

**The Siam Commercial Bank Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month and nine-month periods ended
30 September 2015
and
Independent auditor's report
on review of interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of The Siam Commercial Bank Public Company Limited

I have reviewed the accompanying consolidated and the Bank's statements of financial position of The Siam Commercial Bank Public Company Limited and its subsidiaries, and of The Siam Commercial Bank Public Company Limited, respectively, as at 30 September 2015; the consolidated and the Bank's statements of comprehensive income for three-month and nine-month periods ended 30 September 2015, changes in equity and cash flows for the nine-month period ended 30 September 2015 and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
12 November 2015

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated		The Bank	
		30 September	31 December	30 September	31 December
		2015	2014	2015	2014
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Cash		29,548,843	42,131,800	29,412,972	41,922,318
Interbank and money market items, net		297,726,324	291,614,750	283,195,720	276,806,702
Claims on security		5,050,223	6,059,162	5,050,223	6,059,162
Derivative assets		78,933,110	43,629,965	80,769,859	43,759,401
Investments, net	8	485,710,076	502,111,054	295,728,114	340,090,493
Investments in subsidiaries and associates, net	9	935,794	696,829	25,336,253	22,128,612
Loans to customers and accrued interest receivables, net	10				
Loans to customers		1,836,302,638	1,797,561,397	1,826,900,559	1,790,005,534
Accrued interest receivables		3,761,788	3,814,239	3,381,636	3,543,663
Total loans to customers and accrued interest receivables		1,840,064,426	1,801,375,636	1,830,282,195	1,793,549,197
Less deferred revenue		(21,488,143)	(20,426,639)	(21,488,143)	(20,426,639)
Less allowance for doubtful accounts	10.5	(62,694,065)	(59,014,088)	(61,935,526)	(58,251,730)
Less revaluation allowance for debt restructuring		(58,783)	-	(58,783)	-
Total loans to customers and accrued interest receivables, net		1,755,823,435	1,721,934,909	1,746,799,743	1,714,870,828
Customers' liabilities under acceptances		104,391	47,747	104,391	47,747
Properties for sale, net		10,178,137	9,720,839	10,173,582	9,711,206
Premises and equipment, net		32,898,878	33,775,729	31,716,228	32,608,529
Goodwill and other intangible assets, net		11,459,920	11,406,133	2,172,750	2,131,434
Assets pending transfer		1,662,828	4,104,157	1,740,606	4,104,158
Deferred tax assets		75,041	67,694	11,480	11,207
Other assets, net		51,782,093	32,402,317	45,332,990	28,557,938
Total assets		2,761,889,093	2,699,703,085	2,557,544,911	2,522,809,735

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of financial position

		Consolidated		The Bank	
		30 September 2015 (Unaudited)	31 December 2014	30 September 2015 (Unaudited)	31 December 2014
Liabilities and equity	<i>Note</i>				
		<i>(in thousand Baht)</i>			
Liabilities					
Deposits		1,927,967,626	1,895,343,384	1,923,442,679	1,890,388,475
Interbank and money market items		90,359,805	140,285,606	95,588,638	146,014,407
Liabilities payable on demand		10,292,005	7,400,145	10,291,208	7,399,327
Liabilities to deliver security		5,064,704	6,063,117	5,050,223	6,059,162
Derivative liabilities		81,350,345	42,413,034	81,204,642	42,486,703
Debt issued and borrowings		121,342,432	113,916,834	122,043,554	114,485,513
Bank's liabilities under acceptances		104,391	47,747	104,391	47,747
Provisions		6,467,970	7,210,567	6,170,298	6,881,247
Liabilities under insurance contracts	12	179,017,657	151,757,056	-	-
Liabilities pending transfer		16,707,702	14,267,471	16,647,145	14,027,322
Deferred tax liabilities		1,605,653	3,562,997	1,340,955	2,941,078
Other liabilities		30,073,196	31,137,083	23,529,895	25,796,218
Total liabilities		<u>2,470,353,486</u>	<u>2,413,405,041</u>	<u>2,285,413,628</u>	<u>2,256,527,199</u>
Equity					
Share capital					
Authorised share capital					
3,583,965,486 preference shares of Baht 10 each		<u>35,839,655</u>	<u>35,842,374</u>	<u>35,839,655</u>	<u>35,842,374</u>
3,416,034,514 ordinary shares of Baht 10 each		<u>34,160,345</u>	<u>34,157,626</u>	<u>34,160,345</u>	<u>34,157,626</u>
Issued and paid-up share capital					
4,753,321 preference shares of Baht 10 each		47,533	48,802	47,533	48,802
3,394,438,877 ordinary shares of Baht 10 each		33,944,389	33,943,120	33,944,389	33,943,120
Premium on share capital					
Premium on preference shares		18,588	19,084	18,588	19,084
Premium on ordinary shares		11,105,603	11,105,107	11,105,603	11,105,107
Other reserves		13,135,726	21,914,917	14,041,252	19,461,413
Retained earnings					
Appropriated					
Legal reserve		7,000,000	7,000,000	7,000,000	7,000,000
Unappropriated		226,071,258	211,301,429	205,973,918	194,705,010
Total shareholders' equity		<u>291,323,097</u>	<u>285,332,459</u>	<u>272,131,283</u>	<u>266,282,536</u>
Non-controlling interests		212,510	965,585	-	-
Total equity		<u>291,535,607</u>	<u>286,298,044</u>	<u>272,131,283</u>	<u>266,282,536</u>
Total liabilities and equity		<u>2,761,889,093</u>	<u>2,699,703,085</u>	<u>2,557,544,911</u>	<u>2,522,809,735</u>

(Mr. Arthid Nanthawithaya)

CEO and Deputy Chairman of the Executive Committee

(Mr. Yol Phokasub)

President

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		The Bank	
		Three month period ended□		Three month period ended□	
		30 September		30 September	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Interest income		29,910,619	31,002,470	28,015,181	29,386,923
Interest expense		9,840,173	10,160,015	9,843,419	10,197,140
Net interest income		20,070,446	20,842,455	18,171,762	19,189,783
Fees and service income		8,179,045	7,963,158	8,882,259	8,785,909
Fees and service expense		1,401,832	1,224,332	1,194,312	1,079,834
Net fees and service income		6,777,213	6,738,826	7,687,947	7,706,075
Net trading income		1,576,166	1,447,047	2,132,997	1,473,575
Net gain on investments	16	8,294,159	214,096	8,240,080	132,326
Share of loss of associates		(28,076)	(37,236)	-	-
Dividend income		405,503	353,050	650,507	1,072,000
Net earned insurance premiums		13,865,302	12,097,704	-	-
Other operating income		97,325	115,877	11,931	12,977
Total operating income		51,058,038	41,771,819	36,895,224	29,586,736
Net insurance claims		11,766,599	9,962,406	-	-
Net operating income		39,291,439	31,809,413	36,895,224	29,586,736
Other operating expenses					
Staff costs		5,688,061	5,550,244	4,947,847	4,845,197
Directors' remuneration		25,465	22,850	22,470	21,840
Premises and equipment expenses		2,513,919	2,388,304	2,303,957	2,172,361
Taxes and duties		1,043,164	1,038,462	990,375	990,695
Others		2,643,619	2,971,688	3,024,637	3,450,441
Total operating expenses		11,914,228	11,971,548	11,289,286	11,480,534
Impairment loss on loans and debt securities	10.3	16,002,119	3,222,404	15,998,351	3,225,000
Profit before tax		11,375,092	16,615,461	9,607,587	14,881,202
Income tax expense	20	2,342,427	3,285,529	1,789,842	2,765,027
Net profit		9,032,665	13,329,932	7,817,745	12,116,175

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The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		The Bank	
		Three month period ended□		Three month period ended□	
		30 September		30 September	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
Other comprehensive income					
<i>Items that are or may be reclassified to profit or loss</i>					
(Loss) gain on remeasuring available-for-sale investments		(8,987,827)	1,202,320	(8,139,183)	258,515
Foreign currency translation differences		136,922	(2,220)	-	-
Share of other comprehensive income (loss) of associates		43,362	(1,933)	-	-
Income tax on other comprehensive income		1,922,725	(65,755)	1,627,837	131,942
		<u>(6,884,818)</u>	<u>1,132,412</u>	<u>(6,511,346)</u>	<u>390,457</u>
<i>Items that will never be reclassified to profit or loss</i>					
Change in revaluation surplus		(8,081)	(27,950)	(8,081)	(27,950)
Income tax on other comprehensive income		1,616	5,590	1,616	5,590
		<u>(6,465)</u>	<u>(22,360)</u>	<u>(6,465)</u>	<u>(22,360)</u>
Total other comprehensive income, net of income tax		<u>(6,891,283)</u>	<u>1,110,052</u>	<u>(6,517,811)</u>	<u>368,097</u>
Total comprehensive income		<u>2,141,382</u>	<u>14,439,984</u>	<u>1,299,934</u>	<u>12,484,272</u>
Net profit attributable to					
Shareholders of the parent company		9,018,129	13,252,289	7,817,745	12,116,175
Non-controlling interests		14,536	77,643	-	-
Total comprehensive income attributable to					
Shareholders of the parent company		2,136,633	14,323,663	1,299,934	12,484,272
Non-controlling interests		4,749	116,321	-	-
Earnings per share of the parent company					
Basic earnings per share <i>(in Baht)</i>	21	<u>2.65</u>	<u>3.90</u>	<u>2.30</u>	<u>3.56</u>

.....
(Mr. Arthid Nanthawithaya)
CEO and Deputy Chairman of the Executive Committee

.....
(Mr. Yol Phokasub)
President

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The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Note	Consolidated		The Bank	
		Nine month period ended □		Nine month period ended □	
		30 September		30 September	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Interest income		91,987,627	92,205,777	86,497,734	87,502,888
Interest expense		30,571,617	31,566,253	30,591,285	31,638,867
Net interest income		61,416,010	60,639,524	55,906,449	55,864,021
Fees and service income		24,459,808	23,070,145	27,203,770	26,212,576
Fees and service expense		4,237,124	3,885,707	3,627,979	3,482,550
Net fees and service income		20,222,684	19,184,438	23,575,791	22,730,026
Net trading income		6,332,168	5,375,032	6,244,137	5,462,409
Net gain on investments	16	8,833,258	2,510,362	8,427,029	3,277,854
Share of loss of associates		(78,905)	(58,769)	-	-
Dividend income		1,175,018	968,679	3,904,925	4,807,701
Net earned insurance premiums		42,335,951	37,360,601	-	-
Other operating income		587,277	495,418	47,677	70,029
Total operating income		140,823,461	126,475,285	98,106,008	92,212,040
Net insurance claims		35,729,475	30,191,424	-	-
Net operating income		105,093,986	96,283,861	98,106,008	92,212,040
Other operating expenses					
Staff costs		16,716,400	16,295,604	14,624,093	14,284,760
Directors' remuneration		71,808	72,192	66,683	66,545
Premises and equipment expenses		7,508,959	7,202,455	6,895,466	6,631,155
Taxes and duties		3,184,495	3,217,504	3,022,757	3,082,216
Others		8,696,947	7,991,639	9,758,740	9,285,533
Total operating expenses		36,178,609	34,779,394	34,367,739	33,350,209
Impairment loss on loans and debt securities	10.3	24,733,697	9,649,690	24,738,542	9,673,851
Profit before tax		44,181,680	51,854,777	38,999,727	49,187,980
Income tax expense	20	8,751,373	10,506,946	7,110,490	8,927,353
Net profit		35,430,307	41,347,831	31,889,237	40,260,627

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		The Bank	
		Nine month period ended □		Nine month period ended □	
		30 September		30 September	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
Other comprehensive income					
<i>Items that are or may be reclassified to profit or loss</i>					
(Loss) gain on remeasuring available-for-sale investments		(8,242,828)	3,551,746	(6,531,496)	919,262
Foreign currency translation differences		163,594	(9,765)	-	-
Share of other comprehensive income (loss) of associates		55,408	(9,928)	-	-
Income tax on other comprehensive income		1,632,102	(509,950)	1,283,968	(207)
		<u>(6,391,724)</u>	<u>3,022,103</u>	<u>(5,247,528)</u>	<u>919,055</u>
<i>Items that will never be reclassified to profit or loss</i>					
Change in revaluation surplus		(8,081)	(28,982)	(8,081)	(28,982)
Income tax on other comprehensive income		1,616	5,796	1,616	5,796
		<u>(6,465)</u>	<u>(23,186)</u>	<u>(6,465)</u>	<u>(23,186)</u>
Total other comprehensive income, net of income tax		<u>(6,398,189)</u>	<u>2,998,917</u>	<u>(5,253,993)</u>	<u>895,869</u>
Total comprehensive income		<u>29,032,118</u>	<u>44,346,748</u>	<u>26,635,244</u>	<u>41,156,496</u>
Net profit attributable to					
Shareholders of the parent company		35,387,527	41,104,147	31,889,237	40,260,627
Non-controlling interests		42,780	243,684	-	-
Total comprehensive income attributable to					
Shareholders of the parent company		28,973,635	43,990,881	26,635,244	41,156,496
Non-controlling interests		58,483	355,867	-	-
Earnings per share of the parent company					
Basic earnings per share (<i>in Baht</i>)	21	<u>10.41</u>	<u>12.09</u>	<u>9.38</u>	<u>11.84</u>

.....
(Mr. Arthid Nanthawithaya)
CEO and Deputy Chairman of the Executive Committee

.....
(Mr. Yol Phokasub)
President

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

		Consolidated												
		Issued and		Premium on		Other reserves				Retained earnings		Total	Non-	
		paid-up share capital		share capital		Change in	remeasuring	Total		Legal	Unappropriated	shareholders'	controlling	
<i>Note</i>		Preference	Ordinary	Preference	Ordinary	revaluation	available-for-sale	Others	other	reserve	equity	interests	Total	
		shares	shares	shares	shares	surplus	investments	<i>(in thousand Baht)</i>						
Nine month period ended 30 September 2015														
	Balance at 31 December 2014 - as reported	48,802	33,943,120	19,084	11,105,107	12,507,773	9,744,122	(336,978)	21,914,917	7,000,000	211,301,429	285,332,459	965,585	286,298,044
	Impact of change in accounting policy	-	-	-	-	-	-	-	-	-	(391,344)	(391,344)	-	(391,344)
	Balance at 1 January 2015	48,802	33,943,120	19,084	11,105,107	12,507,773	9,744,122	(336,978)	21,914,917	7,000,000	210,910,085	284,941,115	965,585	285,906,700
	Dividend paid	-	-	-	-	-	-	-	-	-	(20,395,153)	(20,395,153)	(15,826)	(20,410,979)
	Conversion of preference shares to ordinary shares	(1,269)	1,269	(496)	496	-	-	-	-	-	-	-	-	-
	Acquisitions of non-controlling interests without a change in control	-	-	-	-	243	129,308	(2,325,977)	(2,196,426)	-	(74)	(2,196,500)	(795,732)	(2,992,232)
	Profit for the period	-	-	-	-	-	-	-	-	-	35,387,527	35,387,527	42,780	35,430,307
	Other comprehensive income	-	-	-	-	(6,465)	(6,626,429)	219,002	(6,413,892)	-	-	(6,413,892)	15,703	(6,398,189)
	Total comprehensive income for the period	-	-	-	-	(6,465)	(6,626,429)	219,002	(6,413,892)	-	35,387,527	28,973,635	58,483	29,032,118
	Transfer to retained earnings	-	-	-	-	(168,873)	-	-	(168,873)	-	168,873	-	-	-
	Balance at 30 September 2015	47,533	33,944,389	18,588	11,105,603	12,332,678	3,247,001	(2,443,953)	13,135,726	7,000,000	226,071,258	291,323,097	212,510	291,535,607

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

		Consolidated												
		Issued and paid-up share capital		Premium on share capital		Other reserves			Retained earnings		Total shareholders' equity	Non- controlling interests	Total	
		Preference shares	Ordinary shares	Preference shares	Ordinary shares	Change in revaluation surplus	Gain on remeasuring available-for-sale investments	Total Other reserves	Legal reserve	Unappropriated				
<i>Note</i>														
<i>(in thousand Baht)</i>														
Nine month period ended 30 September 2014														
	Balance at 1 January 2014	51,817	33,940,105	20,263	11,103,928	12,802,243	6,116,916	(332,481)	18,586,678	7,000,000	175,569,326	246,272,117	1,767,958	248,040,075
	Dividend paid	-	-	-	-	-	-	-	-	-	(17,845,759)	(17,845,759)	(132,159)	(17,977,918)
	Conversion of preference shares to ordinary shares	(2,391)	2,391	(935)	935	-	-	-	-	-	-	-	-	-
	Disposal of non-controlling interest without a change in control	-	-	-	-	-	-	-	-	-	12	12	(1,804)	(1,792)
	Disposal of controlling interest with a change in control	-	-	-	-	(50,852)	2,254	(10,565)	(59,163)	-	22,794	(36,369)	(1,103,699)	(1,140,068)
	Decrease in capital of subsidiary	-	-	-	-	-	-	-	-	-	-	-	(7,696)	(7,696)
	Profit for the period	-	-	-	-	-	-	-	-	-	41,104,147	41,104,147	243,684	41,347,831
	Other comprehensive income	-	-	-	-	(23,185)	2,929,612	(19,693)	2,886,734	-	-	2,886,734	112,183	2,998,917
	Total comprehensive income for the period	-	-	-	-	(23,185)	2,929,612	(19,693)	2,886,734	-	41,104,147	43,990,881	355,867	44,346,748
	Transfer to retained earnings	-	-	-	-	(162,547)	-	-	(162,547)	-	162,547	-	-	-
	Balance at 30 September 2014	49,426	33,942,496	19,328	11,104,863	12,565,659	9,048,782	(362,739)	21,251,702	7,000,000	199,013,067	272,380,882	878,467	273,259,349

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The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	The Bank									
		Issued and		Premium on		Other reserves			Retained earnings		Total
		paid-up share capital		share capital		Change in	remeasuring	Total	Legal		
		Preference	Ordinary	Preference	Ordinary	revaluation	available-for-sale	other	reserve	Unappropriated	
shares	shares	shares	shares	surplus	investments	reserves	reserve	Unappropriated			
<i>(in thousand Baht)</i>											
Nine month period ended 30 September 2015											
Balance at 31 December 2014 - as reported		48,802	33,943,120	19,084	11,105,107	11,999,507	7,461,906	19,461,413	7,000,000	194,705,010	266,282,536
Impact of change in accounting policy	4	-	-	-	-	-	-	-	-	(391,344)	(391,344)
Balance at 1 January 2015		48,802	33,943,120	19,084	11,105,107	11,999,507	7,461,906	19,461,413	7,000,000	194,313,666	265,891,192
Dividend paid	13	-	-	-	-	-	-	-	-	(20,395,153)	(20,395,153)
Conversion of preference shares to ordinary shares		(1,269)	1,269	(496)	496	-	-	-	-	-	-
Profit for the period		-	-	-	-	-	-	-	-	31,889,237	31,889,237
Other comprehensive income		-	-	-	-	(6,465)	(5,247,528)	(5,253,993)	-	-	(5,253,993)
Total comprehensive income for the period		-	-	-	-	(6,465)	(5,247,528)	(5,253,993)	-	31,889,237	26,635,244
Transfer to retained earnings		-	-	-	-	(166,168)	-	(166,168)	-	166,168	-
Balance at 30 September 2015		47,533	33,944,389	18,588	11,105,603	11,826,874	2,214,378	14,041,252	7,000,000	205,973,918	272,131,283

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	<i>Note</i>	The Bank									
		Issued and paid-up share capital		Premium on share capital		Other reserves			Retained earnings		Total
						Change in revaluation surplus	Gain on remeasuring available-for-sale investments	Total other reserves			
		Preference shares	Ordinary shares	Preference shares	Ordinary shares				reserve	Unappropriated	
<i>(in thousand Baht)</i>											
Nine month period ended 30 September 2014											
Balance at 1 January 2014		51,817	33,940,105	20,263	11,103,928	12,246,265	6,226,038	18,472,303	7,000,000	162,573,415	233,161,831
Dividend paid	<i>13</i>	-	-	-	-	-	-	-	-	(17,845,759)	(17,845,759)
Conversion of preference shares to ordinary shares		(2,391)	2,391	(935)	935	-	-	-	-	-	-
Profit for the period		-	-	-	-	-	-	-	-	40,260,627	40,260,627
Other comprehensive income		-	-	-	-	(23,185)	919,054	895,869	-	-	895,869
Total comprehensive income for the period		-	-	-	-	(23,185)	919,054	895,869	-	40,260,627	41,156,496
Transfer to retained earnings		-	-	-	-	(166,588)	-	(166,588)	-	166,588	-
Balance at 30 September 2014		49,426	33,942,496	19,328	11,104,863	12,056,492	7,145,092	19,201,584	7,000,000	185,154,871	256,472,568

(Mr. Arthid Nanthawithaya)

CEO and Deputy Chairman of the Executive Committee

(Mr. Yol Phokasub)

President

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		The Bank	
	Nine month period ended□		Nine month period ended□	
	30 September		30 September	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit before tax	44,181,680	51,854,777	38,999,727	49,187,980
<i>Adjustments for</i>				
Depreciation and amortisation	2,056,887	2,085,175	1,920,453	1,938,911
Impairment loss on loans and debt securities	26,193,718	10,784,859	26,166,530	10,801,205
Reversal on impairment of properties for sale	(333,378)	(7,950)	(333,378)	(7,950)
Loss on impairment of premises and equipment	74,044	-	74,044	-
(Gain) loss on sales of premises and equipment	(22,131)	924	(16,233)	11,061
Net trading income	(6,332,168)	(5,375,032)	(6,244,137)	(5,462,409)
Net gain on investments	(8,833,258)	(2,510,362)	(8,427,029)	(3,277,854)
Share of loss of associates	78,905	58,769	-	-
	<u>57,064,299</u>	<u>56,891,160</u>	<u>52,139,977</u>	<u>53,190,944</u>
Net interest income	(61,416,010)	(60,639,524)	(55,906,449)	(55,864,021)
Dividend income	(1,175,018)	(968,679)	(3,904,925)	(4,807,701)
Proceeds from interest	91,526,888	92,621,299	86,419,232	88,092,021
Interest paid	(30,564,741)	(37,079,163)	(30,562,754)	(37,143,768)
Proceeds from dividend	1,178,449	848,678	3,904,516	4,705,016
Income tax paid	(11,207,722)	(13,044,875)	(9,324,887)	(11,396,821)
Income from operations before changes in operating assets and liabilities	<u>45,406,145</u>	<u>38,628,896</u>	<u>42,764,710</u>	<u>36,775,670</u>
<i>(Increase) decrease in operating assets</i>				
Interbank and money market items	(6,191,919)	(135,186,430)	(6,476,995)	(140,293,148)
Claims on security	1,008,939	(17,817,299)	1,008,939	(17,817,299)
Derivative assets	(22,011,622)	16,632,622	(23,656,603)	16,658,231
Investment in securities for trading	(3,627,482)	7,998,978	(3,730,694)	8,560,000
Loans to customers	(66,914,854)	(9,211,134)	(65,069,665)	(8,728,837)
Properties for sale	6,698,791	7,423,511	6,693,713	7,419,340
Reinsurance receivables and assets	-	919,670	-	-
Other assets	(17,478,121)	4,348,452	(15,417,648)	6,222,295
<i>Increase (decrease) in operating liabilities</i>				
Deposits	32,624,242	11,589,930	33,054,204	10,236,430
Interbank and money market items	(49,925,801)	24,566,530	(50,425,769)	24,605,224
Liabilities payable on demand	2,891,860	904,930	2,891,881	878,453
Liabilities to deliver security	(998,413)	17,958,195	(1,008,939)	17,817,299
Derivative liabilities	38,937,311	(13,211,945)	38,717,939	(13,169,540)
Short-term debt issued and borrowings	(204,832)	(14,374,892)	(72,388)	(6,823,151)
Other liabilities	30,219,221	11,495,991	1,662,565	(2,083,143)
Net cash used in operating activities	<u>(9,566,535)</u>	<u>(47,333,995)</u>	<u>(39,064,750)</u>	<u>(59,742,176)</u>

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		The Bank	
	Nine month period ended□		Nine month period ended□	
	30 September		30 September	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cash flows from investing activities				
Purchases of available-for-sale securities	(285,989,732)	(267,470,496)	(222,354,840)	(248,663,405)
Proceeds from sales of available-for-sale securities	308,708,771	290,494,107	272,656,239	287,391,373
Purchases of held-to-maturity securities	(17,086,586)	(34,328,094)	-	(252,000)
Proceeds from redemption of held-to-maturity securities	16,629,939	33,740,311	1,167,695	239,020
Purchases of general securities	(2,091)	-	(2,091)	-
Proceeds from sales of general securities	-	55,909	-	55,909
Purchases of investments in subsidiaries and/or associates	(262,462)	-	(3,610,761)	(317)
Proceeds from sales of investments in subsidiaries and/or associates	-	3,744,239	-	3,744,239
Proceeds from decrease in capital of subsidiary	-	-	202,601	2,979,420
Purchases of premises and equipment	(940,682)	(581,191)	(830,631)	(536,849)
Proceeds from sales of premises and equipment	121,344	113,542	91,543	91,182
Purchases of intangible assets	(441,453)	(258,007)	(369,198)	(208,456)
Net cash from investing activities	20,737,048	25,510,320	46,950,557	44,840,116
Cash flows from financing activities				
Acquisitions of non-controlling interests	(3,506,085)	-	-	-
Proceeds from long-term debt issued and borrowings	-	31,397,500	-	24,397,500
Dividend paid to equity holders of the Bank	(20,395,153)	(17,845,759)	(20,395,153)	(17,845,759)
Dividend paid to non-controlling interests	(15,826)	(132,159)	-	-
Net cash (used in) from financing activities	(23,917,064)	13,419,582	(20,395,153)	6,551,741
Foreign currency translation differences	163,594	(9,765)	-	-
Net decrease in cash	(12,582,957)	(8,413,858)	(12,509,346)	(8,350,319)
Cash at 1 January	42,131,800	35,755,178	41,922,318	35,583,930
Cash at 30 September	29,548,843	27,341,320	29,412,972	27,233,611
Supplementary disclosures of cash flow information				
Significant non-cash items were as follows:				
(Loss) gain on remeasuring available-for-sale investments	(8,242,828)	3,551,746	(6,531,496)	919,262
Foreign currency translation differences	163,594	(9,765)	-	-
Share of other comprehensive income (loss) of associates	55,408	(9,928)	-	-
Change in revaluation surplus	(8,081)	(28,982)	(8,081)	(28,982)
Properties for sale from loan payment	6,822,710	7,634,030	6,822,710	7,634,030

(Mr. Arthid Nanthawithaya)

CEO and Deputy Chairman of the Executive Committee

(Mr. Yol Phokasub)

President

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

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

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The Siam Commercial Bank Public Company Limited and its Subsidiaries
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from and are consistent with the Thai language statutory financial statements, and both the English and Thai language financial statements were approved and authorised for issue by the directors on 12 November 2015.

1 General information

The Siam Commercial Bank Public Company Limited, “the Bank”, is incorporated in Thailand and has its registered office at 9 Rutchadapisek Road, Jatujak, Bangkok.

The Bank was established by Royal Charter on 30 January 1906 and was listed on the Stock Exchange of Thailand on 6 February 1976.

The principal business of the Bank is the provision of financial products and services through its branch network in Thailand and other countries as well as its subsidiary in Cambodia and associate in Vietnam. The Bank also has a sizeable investment in its life insurance subsidiary. Details of the Bank’s subsidiaries as at 30 September 2015 and 31 December 2014 are given in note 9.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2014) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission; and presented as prescribed by the Bank of Thailand (BoT) notification number Sor Nor Sor 11/2553, directive dated 3 December 2010, regarding “The preparation and announcement of the financial statements of commercial banks and holding companies which are the parent company of a group of companies offering financial services”.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2014 and for the six-month period ended 30 June 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Bank and its subsidiaries for the year ended 31 December 2014 and for the six-month period ended 30 June 2015.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2014 except that the Bank and its subsidiaries have adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Bank and its subsidiaries except as disclosed in note 4.

In addition to the new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Bank and its subsidiaries’ operations are disclosed in note 23.

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

(b) *Functional and presentation currency*

The interim financial statements are presented in Thai Baht, which is the Bank and its subsidiaries' functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

(c) *Use of judgments and estimates*

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments made by management in applying the Bank and its subsidiaries' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

(d) *Basis of preparation of the consolidated financial statements*

The consolidated financial statements include the accounts of the Head Office, all domestic and overseas branches and the Bank's subsidiaries. All inter-company transactions and balances within this Group have been eliminated.

The consolidated financial statements for the nine-month periods ended 30 September 2015 and 2014 and for the year ended 31 December 2014 do not consolidate certain companies which are in the process of being dissolved and companies in which the Bank and/or a subsidiary has control as a result of debt restructuring and the Bank and/or the subsidiary intend to hold these investments only for a temporary period. The investment in the latter group of companies is classified as "general investments".

3 Significant event and transaction

Financial compensation payment to a customer

In January 2015, the Bank was made aware of a complaint filed with the Royal Thai Police by a customer stating, among others, that funds had been embezzled from its bank accounts with the Bank amounting to about Baht 1.5 billion.

On 27 February 2015, the Bank entered into an agreement with the customer to provide financial compensation of up to Baht 1.5 billion for losses suffered by the customer. If the actual loss sustained by the customer amounts to less than Baht 1.5 billion, the compensation payment will be reduced accordingly. The amount of Baht 1.5 billion has been recorded as an expense in the period and an insurance claim has been made. Recoveries will be credited in the period in which they are received by the Bank.

4 Change in accounting policy

(a) *Overview*

From 1 January 2015, consequent to the adoption of new TFRS as set out in note 2, the Bank and its subsidiaries have adopted the following new TFRS that has a material impact on the Bank and its subsidiaries' financial statements:

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

- TFRS 13 *Fair Value Measurement*

A description of the nature and effect of the change in accounting policy consequent to the adoption of these new TFRS is included in note 4(b) below.

(b) Fair value measurement

TFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other TFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurements date. It also replaces and expands the disclosure requirements about fair value measurements in other TFRSs. Accordingly, the Bank and its subsidiaries have included additional disclosures in this regard (See note 6).

In accordance with the transitional provisions of TFRS 13, the Bank and its subsidiaries have applied the new fair value measurement guidance as follows:

- (1) Through retained earnings at 1 January 2015 for the effect of changes resulting from an assessment of the underlying credit risk when measuring the fair value of financial liabilities and financial assets recorded at fair value as at 31 December 2014;
- (2) Prospectively for the effects of all other changes;

Further details of the effect of the change are set out as below.

	Effect of change in accounting policy		
	As previously reported	Change	As restated
		<i>(in million Baht)</i>	
At 1 January 2015			
Retained earnings - Unappropriated	211,301	(391)	210,910

	Effect of change in accounting policy		
	As previously reported	Change	As restated
		<i>(in million Baht)</i>	
At 1 January 2015			
Retained earnings - Unappropriated	194,705	(391)	194,314

5 Acquisitions of non-controlling interests

On 16 February 2015, the Bank acquired an additional 2,907,241 shares or 4.37% interest in SCB Life Assurance PCL for Baht 3,401 million, increasing its ownership from 94.66% to 99.03% of the issued and paid up share capital.

During May to September 2015, the Bank acquired an additional 91,126 shares or 0.14% interest in SCB Life Assurance PCL for Baht 105 million, increasing its ownership from 99.03% to 99.17% of the issued and paid up share capital.

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

6 Fair value of financial instruments carried at fair value

The Bank and its subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports through to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Bank and its subsidiaries Audit Committee.

When measuring the fair value of an asset or a liability, the Bank and its subsidiaries use market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Bank and its subsidiaries recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The fair value of financial instruments carried at fair value in the consolidated and the Bank statement of financial position are as follows:

	Consolidated			The Bank		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	<i>(in million Baht)</i>					
30 September 2015						
Financial assets						
Derivative assets	-	77,790	77,790	-	79,627	79,627
- Foreign exchange rate	-	58,688	58,688	-	60,525	60,525
- Interest rate	-	19,102	19,102	-	19,102	19,102
Trading securities	334	31,005	31,339	-	30,991	30,991
Available-for-sale securities	21,561	299,105	320,666	8,231	242,304	250,535
Financial liabilities						
Derivative liabilities	37	80,814	80,851	-	80,705	80,705
- Foreign exchange rate	-	62,258	62,258	-	62,149	62,149
- Interest rate	-	18,556	18,556	-	18,556	18,556
- Others	37	-	37	-	-	-

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

	Consolidated			The Bank		
	Level 1	Level 2	Total	Level 1	Level 2	Total
	Fair value					
	(in million Baht)					
31 December 2014						
Financial assets						
Derivative assets	-	43,317	43,317	-	43,446	43,446
- Foreign exchange rate	-	23,971	23,971	-	24,102	24,102
- Interest rate	-	19,319	19,319	-	19,319	19,319
- Others	-	27	27	-	25	25
Trading securities	388	27,285	27,673	-	27,274	27,274
Available-for-sale securities	26,018	315,677	341,695	15,263	282,209	297,472
Financial liabilities						
Derivative liabilities	20	42,206	42,226	-	42,300	42,300
- Foreign exchange rate	-	25,115	25,115	-	25,209	25,209
- Interest rate	-	17,091	17,091	-	17,091	17,091
- Others	20	-	20	-	-	-

The Bank and its subsidiaries determine Level 2 fair values for debt securities using quoted market prices for identical or similar instruments in inactive markets or other inputs that are observable market data.

Level 2 fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank and its subsidiaries and counterparty when appropriate.

7 Maintenance of capital fund

The Bank and its subsidiaries, which are financial institutions, are subject to various capital and regulatory requirements of the Bank of Thailand. Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank and its subsidiaries must satisfy specific capital guidelines that involve, among others, quantitative measures of the Bank's and its subsidiaries' assets, liabilities and certain off-financial reporting items as calculated in accordance with regulatory practices. The Bank's and its subsidiaries' capital amounts and classifications are also subject to qualitative judgments by the Bank of Thailand as to components, risk weightings, and other factors. These capital and regulatory requirements are subject to change, as considered necessary by the Bank of Thailand.

The Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by the Bank of Thailand. As announced by the BoT in its circulars dated 8 November 2012 and 17 December 2012, the Bank is required to calculate its Capital Fund in accordance with Basel III. As at 30 September 2015 and 31 December 2014, the Consolidated Supervision group and the Bank's total capital funds can be categorised as follows:

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

	Basel III	
	Consolidated Supervision	
	30 September 2015	31 December 2014
	<i>(in million Baht)</i>	
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	33,992	33,992
Premium on share capital	11,124	11,124
Legal reserve	7,000	7,000
Net gain after appropriations	210,378	181,143
Disclosed reserves		
Other comprehensive income	12,234	18,014
Other owner changes items	(2,339)	-
Capital deduction items on CET1	(7,277)	(7,354)
Total Tier 1 capital	<u>265,112</u>	<u>243,919</u>
Tier 2 capital		
Subordinated debt	40,000	40,000
Allowance for classified assets of “normal” category	20,187	17,835
Total Tier 2 capital	<u>60,187</u>	<u>57,835</u>
Total capital funds	<u>325,299</u>	<u>301,754</u>
Total risk weighted assets	1,861,515	1,776,687
Total capital / Total risk weighted assets (minimum 8.50%)	17.5%	17.0%
Total Tier 1 capital / Total risk weighted assets (minimum 6.00%)	14.3%	13.7%
Total Tier 1 common equity / Total risk weighted assets (minimum 4.50%)	14.3%	13.7%
Total Tier 2 capital / Total risk weighted assets	3.2%	3.3%
Capital after deducting capital add-on arising from Single Lending Limit*	322,282	
Capital ratio after deducting capital add-on arising from Single Lending Limit*	17.3%	

* Effective in January 2015

The Siam Commercial Bank Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2015 (Unaudited)

	Basel III	
	The Bank	
	30 September 2015	31 December 2014
	<i>(in million Baht)</i>	
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	33,992	33,992
Premium on share capital	11,124	11,124
Legal reserve	7,000	7,000
Net gain after appropriations	198,492	172,983
Other comprehensive income	12,111	17,349
Capital deduction items on CET1	<u>(6,117)</u>	<u>(5,835)</u>
Total Tier 1 capital	<u>256,602</u>	<u>236,613</u>
Tier 2 capital		
Subordinated debt	40,000	40,000
Allowance for classified assets of “normal” category	<u>19,888</u>	<u>17,835</u>
Total Tier 2 capital	<u>59,888</u>	<u>57,835</u>
Total capital funds	<u>316,490</u>	<u>294,448</u>
Total risk weighted assets	1,828,566	1,742,345
Total capital / Total risk weighted assets (minimum 8.50%)	17.3%	16.9%
Total Tier 1 capital / Total risk weighted assets (minimum 6.00%)	14.0%	13.6%
Total Tier 1 common equity / Total risk weighted assets (minimum 4.50%)	14.0%	13.6%
Total Tier 2 capital / Total risk weighted assets	3.3%	3.3%
Capital after deducting capital add-on arising from Single Lending Limit*	314,346	
Capital ratio after deducting capital add-on arising from Single Lending Limit*	17.2%	

* Effective in January 2015

Disclosures of capital maintenance information under the Notification of the Bank of Thailand number Sor Nor Sor 6/2553 dated 18 June 2010, Consolidated Supervision, the Notification of the Bank of Thailand number Sor Nor Sor 7/2558 dated 8 May 2015, Capital Components for Locally - Registered Commercial Banks, the Notification of the Bank of Thailand number Sor Nor Sor 19/2555 dated 17 December 2012, Consolidated Supervision (#2), the Notification of the Bank of Thailand number Sor Nor Sor 4/2556 dated 2 May 2013, the Public Disclosures of Capital Maintenance for Commercial Banks and the Notification of the Bank of Thailand number Sor Nor Sor 5/2556 dated 2 May 2013, the Public Disclosures of Capital Maintenance for Financial Group, were as follows:

Location of disclosure	The Bank’s website under Investor Relations section at http://www.scb.co.th/en/about-scb/investor-relations/financial-information/pillar
Date of disclosure	Within 4 months after the period end date as indicated in the notification.
Information as of	30 June 2015

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Capital management

The Bank and its subsidiaries policies are to maintain a strong capital base so as to provide a cushion against future uncertainties, engender market confidence in the Bank's robustness and to support business growth. Further, the impact of the level of capital on shareholders' returns is also considered together with the need to maintain a balance between the higher returns that might be possible with higher gearing and the advantages and security afforded by a sound capital position.

The Bank and its subsidiaries have complied with BoT imposed capital requirements throughout the period and, as noted in the table above, its capital level is well in excess of the minimum requirements.

8 Investments, net

8.1 Classification of investments in securities

As at 30 September 2015 and 31 December 2014, the investments in securities of the Bank and its subsidiaries were classified as follows:

	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	Fair value	Fair value	Fair value	Fair value
	<i>(in million Baht)</i>			
Trading securities				
Government and state enterprise securities	30,260	25,981	30,246	25,970
Corporate debt securities	553	453	553	453
Foreign debt securities	192	851	192	851
Domestic marketable equity securities	334	388	-	-
Total	31,339	27,673	30,991	27,274

	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	Fair value	Fair value	Fair value	Fair value
	<i>(in million Baht)</i>			
Available-for-sale securities				
Government and state enterprise securities	264,751	290,414	242,075	281,937
Corporate debt securities	21,260	17,130	-	-
Foreign debt securities	12,808	7,821	229	244
Domestic marketable equity securities	19,184	23,321	8,231	12,282
Foreign marketable equity securities	2,663	2,981	-	2,981
Other securities	-	28	-	28
Total	320,666	341,695	250,535	297,472

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	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	Cost / Amortised cost	Cost / Amortised cost	Cost / Amortised cost	Cost / Amortised cost
	<i>(in million Baht)</i>			
Held-to-maturity securities				
Government and state enterprise securities	131,350	131,297	13,245	14,898
Corporate debt securities	36	36	687	676
Foreign debt securities	-	258	-	258
Other securities	1,800	1,800	-	-
Total	133,186	133,391	13,932	15,832
<i>Less</i> allowance for impairment	(36)	(924)	-	(757)
Total	133,150	132,467	13,932	15,075
	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	Cost	Cost	Cost	Cost
	<i>(in million Baht)</i>			
General investments				
Domestic non-marketable equity securities	726	447	441	440
Foreign non-marketable equity securities	17	16	17	16
Total	743	463	458	456
<i>Less</i> allowance for impairment	(188)	(187)	(188)	(187)
Total	555	276	270	269
Total investments, net	485,710	502,111	295,728	340,090

8.2 Investments in companies with problems in their financial positions

As at 30 September 2015, the Bank and its subsidiaries held investments in a number of securities issued by companies with problems in their financial positions and operating results. The Bank and its subsidiaries have made a provision for diminution in the value of securities equal to the amount by which the aggregate cost exceeds the aggregate market value. The aggregate cost of these securities is Baht 94 million (31 December 2014: Baht 95 million).

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9 Investments in subsidiaries and associates, net

As at 30 September 2015 and 31 December 2014, the Bank and its subsidiaries had an investment in associates, net of any impairment provisions, as follows:

		Direct and indirect shareholding		Consolidated Investment value				
				Cost method		Equity method		
Type of business	Type of share	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014	
		(%)		<i>(in million Baht)</i>				
Associates								
Finance								
VinaSiam Bank*	Banking	Ordinary	33.0	33.0	697	697	589	612
Service								
Supernap (Thailand) Co., Ltd.	Data center	Ordinary	24.9	24.5	351	89	347	85
Total investments in associates, net					1,048	786	936	697

* The Company will be dissolved after transfer all assets and liabilities to the Bank (see note 22.2)

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As at 30 September 2015 and 31 December 2014, the Bank had investments in subsidiaries and associates, net of impairment provisions, as follows:

		The Bank				
		Direct shareholding		Investment value Cost method		
		30	31	30	31	
		September	December	September	December	
Type of business	Type of share	2015	2014	2015	2014	
		(%)		(in million Baht)		
Subsidiaries						
Finance & Insurance						
Cambodian Commercial Bank Ltd.	Banking	Ordinary	100.0	100.0	964	964
Rutchayothin Assets Management Co., Ltd.	Asset management	Ordinary	100.0	100.0	25	25
SCB Securities Co., Ltd.	Securities	Ordinary	100.0	100.0	2,107	2,107
SCB Asset Management Co., Ltd.	Asset management	Ordinary	100.0	100.0	222	222
Siam Commercial Leasing PCL	Collection	Ordinary	99.4	99.4	9,976	9,976
SCB Life Assurance PCL	Life insurance	Ordinary	99.2	94.7	12,539	9,033
Services						
SCB Training Centre Co., Ltd.	Training center	Ordinary	100.0	100.0	390	390
Siam Phitiwat Co., Ltd.	Appraisal services	Ordinary	100.0	100.0	10	10
SCB Plus Co., Ltd.	Collection	Ordinary	100.0	100.0	1	1
Other						
Sor. Or. Kor. PCL*	Commercial	Ordinary	99.7	99.7	582	785
Indirect subsidiary						
Mahisorn Co., Ltd.**	Property management	Ordinary	-	-	-	-
Associates						
Finance						
VinaSiam Bank***	Banking	Ordinary	33.0	33.0	697	697
Service						
Supernap (Thailand) Co., Ltd.	Data center	Ordinary	10.0	10.0	141	36
Total					27,654	24,246
Less allowance for impairment					(2,318)	(2,117)
Total investments in subsidiaries and associates, net					25,336	22,129

* The entire business has been transferred to the Bank on 1 October 2012, discontinued on 27 November 2012 and being liquidated.

** Subsidiary of SCB Plus Co., Ltd.

*** The Company will be dissolved after transfer all assets and liabilities to the Bank (see note 22.2)

All subsidiaries and associates were registered and operate in Thailand except the Cambodian Commercial Bank Ltd., which was registered and operates in Cambodia and VinaSiam Bank which was registered and operates in Vietnam.

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10 Loans to customers and accrued interest receivables, net

10.1 Classified by business type and quality of loan classification as at 30 September 2015 and 31 December 2014

	Consolidated											
	30 September 2015					31 December 2014						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful Loss	Total *	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful Loss	Total *
	<i>(in million Baht)</i>											
Agriculture and mining	15,510	197	122	53	49	15,931	17,775	242	216	29	22	18,284
Manufacturing and commercial	561,896	5,573	18,169	6,042	12,115	603,795	570,126	33,308	5,221	2,527	10,132	621,314
Real estate and construction	135,550	851	781	242	2,526	139,950	120,804	1,260	650	447	2,088	125,249
Utilities and services	239,374	1,595	1,167	874	1,464	244,474	215,559	1,868	1,950	448	1,306	221,131
Housing loans	466,744	10,910	5,470	3,576	1,678	488,378	442,250	11,054	4,526	3,145	2,084	463,059
Others	299,759	14,605	4,171	1,563	2,188	322,286	305,532	14,614	4,098	1,669	2,185	328,098
Total *	1,718,833	33,731	29,880	12,350	20,020	1,814,814	1,672,046	62,346	16,661	8,265	17,817	1,777,135

	The Bank											
	30 September 2015					31 December 2014						
	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful Loss	Total *	Normal	Special Mention	Sub-Standard	Doubtful	Doubtful Loss	Total *
	<i>(in million Baht)</i>											
Agriculture and mining	15,442	197	122	53	49	15,863	17,647	242	216	29	22	18,156
Manufacturing and commercial	560,267	5,573	18,169	6,042	12,115	602,166	569,209	33,308	5,221	2,527	10,132	620,397
Real estate and construction	135,550	851	781	242	1,481	138,905	120,800	1,260	650	447	1,029	124,186
Utilities and services	238,820	1,595	1,167	874	1,464	243,920	215,031	1,868	1,950	448	1,306	220,603
Housing loans	466,727	10,910	5,470	3,576	1,678	488,361	442,243	11,054	4,526	3,145	2,084	463,052
Others	293,729	14,605	4,171	1,563	2,129	316,197	300,677	14,614	4,098	1,669	2,127	323,185
Total *	1,710,535	33,731	29,880	12,350	18,916	1,805,412	1,665,607	62,346	16,661	8,265	16,700	1,769,579

* Net of deferred revenue, excludes accrued interest receivables

10.2 Loans to listed companies identified for delisting

	Consolidated and the Bank								
	30 September 2015				31 December 2014				
	Loans and accrued				Loans and accrued				
	No. of companies	interest receivables*	Amount of Collateral provision	Amount of	No. of companies	interest receivables*	Amount of Collateral provision	Amount of	Amount of
Listed companies identified for delisting	2	2,286	1,807	472	3	3,005	1,952	788	

* Including loans to financial institutions but excluding other expenses

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10.3 Non-Performing Loans

As at 30 September 2015 and 31 December 2014, the Bank used the guidelines specified in the BoT's notification dated 3 August 2008 in determining Non-Performing Loans which consist of loans classified as sub-standard, doubtful, doubtful loss and loss under the BoT's guideline. The amounts were as follows:

	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	<i>(in million Baht)</i>			
Non-Performing Loans (net of allowance for doubtful accounts)	27,085	21,791	26,712	21,413
% of Non-Performing Loans to total loans (net)	1.3	1.1	1.3	1.1
Non-Performing Loans (gross)	62,250	42,743	61,146	41,626
% of Non-Performing Loans to total loans	3.0	2.1	3.0	2.1

In 3Q15, two large corporate customers with loans collectively amounting to over Baht 22 billion were classified as NPL; both were previously classed as special mention loans. These two customers, both in the steel industry had encountered severe liquidity problems as a result of the prolonged and continuing global slump in steel prices. As a result, the Bank set aside additional provisions of Baht 11 billion in the quarter, in part, to fully provide and then write-off the loans to one of these customers of about Baht 12 billion in 3Q15 and, in part, to enhance fully provide for the other customer after allowing for remaining collateral.

As at 30 September 2015, Rutchayothin Assets Management Co., Ltd. which is a subsidiary of the Bank, had Non-Performing Loans of Baht 483 million (*31 December 2014: Baht 488 million*). However, the Non-Performing Loans based on principal of loan purchased from the group as at 30 September 2015 was Baht 1,045 million (*31 December 2014: Baht 1,059 million*).

10.4 Classified assets

The Bank and its subsidiaries had classified assets as at 30 September 2015 and 31 December 2014 as follows:

	Consolidated					Total
	30 September 2015					
	Loans and accrued interest receivables*	Loans to financial institutions and accrued interest receivables	Investments	Properties for sale	Other assets	
	<i>(in million Baht)</i>					
Normal	1,722,363	244,928	-	-	16	1,967,307
Special Mention	33,911	-	-	-	3	33,914
Sub-Standard	29,926	-	-	-	3	29,929
Doubtful	12,350	-	-	-	5	12,355
Doubtful Loss	20,026	-	2,790	649	701	24,166
	1,818,576	244,928	2,790	649	728	2,067,671

* Net of deferred revenue

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Consolidated
31 December 2014

	Loans and accrued interest receivables*	Loans to financial institutions and accrued interest receivables	Investments	Properties for sale	Other assets	Total
	<i>(in million Baht)</i>					
Normal	1,675,361	252,620	-	-	11	1,927,992
Special Mention	62,790	-	-	-	1	62,791
Sub-Standard	16,709	-	-	-	3	16,712
Doubtful	8,265	-	-	-	4	8,269
Doubtful Loss	17,824	-	2,397	997	631	21,849
	1,780,949	252,620	2,397	997	650	2,037,613

The Bank
30 September 2015

	Loans and accrued interest receivables*	Loans to financial institutions and accrued interest receivables	Investments	Properties for sale	Other assets	Total
	<i>(in million Baht)</i>					
Normal	1,713,691	238,298	-	-	16	1,952,005
Special Mention	33,911	-	-	-	3	33,914
Sub-Standard	29,926	-	-	-	3	29,929
Doubtful	12,350	-	-	-	5	12,355
Doubtful Loss	18,916	-	3,351	646	701	23,614
	1,808,794	238,298	3,351	646	728	2,051,817

The Bank
31 December 2014

	Loans and accrued interest receivables*	Loans to financial institutions and accrued interest receivables	Investments	Properties for sale	Other assets	Total
	<i>(in million Baht)</i>					
Normal	1,668,659	246,951	-	-	11	1,915,621
Special Mention	62,790	-	-	-	1	62,791
Sub-Standard	16,709	-	-	-	3	16,712
Doubtful	8,265	-	-	-	4	8,269
Doubtful Loss	16,700	-	3,778	991	631	22,100
	1,773,123	246,951	3,778	991	650	2,025,493

* Net of deferred revenue

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10.5 Allowance for doubtful accounts

10.5.1 Loans classified by quality as at 30 September 2015 and 31 December 2014 (inclusive of accrued interest receivables)

	Consolidated						Total
	30 September 2015						
	Individual approach (All loans except for finance leases)			Collective approach (Finance leases)			
	Loans and accrued interest receivables <i>(in million Baht)</i>	Net amount used to set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts***	Net amount used to set the allowance for doubtful accounts	Allowance for doubtful accounts***	
Minimum allowance of BoT regulations							
- Normal	1,722,363	1,518,475*	1	15,124	152,573	2,581	17,705
- Special Mention	33,911	23,369*	2	467	10,097	2,004	2,471
- Sub-Standard	29,926	17,762**	100	17,762	1,074	460	18,222
- Doubtful	12,350	4,753**	100	4,753	575	239	4,992
- Doubtful Loss	20,026	11,321**	100	11,321	1,719	710	12,031
Total	<u>1,818,576</u>	<u>1,575,680</u>		<u>49,427</u>	<u>166,038</u>	<u>5,994</u>	<u>55,421</u>
Allowance established in excess of BoT regulations							<u>7,273</u>
Total							<u>62,694</u>

	Consolidated						Total
	31 December 2014						
	Individual approach (All loans except for finance leases)			Collective approach (Finance leases)			
	Loans and accrued interest receivables <i>(in million Baht)</i>	Net amount used to set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts***	Net amount used to set the allowance for doubtful accounts	Allowance for doubtful accounts***	
Minimum allowance of BoT regulations							
- Normal	1,675,361	1,490,991*	1	14,862	154,538	2,240	17,102
- Special Mention	62,790	52,337*	2	1,047	9,895	1,811	2,858
- Sub-Standard	16,709	7,199**	100	7,199	1,151	424	7,623
- Doubtful	8,265	2,812**	100	2,812	719	262	3,074
- Doubtful Loss	17,824	9,749**	100	9,749	1,789	683	10,432
Total	<u>1,780,949</u>	<u>1,563,088</u>		<u>35,669</u>	<u>168,092</u>	<u>5,420</u>	<u>41,089</u>
Allowance established in excess of BoT regulations							<u>17,925</u>
Total							<u>59,014</u>

* Net of cash and near cash collateral

** Net of PV cashflow from loan receivables or selling collateral

*** Excluding revaluation allowance for debt restructuring

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The Bank							
30 September 2015							
	Individual approach (All loans except for finance leases)				Collective approach (Finance leases)		Total
	Loans and accrued interest receivables <i>(in million Baht)</i>	Net amount used to set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts***	Net amount used to set the allowance for doubtful accounts	Allowance for doubtful accounts***	
Minimum allowance of BoT regulations							
- Normal	1,713,691	1,510,176*	1	15,102	152,573	2,581	17,683
- Special Mention	33,911	23,369*	2	467	10,097	2,004	2,471
- Sub-Standard	29,926	17,762**	100	17,762	1,074	460	18,222
- Doubtful	12,350	4,753**	100	4,753	575	239	4,992
- Doubtful Loss	18,916	10,592**	100	10,592	1,719	710	11,302
Total	<u>1,808,794</u>	<u>1,566,652</u>		<u>48,676</u>	<u>166,038</u>	<u>5,994</u>	54,670
Allowance established in excess of BoT regulations							<u>7,266</u>
Total							<u>61,936</u>

The Bank							
31 December 2014							
	Individual approach (All loans except for finance leases)				Collective approach (Finance leases)		Total
	Loans and accrued interest receivables <i>(in million Baht)</i>	Net amount used to set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts***	Net amount used to set the allowance for doubtful accounts	Allowance for doubtful accounts***	
Minimum allowance of BoT regulations							
- Normal	1,668,659	1,484,553*	1	14,846	154,538	2,240	17,086
- Special Mention	62,790	52,337*	2	1,047	9,895	1,811	2,858
- Sub-Standard	16,709	7,199**	100	7,199	1,151	424	7,623
- Doubtful	8,265	2,812**	100	2,812	719	262	3,074
- Doubtful Loss	16,700	9,008**	100	9,008	1,789	683	9,691
Total	<u>1,773,123</u>	<u>1,555,909</u>		<u>34,912</u>	<u>168,092</u>	<u>5,420</u>	40,332
Allowance established in excess of BoT regulations							<u>17,920</u>
Total							<u>58,252</u>

* Net of cash and near cash collateral

** Net of PV cashflow from loan receivables or selling collateral

*** Excluding revaluation allowance for debt restructuring

Following an assessment of the ultimate collectability of the Bank's consolidated loan portfolio, the management of the Bank and its subsidiaries believe that the allowance for doubtful accounts established was adequate as at 30 September 2015 and 31 December 2014 and in compliance with the BoT's guidelines. The aggregate allowance is based on both quantitative criteria noted above and qualitative criteria that reflects management judgment.

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10.5.2 Changes to the allowance for doubtful accounts

As at 30 September 2015 and 31 December 2014, the changes to the allowance for doubtful accounts were as follows:

Consolidated							
30 September 2015							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
As at 1 January 2015	17,102	2,858	7,623	3,074	10,432	17,925	59,014
Bad debt and doubtful accounts	601	(387)	10,599	1,918	24,145	(10,759)	26,117
Bad debts written off	-	-	-	-	(22,546)	-	(22,546)
Others	2	-	-	-	-	107	109
As at 30 September 2015	<u>17,705</u>	<u>2,471</u>	<u>18,222</u>	<u>4,992</u>	<u>12,031</u>	<u>7,273</u>	<u>62,694</u>

Consolidated							
31 December 2014							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
As at 1 January 2014	16,311	1,833	5,872	2,232	12,686	21,008	59,942
Bad debt and doubtful accounts	791	1,025	1,751	842	13,980	(3,496)	14,893
Bad debts written off	-	-	-	-	(15,843)	-	(15,843)
Others	-	-	-	-	(391)	413	22
As at 31 December 2014	<u>17,102</u>	<u>2,858</u>	<u>7,623</u>	<u>3,074</u>	<u>10,432</u>	<u>17,925</u>	<u>59,014</u>

The Bank							
30 September 2015							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
As at 1 January 2015	17,086	2,858	7,623	3,074	9,691	17,920	58,252
Bad debt and doubtful accounts	597	(387)	10,599	1,918	24,157	(10,761)	26,123
Bad debts written off	-	-	-	-	(22,546)	-	(22,546)
Others	-	-	-	-	-	107	107
As at 30 September 2015	<u>17,683</u>	<u>2,471</u>	<u>18,222</u>	<u>4,992</u>	<u>11,302</u>	<u>7,266</u>	<u>61,936</u>

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The Bank							
31 December 2014							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
	<i>(in million Baht)</i>						
As at 1 January 2014	16,295	1,833	5,871	2,231	11,369	21,005	58,604
Bad debt and doubtful accounts	791	1,025	1,752	843	13,996	(3,498)	14,909
Bad debts written off	-	-	-	-	(15,674)	-	(15,674)
Others	-	-	-	-	-	413	413
As at 31 December 2014	<u>17,086</u>	<u>2,858</u>	<u>7,623</u>	<u>3,074</u>	<u>9,691</u>	<u>17,920</u>	<u>58,252</u>

11 Troubled debt restructuring

The financial statements for the nine-month periods ended 30 September 2015 and 2014, includes the following changes through various types of troubled debt restructuring:

Types of debt restructuring	No. of accounts		Consolidated and the Bank				Transferred assets		
			Outstanding debts						
			Before debt restructuring		After debt restructuring				
2015	2014	2015	2014	2015	2014	Types	Fair value		
<i>(in million Baht)</i>									
Transfers of assets	1	2	125	16	125	16	Immovable properties	-	12
Debt restructuring in various forms	1,819	1,394	10,620	8,626	10,597	8,595	Immovable properties	37	-
Changes of repayment conditions	<u>13,312</u>	<u>8,663</u>	<u>16,368</u>	<u>11,466</u>	<u>16,238</u>	<u>11,443</u>			
Total	<u>15,132</u>	<u>10,059</u>	<u>27,113</u>	<u>20,108</u>	<u>26,960</u>	<u>20,054</u>			

As at 30 September 2015 and 2014, troubled debt restructuring compared with total loans including loans to financial institutions were as follows:

	Consolidated			
	2015		2014	
	No. of accounts	Outstanding debts	No. of accounts*	Outstanding debts*
	<i>(in million Baht)</i>		<i>(in million Baht)</i>	
Balance of troubled debt restructured	15,132	27,113	10,059	20,108
Total loans including loans to financial institutions	1,192,901	2,063,504	1,024,219	2,022,661

	The Bank			
	2015		2014	
	No. of accounts	Outstanding debts	No. of accounts*	Outstanding debts*
	<i>(in million Baht)</i>		<i>(in million Baht)</i>	
Balance of troubled debt restructured	15,132	27,113	10,059	20,108
Total loans including loans to financial institutions	1,084,712	2,047,092	941,016	1,989,409

* The comparative data has been revised. Explanation provided in the paragraph below.

The average term of troubled debt restructuring as of 30 September 2015 is 11.8 years (30 September 2014: 11.2 years).

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As at 30 September 2015 and 31 December 2014, the Bank and its subsidiaries had outstanding balances relating to restructured loans, including troubled debt, were as follows:

	Consolidated and The Bank			
	30 September 2015		31 December 2014	
	No. of accounts	Outstanding debts <i>(in million Baht)</i>	No. of accounts*	Outstanding debts* <i>(in million Baht)</i>
Restructured loans which were classified as NPL	4,583	11,481	2,897	10,183
Restructured loans which were not classified as NPL	13,116	32,794	9,827	25,683
Total	17,699	44,275	12,724	35,866

* The comparative data has been revised. Explanation provided in the paragraph below.

In line with regulations, troubled debt restructured does not include loans that are rescheduled at regular market rates, typically the interest rate at the time a loan was booked. Rescheduled loans at regular market rates which were previously disclosed under restructured loans as at 31 December 2014 amounted to Baht 14,103 million comprising 4,945 accounts at both the consolidated and the Bank level. This amount has been excluded in the revised amounts presented above. As a result, the revised disclosure on restructured loans will facilitate better market comparisons.

Supplementary information relating to restructured loans for the nine-month periods ended 30 September 2015 and 2014 were as follows:

	Consolidated		The Bank	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Interest income recognised in statement of comprehensive income	2,309	1,612	2,309	1,612
Loss on debt restructuring recognised in statement of comprehensive income	33	26	33	26
Cash collection	8,505	7,668	8,505	7,667

Revaluation allowance for debt restructuring

As at 30 September 2015 and 31 December 2014, the changes to the revaluation allowance for debt restructuring was as follows:

	Consolidated and The Bank	
	30 September 2015	31 December 2014
	<i>(in million Baht)</i>	
Beginning balance	-	374
Increase (decrease) during the period/year	59	(374)
Ending balance	59	-

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12 Liabilities under insurance contracts

Liabilities under insurance contracts represent the liabilities of the insurance subsidiary. As at 30 September 2015 and 31 December 2014 were as follows:

	Consolidated	
	30 September 2015	31 December 2014
	<i>(in million Baht)</i>	
SCB Life Assurance PCL		
Life insurance policy reserves	177,882	150,702
Others	1,136	1,055
Total	<u>179,018</u>	<u>151,757</u>

13 Dividends

The Board of Directors Meeting held on 25 August 2015 passed a resolution approving an interim dividend payment in respect of the half-year result of 2015 of Baht 1.50 per share, amounting to Baht 5,099 million. The dividend was paid to shareholders on 18 September 2015.

At the annual general meeting of the shareholders of the Bank held on 2 April 2015, the shareholders approved the appropriation of dividend of Baht 4.50 per share, amounting to Baht 15,296 million. The dividend was paid to shareholders on 30 April 2015.

The Board of Directors Meeting held on 26 August 2014 passed a resolution approving an interim dividend payment in respect of the half-year result of 2014 of Baht 1.50 per share, amounting to Baht 5,099 million. The dividend was paid to shareholders on 19 September 2014.

At the annual general meeting of the shareholders of the Bank held on 3 April 2014, the shareholders approved the appropriation of dividend of Baht 3.75 per share, amounting to Baht 12,747 million. The dividend was paid to shareholders on 2 May 2014.

14 Assets pledged as collateral and under restriction

As at 30 September 2015 and 31 December 2014, assets pledged as collateral and under restriction were as follows:

	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	<i>(in million Baht)</i>			
Investments				
Securities pledged as collateral for repurchase	12,808	54,250	12,808	54,250
Others	35,217	30,678	272	286
Total	<u>48,025</u>	<u>84,928</u>	<u>13,080</u>	<u>54,536</u>

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15 Contingencies

As at 30 September 2015 and 31 December 2014, contingencies were as follows:

	Consolidated		The Bank	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	<i>(in million Baht)</i>			
Avals to bills	4,527	3,434	4,527	3,434
Guarantees of loans	351	220	113	117
Liability under unmatured import bills	12,503	6,792	12,503	6,792
Letters of credit	35,156	35,346	34,916	35,196
Other contingencies				
- Amount of unused bank overdrafts	152,521	127,028	151,797	126,443
- Other guarantees	141,513	178,776	139,502	177,936
- Receivables / payables from investments	21,331	10,070	20,831	9,902
- Others	2,548	899	-	-
Total	370,450	362,565	364,189	359,820

As at 30 September 2015, the Bank had commitments of Baht 3 million, in connection with finance companies whose operations were closed down permanently by the Ministry of Finance on 8 December 1997 (*31 December 2014: Baht 3 million*).

16 Related parties

For the purposes of these financial statements, parties are considered to be related to the Bank and its subsidiaries if the Bank and its subsidiaries have the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Bank and its subsidiaries and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Bank has business transactions with related parties or persons. Interest rate for staff loans under the staff welfare scheme is charged in accordance with the Bank's regulations for such loans. Interest rate and other pricing for other related parties are at the same rate as in the normal course of business with the same business conditions as general customers. For other income and expenses are charged at market price as normal business or the price as stipulated in the agreement. Transactions with related parties or persons were as follows:

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16.1 Loans, deposits, borrowings and contingencies

Loans, deposits, borrowings and contingencies to related parties or persons as at 30 September 2015 and 31 December 2014 were as follows:

	Consolidated							
	30 September 2015				31 December 2014			
	Loans*	Deposits	Borrow-ings	Contin-gencies	Loans*	Deposits	Borrow-ings	Contin-gencies
	<i>(in million Baht)</i>							
Associates	-	723	-	-	-	321	-	-
Related companies (Shareholding through other companies' debt restructuring process)	-	-	-	1	-	-	-	1
Major shareholder (more than 10% ownership)	-	10,031	-	-	-	8,200	-	-
Entities in which the directors, management or close members of their families have significant influence	-	672	1	107	-	681	1	107
Directors and key executive officers	105	734	16	-	102	768	16	-
Total	105	12,160	17	108	102	9,970	17	108

	The Bank							
	30 September 2015				31 December 2014			
	Loans*	Deposits	Borrow-ings	Contin-gencies	Loans*	Deposits	Borrow-ings	Contin-gencies
	<i>(in million Baht)</i>							
Subsidiaries								
Finance & Insurance	-	4,936	1,439	13,253	-	5,039	1,727	7,853
Others	-	432	-	-	-	274	-	-
Total subsidiaries	-	5,368	1,439	13,253	-	5,313	1,727	7,853
Associates	-	723	-	-	-	321	-	-
Related companies (Shareholding through other companies' debt restructuring process)	-	-	-	1	-	-	-	1
Major shareholder (more than 10% ownership)	-	10,031	-	-	-	8,200	-	-
Entities in which the directors, management or close members of their families have significant influence	-	672	1	107	-	681	1	107
Directors and key executive officers	105	734	16	-	102	768	16	-
Total	105	17,528	1,456	13,361	102	15,283	1,744	7,961

* Net of provision (1%)

16.2 Income and expenses

Significant income and expenses between the Bank and its subsidiaries, associates and related companies for the three-month periods ended 30 September 2015 and 2014 were as follows:

	Consolidated							
	2015				2014			
	Income		Expenses		Income		Expenses	
	Interest	Others	Interest	Others	Interest	Others	Interest	Others
	<i>(in million Baht)</i>							
Major shareholder	-	4,289	65	7	-	-	31	5

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	The Bank							
	2015				2014			
	Income		Expenses		Income		Expenses	
	Interest	Others	Interest	Others	Interest	Others	Interest	Others
	<i>(in million Baht)</i>							
Subsidiaries	4	2,790	16	595	5	3,489	52	869
Major shareholder	-	4,289	65	7	-	-	31	5

Significant income and expenses between the Bank and its subsidiaries, associates and related companies for the nine-month periods ended 30 September 2015 and 2014 were as follows:

	Consolidated							
	2015				2014			
	Income		Expenses		Income		Expenses	
	Interest	Others	Interest	Others	Interest	Others	Interest	Others
	<i>(in million Baht)</i>							
Major shareholder	-	4,289	190	16	-	-	124	16

	The Bank							
	2015				2014			
	Income		Expenses		Income		Expenses	
	Interest	Others	Interest	Others	Interest	Others	Interest	Others
	<i>(in million Baht)</i>							
Subsidiaries	11	10,812	59	1,899	13	11,856	102	2,287
Major shareholder	-	4,289	190	16	-	-	124	16

On 24 September 2015, the Bank sold 9,070,600 common shares held by the Bank in the Siam Cement Public Company Limited to the Crown Property Bureau, which is a related party. The selling price was based on prevailing market prices to reflect an arm's length basis. Sales proceeds amounted to Baht 4.5 billion and a gain on investment of Baht 4.3 billion has been recorded in the period.

17 Key management personnel compensation

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank, holding the position of Executive Vice President or higher.

The Bank has not paid benefits to directors and executives other than the benefits that are normally paid such as meeting allowances, reward, salary, bonus, cost of living allowance, transportation charges and fringe benefits according to the Bank's regulations.

	Consolidated		The Bank	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Short-term employee benefits	261	267	213	224
Total	261	267	213	224

	Consolidated		The Bank	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Short-term employee benefits	1,266	1,123	1,088	935
Post-employment benefits	43	21	40	18
Total	1,309	1,144	1,128	953

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18 Operating segments

As at 30 September 2015 and 2014, operating segments were as follows:

Information on the Bank's operating model and business segments is set out in the annual report. Specifically, the Bank has four main lines of business: the Corporate Segment which serves corporate and commercial customers; the SME Segment which serves SME customers (prior to 2015 referred to as Business Banking); the Retail Segment which serves individuals and small businesses; and the Special Business unit which is responsible for NPL resolution. In addition, the Bank has three major subsidiaries: SCB Securities Co., Ltd., SCB Asset Management Co., Ltd. and SCB Life Assurance PCL.

In the information provided below, the results of subsidiaries together with the income from the Banks' investments, interbank and money market, that is not allocated to a specific business unit, are presented under the "Others" column. The results of the Special Business unit are allocated back to the line of business from which the workout assets were transferred. With respect to fee income earned by subsidiaries, it is allocated to the appropriate line of business (Corporate Segment, SME Segment or Retail Segment) in the Management Discussion and Analysis that accompanies the financial statements but is stated under "Others" in the analysis below. Finally, operating expenses are both direct and indirect business expenses of each line of business as well as allocation of common expenses to these businesses.

The Bank has determined that the Chief Operating Decision Maker is the Executive Committee. Financial information of the Business Groups measured on a basis that is consistent with internal reporting was as follows:

<i>Three-month period ended 30 September 2015</i>	Consolidated				Total
	Corporate Segment	SME Segment	Retail Segment	Others	
	<i>(in million Baht)</i>				
Net interest income	3,525	3,648	10,569	2,328	20,070
Net fees income & dividend and other income	2,819	936	7,134	8,332	19,221
Total operating income	6,344	4,584	17,703	10,660	39,291
Total operating expenses	(1,923)	(1,313)	(8,067)	(611)	(11,914)
Profit before impairment loss and income tax	4,421	3,271	9,636	10,049	27,377
Impairment loss and income tax					(18,344)
Net profit					9,033

<i>Three-month period ended 30 September 2014</i>	Consolidated				Total
	Corporate Segment	SME Segment	Retail Segment	Others	
	<i>(in million Baht)</i>				
Net interest income	4,100	3,685	9,736	3,321	20,842
Net fees income & dividend and other income	2,280	807	7,177	703	10,967
Total operating income	6,380	4,492	16,913	4,024	31,809
Total operating expenses	(1,778)	(1,328)	(8,075)	(790)	(11,971)
Profit before impairment loss and income tax	4,602	3,164	8,838	3,234	19,838
Impairment loss and income tax					(6,508)
Net profit					13,330

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	The Bank							
	30 September 2015				31 December 2014			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
	<i>(in million Baht)</i>							
Total assets	2,486,463	102,301	(31,219)	2,557,545	2,461,101	92,046	(30,337)	2,522,810
Interbank and money market items, net (Assets)	265,439	17,757	-	283,196	264,078	12,729	-	276,807
Investments, net *	320,835	229	-	321,064	361,716	503	-	362,219
Loans to customers and accrued interest receivables, net	1,715,997	30,803	-	1,746,800	1,678,546	36,325	-	1,714,871
Deposits	1,917,670	5,773	-	1,923,443	1,884,112	6,276	-	1,890,388
Interbank and money market items (Liabilities)	82,859	12,730	-	95,589	136,125	9,889	-	146,014
Debt issued and borrowings	40,116	81,928	-	122,044	40,189	74,297	-	114,486

* Includes net investments in subsidiaries and associates

19.2 The results of operations classified by domestic and foreign business for the three-month periods ended 30 September 2015 and 2014 were as follows:

	Consolidated							
	2015				2014			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
	<i>(in million Baht)</i>							
Interest income	29,613	912	(615)	29,910	30,721	870	(589)	31,002
Interest expense	(9,549)	(906)	615	(9,840)	(9,918)	(831)	589	(10,160)
Net interest income	20,064	6	-	20,070	20,803	39	-	20,842
Net fees and service income	6,765	12	-	6,777	6,673	66	-	6,739
Other operating income	12,410	34	-	12,444	4,214	14	-	4,228
Other operating expenses	(27,864)	(52)	-	(27,916)	(15,094)	(100)	-	(15,194)
Profit before tax	<u>11,375</u>	<u>-</u>	<u>-</u>	<u>11,375</u>	<u>16,596</u>	<u>19</u>	<u>-</u>	<u>16,615</u>

	The Bank							
	2015				2014			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
	<i>(in million Baht)</i>							
Interest income	27,756	874	(615)	28,015	29,133	843	(589)	29,387
Interest expense	(9,555)	(903)	615	(9,843)	(9,958)	(828)	589	(10,197)
Net interest income	18,201	(29)	-	18,172	19,175	15	-	19,190
Net fees and service income	7,695	(7)	-	7,688	7,656	50	-	7,706
Other operating income	11,005	31	-	11,036	2,684	7	-	2,691
Other operating expenses	(27,259)	(29)	-	(27,288)	(14,618)	(88)	-	(14,706)
Profit before tax	<u>9,642</u>	<u>(34)</u>	<u>-</u>	<u>9,608</u>	<u>14,897</u>	<u>(16)</u>	<u>-</u>	<u>14,881</u>

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19.3 The results of operations classified by domestic and foreign business for the nine-month periods ended 30 September 2015 and 2014 were as follows:

	Consolidated							
	2015			2014				Total
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	
	<i>(in million Baht)</i>							
Interest income	91,106	2,676	(1,794)	91,988	91,624	2,432	(1,850)	92,206
Interest expense	<u>(29,765)</u>	<u>(2,601)</u>	<u>1,794</u>	<u>(30,572)</u>	<u>(31,109)</u>	<u>(2,307)</u>	<u>1,850</u>	<u>(31,566)</u>
Net interest income	61,341	75	-	61,416	60,515	125	-	60,640
Net fees and service income	20,184	39	-	20,223	18,999	185	-	19,184
Other operating income	23,404	51	-	23,455	16,444	16	-	16,460
Other operating expenses	<u>(60,824)</u>	<u>(88)</u>	<u>-</u>	<u>(60,912)</u>	<u>(44,163)</u>	<u>(266)</u>	<u>-</u>	<u>(44,429)</u>
Profit before tax	<u>44,105</u>	<u>77</u>	<u>-</u>	<u>44,182</u>	<u>51,795</u>	<u>60</u>	<u>-</u>	<u>51,855</u>

	The Bank							
	2015			2014				Total
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	
	<i>(in million Baht)</i>							
Interest income	85,711	2,581	(1,794)	86,498	86,999	2,354	(1,850)	87,503
Interest expense	<u>(29,793)</u>	<u>(2,593)</u>	<u>1,794</u>	<u>(30,592)</u>	<u>(31,188)</u>	<u>(2,301)</u>	<u>1,850</u>	<u>(31,639)</u>
Net interest income	55,918	(12)	-	55,906	55,811	53	-	55,864
Net fees and service income	23,583	(7)	-	23,576	22,589	141	-	22,730
Other operating income	18,581	43	-	18,624	13,606	12	-	13,618
Other operating expenses	<u>(59,073)</u>	<u>(33)</u>	<u>-</u>	<u>(59,106)</u>	<u>(42,802)</u>	<u>(222)</u>	<u>-</u>	<u>(43,024)</u>
Profit before tax	<u>39,009</u>	<u>(9)</u>	<u>-</u>	<u>39,000</u>	<u>49,204</u>	<u>(16)</u>	<u>-</u>	<u>49,188</u>

20 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period.

The consolidated and the Bank's effective tax rate in respect of continuing operations for the three-month periods ended 30 September 2015 were 21% and 19% respectively (*30 September 2014: 20% and 19% respectively*).

The consolidated and the Bank's effective tax rate in respect of continuing operations for the nine-month periods ended 30 September 2015 were 20% and 18% respectively (*30 September 2014: 20% and 18% respectively*).

21 Basic earnings per share

Basic earnings per share in the consolidated and the Bank's financial statements for the three-month periods ended 30 September 2015 and 2014 were calculated as follows:

	Consolidated		The Bank	
	2015	2014	2015	2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Bank (basic)	<u>9,018</u>	<u>13,252</u>	<u>7,818</u>	<u>12,116</u>
Number of ordinary and preference shares outstanding	<u>3,399</u>	<u>3,399</u>	<u>3,399</u>	<u>3,399</u>
Earnings per share (basic) (in Baht)	<u>2.65</u>	<u>3.90</u>	<u>2.30</u>	<u>3.56</u>

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Basic earnings per share in the consolidated and the Bank's financial statements for the nine-month periods ended 30 September 2015 and 2014 were calculated as follows:

	Consolidated		The Bank	
	2015	2014	2015	2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Bank (basic)	<u>35,388</u>	<u>41,104</u>	<u>31,889</u>	<u>40,261</u>
Number of ordinary and preference shares outstanding	<u>3,399</u>	<u>3,399</u>	<u>3,399</u>	<u>3,399</u>
Earnings per share (basic) (in Baht)	<u>10.41</u>	<u>12.09</u>	<u>9.38</u>	<u>11.84</u>

The preference of the preference shares expired in 2009; therefore, their rights are equivalent to ordinary shares. Basic earnings per share for the three-month and nine-month periods ended 30 September 2015 and 2014 were based on the profit attributable to ordinary shareholders of the Bank and the number of ordinary and preference shares outstanding during the period.

22 Events after the reporting period

22.1 50,000 preference shares have been converted into 50,000 ordinary shares. The Bank registered the conversion of the preference shares with the Ministry of Commerce on 7 October 2015.

22.2 On 3 November 2015, the Extraordinary General Meeting of Shareholders of the Bank approved the acquisition of the entire charter capital in VinaSiam Bank, an associate company, and the transfer of all assets and liabilities of VinaSiam Bank to the branch of the Siam Commercial Bank Public Company Limited to be established in Ho Chi Minh City, The Socialist Republic of Vietnam. (VinaSiam Bank was a joint venture bank in Vietnam and the Bank holds a 33% share. The said Bank will be dissolved following the completion of the transaction.)

23 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Bank and its subsidiaries' operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated, are set out below. The Bank and its subsidiaries do not plan to adopt these TFRS early.

TFRS	Topic	Year effective
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 10 (revised 2015)	Events After the Reporting Period	2016
TAS 12 (revised 2015)	Income Taxes	2016
TAS 16 (revised 2015)	Property, Plant and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans	2016
TAS 27 (revised 2015)	Separate Financial Statements	2016

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TFRS	Topic	Year effective
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 33 (revised 2015)	Earnings Per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	Intangible Assets	2016
TFRS 3 (revised 2015)	Business Combinations	2016
TFRS 4 (revised 2015)	Insurance Contracts	2016
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 10 (revised 2015)	Consolidated Financial Statements	2016
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
TSIC 15 (revised 2015)	Operating Leases - Incentives	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease	2016
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2016
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease	2016
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment	2016
TFRIC 13 (revised 2015)	Customer Loyalty Programmes	2016
TFRIC 14 (revised 2015)	TAS 19 (revised 2015) <i>Employee Benefits</i> - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2016
TFRIC 18 (revised 2015)	Transfers of Assets from Customers	2016

The Bank and its subsidiaries have made a preliminary assessment of the potential initial impact on the consolidated and the Bank's financial statements of these new and revised TFRS and expects that there will be no financial material impact on the financial statements in the period of initial application.