

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

**TO THE BOARD OF DIRECTORS  
BANGKOK BANK PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Bangkok Bank Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bangkok Bank Public Company Limited as at March 31, 2014, and the related consolidated and Bank's statements of comprehensive income, changes in shareholders' equity and cash flows for the quarter then ended, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

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

**Conclusion**

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

**BANGKOK**  
May 15, 2014

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

## BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2014

Baht : '000

|                                                                |       | CONSOLIDATED   |                   | THE BANK       |                   |
|----------------------------------------------------------------|-------|----------------|-------------------|----------------|-------------------|
|                                                                | Notes | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
| ASSETS                                                         |       |                |                   |                |                   |
| CASH                                                           |       | 43,283,258     | 53,550,467        | 42,854,676     | 53,299,523        |
| INTERBANK AND MONEY MARKET ITEMS, NET                          |       | 448,195,938    | 407,632,067       | 398,068,788    | 356,833,087       |
| CLAIMS ON SECURITY                                             |       | 64,248         | 6,810             | -              | -                 |
| DERIVATIVES ASSETS                                             |       | 12,756,160     | 13,770,312        | 12,625,230     | 13,672,755        |
| INVESTMENTS, NET                                               | 5.2   | 367,165,836    | 377,412,764       | 353,400,358    | 363,575,834       |
| INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET                | 5.3   | 962,681        | 910,177           | 31,123,419     | 31,123,425        |
| LOANS TO CUSTOMERS AND ACCRUED                                 |       |                |                   |                |                   |
| INTEREST RECEIVABLES, NET                                      | 5.4   |                |                   |                |                   |
| Loans to customers                                             |       | 1,746,724,762  | 1,753,344,023     | 1,698,952,786  | 1,706,723,444     |
| Accrued interest receivables                                   |       | 3,532,038      | 4,571,094         | 3,429,741      | 4,472,766         |
| Total loans to customers and accrued interest receivables      |       | 1,750,256,800  | 1,757,915,117     | 1,702,382,527  | 1,711,196,210     |
| Less Deferred revenue                                          |       | (805,278)      | (676,580)         | (733,970)      | (603,865)         |
| Less Allowance for doubtful accounts                           |       | (91,911,913)   | (89,697,165)      | (89,611,161)   | (87,621,580)      |
| Less Revaluation allowance for debt restructuring              |       | (2,658,664)    | (2,885,668)       | (2,658,664)    | (2,885,668)       |
| Total loans to customers and accrued interest receivables, net |       | 1,654,880,945  | 1,664,655,704     | 1,609,378,732  | 1,620,085,097     |
| CUSTOMER'S LIABILITY UNDER ACCEPTANCES                         |       | 1,735,666      | 2,051,165         | 312,497        | 332,527           |
| PROPERTIES FOR SALE, NET                                       |       | 18,064,557     | 18,900,941        | 11,927,401     | 12,286,849        |
| PREMISES AND EQUIPMENT, NET                                    |       | 32,083,833     | 32,275,104        | 30,816,911     | 31,280,619        |
| OTHER INTANGIBLE ASSETS, NET                                   |       | 576,420        | 606,416           | 507,733        | 530,002           |
| DEFERRED TAX ASSETS                                            |       | 2,008,989      | 2,006,821         | 943,446        | 904,395           |
| OTHER ASSETS, NET                                              |       | 17,083,487     | 22,728,494        | 12,205,722     | 18,825,607        |
| TOTAL ASSETS                                                   |       | 2,598,862,018  | 2,596,507,242     | 2,504,164,913  | 2,502,749,720     |

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

## BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2014

Baht : '000

|                                             |       | CONSOLIDATED   |                   | THE BANK       |                   |
|---------------------------------------------|-------|----------------|-------------------|----------------|-------------------|
|                                             | Notes | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
| LIABILITIES AND SHAREHOLDERS' EQUITY        |       |                |                   |                |                   |
| DEPOSITS                                    |       | 1,932,921,109  | 1,935,272,479     | 1,866,159,342  | 1,871,061,159     |
| INTERBANK AND MONEY MARKET ITEMS, NET       |       | 133,967,855    | 124,295,617       | 126,247,851    | 114,417,434       |
| LIABILITY PAYABLE ON DEMAND                 |       | 10,367,410     | 10,909,681        | 10,284,818     | 10,803,643        |
| LIABILITY TO DELIVER SECURITY               |       | 477,431        | 133,317           | -              | -                 |
| DERIVATIVES LIABILITIES                     |       | 12,458,422     | 21,710,574        | 11,970,713     | 21,316,105        |
| DEBT ISSUED AND BORROWINGS                  | 5.6   | 138,601,332    | 140,147,252       | 138,859,653    | 140,734,626       |
| BANK'S LIABILITY UNDER ACCEPTANCES          |       | 1,735,666      | 2,051,165         | 312,497        | 332,527           |
| PROVISIONS                                  |       | 8,148,334      | 8,257,159         | 8,061,396      | 8,174,667         |
| DEFERRED TAX LIABILITIES                    |       | 3,199,343      | 3,106,688         | 2,943,384      | 2,802,278         |
| OTHER LIABILITIES                           |       | 50,084,687     | 54,571,620        | 39,058,714     | 44,142,551        |
| TOTAL LIABILITIES                           |       | 2,291,961,589  | 2,300,455,552     | 2,203,898,368  | 2,213,784,990     |
| SHAREHOLDERS' EQUITY                        |       |                |                   |                |                   |
| SHARE CAPITAL                               | 5.7   |                |                   |                |                   |
| 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                              |       | 41,512,426     | 39,837,149        | 40,936,144     | 38,495,631        |
| RETAINED EARNINGS                           | 5.8   |                |                   |                |                   |
| Appropriated                                |       |                |                   |                |                   |
| Legal reserve                               |       | 18,000,000     | 18,000,000        | 18,000,000     | 18,000,000        |
| Others                                      |       | 76,500,000     | 76,500,000        | 76,500,000     | 76,500,000        |
| Unappropriated                              |       | 95,351,963     | 86,164,059        | 89,395,740     | 80,534,438        |
| TOTAL BANK'S EQUITY                         |       | 306,799,050    | 295,935,869       | 300,266,545    | 288,964,730       |
| NON-CONTROLLING INTEREST                    |       | 101,379        | 115,821           | -              | -                 |
| TOTAL SHAREHOLDERS' EQUITY                  |       | 306,900,429    | 296,051,690       | 300,266,545    | 288,964,730       |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY  |       | 2,598,862,018  | 2,596,507,242     | 2,504,164,913  | 2,502,749,720     |

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 COMPREHENSIVE INCOME

FOR THE QUARTER ENDED MARCH 31, 2014

(Unaudited)

Baht : '000

|                                                                                        | Notes | CONSOLIDATED      |                   | THE BANK          |                   |
|----------------------------------------------------------------------------------------|-------|-------------------|-------------------|-------------------|-------------------|
|                                                                                        |       | 2014              | 2013              | 2014              | 2013              |
| INTEREST INCOME                                                                        | 5.16  | 25,834,292        | 24,623,735        | 24,500,819        | 23,697,805        |
| INTEREST EXPENSES                                                                      | 5.17  | 11,767,653        | 10,747,171        | 11,169,874        | 10,256,338        |
| NET INTEREST INCOME                                                                    |       | 14,066,639        | 13,876,564        | 13,330,945        | 13,441,467        |
| FEES AND SERVICE INCOME                                                                | 5.18  | 7,145,377         | 7,120,654         | 6,498,461         | 6,122,294         |
| FEES AND SERVICE EXPENSES                                                              | 5.18  | 1,939,329         | 1,902,471         | 1,922,709         | 1,886,804         |
| NET FEES AND SERVICE INCOME                                                            |       | 5,206,048         | 5,218,183         | 4,575,752         | 4,235,490         |
| GAINS ON TRADINGS AND FOREIGN EXCHANGE TRANSACTIONS                                    |       | 1,898,507         | 1,279,855         | 1,626,545         | 1,191,087         |
| GAINS ON INVESTMENTS                                                                   |       | 484,785           | 1,069,569         | 501,235           | 1,061,405         |
| SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD                                    |       | 52,510            | 47,742            | -                 | -                 |
| GAINS ON DISPOSAL OF ASSETS                                                            |       | 370,928           | 551,356           | 233,897           | 507,021           |
| DIVIDEND INCOME                                                                        |       | 558,552           | 622,828           | 703,769           | 705,757           |
| OTHER OPERATING INCOME                                                                 |       | 99,772            | 115,101           | 84,696            | 88,880            |
| TOTAL OPERATING INCOME                                                                 |       | 22,737,741        | 22,781,198        | 21,056,839        | 21,231,107        |
| OTHER OPERATING EXPENSES                                                               |       |                   |                   |                   |                   |
| Employee's expenses                                                                    |       | 5,420,709         | 5,343,011         | 4,939,547         | 4,746,197         |
| Directors' remuneration                                                                |       | 19,723            | 19,185            | 14,700            | 14,900            |
| Premises and equipment expenses                                                        |       | 2,142,560         | 2,114,198         | 1,986,986         | 2,003,935         |
| Taxes and duties                                                                       |       | 903,969           | 841,153           | 856,233           | 812,751           |
| Others                                                                                 |       | 925,262           | 1,294,033         | 787,146           | 1,153,378         |
| Total other operating expenses                                                         |       | 9,412,223         | 9,611,580         | 8,584,612         | 8,731,161         |
| IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES                                           | 5.19  | 2,103,242         | 1,741,459         | 1,738,992         | 1,619,201         |
| PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES                                       |       | 11,222,276        | 11,428,159        | 10,733,235        | 10,880,745        |
| INCOME TAX EXPENSES                                                                    |       | 2,221,618         | 2,386,719         | 2,094,715         | 2,255,863         |
| NET PROFIT                                                                             |       | 9,000,658         | 9,041,440         | 8,638,520         | 8,624,882         |
| OTHER COMPREHENSIVE INCOME                                                             |       |                   |                   |                   |                   |
| Changes in revaluation surplus                                                         |       | -                 | (839)             | -                 | (839)             |
| Gains on remeasuring available-for-sale investment                                     |       | 3,036,154         | 8,084,411         | 3,000,804         | 8,074,999         |
| Gains (losses) arising from translating the financial statements of foreign operations |       | (533,517)         | (2,378,552)       | 260,452           | (1,255,317)       |
| Income tax relating to components of other comprehensive income                        |       | (604,555)         | (1,657,744)       | (597,961)         | (1,656,459)       |
| Total other comprehensive income                                                       |       | 1,898,082         | 4,047,276         | 2,663,295         | 5,162,384         |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                                      |       | <b>10,898,740</b> | <b>13,088,716</b> | <b>11,301,815</b> | <b>13,787,266</b> |
| <b>NET PROFIT ATTRIBUTABLE</b>                                                         |       |                   |                   |                   |                   |
| Owners of the Bank                                                                     |       | 8,965,122         | 9,014,184         | 8,638,520         | 8,624,882         |
| Non-controlling interest                                                               |       | 35,536            | 27,256            | -                 | -                 |
|                                                                                        |       | <b>9,000,658</b>  | <b>9,041,440</b>  | <b>8,638,520</b>  | <b>8,624,882</b>  |
| <b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE</b>                                         |       |                   |                   |                   |                   |
| Owners of the Bank                                                                     |       | 10,863,181        | 13,061,555        | 11,301,815        | 13,787,266        |
| Non-controlling interest                                                               |       | 35,559            | 27,161            | -                 | -                 |
|                                                                                        |       | <b>10,898,740</b> | <b>13,088,716</b> | <b>11,301,815</b> | <b>13,787,266</b> |
| <b>BASIC EARNINGS PER SHARE (BAHT)</b>                                                 |       | <b>4.70</b>       | <b>4.72</b>       | <b>4.53</b>       | <b>4.52</b>       |
| <b>WEIGHTED AVERAGE NUMBER</b>                                                         |       |                   |                   |                   |                   |
| <b>OF ORDINARY SHARES (THOUSAND SHARES)</b>                                            |       | <b>1,908,843</b>  | <b>1,908,843</b>  | <b>1,908,843</b>  | <b>1,908,843</b>  |

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE QUARTER ENDED MARCH 31, 2014

(Unaudited)

Baht : '000

|                               | CONSOLIDATED                                               |                                |                                                  |                                                      |                                       |                                   |               |                |            | Total Equity<br>Attributable<br>to the Bank's<br>Shareholders | Non-controlling<br>Interest | Total       |
|-------------------------------|------------------------------------------------------------|--------------------------------|--------------------------------------------------|------------------------------------------------------|---------------------------------------|-----------------------------------|---------------|----------------|------------|---------------------------------------------------------------|-----------------------------|-------------|
|                               | Issued and<br>Paid-up Share<br>Capital<br>Common<br>Shares | Premium on<br>Common<br>Shares | Other Reserves                                   |                                                      |                                       | Retained Earnings                 |               |                |            |                                                               |                             |             |
|                               |                                                            |                                | Unrealized<br>Increment per<br>Land<br>Appraisal | Unrealized<br>Increment per<br>Premises<br>Appraisal | Unrealized<br>Gains<br>on Investments | Foreign<br>Exchange<br>Adjustment | Appropriated  | Unappropriated |            |                                                               |                             |             |
|                               |                                                            |                                |                                                  |                                                      |                                       |                                   | Legal Reserve |                | Others     |                                                               |                             |             |
|                               |                                                            |                                |                                                  |                                                      |                                       |                                   |               |                |            |                                                               |                             |             |
| Balance as at January 1, 2013 | 19,088,429                                                 | 56,346,232                     | 10,289,454                                       | 6,151,485                                            | 26,260,120                            | (2,667,209)                       | 17,000,000    | 71,500,000     | 68,056,239 | 272,024,750                                                   | 71,619                      | 272,096,369 |
| Dividend paid                 | -                                                          | -                              | -                                                | -                                                    | -                                     | -                                 | -             | -              | -          | -                                                             | (32,500)                    | (32,500)    |
| Total comprehensive income    | -                                                          | -                              | -                                                | (839)                                                | 6,426,762                             | (2,378,552)                       | -             | -              | 9,014,184  | 13,061,555                                                    | 27,161                      | 13,088,716  |
| Transfer to retained earnings | -                                                          | -                              | -                                                | (222,796)                                            | -                                     | -                                 | -             | -              | 222,796    | -                                                             | -                           | -           |
| Balance as at March 31, 2013  | 19,088,429                                                 | 56,346,232                     | 10,289,454                                       | 5,927,850                                            | 32,686,882                            | (5,045,761)                       | 17,000,000    | 71,500,000     | 77,293,219 | 285,086,305                                                   | 66,280                      | 285,152,585 |
| Balance as at January 1, 2014 | 19,088,429                                                 | 56,346,232                     | 10,280,263                                       | 5,246,682                                            | 25,328,396                            | (1,018,192)                       | 18,000,000    | 76,500,000     | 86,164,059 | 295,935,869                                                   | 115,821                     | 296,051,690 |
| Dividend paid                 | -                                                          | -                              | -                                                | -                                                    | -                                     | -                                 | -             | -              | -          | -                                                             | (50,001)                    | (50,001)    |
| Total comprehensive income    | -                                                          | -                              | -                                                | -                                                    | 2,431,576                             | (533,517)                         | -             | -              | 8,965,122  | 10,863,181                                                    | 35,559                      | 10,898,740  |
| Transfer to retained earnings | -                                                          | -                              | -                                                | (222,782)                                            | -                                     | -                                 | -             | -              | 222,782    | -                                                             | -                           | -           |
| Balance as at March 31, 2014  | 19,088,429                                                 | 56,346,232                     | 10,280,263                                       | 5,023,900                                            | 27,759,972                            | (1,551,709)                       | 18,000,000    | 76,500,000     | 95,351,963 | 306,799,050                                                   | 101,379                     | 306,900,429 |

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 QUARTER ENDED MARCH 31, 2014  
(Unaudited)

Baht : '000

|                               | THE BANK                                                   |                                |                                                  |                                                      |                                       |                                   |                   |            |                | Total       |
|-------------------------------|------------------------------------------------------------|--------------------------------|--------------------------------------------------|------------------------------------------------------|---------------------------------------|-----------------------------------|-------------------|------------|----------------|-------------|
|                               | Issued and<br>Paid-up Share<br>Capital<br>Common<br>Shares | Premium on<br>Common<br>Shares | Other Reserves                                   |                                                      |                                       |                                   | Retained Earnings |            | Unappropriated |             |
|                               |                                                            |                                | Unrealized<br>Increment per<br>Land<br>Appraisal | Unrealized<br>Increment per<br>Premises<br>Appraisal | Unrealized<br>Gains<br>on Investments | Foreign<br>Exchange<br>Adjustment | Appropriated      |            |                |             |
|                               |                                                            |                                |                                                  |                                                      |                                       |                                   | Legal Reserve     | Others     |                |             |
|                               |                                                            |                                |                                                  |                                                      |                                       |                                   |                   |            |                |             |
| Balance as at January 1, 2013 | 19,088,429                                                 | 56,346,232                     | 10,289,454                                       | 6,151,485                                            | 26,256,485                            | (1,958,204)                       | 17,000,000        | 71,500,000 | 64,459,217     | 269,133,098 |
| Total comprehensive income    | -                                                          | -                              | -                                                | (839)                                                | 6,418,540                             | (1,255,317)                       | -                 | -          | 8,624,882      | 13,787,266  |
| Transfer to retained earnings | -                                                          | -                              | -                                                | (222,796)                                            | -                                     | -                                 | -                 | -          | 222,796        | -           |
| Balance as at March 31, 2013  | 19,088,429                                                 | 56,346,232                     | 10,289,454                                       | 5,927,850                                            | 32,675,025                            | (3,213,521)                       | 17,000,000        | 71,500,000 | 73,306,895     | 282,920,364 |
| Balance as at January 1, 2014 | 19,088,429                                                 | 56,346,232                     | 10,280,263                                       | 5,246,682                                            | 25,385,682                            | (2,416,996)                       | 18,000,000        | 76,500,000 | 80,534,438     | 288,964,730 |
| Total comprehensive income    | -                                                          | -                              | -                                                | -                                                    | 2,402,843                             | 260,452                           | -                 | -          | 8,638,520      | 11,301,815  |
| Transfer to retained earnings | -                                                          | -                              | -                                                | (222,782)                                            | -                                     | -                                 | -                 | -          | 222,782        | -           |
| Balance as at March 31, 2014  | 19,088,429                                                 | 56,346,232                     | 10,280,263                                       | 5,023,900                                            | 27,788,525                            | (2,156,544)                       | 18,000,000        | 76,500,000 | 89,395,740     | 300,266,545 |

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 CASH FLOWS**

**FOR THE QUARTER ENDED MARCH 31, 2014**

**(Unaudited)**

**Baht : '000**

|                                                                     | <b>CONSOLIDATED</b> |              | <b>THE BANK</b> |              |
|---------------------------------------------------------------------|---------------------|--------------|-----------------|--------------|
| <b>Notes</b>                                                        | <b>2014</b>         | <b>2013</b>  | <b>2014</b>     | <b>2013</b>  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |                     |              |                 |              |
| Profit from operating before income tax expenses                    | 11,222,276          | 11,428,159   | 10,733,235      | 10,880,745   |
| Items to reconcile profit from operating before income tax expenses |                     |              |                 |              |
| to cash received (paid) from operating activities                   |                     |              |                 |              |
| Depreciation and amortization expenses                              | 854,090             | 833,196      | 819,400         | 802,991      |
| Bad debt and doubtful accounts                                      | 2,292,291           | 1,676,188    | 1,928,041       | 1,553,930    |
| Loss on debt restructuring (reversal)                               | (189,049)           | 65,271       | (189,049)       | 65,271       |
| Loss (gain) on foreign exchange                                     | 931,745             | (2,372,141)  | 1,057,926       | (2,358,193)  |
| Amortization of discount on investment in debt securities           | (26,029)            | (165,345)    | (3,417)         | (143,490)    |
| Unrealized loss (gain) on revaluation of trading securities         | (19,984)            | 7,450        | 11,246          | (28,827)     |
| Unrealized loss (gain) on transfer of investments                   | (15,519)            | 12,436       | (15,519)        | 12,436       |
| Gain on disposal of securities for investments                      | (487,356)           | (1,069,569)  | (503,806)       | (1,061,405)  |
| Loss on impairment of investments                                   | 2,570               | -            | 2,570           | -            |
| Share of profit from investment using equity method                 | (52,510)            | (47,742)     | -               | -            |
| Loss on impairment of properties for sale                           | 18,052              | 55,257       | 18,052          | 55,257       |
| Gain on disposal of premises and equipment                          | (1,735)             | (994)        | (1,735)         | (27)         |
| Gain on revaluation of premises                                     | -                   | (839)        | -               | (839)        |
| Loss on impairment of other assets (reversal)                       | (18,381)            | (1,534)      | (18,381)        | (1,534)      |
| Provision expenses                                                  | 169,523             | 196,196      | 165,078         | 192,003      |
| Net interest income                                                 | (14,066,639)        | (13,876,564) | (13,330,945)    | (13,441,467) |
| Dividend income                                                     | (558,552)           | (622,828)    | (703,769)       | (705,757)    |
| Proceeds from interest income                                       | 27,704,880          | 25,246,264   | 26,493,456      | 24,268,538   |
| Interest expenses paid                                              | (13,057,405)        | (8,832,357)  | (12,658,988)    | (9,102,480)  |
| Proceeds from dividend income                                       | 245,047             | 340,112      | 240,266         | 325,542      |
| Income tax paid                                                     | (256,142)           | (233,329)    | (195,220)       | (168,894)    |
| Decrease (increase) in other accrued receivables                    | (25,016)            | (44,597)     | 1,754           | (1,610)      |
| Decrease in other accrued expenses                                  | (1,808,722)         | (626,938)    | (1,390,055)     | (410,288)    |
| Profit from operating before changes in                             |                     |              |                 |              |
| operating assets and liabilities                                    | 12,857,435          | 11,965,752   | 12,460,140      | 10,731,902   |
| Decrease (increase) in operating assets                             |                     |              |                 |              |
| Interbank and money market items                                    | (41,297,196)        | (60,701,990) | (41,159,495)    | (70,223,161) |
| Investments in short-term securities                                | (17,062,825)        | (4,189,695)  | (16,976,438)    | (4,021,762)  |
| Loans to customers                                                  | 6,771,703           | 11,836,346   | 7,947,445       | 11,976,768   |
| Properties for sale                                                 | 821,174             | 934,384      | 344,238         | 850,193      |
| Other assets                                                        | 5,860,173           | (9,567,211)  | 6,888,718       | (7,580,739)  |
| Increase (decrease) in operating liabilities                        |                     |              |                 |              |
| Deposits                                                            | (2,351,370)         | (1,545,550)  | (4,901,817)     | 3,890,105    |
| Interbank and money market items                                    | 9,672,238           | 5,374,788    | 11,830,416      | 8,462,116    |
| Liabilities payable on demand                                       | (542,271)           | 1,270,686    | (518,825)       | 1,252,430    |
| Short-term borrowings                                               | (467,727)           | (6,861,567)  | (467,727)       | (6,861,567)  |
| Other liabilities                                                   | (15,211,954)        | 2,010,347    | (16,077,948)    | (2,159)      |
| Net cash from operating activities                                  | (40,950,620)        | (49,473,710) | (40,631,293)    | (51,525,874) |

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 QUARTER ENDED MARCH 31, 2014**

**(Unaudited)**

**Baht : '000**

|                                                                |              | <b>CONSOLIDATED</b>      |                          | <b>THE BANK</b>          |                          |
|----------------------------------------------------------------|--------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                                                | <b>Notes</b> | <b>2014</b>              | <b>2013</b>              | <b>2014</b>              | <b>2013</b>              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                    |              |                          |                          |                          |                          |
| Purchase of available-for-sale securities                      |              | (55,115,974)             | (70,778,244)             | (53,329,288)             | (68,938,592)             |
| Proceeds from disposal of available-for-sale securities        |              | 79,647,163               | 113,474,840              | 78,763,369               | 111,910,497              |
| Purchase of held-to-maturity debt securities                   |              | (13,806,113)             | (17,873,652)             | (2,867,236)              | (399,264)                |
| Proceeds from redemption of held-to-maturity debt securities   |              | 22,633,050               | 21,814,620               | 10,639,335               | 5,445,621                |
| Purchase of general investments                                |              | (3,042,426)              | (199,540)                | (3,042,426)              | (199,540)                |
| Proceeds from disposal of general investments                  |              | 195,369                  | 1,122,821                | 195,369                  | 1,122,821                |
| Proceeds from dividend income from subsidiaries and associates |              | -                        | -                        | 149,999                  | 97,499                   |
| Purchase of premises, equipment and leasehold                  |              | (583,037)                | (510,746)                | (286,371)                | (485,798)                |
| Proceeds from disposal of premises and equipment               |              | 1,797                    | 1,092                    | 1,797                    | 35                       |
| Net cash from investing activities                             |              | <u>29,929,829</u>        | <u>47,051,191</u>        | <u>30,224,548</u>        | <u>48,553,279</u>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                    |              |                          |                          |                          |                          |
| Decrease in borrowings                                         |              | (28,344)                 | (32,213)                 | (28,344)                 | (32,213)                 |
| Dividend paid to non-controlling interest                      |              | (50,001)                 | (32,500)                 | -                        | -                        |
| Net cash from financing activities                             |              | <u>(78,345)</u>          | <u>(64,713)</u>          | <u>(28,344)</u>          | <u>(32,213)</u>          |
| Effect on cash due to changes in the exchange rates            |              | <u>(9,813)</u>           | <u>(123,529)</u>         | <u>(9,758)</u>           | <u>(113,705)</u>         |
| Net decrease in cash and cash equivalents                      |              | <u>(11,108,949)</u>      | <u>(2,610,761)</u>       | <u>(10,444,847)</u>      | <u>(3,118,513)</u>       |
| Cash and cash equivalents as at January 1,                     |              | <u>57,168,584</u>        | <u>47,913,875</u>        | <u>53,299,523</u>        | <u>46,239,346</u>        |
| <b>Cash and cash equivalents as at March 31,</b>               | <b>5.1.1</b> | <u><u>46,059,635</u></u> | <u><u>45,303,114</u></u> | <u><u>42,854,676</u></u> | <u><u>43,120,833</u></u> |

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

(Mr. Chartsiri Sophonpanich)  
President

(Mr. Suvam Thansathit)  
Senior Executive Vice President

**BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED MARCH 31, 2014**  
**(UNAUDITED)**

**1. REGULATORY REQUIREMENTS**

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 March 31, 2014 and December 31, 2013, 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**

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.

- 2.1 The consolidated and the Bank's interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2012) regarding Interim Financial Reporting and presented in accordance with the Regulations of the Stock Exchange of Thailand (SET) regarding the Basis, Conditions and Procedures for the Preparation and Submission of Financial Statements Position and Results of Operations of Listed Companies B.E. 2544 dated January 22, 2001, including the BOT's Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups dated December 3, 2010.

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, 2013.

The consolidated and the Bank's statements of financial position as at December 31, 2013, 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 quarter ended March 31, 2014 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.

The Bank prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and the regulations as stated above. These financial statements are prepared in accordance with accounting principles and practices generally accepted in Thailand.

## 2.2 New or Revised Thai Financial Reporting Standards

### The Application of the New or Revised Thai Financial Reporting Standards

Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretations, Thai Financial Reporting Interpretations and Accounting Treatment Guidance to be applied for the financial statements of the periods beginning on or after January 1, 2014 that are relevant to the Bank are as follows:

| <b>Thai Financial Reporting Standards</b>              |                                                                | <b>Effective date</b> |
|--------------------------------------------------------|----------------------------------------------------------------|-----------------------|
| <b>Thai Accounting Standards (TAS)</b>                 |                                                                |                       |
| TAS 1 (Revised 2012)                                   | Presentation of Financial Statements                           | January 1, 2014       |
| TAS 7 (Revised 2012)                                   | Statement of Cash Flows                                        | January 1, 2014       |
| TAS 12 (Revised 2012)                                  | Income Taxes                                                   | January 1, 2014       |
| TAS 17 (Revised 2012)                                  | Leases                                                         | January 1, 2014       |
| TAS 18 (Revised 2012)                                  | Revenue                                                        | January 1, 2014       |
| TAS 19 (Revised 2012)                                  | Employee Benefits                                              | January 1, 2014       |
| TAS 21 (Revised 2012)                                  | The Effects of Changes in Foreign Exchange Rate                | January 1, 2014       |
| TAS 24 (Revised 2012)                                  | Related Party Disclosures                                      | January 1, 2014       |
| TAS 28 (Revised 2012)                                  | Investments in Associates                                      | January 1, 2014       |
| TAS 34 (Revised 2012)                                  | Interim Financial Reporting                                    | January 1, 2014       |
| TAS 36 (Revised 2012)                                  | Impairment of Assets                                           | January 1, 2014       |
| TAS 38 (Revised 2012)                                  | Intangible assets                                              | January 1, 2014       |
| <b>Thai Financial Reporting Standards (TFRS)</b>       |                                                                |                       |
| TFRS 5 (Revised 2012)                                  | Non - current Assets Held for Sale and Discontinued Operations | January 1, 2014       |
| TFRS 8 (Revised 2012)                                  | Operating Segments                                             | January 1, 2014       |
| <b>Thai Accounting Standards Interpretations (TSI)</b> |                                                                |                       |
| TSI 15                                                 | Operating Leases - Incentives                                  | January 1, 2014       |
| TSI 32                                                 | Intangible Assets - Web Site Costs                             | January 1, 2014       |
| <b>Thai Financial Reporting Interpretations (TFRI)</b> |                                                                |                       |
| TFRI 4                                                 | Determining whether an arrangement contains a lease            | January 1, 2014       |
| TFRI 13                                                | Customer loyalty programmes                                    | January 1, 2014       |
| TFRI 17                                                | Distributions of Non - cash Assets to Owners                   | January 1, 2014       |

## **Accounting Treatment Guidance**

**Effective date**

Accounting Treatment Guidance for Stock Dividend

January 1, 2014

The Bank has adopted the above accounting standards, financial reporting standards, accounting standards interpretations, financial reporting interpretations and accounting treatment guidance with no material impact on the Bank's financial statements.

- 2.3 The consolidated interim financial statements for the quarters ended March 31, 2014 and 2013, included the accounts of the head office and all branches of the Bank and its subsidiaries, which the accounts of subsidiaries had been derived from their reviewed financial statements except for the financial statements of BBL Asset Management Company Limited which had not been reviewed, and the consolidated financial position as at December 31, 2013, included the accounts of the head office and all branches of the Bank and its subsidiaries, which the accounts of subsidiaries had been derived from their audited financial statements by eliminating significant business transactions and outstanding balances between the Bank and its subsidiaries. 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 and Bangkok Bank (China) Company Limited.

In addition, the consolidated interim financial statements for the quarters ended March 31, 2014 and 2013 and the consolidated statement of financial position as at December 31, 2013, also included BBL Nominees (Tempatan) Sdn. Bhd, the 100.00% owned subsidiary of Bangkok Bank Berhad.

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.

The consolidated interim financial statements for the quarters ended March 31, 2014 and 2013 included equity interest in associates which was determined from the unreviewed financial statements of these companies and the consolidated statement of financial position as at December 31, 2013 included equity interest in associates which was determined from the unaudited financial statements of these companies.

- 2.4 The Bank's interim financial statements for the quarters ended March 31, 2014 and 2013 and the Bank's statement of financial position as at December 31, 2013 included the accounts of the head office and all branches of the Bank. Investments in subsidiaries and associates are 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, 2013.

#### 4. 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 Bank of Thailand maintain the minimum capital adequacy ratios as follows:

| Capital fund ratio         | Percentage |
|----------------------------|------------|
| Common equity Tier 1 ratio | 4.50       |
| Tier 1 capital ratio       | 6.00       |
| Total capital fund ratio   | 8.50       |

As at March 31, 2014 and December 31, 2013, the Bank had capital fund and maintained capital adequacy ratios to risk assets in accordance with the BOT's Notification relating to the Basel III guidelines as follows :

|                                                   | Million Baht   |                   |
|---------------------------------------------------|----------------|-------------------|
|                                                   | March 31, 2014 | December 31, 2013 |
| <b>Tier 1 capital</b>                             | 273,946        | 272,156           |
| Common Equity Tier 1 capital                      | 273,946        | 272,156           |
| Paid-up share capital                             | 19,088         | 19,088            |
| Premium on share capital                          | 56,346         | 56,346            |
| Legal reserve                                     | 18,000         | 18,000            |
| Reserves appropriated from the net profit         | 76,500         | 76,500            |
| Retained earnings after appropriation             | 64,979         | 64,979            |
| Other reserves                                    | 39,033         | 37,243            |
| Additional Tier 1 capital                         | -              | -                 |
| <b>Tier 2 capital</b>                             | 45,295         | 47,591            |
| <b>Total capital fund</b>                         | 319,241        | 319,747           |
|                                                   | Percentage     |                   |
|                                                   | March 31, 2014 | December 31, 2013 |
| Common equity Tier 1 capital to risk assets ratio | 14.42          | 14.40             |
| Additional Tier 1 capital to risk assets ratio    | 14.42          | 14.40             |
| Total capital to risk assets ratio                | 16.81          | 16.92             |

## 5. ADDITIONAL INFORMATION

### 5.1 Supplementary disclosures of cash flow information

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

Cash and cash equivalents as at March 31, 2014 and 2013 are as follows :

|                                                                            | <b>CONSOLIDATED</b>   |                       | <b>THE BANK</b>       |                       |
|----------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                                            | <b>March 31, 2014</b> | <b>March 31, 2013</b> | <b>March 31, 2014</b> | <b>March 31, 2013</b> |
| Cash                                                                       | 43,283                | 43,222                | 42,855                | 43,121                |
| Cash equivalents                                                           |                       |                       |                       |                       |
| Cash at Bank - current and saving account                                  | 67                    | 288                   | -                     | -                     |
| Fixed deposit and notes with a maturity less than or equal to three months | 2,710                 | 1,793                 | -                     | -                     |
| <b>Total cash and cash equivalents</b>                                     | <b>46,060</b>         | <b>45,303</b>         | <b>42,855</b>         | <b>43,121</b>         |

5.1.2 Significant non-cash items for the quarters ended March 31, 2014 and 2013 are as follows :

|                                                                                       | <b>CONSOLIDATED</b>                          |                       | <b>THE BANK</b>                              |                       |
|---------------------------------------------------------------------------------------|----------------------------------------------|-----------------------|----------------------------------------------|-----------------------|
|                                                                                       | <b>FOR THE QUARTERS ENDED March 31, 2014</b> | <b>March 31, 2013</b> | <b>FOR THE QUARTERS ENDED March 31, 2014</b> | <b>March 31, 2013</b> |
| Unrealized gains on investments in shareholders' equity increase                      | 2,432                                        | 6,427                 | 2,403                                        | 6,419                 |
| Properties for sale increased from loans payment/inactive assets                      | 74                                           | 175                   | 74                                           | 175                   |
| Unrealized increment per land and premises appraisal transferred to retained earnings | 223                                          | 223                   | 223                                          | 223                   |

### 5.2 Investments, net

5.2.1 Investments as at March 31, 2014 and December 31, 2013 consisted of the following :

|                                            | <b>CONSOLIDATED</b>   |                          | <b>THE BANK</b>       |                          |
|--------------------------------------------|-----------------------|--------------------------|-----------------------|--------------------------|
|                                            | <b>March 31, 2014</b> | <b>December 31, 2013</b> | <b>March 31, 2014</b> | <b>December 31, 2013</b> |
|                                            | <b>Fair Value</b>     | <b>Fair Value</b>        | <b>Fair Value</b>     | <b>Fair Value</b>        |
| Trading securities                         |                       |                          |                       |                          |
| Government and state enterprise securities | 21,923                | 7,167                    | 21,923                | 7,167                    |
| Private enterprise debt securities         | 10                    | 6                        | 10                    | 6                        |
| Foreign debt securities                    | -                     | 98                       | -                     | -                        |
| Domestic marketable equity securities      | 872                   | 656                      | -                     | -                        |
| <b>Total</b>                               | <b>22,805</b>         | <b>7,927</b>             | <b>21,933</b>         | <b>7,173</b>             |

|                                            | CONSOLIDATED   |                   | THE BANK       |                   |
|--------------------------------------------|----------------|-------------------|----------------|-------------------|
|                                            | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
|                                            | Fair Value     | Fair Value        | Fair Value     | Fair Value        |
| Available-for-sale securities              |                |                   |                |                   |
| Government and state enterprise securities | 195,550        | 215,569           | 195,550        | 215,569           |
| Private enterprise debt securities         | 7,301          | 7,434             | 7,301          | 7,434             |
| Foreign debt securities                    | 27,337         | 27,110            | 19,026         | 19,647            |
| Domestic marketable equity securities      | 48,053         | 45,873            | 47,978         | 45,797            |
| Foreign marketable equity securities       | 1,699          | 3,333             | 1,699          | 3,333             |
| Others                                     | 4,341          | 4,298             | 4,238          | 4,188             |
| <b>Total</b>                               | <u>284,281</u> | <u>303,617</u>    | <u>275,792</u> | <u>295,968</u>    |

|                                            | CONSOLIDATED            |                         | THE BANK                |                         |
|--------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                            | March 31, 2014          | December 31, 2013       | March 31, 2014          | December 31, 2013       |
|                                            | Cost/<br>Amortized Cost | Cost/<br>Amortized Cost | Cost/<br>Amortized Cost | Cost/<br>Amortized Cost |
| Held-to-maturity debt securities           |                         |                         |                         |                         |
| Government and state enterprise securities | 32,005                  | 40,090                  | 28,016                  | 35,072                  |
| Private enterprise debt securities         | 700                     | 700                     | 700                     | 700                     |
| Foreign debt securities                    | 3,588                   | 4,064                   | 3,189                   | 3,665                   |
| <b>Total</b>                               | <u>36,293</u>           | <u>44,854</u>           | <u>31,905</u>           | <u>39,437</u>           |

|                                           | CONSOLIDATED   |                   | THE BANK       |                   |
|-------------------------------------------|----------------|-------------------|----------------|-------------------|
|                                           | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
|                                           | Cost           | Cost              | Cost           | Cost              |
| General investments                       |                |                   |                |                   |
| Domestic non-marketable equity securities | 6,810          | 6,810             | 6,802          | 6,801             |
| Foreign non-marketable equity securities  | 19,443         | 16,667            | 19,434         | 16,659            |
| <b>Total</b>                              | 26,253         | 23,477            | 26,236         | 23,460            |
| <u>Less</u> Allowance for impairment      | (2,466)        | (2,462)           | (2,466)        | (2,462)           |
| <b>Total</b>                              | <u>23,787</u>  | <u>21,015</u>     | <u>23,770</u>  | <u>20,998</u>     |
| <b>Total investments, net</b>             | <u>367,166</u> | <u>377,413</u>    | <u>353,400</u> | <u>363,576</u>    |

Investments classified in accordance with the notification of the BOT as at March 31, 2014 and December 31, 2013 are presented in Note 5.5.

As at March 31, 2014 and December 31, 2013, the Bank has investments in 32 companies with cost values of Baht 432 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 432 million and these companies had net book value totaling Baht 0 million.

As at March 31, 2014 and December 31, 2013, the Bank has investments in 5 listed companies that are under the SET delisting criteria, amounting to Baht 96 million, with the fair value of Baht 42 million and Baht 44 million, which the Bank had set aside allowance for impairment of these investments amounting to Baht 54 million and Baht 52 million, respectively.

For the quarter ended March 31, 2014, the Bank had recorded loss for impairment of investments in the statement of income amounting to Baht 3 million, and for the quarter ended March 31, 2013 the Bank has not recorded loss for impairment of investments in the statement of income.

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.

In 2006, the subsidiary partially disposed of the investment and recognized gain on sale of investment amounting to Baht 1,335 million. The Bank recorded such transaction by reducing other liabilities by Baht 1,732 million, and recognized gain on sale of investment amounting to Baht 1,341 million.

In 2009, the subsidiary partially disposed of the investment and recognized loss on sale of investment amounting to Baht 133 million. The Bank recorded such transaction by reducing other liabilities by Baht 186 million, and recognized gain on sale of investment amounting to Baht 173 million.

In 2010, the subsidiary partially disposed of the investment and recognized loss on sale of investment amounting to Baht 3 million. The Bank recorded such transaction by reducing other liabilities by Baht 5 million, and recognized gain on sale of investment amounting to Baht 4 million.

In 2012, the subsidiary partially disposed of the investment and recognized gain on sale of investment amounting to Baht 150 million. The Bank recorded such transaction by reducing other liabilities by Baht 267 million, and recognized gain on sale of investment amounting to Baht 209 million.

5.2.2 As at March 31, 2014 and December 31, 2013, 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 :

|                              | <b>CONSOLIDATED</b>   |                          | <b>THE BANK</b>       |                          |
|------------------------------|-----------------------|--------------------------|-----------------------|--------------------------|
|                              | <b>March 31, 2014</b> | <b>December 31, 2013</b> | <b>March 31, 2014</b> | <b>December 31, 2013</b> |
| Manufacturing and commercial | 11                    | 11                       | 11                    | 11                       |
| Real estate and construction | 187                   | 187                      | 187                   | 187                      |
| Utilities and services       | 21                    | 21                       | 21                    | 21                       |
| Others                       | 1,320                 | 1,322                    | 1,320                 | 1,322                    |
| <b>Total</b>                 | <b>1,539</b>          | <b>1,541</b>             | <b>1,539</b>          | <b>1,541</b>             |

### 5.3 Investments in subsidiaries and associates, net

As at March 31, 2014 and December 31, 2013, the Bank had investments in subsidiaries and associates, net as follows :

|                                       |                         |                       |                                             | <b>Million Baht</b>             |                                   |
|---------------------------------------|-------------------------|-----------------------|---------------------------------------------|---------------------------------|-----------------------------------|
| <b>CONSOLIDATED</b>                   |                         |                       |                                             |                                 |                                   |
| <b>MARCH 31, 2014</b>                 |                         |                       |                                             |                                 |                                   |
| <b>Company</b>                        | <b>Type of Business</b> | <b>Type of Shares</b> | <b>Direct and Indirect Shareholding (%)</b> | <b>Investment (Cost Method)</b> | <b>Investment (Equity Method)</b> |
| <b>Associates</b>                     |                         |                       |                                             |                                 |                                   |
| BSL Leasing Co., Ltd.                 | Finance                 | Ordinary share        | 35.88                                       | 43                              | 506                               |
| Processing Center Co., Ltd.           | Service                 | Ordinary share        | 30.00                                       | 15                              | 264                               |
| National ITMX Co., Ltd.               | Service                 | Ordinary share        | 19.80                                       | 10                              | 193                               |
| Total                                 |                         |                       |                                             | 68                              | 963                               |
| <u>Less</u> Allowance for impairment  |                         |                       |                                             | (2)                             | -                                 |
| <b>Investments in associates, net</b> |                         |                       |                                             | <b>66</b>                       | <b>963</b>                        |

Million Baht

**CONSOLIDATED  
DECEMBER 31, 2013**

| Company                               | Type of Business | Type of Shares | Direct and Indirect Shareholding (%) | Investment (Cost Method) | Investment (Equity Method) |
|---------------------------------------|------------------|----------------|--------------------------------------|--------------------------|----------------------------|
| <b>Associates</b>                     |                  |                |                                      |                          |                            |
| BSL Leasing Co., Ltd.                 | Finance          | Ordinary share | 35.88                                | 43                       | 484                        |
| Processing Center Co., Ltd.           | Service          | Ordinary share | 30.00                                | 15                       | 244                        |
| WT A (Thailand) Co., Ltd.             | Service          | Ordinary share | 24.90                                | -                        | -                          |
| National ITMX Co., Ltd.               | Service          | Ordinary share | 19.80                                | 10                       | 182                        |
| Total                                 |                  |                |                                      | 68                       | 910                        |
| <u>Less</u> Allowance for impairment  |                  |                |                                      | (2)                      | -                          |
| <b>Investments in associates, net</b> |                  |                |                                      | <u>66</u>                | <u>910</u>                 |

Million Baht

**THE BANK  
MARCH 31, 2014**

| Company                                                | Type of Business | Type of Shares | Direct and Indirect Shareholding (%) | Investment (Cost Method) |
|--------------------------------------------------------|------------------|----------------|--------------------------------------|--------------------------|
| <b>Subsidiaries</b>                                    |                  |                |                                      |                          |
| BBL (Cayman) Limited                                   | Finance          | Ordinary share | 100.00                               | 2                        |
| Bangkok Bank Berhad                                    | Banking          | Ordinary share | 100.00                               | 4,113                    |
| Sinnsuptawee Asset Management Co., Ltd.                | Asset management | Ordinary share | 100.00                               | 2,500                    |
| Bangkok Bank (China) Co., Ltd.                         | Banking          | Ordinary share | 100.00                               | 19,585                   |
| BBL Asset Management Co., Ltd.                         | Finance          | Ordinary share | 75.00                                | 183                      |
| Bualuang Securities PCL.                               | Securities       | Ordinary share | 99.89                                | 4,769                    |
| <b>Associates</b>                                      |                  |                |                                      |                          |
| BSL Leasing Co., Ltd.                                  | Finance          | Ordinary share | 35.88                                | 43                       |
| Processing Center Co., Ltd.                            | Service          | Ordinary share | 30.00                                | 15                       |
| National ITMX Co., Ltd.                                | Service          | Ordinary share | 19.80                                | 10                       |
| Total                                                  |                  |                |                                      | 31,220                   |
| <u>Less</u> Allowance for impairment                   |                  |                |                                      | (97)                     |
| <b>Investments in subsidiaries and associates, net</b> |                  |                |                                      | <u>31,123</u>            |

\*

On March 13, 2014, WTA (Thailand) Co., Ltd. has been liquidated.

\*\* Amount less than Baht 1 million.

Million Baht

THE BANK  
DECEMBER 31, 2013

| Company                                                | Type of Business | Type of Shares | Direct and Indirect Shareholding (%) | Investment (Cost Method) |
|--------------------------------------------------------|------------------|----------------|--------------------------------------|--------------------------|
| <b>Subsidiaries</b>                                    |                  |                |                                      |                          |
| BBL (Cayman) Limited                                   | Finance          | Ordinary share | 100.00                               | 2                        |
| Bangkok Bank Berhad                                    | Banking          | Ordinary share | 100.00                               | 4,113                    |
| Sinnsuptawee Asset Management Co., Ltd.                | Asset management | Ordinary share | 100.00                               | 2,500                    |
| Bangkok Bank (China) Co., Ltd.                         | Banking          | Ordinary share | 100.00                               | 19,585                   |
| BBL Asset Management Co., Ltd.                         | Finance          | Ordinary share | 75.00                                | 183                      |
| Bualuang Securities PCL.                               | Securities       | Ordinary share | 99.89                                | 4,769                    |
| <b>Associates</b>                                      |                  |                |                                      |                          |
| BSL Leasing Co., Ltd.                                  | Finance          | Ordinary share | 35.88                                | 43                       |
| Processing Center Co., Ltd.                            | Service          | Ordinary share | 30.00                                | 15                       |
| WTA (Thailand) Co., Ltd.                               | Service          | Ordinary share | 24.90                                | -                        |
| National ITMX Co., Ltd.                                | Service          | Ordinary share | 19.80                                | 10                       |
| Total                                                  |                  |                |                                      | 31,220                   |
| Less Allowance for impairment                          |                  |                |                                      | (97)                     |
| <b>Investments in subsidiaries and associates, net</b> |                  |                |                                      | <b>31,123</b>            |

The summarized financial information of associates are as follows :

Million Baht

| Company                     | CONSOLIDATED   |                   |                                       | CONSOLIDATED      |                   |                                       |
|-----------------------------|----------------|-------------------|---------------------------------------|-------------------|-------------------|---------------------------------------|
|                             | March 31, 2014 |                   |                                       | December 31, 2013 |                   |                                       |
|                             | Total Assets   | Total Liabilities | Cumulative Unrecognized Share of Loss | Total Assets      | Total Liabilities | Cumulative Unrecognized Share of Loss |
| <b>Associates</b>           |                |                   |                                       |                   |                   |                                       |
| BSL Leasing Co., Ltd.       | 8,362          | 6,952             | -                                     | 8,123             | 6,775             | -                                     |
| Processing Center Co., Ltd. | 1,083          | 103               | -                                     | 1,262             | 348               | -                                     |
| WTA (Thailand) Co., Ltd.    | -              | -                 | -                                     | -                 | -                 | -                                     |
| National ITMX Co., Ltd.     | 1,198          | 224               | -                                     | 1,135             | 215               | -                                     |

\*

On March 13, 2014, WTA (Thailand) Co., Ltd. has been liquidated.

\*\* Amount less than Baht 1 million.

Million Baht

| Company                     | CONSOLIDATED<br>FOR THE QUARTERS ENDED |               |                               |                |               |                               |
|-----------------------------|----------------------------------------|---------------|-------------------------------|----------------|---------------|-------------------------------|
|                             | March 31, 2014                         |               |                               | March 31, 2013 |               |                               |
|                             | Revenue                                | Profit (Loss) | Unrecognized<br>Share of Loss | Revenue        | Profit (Loss) | Unrecognized<br>Share of Loss |
| <b>Associates</b>           |                                        |               |                               |                |               |                               |
| BSL Leasing Co., Ltd.       | 249                                    | 62            | -                             | 227            | 58            | -                             |
| Processing Center Co., Ltd. | 168                                    | 63            | -                             | 166            | 82            | -                             |
| WTa (Thailand) Co., Ltd.    | -                                      | -             | -                             | -              | -             | -                             |
| National ITMX Co., Ltd.     | 139                                    | 67            | -                             | 127            | 57            | -                             |

#### 5.4 Loans to customers and accrued interest receivables, net

5.4.1 As at March 31, 2014 and December 31, 2013, the Bank and subsidiaries had classified loans and allowance for doubtful accounts in accordance with the notification of the BOT as follows :

|                                                         | CONSOLIDATED<br>MARCH 31, 2014                            |                                                                                  |                                                                                 |                                                                  |
|---------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------|
|                                                         | Loans to Customers<br>and Accrued<br>Interest Receivables | Net Outstanding used<br>in Determining the<br>Allowance for Doubtful<br>Accounts | Rate used in<br>Determining<br>the Allowance<br>for Doubtful<br>Accounts<br>(%) | Allowance for<br>Doubtful<br>Accounts<br>Recorded<br>by the Bank |
| Minimum provision according to the<br>BOT's requirement |                                                           |                                                                                  |                                                                                 |                                                                  |
| Normal                                                  | 1,662,239                                                 | 1,035,120                                                                        | 1                                                                               | 12,146                                                           |
| Special mentioned                                       | 42,196                                                    | 22,039                                                                           | 2                                                                               | 523                                                              |
| Substandard                                             | 7,110                                                     | 834                                                                              | 100                                                                             | 894                                                              |
| Doubtful                                                | 7,294                                                     | 2,387                                                                            | 100                                                                             | 2,500                                                            |
| Doubtful of loss                                        | 30,613                                                    | 15,818                                                                           | 100                                                                             | 15,818                                                           |
| Excess provision according to the BOT's<br>Requirement  |                                                           |                                                                                  |                                                                                 | 60,031                                                           |
| <b>Total</b>                                            | <u>1,749,452</u>                                          | <u>1,076,198</u>                                                                 |                                                                                 | <u>91,912</u>                                                    |

\* On March 13, 2014, WTA (Thailand) Co., Ltd. has been liquidated.

\*\* Amount less than Baht 1 million.

| CONSOLIDATED<br>DECEMBER 31, 2013                         |                                                                                  |                                                                                 |                                                                  | Million Baht  |
|-----------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------|---------------|
| Loans to Customers<br>and Accrued<br>Interest Receivables | Net Outstanding used<br>in Determining the<br>Allowance for Doubtful<br>Accounts | Rate used in<br>Determining<br>the Allowance<br>for Doubtful<br>Accounts<br>(%) | Allowance for<br>Doubtful<br>Accounts<br>Recorded<br>by the Bank |               |
| Minimum provision according to the<br>BOT's requirement   |                                                                                  |                                                                                 |                                                                  |               |
| Normal                                                    | 1,678,314                                                                        | 1,050,945                                                                       | 1                                                                | 12,384        |
| Special mentioned                                         | 35,661                                                                           | 19,793                                                                          | 2                                                                | 492           |
| Substandard                                               | 6,058                                                                            | 1,038                                                                           | 100                                                              | 965           |
| Doubtful                                                  | 5,937                                                                            | 2,215                                                                           | 100                                                              | 2,219         |
| Doubtful of loss                                          | 31,269                                                                           | 16,298                                                                          | 100                                                              | 17,031        |
| Excess provision according to the BOT's<br>requirement    |                                                                                  |                                                                                 |                                                                  | 56,606        |
| <b>Total</b>                                              | <u>1,757,239</u>                                                                 | <u>1,090,289</u>                                                                |                                                                  | <u>89,697</u> |

| THE BANK<br>MARCH 31, 2014                                |                                                                                  |                                                                                 |                                                                  | Million Baht  |
|-----------------------------------------------------------|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------|---------------|
| Loans to Customers<br>and Accrued<br>Interest Receivables | Net Outstanding used<br>in Determining the<br>Allowance for Doubtful<br>Accounts | Rate used in<br>Determining<br>the Allowance<br>for Doubtful<br>Accounts<br>(%) | Allowance for<br>Doubtful<br>Accounts<br>Recorded<br>by the Bank |               |
| Minimum provision according to the<br>BOT's requirement   |                                                                                  |                                                                                 |                                                                  |               |
| Normal                                                    | 1,617,044                                                                        | 1,004,341                                                                       | 1                                                                | 11,847        |
| Special mentioned                                         | 40,721                                                                           | 20,792                                                                          | 2                                                                | 498           |
| Substandard                                               | 6,629                                                                            | 465                                                                             | 100                                                              | 525           |
| Doubtful                                                  | 7,195                                                                            | 2,291                                                                           | 100                                                              | 2,404         |
| Doubtful of loss                                          | 30,060                                                                           | 15,326                                                                          | 100                                                              | 15,326        |
| Excess provision according to the BOT's<br>requirement    |                                                                                  |                                                                                 |                                                                  | 59,011        |
| <b>Total</b>                                              | <u>1,701,649</u>                                                                 | <u>1,043,215</u>                                                                |                                                                  | <u>89,611</u> |

|                                                      |                                                                         |                                                                  |                                                      | Million Baht  |
|------------------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|---------------|
| THE BANK                                             |                                                                         |                                                                  |                                                      |               |
| DECEMBER 31, 2013                                    |                                                                         |                                                                  |                                                      |               |
| 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                                               | 1,633,882                                                               | 1,020,861                                                        | 1                                                    | 12,093        |
| Special mentioned                                    | 34,022                                                                  | 18,569                                                           | 2                                                    | 467           |
| Substandard                                          | 6,052                                                                   | 1,036                                                            | 100                                                  | 964           |
| Doubtful                                             | 5,841                                                                   | 2,119                                                            | 100                                                  | 2,124         |
| Doubtful of loss                                     | 30,796                                                                  | 15,846                                                           | 100                                                  | 16,580        |
| Excess provision according to the BOT's requirement  |                                                                         |                                                                  |                                                      | 55,394        |
| <b>Total</b>                                         | <u>1,710,593</u>                                                        | <u>1,058,431</u>                                                 |                                                      | <u>87,622</u> |

As at March 31, 2014 and December 31, 2013, the consolidated and the Bank's financial statements included the allowance for doubtful accounts amounting to Baht 3,708 million and Baht 3,788 million, respectively, on a collective approach, for loans classified as normal and special mentioned.

- 5.4.2 As at March 31, 2014 and December 31, 2013, 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 :

|                                                | Million Baht   |                   |                |                   |
|------------------------------------------------|----------------|-------------------|----------------|-------------------|
|                                                | CONSOLIDATED   |                   | THE BANK       |                   |
|                                                | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
| NPLs before allowance for doubtful accounts    | 45,003         | 43,228            | 43,870         | 42,653            |
| NPLs as percentage of total loans              | 2.23           | 2.16              | 2.23           | 2.18              |
| Net NPLs after allowance for doubtful accounts | 14,144         | 12,485            | 13,968         | 12,458            |
| Net NPLs as percentage of net total loans      | 0.71           | 0.63              | 0.72           | 0.65              |

5.4.3 As at March 31, 2014 and December 31, 2013, 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 :

|                                           |                     |                        |                                                                                             |                                     | Million Baht                         |
|-------------------------------------------|---------------------|------------------------|---------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------|
| CONSOLIDATED<br>MARCH 31, 2014            |                     |                        |                                                                                             |                                     |                                      |
|                                           | No. of<br>Companies | Outstanding<br>Balance | Loans Net of<br>Collateral/Present<br>Value of Future<br>Cash Flows According<br>to the BOT | Provision<br>Required<br>by the BOT | Provision<br>Recorded<br>by the Bank |
| Financial institutions ordered closed     | -                   | -                      | -                                                                                           | -                                   | -                                    |
| Listed companies identified for delisting | 2                   | 376                    | 373                                                                                         | 373                                 | 373                                  |
| <b>Total</b>                              | 2                   | 376                    | 373                                                                                         | 373                                 | 373                                  |

|                                           |                     |                        |                                                                                             |                                     | Million Baht                         |
|-------------------------------------------|---------------------|------------------------|---------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------|
| CONSOLIDATED<br>DECEMBER 31, 2013         |                     |                        |                                                                                             |                                     |                                      |
|                                           | No. of<br>Companies | Outstanding<br>Balance | Loans Net of<br>Collateral/Present<br>Value of Future<br>Cash Flows According<br>to the BOT | Provision<br>Required<br>by the BOT | Provision<br>Recorded<br>by the Bank |
| Financial institutions ordered closed     | -                   | -                      | -                                                                                           | -                                   | -                                    |
| Listed companies identified for delisting | 2                   | 378                    | 373                                                                                         | 373                                 | 373                                  |
| <b>Total</b>                              | 2                   | 378                    | 373                                                                                         | 373                                 | 373                                  |

|                                           |                  |                     |                                                                                 |                               | Million Baht                   |
|-------------------------------------------|------------------|---------------------|---------------------------------------------------------------------------------|-------------------------------|--------------------------------|
| THE BANK                                  |                  |                     |                                                                                 |                               |                                |
| MARCH 31, 2014                            |                  |                     |                                                                                 |                               |                                |
|                                           | 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 | 2                | 376                 | 373                                                                             | 373                           | 373                            |
| <b>Total</b>                              | 2                | 376                 | 373                                                                             | 373                           | 373                            |

Million Baht

| THE BANK                                  |                     |                        |                                                                                             |                                     |                                      |
|-------------------------------------------|---------------------|------------------------|---------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------|
| DECEMBER 31, 2013                         |                     |                        |                                                                                             |                                     |                                      |
|                                           | No. of<br>Companies | Outstanding<br>Balance | Loans Net of<br>Collateral/Present<br>Value of Future<br>Cash Flows According<br>to the BOT | Provision<br>Required<br>by the BOT | Provision<br>Recorded<br>by the Bank |
| Financial institutions ordered closed     | -                   | -                      | -                                                                                           | -                                   | -                                    |
| Listed companies identified for delisting | 2                   | 378                    | 373                                                                                         | 373                                 | 373                                  |
| <b>Total</b>                              | 2                   | 378                    | 373                                                                                         | 373                                 | 373                                  |

#### 5.4.4 Transfer of assets to Thai Asset Management Corporation (TAMC)

On October 12, 2001, the Bank entered into the Asset Transfer Agreement (the Agreement) with TAMC in order to transfer the impaired assets of the Bank including all rights over the collateral securing such loans. The price shall be the value of collateral of such loan but shall not exceed the book value of the loan less the allowance for doubtful accounts as at the transfer date which has been set aside pursuant to the notification of the Bank of Thailand. TAMC made payments by issuing a non-negotiable promissory note which is given aval by the Financial Institutions Development Fund (FIDF) under the Agreement. From the date that the Bank had entered into the Agreement until March 31, 2014 and December 31, 2013, the Bank had transferred impaired assets to TAMC at the net amount of loan, after deducting the allowance for doubtful accounts in the amount of Baht 25,484 million. Such amount have reflected the reduction of the value given for the transferred impaired assets being used as collateralized assets, of which TAMC considers as non-qualified collaterals at the amount of Baht 2,761 million. The Bank has still objected such reduction of the value given for the transfer which is now under court proceedings.

The Bank and TAMC agreed to recognize any profits or losses arising from the management of the impaired assets at the end of the fifth and the tenth year starting from July 1, 2001. The profits or losses shall be calculated based on all accumulated asset recoveries on a cash basis up to the date of calculation of such profits or losses less the transfer costs and other operating expenses incurred by TAMC, including all interest paid by TAMC to the Bank.

In the case whereby profits are realized, the first portion of the profits, not exceeding 20% of the transfer price of the impaired assets transferred to TAMC, will be allocated to the Bank and TAMC at 50% each. The second portion of the profits will be given to the Bank at the amount such that when included with the first profit portion shall not exceed the difference between the book value of the impaired assets of the Bank and the transfer price of such assets transferred to TAMC. The residual amount of the second profit portion will be given to TAMC. In the case whereby losses are realized, the first portion of the losses will be borne by the Bank but not exceeding 20% of the transfer price of the impaired assets transferred to TAMC. The second portion of the losses, not exceeding 20% of the transfer price of the impaired assets transferred to TAMC, will be allocated to the Bank and TAMC at 50% each. The residual amount of the second portion of losses will be borne by TAMC. In the second quarter of 2013 TAMC declared winding-up of the organization permanently according to the Royal

Ordinance establishing TAMC B.E. 2544 and notified the allocation of profit or loss arising from the management of the impaired assets to the Bank as a profit.

#### 5.4.5 Troubled debt restructurings

Details of the restructured debts of the Bank for the quarters ended March 31, 2014 and 2013, classified by the restructuring methods are as follows :

| <p style="text-align: right;">Million Baht</p> <p style="text-align: center;"><b>THE BANK</b><br/><b>FOR THE QUARTER ENDED MARCH 31, 2014</b></p> |                     |                                              |                                   |                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------|-----------------------------------|-------------------|
| <b>Restructuring Method</b>                                                                                                                       | <b>No. of Cases</b> | <b>Outstanding Debt before Restructuring</b> | <b>Type of Transferred Assets</b> | <b>Fair Value</b> |
| Debt restructuring in various forms                                                                                                               | 1,585               | 9,853                                        | -                                 | -                 |
| <b>Total</b>                                                                                                                                      | <u>1,585</u>        | <u>9,853</u>                                 |                                   |                   |

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 9,853 million.

| <p style="text-align: right;">Million Baht</p> <p style="text-align: center;"><b>THE BANK</b><br/><b>FOR THE QUARTER ENDED MARCH 31, 2013</b></p> |                     |                                              |                                   |                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------------------------------|-----------------------------------|-------------------|
| <b>Restructuring Method</b>                                                                                                                       | <b>No. of Cases</b> | <b>Outstanding Debt before Restructuring</b> | <b>Type of Transferred Assets</b> | <b>Fair Value</b> |
| Asset transfer                                                                                                                                    | 6                   | 36                                           | Land, building, condominium       | 36                |
| Debt restructuring in various forms                                                                                                               | 1,713               | 6,508                                        | -                                 | -                 |
| <b>Total</b>                                                                                                                                      | <u>1,719</u>        | <u>6,544</u>                                 |                                   |                   |

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 6,544 million.

For the quarters ended March 31, 2014 and 2013, the Bank recognized interest income from restructured debts amounting to Baht 933 million and Baht 1,247 million, respectively.

As at March 31, 2014 and December 31, 2013, the Bank had outstanding balances of loans to restructured debtors amounting to Baht 67,727 million and Baht 71,344 million, respectively.

Disclosures for the consolidated financial statements for troubled debt restructurings which occurred during the quarters ended March 31, 2014 and 2013 have not been provided, as such information is not significantly different from the above disclosures for the Bank's financial statements.

- 5.5 As at March 31, 2014 and December 31, 2013, classified assets in accordance with the notification of the BOT are as follows :

|                   | <b>CONSOLIDATED<br/>MARCH 31, 2014</b>                             |                    |                                |                     | <b>Million Baht</b> |
|-------------------|--------------------------------------------------------------------|--------------------|--------------------------------|---------------------|---------------------|
|                   | <b>Loans to Customers<br/>and Accrued<br/>Interest Receivables</b> | <b>Investments</b> | <b>Properties<br/>for Sale</b> | <b>Other Assets</b> | <b>Total</b>        |
| Normal            | 1,662,239                                                          | -                  | -                              | -                   | 1,662,239           |
| Special mentioned | 42,196                                                             | -                  | -                              | -                   | 42,196              |
| Substandard       | 7,110                                                              | -                  | -                              | -                   | 7,110               |
| Doubtful          | 7,294                                                              | -                  | -                              | -                   | 7,294               |
| Doubtful of loss  | 30,613                                                             | 5,226              | 2,265                          | 1,349               | 39,453              |
| <b>Total</b>      | <u>1,749,452</u>                                                   | <u>5,226</u>       | <u>2,265</u>                   | <u>1,349</u>        | <u>1,758,292</u>    |

|                   | <b>CONSOLIDATED<br/>DECEMBER 31, 2013</b>                          |                    |                                |                     | <b>Million Baht</b> |
|-------------------|--------------------------------------------------------------------|--------------------|--------------------------------|---------------------|---------------------|
|                   | <b>Loans to Customers<br/>and Accrued<br/>Interest Receivables</b> | <b>Investments</b> | <b>Properties<br/>for Sale</b> | <b>Other Assets</b> | <b>Total</b>        |
| Normal            | 1,678,314                                                          | -                  | -                              | -                   | 1,678,314           |
| Special mentioned | 35,661                                                             | -                  | -                              | -                   | 35,661              |
| Substandard       | 6,058                                                              | -                  | -                              | -                   | 6,058               |
| Doubtful          | 5,937                                                              | -                  | -                              | -                   | 5,937               |
| Doubtful of loss  | 31,269                                                             | 5,561              | 2,240                          | 1,372               | 40,442              |
| <b>Total</b>      | <u>1,757,239</u>                                                   | <u>5,561</u>       | <u>2,240</u>                   | <u>1,372</u>        | <u>1,766,412</u>    |

|                   | <b>THE BANK<br/>MARCH 31, 2014</b>                                 |                    |                                |                     | <b>Million Baht</b> |
|-------------------|--------------------------------------------------------------------|--------------------|--------------------------------|---------------------|---------------------|
|                   | <b>Loans to Customers<br/>and Accrued<br/>Interest Receivables</b> | <b>Investments</b> | <b>Properties<br/>for Sale</b> | <b>Other Assets</b> | <b>Total</b>        |
| Normal            | 1,617,044                                                          | -                  | -                              | -                   | 1,617,044           |
| Special mentioned | 40,721                                                             | -                  | -                              | -                   | 40,721              |
| Substandard       | 6,629                                                              | -                  | -                              | -                   | 6,629               |
| Doubtful          | 7,195                                                              | -                  | -                              | -                   | 7,195               |
| Doubtful of loss  | 30,060                                                             | 5,263              | 1,131                          | 1,344               | 37,798              |
| <b>Total</b>      | <u>1,701,649</u>                                                   | <u>5,263</u>       | <u>1,131</u>                   | <u>1,344</u>        | <u>1,709,387</u>    |

Million Baht

| THE BANK          |                                                           |              |                        |              |                  |
|-------------------|-----------------------------------------------------------|--------------|------------------------|--------------|------------------|
| DECEMBER 31, 2013 |                                                           |              |                        |              |                  |
|                   | Loans to Customers<br>and Accrued<br>Interest Receivables | Investments  | Properties<br>for Sale | Other Assets | Total            |
| Normal            | 1,633,882                                                 | -            | -                      | -            | 1,633,882        |
| Special mentioned | 34,022                                                    | -            | -                      | -            | 34,022           |
| Substandard       | 6,052                                                     | -            | -                      | -            | 6,052            |
| Doubtful          | 5,841                                                     | -            | -                      | -            | 5,841            |
| Doubtful of loss  | 30,796                                                    | 5,539        | 1,106                  | 1,367        | 38,808           |
| <b>Total</b>      | <u>1,710,593</u>                                          | <u>5,539</u> | <u>1,106</u>           | <u>1,367</u> | <u>1,718,605</u> |

## 5.6 Debt Issued and Borrowings

5.6.1 Classified by type of instruments and source of fund as at March 31, 2014 and December 31, 2013 :

Million Baht

| CONSOLIDATED                       |                |                |                |                   |                |                |
|------------------------------------|----------------|----------------|----------------|-------------------|----------------|----------------|
|                                    | March 31, 2014 |                |                | December 31, 2013 |                |                |
|                                    | Domestic       | Foreign        | Total          | Domestic          | Foreign        | Total          |
| Senior unsecured notes             | -              | 110,106        | 110,106        | -                 | 111,034        | 111,034        |
| Unsecured subordinated notes       | 20,000         | 14,593         | 34,593         | 20,000            | 14,759         | 34,759         |
| Bills of exchange                  | 414            | -              | 414            | 882               | -              | 882            |
| Others                             | 115            | -              | 115            | 138               | -              | 138            |
| <u>Less Discount on borrowings</u> | <u>-</u>       | <u>(6,627)</u> | <u>(6,627)</u> | <u>-</u>          | <u>(6,666)</u> | <u>(6,666)</u> |
| <b>Total</b>                       | <u>20,529</u>  | <u>118,072</u> | <u>138,601</u> | <u>21,020</u>     | <u>119,127</u> | <u>140,147</u> |

Million Baht

| THE BANK                           |                |                |                |                   |                |                |
|------------------------------------|----------------|----------------|----------------|-------------------|----------------|----------------|
|                                    | March 31, 2014 |                |                | December 31, 2013 |                |                |
|                                    | Domestic       | Foreign        | Total          | Domestic          | Foreign        | Total          |
| Senior unsecured notes             | -              | 110,365        | 110,365        | -                 | 111,624        | 111,624        |
| Unsecured subordinated notes       | 20,000         | 14,593         | 34,593         | 20,000            | 14,759         | 34,759         |
| Bills of exchange                  | 414            | -              | 414            | 882               | -              | 882            |
| Others                             | 115            | -              | 115            | 138               | -              | 138            |
| <u>Less Discount on borrowings</u> | <u>-</u>       | <u>(6,628)</u> | <u>(6,628)</u> | <u>-</u>          | <u>(6,668)</u> | <u>(6,668)</u> |
| <b>Total</b>                       | <u>20,529</u>  | <u>118,330</u> | <u>138,859</u> | <u>21,020</u>     | <u>119,715</u> | <u>140,735</u> |

5.6.2 Classified by type of instruments, currency, maturity and interest rate as at March 31, 2014 and December 31, 2013 :

| CONSOLIDATED                       |          |             |                |                | Million Baht      |
|------------------------------------|----------|-------------|----------------|----------------|-------------------|
| Type                               | Currency | Maturity    | Interest Rate  | Amount         |                   |
|                                    |          |             |                | March 31, 2014 | December 31, 2013 |
| Senior unsecured notes             | USD      | 2015 - 2023 | 2.75% - 5.00%  | 110,106        | 111,034           |
| Unsecured subordinated notes       | USD      | 2029        | 9.025%         | 14,593         | 14,759            |
| Unsecured subordinated notes       | THB      | 2022        | 4.375%         | 20,000         | 20,000            |
| Bills of exchange                  | THB      | 2014        | 1.00% - 2.125% | 414            | 882               |
| Others                             | THB      | 2015 - 2019 | 0.50%          | 115            | 138               |
| <u>Less</u> Discount on borrowings |          |             |                | (6,627)        | (6,666)           |
| <b>Total</b>                       |          |             |                | <u>138,601</u> | <u>140,147</u>    |

| THE BANK                           |          |             |                |                | Million Baht      |
|------------------------------------|----------|-------------|----------------|----------------|-------------------|
| Type                               | Currency | Maturity    | Interest Rate  | Amount         |                   |
|                                    |          |             |                | March 31, 2014 | December 31, 2013 |
| Senior unsecured notes             | USD      | 2015 - 2023 | 2.75% - 5.00%  | 110,365        | 111,624           |
| Unsecured subordinated notes       | USD      | 2029        | 9.025%         | 14,593         | 14,759            |
| Unsecured subordinated notes       | THB      | 2022        | 4.375%         | 20,000         | 20,000            |
| Bills of exchange                  | THB      | 2014        | 1.00% - 2.125% | 414            | 882               |
| Others                             | THB      | 2015 - 2019 | 0.50%          | 115            | 138               |
| <u>Less</u> Discount on borrowings |          |             |                | (6,628)        | (6,668)           |
| <b>Total</b>                       |          |             |                | <u>138,859</u> | <u>140,735</u>    |

5.7 Share capital

The Bank's share capital consists of :

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

As at March 31, 2014 and December 31, 2013, the Bank had registered share capital of Baht 40,000,000,000 divided into ordinary shares and preferred shares totaling 4,000,000,000 shares, with par value of Baht 10 each, details of which are as follows :

| Type                     | Number of Registered Shares |                      |
|--------------------------|-----------------------------|----------------------|
|                          | March 31, 2014              | December 31, 2013    |
| 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            |
| <b>Total</b>             | <u>4,000,000,000</u>        | <u>4,000,000,000</u> |

As at March 31, 2014 and December 31, 2013, 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 12<sup>th</sup> 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.

## 5.8 The appropriation of the profit and the dividend payments

On April 12, 2013, the 20<sup>th</sup> Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2012 as follows :

- The appropriation as legal reserves 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 2012 amounting to Baht 500 million as legal reserves 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, 2012) and the amount to be appropriated for the period of July - December 2012 amounting to Baht 500 million as legal reserves.
- 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 21, 2012, and the remaining amount will be paid on May 8, 2013 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, 2013.

On August 22, 2013, the meeting of the Board of Directors of the Bank No. 8/2013 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 2013 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 20, 2013.

The Bank already paid dividend according to the above-mentioned resolution amounting to Baht 3,818 million on September 20, 2013.

## 5.9 Assets pledged as collateral and under restriction

The Bank had investments in government securities and state enterprise securities which had been pledged as collateral for repurchase agreements and for commitments with government agencies. The book values of such securities, net of valuation allowances for impairment, as at March 31, 2014 and December 31, 2013 amounted to Baht 53,898 million and Baht 44,008 million, respectively.

The Bank had investments in equity securities which allowed the pre-determined parties to buy such securities or had restriction on sale for a temporary period. The book values of such securities, net of valuation allowances for impairment, as at March 31, 2014 and December 31, 2013 amounted to Baht 1 million.

The Bank had land and premises for commitments with government agencies at the net book values as at March 31, 2014 amounted to Baht 181 million.

A subsidiary of the Bank had properties for sale with restrictions on sale, transfer, pledge and/or other commitments at the book value, net of valuation allowances for impairment, as at March 31, 2014 and December 31, 2013 amounted to Baht 515 million.

#### 5.10 Contingent liabilities

As at March 31, 2014 and December 31, 2013, the Bank and subsidiaries had contingent liabilities as follows :

|                                        | <b>CONSOLIDATED</b>   |                          | <b>THE BANK</b>       |                          |
|----------------------------------------|-----------------------|--------------------------|-----------------------|--------------------------|
|                                        | <b>March 31, 2014</b> | <b>December 31, 2013</b> | <b>March 31, 2014</b> | <b>December 31, 2013</b> |
|                                        | <b>Million Baht</b>   |                          |                       |                          |
| Avals to bills                         | 6,419                 | 6,666                    | 6,419                 | 6,666                    |
| Guarantees of loans                    | 10,438                | 10,413                   | 6,818                 | 6,693                    |
| Liability under unmatured import bills | 18,164                | 16,428                   | 17,144                | 15,434                   |
| Letters of credit                      | 37,383                | 37,675                   | 36,060                | 36,486                   |
| Other commitments                      |                       |                          |                       |                          |
| Amount of unused bank overdraft        | 175,458               | 173,554                  | 173,793               | 171,973                  |
| Other guarantees                       | 242,623               | 211,221                  | 239,026               | 209,672                  |
| Others                                 | 26,025                | 10,750                   | 25,625                | 10,923                   |
| <b>Total</b>                           | <b>516,510</b>        | <b>466,707</b>           | <b>504,885</b>        | <b>457,847</b>           |

#### 5.11 Litigation

As at March 31, 2014 and December 31, 2013, 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.

#### 5.12 Related party transactions

As at March 31, 2014 and December 31, 2013, 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 :

|                                         | <b>CONSOLIDATED</b>   |                          | <b>THE BANK</b>       |                          |
|-----------------------------------------|-----------------------|--------------------------|-----------------------|--------------------------|
|                                         | <b>March 31, 2014</b> | <b>December 31, 2013</b> | <b>March 31, 2014</b> | <b>December 31, 2013</b> |
|                                         | <b>Million Baht</b>   |                          |                       |                          |
| <b>PLACEMENT</b>                        |                       |                          |                       |                          |
| Subsidiaries                            |                       |                          |                       |                          |
| Bangkok Bank Berhad                     | -                     | -                        | 1,964                 | 2,461                    |
| Bangkok Bank (China) Co., Ltd.          | -                     | -                        | 7,248                 | 8,471                    |
| <b>Total</b>                            | <u>-</u>              | <u>-</u>                 | <u>9,212</u>          | <u>10,932</u>            |
| <b>LOANS</b>                            |                       |                          |                       |                          |
| Subsidiary                              |                       |                          |                       |                          |
| Sinnsuptawee Asset Management Co., Ltd. | -                     | -                        | 5,630                 | 6,090                    |
| Associate                               |                       |                          |                       |                          |
| BSL Leasing Co., Ltd.                   | 665                   | 805                      | 665                   | 805                      |
| Other related parties                   | 166                   | 150                      | 166                   | 150                      |
| <b>Total</b>                            | <u>831</u>            | <u>955</u>               | <u>6,461</u>          | <u>7,045</u>             |
| <b>ALLOWANCE FOR DOUBTFUL ACCOUNTS</b>  |                       |                          |                       |                          |
| Subsidiary                              |                       |                          |                       |                          |
| Sinnsuptawee Asset Management Co., Ltd. | -                     | -                        | 68                    | 73                       |
| Associate                               |                       |                          |                       |                          |
| BSL Leasing Co., Ltd.                   | 8                     | 10                       | 8                     | 10                       |
| <b>Total</b>                            | <u>8</u>              | <u>10</u>                | <u>76</u>             | <u>83</u>                |
| <b>OTHER ASSETS</b>                     |                       |                          |                       |                          |
| Subsidiaries                            |                       |                          |                       |                          |
| Bangkok Bank Berhad                     | -                     | -                        | 2                     | 1                        |
| Sinnsuptawee Asset Management Co., Ltd. | -                     | -                        | -                     | 2                        |
| Bualuang Securities PCL.                | -                     | -                        | 1                     | 1                        |
| Bangkok Bank (China) Co., Ltd.          | -                     | -                        | 2                     | 4                        |
| Associates                              |                       |                          |                       |                          |
| BSL Leasing Co., Ltd.                   | 1                     | 1                        | 1                     | 1                        |
| Processing Center Co., Ltd.             | 12                    | 57                       | 12                    | 57                       |
| Other related parties                   | 3                     | 4                        | 3                     | 4                        |
| <b>Total</b>                            | <u>16</u>             | <u>62</u>                | <u>21</u>             | <u>70</u>                |

|                                         | CONSOLIDATED   |                   | THE BANK       |                   |
|-----------------------------------------|----------------|-------------------|----------------|-------------------|
|                                         | March 31, 2014 | December 31, 2013 | March 31, 2014 | December 31, 2013 |
| <b>DEPOSITS</b>                         |                |                   |                |                   |
| Subsidiaries                            |                |                   |                |                   |
| BBL (Cayman) Limited                    | -              | -                 | 479            | 167               |
| Bangkok Bank Berhad                     | -              | -                 | 66             | 65                |
| Sinnsuptawee Asset Management Co., Ltd. | -              | -                 | 5              | 18                |
| BBL Asset Management Co., Ltd.          | -              | -                 | 129            | 57                |
| Bualuang Securities PCL.                | -              | -                 | 21             | 35                |
| Bangkok Bank (China) Co., Ltd.          | -              | -                 | 41             | 94                |
| Associates                              |                |                   |                |                   |
| BSL Leasing Co., Ltd.                   | 43             | 58                | 43             | 58                |
| Processing Center Co., Ltd.             | 59             | 25                | 59             | 25                |
| National ITMX Co., Ltd.                 | 31             | 14                | 31             | 14                |
| Other related parties                   | 4,949          | 5,926             | 4,949          | 5,926             |
| <b>Total</b>                            | <b>5,082</b>   | <b>6,023</b>      | <b>5,823</b>   | <b>6,459</b>      |
| <b>BORROWINGS</b>                       |                |                   |                |                   |
| Subsidiaries                            |                |                   |                |                   |
| BBL (Cayman) Limited                    | -              | -                 | 259            | 588               |
| Bangkok Bank (China) Co., Ltd.          | -              | -                 | 548            | 541               |
| <b>Total</b>                            | <b>-</b>       | <b>-</b>          | <b>807</b>     | <b>1,129</b>      |
| <b>OTHER LIABILITIES</b>                |                |                   |                |                   |
| Subsidiaries                            |                |                   |                |                   |
| BBL (Cayman) Limited                    | -              | -                 | 1              | 6                 |
| Sinnsuptawee Asset Management Co., Ltd. | -              | -                 | 1,133          | 1,133             |
| Associates                              |                |                   |                |                   |
| Processing Center Co., Ltd.             | 2              | 1                 | 2              | 1                 |
| National ITMX Co., Ltd.                 | 8              | -                 | 8              | -                 |
| Other related parties                   | 38             | 60                | 38             | 60                |
| <b>Total</b>                            | <b>48</b>      | <b>61</b>         | <b>1,182</b>   | <b>1,200</b>      |
| <b>COMMITMENTS</b>                      |                |                   |                |                   |
| Subsidiaries                            |                |                   |                |                   |
| Bualuang Securities PCL.                | -              | -                 | 52             | 117               |
| Bangkok Bank (China) Co., Ltd.          | -              | -                 | 3,872          | 179               |
| Associates                              |                |                   |                |                   |
| BSL Leasing Co., Ltd.                   | 20             | 5                 | 20             | 5                 |
| National ITMX Co., Ltd.                 | 1              | -                 | 1              | -                 |
| Other related parties                   | 3              | 11                | 3              | 11                |
| <b>Total</b>                            | <b>24</b>      | <b>16</b>         | <b>3,948</b>   | <b>312</b>        |

For the quarter ended March 31, 2014, the Bank and subsidiaries charged interest at rates between 2.00% to 13.00% on loans to these related parties depending on the types of loans and collateral and interest rate charged 2.10% on loans to Sinnsuptawee Asset Management Co., Ltd.

For the year ended December 31, 2013, the Bank and subsidiaries charged interest at rates between 2.35% to 12.75% on loans to these related parties depending on the types of loans and collateral and interest rate charged 2.35% on loans to Sinnsuptawee Asset Management Co., Ltd.

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

In the consolidated and the Bank's financial statements, investments in subsidiaries and associates as at March 31, 2014 and December 31, 2013 are shown in Note 5.3.

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 :

|                                         | <b>CONSOLIDATED</b>           |                       | <b>THE BANK</b>               |                       |
|-----------------------------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|
|                                         | <b>FOR THE QUARTERS ENDED</b> |                       | <b>FOR THE QUARTERS ENDED</b> |                       |
|                                         | <b>March 31, 2014</b>         | <b>March 31, 2013</b> | <b>March 31, 2014</b>         | <b>March 31, 2013</b> |
| <b>Interest and discount received</b>   |                               |                       |                               |                       |
| Subsidiaries                            |                               |                       |                               |                       |
| Sinnsuptawee Asset Management Co., Ltd. | -                             | -                     | 34                            | 48                    |
| Bualuang Securities PCL.                | -                             | -                     | -                             | 1                     |
| Bangkok Bank (China) Co., Ltd.          | -                             | -                     | -                             | 3                     |
| Associate                               |                               |                       |                               |                       |
| BSL Leasing Co., Ltd.                   | 6                             | 2                     | 6                             | 2                     |
| <b>Total</b>                            | <u>6</u>                      | <u>2</u>              | <u>40</u>                     | <u>54</u>             |
| <b>Fees and service income</b>          |                               |                       |                               |                       |
| Subsidiaries                            |                               |                       |                               |                       |
| BBL Asset Management Co., Ltd.          | -                             | -                     | -                             | 195                   |
| Bualuang Securities PCL.                | -                             | -                     | -                             | 5                     |
| Associates                              |                               |                       |                               |                       |
| Processing Center Co., Ltd.             | 3                             | 2                     | 3                             | 2                     |
| National ITMX Co., Ltd.                 | -                             | 1                     | -                             | 1                     |
| Other related parties                   | 12                            | 16                    | 12                            | 16                    |
| <b>Total</b>                            | <u>15</u>                     | <u>19</u>             | <u>15</u>                     | <u>219</u>            |

|                                | CONSOLIDATED           |                | THE BANK               |                |
|--------------------------------|------------------------|----------------|------------------------|----------------|
|                                | FOR THE QUARTERS ENDED |                | FOR THE QUARTERS ENDED |                |
|                                | March 31, 2014         | March 31, 2013 | March 31, 2014         | March 31, 2013 |
| <b>Dividend income</b>         |                        |                |                        |                |
| Subsidiary                     |                        |                |                        |                |
| BBL Asset Management Co., Ltd. | <u>-</u>               | <u>-</u>       | <u>150</u>             | <u>97</u>      |
| <b>Other income</b>            |                        |                |                        |                |
| Subsidiary                     |                        |                |                        |                |
| Bangkok Bank (China) Co., Ltd. | -                      | -              | -                      | 10             |
| Associate                      |                        |                |                        |                |
| National ITMX Co., Ltd.        | <u>1</u>               | <u>-</u>       | <u>1</u>               | <u>-</u>       |
| <b>Total</b>                   | <u>1</u>               | <u>-</u>       | <u>1</u>               | <u>10</u>      |
| <b>Interest paid</b>           |                        |                |                        |                |
| Subsidiaries                   |                        |                |                        |                |
| BBL (Cayman) Limited           | -                      | -              | -                      | 3              |
| Bangkok Bank (China) Co., Ltd. | -                      | -              | -                      | 1              |
| Other related parties          | <u>18</u>              | <u>15</u>      | <u>18</u>              | <u>15</u>      |
| <b>Total</b>                   | <u>18</u>              | <u>15</u>      | <u>18</u>              | <u>19</u>      |
| <b>Commission paid</b>         |                        |                |                        |                |
| Other related parties          | <u>4</u>               | <u>3</u>       | <u>4</u>               | <u>3</u>       |
| <b>Other expenses</b>          |                        |                |                        |                |
| Subsidiary                     |                        |                |                        |                |
| Bangkok Bank (China) Co., Ltd. | -                      | -              | 1                      | -              |
| Associates                     |                        |                |                        |                |
| Processing Center Co., Ltd.    | 4                      | 3              | 4                      | 3              |
| National ITMX Co., Ltd.        | 20                     | 21             | 20                     | 21             |
| Other related parties          | <u>11</u>              | <u>10</u>      | <u>11</u>              | <u>10</u>      |
| <b>Total</b>                   | <u>35</u>              | <u>34</u>      | <u>36</u>              | <u>34</u>      |

### 5.13 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 :

| <b>SINNSUPTAWEE ASSET MANAGEMENT COMPANY LIMITED</b><br><b>STATEMENTS OF CASH FLOWS</b><br><b>FOR THE QUARTER ENDED MARCH 31, 2014</b><br><b>“UNAUDITED”</b> |             |             | <b>Million Baht</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|---------------------|
|                                                                                                                                                              | <b>2014</b> | <b>2013</b> |                     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                                                                  |             |             |                     |
| Profit (loss) from operating before income tax expense                                                                                                       | 77          | (17)        |                     |
| Items to reconcile net profit (loss) to cash received (paid) from operating activities                                                                       |             |             |                     |
| Loss on disposal of securities                                                                                                                               | (1)         | -           |                     |
| Net interest expense                                                                                                                                         | 34          | 48          |                     |
| Interest expenses paid                                                                                                                                       | (34)        | (48)        |                     |
| Income tax paid                                                                                                                                              | (6)         | (1)         |                     |
| Profit (loss) from operating before changes in operating assets and liabilities                                                                              | 70          | (18)        |                     |
| Operating assets (increase) decrease                                                                                                                         |             |             |                     |
| Properties for sale                                                                                                                                          | 477         | 84          |                     |
| Operating liabilities increase (decrease)                                                                                                                    |             |             |                     |
| Accrued expenses                                                                                                                                             | (2)         | -           |                     |
| Deposits                                                                                                                                                     | (59)        | 4           |                     |
| Advance received for properties for sale                                                                                                                     | (46)        | 4           |                     |
| Net cash from operating activities                                                                                                                           | 440         | 74          |                     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                                                                                  |             |             |                     |
| Purchase of available-for-sale securities                                                                                                                    | (594)       | (76)        |                     |
| Proceeds from disposal of available-for-sale securities                                                                                                      | 602         | 12          |                     |
| Net cash from investing activities                                                                                                                           | 8           | (64)        |                     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                                                                                  |             |             |                     |
| Cash paid for loan from the parent company                                                                                                                   | (460)       | -           |                     |
| Net cash from financing activities                                                                                                                           | (460)       | -           |                     |
| Net increase (decrease) in cash and cash equivalents                                                                                                         | (12)        | 10          |                     |
| Cash and cash equivalents as at January 1,                                                                                                                   | 17          | 8           |                     |
| <b>Cash and cash equivalents as at March 31,</b>                                                                                                             | <b>5</b>    | <b>18</b>   |                     |

## 5.14 Events after the reporting period

On April 11, 2014, the 21<sup>th</sup> Annual Ordinary Meeting of Shareholders approved the resolutions regarding the appropriation of the profit and the payment of dividend for the year 2013 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 2013 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, 2013), and the amount to be appropriated for the period of July - December 2013 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 20, 2013, and the remaining amount will be paid on May 9, 2014 at the rate of Baht 4.50 per share amounting to Baht 8,589 million.

## 5.15 Operating Segments

### 5.15.1 Operating Segments

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

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

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

#### Domestic Banking

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

#### International Banking

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

#### Investment Banking

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

## Others

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

The operating results of operating segments for the quarters ended March 31, 2014 and 2013 are as follows :

|                                                                               | <b>CONSOLIDATED</b>                         |                                  |                               |                |                    | <b>Million Baht</b> |
|-------------------------------------------------------------------------------|---------------------------------------------|----------------------------------|-------------------------------|----------------|--------------------|---------------------|
|                                                                               | <b>FOR THE QUARTER ENDED MARCH 31, 2014</b> |                                  |                               |                |                    |                     |
|                                                                               | <b>Domestic<br/>Banking</b>                 | <b>International<br/>Banking</b> | <b>Investment<br/>Banking</b> | <b>Others</b>  | <b>Elimination</b> | <b>Total</b>        |
| Total operating income                                                        | 14,987                                      | 2,584                            | 3,083                         | 2,084          | -                  | 22,738              |
| Total operating expenses before<br>credit losses                              | <u>(6,770)</u>                              | <u>(986)</u>                     | <u>(151)</u>                  | <u>(1,505)</u> | <u>-</u>           | <u>(9,412)</u>      |
| <b>Profit from operating before credit<br/>losses and income tax expenses</b> | <u>8,217</u>                                | <u>1,598</u>                     | <u>2,932</u>                  | <u>579</u>     | <u>-</u>           | <u>13,326</u>       |

|                                                                               | <b>CONSOLIDATED</b>                                     |                                  |                               |                |                    | <b>Million Baht</b> |
|-------------------------------------------------------------------------------|---------------------------------------------------------|----------------------------------|-------------------------------|----------------|--------------------|---------------------|
|                                                                               | <b>FOR THE QUARTER ENDED MARCH 31, 2013<sup>*</sup></b> |                                  |                               |                |                    |                     |
|                                                                               | <b>Domestic<br/>Banking</b>                             | <b>International<br/>Banking</b> | <b>Investment<br/>Banking</b> | <b>Others</b>  | <b>Elimination</b> | <b>Total</b>        |
| Total operating income                                                        | 14,638                                                  | 1,690                            | 3,810                         | 2,643          | -                  | 22,781              |
| Total operating expenses before<br>credit losses                              | <u>(6,169)</u>                                          | <u>(801)</u>                     | <u>(152)</u>                  | <u>(2,489)</u> | <u>-</u>           | <u>(9,611)</u>      |
| <b>Profit from operating before credit<br/>losses and income tax expenses</b> | <u>8,469</u>                                            | <u>889</u>                       | <u>3,658</u>                  | <u>154</u>     | <u>-</u>           | <u>13,170</u>       |

The financial position of operating segments as at March 31, 2014 and December 31, 2013 are as follows :

|                                      | <b>CONSOLIDATED</b>         |                                  |                               |               |                    | <b>Million Baht</b> |
|--------------------------------------|-----------------------------|----------------------------------|-------------------------------|---------------|--------------------|---------------------|
|                                      | <b>Domestic<br/>Banking</b> | <b>International<br/>Banking</b> | <b>Investment<br/>Banking</b> | <b>Others</b> | <b>Elimination</b> | <b>Total</b>        |
| <b>Total assets</b>                  |                             |                                  |                               |               |                    |                     |
| As at March 31, 2014                 | 1,451,040                   | 615,252                          | 809,240                       | 125,575       | (402,245)          | 2,598,862           |
| As at December 31, 2013 <sup>*</sup> | 1,459,397                   | 589,549                          | 795,588                       | 139,025       | (387,052)          | 2,596,507           |

<sup>\*</sup> The Bank had made changes the presentation of the operating segments of 2013 comparison to be in accordance with the current year presentations.

## 5.15.2 Geographical Segments

The operating results classified by geographical areas for the quarters ended March 31, 2014 and 2013 are as follows :

| Million Baht                           |                        |                       |          |                        |                       |          |
|----------------------------------------|------------------------|-----------------------|----------|------------------------|-----------------------|----------|
| CONSOLIDATED<br>FOR THE QUARTERS ENDED |                        |                       |          |                        |                       |          |
|                                        | March 31, 2014         |                       |          | March 31, 2013         |                       |          |
|                                        | Domestic<br>Operations | Foreign<br>Operations | Total    | Domestic<br>Operations | Foreign<br>Operations | Total    |
| Total operating income                 | 19,882                 | 2,856                 | 22,738   | 20,793                 | 1,988                 | 22,781   |
| Total operating expenses *             | (9,832)                | (1,684)               | (11,516) | (10,090)               | (1,263)               | (11,353) |
| Profit from operating                  |                        |                       |          |                        |                       |          |
| before income tax expenses             | 10,050                 | 1,172                 | 11,222   | 10,703                 | 725                   | 11,428   |

The financial position classified by geographical areas as at March 31, 2014 and December 31, 2013 are as follows :

| Million Baht          |                        |                       |           |                        |                       |           |
|-----------------------|------------------------|-----------------------|-----------|------------------------|-----------------------|-----------|
| CONSOLIDATED          |                        |                       |           |                        |                       |           |
|                       | March 31, 2014         |                       |           | December 31, 2013      |                       |           |
|                       | Domestic<br>Operations | Foreign<br>Operations | Total     | Domestic<br>Operations | Foreign<br>Operations | Total     |
| Non-current assets ** | 28,665                 | 3,995                 | 32,660    | 29,115                 | 3,767                 | 32,882    |
| Total assets          | 2,144,742              | 454,120               | 2,598,862 | 2,168,009              | 428,498               | 2,596,507 |

## 5.16 Interest income

Interest income for the quarters ended March 31, 2014 and 2013 are as follows :

| Million Baht                                 |                |                        |                |
|----------------------------------------------|----------------|------------------------|----------------|
| CONSOLIDATED                                 |                | THE BANK               |                |
| FOR THE QUARTERS ENDED                       |                | FOR THE QUARTERS ENDED |                |
| March 31, 2014                               | March 31, 2013 | March 31, 2014         | March 31, 2013 |
| Interest on interbank and money market items | 2,402          | 2,108                  | 1,749          |
| Investments and trading transactions         | 65             | 132                    | 65             |
| Investment in debt securities                | 2,166          | 2,398                  | 2,069          |
| Interest on loans                            | 21,198         | 19,986                 | 20,615         |
| Others                                       | 3              | -                      | 3              |
| <b>Total interest income</b>                 | <u>25,834</u>  | <u>24,624</u>          | <u>24,501</u>  |

\* Including credit losses.

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

## 5.17 Interest expenses

Interest expenses for the quarters ended March 31, 2014 and 2013 are as follows :

|                                                | <b>CONSOLIDATED</b>           |                       | <b>THE BANK</b>               |                       |
|------------------------------------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|
|                                                | <b>FOR THE QUARTERS ENDED</b> |                       | <b>FOR THE QUARTERS ENDED</b> |                       |
|                                                | <b>March 31, 2014</b>         | <b>March 31, 2013</b> | <b>March 31, 2014</b>         | <b>March 31, 2013</b> |
| Interest on deposits                           | 7,522                         | 7,203                 | 6,988                         | 6,753                 |
| Interest on interbank and money market items   | 488                           | 328                   | 421                           | 284                   |
| Contributions to the Deposit Protection Agency | 2,079                         | 1,964                 | 2,079                         | 1,964                 |
| Interest on debt issued                        |                               |                       |                               |                       |
| Bonds and subordinated notes                   | 1,673                         | 1,235                 | 1,677                         | 1,238                 |
| Others                                         | 3                             | 16                    | 3                             | 16                    |
| Others                                         | 2                             | 1                     | 2                             | 1                     |
| <b>Total interest expenses</b>                 | <b>11,767</b>                 | <b>10,747</b>         | <b>11,170</b>                 | <b>10,256</b>         |

## 5.18 Net fees and service income

Net fees and service income for the quarters ended March 31, 2014 and 2013 are as follows :

|                                           | <b>CONSOLIDATED</b>           |                       | <b>THE BANK</b>               |                       |
|-------------------------------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|
|                                           | <b>FOR THE QUARTERS ENDED</b> |                       | <b>FOR THE QUARTERS ENDED</b> |                       |
|                                           | <b>March 31, 2014</b>         | <b>March 31, 2013</b> | <b>March 31, 2014</b>         | <b>March 31, 2013</b> |
| Fees and service income                   |                               |                       |                               |                       |
| Acceptances, aval and guarantees of loans | 30                            | 47                    | 26                            | 44                    |
| Others                                    | 7,115                         | 7,073                 | 6,473                         | 6,078                 |
| Total fees and service income             | 7,145                         | 7,120                 | 6,499                         | 6,122                 |
| Fees and service expenses                 | 1,939                         | 1,902                 | 1,923                         | 1,887                 |
| <b>Net fees and service income</b>        | <b>5,206</b>                  | <b>5,218</b>          | <b>4,576</b>                  | <b>4,235</b>          |

## 5.19 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities for the quarters ended March 31, 2014 and 2013 are as follows :

|                                       | <b>CONSOLIDATED</b>           |                       | <b>THE BANK</b>               |                       |
|---------------------------------------|-------------------------------|-----------------------|-------------------------------|-----------------------|
|                                       | <b>FOR THE QUARTERS ENDED</b> |                       | <b>FOR THE QUARTERS ENDED</b> |                       |
|                                       | <b>March 31, 2014</b>         | <b>March 31, 2013</b> | <b>March 31, 2014</b>         | <b>March 31, 2013</b> |
| Loans to customers                    | 2,292                         | 1,676                 | 1,928                         | 1,554                 |
| Loss on debt restructuring (reversal) | (189)                         | 65                    | (189)                         | 65                    |

## 5.20 Approval of the financial statements

On May 15, 2014, the Audit Committee and the Board of Executive Directors have authorized to issue these financial statements.