

## BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2014

(UNAUDITED)

Baht : '000

|                                                                | CONSOLIDATED         |                      |                             | THE BANK             |                      |                             |
|----------------------------------------------------------------|----------------------|----------------------|-----------------------------|----------------------|----------------------|-----------------------------|
|                                                                | March 31, 2014       | December 31, 2013    | Increase<br>(Decrease)<br>% | March 31, 2014       | December 31, 2013    | Increase<br>(Decrease)<br>% |
| <b>ASSETS</b>                                                  |                      |                      |                             |                      |                      |                             |
| CASH                                                           | 43,283,258           | 53,550,467           | (19.2)                      | 42,854,676           | 53,299,523           | (19.6)                      |
| INTERBANK AND MONEY MARKET ITEMS, NET                          | 448,195,938          | 407,632,067          | 10.0                        | 398,068,788          | 356,833,087          | 11.6                        |
| CLAIMS ON SECURITY                                             | 64,248               | 6,810                | 843.4                       | -                    | -                    | -                           |
| DERIVATIVES ASSETS                                             | 12,756,160           | 13,770,312           | (7.4)                       | 12,625,230           | 13,672,755           | (7.7)                       |
| INVESTMENTS, NET                                               | 367,165,836          | 377,412,764          | (2.7)                       | 353,400,358          | 363,575,834          | (2.8)                       |
| INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET                | 962,681              | 910,177              | 5.8                         | 31,123,419           | 31,123,425           | -                           |
| LOANS TO CUSTOMERS AND ACCRUED<br>INTEREST RECEIVABLES, NET    |                      |                      |                             |                      |                      |                             |
| Loans to customers                                             | 1,746,724,762        | 1,753,344,023        | (0.4)                       | 1,698,952,786        | 1,706,723,444        | (0.5)                       |
| Accrued interest receivables                                   | 3,532,038            | 4,571,094            | (22.7)                      | 3,429,741            | 4,472,766            | (23.3)                      |
| Total loans to customers and accrued interest receivables      | 1,750,256,800        | 1,757,915,117        | (0.4)                       | 1,702,382,527        | 1,711,196,210        | (0.5)                       |
| <u>Less</u> Deferred revenue                                   | (805,278)            | (676,580)            | 19.0                        | (733,970)            | (603,865)            | 21.5                        |
| <u>Less</u> Allowance for doubtful accounts                    | (91,911,913)         | (89,697,165)         | 2.5                         | (89,611,161)         | (87,621,580)         | 2.3                         |
| <u>Less</u> Revaluation allowance for debt restructuring       | (2,658,664)          | (2,885,668)          | (7.9)                       | (2,658,664)          | (2,885,668)          | (7.9)                       |
| Total loans to customers and accrued interest receivables, net | 1,654,880,945        | 1,664,655,704        | (0.6)                       | 1,609,378,732        | 1,620,085,097        | (0.7)                       |
| CUSTOMER'S LIABILITY UNDER ACCEPTANCES                         | 1,735,666            | 2,051,165            | (15.4)                      | 312,497              | 332,527              | (6.0)                       |
| PROPERTIES FOR SALE, NET                                       | 18,064,557           | 18,900,941           | (4.4)                       | 11,927,401           | 12,286,849           | (2.9)                       |
| PREMISES AND EQUIPMENT, NET                                    | 32,083,833           | 32,275,104           | (0.6)                       | 30,816,911           | 31,280,619           | (1.5)                       |
| OTHER INTANGIBLE ASSETS, NET                                   | 576,420              | 606,416              | (4.9)                       | 507,733              | 530,002              | (4.2)                       |
| DEFERRED TAX ASSETS                                            | 2,008,989            | 2,006,821            | 0.1                         | 943,446              | 904,395              | 4.3                         |
| OTHER ASSETS, NET                                              | 17,083,487           | 22,728,494           | (24.8)                      | 12,205,722           | 18,825,607           | (35.2)                      |
| <b>TOTAL ASSETS</b>                                            | <b>2,598,862,018</b> | <b>2,596,507,242</b> | <b>0.1</b>                  | <b>2,504,164,913</b> | <b>2,502,749,720</b> | <b>0.1</b>                  |

## BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2014

(UNAUDITED)

Baht : '000

|                                                   | CONSOLIDATED         |                      |                             | THE BANK             |                      |                             |
|---------------------------------------------------|----------------------|----------------------|-----------------------------|----------------------|----------------------|-----------------------------|
|                                                   | March 31, 2014       | December 31, 2013    | Increase<br>(Decrease)<br>% | March 31, 2014       | December 31, 2013    | Increase<br>(Decrease)<br>% |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |                      |                      |                             |                      |                      |                             |
| DEPOSITS                                          | 1,932,921,109        | 1,935,272,479        | (0.1)                       | 1,866,159,342        | 1,871,061,159        | (0.3)                       |
| INTERBANK AND MONEY MARKET ITEMS, NET             | 133,967,855          | 124,295,617          | 7.8                         | 126,247,851          | 114,417,434          | 10.3                        |
| LIABILITY PAYABLE ON DEMAND                       | 10,367,410           | 10,909,681           | (5.0)                       | 10,284,818           | 10,803,643           | (4.8)                       |
| LIABILITY TO DELIVER SECURITY                     | 477,431              | 133,317              | 258.1                       | -                    | -                    | -                           |
| DERIVATIVES LIABILITIES                           | 12,458,422           | 21,710,574           | (42.6)                      | 11,970,713           | 21,316,105           | (43.8)                      |
| DEBT ISSUED AND BORROWINGS                        | 138,601,332          | 140,147,252          | (1.1)                       | 138,859,653          | 140,734,626          | (1.3)                       |
| BANK'S LIABILITY UNDER ACCEPTANCES                | 1,735,666            | 2,051,165            | (15.4)                      | 312,497              | 332,527              | (6.0)                       |
| PROVISIONS                                        | 8,148,334            | 8,257,159            | (1.3)                       | 8,061,396            | 8,174,667            | (1.4)                       |
| DEFERRED TAX LIABILITIES                          | 3,199,343            | 3,106,688            | 3.0                         | 2,943,384            | 2,802,278            | 5.0                         |
| OTHER LIABILITIES                                 | 50,084,687           | 54,571,620           | (8.2)                       | 39,058,714           | 44,142,551           | (11.5)                      |
| <b>TOTAL LIABILITIES</b>                          | <b>2,291,961,589</b> | <b>2,300,455,552</b> | <b>(0.4)</b>                | <b>2,203,898,368</b> | <b>2,213,784,990</b> | <b>(0.4)</b>                |
| <b>SHAREHOLDERS' EQUITY</b>                       |                      |                      |                             |                      |                      |                             |
| <b>SHARE CAPITAL</b>                              |                      |                      |                             |                      |                      |                             |
| 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           | 4.2                         | 40,936,144           | 38,495,631           | 6.3                         |
| <b>RETAINED EARNINGS</b>                          |                      |                      |                             |                      |                      |                             |
| 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           | 10.7                        | 89,395,740           | 80,534,438           | 11.0                        |
| <b>TOTAL BANK'S EQUITY</b>                        | <b>306,799,050</b>   | <b>295,935,869</b>   | <b>3.7</b>                  | <b>300,266,545</b>   | <b>288,964,730</b>   | <b>3.9</b>                  |
| NON-CONTROLLING INTEREST                          | 101,379              | 115,821              | (12.5)                      | -                    | -                    | -                           |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 | <b>306,900,429</b>   | <b>296,051,690</b>   | <b>3.7</b>                  | <b>300,266,545</b>   | <b>288,964,730</b>   | <b>3.9</b>                  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>2,598,862,018</b> | <b>2,596,507,242</b> | <b>0.1</b>                  | <b>2,504,164,913</b> | <b>2,502,749,720</b> | <b>0.1</b>                  |

**BANGKOK BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE QUARTERS ENDED**  
**(UNAUDITED)**

Baht : '000

|                                                                                        | CONSOLIDATED      |                   |                             |                   | THE BANK          |                   |                             |                   |
|----------------------------------------------------------------------------------------|-------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|-----------------------------|-------------------|
|                                                                                        | March 31, 2014    | December 31, 2013 | Increase<br>(Decrease)<br>% | March 31, 2013    | March 31, 2014    | December 31, 2013 | Increase<br>(Decrease)<br>% | March 31, 2013    |
| Interest income                                                                        | 25,834,292        | 25,694,382        | 0.5                         | 24,623,735        | 24,500,819        | 24,477,728        | 0.1                         | 23,697,805        |
| Interest expenses                                                                      | 11,767,653        | 11,821,568        | (0.5)                       | 10,747,171        | 11,169,874        | 11,248,444        | (0.7)                       | 10,256,338        |
| Net interest income                                                                    | 14,066,639        | 13,872,814        | 1.4                         | 13,876,564        | 13,330,945        | 13,229,284        | 0.8                         | 13,441,467        |
| Fees and service income                                                                | 7,145,377         | 6,876,102         | 3.9                         | 7,120,654         | 6,498,461         | 6,181,344         | 5.1                         | 6,122,294         |
| Fees and service expenses                                                              | 1,939,329         | 1,754,651         | 10.5                        | 1,902,471         | 1,922,709         | 1,734,877         | 10.8                        | 1,886,804         |
| Net fees and service income                                                            | 5,206,048         | 5,121,451         | 1.7                         | 5,218,183         | 4,575,752         | 4,446,467         | 2.9                         | 4,235,490         |
| Gains on trading and foreign exchange transactions                                     | 1,898,507         | 1,628,926         | 16.5                        | 1,279,855         | 1,626,545         | 1,291,061         | 26.0                        | 1,191,087         |
| Gains (losses) on investments                                                          | 484,785           | (52,854)          | 1,017.2                     | 1,069,569         | 501,235           | (52,428)          | 1,056.0                     | 1,061,405         |
| Share of profit from investment for using equity method                                | 52,510            | 33,968            | 54.6                        | 47,742            | -                 | -                 | -                           | -                 |
| Gains on disposal of assets                                                            | 370,928           | 824,229           | (55.0)                      | 551,356           | 233,897           | 612,081           | (61.8)                      | 507,021           |
| Dividend income                                                                        | 558,552           | 447,612           | 24.8                        | 622,828           | 703,769           | 444,028           | 58.5                        | 705,757           |
| Other operating income                                                                 | 99,772            | 179,072           | (44.3)                      | 115,101           | 84,696            | 158,321           | (46.5)                      | 88,880            |
| Total operating income                                                                 | 22,737,741        | 22,055,218        | 3.1                         | 22,781,198        | 21,056,839        | 20,128,814        | 4.6                         | 21,231,107        |
| Other operating expenses                                                               |                   |                   |                             |                   |                   |                   |                             |                   |
| Employee's expenses                                                                    | 5,420,709         | 5,189,421         | 4.5                         | 5,343,011         | 4,939,547         | 4,684,416         | 5.4                         | 4,746,197         |
| Directors' remuneration                                                                | 19,723            | 58,936            | (66.5)                      | 19,185            | 14,700            | 37,350            | (60.6)                      | 14,900            |
| Premises and equipment expenses                                                        | 2,142,560         | 2,370,932         | (9.6)                       | 2,114,198         | 1,986,986         | 2,248,812         | (11.6)                      | 2,003,935         |
| Taxes and duties                                                                       | 903,969           | 813,474           | 11.1                        | 841,153           | 856,233           | 776,804           | 10.2                        | 812,751           |
| Others                                                                                 | 925,262           | 2,126,313         | (56.5)                      | 1,294,033         | 787,146           | 1,904,213         | (58.7)                      | 1,153,378         |
| Total other operating expenses                                                         | 9,412,223         | 10,559,076        | (10.9)                      | 9,611,580         | 8,584,612         | 9,651,595         | (11.1)                      | 8,731,161         |
| Impairment loss of loans and debt securities                                           | 2,103,242         | 1,737,153         | 21.1                        | 1,741,459         | 1,738,992         | 1,553,467         | 11.9                        | 1,619,201         |
| Profit from operating before income tax expenses                                       | 11,222,276        | 9,758,989         | 15.0                        | 11,428,159        | 10,733,235        | 8,923,752         | 20.3                        | 10,880,745        |
| Income tax expenses                                                                    | 2,221,618         | 2,033,717         | 9.2                         | 2,386,719         | 2,094,715         | 1,860,438         | 12.6                        | 2,255,863         |
| Net profit                                                                             | 9,000,658         | 7,725,272         | 16.5                        | 9,041,440         | 8,638,520         | 7,063,314         | 22.3                        | 8,624,882         |
| Other comprehensive income                                                             |                   |                   |                             |                   |                   |                   |                             |                   |
| Changes in revaluation surplus                                                         | -                 | -                 | -                           | (839)             | -                 | -                 | -                           | (839)             |
| Gains on remeasuring available-for-sale investment                                     | 3,036,154         | 546,094           | 456.0                       | 8,084,411         | 3,000,804         | 579,018           | 418.3                       | 8,074,999         |
| Gains (losses) arising from translating the financial statements of foreign operations | (533,517)         | 1,890,578         | (128.2)                     | (2,378,552)       | 260,452           | 523,184           | (50.2)                      | (1,255,317)       |
| Actuarial losses on defined benefit plans                                              | -                 | (397,949)         | 100.0                       | -                 | -                 | (394,859)         | 100.0                       | -                 |
| Income tax relating to components of other comprehensive income                        | (604,555)         | (365,402)         | (65.4)                      | (1,657,744)       | (597,961)         | (370,288)         | (61.5)                      | (1,656,459)       |
| Total other comprehensive income                                                       | 1,898,082         | 1,673,321         | 13.4                        | 4,047,276         | 2,663,295         | 337,055           | 690.2                       | 5,162,384         |
| <b>Total comprehensive income</b>                                                      | <b>10,898,740</b> | <b>9,398,593</b>  | <b>16.0</b>                 | <b>13,088,716</b> | <b>11,301,815</b> | <b>7,400,369</b>  | <b>52.7</b>                 | <b>13,787,266</b> |
| <b>Net profit attributable</b>                                                         |                   |                   |                             |                   |                   |                   |                             |                   |
| Owners of the Bank                                                                     | 8,965,122         | 7,686,320         | 16.6                        | 9,014,184         | 8,638,520         | 7,063,314         | 22.3                        | 8,624,882         |
| Non-controlling interest                                                               | 35,536            | 38,952            | (8.8)                       | 27,256            | -                 | -                 | -                           | -                 |
|                                                                                        | 9,000,658         | 7,725,272         | 16.5                        | 9,041,440         | 8,638,520         | 7,063,314         | 22.3                        | 8,624,882         |
| <b>Total comprehensive income attributable</b>                                         |                   |                   |                             |                   |                   |                   |                             |                   |
| Owners of the Bank                                                                     | 10,863,181        | 9,359,643         | 16.1                        | 13,061,555        | 11,301,815        | 7,400,369         | 52.7                        | 13,787,266        |
| Non-controlling interest                                                               | 35,559            | 38,950            | (8.7)                       | 27,161            | -                 | -                 | -                           | -                 |
|                                                                                        | 10,898,740        | 9,398,593         | 16.0                        | 13,088,716        | 11,301,815        | 7,400,369         | 52.7                        | 13,787,266        |
| <b>Basic earnings per share (Baht)</b>                                                 | <b>4.70</b>       | <b>4.03</b>       | <b>16.6</b>                 | <b>4.72</b>       | <b>4.53</b>       | <b>3.70</b>       | <b>22.3</b>                 | <b>4.52</b>       |
| <b>Weighted average number of ordinary shares (Thousand shares)</b>                    | <b>1,908,843</b>  | <b>1,908,843</b>  | <b>-</b>                    | <b>1,908,843</b>  | <b>1,908,843</b>  | <b>1,908,843</b>  | <b>-</b>                    | <b>1,908,843</b>  |

## Summary of Consolidated Financial Results for the Quarter Ended March 31, 2014

### Summary of Significant Items in the First Quarter of 2014

Million Baht

| Item                                                  | Q1'14  | Q4'13  | Q1'13  | Q1'14 compared to |        |        |         |
|-------------------------------------------------------|--------|--------|--------|-------------------|--------|--------|---------|
|                                                       |        |        |        | Q4'13             | Q1'13  | Q1'13  | Q1'13   |
| Profit before provisioning and tax                    | 13,326 | 11,496 | 13,170 | 1,830             | 15.9%  | 156    | 1.2%    |
| Operating profit before tax                           | 11,222 | 9,759  | 11,428 | 1,463             | 15.0%  | (206)  | (1.8)%  |
| Net profit *                                          | 8,965  | 7,686  | 9,014  | 1,279             | 16.6%  | (49)   | (0.5)%  |
| Earnings per share (Baht)                             | 4.70   | 4.03   | 4.72   | 0.67              | 16.6%  | (0.02) | (0.5)%  |
| Net interest income                                   | 14,067 | 13,873 | 13,877 | 194               | 1.4%   | 190    | 1.4%    |
| Net interest margin                                   | 2.30%  | 2.28%  | 2.44%  |                   | 0.02%  |        | (0.14)% |
| Net fees and service income to operating income ratio | 22.9%  | 23.2%  | 22.9%  |                   | (0.3)% |        | -       |
| Expense to operating income ratio                     | 41.4%  | 47.9%  | 42.2%  |                   | (6.5)% |        | (0.8)%  |
| Return on average assets *                            | 1.40%  | 1.20%  | 1.50%  |                   | 0.20%  |        | (0.10)% |
| Return on average equity *                            | 12.06% | 10.47% | 13.12% |                   | 1.59%  |        | (1.06)% |

\* Attributable to the Bank

Million Baht

| Item                         | March 2014 | December 2013 | March 2014 compared to |               |
|------------------------------|------------|---------------|------------------------|---------------|
|                              |            |               | December 2013          | December 2013 |
| Loans *                      | 1,745,919  | 1,752,667     | (6,748)                | (0.4)%        |
| Deposits                     | 1,932,921  | 1,935,272     | (2,351)                | (0.1)%        |
| Loan to deposit ratio        | 90.3%      | 90.6%         |                        | (0.3)%        |
| Non-performing loans (NPLs)  | 45,003     | 43,228        | 1,775                  | 4.1%          |
| Ratio of NPLs to total loans | 2.2%       | 2.2%          |                        | -             |

\* Less deferred revenue

Bangkok Bank reported a consolidated net profit of Baht 8.965 billion for the first quarter of 2014, an increase of Baht 1.279 billion or 16.6 percent from the fourth quarter of 2013. Net interest income rose by Baht 194 million while non-interest income expanded by Baht 489 million. Operating expenses declined by Baht 1.147 billion.

The economic slowdown has had some impact on demand for loans, especially lending for business expansion. However, the Bank's close attention to, and understanding of customers, meant it provided appropriate support while loan quality remained at about the same level as the end of last year. The Bank's total lending at the end of March 2014 was Baht 1,745.919 billion, declining slightly from the end of 2013 due to reduced demand from corporate customers in an uncertain economic climate, while SME loans for working capital grew, as did home loans.

At the end of March 2014, non-performing loans (NPLs) were at Baht 45.003 billion or equivalent to 2.2 percent of total lending, at about the same level as the end of last year. The Bank continued to carefully manage its loan quality by focusing on rigorous credit control incorporating assessment and loan approvals as well as systematic loan monitoring. In line with its prudent management and

consistent provisioning policy, the Bank set aside provisioning expenses of Baht 2.103 billion for the first quarter of 2014 and consequently the loan loss reserves to NPLs ratio stood at 210.1 percent.

Total deposits at the end of March 2014 were Baht 1,932.921 billion, a reduction of 0.1 percent from the end of 2013, while lending decreased by 0.4 percent from the end of 2013. The loan-to-deposit ratio declined from 90.6 percent at the end of 2013 to 90.3 percent.

Net interest income for the first quarter of 2014 was Baht 14.067 billion and the net interest margin expanded from 2.28 percent in the fourth quarter of 2013 to 2.30 percent in the first quarter of 2014, as loan yields increased while the Bank judiciously managed the cost of deposits. Non-interest income for the first quarter of 2014 was Baht 8.671 billion, an increase of Baht 489 million or 6.0 percent from the fourth quarter last year, mainly due to improved net gains on investments, along with gains on trading and foreign exchange transactions as well as dividend income.

The Bank continued to maintain stringent control on expenses. Operating expenses during the first quarter of 2014 declined by Baht 1.147 billion or 10.9 percent compared with the fourth quarter of 2013 to Baht 9.412 billion. The cost-to-income ratio dropped to 41.4 percent, from 47.9 percent in the fourth quarter of 2013.

In terms of capital reserves, after the inclusion of the net profit for the six-month period ending December 31, 2013, the net profit for the first quarter of 2014 and the deduction of dividends to be paid in May 2014 (approved by the annual ordinary meeting of shareholders), the total capital adequacy ratio, the common equity Tier 1 ratio and the Tier 1 capital ratio would be approximately 17.6 percent, 15.3 percent and 15.3 percent, respectively.

Shareholders' equity as of March 31, 2014 was Baht 306.799 billion, equivalent to 11.8 percent of total assets. The book value per share was Baht 160.73, an increase of Baht 5.70 from the end of 2013.

## Significant Items in Statement of Comprehensive Income for the First Quarter of 2014

### Operating Income

| Item                                                     | Q1'14         | Q4'13         | Q1'13         | Q1'14 compared to |             |             |               |
|----------------------------------------------------------|---------------|---------------|---------------|-------------------|-------------|-------------|---------------|
|                                                          |               |               |               | Q4'13             |             | Q1'13       |               |
|                                                          |               |               |               |                   |             |             |               |
| Net interest income                                      | 14,067        | 13,873        | 13,877        | 194               | 1.4%        | 190         | 1.4%          |
| Net fees and service income                              | 5,206         | 5,121         | 5,218         | 85                | 1.7%        | (12)        | (0.2)%        |
| Gains on trading and foreign exchange transactions       | 1,899         | 1,629         | 1,280         | 270               | 16.5%       | 619         | 48.3%         |
| Gains (losses) on investments                            | 485           | (53)          | 1,069         | 538               | 1,017.2%    | (584)       | (54.7)%       |
| Share of profit from investments for using equity method | 52            | 34            | 48            | 18                | 54.6%       | 4           | 10.0%         |
| Gains on disposal of assets                              | 371           | 824           | 551           | (453)             | (55.0)%     | (180)       | (32.7)%       |
| Dividend income                                          | 558           | 448           | 623           | 110               | 24.8%       | (65)        | (10.3)%       |
| Other operating income                                   | 100           | 179           | 115           | (79)              | (44.3)%     | (15)        | (13.3)%       |
| <b>Total operating income</b>                            | <b>22,738</b> | <b>22,055</b> | <b>22,781</b> | <b>683</b>        | <b>3.1%</b> | <b>(43)</b> | <b>(0.2)%</b> |
| Net interest margin                                      | 2.30%         | 2.28%         | 2.44%         |                   | 0.02%       |             | (0.14)%       |
| Net fees and service income to operating income ratio    | 22.9%         | 23.2%         | 22.9%         |                   | (0.3)%      |             | -             |

Million Baht

In the first quarter of 2014, the net interest income of the Bank and its subsidiaries amounted to Baht 14,067 billion, an increase of Baht 194 million or 1.4 percent from the fourth quarter of 2013. This was because interest income was higher while interest expenses were lower. Interest income from loans rose by Baht 181 million, predominantly from the increase in business volume and interest income from interbank and money market items rose by Baht 75 million or 3.2 percent due to the increase in business volume. Interest expenses on deposits decreased by Baht 249 million or 3.2 percent due to lower interest rates and a decrease in the cost of deposits as maturing deposits were refinanced at a lower rate. The higher net interest income pushed up the net interest margin from 2.28 percent in the fourth quarter of 2013 to 2.30 percent.

Net fees and service income in the first quarter of 2014 totaled Baht 5,206 billion, an increase of Baht 85 million from the fourth quarter of 2013, due to a rise in fees and service income of Baht 269 million, mainly from bancassurance, credit cards and electronic services. Total fees and service expenses rose by Baht 184 million in line with the increase in business volume.

Gains on investments totaled Baht 485 million, an increase of Baht 538 million from the fourth quarter of 2013. Gains on trading and foreign exchange transactions amounted to Baht 1,899 billion, a rise of Baht 270 million. In the first quarter of 2014 the Bank and its subsidiaries received dividend income of Baht 558 million, an increase of Baht 110 million. The gains on disposal of assets amounted to Baht 371 million, a decrease of Baht 453 million.

When compared with the first quarter of 2013, the net interest income of the Bank and its subsidiaries rose by Baht 190 million. Interest income rose by Baht 1,210 billion or 4.9 percent. Significant items included interest income from loans, which increased by Baht 1,212 billion or 6.1 percent in line with the higher business volume while interest income from investments in debt securities declined by Baht 232 million or 9.7 percent. Interest expenses rose by Baht 1,020 billion or 9.5 percent. Significant items included interest expenses on debt issued and borrowings which rose by Baht 425 million or 34.0 percent, due to the issuance of USD 1,000 billion in US dollar-denominated senior unsecured notes in the offshore debt capital markets by the Bank in the fourth quarter last year, higher interest expenses on deposits which rose by 319 million or 4.4 percent and contributions to the Deposit Protection Agency (DPA) and the Financial Institution Development Fund (FIDF), which rose by Baht 115 million due to the higher level of deposits. The net interest margin decreased from 2.44 percent in the first quarter of 2013 to 2.30 percent.

Net fees and service income was at nearly the same level as in the first quarter of 2013, with a slight decline of Baht 12 million as the growth in fees and service income was slightly less than the increase in fees and service expenses. Fees and service income rose mainly due to earnings from bancassurance, and guarantee and aval services while fee income from securities declined in line with market conditions. The ratio of net fees and service income to operating income stood at 22.9 percent, unchanged from the same period last year. Gains on investments fell by 584 million. Gains on trading and foreign exchange transactions rose by Baht 619 million.

## Other Operating Expenses

| Item                                  | Q1'14        | Q4'13         | Q1'13        | Million Baht      |                |              |               |
|---------------------------------------|--------------|---------------|--------------|-------------------|----------------|--------------|---------------|
|                                       |              |               |              | Q1'14 compared to |                |              |               |
|                                       |              |               |              | Q4'13             | Q1'13          |              |               |
| Personnel expenses                    | 5,421        | 5,189         | 5,343        | 232               | 4.5%           | 78           | 1.5%          |
| Directors' remuneration               | 20           | 59            | 19           | (39)              | (66.5)%        | 1            | 2.8%          |
| Premises and equipment expenses       | 2,142        | 2,371         | 2,114        | (229)             | (9.6)%         | 28           | 1.3%          |
| Taxes and duties                      | 904          | 814           | 841          | 90                | 11.1%          | 63           | 7.5%          |
| Other expenses                        | 925          | 2,126         | 1,294        | (1,201)           | (56.5)%        | (369)        | (28.5)%       |
| <b>Total other operating expenses</b> | <b>9,412</b> | <b>10,559</b> | <b>9,611</b> | <b>(1,147)</b>    | <b>(10.9)%</b> | <b>(199)</b> | <b>(2.1)%</b> |

In the first quarter of 2014, operating expenses of the Bank and its subsidiaries amounted to Baht 9.412 billion, a decline of Baht 1.147 billion or 10.9 percent from the fourth quarter of 2013. Significant items included other expenses of Baht 925 million, a decrease of Baht 1.201 billion, due to higher costs of system improvement and marketing expenses in the previous quarter. Premises and equipment expenses amounted to Baht 2.142 billion, a decline of Baht 229 million, mainly due to lower expenditure on repairs and maintenance. Personnel expenses amounted to Baht 5.421 billion, an increase of Baht 232 million due to annual salary adjustments.

When compared with the first quarter of 2013, operating expenses of the Bank and its subsidiaries decreased by Baht 199 million or 2.1 percent mainly due to the substantial decline in other expenses of Baht 369 million or 28.5 percent.

### Impairment Loss of Loans and Debt Securities

In the first quarter of 2014, impairment loss of loans and debt securities of the Bank and its subsidiaries amounted to Baht 2.103 billion, an increase of Baht 366 million from the fourth quarter of 2013 and Baht 362 million from the first quarter of 2013.

### Corporate Income Tax

In the first quarter of 2014, corporate income tax expenses of the Bank and its subsidiaries amounted to Baht 2.222 billion, an increase of Baht 188 million from the fourth quarter of 2013 but a decline of Baht 165 million from the first quarter of 2013.

### Net Profit and Total Comprehensive Income

| Item                         | Q1'14  | Q4'13 | Q1'13  | Million Baht      |       |         |         |
|------------------------------|--------|-------|--------|-------------------|-------|---------|---------|
|                              |        |       |        | Q1'14 compared to |       | Q1'13   |         |
|                              |        |       |        | Q4'13             |       |         |         |
| Net profit *                 | 8,965  | 7,686 | 9,014  | 1,279             | 16.6% | (49)    | (0.5)%  |
| Total comprehensive income * | 10,863 | 9,360 | 13,062 | 1,503             | 16.1% | (2,199) | (16.8)% |

\* Attributable to the Bank

Net profit for the first quarter of 2014 amounted to Baht 8.965 billion, an increase from the fourth quarter last year of Baht 1.279 billion or 16.6 percent from gains on investments, gains on trading and foreign exchange transactions, and net interest income. When compared with the first quarter of 2013, net profit slightly declined by Baht 49 million or 0.5 percent. With the inclusion of other comprehensive income, the Bank and its subsidiaries in the first quarter of 2014 had total comprehensive income of Baht 10.863 billion, an increase from the previous quarter of Baht 1.503 billion or 16.1 percent, while a decrease of Baht 2.199 billion or 16.8 percent from the first quarter last year, due mainly to the revaluation of gains on available-for-sale investments, in line with the price of equity securities on stock market.

### Significant Items in the Financial Position

#### Assets

| Item                                 | March 2014       | December 2013    | Million Baht           |             |
|--------------------------------------|------------------|------------------|------------------------|-------------|
|                                      |                  |                  | March 2014 compared to |             |
|                                      |                  |                  | December 2013          |             |
| Net interbank and money market items | 448,196          | 407,632          | 40,564                 | 10.0%       |
| Net investments *                    | 368,129          | 378,323          | (10,194)               | (2.7)%      |
| Loans **                             | 1,745,919        | 1,752,667        | (6,748)                | (0.4)%      |
| Net properties for sale              | 18,065           | 18,901           | (836)                  | (4.4)%      |
| <b>Total assets</b>                  | <b>2,598,862</b> | <b>2,596,507</b> | <b>2,355</b>           | <b>0.1%</b> |

\* Included net investments in subsidiaries and associates

\*\* Less deferred revenue

Total assets of the Bank and its subsidiaries as of March 31, 2014 amounted to Baht 2,598.862 billion, an increase of Baht 2.355 billion from December 31, 2013. Significant items included net interbank and money market items which increased by Baht 40.564 billion or 10.0 percent to Baht 448.196 billion. Net investments declined by Baht 10.194 billion or 2.7 percent to Baht 368.129 billion, due to the Bank's liquidity management, and loans, which decreased by Baht 6.748 billion to Baht 1,745.919 billion, due mainly to the decline in corporate customers.

### Liabilities and Shareholders' equity

Million Baht

| Item                                 | March 2014       | December 2013    | March 2014 compared to<br>December 2013 |               |
|--------------------------------------|------------------|------------------|-----------------------------------------|---------------|
| Deposits                             | 1,932,921        | 1,935,272        | (2,351)                                 | (0.1)%        |
| Net interbank and money market items | 133,968          | 124,296          | 9,672                                   | 7.8%          |
| Debt issued and borrowings           | 138,601          | 140,147          | (1,546)                                 | (1.1)%        |
| <b>Total liabilities</b>             | <b>2,291,962</b> | <b>2,300,456</b> | <b>(8,494)</b>                          | <b>(0.4)%</b> |
| <b>Shareholders' equity *</b>        | <b>306,799</b>   | <b>295,936</b>   | <b>10,863</b>                           | <b>3.7%</b>   |

\* Attributable to the Bank

Significant liabilities included deposits which declined by Baht 2.351 billion from the end of 2013 to Baht 1,932.921 billion and the debt issued and borrowings which declined by Baht 1.546 billion mainly due to the revaluation of foreign currency to the Baht's appreciation and a decrease of bills of exchange (B/E). Net interbank and money market items amounted to Baht 133.968 billion, an increase of Baht 9.672 billion from the increase in borrowings from private repurchase agreements. The loan-to-deposit ratio decreased from 90.6 percent at the end of December 2013 to 90.3 percent at the end of March 2014.

Shareholders' equity as of March 31, 2014 amounted to Baht 306.799 billion, an increase of Baht 10.863 billion or 3.7 percent from the end of 2013.

### Classified Loans and Allowance for Doubtful Accounts

Million Baht

| Item                                                                  | Loans & Accrued Interest Receivables * |                  |                  | Allowance for Doubtful Accounts<br>Classified to the Bank of Thailand Criteria |               |               |
|-----------------------------------------------------------------------|----------------------------------------|------------------|------------------|--------------------------------------------------------------------------------|---------------|---------------|
|                                                                       | March 2014                             | December 2013    | March 2013       | March 2014                                                                     | December 2013 | March 2013    |
| Normal                                                                | 1,662,239                              | 1,678,314        | 1,526,570        | 12,146                                                                         | 12,384        | 11,173        |
| Special mentioned                                                     | 42,196                                 | 35,661           | 26,327           | 523                                                                            | 492           | 311           |
| Substandard                                                           | 7,110                                  | 6,058            | 4,279            | 894                                                                            | 965           | 896           |
| Doubtful                                                              | 7,294                                  | 5,937            | 5,093            | 2,500                                                                          | 2,219         | 1,942         |
| Doubtful of loss                                                      | 30,613                                 | 31,269           | 34,034           | 15,818                                                                         | 17,031        | 18,609        |
| <b>Total</b>                                                          | <b>1,749,452</b>                       | <b>1,757,239</b> | <b>1,596,303</b> | <b>31,881</b>                                                                  | <b>33,091</b> | <b>32,931</b> |
| <u>Plus</u> excess allowance for doubtful accounts                    |                                        |                  |                  | 60,031                                                                         | 56,606        | 52,372        |
| <b>Total allowance for doubtful accounts from loan classification</b> |                                        |                  |                  | <b>91,912</b>                                                                  | <b>89,697</b> | <b>85,303</b> |
| <u>Plus</u> revaluation allowance for debt restructuring              |                                        |                  |                  | 2,659                                                                          | 2,886         | 2,923         |
| <b>Total allowance for doubtful accounts</b>                          |                                        |                  |                  | <b>94,571</b>                                                                  | <b>92,583</b> | <b>88,226</b> |

\* Less deferred revenue

Million Baht

| Item                                | March 2014 | December 2013 | March 2013 | March 2014 compared to |            |
|-------------------------------------|------------|---------------|------------|------------------------|------------|
|                                     |            |               |            | December 2013          | March 2013 |
| Non-performing loans (NPLs) *       | 45,003     | 43,228        | 43,393     | 1,775                  | 1,610      |
| Ratio of NPLs to total loans        | 2.2%       | 2.2%          | 2.3%       | -                      | (0.1)%     |
| Ratio of loan loss reserves to NPLs | 210.1%     | 214.2%        | 203.3%     | (4.1)%                 | 6.8%       |

\* Excluding interest receivable but including interbank and money market items

Non-performing loans (NPLs) of the Bank and its subsidiaries as at the end of March 2014 amounted to Baht 45.003 billion. The ratio of NPLs to total loans was 2.2 percent.

The Bank and its subsidiaries set aside total allowances for doubtful accounts at the end of March 2014 amounting to Baht 94.571 billion, up 2.1 percent from Baht 92.583 billion at the end of 2013. This exceeded the provisioning required by the Bank of Thailand (BOT) of Baht 34.540 billion by Baht 60.031 billion or 173.8 percent of the minimum required provisioning. The ratio of loan loss reserves to NPLs at the end of March 2014 was 210.1 percent.

### Capital Reserves and Capital Adequacy Ratio (*The Bank*)

Million Baht

| Item                                                 | March 2014 | December 2013 | March 2013 | March 2014 compared to |            |
|------------------------------------------------------|------------|---------------|------------|------------------------|------------|
|                                                      |            |               |            | December 2013          | March 2013 |
| Common equity Tier 1 capital                         | 273,430    | 272,156       | 242,109    | 1,274                  | 31,321     |
| Tier 1 capital                                       | 273,430    | 272,156       | 242,109    | 1,274                  | 31,321     |
| Total capital                                        | 318,788    | 319,747       | 288,384    | (959)                  | 30,404     |
| Common equity Tier 1 capital to risk-weighted assets | 14.4%      | 14.4%         | 14.1%      | -                      | 0.3%       |
| Tier 1 capital to risk-weighted assets               | 14.4%      | 14.4%         | 14.1%      | -                      | 0.3%       |
| Total capital to risk-weighted assets                | 16.8%      | 16.9%         | 16.7%      | (0.1)%                 | 0.1%       |

As of March 31, 2014, the Bank had legal capital reserves of Baht 318.788 billion, and common equity Tier 1 capital of Baht 273.430 billion, equal to the amount of Tier 1 capital. The Bank's capital adequacy ratio was approximately 16.8 percent, while the common equity Tier 1 ratio and the Tier 1 capital ratio were approximately 14.4 percent. With the inclusion of net profit for the six-month period ending December 31, 2013, the deduction of dividends to be paid in May 2014 (approved by the annual ordinary meeting of shareholders), and the inclusion of net profit for the first quarter of 2014, the total capital adequacy ratio, the common equity Tier 1 ratio and the Tier 1 capital ratio would be approximately 17.6 percent, 15.3 percent and 15.3 percent, respectively.

## Additional Information in Consolidated Financial Statements

### Additional Information for Statements of Comprehensive Income

Million Baht

| Item                                                | Q1'14         | Q4'13         | Q1'13         | Q1'14 compared to |               |              |              |
|-----------------------------------------------------|---------------|---------------|---------------|-------------------|---------------|--------------|--------------|
|                                                     |               |               |               | Q4'13             |               | Q1'13        |              |
| <b>Interest income</b>                              |               |               |               |                   |               |              |              |
| Loans                                               | 21,198        | 21,017        | 19,986        | 181               | 0.9%          | 1,212        | 6.1%         |
| Interbank and money market items                    | 2,405         | 2,330         | 2,108         | 75                | 3.2%          | 297          | 14.1%        |
| Investments and trading transactions                | 65            | 30            | 132           | 35                | 116.7%        | (67)         | (50.8)%      |
| Investments in debt securities                      | 2,166         | 2,317         | 2,398         | (151)             | (6.5)%        | (232)        | (9.7)%       |
| <b>Total interest income</b>                        | <b>25,834</b> | <b>25,694</b> | <b>24,624</b> | <b>140</b>        | <b>0.5%</b>   | <b>1,210</b> | <b>4.9%</b>  |
| <b>Interest expenses</b>                            |               |               |               |                   |               |              |              |
| Deposits                                            | 7,522         | 7,771         | 7,203         | (249)             | (3.2)%        | 319          | 4.4%         |
| Interbank and money market items                    | 490           | 406           | 329           | 84                | 20.7%         | 161          | 48.9%        |
| Contributions to the Deposit Protection Agency      | 2,079         | 1,995         | 1,964         | 84                | 4.2%          | 115          | 5.9%         |
| Debt issued and borrowings                          | 1,676         | 1,649         | 1,251         | 27                | 1.6%          | 425          | 34.0%        |
| <b>Total interest expenses</b>                      | <b>11,767</b> | <b>11,821</b> | <b>10,747</b> | <b>(54)</b>       | <b>(0.5)%</b> | <b>1,020</b> | <b>9.5%</b>  |
| <b>Net interest income</b>                          | <b>14,067</b> | <b>13,873</b> | <b>13,877</b> | <b>194</b>        | <b>1.4%</b>   | <b>190</b>   | <b>1.4%</b>  |
| <b>Impairment loss of loans and debt securities</b> |               |               |               |                   |               |              |              |
| Bad debt and doubtful accounts                      | 2,292         | 1,429         | 1,676         | 863               | 60.4%         | 616          | 36.8%        |
| Loss on debt restructuring (reversal)               | (189)         | 308           | 65            | (497)             | (161.4)%      | (254)        | (390.8)%     |
| <b>Total</b>                                        | <b>2,103</b>  | <b>1,737</b>  | <b>1,741</b>  | <b>366</b>        | <b>21.1%</b>  | <b>362</b>   | <b>20.8%</b> |