

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

TO THE BOARD OF DIRECTORS

BANGKOK BANK PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Bank Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bangkok Bank Public Company Limited as at September 30, 2016, and the related consolidated and Bank's statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2016, and the related consolidated and Bank's statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2016, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

BANGKOK
November 10, 2016

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2016

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
		(Unaudited)		(Unaudited)	
ASSETS					
CASH		49,933,310	61,431,621	49,831,564	61,299,466
INTERBANK AND MONEY MARKET ITEMS, NET		421,451,311	372,006,625	377,638,331	327,351,431
CLAIMS ON SECURITY		4,062	26,654	-	-
DERIVATIVES ASSETS		28,030,355	22,744,628	27,947,106	22,637,201
INVESTMENTS, NET	6.2	497,644,600	519,525,046	468,032,463	497,380,783
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET	6.3	1,286,028	1,280,199	33,680,876	33,180,876
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET	6.4				
Loans to customers		1,902,443,321	1,869,539,537	1,855,756,975	1,820,230,566
Accrued interest receivables		3,710,687	4,279,421	3,624,391	4,184,666
Total loans to customers and					
accrued interest receivables		1,906,154,008	1,873,818,958	1,859,381,366	1,824,415,232
<u>Less</u> Deferred revenue		(542,936)	(636,609)	(500,123)	(581,728)
<u>Less</u> Allowance for doubtful accounts		(114,851,946)	(101,775,087)	(111,360,147)	(98,703,151)
<u>Less</u> Revaluation allowance for debt restructuring		(1,905,514)	(2,412,029)	(1,905,514)	(2,412,029)
Total loans to customers and					
accrued interest receivables, net		1,788,853,612	1,768,995,233	1,745,615,582	1,722,718,324
CUSTOMER'S LIABILITY UNDER ACCEPTANCES		2,481,293	2,597,526	109,621	181,725
PROPERTIES FOR SALE, NET		13,078,706	13,579,263	9,125,394	9,502,106
PREMISES AND EQUIPMENT, NET		45,343,905	46,108,061	43,850,553	44,684,253
OTHER INTANGIBLE ASSETS, NET		458,235	452,388	418,939	399,897
DEFERRED TAX ASSETS		2,956,764	2,744,891	2,074,014	1,778,151
COLLATERAL PLACED WITH FINANCIAL COUNTERPARTIES		9,694,084	10,205,630	9,646,598	10,196,984
OTHER ASSETS, NET		14,322,566	14,154,398	9,686,275	10,909,322
TOTAL ASSETS		2,875,538,831	2,835,852,163	2,777,657,316	2,742,220,519

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2016

Baht : '000

	Notes	CONSOLIDATED		THE BANK	
		September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
		(Unaudited)		(Unaudited)	
LIABILITIES AND SHAREHOLDERS' EQUITY					
DEPOSITS		2,106,870,379	2,090,964,660	2,056,340,861	2,039,107,787
INTERBANK AND MONEY MARKET ITEMS		144,796,880	128,681,424	134,375,463	117,141,014
LIABILITY PAYABLE ON DEMAND		13,389,600	10,588,969	13,354,101	10,539,277
LIABILITY TO DELIVER SECURITY		537,832	245,248		
DERIVATIVES LIABILITIES		30,437,420	34,150,730	29,748,183	33,732,860
DEBT ISSUED AND BORROWINGS	6.6	133,678,420	138,402,557	133,587,115	138,343,911
BANK'S LIABILITY UNDER ACCEPTANCES		2,481,293	2,597,526	109,621	181,725
PROVISIONS		11,941,298	9,601,115	11,792,639	9,472,449
DEFERRED TAX LIABILITIES		6,283,558	6,334,871	6,000,030	5,962,980
OTHER LIABILITIES		54,064,995	52,254,039	35,403,289	39,315,652
TOTAL LIABILITIES		2,504,481,675	2,473,821,139	2,420,711,302	2,393,797,655
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	6.7				
Authorized share capital					
1,655,000 preferred shares of Baht 10 each		16,550	16,550	16,550	16,550
3,998,345,000 common shares of Baht 10 each		39,983,450	39,983,450	39,983,450	39,983,450
Issued and paid-up share capital					
1,908,842,894 common shares of Baht 10 each		19,088,429	19,088,429	19,088,429	19,088,429
PREMIUM ON COMMON SHARES		56,346,232	56,346,232	56,346,232	56,346,232
OTHER RESERVES		55,742,293	58,923,754	56,219,511	57,964,301
RETAINED EARNINGS					
Appropriated	6.8				
Legal reserve		21,000,000	20,000,000	21,000,000	20,000,000
Others		91,500,000	86,500,000	91,500,000	86,500,000
Unappropriated		127,210,264	120,973,954	112,791,842	108,523,902
TOTAL BANK'S EQUITY		370,887,218	361,832,369	356,946,014	348,422,864
NON-CONTROLLING INTEREST		169,938	198,655	-	-
TOTAL SHAREHOLDERS' EQUITY		371,057,156	362,031,024	356,946,014	348,422,864
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,875,538,831	2,835,852,163	2,777,657,316	2,742,220,519

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

(Mr. Chartsiri Soponpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
(Unaudited)

		CONSOLIDATED		THE BANK	
	Notes	2016	2015	2016	2015
INTEREST INCOME	6.15	25,501,170	25,741,864	24,543,949	24,508,132
INTEREST EXPENSES	6.16	9,435,552	11,301,050	9,044,946	10,715,567
NET INTEREST INCOME		16,065,618	14,440,814	15,499,003	13,792,565
FEES AND SERVICE INCOME	6.17	8,227,219	7,940,238	7,167,858	7,058,713
FEES AND SERVICE EXPENSES	6.17	2,069,863	1,927,091	2,046,226	1,899,935
NET FEES AND SERVICE INCOME		6,157,356	6,013,147	5,121,632	5,158,778
GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS		1,923,489	2,231,094	1,729,070	1,696,704
GAINS (LOSS) ON INVESTMENTS		1,467,835	1,295,549	1,299,395	(193,909)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		49,784	41,609	-	-
GAINS ON DISPOSAL OF ASSETS		136,152	1,672,470	111,869	1,591,840
DIVIDEND INCOME		1,013,975	860,714	1,294,639	1,068,660
OTHER OPERATING INCOME		138,349	183,949	98,688	141,766
TOTAL OPERATING INCOME		26,952,558	26,739,146	25,154,296	23,256,404
OTHER OPERATING EXPENSES					
Employee's expenses		6,552,164	6,208,418	5,912,792	5,647,181
Directors' remuneration		19,708	20,059	14,700	14,700
Premises and equipment expenses		2,368,054	2,315,909	2,195,010	2,143,431
Taxes and duties		831,674	945,892	819,312	913,625
Others		2,323,373	1,457,626	2,116,456	1,291,525
TOTAL OTHER OPERATING EXPENSES		12,094,973	10,947,904	11,058,270	10,010,462
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	6.18	4,945,769	4,872,271	4,880,251	4,610,979
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		9,911,816	10,918,971	9,215,775	8,634,963
INCOME TAX EXPENSES		1,785,457	1,810,343	1,587,289	1,275,413
NET PROFIT		8,126,359	9,108,628	7,628,486	7,359,550
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Losses on remeasuring available-for-sale investment		(1,513,410)	(2,857,792)	(1,499,629)	(2,900,844)
Gains (losses) arising from translating the financial statements of foreign operations		(1,366,984)	2,198,298	(667,371)	1,503,542
Income tax relating to components of other comprehensive income (losses)		322,138	654,979	314,803	661,341
Items that will not be reclassified subsequently to profit or loss					
Actuarial losses on defined benefit plans		-	(24,737)	-	(24,737)
Income tax relating to components of other comprehensive income (losses)		-	14,930	-	14,930
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		(2,558,256)	(14,322)	(1,852,197)	(745,768)
TOTAL COMPREHENSIVE INCOME		5,568,103	9,094,306	5,776,289	6,613,782
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		8,060,800	9,057,193	7,628,486	7,359,550
Non-controlling interest		65,559	51,435	-	-
		8,126,359	9,108,628	7,628,486	7,359,550
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		5,502,467	9,042,969	5,776,289	6,613,782
Non-controlling Interest		65,636	51,337	-	-
		5,568,103	9,094,306	5,776,289	6,613,782
BASIC EARNINGS PER SHARE (BAHT)		4.22	4.74	4.00	3.86
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

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

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
(Unaudited)

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2016	2015	2016	2015
INTEREST INCOME	6.15	76,922,287	78,139,812	73,970,544	74,355,860
INTEREST EXPENSES	6.16	29,227,346	36,246,808	27,998,924	34,468,803
NET INTEREST INCOME		47,694,941	41,893,004	45,971,620	39,887,057
FEES AND SERVICE INCOME	6.17	24,457,900	23,789,775	21,534,530	20,424,576
FEES AND SERVICE EXPENSES	6.17	6,221,212	5,956,772	6,147,625	5,671,857
NET FEES AND SERVICE INCOME		18,236,688	17,833,003	15,386,905	14,752,719
GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS		5,433,086	5,796,089	4,750,778	4,997,827
GAINS ON INVESTMENTS		3,049,133	4,765,980	1,949,127	2,977,499
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		55,227	154,198		
GAINS ON DISPOSAL OF ASSETS		457,290	2,635,035	413,137	2,124,993
DIVIDEND INCOME		3,182,083	2,816,908	3,652,542	3,589,860
OTHER OPERATING INCOME		382,615	429,148	288,217	319,375
TOTAL OPERATING INCOME		78,491,063	76,323,365	72,412,326	68,649,330
OTHER OPERATING EXPENSES					
Employee's expenses		19,090,156	18,211,934	17,310,129	16,419,471
Directors' remuneration		82,473	95,132	67,670	66,140
Premises and equipment expenses		7,373,957	6,869,971	6,842,178	6,366,758
Taxes and duties		2,549,002	2,718,476	2,487,825	2,583,233
Others		8,441,135	5,008,311	7,872,837	4,439,213
TOTAL OTHER OPERATING EXPENSES		37,536,723	32,903,824	34,580,639	29,874,815
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	6.18	12,131,540	10,773,503	11,917,990	10,156,961
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		28,822,800	32,646,038	25,913,697	28,617,554
INCOME TAX EXPENSES		5,086,860	5,987,381	4,331,725	4,982,171
NET PROFIT		23,735,940	26,658,657	21,581,972	23,635,383
OTHER COMPREHENSIVE INCOME (LOSSES)					
Items that will be reclassified subsequently to profit or loss					
Gains (losses) on remeasuring available-for-sale investment		105,441	3,095,788	(108,521)	3,032,834
Gains (losses) arising from translating the financial statements of foreign operations		(2,475,163)	2,464,928	(873,097)	1,470,184
Income tax relating to components of other comprehensive income (losses)		(101,565)	(587,394)	(56,187)	(574,342)
Items that will not be reclassified subsequently to profit or loss					
Changes in revaluation surplus		-	15,628,505		15,505,053
Actuarial gains (losses) on defined benefit plans		1,739	(39,106)	1,739	(39,106)
Income tax relating to components of other comprehensive income (losses)		(933)	(3,098,020)	(933)	(3,080,662)
TOTAL OTHER COMPREHENSIVE INCOME (LOSSES)		(2,470,481)	17,464,701	(1,036,999)	16,313,961
TOTAL COMPREHENSIVE INCOME		21,265,459	44,123,358	20,544,973	39,949,344
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		23,547,398	26,499,419	21,581,972	23,635,383
Non-controlling interest		188,542	159,238	-	-
		23,735,940	26,658,657	21,581,972	23,635,383
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		21,076,672	43,964,323	20,544,973	39,949,344
Non-controlling interest		188,787	159,035	-	-
		21,265,459	44,123,358	20,544,973	39,949,344
BASIC EARNINGS PER SHARE (BAHT)		12.34	13.88	11.31	12.38
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (THOUSAND SHARES)		1,908,843	1,908,843	1,908,843	1,908,843

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

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvarn Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
(Unaudited)

CONSOLIDATED													Balance as at September 30, 2015
Notes	Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves				Retained Earnings			Total Equity Attributable to the Bank's Shareholders	Non-controlling Interest	Total	
			Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments	Foreign Exchange Adjustment	Legal Reserve	Appropriated	Unappropriated				
	19,088,429	56,346,232	10,280,283	4,342,722	31,015,155	(2,501,056)	19,000,000	81,500,000	104,419,537	323,491,282	152,304	323,643,586	
6.8													
6.8									(8,589,793)	(8,589,793)	(72,892)	(8,662,785)	
									(500,000)				
6.8													
6.8									(3,817,886)	(3,817,886)	(100,002)	(3,917,888)	
6.8									(500,000)				
									(5,000,000)				
			6,549,356	5,960,780	2,508,597	2,464,928		5,000,000	26,480,862	43,964,323	159,035	44,123,358	
				(689,864)									
	19,088,429	56,346,232	16,829,619	9,613,838	33,523,752	(36,128)	20,000,000	86,500,000	113,182,584	355,048,126	138,345	355,186,471	
Balance as at January 1, 2016	19,088,429	56,346,232	16,829,619	9,375,349	32,787,731	(68,845)	20,000,000	86,500,000	120,973,954	381,832,369	188,555	382,031,024	
Appropriation for previous year													
Dividend paid													
Legal reserve									(8,309,986)	(8,309,986)	(105,002)	(8,414,988)	
									(500,000)				
Appropriation for current year													
Dividend paid									(3,711,837)	(3,711,837)	(112,502)	(3,824,339)	
Legal reserve									(500,000)				
6.8									(5,000,000)				
					3,631	(2,475,163)			23,548,204	21,076,672	188,787	21,265,459	
				(709,829)					709,829				
Total comprehensive income													
Transfer to retained earnings													
Balance as at September 30, 2016	19,088,429	56,346,232	16,829,619	8,665,420	32,791,362	(2,544,108)	21,000,000	91,500,000	127,210,264	370,887,218	169,838	371,057,156	

Baht : '000

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

(Unaudited)

	Notes	THE BANK										Total
		Issued and Paid-up Share Capital Common Shares	Premium on Common Shares	Other Reserves				Retained Earnings				
				Unrealized Increment per Land Appraisal	Unrealized Increment per Premises Appraisal	Unrealized Gains on Investments	Foreign Exchange Adjustment	Legal Reserve	Appropriated	Unappropriated		
Balance as at January 1, 2015		19,088,429	56,346,232	10,280,263	4,342,722	31,034,749	(3,042,076)	19,000,000	81,500,000	96,578,591	315,128,910	
Appropriation for previous year												
Dividend paid	6.8											
Legal reserve	6.8							500,000		(8,589,793)	(8,589,793)	
Appropriation for current year										(500,000)		
Dividend paid	6.8											
Legal reserve	6.8							500,000		(3,817,886)	(3,817,886)	
Others	6.8									(500,000)		
Total comprehensive income										(5,000,000)		
Transfer to retained earnings							1,470,184		5,000,000			
Balance as at September 30, 2015		19,088,429	56,346,232	16,765,473	9,573,007	33,483,241	(1,571,892)	20,000,000	86,500,000	102,476,285	342,870,775	
Balance as at January 1, 2016		19,088,429	56,346,232	16,765,473	9,335,667	32,842,553	(979,392)	20,000,000	86,500,000	108,523,902	348,422,864	
Appropriation for previous year												
Dividend paid	6.8											
Legal reserve	6.8							500,000		(8,309,986)	(8,309,986)	
Appropriation for current year										(500,000)		
Dividend paid	6.8											
Legal reserve	6.8							500,000		(3,711,837)	(3,711,837)	
Others	6.8									(500,000)		
Total comprehensive income										(5,000,000)		
Transfer to retained earnings						(164,708)	(873,097)		5,000,000			
Balance as at September 30, 2016		19,088,429	56,346,232	16,765,473	8,628,682	32,677,845	(1,852,489)	21,000,000	91,500,000	112,791,842	358,946,014	

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

(Mr. Chatsiri Soponpanich)
President

(Mr. Suwan Thansithit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
(Unaudited)

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit from operating before income tax expenses		28,822,800	32,646,038	25,913,697	28,617,554
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities					
Depreciation and amortization expenses		2,506,163	2,652,629	2,388,998	2,557,728
Bad debt and doubtful accounts		12,559,244	11,293,098	12,345,694	10,676,556
Loss on debt restructuring (reversal)		(427,704)	(519,595)	(427,704)	(519,595)
(Gain) loss on foreign exchange		(4,331,464)	4,317,473	(4,282,513)	4,317,136
Amortization of premium on investment in debt securities		1,880,543	637,125	1,931,715	691,821
Unrealized loss on revaluation of trading securities		31,543	42,771	6,464	69,997
Unrealized (gain) loss on transfer of investments		335,031	(5,803)	335,031	(5,803)
Gain on disposal of securities for investments		(3,094,893)	(5,540,825)	(1,994,887)	(3,752,344)
Loss on impairment of investments		45,760	774,845	45,760	774,845
Share of profit from investment using equity method		(55,227)	(154,198)	-	-
Loss on impairment of properties for sale (reversal)		(73,350)	184,817	(114,328)	124,060
Gain on disposal of premises and equipment		(3,844)	(32,959)	(1,480)	(28,632)
Gain on revaluation of land and premises		-	(293,511)	-	(293,511)
Loss on impairment of other assets (reversal)		(111,706)	(12,964)	(111,706)	(12,964)
Provision expenses		2,750,033	377,958	2,728,030	360,052
Net interest income		(47,694,941)	(41,893,004)	(45,971,620)	(39,887,057)
Dividend income		(3,182,083)	(2,816,908)	(3,652,542)	(3,589,860)
Proceeds from interest income		77,776,217	80,691,838	74,718,961	76,838,728
Interest expenses paid		(31,561,441)	(34,555,230)	(30,424,176)	(33,145,371)
Proceeds from dividend income		3,124,496	2,815,895	2,893,061	2,604,696
Income tax paid		(8,343,097)	(8,080,938)	(6,904,307)	(7,373,627)
(Increase) decrease in other accrued receivables		36,878	216	(27,446)	(223,541)
Increase (decrease) in other accrued expenses		521,566	(819,201)	482,598	(861,277)
Profit from operating before changes in operating assets and liabilities		31,510,524	41,709,567	29,877,300	37,939,591
(Increase) decrease in operating assets					
Interbank and money market items		(48,168,711)	(97,166)	(50,340,053)	(9,982,307)
Investments in short-term securities		(23,498,522)	(17,433,715)	(22,244,843)	(18,356,978)
Loans to customers		(32,620,162)	(31,574,184)	(35,220,138)	(33,197,549)
Properties for sale		870,771	2,825,627	787,904	2,077,567
Other assets		(5,048,420)	(18,595,288)	(3,629,961)	(18,359,765)
Increase (decrease) in operating liabilities					
Deposits		15,905,719	9,461,173	17,233,074	20,561,167
Interbank and money market items		16,115,456	(23,994,663)	17,234,450	(18,328,550)
Liabilities payable on demand		2,800,632	163,366	2,814,823	200,091
Short-term borrowings		32,659	(49,163)	-	(197,501)
Other liabilities		(3,762,250)	36,765,743	(9,230,476)	33,582,290
Net cash from operating activities		(45,862,304)	(818,703)	(52,717,920)	(4,061,944)

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

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
(Unaudited)

Baht : '000

		CONSOLIDATED		THE BANK	
	Notes	2016	2015	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of available-for-sale securities		(284,679,282)	(361,296,861)	(281,566,233)	(342,402,908)
Proceeds from disposal of available-for-sale securities		335,841,868	352,349,262	330,818,894	335,739,124
Purchase of held-to-maturity debt securities		(46,036,410)	(26,373,343)	(3,723,460)	(1,496,024)
Proceeds from redemption of held-to-maturity debt securities		42,946,628	38,864,619	7,763,481	13,593,042
Purchase of general investments		(1,694,832)	(2,992,737)	(1,694,832)	(2,992,737)
Proceeds from disposal of general investments		2,664,632	686,987	2,664,632	686,987
Purchase of investment in subsidiary		-	-	(500,000)	-
Proceeds from disposal of investments in associates		-	32,611	-	32,611
Proceeds from dividend income					
from subsidiaries and associates		49,398	35,149	701,893	984,152
Purchase of premises, equipment and leasehold		(1,315,673)	(1,353,464)	(1,131,938)	(1,201,787)
Proceeds from disposal of premises and equipment		5,112	160,234	2,248	28,921
Net cash from investing activities		47,781,441	112,457	53,334,685	2,971,381
CASH FLOWS FROM FINANCING ACTIVITIES					
Decrease in borrowings		(31,725)	(29,981)	(31,725)	(29,981)
Dividend paid		(12,021,823)	(12,407,479)	(12,021,823)	(12,407,479)
Dividend paid to non-controlling interest		(217,504)	(172,994)	-	-
Net cash from financing activities		(12,271,052)	(12,610,454)	(12,053,548)	(12,437,460)
Effect on cash due to changes in the exchange rates		(32,137)	113,701	(31,119)	135,594
Net decrease in cash and cash equivalents		(10,384,052)	(13,202,999)	(11,467,902)	(13,392,429)
Cash and cash equivalents as at January 1,		65,384,722	62,802,942	61,299,466	59,782,344
Cash and cash equivalents as at September 30,	6.1.1	55,000,670	49,599,943	49,831,564	46,389,915

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

(Mr. Chartsiri Sophonpanich)
President

(Mr. Suvann Thansathit)
Senior Executive Vice President

BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
(UNAUDITED)

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BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
(UNAUDITED)

1. GENERAL INFORMATION AND REGULATORY REQUIREMENTS

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

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand (BOT). Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measurements of the Bank's assets, liabilities and certain off-balance sheet items calculated in accordance with regulatory requirements. The Bank's capital amounts and classification are also subject to qualitative judgement by the BOT about components, risk weightings and other factors. The Bank believes that as at September 30, 2016 and December 31, 2015, the Bank complied with all capital adequacy requirements. However, these capital and regulatory requirements are subject to change by the BOT.

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

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

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

Certain financial information which is normally included in financial statements prepared in accordance with Thai Financial Reporting Standards but which is not required for interim reporting purposes, has been omitted. The aforementioned interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2015.

The consolidated and the Bank's statements of financial position as at December 31, 2015, presented herein for comparison, had been derived from the consolidated and the Bank's financial statements for the year then ended which had been audited.

The results of operations for the three-month and nine-month periods ended September 30, 2016 are not necessarily indicative of the operating results anticipated for the full year.

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

2.2 New or Revised Thai Financial Reporting Standards

2.2.1 The Bank and subsidiaries have adopted the new or revised Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations and Thai Financial Reporting Interpretations, issued by the FAP and announced in the Royal Gazette, applying for the financial statements of the periods beginning on or after January 1, 2016 onward with no material impact on the Bank and subsidiaries' financial statements.

2.2.2 In May 2016, the Federation of Accounting Professions had issued the Notification of Federation of Accounting Professions regarding Accounting Treatment Guidance for Derecognition of Financial Assets and Financial Liabilities which had been announced in the Royal Gazette, but not yet effective in 2016, to be effective for the financial statements of periods beginning on or after January 1, 2017 onward. The Bank has considered the impact of the above accounting treatment guidance and determined that it will not have any material impact on the Bank's financial statements.

2.3 The consolidated interim financial statements for the three-month and nine-month periods ended September 30, 2016 and 2015, and the consolidated statement of financial position as at December 31, 2015, included the accounts of the head office and all branches of the Bank and its subsidiaries, by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries, and included equity interest in associates. The subsidiaries consist of BBL (Cayman) Limited, Bangkok Bank Berhad, Sinnsuptawee Asset Management Company Limited, BBL Asset Management Company Limited, Bualuang Securities Public Company Limited, Bangkok Bank (China) Company Limited and Bualuang Ventures Limited, which was incorporated on June 22, 2016.

In addition, the consolidated interim financial statements for the three-month and nine-month periods ended September 30, 2016 and 2015 and the consolidated statement of financial position as at December 31, 2015, also included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad and Bangkok Capital Asset Management Company Limited, the 100.00% owned subsidiary of Bualuang Securities Public Company Limited.

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

- 2.4 The Bank's interim financial statements for the three-month and nine-month periods ended September 30, 2016 and 2015, and the Bank's statement of financial position as at December 31, 2015 included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates were accounted for using the cost method, net of valuation allowance for impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

The Bank applies accounting policies and calculation methods to the interim financial statements consistent with those used in the financial statements for the year ended December 31, 2015. This includes the application of the new or revised Thai financial reporting standards as mentioned in Note 2.2.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

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

The following table shows an analysis of financial assets and financial liabilities by level of the fair value hierarchy as at September 30, 2016 and December 31, 2015.

				CONSOLIDATED				Million Baht
		September 30, 2016				December 31, 2015		
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Items measured at fair value :								
Financial assets								
Derivatives	-	27,937	-	27,937	-	22,757	-	22,757
Investments, net	77,615	372,246	-	449,861	78,098*	395,084*	-	473,182
Financial liabilities								
Derivatives	677	29,739	-	30,416	334	33,853	-	34,187

								Million Baht
THE BANK								
	Level 1	September 30, 2016		Total	Level 1	December 31, 2015		Total
		Level 2	Level 3			Level 2	Level 3	
Items measured at fair value :								
Financial assets								
Derivatives	-	27,854	-	27,854	-	22,650	-	22,650
Investments, net	75,458	356,798	-	432,256	75,980	379,866	-	455,846
Financial liabilities								
Derivatives	-	29,730	-	29,730	-	33,769	-	33,769

Fair values are determined according to the following hierarchy :

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

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

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

* The Bank had made changes the presentation of 2015 comparison to be in accordance with the current year presentations.

The fair value determination of investments in debt securities

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

The fair value determination of investments in equity securities

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

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

5. CAPITAL FUND

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

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

Capital fund ratio	Percentage	
	2016	2015
Common equity Tier 1 ratio	More than 5.125	Not less than 4.50
Tier 1 capital ratio	More than 6.625	Not less than 6.00
Total capital fund ratio	More than 9.125	Not less than 8.50

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

As at September 30, 2016 and December 31, 2015, the Bank maintained capital adequacy ratios to risk assets and capital fund in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

	PERCENTAGE			
	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Common equity Tier 1 capital to risk assets ratio	16.86	15.78	16.66	15.84
Tier 1 capital to risk assets ratio	16.87	15.78	16.66	15.84
Total capital to risk assets ratio	18.82	17.87	18.64	17.95

	Million Baht			
	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Tier 1 capital	360,987	341,564	347,174	332,058
Common Equity Tier 1 capital	360,898	341,431	347,174	332,058
Paid-up share capital	19,088	19,088	19,088	19,088
Premium on share capital	56,346	56,346	56,346	56,346
Legal reserve	21,000	20,000	21,000	20,000
Reserves appropriated from net profit	91,500	86,500	91,500	86,500
Net profit after appropriation	118,911	103,897	104,926	94,889
Other comprehensive income	54,327	55,781	54,565	55,395
Deductions from Common Equity				
Tier 1 capital	(274)	(181)	(251)	(160)
Additional Tier 1 capital	89	133	-	-
Tier 2 capital	41,848	45,089	41,337	44,207
Total capital fund	402,835	386,653	388,511	376,265

As at September 30, 2016 and December 31, 2015, the Bank has no capital add-on arising from Single Lending Limit.

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

Location of disclosure www.bangkokbank.com

Date of disclosure October 31, 2016

Information as of June 30, 2016

6. ADDITIONAL INFORMATION

6.1 Supplementary disclosures of cash flow information

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

Cash and cash equivalents as at September 30, 2016 and 2015 are as follows :

	CONSOLIDATED		THE BANK	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Cash	49,933	46,539	49,832	46,390
Cash equivalents				
Cash at Bank - current and saving account	394	84	-	-
Fixed deposit and notes with a maturity less than or equal to three months	4,674	2,977	-	-
Total cash and cash equivalents	55,001	49,600	49,832	46,390

6.1.2 Significant non-cash items for the nine-month periods ended September 30, 2016 and 2015 are as follows :

	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Unrealized gains on investments in shareholders' equity increase (decrease)	4	2,509	(165)	2,458
Properties for sale increased from loans payment/inactive assets	382	529	382	529
Unrealized increment per premises appraisal transferred to retained earnings	710	690	707	689
Unrealized increment per land and premises appraisal increase	-	12,510	-	12,404

6.2 Investments, net

6.2.1 Investments as at September 30, 2016 and December 31, 2015 consisted of the following :

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Fair Value	Fair Value	Fair Value	Fair Value
Trading securities				
Government and state enterprise securities	12,777	30,817	12,777	30,817
Foreign debt securities	694	54	694	54
Domestic marketable equity securities	2,042	814	-	-
Total	15,513	31,685	13,471	30,871

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Fair Value	Fair Value	Fair Value	Fair Value
Available-for-sale securities				
Government and state enterprise securities	270,844	293,788	270,844	293,788
Private enterprise debt securities	12,612	10,948	12,612	10,948
Foreign debt securities	81,470	66,824	70,026	55,030
Domestic marketable equity securities	58,358	59,794	58,278	58,524
Foreign marketable equity securities	2,387	1,552	2,387	1,552
Others	8,677	8,591	4,638	5,133
Total	434,348	441,497	418,785	424,975

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost	Cost/ Amortized Cost
Held-to-maturity debt securities				
Government and state enterprise securities	15,545	13,343	3,554	8,552
Foreign debt securities	3,859	2,870	3,858	2,870
Total	19,404	16,213	7,412	11,422

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Cost	Cost	Cost	Cost
General investments				
Domestic non-marketable equity securities	6,463	6,455	6,454	6,446
Foreign non-marketable equity securities	<u>25,615</u>	<u>27,395</u>	<u>25,608</u>	<u>27,387</u>
Total	32,078	33,850	32,062	33,833
<u>Less</u> Allowance for impairment	<u>(3,698)</u>	<u>(3,720)</u>	<u>(3,698)</u>	<u>(3,720)</u>
Total	<u>28,380</u>	<u>30,130</u>	<u>28,364</u>	<u>30,113</u>
 Total investments, net	 <u>497,645</u>	 <u>519,525</u>	 <u>468,032</u>	 <u>497,381</u>

Investments classified in accordance with the notification of the BOT as at September 30, 2016 and December 31, 2015 are presented in Note 6.5.

As at September 30, 2016 and December 31, 2015, the Bank has investments in 31 companies with cost values of Baht 256 million, which are companies whose prospects as a going concern are uncertain or are unlisted companies but whose financial positions and operations would fall under the SET delisting criteria, which the Bank had set aside allowance for impairment of these investments amounting to Baht 256 million and these companies had net book value totaling Baht 0 million.

As at September 30, 2016 and December 31, 2015, the Bank has investments in 3 listed companies that are under the SET delisting criteria, amounting to Baht 4 million, with the fair value of Baht 2 million, which the Bank had set aside allowance for impairment of these investments amounting to Baht 2 million, respectively.

For the nine-month periods ended September 30, 2016 and 2015, the Bank has recorded loss for impairment of investments in the statement of profit or loss and other comprehensive income amounting to Baht 46 million and Baht 775 million, respectively.

On December 30, 2004, the Bank entered into a transaction to transfer certain investments classified as available-for-sale securities received from debt restructuring to Sinnsuptawee Asset Management Co., Ltd., a subsidiary of the Bank, at the closing price on December 28, 2004 quoted on The Stock Exchange of Thailand in the amount of Baht 3,323 million. The proceeds from the aforementioned transfer were recorded as other liabilities and the related securities recorded as securities transferred to subsidiary under available-for-sale securities in accordance with accounting treatment guidance for transfers and accept transfers of financial assets. As at September 30, 2016 and December 31, 2015, the Bank had outstanding balances of other liabilities from such transaction amounting to Baht 793 million and Baht 868 million, respectively.

6.2.2 As at September 30, 2016 and December 31, 2015, the Bank and subsidiaries had investments in other companies of 10% and upwards of the paid-up capital of the respective companies but which are not considered to be investments in subsidiaries and associates. The classification is as follows :

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Million Baht			
Manufacturing and commercial	12	11	12	11
Real estate and construction	187	187	187	187
Utilities and services	41	41	41	41
Others	1,454	1,458	1,454	1,458
Total	1,694	1,697	1,694	1,697

6.3 Investments in subsidiaries and associates, net

As at September 30, 2016 and December 31, 2015, the Bank had investments in subsidiaries and associates, net as follows :

								Million Baht
Company	Type of Business	Type of Shares	CONSOLIDATED					
			Direct and Indirect Shareholding (%)		Investment (Cost Method)		Investment (Equity Method)	
			September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
			2016	2015	2016	2015	2016	2015
Associates								
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	43	43	643	660
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15	354	317
National ITMX Co., Ltd.	Service	Ordinary share	16.91	16.91	9	9	236	218
Thai Payment Network Co., Ltd.	Service	Ordinary share	49.99	49.99	90	90	53	85
Total					157	157	1,286	1,280
Less Allowance for impairment					(2)	(2)	-	-
Investments in associates, net					155	155	1,286	1,280

			Million Baht			
Company	Type of Business	Type of Shares	THE BANK		Investment	
			Direct and Indirect		(Cost Method)	
			Shareholding (%)			
			September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Subsidiaries						
BBL (Cayman) Limited	Finance	Ordinary share	100.00	100.00	2	2
Bangkok Bank Berhad	Banking	Ordinary share	100.00	100.00	6,082	6,082
Sinnsuptawee Asset Management Co., Ltd.	Asset management	Ordinary share	100.00	100.00	2,500	2,500
Bangkok Bank (China) Co., Ltd.	Banking	Ordinary share	100.00	100.00	19,585	19,585
Bualung Ventures Limited	Venture Capital Company	Ordinary share	100.00	-	500	-
BBL Asset Management Co., Ltd.	Finance	Ordinary share	75.00	75.00	183	183
Bualuang Securities PCL.	Securities	Ordinary share	99.89	99.89	4,769	4,769
Associates						
BSL Leasing Co., Ltd.	Finance	Ordinary share	35.88	35.88	43	43
Processing Center Co., Ltd.	Service	Ordinary share	30.00	30.00	15	15
National ITMX Co., Ltd.	Service	Ordinary share	16.91	16.91	9	9
Thai Payment Network Co., Ltd.	Service	Ordinary share	49.99	49.99	90	90
Total					33,778	33,278
<u>Less</u> Allowance for impairment					(97)	(97)
Investments in subsidiaries and associates, net					<u><u>33,681</u></u>	<u><u>33,181</u></u>

On June 22, 2016, the Bank invested in Bualuang Ventures Limited which was a new company incorporated in the Kingdom of Thailand. The total registered capital of the company is 200,000,000 shares, par 10 Baht, total amount Baht 2,000 million and the total paid up capital is 200,000,000 shares, paid up 2.50 Baht per share, total amount Baht 500 million. The Bank invested in 199,999,997 shares, amounting to Baht 500 million which was 100.00% equity interest.

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

			Million Baht	
			FOR THE THREE-MONTH PERIODS ENDED	
			September 30, 2016	September 30, 2015
Net profit			183	154
Total comprehensive income			183	154

			Million Baht	
			FOR THE NINE-MONTH PERIODS ENDED	
			September 30, 2016	September 30, 2015
Net profit			266	532
Total comprehensive income			266	532

6.4 Loans to customers and accrued interest receivables, net

6.4.1 As at September 30, 2016 and December 31, 2015, the Bank and subsidiaries had classified loans and allowance for doubtful accounts in accordance with the notification of the BOT as follows :

				Million Baht
		CONSOLIDATED September 30, 2016		
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,779,332	1,162,456	1	13,795
Special mentioned	53,065	25,294	2	623
Substandard	8,315	1,845	100	1,842
Doubtful	21,460	12,537	100	12,767
Doubtful of loss	43,439	27,015	100	27,069
Excess provision according to the BOT's requirement				58,756
Total	<u>1,905,611</u>	<u>1,229,147</u>		<u>114,852</u>

				Million Baht
		CONSOLIDATED December 31, 2015		
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,773,357	1,144,296	1	13,788
Special mentioned	43,504	19,283	2	501
Substandard	9,650	3,976	100	3,975
Doubtful	13,725	7,182	100	7,197
Doubtful of loss	32,946	20,933	100	20,935
Excess provision according to the BOT's requirement				55,379
Total	<u>1,873,182</u>	<u>1,195,670</u>		<u>101,775</u>

				Million Baht
THE BANK				
September 30, 2016				
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,736,096	1,135,771	1	13,545
Special mentioned	51,238	24,258	2	602
Substandard	7,894	1,830	100	1,830
Doubtful	21,357	12,436	100	12,666
Doubtful of loss	42,296	26,521	100	26,575
Excess provision according to the BOT's requirement				56,142
Total	<u><u>1,858,881</u></u>	<u><u>1,200,816</u></u>		<u><u>111,360</u></u>

				Million Baht
THE BANK				
December 31, 2015				
	Loans to Customers and Accrued Interest Receivables	Net Outstanding used in Determining the Allowance for Doubtful Accounts	Rate used in Determining the Allowance for Doubtful Accounts (%)	Allowance for Doubtful Accounts Recorded by the Bank
Minimum provision according to the BOT's requirement				
Normal	1,726,948	1,115,542	1	13,514
Special mentioned	42,053	18,636	2	488
Substandard	9,497	3,971	100	3,971
Doubtful	13,413	6,913	100	6,928
Doubtful of loss	31,922	20,308	100	20,310
Excess provision according to the BOT's requirement				53,492
Total	<u><u>1,823,833</u></u>	<u><u>1,165,370</u></u>		<u><u>98,703</u></u>

As at September 30, 2016 and December 31, 2015, the consolidated and the Bank's financial statements included the allowance for doubtful accounts amounting to Baht 4,688 million and Baht 4,708 million, respectively, on a collective approach, for loans classified as normal and special mentioned.

6.4.2 As at September 30, 2016 and December 31, 2015, the Bank and subsidiaries had non-performing loans (NPLs), defined according to the BOT's notification as loans classified as substandard, doubtful and doubtful of loss including interbank and money market items but excluding accrued interest receivable, as follows :

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Million Baht			
NPLs before allowance for doubtful accounts	73,187	56,226	71,520	54,737
NPLs as percentage of total loans	3.43	2.75	3.43	2.76
Net NPLs after allowance for doubtful accounts	22,149	16,622	21,563	16,147
Net NPLs as percentage of net total loans	1.06	0.83	1.06	0.83

6.4.3 As at September 30, 2016 and December 31, 2015, the Bank and subsidiaries had loans and accrued interest receivables due from companies experiencing financial difficulties as defined in the SET's guidelines dated July 8, 1998 regarding the disclosure of asset quality and related party transactions, for which the Bank and subsidiaries had provided an allowance for doubtful accounts, as follows :

	CONSOLIDATED				
	September 30, 2016				
	Million Baht				
	No. of Companies	Outstanding Balance	Loans Net of Collateral/ Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

	CONSOLIDATED				
	December 31, 2015				
	Million Baht				
	No. of Companies	Outstanding Balance	Loans Net of Collateral/ Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

					Million Baht
THE BANK					
September 30, 2016					
	No. of Companies	Outstanding Balance	Loans Net of Collateral/Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

					Million Baht
THE BANK					
December 31, 2015					
	No. of Companies	Outstanding Balance	Loans Net of Collateral/Present Value of Future Cash Flows According to the BOT	Provision Required by the BOT	Provision Recorded by the Bank
Financial institutions ordered closed	-	-	-	-	-
Listed companies identified for delisting	1	373	373	373	373
Total	1	373	373	373	373

6.4.4 Troubled debt restructurings

Details of the restructured debts of the Bank for the three-month and nine-month periods ended September 30, 2016 and 2015, classified by the restructuring methods are as follows :

					Million Baht
THE BANK					
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016					
Restructuring Method	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value	
Asset transfer	2	12	Land	12	
Debt restructuring in various forms	1,569	12,571	-	-	
Total	1,571	12,583			

The weighted average tenure of the above-mentioned restructuring is 3 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 12,583 million.

Million Baht

THE BANK FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2015				
Restructuring Method	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Debt restructuring in				
various forms	1,848	7,351	-	-
Total	1,848	7,351		

The weighted average tenure of the above-mentioned restructuring is 6 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 7,351 million.

Million Baht

THE BANK FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016				
Restructuring Method	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Asset transfer	2	12	Land	12
Debt restructuring in				
various forms	4,457	31,466	-	-
Total	4,459	31,478		

The weighted average tenure of the above-mentioned restructuring is 4 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 31,478 million.

Million Baht

THE BANK FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2015				
Restructuring Method	No. of Cases	Outstanding Debt before Restructuring	Type of Transferred Assets	Fair Value
Asset transfer	7	83	Land, building	83
Debt restructuring in				
various forms	4,980	27,985	-	-
Total	4,987	28,068		

The weighted average tenure of the above-mentioned restructuring is 5 years; and the total debt outstanding after debt restructuring at the restructuring contract date is Baht 28,068 million.

For the three-month and nine-month periods ended September 30, 2016, the Bank recognized interest income from restructured debts amounting to Baht 805 million and Baht 2,354 million, respectively.

For the three-month and nine-month periods ended September 30, 2015, the Bank recognized interest income from restructured debts amounting to Baht 994 million and Baht 2,784 million, respectively.

As at September 30, 2016 and December 31, 2015, the Bank had outstanding balances of loans to restructured debtors amounting to Baht 67,008 million and Baht 64,821 million, respectively.

Disclosures for the consolidated financial statements for troubled debt restructurings which occurred during the three-month and nine-month periods ended September 30, 2016 and 2015 have not been provided, as such information is not significantly different from the above disclosures for the Bank's financial statements.

6.5 Classified assets in accordance with the notification of the BOT

As at September 30, 2016 and December 31, 2015, classified assets in accordance with the notification of the BOT are as follows :

	CONSOLIDATED September 30, 2016				Million Baht
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,779,332	-	-	-	1,779,332
Special mentioned	53,065	-	-	-	53,065
Substandard	8,315	-	-	-	8,315
Doubtful	21,460	-	-	-	21,460
Doubtful of loss	43,439	5,725	1,740	1,167	52,071
Total	1,905,611	5,725	1,740	1,167	1,914,243

	CONSOLIDATED December 31, 2015				Million Baht
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,773,357	-	-	-	1,773,357
Special mentioned	43,504	-	-	-	43,504
Substandard	9,650	-	-	-	9,650
Doubtful	13,725	-	-	-	13,725
Doubtful of loss	32,946	7,151	1,911	1,287	43,295
Total	1,873,182	7,151	1,911	1,287	1,883,531

					Million Baht
THE BANK					
September 30, 2016					
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,736,096	-	-	-	1,736,096
Special mentioned	51,238	-	-	-	51,238
Substandard	7,894	-	-	-	7,894
Doubtful	21,357	-	-	-	21,357
Doubtful of loss	42,296	5,771	713	1,161	49,941
Total	1,858,881	5,771	713	1,161	1,866,526

					Million Baht
THE BANK					
December 31, 2015					
	Loans to Customers and Accrued Interest Receivables	Investments	Properties for Sale	Other Assets	Total
Normal	1,726,948	-	-	-	1,726,948
Special mentioned	42,053	-	-	-	42,053
Substandard	9,497	-	-	-	9,497
Doubtful	13,413	-	-	-	13,413
Doubtful of loss	31,922	7,080	922	1,282	41,206
Total	1,823,833	7,080	922	1,282	1,833,117

6.6 Debt issued and Borrowings

6.6.1 Classified by type of instruments and source of fund as at September 30, 2016 and December 31, 2015 :

							Million Baht
CONSOLIDATED							
September 30, 2016			December 31, 2015				
	Domestic	Foreign	Total	Domestic	Foreign	Total	
Senior unsecured notes	-	104,085	104,085	-	108,335	108,335	
Unsecured subordinated notes	20,000	15,602	35,602	20,000	16,238	36,238	
Bills of exchange	74	-	74	74	-	74	
Others	115	-	115	107	-	107	
<u>Less Discount on borrowings</u>	<u>-</u>	<u>(6,198)</u>	<u>(6,198)</u>	<u>-</u>	<u>(6,352)</u>	<u>(6,352)</u>	
Total	20,189	113,489	133,678	20,181	118,221	138,402	

Million Baht

	THE BANK					
	September 30, 2016			December 31, 2015		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior unsecured notes	-	104,085	104,085	-	108,335	108,335
Unsecured subordinated notes	20,000	15,602	35,602	20,000	16,238	36,238
Bills of exchange	74	-	74	74	-	74
Others	24	-	24	49	-	49
<u>Less</u> Discount on borrowings	<u>-</u>	<u>(6,198)</u>	<u>(6,198)</u>	<u>-</u>	<u>(6,352)</u>	<u>(6,352)</u>
Total	<u>20,098</u>	<u>113,489</u>	<u>133,587</u>	<u>20,123</u>	<u>118,221</u>	<u>138,344</u>

6.6.2 Classified by type of instruments, currency, maturity and interest rate as at September 30, 2016 and December 31, 2015 :

Million Baht

Type	Currency	Maturity	Interest Rate	CONSOLIDATED Amount	
				September 30, 2016	December 31, 2015
Senior unsecured notes	USD	2018 - 2023	2.75% - 5.00%	104,085	108,335
Unsecured subordinated notes	USD	2029	9.025%	15,602	16,238
Unsecured subordinated notes	THB	2022	4.375%	20,000	20,000
Bills of exchange	THB	2017	1.00%	74	74
Others	THB	2016 - 2019	0.00% - 0.50%	115	107
<u>Less</u> Discount on borrowings				<u>(6,198)</u>	<u>(6,352)</u>
Total				<u>133,678</u>	<u>138,402</u>

Million Baht

Type	Currency	Maturity	Interest Rate	THE BANK Amount	
				September 30, 2016	December 31, 2015
Senior unsecured notes	USD	2018 - 2023	2.75% - 5.00%	104,085	108,335
Unsecured subordinated notes	USD	2029	9.025%	15,602	16,238
Unsecured subordinated notes	THB	2022	4.375%	20,000	20,000
Bills of exchange	THB	2017	1.00%	74	74
Others	THB	2016 - 2019	0.50%	24	49
<u>Less</u> Discount on borrowings				<u>(6,198)</u>	<u>(6,352)</u>
Total				<u>133,587</u>	<u>138,344</u>

6.7 Share capital

The Bank's share capital consists of :

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

As at September 30, 2016 and December 31, 2015, the Bank had registered share capital of Baht 40,000,000,000 divided into ordinary shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

Type	Number of Registered Shares	
	September 30, 2016	December 31, 2015
Ordinary shares	3,998,345,000	3,998,345,000
Class A preferred shares	655,000	655,000
Class B preferred shares	1,000,000	1,000,000
Total	<u>4,000,000,000</u>	<u>4,000,000,000</u>

As at September 30, 2016 and December 31, 2015, the Bank had 1,908,842,894 issued ordinary shares and 2,039,502,106 unissued ordinary shares and 655,000 Class A unissued preferred shares and 1,000,000 Class B unissued preferred shares. In relation to the allocation of the unissued ordinary shares, the Bank will follow the resolutions of the 12th ordinary shareholders' meeting convened on April 12, 2005, as per the following details :

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

4. Allocation of 200,000,000 ordinary shares to be reserved for the exercise of right to purchase ordinary shares by holders of warrants that may further be issued in the future by the Bank.
5. Allocation of 655,000 Class A preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds.
6. Allocation of 1,000,000 Class B preferred shares for offer and sale in foreign markets and/or domestic markets, which may be offered and sold in conjunction with subordinated bonds and/or unsubordinated bonds and/or subordinated convertible bonds and/or convertible bonds.

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

6.8 The appropriation of the profit and the dividend payments

On April 10, 2015, the 22nd Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2014 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2014 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2014), and the amount to be appropriated for the period of July - December 2014 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,407 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,818 million on September 26, 2014, and the remaining amount will be paid on May 8, 2015 at the rate of Baht 4.50 per share amounting to Baht 8,589 million.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 8,589 million on May 8, 2015.

On August 27, 2015, the meeting of the Board of Directors of the Bank No. 8/2015 approved the resolutions regarding the appropriation of the profit and the payment of interim dividend as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2015 amounting to Baht 500 million and Baht 5,000 million, respectively.
- The payment of interim dividend at the rate of Baht 2.00 per ordinary share amounting to Baht 3,818 million on September 25, 2015.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 3,818 million on September 25, 2015.

On April 12, 2016, the 23rd Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2015 as follows :

- The appropriation as legal reserve and as other reserves amounting to Baht 1,000 million and Baht 5,000 million, respectively, with the amount to be appropriated for the period of January - June 2015 amounting to Baht 500 million as legal reserve and Baht 5,000 million as other reserves (all of which had already been appropriated as stated in the financial statements for the year ended December 31, 2015), and the amount to be appropriated for the period of July - December 2015 amounting to Baht 500 million as legal reserve.
- The payment of dividend at the rate of Baht 6.50 per ordinary share, totaling Baht 12,128 million, a part of which had been paid as interim dividend at the rate of Baht 2.00 per share amounting to Baht 3,818 million on September 25, 2015, and the remaining amount will be paid on May 11, 2016 at the rate of Baht 4.50 per share amounting to Baht 8,310 million.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 8,310 million on May 11, 2016.

On August 25, 2016, the meeting of the Board of Directors of the Bank No. 8/2016 approved the resolutions regarding the appropriation of the profit and the payment of interim dividend as follows :

- The appropriation as legal reserve and as other reserves for the period of January - June 2016 amounting to Baht 500 million and Baht 5,000 million, respectively.
- The payment of interim dividend at the rate of Baht 2.00 per ordinary share amounting to Baht 3,712 million on September 23, 2016.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 3,712 million on September 23, 2016.

6.9 Assets pledged as collateral and under restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowances for impairment, as at September 30, 2016 and December 31, 2015 amounted to Baht 24,790 million and Baht 19,707 million, respectively.

6.10 Contingent liabilities

As at September 30, 2016 and December 31, 2015, the Bank and subsidiaries had contingent liabilities as follows :

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Avals to bills	5,860	6,808	5,860	6,808
Guarantees of loans	13,378	11,788	7,183	7,391
Liability under unmatured import bills	16,179	18,487	14,057	17,295
Letters of credit	27,802	29,192	27,011	27,570
Other commitments				
Underwriting commitments	-	-	-	-
Amount of unused bank overdraft	175,576	178,698	174,390	177,362
Other guarantees	262,153	220,602	260,936	219,120
Others	102,892	90,449	106,162	94,058
Total	603,840	556,024	595,599	549,604

6.11 Litigation

As at September 30, 2016 and December 31, 2015, a number of civil proceedings have been brought against the Bank and subsidiaries in the ordinary course of business. The Bank and subsidiaries believe that such proceedings, when resolved, will not materially affect the Bank and subsidiaries's financial position and result of operations.

6.12 Related party transactions

As at September 30, 2016 and December 31, 2015, related parties of the Bank consisted of subsidiaries, associates, key management personnel that are directors, executives at the level of executive vice president and higher or equal, any parties related to key management personnel, including the entities in which key management personnel and any parties related which are controlled or significantly influenced.

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

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
	Million Baht			
PLACEMENT				
Subsidiaries				
Bangkok Bank Berhad	-	-	2,611	2,753
Bangkok Bank (China) Co., Ltd.	-	-	6,271	7,227
Total	<u>-</u>	<u>-</u>	<u>8,882</u>	<u>9,980</u>
LOANS				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	2,710	2,710
Associate				
BSL Leasing Co., Ltd.	163	245	163	245
Other related parties	16	137	9	104
Total	<u>179</u>	<u>382</u>	<u>2,882</u>	<u>3,059</u>
ALLOWANCE FOR DOUBTFUL ACCOUNTS				
Subsidiary				
Sinnsuptawee Asset Management Co., Ltd.	-	-	33	33
Associate				
BSL Leasing Co., Ltd.	2	3	2	3
Total	<u>2</u>	<u>3</u>	<u>35</u>	<u>36</u>
OTHER ASSETS				
Subsidiaries				
Bangkok Bank Berhad	-	-	3	2
Sinnsuptawee Asset Management Co., Ltd.	-	-	-	1
BBL Asset Management Co., Ltd.	-	-	256	226
Bualuang Securities PCL.	-	-	2	1
Bangkok Bank (China) Co., Ltd.	-	-	5	3
Associate				
Processing Center Co., Ltd.	12	29	12	29
Other related parties	8	6	-	-
Total	<u>20</u>	<u>35</u>	<u>278</u>	<u>262</u>

	CONSOLIDATED		THE BANK	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
DEPOSITS				
Subsidiaries				
BBL (Cayman) Limited	-	-	793	823
Bangkok Bank Berhad	-	-	134	182
Sinnsuptawee Asset Management Co., Ltd.	-	-	3	7
BBL Asset Management Co., Ltd.	-	-	68	61
Bualuang Securities PCL.	-	-	69	55
Bangkok Bank (China) Co., Ltd.	-	-	78	152
Bualuang Ventures Limited	-	-	500	-
Bangkok Capital Asset Management Co., Ltd.*	-	-	71	33
Associates				
BSL Leasing Co., Ltd.	34	48	34	48
Processing Center Co., Ltd.	83	48	83	48
National ITMX Co., Ltd.	34	40	34	40
Thai Payment Network Co., Ltd.	5	68	5	68
Other related parties	6,132	5,650	6,132	5,650
Total	6,288	5,854	8,004	7,167
BORROWINGS				
Subsidiary				
Bangkok Bank (China) Co., Ltd.	-	-	1,768	3,063
Total	-	-	1,768	3,063
OTHER LIABILITIES				
Subsidiaries				
Sinnsuptawee Asset Management Co., Ltd.	-	-	793	868
Bualuang Ventures Limited	-	-	1	-
Associates				
Processing Center Co., Ltd.	5	3	5	3
National ITMX Co., Ltd.	5	-	5	-
Other related parties	17	19	13	12
Total	27	22	817	883
COMMITMENTS				
Subsidiaries				
Bangkok Bank Berhad	-	-	110	-
Bualuang Securities PCL.	-	-	179	90
Bangkok Bank (China) Co., Ltd.	-	-	1,176	400
Associates				
BSL Leasing Co., Ltd.	96	79	96	79
National ITMX Co., Ltd.	1	1	1	1
Other related parties	3	6	3	6
Total	100	86	1,565	576

* Holding by Bualuang Securities PCL.

For the nine-month period ended September 30, 2016, the Bank and subsidiaries charged interest at rates between 1.53% to 13.00% on loans to these related parties depending on the types of loans and collateral and interest rate charged 1.53% on loans to Sinnsuptawee Asset Management Co., Ltd.

For the year ended December 31, 2015, the Bank and subsidiaries charged interest at rates between 1.56% to 13.00% on loans to these related parties depending on the types of loans and collateral and interest rate charged 1.56% on loans to Sinnsuptawee Asset Management Co., Ltd.

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

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at September 30, 2016 and December 31, 2015 are shown in Note 6.3.

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

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

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest and discount received				
Subsidiaries				
Bangkok Bank Berhad	-	-	6	4
Sinnsuptawee Asset Management Co., Ltd.	-	-	11	11
Bangkok Bank (China) Co., Ltd.	-	-	13	6
Associate				
BSL Leasing Co., Ltd.	1	2	1	2
Total	1	2	31	23
Fees and service income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	369	340
Bualuang Securities PCL.	-	-	7	5
Associate				
Processing Center Co., Ltd.	2	4	2	4
Other related parties	14	15	-	-
Total	16	19	378	349

		Million Baht			
		CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
		September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Dividend income					
Subsidiary					
	BBL Asset Management Co., Ltd.	-	-	337	300
Other income					
Subsidiaries					
	Bualuang Securities PCL.	-	-	1	1
	Bangkok Bank (China) Co., Ltd.	-	-	33	39
Associate					
	National ITMX Co., Ltd.	1	1	1	1
	Total	<u>1</u>	<u>1</u>	<u>35</u>	<u>41</u>
Interest paid					
Subsidiaries					
	BBL (Cayman) Limited	-	-	1	-
	Bangkok Bank (China) Co., Ltd.	-	-	2	1
	Bualuang Ventures Limited	-	-	1	-
	Other related parties	11	21	11	21
	Total	<u>11</u>	<u>21</u>	<u>15</u>	<u>22</u>
Commission paid					
Subsidiary					
	Bualuang Securities PCL.	-	-	2	-
	Other related parties	9	6	-	-
	Total	<u>9</u>	<u>6</u>	<u>2</u>	<u>-</u>
Other expenses					
Associates					
	Processing Center Co., Ltd.	13	8	13	8
	National ITMX Co., Ltd.	18	15	18	15
	Other related parties	11	9	9	4
	Total	<u>42</u>	<u>32</u>	<u>40</u>	<u>27</u>

		Million Baht			
		CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
		September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest and discount received					
Subsidiaries					
	Bangkok Bank Berhad	-	-	15	12
	Sinnsuptawee Asset Management Co., Ltd.	-	-	32	46
	Bualuang Securities PCL.	-	-	-	1
	Bangkok Bank (China) Co., Ltd.	-	-	32	18
Associate					
	BSL Leasing Co., Ltd.	5	6	5	6
	Other related parties	-	1	-	1
	Total	<u>5</u>	<u>7</u>	<u>84</u>	<u>84</u>

	Million Baht			
	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Fees and service income				
Subsidiaries				
Bangkok Bank Berhad	-	-	1	2
BBL Asset Management Co., Ltd.	-	-	1,082	961
Bualuang Securities PCL.	-	-	18	17
Associates				
BSL Leasing Co., Ltd.	-	1	-	1
Processing Center Co., Ltd.	8	9	8	9
Other related parties	42	40	1	-
Total	<u>50</u>	<u>50</u>	<u>1,110</u>	<u>990</u>
Dividend income				
Subsidiaries				
BBL Asset Management Co., Ltd.	-	-	652	517
Bualuang Securities PCL.	-	-	-	432
Associates				
BSL Leasing Co., Ltd.	2	2	2	2
Processing Center Co., Ltd.	47	33	47	33
Total	<u>49</u>	<u>35</u>	<u>701</u>	<u>984</u>
Other income				
Subsidiaries				
Bualuang Securities PCL.	-	-	3	2
Bangkok Bank (China) Co., Ltd.	-	-	104	108
Associate				
National ITMX Co., Ltd.	4	3	4	3
Total	<u>4</u>	<u>3</u>	<u>111</u>	<u>113</u>
Interest paid				
Subsidiaries				
BBL (Cayman) Limited	-	-	3	1
BBL Asset Management Co., Ltd.	-	-	1	1
Bualuang Securities PCL.	-	-	3	2
Bangkok Bank (China) Co., Ltd.	-	-	4	2
Bualuang Ventures Limited	-	-	1	-
Associate				
Thai Payment Network Co., Ltd.	-	1	-	1
Other related parties	37	54	37	54
Total	<u>37</u>	<u>55</u>	<u>49</u>	<u>61</u>

		Million Baht			
		CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
		September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Commission paid					
Subsidiary					
Bualuang Securities PCL.		-	-	2	4
Other related parties		24	19	-	-
Total		<u>24</u>	<u>19</u>	<u>2</u>	<u>4</u>
Other expenses					
Subsidiary					
Bangkok Bank (China) Co., Ltd.		-	-	-	5
Associates					
Processing Center Co., Ltd.		33	21	33	21
National ITMX Co., Ltd.		45	49	45	49
Other related parties		45	31	39	18
Total		<u>123</u>	<u>101</u>	<u>117</u>	<u>93</u>

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

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

SINNSUPTAWEE ASSET MANAGEMENT COMPANY LIMITED STATEMENT OF CASH FLOWS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016 (UNAUDITED)			Million Baht
	2016	2015	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit from operating before income tax expenses	994	2,290	
Items to reconcile profit from operating before income tax expenses to cash received (paid) from operating activities			
Net gain on disposal of securities	(931)	(1,813)	
Loss on impairment of properties for sale	41	61	
Net interest expenses	32	46	
Dividend income	(117)	(144)	
Proceeds from dividend income	117	144	
Interest expenses paid	(31)	(46)	
Income tax paid	(790)	(65)	
Profit (loss) from operating before changes in operating assets and liabilities	(685)	473	
Operating assets (increase) decrease			
Receivables from rental of properties	4	-	
Properties for sale	83	748	
Operating liabilities increase (decrease)			
Deposits	132	(76)	
Advance received for properties for sale	-	(129)	
Other liabilities	(1)	(1)	
Net cash from operating activities	(467)	1,015	
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of available-for-sale securities	(1,378)	(2,090)	
Proceeds from disposal of available-for-sale securities	1,842	2,621	
Net cash from investing activities	464	531	
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for loan from the parent company	-	(1,590)	
Net cash from financing activities	-	(1,590)	
Net decrease in cash and cash equivalents	(3)	(44)	
Cash and cash equivalents as at January 1,	6	55	
Cash and cash equivalents as at September 30,	3	11	

6.14 Operating Segments

6.14.1 Operating Segments

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

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

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

Domestic Banking

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

International Banking

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

Investment Banking

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

Others

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

The operating results of operating segments for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	17,493	2,849	4,192	2,419	-	26,953
Total operating expenses before credit losses	<u>(6,387)</u>	<u>(1,086)</u>	<u>(192)</u>	<u>(4,430)</u>	<u>-</u>	<u>(12,095)</u>
Profit from operating before credit losses and income tax expenses	<u>11,106</u>	<u>1,763</u>	<u>4,000</u>	<u>(2,011)</u>	<u>-</u>	<u>14,858</u>

CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2015						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	15,490	3,146	2,667	5,436	-	26,739
Total operating expenses before credit losses	<u>(5,864)</u>	<u>(1,001)</u>	<u>(123)</u>	<u>(3,960)</u>	<u>-</u>	<u>(10,948)</u>
Profit from operating before credit losses and income tax expenses	<u>9,626</u>	<u>2,145</u>	<u>2,544</u>	<u>1,476</u>	<u>-</u>	<u>15,791</u>

CONSOLIDATED FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	51,471	8,412	10,984	7,624	-	78,491
Total operating expenses before credit losses	<u>(23,716)</u>	<u>(3,272)</u>	<u>(516)</u>	<u>(10,033)</u>	<u>-</u>	<u>(37,537)</u>
Profit from operating before credit losses and income tax expenses	<u>27,755</u>	<u>5,140</u>	<u>10,468</u>	<u>(2,409)</u>	<u>-</u>	<u>40,954</u>

CONSOLIDATED FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2015						Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total operating income	45,066	8,250	12,102	10,905	-	76,323
Total operating expenses before credit losses	<u>(20,722)</u>	<u>(3,645)</u>	<u>(452)</u>	<u>(8,085)</u>	<u>-</u>	<u>(32,904)</u>
Profit from operating before credit losses and income tax expenses	<u>24,344</u>	<u>4,605</u>	<u>11,650</u>	<u>2,820</u>	<u>-</u>	<u>43,419</u>

The financial position of operating segments as at September 30, 2016 and December 31, 2015 are as follows :

	CONSOLIDATED					Million Baht
	Domestic Banking	International Banking	Investment Banking	Others	Elimination	Total
Total assets						
As at September 30, 2016	1,562,842	674,153	904,782	155,699	(421,937)	2,875,539
As at December 31, 2015	1,526,414	706,799	920,854	160,459	(478,674)	2,835,852

6.14.2 Geographical Segments

The operating results classified by geographical areas for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED						Million Baht
	September 30, 2016			September 30, 2015			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Total operating income	23,803	3,150	26,953	23,223	3,516	26,739	
Total operating expenses *	(15,109)	(1,932)	(17,041)	(13,911)	(1,909)	(15,820)	
Profit from operating							
before income tax expenses	8,694	1,218	9,912	9,312	1,607	10,919	

	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED						Million Baht
	September 30, 2016			September 30, 2015			
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total	
Total operating income	68,940	9,551	78,491	67,085	9,238	76,323	
Total operating expenses *	(43,953)	(5,715)	(49,668)	(37,634)	(6,043)	(43,677)	
Profit from operating							
before income tax expenses	24,987	3,836	28,823	29,451	3,195	32,646	

* Including credit losses.

The financial position classified by geographical areas as at September 30, 2016 and December 31, 2015 are as follows :

	Million Baht					
	CONSOLIDATED					
	September 30, 2016			December 31, 2015		
	Domestic Operations	Foreign Operations	Total	Domestic Operations	Foreign Operations	Total
Non-current assets [*]	38,030	7,772	45,802	38,932	7,628	46,560
Total assets	2,390,758	484,781	2,875,539	2,321,497	514,355	2,835,852

6.15 Interest income

Interest income for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE THREE-MONTH PERIODS ENDED		FOR THE THREE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest on interbank and money market items	1,562	2,330	1,334	1,849
Investments and trading transactions	64	114	64	114
Investment in debt securities	1,919	1,363	1,793	1,251
Interest on loans	21,940	21,920	21,337	21,279
Others	16	15	16	15
Total interest income	25,501	25,742	24,544	24,508

	Million Baht			
	CONSOLIDATED		THE BANK	
	FOR THE NINE-MONTH PERIODS ENDED		FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest on interbank and money market items	4,570	7,880	3,830	6,370
Investments and trading transactions	307	327	307	326
Investment in debt securities	5,880	4,644	5,511	4,318
Interest on loans	66,112	65,258	64,270	63,310
Others	53	31	53	32
Total interest income	76,922	78,140	73,971	74,356

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

6.16 Interest expenses

Interest expenses for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest on deposits	5,225	6,926	4,849	6,404
Interest on interbank and money market items	262	296	249	234
Contributions to the Deposit Protection Agency	2,265	2,254	2,264	2,252
Interest on debt issued				
Bonds and subordinated notes	1,679	1,824	1,679	1,824
Others	<u>4</u>	<u>1</u>	<u>4</u>	<u>1</u>
Total interest expenses	<u>9,435</u>	<u>11,301</u>	<u>9,045</u>	<u>10,715</u>

	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interest on deposits	16,418	23,086	15,273	21,501
Interest on interbank and money market items	860	1,100	781	910
Contributions to the Deposit Protection Agency	6,850	6,837	6,846	6,834
Interest on debt issued				
Bonds and subordinated notes	5,090	5,219	5,090	5,219
Others	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Others	<u>8</u>	<u>4</u>	<u>8</u>	<u>4</u>
Total interest expenses	<u>29,227</u>	<u>36,247</u>	<u>27,999</u>	<u>34,469</u>

6.17 Net fees and service income

Net fees and service income for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Fees and service income				
Acceptances, aval and guarantees of loans	32	31	27	24
Others	8,195	7,909	7,141	7,035
Total fees and service income	8,227	7,940	7,168	7,059
Fees and service expenses	2,070	1,927	2,046	1,900
Net fees and service income	6,157	6,013	5,122	5,159

	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Fees and service income				
Acceptances, aval and guarantees of loans	128	99	107	81
Others	24,330	23,691	21,428	20,344
Total fees and service income	24,458	23,790	21,535	20,425
Fees and service expenses	6,221	5,957	6,148	5,672
Net fees and service income	18,237	17,833	15,387	14,753

6.18 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows :

	CONSOLIDATED FOR THE THREE-MONTH PERIODS ENDED		THE BANK FOR THE THREE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interbank and money market items (reversal)	(246)	232	(110)	128
Loans to customers	5,269	4,976	5,067	4,819
Loss on debt restructuring (reversal)	(77)	(336)	(77)	(336)

	CONSOLIDATED FOR THE NINE-MONTH PERIODS ENDED		THE BANK FOR THE NINE-MONTH PERIODS ENDED	
	September 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Interbank and money market items (reversal)	(297)	271	31	141
Loans to customers	12,857	11,022	12,315	10,536
Loss on debt restructuring (reversal)	(428)	(520)	(428)	(520)

6.19 Approval of the financial statements

On November 10, 2016, the Audit Committee and the Board of Executive Directors have authorized to issue these interim financial statements.