

Analyst Meeting

Statements Unreviewed

As of 30 September 2015



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TGroup 3Q15 Financial Highlights



3Q15 Performance Summary

TGroup

Despite a challenging economic environment, TGroup's net profit slightly dropped while **its core business, TBANK, continued to grow**. Furthermore, TGroup still placed an emphasis on strengthen its asset quality through an **effective NPL management**. TBANK capital adequacy showed continued strong improvement.

NPL & Coverage Ratio

Asset quality continued to strengthen, resulting in a reduction of TGroup **NPL ratio to 3.54%** from 3.76% in 2Q15 and an increased in the **coverage ratio to 109.79%** from 98.85% in 2Q15.

Assets

Assets grew over the previous quarter after declining since the end of last year. Although loans were in a decline, the rate of decline has reduced significantly.

Spread

Spread widened slightly, mainly from an appropriate management of funding costs. Furthermore, an increase of spread could be compensate with a loan contraction.

OPEX

Operating expenses rose slightly. This was due to an increase in premises and equipment expenses from a **renovation of TBANK's branches**. As a result, cost to income increased from 48.45% in 2Q15 to 50.71% in 3Q15.

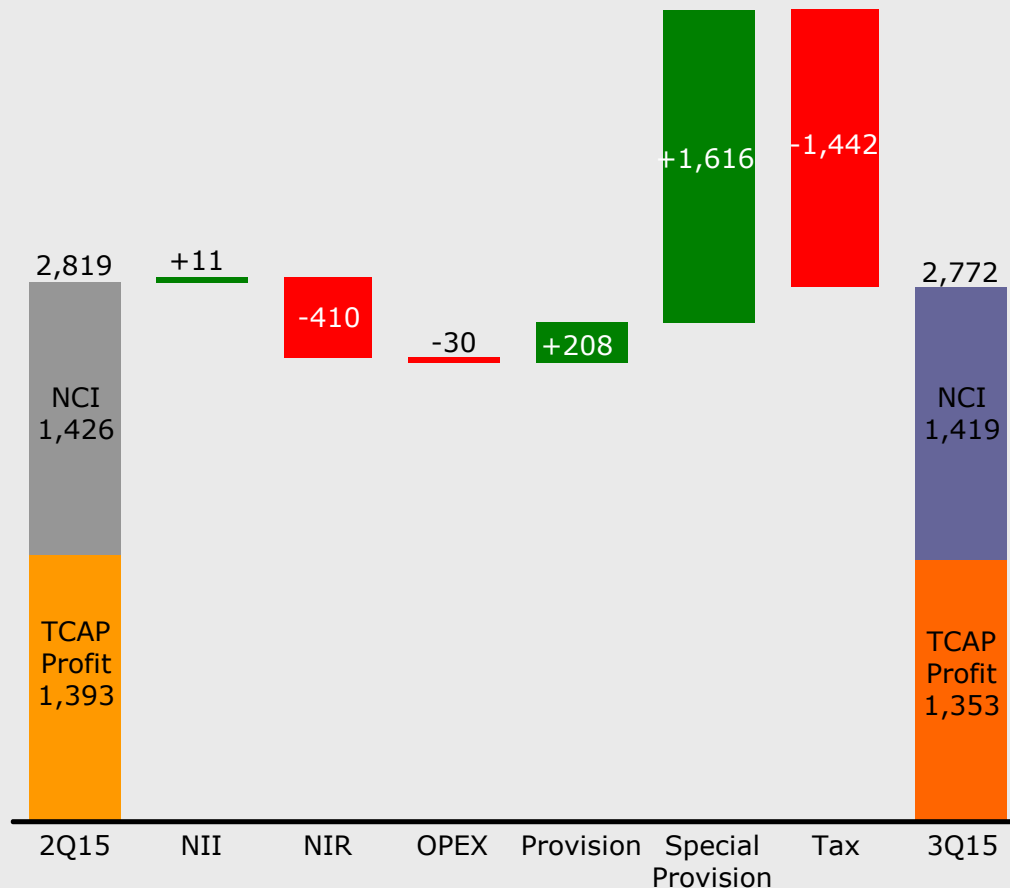
Provision

Normal provision declined from the **effective NPL management**, resulting in a decrease in **credit cost** from 0.89% in 2Q15 to **0.81%** in 3Q15. Moreover, TBANK had no tax burden from liquidation of SCIB, TBANK provided special provision equaled to 180 million baht in 3Q15 for protecting against economic uncertainties.



TGroup: Profit Movement 3Q15

Movement of Total Profit 3Q15 VS 2Q15 (MTHB)



Highlights

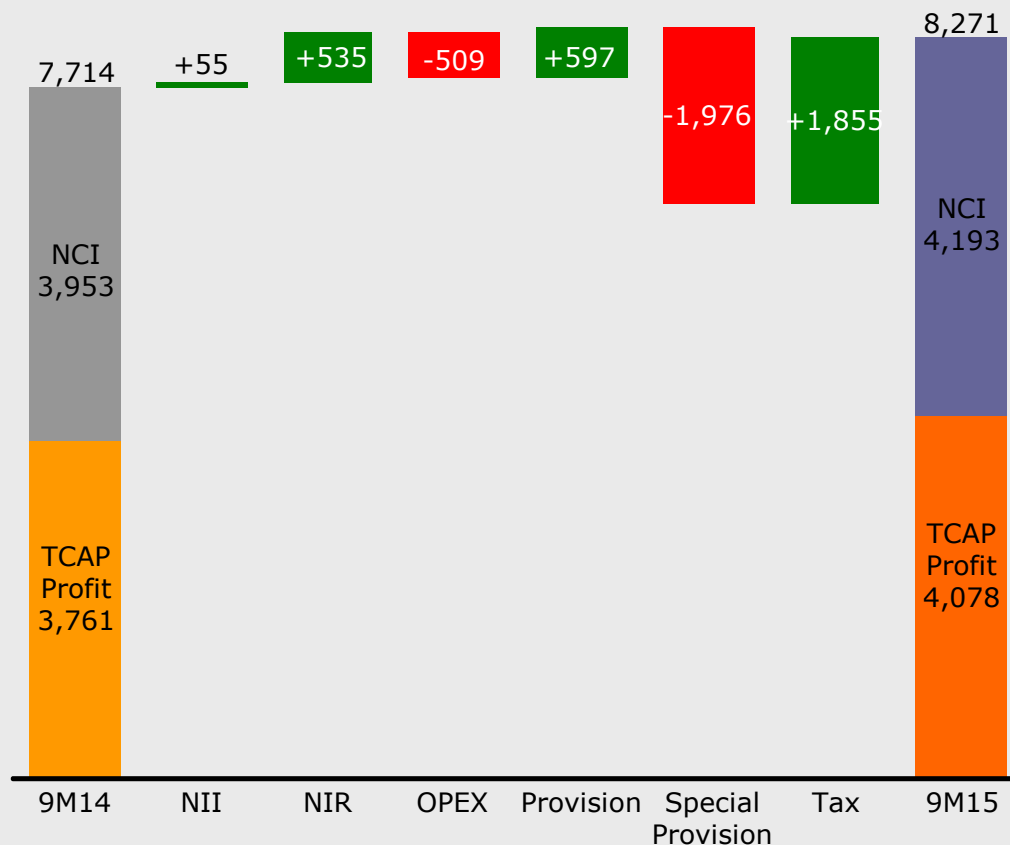
- Group profit decreased by 47 MTHB or 1.67%
- TCAP profit decreased by 40 MTHB or 2.87%
- NII increased by 11 MTHB or 0.16% from
 - Interest expenses down 282 MTHB or 5.32% from an effective cost of fund management
 - Interest income down 271 MTHB or 2.22% from decreases in both loan volume and yield on earning assets
- NIR decreased by 410 MTHB or 12.17% from
 - Net fees and service income up 281 MTHB from commission fees from selling life assurance products
 - Gains on investments down 485 MTHB and gains on property foreclosed down 307 MTHB from a delay of selling investments and foreclosed assets based on opportunistic timing in the market
 - Dividend income up 130 MTHB
- OPEX increased by 30 MTHB or 0.60% due to expenses related to premises and equipment
- Normal provision decreased by 208 MTHB or 11.98% while special provision decreased by 1,616 MTHB or 89.98% as the Bank set aside high special provision in 2Q15 to improve its coverage ratio to be higher than 100%.
- Tax increased by 1,442 MTHB because in 2Q15 there was a tax reversal arising from the liquidation of SCIB

Source: Company data



TGroup: Profit Movement 9M15

Movement of Total Profit 9M15 VS 9M14 (MTHB)

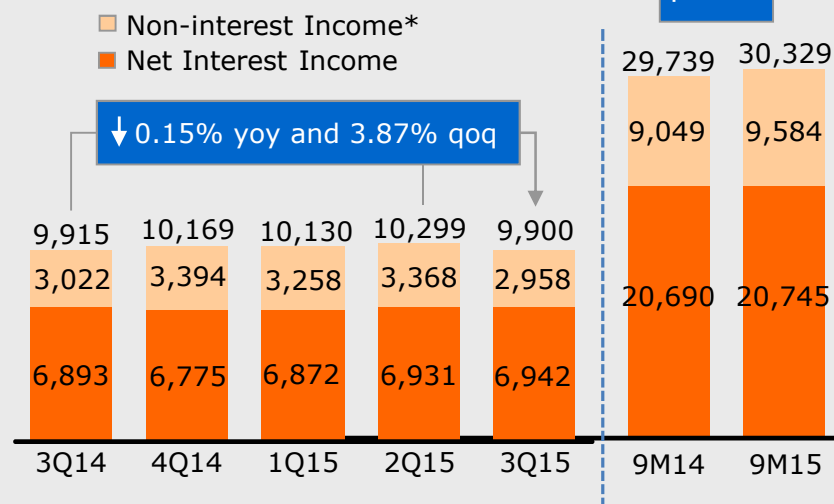


Highlights

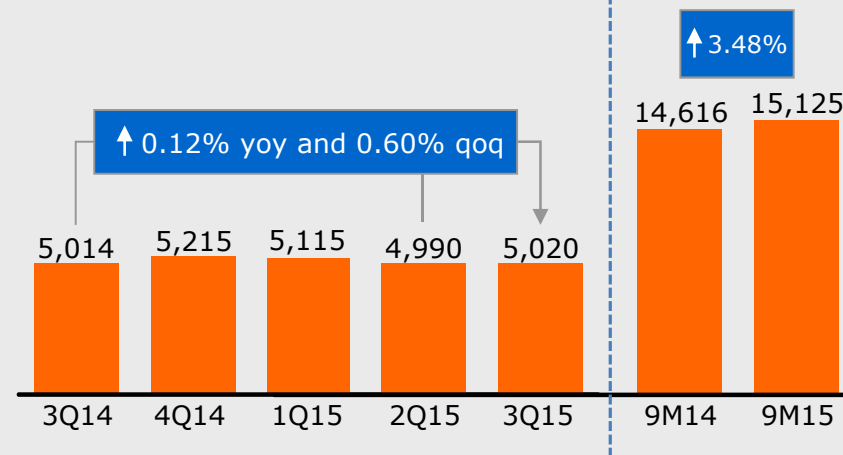
- Group profit increased by 557 MTHB or 7.22%
- TCAP profit increased by 317 MTHB or 8.43%
- NII increased by 55 MTHB or 0.27% from
 - Interest expenses down 3,276 MTHB or 16.96% from an effective cost of fund management and policy rate cuts in 1H15
 - Interest income down 3,221 MTHB or 8.05% from decreases in both loan volume and lending rates
- NIR increased by 535 MTHB or 5.91% from
 - Net fees and service income up 178 MTHB from commission fees from selling life assurance products and securities business
 - Gains on investments up 676 MTHB from selling government bonds and debentures
 - Net insurance / life insurance income up 200 MTHB from offering higher profit products and effective claim management
- OPEX increased by 509 MTHB or 3.48% due mainly to provision set for legal cases in 1Q15
- Normal provision decreased by 597 MTHB or 10.84% while there were special provisions setting aside in 9M15 of 1,976 MTHB to enhance the Bank's financial position and protect against volatile economic conditions
- Tax decreased by 1,855 MTHB because of the tax loss from SCIB's liquidation

TGroup: Financial Highlights (1)

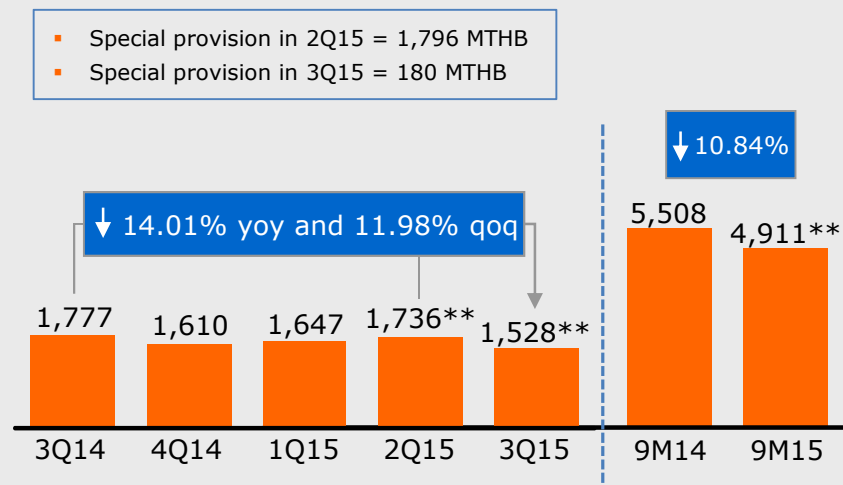
Total Income (MTHB)



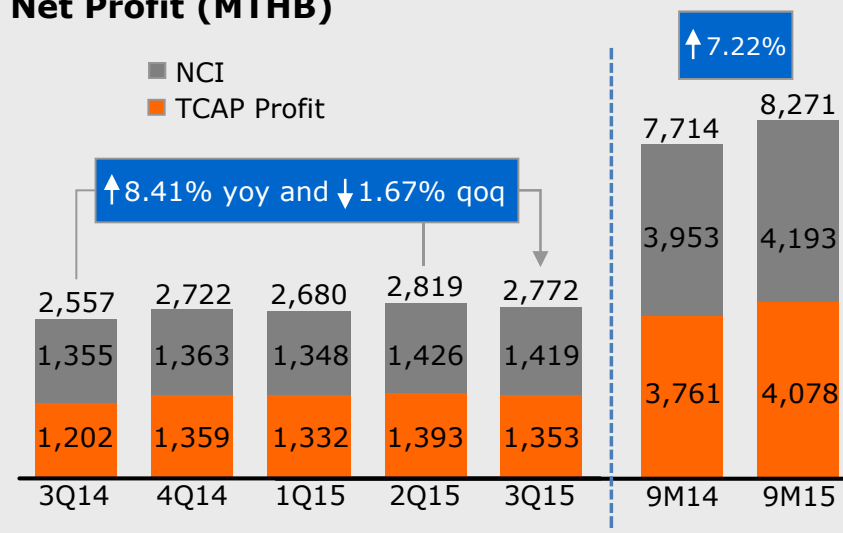
Operating Expenses (MTHB)



Impairment Loss of Loans (MTHB)



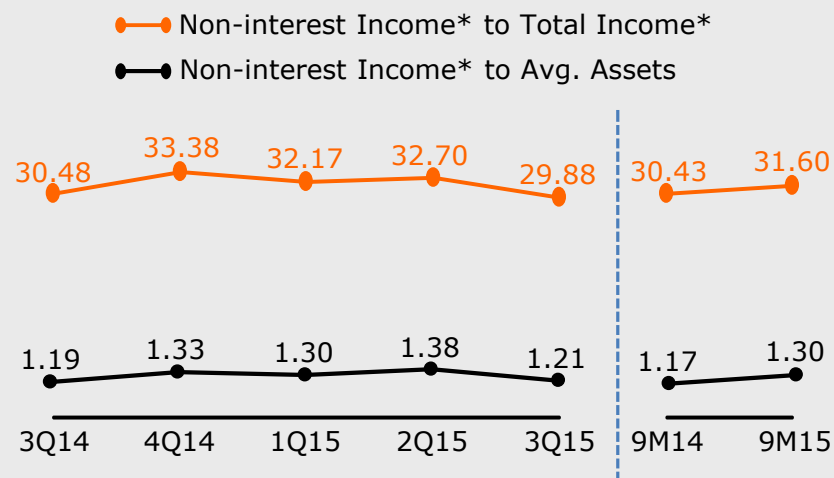
Net Profit (MTHB)



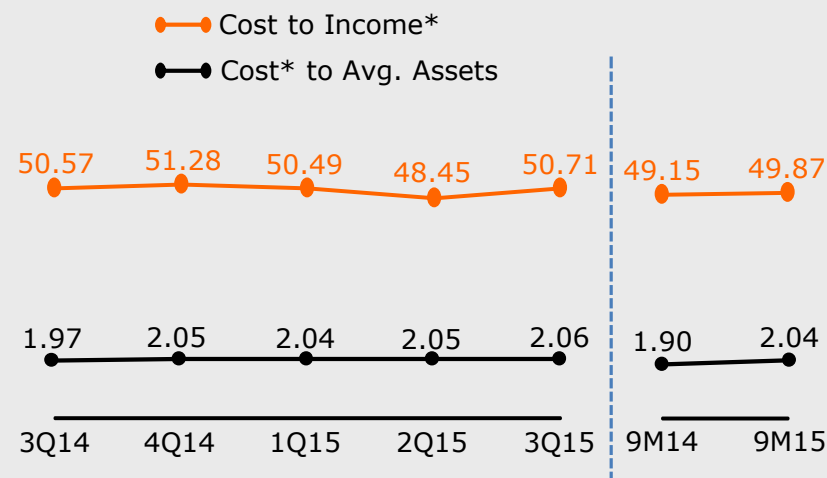
Note: *Net of insurance expenses **Excluding special provision; Source: Company data

TGroup: Financial Highlights (2)

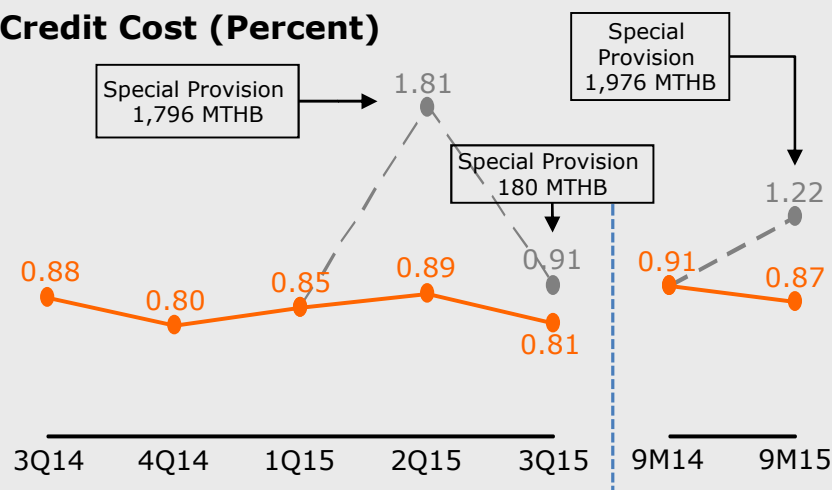
Ratios of Non-interest Income* (Percent)



Ratios of Operating Expenses* (Percent)



Credit Cost (Percent)



Other Key Ratios (Percent)

Ratios (%)	Quarterly					9-Month	
	3Q14	4Q14	1Q15	2Q15	3Q15	2014	2015
ROAA	1.00	1.07	1.07	1.16	1.14	1.00	1.12
ROAE**	9.70	10.75	10.25	10.81	10.47	10.28	10.52
Loan Spread	3.05	3.08	3.22	3.37	3.47	3.02	3.35
Interest Spread	2.59	2.54	2.62	2.73	2.74	2.56	2.70
Cost of Fund	2.89	2.85	2.70	2.58	2.44	2.92	2.57

Note: *Net of insurance expenses **Excluding non-controlling interest; Source: Company data



TGroup: Comparison to Targets

Performance Parameters		2013A (excl. TLIFE)	2014A	2015F	9M15
Profitability	ROAE (excl. NCI)	14.26%	10.39%	12.00-14.00%	10.52%
	ROAA	1.13%	1.02%	1.10-1.30%	1.12%
	Spread	2.54%	2.55%	2.60-2.80%	2.70%
	Non-interest Income Ratio*	35.47%	31.18%	32.00-35.00%	31.60%
	Cost to Income Ratio*	50.24%	49.69%	< 50.00%	49.87%
Loans	Loan Growth	4.75%	-4.49%	2.00-4.00%	-5.38%
Deposits	CASA Ratio**	34.63%	35.76%	35.00-40.00%	38.89%
Asset Quality	NPL Ratio	4.49%	4.21%	< 4.00%	3.54%
	Credit Cost	0.72%	0.89%	0.80-0.90%	0.87% (excl. Special Provision)
	Coverage Ratio	82.61%	84.81%	100.00%	109.79%
Capital	BIS Ratio***	14.31%	13.59%	~ 14.00%	14.55%

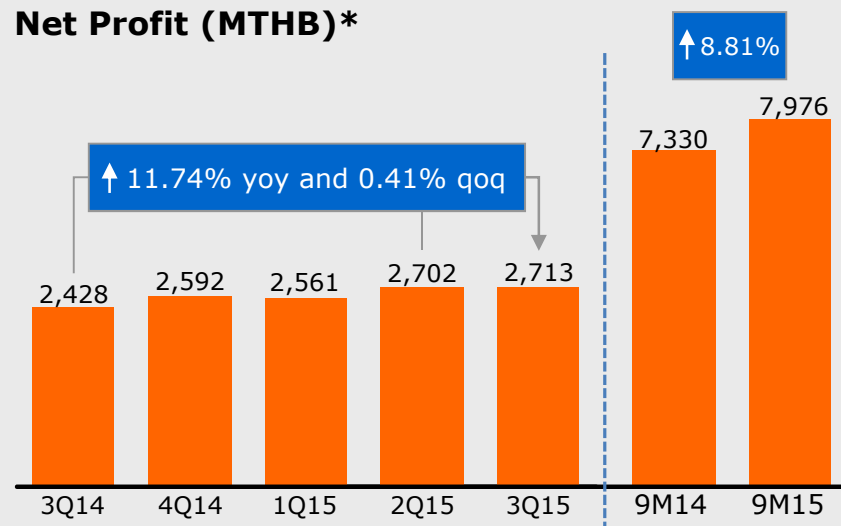
Note: *Net of insurance expenses **CASA Ratio excludes debt issued and borrowings
 ***Implementing Basel III in 2014; Source: Company data



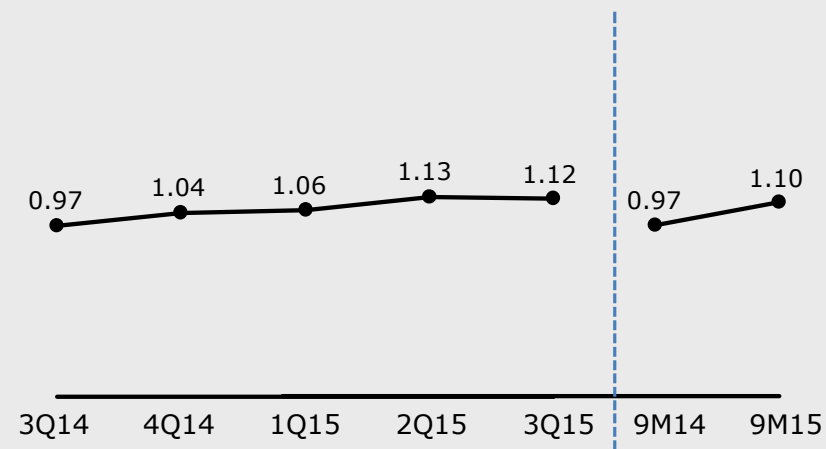
TBANK 3Q15 Financial Highlights

TBANK: Profitability

Net Profit (MTHB)*



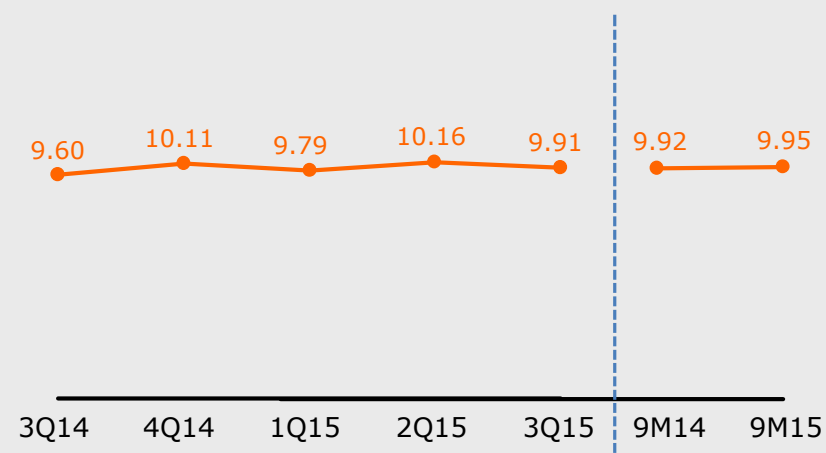
ROAA (Percent)



Highlights

- 3Q15 net profit increased by 11 MTHB or 0.41% qoq. This was mainly due to the following
 - a better provision management
 - a reduction in cost of fund
- 9M15 net profit increased by 646 MTHB or 8.81% yoy. This was mainly due to the following
 - a stronger income base
 - effective management of impaired loans

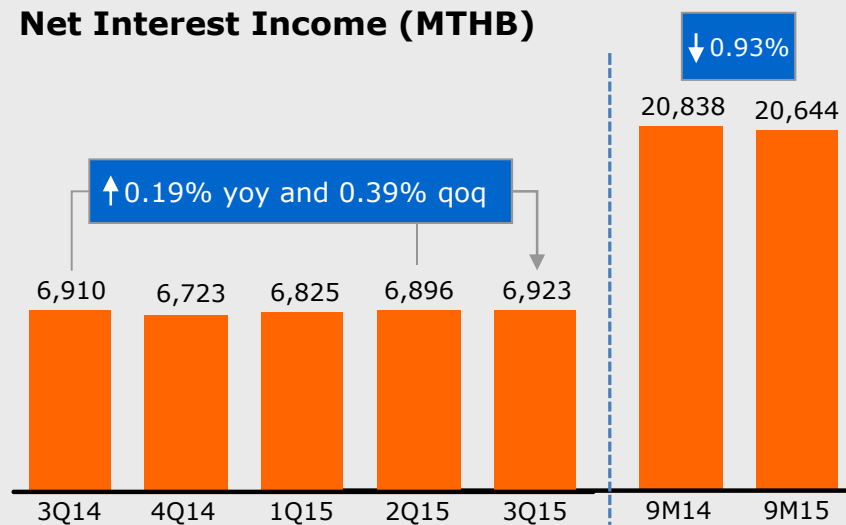
ROAE* (Percent)



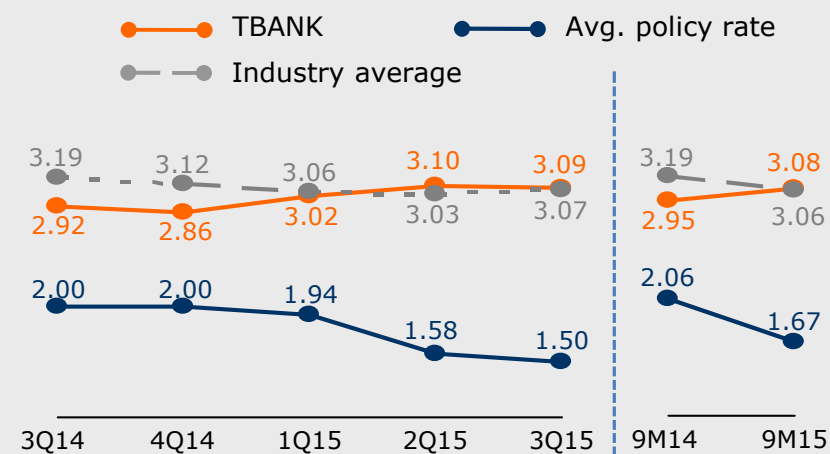
Note: *Excluding non-controlling interest; Source: Company data

TBANK: Net Interest Income

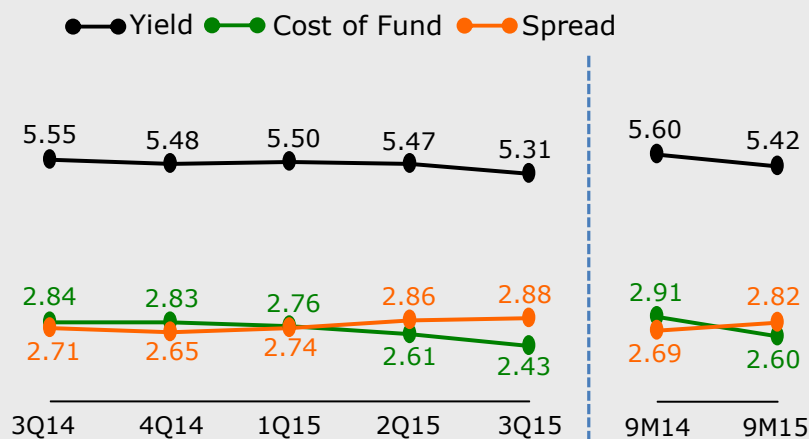
Net Interest Income (MTHB)



Net Interest Margin (Percent)



Yield, Cost of Fund, and Spread (Percent)



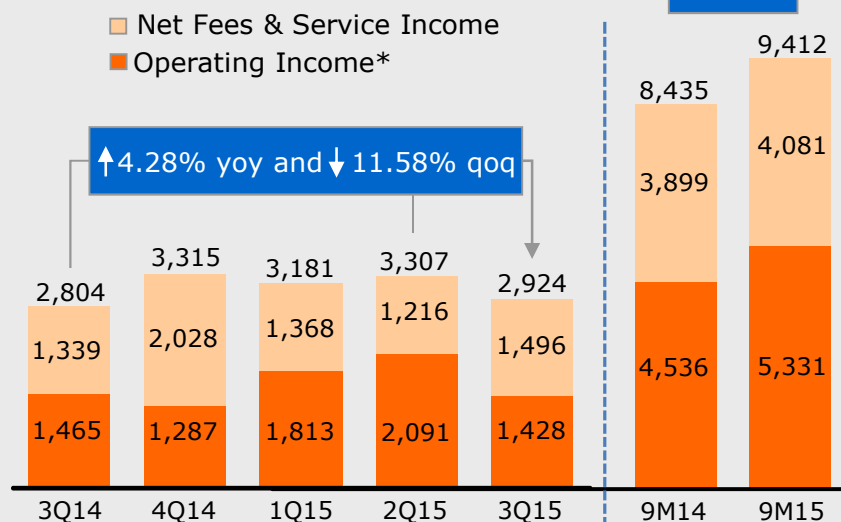
Source: Company data

Highlights

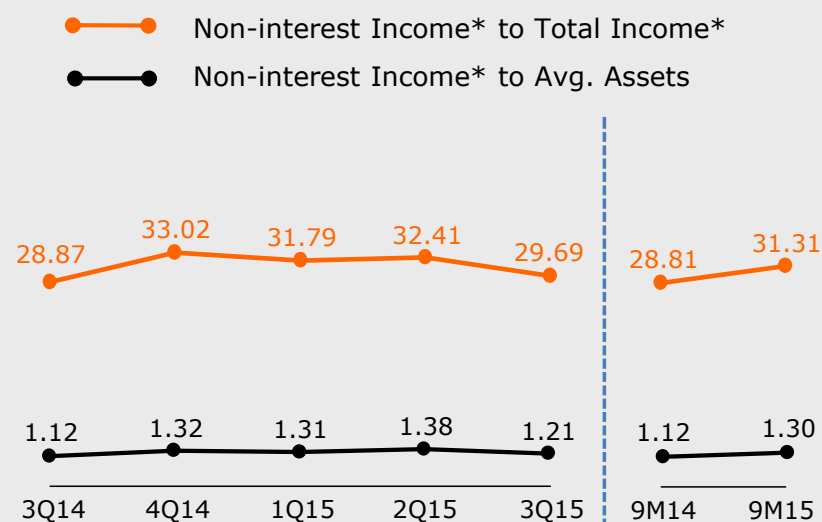
- 3Q15 interest income decreased by 257 MTHB or 2.12% qoq due to a drop in loans volume and a decrease in yield on earning assets in accordance with the market rate
- 3Q15 interest expenses decreased by 284 MTHB or 5.44% qoq. This was mainly from a strategically cost of fund management and a delayed impact from policy rate cuts
- 3Q15 net interest income increased by 27 MTHB or 0.39% qoq
- 9M15 interest income decreased by 3,220 MTHB or 8.12% yoy due to a shrinking loan portfolio and a decrease in yield on earning assets
- 9M15 interest expenses decreased by 3,026 MTHB or 16.07% yoy due to cost of fund management
- 9M15 net interest income decreased by 194 MTHB or 0.93% yoy
- Spread continued widening from cost of fund management

TBANK: Non-interest Income

Non-interest Income (MTHB)



Ratios of Non-interest Income* (Percent)



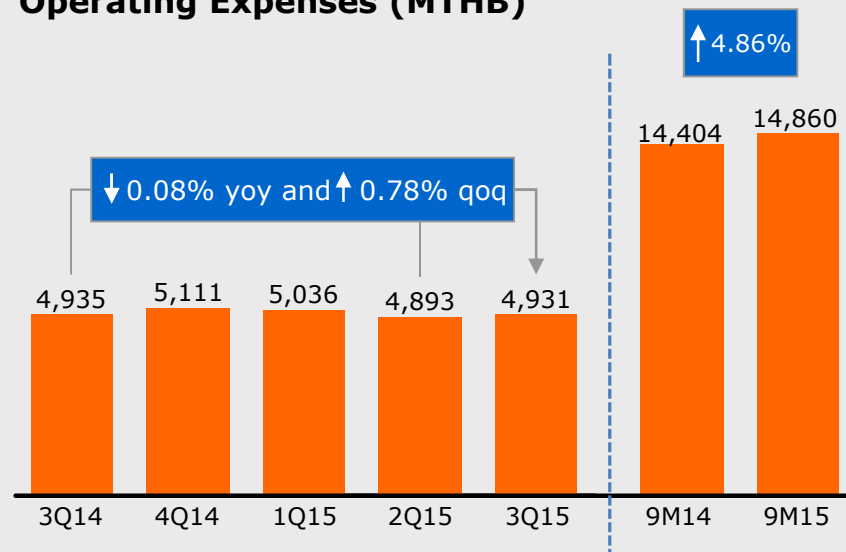
Highlights

- 3Q15 non-interest income decreased by 383 MTHB or 11.58% qoq
- 3Q15 net fees and service income increased by 280 MTHB or 23.03% qoq, mainly due to an increase in commission received from selling life assurance products
- 3Q15 operating income decreased by 663 MTHB or 31.71% qoq, mainly from less gains on investments and properties foreclosed according to the opportunistic timing in the market
- 9M15 non-interest income increased by 977 MTHB or 11.58% yoy
- 9M15 net fees and service income increased by 182 MTHB or 4.67% yoy, mainly due to increases in commission received from selling life assurance products and securities business volume
- 9M15 operating income increased by 795 MTHB or 17.53% yoy, due mainly to higher gains on investments and better insurance premium income

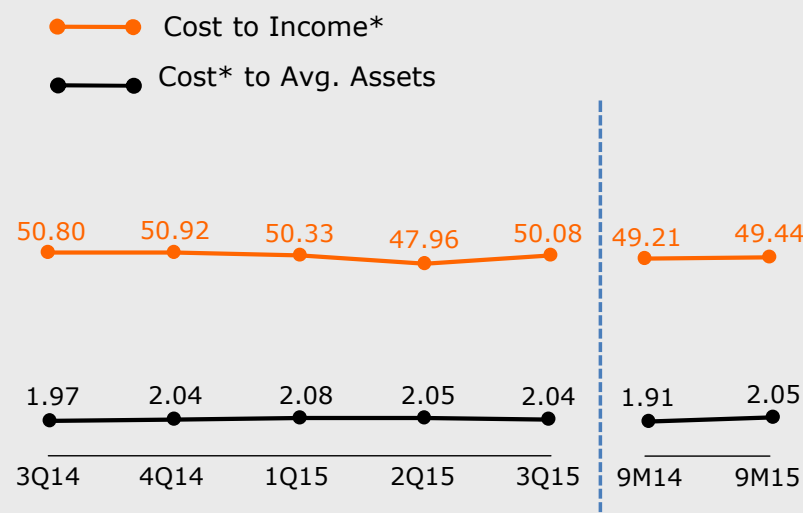
Note: *Net of insurance expenses; Source: Company data

TBANK: Operating Expenses

Operating Expenses (MTHB)



Ratios of Operating Expenses* (Percent)



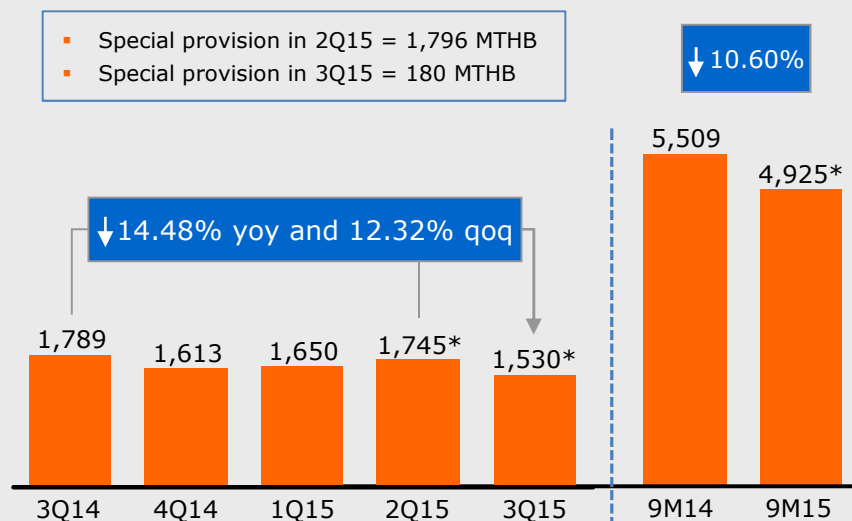
Highlights

- 3Q15 operating expenses increased by 38 MTHB or 0.78% qoq, mainly due to an increase in premises and equipment expenses from branch renovation
- 9M15 operating expenses increased by 456 MTHB or 3.17% yoy, mainly from
 - Personnel expenses increased by 1.72% as a result of annual salary increase
 - Other expenses increased by 8.22% as a result of provision set aside for legal cases
- TBANK will continue to put a focus on increasing productivity and expense utilization while pushing progress with IT system development with aims to improve work capability, efficiency, and service quality

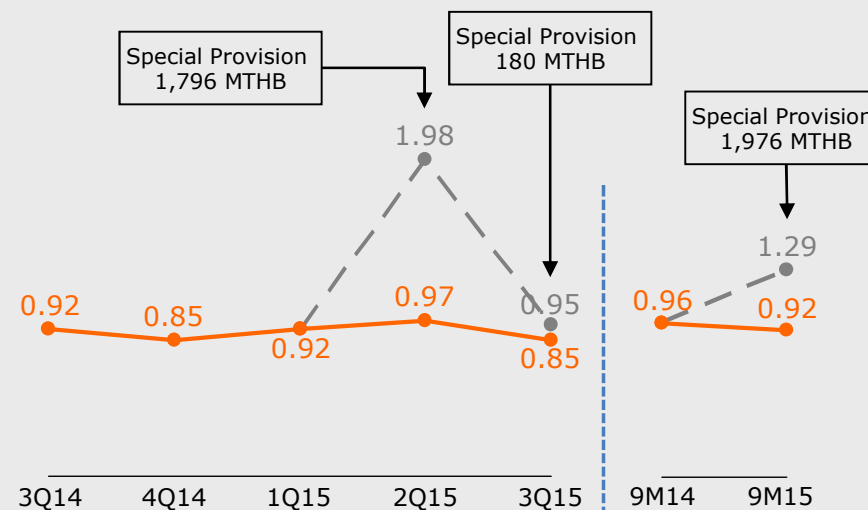
Note: *Net of insurance expenses; Source: Company data

TBANK: Provision Expenses

Impairment Loss of Loans (MTHB)



Credit Cost (Percent)



Highlights

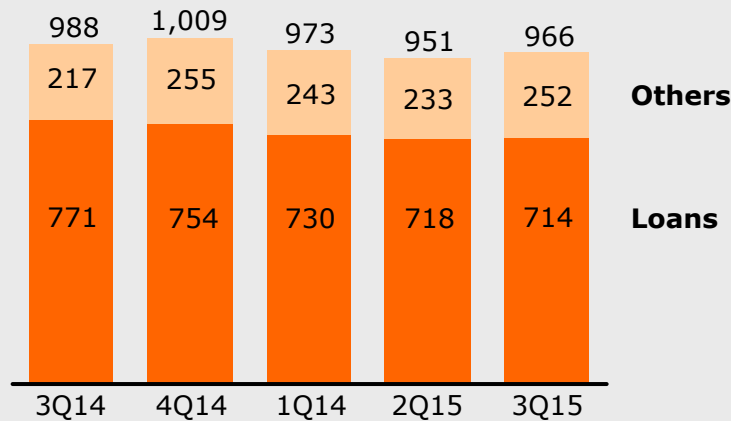
- 3Q15 provision expenses decreased by 215 MTHB or 12.32% qoq from an effective NPL management. In addition, the Bank provided 180 MTHB as a special provision by utilizing tax reversal from liquidation of SCIB
- 9M15 provision expenses decreased by 584 MTHB or 10.60% yoy from improved practices in the management of impaired loans. TBANK provided 1,976 MTHB in total as its special provision to enhance its financial position and protect against volatile economic conditions
- 3Q15 credit cost dropped to 0.85% from 0.97% in 2Q15. If the special provision was added, credit cost in 3Q15 would be 0.95%
- 9M15 credit cost decreased to 0.92% from 0.96% in 9M14. If the special provision was included, credit cost of 9M15 would be 1.29%

Note: * Excluding special provision; Source: Company data

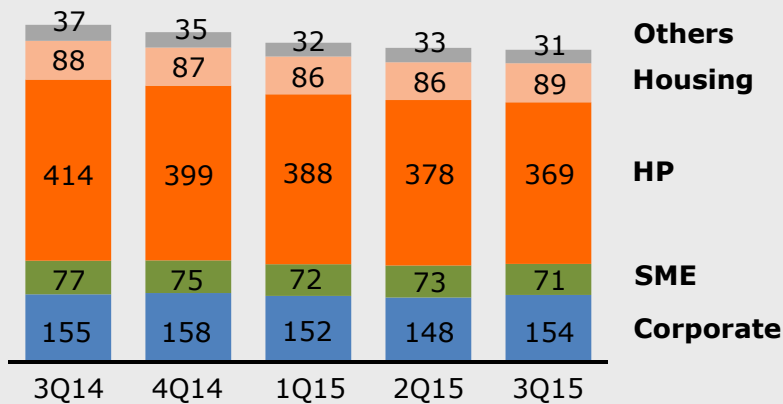


TBANK: Assets

Assets (BTHB)

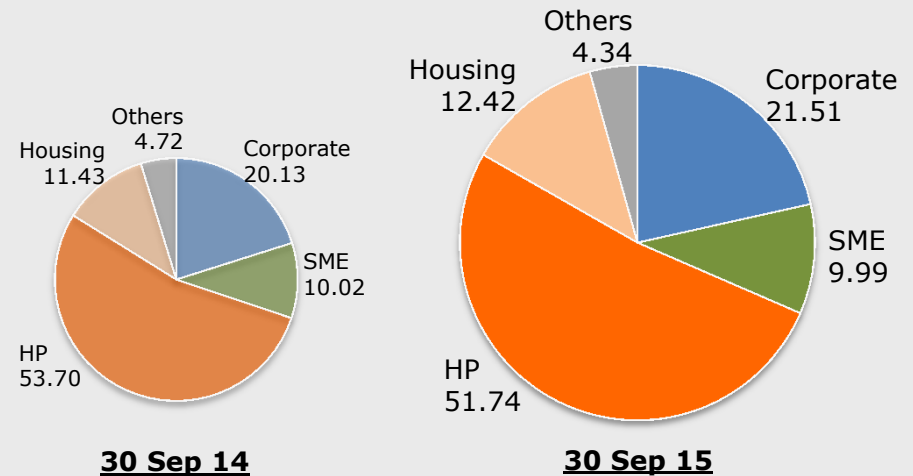


Loans Breakdown (BTHB)



Source: Company data

Loans Breakdown (Percent)



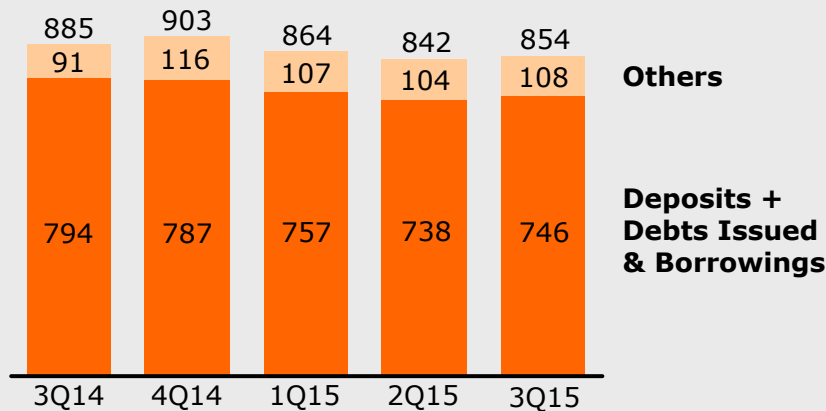
Key Highlights

- In 3Q15, assets started to grow from 2Q15 after declining since the end of 2014
- 9M15 loans decreased by 5.37% from the end of 2014. This was mainly due to a decrease of 7.53% in hire purchase loans which was in line with a slowdown in automotive market
- Although loan volume has been declining, the rate of decline has significantly reduced as a result of increases in corporate and housing loans
- 3Q15 loan portfolio was more diversified. HP accounted for 51.74%, a decrease from 53.70% from the same period last year

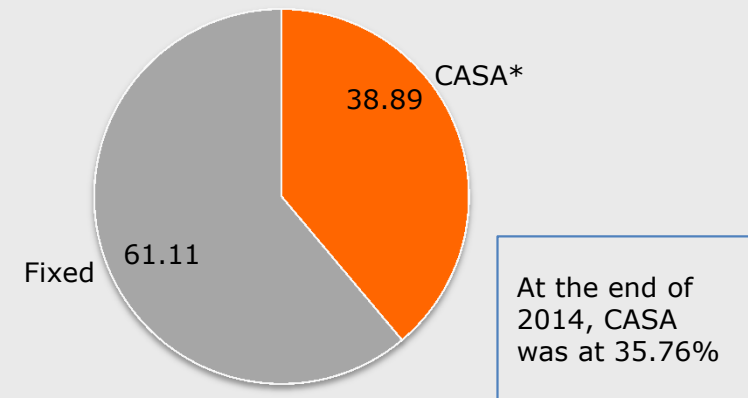


TBANK: Liabilities

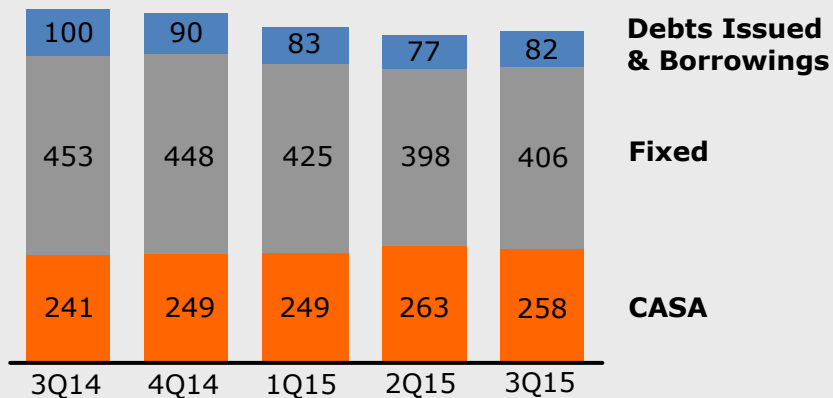
Liabilities (BTHB)



Deposits Breakdown (30 Sep 15) (Percent)



Deposits + Debts Issued & Borrowings (BTHB)



Key Highlights

- 3Q15 deposits + debt issued and borrowings decreased by 5.26% from the end of 2014. This was mainly from deposits restructuring and cost of fund management following the strategic liquidity management.
- 3Q15 CASA ratio was at 38.89%, an increase from 35.76 at the end of 2014
- 3Q15 loan to deposit ratio was 95.72%.
- The Bank emphasizes on liquidity management and it is ready to implement the Basel III Liquidity Coverage Ratio (LCR) in January 2016

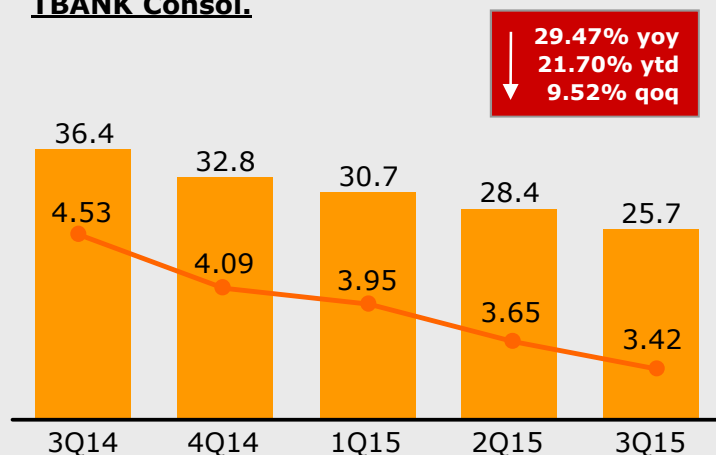
Note: *CASA including debt issued and borrowings as of 30 Sep 2015 was at 34.60%; Source: Company data

TBANK: NPLs and Reserve

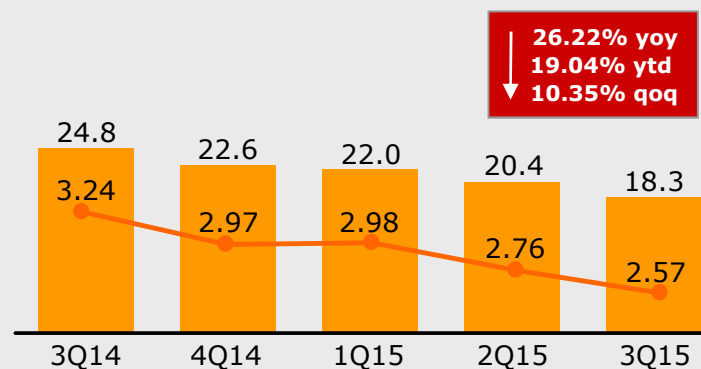
TBANK's NPL vs. NPL to Total Loans

■ NPL (BTHB) ● NPL to Total Loans (%)

TBANK Consol.

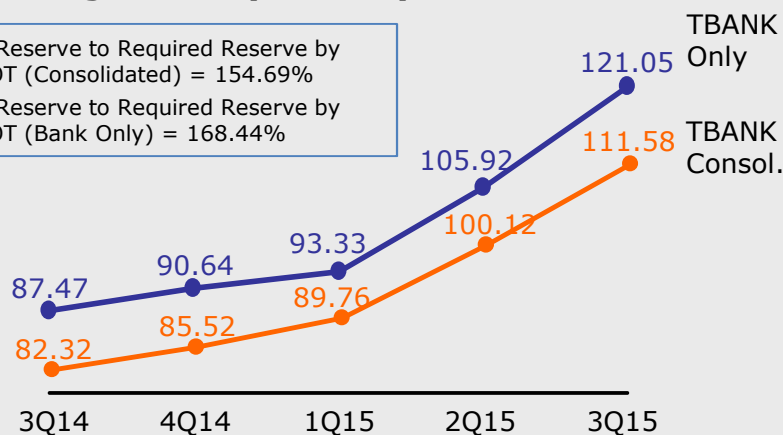


TBANK Only



Coverage Ratio (Percent)

- 3Q15 Reserve to Required Reserve by the BOT (Consolidated) = 154.69%
- 3Q15 Reserve to Required Reserve by the BOT (Bank Only) = 168.44%



Source: Company data

TBANK Consol.

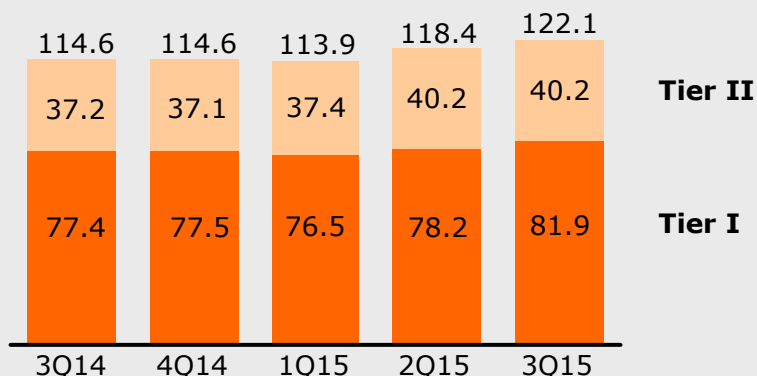
NPLs dropped **7,108** MTHB ytd with the NPL ratio of **3.42%** excess reserve of **10,120** MTHB

TBANK Only

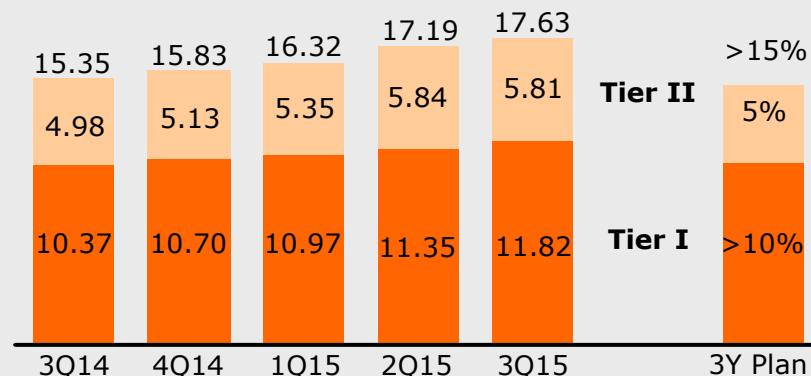
Coverage increased to **121.05%**

Capital Adequacy

TBANK's Capital (Solo Basis) (BTHB)

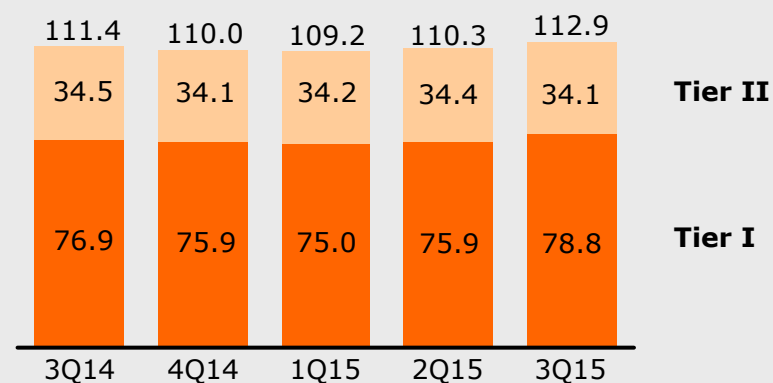


TBANK's BIS Ratio (Solo Basis) (Percent)

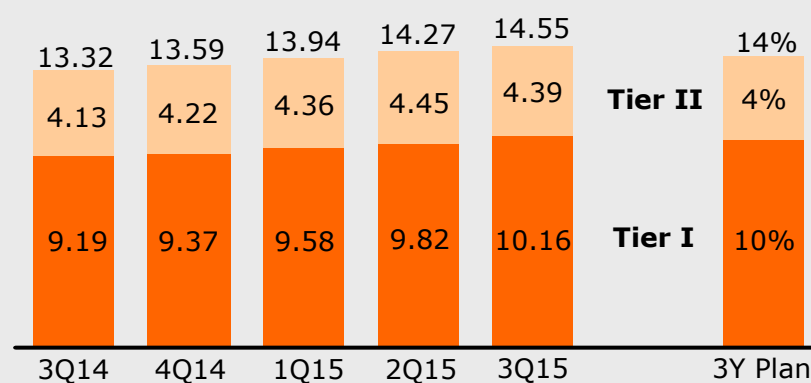


- In 1Q15, TBANK Tier I reduced because its Hybrid Tier I has been phased out in accordance with Basel III regulations
- In 2Q15, TBANK has redeemed subordinated debentures amounting to 11,000 MTHB and issued Tier 2 capital instrument under Basel III regulations amounting to 7,000 MTHB in replacement.
- In Oct 15, TBANK has restructured its Tier I capital by redeeming Hybrid Tier I and replacing it with Common Equity Tier I (CET I). This helps strengthen the Bank's Tier I capital to better support future growth.

TCAP's Capital (Full Consol.) (BTHB)



TCAP's BIS Ratio (Full Consol.) (Percent)



Source: Company data

Appendix



Detailed Group's Financial Info.

Consolidated statements of comprehensive income	3Q14	4Q14	1Q15	2Q15	3Q15	9M14	9M15
Interest income	13,177	12,939	12,595	12,228	11,957	40,001	36,780
Interest expenses	6,284	6,164	5,723	5,297	5,015	19,311	16,035
Net interest income	6,893	6,775	6,872	6,931	6,942	20,690	20,745
Fees and service income	2,049	2,710	2,055	1,879	2,169	5,978	6,103
Fees and service expenses	713	685	689	666	675	2,083	2,030
Net fees and service income	1,336	2,025	1,366	1,213	1,494	3,895	4,073
Gain on tradings and foreign exchange transactions	332	460	256	138	153	843	548
Gain on Investment	214	172	678	705	220	926	1,602
Share of income from investment in associated	63	80	73	84	54	184	211
Dividend income	164	41	70	55	185	309	310
Gain on properties foreclose and other assets	15	(198)	4	287	(20)	377	272
Insurance premium income	1,633	1,646	1,658	1,682	1,706	4,802	5,046
Other operating income	413	468	316	302	386	1,150	1,003
Total operating income	11,063	11,469	11,293	11,397	11,120	33,176	33,810
Insurance expenses	1,148	1,300	1,163	1,098	1,220	3,437	3,481
Net operating income	9,915	10,169	10,130	10,299	9,900	29,739	30,329
Personnel expenses	2,829	2,751	2,798	2,786	2,793	8,209	8,377
Premises and equipment expenses	734	778	711	717	775	2,180	2,202
Taxes and duties	215	230	222	218	212	638	652
Directors' remuneration	9	10	9	49	10	65	69
Other expenses	1,227	1,446	1,375	1,220	1,230	3,524	3,825
Total operating expenses	5,014	5,215	5,115	4,990	5,020	14,616	15,125
Impairment loss of loans and debt securities	(1,791)	(1,575)	(1,647)	(3,532)	(1,708)	(5,508)	(6,887)
Profit before corporate income tax	3,110	3,379	3,368	1,777	3,172	9,615	8,317
Income Tax	(553)	(657)	(688)	1,042	(400)	(1,901)	(46)
Profit for the period	2,557	2,722	2,680	2,819	2,772	7,714	8,271
Net profit of the Company	1,202	1,359	1,332	1,393	1,353	3,761	4,078

Consolidated statements of financial position	31-Dec-14	30-Sep-15
Cash	16,605	10,721
Interbank and money market items-interest	58,202	47,999
Interbank and money market items-no interest	7,836	9,969
Net Interbank and MM	66,038	57,968
Net investments	162,318	170,431
Net Investment in associated companies	2,417	2,503
Loans and receivables	811,443	766,354
Accrued interest receivables	788	661
Deferred revenue	(55,787)	(51,323)
Allowance for doubtful accounts	(28,450)	(28,974)
Net loans and accrued interest receivables	727,994	686,718
Properties foreclosed - net	8,931	7,357
Intangible assets - net	3,427	3,077
Goodwill	16,969	17,148
Other assets	20,931	26,357
Total assets	1,025,630	982,280
Deposits	696,949	663,416
Interbank and money market items-interest	77,536	68,922
Interbank and money market items-no interest	2,603	1,067
Net interbank and money market items	80,139	69,989
Debt issued and borrowings	98,418	91,988
Insurance contract liabilities	14,610	14,389
Other liabilities	31,238	35,425
Total liabilities	921,354	875,207
Company shareholders' equity	51,353	51,622
Non-controlling interest	52,923	55,451
Shareholders' equity	104,276	107,073
Total liabilities & shareholders' equity	1,025,630	982,280

Source: Company data



Subsidiaries Performance

Subsidiaries	% held	Net Profit (MTHB)						
		3Q14	4Q14	1Q15	2Q15	3Q15	9M14	9M15
Thanachart Bank Plc. (Consolidated)		2,428	2,592	2,561	2,702	2,713	7,330	7,976
Thanachart Securities Plc.	50.96%	154	225	183	93	89	336	366
Thanachart Fund Management	38.22%	74	65	84	73	83	225	240
Thanachart Insurance Plc.	50.96%	257	240	304	297	298	808	898
TS AMC	50.96%	137	74	(104)	37	120	247	53
Ratchthani Leasing Plc.	33.22%	193	143	174	191	215	561	579
NFS AMC	100.00%	(2)	42	25	7	11	16	43
MAX AMC	83.44%	11	(0)	(5)	(2)	4	130	(3)
SCILIFE	51.00%	83	79	(2)	(27)	(47)	123	(75)

Source: Company data



Investor Relations

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