



Wait at Terminal 21  
Hong Sek Chern

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**Wait at Terminal 21**  
by Hong Sek Chern  
Chinese ink on rice paper

Ms Hong Sek Chern's *Wait at Terminal 21* is the design inspiration for the cover of this year's UOB Group Annual Report. The painting received the Gold Award for the Established Artist category in the 2014 UOB Painting of the Year (Singapore) Competition. It is symbolic of the beliefs and actions that can bind people and shape their future.

Ms Hong was inspired by the determination, persistence and resilience of the Thai people and sought to capture these qualities in her painting. She portrayed a democracy movement at Bangkok's Terminal 21 shopping mall, employing her signature style which is a complex interplay of architectural blocks and lines.

The UOB Painting of the Year Competition, now in its 33<sup>rd</sup> year, promotes awareness and appreciation of art and challenges artists to produce works that inspire audiences across Southeast Asia.

## Company Profile

United Overseas Bank (Thai) Public Company Limited (UOB (Thai)) is a fully-licensed commercial bank. With its network of 154 branches, 363 ATMs and 10 foreign exchange kiosks nationwide (as at 31 December 2014), UOB (Thai) offers consumer and corporate customers a comprehensive suite of quality products and services to meet their financial objectives and needs. To complement its commercial banking business, UOB (Thai) has two subsidiaries providing futures broking and debt collection services.

UOB (Thai) is rated among the top banks in Thailand by Moody's Investors Service, Fitch Ratings, and Standard & Poor's:

### Moody's Investors Service:

International Ratings	Long-Term	Baa1
	Short-Term	Prime-2
	Financial Strength	D

### Fitch Ratings:

International Ratings	Long-Term	A-
	Short-Term	F2
	Viability	bb+
	Support	1
National Ratings	Long-term	AAA(thai)
	Short-term	F1+(thai)

### Standard & Poor's:

International Ratings	Long-term	BBB+
	Short-term	A2
ASEAN Regional Ratings	Long-term	axA+
	Short-term	axA-1

UOB (Thai) is 99.66 per cent owned by Singapore-based United Overseas Bank Limited (UOB), which has a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America.

A regional bank rooted in Thailand, UOB (Thai) provides customers with financial expertise and connectivity across Asia. It offers innovative financial solutions, quality products and excellent service through understanding and identifying the needs of its customers.

# Financial Highlights

	Audited Financial Statements	
	2014	2013
<b>Financial Position (Million Baht)</b>		
Assets	<b>397,682</b>	407,863
Loans	<b>266,574</b>	255,427
Allowance for doubtful accounts	<b>8,011</b>	6,931
Deposits	<b>268,477</b>	234,641
Liabilities	<b>357,908</b>	370,570
Shareholders' equity	<b>39,774</b>	37,293
Capital funds	<b>43,707</b>	39,011
<b>Earnings Performance (Million Baht)</b>		
Net interest income	<b>11,170</b>	10,331
Non-interest income	<b>3,044</b>	2,767
Bad debt, doubtful accounts and impairment loss	<b>2,633</b>	2,662
Net profit before tax	<b>3,094</b>	3,337
Net profit after tax	<b>2,485</b>	2,947
<b>Ratios (%)</b>		
Net interest income to average assets	<b>2.77</b>	2.70
Return on average assets	<b>0.62</b>	0.77
Return on average equity	<b>6.45</b>	8.22
Earnings per share - basic (Baht)	<b>1.00</b>	1.19
Book value per share (Baht)	<b>16.00</b>	15.00
Capital adequacy ratio	<b>18.04</b>	15.92

## Chairman's Statement



Our guiding principle has always been to do what is right for our customers, at all times.

### 2014 Review

Thailand's consumption, investment and tourism were impacted by political uncertainty that began in late 2013 and continued into 2014. Demand for the country's exports was subdued and continued to be weighed down by economic weakness in its main export markets. The political situation improved in May 2014 and the current government subsequently approved measures to revive the economy by boosting spending and to renew investor interest. Overall, Thailand's economy grew 0.7 per cent in 2014.

### 2014 Bank Performance

Against the operating environment, UOB (Thai)'s net profit after tax dropped to Baht 2.5 billion from Baht 2.9 billion in 2013. Total income increased 9 per cent to Baht 14.2 billion, mainly attributable to loans growth.

The Bank saw total loans increase by 4 per cent to Baht 266.6 billion, primarily due to an increase in housing loans, and achieved a healthy growth in total deposits by 14 per cent to Baht 268.5 billion. This gave the Bank a loans to deposits ratio of 99.3 per cent at year's end.

Asset quality remained healthy with non-performing loans ratio at 2.3 per cent, which was the same as industry average. The Bank has set aside a provision of Baht 2.6 billion in view of economic volatility abroad and at home.

### **Corporate Developments**

We continued to invest in new product and service capabilities. In the year under review, we completed the upgrading of our Personal Internet Banking platform to offer customers a better online banking experience. Our Transaction Banking team's success in serving customers with cross-border needs through the UOB Group's extensive branch network across Asia and strong relationships with correspondent banks, won UOB (Thai) the Best Service Provider award in Trade Finance, Thailand, from The Asset.

UOB (Thai) also received a vote of confidence from businesses in the 2014 Asiamoney Cash Management Poll on best foreign domestic and best foreign cross-border cash management service provider in Thailand.

Our guiding principle has always been to do what is right for our customers, at all times. This past year, UOB (Thai) became one of the first five financial institutions in Thailand to earn a certification from Thailand's Private Sector Collective Action Coalition Against Corruption. This was achieved by putting in place good business principles and controls against corruption and bribery.

### **2015 Outlook**

There is cause for optimism in 2015. Business sentiment has recovered with the return of political stability. Domestic consumption has increased on the back of rising real wages and low unemployment rates. The government's forthcoming infrastructure projects will further boost the domestic economy. Thai businesses can draw strength from its domestic market to seize opportunities in the region as the regional countries work towards closer economic integration.

### **Acknowledgement**

I would like to thank the Board of Directors for their wise counsel and guidance throughout the year. On behalf of the Board of Directors, I would like to extend our appreciation to our valued customers for their trust and continued support, and to the management and staff for their commitment and dedication.

### **Wee Cho Yaw**

Chairman  
February 2015

## Board of Directors

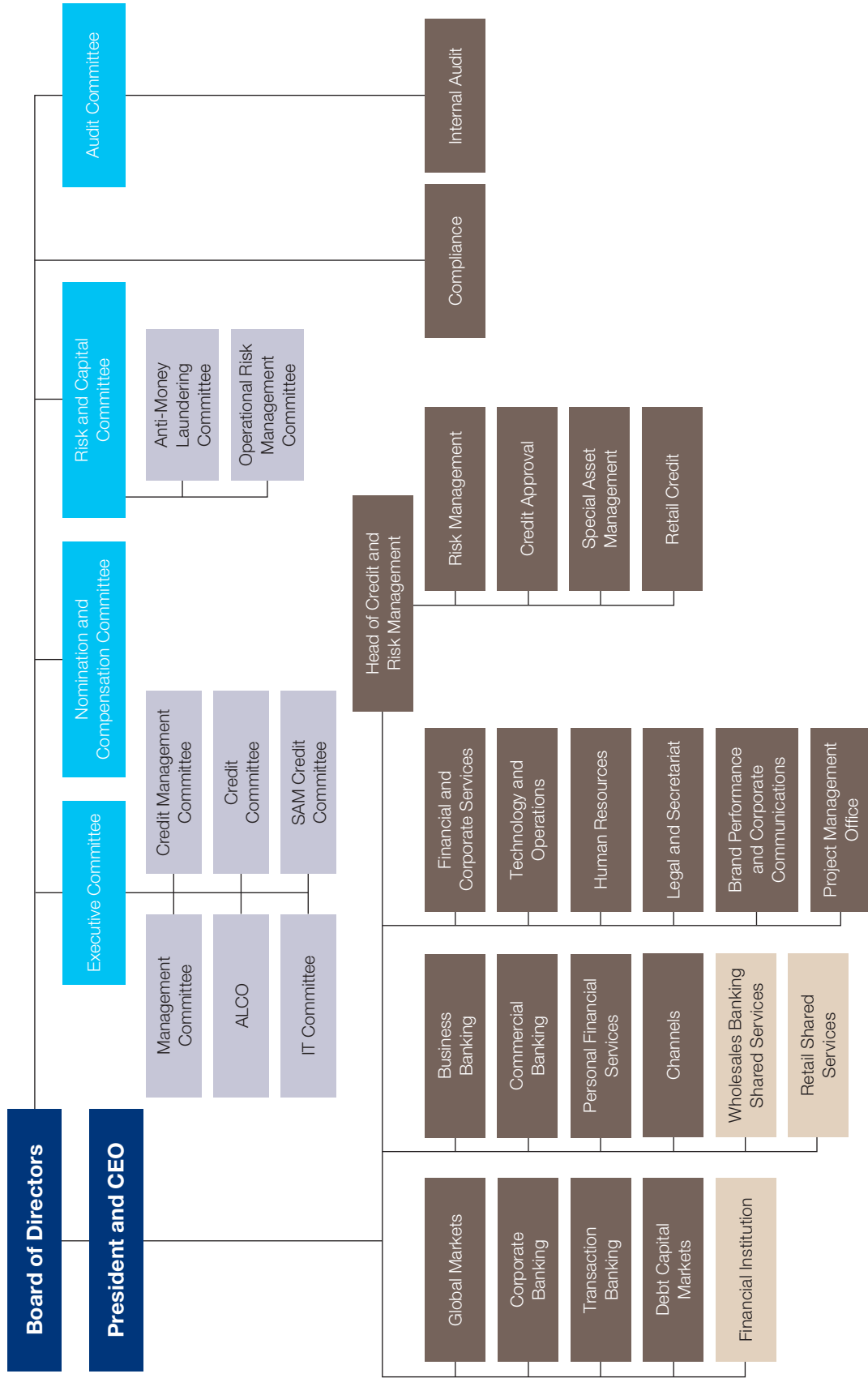
Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Chinnawat Bulsuk	Independent Director
Suebtrakul Soonthornthum	Independent Director
Arun Chirachavala	Independent Director
Lee Chin Yong	Director
Cheo Chai Hong	Director
Peter Foo Moo Tan	Director
Sanchai Apisaksirikul	Director

## Senior Management Team

Peter Foo Moo Tan	President and Chief Executive Officer
Steven Ngeo Swee Guan	Managing Director, Head of Credit and Risk Management
Arthur Gan Lian Aun	Executive Director, Country Head of Global Markets
Pailin Ngsriwongse	Executive Director, Country Head of Corporate Banking
Patchanee Vongsilpawattana	Executive Director, Country Head of Transaction Banking
Pisal Kattiyothavong	Executive Director, Country Head of Debt Capital Markets
Sayumrat Maranate	Executive Director, Country Head of Business Banking
Piyaporn Ratanaprasartporn	Executive Director, Country Head of Commercial Banking
Yuttachai Teyarachakul	Executive Director, Country Head of Personal Financial Services
Lim Keng Teck	Executive Director, Country Head of Channels
Roongthip Angkasirisan	Executive Director, Country Head of Risk Management
Yau Chi Choi	Executive Director, Country Head of Retail Credit
Ho Swit Moy Margaret	Executive Director, Country Head of Credit Approval
Pojanee Rungsang	Executive Director, Country Head of Special Asset Management
Sanchai Apisaksirikul	Executive Director, Country Head of Finance and Corporate Services
Sirima Taecharungnirun	Executive Director, Country Head of Technology and Operations
Sasiwimol Arayawattanapong	Executive Director, Country Head of Human Resources
Ngamjitt Sirijindalert	Executive Director, Country Head of Project Management Office
Busba Virochpoka	Executive Director, Country Head of Brand Performance and Corporate Communications
Pornchai Wiwatpattarakul	Executive Director, Country Head of Compliance and Country Head of Legal and Secretariat
Manit Panichakul	Executive Director, Country Head of Internal Audit



# Organisation Structure





**United Overseas Bank (Thai) Public Company Limited**

31 December 2014

# **Management Discussion and Analysis 2014**

# Management Discussion and Analysis 2014

## Statutory Financial Results

The Bank reported operating income for the year 2014 of Baht 14,213 million, higher than the previous year by Baht 1,114 million or 9% contributed by rise in net interest income from loans, fee income on insurance and card-related business. Operating expenses increased from Baht 7,835 million by Baht 651 million or 8%. In 2013, there was a reversal on impairment loss of properties foreclosed and other assets of Baht 735 million. Consequently, a net profit before tax was at Baht 3,094 million, a decrease of Baht 243 million compared to last year.

The loan impairment charge in 2014 stood at Baht 2,633 million, compared to same period last year of Baht 2,662 million.

In 2013, the Bank had net profit from discontinued operations of a subsidiary of Baht 242 million. As a result, a year-on-year basis net profit after tax was lower by Baht 462 million to Baht 2,485 million in 2014.

## Summarised Statutory Financial Results For the Year Ended 31 December 2014 and 2013

Statements of Income	Million Baht		
	2014 audited	2013 audited	% change
Interest income	18,532	17,578	5.4
Interest expenses	7,362	7,247	1.6
Net Interest income	11,170	10,331	8.1
Non-interest income	3,044	2,767	10.0
Total operating income	14,213	13,099	8.5
Operating expenses	8,486	7,835	8.3
Operating income after operating expenses	5,727	5,264	8.8
Reversal losses on impairment of properties foreclosed and other assets	-	735	(100.0)
Operating profit before impairment	5,727	5,999	(4.5)
Bad debt, doubtful accounts and impairment loss	2,633	2,662	(1.1)
Net profit before income tax expenses	3,094	3,337	(7.3)
Income tax expenses	608	630	(3.5)
Non-controlling interests of subsidiaries	1	2	(35.5)
Profit from discontinued operations	-	242	(100.0)
<b>Net profit</b>	<b>2,485</b>	<b>2,947</b>	<b>(15.7)</b>

## Key Financial Position Items

	Million Baht		
	31 Dec 14 audited	31 Dec 13 audited	% change
Total assets	397,682	407,863	(2.5)
Total loans to customers	266,574	255,427	4.4
Total deposits	268,477	234,641	14.4
Total liabilities	357,908	370,570	(3.4)
Total shareholders' equity	39,774	37,293	6.7
Non-performing loans (NPLs)	6,638	5,262	26.1

# Management Discussion and Analysis 2014

## Key Financial Ratios (%)

	31 Dec 14 audited	31 Dec 13 audited	change
Net interest income to average assets	2.8	2.7	0.1
Gross loans to deposits ratio	99.3	108.9	(9.6)
Net loans to deposits ratio	96.5	106.0	(9.5)
NPLs to total loans ratio	2.3	1.7	0.6
Capital adequacy ratio	18.0	15.9	2.1

### Net Interest Income

Net interest income (NII) for 2014 was Baht 11,170 million, a 8.1% or Baht 838 million higher than last year, after payment to the Deposit Protection Agency and Financial Institutions Development Fund. The higher NII was mainly due to robust growth in loans volume as well as credit margin.

### Non-Interest Income

Non-interest income for 2014 was Baht 3,044 million, an increase of Baht 277 million or 10% compared with the previous year. This was mainly due to consistent growth in fees and services income largely from insurance and card-related business.

### Operating Expenses

The Bank's operating expenses for 2014 was at Baht 8,486 million, an increase of Baht 651 million or 8.3% compared with last year's expenses. This was excluding the reversal loss on impairment of properties foreclosed and provision for contingent losses from gain/loss sharing from Thai Asset Management Corporation's management of impaired assets and other assets amounting to Baht 735 million. In addition, employee's expenses in 2014 increased by Baht 377 million especially in lending and sales. The non-staff expenses increased by THB 274 million mainly from the business related areas including advertising expenses, specific business taxes, and provision for contingent liabilities.

### Impairment Loss on Loans

The Bank set aside a total of Baht 2,633 million in loan loss provisions for 2014, which was 1.1% lower than provisions made for the previous year, in line with the Bank's prudent and conservative provision policy.

### Capital Expenditure

The Bank's capital expenditure for 2014 totaled Baht 1,009 million, higher by Baht 481 million compared with Baht 528 million in 2013, an increase of Baht 481 million primarily due to cost of land for the new Operation and Data Center.

### Dividend Payment Policy

The Bank's dividend payment policy is governed by Bank of Thailand and The Public Company Limited Act. The dividend payment is subject to approval by shareholders at the Annual General Meeting, and does not exceed 45% of net profit for the year.

### Assets

In 2014, loans increased by 4.4% or Baht 11,146 million to THB 266,574 million, largely contributed by Retail Banking businesses. Total assets as at 31 December 2014 was at Baht 397,682 million, a decrease of Baht 10,181 million or 2.5% from the previous year, largely due to the decline in investment and interbank activities.

### Liabilities

In 2014, deposits grew by 14.4% or Baht 33,835 million to Baht 268,477 million. However, total liabilities dropped by 3.4% to Baht 357,908 million, largely attributed to interbank and money market items of Baht 28,103 million and the maturity of bills of exchange of Baht 22,440 million in 2014.

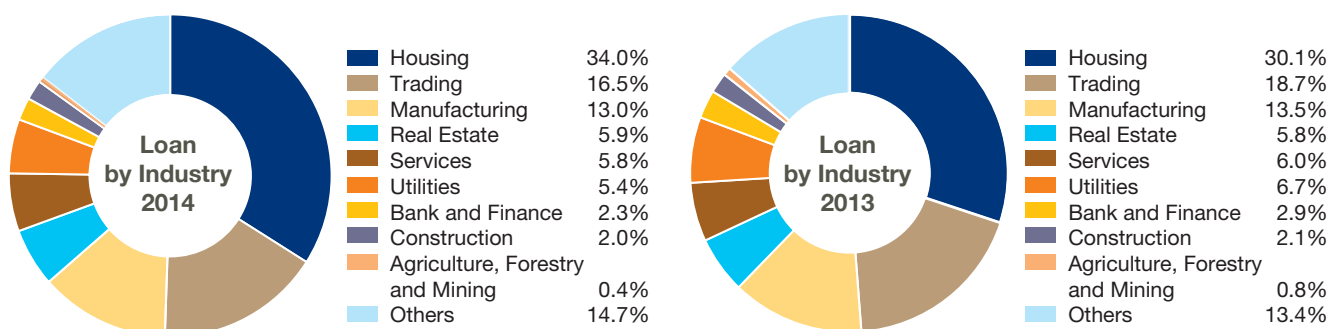
### Shareholders' Equity

As of 31 December 2014, shareholders' equity was at Baht 39,774 million, an increase of Baht 2,481 million, or 6.7% from last year was mainly from net profit of the year.

# Management Discussion and Analysis 2014

## Loans Portfolio

	% of total loans	
	2014	2013
Housing	34.0	30.1
Trading	16.5	18.7
Manufacturing	13.0	13.5
Real Estate	5.9	5.8
Services	5.8	6.0
Utilities	5.4	6.7
Bank and Finance	2.3	2.9
Construction	2.0	2.1
Agriculture, Forestry and Mining	0.4	0.8
Others	14.7	13.4
<b>Total Loans</b>	<b>100.0</b>	<b>100.0</b>



The proportion of housing loans to total loans increased from 30.1% in 2013 to 34.0% in 2014. While loans to the trading industry went down from 18.7% to 16.5% and loans to the utilities industry also decreased from 6.7% to 5.4%.

## Loans to Top 10 Customer Groups

	% of total loans	
	2014	2013
Loans to top 10 customer groups	7.1	7.6
Others	92.9	92.4
<b>Total loans</b>	<b>100.0</b>	<b>100.0</b>

The loan concentration in 2014 decreased from the previous year. Loans to the top 10 largest customer groups accounted for 7.1% of total loans, dropped from 7.6% in 2013.

# Management Discussion and Analysis 2014

## Classification of Loans\*

	2014		2013	
	Million Baht	%	Million Baht	%
Pass	256,525	96.1	301,488	97.0
Special mention	3,892	1.5	3,979	1.3
Total Performing loans	260,417	97.6	305,467	98.3
Substandard	1,409	0.5	1,321	0.4
Doubtful	858	0.3	628	0.2
Doubtful of loss	4,372	1.6	3,313	1.1
Total NPLs	6,638	2.4	5,262	1.7
<b>Grand total</b>	<b>267,055</b>	<b>100.0</b>	<b>310,729</b>	<b>100.0</b>

\* Including interbank and money market loans

## Asset Quality Ratios

	% of total assets	
	2014	2013
NPLs / Total loans*	2.3	1.7
Allowance for doubtful accounts / NPLs	120.7	131.7
Allowance for doubtful accounts / Total loans*	3.0	2.7

\* Including interbank and money market loans

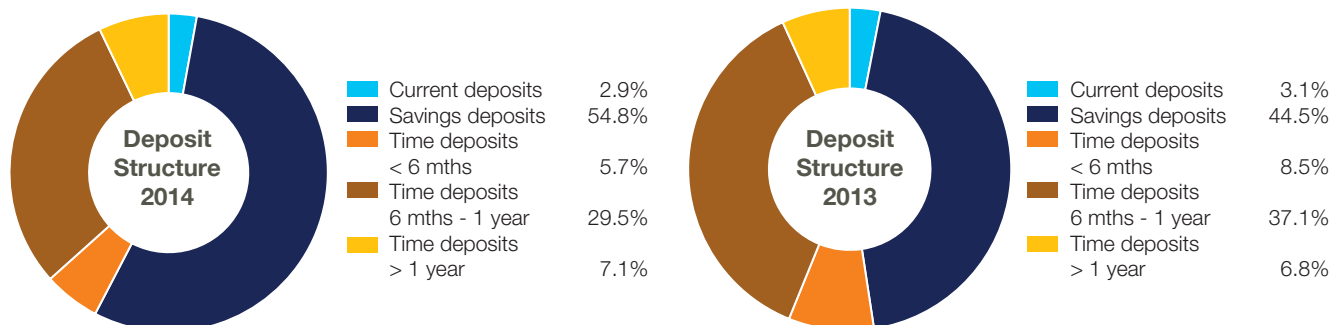
## Non-Performing Loan (NPL) Management

NPLs in 2014 stayed at Baht 6,638 million, an increase of Baht 1,376 million when compared with 5,262 million in 2013. As a result, NPLs to total loans ratio rose to 2.3%.

## Deposit Structure

	% of total deposits	
	2014	2013
Current deposits	2.9	3.1
Savings deposits	54.8	44.5
Time deposits	42.3	52.4
- under 6 months	5.7	8.5
- 6 months - 1 year	29.5	37.1
- over 1 year	7.1	6.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Management Discussion and Analysis 2014



As at 31 December 2014, the Bank had total deposits of Baht 268,477 million, an increase of 14.4% from end-2013, which was largely driven by saving deposits. Total current and savings deposits accounted for 57.7% of total deposit bases, while fixed deposits accounted for 42.3%. Net Loans-to-deposits ratio was 96.5% as at end-2014 compared with 106.0% as at end-2013.

### Capital Funds

	2014		2013	
	Million Baht	% CAR	Million Baht	% CAR
Total capital fund	<b>43,707</b>	<b>18.0</b>	39,011	15.9
CET 1 & Tier 1 capital	<b>36,946</b>	<b>15.3</b>	32,268	13.2
Tier 2 capital and others	<b>6,761</b>	<b>2.7</b>	6,743	2.7

The Bank adopted the Foundation Internal Ratings Based Approach (FIRB) under Basel III capital framework. As at 31 December 2014, the Bank's Total Capital Adequacy Ratio remained strong at 18.0% while the CET1 and Tier 1 capital ratio were at 15.3%, which was above the Bank of Thailand (BOT)'s minimum requirement of 8.50% and 4.25% respectively.

# Independent Auditor's Report

## To the Shareholders of United Overseas Bank (Thai) Public Company Limited

I have audited the accompanying consolidated financial statements of United Overseas Bank (Thai) Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at 31 December 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. I have also audited the separate financial statements of United Overseas Bank (Thai) Public Company Limited for the same period.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2014, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.



**Ratana Jala**

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 6 March 2015





United Overseas Bank (Thai) Public Company Limited

31 December 2014

# Financial Statements and Notes to Consolidated Financial Statements

# Statements of Financial Position

As at 31 December 2014 and 2013

(Unit: Thousand Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
<b>Assets</b>					
Cash	8	<b>6,177,949</b>	4,783,075	<b>6,177,949</b>	4,783,075
Interbank and money market items - net	9	<b>25,984,060</b>	60,448,919	<b>25,983,920</b>	60,448,750
Derivatives assets	10	<b>6,221,291</b>	9,609,506	<b>6,221,291</b>	9,609,506
Investments - net	11	<b>88,353,882</b>	73,117,780	<b>88,353,882</b>	73,117,780
Investments in subsidiaries - net	12	<b>5,661</b>	5,661	<b>196,911</b>	199,911
Loans to customers and accrued interest receivables - net	14				
Loans to customers		<b>266,573,737</b>	255,427,471	<b>266,573,737</b>	255,427,471
Accrued interest receivables		<b>781,609</b>	755,391	<b>781,609</b>	755,391
Total loans to customers and accrued interest receivables		<b>267,355,346</b>	256,182,862	<b>267,355,346</b>	256,182,862
Less: Deferred revenue		<b>(341,581)</b>	(495,848)	<b>(341,581)</b>	(495,848)
Allowance for doubtful accounts	15	<b>(8,011,309)</b>	(6,930,723)	<b>(8,011,309)</b>	(6,930,723)
Total loans to customers and accrued interest receivables - net		<b>259,002,456</b>	248,756,291	<b>259,002,456</b>	248,756,291
Customers' liability under acceptance		<b>1,648</b>	110,782	<b>1,648</b>	110,782
Properties foreclosed - net	16	<b>1,773,925</b>	1,888,938	<b>1,773,925</b>	1,888,938
Premises and equipment - net	17	<b>5,528,250</b>	5,121,778	<b>5,522,846</b>	5,116,575
Other intangible assets - net	18	<b>890,690</b>	894,334	<b>883,510</b>	885,879
Deferred tax assets - net	19	<b>774,228</b>	552,492	<b>770,814</b>	548,057
Other assets - net	20	<b>2,967,485</b>	2,573,060	<b>2,954,300</b>	2,561,635
<b>Total assets</b>		<b>397,681,525</b>	407,862,616	<b>397,843,452</b>	408,027,179

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

# Statements of Financial Position

(continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Liabilities and shareholders' equity</b>					
<b>Liabilities</b>					
Deposits	22	268,476,602	234,641,259	268,682,903	234,868,278
Interbank and money market items	23	61,928,704	90,031,482	61,928,704	90,031,482
Liability payable on demand		2,614,628	2,855,964	2,614,628	2,855,964
Derivatives liabilities	10	6,245,157	7,782,163	6,245,157	7,782,163
Debt issued and borrowings	24	11,603,710	28,018,584	11,603,710	28,018,584
Bank's liability under acceptance		1,648	110,782	1,648	110,782
Provisions for long-term employee benefits	25	1,634,504	1,492,902	1,623,760	1,485,078
Provisions for other liabilities	26	275,900	266,080	275,900	266,080
Accrued expenses		2,117,239	1,515,148	2,099,097	1,493,081
Other liabilities	27	3,009,710	3,855,479	3,036,711	3,882,971
<b>Total liabilities</b>		<b>357,907,802</b>	<b>370,569,843</b>	<b>358,112,218</b>	<b>370,794,463</b>
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
2,485,661,305 ordinary shares at par value of Baht 10 each					
		24,856,613	24,856,613	24,856,613	24,856,613
Issued and paid-up share capital					
2,485,661,305 ordinary shares at par value of Baht 10 each					
		24,856,613	24,856,613	24,856,613	24,856,613
Other components of equity	28	2,035,821	1,983,243	2,035,821	1,983,243
Retained earnings					
Appropriated					
Statutory reserve					
	29	595,000	469,000	595,000	469,000
Unappropriated					
		12,248,243	9,947,134	12,243,800	9,923,860
Equity attributable to equity holders of the Bank		39,735,677	37,255,990	39,731,234	37,232,716
Non-controlling interests of the subsidiaries		38,046	36,783	-	-
<b>Total shareholders' equity</b>		<b>39,773,723</b>	<b>37,292,773</b>	<b>39,731,234</b>	<b>37,232,716</b>
<b>Total liabilities and shareholders' equity</b>		<b>397,681,525</b>	<b>407,862,616</b>	<b>397,843,452</b>	<b>408,027,179</b>

**Peter Foo Moo Tan**  
President and Chief Executive Officer



**Sanchai Apisaksirikul**  
Director and Executive Director

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

# Statements of Comprehensive Income

For the years ended 31 December 2014 and 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Continuing Operations</b>					
Interest income	41	18,531,763	17,578,068	18,531,736	17,578,021
Interest expenses	42	7,361,861	7,246,661	7,364,798	7,249,869
<b>Net interest income</b>		<b>11,169,902</b>	10,331,407	<b>11,166,938</b>	10,328,152
Fees and service income		3,336,484	3,078,853	3,318,597	3,078,504
Fees and service expenses		396,305	360,353	568,053	532,804
<b>Net fees and service income</b>	43	<b>2,940,179</b>	2,718,500	<b>2,750,544</b>	2,545,700
Net losses on trading and foreign exchange transactions	44	(185,975)	(454,742)	(185,975)	(454,742)
Net gains on investments	45	61,442	162,134	62,377	136,408
Dividend income		30,587	24,555	60,587	549,554
Gain on NPL repayment		-	83,022	-	83,022
Other operating income		197,343	233,872	222,888	235,383
<b>Total operating income</b>		<b>14,213,478</b>	13,098,748	<b>14,077,359</b>	13,423,477
<b>Other operating expenses</b>					
Employee's expenses	46	4,341,710	3,964,827	4,224,976	3,857,485
Directors' remuneration		9,600	9,390	9,600	9,390
Premises and equipment expenses		1,143,777	1,121,862	1,139,644	1,116,105
Taxes and duties		630,367	567,268	630,156	567,262
Reversal on impairment loss of properties foreclosed and other assets		(5,130)	(734,857)	(5,130)	(734,857)
Data Processing charges		525,584	545,997	525,584	545,997
Other expenses		1,840,185	1,625,664	1,811,314	1,610,048
<b>Total other operating expenses</b>		<b>8,486,093</b>	7,100,151	<b>8,336,144</b>	6,971,430
<b>Bad debt, doubtful accounts and impairment loss</b>	47	<b>2,633,064</b>	2,661,947	<b>2,633,064</b>	2,661,947
<b>Profit before income tax expenses</b>		<b>3,094,321</b>	3,336,650	<b>3,108,151</b>	3,790,100
Income tax expenses	37	608,078	629,974	605,319	625,356
<b>Profit from continuing operations</b>		<b>2,486,243</b>	2,706,676	<b>2,502,832</b>	3,164,744
<b>Discontinued operations</b>					
<b>Net profit after tax from discontinued operations</b>	13	-	242,134	-	-
<b>Net profit</b>		<b>2,486,243</b>	2,948,810	<b>2,502,832</b>	3,164,744

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

# Statements of Comprehensive Income

(continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Other comprehensive income (loss)</b>					
<b>Continuing operations</b>	48				
Gain on revaluation of available-for-sale investments		126,697	3,558	126,697	3,558
Actuarial losses on defined benefit plans		(145,073)	(132,998)	(143,850)	(133,443)
Income tax relating to components of other comprehensive loss		3,675	25,888	3,431	25,977
<b>Total other comprehensive loss from continuing operations</b>		<b>(14,701)</b>	<b>(103,552)</b>	<b>(13,722)</b>	<b>(103,908)</b>
<b>Discontinued operations</b>					
<b>Other comprehensive income from discontinued operations</b>	13	-	1,185	-	-
<b>Total other comprehensive income from discontinued operations</b>		<b>-</b>	<b>1,185</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive loss</b>		<b>(14,701)</b>	<b>(102,367)</b>	<b>(13,722)</b>	<b>(103,908)</b>
<b>Total comprehensive income</b>					
Total comprehensive income from continuing operations		2,471,542	2,603,124	2,489,110	3,060,836
Total comprehensive income from discontinued operations		-	243,319	-	-
<b>Total comprehensive income</b>		<b>2,471,542</b>	<b>2,846,443</b>	<b>2,489,110</b>	<b>3,060,836</b>
<b>Net profit attributable to:</b>					
Equity holders of the Bank					
Net profit from continuing operations		2,484,980	2,704,718	2,502,832	3,164,744
Net profit from discontinued operations		-	242,134	-	-
Net profit attributable to the Bank		2,484,980	2,946,852	2,502,832	3,164,744
Non-controlling interests of the subsidiaries					
Net profit from continuing operations		1,263	1,958		
Net profit from discontinued operations		-	-		
Net profit attributable to non-controlling interests of subsidiaries		1,263	1,958		
		2,486,243	2,948,810		

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

# Statements of Comprehensive Income

(continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Bank					
Total comprehensive income from continuing operations		2,470,279	2,601,184	2,489,110	3,060,836
Total comprehensive income from discontinued operations		-	243,319	-	-
<b>Total comprehensive income attributable to the Bank</b>		<b>2,470,279</b>	<b>2,844,503</b>	<b>2,489,110</b>	<b>3,060,836</b>
Non-controlling interests of the subsidiaries					
Total comprehensive income from continuing operations		1,263	1,940		
Total comprehensive income from discontinued operations		-	-		
<b>Total comprehensive income attributable to non-controlling interests of the subsidiaries</b>		<b>1,263</b>	<b>1,940</b>		
		<b>2,471,542</b>	<b>2,846,443</b>		
<b>Earnings per share of equity holders of the Bank</b>					
Basic earning per share (Baht)	38				
From continuing operations		1.00	1.09	1.01	1.27
From discontinued operations		-	0.10	-	-
		<b>1.00</b>	<b>1.19</b>	<b>1.01</b>	<b>1.27</b>



**Peter Foo Moo Tan**  
President and Chief Executive Officer




**Sanchai Apisaksirikul**  
Director and Executive Director

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

# Statements of Changes in Shareholders' Equity

For the years ended 31 December 2014 and 2013

(Unit: Thousand Baht)

		Consolidated financial statements							
		Equity attributable to equity holders of the Bank							
		Other components of equity			Retained earnings		Total equity	Non-	
		Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated Statutory reserve	Unappropriated reserve	attributable to equity holders of the Bank	controlling interests of the subsidiaries	Total
<b>Beginning balance as of 1 January 2013</b>		24,856,613	1,635,124	360,831	309,000	7,245,601	34,407,169	34,843	34,442,012
Disposal and amortisation of revaluation surplus on assets		-	(15,560)	-	-	19,878	4,318	-	4,318
Net profit for the year		-	-	-	-	2,946,852	2,946,852	1,958	2,948,810
Other comprehensive income (loss)		-	-	2,848	-	(105,197)	(102,349)	(18)	(102,367)
Total comprehensive income for the year		-	-	2,848	-	2,841,655	2,844,503	1,940	2,846,443
Unappropriated retained earnings transferred to statutory reserve		-	-	-	160,000	(160,000)	-	-	-
<b>Ending balance as of 31 December 2013</b>		24,856,613	1,619,564	363,679	469,000	9,947,134	37,255,990	36,783	37,292,773
<b>Beginning balance as of 1 January 2014</b>		24,856,613	1,619,564	363,679	469,000	9,947,134	37,255,990	36,783	37,292,773
Disposal and amortisation of revaluation surplus on assets		-	(48,779)	-	-	58,187	9,408	-	9,408
Net profit for the year		-	-	-	-	2,484,980	2,484,980	1,263	2,486,243
Other comprehensive income (loss)		-	-	101,357	-	(116,058)	(14,701)	-	(14,701)
Total comprehensive income for the year		-	-	101,357	-	2,368,922	2,470,279	1,263	2,471,542
Unappropriated retained earnings transferred to statutory reserve		-	-	-	126,000	(126,000)	-	-	-
<b>Ending balance as of 31 December 2014</b>		24,856,613	1,570,785	465,036	595,000	12,248,243	39,735,677	38,046	39,773,723

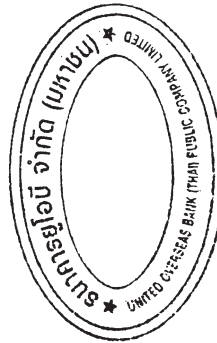
The accompanying notes are an integral part of the financial statements.

# Statements of Changes in Shareholders' Equity

(continued)

(Unit: Thousand Baht)

	Separate financial statements						Total
	Other components of equity			Retained earnings			
	Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated Statutory reserve	Unappropriated		
<b>Beginning balance as of 1 January 2013</b>	24,856,613	1,635,124	360,831	309,000	7,005,994	34,167,562	
Disposal and amortisation of revaluation surplus on assets	-	(15,560)	-	-	19,878	4,318	
Net profit for the year	-	-	-	-	3,164,744	3,164,744	
Other comprehensive income (loss)	-	-	2,848	-	(106,756)	(103,908)	
Total comprehensive income for the year	-	-	2,848	-	3,057,988	3,060,836	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	160,000	(160,000)	-	
<b>Ending balance as of 31 December 2013</b>	24,856,613	1,619,564	363,679	469,000	9,923,860	37,232,716	
<b>Beginning balance as of 1 January 2014</b>	24,856,613	1,619,564	363,679	469,000	9,923,860	37,232,716	
Disposal and amortisation of revaluation surplus on assets	-	(48,779)	-	-	58,187	9,408	
Net profit for the year	-	-	-	-	2,502,832	2,502,832	
Other comprehensive income (loss)	-	-	101,357	-	(115,079)	(13,722)	
Total comprehensive income for the year	-	-	101,357	-	2,387,753	2,489,110	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	126,000	(126,000)	-	
<b>Ending balance as of 31 December 2014</b>	24,856,613	1,570,785	465,036	595,000	12,243,800	39,731,234	



*Peter Foo Moo Tan*

**Peter Foo Moo Tan**

President and Chief Executive Officer

*Sanchai Apisaksirikul*

**Sanchai Apisaksirikul**

Director and Executive Director

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



# Statements of Cash Flows

For the years ended 31 December 2014 and 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Cash flows from operating activities</b>				
Profit before income tax expenses from continuing operations	<b>3,094,321</b>	3,336,650	<b>3,108,151</b>	3,790,100
Profit before income tax expenses from discontinued operations	-	263,097	-	-
Profit before income tax expenses	<b>3,094,321</b>	3,599,747	<b>3,108,151</b>	3,790,100
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation	<b>336,967</b>	339,226	<b>335,756</b>	335,618
Amortisation and loss on assets written off	<b>175,363</b>	184,492	<b>173,776</b>	182,841
Unrealised (gain) loss on revaluation of investments	<b>19,950</b>	(14,985)	<b>19,950</b>	(14,985)
(Reversal) impairment loss on securities	<b>1,114</b>	(9,461)	<b>(24,612)</b>	16,265
Bad debt, doubtful accounts and impairment loss	<b>3,156,688</b>	3,104,519	<b>3,156,688</b>	3,104,519
Gain on entire business transfer of a subsidiary	-	(165,505)	-	-
Reversal on impairment loss of properties foreclosed and other assets	<b>(8,479)</b>	(734,857)	<b>(8,479)</b>	(734,857)
Gain on disposal of investments	<b>(62,781)</b>	(166,334)	<b>(62,781)</b>	(166,334)
Gain on disposal of premises and equipment	<b>(4,328)</b>	(5,154)	<b>(4,328)</b>	(3,992)
(Gain) loss on exchange	<b>200,710</b>	(1,235,272)	<b>200,710</b>	(1,235,272)
(Increase) decrease in accrued other income	<b>(19,810)</b>	33,397	<b>(20,094)</b>	(13,726)
Increase in provisions for long-term employee benefits	<b>157,022</b>	134,381	<b>155,325</b>	131,952
Increase (decrease) in provisions	<b>9,820</b>	(47,273)	<b>9,820</b>	(47,273)
Increase in accrued other expenses	<b>138,605</b>	159,294	<b>141,344</b>	156,950
Net interest income	<b>(11,169,902)</b>	(10,331,407)	<b>(11,166,938)</b>	(10,328,152)
Dividend income	<b>(30,587)</b>	(24,555)	<b>(60,587)</b>	(549,554)
Cash received on interest income	<b>18,516,970</b>	18,108,691	<b>18,514,643</b>	18,115,181
Cash received on dividend income	<b>30,587</b>	24,555	<b>30,587</b>	24,555
Cash paid on interest expenses	<b>(7,700,892)</b>	(7,213,059)	<b>(7,704,225)</b>	(7,216,390)
Cash paid on income tax	<b>(508,250)</b>	(291,280)	<b>(502,983)</b>	(271,140)
<b>Income from operating activities before changes in operating assets and liabilities</b>	<b>6,333,088</b>	5,449,160	<b>6,291,723</b>	5,276,306

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

# Statements of Cash Flows

(continued)

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(Increase) decrease in operating assets				
Interbank and money market items	34,450,724	(5,021,652)	34,450,695	(4,928,713)
Investment in securities for trading	3,446	(4,402,555)	3,446	(4,402,555)
Derivatives assets	7,562,505	1,396,453	7,562,505	1,396,453
Loans to customers	(13,304,563)	(42,853,540)	(13,304,563)	(42,853,681)
Properties foreclosed	275,772	564,125	275,772	564,125
Other assets	54,973	348,274	56,731	423,424
Increase (decrease) in operating liabilities				
Deposits	33,779,634	32,748,734	33,758,917	32,761,399
Interbank and money market items	(28,408,946)	6,343,784	(28,408,946)	6,300,965
Liability payable on demand	(241,213)	(711,180)	(241,213)	(711,180)
Derivatives liabilities	(5,714,849)	(2,193,412)	(5,714,849)	(2,193,413)
Debt issued and short-term borrowings	(22,238,273)	(480,019)	(22,238,273)	(480,019)
Provisions for long-term employee benefits	(160,493)	(129,714)	(160,493)	(129,714)
Other liabilities	(506,738)	1,013,585	(506,833)	1,020,375
<b>Net cash provided by (used in) operating activities</b>	<b>11,885,067</b>	<b>(7,927,957)</b>	<b>11,824,619</b>	<b>(7,956,228)</b>
<b>Cash flows from investing activities</b>				
Proceeds from sales of investments	39,854,602	79,154,418	39,854,602	79,154,418
Cash paid for investments	(55,188,561)	(76,181,072)	(55,188,561)	(76,181,072)
Dividend received from subsidiary companies	-	-	30,000	525,000
Cash received from liquidation of a subsidiary	-	-	28,726	107,000
Cash received from entire business transfer of subsidiary	-	600,000	-	-
Proceeds from sales of premises and equipment	4,353	10,033	4,353	3,998
Purchases of premises and equipment	(843,349)	(344,982)	(841,935)	(343,384)
Purchases of intangible assets	(166,034)	(183,204)	(165,726)	(182,386)
Proceeds from sales of intangible assets	-	74	-	74
<b>Net cash provided by (used in) investing activities</b>	<b>(16,338,989)</b>	<b>3,055,267</b>	<b>(16,278,541)</b>	<b>3,083,648</b>

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

# Statements of Cash Flows

(continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<b>Cash flows from financing activities</b>				
Cash received for debt issued and long-term borrowings	5,848,796	4,990,577	5,848,796	4,990,577
<b>Net cash provided by financing activities</b>	<b>5,848,796</b>	<b>4,990,577</b>	<b>5,848,796</b>	<b>4,990,577</b>
<b>Net Increase in cash and cash equivalents</b>	<b>1,394,874</b>	<b>117,887</b>	<b>1,394,874</b>	<b>117,997</b>
Cash and cash equivalents as at 1 January	4,783,075	4,665,188	4,783,075	4,665,078
<b>Cash and cash equivalents as at 31 December</b>	<b>6,177,949</b>	<b>4,783,075</b>	<b>6,177,949</b>	<b>4,783,075</b>
<b>Supplemental disclosures of cash flows information</b>				
Non-cash item				
Properties foreclosed received in settlement of debts from borrowing	67,777	109,671	67,777	109,671



**Peter Foo Moo Tan**  
President and Chief Executive Officer




**Sanchai Apisaksirikul**  
Director and Executive Director

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

# Notes to Consolidated Financial Statements

For the years ended 31 December 2014 and 2013

## 1. Corporate information

United Overseas Bank (Thai) Public Company Limited (“the Bank”) is a public company incorporated and domiciled in Thailand. The Bank’s main business is commercial banking. The registered office of the Bank is at 191 South Sathon Road, Sathon, Bangkok. As at 31 December 2014, the Bank conducts its business through a network of 154 branches, covering all parts of Thailand (2013: 155 branches). Its major shareholder is United Overseas Bank Limited, a company registered in Singapore.

All subsidiaries were incorporated as companies under Thai law and operate their businesses in Thailand. Their principal businesses are derivatives brokerage and debt collection services.

## 2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and the presentation of the financial statements has been made in compliance with the Bank of Thailand (“BOT”)’s Notification No. Sor Nor Sor. 11/2553 regarding “Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups”, dated 3 December 2010.

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except for those that have been disclosed in the accounting policy.

## 3. Basis of consolidation

(a) These consolidated financial statements include the financial statements of United Overseas Bank (Thai) Public Company Limited (“the Bank”) and the following subsidiaries (“the subsidiaries”):

Subsidiaries	Business type	Country of registration	Percentage of share holdings		Percentage of total assets included in consolidated assets		Percentage of income included in consolidated income	
			As at 31 December		As at 31 December		For the years ended	
			2014	2013	2014	2013	2014	2013
UOB Bullion and Futures (Thai) Co., Ltd.	Derivatives Brokerage	Thailand	75.00	75.00	0.01	0.01	0.12	0.13
UOB Services Co., Ltd.	Debt Collection							
	Business	Thailand	99.99	99.99	0.01	-	-	-
UOB Leasing (Thai) Co., Ltd.	Liquidation	Thailand	99.99	99.99	-*	-*	-*	-*
Thai Wealth Management Co., Ltd. (formerly known as UOB Asset Management (Thai) Co., Ltd.)	Liquidation completed	Thailand	-	99.99	-	-	-	2.66

\* The consolidated financial statements for the years ended 31 December 2014 and 2013 excluded the financial statements of a subsidiary company, UOB Leasing (Thai) Co., Ltd.

# Notes to Consolidated Financial Statements

(continued)

UOB Asset Management (Thai) Co., Ltd transferred its entire business to UOB Asset Management (Thailand) Co., Ltd. on 1 July 2013. It changed its name to "Thai Wealth Management Co., Ltd" and registered the dissolution of the business with the Ministry of Commerce in October 2013. The consolidated financial statements for the year ended 31 December 2013 included operating results of Thai Wealth Management Co., Ltd. for the year then ended, which was separately presented under "Profit from discontinued operations" in the consolidated statements of comprehensive income. Details are as disclosed in Note 13 to the financial statements.

The consolidated financial statements for the year ended 31 December 2014 excluded the financial statements of Thai Wealth Management Co., Ltd., which liquidation was completed and registered with the Department of Business Development, Ministry of Commerce on 28 October 2014.

The consolidated financial statements for the years ended 31 December 2014 and 2013 excluded the financial statements of a subsidiary company, UOB Leasing (Thai) Co., Ltd., because all of its business had already been transferred to the Bank, including its assets, liabilities, commitments and employees. The subsidiary company registered its dissolution with the Ministry of Commerce in the year 2010 and is in the process of being liquidated. The Management believes that the financial statements as prepared by the management of the subsidiary for the years ended 31 December 2014 and 2013 are immaterial, with the subsidiary presenting total assets as at 31 December 2014 of Baht 8 million (2013: Baht 8 million), shareholders' equity of Baht 7 million (2013: Baht 8 million) and profit from operation for the year ended 31 December 2014 of Baht 0.03 million (2013: profit Baht 0.04 million).

- (b) Subsidiaries are entities in which the Bank has control over the financial and operating policies of those entities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases. The effects to the consolidated financial statements of all significant transactions between the Bank and its subsidiaries are eliminated in the consolidated financial statements, including investment in subsidiaries and share capital of subsidiaries.
- (c) The financial statements of the subsidiaries are prepared using the same accounting periods and significant accounting policies as the Bank.
- (d) The accompanying financial statements include the accounts of all branches after elimination of significant inter-branch transactions and balances.
- (e) If the Bank receives shares as a result of debt restructuring of a borrower, which causes the Bank to hold more than 20% or 50% of the shares of such company, the Bank will not treat that investee company as an associated or a subsidiary company, but will treat it as general investments since the Bank intends to hold such shares only temporarily.
- (f) The consolidated financial statements do not include the financial statements of unit trusts in which the Bank holds more than 50% of their issued units since the Bank has no control over their financial and operating policies.
- (g) The separate financial statements, which present investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.
- (h) Non-controlling interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Bank and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position.

# Notes to Consolidated Financial Statements

(continued)

## 4. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

### (a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards.

# Notes to Consolidated Financial Statements

(continued)

TAS 31 (revised 2012), TSIC 29, TFRIC 5, TFRIC 7, TFRIC 12 and TFRIC 18 are not relevant to the business of the Bank and its subsidiaries while the remaining Accounting Standards, Financial Reporting Standards, Accounting Standard Interpretations and Financial Reporting Standard Interpretations will not have any significant impact on the financial statements.

## **(b) Financial reporting standards that will become effective in the future**

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Bank and its subsidiaries believes they will not have any significant impact on the Bank and its subsidiaries' financial statements for the year when they are initially applied. However, some of these financial reporting standards involve changes to key principles, as discussed below:

### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Bank and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Bank and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Bank and its subsidiaries believes that this standard will not have any significant impact on the Bank and its subsidiaries' financial statements.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Bank and its subsidiaries believes that this standard will not have any significant impact on the Bank and its subsidiaries' financial statements.

# Notes to Consolidated Financial Statements

(continued)

## 5. Significant accounting policies

Significant accounting policies adopted by the Bank and its subsidiaries are summarised below.

### 5.1 Revenue recognition

#### (a) Interest and discount on loans

The Bank recognises interest on loans as income on an accrual basis. In accordance with the BOT'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.

If loans are restructured, the Bank recognises interest income on a cash basis, and can return to recognise income on an accrual basis only when the criteria per the BOT's guideline are met.

Interest income from loans under litigation process and receivables purchased is recognised on a cash basis.

#### (b) Hire purchase and financial lease income recognition

Interest on hire-purchase receivables and financial lease receivables under hire-purchase agreements and financial lease agreements with effective dates on or after 1 January 2008 is recognised over the installment period, using the effective interest rate method and income. It is recognised when the installments fall, due irrespective of when actual collection is made. When receivables are more than three months past due, interest recognition ceases and the outstanding interest on such receivables is reversed against interest income.

For hire purchase agreements and long-term financial lease agreements with effective dates before 1 January 2008, the Bank and a subsidiary company uses the outstanding balances of the pre-existing finance leases as of 1 January 2008 as the beginning balances and apply the effective interest rate method over the remainder of the lease period.

Rental income from operating lease contracts and car rent are recognised based on the term of lease except for overdue receivables more than three months, which are recognised on a cash basis.

#### (c) Revenues from factoring are recognised on an accrual basis except for overdue receivables more than three months, which are recognised on a cash basis.

#### (d) Management fees and registrar fees are calculated as a percentage of the net asset value of the funds managed by a subsidiary or fixed amount as mentioned in prospectus and recognised as income on an accrual basis.

#### (e) Brokerage fees on derivatives business and service fees on derivatives business are recognised as income on the transaction date.

#### (f) Gains (losses) resulting from sales of securities and derivatives are recognised as at transaction date.

#### (g) Interest and dividends on investments

Interest on investments is recognised as income on an accrual basis based on the effective interest rate. Dividends are recognised as income when the right to receive the dividend is established.

#### (h) Fee income and other service income are recognised on an accrual basis.



# Notes to Consolidated Financial Statements

(continued)

## 5.2 Expenses recognition

The Bank and its subsidiaries recognise expenses on an accrual basis.

## 5.3 Cash

Cash is the amount included in the statements of financial position under the caption of cash, and consist of cash on hand and cheques in transit.

## 5.4 Claims on securities/Liabilities to deliver securities

The Bank enters into agreements to purchase securities or to sell securities that include agreements to sell or purchase the securities back at certain dates in the future at fixed prices (Private Repo). Amounts paid for securities purchased subject to a resale commitment are presented as assets under the caption of "Interbank and money market items - assets" and the underlying securities are treated as collateral to such receivables. Securities sold subject to repurchase commitments are presented as liabilities under the caption of "Interbank and money market items - liabilities" at the amounts received from the sale of those securities, and the underlying securities are treated as collateral.

If securities purchased subject to a resale commitment are then sold on by the Bank subject to repurchase commitments, this gives rise to "Claims on securities" and "Liabilities to deliver securities" as follows:

Claims on securities are the rights that the Bank retains to recall securities which are pledged as collateral for securities sold subject to repurchase commitments, because the securities pledged in this transaction were previously received as collateral by the Bank for a purchase of securities subject to resale commitments.

Liabilities to deliver securities is the Bank's commitment to return to the counterparties or securities companies those securities which are held as collateral for securities purchased subject to a resale commitment, because the Bank has used the securities as collateral for another sale of securities subject to repurchase commitments.

## 5.5 Investments

The Bank and its subsidiaries classify investments in all types of debt securities and marketable equity securities as either trading securities, available-for-sale securities, or held-to-maturity securities, and classify non-marketable equity securities as general investment or investments in subsidiaries and associated company.

Investments classified as trading securities are stated at fair value. Change in the fair value of these securities are recorded as gains or losses in profit or loss.

Investments classified as available-for-sale securities are stated at fair value. Change in the fair value of the securities are recorded in other comprehensive income in the statement of comprehensive income and will be recognised in profit or loss when the securities are sold.

Investments in debt securities held-to-maturity are stated at amortised cost net of allowance for impairment. Any loss from impairment is charged to profit or loss.

General investments, other than investments in subsidiaries and associated company, are stated at cost net of allowance for impairment (if any). Loss on impairment is charged to profit or loss.

Purchases and sales of investments are recognised on settlement date.

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

# Notes to Consolidated Financial Statements

(continued)

Interest income from debt securities is recognised on an accrual basis. Premiums and discounts arising on the acquisition of securities are amortised or accreted to interest income in profit or loss based on effective yield rate over the term of the securities.

Income from equity investments and other non-fixed income investments is recognised as dividend income when the right to receive the dividend is established.

Fair values of securities are calculated on the following basis:

- (i) For government securities and state enterprises securities, fair values are calculated by using the BOT formula, based on the average latest bidding price posted on the Thai Bond Market Association.
- (ii) 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 year.
- (iii) For unit trust, fair value is the Net Assets Value (NAV) as at the end of the year.
- (iv) For private enterprises debt securities, the average latest bidding price of the Thai Bond Market Association are used as fair values. In the absence of such prices, fair values are determined by applying the aforementioned the BOT yield curve adjusted for risk in accordance with the criteria established by the BOT.

In the event the Bank reclassifies investments from one type to another, such investments will be readjusted to their fair value on the date of reclassification. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded as gains or losses in profit or loss in the statements of comprehensive income or recorded as other components of equity, depending on the type of investment which is reclassified.

## 5.6 Investments in subsidiaries and associated company

### Separate financial statements

Investments in subsidiaries and associated company are stated at cost net of allowance for impairment (if any). Loss on impairment is recorded as an expense in profit or loss.

### Consolidated financial statements

Investments in associated company are recorded using the equity method. Under this method, investments are initially recorded at the acquisition cost and are adjusted to reflect the attributable share of the profits or losses of the associated company, in proportion to the investment.

## 5.7 Loans

Loans include overdrafts, term-loans, trade bills, hire purchase and financial lease receivables and other loans. All items categorised under loans (except for hire purchase, financial lease and overdrafts) are disclosed at the principal amount outstanding, net of unearned discounts received in advance, with accrued interest presented separately in the statements of financial position, as a single line item for all loans together.

Hire purchase receivables and financial lease receivables are stated at the contract value of the hire purchase receivables and financial lease receivables net of deferred revenue, which is presented after netting commission expenses and initial direct cost on the inception of the contracts.

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

# Notes to Consolidated Financial Statements

(continued)

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.

Loans purchased by or transferred to the Bank are stated at acquisition cost, after deducting allowance for impairment.

## 5.8 Allowance for doubtful accounts

The Bank provides allowance for doubtful accounts in accordance with the Notifications of the Bank of Thailand (“the BOT”) and adjusts the allowance by any additional amounts that are expected not to be collectible, based on an analysis and evaluation of the current status of the debtors, the credit risk of the debtors, collateral, historical loss and management’s experience. Additional allowances (reversals of allowances) are recognised as expenses during the year.

For loans and receivables classified as pass (including restructured receivables) and special mentioned, the Bank records provision at rates of not less than 1% and not less than 2% of the loan balances (excluding accrued interest receivable) net of collateral value, in accordance with the BOT’s guideline, and adjusts the allowance taking into consideration the probability of default and the loss given default. Parameters and assumptions have been reviewed and will be monitored on an ongoing basis to ensure they remain applicable.

For non-performing loans and receivables which are classified as sub-standard, doubtful and doubtful of loss, the Bank records allowance for doubtful accounts at 100% of the debt balance remaining after deducting the present value of expected future cash inflows from debt collection or from collateral disposal, with the discount interest rate and the period of collateral disposal being set with reference to the BOT’s guidelines.

For unsecured consumer loan, the collective approach is applied based on historical loss experience of each customer group.

Allowance for doubtful accounts for other receivables is provided for the estimated losses that may be incurred in the collection of receivables and based on the review of current status of receivables outstanding at the end of reporting period.

Bad debts are written off during the period that the Bank considers they are uncollectible as approved by the Special Asset Management Credit Committee and are deducted from the allowance for doubtful accounts. All bad debt recovered are recognised as income on cash basis which is presented as an offset to bad debts and doubtful accounts in profit or loss from operation.

The Bank writes off unsecured consumer loans that are overdue more than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

## 5.9 Troubled debt restructuring

The Bank restructures loans by means of transferring assets, transferring equity or modifying the terms of the loan.

Loans which have been restructured through a modification of terms 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. The difference between the fair value of the loan as at the restructuring date and the previous book value is accounted for as revaluation allowance for debt restructuring and amortised to profit or loss from operation as interest income based on the amount received over the remaining period of the restructuring agreement.

In cases where the troubled debt restructuring involves the transfer of assets or equity, the Bank records the assets or equity interest received as a result of debt restructuring at their fair value (based on the value appraised by internal appraisers or external independent appraisers) providing this does not exceed the amount of principal legally claimable from the debtor (including interest of which recognition has ceased until the restructuring date). Any excess of the fair value of the assets over the book value is recognised as interest income in part of profit or loss from operation.

# Notes to Consolidated Financial Statements

(continued)

Losses arising from debt restructuring through waivers of part of principal or recorded accrued interest receivable are recognised in part of profit or loss from operation when incurred.

## 5.10 Properties foreclosed

Properties foreclosed of the Bank are stated at the lower of cost and net realisable value. Net realisable value is determined by using the latest appraisal value, considering selling expenses in accordance with the BOT's guidelines. 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 net realisable value of the foreclosed property.

Losses on impairment are charged to profit or loss in the statement of comprehensive income. Gains or losses on the sale of properties foreclosed are recognised only when such properties are sold.

## 5.11 Premises and equipment and depreciation

Land is stated at cost or reappraised value. Premises is stated at cost or reappraised value less accumulated depreciation and allowance for impairment (if any). Equipment is stated at cost less accumulated depreciation.

Depreciation is calculated by reference to their cost or reappraised value on a straight-line basis over the following estimated useful lives:

Premises	-	50 years
Equipment	-	5 years or 10 years

No depreciation is determined for land and assets under installation.

Premises and equipment are initially recorded at cost. Land and premises are however subsequently revalued by the independent appraisers to their fair value in accordance with the guidelines announced by the BOT. The Bank's policy is to revalue these assets every 5 years in order that the book value of these assets at the end of reporting period does not differ materially from their fair value.

Differences arising from revaluation are dealt with in the financial statements as follows:

- When the Bank's carrying amount of asset is increased as a result of a revaluation, the increase is credited directly to the other comprehensive income (loss) and the cumulative increase is recognised in shareholders' equity as "Revaluation surplus on assets" under the heading of other components of shareholders' equity in statements of financial position. However, if the asset is previously devalued and the Bank used to recognise such a revaluation decrease as an expense in profit or loss from operation, a revaluation increase from this revaluation is then recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When the Bank's carrying amount of asset is decreased as a result of a revaluation, the decrease is recognised as an expense in profit or loss from operation. However, if the asset is previously revalued and still has the outstanding revaluation surplus left in shareholders' equity under the heading of "Revaluation surplus on asset", the revaluation decrease is then charged to the other comprehensive income (loss) to the extent that it does not exceed on amount already held in "Revaluation surplus on assets" in respect of the same assets.

Amortisation of the revaluation surplus on assets is transferred directly to retained earnings.

The revaluation surplus on assets can neither be offset against deficit nor used for dividend payment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss from operation when the asset is derecognised.

# Notes to Consolidated Financial Statements

(continued)

## 5.12 Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation under the heading of “Other assets” in statements of financial position. Leasehold rights are amortised on a straight-line basis over the lease periods and the amortisation amounts are recognised as expenses in profit or loss from operation.

## 5.13 Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortisation and an accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss from operation.

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Application softwares	10 years

## 5.14 Entire Business Transfer /discontinued operations

In the consolidated statements of comprehensive income of the reporting period and the prior comparable period, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations and shown as profit from discontinued operation in the line item next to profit from continuing operations.

## 5.15 Provisions - other liabilities

Provisions are recognised when the Bank and its subsidiaries has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. In the event that no independent market value can be obtained, then an estimate is assessed.

## 5.16 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Bank and its subsidiaries, whether directly or indirectly, or which are under common control with the Bank and its subsidiaries.

They also include associated company and individuals which directly or indirectly own a voting interest in the Bank and its subsidiaries that gives them significant influence over the Bank and its subsidiaries, key management personnel, directors and officers with authority in the planning and direction of the Bank’s and its subsidiaries operations, together with close family members of such persons and companies which are controlled and influenced by them, whether directly or indirectly.

## 5.17 Impairment of assets

At each reporting date, the Bank and its subsidiaries performs impairment reviews in respect of an asset whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset’s fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Bank and its subsidiaries could obtain from the disposal of the asset in an arm’s length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However in cases where property, plant and equipment was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

# Notes to Consolidated Financial Statements

(continued)

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Bank and its subsidiaries estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

## 5.18 Employee benefits

### **Short-term benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Leave entitlements are recognised when they accrue to employees. Provision for leave entitlements is made based on contractual terms, with adjustment for expected attrition.

### **Post-employment benefits**

#### *Defined contribution plans*

The Bank and its employees established the provident funds under the Provident Fund Act B.E. 2530. 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% or 6% of basic salary and the Bank contributes to the fund at the rate of 5% - 6% 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.

The Bank's subsidiaries and their employees also established their provident funds under the Provident Fund Act B.E. 2530. The Bank's subsidiaries and their employees contribute to the funds at the rate between 2% - 10% of basic salary depending upon the number of years of services of each employee. The funds will be paid to employees upon termination in accordance with the rules of the funds.

The funds set up by the Bank and its subsidiaries are managed independently by UOB Asset Management (Thailand) Co., Ltd. Therefore, these funds do not appear in the consolidated and separate statements of financial position of the Bank and its subsidiaries.

The Bank and its subsidiaries's contributions are recognised as expenses when incurred.

#### *Defined benefit plans or other defined benefit plans*

The Bank and its subsidiaries has obligations in respect of the severance payments it must make to employees upon retirement under labor law and also has long-term employment benefit scheme for employees of Bank of Asia Public Co., Ltd. who joined the Bank prior to 16 May 2005 and have been employed at least 15 years, the benefits being based on the latest month's salary and the years of service. Employees will receive half of this long-term employment benefits when they resign or will receive it in full when they retire. The Bank and its subsidiaries treats these severance payment to be post-employment benefits.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in the other comprehensive income.

# Notes to Consolidated Financial Statements

(continued)

## 5.19 Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss from operation on a straight line basis over the lease term.

## 5.20 Share-based payment transactions

The cost of the share-based payment plan of United Overseas Bank Limited (“major shareholder”) will be invoiced by the major shareholder, and the Bank will treat the invoiced amounts as a liability in statements of financial position, and recognise them as an expense in profit or loss from operation over the vesting period of the shares.

## 5.21 Contributions to the Deposit Protection Agency and Financial Institutions Development Fund

Contributions to the Deposit Protection Agency and Financial Institutions Development Fund are recorded as expenses for the year on an accrual basis.

## 5.22 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Bank and its subsidiaries recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Bank and its subsidiaries reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Bank and its subsidiaries records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 5.23 Translation of foreign currency

The consolidated and separate financial statements are presented in Baht, which is also the Bank and its subsidiaries' functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies and commitments, which related to forward exchange contracts and currency swap contracts, outstanding at the end of reporting period, are translated into Baht at the exchange rate ruling at the end of reporting period announced by the BOT.

Gains and losses on exchange rate included in profit or loss from operation.

# Notes to Consolidated Financial Statements

(continued)

## 5.24 Financial derivatives

Financial derivative contracts are recorded as commitments and the changes in fair value are recorded in profit or loss from operation.

Outstanding financial derivative contracts are valued at fair value. At the end of reporting period, the unrealised gains or losses on outstanding financial derivative contracts, are presented on a gross basis in the statements of financial position.

## 5.25 Interbank and money market items (Assets/ Liabilities)

The Bank recognised and eliminated such items in the financial statements using the Settlement Date method.

## 5.26 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position when the Bank and its subsidiaries have a legally enforceable rights to set off the recognised amount and the transactions are intended to be settled on a net basis.

## 6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. However, the use of different estimates and assumptions could affect the amounts of accounting estimate. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

### *Allowance for doubtful accounts on loans to customer and accrued interest receivables*

Allowances for doubtful accounts on loans to customer and accrued interest receivables are intended to adjust the value of loans and receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses on outstanding loans when there is any doubt about the borrower's capacity to repay the principal and/or the interest. The allowances for loan losses are determined through a combination of specific reviews, statistical modeling and estimates, taking into account change in the value of collateral and current economic conditions, in accordance with the BOT's guidelines.

### *Fair value of financial instruments*

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercised judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and long-term volatility of financial instruments.

### *Impairment of investments*

The Bank and its subsidiaries treat investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires management's judgment.

### *Recognition and derecognition of assets and liabilities*

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.



# Notes to Consolidated Financial Statements

(continued)

## *Post-employment benefits under defined benefit plan*

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate and inflation rates. Management had to exercise judgment to determine the appropriateness of these assumptions, based on their best knowledge of current events and arrangements.

## *Intangible assets*

The initial recognition and measurement of other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## *Litigation*

The Bank has contingent liabilities as a result of litigation. The Bank's management has used judgment to assess of the results of the litigation. The estimated loss has been recorded under contingent liabilities as at the end of reporting period.

## *Leases*

In determining whether a lease is to be classified as an operating lease or financial lease, management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

## *Premises and equipment and depreciation*

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and residual values of premises and equipment and to review estimate useful lives and residual values when there are any changes.

The Bank measures land and buildings at revalued amounts. Fair value from revaluation is determined by independent appraiser using market approach for land and depreciated replacement cost approach for buildings. Such valuation is based on certain assumptions and estimates.

In addition, the management is required to consider premises and equipment for impairment at the end of reporting period and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## *Allowance for impairment of property foreclosed*

The Bank assesses allowance for impairment of property foreclosed when net realisable value is below book value. The management uses judgment in estimating impairment loss, taking into account changes in the value of asset, appraisal value, the type and quality of asset, how long it is expected to take to dispose of the asset and changes in economic circumstances.

## *Profit and loss sharing from transfer non-performing loan*

In calculating profits or losses arising from the management of non-performing loans transferred to the Thai Asset Management Corporation (TAMC), the Bank projects of the amounts expect to be received from the debtors, from collateral value or from guarantors. The management considers these assumptions to be appropriate given the currently available information and current situation.

## *Deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

# Notes to Consolidated Financial Statements

(continued)

## 7. Regulatory rule related to capital fund

According to the BOT's Notification Sor Nor Sor 25/2552, commercial banks are required to disclose certain additional capital information for their position. The Bank will disclose such mandatory information as at 31 December 2014 in its website (www.uob.co.th) by the end of April 2015. The Bank also disclosed capital adequacy and capital risk exposure information as of 31 December 2013 since 28 April 2014.

## 8. Cash

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Cash	5,885	4,502
Cheques in transit	293	281
<b>Total</b>	<b>6,178</b>	<b>4,783</b>

## 9. Interbank and money market items - net (Assets)

	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December					
	2014			2013		
	On demand	Term	Total	On demand	Term	Total
<b>Domestic items</b>						
The Bank of Thailand and Financial Institutions Development Fund	17,492	2,300	19,792	49,371	2,400	51,771
Commercial banks	405	3,582	3,987	104	4,144	4,248
Other financial institutions	17	632	649	-	1,610	1,610
<b>Total</b>	<b>17,914</b>	<b>6,514</b>	<b>24,428</b>	<b>49,475</b>	<b>8,154</b>	<b>57,629</b>
Add: Accrued interest receivables	2	2	4	15	6	21
Less: Deferred revenue	-	(20)	(20)	-	(30)	(30)
Allowance for doubtful accounts	(3)	(37)	(40)	-	(42)	(42)
<b>Total domestic items</b>	<b>17,913</b>	<b>6,459</b>	<b>24,372</b>	<b>49,490</b>	<b>8,088</b>	<b>57,578</b>
<b>Foreign items</b>						
US Dollar	453	507	960	679	1,572	2,251
Yen	43	-	43	72	-	72
EURO	194	3	197	138	3	141
Other currencies	417	-	417	413	-	413
<b>Total</b>	<b>1,107</b>	<b>510</b>	<b>1,617</b>	<b>1,302</b>	<b>1,575</b>	<b>2,877</b>
Add: Accrued interest receivables	-	-	-	-	2	2
Less: Allowance for doubtful accounts	-	(5)	(5)	(2)	(6)	(8)
<b>Total foreign items</b>	<b>1,107</b>	<b>505</b>	<b>1,612</b>	<b>1,300</b>	<b>1,571</b>	<b>2,871</b>
<b>Total domestic and foreign items</b>	<b>19,020</b>	<b>6,964</b>	<b>25,984</b>	<b>50,790</b>	<b>9,659</b>	<b>60,449</b>

# Notes to Consolidated Financial Statements

(continued)

## 10. Derivatives assets/liabilities

As at 31 December 2014 and 2013, the Bank has notional amounts and fair value of derivatives held for trading book classified by type of risk is as follows:

Type of risk	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December					
	2014			2013		
	Fair Value		Notional amount	Fair Value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
Foreign exchange rates	3,561	3,431	599,898	7,840	5,965	447,873
Interest rate	1,975	2,134	456,372	1,739	1,786	523,275
Commodity derivatives	685	680	3,369	31	31	4,074
<b>Total</b>	<b>6,221</b>	<b>6,245</b>	<b>1,059,639</b>	<b>9,610</b>	<b>7,782</b>	<b>975,222</b>

As at 31 December 2014 and 2013, the proportion, determined based on the notional amount, of derivatives transactions divided by type of counterparty is as follows:

Counterparty	(Unit: Percentage)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Financial institutions	82.53	86.36
Companies in the group*	8.22	4.66
Others	9.25	8.98
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

\* Companies in the group mean United Overseas Bank Limited and United Overseas Bank Group of Companies.

# Notes to Consolidated Financial Statements

(continued)

## 11. Investments

### 11.1 Classified by types of investment

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
	Fair value	Fair value
<b>Securities for trading</b>		
Government and state enterprises securities	30,243	30,266
Total	30,243	30,266
<b>Available-for-sale securities</b>		
Government and state enterprises securities	57,372	42,214
Marketable domestic equity securities	447	383
Marketable foreign equity securities	240	199
Total	58,059	42,796
	Cost	Cost
<b>General investments</b>		
Non-marketable domestic equity securities	120	120
Non-marketable foreign equity securities	15	15
Unit trusts	6	9
Total	141	144
Less: Allowance for impairment of securities	(89)	(88)
Total	52	56
Total investments - net	88,354	73,118

As at 31 December 2014 and 2013, the Bank classified promissory notes received from TAMC as “other receivable”, which were presented as part of other assets, as detailed in Note 20 to the financial statements. These promissory notes matured in 2011, as detailed in Note 14.8 to the financial statements.

As at 31 December 2014, the Bank has commitments to purchase debt securities of Baht 2,612 million (2013: Baht 3,976 million) and commitments to sell debt securities of Baht 4,787 million (2013: Baht 3,169 million).

# Notes to Consolidated Financial Statements

(continued)

## 11.2 Classified by the remaining period to maturity of the debt securities

Investments in debt instruments, excluding trading debt instruments, classified by remaining maturities are as follows:

	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	As at 31 December 2014			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	37,254	20,005	-	57,259
Private sector debt securities	-	-	-	-
Total	37,254	20,005	-	57,259
Add: Allowance for revaluation	33	80	-	113
Less: Allowance for impairment of securities	-	-	-	-
Total	37,287	20,085	-	57,372

	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	As at 31 December 2013			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	25,961	16,162	-	42,123
Private sector debt securities	25	-	-	25
Total	25,986	16,162	-	42,148
Add: Allowance for revaluation	23	68	-	91
Less: Allowance for impairment of securities	(25)	-	-	(25)
Total	25,984	16,230	-	42,214

# Notes to Consolidated Financial Statements

(continued)

## 12. Investments in subsidiaries

Company's name	Nature of business	Type of security	Consolidated financial statements											
			Paid-up share capital		Percentage of holding		Cost method		Equity method		Dividend income recognised for the years ended		Shares of profit (loss) for the years ended	
			As at 31 December 2014	2013	As at 31 December 2014	2013	As at 31 December 2014	2013	As at 31 December 2014	2013	As at 31 December 2014	2013	As at 31 December 2014	2013
	(Million Baht)	(Million Baht)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)		
<b>Subsidiary - not included in consolidated financial statement</b>														
UOB Leasing (Thai) Co., Ltd.	Liquidation	Common stock	4	4	99.99	99.99	6	6	6*	6*	-	-	-	-
Investments in subsidiaries - net							6	6	6	6	-	-	-	-

\* The consolidated financial statements for the years ended 31 December 2014 and 2013 excluded the financial statements of UOB Leasing (Thai) Co., Ltd, which was registered under liquidation. Such investment then stated at cost.

Company's name	Nature of business	Type of security	Paid-up share capital				Percentage of holding				Investment (Cost method)				Dividend income recognised for the years ended			
			As at 31 December 2014		2013		As at 31 December 2014		2013		As at 31 December 2014		2013		As at 31 December 2014		2013	
			(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
<b>Subsidiaries</b>																		
UOB Bullion and Futures (Thai) Co., Ltd.	Derivatives brokerage	Common stock	175	175	75.00	75.00	131	131	-	-	-	-	-	-	-	-	-	-
UOB Services Co., Ltd.	Debt Collection Business	Common stock	60	60	99.99	99.99	60	60	30	35	-	-	-	-	-	-	-	-
UOB Leasing (Thai) Co., Ltd.	Liquidation	Common stock	4	4	99.99	99.99	6	6	-	-	-	-	-	-	-	-	-	-
Thai Wealth Management Co., Ltd. (formerly known as UOB Asset Management (Thai) Co., Ltd.)	Liquidation completed	Common stock	-	3	-	99.99	-	28	-	490	-	-	-	-	-	-	-	-
Investments in subsidiaries							197	225	30	525	-	-	-	-	-	-	-	-
Less: Allowance for impairment of securities							-	(25)	-	-	-	-	-	-	-	-	-	-
Investments in subsidiaries - net							197	200	-	200	-	-	-	-	-	-	-	-

# Notes to Consolidated Financial Statements

(continued)

On 25 July 2013, the Extraordinary General Meeting of the Shareholders of Thai Wealth Management Co., Ltd. approved an interim dividend distribution to its shareholders at the rate of Baht 49 per share, totalling Baht 490 million, and a partial return of capital, totalling Baht 107 million, to shareholders including the Bank, in proportion to their shareholding. The Bank received the interim dividend distribution and the return of capital on 30 July 2013 and 29 November 2013, respectively.

## 13. Entire Business Transfer/discontinued operations

In accordance with to the plan for the business restructuring of the group that is being undertaken to improve the efficiency of the Bank's operations, the Executive Committee of the Bank approved a plan to transfer the entire business of a subsidiary, UOB Asset Management (Thai) Co., Ltd. to UOB Asset Management (Thailand) Co., Ltd. (formally known as ING Funds (Thailand) Co., Ltd.), which is a company in the United Overseas Bank Group.

On 17 May 2013, UOB Asset Management (Thai) Co., Ltd. ("as transferor") entered into an agreement to transfer all of its business to UOB Asset Management (Thailand) Co., Ltd. ("as transferee"). This accorded with a resolution passed by the Extraordinary General Meeting of the Shareholders of UOB Asset Management (Thai) Co., Ltd. held on 3 June 2013, whereby UOB Asset Management (Thai) Co., Ltd. was to transfer assets, liabilities and all obligations, including its employees. The transfer was completed on 1 July 2013 at a price of Baht 600 million, which was determined based on guidelines provided by an independent financial advisor.

The Ministry of Finance and the Office of Securities and Exchange Commission have approved the cessation of the business operations of UOB Asset Management (Thai) Co., Ltd. and the return of its securities and derivatives business license, effective on 16 October 2013.

In accordance with a resolution of the Extraordinary General Meeting of Shareholders of UOB Asset Management (Thai) Co., Ltd. on 25 July 2013, UOB Asset Management (Thai) Co., Ltd. registered the change of its name from "UOB Asset Management (Thai) Co., Ltd. to "Thai Wealth Management Co., Ltd" with the Ministry of Commerce on 30 October 2013, and registered its dissolution and the appointment of liquidators of its business with the Ministry of Commerce on 31 October 2013.

All proceeds from the entire business transfer have been received by Thai Wealth Management Co., Ltd. and a gain on the entire business transfer of Baht 166 million was recognised in the consolidated financial statements for the year ended 31 December 2013.

In addition, the liquidation of Thai Wealth Management Co., Ltd was completed and registered with the Department of Business Development, Ministry of Commerce on 28 October 2014.

# Notes to Consolidated Financial Statements

(continued)

Summarised financial information of Thai Wealth Management Co., Ltd. as at 1 July 2013 (the transfer date) is as follows:

	<u>(Unit: Million Baht)</u>
<b>Book Value</b>	
<b>Assets</b>	
Interbank and money market items - net	453
Investments - net	1
Loans to customers and accrued interest receivables - net	1
Premises and equipment - net	2
Other Intangible assets - net	2
Other assets - net	82
<b>Total assets</b>	<b>541</b>
<b>Liabilities</b>	
Provisions for long-term employee benefits	15
Accrued expenses	77
Other liabilities	15
<b>Total liabilities</b>	<b>107</b>
Net book value	434
Transfer price	600
Gain on entire business transfer	166

Interbank and money market items included deposits of Thai Wealth Management Co., Ltd. with the Bank amounting to Baht 432 million.



# Notes to Consolidated Financial Statements

(continued)

The operating result of Thai Wealth Management Co., Ltd. for the year ended 31 December 2013 was separately presented under “Profit from discontinued operations” and “Other comprehensive income from discontinued operations” in the consolidated statements of comprehensive income for the year ended 31 December 2013. Detail is as follows:

	(Unit: Million Baht)
	For the year ended 31 December 2013
<b>Consolidated statement of comprehensive income</b>	
Interest income	7
Interest expenses	-
<b>Net interest income</b>	<b>7</b>
Fees and service income	376
Fees and service expenses	155
<b>Net fees and service income</b>	<b>221</b>
Gain on entire business transfer	166
Other operating income	1
<b>Total operating income</b>	<b>395</b>
<b>Other operating expenses</b>	
Employee’s expenses	90
Premises and equipment expenses	8
Other expenses	34
<b>Total other operating expenses</b>	<b>132</b>
Profit before income tax expenses	263
Income tax	21
<b>Net profit after tax from discontinued operations</b>	<b>242</b>
<b>Other comprehensive income</b>	
Actuarial gains on defined benefit plans	1
Income tax relating to components of other comprehensive income	-
Other comprehensive income from discontinued operations	1
<b>Total comprehensive income from discontinued operations</b>	<b>243</b>

Changes of operating assets and operating liabilities of Thai Wealth Management Co., Ltd. which included in consolidated cash flows statements for the year ended 31 December 2013 are as follows:

	(Unit: Million Baht)
	2013
Operating assets increase	
- Interbank and money market items	(386)
- Other assets	(63)
	(449)
Operating liabilities decrease	
- Accrued expense	(69)
- Other liabilities	(27)
	(96)

# Notes to Consolidated Financial Statements

(continued)

Cash flow information of Thai Wealth Management for the year ended 31 December 2013 is as follows:

	(Unit: Million Baht)
	2013
Net cash used in operating activities	(3)
Net cash provided by investing activities	3

## 14. Loans to customers and accrued interest receivables - net

### 14.1 Classified by loan type

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Overdrafts	17,322	17,296
Loans	188,747	170,543
Trade bills	55,970	61,814
Hire-purchase receivables	1,316	1,888
Financial lease receivables	2,831	3,485
Others	388	402
Less: Deferred revenue	(342)	(496)
Total loans to customers net of deferred revenue	266,232	254,932
Add: Accrued interest receivables	782	755
Total loans to customers net of deferred revenue and accrued interest receivables	267,014	255,687
Less: Allowance for doubtful accounts		
1. The BOT's minimum requirement provision		
- Individual approach	(3,614)	(3,059)
- Collective approach	(454)	(346)
2. Provision in excess of the BOT's minimum rates required	(3,944)*	(3,526)*
Total loans to customers and accrued interest receivables - net	259,002	248,756

\* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

# Notes to Consolidated Financial Statements

(continued)

## 14.2 Classified by currencies and residential status of debtors

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2014			2013		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	251,840	180	252,020	236,854	182	237,036
US Dollar	12,526	860	13,386	16,459	952	17,411
Other currencies	826	-	826	485	-	485
<b>Total loans, net of deferred revenue</b>	<b>265,192</b>	<b>1,040</b>	<b>266,232</b>	<b>253,798</b>	<b>1,134</b>	<b>254,932</b>

## 14.3 Classified by types of business and loan classification

(Unit: Million Baht)

	Consolidated and separate financial statement					
	As at 31 December 2014					
	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	1,070	5	-	-	54	1,129
Manufacturing and commerce	75,244	711	357	106	2,353	78,771
Real estate and construction	19,255	781	266	119	479	20,900
Public utilities and services	28,909	705	195	-	148	29,957
Housing loans	87,781	905	265	314	1,211	90,476
Others	43,450	778	326	318	127	44,999
<b>Total loans, net of deferred revenue</b>	<b>255,709</b>	<b>3,885</b>	<b>1,409</b>	<b>857</b>	<b>4,372</b>	<b>266,232</b>

(Unit: Million Baht)

	Consolidated and separate financial statement					
	As at 31 December 2013					
	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	Total
Agriculture and mining	1,998	6	-	-	67	2,071
Manufacturing and commerce	78,122	1,825	423	162	1,434	81,966
Real estate and construction	19,364	282	1	-	329	19,976
Public utilities and services	31,159	645	350	-	123	32,277
Housing loans	74,415	565	274	224	1,261	76,739
Others	40,633	656	273	242	99	41,903
<b>Total loans, net of deferred revenue</b>	<b>245,691</b>	<b>3,979</b>	<b>1,321</b>	<b>628</b>	<b>3,313</b>	<b>254,932</b>

# Notes to Consolidated Financial Statements

(continued)

## 14.4 Classified by loan classification in accordance with the Notification of the BOT

(Unit: Million Baht)

Consolidated and separate financial statement						
As at 31 December 2014						
	Loans to customers and accrued interest receivables	Other claims	Total	Net balance used in calculate allowance for doubtful accounts <sup>(1)</sup>	Percentage of allowance for doubtful account set up	Allowance for doubtful accounts
					(%)	
The BOT's minimum requirement provision						
Pass	256,454	19	256,473	86,844	1	869
Special mention	3,922	1	3,923	1,219	2	24
Sub-standard	1,409	4	1,413	802	100	802
Doubtful	857	1	858	350	100	350
Doubtful of loss	4,372	5	4,377	2,032	100	2,032
Provision in excess of the BOT's minimum rates required <sup>(2)</sup>	-	-	-	-		3,944
<b>Total</b>	<b>267,014</b>	<b>30</b>	<b>267,044</b>	<b>91,247</b>		<b>8,021</b>

<sup>(1)</sup> Net balance used in calculate allowance for doubtful accounts for pass and special mention loans is debt balance excluded accrued interest receivable net of collateral. For sub-standard, doubtful and doubtful of loss loans, that is debt balance and accrued interest receivables, net of deferred revenue, remaining after deducting the present value of expected future cash flows from debt collection or from collateral disposals.

<sup>(2)</sup> Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

(Unit: Million Baht)

Consolidated and separate financial statement						
As at 31 December 2013						
	Loans to customers and accrued interest receivables	Other claims	Total	Net balance used in calculate allowance for doubtful accounts <sup>(1)</sup>	Percentage of allowance for doubtful account set up	Allowance for doubtful accounts
					(%)	
The BOT's minimum requirement provision						
Pass	246,418	15	246,433	89,499	1	894
Special mention	4,007	2	4,009	1,996	2	40
Sub-standard	1,321	2	1,323	612	100	612
Doubtful	628	1	629	257	100	257
Doubtful of loss	3,313	5	3,318	1,610	100	1,610
Provision in excess of the BOT's minimum rates required <sup>(2)</sup>	-	-	-	-		3,526
<b>Total</b>	<b>255,687</b>	<b>25</b>	<b>255,712</b>	<b>93,974</b>		<b>6,939</b>

<sup>(1)</sup> Net balance used in calculate allowance for doubtful accounts for pass and special mention loans is debt balance excluded accrued interest receivable net of collateral. For sub-standard, doubtful and doubtful of loss loans, that is debt balance and accrued interest receivables, net of deferred revenue, remaining after deducting the present value of expected future cash flows from debt collection or from collateral disposals.

<sup>(2)</sup> Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

# Notes to Consolidated Financial Statements

(continued)

As at 31 December 2014, loan provisions mentioned above include provision for other claims, amounting to Baht 9 million (2013: Baht 8 million).

As at 31 December 2014 and 2013 the Bank has classified unsecured consumer loan in accordance with the Notification of the BOT for non-performing loans (excluding receivables classified as pass and special mention) using a collective approach, as follows:

Overdue (Days)	(Unit: Million Baht)		
	Consolidated and separate financial statement		
	As at 31 December 2014		
	Unsecured consumer loans	The range of provision (%)	Provision amount
0 - 119	282	73 - 94	211
120 - 180	322	73 - 100	243
<b>Total</b>	<b>604</b>		<b>454</b>

Overdue (Days)	(Unit: Million Baht)		
	Consolidated and Separate financial statement		
	As at 31 December 2013		
	Unsecured consumer loans	The range of provision (%)	Provision amount
0 - 119	231	73 - 94	173
120 - 180	232	73 - 100	173
<b>Total</b>	<b>463</b>		<b>346</b>

## 14.5 Hire-purchase/finance lease receivables

As at 31 December 2014, the Bank has receivables under hire-purchase agreements and financial leases net of deferred revenue amounting to Baht 3,825 million (2013: Baht 4,894 million), mostly comprising hire-purchase agreements and financial leases for vehicles and machines. The terms of the agreements are generally between 3 - 5 years and most interest is charged at a fixed rate.

	(Unit: Million Baht)				
	As at 31 December 2014				
	Amounts due under lease agreement				
	Less than 5 years	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investment in hire-purchase/ finance leases	264	3,780	60	43	4,147
Less: Deferred revenue*	(6)	(305)	(7)	(4)	(322)
Present value of minimum lease payments receivables	258	3,475	53	39	3,825
Less: Allowance for doubtful accounts					(76)
<b>Net hire-purchase/finance lease receivables</b>					<b>3,749</b>

\* After deduction of commission and deferred initial direct costs of hire-purchase (if any)

# Notes to Consolidated Financial Statements

(continued)

	(Unit: Million Baht)				
	As at 31 December 2013				
	Amounts due under lease agreement				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investment in hire-purchase/finance leases	306	4,948	27	92	5,373
Less: Deferred revenue*	(7)	(459)	(5)	(8)	(479)
Present value of minimum lease payments receivables	299	4,489	22	84	4,894
Less: Allowance for doubtful accounts					(132)
Net hire-purchase/finance lease receivables					4,762

\* After deduction of commission and deferred initial direct costs of hire-purchase (if any)

## 14.6 Non-accrual loans

The Bank had non-accrual loans, according to the BOT's criteria (NPLs and restructured NPLs under current period) as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Non-accrual loans*	6,638	5,262
Percentage of total loans**	2.31	1.69

\* Principal only

\*\* Including interbank and money market loans

## 14.7 Troubled debt restructuring

During the years ended 31 December 2014 and 2013 the Bank entered into troubled debt restructuring agreements with debtors. The number of debtors and their debt balances before restructuring can be summarised below.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2014	2013
Debt balances before restructuring*	3,111	1,183
Total number of customers	5,233	3,027

\* Principal only

# Notes to Consolidated Financial Statements

(continued)

Detail of the restructured debtors during the years ended 31 December 2014 and 2013 referred to above can be classified by method of troubled debt restructuring as follows:

Type of restructuring	(Unit: Million Baht)				
	Consolidated and separate financial statement				
	For the year ended 31 December 2014				
	Number of customers subject to restructuring	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring
Modification of terms	5,233	3,111	-	-	3,111
<b>Total</b>	<b>5,233</b>	<b>3,111</b>		-	<b>3,111</b>

Type of restructuring	(Unit: Million Baht)				
	Consolidated and separate financial statement				
	For the year ended 31 December 2013				
	Number of customers subject to restructuring	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring
Asset swap for settlement	3	320	Cash	320	-
Modification of terms	3,024	863	-	-	863
<b>Total</b>	<b>3,027</b>	<b>1,183</b>		<b>320</b>	<b>863</b>

The Bank recorded losses on restructuring for the year in relation to certain particular customers as utilisation of allowance for doubtful accounts rather than charging to profit or loss from operation since the Bank had already fully provided allowance for those loans.

The debts restructured by means of modification of the term of repayment referred to above during the years ended 31 December 2014 and 2013 can be classified by the term of repayment under the restructuring agreement as follows:

	Consolidated and separate financial statement		
	For the year ended 31 December 2014		
	Number of debtors	Debt balances (Million Baht)	
Before restructuring		After restructuring	
Term of repayment according to the restructuring agreements:			
Not more than 5 years	4,945	2,250	2,250
5 - 10 years	90	345	345
10 - 15 years	136	367	367
More than 15 years	62	149	149
<b>Total</b>	<b>5,233</b>	<b>3,111</b>	<b>3,111</b>

# Notes to Consolidated Financial Statements

(continued)

	Consolidated and separate financial statement		
	For the year ended 31 December 2013		
	Number of debtors	Debt balances (Million Baht)	
Before restructuring		After restructuring	
Term of repayment according to the restructuring agreements:			
Not more than 5 years	3,008	594	594
5 - 10 years	9	252	252
10 - 15 years	3	9	9
More than 15 years	4	8	8
<b>Total</b>	<b>3,024</b>	<b>863</b>	<b>863</b>

As at 31 December 2014 and 2013, the troubled debtors restructuring for which the Bank completed the restructuring can be summarised as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	Number of debtors	Debt balances after restructuring
Balance of restructured debtors as at 31 December 2014	<b>12,023</b>	<b>11,493</b>
Balance of restructured debtors as at 31 December 2013	11,276	9,640

As at 31 December 2014, the Bank has committed additional funds to restructured debtors amounting to Baht 142 million (2013: Baht 109 million).

## 14.8 Sale of non-performing assets to Thai Asset Management Corporation (“TAMC”)

On 12 October 2001, the Bank entered into an agreement with the Thai Asset Management Corporation (TAMC) to transfer non-performing loans (NPL) in accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544. Under the agreement, the Bank was to receive a ten-year non-transferable promissory note with interest rate avaled by the Financial Institutions Development Fund and the TAMC and the Bank are jointly responsible for any profits or losses arising from managing the impaired assets in accordance with the conditions specified in the agreement.

On 8 June 2013, TAMC was liquidated and transferred its remaining assets and liabilities, including all TAMC’s accounting books and documents, to the Ministry of Finance, which is to manage them.

Throughout the time that the impaired assets have been managed by TAMC, the Bank and TAMC have been involved in a dispute over the transfer price adjustment requested by TAMC, amounting to Baht 1,665 million. Currently, the dispute is being processed by the Supreme Court. However, the Bank and the Ministry of Finance are currently in negotiations to conclude the dispute.

As at 31 December 2014 and 2013, the balance of the promissory notes received from TAMC (before the transfer price adjustment proposed by TAMC) was Baht 2,864 million. These notes matured in the year 2011 and were presented in the statements of financial position under "Other receivable". The management of the Bank has set aside provisions for contingent losses from the gain/loss sharing from TAMC’s management of the impaired assets totalling Baht 1,900 million, which is presented as deductions from other receivable in the statements of financial position. Since the promissory notes matured, TAMC has deposited with the Bank a balance equal to the notes together with interest, amounting to Baht 3,110 million, in accordance with the redemption method proposed by TAMC. However, the Bank treats these amounts as normal deposits.



# Notes to Consolidated Financial Statements

(continued)

## 15. Allowance for doubtful accounts

(Unit: Million Baht)

Consolidated and separate financial statement							
For the year ended 31 December 2014							
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Provision in excess of the BOT's minimum rates required	Total
Beginning balance	894	40	610	256	1,605	3,526	6,931
Doubtful accounts	(30)	(16)	189	93	2,502	418	3,156
Transferred from allowance for doubtful accounts of loans to financial institution	5	-	-	-	-	-	5
Bad debts written off	-	-	-	-	(2,076)	-	(2,076)
Others	-	-	-	-	(4)	-	(4)
Ending balance	869	24	799	349	2,027	3,944*	8,012

\* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

(Unit: Million Baht)

Consolidated and separate financial statement							
For the year ended 31 December 2013							
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Provision in excess of the BOT's minimum rates required	Total
Beginning balance	722	31	438	187	2,007	1,816	5,201
Doubtful accounts	208	9	172	69	936	1,710	3,104
Transferred to allowance for doubtful accounts of loans to financial institution	(36)	-	-	-	-	-	(36)
Bad debts written off	-	-	-	-	(1,350)	-	(1,350)
Others	-	-	-	-	12	-	12
Ending balance	894	40	610	256	1,605	3,526*	6,931

\* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

## 16. Properties foreclosed - net

Properties foreclosed represent properties obtained from debtors as a result of debt restructuring or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction and including the owned closed branch's premises and awaiting for sale.

Under the debt restructuring agreements, in cases the debtors restructure their debts by means of a debt/asset swap, the Bank grants buy-back rights or first refusal rights to certain debtors for a certain period, at prices as agreed in the debt restructuring agreements. The buy-back prices are normally agreed to be the transfer prices of the properties on the restructuring dates or plus interest.

# Notes to Consolidated Financial Statements

(continued)

As at 31 December 2014 and 2013, the details of properties foreclosed are as follows:

Type of properties foreclosed	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	For the year ended 31 December 2014			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from bidding				
Immovable	3,237	157	(275)	3,119
Movable	-	-	-	-
Total	3,237	157	(275)	3,119
Others	-	-	-	-
Total properties foreclosed	3,237	157	(275)	3,119
Less: Allowance for impairment	(1,348)	-	3	(1,345)
Properties foreclosed - net	1,889	157	(272)	1,774

Type of properties foreclosed	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	For the year ended 31 December 2013			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from bidding				
Immovable	3,690	184	(637)	3,237
Movable	-	-	-	-
Total	3,690	184	(637)	3,237
Others	2	-	(2)	-
Total properties foreclosed	3,692	184	(639)	3,237
Less: Allowance for impairment	(1,823)	-	475	(1,348)
Properties foreclosed - net	1,869	184	(164)	1,889

During the year ended 31 December 2013, the Bank reviewed the adequacy of the allowance for impairment and as a result reversed the allowance for impairment of properties foreclosed amounting of Baht 400 million.

Immovable assets foreclosed classified by external and internal appraisers as at 31 December 2014 and 2013 consist of the following:

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	As at 31 December	
	2014	2013
<b>Foreclosed assets - immovable assets</b>		
Appraised by external appraisers	3,067	3,048
Appraised by internal appraisers	52	189
Total	3,119	3,237

# Notes to Consolidated Financial Statements

(continued)

## 17. Premises and equipment

	(Unit: Million Baht)				
	Consolidated financial statement				
	For the year ended 31 December 2014				
	Land	Premises	Equipment	Assets under installation	Total
<b>Cost</b>					
Beginning balance	1,358	1,425	4,608	40	7,431
Acquisition	540	-	213	90	843
Transfer in (out)	(8)	(78)	115	(115)	(86)
Disposal and written off	-	-	(232)	-	(232)
Ending balance	1,890	1,347	4,704	15	7,956
<b>Increase from revaluation</b>					
Beginning balance	1,682	331	-	-	2,013
Transfer out	(19)	(23)	-	-	(42)
Ending balance	1,663	308	-	-	1,971
<b>Accumulated depreciation</b>					
Beginning balance	-	(904)	(3,286)	-	(4,190)
Depreciation charged for the year	-	(28)	(309)	-	(337)
Transfer out	-	37	-	-	37
Disposal and written off	-	-	226	-	226
Ending balance	-	(895)	(3,369)	-	(4,264)
<b>Impairment loss</b>					
Beginning balance	(53)	(79)	-	-	(132)
Addition	-	(5)	-	-	(5)
Transfer out	-	2	-	-	2
Ending balance	(53)	(82)	-	-	(135)
<b>Net book value</b>					
Beginning balance	2,987	773	1,322	40	5,122
Ending balance	3,500	678	1,335	15	5,528
Depreciation charge included in profit or loss from operation for the years ended 31 December:					
2013					340
2014					337

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Consolidated financial statement				
	For the year ended 31 December 2013				
	Land	Premises	Equipment	Assets under installation	Total
<b>Cost</b>					
Beginning balance	1,382	1,444	4,542	35	7,403
Acquisition	-	-	206	139	345
Transfer in (out)	(24)	(19)	134	(134)	(43)
Disposal and written off	-	-	(254)	-	(254)
Decrease from transfer of a subsidiary company	-	-	(20)	-	(20)
Ending balance	1,358	1,425	4,608	40	7,431
<b>Increase from revaluation</b>					
Beginning balance	1,728	331	-	-	2,059
Transfer out	(46)	-	-	-	(46)
Ending balance	1,682	331	-	-	2,013
<b>Accumulated depreciation</b>					
Beginning balance	-	(884)	(3,229)	-	(4,113)
Depreciation charged for the year	-	(30)	(310)	-	(340)
Transfer out	-	10	-	-	10
Disposal and written off	-	-	235	-	235
Decrease from transfer of a subsidiary company	-	-	18	-	18
Ending balance	-	(904)	(3,286)	-	(4,190)
<b>Impairment loss</b>					
Beginning balance	(54)	(83)	-	-	(137)
Transfer out	1	4	-	-	5
Ending balance	(53)	(79)	-	-	(132)
<b>Net book value</b>					
Beginning balance	3,056	808	1,313	35	5,212
Ending balance	2,987	773	1,322	40	5,122
Depreciation charge included in profit or loss from operation for the years ended 31 December:					
2012					328
2013					340

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement				
	For the year ended 31 December 2014				
	Land	Premises	Equipment	Assets under installation	Total
<b>Cost</b>					
Beginning balance	1,358	1,425	4,588	40	7,411
Acquisition	540	-	212	90	842
Transfer in (out)	(8)	(78)	115	(115)	(86)
Disposal and written off	-	-	(232)	-	(232)
Ending balance	1,890	1,347	4,683	15	7,935
<b>Increase from revaluation</b>					
Beginning balance	1,682	331	-	-	2,013
Transfer out	(19)	(23)	-	-	(42)
Ending balance	1,663	308	-	-	1,971
<b>Accumulated depreciation</b>					
Beginning balance	-	(904)	(3,271)	-	(4,175)
Depreciation charged for the year	-	(28)	(308)	-	(336)
Transfer out	-	37	-	-	37
Disposal and written off	-	-	226	-	226
Ending balance	-	(895)	(3,353)	-	(4,248)
<b>Impairment loss</b>					
Beginning balance	(53)	(79)	-	-	(132)
Addition	-	(5)	-	-	(5)
Transfer out	-	2	-	-	2
Ending balance	(53)	(82)	-	-	(135)
<b>Net book value</b>					
Beginning balance	2,987	773	1,317	40	5,117
Ending balance	3,500	678	1,330	15	5,523
Depreciation charge included in profit or loss from operation for the years ended 31 December:					
2013					336
2014					336

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement				
	For the year ended 31 December 2013				
	Land	Premises	Equipment	Assets under installation	Total
<b>Cost</b>					
Beginning balance	1,382	1,444	4,488	35	7,349
Acquisition	-	-	204	139	343
Transfer in (out)	(24)	(19)	134	(134)	(43)
Disposal and written off	-	-	(238)	-	(238)
Ending balance	1,358	1,425	4,588	40	7,411
<b>Increase from revaluation</b>					
Beginning balance	1,728	331	-	-	2,059
Transfer out	(46)	-	-	-	(46)
Ending balance	1,682	331	-	-	2,013
<b>Accumulated depreciation</b>					
Beginning balance	-	(884)	(3,190)	-	(4,074)
Depreciation charged for the year	-	(30)	(306)	-	(336)
Transfer out	-	10	-	-	10
Disposal and written off	-	-	225	-	225
Ending balance	-	(904)	(3,271)	-	(4,175)
<b>Impairment loss</b>					
Beginning balance	(54)	(83)	-	-	(137)
Transfer out	1	4	-	-	5
Ending balance	(53)	(79)	-	-	(132)
<b>Net book value</b>					
Beginning balance	3,056	808	1,298	35	5,197
Ending balance	2,987	773	1,317	40	5,117
Depreciation charge included in profit or loss from operation for the years ended 31 December:					
2012					323
2013					336

As at 31 December 2014, certain premises and equipment items of the Bank and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation, of those assets amounted to Baht 2,213 million (2013: Baht 2,309 million). The Bank only: Baht 2,201 million (2013: Baht 2,305 million).

During the year, the Bank closed certain branches and transferred them to property foreclosed. The net book values of the transferred assets amounted to Baht 90 million (2013: Baht 74 million).

# Notes to Consolidated Financial Statements

(continued)

## Revaluation surplus

This represents surplus arising from revaluation of land and premises

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2014	2013
Beginning balance	2,024	2,044
Amortisation charged for the year	(13)	(15)
Transferred out during the year	(47)	(5)
Ending balance	1,964	2,024

The revaluation surplus on assets can neither be offset against deficit nor used for dividend distribution.

## 18. Other intangible assets

As at 31 December 2014 and 2013, the intangible assets are as follows:

	(Unit: Million Baht)			
	Consolidated financial statement			
	For the year ended 31 December 2014			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
Beginning balance	2,177	1	2	2,180
Acquisition	126	40	-	166
Transfer in (out)	25	(25)	-	-
Ending balance	2,328	16	2	2,346
<b>Accumulated amortisation</b>				
Beginning balance	(1,286)	-	-	(1,286)
Amortisation for the year	(169)	-	-	(169)
Ending balance	(1,455)	-	-	(1,455)
<b>Net book value</b>				
Beginning balance	891	1	2	894
Ending balance	873	16	2	891
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in profit or loss from operation for the years ended 31 December:				
2013				171
2014				169

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Consolidated financial statement			
	For the year ended 31 December 2013			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
Beginning balance	2,001	5	2	2,008
Acquisition	176	7	-	183
Transfer in (out)	11	(11)	-	-
Decrease from transfer of a subsidiary company	(11)	-	-	(11)
Ending balance	2,177	1	2	2,180
<b>Accumulated amortisation</b>				
Beginning balance	(1,124)	-	-	(1,124)
Amortisation for the year	(171)	-	-	(171)
Decrease from transfer of a subsidiary company	9	-	-	9
Ending balance	(1,286)	-	-	(1,286)
<b>Net book value</b>				
Beginning balance	877	5	2	884
Ending balance	891	1	2	894
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in profit or loss from operation for the years ended 31 December:				
2012				165
2013				171



# Notes to Consolidated Financial Statements

(continued)

	(Unit: Million Baht)			
	Separate financial statement			
	For the year ended 31 December 2014			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
Beginning balance	2,160	1	2	2,163
Acquisition	126	40	-	166
Transfer in (out)	25	(25)	-	-
Ending balance	2,311	16	2	2,329
<b>Accumulated amortisation</b>				
Beginning balance	(1,277)	-	-	(1,277)
Amortisation for the year	(168)	-	-	(168)
Ending balance	(1,445)	-	-	(1,445)
<b>Net book value</b>				
Beginning balance	883	1	2	886
Ending balance	866	16	2	884
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in profit or loss from operation for the years ended 31 December:				
2013				169
2014				168

	(Unit: Million Baht)			
	Separate financial statement			
	For the year ended 31 December 2013			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
Beginning balance	1,974	5	2	1,981
Acquisition	175	7	-	182
Transfer in (out)	11	(11)	-	-
Ending balance	2,160	1	2	2,163
<b>Accumulated amortisation</b>				
Beginning balance	(1,108)	-	-	(1,108)
Amortisation for the year	(169)	-	-	(169)
Ending balance	(1,277)	-	-	(1,277)
<b>Net book value</b>				
Beginning balance	866	5	2	873
Ending balance	883	1	2	886
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in profit or loss from operation for the years ended 31 December:				
2012				163
2013				169

# Notes to Consolidated Financial Statements

(continued)

As at 31 December 2014, certain intangible assets of the Bank and its subsidiaries have been fully amortised but are still in use. The gross carrying amount, before deducting accumulated amortisation, of those assets amounted to Baht 713 million (2013: Baht 465 million). The Bank only: Baht 713 million (2013: Baht 464 million).

## 18. Deferred Tax

The following table shows major components of deferred tax assets and deferred tax liabilities as at 31 December 2014 and 2013.

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	Statements of financial position		Statements of comprehensive income for the years ended		Statements of financial position		Statements of comprehensive income for the years ended	
	As at 31 December		31 December		As at 31 December		31 December	
2014	2013	2014	2013	2014	2013	2014	2013	
Deferred tax assets on:								
Allowance for doubtful accounts	1	47	46	-	1	47	46	-
Allowance for impairment of properties foreclosed	271	270	(1)	94	271	270	(1)	94
Allowance for impairment and revaluation of assets	25	25	-	2	25	25	-	2
Allowance for impairment and revaluation of investments	92	93	1	5	92	93	1	5
Provisions for long-term employee benefits	327	298	-	-	325	297	1	-
Provisions for other liabilities	55	53	(2)	10	55	53	(2)	10
Unrealised loss on financial derivatives	-	-	-	231	-	-	-	231
Other receivables	383	385	2	66	383	385	2	66
Write off	-	17	17	216	-	17	17	216
Loss carried forward	1	102	101	(102)	-	99	99	(99)
Others	231	221	(10)	(12)	231	221	(10)	(13)
	<b>1,386</b>	<b>1,511</b>	<b>154</b>	<b>510</b>	<b>1,383</b>	<b>1,507</b>	<b>153</b>	<b>512</b>
Deferred tax liabilities on:								
Revaluation surplus on assets	393	405	(3)	(3)	393	405	(3)	(3)
Revaluation surplus on investments	116	91	-	-	116	91	-	-
Unrealised gain on financial derivatives	-	364	(364)	364	-	364	(364)	364
Others	103	99	4	9	103	99	4	9
	<b>612</b>	<b>959</b>	<b>(363)</b>	<b>370</b>	<b>612</b>	<b>959</b>	<b>(363)</b>	<b>370</b>
Deferred tax - net	<b>774</b>	<b>552</b>			<b>771</b>	<b>548</b>		
Deferred tax - expense (income)			<b>(209)</b>	<b>880</b>			<b>(210)</b>	<b>882</b>

# Notes to Consolidated Financial Statements

(continued)

Movements in the deferred tax during the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Beginning balance	552	1,405	548	1,400
Charge to profit or loss from operation	209	(880)	210	(882)
Charge to shareholders' equity	10	4	10	4
Charge to other comprehensive income	3	26	3	26
From discontinued operations	-	(3)	-	-
Ending balance	774	552	771	548

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2014	2013
Deferred tax relating to revaluation surplus on investments	(26)	(1)
Deferred tax relating to actuarial losses on defined benefit plans	29	27
	3	26

Income tax effects relating to components of other comprehensive income

	(Unit: Million Baht)					
	Consolidated financial statements					
	For the years ended 31 December					
	2014			2013		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit (expense)	Net of tax amount
Increase in surplus on change in value of investments	127	(26)	101	3	(1)	2
Actuarial losses on defined benefit plans	(145)	29	(116)	(132)	27	(105)
	(18)	3	(15)	(129)	26	(103)

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statements					
	For the years ended 31 December					
	2014			2013		
Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit (expense)	Net of tax amount	
Increase in surplus on change in value of investments	127	(26)	101	3	(1)	2
Actuarial losses on defined benefit plans	(144)	29	(115)	(133)	27	(106)
	(17)	3	(14)	(130)	26	(104)

## 20. Other assets

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2014	2013	2014	2013
Accrued income	645	357	646	354
Suspense debtors	185	305	185	305
Prepaid and deferred expenses	395	242	387	238
Deposits	379	208	374	205
Leasehold right - net	67	83	67	83
Other receivable - TAMC	3,110	3,110	3,110	3,110
Others	125	223	124	222
Total	4,906	4,528	4,893	4,517
Less: Allowance for impairment	(1,939)	(1,955)	(1,939)	(1,955)
Other assets - net	2,967	2,573	2,954	2,562

## 21. Classified assets

(Unit: Million Baht)

	Separate financial statement				
	As at 31 December 2014				
	Investments	Loans <sup>(1)</sup>	Properties foreclosed	Other assets	Total
<b>Classifications</b>					
Pass	-	276,525	-	19	276,544
Special mention	-	3,892	-	1	3,893
Sub-standard	-	1,409	-	4	1,413
Doubtful	-	857	-	1	858
Doubtful of loss	99	4,372	851	1,934	7,256
Total	99	287,055	851	1,959	289,964

<sup>(1)</sup> Including interbank and money market loans.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)					
Separate financial statement					
As at 31 December 2013					
	Investments	Loans <sup>(1)</sup>	Properties foreclosed	Other assets	Total
Classifications					
Pass	-	301,488	-	15	301,503
Special mention	-	3,979	-	2	3,981
Sub-standard	-	1,321	-	2	1,323
Doubtful	-	628	-	1	629
Doubtful of loss	140	3,313	581	1,953	5,987
<b>Total</b>	<b>140</b>	<b>310,729</b>	<b>581</b>	<b>1,973</b>	<b>313,423</b>

<sup>(1)</sup> Including interbank and money market loans.

## 22. Deposits

### 22.1 Classified by types of deposits

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2014	2013	2014	2013
Current accounts	<b>7,662</b>	7,208	<b>7,662</b>	7,208
Savings accounts	<b>147,243</b>	104,461	<b>147,277</b>	104,522
Fixed deposits	<b>113,572</b>	122,972	<b>113,744</b>	123,138
<b>Total</b>	<b>268,477</b>	234,641	<b>268,683</b>	234,868

### 22.2 Classified by currencies and residential status of depositors

(Unit: Million Baht)						
	Consolidated financial statements					
	As at 31 December					
	2014			2013		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	<b>253,489</b>	<b>6,875</b>	<b>260,364</b>	225,367	6,422	231,789
US Dollar	<b>7,119</b>	<b>348</b>	<b>7,467</b>	1,966	301	2,267
Others	<b>291</b>	<b>355</b>	<b>646</b>	174	411	585
<b>Total</b>	<b>260,899</b>	<b>7,578</b>	<b>268,477</b>	227,507	7,134	234,641

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2014			2013		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	253,695	6,875	260,570	225,594	6,422	232,016
US Dollar	7,119	348	7,467	1,966	301	2,267
Others	291	355	646	174	411	585
<b>Total</b>	<b>261,105</b>	<b>7,578</b>	<b>268,683</b>	<b>227,734</b>	<b>7,134</b>	<b>234,868</b>

## 23. Interbank and money market items (Liabilities)

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2014			2013		
	On demand	Term	Total	On demand	Term	Total
<b>Domestic items</b>						
The Bank of Thailand and Financial Institutions Development Fund	-	1,142	1,142	-	1,253	1,253
Commercial banks	4,529	-	4,529	1,017	5,600	6,617
Specific financial institutions	607	638	1,245	1,400	638	2,038
Other financial institutions	11,702	888	12,590	7,779	178	7,957
<b>Total domestic items</b>	<b>16,838</b>	<b>2,668</b>	<b>19,506</b>	<b>10,196</b>	<b>7,669</b>	<b>17,865</b>
<b>Foreign items</b>						
US Dollar	10,967	30,326	41,293	19,661	51,845	71,506
Other currencies	1,130	-	1,130	660	-	660
<b>Total foreign items</b>	<b>12,097</b>	<b>30,326</b>	<b>42,423</b>	<b>20,321</b>	<b>51,845</b>	<b>72,166</b>
<b>Total domestic and foreign items</b>	<b>28,935</b>	<b>32,994</b>	<b>61,929</b>	<b>30,517</b>	<b>59,514</b>	<b>90,031</b>

## 24. Debt issued and Borrowings

As at 31 December 2014 and 2013, debt issued and borrowings, comprising subordinated debentures, senior debentures and domestic borrowings, are classified by type of securities, maturity and interest rate as follows:

(Unit: Million Baht)

Type	Consolidated and separate financial statement					
	As at 31 December 2014					
	Maturity	Interest rate per annum (%)	Currency	Amount		Total
				Domestic	Foreign	
Subordinated Debentures	25 Mar 2023	Floating rate LIBOR + 1.76	USD	-	5,604	5,604
Senior Debentures	22 May 2016 - 22 May 2017	2.92 - 3.24	THB	6,000	-	6,000
<b>Total</b>				<b>6,000</b>	<b>5,604</b>	<b>11,604</b>

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

Consolidated and separate financial statements						
As at 31 December 2013						
Type	Maturity	Interest rate per annum (%)	Currency	Amount		
				Domestic	Foreign	Total
Subordinated Debentures	25 Mar 2023	Floating rate LIBOR + 1.76	USD	-	5,578	5,578
Bills of exchange	27 Jun 2014 - 11 Aug 2014	5	THB	22,440	-	22,440
Term loan agreement	4 Sep 2014	-	THB	1	-	1
<b>Total</b>				<b>22,441</b>	<b>5,578</b>	<b>28,019</b>

## Subordinated debentures

On 25 March 2013, the Bank issued Subordinated Debenture No.1/2013, amounting to USD 170 million, to United Overseas Bank Limited. The debentures have a tenor of 10 years and bear interest at a floating rate equal to 3-month LIBOR + 176 bps, and the Bank has the right to make early redemption, as approved by the BOT. The debentures have loss absorption features that will come into effect at the point of non-viability, in accordance with BOT guidelines laid down with reference to Basel III principles.

On 2 May 2013, the BOT granted approval for the Bank to count Baht 4,973 million received from the issue of the above subordinated debentures as part of its Tier 2 capital, in accordance with the conditions specified in the BOT's notifications regarding the Basel III framework.

## Senior debentures

On 22 May 2014, the Bank issued the senior debenture, unsecured and unsubordinated debentures, without Bond representative amounting to Baht 6,000 million, to Private Placement for Institutional Investors. The debentures have a tenor of 2-3 years, interest is payable semi-annually. Of these, Baht 3,500 million bear interest at fixed rate of 2.92% per annum and mature in 2016, and another Baht 2,500 million bear interest at fixed rate of 3.24% per annum and mature in 2017.

## 25. Provisions for long-term employee benefits

Changes in provisions for long-term employee benefits under retirement plans as at 31 December 2014 and 2013 can be summarised as follows:

	(Unit: Million Baht)	
	For the year ended 31 December 2014	
	Consolidated financial statement	Separate financial statement
Defined benefit obligation at beginning of year	1,493	1,485
Current service cost	101	99
Interest cost	56	56
Actuarial losses on defined benefit plans for the year	145	144
Employee benefits paid during the year	(160)	(160)
<b>Provision for long-term employee benefits at end of year</b>	<b>1,635</b>	<b>1,624</b>

# Notes to Consolidated Financial Statements

(continued)

	(Unit: Million Baht)	
	For the year ended 31 December 2013	
	Consolidated financial statement	Separate financial statement
Defined benefit obligation at beginning of year	1,372	1,349
Current service cost	85	84
Interest cost	48	48
Actuarial losses on defined benefit plans for the year	132	133
Employee benefits paid during the year	(129)	(129)
Decrease from transfer of subsidiary company	(15)	-
Provision for long-term employee benefits at end of year	1,493	1,485

Long-term employee benefits expense included in profit or loss from operation for the years ended 31 December 2014 and 2013 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Current service cost	<b>101</b>	85	<b>99</b>	84
Interest cost	<b>56</b>	48	<b>56</b>	48
Total employee benefits expense included in profit or loss from operation	<b>157</b>	133	<b>155</b>	132

Long-term employee benefits expense is recognised as an expense in profit or loss from operation.

Total actuarial losses on defined benefit plans recognised in the other comprehensive income (loss) of the Bank and its subsidiaries as at 31 December 2014 by losses Baht 145 million (2013: losses Baht 132 million). The Bank only: by losses Baht 144 million (2013: losses Baht 133 million).

The principal assumptions used in determining employee benefits under retirement plans can be summarised as follows:

	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Future salary increases rate (depending on age)	<b>5% - 7.5%</b>	5% - 7.5%
Turnover rate (depending on age)	<b>1% - 25%</b>	1% - 25%
Discount rate	<b>3.3%</b>	4.2%



# Notes to Consolidated Financial Statements

(continued)

Amounts of defined benefit obligation for the current and previous years are as follows:

	(Unit: Million Baht)			
	Defined benefit obligation		Experience adjustments arising on the plan liabilities	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
Year 2014	<b>1,635</b>	<b>1,624</b>	<b>36</b>	<b>36</b>
Year 2013	1,493	1,485	69	70
Year 2012	1,372	1,349	2	2
Year 2011	1,372	1,352	66	65
Year 2010	1,232	1,219	-	-

## 26. Provisions - other liabilities

Outstanding balance comprise the following:

	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	For the year ended 31 December 2014			
	Contingencies	Obligation for litigation cases	Other	Total
Beginning balance	<b>186</b>	<b>80</b>	-	<b>266</b>
Increase (decrease) during the year	<b>(26)</b>	<b>60</b>	-	<b>34</b>
Utilised	-	<b>(24)</b>	-	<b>(24)</b>
Ending balance	<b>160</b>	<b>116</b>	-	<b>276</b>

	(Unit: Million Baht)			
	Consolidated and separate financial statement			
	For the year ended 31 December 2013			
	Contingencies	Obligation for litigation cases	Other	Total
Beginning balance	212	90	11	313
Decrease during the year	(26)	-	-	(26)
Utilised	-	(10)	-	(10)
Transfer to allowance for impairment of other assets	-	-	(11)	(11)
Ending balance	186	80	-	266

# Notes to Consolidated Financial Statements

(continued)

## 27. Other liabilities

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2014	2013	2014	2013
Suspense creditors and Accounts payable - others	586	728	601	742
Deposits	778	1,131	779	1,133
Deferred income	987	1,086	987	1,085
Interest payable	465	804	466	806
Others	194	106	204	117
<b>Total</b>	<b>3,010</b>	<b>3,855</b>	<b>3,037</b>	<b>3,883</b>

## 28. Other components of equity

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
<b>Revaluation surplus on assets</b>	<b>1,964</b>	<b>2,024</b>
<b>Revaluation surplus on investments</b>		
Revaluation surplus on investments		
Available-for-sale investments		
Debt instruments	113	92
Equity instruments	469	365
<b>Total</b>	<b>582</b>	<b>457</b>
Revaluation deficit on investments		
Available-for-sale investments		
Equity instruments	(1)	(2)
<b>Total</b>	<b>(1)</b>	<b>(2)</b>
<b>Total revaluation surplus on investments</b>	<b>581</b>	<b>455</b>
<b>Deferred tax relating to components of other comprehensive income (loss)</b>	<b>(509)</b>	<b>(496)</b>
<b>Total</b>	<b>2,036</b>	<b>1,983</b>

# Notes to Consolidated Financial Statements

(continued)

## 29. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5% of its net profits, after deducting any balance of deficit brought forward (if any), until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution.

In addition, under the Civil and Commercial Code, the Bank's subsidiaries are required to set aside a statutory reserve at least 5% of their net profits each time dividend is declared until the reserve reaches 10% of registered share capital. The statutory reserve cannot be used for dividend payment.

## 30. Capital funds

The primary objective of the Bank's capital management is to maintain an optimal level of capital. Policies are set to ensure that the capital maintained is adequate to support the business growth, taking into consideration regulatory requirements, the underlying risks of the Bank's business and the maintenance of a good credit rating. The policies approved by the Board of Directors are overseen by senior management.

The Bank adopted the Foundation Internal Ratings-Based Approach (FIRB) in accordance with the Bank of Thailand – Basel III guideline for computation the capital adequacy ratios. Capital Funds and Capital Adequacy Ratio of the Bank as at 31 December 2014 and 2013 consists of the following:

	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December	
	2014	2013
<b>Tier 1 Capital</b>		
<b>Common Equity Tier 1 (CET1)</b>		
Paid-up share capital	24,856	24,856
Statutory reserves	595	469
Retained earnings after appropriation	10,924	7,006
Unrealised revaluation surplus on land and building appraisal	1,545	1,587
Gain on revaluation of AFS equity and debt securities	393	291
Deduct: Deductions items from Common Equity Tier 1		
- Intangible assets and deferred tax assets	(1,367)	(1,941)
<b>Total Tier 1 Capital</b>	<b>36,946</b>	<b>32,268</b>
<b>Tier 2 Capital</b>		
Subordinated debentures	4,973	4,973
Provisions	1,788	1,770
<b>Total Tier 2 Capital</b>	<b>6,761</b>	<b>6,743</b>
<b>Total Capital Funds</b>	<b>43,707</b>	<b>39,011</b>

# Notes to Consolidated Financial Statements

(continued)

Capital Adequacy Ratio	(Unit: Percentage)		
	Separate financial statements		
	As at 31 December		
	The BOT's Minimum Requirement	2014	2013
Common Equity Tier 1 to risk-weighted assets	<b>4.50</b>	<b>15.25</b>	13.17
Tier 1 Capital Funds to risk-weighted assets	<b>6.00</b>	<b>15.25</b>	13.17
Total Capital Funds to risk-weighted assets	<b>8.50</b>	<b>18.04</b>	15.92

## 31. Share-based compensation plans

The Bank's Board of Directors Meeting No. 573 approved a resolution to join the share-based payment plan ("the Plan") under Long Term Incentives Plan (LTI) which compensation in the form of restricted shares (RS) and share appreciation rights (SAR) of United Overseas Bank Limited ("major shareholder") is awarded to selected senior managements. The selection criteria indicated by the Nomination and Compensation Committee (NCC) of the Bank, considering from several factors such as individual performance, potential, leadership skills, job level and market competitive.

Details of the plan are below:

- (a) Restricted Shares (RS), represent ordinary shares of United Overseas Bank Limited that participants will be entitled to receive upon fulfillment of certain time and performance conditions. Upon vesting, participants will receive United Overseas Bank Limited's shares represented by the restricted shares as per the plan's rules.
- (b) Share Appreciation Rights (SAR) are the rights to receive a number of United Overseas Bank's Limited shares equivalent in value to the difference between the prevailing market value and the grant value of the shares of the major shareholder multiplied by number of SAR as per the Plan's rules and divided by the prevailing market value of the shares of the major shareholder. Upon vesting of the SAR, participants have up to six years from the date of grant to exercise their rights.

Long Term Incentives Plan has been replaced by Executive Equity Plan (EEP) and SAR will be ceased from 2014 onwards. Any SAR previously granted under Long Term Incentives Plan (LTI) will remain enforced until SAR expires/lapses.

For the year ended 31 December 2014 the Bank recorded expenses of Baht 54 million (2013: Baht 45 million) for the above plan and expenses that will be reimbursed from the major shareholder as other liabilities, as disclosed in Note 27 to the financial statements.

# Notes to Consolidated Financial Statements

(continued)

## 32. Commitments and contingencies liabilities

### 32.1 Commitments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Aval to bills	2,571	1,293
Guarantees of loans	3,439	3,407
Liabilities under unmatured import bills	879	824
Letters of credit	4,648	3,724
Other commitments		
- Undrawn overdraft amount	23,225	22,683
- Spot foreign exchange contracts	1,225	6,286
- Other guarantees	20,193	21,437
<b>Total</b>	<b>56,180</b>	<b>59,654</b>

### 32.2 Operating lease commitments

As at 31 December 2014 and 2013, the Bank and its subsidiaries had land/building lease agreements for branch offices and vehicles lease agreements, for which the lease terms range from 3 - 30 years and are renewable. The Bank and its subsidiaries also have committed to pay future rental payments which can be summarised as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Land and building rental commitments	492	414
Car rental commitments	118	110
<b>Total</b>	<b>610</b>	<b>524</b>

### 32.3 Commitments under Bancassurance Agreement

On 31 January 2010, the UOB Group and the Bank signed a business partner agreement (Bancassurance Agreement) with an Insurance Group. Under the agreement the Bank received a sum of the fees in advance. With the commitment to the agreement for 12 years from the date of the agreement. The Bank amortises such fees income over the term of the agreement and presents the fees received in advance under other liabilities - deferred income, as disclosed in Note 27 to the financial statements.

# Notes to Consolidated Financial Statements

(continued)

## 32.4 Other commitments

The Bank has contractual commitments in respect of the purchase and servicing of information technology systems as well as other services. The outstanding balances of these major contractual commitments as at 31 December 2014, were approximately Baht 427 million (2013: Baht 314 million).

As at 31 December 2014, the Bank also has commitments in relation to various “to-sell and to-purchase” agreements for its foreclosed properties, the net book value of which was Baht 32 million (2013: Baht 104 million). The estimated gains under those agreements is Baht 16 million (2013: gains Baht 9 million). The Bank has commitments to purchase the properties foreclosed of Baht 99 million (2013: Baht 74 million).

In addition, the Bank has commitments in respect of the loss sharing under the Non-performing Loan Transfer Agreement made with TAMC under dispute, as per details discussed in Note 14.8 to the financial statements.

## 33. Assets pledged as collateral

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	Net book value	
	As at 31 December	
	2014	2013
<b>Government bonds</b>		
Pledged as collateral for Intraday Liquidity Facilities to the BOT	8,848	7,235
Pledged as collateral for against borrowing to the BOT	2,827	-
Pledged as collateral for Private Repurchase Agreements (Private Repo)	3,014	5,983

## 34. Litigation

In the course of operating its banking business, the Bank has various labor suits and civil suits brought against it, including cases of tort. Under these lawsuits, claims against the Bank as at 31 December 2014 totaled Baht 1,750 million (2013: Baht 1,241 million). The Bank’s management believes that the contingent liability (if any) resulting from the lawsuits will not have a material impact to the Bank’s financial position or results of operations.

## 35. Related party transactions

During the year, the Bank had significant business transactions with its subsidiaries, associated, related companies (related by ways of shareholding and/or common shareholders and/or common directors) and related persons (Directors and Senior Management who are the level of Executive Director upwards, and their close family members). These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Bank, companies and those parties. Interest rates on loans to employees are calculated based on the Bank’s employee welfare rule.

As at 31 December 2014, the Bank also has staff welfare loans to executives from level of Executive Director upwards of Baht 33 million (2013: Baht 28 million) and also has normal loans to Senior Management and their close family members with the outstanding balance of Baht 33 million (2013: Baht 24 million) and the average balance for the year ended of Baht 23 million (2013: Baht 27 million).

In addition, as at 31 December 2014, the Bank also has deposits of those staff and their close family members of Baht 91 million (2013: Baht 86 million).

# Notes to Consolidated Financial Statements

(continued)

Significant transactions, outstanding balances, income and expenses incurred with related parties, apart from those disclosed in the other notes, are summarised below.

**(Unit: Million Baht)**

	<b>Consolidated financial statements</b>					
	<b>For the years ended 31 December</b>					
	2014			2013		
	Related companies	Group of major shareholder (UOB)	Total	Related companies	Group of major shareholder (UOB)	Total
Interest income	-	7	7	-	2	2
Interest expenses	29	302	331	53	305	358
Fees and service income	-	306	306	-	95	95
Net gain (loss) on foreign currency trading and exchange transaction	-	863	863	-	(747)	(747)
Other operating income	-	-	-	-	1	1
Data processing charges	-	526	526	-	546	546
Other expenses	-	31	31	-	20	20

**(Unit: Million Baht)**

	<b>Separate financial statements</b>							
	<b>For the years ended 31 December</b>							
	2014				2013			
	Subsidiaries	Related companies	Group of major shareholder (UOB)	Total	Subsidiaries	Related companies	Group of major shareholder (UOB)	Total
Interest income	-	-	7	7	-	-	2	2
Interest expenses	4	28	302	334	7	53	304	364
Fees and service income	25	-	294	319	162	-	82	244
Fees and service expenses	174	-	-	174	175	-	-	175
Net gain (loss) on foreign currency trading and exchange transaction	-	-	863	863	-	-	(747)	(747)
Other operating income	9	-	-	9	7	-	1	8
Premises and equipment expenses	(2)	-	-	(2)	(3)	-	-	(3)
Data processing charges	-	-	526	526	-	-	546	546
Other expenses	-	-	31	31	-	-	20	20

In addition, for the year ended 31 December 2014, the Bank also has paid Baht 65 million (2013: Baht 96 million) on software development to United Overseas Bank Limited, major shareholder.

# Notes to Consolidated Financial Statements

(continued)

## Director and senior management personnel compensation

For the years ended 31 December 2014 and 2013, the remuneration that the Bank and its subsidiaries paid to their directors and senior management, who are key management personnel with authority and responsibility, whether direct or indirect, for planning, direction and controlling the operations of the Bank and its subsidiaries, consisted of monthly remuneration, salaries, provident fund contributions and long-term benefits. This was as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Short-term employee benefits	<b>357</b>	333	<b>348</b>	323
Post-employment benefits	<b>22</b>	17	<b>22</b>	17
Share-based payment	<b>54</b>	43	<b>54</b>	43
<b>Total</b>	<b>433</b>	393	<b>424</b>	383



# Notes to Consolidated Financial Statements

(Continue)

The outstanding balances of significant related party transactions as at 31 December 2014 and 2013 are as follows:

	Consolidated financial statements														(Unit: Million Baht)				
	As at 31 December							2013											
	2014			2013				2014			2013								
	Average outstanding loans to customers	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Average outstanding loans to customers	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Derivatives liabilities	Debt issued and borrowings	Other liabilities	2014 Pricing policy of loans	
<b>Non-consolidated subsidiary company</b>																			
UOB Leasing (Thai) Co., Ltd.	-	-	-	-	-	8	-	-	-	-	-	-	8	-	-	-	-	-	N/A
<b>Related companies</b>																			
Loxley Pci.	-	-	-	-	-	1	-	-	-	-	-	18	-	-	-	-	-	-	N/A
The Muangthai Life Assurance Pci.	-	-	-	-	-	-	-	-	-	-	-	-	-	1,003	-	-	3	-	N/A
Underwaterworld Pattaya Co., Ltd.	-	-	-	-	-	142	-	-	-	-	-	-	113	-	-	-	-	-	N/A
Haw Par Tiger Balm (Thailand) Limited	-	-	-	-	-	124	-	-	-	-	-	-	70	-	-	-	-	-	N/A
Loxley Wireless Co., Ltd.	-	-	-	-	-	4	-	-	-	-	-	-	3	-	-	-	-	-	N/A
Loxbit Pci.	-	-	-	-	-	1	-	-	-	-	-	1	1	-	-	-	-	-	N/A
TRC Construction Pci.	-	-	-	-	-	89	1	-	-	-	-	-	12	-	-	-	-	-	N/A
TISCO Asset Management Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	33	-	-	-	-	N/A
AXA Insurance Pci.	-	-	-	-	-	-	18	-	-	-	-	-	-	30	-	-	-	-	N/A
<b>Major shareholders</b>																			
United Overseas Bank Limited	-	150	503	1	87,735	-	41,425	307	5,604	153	-	1,191	64	1	50,355	648	5,578	149	Money market reference rate
United Overseas Bank Group of Companies	-	49	-	58	-	-	2,242	-	-	29	-	51	-	48	-	-	-	-	Money market reference rate

# Notes to Consolidated Financial Statements

(Continue)

(Unit: Million Baht)

## Separate financial statements

	2014												2013												
	Average outstanding loans to customers	Outstanding loans to customers	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Derivatives liabilities	Debt issued and borrowings	Other liabilities	2014 Pricing policy of loans	Average outstanding loans to customers	Outstanding loans to customers	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Derivatives liabilities	Debt issued and borrowings	Other liabilities	2014 Pricing policy of loans	
<b>Subsidiary companies</b>																									
UOB Bullion and Futures (Thai) Co., Ltd.	-	-	-	-	12	-	130	-	-	-	-	-	-	-	-	-	11	-	124	-	-	-	-	1	N/A
UOB Services Co., Ltd.	-	-	-	-	4	-	76	-	-	-	-	-	-	-	-	-	2	-	98	-	-	-	-	16	N/A
UOB Leasing (Thai) Co., Ltd.	-	-	-	-	-	-	8	-	-	-	-	-	-	-	-	-	-	-	8	-	-	-	-	-	N/A
That Wealth Management Co., Ltd. (formerly known as UOB Asset Management (Thai) Co., Ltd.)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
<b>Related companies</b>																									
Loxley Pcl.	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	18	-	-	-	-	-	-	N/A
The Muangthai Life Assurance Pcl.	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	1,003	-	-	-	3	N/A
Underwaterworld Pattaya Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Haw Par Tiger Balm (Thailand) Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Loxley Wireless Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Loxbit Pcl.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
TRC Construction Pcl.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
TISCO Asset Management Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
AXA Insurance Pcl.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
<b>Major shareholders</b>																									
United Overseas Bank Limited	-	-	150	503	1	87,735	-	41,425	307	5,604	153	-	-	-	1,191	64	1	50,355	-	73,018	648	5,578	149	Money market reference rate	
United Overseas Bank Group of Companies	-	-	49	-	58	-	-	2,242	-	-	5	-	-	-	51	-	48	-	-	-	-	-	-	3	Money market reference rate

# Notes to Consolidated Financial Statements

(continued)

## 36. Other benefits paid to the directors and management

As at 31 December 2014 and 2013, the Bank and its subsidiaries had not paid other benefits to their directors and management other than those they normally receive. Directors receive monthly directors' remuneration and management receive salary, bonus and other benefits, as discussed in Note 31 and Note 35 to the financial statements.

## 37. Income tax

Income tax expenses for the years ended 31 December 2014 and 2013 are made up as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
<b>Current income tax:</b>				
Current income tax charge	874	7	872	-
Adjustment	(57)	(36)	(57)	(36)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(209)	880	(210)	882
Adjustment	-	(221)	-	(221)
Income tax expense reported in the statement of comprehensive income	<b>608</b>	630	<b>605</b>	625

## Notes to Consolidated Financial Statements

(continued)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2014 and 2013 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Accounting profit before income tax expense				
from continuing operations	<b>3,094</b>	3,337	<b>3,108</b>	3,790
Accounting profit before income tax expense				
from discontinued operations	-	263	-	-
Accounting profit before income tax expense	<b>3,094</b>	3,600	<b>3,108</b>	3,790
Applicable tax rate	<b>20%</b>	20%	<b>20%</b>	20%
Accounting profit before income tax expense				
multiplied by applicable tax rate	<b>619</b>	720	<b>622</b>	758
Income not subject to tax	<b>(9)</b>	(42)	<b>(9)</b>	(109)
Expense not deductible for tax	<b>9</b>	8	<b>9</b>	8
Adjustment	<b>(57)</b>	(36)	<b>(57)</b>	(36)
Other adjustment	<b>36</b>	(3)	<b>30</b>	-
Income tax recognition	<b>10</b>	4	<b>10</b>	4
Income tax expense	<b>608</b>	651	<b>605</b>	625
Income tax expense reported in the statement of				
comprehensive income from continuing operations	<b>608</b>	630	<b>605</b>	625
Income tax expense reported in the statement of				
comprehensive income from discontinued operations	-	21	-	-
	<b>608</b>	651	<b>605</b>	625

# Notes to Consolidated Financial Statements

(continued)

## 38. Earnings per share

Basic earnings per share is calculated by dividing net income for the years attributable to equity holders of the Bank (exclude other comprehensive income) by the weighted average number of ordinary shares in issue during the years.

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Profit for the year from continuing operations (Million Baht)	<b>2,485</b>	2,705	<b>2,503</b>	3,165
Earning per share from continuing operations (Baht/share)	<b>1.00</b>	1.09	<b>1.01</b>	1.27
Profit for the year from discontinued operations (Million Baht)	-	242	-	-
Earning per share from discontinued operations (Baht/share)	-	0.10	-	-
Weighted average number of shares (shares)	<b>2,485,661,305</b>	2,485,661,305	<b>2,485,661,305</b>	2,485,661,305

## 39. Segment Information

### (a) Operating segments

The following segment information are in accordance with internal management report of the Bank submit to Management Committee who form as Chief Operating Decision Maker (CODM) to decide resources allocation and evaluate performance of business segment.

The Bank segregate business unit into 3 segments; Retail, Institutional Financial Services (“IFS”) and other, for driving business and decision-making which base on key customer segments and product groups which are used in business decision and internal management reporting as follows:

#### Retail

The Retail segment covers personal financial services (PFS) and business banking (BB) with products of deposits, credit and debit cards, insurance, wealth management, investments estate planning, consumer loan, secured and unsecured loan with focus on mortgages and wide range of products through a variety of distribution channels.

#### Wholesale Banking (formerly known as Institutional Financial Services (“IFS”))

Wholesale Banking segment covers corporate banking, commercial banking and financial institution group (FIG). The corporate banking provides integrated banking solution to large corporations. The products and services are sophisticated and customized to specific customers through a variety of distribution channels. The commercial banking focuses on medium-sized companies with a broad range of products and services that include current accounts, deposits, lending, syndicate loans, cash management, letter of guarantee, trade finance & cross-border payments, underwriting and corporate advisory services while financial institution group maintains correspondence with and provide financial services to Bank and non-bank financial institutions.

#### Other

Other segment includes Global Markets (GM), risk management, property-related activities and income and expenses not attributable to other operating segments. The global market provides treasury products and advisory services such as foreign exchange, derivatives and fixed income instruments.

# Notes to Consolidated Financial Statements

(continued)

**(b) The accounting policies for operating segment information were align with policies summarized in significant accounting policies.**

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Total operating income included of net interest income, net fee and service income and other income. The management relies on total operating income and use it for performance measure. The total operating expenses included of allocated expenses in respect of cross-sell activities.

Transfer prices between operating segments are on arm's length basis in a manner similar to transaction with third parties.

No operating income from transactions with a single external customers amounted to 10% or more of the consolidated operating income.

Capital expenditure and related depreciation together with tax expense will not be allocated to business segment under management reporting policy.

In 2013, Thai Wealth Management Co., Ltd., a subsidiary transferred their business as disclosed in Note 13 to the financial statements. Hence, their results are separately reported in discontinued operation lines.

Financial information of the Bank and its subsidiaries presented by segment is as follow:

	(Unit: Million Baht)				
	Consolidated financial statement				
	For the year ended 31 December 2014				
	Retail	Wholesale Banking	Other	Elimination	Total operating segment
Net interest income	7,289	2,244	1,637	-	11,170
Non interest income	2,609	787	(265)	(88)	3,043
Operating income	9,898	3,031	1,372	(88)	14,213
Operating expenses	5,513	1,422	1,882	(331)	8,486
Bad debt, doubtful accounts and impairment loss	1,590	1,308	(265)	-	2,633
Profits before income tax expenses	2,795	301	(245)	243	3,094
Income tax expenses					608
Profit from continuing operations before non-controlling interests					2,486
Profit from discontinued operations					-
Net profits before non-controlling interests					2,486
Total operating income included of:					
Operating income from third party*	9,851	2,927	1,523	(88)	14,213
Inter-segment operating income (expenses)	47	104	(151)	-	-
Depreciation					337
Capital expenditure					844

\* Including income from a major shareholder and United Overseas Bank Group of Companies

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)					
Consolidated financial statement					
For the year ended 31 December 2013					
	Retail	Wholesale Banking	Other	Elimination	Total operating segment
Net interest income	6,121	2,300	1,910	-	10,331
Non interest income	2,458	753	85	(528)	2,768
Operating income	8,579	3,053	1,995	(528)	13,099
Operating expenses	4,994	1,309	825	(28)	7,100
Bad debt, doubtful accounts and impairment loss	1,439	10	1,213	-	2,662
Profits before income tax expenses	2,146	1,734	(43)	(500)	3,337
Income tax expenses					630
Profit from continuing operations before non-controlling interests					2,707
Profit from discontinued operations					242
Net profits before non-controlling interests					2,949
Total operating income included of:					
Operating income from third party*	7,915	3,180	2,532	(528)	13,099
Inter-segment operating income (expenses)	664	(127)	(537)	-	-
Depreciation					340
Capital expenditure					345

\* Including income from a major shareholder and United Overseas Bank Group of Companies.

(Unit: Million Baht)					
Consolidated financial statement					
As at 31 December 2014					
	Retail	Wholesale Banking	Other	Elimination	Total operating segment
Total Assets	<b>164,433</b>	<b>97,559</b>	<b>136,227</b>	<b>(537)</b>	<b>397,682</b>
Total Liabilities	<b>166,697</b>	<b>116,393</b>	<b>75,164</b>	<b>(346)</b>	<b>357,908</b>

(Unit: Million Baht)					
Consolidated financial statement					
As at 31 December 2013					
	Retail	Wholesale Banking	Other	Elimination	Total operating segment
Total Assets	144,983	111,002	152,330	(452)	407,863
Total Liabilities	158,044	108,512	104,271	(257)	370,570

# Notes to Consolidated Financial Statements

(continued)

## (c) Geographic information

The Bank and subsidiaries are operated business in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

## 40. Distribution of statements of financial position items and results of operations classified by geographic locations and type of businesses

Key statement of financial position items as at 31 December 2014 and 2013, classified by type of business are as follows:

	(Unit: Million Baht)				
	Consolidated financial statement				
	As at 31 December 2014				
	Commercial Bank	Others*	Total	Eliminated transaction**	Consolidated total
Total assets	397,843	269	398,112	(430)	397,682
Interbank and money market items - net (assets)	25,984	207	26,191	(207)	25,984
Investments - net	88,551	-	88,551	(191)	88,360
Loans to customers and accrued interest receivables - net	259,002	-	259,002	-	259,002
Deposits	268,683	-	268,683	(206)	268,477
Interbank and money market items (liabilities)	61,929	-	61,929	-	61,929
Debt issued and borrowings	11,604	-	11,604	-	11,604

\* Type of business are derivatives brokerage and debt collection under of subsidiaries operations.

\*\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance with accounting standards.

	(Unit: Million Baht)				
	Consolidated financial statement				
	As at 31 December 2013				
	Commercial Bank	Others*	Total	Eliminated transaction**	Consolidated total
Total assets	408,027	287	408,314	(451)	407,863
Interbank and money market items - net (assets)	60,449	228	60,677	(228)	60,449
Investments - net	73,318	-	73,318	(195)	73,123
Loans to customers and accrued interest receivables - net	248,756	-	248,756	-	248,756
Deposits	234,868	-	234,868	(227)	234,641
Interbank and money market items (liabilities)	90,031	-	90,031	-	90,031
Debt issued and borrowings	28,019	-	28,019	-	28,019

\* Type of business are derivatives brokerage and debt collection under of subsidiaries operations.

\*\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance with accounting standards.



# Notes to Consolidated Financial Statements

(continued)

Distribution of statements of financial position items by geographic locations of the Bank as at 31 December 2014 and 2013 are as follows:

	(Unit: Million Baht)					
	Separate financial statements					
	As at 31 December					
	2014			2013		
Domestic	Overseas	Total	Domestic	Overseas	Total	
Total assets	<b>397,843</b>	-	<b>397,843</b>	408,027	-	408,027
Interbank and money market items - net (assets)	<b>25,984</b>	-	<b>25,984</b>	60,449	-	60,449
Investments - net	<b>88,551</b>	-	<b>88,551</b>	73,318	-	73,318
Loans to customers and accrued interest receivables - net	<b>259,002</b>	-	<b>259,002</b>	248,756	-	248,756
Deposits	<b>268,683</b>	-	<b>268,683</b>	234,868	-	234,868
Interbank and money market items (liabilities)	<b>61,929</b>	-	<b>61,929</b>	90,031	-	90,031
Debt issued and borrowings	<b>11,604</b>	-	<b>11,604</b>	28,019	-	28,019

Results of the Bank's operations for the years ended 31 December 2014 and 2013 classified by type of business are as follows:

	(Unit: Million Baht)				
	Consolidated financial statement				
	For the year ended 31 December 2014				
	Commercial Bank	Others*	Total	Eliminated transaction**	Consolidated total
Interest income	<b>18,532</b>	<b>4</b>	<b>18,536</b>	<b>(4)</b>	<b>18,532</b>
Less: Interest expenses	<b>7,365</b>	<b>1</b>	<b>7,366</b>	<b>(4)</b>	<b>7,362</b>
Net interest income	<b>11,167</b>	<b>3</b>	<b>11,170</b>	-	<b>11,170</b>
Net fees and service income	<b>2,751</b>	<b>194</b>	<b>2,945</b>	<b>(5)</b>	<b>2,940</b>
Other operating income	<b>159</b>	<b>3</b>	<b>162</b>	<b>(59)</b>	<b>103</b>
Less: Other operating expenses	<b>8,336</b>	<b>183</b>	<b>8,519</b>	<b>(33)</b>	<b>8,486</b>
Less: Bad debt, doubtful accounts and impairment loss	<b>2,633</b>	-	<b>2,633</b>	-	<b>2,633</b>
Profit before income tax expenses	<b>3,108</b>	<b>17</b>	<b>3,125</b>	<b>(31)</b>	<b>3,094</b>

\* Type of business are derivatives brokerage and debt collection under of subsidiaries operations.

\*\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance with accounting standards.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Consolidated financial statement				
	For the year ended 31 December 2013				
	Commercial Bank	Others*	Total	Eliminated transaction**	Consolidated total
Interest income	17,578	5	17,583	(5)	17,578
Less: Interest expenses	7,250	2	7,252	(5)	7,247
Net interest income	10,328	3	10,331	-	10,331
Net fees and service income	2,546	196	2,742	(23)	2,719
Other operating income	550	4	554	(505)	49
Less: Other operating expenses	6,972	157	7,129	(29)	7,100
Less: Bad debt, doubtful accounts and impairment loss	2,662	-	2,662	-	2,662
Profit before income tax expenses	3,790	46	3,836	(499)	3,337

\* Type of business are derivatives brokerage and debt collection under of subsidiaries operations.

\*\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance with accounting standards.

Results of the Bank's operations for the years ended 31 December 2014 and 2013 distributed by geographic locations are as follows:

(Unit: Million Baht)

	Separate financial statements					
	For the years ended 31 December					
	2014			2013		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Interest income	<b>18,532</b>	-	<b>18,532</b>	17,578	-	17,578
Less: Interest expenses	<b>7,365</b>	-	<b>7,365</b>	7,250	-	7,250
Net interest income	<b>11,167</b>	-	<b>11,167</b>	10,328	-	10,328
Net fees and service income	<b>2,751</b>	-	<b>2,751</b>	2,546	-	2,546
Other operating income	<b>159</b>	-	<b>159</b>	550	-	550
Less: Other operating expenses	<b>8,336</b>	-	<b>8,336</b>	6,972	-	6,972
Less: Bad debt, doubtful accounts and impairment loss	<b>2,633</b>	-	<b>2,633</b>	2,662	-	2,662
Profit before income tax expenses	<b>3,108</b>	-	<b>3,108</b>	3,790	-	3,790

# Notes to Consolidated Financial Statements

(continued)

## 41. Interest income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Interbank and money market items	<b>882</b>	1,179	<b>882</b>	1,179
Investments and trading transactions	<b>549</b>	682	<b>549</b>	682
Investments in debt securities	<b>1,068</b>	1,104	<b>1,068</b>	1,104
Loans	<b>15,745</b>	14,303	<b>15,745</b>	14,303
Hire purchase and financial lease income	<b>287</b>	308	<b>287</b>	308
Others	<b>1</b>	2	<b>1</b>	2
<b>Total interest income</b>	<b>18,532</b>	17,578	<b>18,532</b>	17,578

## 42. Interest expenses

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Deposits	<b>5,005</b>	4,654	<b>5,009</b>	4,658
Interbank and money market items	<b>323</b>	381	<b>323</b>	381
Payments to the Deposit Protection Agency and Financial Institutions Development Fund	<b>1,177</b>	980	<b>1,177</b>	980
Debt issued				
- Bills of exchange	<b>605</b>	1,123	<b>605</b>	1,123
- Subordinated debentures	<b>124</b>	94	<b>124</b>	94
- Senior debentures	<b>111</b>	-	<b>111</b>	-
Others	<b>17</b>	15	<b>16</b>	14
<b>Total interest expenses</b>	<b>7,362</b>	7,247	<b>7,365</b>	7,250

# Notes to Consolidated Financial Statements

(continued)

## 43. Net fees and service income

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Fees and service income				
- Acceptances, aval and guarantees	330	311	330	311
- Credit cards	799	719	799	719
- Insurance fees	1,019	881	1,019	881
- Mutual Fund management and underwriting fees	289	215	289	215
- Others	899	953	882	953
Total fees and service income	<b>3,336</b>	3,079	<b>3,319</b>	3,079
Fees and service expenses				
- Agency referral fees	104	94	106	96
- Service expenses	2	2	176	177
- Others	290	264	286	260
Total fees and service expenses	<b>396</b>	360	<b>568</b>	533
Net fees and service income	<b>2,940</b>	2,719	<b>2,751</b>	2,546

## 44. Net losses on trading and foreign exchange transactions

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2014	2013
Gains (losses) on foreign currency trading and exchange transactions		
- Foreign currencies and derivatives on foreign exchange	406	555
- Foreign currencies - Swap Cost	(712)	(1,023)
- Derivatives on interest rates	17	11
- Debt securities	96	2
- Others	7	-
Net losses on trading and foreign exchange transactions	<b>(186)</b>	(455)

# Notes to Consolidated Financial Statements

(continued)

## 45. Net gains on investments

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
Gains on disposal of securities				
- Available-for-sale securities	63	154	63	154
- General investments	-	12	-	12
<b>Total</b>	<b>63</b>	<b>166</b>	<b>63</b>	<b>166</b>
Reversal (losses) on impairment of investments				
- General investments	(2)	(4)	(2)	(4)
- Investments in subsidiary	-	-	1	(26)
<b>Total</b>	<b>(2)</b>	<b>(4)</b>	<b>(1)</b>	<b>(30)</b>
<b>Net gains on investments</b>	<b>61</b>	<b>162</b>	<b>62</b>	<b>136</b>

## 46. Employee's expenses

	(Unit: Million Baht)	
	Consolidated financial statements	
	For the years ended 31 December	
	2014	2013
Salaries and bonuses	3,171	2,967
Post-employment benefit costs		
- Defined contribution plans	122	111
- Defined benefit plans	168	135
Share-based compensation plan (Note 31)	54	45
Others	827	707
<b>Total employee's expenses</b>	<b>4,342</b>	<b>3,965</b>

	(Unit: Million Baht)	
	Separate financial statements	
	For the years ended 31 December	
	2014	2013
Salaries and bonuses	3,083	2,885
Post-employment benefit costs		
- Defined contribution plans	119	108
- Defined benefit plans	166	133
Share-based compensation plan (Note 31)	54	45
Others	803	686
<b>Total employee's expenses</b>	<b>4,225</b>	<b>3,857</b>

# Notes to Consolidated Financial Statements

(continued)

## 47. Bad debt, doubtful accounts and impairment loss

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2014	2013
Bad debt and doubtful accounts of interbank and money market items	(4)	36
Bad debt and doubtful accounts of loans to customers	2,637	2,626
<b>Total bad debt, doubtful accounts and impairment loss</b>	<b>2,633</b>	<b>2,662</b>

## 48. Components of other comprehensive losses

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2014	2013	2014	2013
<b>Other comprehensive income (losses) -</b>				
<b>Continuing Operations</b>				
Gains (losses) on revaluation of available-for-sale investments				
Unrealised gains (losses) during the year	150	(114)	150	(114)
Less: Reclassification of adjustment for the realised gains (losses) that included in profit or loss	(23)	117	(23)	117
<b>Total</b>	<b>127</b>	<b>3</b>	<b>127</b>	<b>3</b>
Actuarial loss on defined benefit plans	(145)	(132)	(144)	(133)
Income tax relating to components of other comprehensive loss	3	26	3	26
<b>Other comprehensive losses - net</b>	<b>(15)</b>	<b>(103)</b>	<b>(14)</b>	<b>(104)</b>

## 49. Disclosure of financial instruments

The Bank enters into financial instruments which are considered to be commitments arising in the normal course of business, in order to meet the financing needs of its customers and to reduce its own exposure to fluctuations in foreign exchange rates and interest rates. These commitments include commitments to extend credit, standby letters of credit, financial guarantees and forward foreign exchange contracts. Such instruments involve, to varying degrees, elements of credit risk, interest rate risk and foreign exchange risk in excess of the amount already recognised in the financial statements. The contracts or notional amounts of those instruments reflect the extent of the commitments that the Bank involved in particular classes of financial instruments.

The Bank enters into derivative contracts as part of its risk management strategy primarily to manage market risks arising from the Bank's underlying assets and liabilities and to reduce customer risks. In entering into financial instruments which are considered to be commitments, the Bank is governed by policies and parameters proposed by the Assets and Liabilities Committee and endorsed by the Corporate Risk Management Committee and Board of Directors.

# Notes to Consolidated Financial Statements

(continued)

## 49.1 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 5 to the financial statements.

## 49.2 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 counterparties and obtaining sufficient collateral or other securities, where appropriate, as a means of mitigating the risk of financial losses as a result of defaults.

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

Furthermore, the Bank's exposure to credit risk in the event of non-performance by the counterparties to commitments to extend credit, standby letters of credit, and financial guarantees is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and accepting conditional obligations as it does for on-statements of financial position instruments. For derivatives, the contract or notional amounts do not represent the real exposure to credit loss. The Bank controls the credit risk of its derivatives through the credit approval process, credit limits, and monitoring procedures set by its Executive Committee. Credit risks also arise from the possibility that the counterparty to the commitments will not adhere to the terms of the contract with the Bank when settlement becomes due.

The following table shows the credit equivalent of unmatured commitments in accordance with the BOT's ruling.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2014	2013
Foreign exchange contracts	4,438	6,150
Interest rate swap contracts	1,285	1,127
Cross currency interest rate swap contracts	897	718
Options	119	130
Commodity derivatives contracts	769	304
Avals to bills	2,957	1,336
Guarantees of loans	3,347	3,182
Performance guarantees	7,204	7,682
Bid guarantees	346	181
Liability under unmatured import bills	216	205
Import letters of credit	973	844
Others	18	52
<b>Total</b>	<b>22,569</b>	<b>21,911</b>

# Notes to Consolidated Financial Statements

(continued)

## 49.3 Commodity Price Risk

Commodity price risk is the risk arising from the price change of commodities, which may affect the value of the Bank's financial instruments or may cause volatility in the Bank's earnings and cost of funds.

All commodity derivatives is being managed on back-to-back basis. The risk is independently monitored by Market Risk Management and Market Risk Control.

## 49.4 Interest rate risk

Interest rate risk arises when there is the potential for a change in interest rates to have an adverse effect on the net interest income of the Bank and its subsidiaries in the current reporting period, and in the future. Interest rate risk arises from the structure and characteristics of the Bank and its subsidiaries' assets, liabilities, shareholders' equity and interest rate linked derivative contracts, and from maturity mismatch in the repricing dates of their assets and liabilities.

The table below shows the Bank and its subsidiaries' exposure to interest rate risk, the remaining period to the earlier of contractual repricing dates or maturity dates, and the average contractual interest rate, where applicable, for classes of financial assets and financial liabilities subject to interest rate risk.

In the below table, financial assets and liabilities represent outstanding balance in statement of financial position and derivatives represent notional amount.



# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

Consolidated financial statement							
As at 31 December 2014							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	6,178	6,178	-
Interbank and money market items - net	20,929	944	-	-	4,111	25,984	1.77
Derivatives assets	-	-	-	-	6,221	6,221	-
Investments - net	23,003	40,173	24,439	-	745	88,360	2.05
Loans to customers*	221,768	18,962	18,825	16	7,003	266,574	6.99
Other receivable - TAMC - net	-	-	-	-	1,210	1,210	-
<b>Financial liabilities</b>							
Deposits	198,384	58,168	6,172	-	5,753	268,477	1.92
Interbank and money market items	51,271	7,930	1,142	-	1,586	61,929	0.64
Liabilities payable on demand	-	-	-	-	2,615	2,615	-
Derivatives liabilities	-	-	-	-	6,245	6,245	-
Debt issued and borrowings	5,604	-	6,000	-	-	11,604	2.55
<b>Derivatives</b>							
Derivatives on foreign exchange and interest rates							
- floating rate payer	6,883	5,469	-	-	-	12,352	1.04
- fixed rate payer	-	-	8,841	-	-	8,841	2.33
- floating rate payee	7,710	8,447	-	-	-	16,157	1.26
- fixed rate payee	-	-	5,036	-	-	5,036	3.21
Derivatives on interest rates							
- floating rate payer	105,046	102,311	-	-	-	207,357	1.77
- fixed rate payer	56,480	99,492	85,544	7,499	-	249,015	2.35
- floating rate payee	132,696	115,932	7,111	-	-	255,739	1.74
- fixed rate payee	21,258	82,852	88,459	8,064	-	200,633	2.42

\* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers are overdue with contract had matured are reported in the non-interest bearing bucket.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

Consolidated financial statement							
As at 31 December 2013							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	4,783	4,783	-
Interbank and money market items - net	54,117	2,514	-	-	3,818	60,449	2.16
Derivatives assets	-	-	-	-	9,610	9,610	-
Investments - net	3,141	48,697	20,199	444	642	73,123	2.39
Loans to customers*	204,870	18,015	25,118	10	7,414	255,427	7.00
Other receivable - TAMC - net	-	-	-	-	1,210	1,210	-
<b>Financial liabilities</b>							
Deposits	160,783	66,182	2,405	-	5,271	234,641	2.23
Interbank and money market items	87,320	3	1,891	-	817	90,031	0.55
Liabilities payable on demand	-	-	-	-	2,856	2,856	-
Derivatives liabilities	-	-	-	-	7,782	7,782	-
Debt issued and borrowings	5,579	22,233	207	-	-	28,019	4.33
<b>Derivatives</b>							
Derivatives on foreign exchange and interest rates							
- floating rate payer	3,337	4,495	-	-	-	7,832	1.97
- fixed rate payer	-	354	5,219	-	-	5,573	1.58
- floating rate payee	5,779	7,471	-	-	-	13,250	0.71
- fixed rate payee	-	-	155	-	-	155	-
Derivatives on interest rates							
- floating rate payer	140,954	116,530	-	-	-	257,484	2.13
- fixed rate payer	40,323	113,036	105,479	6,953	-	265,791	2.76
- floating rate payee	134,216	136,742	411	-	-	271,369	2.26
- fixed rate payee	40,226	80,417	124,051	7,212	-	251,906	2.76

\* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers are overdue with contract had matured are reported in the non-interest bearing bucket.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement						Total	Average rate of return per annum (%)
	As at 31 December 2014							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing			
<b>Financial assets</b>								
Cash	-	-	-	-	6,178	6,178	-	
Interbank and money market items - net	20,929	944	-	-	4,111	25,984	1.77	
Derivatives assets	-	-	-	-	6,221	6,221	-	
Investments - net	23,003	40,173	24,439	-	936	88,551	2.05	
Loans to customers*	221,768	18,962	18,825	16	7,003	266,574	6.99	
Other receivable - TAMC - net	-	-	-	-	1,210	1,210	-	
<b>Financial liabilities</b>								
Deposits	198,440	58,318	6,172	-	5,753	268,683	1.92	
Interbank and money market items	51,271	7,930	1,142	-	1,586	61,929	0.64	
Liabilities payable on demand	-	-	-	-	2,615	2,615	-	
Derivatives liabilities	-	-	-	-	6,245	6,245	-	
Debt issued and borrowings	5,604	-	6,000	-	-	11,604	2.55	
<b>Derivatives</b>								
Derivatives on foreign exchange and interest rates								
- floating rate payer	6,883	5,469	-	-	-	12,352	1.04	
- fixed rate payer	-	-	8,841	-	-	8,841	2.33	
- floating rate payee	7,710	8,447	-	-	-	16,157	1.26	
- fixed rate payee	-	-	5,036	-	-	5,036	3.21	
Derivatives on interest rates								
- floating rate payer	105,046	102,311	-	-	-	207,357	1.77	
- fixed rate payer	56,480	99,492	85,544	7,499	-	249,015	2.35	
- floating rate payee	132,696	115,932	7,111	-	-	255,739	1.74	
- fixed rate payee	21,258	82,852	88,459	8,064	-	200,633	2.42	

\* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers are overdue with contract had matured are reported in the non-interest bearing bucket.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement						Total	Average rate of return per annum (%)
	As at 31 December 2013							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing			
<b>Financial assets</b>								
Cash	-	-	-	-	4,783	4,783	-	
Interbank and money market items - net	54,117	2,514	-	-	3,818	60,449	2.16	
Derivatives assets	-	-	-	-	9,610	9,610	-	
Investments - net	3,141	48,697	20,199	444	837	73,318	2.39	
Loans to customers*	204,870	18,015	25,118	10	7,414	255,427	7.00	
Other receivable - TAMC - net	-	-	-	-	1,210	1,210	-	
<b>Financial liabilities</b>								
Deposits	160,860	66,332	2,405	-	5,271	234,868	2.23	
Interbank and money market items	87,320	3	1,891	-	817	90,031	0.55	
Liabilities payable on demand	-	-	-	-	2,856	2,856	-	
Derivatives liabilities	-	-	-	-	7,782	7,782	-	
Debt issued and borrowings	5,579	22,233	207	-	-	28,019	4.33	
<b>Derivatives</b>								
Derivatives on foreign exchange and interest rates								
- floating rate payer	3,337	4,495	-	-	-	7,832	1.97	
- fixed rate payer	-	354	5,219	-	-	5,573	1.58	
- floating rate payee	5,779	7,471	-	-	-	13,250	0.71	
- fixed rate payee	-	-	155	-	-	155	-	
Derivatives on interest rates								
- floating rate payer	140,954	116,530	-	-	-	257,484	2.13	
- fixed rate payer	40,323	113,036	105,479	6,953	-	265,791	2.76	
- floating rate payee	134,216	136,742	411	-	-	271,369	2.26	
- fixed rate payee	40,226	80,417	124,051	7,212	-	251,906	2.76	

\* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers are overdue with contract had matured are reported in the non-interest bearing bucket.

## 49.5 Exchange rate risk

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities, and financial derivatives caused by fluctuations in foreign exchange rates.

The Bank's foreign exchange exposures comprise of trading and non-trading. Non-trading foreign exchange exposures are principally derived from customer businesses. The Bank utilises mainly spot foreign exchange, foreign currency forwards, and swaps to hedge its foreign exchange exposures.

Foreign exchange risk is managed through policies and risk limits approved by the Executive Committee (EXCO). The limits, such as exposure by currency are independently monitored by Market Risk Management and Market Risk Control.

# Notes to Consolidated Financial Statements

(continued)

## 49.6 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiaries may not be able to meet their obligations as they fall due as a result of inability to release their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiaries.

The Bank maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

The Bank manages liquidity at a centralised level. Liquidity risk is managed in accordance with a framework of policies, controls and limits established by the Bank's Assets and Liabilities Committee (ALCO). These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

The Bank takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of the Bank's core deposits and the maintenance of customer confidence. Core deposits are generally stable non-bank deposits, such as current accounts, savings accounts and fixed deposits. The Bank monitors the stability of its core deposits by analysing their volatility over time.

The Bank uses the funds to lend to customers and invests excess funds in government securities.

The Bank's liquidity risk management is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. The Bank is monitored under 'business as usual', and 3 crisis scenarios which are 'bank-specific crisis', 'general market crisis' and 'combination crisis'.

Liquidity Gap Analysis or Cash Flow Mismatch Analysis under the 'Business as Usual' scenario is measured and monitored against Net Cumulative Outflow (NCO) Limits which are set for overnight, 7 days and 30 days. In the event that a limit is breached, an investigation will be conducted and the related documents reported to relevant parties, in accordance with the escalation process.

For stress testing (bank-specific crisis, general market crisis and combined scenarios), additional assumptions are taken into account such as sudden increase in deposit withdrawals, reduction in loan repayments, potential trading losses, or liquidation of securities with haircuts. These assumptions are agreed by Business Units and approved by Board of Directors or delegated committee.

The frequency of liquidity risk assessment is conducted on daily and monthly basis. Liquidity gap or maturity mismatch analysis report is produced by Balance Sheet Risk Management Unit and monitored by Market Risk Control against approved Net Cumulative Outflow Limits. Other reports such as early warning indicators as well as sources and utilisation of funds are produced on a monthly basis.

Behavioural modeling is carried out and reviewed regularly to ensure that the cash flow requirements for the 'business as usual' and crisis scenarios are realistic. Loans and deposits which do not have maturity dates and fixed deposits which are rolled over frequently, are generally estimated based on their past statistics or trends. Cash flow mismatch limits are established to limit the Bank's liquidity exposure. The Bank also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

# Notes to Consolidated Financial Statements

(continued)

Contingency funding plans are in place to identify liquidity crisis using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

The Bank uses liquidity ratios as early warning indicators such as Loans to Deposits Ratio, Single Depositor Ratio and Top 20 Depositors Ratio, Undrawn Facilities Ratio, Deposit Withdrawal Ratio and Net Cumulative Outflow.

The maturity analysis of financial assets, financial liabilities represent outstanding balance in statement of financial position and commitments represent notional amount, which are computed from the remaining maturity to repayment date is as follows:

(Unit: Million Baht)							
Consolidated financial statement							
As at 31 December 2014							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
<b>Financial assets</b>							
Cash	6,178	-	-	-	-	-	6,178
Interbank and money market items - net	19,000	6,034	945	-	5	-	25,984
Derivatives assets	-	-	-	-	-	6,221	6,221
Investments - net	-	18,338	40,140	29,137	-	745	88,360
Loans to customers*	4,438	59,657	30,985	63,218	108,276	-	266,574
Other receivable - TAMC - net	-	-	-	1,210	-	-	1,210
<b>Financial liabilities</b>							
Deposits	156,562	47,575	58,168	6,172	-	-	268,477
Interbank and money market items	28,936	23,921	7,930	1,142	-	-	61,929
Liabilities payable on demand	2,615	-	-	-	-	-	2,615
Derivatives liabilities	-	-	-	-	-	6,245	6,245
Debt issued and borrowings	-	-	-	11,604	-	-	11,604
<b>Commitments</b>							
Avals to bills	20	2,478	73	-	-	-	2,571
Guarantee of loans	97	272	906	293	1,871	-	3,439
Liabilities under unmaturred import bills	45	675	159	-	-	-	879
Letters of credit	92	3,357	102	1,097	-	-	4,648
Other commitments							
Undrawn overdraft amount	23,225	-	-	-	-	-	23,225
Spot foreign exchange contracts	372	853	-	-	-	-	1,225
Other guarantees	11,426	1,974	5,110	1,659	24	-	20,193
<b>Derivatives</b>							
Derivatives on foreign exchange	27,214	362,158	188,710	21,816	-	-	599,898
Derivatives on interest rates	-	77,738	182,344	180,726	15,564	-	456,372
Others derivatives	-	1,773	1,596	-	-	-	3,369

\* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in more than 5 years bucket.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Consolidated financial statement						Total
	As at 31 December 2013						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	4,783	-	-	-	-	-	4,783
Interbank and money market items - net	50,641	7,190	2,514	-	104	-	60,449
Derivatives assets	-	-	-	-	-	9,610	9,610
Investments - net	10	1,483	48,707	21,837	444	642	73,123
Loans to customers*	2,911	66,373	31,524	58,478	96,141	-	255,427
Other receivable - TAMC - net	-	-	-	-	1,210	-	1,210
<b>Financial liabilities</b>							
Deposits	114,644	51,410	66,182	2,405	-	-	234,641
Interbank and money market items	30,517	57,620	3	1,891	-	-	90,031
Liabilities payable on demand	2,856	-	-	-	-	-	2,856
Derivatives liabilities	-	-	-	-	-	7,782	7,782
Debt issued and borrowings	-	-	22,233	5,786	-	-	28,019
<b>Commitments</b>							
Avals to bills	24	1,132	137	-	-	-	1,293
Guarantee of loans	19	394	646	658	1,690	-	3,407
Liabilities under unmatured import bills	48	619	157	-	-	-	824
Letters of credit	227	3,218	279	-	-	-	3,724
Other commitments							
Undrawn overdraft amount	22,683	-	-	-	-	-	22,683
Spot foreign exchange contracts	1,808	4,478	-	-	-	-	6,286
Other guarantees	11,774	1,604	6,282	1,753	24	-	21,437
<b>Derivatives</b>							
Derivatives on foreign exchange	21,557	279,309	134,074	12,933	-	-	447,873
Derivatives on interest rates	-	80,549	193,453	235,108	14,165	-	523,275
Others derivatives	-	4,074	-	-	-	-	4,074

\* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported more than 5 years bucket.

# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement						Total
	As at 31 December 2014						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	6,178	-	-	-	-	-	6,178
Interbank and money market items - net	19,000	6,034	945	-	5	-	25,984
Derivatives assets	-	-	-	-	-	6,221	6,221
Investments - net	-	18,338	40,140	29,137	-	936	88,551
Loans to customers*	4,438	59,657	30,985	63,218	108,276	-	266,574
Other receivable - TAMC - net	-	-	-	1,210	-	-	1,210
<b>Financial liabilities</b>							
Deposits	156,596	47,597	58,318	6,172	-	-	268,683
Interbank and money market items	28,936	23,921	7,930	1,142	-	-	61,929
Liabilities payable on demand	2,615	-	-	-	-	-	2,615
Derivatives liabilities	-	-	-	-	-	6,245	6,245
Debt issued and borrowings	-	-	-	11,604	-	-	11,604
<b>Commitments</b>							
Avals to bills	20	2,478	73	-	-	-	2,571
Guarantee of loans	97	272	906	293	1,871	-	3,439
Liabilities under unmatured import bills	45	675	159	-	-	-	879
Letters of credit	92	3,357	102	1,097	-	-	4,648
Other commitments							
Undrawn overdraft amount	23,225	-	-	-	-	-	23,225
Spot foreign exchange contracts	372	853	-	-	-	-	1,225
Other guarantees	11,426	1,974	5,110	1,659	24	-	20,193
<b>Derivatives</b>							
Derivatives on foreign exchange	27,214	362,158	188,710	21,816	-	-	599,898
Derivatives on interest rates	-	77,738	182,344	180,726	15,564	-	456,372
Others derivatives	-	1,773	1,596	-	-	-	3,369

\* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in more than 5 years bucket.



# Notes to Consolidated Financial Statements

(continued)

(Unit: Million Baht)

	Separate financial statement						Total
	As at 31 December 2013						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	4,783	-	-	-	-	-	4,783
Interbank and money market items - net	50,641	7,190	2,514	-	104	-	60,449
Derivatives assets	-	-	-	-	-	9,610	9,610
Investments - net	10	1,483	48,707	21,837	444	837	73,318
Loans to customers*	2,911	66,373	31,524	58,478	96,141	-	255,427
Other receivable - TAMC - net	-	-	-	-	1,210	-	1,210
<b>Financial liabilities</b>							
Deposits	114,705	51,426	66,332	2,405	-	-	234,868
Interbank and money market items	30,517	57,620	3	1,891	-	-	90,031
Liabilities payable on demand	2,856	-	-	-	-	-	2,856
Derivatives liabilities	-	-	-	-	-	7,782	7,782
Debt issued and borrowings	-	-	22,233	5,786	-	-	28,019
<b>Commitments</b>							
Avals to bills	24	1,132	137	-	-	-	1,293
Guarantee of loans	19	394	646	658	1,690	-	3,407
Liabilities under unmatured import bills	48	619	157	-	-	-	824
Letters of credit	227	3,218	279	-	-	-	3,724
Other commitments							
Undrawn overdraft amount	22,683	-	-	-	-	-	22,683
Spot foreign exchange contracts	1,808	4,478	-	-	-	-	6,286
Other guarantees	11,774	1,604	6,282	1,753	24	-	21,437
<b>Derivatives</b>							
Derivatives on foreign exchange	21,557	279,309	134,074	12,933	-	-	447,873
Derivatives on interest rates	-	80,549	193,453	235,108	14,165	-	523,275
Others derivatives	-	4,074	-	-	-	-	4,074

\* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported more than 5 years bucket.

# Notes to Consolidated Financial Statements

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## 49.7 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.

## 49.8 Fair value of financial instruments

As at 31 December 2014 and 2013, the fair values of financial instruments included in the statements of financial position of the Bank and its subsidiaries are as follows:

Type of financial instruments	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December			
	2014		2013	
	Book Value	Fair Value	Book Value	Fair Value
<b>Financial assets</b>				
Cash	6,178	6,178	4,783	4,783
Interbank and money market items - net	25,984	25,984	60,449	60,449
Derivatives assets	6,221	6,221	9,610	9,610
Investments - net	88,360	88,449	73,123	73,217
Loans to customers and accrued interest receivables - net	259,002	259,002	248,756	248,756
Other receivable - TAMC - net	1,210	1,210	1,210	1,210
<b>Financial liabilities</b>				
Deposits	268,477	268,477	234,641	234,641
Interbank and money market items	61,929	61,929	90,031	90,031
Liabilities payable on demand	2,615	2,615	2,856	2,856
Derivatives liabilities	6,245	6,245	7,782	7,782
Debt issued and borrowings	11,604	11,604	28,019	28,019

Type of financial instruments	(Unit: Million Baht)			
	Separate financial statements			
	As at 31 December			
	2014		2013	
	Book Value	Fair Value	Book Value	Fair Value
<b>Financial assets</b>				
Cash	6,178	6,178	4,783	4,783
Interbank and money market items - net	25,984	25,984	60,449	60,449
Derivatives assets	6,221	6,221	9,610	9,610
Investments - net	88,551	88,640	73,318	73,412
Loans to customers and accrued interest receivables - net	259,002	259,002	248,756	248,756
Other receivable - TAMC - net	1,210	1,210	1,210	1,210
<b>Financial liabilities</b>				
Deposits	268,683	268,683	234,868	234,868
Interbank and money market items	61,929	61,929	90,031	90,031
Liabilities payable on demand	2,615	2,615	2,856	2,856
Derivatives liabilities	6,245	6,245	7,782	7,782
Debt issued and borrowings	11,604	11,604	28,019	28,019

# Notes to Consolidated Financial Statements

(continued)

## 49.9 Methods and assumptions in estimating fair value of financial instruments

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

(a) Cash and interbank and money market items

The carrying amounts of cash and interbank and money market items which have remaining maturities of less than 1 year or bear floating rates of interest approximate their fair value. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying average interest rates currently being offered on similar instruments.

(b) Investments

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

(c) Loans to customers

For floating 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 1 year from the statements of financial position date is based on the carrying value at the statements of financial position date. Fair value for other fixed interest rate loans is estimated by using discounted cash flow analysis and using average interest rates currently being offered for loans with similar terms to borrowers of similar credit quality except in case of immaterial, carrying value will be used.

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

(d) Accrued interest receivables

Fair value of accrued interest receivable is based on carrying values.

(e) Deposit liabilities

The fair value of deposits which is payable on demand by the depositor, is equal to the carrying value of such deposits. The fair value of floating rate, certificates of deposit (CDs) and fixed rate deposits repricable within 1 year approximate their carrying value at the reporting date. Fair value for other fixed rate deposits is estimated using a discounted cash flow calculation that applies the current average deposit rates of the four major commercial banks to a schedule of aggregate expected monthly maturities on time deposits except in case of immaterial, carrying value will be used.

(f) Interbank and money market items (liabilities)

The carrying amount of interbank and money market items which have remaining maturities less than 1 year or bear floating rates of interest approximates their fair value at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying average interest rates currently being offered on similar instruments.

(g) Debt issued and borrowings

The fair value of borrowings with remaining maturities less than 1 year approximates their carrying value at the reporting date. Fair value of borrowings with remaining maturities greater than 1 year is estimated using discounted cash flow analysis based on the average current borrowing rates for similar types of borrowing arrangements.

# Notes to Consolidated Financial Statements

(continued)

## (h) Fair value of commitments

### Commitments to aval, guarantee and letters of credit

These financial instruments are generally not intended to be sold or traded such that estimated fair values are not readily ascertainable. Fair value of these items were not calculated for the following reasons:

- minority of the commitments extending beyond 1 year would commit the Bank to a predetermined rate of interest
- the fees attaching to these commitments are the same as those currently charged to similar arrangements
- the quantum of fees collected under these arrangements, upon which fair value would be determined, is not material

### Other commitments

The fair values of foreign exchange contracts were obtained from quoted market prices of similar foreign exchange contracts. For the other derivative contracts, the fair value is estimated using discounted cash flow.

## **50. Approval of financial statements**

These financial statements were authorised for issue by the Bank's Board of Directors on 6 March 2015.

## Other Information

### 1. Subsidiaries companies of UOB (Thai)

#### 1. UOB Services Company Limited

Business	: Collection services
Location	: 690, 17 <sup>th</sup> -18 <sup>th</sup> Floor, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110
Telephone	: 0 2680 5555
Facsimile	: 0 2258 6900
Paid-up capital	: THB 60,000,000 (10,000,000 ordinary shares)
UOB (Thai)'s holding	: 99.99%

#### 2. UOB Bullion and Futures (Thai) Company Limited

Business	: Trading in Futures Contracts
Location	: 191, 7 <sup>th</sup> Floor, South Sathon Road, Yannawa, Sathon, Bangkok 10120
Telephone	: 0 2213 2611
Facsimile	: 0 2213 2614
Paid-up capital	: THB 175,000,000 (1,750,000 ordinary shares)
UOB (Thai)'s holding	: 75.00%

#### 3. UOB Leasing (Thai) Company Limited

Business	: The Company registered the closure on 15 October, 2010
Location	: 191 South Sathon Road, Yannawa, Sathon, Bangkok 10120
Telephone	: 0 2343 4527
Facsimile	: 0 2285 1633
Paid-up capital	: THB 3,975,396 (32,000,000 ordinary shares)
UOB (Thai)'s holding	: 99.99%

### 2. Details of directors as at 31 December 2014

Name	Period	Work Experience
1. Wee Cho Yaw	Jul 2004 - Present	• Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	May 2013 - Present	• Chairman Emeritus & Adviser, United Overseas Bank Limited, Singapore
	May 2007 - Apr 2013	• Chairman, United Overseas Bank Limited, Singapore
	1974 - Apr 2007	• Chairman and CEO, United Overseas Bank Limited, Singapore
2. Wee Ee Cheong	Jul 2004 - Present	• Deputy Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	May 2007 - Present	• Deputy Chairman and CEO, United Overseas Bank Limited, Singapore
	2000 - Apr 2007	• Deputy Chairman and President, United Overseas Bank Limited, Singapore
3. Suebrakul Soonthornthum	Aug 2012 - Present	• Member of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2010 - Aug 2012	• Chairman of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2008 - Aug 2010	• Chairman of the Audit Committee, UOB (Thai)
	Aug 2004 - Present	• Independent Director and Member of the Audit Committee, UOB (Thai)
	1992 - Present	• Senior Executive Vice President, Loxley Public Company Limited

## Other Information

Name	Period	Work Experience
4. Arun Chirachavala	Aug 2014 - Dec 2014	• Chairman of the Audit Committee, UOB (Thai)
	Aug 2012 - Aug 2014	• Chairman of the Nomination and Compensation Committee, UOB (Thai)
	2012 - Present	• Chairman of Corporate Governance Committee, TRC Construction Pcl.
	Aug 2010 - Aug 2012	• Chairman of the Audit Committee, UOB (Thai)
	Apr 2009 - Present	• Chairman, K.W.C. Warehouse Co., Ltd.
	Jun 2009 - Present	• Independent Director, TRC Construction Pcl.
	Apr 2008 - Dec 2014	• Independent Director and Member of the Audit Committee, UOB (Thai)
5. Chinnawat Bulsuk	Apr 2008 - Aug 2014	• Chairman, Krundhep Document Co., Ltd.
	Aug 2007 - May 2014	• Executive Chairman, Krungdhep Sophon Pcl.
	Aug 2007 - Present	• Director, Krungdhep Sophon Pcl.
	Nov 2006 - Present	• Director, Palang Sophon Limited.
	Aug 2014 - Present	• Chairman of the Nomination and Compensation Committee, UOB (Thai)
6. Lee Chin Yong	Aug 2012 - Aug 2014	• Chairman of the Audit Committee, UOB (Thai)
	Aug 2008 - Aug 2010	• Chairman of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2006 - Aug 2008	• Chairman of the Audit Committee, UOB (Thai)
	Aug 2004 - Present	• Independent Director and Member of the Audit Committee, UOB (Thai)
7. Cheo Chai Hong	2003 - Present	• Director & CEO, Thai Samut Asset Co., Ltd.
	Aug 2004 - Present	• Authorised Signatory Director, UOB (Thai)
8. Peter Foo Moo Tan	2003 - Present	• Managing Director, United Overseas Bank Limited, Singapore
	Nov 2009 - Present	• Authorised Signatory Director, UOB (Thai)
9. Sanchai Apisaksirikul	July 2005 - Present	• Managing Director, United Overseas Bank Limited, Singapore
	Oct 2012 - Present	• Authorised Signatory Director and President & CEO, UOB (Thai)
	Jun 2012 - Sep 2012	• Deputy President and Deputy CEO, UOB (Thai)
	July 2011 - May 2012	• Managing Director, United Overseas Bank Limited, Singapore
8. Peter Foo Moo Tan	2004 - 2011	• CEO, Fortis Bank sa/nv, Singapore
	Mar 2012 - Present	• Authorised Signatory Director, UOB (Thai)
	2007 - Present	• Executive Director, UOB (Thai)
9. Sanchai Apisaksirikul	2001 - 2006	• Senior Vice President, Bank of Asia Pcl.
	2000 - 2001	• Vice President, Bank of Asia Pcl.

## Other Information

### 3. Directors' Remuneration

as of 31 December 2014

	Baht		
	Board of Directors	Audit Committee	Nomination & Compensation Committee
1. Wee Cho Yaw	1,560,000	-	-
2. Wee Ee Cheong	1,200,000	-	120,000
3. Chinnawat Bulsuk	840,000	570,000	200,000
4. Suebtrakul Soonthornthum	840,000	360,000	240,000
5. Arun Chirachavala	840,000	510,000	280,000
6. Lee Chin Yong	480,000	-	120,000
7. Cheo Chai Hong	480,000	-	-
8. Peter Foo Moo Tan	480,000	-	-
9. Sanchai Apisaksirikul	480,000	-	-
Total	7,200,000	1,440,000	960,000

### 4. Senior Management's Remuneration

In 2014, the Bank paid cash remuneration to the Bank's senior management amounted Baht 437,695,300 (2013 paid Baht 379,517,100). In addition to cash remuneration, the Bank also paid non-cash remuneration, which included provident fund contribution, life and medical insurance premiums, and travelling allowance as disclosed in the Notes to Consolidated Financial Statement no. 35 in this Annual Report.

### 5. Directorships of Directors and Senior Management as at year-end 2014

#### Directors

#### 1. Wee Cho Yaw

Company	Position
<b>UOB Business Group</b>	
1. United Overseas Bank Ltd.	Chairman Emeritus & Adviser
2. United Overseas Insurance Ltd.	Chairman
3. United Overseas Bank (Malaysia) Bhd.	Chairman Emeritus & Adviser
4. UOB Australia Ltd.	Chairman
5. Far Eastern Bank Ltd.	Chairman Emeritus & Adviser
6. PT Bank UOB Indonesia	President Commissioner
7. United Overseas Bank (China) Ltd.	Supervisor
8. Overseas Union Bank Limited (pending dissolution-merged into UOB)	Chairman

## Other Information

Company	Position
<b>Wee Family Business Group</b>	
1. C.Y.Wee & Company Pte. Ltd.	Chairman
2. Kheng Leong Company (Pte.) Ltd.	Chairman
3. Wee Investments (Pte.) Ltd.	Chairman
4. UOL Group Ltd.	Chairman
5. Pan Pacific Hotels Group Limited	Chairman
6. Haw Par Corporation Ltd.	Chairman
7. United Industrial Corporation Ltd.	Chairman
8. Marina Centre Holdings Pte. Ltd.	Chairman
9. Aquamarina Hotel Pte. Ltd.	Chairman
10. Hotel Marina City Pte. Ltd.	Chairman
11. Marina Bay Hotel Pte. Ltd.	Chairman
12. Wee Property (UK) Pte. Ltd.	Chairman
<b>Non-Profit/Community Service Business Group</b>	
1. Kim Mui Hoey Kuan	Chairman
2. Singapore Chinese Chamber of Commerce & Industry	Honorary President
3. Singapore Federation of Chinese Clan Associations	Honorary President
4. Singapore Hokkien Huay Kuan	Honorary President
5. Wee Foundation	Chairman

### 2. Wee Ee Cheong

Company	Position
<b>UOB Business Group</b>	
1. Chung Khiaw Bank (Malaysia) Bhd.	Director
2. Far Eastern Bank Ltd.	Director
3. Hermes UOB Capital Management Ltd.	Director
4. OUB Centre Ltd.	Chairman
5. Overseas Union Bank Ltd. (pending dissolution-merged into UOB)	Director
6. PT Bank UOB Indonesia	Vice President Commissioner
7. United Overseas Bank Ltd.	Director
8. United Overseas Bank (China) Ltd.	Chairman
9. United Overseas Bank (Malaysia) Bhd.	Director
10. United Overseas Insurance Ltd.	Director
11. UOBGC General Partners Ltd.	Director
12. UOB Australia Ltd.	Director
13. UOB Global Capital LLC	Chairman
14. UOB Global Capital Pte. Ltd.	Chairman
15. UOB Travel Planners Pte. Ltd.	Director
16. Walden AB Ayala Ventures Co Inc.	Director



## Other Information

Company	Position
<b>Wee Family Business Group</b>	
1. C Y Wee & Co Pte. Ltd.	Director
2. E C Wee Pte. Ltd.	Director
3. Kheng Leong Co (HK) Ltd.	Director
4. Kheng Leong Company (Pte.) Ltd.	Director
5. K.I.P. Industrial Holdings Ltd.	Director
6. KLC Holdings Ltd.	Director
7. KLC Holdings (Hong Kong) Ltd.	Director
8. Phoebus Singapore Holdings Pte. Ltd.	Director
9. Portfolio Nominees Ltd.	Director
10. Richly Joy Holdings Ltd.	Director
11. Wee Investments (Pte.) Ltd.	Director
12. Wee Venture (Overseas) Ltd.	Director
13. Pilkon Development Co., Ltd.	Director
14. Plaza Hotel Co.,Ltd.	Director
15. Wee Property (UK) Pte. Ltd.	Director
<b>Non-Profit/Community Service/Relationship (Networking ) Business Group</b>	
1. ASEAN Finance Corporation Ltd.	Director
2. INSEAD East Asia Council & International Council	Advisory Board Member
3. Singapore-China Foundation	Member, Board of Governors
4. Singapore Chinese Chamber of Commerce & Industry	Honorary Council Member
5. The Association of Banks in Singapore	Council Member
6. The Institute of Banking & Finance	Director
7. Visa APCEMEA Senior Client Council	Member
8. Wee Foundation	Director
<b>3. Chinnawat Bulsuk</b>	
Company	Position
<b>Chinnawat Bulsuk's Business Group</b>	
1. Thai Samut Asset Co., Ltd.	Director & CEO
<b>Other Business Group</b>	
1. Chong Choe Co., Ltd.	Director

## Other Information

### 4. Suebtrakul Soonthornthum

Company	Position
<b>Loxley Business Group</b>	
1. Loxley Public Co., Ltd.	Director & SEVP
2. Loxley Global Co., Ltd.	Director
3. Loxley GTECH Technology Co., Ltd.	Director
4. Loxley Trading Co., Ltd.	Director
5. Loxley Property Development Co., Ltd.	Director
6. Foseco (Thailand) Co., Ltd.	Chairman
7. NS BlueScope (Thailand) Co., Ltd.	Director
8. NS BlueScope Services (Thailand) Co., Ltd.	Director
9. NS BlueScope Lysaght (Thailand) Co., Ltd.	Director
10. BP - Castrol (Thailand) Co., Ltd.	Director
11. Ekpavee Co., Ltd.	Director
12. Data Mining Co., Ltd.	Director
13. Asia Securities Management Co., Ltd.	Director
14. Zin Suapah Co., Ltd.	Director
15. Loxley Joint and Hold Co.,Ltd.	Director
16. Oriental Post Co., Ltd.	Independent Director
17. Postique Co., Ltd.	Independent Director
18. BlueScope Building (Thailand) Co.,Ltd.	Director
<b>Muang Thai Life Assurance Public Co., Ltd. Group</b>	
1. Muang Thai Life Assurance Public Co., Ltd.	Independent Director
2. Muang Thai Real Estate Public Co., Ltd.	Chairman
<b>Other Business Group</b>	
1. Vanachai Group Public Co., Ltd.	Independent Director

### 5. Arun Chirachavala

Company	Position
<b>Krungdhep Sophon Group</b>	
1. Krungdhep Sophon Public Co., Ltd.	Director
2. K.W.C. Warehouse Co., Ltd.	Chairman
<b>Other Business Group</b>	
1. Palang Sophon Co., Ltd.	Director
2. TRC Construction Public Co., Ltd.	Independent Director and Chairman of Corporate Governance Committee

## Other Information

### 6. Lee Chin Yong

Company	Position
<b>UOB Group of Companies</b>	
1. United Overseas Bank (Malaysia) Bhd.	Director
2. Uni.Asia Capital Sdn. Bhd.	Director
3. UOB Property Investment Pte. Ltd.	Director
4. PT Bank UOB Indonesia	Commissioner
5. UOB-Kay Hian Holdings Ltd.	Director
6. United Overseas Bank (China) Ltd.	Director
7. UOB Property Investments China Pte. Ltd.	Director
<b>UOL Group of Companies</b>	
1. President Hotel Sdn. Bhd.	Director
2. HPL Properties (Malaysia) Sdn. Bhd.	Director
3. Grand Elite Sdn. Bhd.	Director
4. Grand Elite (Penang) Sdn. Bhd.	Director
5. UOL Serviced Residences Sdn. Bhd.	Director
<b>Other Business Group</b>	
1. Kemaris Development Sdn. Bhd.	Director

### 7. Cheo Chai Hong

Company	Position
<b>UOB Group of Companies</b>	
1. UOB Global Capital Pte. Ltd.	Director
2. UOB International Investment Pte. Ltd.	Director
3. UOB Asset Management Ltd.	Director
<b>Other Business Group</b>	
1. Banco De Oro Unibank Inc.	Director
2. The Anglo-Chinese Schools Foundation Ltd.	Director

### 8. Peter Foo Moo Tan

-NIL-

### 9. Sanchai Apisaksirikul

Company	Position
<b>Companies under UOB (Thai) Group</b>	
1. UOB Bullion and Futures (Thai) Co., Ltd.	Director
2. UOB Services Co., Ltd.	Chairman
<b>Company under UOB Group</b>	
1. UOB Asset Management (Thailand) Co., Ltd.	Director

## Other Information

### Senior Management as of December 31, 2014

Name	Company	Position
1. Steven Ngeo Swee Guan	-	-
2. Pornchai Wiwatpattarakul	-	-
3. Patchanee Vongsilpawattana	-	-
4. Busba Virochpoka	-	-
5. Viyada Valyasevi	-	-
6. Montira Utarapichat	-	-
7. Ratanachon Thanyodom	-	-
8. Yuttachai Teyarachakul	AXA Insurance Public Company Ltd.	Director
9. Wipaporn Techamaitrethit	-	-
10. Sirima Taecharungnirun	-	-
11. Wasinee Sivakua	-	-
12. Ngamjitt Sirijindalert	-	-
13. Pojanee Rungsang	Suthep Boonnak Co., Ltd.	Director
14. Sasitorn Rattanakul	-	-
15. Piyaporn Ratanaprasartporn	UOB Asset Management (Thailand) Co., Ltd.	Director
16. Vajee Pramualrat	-	-
17. Manit Panichakul	-	-
18. Pailin Ngsriwongse	Noble Line Ltd. / Thailand	Director
19. Ho Swit Moy Margaret	-	-
20. Sayumrat Maranate	-	-
21. Taravadee Manuschinapisit	-	-
22. Arthur Gan Lian Aun	-	-
23. Lim Keng Teck	UOB Services Co., Ltd.	Director
24. Pisal Kattiyothaivong	-	-
25. Loi Kai Cheow	-	-
26. Poomchai Chusakultanachai	-	-
27. Yau Chi Choi	-	-
28. Kanlika Buspavanich	-	-
29. Sasiwimol Arayawattanapong	-	-
30. Danupob Apichitsakul	-	-
31. Roongthip Angkasirisan	-	-
32. Suwassa Anantasa	-	-

### 6. Shares of UOB (Thai), Subsidiaries and Associated Companies

Directors of UOB (Thai) do not own any shares in UOB (Thai) or any of its subsidiaries and associated companies.

### 7. Auditor's Remuneration

In 2014, the Bank and its subsidiaries paid for audit fee and special audit fee regarding to the Bank of Thailand's requirement to EY Office Limited amounting to Baht 8,300,000 and Baht 350,000 respectively, totalling Baht 8,650,000.

## Other Information

### 8. Related Party Transactions

The Bank's transactions with the companies related to the Bank's directors during the year 2014 are as follows:

	Interbank and money market items (assets)	Derivatives assets	Other assets	Commitments	Deposits	Interbank and money market items (liabilities)	Derivatives liabilities	Debt issued and borrowings	Other liabilities	Interest income	Interest expenses	Fees and service income	Fees and service expenses	Net gain (loss) on foreign currency trading and exchange transaction	Other operating income	Premises and equipment expenses	Data processing charges	Other expenses	Related with UOBT Director
<b>Subsidiaries companies</b>																			
UOB Bullion and Futures (Thai) Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Sanchai Apisaksirikul
UOB Services Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Sanchai Apisaksirikul
<b>Related companies</b>																			
Loxley Pcl.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
The Muangthai Life Assurance Pcl.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Underwaterworld Pattaya Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw
Haw Par Tiger Balm (Thailand) Limited	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
Loxley Wireless Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Loxbit Pcl.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Professional Computer Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Netone Network Solution Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
L Hardware and Services Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Loxley Trading Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
TRC Construction Pcl.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Tisco Securities Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Arun Chirachavala
Tisco Asset Management Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Sanchai Apisaksirikul
<b>Major shareholders</b>																			
United Overseas Bank Limited	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Sanchai Apisaksirikul
<b>United Overseas Bank Group of Companies</b>																			
United Overseas Bank (Malaysia) Bhd	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
United Overseas Bank (China) Limited	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
UOB Bullion & Futures, Singapore	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
Far Eastern Bank Ltd., Singapore	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
UOB Asset Management (Thailand) Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
UOB Kay Hian Securities (Thailand) Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong

Details of all related party transactions are disclosed in Note 35 to the financial statements.

# Risk Management

The effective management of financial and non-financial risks is integral to UOB (Thai) Group's business success. Our approach to risk management is to ensure risks are managed within the levels established by UOB (Thai) Group's various senior management committees and approved by the Board and/or its committees.

The UOB (Thai) Group has established a comprehensive framework of policies and procedures to identify, measure, monitor and control risks. These are guided by the Group's Risk Management Principles which advocate:

- Delivery of sustainable long-term growth using sound risk management principles and business practices;
- Continual improvement of risk discovery capabilities and risk controls; and,
- Business development based on a prudent, consistent and efficient risk management framework.

## RISK MANAGEMENT GOVERNANCE AND FRAMEWORK

The Board of Directors (The Board) is responsible for the governance of risk and oversees a governance structure to ensure that the UOB (Thai) Group's business activities are:

- Conducted in a safe and sound manner and in line with high standards of professionalism;
- Consistent with UOB (Thai) Group's overall business strategy and risk appetite; and,
- Subjected to adequate risk management and internal controls.

The Board is supported by Executive Committee (EXCO), Audit Committee (AC), Nomination and Remuneration Committee (NCC) as well as Risk and Capital Committee (RCC). EXCO and RCC assist the Board in the oversight of risk management policies, process and procedures.

The day-to-day management of UOB (Thai) Group is delegated to its senior management (Chief Executive Officer (CEO) and Senior Executives).

The CEO has established senior management committees to assist in the making business decisions which weigh risks with returns. The main senior management committees are Management Committee (MC), Asset & Liability Committee (ALCO), Operational Risk Management Committee (ORMC), Credit Committee (CC), Special Asset Management Credit Committee (SAMCC) and Credit Management Committee (CMC).

The Board is also responsible for setting the overall risk capital and Top-Down Risk Appetite statements for material risks faced by UOB (Thai) Group. Senior management and the senior management

committees are responsible for delegating risk appetite limits by business lines, and/or broad product lines.

## RISK APPETITE

UOB (Thai) Group has established a risk appetite framework to determine the amount of risk UOB (Thai) Group is able and willing to take in pursuit of its business objectives. The risk appetite defines suitable thresholds and/or limits across key areas including but not limited to credit risk, concentration risk, market risk, liquidity risk, operational risk and reputational risk. The objective of establishing a risk appetite framework is not to limit risk taking but to ensure that UOB (Thai) Group's risk profile is aligned to its business strategy.

UOB (Thai) Group's risk appetite framework is updated and approved annually by the Board. The Board is responsible for ensuring that UOB (Thai) Group's activities are in line with its risk appetite. Monitoring of the risk limits is conducted regularly by relevant Committees.

## BASEL FRAMEWORK

UOB (Thai) Group has adopted the Basel Framework and is compliant with regulatory requirements on Risk Based Capital Adequacy. The Framework aims to ensure the ongoing enhancement of risk management techniques by banks to monitor and manage their risks, and to ensure proper processes are undertaken by banks in determining the adequate amount of capital to be held in relation to their underlying risk profile.

UOB (Thai) Group has adopted the Standardised Approach (SA) for its Personal Financial Services (PFS) exposures, the Foundation Internal Ratings-Based (FIRB) Approach for its non-retail exposures and the Advanced Internal Ratings-Based (AIRB) Approach for its Retail SME exposures. For Market and Operational risks, UOB (Thai) Group has adopted SA.

UOB (Thai) Group's Internal Capital Adequacy Assessment Process (ICAAP) is used to assess if it has sufficient capital to support its activities. The ICAAP process is reviewed periodically to ensure that UOB (Thai) Group remains well capitalised after considering all material risks. Stress Testing is also conducted to determine capital adequacy under stressed conditions.

UOB (Thai) Group Pillar 3 Disclosure Policy addresses the disclosure requirements specified by regulators.

# Risk Management

## CREDIT RISK

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet their financial obligations when they fall due. Credit risk is the single largest risk that UOB (Thai) Group faces in our core business as a commercial bank, arising primarily from loans and other lending related commitments to retail corporate and institutional borrowers.

Integral to the management of credit risk is a framework that clearly defines policies and processes relating to the measurement and management of credit risk. Our portfolio is also reviewed and stress tested regularly, and we continuously monitor the operating environment to identify emerging risks and formulate mitigation action.

## CREDIT RISK GOVERNANCE AND ORGANIZATION

RCC and CMC are the key oversight committees for credit risk and support the CEO, EXCO and the Board in managing the UOB (Thai) Group's overall credit risk exposures. The RCC serves as an executive forum for discussions on all credit-related issues including the credit risk management framework, policies, infrastructure, methodologies and systems. While the CMC reviews and assesses UOB (Thai) Group's credit portfolios, processes and credit risk profiles.

Credit Risk Management Division is responsible for the reporting, analysis and management of all elements of credit risk. It develops credit policies and guidelines, and focuses on facilitating business development within a prudent, consistent and efficient credit risk management framework.

## CREDIT RISK POLICIES AND PROCESSES

UOB (Thai) Group established credit policies and processes to manage credit risk in the following key areas:

### *Credit Approval Process*

To maintain the independence and integrity of the credit approval process, the credit origination and approval functions are clearly segregated. Credit approval authority is delegated to officers based on their experience, seniority and track record, and is based on a risk-adjusted scale according to a borrower's credit rating. All credit approval officers are guided by credit policies that are periodically reviewed to ensure their continued relevance to the UOB (Thai) Group's business strategy and the business environment.

### *Credit Concentration Risk*

Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. This is managed by setting exposure limits on obligors, portfolios, borrowers, industries and countries, generally expressed as a

percentage of the capital base. Regular assessments of emerging risks and reviews of industry and country outlooks are also performed to identify areas in which concentration risks may accumulate.

### *Credit Stress Test*

Credit stress testing is a core component of UOB (Thai) Group's credit portfolio management process. Regulatory and internal stress tests are conducted periodically. The main purpose of credit stress testing is to provide a forward looking assessment of UOB (Thai) Group credit portfolio under adverse economic scenarios. Under stress scenarios such as a severe recession, significant losses from the credit portfolio may occur. Stress tests are used to assess if UOB (Thai) Group capital can withstand such a severe scenario, identify the vulnerability of various business units under such scenario and formulate appropriate mitigating action.

Our stress test scenarios consider an array of potential and plausible macroeconomic events in varying degrees of likelihood and severity. These are developed through consultation with relevant business units, and are approved by senior management. The projected stressed variables such as GDP, interest rates are applied consistently to all portfolios to estimate credit losses.

### *Intra-group Transaction*

Any intra-group transactions shall be executed on an arms-length basis at market commercial terms. Risk exposure as well as impact on capital adequacy incurred from intra-group transactions shall be monitored and controlled as a normal business practice. UOB (Thai) Group has stipulated the approval process for intra-group transactions e.g. normal intra-group transactions such as granting credit, which is subject to approval by UOB (Thai) Executive Committee with ratification by the Board.

### *Credit Risk Mitigation*

Potential credit losses are mitigated using collateral and guarantees. As a fundamental credit principle, UOB (Thai) Group generally does not extend credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value as well as in accordance with BOT's requirements. The main types of collateral taken by UOB (Thai) Group are cash, qualified marketable securities, and real estate. Appropriate haircuts are applied to the market value of collateral, reflecting the underlying nature of the collateral, quality, volatility and liquidity. In addition, collateral taken by UOB (Thai) Group has to fulfill certain eligibility criteria (such as legal certainty across relevant jurisdictions) in order to be eligible for IRB purposes.

# Risk Management

In addition, personal guarantees are often taken as a form of moral support to ensure moral commitment from the principal shareholders and/or directors. UOB (Thai) Group does not recognise personal guarantees as an eligible credit risk protection for capital computation purpose. Corporate guarantees are also often obtained when the borrower's credit worthiness is not sufficient to justify an extension of credit.

Exposures arising from foreign exchange and derivatives are typically mitigated through agreements such as the International Swaps and Derivatives Association (ISDA) Master Agreements and the Credit Support Annex (CSA). Such agreements help to minimise credit exposure by allowing UOB (Thai) Group to offset what it owes to counterparty against what is due from that counterparty in the event of a default.

## CREDIT MONITORING AND REMEDIAL MANAGEMENT

We regularly monitor credit exposures, portfolio performance and emerging risks that may impact our credit risk profile. Internal risk reports are presented to relevant committees to update senior management on credit trends and to provide alerts on key economic, political and environment developments across major portfolios.

### Non-performing Accounts Management

UOB (Thai) Group monitors closely the delinquency of borrowing accounts as it is a key indicator of credit quality. UOB (Thai) Group has an independent credit review process to ensure the appropriateness of loan grading and classification in accordance with internal policy and regulatory guidelines. Any account that exhibits weaknesses that may jeopardise repayment on existing terms will be categorised as 'non-forming'.

### Delinquency Monitoring

An account is considered as delinquent when payment is not received on the due date. Any delinquent account, including a revolving credit facility (such as an overdraft) with limit excesses, is closely monitored and managed through a disciplined process by officers from business units and risk management. Where appropriate, such accounts are also subject to more frequent credit reviews.

### Classification and Loan Loss Impairment

UOB (Thai) Group classifies its loan portfolios according to the borrower's ability to repay the credit facility from their normal source of income. All borrowing accounts are classified into 'Pass', 'Special Mention' or 'Non-Performing' categories. Non-Performing loans (NPLs) are further classified as 'Substandard', 'Doubtful' or 'Doubtful of Loss' in accordance with Bank of Thailand (BOT) guidelines.

Upgrading and declassification of a NPL account to 'Pass' or 'Special Mention' status must be supported by a credit assessment of the repayment capability, cash flows and financial position of the borrower. UOB (Thai) Group must also be satisfied that once the account is declassified, the account is unlikely to be classified again in the near future.

A restructured account is categorised as "Non-Performing" and placed on the appropriate classified grade depending on UOB (Thai) Group's assessment of the financial conditions of the borrower and the ability of the borrower to repay based on the restructured terms. A restructured account must comply fully with the restructured terms in accordance with internal policy and regulatory requirements before it can be declassified.

### Special Asset Management

Special Asset Management (SAM) manages the non-performing portfolios of UOB (Thai) Group. SAM proactively manages a portfolio of NPL accounts, with the primary intention of nursing these accounts back to health and transferring them back to the respective business units. SAM manages accounts that UOB (Thai) Group intends to exit in order to maximise debt recovery.

### Write-off Policy

A classified account that is not secured by any realisable collateral will be written off either when the prospect of a recovery is considered poor or when all feasible avenues of recovery have been exhausted.

## INTERNAL CREDIT RATING SYSTEM

UOB (Thai) Group employs internal rating models to support the assessment of credit risk and the assignment of exposures to rating grades or pools. Internal ratings are used pervasively by UOB (Thai) Group in the areas of credit approval, credit review and monitoring, credit stress testing, limits setting, pricing and account management.

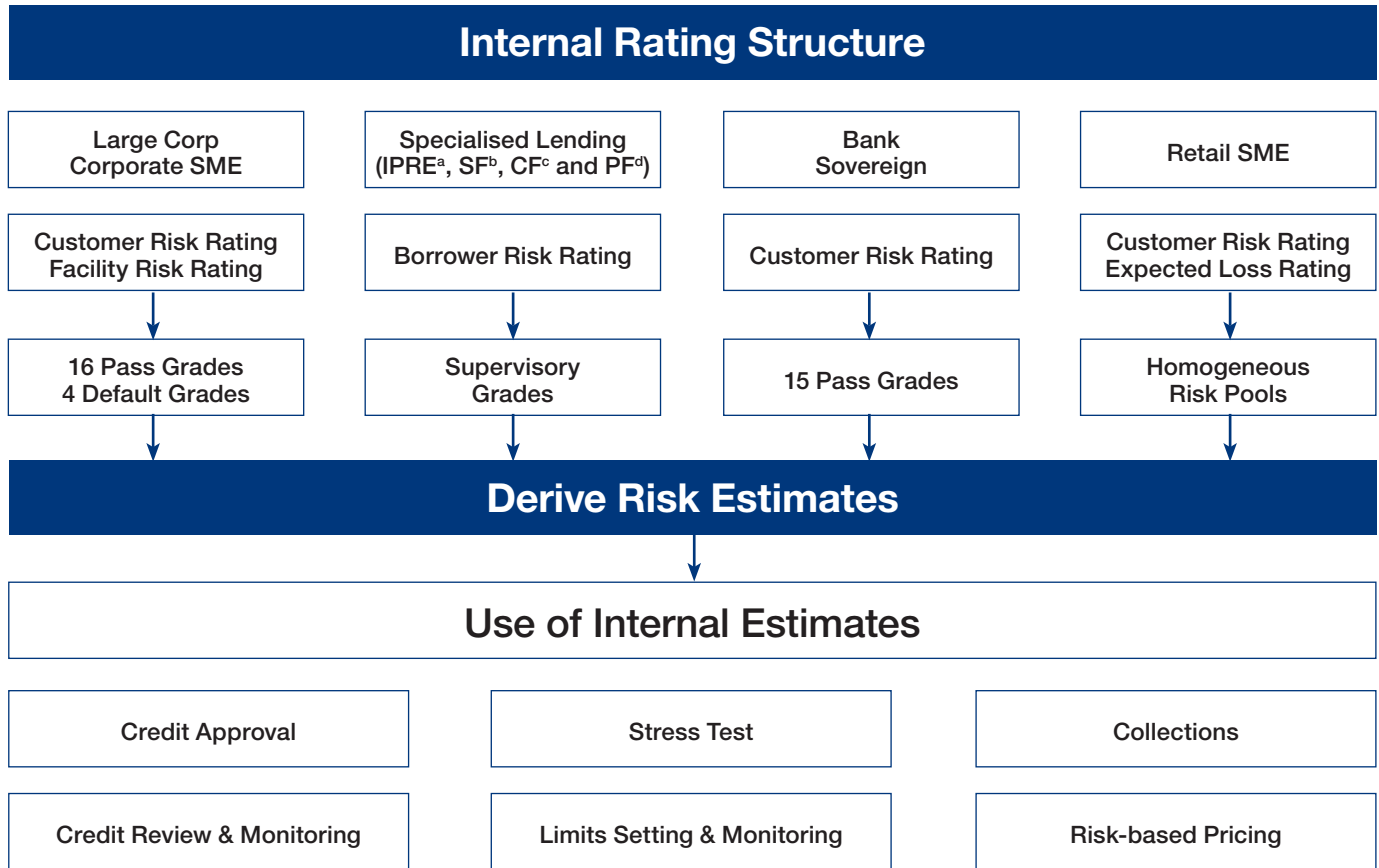
UOB (Thai) Group has established a credit rating governance framework to ensure the reliable and consistent performance of its rating systems. The framework defines the roles and responsibilities of the various parties in the credit rating process, including independent model performance monitoring, annual model validation and independent reviews by Internal Audit. Credit risk models are independently validated before they are implemented to ensure they are fit for purpose. To monitor the robustness of these rating models on an ongoing basis, all models are subject to annual review conducted by model owners to ascertain that the chosen risk factors and assumptions continue to remain relevant for the respective portfolios. All new models, model changes and annual reviews are approved by RCC or EXCO, depending on the materiality of the portfolio.



# Risk Management

## Rating Structure

UOB (Thai) Group's internal rating structure is illustrated below.



a. IPRE refers to Income Producing Real Estate

b. SF refers to Ship Finance

c. CF refers to Commodity Finance

d. PF refers to Project Finance

## Non-retail Exposures

UOB (Thai) Group has adopted the Foundation Internal Ratings-Based (FIRB) approach for its non-retail exposures. Under this approach, the probability of default (PD) for each borrower is estimated using internal models. These PD models employ qualitative and quantitative factors to provide an assessment of the borrower's ability to meet their financial obligations, and are calibrated to provide an estimate of the likelihood of default over one-year time horizon. A default is considered to have occurred if:

- the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising the security; or
- the obligor is past due for more than 90 days on any credit obligation to the Group.

Supervisory loss given default (LGD) and exposure at default (EAD) parameters prescribed by BOT are used together with the internal credit ratings to calculate risk weights and regulatory capital requirements.

While the Group's internal risk rating grades may show some correlation with the rating grades of External Credit Assessment Institutions (ECAIs), they are not directly comparable or equivalent to the ECAI ratings.

## Corporate Asset Class

UOB (Thai) Group has developed the Corporate SME model (CSME) to rate exposures in the Claims on Corporate Asset Class. Credit risk factors used to derive a borrower's risk rating include its' financial strength, quality of management, business risks, and the industry in which it operates. The borrower risk rating process is

# Risk Management

augmented by facility risk ratings, which take into account the type and structure of the facility, availability and type of collateral, and seniority of the exposure.

The internal rating grade structure for the Corporate asset class consists of 16 pass grades and 4 default grades. The CSME model is mapped to the rating scale and takes into account UOB (Thai) Group's long-term average portfolio default rate.

## **Specialised Lending Asset Sub-Class**

Within the corporate asset class, UOB (Thai) Group has four sub-classes for Specialised Lending: Income Producing Real Estate (IPRE), Ship Finance (SF), Commodity Finance (CF) and Project Finance (PF). The internal risk grades are derived based on financial and non-financial risk factors using internal scorecards. The internal risk grades are mapped to the five supervisory slotting categories, which determine the risk weights to be applied to the exposures.

## **Sovereign Asset Class**

UOB (Thai) Group has rolled out internal Sovereign scorecard to rate exposures in this asset class. Public debt levels, balance of payments, fiscal budgets and other macroeconomic, stability and political risk factors are considered in the scorecard to assess sovereign credit risk in a structured and holistic manner. The scorecards have an internal rating grade structure consisting of 15 pass grades.

## **Bank Asset Class**

UOB (Thai) Group has rolled out internal Bank scorecard to rate exposures in this asset class, which takes into account asset quality, capital adequacy, liquidity, management, regulatory environment and robustness of the overall banking system. The scorecards have an internal rating grade structure consisting of 15 pass grades.

## **Retail Asset Class**

UOB (Thai) Group has adopted the AIRB Approach for the Retail SME portfolio, which is classified under the Other Retail asset sub-class. Retail SME exposure is defined as an exposure to small businesses with total group obligor exposure of not more than THB 45 million. In addition, the exposure is not managed individually but as part of a pool of similar exposures.

Retail SME exposures are assessed and managed using a combination of Application and Behavioural scorecards, Loss Given Default (LGD) and Exposure at Default (EAD) models to group exposures according to their borrower and transaction risks. PD, LGD and EAD parameters are estimated using internal loss data covering an economic cycle including downturns. Where internal loss data is insufficient to provide robust risk estimates, the PD, LGD and EAD models may incorporate internal and/or external proxies, and where necessary, may be augmented with appropriate margins of conservatism.

## **Credit Exposures Subject To Supervisory Prescribed Risk Weight**

### **Equity Asset Class**

According to BOT's guidelines, UOB (Thai) Group is eligible to apply 100% risk weight to equity exposures which have been exempted from IRB capital computation.

### **Credit Exposures Subject To Standardised Approach**

For exposures subject to the SA, prescribed risk weights based on asset class are used in the computation of regulatory capital except for Claims on Corporate where 100% risk weight is applied.

## **MARKET RISK**

Market risk is governed by the Asset and Liability Committee (ALCO), which meets monthly to review and provide directions on market risk matters. The Market Risk Management Unit (MRM) supports the ALCO with independent assessment of the market risk profile of UOB (Thai) Group.

UOB (Thai) Group's market risk framework comprises market risk policies, practices, control, and risk limits structure with appropriate delegation of authority. In addition, we have a stringent Product/Service Programme due diligence process in place to ensure that market risk issues are adequately addressed prior to product launches.

UOB (Thai) Group currently adopts the Standardised Approach for the calculation of regulatory market risk capital but uses daily Value-at-Risk (VaR) to measure and control trading market risks. To complement the VaR measure, stress and scenario tests are performed to identify UOB (Thai) Group's vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses to facilitate proactive management of market risks.

In addition, VaR estimates are backtested against profit and loss of the trading book to validate the robustness of the methodology. The backtesting process analyses whether exceptions are due to model deficiencies or market volatility.

## **INTEREST RATE RISK IN BANKING BOOK**

The ALCO maintains oversight of the effectiveness of the interest rate risk management structure. Balance Sheet Risk Management Unit (BSRM) supports the ALCO in monitoring the interest rate risk profile of the Banking book.

The primary objective of interest rate risk management is to protect and enhance capital or economic net-worth through adequate, stable and reliable growth in net interest earnings under a broad range of possible economic conditions. This is achieved by ensuring that the structural interest rate risk is identified, measured, monitored

## Risk Management

and managed over a range of potential and realistic interest rate scenarios, including under stress situations.

Interest rate risk assessment is mainly based on earnings perspective known as Net Interest Income (NII) and economic value perspective known as Economic Value of Equity (EVE). The impact of interest rate sensitivity is measured via static analysis. In the earnings perspective, the focus of the analysis is on the impact of changes in interest rates on earnings, typically looking at near term. The economic value of the bank provides a long-term effect of changes in interest rate, which is the net present value of assets, minus liabilities plus the off balance sheet position. In repricing gap approach, the cash flows are profiled in different time bands based on repricing schedule. For loans and deposits that do not have maturity dates such as saving account deposit, the earliest possible repricing dates will be taken into consideration. Mismatches in the longer tenor from repricing gap will experience greater change in the price-value of interest rate positions than similar positions in the shorter tenor.

In addition, UOB (Thai) Group performs monthly interest rate stress testing to assess the impact of interest rate NII and EVE. The parallel rate shocks such as 100 basis points (bp) and 200bp are applied to the repricing gap profile. Such tests are performed to provide early warnings of potential losses, facilitating the proactive management of interest rate risks.

The risks arising from the trading book, such as interest rates, foreign exchange rates and equity prices are managed and controlled under the market risk framework that is discussed under the 'Market Risk' section.

### LIQUIDITY RISK

Liquidity risk is the risk that UOB (Thai) and its subsidiaries may not be able to meet their obligations as they fall due as a result of inability to liquidate their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiaries.

UOB (Thai) Group maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

UOB (Thai) Group manages liquidity at a centralised level. Liquidity risk is managed in accordance with a framework of policies, controls and limits established by UOB (Thai)'s ALCO. These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of

funding as well as maintaining a portfolio of high quality and marketable debt securities.

UOB (Thai) Group takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of UOB (Thai) Group's core deposits and the maintenance of customer confidence. Core deposits are generally stable non-bank deposits, such as current accounts, savings accounts and fixed deposits. UOB (Thai) Group monitors the stability of its core deposits by analysing their volatility over time.

UOB (Thai) Group uses of funds are mainly for providing loans to customers, investing in government securities, and placing excess funds with financial institutions.

UOB (Thai) Group's liquidity risk management is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. UOB (Thai) Group is monitored under 'business as usual', and three crisis scenarios, which are 'bank-specific crisis', 'general market crisis', and 'combination crisis'. Cash flow mismatch limits are established to limit the Bank's liquidity exposure. The Bank also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

Liquidity Gap Analysis or Cash Flow Mismatch Analysis under the 'Business as Usual' scenario is measured and monitored against Net Cumulative Outflow (NCO) limits which are set for overnight, seven days, and thirty days. In the event that a limit is breached, an investigation will be conducted and the related documents reported to relevant parties, in accordance with the escalation process.

For stress testing (bank-specific crisis, general market crisis, and combined scenarios), additional assumptions such as sudden increase in deposit withdrawals, reduction in loan repayments, potential trading losses, or liquidation of securities with haircuts, are taken into account. These assumptions are agreed by business units and approved by the Board or delegated committee.

Liquidity risk assessment is conducted on both daily and monthly basis. Liquidity gap or maturity mismatch analysis report is produced by Balance Sheet Risk Management unit and monitored by Market Risk Control against approved NCO Limits on a daily basis. Other reports such as early warning indicators as well as

# Risk Management

sources and utilisation of funds are produced on a monthly basis. These reports are deliberated in ALCO meetings.

Behavioural modelling is carried out and reviewed regularly to ensure that the cash flow requirements for the 'business as usual' and crisis scenarios are realistic. Loans and deposits which do not have maturity dates, and fixed deposits which are rolled over frequently, are generally estimated based on their past statistics or trends. Other balance sheet items like credit cards are generally estimated based on the past statistics of customers. Cash flow mismatch limits are established to limit the UOB (Thai) Group liquidity exposure. UOB (Thai) Group also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

Contingency funding plans are in place to identify liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

Loans to Deposits and Bill of Exchange (interbank and money market items are excluded) are among the liquidity ratios monitored.

## OPERATIONAL RISK

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events, including reputation, legal and compliance risks but excluding strategic risk.

The objective is to manage operational risk at appropriate levels relative to the markets in which the businesses operate.

### Operational Risk Governance, Framework and Tools

Operational risk is managed through a framework of policies, and procedures by which business and support units properly identify, assess, monitor, mitigate and report their risks. The Operational Risk Management Committee attended by senior management meets monthly to provide oversight of operational risk matters across the UOB (Thai) Group.

The Operational Risk Governance structure adopts the Three Lines of Defence Model. The businesses as the first line of defence, are responsible for establishing a robust control environment as part of their day-to-day operations. Each Line of Business is responsible for implementing the operational risk framework and policies, embedding appropriate internal controls into processes and maintaining business resilience for key activities. Operational Risk Management as the second line of defence is responsible for risk management oversight and exercising governance over operational risk through providing relevant framework, policies, tools and system to manage the operational risk, quality assurance of internal

controls, operational risk measurement, monitoring and reporting of operational risk issues to senior management, relevant management committees and the Board.

Internal Audit acts as the third line of defence by providing an independent and objective assurance on the overall effectiveness of the risk governance framework, and internal control effectiveness through periodic audit programme.

A key component of the operational risk management framework is risk identification and control self-assessments. This is achieved through the implementation of a set of operational risk tools. Several risk mitigation policies and programmes are in place to maintain a sound operating environment.

UOB (Thai) Group has a business continuity and crisis management programme in place to ensure prompt recovery of critical business functions should there be unforeseen events. Senior management provides an annual attestation to the Board on the state of business continuity readiness of the UOB (Thai) Group.

Regulatory compliance risk refers to the risk of non-compliance with laws, regulations, rules, standards and codes of conduct. This risk is identified, monitored and managed through a structured framework of policies, procedures and guidelines maintained by the UOB (Thai) Group. The framework also manages the risk of breaches and sanctions relating to Anti-Money Laundering and Countering the Financing of Terrorism.

The UOB (Thai) Group actively manages fraud and bribery risks. Tools and policies, including a whistle-blowing programme, a material risk notification protocol and a fraud risk awareness training programme, have been developed to manage such risks. All employees are guided by a Code of Conduct, which includes anti-bribery and corruption provisions.

Reputation risk is the risk of adverse impact on earnings, liquidity or capital arising from negative stakeholder perception or opinion on the UOB (Thai) Group's business practices, activities and financial condition. The UOB (Thai) Group recognises the impact of reputation risk and a framework has been developed to identify and manage the risk across the UOB (Thai) Group.

To mitigate operational losses resulting from significant risk events, an insurance programme covering crime, fraud, civil liability, property damage, public liability and, directors' and officers' liability has been put in place.

# Report of the Audit Committee

The Audit Committee (“the AC”) of United Overseas Bank (Thai) Pcl. comprises three independent directors: Mr. Arun Chirachavala, the AC Chairman, Mr. Chinnawat Bulsuk and Mr. Suebtrakul Soonthornthum as Committee members. All the Committee members are non-executive directors and non-employees of the Bank.

In 2014, the Committee held four meetings to review the Bank’s internal control system and discuss financial and operational audit issues with the Bank’s External and Internal Auditors. Relevant Management members were invited to attend the meetings to provide additional information and clarification of the internal control systems.

Major matters in the meetings were as follows:

- Approved the Annual Planned Schedules for the Audit Committee Meetings
- Approved and monitored the Internal Audit Year Plan, the Internal Audit 3-Year Strategic Plan, and resources of the Internal Audit
- Evaluated the Performance Evaluation of the Head of Internal Audit
- Reviewed and approved the Audit Committee Charter and the Policy on Fraud with no change
- Reviewed and approved the revision of the Internal Audit Charter and the Whistle-Blowing Policy
- Reviewed the Scope and Results of the Audit and Key Accounting and Auditing Areas, including the meetings (non-executive session) held with the External Auditor (EY)
- Reviewed and discussed the adequacy and effectiveness of the Bank’s Internal Control System with the Senior Management, Internal and External Auditors as well as the Management’s Responses to the control deficiencies and timely remedial actions taken
- Reviewed the major items of the financial reports, the Management Letter (ML) and the reliability of those reports, and the reasonableness of the Connected and Related Parties’ transactions
- Reviewed and proposed the re-appointment of the external auditor and the audit fee to the Board of Directors for approval
- Reviewed and noted the Internal Audit quarterly reports, major findings and status updates including the compliance with internal and external regulations
- Noted the Group Audit report including key initiatives and progresses
- Noted the Internal Audit for the Quality Assurance Review (QAR) program (External Assessment) and its result that was rated as “Generally Conforms” with the Institute of Internal Auditors’ Standards (The IIA’s Standards), and approved the re-conduct of the External Assessment performed by Protiviti, the external assessor
- Noted the Compliance and Risk Management quarterly reports
- Noted the implementation issues, progresses, and audit result of Basel II - Internal Ratings Based Approach (IRBA), the Internal Capital Adequacy Assessment Process (ICAAP), and Basel III
- Noted the regulators’ audit results and implementation progresses, e.g., the BOT, MAS and etc.

The Committee has continuously reviewed and assessed the Bank’s key risks, controls, governance and monitoring system through the Bank’s Internal Audit and upon the discussions with the External Auditor and Senior Management. From the evaluation of the Bank’s Internal Control System, it was concluded that the Bank’s Internal Control in the areas of financial reporting and risk management is adequate and reliable, and that reinforces the Bank to continue to improve the overall internal control framework.



**Mr. Suebtrakul Soonthornthum**

Acting Chairman of the Audit Committee

6 March 2015

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

The Board of Directors has reviewed the Audit Committee report and the opinion on the adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting No. 592 held on 6 March 2015. Participants of the meeting included the Audit Committee members comprising the two independent directors who are not employees of the Bank.

The Audit Committee's opinion on the Internal Control System of the Bank and its subsidiaries was summarised after the meetings with the Senior Management and External Auditor, and upon the report of the Key Risk and Control Self-Assessment (KRCSA) implemented by Operational Risk Management (ORM), and the Quarterly Reports by Risk Management, Compliance and Internal Audit.

The evaluation of the Bank's Internal Control System was divided into five sections as follows:

- Organisation Control and Environment Measures
- Risk Management Measures
- Management Control Activities
- Information and Communication Measures
- Monitoring and Evaluation

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 the issues arisen and remedial actions taken.

The External Auditor of the Bank is EY Office Limited (EY) of which Ms. Ratana Jala, a Certified Public Accountant (CPA), as Designated External Auditor, has examined and given her opinion that the Bank and its subsidiaries' Financial Statements present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2014, and the results of their operations, and cash flows for the year then ended in accordance with generally accepted accounting principles.



**Mr. Suebtrakul Sonthornthum**

Acting Chairman of the Audit Committee  
6 March 2015

# Report of the Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors, and consists of an Independent Director as the Committee Chairman, and another Independent Director, and 2 Directors as members of the Committee as follows:

- |                                 |          |
|---------------------------------|----------|
| 1) Mr. Chinnawat Bulsuk*        | Chairman |
| 2) Mr. Suebtrakul Soonthornthum | Member   |
| 3) Mr. Wee Ee Cheong            | Member   |
| 4) Mr. Francis Lee Chin Yong    | Member   |

\* Appointment effective from 2 August 2014

The Nomination and Compensation Committee held 4 meetings in 2014.

The Nomination and Compensation Committee is responsible for the setting up of policies and criteria for considering the selection and remuneration of the Bank's Board members and the Bank's senior management which includes the following:

- Review the nomination of qualified Board Directors, CEO and Management from Executive Director (ED) level and above, including any internal promotions to the rank of ED and above;
- Recommend the remuneration of the Board Directors and review the remuneration of the senior management team.

In selecting a Board Director, CEO and Senior Management, the factors to be taken into consideration, in addition to all applicable regulatory requirements, include the candidate's academic qualifications, personal character, technical and leadership competence, employment and career experience, and his or her management philosophy and management vision. The successful candidate must share the Board's and Management's philosophy and vision in managing the financial institution in order to ensure that the institution's goals are met. Furthermore, the candidate must share the same beliefs that will help establish mutual trust and close working relationships with the Board and with the Senior Management team. The Nomination and Compensation Committee will review the successful candidate for suitability before the bank proceeds to obtain approval from the Bank of Thailand and from the Board of Directors.

In setting compensation for 2014 as disclosed in this Annual Report, the scale and component of remuneration for the Directors, Executive Directors, Non-Executive Directors, and Senior Management are comparable to the general practice in the financial industry with regard to work experience and the Bank's overall performance results and in accordance with the principles and policies which have been approved by the Board and shareholders.

The Bank believes in the remuneration policy and principle of meritocracy – which is to ensure that each staff including that of senior management is rewarded and recognized based on his or her level of performance and contribution to the Bank.

The Nomination and Compensation Committee will, based on the bank's financial performance, market and industry rewards trends, as well as on GDP and inflation rate projections, propose the annual staff remuneration increment and bonus rates to the Board of Directors for consideration and approval in the first quarter of each year.



**Mr. Chinnawat Bulsuk**

Chairman, Nomination & Compensation Committee  
5 February 2015

# Corporate Governance

United Overseas Bank (Thai) Public Company Limited (the “Bank”), a subsidiary of United Overseas Bank Limited (“UOB”), is committed to maintaining good corporate governance. The Bank believes that good corporate governance is fundamental to sustaining business growth, as well as safeguarding the interests of all stakeholders including shareholders, employees, business partners, customers, government entities with supervisory authority and auditors. The Bank has established a Code of Conduct (the “Code”) for the guidance of all employees, including the Management team. This Code sets out the best practices that all employees should follow to uphold the Bank’s core values of integrity, teamwork, performance excellence, and trust and respect.

The Board of Directors (the “Board”) has set up various board committees to assist the Board in overseeing the Bank. The Bank has in place a comprehensive system of internal controls to safeguard its business and the interests of its stakeholders including depositors.

## Control Systems, Risk Management, Compliance and Internal Audit

The Board and Management recognise the importance of having robust internal controls, as well as effective risk management, compliance and internal audit functions. The Bank has set up various committees which assist the President and CEO in overseeing the day-to-day operations of the Bank. All business and support units within the Bank are expected to comply with the governance guidelines on internal controls and ethics. Internal control activities form an integral part of operational processes. The Bank has established appropriate dual controls segregating the operational functions and the control and monitoring functions to achieve appropriate checks and balances.

The Risk Management function is responsible for putting in place the strategy, policies and processes to identify, measure, control and report risks of the UOB (Thai) Group. To perform its role effectively, it works with the relevant senior management committees as well as business and support functions to develop appropriate frameworks, strategies, processes and procedures to manage and monitor risks. Details of the Bank’s risk management are set out in the ‘Risk Management’ section of this Annual Report and Pillar III disclosure on the Bank’s website.

Compliance is an independent function within the Bank that manages compliance risks and reports directly to the Board. Compliance is responsible for communicating, educating and advising all units in the Bank on applicable regulatory development and the impact on the business practices, as well as conducting compliance reviews and tests with a view to ensuring that the Bank conducts its business in compliance with all applicable laws, regulations and measures against money-laundering, terrorism and financial crime.

Internal Audit is an independent unit that reports directly to the Audit Committee. The Internal Audit team comprises qualified staff and is responsible for assessing the adequacy and effectiveness of the Bank’s system of internal controls, risk management and governance processes. The operations of Internal Audit are assessed by an external assessor every five years. Based on the results of the latest external assessment conducted in 2014, Internal Audit generally conforms to the International Professional Practices Framework (IPPF) of Internal Auditing, and complies with UOB Group’s audit methodologies.

## Directors’ Reporting

The Board is responsible for the Bank’s and its subsidiaries’ consolidated financial statements and for the financial information presented in this Annual Report. The financial statements have been prepared in accordance with the accounting standards enunciated under the Accounting Professions Act B.E. 2547, and in reliance on governing policies, careful judgment and best estimates. Important information is adequately disclosed in the notes to the financial statements. The independent certified public accountants, having reviewed the financial statements and its notes, have issued an unqualified audit opinion of the financial statements. The Bank’s financial statements reflect the true and transparent financial status and performance for the information of shareholders.

The Board has prescribed and maintained oversight of an effective system of internal controls, compliance and internal audit to ensure that accounting records are accurate, complete and adequate to protect the Bank’s assets and its depositors’ interests, and uncover weaknesses to prevent operational risk or materially irregular operations.

## Board of Directors

The Board consists of nine qualified directors, three of whom are independent directors and not less than half of the total members reside in the Kingdom. The Board meets at least once every three months and no fewer than half of the total number of directors must be present to constitute the quorum for a meeting.

The Board’s main roles and duties include providing strategic directions and approving key policies of the Bank, as well as putting in place an effective Management team and monitoring their performance. The Board has delegated certain functions to four board committees, namely the Executive Committee, Audit Committee, Nomination and Compensation Committee, and Risk and Capital Committee. The Board may also appoint one or several directors or any other person to perform any acts on its behalf.



# Corporate Governance

The Board members are:

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Chinnawat Bulsuk	Independent Director
Suebtrakul Soonthornthum	Independent Director
Arun Chirachavala	Independent Director
Lee Chin Yong	Director
Cheo Chai Hong	Director
Peter Foo Moo Tan	Director
Sanchai Apisaksirikul	Director

## Executive Committee

The main responsibilities of the Executive Committee (“EXCO”) include:

- reviewing and approving business policies and strategies, risk management policies and guidelines, and other policy matters;
- monitoring the progress of the Bank’s business plans and operations;
- setting credit discretionary limits;
- approving or ratifying approvals for credit applications and debt restructuring cases;
- endorsing relevant Internal Capital Adequacy Assessment Process (“ICAAP”) documents, including the framework for ICAAP, stress test framework, capital related policies and capital plan; and
- performing such other functions and exercising such other power and authority as may be delegated by the Board.

The EXCO empowers the President and CEO to set up senior management committees where necessary as well as to appoint the members and determine the scope of duties and responsibilities of such committees. The senior management committees established by the EXCO, namely the Management Committee, Assets and Liabilities Committee, Credit Committee, IT Committee, Credit Management Committee, Special Asset Management Credit Committee and Anti-Money Laundering Committee, consist of relevant management staff from various functions.

The Exco members are:

Peter Foo Moo Tan	Chairman
Wee Ee Cheong	Vice Chairman I
Lee Chin Yong	Vice Chairman II
Cheo Chai Hong	Member
Sanchai Apisaksirikul	Member

## Audit Committee

The Audit Committee (“AC”) consists of three independent directors. Its main responsibilities are to provide oversight of the:

- appropriateness and efficiency of the internal control systems;
- quality of the financial reports;
- Internal Audit function;
- selection and nomination of the external auditors, including determining the external auditors’ remuneration; and
- disclosure of related-party transactions or transactions where conflict of interests may occur.

The AC members are:

Arun Chirachavala*	Chairman
Chinnawat Bulsuk	Member
Suebtrakul Soonthornthum	Member

\* Appointment effective from 2 August 2014

## Nomination and Compensation Committee

The Nomination and Compensation Committee (“NCC”) consists of four directors, two of whom are independent directors (including the NCC Chairman). The NCC is responsible for the nomination of, and the remuneration for, the Board members and Senior Management. The NCC’s duties include:

- determining the policy and criteria for selection and reviewing the suitability of candidates for appointment to the Board, as Chief Executive Officer and to Senior Management positions of executive director level and above, and deciding on any internal promotions to the rank of executive director and above; and
- setting the approach to the remuneration, recommending the remuneration for the Board members and reviewing the remuneration of the Senior Management team.

The NCC members are:

Chinnawat Bulsuk*	Chairman
Wee Ee Cheong	Member
Lee Chin Yong	Member
Suebtrakul Soonthornthum	Member

\* Appointment effective from 2 August 2014

# Corporate Governance

## Risk and Capital Committee

The Risk and Capital Committee (“RCC”) is established by the Board and comprises two directors and twelve function heads. The RCC reviews the Bank’s overall risk appetite, ICAAP and capital. Other key functions performed by the RCC include:

- a) establishing policies on managing credit risk, market risk, liquidity risk, operational risk and any other types of risks that may affect the reputation and stability of the Bank and its subsidiaries;
- b) reviewing the adequacy of the policies, risk management procedures and all important aspects of the rating systems, and processes which include the use of rating systems and estimates of Internal Ratings-Based Approach parameters and stress tests, taking into account the business and capital implication;
- c) discussing risk and capital issues on an integrated basis, including reviewing the capital plan;
- d) reviewing the UOB (Thai) Group’s risk appetite framework and risk appetite statement;
- e) recommending risk treatment actions in response to material changes, events and breaches of the risk appetite;
- f) resolving outstanding disagreement on exiting customer relationship and denial of account opening to new and existing customers proposed by the Bank’s Anti-Money Laundering Committee;
- g) overseeing UOB (Thai) Group’s consolidated companies to ensure that UOB (Thai) Group’s risk management policies and regulatory requirements are complied with;
- h) considering operational risk issues proposed by Operational Risk Management Committee (ORMC).

The RCC reports directly to the Board on a regular basis and highlights new risks and exceptional risk events to the AC from time to time.

The RCC members are:

President and CEO	Chairman
Head of Credit and Risk Management	Vice Chairman
Head of Finance and Corporate Services	Member
Head of Risk Management	Member
Head of Technology and Operations	Member
Head of Corporate Banking	Member
Head of Commercial Banking	Member
Head of Personal Financial Services	Member
Head of Business Banking	Member
Head of Credit Approval	Member
Head of Global Markets	Member
Head of Compliance	Member
Head of Channels	Member
Head of Retail Credit	Member

In 2014, the Board held four meetings and the AC held four meetings. The attendance of each director is as follows:

<u>Board of Directors</u>	<u>No. of Meetings Attended</u>
Wee Cho Yaw	2/4
Wee Ee Cheong	4/4
Chinnawat Bulsuk	4/4
Suebtrakul Soonthornthum	4/4
Arun Chirachavala	4/4
Lee Chin Yong	4/4
Cheo Chai Hong	4/4
Peter Foo Moo Tan	4/4
Sanchai Apisaksirikul	4/4
<u>Audit Committee</u>	<u>No. of Meetings Attended</u>
Arun Chirachavala	4/4
Chinnawat Bulsuk	4/4
Suebtrakul Soonthornthum	4/4

# Branch Network

As at 31 December 2014

## Head Office

### Sathon

(Mon - Fri from 8.30am - 3.30pm)

191 South Sathon Rd., Sathon, Bangkok 10120

Tel : 0 2343 3000 Ext. 2682, 2684, 2686

0 2343 2688, 0 2343 2689,

0 2343 2695, 0 2343 2047,

0 2343 2687, 0 2343 2612,

0 2343 2682, 0 2343 2686,

0 2343 2693, 0 2343 2685,

0 2343 2610, 0 2343 2602,

0 2343 2565, 0 2343 2561

Fax : 0 2287 2972

### Bangkok Metropolitan, Nonthaburi and Pathumthani

#### Amarin Plaza

(Mon - Fri from 8.30am - 5.00pm)

Amarin Plaza, 1<sup>st</sup> Fl., 500 Ploenchit Rd.,

Pathum Wan, Bangkok 10500

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

0 2256 9045-6, 0 2256 9906,

0 2256 9677, 0 2256 9680

Fax : 0 2252 7871

#### Anusavaree Chaisamorphoom

(Mon - Fri from 8.30am - 3.30pm)

911/1-3 Phaholyothin Rd., Phaya Thai,

Bangkok 10400

Tel : 0 2271 0089, 0 2271 3447,

0 2271 2662

Fax : 0 2271 0088

#### Asok Montri

(Mon - Fri from 8.30am - 3.30pm)

Ratchapark Building, 1<sup>st</sup> Fl.,

163 Sukhumvit 21 Rd., Wattana,

Bangkok 10110

Tel : 0 2258 3259, 0 2258 3261,

0 2258 3265, 0 2258 3268,

0 2258 3881

Fax : 0 2258 9552

#### Bang Bon

(Mon - Fri from 8.30am - 3.30pm)

289 Eakchai Rd., Bang Bon, Bangkok 10150

Tel : 0 2898 0423-5, 0 2415 6984

Fax : 0 2898 0426

### Bang Poo Industrial Estate Market

(Mon - Fri from 8.30am - 3.30pm)

798-799 Tessaban Preakasa 14 Rd.,

Preakasa, Muang, Samut Prakan 10280

Tel : 0 2324 3504-7

Fax : 0 2324 3508

### Bangbuathong

(Mon - Fri from 8.30am - 3.30pm)

28/33-35 Moo 4, Bangkruay-Sainoi Rd.,

Sahno-loi, Bangbuathong, Nonthaburi 11110

Tel : 0 2920 2451-5

Fax : 0 2920 2450

### Bangmod

(Mon - Fri from 8.30am - 3.30pm)

1/2 Moo 9, Rama II Rd., Jomthong,

Bangkok 10150

Tel : 0 2867 0203-5, 0 2867 0913

Fax : 0 2867 0914

### Bangna KM.2

(Mon - Fri from 8.30am - 3.30pm)

21/235-236 Moo 12, Bangna-Trad Rd.,

Bangna, Bangkok 10260

Tel : 0 2396 1931, 0 2393 9825,

0 2399 0178-81

Fax : 0 2393 6147

### Bangplee

(Daily from 10.00am - 7.00pm)

BIG C Center Bangplee, 89 Moo 9

Taeparak KM. 13 Rd., Bangplee,

Samut Prakarn 10540

Tel : 0 2752 4505, 0 2752 4507-9,

0 2752 4506

Fax : 0 2752 4504

### Bangrak

(Mon - Fri from 8.30am - 3.30pm)

Jems Tower Building,

1249/19, 1249/50, 1249/59

Charoen Krung Rd., Bangrak,

Bangkok 10500

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

0 2234 5265, 0 2266 9896-7,

0 2234 5266

Fax : 0 2266 9667

### Bangyai City

(Mon - Sat from 10.00am - 6.00pm)

Bangyai City, 89/12-14 Moo 6,

Kanchanapisek Rd., Saothonghin,

Bangyai, Nonthaburi 11140

Tel : 0 2595 0481-2, 0 2595 0484-5

Fax : 0 2595 0486

### Big C Omyai

(Daily from 10.30am - 7.30pm)

Big C Super Center Omyai, 17/17 Moo 8,

Omyai, Sampran, Nakhon Prathom 73160

Tel : 0 2431 1534-7

Fax : 0 2431 1542

### Bobae

(Daily from 8.30am - 5.30pm)

1082/2 Krungkasem Rd., Klong Mahanak,

Pom Prap Sattru Phai, Bangkok 10100

Tel : 0 2282 3665, 0 2282 3796,

0 2282 4374, 0 2282 3694-5,

0 2282 4557

Fax : 0 2282 1914

### BTS On Nut

(Daily from 10.00am - 7.00pm)

Market Plus Building, 2<sup>nd</sup> Fl., 2149

Soi Sukhumvit 83, Phra Khanong,

Bangkok 10260

Tel : 0 2741 4206-7, 0 2741 4210

Fax : 0 2742 5816

### Buntudthong

(Daily from 8.30am - 3.30pm)

56/20, 56/59-62 Rama I Rd., Pathum Wan,

Bangkok 10330

Tel : 0 2214 1733, 0 2214 2067,

0 2214 2252, 0 2214 1292

Fax : 0 2215 4836

### Central Bangna

(Daily from 10.30am - 7.30pm)

587 Room 252-254 Bangna-Trad Rd.,

Bangna, Bangkok 10260

Tel : 0 2361 7851-3

Fax : 0 2361 7854

# Branch Network

As at 31 December 2014

## Central Grand Rama 9

*(Daily from 10.30am - 7.30pm)*

Central Plaza Grand Rama 9 Department Store,  
5<sup>th</sup> Fl., Room No. 508-2, 9/8, 9/9 Rama 9 Rd.,  
Huai Kwang, Bangkok 10310  
Tel : 0 2160 3851-4  
Fax : 0 2160 3855

## Central Pinklao

*(Daily from 10.30am - 7.30pm)*

Central Pinklao Department Store,  
7/1 Baromratchonnane Rd., Bangkok-noi,  
Bangkok 10700  
Tel : 0 2884 8030-2  
Fax : 0 2884 8033

## Central Rama 2

*(Daily from 10.30am - 7.30pm)*

Central Plaza Rama 2 Department Store,  
1<sup>st</sup> Fl., Room 159, 160 Rama 2 Rd.,  
Bang Khun Thien, Bangkok 10150  
Tel : 0 2415 1648-50, 0 2415 1867  
Fax : 0 2415 1868

## Central Plaza Rama 3

*(Daily from 11.00am - 8.00pm)*

Central Plaza Rama 3 Department Store,  
4<sup>th</sup> Fl., Unit No. 434, 79 Sathupradit Rd.,  
Chong Nonsri, Yanawa, Bangkok 10120  
Tel : 0 2164 0085-6, 0 2673 7027-8  
Fax : 0 2164 0087

## Central Rattanathibet

*(Daily from 10.00am - 8.00pm)*

Central Plaza Rattanathibet, 2<sup>nd</sup> Fl.,  
Zone E-Centre Department Store,  
562, 566 Moo 8, Rattanathibet Rd.,  
Muang, Nonthaburi 11000  
Tel : 0 2527 8619-20, 0 2527 8631,  
0 2527 8633  
Fax : 0 2527 8636

## Chaengwatana

*(Mon - Fri from 8.30am - 3.30pm)*

Na Nakorn Building, 99/349 Moo 2,  
Chaengwatana Rd., Donmuang, Bangkok 10210  
Tel : 0 2576 1057-60, 0 2576 1544-5,  
0 2576 1531-2  
Fax : 0 2576 1533

## City Complex

*(Mon - Fri from 8.30am - 5.00pm)*

City Complex Building, 831 Petchburi Rd.,  
Ratchathewi, Bangkok 10400  
Tel : 0 2255 0746, 0 2255 0749,  
0 2653 8522, 0 2613 5199,  
0 2252 1211  
Fax : 0 2255 0748

## Empire Tower

*(Mon - Fri from 8.30am - 4.30pm)*

Empire Tower, B1 Fl., Unit K27,  
195 South Sathorn Rd., Yannawa,  
Sathon, Bangkok 10120  
Tel : 0 2287 2870-3  
Fax : 0 2287 2874

## Fashion Island

*(Daily from 10.30am - 7.30pm)*

Fashion Island Department Store,  
587, 589 Ramintra Rd., Kunayao,  
Bangkok 10230  
Tel : 0 2947 5307-9, 0 2947 5311,  
0 2947 5311  
Fax : 0-2947-5310

## Gateway Ekamai

*(Daily from 10.30am - 7.30pm)*

Gateway Ekamai Department Store,  
982/22 Sukhumvit Rd., Phra Khanong,  
Klongtoey, Bangkok 10110  
Tel : 0 2108 2856-9  
Fax : 0 2108 2849

## Huamark

*(Mon - Fri from 8.30am - 3.30pm)*

5, 7, 9 Soi Ramkhamheang 19/1,  
Ramkhamhaeng Rd., Bangkapi, Bangkok 10240  
Tel : 0 2318 8561-4, 0 2718 4624,  
0 2319 3062  
Fax : 0 2318 0139

## Klong Toey

*(Mon - Fri from 8.30am - 3.30pm)*

Rama IV Department Store,  
1472-1474 Rama IV Rd., Klong Toey,  
Bangkok 10110  
Tel : 0 2249 0886-7, 0 2249 0888-90  
Fax : 0 2249 4075

## Latphrao

*(Mon - Fri from 8.30am - 3.30pm)*

1558 Ladphrao Rd., Wang Thong Lang,  
Bangkok 10310  
Tel : 0 2514 2709, 0 2514 2964,  
0 2539 5800, 0 2530 1120,  
0 2933 7416-7  
Fax : 0 2539 2003

## Leng Nuei Yee

*(Mon - Fri from 8.30am - 5.00pm)*

416-8 Charoen Krung Rd., Sampanthawong,  
Bangkok 10100  
Tel : 0 2623 1644-7  
Fax : 0 2623 1090

## Major Phra Pra Daeng

*(Daily from 10.30am - 7.30pm)*

Major Phra Pra Daeng Building, 360/14 Moo 7,  
Suksawat Rd., Ratburana, Bangkok 10140  
Tel : 0 2818 1970-2  
Fax : 0 2818 1973

## Manorom

*(Mon - Fri from 8.30am - 3.30pm)*

Manorom Building, 3354/1 Rama 4 Rd.,  
Klongton, Klong Toey, Bangkok 10110  
Tel : 0 2249 7480-2  
Fax : 0 2249 7479

## Megabangna

*(Daily from 10.30am - 7.30pm)*

39 Moo 6, Bangna-Trad Rd., KM. 8,  
Bangkaew, Bangplee, Samut Prakarn 10540  
Tel : 0 2186 8702-5  
Fax : 0 2186 8706

## Minburi

*(Mon - Fri from 8.30am - 3.30pm)*

Navamin Plaza, G Fl., 599/1 Moo 13  
Sihaburanukit Rd., Minburi, Bangkok 10510  
Tel : 0 2518 0815-7  
Fax : 0 2518 0799

## Muang Thong Thani

*(Mon - Fri from 8.30am - 3.30pm)*

339 Muangthongthani, Bondstreet Rd.,  
Parkkred, Nonthaburi 11120  
Tel : 0 2503 4940-3  
Fax : 0 2503 4914

# Branch Network

As at 31 December 2014

## Ngam Wong Wan

(Mon - Fri from 8.30am - 3.30pm)  
207/15 Moo 6, Ngam Wong Wan Rd.,  
Lukxi, Bangkok 10210  
Tel : 0 2591 7902, 0 2591 0770  
Fax : 0 2591 0771

## Nong Khaem

(Mon - Fri from 8.30am - 3.30pm)  
77/207 Moo 2, Phetkasem Rd.,  
Nong Khaem, Bangkok 10160  
Tel : 0 2420 7941-4  
Fax : 0 2420 7940

## Nonthaburi

(Mon - Fri from 8.30am - 3.30pm)  
32/16-19 Pracharat Rd., Muang,  
Nonthaburi 11000  
Tel : 0 2525 1770-2, 0 2968 4592-4,  
0 2968 4594  
Fax : 0 2526 2993

## On Nut

(Mon - Fri from 8.30am - 3.30pm)  
1468, 1470 On Nut Rd., Suan Luang,  
Bangkok 10250  
Tel : 0 2332 3134-7  
Fax : 0 2331 8519

## Paradise Park

(Daily from 10.30am - 7.30pm)  
Paradise Park, 2<sup>nd</sup> Fl., 2C004 Srinakarin Rd.,  
Nongbon, Prawet, Bangkok 10250  
Tel : 0 2746 0816-8  
Fax : 0 2746 0819

## Pattanakarn

(Mon - Fri from 8.30am - 3.30pm)  
309/1-4 Patanakarn Rd., Prawet, Bangkok 10250  
Tel : 0 2322 0439, 0 2322 0441-3  
Fax : 0 2322 0438

## Phaholyothin KM.26

(Mon - Fri from 8.30am - 3.30pm)  
1/737 Moo 17, Soi Amporn, Phaholyothin KM. 26,  
Lam Luk Ka, Pathum Thani 12150  
Tel : 0 2532 3645-50, 0 2532 3644  
Fax : 0 2532 3641

## Phaholyothin Soi 19

(Mon - Fri from 8.30am - 3.30pm)  
Rasa Tower Building, 555 Phaholyothin Rd.,  
Chatuchak, Bangkok 10900  
Tel : 0 2937 0300-4, 0 2513 3165  
Fax : 0 2937 0305

## Phahurad

(Mon - Fri from 8.30am - 5.00pm,  
Sat from 10.00am - 5.00pm)  
The Old Siam Plaza, 2/30-33, 4/11-14  
Burapa Rd., Phra Nakhon, Bangkok 10200  
Tel : 0 2222 0176-9, 0 2222 4113-4,  
0 2223 1854-5, 0 2623 8477  
Fax : 0 2223 0708

## Phra Pinklao

(Mon - Fri from 8.30am - 3.30pm)  
30 Charansnidvongs Rd., Bangplad,  
Bangkok 10700  
Tel : 0 2434 7110-3, 0 2434 7115,  
0 2424 2283  
Fax : 0 2434 7114

## Platinum Pratunam

(Daily from 10.00am - 7.00pm)  
The Platinum Fashion Mall, B Fl.,  
222/125, 222/177, 222/178 Petchaburi Rd.,  
Ratchathewi, Bangkok 10400  
Tel : 0 2121 8215-8  
Fax : 0 2121 8219

## Rajchaprarop

(Mon - Fri from 8.30am - 5.00pm)  
120/126 Rajchaprarop Rd., Ratchathewi,  
Bangkok 10400  
Tel : 0 2656 3071-2, 0 2656 3068  
Fax : 0 2251 0404

## Rajchawong

(Mon - Fri from 8.30am - 3.30pm)  
219/2 Rajawongse Rd., Sampandhawongse,  
Bangkok 10100  
Tel : 0 2221 7515, 0 2622 7388-90  
Fax : 0 2622 7392

## Rangsit

(Daily from 10.30am - 7.30pm)  
Future Park Rangsit Building, 94 Moo 2,  
Thanyaburi, Pathum Thani 12110  
Tel : 0 2958 0562-7  
Fax : 0 2958 0568

## Ratchada-Huay Khwang

(Mon - Fri from 8.30am - 3.30pm)  
167/8 Ratchadaphisek Rd., Din Daeng,  
Bangkok 10320  
Tel : 0 2276 9408-12, 0 2276 9414  
Fax : 0 2276 9413

## Ratchada-Sathupradit

(Mon - Fri from 8.30am - 3.30pm)  
127/1 Nonsee Rd., Yannawa, Bangkok 10120  
Tel : 0 2681 1111-5, 0 2681 1738,  
0 2295 3706-7  
Fax : 0 2681 1110

## Ratchada-Thaphra

(Mon - Fri from 8.30am - 3.30pm)  
Decha Building, 299 Ratchadaphisek 6 Rd.,  
Thonburi, Bangkok 10600  
Tel : 0 2476 9945-9  
Fax : 0 2476 9944

## Samrong

(Mon - Fri from 8.30am - 3.30pm)  
999/99 Moo 1, Sukhumvit Rd., Muang,  
Samut Prakan 10270  
Tel : 0 2384 7656, 0 2384 4510,  
0 2394 0422, 0 2394 0428,  
0 2394 0488, 0 2756 8597-8  
Fax : 0 2384 4352

## Samyeak

(Mon - Fri from 8.30am - 3.30pm)  
601 Charoen Krung Rd.,  
Samphanthawong, Bangkok 10100  
Tel : 0 2222 5111-6  
Fax : 0 2222 1354

## Saphanmai

(Mon - Fri from 8.30am - 3.30pm)  
108/502-503 Moo 7, Phaholyothin Rd.,  
Bangkhen, Bangkok 10220  
Tel : 0 2522 6646-8  
Fax : 0 2522 6649

## Sathon 2

(Mon - Fri from 8.30am - 3.30pm)  
Bangkok City Tower Building,  
179/3 South Sathon Rd., Sathon, Bangkok 10120  
Tel : 0 2679 5700-2, 0 2679 5704  
Fax : 0 2679 5703

# Branch Network

As at 31 December 2014

## Seacon Bangkae

*(Daily from 10.30am - 7.30pm)*

Seacon Bangkae Department Store,  
607 Phetchakasem Rd., Bangwa,  
Phasi Charoen, Bangkok 10160  
Tel : 0 2454 8792-5  
Fax : 0 2454 8696

## Seacon Square

*(Daily from 10.30am - 7.30pm)*

Seacon Square Department Store,  
3<sup>rd</sup> Fl., 55 Unit 3057F, 55 Srinakarin Road,  
Nongbon, Pravej, Bangkok 10250  
Tel : 0 2721 9103-4, 0 2138 5744-5  
Fax : 0 2138 5746

## Senanikom

*(Mon - Fri from 8.30am - 3.30pm)*

126/19 Phaholyothin 32 Rd. (Soi Senanikom 1),  
Chatuchak, Bangkok 10900  
Tel : 0 2561 3100-1, 0 2579 6248,  
0 2561 1054, 0 2941 7775  
Fax : 0 2579 9088

## Si Phraya

*(Mon - Fri from 8.30am - 3.30pm)*

295 Si Phraya Rd., Bangrak, Bangkok 10500  
Tel : 0 2235 2884-7, 0 2236 6805,  
0 2631 5440-1  
Fax : 0 2235 2882

## Si Yeak Sriwara

*(Mon - Fri from 8.30am - 3.30pm)*

573/139 Soi Ramkhamhaeng 39, Prachauthit Rd.,  
Wangthonglang, Bangkok 10310  
Tel : 0 2934 7941-4  
Fax : 0 2934 7945

## Siam Paragon

*(Daily from 10.00am - 7.00pm)*

Siam Paragon Shopping Center, Main Level,  
Unit M14, 991 Rama 1 Rd., Pathum Wan,  
Pathum Wan, Bangkok 10330  
Tel : 0 2129 4570-2  
Fax : 0 2129 4573

## Siam Square

*(Mon - Fri from 8.30am - 5.00pm,*

*Sat from 10.00am - 5.00pm)*  
410-410/1 Siam Square Soi 6, Rama I Rd.,  
Pathum Wan, Bangkok 10500  
Tel : 0 2251 3343, 0 2251 2145,  
0 2251 2278-9  
Fax : 0 2251 2280

## Silom 2

*(Mon - Fri from 8.30am - 5.00pm)*

14 Silom Rd., Bangrak, Bangkok 10500  
Tel : 0 2632 8801-3, 0 2632 8805  
Fax : 0 2632 8804

## Silom Complex

*(Daily from 10.30am - 7.30pm)*

Silom Complex Building, 4<sup>th</sup> Fl., 191 Silom Rd.,  
Bangrak, Bangkok 10500  
Tel : 0 2231 3139-40, 0 2231 3100-1  
Fax : 0 2231 3137

## Soi Yoo Dee

*(Mon - Fri from 8.30am - 3.30pm)*

597/113-114 Trok Watchannai, Chan Rd.,  
Bang Khoe Laem, Bangkok 10120  
Tel : 0 2292 1627-8, 0 2291 4904-5,  
0 2291 4907  
Fax : 0 2291 4906

## Songwad

*(Mon - Fri from 8.30am - 3.30pm)*

1252-4 Songwad Rd., Samphanthawong,  
Bangkok 10100  
Tel : 0-2225-6254-5, 0-2225-3596-7,  
0-2226-3606-7  
Fax : 0 2225 6256

## Srinakarin

*(Mon - Fri from 8.30am - 3.30pm)*

395/5 Srinakarin Rd., Muang,  
Samut Prakarn 10270  
Tel : 0 2385 7312-5  
Fax : 0 2385 7316

## St. Louis 3

*(Mon - Fri from 8.30am - 3.30pm)*

9/10 Trok Chan Saphan 3, Chan Rd.,  
Sathon, Bangkok 10120  
Tel : 0 2212 7024, 0 2211 1407  
Fax : 0 2211 0815

## Sukhumvit 4

*(Mon - Fri from 8.30am - 3.30pm)*

142 Sukhumvit Rd., Klong Toey, Bangkok 10110  
Tel : 0 2653 2178-9, 0 2253 5137,  
0 2653 2218, 0 2653 2180,  
0 2252 2522  
Fax : 0 2653 2181

## Sukhumvit 25

*(Mon - Fri from 8.30am - 3.30pm)*

Ban Chang Glass House Building,  
1 Soi Sukhumvit 25, Klong Toey, Bangkok 10110  
Tel : 0 2258 0270-1, 0 2260 6117-9,  
0 2258 9330-2, 0 2661 7741,  
0 2661 7761  
Fax : 0 2258 4582

## Sukhumvit 26

*(Mon - Fri from 8.30am - 3.30pm)*

690 Sukhumvit Rd., Klong Toey, Bangkok 10110  
Tel : 0 2620 4469-71, 73-80  
Fax : 0 2260 5312

## Sukhumvit 83

*(Mon - Fri from 8.30am - 3.30pm)*

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

## Sukhumvit 101 (Piyarom Park)

*(Daily from 10.00am - 7.00pm)*

3079/25 Soi Piyabutra, Sukhumvit Rd.,  
Phra Khanong, Bangkok 10260  
Tel : 0 2730 5100-3, 0 2730 5104-5  
Fax : 0 2730 5106

## Suksawat

*(Mon - Fri from 8.30am - 3.30pm)*

393,395,397 Suksawat Rd., Rat Burana,  
Bangkok 10140  
Tel : 0 2477 2409-11  
Fax : 0 2468 6028

## Surawong

*(Mon - Fri from 8.30am - 3.30pm)*

134 Surawongse Rd., Bangrak, Bangkok 10500  
Tel : 0 2233 9730-3  
Fax : 0 2235 5208

# Branch Network

As at 31 December 2014

## Talard Thai

(Daily from 9.30am - 6.30pm)

32/1044 Moo 9, Klongnueng, Klongluang,  
Pathum Thani 12120

Tel : 0 2908 4784-7

Fax : 0 2908 4847

## Talard Si Mummuang

(Mon - Fri from 8.30am - 3.30pm)

355/33-35 Moo 8, Phaholyothin Rd.,  
Lam Luk Ka, Pathum Thani 12130

Tel : 0 2536 7850, 0 2536 7854-6

Fax : 0 2536 7853

## Thaiwa Tower

(Mon - Fri from 8.30am - 3.30pm)

Thai Wah Tower 1 Building,  
21/63-66 South Sathon Rd., Sathon,  
Bangkok 10120

Tel : 0 2285 0092-4

Fax : 0 2285 0095

## Thanon Asoke-Dindaeng

(Mon - Fri from 8.30am - 3.30pm)

729 Asoke-Dindaeng Rd., Din Daeng,  
Bangkok 10320

Tel : 0 2248 6935-7

Fax : 0 2248 6933

## Thanon Khaolarm

(Mon - Fri from 8.30am - 3.30pm)

2214, 2216 Khaolarm Rd., Samphanthawong,  
Bangkok 10100

Tel : 0 2238 2540-1, 0 2234 3399

Fax : 0 2238 2543

## Thanon Kingkaew

(Mon - Fri from 8.30am - 3.30pm)

9-4 Moo 7, Kingkaew Rd., Rachatewa,  
Bangplee, Samut Prakan 10540

Tel : 0 2175 1967-70

Fax : 0 2175 1971

## Thanon Krungthonburi

(Mon - Fri from 8.30am - 3.30pm)

Sinsathorn Tower, 77/2 Krungthonburi Rd.,  
Klongsarn, Bangkok 10600

Tel : 0 2440 0345-9, 0 2440 0348

Fax : 0 2440 0350

## Thanon Phaholyothin 8

(Mon - Fri from 8.30am - 3.30pm)

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

Tel : 0 2616 9760-2, 0 2357 1690

Fax : 0 2357 1490

## Thanon Phayathai

(Mon - Fri from 8.30am - 3.30pm)

Golden Town Building, 1<sup>st</sup> Fl., 71 Phaya Thai Rd.,  
Ratchathewi, Bangkok 10400

Tel : 0 2653 4530-2

Fax : 0 2653 4658

## Thanon Pharam 6

(Mon - Fri from 8.30am - 3.30pm)

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

Tel : 0 2357 3460-3, 0 2357 3332

Fax : 0 2357 3464

## Thanon Pharam 9

(Mon - Fri from 8.30am - 3.30pm)

Worrasombat Building, Ground Fl.,  
100/1 Rama IX Rd., Huai Khwang,  
Bangkok 10310

Tel : 0 2645 0683-5

Fax : 0 2645 0440

## Thanon Pracha-U-Thit

(Mon - Fri from 8.30am - 3.30pm)

147/1-4 Moo 8, Pracha-U-Thit Rd.,  
Rat Burana, Bangkok 10140

Tel : 0 2873 1457-60, 0 2873 1439

Fax : 0 2873 1440

## Thanon Sri Wara

(Mon - Fri from 8.30am - 3.30pm)

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

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

Fax : 0 2559 3606

## Thanon Sukhaphiban 3

(Mon - Fri from 8.30am - 3.30pm)

902 Ramkamhaeng Rd., Bangkapi,  
Bangkok 10240

Tel : 0 2375 8725, 0 2375 8794,

0 2375 8799, 0 2377 9183,

0 2377 5285, 0 2735 4018

Fax : 0 2375 8795

## Thanon Vorachak

(Mon - Fri from 8.30am - 3.30pm)

94-96 Vorachak Rd., Pom Prap Sattru Phai,  
Bangkok 10100

Tel : 0 2225 9086, 0 2225 9088,

0 2225 9085, 0 2621 1247

Fax : 0 2225 9087

## Thanon Witthayu

(Mon - Fri from 8.30am - 5.00pm)

CRC Tower Building, G Fl.,  
121, 87/2 Wireless Rd., Pathum Wan,  
Bangkok 10330

Tel : 0 2255 5392-4

Fax : 0 2255 5395

## Thanon Yaowarat

(Mon - Fri from 8.30am - 5.00pm)

422, 424 Yaowaraj Rd., Samphanthawong,  
Bangkok 10100

Tel : 0 2226 2930-1, 0 2226 5855

Fax : 0 2226 2933

## The Circle Ratchapruk

(Daily from 10.30am - 7.30pm)

39 Room R6 Ratchapruk Rd., Bangramap,  
Taling Chun, Bangkok 10170

Tel : 0 2863 8624-6

Fax : 0 2863 8627

## The Mall Bangkae

(Daily from 10.30am - 7.30pm)

The Mall Bangkae, 3<sup>rd</sup> Fl., 275 Moo 1,  
Petchakasem Rd., North Bangkae,  
Bangkae, Bangkok 10160

Tel : 0 2482 9582-5

Fax : 0 2482 9586

## The Mall Bangkapi

(Daily from 10.30am - 7.30pm)

The Mall Bangkapi, 3<sup>rd</sup> Fl., 3522 Ladphrao Rd.,  
Kong-jun, Bangkapi, Bangkok 10240

Tel : 0 2363 3570-3

Fax : 0 2363 3574

## Thonglor

(Mon - Fri from 8.30am - 3.30pm)

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

Tel : 0 2712 7150-5

Fax : 0 2712 7156

# Branch Network

As at 31 December 2014

## Union Mall Ladprao

(Daily from 11.00am - 8.00pm)

Union Mall Center, 2<sup>nd</sup> Fl., 54 Ladprao Rd.,

Jompol, Chatuchak, Bangkok 10900

Tel : 0 2939 2613-5

Fax : 0 2937 1730

## United Center

(Mon - Fri from 10.30am - 6.30pm)

United Center Building, 2<sup>nd</sup> Fl., Unit 209A,

323 Silom Rd, Silom, Bangrak, Bangkok 10500

Tel : 0 2237 4890-3

Fax : 0 2237 4894

## Wiphawadi-Rangsit 9

(Mon - Fri from 8.30am - 3.30pm)

T.S.T. Tower Building, 21 Wiphawadi-Rangsit Rd.,

Chatuchak, Bangkok 10900

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

Fax : 0 2273 8122

## Yaowarat Mahajak

(Mon - Fri from 8.30am - 5.00pm)

236, 238, 240 Yaowarat Rd., Chakkrawat,

Samphanthawong, Bangkok 10110

Tel : 0 2225 5241-44

Fax : 0 2225 5245

## Central Area

### Chachoengsao

(Mon - Fri from 8.30am - 3.30pm)

94/3 Chumphon Rd., Muang,

Chachoengsao 24000

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

0 3851 4627-8, 0 3853 5083

Fax : 0 3851 1623

### Kanchanaburi

(Mon - Fri from 8.30am - 5.00pm)

160/39-40 Sangchutoe Rd., Ban Nuea,

Muang, Kanchanaburi 71000

Tel : 0 3452 1621-3

Fax : 0 3452 1624

### Nakhon Pathom

(Mon - Fri from 8.30am - 5.00pm)

63-65 Rajvithi Rd., Muang,

Nakhon Pathom 73000

Tel : 0 3425 1184-6

Fax : 0 3425 1186

## Phra Nakhon Si Ayutthaya

(Mon - Fri from 8.30am - 3.30pm)

255 Moo 5, Rojana Rd.,

Phra Nakhon Si Ayutthaya,

Phra Nakhon Si Ayutthaya 13000

Tel : 0 3524 6116, 0 3524 6030,

0 3522 9049

Fax : 0 3524 1546

## Ratchaburi

(Mon - Fri from 8.30am - 3.30pm)

111 Kathatorn Rd., Na Muang,

Muang Ratchaburi, Ratchaburi 70000

Tel : 0 3231 0321-3

Fax : 0 3231 0324

## Samut Sakhon

(Mon - Fri from 8.30am - 3.30pm)

927/403 Sethakit 1 Rd., Muang,

Samut Sakhon 74000

Tel : 0 3481 0514-5, 0 3442 7510,

0 3442 7582

Fax : 0 3481 0513

## Samut Songkhram

(Mon - Fri from 8.30am - 3.30pm)

125/104 Tang Kao Muang Rd.,

Muang, Samut Songkhram 75000

Tel : 0 3471 8111, 0 3471 8222,

0 3471 8626, 0 3471 8628,

0 3471 8629, 0 3474 0028

Fax : 0 3471 8627

## Saraburi

(Mon - Fri from 8.30am - 3.30pm)

427 Phaholyothin Rd., Muang,

Saraburi 18000

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

0 3622 2344, 0 3622 1630

Fax : 0 3622 1636

## Eastern Area

### Chanthaburi

(Mon - Fri from 8.30am - 3.30pm)

82/9 Thachalab Rd., Muang,

Chanthaburi 22000

Tel : 0 3931 2822, 0 3934 6616,

0 3934 6434-5

Fax : 0 3932 1201

## Ban Bung

(Mon - Fri from 8.30am - 3.30pm)

403 Chon Buri-Baan Bung Rd.,

Baan Bung, Chon Buri 20170

Tel : 0 3844 3628, 0 3844 3072,

0 3875 0979-80, 0 3875 1118-9

Fax : 0 3844 3039

## Bang Lamung

(Mon - Fri from 8.30am - 3.30pm)

90/27 Moo 5, Pattaya-Naglua Rd.,

Bang Lamung, Chon Buri 20150

Tel : 0 3842 8418, 0 3842 9333,

0 3842 7748-9, 0 3842 0273,

0 3872 6817

Fax : 0 3842 3332

## Central Chonburi

(Daily from 11.00am - 8.00pm)

Central Plaza Chonburi, 2<sup>nd</sup> Fl.,

55/88-9, 55/91 Sukhumvit Rd.,

Samet, Muang, Chon Buri 20000

Tel : 0 3805 3920-3

Fax : 0 3805 3924

## Chon Buri

(Mon - Fri from 8.30am - 3.30pm)

804 Kor Chetchamng Rd.,

Muang, Chon Buri 20000

Tel : 0 3827 3601-6

Fax : 0 3827 3607

## Chon Buri 2

(Mon - Fri from 8.30am - 3.30pm)

116/110 Moo 3, Sukhumvit Rd.,

Muang, Chon Buri 20000

Tel : 0 3879 7457-9, 0 3879 7462

Fax : 0 3879 7461

## Pattaya

(Mon - Fri from 10.00am - 6.00pm)

325/115-116 Moo 10, Pattaya Sai 2 Rd.,

Bang Lamung, Chon Buri 20260

Tel : 0 3842 9464, 0 3871 0414,

0 3841 0027

Fax : 0 3842 9400



# Branch Network

As at 31 December 2014

## Robinson Sriracha

(Daily from 11.00am - 8.00pm)

Robinson Sriracha Department Store,  
90/1 Sukhumvit Rd., Si Racha, Chon Buri 20110  
Tel : 0 3832 8458-60  
Fax : 0 3832 8461

## Sri Racha

(Mon - Fri from 8.30am - 3.30pm)

135/19 Sukhumvit Rd., Si Racha, Chon Buri 20110  
Tel : 0 3832 4500-2, 0 3832 4504  
Fax : 0 3832 4503

## Ban Chang

(Mon - Fri from 8.30am - 5.00pm)

51/12 Moo 5, Sukhumvit Rd.,  
Ban Chang, Rayong 21130  
Tel : 0 3860 3120-3, 0 3860 3124-25  
Fax : 0 3860 3119

## Eastern Seaboard

(Mon - Fri from 8.30am - 3.30pm)

Thanon Hemaraj Avenue, 24/1 Moo 4,  
Pluak Daeng, Rayong 21140  
Tel : 0 3895 5284-6, 0 3895 5288,  
0 3895 5287, 0 3895 5290  
(0 3889 1489 ATM)  
Fax : 0 3895 5289

## Laemthong Rayong

(Daily from 10.00am - 8.00pm)

Laemthong Rayong Shopping Plaza, 1<sup>st</sup> Fl.,  
554/4 Sukhumvit Rd., Muang, Rayong 21150  
Tel : 0 3802 3400-3  
Fax : 0 3802 3404

## Map Ta Phut

(Mon - Fri from 8.30am - 5.00pm)

267/11-13 Sukhumvit Rd., Map Ta Phut,  
Muang, Rayong 21150  
Tel : 0 3860 7945, 0 3860 7947,  
0 3860 7949, 0 3860 7957  
Fax : 0 3860 8718

## Rayong

(Mon - Fri from 8.30am - 3.30pm)

144/39-41 Sukhumvit Rd., Muang, Rayong 21000  
Tel : 0 3861 4730-3, 0 3861 4255-6  
Fax : 0 3861 4734

## Northeastern Area

### Khon Kaen

(Mon - Fri from 8.30am - 3.30pm)

34, 34/1-2 Namuang Rd., Muang,  
Khon Kaen 40000  
Tel : 0 4323 7620-1, 0 4333 4577,  
0 4323 7609  
Fax : 0 4323 7435

### Khonkaen-Thanon Mittrapharb

(Mon - Fri from 8.30am - 3.30pm)

81/1 Mittrapharb Rd., Muang, Khon Kaen 40000  
Tel : 0 4324 1686, 0 4324 1268,  
0 4324 2547  
Fax : 0 4323 8435

### Nakhon Ratchasima

(Mon - Fri from 8.30am - 3.30pm)

2-4 Choompol Rd., Muang,  
Nakhon Ratchasima 30000  
Tel : 0 4426 8873-7  
Fax : 0 4425 5476

### Nakhon Ratchasima 2

(Mon - Fri from 8.30am - 3.30pm)

545 Friendship Highway, Muang,  
Nakhon Ratchasima 30000  
Tel : 0 4426 3487-91  
Fax : 0 4426 3493

### Roiet

(Mon - Fri from 8.30am - 3.30pm)

427-429 Phadungpanich Rd.,  
Muang, Roiet 45000  
Tel : 0 4351 5850-2  
Fax : 0 4351 5854

### Sakhon Nakhon

(Mon - Fri from 8.30am - 3.30pm)

1748/4 Sukkasem Rd., Muang,  
Sakon Nakhon 47000  
Tel : 0 4271 6350, 0 4271 6303,  
0 4271 6895, 0 4271 6765,  
0 4271 6230  
Fax : 0 4271 6728

## Surin

(Mon - Fri from 8.30am - 3.30pm)

79, 81, 83 Chitbunrung Rd., Muang, Surin 32000  
Tel : 0 4453 8384, 0 4451 1848,  
0 4451 8997, 0 4451 8998  
Fax : 0 4451 1081

## Ubon Ratchathani

(Mon - Fri from 8.30am - 3.30pm)

177 Ubparat Rd., Muang,  
Ubon Ratchathani 34000  
Tel : 0 4524 3830-1, 0 4524 4270-1,  
0 4524 4717, 0 4526 2904,  
0 4531 1825, 0 4524 4718  
Fax : 0 4524 3832

## Ban Huay Udonthani

(Mon - Fri from 8.30am - 3.30pm)

214/27-29 Udon Dutsadi Rd., Mak Khaeng,  
Muang, Udonthani 41000  
Tel : 0 4224 3639-41  
Fax : 0 4224 3643

## CentralPlaza Udonthani

(Daily from 11.00am - 8.00pm)

CentralPlaza Udonthani Department Store,  
277/3 Prajaksillapakom Rd.,  
Muang, Udon Thani 41000  
Tel : 0 4292 1458-61  
Fax : 0 4292 1462

## Udon Thani

(Mon - Fri from 8.30am - 3.30pm)

359 Phosri Rd., Muang, Udon Thani 41000  
Tel : 0 4222 1333, 0 4222 3613,  
0 4234 3425, 0 4224 9590,  
0 4234 3023, 0 4221 3036,  
0 4224 4733, 0 4224 4062  
Fax : 0 4224 4062

# Branch Network

As at 31 December 2014

## Northern Area

### Central Airport Chiangmai

(Daily from 11.00am - 8.00pm)

2 Manidol Rd., 252-252/1 Wualai Rd.,

Haiya, Muang, Chiangmai 50100

Tel : 0 5390 4143-6

Fax : 0 5390 4147

### Chiang Mai-Huaikaew

(Mon - Fri from 8.30am - 3.30pm)

137 Huay Kaew Rd., Muang, Chiangmai 50200

Tel : 0 5321 1091-4

Fax : 0 5321 1095

### Thanon Highway-Chiang Mai

(Mon - Fri from 8.30am - 3.30pm)

1/99 Chiang Mai-Lampang Rd., Muang,

Chiang Mai 50000

Tel : 0 5330 4701-4, 0 5330 4706

Fax : 0 5330 4705

### Thanon Sridonchai Chiangmai

(Mon - Fri from 8.30am - 5.00pm)

54, 54/1 Sridonchai Rd., Haiya, Muang,

Chiang Mai 50100

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

0 5382 1080-1

Fax : 0 5328 2015

### Chiang Rai

(Mon - Fri from 8.30am - 3.30pm)

643/5 Moo 3, Uttrakit Rd., Muang,

Chiang Rai 57000

Tel : 0 5371 6786, 0 5371 1414,

0 5371 6557

Fax : 0 5371 5429

### Lampang

(Mon - Fri from 8.30am - 3.30pm)

255 Boonwat Rd., Muang, Lampang 52000

Tel : 0 5421 8383, 0 5422 7383,

0 5421 8454, 0 5421 8373

Fax : 0 5422 7637

### Nakhon Sawan

(Mon - Fri from 8.30am - 3.30pm)

532-534 Kosi Rd., Muang, Nakhon Sawan 60000

Tel : 0 5621 4109, 0 5621 4690,

0 5621 4709, 0 5631 4234-5,

0 5631 4299, 0 5621 3166

Fax : 0 5621 3224

## Phitsanulok

(Mon - Fri from 8.30am - 3.30pm)

112/39-41 Akartodsrod Rd., Muang,

Phitsanulok 65000

Tel : 0 5522 5153-5

Fax : 0 5522 5156

## Southern Area

### Nakhon Sri Thammarat

(Mon - Fri from 8.30am - 3.30pm)

1719-1721 Rajdamnern Rd., Muang,

Nakhon Sri Thammarat 80000

Tel : 0 7535 6112, 0 7535 6860-1

Fax : 0 7534 2352

### Central Festival Phuket

(Daily from 10.30am - 7.30pm)

Central Festival Phuket, 2<sup>nd</sup> Fl., 74-75 Moo 5,

Wishit, Phuket, Phuket 83000

Tel : 0 7621 0492, 0 7621 0526,

0 7621 0534, 0 7621 0575

Fax : 0 7621 0596

### Hat Pa Tong

(Mon - Fri from 9.30am - 4.30pm)

159, 161, 163 Rat-U-Thit 200 Years Rd.,

Krathu, Phuket 83150

Tel : 0 7634 0489, 0 7634 0142-3

Fax : 0 7634 1169

### Ha Yeak Chalong Phuket

(Mon - Fri from 8.30am - 3.30pm)

9/108 Moo 9, Chaofa (East) Rd., Chalong,

Muang, Phuket 83130

Tel : 0 7638 3801-4

Fax : 0 7638 3805

## Phuket

(Mon - Fri from 8.30am - 3.30pm)

206 Phuket Rd., Muang, Phuket 83000

Tel : 0 7621 1566, 0 7621 1577,

0 7621 4901-2, 0 7621 0970-1

Fax : 0 7621 4903

## Hat Yai

(Mon - Fri from 8.30am - 3.30pm)

164 Nipat-utit 1 Rd., Hat Yai,

Songkhla 90110

Tel : 0 7424 3032, 0 7424 5033,

0 7423 5605, 0 7424 3810

Fax : 0 7423 5606

## Thanon Phetchakasem Hat Yai

(Mon - Fri from 8.30am - 3.30pm)

458/2 Phetchakasem Rd., Hat Yai,

Songkhla 90110

Tel : 0 7422 0262-3, 0 7422 0274-5

Fax : 0 7422 0281

## CentralPlaza Suratthani

(Daily from 11.00am - 8.00pm)

88 Moo 10, Wat Pradu, Muang,

Surat Thani 84000

Tel : 0 7760 2700-3

Fax : 0 7760 2704

## Surat Thani

(Mon - Fri from 8.30am - 3.30pm)

191/1-3 Chonkasem Rd., Muang,

Surat Thani 84000

Tel : 0 7728 6292-4

Fax : 0 7728 6298

## Trang

(Mon - Fri from 8.30am - 3.30pm)

1/5-6 Rama VI Rd., Thap Thiang,

Muang, Trang 92000

Tel : 0 7521 7782-4, 0 7521 7781

Fax : 0 7521 7785

## Yala

(Mon - Fri from 8.30am - 3.30pm)

8-12 Pipitpakdi Rd., Muang, Yala 95000

Tel : 0 7321 2218, 0 7321 2414,

0 7324 0872, 0 7324 0873

Fax : 0 7321 3764

## Company Information

Name : United Overseas Bank (Thai) Public Company Limited  
Public company registration number : 0107535000176  
Nature of business : Commercial Bank  
Registration address : 191 South Sathon Road, Sathon, Bangkok 10120  
Tel : 0 2343 3000  
Fax : 0 2287 2973-4  
S.W.I.F.T : UOVBTBHK  
Website : www.uob.co.th

### Auditor

Ms. Somjai Khunapasut : Certified Public Accountant (Thailand) No. 4499 and/or  
Ms. Ratana Jala : Certified Public Accountant (Thailand) No. 3734 and/or  
Mrs. Nonglak Pumnoi : Certified Public Accountant (Thailand) No. 4172

EY Office Limited  
33<sup>rd</sup> Floor, Lake Rajada Office Complex  
193/136-137 Rajadapisek Road  
Klongtoey, Bangkok 10110  
G.P.O.Box 1047, Bangkok 10501, Thailand  
Tel : 0 2264 0777  
Fax : 0 2264 0789  
Website : www.ey.com

# Company Information

## Credit Ratings

<b>Moody's Investors Service</b>	<b>Rating</b>	<b>as at 23 November 2014</b>
Long - Term Bank Deposits	Baa1	
Short - Term Bank Deposits	Prime-2	
Long - Term Outlook	Stable	
Short - Term Outlook	Stable	
Financial Strength	D	
Financial Strength Outlook	Stable	

<b>Fitch Ratings</b>	<b>Rating</b>	<b>as at 2 March 2015</b>
Long - Term Foreign Currency	A-	
Short - Term Foreign Currency	F2	
Long - Term Outlook	Stable	
Viability	bb+	
Support	1	
National Rating - Long-term	AAA(tha)	
National Rating - Short-term	F1+(tha)	
National Rating Outlook	Stable	

<b>Standard &amp; Poor's</b>	<b>Rating</b>	<b>as at 14 January 2015</b>
Counterparty Credit - Long-term	BBB+	
Counterparty Credit - Short-term	A2	
Outlook	Stable	
ASEAN regional scale ratings - Long-term	axA+	
ASEAN regional scale ratings - Short-term	axA-1	



**United Overseas Bank (Thai) Public Company Limited**

**Head Office**

191 South Sathon Road,  
Sathon, Bangkok 10120

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