank while Treasury Management Division will undertake the day-to-day operation of liquidity management i.e. funding, investing in the market.

### Operational Risks

Operational Risks refer to the damages that may be caused by the organization structure, human error of the operating staffs, operating procedures and guidelines, and etc. The Operational Risk Management Division as well as the Operational Risk Management Committee are in charge of the consideration of risk identification, stipulation of risk control measurement, as well as the monitoring and reporting.

The Bank manages the operational risk covering all units of the Bank using the international standard approaches as follows :

- **Operational Risk Self Assessment (ORSA)**

The risk assessment with the concept that each business/ processing unit assess its own operational risk and initiates own measure to enhance risk control.

- **Incident Loss Reporting**

A database storing the Bank's operational loss information.

- **Product Program Policy**

A program control for signing off any new product, process, system including major change.

- **Key Operational Risk Indicator**

A program that provides information of specific risks in order to avoid or minimize potential losses from operational risk.

As a whole, all of the aforesaid risk management forces (Credit Risk Management, Market Risk Management, Liquidity Risk Management, and Operational Risk Management) are supervised by the Corporate Risk Management Committee, which shall also present the risk management policy in all respects to the Bank's Board of directors. In addition, it shall act as a liaison between Board of directors and other relevant units to the overall risk management.

## Report of the Audit Committee

The Audit Committee of Bank of Asia comprises three independent directors: Mr. Ammar Siamwalla, the Chairman, Mr. Suebtrakul Soonthornthum and Mr. Chinnawat Bulsuk as Committee members. All Committee members are non-executive directors and non-employees of the Bank.

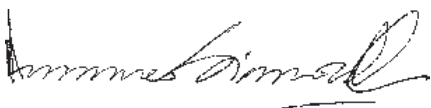
In the year 2004, the Committee held four meetings to review the banks' internal controls and discussed financial and operational audit issues with the internal auditors and the Bank's external auditors. Relevant management members were invited to attend the meetings to provide additional information and clarification of the internal control systems.

Major matters discussed at the meetings were as follows:

- Review the major items of the financial reports and review the reliability of those reports
- Approve and monitor the Internal Audit Year Plan
- Acknowledge major audit findings regarding the compliance with internal and external regulations
- Acknowledge the quarterly audit reports and major findings reported by the Bank's Audit Division
- Review the adequacy and effectiveness of the Bank's internal control systems by discussion with the senior management regarding the Assessment on the Adequacy of the Internal Control System
- Review the reasonableness of the connected transactions
- Propose the Bank's external auditor and audit fees to the Board of Directors.

The Committee has continually reviewed and assessed the Bank's key risks, controls and monitoring system through the Bank's Audit Division and by discussion with external auditor and senior management. From the evaluation of the Bank's internal control system (including the merger integration approach and framework), it concluded that the Bank's internal controls in the area of financial reporting and risk management are adequate and reliable and that the Bank continues to improve the overall control framework within the Bank.

The Committee has considered and proposed to the Board of Directors that Ernst & Young Office Limited to be nominated as the Bank's auditor for the year 2005 with a Baht 6.7 million fee for the Bank. The matter will be put forward to the shareholders' meeting for approval.



Ammar Siamwalla  
Chairman of the Audit Committee  
February 15, 2005

## Opinion of the Audit Committee on the Bank's Internal Control System

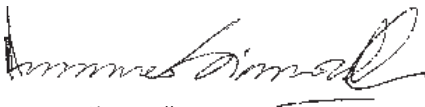
The Board of Directors has reviewed the opinion and the Assessment Form on the Adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting no. 549 held on February 15, 2005. Participants in the meeting included the Audit Committee members comprising the three independent directors and non-employees of the Bank.

The Audit Committee's opinion on the internal control system of the Bank and its subsidiaries was summarized from the evaluation of the Bank's internal control system in five sections as follows:

- Organization Control and Environment Measure
- Risk Management Measure
- Management Control Activities
- Information and Communication Measure
- Monitoring

The Audit Committee is of the opinion that the Bank has in place an adequate internal control system. The Audit Committee has been regularly notified of ongoing issues as they arise.

The external auditor of the Bank is Mr. Thirdthong Thepmongkorn, certified public accountant of KPMG Phoomchai Audit Limited which examined the Financial Statements as at December 31, 2004. KPMG has given the opinion in the Audit Report that the financial statements as at December 31, 2004 present fairly, in all material respects, the financial position of the Bank, the results of operations and cash flows for the years then ended in conformity with generally accepted accounting principles.



Ammar Siamwalla  
Chairman of the Audit Committee  
February 15, 2005

## Corporate Governance

Bank of Asia, a subsidiary of the UOB Group is committed to maintaining the highest standards of corporate governance. The Board believes that good corporate governance is essential to sustaining its business performance and safeguarding the interests of its stakeholders. The Board's commitment to good corporate governance is reflected in the adoption of all of the Stock Exchange of Thailand's (SET) principles of Good Corporate Governance as detailed below.

### 1. Policy on Corporate Governance

We believe that best practice in corporate governance promotes the interests of the Bank as a whole, as well as supporting a sustainable business culture and working environment.

The Board, the management and the employees base their operational functions on integrity, respect, teamwork and professionalism in the best interests of both the Bank and in terms of accountability to our shareholders.

### 2. Shareholders: Rights and Equitable Treatment

The Board organizes an Annual Shareholders' Meeting every April to inform and to ensure equal treatment for all shareholders. The shareholders' meeting is held at an easily accessible location and all shareholders receive reasonable notice of any impending shareholders' meetings and have adequate time to study the meeting agenda and accompanying documents.

### 3. Various Groups of Stakeholders

Bank of Asia has played a significant role in the Thai business and social environment for numerous years, with a wide range of stakeholders that include not only its Board of Directors, management, employees, business partners, shareholders, external auditors and government agencies but also more than one million customers. Internally, the Board recognizes that it is vital to strike the right balance between the rights and claims of shareholders, the Board, the management, employees as well as customers.

### 4. Shareholders' Meetings

The Chairman of the Board of Directors and an Audit Committee member attended the Bank's 2004 Shareholder's Meeting. Shareholders' meetings are conducted in a free and open fashion. The agenda for shareholders' meeting is circulated to all shareholders in advance in compliance with all regulations, questions and comments are encouraged at the meeting.

### 5. Leadership and Vision

The Board of Directors' duties are to set out the Bank's policies and operational objectives. These include overseeing management to ensure they operate in accordance with the Bank's policies, relevant laws, articles of association and any policies passed at shareholders' meetings. The Board itself manages the Bank through the Executive Committee whose main responsibility involves monitoring the Bank's progress in carrying out the business plan.

The Management Committee is responsible for establishing the master plan and policies for conducting business and managing the Bank's operations. The committee also sets up the financial plan and annual budget, and follows up monitoring the performance against strategy and budget and recommends remedial actions as necessary. Setting up HR policies and plans, and business strategies including targeted of markets, growth, market share and channels required are also among the committee's responsibilities.

### 6. Conflicts of Interests

The Bank regards conflicts of interests as a factor that can have a profoundly negative impact on the Bank's good reputation as well as being contrary to the Bank's policy of operating its operations with integrity, transparency, morality and good business ethics.

### 7. Business Ethics and Supervision of the Use of Inside Information

The Bank established a Code of Conduct in 2002 as a set of principles that apply to employees at all levels. This code is not only for investment in securities, but also

## Corporate Governance

in relation to gifts and entertainment, the prevention of money-laundering, and external functions and employment. To avoid any conflicts of interest, all employees are required to follow this code of conduct.

Both the Board of Directors and management fully understand and appreciate the vital role of confidentiality in regard to the Bank's information. The Bank places comprehensive restrictions on the disclosure and use of inside information to ensure confidentiality for the Bank, its clients and business partners. Using such information for individual benefit is strictly prohibited.

In fact, the restriction on disclosure and use of inside information for individual benefit is integral to the Bank's Code of Conduct, and included in the Rules and Regulations for Securities Investment used by the Bank's staff. In accordance to Securities and Exchange Commission's regulation, the Bank prohibits all directors and the management team from using inside information for personal benefit. In addition, all directors and the management team are also obliged to declare all transactions pertaining to Bank's shares by reporting any securities investments in the Bank to the Office of the Securities and Exchange Commission within 3 days from the execution date.

### 8. Balance of Power for Non-executive Directors

The Board of Directors' meetings take place at the very minimum once every three months in line with the Public Limited Companies Act B.E. 2535. As at 31 December 2004 the Board members comprised of nine directors, i.e. the Chairman, three independent directors, two executive directors who are also the President and CEO, and Deputy President and Deputy CEO, and three non-executive directors. No fewer than half of the total member of directors constitute a quorum for the Board of Directors' meeting.

All independent directors of the Bank already attended the Director Certification Program (DCP) organized by the Thai Institute of Directors.

### 9. Aggregation or Segregation of Positions

Different persons occupy the positions of Chairman, and President/CEO. The Chairman of the Bank is a non-executive director. The President/CEO will serve as the head of the Management Committee and be responsible for implementing and fulfilling the business plan.

### 10. Remuneration for Directors and the Management

Remuneration for the directors is reviewed by the Nomination and Compensation Committee and recommended to the Board for approval. It is the policy of the Nomination and Compensation Committee to set remuneration in line with market practice. Directors fees are proposed to the shareholders for approval.

### 11. Board of Directors Meetings

The Secretary of the Board is obliged to send invitations to Board members at least seven days prior to the date of any Board meetings. However, in urgent cases, meetings can take place at an earlier time using direct methods for sending the invitation. The minutes of the meeting shall be kept at the Bank's Head Office.

Following the change of the Bank's major shareholders to the United Overseas Bank in July 2004, the Bank's Board of Directors held three meetings, and the Audit Committee held two meetings during 2004. The attendance of each director is as follows :

<u>Board of Directors' meeting</u>	<u>Meetings attended</u>
1. Mr. Wee Cho Yaw	3/3
2. Mr. Wee Ee Cheong	2/3
3. Dr. Ammar Siamwalla	3/3
4. Mr. Wong Kim Choong	3/3
5. Mr. Chinnawat Bulsuk	2/2
6. Mr. Chua Teng Hui	3/3
7. Mr. Lee Chin Yong Francis	3/3
8. Mr. Poon Hon Thang Samuel	2/2
9. Mr. Suebtrakul Soonthornthum	2/2
10. Mr. Lau Hwai Keong Michael*	1/1

\* resigned from the directorship effective on 4 November, 2004



## Corporate Governance

<u>Audit Committee's meeting</u>	<u>Meetings attended</u>
1. Dr. Ammar Siamwalla	2/2
2. Mr. Chinnawat Bulsuk	2/2
3. Mr. Suebtrakul Soonthornthum	2/2

In period of January to July 2004, prior to the United Overseas Bank becoming major shareholders, the Bank's Board of directors held three meetings, and the Audit Committee held two meetings. The attendance of each director is as follows :

<u>Board of Directors' meeting</u>	<u>Meeting attended</u>
1. Mr. Chavalit Thanachanan	3/3
2. Dr. Ammar Siamwalla	3/3
3. Mr. Chulakorn Singhakowin	3/3
4. Mr. Alexander M. Kloosterman	2/2
5. Mr. Herman Mulder	2/3
6. Mr. James Stent	2/3
7. Mr. Jan Peter Schmittmann	0/3
8. Mr. Jerry Letendre	0/3
9. Mr. Paul C.A. Lembrechts	0/3
10. Mr. Pichai Vasnasong	2/3

<u>Audit Committee's meeting</u>	<u>Meetings attended</u>
1. Dr. Ammar Siamwalla	2/2
2. Mr. James Stent	1/2
3. Mr. Pichai Vasnasong	2/2

### 12. Committees

The Board has established audit and nomination and compensation committees, both of which are chaired by independent directors. In addition, the Bank has complied with the Bank of Thailand directive to establish a high level risk committee (Corporate Risk Management Committee) to make recommendations to the Board of Directors on all types of risks in the Bank's operations. Membership details of all three committees are highlighted in the Management Structure section in this annual report.

### 13. Control Systems and Internal Audit

The Board of Directors has recognized the critical importance of having good internal control systems, risk management, compliance and internal audit. The Bank also set up Crisis Management Committee, Computer Committee, and BASEL II Steering Committee in addition to the Management Committee, Assets and Liabilities Management Committee, Credit Committee, Asset Valuation and Provisioning Committee, and Collateral Appraisal Committee, in order to ensure the Bank's objectives are accomplished. The BASEL II Steering Committee has been instructed to prepare for the new Bank of International Settlement's (BIS) regulations that will come into force in the near future.

The Audit Division is an independent unit that reports directly to the Board of Directors. The Audit Committee is responsible for reviewing and assessing the Bank's key risk control mechanisms, as well as monitoring the internal audit system through the Audit Division. The current audit methodologies are in line with the United Overseas Bank Groups audit standards.

### 14. Directors Reporting

The Board of Directors is responsible for the consolidated financial statements of Bank of Asia Public Company Limited and its subsidiaries and for the financial information presented in this annual report. The aforementioned financial statements were prepared in accordance with accepted accounting standards defined by the Institute of Certified Accountants and Auditors of Thailand, applying appropriate and consistent accounting policies and with careful judgement and best estimates. Important information is adequately disclosed in the notes to financial statement.

## Corporate Governance

The Board of Directors has appointed an Audit Committee comprising independent directors responsible for the quality of financial statements and internal control system, whose comments on these issues are adequately included in the Audit Committee Report in this annual report.

The Board of Directors has provided for and maintained an efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect the Bank's assets and uncover weaknesses in order to prevent operational risk or materially irregular operations.

### **15. Relations with Investors**

The Bank established an investor relations unit in 1999, which represents the Bank in communications and maintaining good relationships with shareholders, investors, rating agencies, analysts and other interested parties. Investor Relations handles all queries from these parties, and also meets all investors and interest parties upon requests. The Bank also provides its comprehensive details of performance and policy to public via its Investor Relations section in the Bank's website ([www.BankAsia4U.com](http://www.BankAsia4U.com)).

## Management Structure

The Bank's management structure consists of the Board of Directors, Audit Committee, Nomination & Compensation Committee and Executive Committee. In addition, the Bank has installed other major committees to manage various businesses of the Bank. These are the Corporate Risk Management Committee, Management Committee, Assets and Liabilities Committee (ALCO), Credit Committee, Computer Committee, Asset Valuation and Provisioning Committee, Collateral Appraisal Committee, BASEL II Steering Committee, and Crisis Management Team.

### Board of Directors

The Board of Directors comprises at least nine directors, three of whom are independent directors. The Board meets at least once every three months and no fewer than half of the total number constitute a quorum for meetings.

The Board of Directors' duties are to set the Bank's policies and operational objectives, and to oversee management to ensure it operates in accordance with the Bank's policies, relevant laws, articles of association, and the shareholders' resolutions.

The Board of Directors consists of :

1. Mr. Wee Cho Yaw	Chairman
2. Mr. Wee Ee Cheong	Deputy Chairman
3. Dr. Ammar Siamwalla	Independent Director
4. Mr. Wong Kim Choong	Director
5. Mr. Chinnawat Bulsuk	Independent Director
6. Mr. Chua Teng Hui	Director
7. Mr. Lee Chin Yong Francis	Director
8. Mr. Poon Hon Thang Samuel	Director
9. Mr. Suebtrakul Soonthornthum	Independent Director
M.R. Rajanikorn Rajani	Secretary

### An Independent Director is defined as follows:

- A director (with related persons) who holds not more than 0.5% of issued shares with voting right of Bank, its subsidiaries and associated companies.
- Free of any interest in management or a person having the power to control the Bank, its subsidiaries or associated companies; not an employee, auditor, consultant or legal

advisor to the Bank in the past 1 year.

- Free of any present, direct or indirect, financial or any other interest in the management of the Bank, its subsidiaries or associated companies that may affect the director's independent judgement.
- Not a relative of senior executives or major shareholders of the Bank, its subsidiary and associated companies and should not be appointed as a representative of the directors nominated by major shareholders to oversee the benefits of the major shareholders.

### Audit Committee

The Audit Committee is nominated by the Board of Directors. Its main responsibilities are to ensure that the Bank has an adequate internal audit system and operates in accordance with the regulations imposed by the Securities and Exchange Commission and other governing laws. The committee is also responsible for the nomination of the Bank's auditors, determining the auditors' remuneration and for the accuracy of the disclosure of information on related-party transactions or transactions where conflict of interest may occur.

The committee consists of :

1. Dr. Ammar Siamwalla	Chairman
2. Mr. Chinnawat Bulsuk	Member
3. Mr. Suebtrakul Soonthornthum	Member

### Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Boards of Directors. The committee is responsible for setting up the policies, criteria and selection procedure for the nomination of the Bank's directors and management. The committee also considers and makes recommendation on appropriate persons for those designated positions, and reviews their appropriate remuneration including other benefits.

## Management Structure

The committee consists of :

- |                                 |          |
|---------------------------------|----------|
| 1. Mr. Suebtrakul Soonthornthum | Chairman |
| 2. Mr. Wee Ee Cheong            | Member   |
| 3. Mr. Lee Chin Yong Francis    | Member   |

### Executive Committee

The Executive Committee is empowered by the Board of Directors to have the authority to a) set credit discretionary limits, b) approve or ratify approvals for credit applications and debt restructuring cases, and c) delegate to the Assets and Liabilities Committee (ALCO) the responsibility to review the Bank's ALCO Work, and bring any significance matter to the Board of Director's attention. The Executive Committee also empowers the Bank's President and Chief Executive Officer to set up any necessary committee(s), appoints or makes changes to members of the committee(s) and determines the scope of responsibilities of the committee(s), other than the committee(s) which are required by the regulatory authorities and sets up by the Board of Directors. In addition, the committee is also responsible for monitoring the progress of the Bank's business plan.

The committee consists of :

- |                              |                 |
|------------------------------|-----------------|
| 1. Mr. Wee Cho Yaw           | Chairman        |
| 2. Mr. Wee Ee Cheong         | Deputy Chairman |
| 3. Mr. Lee Chin Yong Francis | Member          |
| 4. Mr. Poon Hon Thang Samuel | Member          |
| 5. Mr. Wong Kim Choong       | Member          |

### Corporate Risk Management Committee

The committee is responsible for establishing policies and strategies covering all aspects of corporate risk management that may affect the reputation of the Bank. The committee proposes to the Board of Directors to consider matters regarding risk management as a whole, and ensures that these strategies can be measured, followed up, and monitored to stand at an appropriate level. The committee also reviews the adequacy of risk policies, risk management procedures, including the efficiency of these procedures, and regularly reports to the Audit Committee in addressing areas for improvement.

The committee consists of :

- |                                 |  |
|---------------------------------|--|
| 1. Mr. Wong Kim Choong          | President & CEO<br>as Chairman                       |
| 2. Mr. Chua Teng Hui            | Deputy President &<br>Deputy CEO<br>as Vice Chairman |
| 3. Mr. Goh Choo Han Dennis      | Senior Executive<br>Vice President                   |
| 4. Mr. Lee Tse Tiong            | Senior Executive<br>Vice President                   |
| 5. Mr. Ngeo Swee Guan Steven    | Senior Executive<br>Vice President                   |
| 6. Mr. Thanachai Thanachaiary   | Senior Executive<br>Vice President                   |
| 7. Mr. Chen Yun Ming            | Senior Vice President                                |
| Mrs. Thientong Saenghiranwatana | Secretary  |

### Management Committee

The Management Committee is responsible for establishing the Bank's operating master plan and policies for conducting business. The committee also sets up the financial plan and budget, and follows up performance against strategy and budget and recommends remedial actions as necessary. Setting up HR policies and plan, and business strategies including targets of market, growth and market share and channels required are also part of the committee's responsibilities.

The committee consists of :

- |                               |  |
|-------------------------------|--|
| 1. Mr. Wong Kim Choong        | President & CEO<br>as Chairman                       |
| 2. Mr. Chua Teng Hui          | Deputy President &<br>Deputy CEO<br>as Vice Chairman |
| 3. Mr. Goh Choo Han Dennis    | Senior Executive<br>Vice President                   |
| 4. Mr. Lee Tse Tiong          | Senior Executive<br>Vice President                   |
| 5. Mr. Ngeo Swee Guan Steven  | Senior Executive<br>Vice President                   |
| 6. Mr. Thanachai Thanachaiary | Senior Executive<br>Vice President                   |

## Management Structure

7. Mr. Jonathan Truslow	Executive Vice President	5. Mr. Ngeo Swee Guan Steven	Senior Executive Vice President
8. Miss Ngamjitt Sirijindalert	Executive Vice President	6. Mr. Thanachai Thanachaiary	Senior Executive Vice President
9. Mrs. Pimolrat Tangkosakul	Executive Vice President	7. Miss Montira Utarapichat	Senior Vice President
10. Mr. Somkid Jiranuntarat	Executive Vice President	8. Mr. Dhirajai Yongkittikul	Senior Vice President
11. Mr. Thammasak Jittimaporn	Executive Vice President		as Secretary
12. Mr. Chen Yun Ming	Senior Vice President		
M.R. Rajanikorn Rajani	Secretary		

### Assets and Liabilities Committee (ALCO)

The Assets and Liabilities Committee is responsible for managing the Bank's interest rate risk exposure within the authorized limits delegated from the Bank's Executive Committee and to ensure that the Interest Rate Risk Management Policy and Liquidity Management Policy have been complied with. The committee is also responsible for managing risk exposure arising from trading activities and ensure that Market Risk Trading Limit Policy has been complied with. This committee's duties also includes defining, monitoring and controlling the Bank's risk management of the aforementioned exposures, manage and review the Investment Portfolio of the banking book, and define overall interest rate structure of both deposits and loans including other interest rates for the Bank's products.

The committee consists of :

1. Mr. Wong Kim Choong	President & CEO as Chairman
2. Mr. Chua Teng Hui	Deputy President & Deputy CEO as Vice Chairman
3. Mr. Goh Choo Han Dennis	Senior Executive Vice President
4. Mr. Lee Tse Tiong	Senior Executive Vice President

### Credit Committee

The committee is responsible for defining the risk management structure and policies for the Bank commercial and consumer lending and related activities, as well as ensuring the risk management activities are performed in accordance with the Bank's policies and directives. The committee is also responsible for reviewing and approving the Bank's credit under its own authority, or recommend for approval to higher approving authorities. Credit Committee has authority to establish one or more Credit Sub-Committees, appoint members, and delegate authority and responsibilities to such Credit Sub-Committee. Part of its responsibilities includes reviews and where appropriate approves or recommends for approval to higher authority the Credit Delegation Limit, product programs, and enhancement of product programs of commercial and consumer loans, as well as non-standard consumer loans. Monthly review on the Bank's commercial loan portfolio, consumer loan portfolios, and Collection Division monthly report was also the responsibilities of the committee.

The committee consists of :

1. Mr. Wong Kim Choong	President & CEO as Chairman
2. Mr. Ngeo Swee Guan Steven	Senior Executive Vice President as Vice Chairman
3. Mr. Goh Choo Han Dennis	Senior Executive Vice President
4. Mr. Pansalit Trakarnkijvichit	Senior Vice President
5. Miss Pojanee Rungsang	Vice President

## Management Structure

### Computer Committee

The committee is responsible for approving the Bank's IT budget and directions, ensuring proper IT infrastructure, prioritizing IT budget and resources for business expansion, operation efficiency, customer service, and management information. The committee also follows up the progress of major IT projects, and allocates appropriate resources needed for ensuring project success.

The committee consists of :

- |                              |  |
|------------------------------|--|
| 1. Mr. Wong Kim Choong       | President & CEO<br>as Chairman                       |
| 2. Mr. Chua Teng Hui         | Deputy President &<br>Deputy CEO<br>as Vice Chairman |
| 3. Mr. Goh Choo Han Dennis   | Senior Executive<br>Vice President                   |
| 4. Mr. Lee Tse Tiong         | Senior Executive<br>Vice President                   |
| 5. Mr. Ngeo Swee Guan Steven | Senior Executive<br>Vice President                   |
| 6. Mr. Thanachai Thanachaiy  | Senior Executive<br>Vice President                   |
| 7. Mr. Somkid Jiranuntarat   | Executive<br>Vice President                          |
| Mr. Pichet Chintrakulchai    | Secretary  |

### Asset Valuation and Provisioning Committee

The committee is responsible for considering and reviewing the valuation of assets and provisions proposed by relevant business units on a monthly basis. The committee also reviews the latest projections of NPLs and/or deteriorating loans for possible loan provisioning requirements, and considers the write-offs proposed by other relevant business units on a monthly basis or such other intervals which the committee deems appropriate, as well as to control asset valuation and provisions to be in line with Bank of Thailand and other rules of good governance.

The committee consists of :

- |                              |  |
|------------------------------|--|
| 1. Mr. Wong Kim Choong       | President & CEO<br>as Chairman                       |
| 2. Mr. Chua Teng Hui         | Deputy President &<br>Deputy CEO<br>as Vice Chairman |
| 3. Mr. Goh Choo Han Dennis   | Senior Executive<br>Vice President                   |
| 4. Mr. Lee Tse Tiong         | Senior Executive<br>Vice President                   |
| 5. Mr. Ngeo Swee Guan Steven | Senior Executive<br>Vice President                   |
| 6. Mrs. Kulvadee Kulanet     | Senior<br>Vice President                             |
| 7. Miss Onanong Udomkarthong | Senior<br>Vice President                             |
| 8. Miss Somsri Likitpreeda   | Vice President                                       |
| 9. Miss Vajee Pramualrat     | Senior<br>Vice President<br>as Secretary             |

### Collateral Appraisal Committee

The Collateral Appraisal Committee is responsible for establishing the Bank's appraisal policy to be approved by Credit Committee, monitoring the appraisal procedure in accordance with the approved policy, and approving the appraisal value of property foreclosed and bank assets. The committee is also empowered to authorize the sale, or recommend the sale of the Bank's foreclosed properties and other assets. Part of the responsibilities of this committee includes provide consultancy and information regarding leasehold and freehold estate in the Bank's possession, and delegate approval authority for collateral with value of less than Bt 20 million.

## Management Structure

The committee consists of :

1. Mr. Prasert Larppipitmongkol	Senior Vice President as Chairman
2. Mr. Ponglert Roeksasut	Senior Vice President as Vice Chairman
3. Mrs. Kulvadee Kulanet	Senior Vice President
4. Miss Saviga Chittabuddhi	Vice President
5. Mrs. Walaiporn Panyadhanya	Vice President
6. Mr. Sangkom Siripun	Vice President
Mr. Pote Ratanaprug	Secretary

### BASEL II Steering Committee

The committee is responsible for overseeing that the New Capital Accord is properly implemented by December 2006 under the Standardized Approach and subsequently under the Foundation and Advanced Internal Ratings-Based Approach. The committee has authority to appoint working groups to carry out the preparation for and the implementation of the New Accord, to review the work done, and to decide on the recommendations by the working groups. The committee is also in charge of reporting the work progress and obstacles to the Management Committee, and the Board of Directors.

The committee consists of :

1. Mr. Wong Kim Choong	President & CEO as Chairman
2. Mr. Ngeo Swee Guan Steven	Senior Executive Vice President as Vice Chairman
3. Mr. Chua Teng Hui	Deputy President & Deputy CEO
4. Mr. Goh Choo Han Dennis	Senior Executive Vice President
5. Mr. Lee Tse Tiong	Senior Executive Vice President
6. Mr. Thanachai Thanachaiary	Senior Executive Vice President

7. Mr. Somkid Jiranuntarat	Executive Vice President
Miss Siwalee Udol	Secretary

### Crisis Management Team

The Crisis Management Team's primary responsibility is to establish a Crisis Management plan and coordinate the overall requirements in the event of a crisis. The plan will include the necessary business resumption and disaster recovery measures and event information flows. The team is tasked to ensure that these plans are disseminated throughout the Bank and are adequate to minimize losses and disruption to business in the event of a crisis.

The team consists of :

1. Mr. Chua Teng Hui	Deputy President & Deputy CEO as Chairman
2. Mr. Ngeo Swee Guan Steven	Senior Executive Vice President as Vice Chairman
3. Mrs. Pimolrat Tangkosakul	Executive Vice President
4. Mr. Somkid Jiranuntarat	Executive Vice President
5. Miss Woo Siew Peng	Senior Vice President
6. Mr. Chavalit Timpittaya	Vice President
7. Mrs. Sutasnee Tubtim	Vice President
8. Mr. Dhirajai Yongkittikul	Senior Vice President as Secretary

## Election of Bank's Board of Directors

In the election of directors, each shareholder shall have one vote for each share held. Each shareholder must exercise all of his votes to elect one or several candidates as directors. He may not distribute his votes among the candidates (such that one candidate receives more votes than another). Those candidates who receive the most votes shall be elected as directors, in number equal to the number of directors to be elected at such election. If there are tie votes, such that the number of candidates receiving the most votes would exceed the number of directors to be elected at such election, the chairman shall have a casting vote.

If a vacancy occurs in the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall elect a person who has the required qualifications and who does not have a prohibited characteristic under the Public Limited Companies Act as a replacement at the next meeting of the Board of Directors, unless the duration of the remaining term of such director is less than two months. Such replacement director shall hold office for the remaining term of office of the director whom he replaces. The resolution of the Board of Directors as above shall be passed by a vote of not less than three fourths of the number of the remaining directors.



## Contact

### Sathon

(8.30am-5.00pm)

191 South Sathon Road, Sathon, Bangkok 10120

Telephone : 0-2343-3000 Ext. 2682, 2684, 2686

Facsimile : 0-2287-2973-4

### BANGKOK METROPOLITAN BRANCH OFFICES

#### Amarin Plaza

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)

500 1<sup>st</sup> Floor, Amarin Plaza, Ploenchit Road,

Pathum Wan, Bangkok 10500

Telephone : 0-2252-6292-3, 0-2251-8579,

0-2256-9045-6

Facsimile : 0-2252-7871

#### Anusavaree Chaisamoraphoom

911/1-3 Phaholyothin Road, Phaya Thai, Bangkok 10400

Telephone : 0-2271-0089, 0-2271-3447, 0-2271-2662,

0-2619-5916

Facsimile : 0-2271-0088

#### Bang Bon

72/65-68 Mu 6, Eakchai-Bangbon Road,

Bang Bon, Bangkok 10150

Telephone : 0-2898-0423-5, 0-2415-6984

Facsimile : 0-2898-0426

#### Bang Kapi (Sub Branch)

177/22-23 Mu 3, Ladphrao Road,

Bang Kapi, Bangkok 10240

Telephone : 0-2378-0973-4, 0-2375-0201, 0-2375-0203

Facsimile : 0-2378-0975

#### Bangrak

1249/19, 1249/50, 1249/59 Jems Tower Building,

Charoen Krung Road, Bangrak, Bangkok 10500

Telephone : 0-2237-5050-1, 0-2237-8577-8,

0-2234-5265, 0-2266-9896-7

Facsimile : 0-2266-9667

### Bangna K.M.2

21/235-236 Mu 12, Bangna, Bangkok 10260

Telephone : 0-2396-1931, 0-2393-9825, 0-2399-0178-81

Facsimile : 0-2393-6147

### BTS Mochit (Sub Branch)

(everyday 9.30am-8.00pm)

BTS Mochit, Phaholyothin Road,

Chatuchak, Bangkok 10900

Telephone : 0-2617-4005-6, 0-2617-4009

Facsimile : 0-2617-4007

### BTS On Nut (Sub Branch)

(everyday 9.30am-8.00pm)

BTS On Nut, Sukhumvit Road, Klong Toey, Bangkok 10110

Telephone : 0-2741-4206-7, 0-2741-4210

Facsimile : 0-2741-4208

### Buntudthong

56/20, 56/59-62 Rama I Road,

Pathum Wan, Bangkok 10330

Telephone : 0-2214-1733, 0-2214-2067, 0-2214-2252,

0-2214-1292

Facsimile : 0-2215-4836

### Chaengwatana

99/349 Mu 2, Na Nakorn Building,

Chaengwatana Road, Donmuang, Bangkok 10210

Telephone : 0-2576-1057-60, 0-2576-1490,

0-2576-1544-5

Facsimile : 0-2576-1533

### City Complex

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)

831 City Complex Building, Petchburi Road,

Rajathevee, Bangkok 10400

Telephone : 0-2255-0746, 0-2255-0749, 0-2653-8522,

0-2252-1211

Facsimile : 0-2255-0748

## Contact

### **Dao Khanong (Sub Branch)**

1057/9-10 Taksin Road, Thon Buri, Bangkok 10600  
Telephone : 0-2460-0157, 0-2460-0159, 0-2460-0243  
Facsimile : 0-2460-0245

### **Department of Industrial Works (Sub Branch)**

75/6 Department of Industrial Works Building,  
Rama VI Road, Rajathevee, Bangkok 10400  
Telephone : 0-2640-9723-4, 0-2640-9727  
Facsimile : 0-2640-9725

### **Hua Mark**

1929/3-5 Ramkhamhaeng Road,  
Bang Kapi, Bangkok 10240  
Telephone : 0-2318-8561-4, 0-2718-4624, 0-2319-3062  
Facsimile : 0-2318-0139

### **Imperial (Ladphrao 81)**

2539 Basement Floor, Imperial World Department Store,  
Ladphrao Road, Wang Thong Lang, Bangkok 10310  
Telephone : 0-2934-8686-9, 0-2934-8691  
Facsimile : 0-2934-8690

### **Klong Toey**

1472-1474 Rama IV Department Store,  
Rama IV Road, Klong Toey, Bangkok 10110  
Telephone : 0-2249-0886-7  
Facsimile : 0-2249-4075

### **Ladphrao**

1558 Ladphrao Road, Wang Thong Lang, Bangkok 10310  
Telephone : 0-2514-2709, 0-2514-2964, 0-2539-5800,  
0-2530-1120  
Facsimile : 0-2539-2003

### **Ngam Wong Wan (Sub Branch)**

207/15 Mu 6, Ngam Wong Wan Road,  
Luksi, Bangkok 10210  
Telephone : 0-2591-7902, 0-2591-0770, 0-2591-0772  
Facsimile : 0-2591-0771

### **Nong Khaem**

77/207 Mu 2, Phetkasem Road, Nong Khaem, Bangkok 10160  
Telephone : 0-2420-7941-4  
Facsimile : 0-2420-7940

### **Nonthaburi**

32/16-19 Bangkok-Nonthaburi Road,  
Muang, Nonthaburi 11000  
Telephone : 0-2525-1770-2, 0-2968-4592-4  
Facsimile : 0-2526-2993

### **On Nut**

1468, 1470 On Nut Road, Suan Luang, Bangkok 10250  
Telephone : 0-2332-3134-7  
Facsimile : 0-2331-8519

### **Phaholyothin K.M.26**

1/737 Mu 17, Soi Amporn,  
Lam Luk Ka, Pathum Thani 12150  
Telephone : 0-2532-3645-50, 0-2532-3644  
Facsimile : 0-2532-3641

### **Phaholyothin Soi 19**

555 Rasa Tower Building, Phaholyothin Road,  
Chatuchak, Bangkok 10900  
Telephone : 0-2937-0300-4  
Facsimile : 0-2937-0305

### **Phahurad**

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)  
2/30-33, 4/11-14 The Old Siam Plaza,  
Burapa Road, Phra Nakhon, Bangkok 10200  
Telephone : 0-2222-0176-9, 0-2222-4113-4,  
0-2223-1854-5, 0-2223-6233, 0-2221-7236  
Facsimile : 0-2223-0708

### **Phetchakasem 35**

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)  
110 Mu 9, Future Park-Robinson Bangkae,  
Phetchakasem 35 Road, Phasi Charoen, Bangkok 10160  
Telephone : 0-2454-8690-5  
Facsimile : 0-2454-8696

## Contact

### **Phra Pinklao**

30 Charansnidvongs Road, Bangplad, Bangkok 10700  
Telephone : 0-2434-7110-3  
Facsimile : 0-2434-7114

### **Rangsit**

(Mon.-Fri. 8.30am-5.00pm, Sat.-Sun. 11.00am-5.00pm)  
94 Mu 2, Future Park Rangsit Building,  
Tanya Buri, Pathum Thani 12110  
Telephone : 0-2958-0562-7  
Facsimile : 02958-0568

### **Ramintra K.M.9**

(Mon.-Fri. 8.30am-5.00pm, Sat.-Sun. 11.00am-5.00pm)  
5/5-6 Mu 7, Fashion Island Department Store,  
Ramintra Road, Kunnayao, Bangkok 10230  
Telephone : 0-2947-5307-9, 0-2947-5311  
Facsimile : 0-2947-5310

### **Ratchada-Huay Khwang**

167/8 Ratchadaphisek Road, Din Daeng, Bangkok 10320  
Telephone : 0-2276-9408-11, 0-2276-9414  
Facsimile : 0-2276-9413

### **Ratchada-Sathupradit**

127/1 Nonsee Road, Yannawa, Bangkok 10120  
Telephone : 0-2681-1111-5  
Facsimile : 0-2681-1110

### **Sam Yaek**

601 Charoen Krung Road,  
Samphanthawong, Bangkok 10100  
Telephone : 0-2222-5111-6  
Facsimile : 0-2222-1354

### **Samrong**

999/99 Mu 1, Sukhumvit Road,  
Muang, Samut Prakan 10270  
Telephone : 0-2384-7656, 0-2384-4510, 0-2394-0422,  
0-2394-0428  
Facsimile : 0-2384-4352

### **Saphan Khao**

325/168 Lukluang Road, Dusit, Bangkok 10300  
Telephone : 0-2282-3665, 0-2282-3796, 0-2282-4374,  
0-2282-3694-5  
Facsimile : 0-2282-1914

### **Sathon 2**

179/3 Bangkok City Tower Building,  
South Sathon Road, Sathon, Bangkok 10120  
Telephone : 0-2679-5700-2, 0-2679-5704  
Facsimile : 0-2679-5703

### **Si Phraya**

(8.30am-5.00pm)  
295 Si Phraya Road, Bangrak, Bangkok 10500  
Telephone : 0-2235-2884-7, 0-2236-6805  
Facsimile : 0-2235-2882

### **Siam Square (Sub Branch)**

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)  
410-410/1 Siam Square Soi 6, Rama I Road,  
Pathum Wan, Bangkok 10500  
Telephone : 0-2251-3343, 0-2251-2145, 0-2251-2278,  
0-2254-6800  
Facsimile : 0-2251-2280

### **Silom Complex (Sub Branch)**

(8.30am-5.00pm)  
191 Silom Complex Building, Silom Road,  
Bangrak, Bangkok 10500  
Telephone : 0-2231-3139-40, 0-2231-3100-1  
Facsimile : 0-2231-3137

### **Soi Chokechai 4 (Sub Branch)**

141/3-4 Soi Chokechai 4 (Ladphrao 53),  
Wang Thong Lang, Bangkok 10310  
Telephone : 0-2539-6111-3  
Facsimile : 0-2539-3500

## Contact

### **Soi Sukhumvit 101/1**

(8.30am-5.00pm)  
339/101-102 Soi Sukhumvit 101/1, Sukhumvit Road,  
Pra Khanong, Bangkok 10260  
Telephone : 0-2361-6418-20, 0-2393-9952, 0-2399-4968  
Facsimile : 0-2399-5132

### **Soi Yoo Dee**

597/113-114 Trok Watchannai, Chan Road,  
Bang Khoe Laem, Bangkok 10120  
Telephone : 0-2292-1627-8, 0-2291-4904-5  
Facsimile : 0-2291-4906

### **Songwad**

1252-4 Songwad Road,  
Samphanthawong, Bangkok 10100  
Telephone : 0-2225-6254-7, 0-2226-3606-7  
Facsimile : 0-2225-6256

### **Sri Yan (Sub Branch)**

468-468/1 Nakhon Chai Sri Road, Dusit, Bangkok 10300  
Telephone : 0-2243-0914-5, 0-2241-3467, 0-2243-3725  
Facsimile : 0-2241-3425

### **St.Louis 3 (Sub Branch)**

9/10 Trok Chan Saphan 3, Chan Road,  
Sathon, Bangkok 10120  
Telephone : 0-2212-7024, 0-2211-1407  
Facsimile : 0-2211-0815

### **Sukhumvit 4 (Sub Branch)**

(8.30am-5.00pm)  
142 Sukhumvit Road, Klong Toey, Bangkok 10110  
Telephone : 0-2653-2178-9, 0-2253-5137, 0-2653-2218  
Facsimile : 0-2653-2181

### **Sukhumvit 25**

1 Ban Chang Glass House Building, Soi Sukhumvit 25,  
Klong Toey, Bangkok 10110  
Telephone : 0-2258-0270-1, 0-2260-6117-9  
0-2258-9330-2  
Facsimile : 0-2258-4582

### **Sukhumvit 83**

2149 2<sup>nd</sup> Fl., Market Plus Building, Soi Sukhumvit 83,  
Pra Khanong, Bangkok 10260  
Telephone : 0-2742-5812-5, 0-2742-5818  
Facsimile : 0-2742-5816

### **Sukhumvit 101 (Piyarom Park)**

(Mon.-Fri. 8.30am-5.00pm, Sat. 11.00am-5.00pm)  
3079/25 Soi Piyabuttra, Sukhumvit Road,  
Phra Khanong, Bangkok 10260  
Telephone : 0-2730-5100-3, 0-2730-5105  
Facsimile : 0-2730-5106

### **Suksawat**

86/17-19 Suksawat Road, Rat Burana, Bangkok 10140  
Telephone : 0-2468-4797, 0-2477-2411-2, 0-2477-2408  
Facsimile : 0-2468-6028

### **Taksin**

43,45,47 Taksin Road, Thon Buri, Bangkok 10600  
Telephone : 0-2438-6429, 0-2438-0063, 0-2439-1864,  
0-2437-2387  
Facsimile : 0-2438-6426

### **Talard Si Mummuang**

355/33-35 Mu 8, Phaholyothin Road,  
Lam Luk Ka, Pathum Thani 12130  
Telephone : 0-2536-7850, 0-2536-7852, 0-2536-7854-6  
Facsimile : 0-2536-7853

### **Thai Wah Tower (Sub Branch)**

21/63-66 Thai Wah Tower 1 Building, South Sathon Road,  
Sathon, Bangkok 10120  
Telephone : 0-2285-0092-4  
Facsimile : 0-2285-0095

### **Thanon Khaolarm (Sub Branch)**

2214, 2216 Khaolarm Road,  
Samphanthawong, Bangkok 10100  
Telephone : 0-2238-2540-2  
Facsimile : 0-2238-2543

## Contact

### **Thanon Phaholyothin 8 (Sub Branch)**

(8.30am-5.00pm)

414 G Fl., Shinawatra Tower 1 Building,  
Phaholyothin Road, Bangkok 10400

Telephone : 0-2616-9760-2, 0-2357-1690

Facsimile : 0-2357-1490

### **Thanon Phraram 4**

956 Udom Wittaya Building, Rama IV Road,  
Bangrak, Bangkok 10500

Telephone : 0-2636-2513-7

Facsimile : 0-2636-2518

### **Thanon Phraram 6 (Sub Branch)**

118/1 Tipco Tower Building, Rama VI Road,  
Phaya Thai, Bangkok 10400

Telephone : 0-2357-3460-3

Facsimile : 0-2357-3464

### **Thanon Phraram 9**

100/1 G Fl., Worrasombat Building, Rama IX Road,  
Huay Khwang, Bangkok 10310

Telephone : 0-2645-0683-5

Facsimile : 0-2645-0440

### **Thanon Pracha-U-Thit**

147/1-4 Mu 8, Pracha-U-Thit Road,  
Rat Burana, Bangkok 10140

Telephone : 0-2873-1457-60, 0-2873-1439

Facsimile : 0-2873-1440

### **Thanon Ramkhamhaeng 2 (Sub Branch)**

(8.30am-5.00pm)

143 Mu 8, Ramkhamhaeng 2 Road,  
Pravej, Bangkok 10260

Telephone : 0-2316-9735-6

Facsimile : 0-2316-9739

### **Thanon Srinakarin (Sub Branch)**

(Mon.-Fri. 8.30am-5.00pm, Sat.-Sun. 11.00am-5.00pm)

12/90 Mu 6, Seree Center Building, Srinakarin Road,  
Pravej, Bangkok 10260

Telephone : 0-2746-0816-8

Facsimile : 0-2746-0819

### **Thanon Sri Wara**

314 Soi Ladphrao 94 (Panjamit), Sri Wara Road,  
Wang Thong Lang, Bangkok 10310

Telephone : 0-2559-3600-5, 0-2935-6025-6

Facsimile : 0-2559-3606

### **Thanon Vorachak (Sub Branch)**

94-96 Vorachak Road, Pom Prap Sattru Phai,  
Bangkok 10100

Telephone : 0-2221-5223, 0-2225-9086, 0-2225-9088

Facsimile : 0-2225-9087

### **Thanon Yaowaraj (Sub Branch)**

(Mon.-Fri. 8.30am-5.00pm, Sat.11.00am-5.00pm)

422, 424 Yaowaraj Road,  
Samphanthawong, Bangkok 10100

Telephone : 0-2226-2930-1, 0-2226-5855

Facsimile : 0-2226-2933

### **Thonglor**

283/15-17, 283/65, Soi Thonglor 13, Sukhumvit 55 Road,  
Wattana, Bangkok 10250

Telephone : 0-2712-7150-5

Facsimile : 0-2712-7156

### **Tops Bangna (Sub Branch)**

(everyday 9.30am-8.00pm)

1090 Mu 12, Central City Department Store,  
Bangna-Trad Road, Bangna, Bangkok 10260

Telephone : 0-2361-7851-3

Facsimile : 0-2361-7854

## Contact

### **Tops Bangrak (Sub Branch)**

(everyday 9.30am-8.00pm)

1522 Robinson Bangrak Department Store,  
Charoen Krung Road, Bangrak, Bangkok 10500

Telephone : 0-2630-6482-3

Facsimile : 0-2630-6484

### **Tops Chidlom (Sub Branch)**

(everyday 9.30am-8.00pm)

22 Central Chidlom Department Store,  
Ploenchit Road, Pathum Wan, Bangkok 10330

Telephone : 0-2254-7120-2

Facsimile : 0-2254-7123

### **Tops Lad Phrao**

(everyday 9.30am-8.00pm)

1697 Central Lad Phrao Department Store,  
Phaholyothin Road, Chatuchak, Bangkok 10900

Telephone : 0-2937-1727-9

Facsimile : 0-2937-1730

### **Tops Phra Pra Daeng**

(everyday 9.30am-8.00pm)

360/14 Mu 7, Major Phra Pra Daeng Building,  
Suksawat Road, Ratburana, Bangkok 10140

Telephone : 0-2818-1970-2

Facsimile : 0-2818-1973

### **Tops Pinklao (Sub Branch)**

(everyday 9.30am-8.00pm)

7/1 Central Pinklao Department Store,  
Baromratchonnane Road, Bangkok-noi, Bangkok 10700

Telephone : 0-2884-8030-2

Facsimile : 0-2884-8033

### **Tops Rama 2 (Sub Branch)**

(everyday 9.30am-8.00pm)

128 Mu 6, Central Plaza Rama 2 Department Store,  
Rama 2 Road, Bang Khun Thien, Bangkok 10150

Telephone : 0-2872-4710-4

Facsimile : 0-2872-4715

### **Tops Ramintra (Sub Branch)**

(everyday 9.30am-8.00pm)

109/9 Mu 3, Central Ramintra Department Store,  
Ramintra Road, Bangkokhen, Bangkok 10220

Telephone : 0-2522-6646-8

Facsimile : 0-2522-6649

### **Tops Ratchadaphisek (Sub Branch)**

(everyday 9.30am-8.00pm)

139 Robinson Ratchadaphisek Department Store,  
Ratchadaphisek Road, Din Daeng, Bangkok 10310

Telephone : 0-2246-5058-9, 0-2246-5101

Facsimile : 0-2246-5578

### **Tops Sukhaphiban 3 (Sub Branch)**

(everyday 9.30am-8.00pm)

7/4 Mu 1, Tops Supermarket Sukhaphiban 3,  
Ramkhamhaeng Road, Saphansoong, Bangkok 10240

Telephone : 0-2729-4982-3

Facsimile : 0-2372-1636

### **Tops Thanon Witthayu (Sub Branch)**

(everyday 9.30am-8.00pm)

231 2<sup>nd</sup> Fl., CRC Tower Building, 87/2 Wireless Road,  
Pathum Wan, Bangkok 10330

Telephone : 0-2255-5392-4

Facsimile : 0-2255-5395

### **Wiphawadi-Rangsit 9 (Sub Branch)**

21 T.S.T. Tower Building, Wiphawadi-Rangsit Road,  
Chatuchak, Bangkok 10900

Telephone : 0-2273-8120-1, 0-2273-8939-40

Facsimile : 0-2273-8122

## **UPCOUNTRY BRANCH OFFICES**

### **CENTRAL AREA**

#### **Lop Buri (Sub Branch)**

21/11-12 Mu 1, Phaholyothin Road,  
Muang, Lop Buri 15000

Telephone : 0-3641-4248-9

Facsimile : 0-3641-4251

## Contact

### **Nakhon Pathom**

(8.30am-5.00pm)

63-65 Rajvithi Road, Muang, Nakhon Pathom 73000

Telephone : 0-3425-1184-6, 0-3425-1178

Facsimile : 0-3425-1187

### **Phra Nakhon Si Ayutthaya**

255 Mu 5, Rojana Road, Phra Nakhon Si Ayutthaya,

Phra Nakhon Si Ayutthaya 13000

Telephone : 0-3524-6116, 0-3524-6030, 0-3522-9049

Facsimile : 0-3524-1546

### **Sam Chuk**

225/2 Mu 2, Sam Chuk, Suphan Buri 72130

Telephone : 0-3557-1055, 0-3557-1980, 0-3557-1990

Facsimile : 0-3557-1044

### **Samut Sakhon**

927/403 Sethakit 1 Road, Muang, Samut Sakhon 74000

Telephone : 0-3481-0514, 0-3481-0516, 0-3481-0275

Facsimile : 0-3481-0513

### **Samut Songkhram (Sub Branch)**

125/104 Tang Kao Muang Road,

Muang, Samut Songkhram 75000

Telephone : 0-3471-8111, 0-3471-8222, 0-3471-8626

Facsimile : 0-3471-8627

### **Saraburi**

427 Phaholyothin Road, Muang, Saraburi 18000

Telephone : 0-3621-2137-8, 0-3631-2055-6

Facsimile : 0-3622-1636

### **WESTERN AREA**

#### **Damnoen Saduak**

234 Mu 8, Bangpare-Samut Songkhram Road,

Damnoen Saduak, Ratchaburi 70130

Telephone : 0-3225-4444, 0-3225-4930, 0-3225-4332,

0-3224-1333

Facsimile : 0-3225-4913

### **Kanchanaburi (Sub Branch)**

River Khwae Hotel, 284/15-16 Sangchutoe Road,

Muang, Kanchanaburi 71000

Telephone : 0-3452-1621-3

Facsimile : 0-3452-1624

### **Phetchaburi**

28 Panich Charoen Road, Muang, Phetchaburi 76000

Telephone : 0-3241-5883-4, 0-3242-5959, 0-3242-5169

Facsimile : 0-3242-8517

### **Tops Ratchaburi**

(everyday 9.30am-8.00pm)

265 Robinson Ratchaburi Department Store,

Srisuriyawong Road, Muang, Ratchaburi 70000

Telephone : 0-3231-0321-3

Facsimile : 0-3231-0324

### **EASTERN AREA**

#### **Baan Bung**

403 Chon Buri- Baan Bung Road,

Baan Bung, Chon Buri 20170

Telephone : 0-3844-3628, 0-3844-3072, 0-3875-0979-80,

0-3875-1118-9

Facsimile : 0-3844-3039

#### **Baan Chang**

51/12 Mu 5, Sukhumvit Road, Baan Chang, Rayong 21130

Telephone : 0-3860-3120-3

Facsimile : 0-3860-3119

#### **Bang Lamung**

90/27 Pattaya-Naglue Road,

Bang Lamung, Chon Buri 20150

Telephone : 0-3842-8418, 0-3842-9333, 0-3842-7748-9,

0-3842-0273

Facsimile : 0-3842-3332

#### **Bang Pakong**

139 Mu 9, Bang Pakong, Chachoengsao 24130

Telephone : 0-3853-1297-8, 0-3853-2882

Facsimile : 0-3853-2086

## Contact

### Chachoengsao

94/3 Chumphon Road, Muang, Chachoengsao 24000

Telephone : 0-3851-1621-2, 0-3881-8149,

0-3851-4627-8

Facsimile : 0-3851-1623

### Chanthaburi

82/9 Thachalab Road, Muang, Chanthaburi 22000

Telephone : 0-3931-2822, 0-3934-6616, 0-3934-6434-5

Facsimile : 0-3932-1201

### Chon Buri

804 Kor. Chetchamnong Road, Muang, Chon Buri 20000

Telephone : 0-3827-3601-6

Facsimile : 0-3827-3607

### Chon Buri 2

116/110 Mu 3, Sukhumvit Road,

Muang, Chon Buri 20000

Telephone : 0-3879-7457-9, 0-3879-7462

Facsimile : 0-3879-7461

### Eastern Seaboard

24/1 Mu 4, Thanon Hemaraj Avenue,

Pluak Daeng, Rayong 21140

Telephone : 0-3895-5284-6, 0-3895-5288

Facsimile : 0-3895-5287

### Pattaya (Sub Branch)

(8.30am-5.00pm)

325/115-116 Mu 10, Pattaya Sai 2 Road,

Bang Lamung, Chon Buri 20260

Telephone : 0-3842-9464, 0-3871-0414, 0-3841-0027

Facsimile : 0-3842-9400

### Rayong

144/39-41 Sukhumvit Road, Muang, Rayong 21000

Telephone : 0-3861-4730-3, 0-3861-4735-6

Facsimile : 0-3861-4734

### Sriracha

135/19 Sukhumvit Road, Sriracha, Chon Buri 20110

Telephone : 0-3832-4500-2, 0-3832-4504

Facsimile : 0-3832-4503

### Tops Sriracha (Sub Branch)

(everyday 9.30am-8.00pm)

90/1 Robinson Sriracha Department Store,

Sukhumvit Road, Sriracha, Chon Buri 20110

Telephone : 0-3832-8458, 0-3832-8459-60

Facsimile : 0-3832-8461

### NORTHERN AREA

#### Chiang Mai

149-149/1-3 Chang-Klarn Road,

Muang, Chiang Mai 50100

Telephone : 0-5327-0029-30, 0-5328-2903,

0-5382-1080-1

Facsimile : 0-5328-2015

#### Chiang Rai

643/5 Mu 3, Uttrakit Road, Muang, Chiang Rai 57000

Telephone : 0-5371-6786, 0-5371-1414, 0-5371-6557,

0-5371-6777

Facsimile : 0-5371-5429

#### Lampang

255 Boonwat Road, Muang, Lampang 52000

Telephone : 0-5421-8383, 0-5422-7383, 0-5421-8454,

0-5421-8373

Facsimile : 0-5422-7637

#### Nakhon Sawan

532-534 Kosi Road, Muang, Nakhon Sawan 60000

Telephone : 0-5621-4109, 0-5621-4690, 0-5621-4709,

0-5631-4234-5

Facsimile : 0-5621-3224



## Contact

### **Pa Sang**

232 Mu 1, Lamphun-Pa Sang Road,  
Pa Sang, Lamphun 51120  
Telephone : 0-5352-0282, 0-5352-0337  
Facsimile : 0-5352-0283

### **Phitsanulok**

112/39-41 Akartodsrod Road, Muang, Phitsanulok 65000  
Telephone : 0-5522-5153-5  
Facsimile : 0-5522-5156

### **Thanon Highway-Chiang Mai**

1/99 Chiang Mai-Lampang Road,  
Muang, Chiang Mai 50000  
Telephone : 0-5330-4701-4, 0-5330-4706  
Facsimile : 0-5330-4705

### **Tops Airport (Sub Branch)**

(everyday 9.30am-8.00pm)  
Tops Market Place Airport Chiang Mai,  
2 Robinson Department Store Chiang Mai,  
Mahidol Road, Muang, Chiang Mai 50100  
Telephone : 0-5390-4567-9  
Facsimile : 0-5390-4570

### **NORTH EAST AREA**

#### **Khon Kaen**

34, 34/1-2 Namuang Road, Muang, Khon Kaen 40000  
Telephone : 0-4323-7620-1, 0-4333-4577, 0-4323-7609  
Facsimile : 0-4323-7435

#### **Nakhon Ratchasima**

2-4 Choopol Road, Muang, Nakhon Ratchasima 30000  
Telephone : 0-4426-8873-7  
Facsimile : 0-4425-5476

### **Nakhon Ratchasima 2**

545 Friendship Highway,  
Muang, Nakhon Ratchasima 30000  
Telephone : 0-4426-3487-91  
Facsimile : 0-4426-3493

### **Roiet**

427-429 Phadungpanich Road, Muang, Roiet 45000  
Telephone : 0-4351-5850-1  
Facsimile : 0-4351-5854

### **Sakon Nakhon**

1748/4 Sukkasaem Road, Muang, Sakon Nakhon 47000  
Telephone : 0-4271-6350, 0-4271-6303  
Facsimile : 0-4271-6728

### **Surin**

79,81,83 Chitbumrung Road, Muang, Surin 32000  
Telephone : 0-4453-8384, 0-4451-1848  
Facsimile : 0-4451-1081

### **Ubon Ratchathani**

177 Ubparat Road, Muang, Ubon Ratchathani 34000  
Telephone : 0-4524-3830-1, 0-4524-4270-1  
Facsimile : 0-4524-3832

### **Udon Thani**

(8.30am-5.00pm)  
359 Phosri Road, Muang, Udon Thani 41000  
Telephone : 0-4222-1333, 0-4222-3613, 0-4234-3425,  
0-4224-9590  
Facsimile : 0-4224-4062

### **Waeng Yai (Sub Branch)**

209 Mu 3, Sai Chonbod-Kudul Road,  
Waeng Yai, Khon Kaen 40330  
Telephone : 0-4349-6124-5  
Facsimile : 0-4349-6126

## Contact

### SOUTHERN AREA

#### Hat Pa Tong (Sub Branch)

97/4 Thawiwong Road, Krathu, Phuket 83150

Telephone : 0-7634-0489, 0-7634-0142-3

Facsimile : 0-7634-1169

#### Hat Yai

164 Nipat-utit 1 Road, Hat Yai, Songkhla 90110

Telephone : 0-7424-3032, 0-7424-5033, 0-7424-3810

Facsimile : 0-7423-5606

#### Nakhon Sri Thammarat

1719-1721 Rajdamnern Road,

Muang, Nakhon Sri Thammarat 80000

Telephone : 0-7535-6112, 0-7535-6860-1

Facsimile : 0-7531-1691

#### Pak Phanang

415/1 Chainam Road, Pak Phanang,

Nakhon Sri Thammarat 80140

Telephone : 0-7551-7324, 0-7551-7064, 0-7533-3886

Facsimile : 0-7551-7248

#### Phuket

206 Phuket Road, Muang, Phuket 83000

Telephone : 0-7621-1566, 0-7621-1577, 0-7621-4901-2,  
0-7621-0970-1

Facsimile : 0-7621-4903

#### Surat Thani

191/1-3 Chonkasem Road, Muang, Surat Thani 84000

Telephone : 0-7728-6292-7

Facsimile : 0-7728-6298

#### Tops Hat Yai Thanon Sanehanusorn (Sub Branch)

(everyday 9.30am-8.00pm)

1 Central Hat Yai Department Store,

Sanehanusorn Road, Hat Yai, Songkhla 90110

Telephone : 0-7422-5441-3

Facsimile : 0-7422-5444

#### Trang

Tammarin Thana Hotel, 69/8 Huay Yod Road,

Muang, Trang 92000

Telephone : 0-7521-7782-4

Facsimile : 0-7521-7785

#### Tops Phuket (Sub Branch)

(everyday 9.30am-8.00pm)

36 Robinson Ocean Phuket Department Store,

Thilok-Utit 1 Road, Muang, Phuket 83000

Telephone : 0-7621-0492, 0-7621-0526, 0-7621-0534,  
0-7621-0575

Facsimile : 0-7621-0596

#### Yala

8-12 Pipitpakdi Road, Muang, Yala 95000

Telephone : 0-7321-2218, 0-7321-2414

Facsimile : 0-7321-3764

### INTERNATIONAL BRANCH

#### Cayman Islands

Scotiabank Building, Cardinal Avenue,

George Town, Cayman Islands

Telephone : 0-2343-3371, 0-2343-3362

Facsimile : 0-2285-1414

Contact address : 191 South Sathon Road, Sathon,  
Bangkok 10120 Thailand

Telex : 84351 BKASIA TH

S.W.I.F.T. : BKASTHBK

### DISTRIBUTION CHANNELS

Branches : 128

ATM : 323

Foreign Exchange Kiosks : 13

Mobile Banking : 7

ASIA Phone : 0-2285-1555

Homepage : [www.BankAsia4U.com](http://www.BankAsia4U.com)

## Referred Persons

### **Auditor**

Thirdthong Thepmongkorn  
Certified Public Accountant ID# 3787  
KPMG Phoomchai Audit Ltd.  
21<sup>st</sup> Fl., Empire Tower,  
195 South Sathon Road, Sathon, Bangkok 10120  
Telephone : 0-2677-2000  
Facsimile : 0-2677-2222

### **Registrar**

Thailand Securities Depository Co., Ltd.  
4, 7<sup>th</sup> Fl., The Stock Exchange of Thailand Building,  
62 Ratchadapisek Road, Klong Toey, Bangkok 10110  
Telephone : 0-2229-2800, 0-2654-5599  
Facsimile : 0-2359-1259

## Company Information

Name	Bank of Asia Public Company Limited
Public Company Registration Number	50
Nature of Business	Commercial Bank
Registration Address	191 South Sathon Road, Sathon, Bangkok 10120
Telephone	0-2343-3000
Facsimile	0-2287-2973-4
Telex	84351 BKASIA TH
S.W.I.F.T.	BKASTHBK
Homepage	www.BankAsia4U.com
Number of Employees	2,649 persons

	<u>2004</u>	<u>2003</u>	<u>2002</u>
<b>Share Capital</b>			
Registered Capital (Shares)	<b>5,382,844,520</b>	5,382,844,520	5,382,844,520
Paid-up Capital (Shares)	<b>5,095,446,713</b>	5,095,446,713	5,095,446,713
<b>Trading Information</b>			
Average Daily Turnover (Shares)	<b>6,689,199</b>	10,391,823	5,482,307
High / Low Price (Baht)	<b>6.10 / 4.12</b>	6.70 / 4.54	6.70 / 4.42
Closing Price (Baht)	<b>5.35</b>	5.20	4.66
Market Capitalization (Baht Million)	<b>27,261</b>	26,496	23,745

### Major Shareholders as at December 15<sup>th</sup>, 2004

(The latest closing date of the shareholder register book)

	<u>No. of shares held</u>	<u>% of total shares</u>
United Overseas Bank Ltd. Singapore	4,932,715,288	96.81
Thai NVDR Co., Ltd.	12,528,776	0.25
TIPCO Asphalt PCL	7,506,433	0.15
Ms. Kansiri Intarapuwask	6,439,582	0.13
Mr. Somporn Siriamatawat	3,839,500	0.07
Univest Property Co., Ltd.	3,680,000	0.07
Univest Holding Co., Ltd.	3,680,000	0.07
Mr. Pramote Thitayangkura	3,247,159	0.06
SCB SET Index Fund	2,964,375	0.06
Krungthep Sophon PCL	2,619,300	0.05
	<u>4,979,220,413</u>	<u>97.72</u>

## Company Information

### Credit Ratings

#### Summary

International Ratings	Long-term	Short-term	Outlook
Moody's Investors Service	Baa1	Prime-2	Stable
Fitch Ratings	BBB	F3	Positive
Standard & Poor's	BB+	B	Positive
Capital Intelligence	BBB-	A2	Positive

#### Moody's Investors Service

Bank deposits	- Long-term	Baa1
	- Short-term	Prime-2
Financial strength (BFSR)		D
Outlook		Stable

#### Fitch Ratings

Foreign currency	- Long-term	BBB
	- Short-term	F3
Individual		C/D
Support		2
Outlook		Positive
<b>National Ratings</b>		
Senior debt	- Long-term	AA+(tha)
	- Short-term	F1+(tha)
Subordinated (THB 2.0 bn, Due 2008)		AA(thai)
Outlook		Stable

#### Standard & Poor's

Counterparty	- Long-term	BB+
	- Short-term	B
Outlook		Positive

#### Capital Intelligence

Long-term		BBB-
Short-term		A2
Financial strength		BB+
Support		2
Outlook		Positive





Member of  United Overseas Bank

**HEAD OFFICE:**

191 South Sathon Road, Sathon, Bangkok 10120, Thailand  
P.O. Box 457, Bangrak Post Office, Bangkok 10500, Thailand

Telephone 0-2343-3000  
Facsimile 0-2287-2973-4  
ASIA Phone 0-2285-1555  
Homepage [www.BankAsia4U.com](http://www.BankAsia4U.com)