

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

TO THE BOARD OF DIRECTORS

BANGKOK BANK PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Bank Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bangkok Bank Public Company Limited as at March 31, 2019, and the related consolidated and Bank's statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

BANGKOK
May 14, 2019

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2019 (Unaudited)	December 31, 2018	March 31, 2019 (Unaudited)	December 31, 2018
ASSETS					
CASH		58,651,735	62,394,091	58,588,591	62,329,288
INTERBANK AND MONEY MARKET ITEMS, NET		520,967,044	450,699,724	483,433,707	404,378,243
DERIVATIVES ASSETS		34,098,610	28,649,605	33,915,638	28,334,423
INVESTMENTS, NET	6.2	575,604,574	556,787,522	538,453,235	525,694,808
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	6.3	1,652,355	1,607,844	37,290,633	37,290,633
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET	6.4				
Loans to customers		2,030,444,660	2,083,702,949	1,973,504,600	2,026,148,551
Accrued interest receivables		5,991,983	5,623,746	5,844,709	5,487,524
Total loans to customers and accrued interest receivables		2,036,436,643	2,089,326,695	1,979,349,309	2,031,636,075
<u>Less</u> Deferred revenue		(634,252)	(542,891)	(594,664)	(499,799)
<u>Less</u> Allowance for doubtful accounts		(152,051,968)	(147,588,430)	(148,644,551)	(144,326,155)
<u>Less</u> Revaluation allowance for debt restructuring		(6,042,313)	(5,414,669)	(6,042,313)	(5,414,669)
Total loans to customers and accrued interest receivables, net		1,877,708,110	1,935,780,705	1,824,067,781	1,881,395,452
CUSTOMER'S LIABILITY UNDER ACCEPTANCES		1,451,138	1,577,698	91,531	87,709
PROPERTIES FOR SALE, NET		10,612,788	10,603,892	8,763,940	8,742,836
PREMISES AND EQUIPMENT, NET		42,076,640	42,567,441	40,735,232	41,180,182
OTHER INTANGIBLE ASSETS, NET		1,055,821	1,080,011	964,596	990,727
DEFERRED TAX ASSETS		4,024,760	4,091,264	2,865,092	2,947,919
COLLATERAL PLACED WITH FINANCIAL COUNTERPARTIES		3,462,868	3,324,390	3,315,239	3,149,620
OTHER ASSETS, NET		17,469,859	17,586,037	12,078,994	11,720,218
TOTAL ASSETS		3,148,836,302	3,116,750,224	3,044,564,209	3,008,242,058

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2019

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		March 31, 2019 (Unaudited)	December 31, 2018	March 31, 2019 (Unaudited)	December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
DEPOSITS		2,340,978,503	2,326,469,540	2,281,312,463	2,262,490,378
INTERBANK AND MONEY MARKET ITEMS		146,232,377	136,862,124	140,543,019	128,394,405
LIABILITY PAYABLE ON DEMAND		7,753,925	7,223,141	7,742,339	7,199,386
DERIVATIVES LIABILITIES		22,908,878	22,338,039	22,435,068	21,854,408
DEBT ISSUED AND BORROWINGS	6.6	114,172,293	116,348,334	114,010,124	116,221,332
BANK'S LIABILITY UNDER ACCEPTANCES		1,451,138	1,577,698	91,531	87,709
PROVISIONS		16,463,238	16,518,913	16,233,460	16,311,378
DEFERRED TAX LIABILITIES		1,946,130	1,399,378	1,732,611	1,187,304
OTHER LIABILITIES		71,234,320	74,854,166	47,084,659	52,536,301
TOTAL LIABILITIES		2,723,140,802	2,703,591,333	2,631,185,274	2,606,282,601
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	6.7				
Authorized share capital					
1,655,000 preferred shares of Baht 10 each		16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each		39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital					
1,908,842,894 common shares of Baht 10 each		19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES		56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES		46,021,499	42,842,767	49,323,705	46,154,541
RETAINED EARNINGS					
Appropriated	6.8				
Legal reserve		23,000,000	23,000,000	23,000,000	23,000,000
Others		101,500,000	101,500,000	101,500,000	101,500,000
Unappropriated		179,299,834	170,036,820	164,120,569	155,870,255
TOTAL BANK'S EQUITY		425,255,994	412,814,248	413,378,935	401,959,457
NON-CONTROLLING INTEREST		439,506	344,643	-	-
TOTAL SHAREHOLDERS' EQUITY		425,695,500	413,158,891	413,378,935	401,959,457
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,148,836,302	3,116,750,224	3,044,564,209	3,008,242,058

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

(Mr. Deja Tulananda)

Chairman of the Board of Executive Directors

(Mr. Suvam Thansathit)

Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2019	2018	2019	2018
INTEREST INCOME	6.16	28,365,067	26,583,320	27,160,651	25,467,964
INTEREST EXPENSES	6.17	10,065,661	9,460,244	9,599,981	9,018,198
NET INTEREST INCOME		18,299,406	17,123,076	17,560,670	16,449,766
FEES AND SERVICE INCOME	6.18	9,586,961	10,013,150	8,434,514	8,476,786
FEES AND SERVICE EXPENSES	6.18	2,746,630	2,410,905	2,689,541	2,381,402
NET FEES AND SERVICE INCOME		6,840,331	7,602,245	5,744,973	6,095,384
GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS		1,758,556	1,653,849	1,810,177	1,970,624
GAINS ON INVESTMENTS		774,674	3,527,465	319,448	3,515,460
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		44,197	34,552	-	-
GAINS ON DISPOSAL OF ASSETS		155,839	349,291	147,419	107,787
DIVIDEND INCOME		637,152	591,590	609,476	933,049
OTHER OPERATING INCOME		117,295	655,235	96,299	617,107
TOTAL OPERATING INCOME		28,627,450	31,537,303	26,288,462	29,689,177
OTHER OPERATING EXPENSES					
Employee's expenses		6,562,675	6,669,940	5,955,359	5,904,522
Directors' remuneration		34,157	34,670	14,800	15,600
Premises and equipment expenses		2,738,130	2,222,996	2,518,404	2,043,644
Taxes and duties		816,504	862,034	804,936	819,624
Others		2,050,037	2,804,599	1,835,371	2,112,816
TOTAL OTHER OPERATING EXPENSES		12,201,503	12,594,239	11,128,870	10,896,206
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	6.19	5,078,319	7,321,547	5,136,035	7,018,290
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		11,347,628	11,621,517	10,023,557	11,774,681
INCOME TAX EXPENSES		2,224,469	2,522,041	2,006,213	2,406,880
NET PROFIT		9,123,159	9,099,476	8,017,344	9,367,801

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2019	2018	2019	2018
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Gains (losses) on remeasuring available-for-sale investment					
Net change in fair value		6,441,850	88,319	5,935,989	32,411
Net amount transferred to profit or loss		(1,151,070)	(3,607,600)	(695,845)	(3,595,608)
Losses arising from translating the financial statements of foreign operations					
		(802,461)	(2,475,107)	(773,462)	(2,319,223)
Share of other comprehensive income of associate		314	-	-	-
Income tax relating to components of other comprehensive income (losses)					
		(1,077,535)	727,893	(1,066,038)	737,319
Items that will not be reclassified subsequently to profit or loss					
Actuarial gains on defined benefit plans		4,433	734	3,356	734
Income tax relating to components of other comprehensive income (losses)					
		(2,081)	(454)	(1,866)	(454)
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		<u>3,413,450</u>	<u>(5,266,215)</u>	<u>3,402,134</u>	<u>(5,144,821)</u>
TOTAL COMPREHENSIVE INCOME		<u>12,536,609</u>	<u>3,833,261</u>	<u>11,419,478</u>	<u>4,222,980</u>
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		9,028,296	9,004,656	8,017,344	9,367,801
Non-controlling interest		94,863	94,820	-	-
		<u>9,123,159</u>	<u>9,099,476</u>	<u>8,017,344</u>	<u>9,367,801</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		12,441,746	3,738,440	11,419,478	4,222,980
Non-controlling interest		94,863	94,821	-	-
		<u>12,536,609</u>	<u>3,833,261</u>	<u>11,419,478</u>	<u>4,222,980</u>
BASIC EARNINGS PER SHARE (BAHT)		4.73	4.72	4.20	4.91
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (THOUSAND SHARES)					
		1,908,843	1,908,843	1,908,843	1,908,843

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

(Mr. Deja Tulananda)
Chairman of the Board of Executive Directors

(Mr. Suvam Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	CONSOLIDATED										Total Equity Attributable to the Bank's Shareholders	Non-controlling Interest	Total
	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves					Retained Earnings					
			Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments	Foreign Exchange Adjustment	Others	Appropriated		Unappropriated			
								Legal Reserve	Others				
Balance as at January 1, 2018	19,088,429	56,346,232	16,829,619	7,484,078	39,173,146	(7,204,410)	193	22,000,000	96,500,000	151,506,327	401,723,614	283,422	402,007,036
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(150,003)	(150,003)
Total comprehensive income	-	-	-	-	(2,791,389)	(2,475,107)	-	-	-	9,004,936	3,738,440	94,821	3,833,261
Transfer to retained earnings	-	-	-	(232,620)	-	-	-	-	-	232,620	-	-	-
Balance as at March 31, 2018	<u>19,088,429</u>	<u>56,346,232</u>	<u>16,829,619</u>	<u>7,251,458</u>	<u>36,381,757</u>	<u>(9,679,517)</u>	<u>193</u>	<u>22,000,000</u>	<u>96,500,000</u>	<u>160,743,883</u>	<u>405,462,054</u>	<u>228,240</u>	<u>405,690,294</u>
Balance as at January 1, 2019	19,088,429	56,346,232	16,829,619	6,541,158	29,855,575	(10,384,055)	470	23,000,000	101,500,000	170,036,820	412,814,248	344,643	413,158,891
Total comprehensive income	-	-	-	-	4,213,308	(802,461)	251	-	-	9,030,648	12,441,746	94,863	12,536,609
Transfer to retained earnings	-	-	-	(232,366)	-	-	-	-	-	232,366	-	-	-
Balance as at March 31, 2019	<u>19,088,429</u>	<u>56,346,232</u>	<u>16,829,619</u>	<u>6,308,792</u>	<u>34,068,883</u>	<u>(11,186,516)</u>	<u>721</u>	<u>23,000,000</u>	<u>101,500,000</u>	<u>179,299,834</u>	<u>425,255,994</u>	<u>439,506</u>	<u>425,695,500</u>

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	THE BANK									Total
	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves				Retained Earnings		Unappropriated	
			Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments	Foreign Exchange Adjustment	Appropriated			
							Legal Reserve	Others		
Balance as at January 1, 2018	19,088,429	56,346,232	16,765,473	7,451,476	39,055,057	(5,385,878)	22,000,000	96,500,000	134,280,515	386,101,304
Total comprehensive income	-	-	-	-	(2,825,878)	(2,319,223)	-	-	9,368,081	4,222,980
Transfer to retained earnings	-	-	-	(231,697)	-	-	-	-	231,697	-
Balance as at March 31, 2018	19,088,429	56,346,232	16,765,473	7,219,779	36,229,179	(7,705,101)	22,000,000	96,500,000	143,880,293	390,324,284
Balance as at January 1, 2019	19,088,429	56,346,232	16,765,473	6,512,228	29,771,751	(6,894,911)	23,000,000	101,500,000	155,870,255	401,959,457
Total comprehensive income	-	-	-	-	4,174,106	(773,462)	-	-	8,018,834	11,419,478
Transfer to retained earnings	-	-	-	(231,480)	-	-	-	-	231,480	-
Balance as at March 31, 2019	19,088,429	56,346,232	16,765,473	6,280,748	33,945,857	(7,668,373)	23,000,000	101,500,000	164,120,569	413,378,935

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

(Mr. Deja Tulananda)
Chairman of the Board of Executive Directors

(Mr. Suvam Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit from operating before income tax expenses		11,347,628	11,621,517	10,023,557	11,774,681
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities					
Depreciation and amortization expenses		1,057,964	833,528	971,062	795,181
Bad debt and doubtful accounts		4,437,448	7,368,433	4,495,164	7,065,176
Loss on debt restructuring (reversal)		640,871	(46,886)	640,871	(46,886)
Gain on foreign exchange of long-term borrowings		(2,305,036)	(4,927,583)	(2,305,036)	(4,927,583)
Amortization of premium on investment in debt securities		142,944	372,096	188,754	391,174
Unrealized (gain) loss on revaluation of trading securities		(99,987)	183,319	752	(2,135)
Gain on disposal of securities for investments		(1,203,690)	(3,968,206)	(748,465)	(3,956,201)
Loss on impairment of investments		429,016	440,741	429,017	440,741
Share of profit from investment using equity method		(44,197)	(34,552)	-	-
Loss on impairment of properties for sale		51,722	532,821	51,722	56,503
Gain on disposal of premises and equipment		(37,825)	(141)	(37,918)	(141)
Loss on impairment of other assets (reversal)		(6,646)	27,581	(6,646)	27,581
Provision expenses		273,115	192,376	246,579	185,044
Net interest income		(18,299,406)	(17,123,076)	(17,560,670)	(16,449,766)
Dividend income		(637,152)	(591,590)	(609,476)	(933,049)
Proceeds from interest income		27,680,679	26,994,841	26,522,745	25,829,591
Interest expenses paid		(11,648,304)	(10,882,770)	(11,251,086)	(10,349,445)
Proceeds from dividend income		246,331	361,617	218,655	322,195
Income tax paid		(524,191)	(571,873)	(413,569)	(474,412)
(Increase) decrease in other accrued receivables		(235,473)	29,193	(242,258)	(23,048)
Decrease in other accrued expenses		(1,850,697)	(1,250,619)	(1,465,320)	(973,888)
Profit from operating before changes in operating assets and liabilities		9,415,114	9,560,767	9,148,434	8,751,313
(Increase) decrease in operating assets					
Interbank and money market items		(69,699,852)	(196,280,607)	(78,963,300)	(199,821,563)
Investment in short-term securities		(2,473,056)	(2,941,332)	(1,460,293)	(1,765,442)
Loans to customers		53,260,527	25,509,216	52,647,070	25,340,827
Properties for sale		220,212	611,539	208,004	250,960
Other assets		(4,722,589)	(10,894,697)	(5,373,628)	(10,446,840)
Increase (decrease) in operating liabilities					
Deposits		14,508,963	23,335,074	18,822,085	25,799,857
Interbank and money market items		9,370,254	79,425,356	12,148,613	79,677,942
Liability payable on demand		530,783	1,092,997	542,953	1,117,762
Short-term borrowings		20,625	(76,384)	(14,541)	-
Other liabilities		(1,328,773)	6,251,502	(2,973,761)	6,414,572
Net cash from operating activities		9,102,208	(64,406,569)	4,731,636	(64,680,612)

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(Unaudited)

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of available-for-sale securities		(130,957,078)	(119,190,659)	(125,677,942)	(118,178,423)
Proceeds from disposal of available-for-sale securities		122,099,751	188,506,785	119,745,551	186,805,416
Purchase of held-to-maturity debt securities		(23,372,429)	(11,376,737)	(2,242,782)	(922,485)
Proceeds from redemption of held-to-maturity debt securities		22,363,531	11,721,690	2,326,831	1,461,677
Purchase of general investments		(2,491,813)	(416,860)	(2,439,578)	(416,389)
Proceeds from disposal of general investments		218,685	848,335	218,685	848,335
Proceeds from dividend income from subsidiary		-	-	-	449,997
Purchase of premises, equipment and leasehold		(483,325)	(358,579)	(446,982)	(346,950)
Proceeds from disposal of premises and equipment		38,638	475	38,131	172
Net cash from investing activities		<u>(12,584,040)</u>	<u>69,734,450</u>	<u>(8,478,086)</u>	<u>69,701,350</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for senior unsecured notes extinguishment	6.1.2	-	(12,492,623)	-	(12,492,623)
Increase in long-term borrowings	6.1.2	43,414	26,814	43,414	26,814
Dividend paid to non-controlling interest		-	(150,003)	-	-
Net cash from financing activities		<u>43,414</u>	<u>(12,615,812)</u>	<u>43,414</u>	<u>(12,465,809)</u>
Effect on cash due to changes in the exchange rates		<u>(37,704)</u>	<u>(56,107)</u>	<u>(37,661)</u>	<u>(56,777)</u>
Net decrease in cash and cash equivalents		<u>(3,476,122)</u>	<u>(7,344,038)</u>	<u>(3,740,697)</u>	<u>(7,501,848)</u>
Cash and cash equivalents as at January 1,		<u>62,476,404</u>	<u>65,767,586</u>	<u>62,329,288</u>	<u>65,382,699</u>
Cash and cash equivalents as at March 31,	6.1.1	<u><u>59,000,282</u></u>	<u><u>58,423,548</u></u>	<u><u>58,588,591</u></u>	<u><u>57,880,851</u></u>

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

(Mr. Deja Tulananda)
Chairman of the Board of Executive Directors

(Mr. Suvam Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(UNAUDITED)

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BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
(UNAUDITED)

1. GENERAL INFORMATION AND REGULATORY REQUIREMENTS

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

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand ("BOT"). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measurements of the Bank's assets, liabilities and certain off-balance sheet items calculated in accordance with regulatory requirements. The Bank's capital amounts and classification are also subject to qualitative judgment by the BOT about components, risk weightings and other factors. The Bank believes that as at March 31, 2019 and December 31, 2018, the Bank complied with all capital adequacy requirements. However, these capital and regulatory requirements are subject to change by the BOT.

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

2.1 The consolidated and the Bank's statutory financial statements are in the Thai language and prepared in accordance with Thai Financial Reporting Standards, accounting treatment guidance promulgated by the Federation of Accounting Professions ("FAP"), accounting practices generally accepted in Thailand including the Regulations of The Securities and Exchange Commission, The Stock Exchange of Thailand and relevant BOT's Notifications.

The consolidated and the Bank's interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2018) regarding Interim Financial Reporting; and relevant official regulations, and presented in accordance with the BOT's Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups dated December 4, 2015.

Certain financial information which is normally included in financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. The aforementioned interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2018.

The consolidated and the Bank's statements of financial position as at December 31, 2018, presented herein for comparison, had been derived from the consolidated and the Bank's financial statements for the year then ended which had been audited.

The results of operations for the three-month period ended March 31, 2019 are not necessarily indicative of the operating results anticipated for the full year.

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

2.2 New or Revised Thai Financial Reporting Standards

2.2.1 The Bank and subsidiaries have adopted the new or revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations, issued by the FAP and announced in the Royal Gazette, applying for the financial statements of the periods beginning on or after January 1, 2019 onward, including Thai Financial Reporting Standard No. 15 Revenue from Contracts with Customers. The Bank and subsidiaries determine revenue except interest income by performance obligation which is not different than revenue recognition in the previous year, with no material impact on the Bank and subsidiaries' financial statements.

2.2.2 The Federation of Accounting Professions had issued the Notification of Federation of Accounting Professions regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations which had been announced in the Royal Gazette, that are relevant to the Bank but not yet effective in 2019 as follows :

Thai Financial Reporting Standards		Effective date
Thai Financial Reporting Standards (TFRS)		
TFRS 16	Leases	January 1, 2020
Financial Instruments Standards		
Thai Accounting Standards (TAS)		
TAS 32	Financial Instruments: Presentation	January 1, 2020
Thai Financial Reporting Standards (TFRS)		
TFRS 7	Financial Instruments: Disclosures	January 1, 2020
TFRS 9	Financial Instruments	January 1, 2020
Thai Financial Reporting Interpretations (TFRIC)		
TFRIC 16	Hedges of a Net Investment in a Foreign Operation	January 1, 2020
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	January 1, 2020

New or revised Thai Financial Reporting Standards which are significantly changed can be summarized as follows :

- A pack of Standards in relation to financial instruments includes
 - Guidance on the classification and measurement of financial instruments at either fair value or amortized cost based on determination the type of financial instruments, the contractual cash flow characteristics and the business model.
 - Impairment assessment using the expected credit loss approach. The instruments that are in the scope of impairment requirement are loan receivable and financial assets which are debt instruments that are not measure at fair value through profit and loss, loan commitment and financial guarantee contract. The expected credit loss and its movement shall be recognized in each financial reporting date to reflect the change of credit risk since initial recognition.
 - Hedge accounting which determines the type of transactions eligible for hedge accounting requirement, the types of instruments that qualify for hedging instruments and hedged items, and effectiveness testing which is more aligned with risk management strategy.
 - Principle for presentation of hybrid instruments, financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities.
 - Disclosure requirement that enable the users of financial statements can evaluate how significant of financial instrument which may have to the financial position and performance. The disclosure also includes the nature and extent of risks arising from the financial instruments and how such risks are managed.

- Thai Financial Reporting Standards No. 16 “Leases”

Replace the existing lease accounting under Thai Accounting Standards No. 17 by introducing a single lessee accounting model which requires the lessee to recognize all long-term leases into the statement of financial position as a right-of-use asset and lease liability. However there is no impact to lessor accounting as a lessor continues to account the leases as finance lease or operating lease.

The Bank has considered the impact of the above Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations and determined that they will not have any material impact on the Bank's financial statements except for a pack of Thai Financial Reporting Standards in relation to financial instruments which will be effective on January 1, 2020 that the Bank is in the impact assessment process.

2.3 The consolidated interim financial statements for the three-month periods ended March 31, 2019 and 2018, and the consolidated statement of financial position as at December 31, 2018, included the accounts of the head office and all branches of the Bank and its subsidiaries, by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries, and included equity interest in associates. The subsidiaries consist of BBL (Cayman) Limited, Bangkok Bank Berhad, Sinnsuptawee Asset Management Company Limited, BBL Asset Management Company Limited, Bualuang Securities Public Company Limited, Bangkok Bank (China) Company Limited and Bualuang Ventures Limited.

In addition, the consolidated interim financial statements for the three-month periods ended March 31, 2019 and 2018 and the consolidated statement of financial position as at December 31, 2018, also included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad and Bangkok Capital Asset Management Company Limited, the 100.00% owned subsidiary of Bualuang Securities Public Company Limited.

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

2.4 The Bank's interim financial statements for the three-month periods ended March 31, 2019 and 2018, and the Bank's statement of financial position as at December 31, 2018 included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates were accounted for using the cost method, net of valuation allowance for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

The Bank applies accounting policies and calculation methods to the interim financial statements consistent with those used in the financial statements for the year ended December 31, 2018. This includes the application of the new or revised Thai financial reporting standards as mentioned in Note 2.2.1.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

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

The following table shows an analysis of financial assets and financial liabilities by level of the fair value hierarchy as at March 31, 2019 and December 31, 2018.

	Million Baht							
	CONSOLIDATED							
	March 31, 2019			December 31, 2018				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Items measured at fair value :								
Financial assets								
Derivatives	-	33,802	-	33,802	-	28,581	-	28,581
Investments, net	95,175	426,384	-	521,559	92,491	412,863	-	505,354
Financial liabilities								
Derivatives	337	23,254	-	23,591	300	22,528	-	22,828

	Million Baht							
	THE BANK							
	March 31, 2019			December 31, 2018				
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Items measured at fair value :								
Financial assets								
Derivatives	-	33,619	-	33,619	-	28,266	-	28,266
Investments, net	91,576	408,786	-	500,362	89,945	399,067	-	489,012
Financial liabilities								
Derivatives	-	23,117	-	23,117	-	22,344	-	22,344

Fair values are determined according to the following hierarchy :

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

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

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

The fair value determination of investments in debt securities

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

The fair value determination of investments in equity securities

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

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

5. CAPITAL FUND

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

The guideline on capital fund based on the Basel III guidelines of the BOT requires the Bank to maintain a capital conservation buffer in addition to minimum capital adequacy ratios which sets out to phasing in additional capital ratio of more than 0.625 percent p.a. starting January 1, 2016 until completion of the increment to more than 2.50 percent on January 1, 2019. The minimum capital adequacy and a capital conservation buffer ratios to risk assets is as follows :

Capital Fund Ratio	Percentage	
	March 31, 2019	December 31, 2018
Common Equity Tier 1 ratio	More than 7.5	More than 6.375
Tier 1 capital ratio	More than 9.0	More than 7.875
Total capital fund ratio	More than 11.5	More than 10.375

In September 2017, the BOT has announced the guideline to identify and regulate Domestic Systemically Important Banks (D-SIBs). The BOT requires the Bank, classified as D-SIBs, must have additional capital requirement for Higher Loss Absorbency (HLA) requirement by increasing the Common Equity Tier 1 ratio at 1 percent, beginning at 0.5 percent from January 1, 2019 and increasing to be 1 percent from January 1, 2020 onwards.

Moreover, the BOT may require to maintain additional capital for countercyclical buffer at maximum of 2.50 percent.

As at March 31, 2019 and December 31, 2018, the Bank maintained capital adequacy ratios to risk assets and capital fund in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

	CONSOLIDATED		THE BANK		Percentage
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	
	Common Equity Tier 1 capital to risk assets ratio	16.63	16.43	16.40	16.24
Tier 1 capital to risk assets ratio	16.63	16.43	16.40	16.24	
Total capital to risk assets ratio	18.12	17.96	17.90	17.78	

	CONSOLIDATED		THE BANK		Million Baht
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	
	Tier 1 capital	394,189	390,369	378,459	374,633
Common Equity Tier 1 capital	394,128	390,309	378,459	374,633	
Paid-up share capital	19,088	19,088	19,088	19,088	
Premium on share capital	56,346	56,346	56,346	56,346	
Legal reserve	23,000	23,000	23,000	23,000	
Reserves appropriated from net profit	101,500	101,500	101,500	101,500	
Net profit after appropriation	152,107	152,107	132,089	132,089	
Other comprehensive income	45,221	42,039	48,533	45,361	
Deductions from Common Equity					
Tier 1 capital	(3,134)	(3,771)	(2,097)	(2,751)	
Additional Tier 1 capital	61	60	-	-	
Tier 2 capital	35,359	36,194	34,668	35,312	
Total capital fund	429,548	426,563	413,127	409,945	

As at March 31, 2019 and December 31, 2018, the Bank has no capital add-on arising from Single Lending Limit.

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

Location of disclosure www.bangkokbank.com/Investor Relations/Financial Information/Basel III - Pillar 3

Date of disclosure April 30, 2019

Information as of December 31, 2018

6. ADDITIONAL INFORMATION

6.1 Supplementary disclosures of cash flow information

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

Cash and cash equivalents as at March 31, 2019 and 2018 are as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	Million Baht			
Cash	58,652	57,980	58,589	57,881
Cash equivalents				
Cash at Bank - current and savings accounts	34	32	-	-
Fixed deposits and notes with a maturity less than or equal to three months	<u>314</u>	<u>412</u>	<u>-</u>	<u>-</u>
Total cash and cash equivalents	<u>59,000</u>	<u>58,424</u>	<u>58,589</u>	<u>57,881</u>

6.1.2 Significant non-cash items for the three-month periods ended March 31, 2019 and 2018 are as follows :

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Million Baht				
Unrealized gains on investments in shareholders' equity increase (decrease)	4,213	(2,791)	4,174	(2,826)
Properties for sale increased from loans payment/inactive assets	281	276	281	276
Unrealized increment per premises appraisal transferred to retained earnings	232	233	231	232
Changes in non-cash items of debt issued and borrowing				
Gain on foreign exchange	2,305	4,928	2,305	4,928
Amortization on discount	65	57	65	57

6.2 Investments, net

6.2.1 Investments as at March 31, 2019 and December 31, 2018 consisted of the following :

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	Fair Value	Fair Value	Fair Value	Fair Value
Trading securities				
Government and state enterprise securities	7,417	4,950	7,357	4,950
Private enterprise debt securities	1,766	56	1,766	56
Domestic marketable equity securities	3,563	2,510	-	-
Total	12,746	7,516	9,123	5,006

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	Fair Value	Fair Value	Fair Value	Fair Value
Available-for-sale securities				
Government and state enterprise securities	272,431	293,834	272,431	293,834
Private enterprise debt securities	55,022	37,328	54,475	36,788
Foreign debt securities	94,915	82,707	82,254	73,352
Domestic marketable equity securities	60,084	60,160	60,084	60,160
Foreign marketable equity securities	13,571	11,531	13,571	11,531
Others	12,790	12,278	8,424	8,341
Total	508,813	497,838	491,239	484,006

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost
Held-to-maturity debt securities				
Government and state enterprise securities	16,907	15,757	2,045	2,046
Foreign debt securities	3,997	4,092	3,216	3,312
Total	20,904	19,849	5,261	5,358

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	Cost	Cost	Cost	Cost
General investments				
Domestic non-marketable equity securities	6,921	6,878	6,742	6,729
Foreign non-marketable equity securities	<u>34,768</u>	<u>32,941</u>	<u>34,635</u>	<u>32,830</u>
Total	41,689	39,819	41,377	39,559
Less Allowance for impairment	<u>(8,547)</u>	<u>(8,234)</u>	<u>(8,547)</u>	<u>(8,234)</u>
Total	<u><u>33,142</u></u>	<u><u>31,585</u></u>	<u><u>32,830</u></u>	<u><u>31,325</u></u>
Total investments, net	<u><u>575,605</u></u>	<u><u>556,788</u></u>	<u><u>538,453</u></u>	<u><u>525,695</u></u>

Investments classified in accordance with the Notification of the BOT as at March 31, 2019 and December 31, 2018 are presented in Note 6.5.

As at March 31, 2019 and December 31, 2018, the Bank has investments in 32 companies with cost values of Baht 256 million, which are companies whose prospects as a going concern are uncertain or are unlisted companies but whose financial positions and operations would fall under the SET delisting criteria, which the Bank had set aside allowance for impairment of these investments amounting to Baht 256 million and these companies had net book value totaling Baht 0 million.

As at March 31, 2019 and December 31, 2018, the Bank has investments in 3 listed companies that are under the SET delisting criteria, amounting to Baht 4 million, with the fair value of Baht 0 million, which the Bank had set aside allowance for impairment of these investments amounting to Baht 4 million.

On December 30, 2004, the Bank entered into a transaction to transfer certain investments classified as available-for-sale securities received from debt restructuring to Sinnsuptawee Asset Management Co., Ltd., a subsidiary of the Bank, at the closing price on December 28, 2004 quoted on The Stock Exchange of Thailand in the amount of Baht 3,323 million. The proceeds from the aforementioned transfer were recorded as other liabilities and the related securities were recorded as securities transferred to subsidiary under available-for-sale securities in accordance with accounting treatment guidance for Transfer and Transferred Financial Assets. As at March 31, 2019 and December 31, 2018, the Bank had outstanding balances of other liabilities from such transaction amounting to Baht 328 million and Baht 372 million, respectively.

6.2.2 As at March 31, 2019 and December 31, 2018, the Bank and subsidiaries had investments in other companies of 10% and upwards of the paid-up capital of the respective companies but which are not considered to be investments in subsidiaries and associates. The classification is as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Manufacturing and commercial	12	12	12	12
Real estate and construction	187	187	187	187
Utilities and services	41	41	41	41
Others	<u>2,125</u>	<u>2,039</u>	<u>2,125</u>	<u>2,039</u>
Total	<u>2,365</u>	<u>2,279</u>	<u>2,365</u>	<u>2,279</u>

6.3 Investments in subsidiaries and associates, net

As at March 31, 2019 and December 31, 2018, the Bank had investments in subsidiaries and associates, net as follows :

Company	Type of Business	Type of Shares	Million Baht					
			CONSOLIDATED				Investment	
			Direct and Indirect Shareholding (%)		(Cost Method)		(Equity Method)	
			March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Associates								
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	201	201	783	748
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15	485	468
National ITMX Co., Ltd.	Service	Ordinary share	13.84	13.84	7	7	236	226
Thai Payment Network Co., Ltd.	Service	Ordinary share	69.08	69.08	<u>362</u>	<u>362</u>	<u>148</u>	<u>166</u>
Total					585	585	1,652	1,608
Less Allowance for impairment					<u>(2)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Investments in associates, net					<u>583</u>	<u>583</u>	<u>1,652</u>	<u>1,608</u>

In September 2018, the Bank has purchased the issued 2,000,000 ordinary shares in Thai Payment Network Co., Ltd. in the amount of Baht 200,000,000, resulting in an increase of the Bank's shareholding to be 69.08%. However, the Bank continued to classify it as an investment in associate since the Bank has only the power to participate in management but is not control. In addition, the Bank also intend to sell 1,000,000 shares in the amount of Baht 100,000,000 of such additionally purchased back to the existing shareholders after its increase in the investment is approved by the regulator, in order to maintain the existing shareholding at 49.99%.

Company	Type of Business	Type of Shares	THE BANK				Million Baht	
			Direct and Indirect Shareholding (%)		Investment (Cost Method)			
			March 31, December 31,		March 31, December 31,			
			2019	2018	2019	2018	2019	2018
Subsidiaries								
BBL (Cayman) Limited	Finance	Ordinary share	100.00	100.00	2	2		
Bangkok Bank Berhad	Banking	Ordinary share	100.00	100.00	9,261	9,261		
Sinnsuptawee Asset Management Co., Ltd.	Asset Management	Ordinary share	100.00	100.00	2,500	2,500		
Bangkok Bank (China) Co., Ltd.	Banking	Ordinary share	100.00	100.00	19,585	19,585		
Bualuang Ventures Ltd.	Venture Capital Company	Ordinary share	100.00	100.00	500	500		
BBL Asset Management Co., Ltd.	Finance	Ordinary share	75.00	75.00	183	183		
Bualuang Securities PCL.	Securities	Ordinary share	99.91	99.91	4,772	4,772		
Associates								
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	201	201		
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15		
National ITMX Co., Ltd.	Service	Ordinary share	13.84	13.84	7	7		
Thai Payment Network Co., Ltd.	Service	Ordinary share	69.08	69.08	362	362		
Total					37,388	37,388		
Less Allowance for impairment					(97)	(97)		
Investments in subsidiaries and associates, net					37,291	37,291		

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

	Million Baht	
	FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018
Net profit	202	257
Total comprehensive income	202	257

6.4 Loans to customers and accrued interest receivables, net

6.4.1 As at March 31, 2019 and December 31, 2018, the Bank and subsidiaries had classified loans and allowance for doubtful accounts in accordance with the Notification of the BOT as follows :

	CONSOLIDATED March 31, 2019			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,901,489	1,242,169	1	15,567
Special mentioned	50,516	24,068	2	623
Substandard	11,044	4,123	100	4,121
Doubtful	19,035	9,292	100	9,296
Doubtful of loss	53,718	28,966	100	28,969
Excess provision according to the BOT's requirement				93,476
Total	<u>2,035,802</u>	<u>1,308,618</u>		<u>152,052</u>

	CONSOLIDATED December 31, 2018			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,962,102	1,291,067	1	16,215
Special mentioned	46,501	22,387	2	591
Substandard	5,460	1,018	100	1,018
Doubtful	20,884	10,574	100	10,608
Doubtful of loss	53,837	30,188	100	30,188
Excess provision according to the BOT's requirement				88,968
Total	<u>2,088,784</u>	<u>1,355,234</u>		<u>147,588</u>

	THE BANK March 31, 2019			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,845,443	1,198,858	1	15,158
Special mentioned	50,299	23,885	2	620
Substandard	11,035	4,120	100	4,121
Doubtful	18,914	9,198	100	9,201
Doubtful of loss	53,064	28,649	100	28,652
Excess provision according to the BOT's requirement				90,893
Total	<u>1,978,755</u>	<u>1,264,710</u>		<u>148,645</u>

	THE BANK December 31, 2018			Million Baht
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,905,518	1,247,164	1	15,798
Special mentioned	46,295	22,184	2	587
Substandard	5,453	1,018	100	1,018
Doubtful	20,762	10,480	100	10,513
Doubtful of loss	53,108	29,865	100	29,865
Excess provision according to the BOT's requirement				86,545
Total	<u>2,031,136</u>	<u>1,310,711</u>		<u>144,326</u>

As at March 31, 2019 and December 31, 2018, the consolidated and the Bank's financial statements included the allowance for doubtful accounts amounting to Baht 5,863 million and Baht 6,052 million, respectively, on a collective approach, for loans classified as normal and special mentioned.

6.4.2 As at March 31, 2019 and December 31, 2018, the Bank and subsidiaries had non-performing loans (NPLs), defined according to the BOT's Notification as loans classified as substandard, doubtful and doubtful of loss including interbank and money market items but excluding accrued interest receivable, as follows :

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
	Million Baht			
NPLs before allowance for doubtful accounts	83,668	80,137	82,883	79,279
NPLs as percentage of total loans	3.51	3.42	3.57	3.48
Net NPLs after allowance for doubtful accounts	28,512	26,412	28,285	26,171
Net NPLs as percentage of net total loans	1.22	1.15	1.25	1.18

6.4.3 Troubled debt restructurings

Details of the restructured debts of the Bank for the three-month periods ended March 31, 2019 and 2018, classified by the restructuring methods, are as follows :

Restructuring Method	No. of Cases	THE BANK		
		Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Asset transfer	16	820	Land, building, machinery	820
Various forms	1,198	14,157	-	-
Total	1,214	14,977		

The weighted average tenure of the above-mentioned restructuring is 7 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 14,977 million.

Restructuring Method	No. of Cases	THE BANK		
		Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Various forms	1,289	11,653	-	-
Total	1,289	11,653		

The weighted average tenure of the above-mentioned restructuring is 4 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 11,653 million.

For the three-month periods ended March 31, 2019 and 2018, the Bank recognized interest income from restructured debts amounting to Baht 1,000 million and Baht 733 million, respectively.

As at March 31, 2019 and December 31, 2018, the Bank had outstanding balances of loans to restructured debtors amounting to Baht 94,286 million and Baht 92,337 million, respectively.

Disclosures for the consolidated financial statements for troubled debt restructurings which occurred during the three-month periods ended March 31, 2019 and 2018 have not been provided, as such information is not significantly different from the above disclosures for the Bank's financial statements.

6.5 Classified assets in accordance with the Notification of the BOT

As at March 31, 2019 and December 31, 2018, classified assets in accordance with the Notification of the BOT are as follows :

	CONSOLIDATED March 31, 2019				Million Baht
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,901,489	-	-	-	1,901,489
Special mentioned	50,516	-	-	-	50,516
Substandard	11,044	-	-	-	11,044
Doubtful	19,035	-	-	-	19,035
Doubtful of loss	53,718	13,188	1,880	1,269	70,055
Total	2,035,802	13,188	1,880	1,269	2,052,139

	CONSOLIDATED December 31, 2018				Million Baht
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,962,102	-	-	-	1,962,102
Special mentioned	46,501	-	-	-	46,501
Substandard	5,460	-	-	-	5,460
Doubtful	20,884	-	-	-	20,884
Doubtful of loss	53,837	13,811	1,885	1,277	70,810
Total	2,088,784	13,811	1,885	1,277	2,105,757

					Million Baht
THE BANK					
March 31, 2019					
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,845,443	-	-	-	1,845,443
Special mentioned	50,299	-	-	-	50,299
Substandard	11,035	-	-	-	11,035
Doubtful	18,914	-	-	-	18,914
Doubtful of loss	53,064	13,187	383	1,267	67,901
Total	<u>1,978,755</u>	<u>13,187</u>	<u>383</u>	<u>1,267</u>	<u>1,993,592</u>

					Million Baht
THE BANK					
December 31, 2018					
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,905,518	-	-	-	1,905,518
Special mentioned	46,295	-	-	-	46,295
Substandard	5,453	-	-	-	5,453
Doubtful	20,762	-	-	-	20,762
Doubtful of loss	53,108	13,733	389	1,275	68,505
Total	<u>2,031,136</u>	<u>13,733</u>	<u>389</u>	<u>1,275</u>	<u>2,046,533</u>

6.6 Debt issued and borrowings

6.6.1 Classified by type of instruments and source of fund as at March 31, 2019 and December 31, 2018 :

							Million Baht
CONSOLIDATED							
March 31, 2019			December 31, 2018				
	Domestic	Foreign	Total	Domestic	Foreign	Total	
Senior unsecured notes	-	104,994	104,994	-	107,027	107,027	
Unsecured subordinated notes	-	14,310	14,310	-	14,587	14,587	
Bills of exchange	8	-	8	23	-	23	
Others	535	-	535	456	-	456	
Less Discount on borrowings	-	(5,675)	(5,675)	-	(5,745)	(5,745)	
Total	<u>543</u>	<u>113,629</u>	<u>114,172</u>	<u>479</u>	<u>115,869</u>	<u>116,348</u>	

Million Baht						
THE BANK						
	March 31, 2019			December 31, 2018		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	104,994	104,994	-	107,027	107,027
Unsecured subordinated notes	-	14,310	14,310	-	14,587	14,587
Bills of exchange	8	-	8	23	-	23
Others	373	-	373	329	-	329
Less Discount on borrowings	-	(5,675)	(5,675)	-	(5,745)	(5,745)
Total	<u>381</u>	<u>113,629</u>	<u>114,010</u>	<u>352</u>	<u>115,869</u>	<u>116,221</u>

6.6.2 Classified by type of instruments, currency, maturity and interest rate as at March 31, 2019 and December 31, 2018 :

Million Baht						
CONSOLIDATED						
Type	Currency	Maturity	Interest Rate	Amount		
				March 31, 2019	December 31, 2018	
Senior unsecured notes	USD	2020 - 2028	3.875% - 5.00%	104,994	107,027	
Unsecured subordinated notes	USD	2029	9.025%	14,310	14,587	
Bills of exchange	THB	2019	0.00% - 1.00%	8	23	
Others	THB	2019 - 2024	0.00%	535	456	
Less Discount on borrowings				(5,675)	(5,745)	
Total				<u>114,172</u>	<u>116,348</u>	

Million Baht						
THE BANK						
Type	Currency	Maturity	Interest Rate	Amount		
				March 31, 2019	December 31, 2018	
Senior unsecured notes	USD	2020 - 2028	3.875% - 5.00%	104,994	107,027	
Unsecured subordinated notes	USD	2029	9.025%	14,310	14,587	
Bills of exchange	THB	2019	0.00% - 1.00%	8	23	
Others	THB	2021 - 2024	0.00%	373	329	
Less Discount on borrowings				(5,675)	(5,745)	
Total				<u>114,010</u>	<u>116,221</u>	

6.7 Share capital

The Bank's share capital consists of :

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

As at March 31, 2019 and December 31, 2018, the Bank had registered share capital of Baht 40,000,000,000 divided into ordinary shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

Type	Number of Registered Shares	
	March 31, 2019	December 31, 2018
Ordinary shares	3,998,345,000	3,998,345,000
Class A preferred shares	655,000	655,000
Class B preferred shares	1,000,000	1,000,000
Total	<u><u>4,000,000,000</u></u>	<u><u>4,000,000,000</u></u>

As at March 31, 2019 and December 31, 2018, the Bank had 1,908,842,894 issued ordinary shares and 2,039,502,106 unissued ordinary shares and 655,000 Class A unissued preferred shares and 1,000,000 Class B unissued preferred shares. In relation to the allocation of the unissued ordinary shares, the Bank will follow the resolutions of the 12th ordinary shareholders' meeting convened on April 12, 2005, as per the following details :

1. Allocation of 1,339,502,106 ordinary shares as follows :
 - 1.1) Allocation of 459,502,106 ordinary shares for offer and sale to the general public, including the existing shareholders and the beneficial owners of the shares held by custodian or by any other similar arrangements.
 - 1.2) Allocation of 440,000,000 ordinary shares for offer and sale to institutional investors or investors with specific characteristics prescribed in the Notification of the Securities and Exchange Commission.
 - 1.3) Allocation of 440,000,000 ordinary shares for offer and sale to the existing shareholders and the beneficial owners of the ordinary shares in proportion to their shareholdings.
2. Allocation of 50,000,000 ordinary shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds issued by the Bank and offered for sale in 1999 as part of the Capital Augmented Preferred Securities (CAPS).
3. Allocation of 500,000,000 ordinary shares to be reserved for the exercise of the conversion right attached to the subordinated convertible bonds and/or convertible bonds that may further be issued in the future by the Bank.
4. Allocation of 200,000,000 ordinary shares to be reserved for the exercise of right to purchase ordinary shares by holders of warrants that may further be issued in the future by the Bank.
5. Allocation of 655,000 Class A preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds.

6. Allocation of 1,000,000 Class B preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds and/or unsubordinated bonds and/or subordinated convertible bonds and/or convertible bonds.

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

6.8 The appropriation of the profit and the dividend payments

On April 12, 2018, the 25th Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2017 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2017 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2017), and the amount to be appropriated for the period of July - December 2017 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,060 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,710 million on September 22, 2017, and the remaining amount will be paid on May 11, 2018 at the rate of Baht 4.50 per share amounting to Baht 8,350 million.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 8,350 million on May 11, 2018.

On August 30, 2018, the meeting of the Board of Directors of the Bank No. 8/2018 approved the resolutions regarding the appropriation of the profit and the payment of interim dividend as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2018 amounting to Baht 500 million and Baht 5,000 million, respectively.
- The payment of interim dividend at the rate of Baht 2.00 per ordinary share amounting to Baht 3,716 million on September 28, 2018.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 3,716 million on September 28, 2018.

6.9 Assets pledged as collateral and under restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowances for impairment, as at March 31, 2019 and December 31, 2018 amounted to Baht 36,420 million and Baht 16,207 million, respectively.

6.10 Contingent liabilities

As at March 31, 2019 and December 31, 2018, the Bank and subsidiaries had contingent liabilities as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Avals to bills	6,876	5,800	6,876	5,800
Guarantees of loans	31,489	32,236	20,024	20,525
Liability under unmatured import bills	19,122	19,041	16,870	15,329
Letters of credit	38,166	35,822	35,208	34,486
Other commitments				
Amount of unused bank overdraft	171,623	170,329	170,690	169,326
Other guarantees	264,096	270,320	261,531	267,795
Others	<u>139,160</u>	<u>120,182</u>	<u>141,183</u>	<u>123,426</u>
Total	<u><u>670,532</u></u>	<u><u>653,730</u></u>	<u><u>652,382</u></u>	<u><u>636,687</u></u>

6.11 Litigation

As at March 31, 2019 and December 31, 2018, a number of civil proceedings have been brought against the Bank and subsidiaries in the ordinary course of business. The Bank and subsidiaries believe that such proceedings, when resolved, will not materially affect the Bank and subsidiaries's financial position and result of operations.

6.12 Related party transactions

As at March 31, 2019 and December 31, 2018, related parties of the Bank consisted of subsidiaries, associates, key management personnel that are directors, executives at the level of executive vice president and higher or equal, any parties related to key management personnel, including the entities in which key management personnel and any parties related which are controlled or significantly influenced.

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

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Placement				
Subsidiaries				
Bangkok Bank Berhad	-	-	4,526	2,767
Bangkok Bank (China) Co., Ltd.	-	-	78	2,078
Total	<u>-</u>	<u>-</u>	<u>4,604</u>	<u>4,845</u>
Loans				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	2,710	2,710
Associate				
BSL Leasing Co., Ltd.	100	80	100	80
Other related parties	53	72	39	38
Total	<u>153</u>	<u>152</u>	<u>2,849</u>	<u>2,828</u>
Allowance for doubtful accounts				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	33	33
Associate				
BSL Leasing Co., Ltd.	1	1	1	1
Total	<u>1</u>	<u>1</u>	<u>34</u>	<u>34</u>
Other assets				
Subsidiaries				
Bangkok Bank Berhad	-	-	12	3
Sinnsuptawee Asset Management Co., Ltd.	-	-	2	2
BBL Asset Management Co., Ltd.	-	-	379	378
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	-	1
Associates				
Processing Center Co., Ltd.	21	38	21	38
Thai Payment Network Co., Ltd.	16	13	16	13
Other related parties	3	6	-	-
Total	<u>40</u>	<u>57</u>	<u>431</u>	<u>436</u>

Million Baht

	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Deposits				
Subsidiaries				
BBL (Cayman) Limited	-	-	753	765
Bangkok Bank Berhad	-	-	71	56
Sinnsuptawee Asset Management Co., Ltd.	-	-	100	11
BBL Asset Management Co., Ltd.	-	-	317	113
Bualuang Securities PCL.	-	-	107	113
Bangkok Bank (China) Co., Ltd.	-	-	77	130
Bualuang Venture Co., Ltd.	-	-	258	288
Bangkok Capital Asset Management Co., Ltd.*	-	-	104	134
Associates				
BSL Leasing Co., Ltd.	36	30	36	30
Processing Center Co., Ltd.	118	99	118	99
National ITMX Co., Ltd.	90	80	90	80
Thai Payment Network Co., Ltd.	124	145	124	145
Other related parties	<u>8,849</u>	<u>7,730</u>	<u>8,849</u>	<u>7,730</u>
Total	<u>9,217</u>	<u>8,084</u>	<u>11,004</u>	<u>9,694</u>
Borrowings				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	<u>-</u>	<u>-</u>	<u>509</u>	<u>519</u>
Total	<u>-</u>	<u>-</u>	<u>509</u>	<u>519</u>
Other liabilities				
Subsidiaries				
BBL (Cayman) Limited	-	-	3	1
Sinnsuptawee Asset Management Co., Ltd.	-	-	329	372
BBL Asset Management Co., Ltd.	-	-	1	-
Bualuang Securities PCL.	-	-	1	1
Bangkok Bank (China) Co., Ltd.	-	-	1	-
Associates				
Processing Center Co., Ltd.	1	1	1	1
National ITMX Co., Ltd.	11	10	11	10
Other related parties	<u>30</u>	<u>73</u>	<u>20</u>	<u>12</u>
Total	<u>42</u>	<u>84</u>	<u>367</u>	<u>397</u>

* Holding by Bualuang Securities PCL.

	Million Baht			
	CONSOLIDATED		THE BANK	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Commitments				
Subsidiaries				
Bangkok Bank Berhad	-	-	59	72
Bualuang Securities PCL.	-	-	29	-
Bangkok Bank (China) Co., Ltd.	-	-	281	-
Associates				
BSL Leasing Co., Ltd.	-	19	-	19
National ITMX Co., Ltd.	1	-	1	-
Other related parties	4	3	4	3
Total	<u>5</u>	<u>22</u>	<u>374</u>	<u>94</u>

For the three-month period ended March 31, 2019, the Bank and subsidiaries charged interest at rates between 1.75% and 13.00% on loans to these related parties depending on the types of loans and collateral and charged interest at rate of 1.88% on loans to Sinnsuptawee Asset Management Co., Ltd.

For the year ended December 31, 2018, the Bank and subsidiaries charged interest at rates between 1.62% and 13.00% on loans to these related parties depending on the types of loans and collateral and charged interest at rate of 1.62% on loans to Sinnsuptawee Asset Management Co., Ltd.

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

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at March 31, 2019 and December 31, 2018 are shown in Note 6.3.

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

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

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	35	9
Sinnsuptawee Asset Management Co., Ltd.	-	-	11	10
Bualuang Securities PCL.	-	-	-	2
Bangkok Bank (China) Co., Ltd.	-	-	3	13
Associate				
BSL Leasing Co., Ltd.	1	2	1	2
Total	<u>1</u>	<u>2</u>	<u>50</u>	<u>36</u>

	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH		FOR THE THREE-MONTH	
	PERIODS ENDED		PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Million Baht				
Fees and service income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	542	576
Bualuang Securities PCL.	-	-	5	7
Associate				
Processing Center Co., Ltd.	2	3	2	3
Other related parties	16	17	1	-
Total	<u>18</u>	<u>20</u>	<u>550</u>	<u>586</u>
Dividend income				
Subsidiary				
BBL Asset Management Co., Ltd.	-	-	-	450
Other income				
Subsidiaries				
Bualuang Securities PCL.	-	-	4	12
Bangkok Bank (China) Co., Ltd.	-	-	29	32
Associates				
National ITMX Co., Ltd.	1	1	1	1
Thai Payment Network Co., Ltd.	3	3	3	3
Total	<u>4</u>	<u>4</u>	<u>37</u>	<u>48</u>
Interest paid				
Subsidiaries				
BBL (Cayman) Limited	-	-	5	3
BBL Asset Management Co., Ltd.	-	-	1	1
Bualuang Securities PCL.	-	-	-	1
Bangkok Bank (China) Co., Ltd.	-	-	3	3
Bualuang Venture Co., Ltd.	-	-	1	1
Other related parties	16	20	16	20
Total	<u>16</u>	<u>20</u>	<u>26</u>	<u>29</u>
Commission paid				
Subsidiary				
Bualuang Securities PCL.	-	-	-	15
Other related parties	16	15	-	-
Total	<u>16</u>	<u>15</u>	<u>-</u>	<u>15</u>
Other expenses				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	-	-	-	1
Associates				
Processing Center Co., Ltd.	1	20	1	20
National ITMX Co., Ltd.	29	17	29	17
Other related parties	32	46	30	44
Total	<u>62</u>	<u>83</u>	<u>60</u>	<u>82</u>

6.13 Disclosure of the statement of cash flows of the Asset Management Company (AMC)

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

SINNSUPTAWEE ASSET MANAGEMENT COMPANY LIMITED		STATEMENT OF CASH FLOWS	
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019		(UNAUDITED)	
	2019	2018	Million Baht
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) from operating before income tax expense	444	(214)	
Items to reconcile profit (loss) from operating before income tax expenses to cash received (paid) from operating activities			
Net gain on disposal of securities	(451)	(1)	
Reversal on allowance impairment of properties for sale	-	(150)	
Loss on impairment of properties for sale	-	626	
Net interest expenses	11	10	
Dividend income	-	(69)	
Interest expenses paid	(11)	(10)	
Income tax paid	-	(9)	
Profit (loss) from operating before changes in operating assets and liabilities	(7)	183	
Decrease in operating assets			
Properties for sale	12	360	
Decrease in operating liabilities			
Deposits	(1)	(101)	
Other liabilities	(1)	-	
Net cash from operating activities	<u>3</u>	<u>442</u>	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of available-for-sale securities	(407)	(479)	
Proceeds from disposal of available-for-sale securities	494	38	
Net cash from investing activities	<u>87</u>	<u>(441)</u>	
Net increase in cash and cash equivalents	90	1	
Cash and cash equivalents as at January 1,	<u>9</u>	<u>6</u>	
Cash and cash equivalents as at March 31,	<u><u>99</u></u>	<u><u>7</u></u>	

6.14 Events after the reporting period

6.14.1 On April 12, 2019, the 26th Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2018 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2018 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2018), and the amount to be appropriated for the period of July - December 2018 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,086 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,716 million on September 28, 2018, and the remaining amount will be paid on May 10, 2019 at the rate of Baht 4.50 per share amounting to Baht 8,370 million.

6.14.2 On April 5, 2019, the new Labor Protection Act was published in the Royal Gazette after the National Legislative Assembly passed it on December 13, 2018. This new Labor Protection Act amend the amount of severance pay for an employee who has worked at least 20 years in accordance with the Bank's working rules and regulations to be increased to 400 days at the employee's last wage rate. The Bank determined that such revision to Labor Act was the post-employee benefit plan amendment which become effective to the post employment benefit obligation as at December 31, 2018. The Bank therefore already recognized the increase of such severance pay as the expense for the year 2018 amounting to Baht 2,523 million.

6.15 Operating segments

6.15.1 Operating segments

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

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

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

Domestic Banking

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

International Banking

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

Investment Banking

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

Others

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

The operating results of operating segments for the three-month periods ended March 31, 2019 and 2018 are as follows :

	CONSOLIDATED					Million Baht
	FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019					
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	19,371	3,333	2,588	3,335	-	28,627
Total operating expenses before						
credit losses	<u>(7,643)</u>	<u>(1,098)</u>	<u>(192)</u>	<u>(3,268)</u>	<u>-</u>	<u>(12,201)</u>
Profit from operating before credit						
losses and income tax expenses	<u>11,728</u>	<u>2,235</u>	<u>2,396</u>	<u>67</u>	<u>-</u>	<u>16,426</u>

CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	19,300	2,684	6,558	2,995	-	31,537
Total operating expenses before credit losses	<u>(7,584)</u>	<u>(1,045)</u>	<u>(187)</u>	<u>(3,778)</u>	<u>-</u>	<u>(12,594)</u>
Profit from operating before credit losses and income tax expenses	<u>11,716</u>	<u>1,639</u>	<u>6,371</u>	<u>(783)</u>	<u>-</u>	<u>18,943</u>

The financial position of operating segments as at March 31, 2019 and December 31, 2018 are as follows :

CONSOLIDATED						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total assets						
As at March 31, 2019	1,619,818	780,581	1,173,006	145,653	(570,222)	3,148,836
As at December 31, 2018	1,659,254	825,697	1,107,633	149,941	(625,775)	3,116,750

6.15.2 Geographical Segments

The operating results classified by geographical areas for the three-month periods ended March 31, 2019 and 2018 are as follows :

CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED							Million Baht
	March 31, 2019			March 31, 2018			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Total operating income	24,106	4,521	28,627	28,145	3,392	31,537	
Total operating expenses*	(15,474)	(1,805)	(17,279)	(17,789)	(2,127)	(19,916)	
Profit from operating before income tax expenses	8,632	2,716	11,348	10,356	1,265	11,621	

The financial position classified by geographical areas as at March 31, 2019 and December 31, 2018 are as follows :

CONSOLIDATED						Million Baht
	March 31, 2019			December 31, 2018		
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total
Non-current assets**	36,297	6,835	43,132	36,668	6,979	43,647
Total assets	2,632,944	515,892	3,148,836	2,565,708	551,042	3,116,750

* Including credit losses.

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

6.16 Interest income

Interest income for the three-month periods ended March 31, 2019 and 2018 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest on interbank and money market items	2,307	2,043	2,002	1,662
Investments and trading transactions	44	61	44	60
Investment in debt securities	2,304	2,099	2,149	1,996
Interest on loans	23,696	22,366	22,952	21,736
Others	14	14	14	14
Total interest income	<u><u>28,365</u></u>	<u><u>26,583</u></u>	<u><u>27,161</u></u>	<u><u>25,468</u></u>

6.17 Interest expenses

Interest expenses for the three-month periods ended March 31, 2019 and 2018 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interest on deposits	5,526	5,288	5,112	4,911
Interest on interbank and money market items	521	391	472	327
Contributions to the Deposit Protection Agency	2,453	2,440	2,450	2,439
Interest on debt issued				
Bonds and subordinated notes	1,530	1,327	1,530	1,327
Others	36	14	36	14
Total interest expenses	<u><u>10,066</u></u>	<u><u>9,460</u></u>	<u><u>9,600</u></u>	<u><u>9,018</u></u>

6.18 Net fees and service income

Net fees and service income for the three-month periods ended March 31, 2019 and 2018 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Fees and service income				
Acceptances, aval and guarantees of loans	39	36	29	28
Others	9,548	9,977	8,406	8,449
Total fees and service income	<u>9,587</u>	<u>10,013</u>	<u>8,435</u>	<u>8,477</u>
Fees and service expenses	2,747	2,411	2,690	2,382
Net fees and service income	<u><u>6,840</u></u>	<u><u>7,602</u></u>	<u><u>5,745</u></u>	<u><u>6,095</u></u>

6.19 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities for the three-month periods ended March 31, 2019 and 2018 are as follows :

	Million Baht			
	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Interbank and money market items (reversal)	(239)	(68)	(35)	(68)
Loans to customers	4,676	7,437	4,530	7,133
Loss on debt restructuring (reversal)	641	(47)	641	(47)

6.20 Approval of the financial statements

On May 14, 2019, the Audit Committee and the Board of Executive Directors have authorized to issue these interim financial statements.