



Analyst Meeting

Statements Unaudited

As of 31 December 2015



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TGroup 2015 Financial Highlights



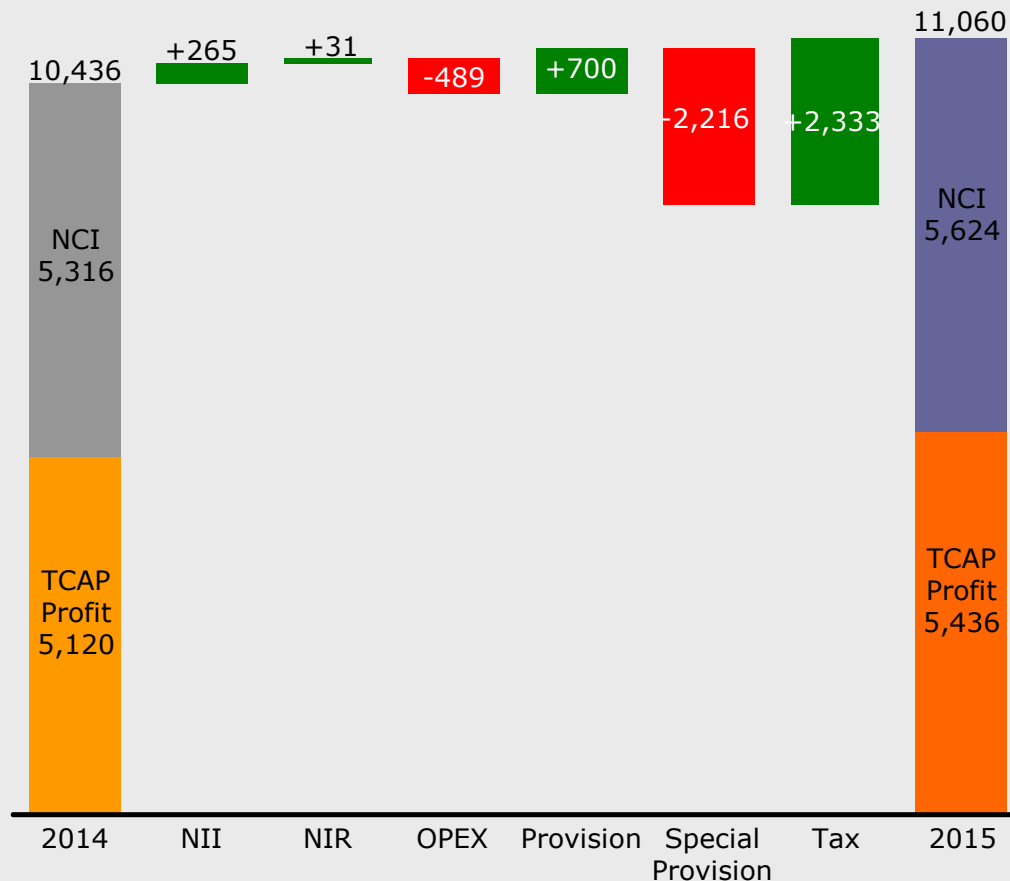
2015 Overview

- **TCAP 2015 Performance**
 - Net profit of 11,060 MTHB, increased by 5.98%
 - Interest Spread of 2.70%, increased from 2.55%
 - Provision down by 10.41%
- **TCAP Asset Quality**
 - NPL dropped by 11,187 MTHB
 - NPL ratio of 2.96%, decreased from 4.21%
 - Coverage ratio of 117%, increased from 84.81%
- **TBANK LCR above 100%**
- **TBANK BIS Ratio of 17.92%**, improved from 15.83%



TGroup: Profit Movement 2015

Movement of Total Profit 2015 VS 2014 (MTHB)

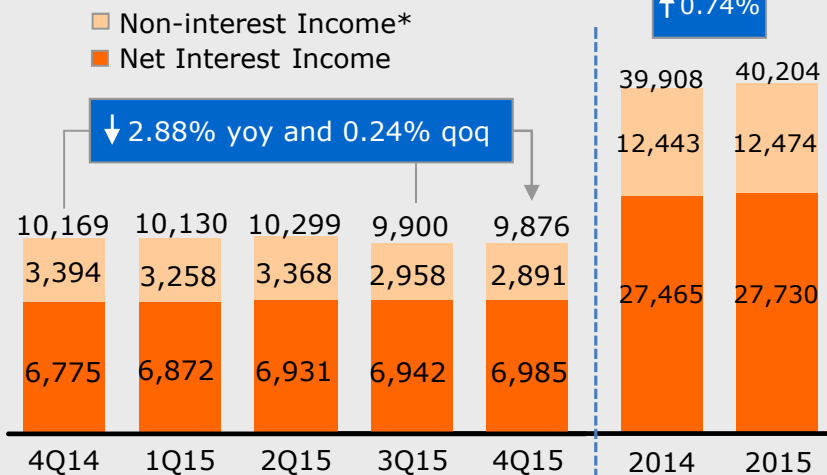


Highlights

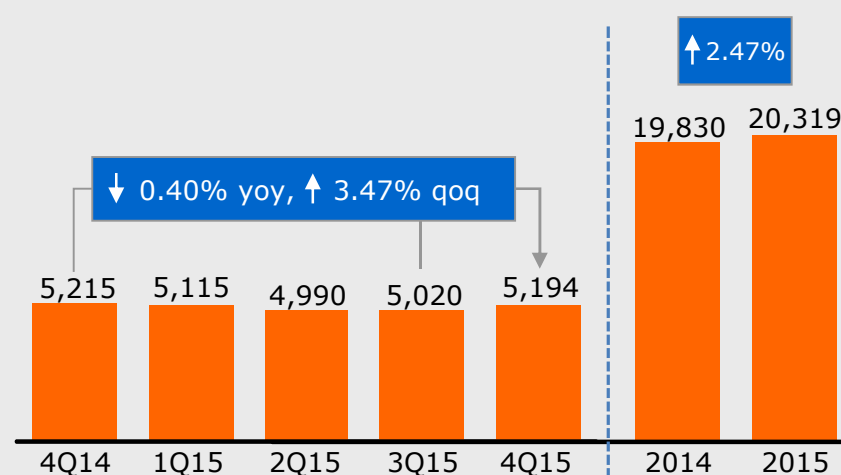
- Group profit increased by 624 MTHB or 5.98%
- TCAP profit increased by 316 MTHB or 6.17%
- NII increased by 265 MTHB or 0.96% from
 - Interest expenses down 4,565 MTHB or 17.92% from an effective cost of fund management and policy rate cuts in 1H15
 - Interest income down 4,300 MTHB or 8.12% from decreases in both loan volume and lending rates
- NIR increased by 31 MTHB or 0.25% from
 - Net fees and service income down 455 MTHB from less brokerage fees and other fee income
 - Gains on investments up 858 MTHB from selling government bonds and debentures
 - Gains on trading and f/x down 560 MTHB
 - Net insurance / life insurance income up 332 MTHB
- OPEX increased by 489 MTHB or 2.47% due mainly to provision set for legal cases in 1Q15
- Normal provision decreased by 700 MTHB or 9.88% while there were special provisions setting aside in 2015 of 2,216 MTHB to enhance the Bank's financial position and protect against volatile economic conditions
- Tax decreased by 2,333 MTHB because of the tax loss from SCIB's liquidation

TGroup: Financial Highlights (1)

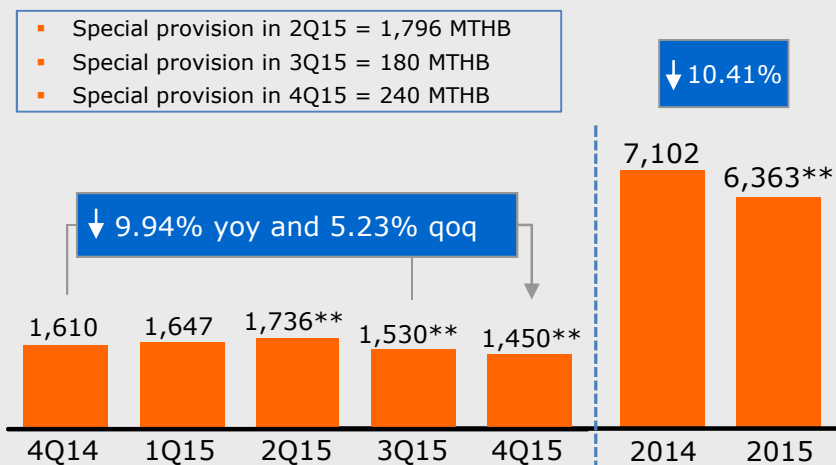
Total Income (MTHB)



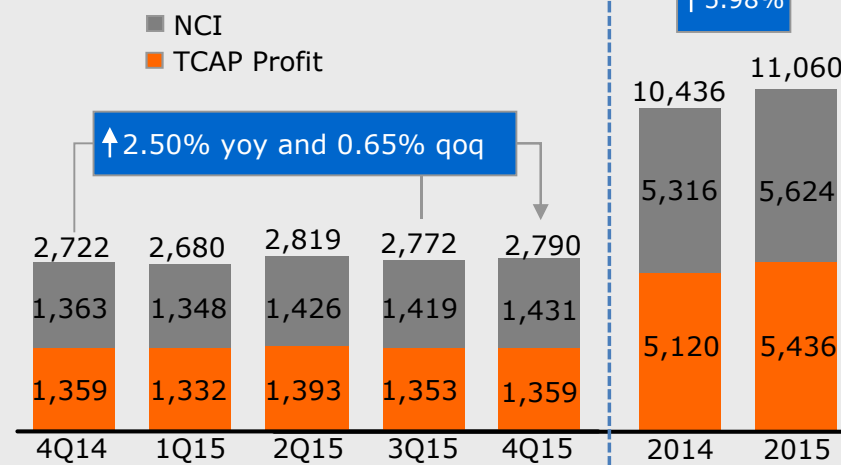
Operating Expenses (MTHB)



Impairment Loss of Loans (MTHB)



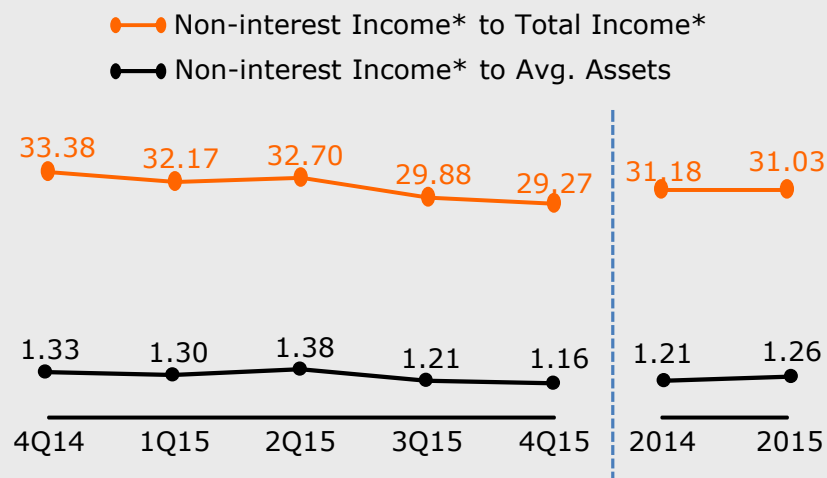
Net Profit (MTHB)



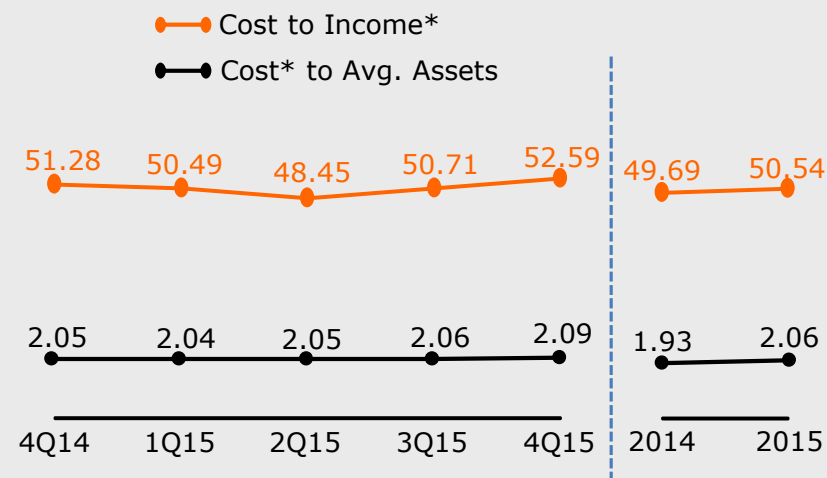
Note: *Net of insurance expenses **From Normal Business Operation; Source: Company data

TGroup: Financial Highlights (2)

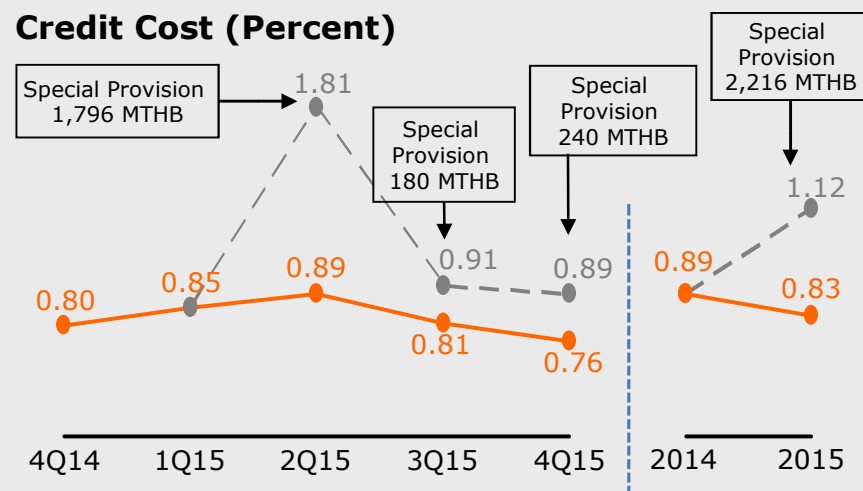
Ratios of Non-interest Income* (Percent)



Ratios of Operating Expenses* (Percent)



Credit Cost (Percent)



Other Key Ratios (Percent)

Ratios (%)	Quarterly					Yearly	
	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
ROAA	1.07	1.07	1.16	1.14	1.12	1.02	1.12
ROAE**	10.75	10.25	10.81	10.47	10.41	10.39	10.48
Loan Spread	3.08	3.22	3.37	3.47	3.53	3.04	3.40
Interest Spread	2.54	2.62	2.73	2.74	2.72	2.55	2.70
Cost of Fund	2.85	2.70	2.58	2.44	2.34	2.90	2.51
NPL	4.21	4.07	3.76	3.54	2.96		
Coverage	84.8	88.9	98.9	109.8	117.0		

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



TGroup: Comparison to Targets

Performance Parameters		2013A (excl. TLIFE)	2014A	2015F	2015A
Profitability	ROAE (excl. NCI)	14.26%	10.39%	12.00-14.00%	10.48%
	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%	31.03%
	Cost to Income Ratio*	50.24%	49.69%	< 50.00%	50.54%
Loans	Loan Growth	4.75%	-4.49%	2.00-4.00%	-5.43%
Deposits	CASA Ratio**	34.63%	35.76%	35.00-40.00%	40.13%
Asset Quality	NPL Ratio	4.49%	4.21%	< 4.00%	2.96%
	Credit Cost	0.72%	0.89%	0.80-0.90%	0.83% (From Normal Business Operation)
	Coverage Ratio	82.61%	84.81%	100.00%	117.00%
Capital	BIS Ratio***	14.31%	13.59%	~ 14.00%	14.72%

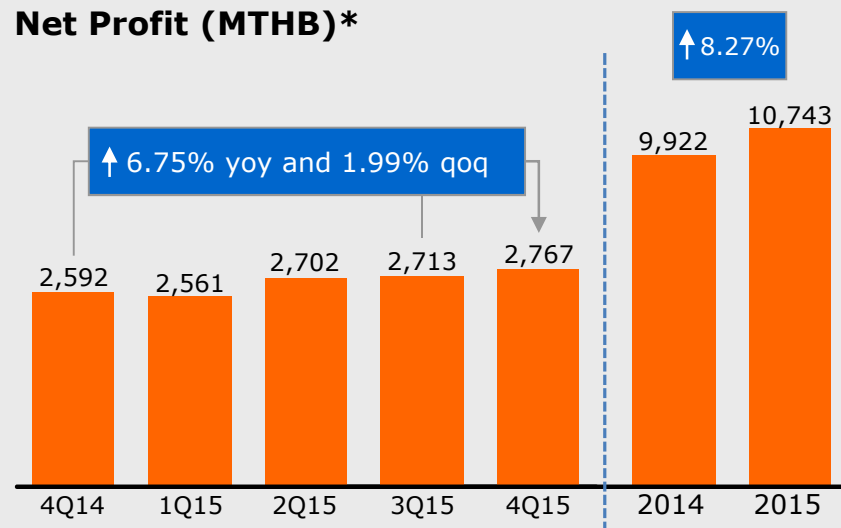
Note: *Net of insurance expenses **CASA Ratio excludes debt issued and borrowings
 ***Implementing Basel III in 2014; Source: Company data



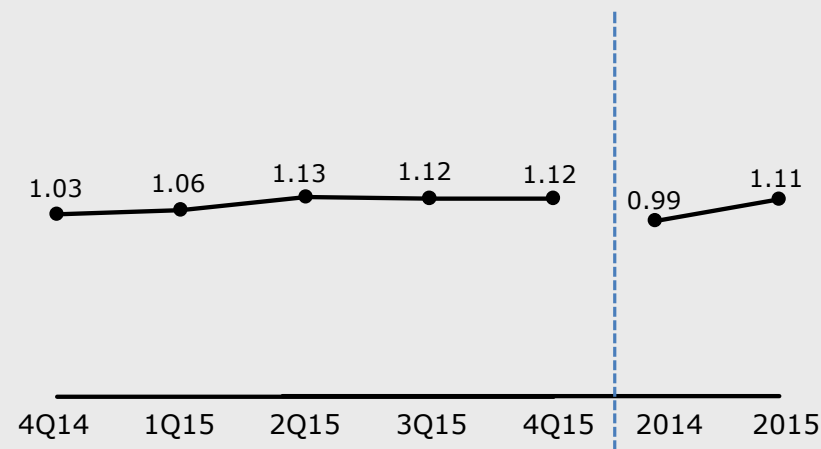
TBANK 2015 Financial Highlights

TBANK: Profitability

Net Profit (MTHB)*



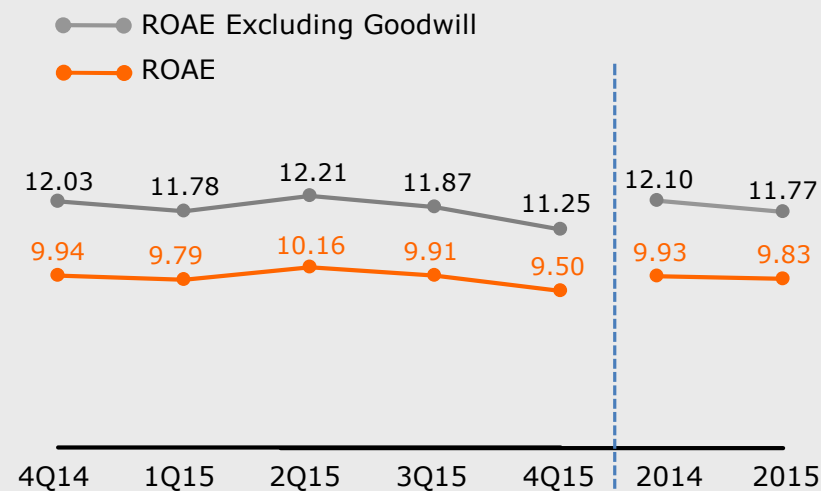
ROAA (Percent)



Highlights

- 2015 net profit rose by 821 MTHB or 8.27% yoy. This was mainly from a focus on effective cost of fund and provision management
- 2015 ROAE dropped to 9.83%. This was due to:
 - The Bank's capital raising in 4Q15 to replace its Hybrid Tier I
 - The Bank's strategy to strengthen the capital fund which results to an increase in its BIS ratio to 17.92%
- ROAE excluding goodwill stays at a range of 11-12%

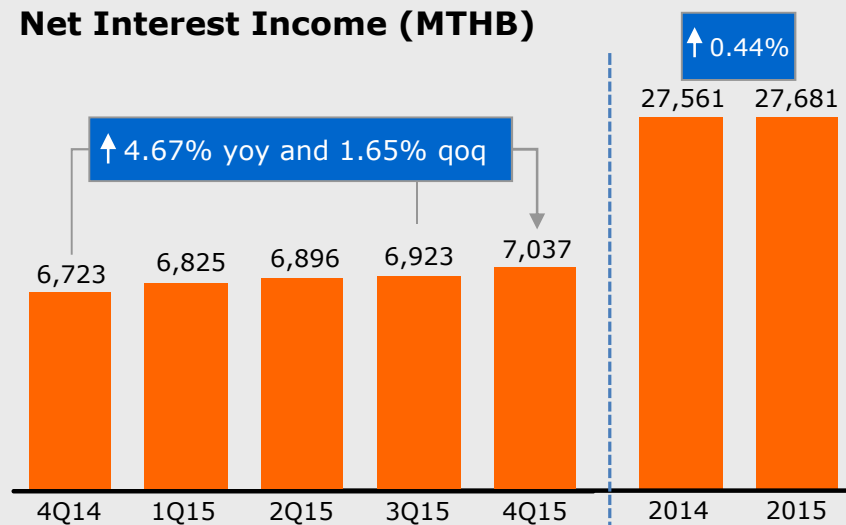
ROAE* (Percent)



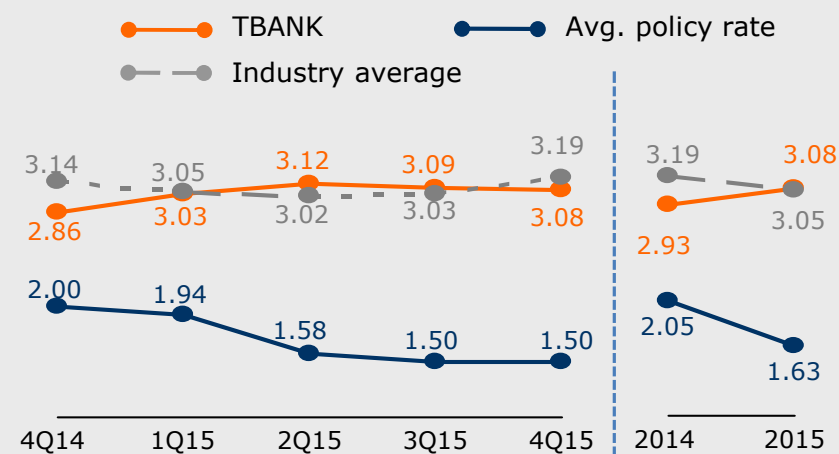
Note: *Excluding non-controlling interest; Source: Company data

TBANK: Net Interest Income

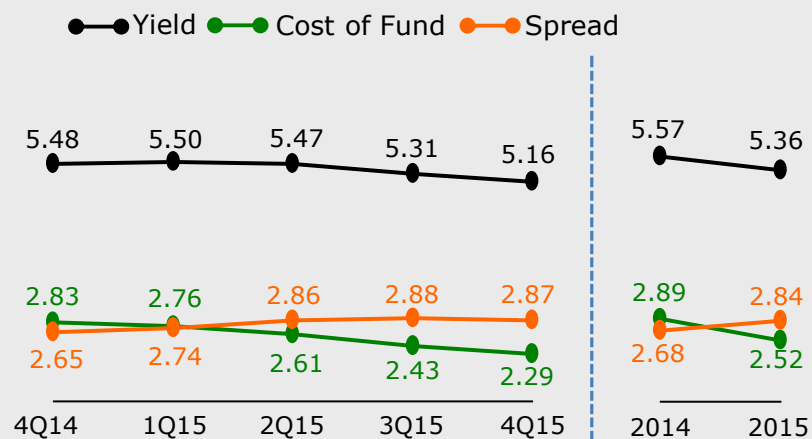
Net Interest Income (MTHB)



Net Interest Margin (Percent)



Yield, Cost of Fund, and Spread (Percent)



Highlights

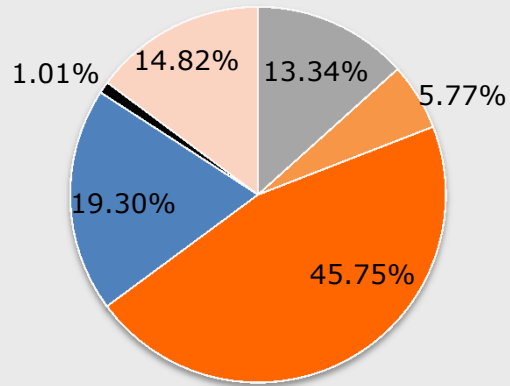
- 2015 interest income declined by 4,228 MTHB or 8.06% yoy, mainly from a contraction of loans volume and a decrease in yield on earning asset following the market rate.
- 2015 interest expenses declined by 4,348 MTHB or 17.47% yoy, mainly from the cost of fund management which was in line with the bank's liquidity strategy.
- 2015 net interest income increased by 120 MTHB or 0.44% yoy.
- 2015 spread continually widened, an increase from 2.68% in 2014 to 2.84% in 2015.

Source: Company data

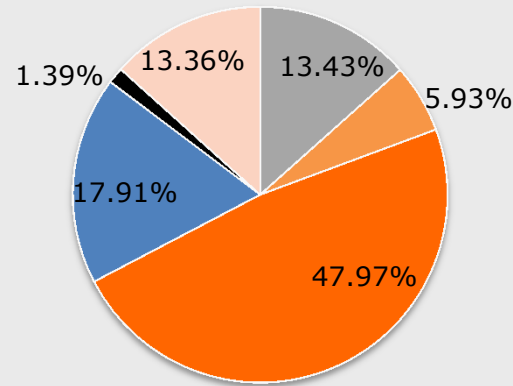


TBANK: Non-interest Income

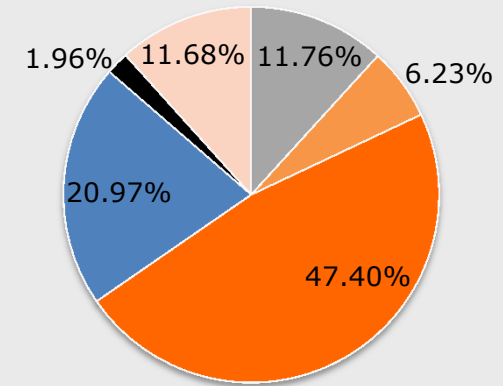
2013



2014



2015



Non-interest Income (MTHB)

- Brokerage Fee
- Fund Management Fee
- Banking Business
- Insurance Business
- NPA Sales
- Others

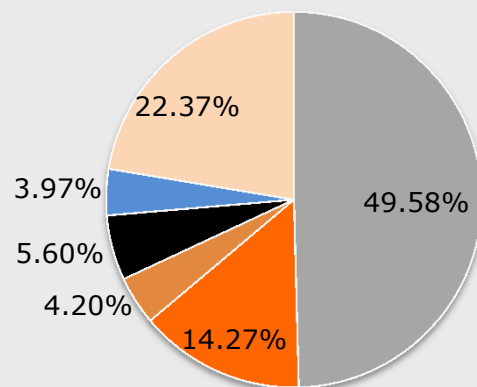
Non-interest Income	2013	2014	2015
Brokerage Fee	1,823	1,568	1,431
Fund Management Fee	789	692	759
Banking Business	6,250	5,600	5,770
Insurance Business	2,637	2,091	2,552
NPA Sales	137	163	239
Others	2,025	1,560	1,422
Total	13,660	11,672	12,173

Source: Company data

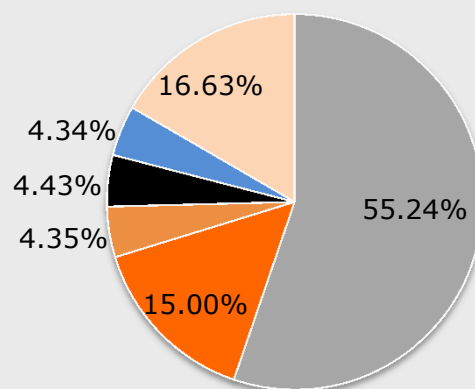


TBANK: Operating Expenses

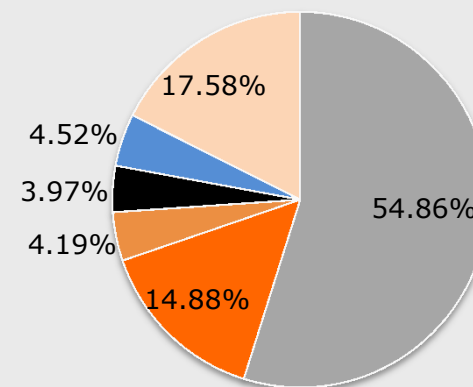
2013



2014



2015



Operating Expenses (MTHB)

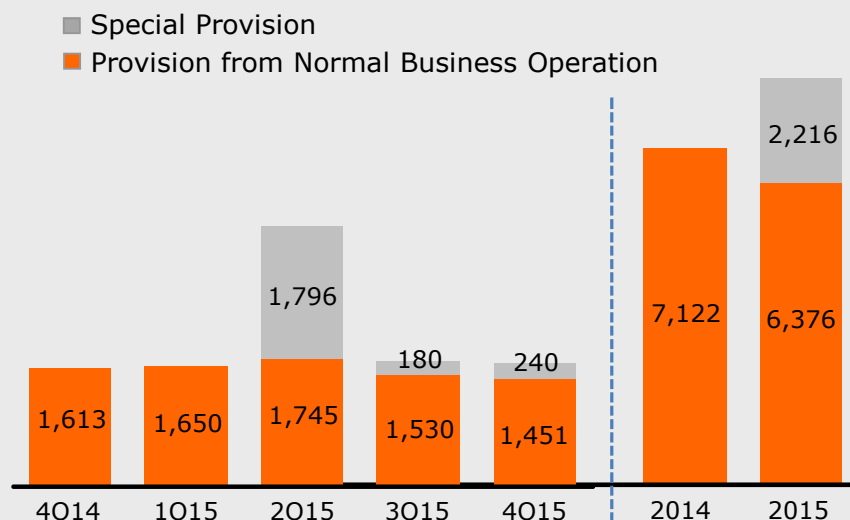
- Employee's Expenses
- Premises & Equipment Expenses
- Tax & Duties
- PR & Sale Promotion
- IT
- Others

Operating Expenses	2013	2014	2015
Employee's Expenses	10,466	10,780	10,952
Premises & Equipment Expenses	3,013	2,928	2,970
Tax & Duties	887	850	837
PR & Sale Promotion	1,182	865	793
IT	838	847	902
Others	4,723	3,246	3,510
Total	21,109	19,515	19,964

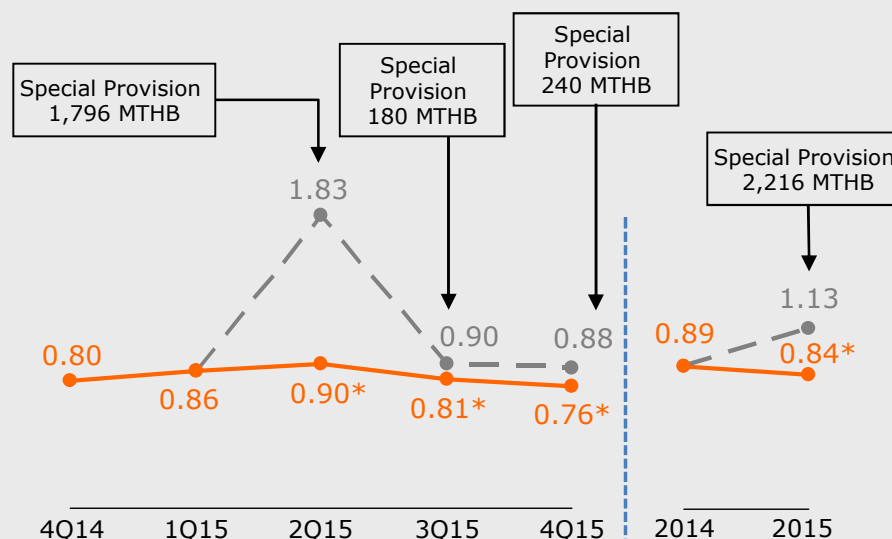
Source: Company data

TBANK: Provision Expenses

Impairment Loss of Loans (MTHB)



Credit Cost (Percent)



Highlights

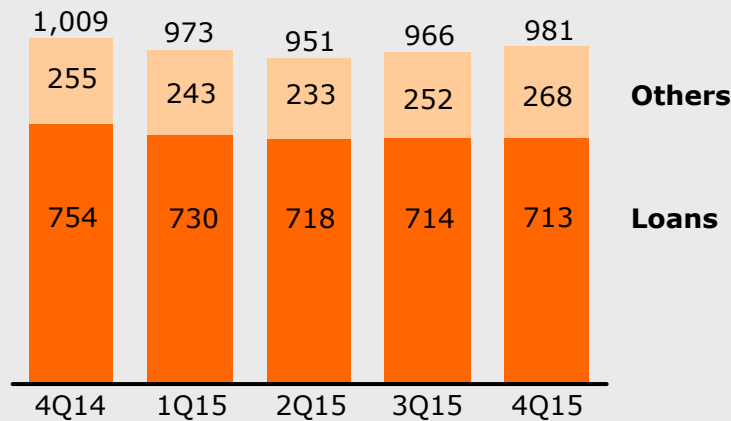
- 2015 provision expenses from normal business operation decreased by 746 MTHB or 10.47% yoy, mainly due to an effective NPL management.
- Furthermore, in 2015 the Bank provided a total of 2,216 MTHB as a special provision to be vigilant against economic uncertainty and to support the future regulation implementation.
- On a quarterly basis, provision from normal business operation in 4Q15 decreased by 10.04% yoy and 5.16% qoq.
- 2015 credit cost from normal business operation was at 0.84%, a decrease from 0.89% in 2014, while total credit cost was at 1.13%.

Note: *Credit cost from normal business operation; Source: Company data

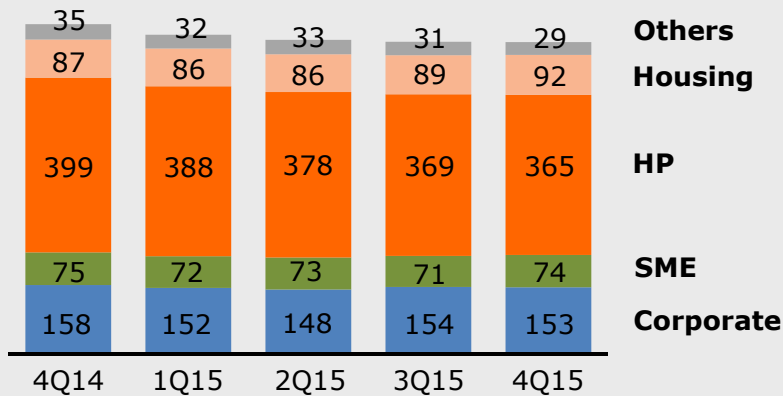


TBANK: Assets

Assets (BTHB)

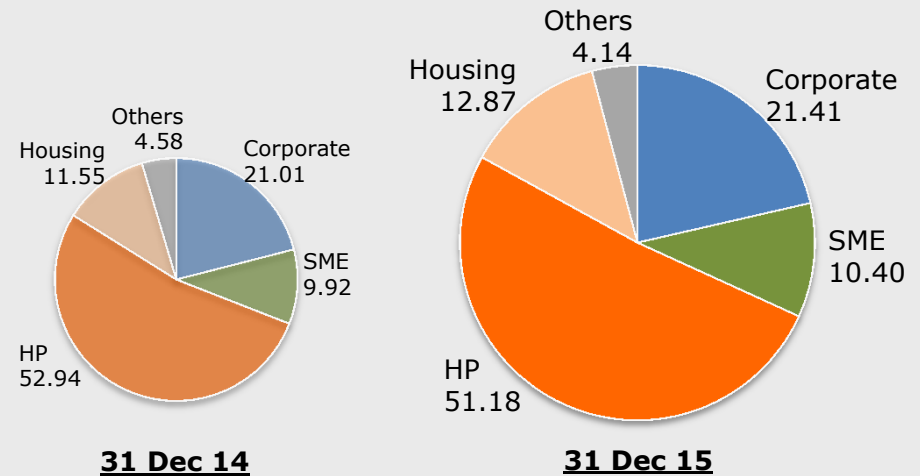


Loans Breakdown (BTHB)



Source: Company data

Loans Breakdown (Percent)



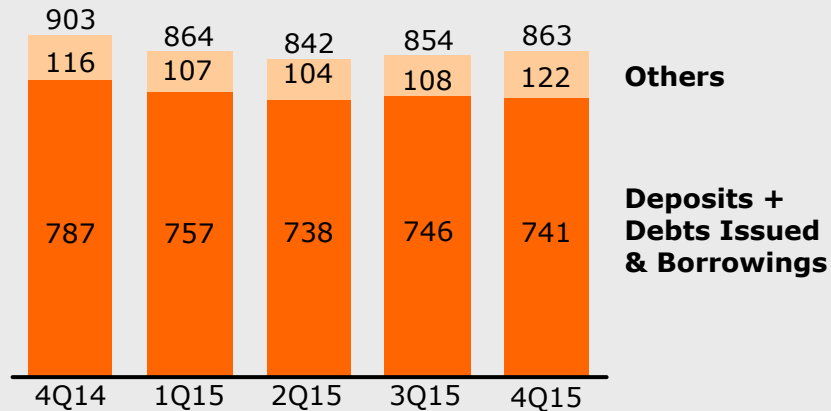
Highlights

- In 4Q15, assets continued to increase for the second consecutive quarter after a reduction of asset since the end of 2014.
- In 2015 loans declined by 5.43% yoy, mainly due to a contraction of 8.57% in hire purchase loans following the slowdown automotive market.
- As the Bank focused more on diversified loans portfolio, Hire Purchase accounted for 51.18%, a decrease from 52.94% at the end of 2014.
- The Bank also emphasized on a reduction of NPL and a prudent credit policy, resulting in a strengthen asset quality.

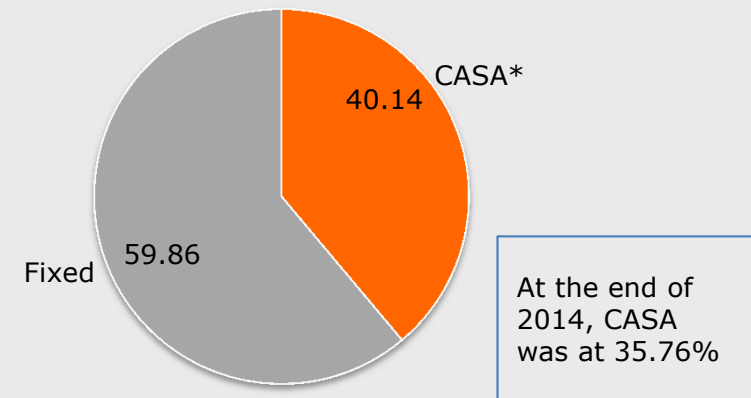


TBANK: Liabilities

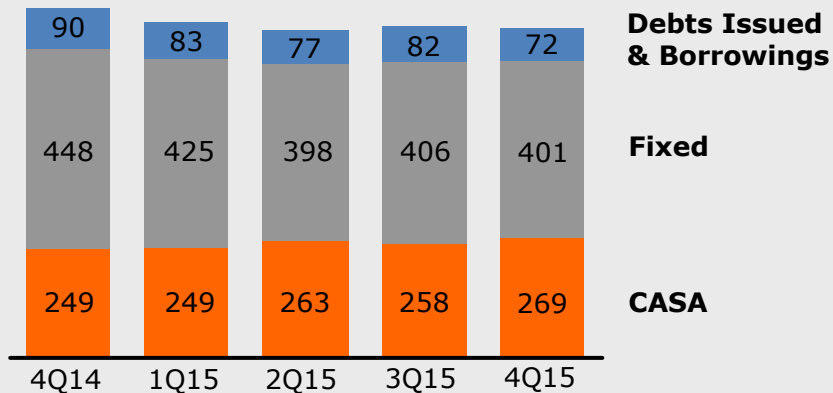
Liabilities (BTHB)



Deposits Breakdown (31 Dec 15) (Percent)



Deposits + Debts Issued & Borrowings (BTHB)



Highlights

- In 2015 deposits and debt issued and borrowings decreased by 5.85% yoy, mainly from a restructure of deposits and a management in cost of fund to be in line with the Bank's liquidity management.
- In 2015 CASA ratio was at 40.14%, a continue increase from 35.76% last year.
- In 2015 loan to deposit ratio was at 96.27%.
- **Currently, the Bank has achieved an LCR ratio of more than 100% in 2016 which was the first year of implementation.**

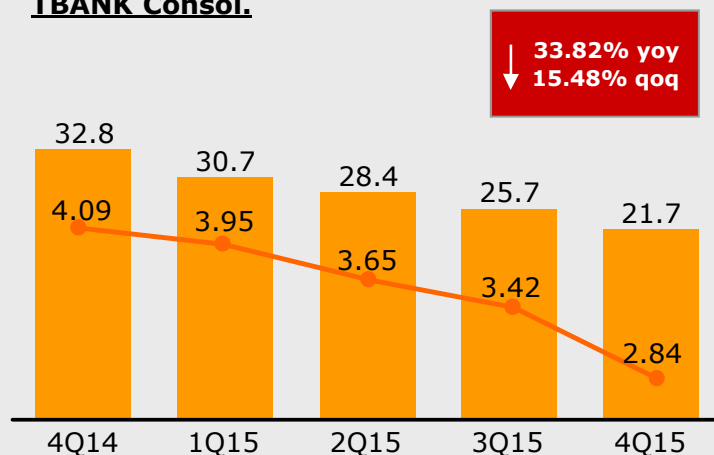
Note: *CASA including debt issued and borrowings as of 31 Dec 2014 was at 35.76%; Source: Company data

TBANK: NPLs and Reserve

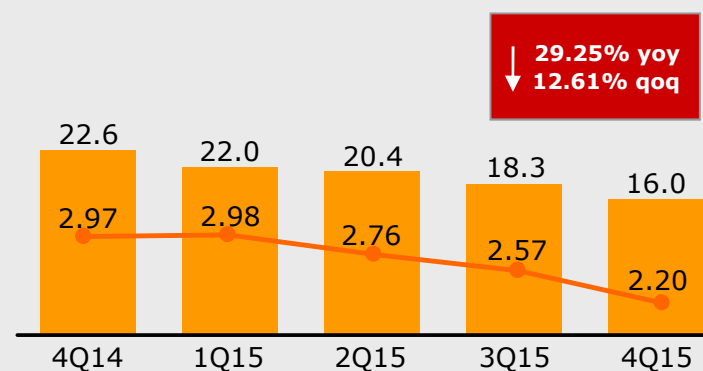
TBANK's NPL vs. NPL to Total Loans

■ NPL (BTHB) ● NPL to Total Loans (%)

TBANK Consol.

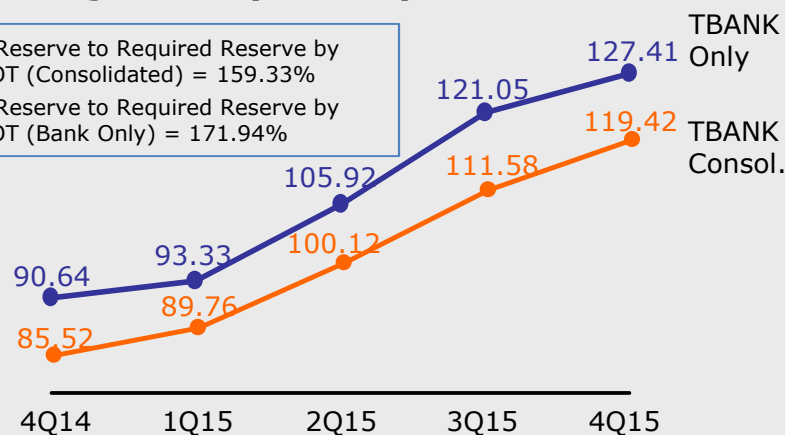


TBANK Only



Coverage Ratio (Percent)

- 2015 Reserve to Required Reserve by the BOT (Consolidated) = 159.33%
- 2015 Reserve to Required Reserve by the BOT (Bank Only) = 171.94%



Source: Company data

TBANK Consol.

NPLs dropped **11,080** MTHB ytd with the NPL ratio of **2.84%** excess reserve of **9,642** MTHB

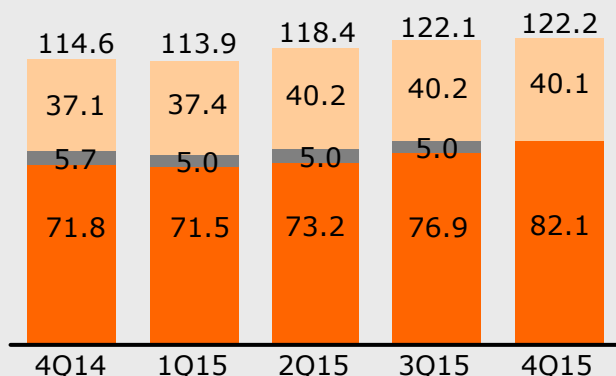
TBANK Only

Coverage increased to **127.41%**

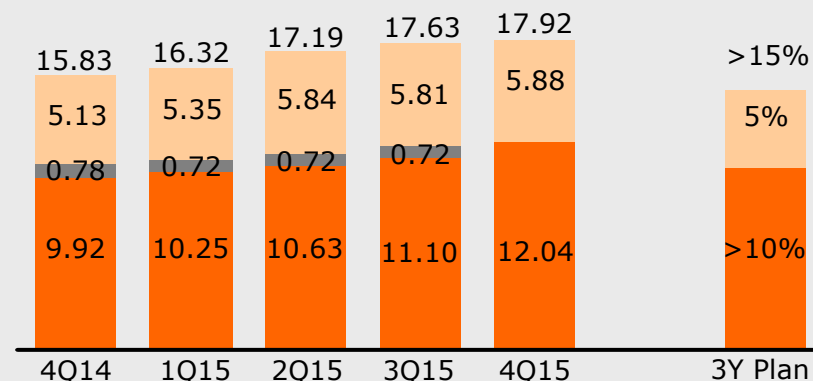
Capital Adequacy

■ CET I ■ Additional Tier II ■ Tier II

TBANK's Capital (Solo Basis) (BTHB)

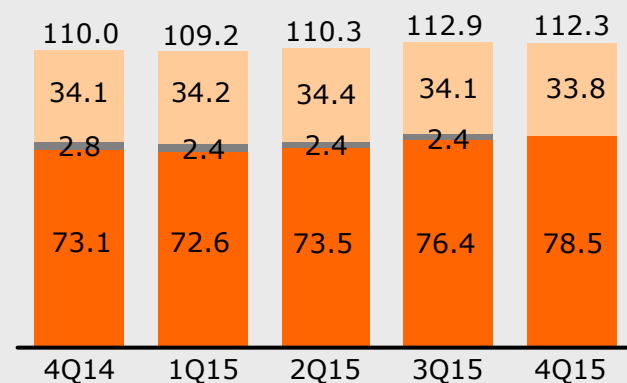


TBANK's BIS Ratio (Solo Basis) (Percent)

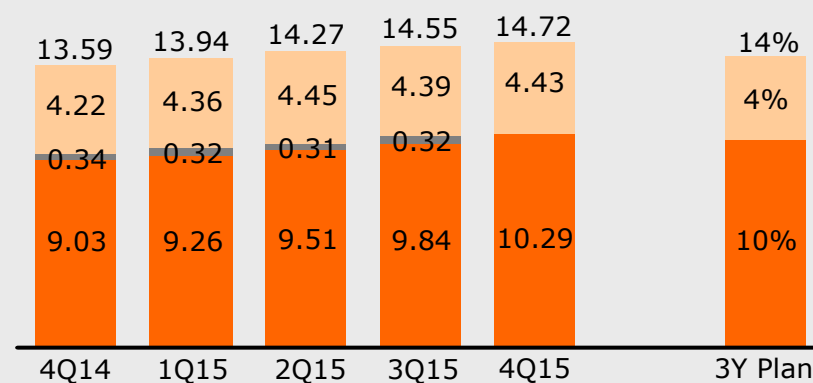


- In 1Q15, TBANK Tier I reduced because its Hybrid Tier I has been phased out in accordance with Basel III regulations
- In 2Q15, TBANK has redeemed subordinated debentures amounting to 11,000 MTHB and issued Tier 2 capital instrument under Basel III regulations amounting to 7,000 MTHB in replacement.
- 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)



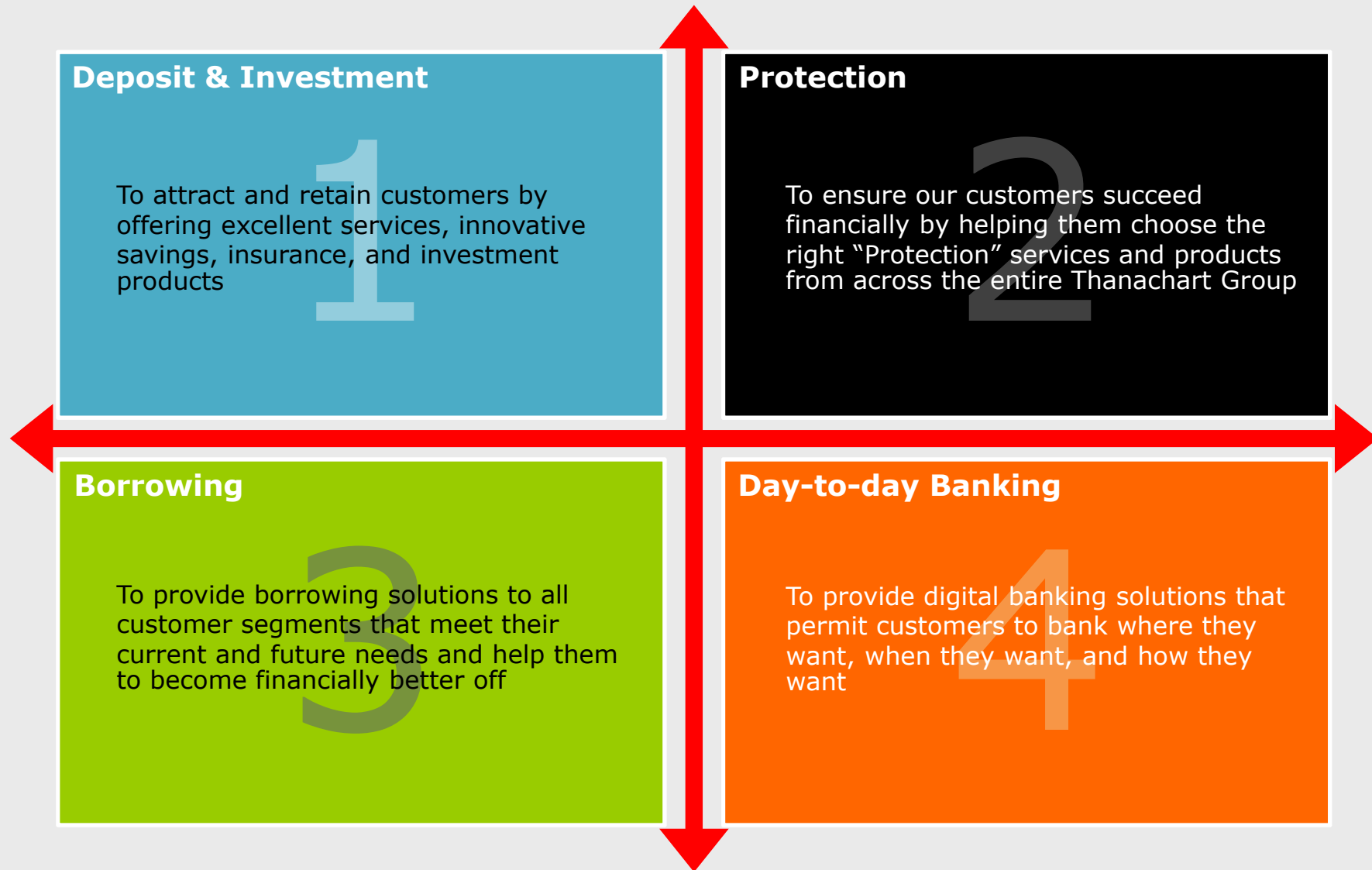
Source: Company data



2016 Business Direction and Financial Targets



2016 Strategic Intents



Source: Company data



TGroup: 2016 Financial Targets

Performance Parameters		2014A	2015A	2016F
Profitability	ROAE (excl. NCI)	10.39%	10.48%	11.00-12.50%
	ROAA	1.02%	1.12%	1.20-1.30%
	Spread	2.55%	2.70%	2.70-2.80%
	Non-interest Income Ratio*	31.18%	31.03%	31.00-33.00%
	Cost to Income Ratio*	49.69%	50.54%	< 50.00%
Loans	Loan Growth	-4.49%	-5.43%	1.00-3.00%
Deposits	CASA Ratio**	35.76%	40.13%	40.00-45.00%
Asset Quality	NPL Ratio	4.21%	2.96%	2.80-2.90%
	Credit Cost	0.89%	0.83% (From Normal Business Operation)	0.75-0.80%
	Coverage Ratio	84.81%	117.00%	> 120.00%
Capital	TBANK BIS Ratio	15.83%	17.92%	> 18.00%

Note: *Net of insurance expenses **CASA Ratio excludes debt issued and borrowings; Source: Company data

Appendix



Detailed Group's Financial Info.

Consolidated statements of comprehensive income	4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Interest income	12,939	12,595	12,228	11,957	11,860	52,940	48,640
Interest expenses	6,164	5,723	5,297	5,015	4,875	25,475	20,910
Net interest income	6,775	6,872	6,931	6,942	6,985	27,465	27,730
Fees and service income	2,710	2,055	1,879	2,169	2,072	8,688	8,175
Fees and service expenses	685	689	666	675	680	2,768	2,710
Net fees and service income	2,025	1,366	1,213	1,494	1,392	5,920	5,465
Gain on tradings and foreign exchange transactions	460	256	138	153	195	1,302	742
Gain on Investment	172	678	705	220	354	1,098	1,956
Share of income from investment in associated	80	73	84	54	62	264	272
Dividend income	41	70	55	185	49	350	359
Gain on properties foreclose and other assets	(198)	4	287	(20)	38	179	310
Insurance premium income	1,646	1,658	1,682	1,706	1,677	6,448	6,723
Other operating income	468	316	302	386	323	1,619	1,327
Total operating income	11,469	11,293	11,397	11,120	11,075	44,645	44,884
Insurance expenses	1,300	1,163	1,098	1,220	1,199	4,737	4,680
Net operating income	10,169	10,130	10,299	9,900	9,876	39,908	40,204
Personnel expenses	2,751	2,798	2,786	2,793	2,775	10,960	11,152
Premises and equipment expenses	778	711	717	775	797	2,958	3,000
Taxes and duties	230	222	218	212	212	867	864
Directors' remuneration	10	9	49	10	10	75	78
Other expenses	1,446	1,375	1,220	1,230	1,400	4,970	5,225
Total operating expenses	5,215	5,115	4,990	5,020	5,194	19,830	20,319
Impairment loss of loans and debt securities	(1,575)	(1,647)	(3,532)	(1,708)	(1,713)	(7,084)	(8,600)
Profit before corporate income tax	3,379	3,368	1,777	3,172	2,969	12,994	11,285
Income Tax	(657)	(688)	1,042	(400)	(179)	(2,558)	(225)
Profit for the period	2,722	2,680	2,819	2,772	2,790	10,436	11,060
Net profit of the Company	1,359	1,332	1,393	1,353	1,359	5,120	5,436

Consolidated statements of financial position	31-Dec-14	31-Dec-15
Cash	16,605	13,337
Interbank and money market items-interest	58,202	53,944
Interbank and money market items-no interest	7,836	4,194
Net Interbank and MM	66,038	58,138
Net investments	162,318	184,562
Net Investment in associated companies	2,417	2,353
Loans and receivables	811,443	765,167
Accrued interest receivables	788	667
Deferred revenue	(55,787)	(50,539)
Allowance for doubtful accounts	(28,450)	(26,244)
Net loans and accrued interest receivables	727,994	689,051
Properties foreclosed - net	8,931	6,334
Intangible assets - net	3,427	3,011
Goodwill	16,969	17,207
Other assets	20,931	23,588
Total assets	1,025,630	997,581
Deposits	696,949	669,454
Interbank and money market items-interest	77,536	84,083
Interbank and money market items-no interest	2,603	1,517
Net interbank and money market items	80,139	85,600
Debt issued and borrowings	98,418	84,929
Insurance contract liabilities	14,610	14,595
Other liabilities	31,238	31,680
Total liabilities	921,354	886,258
Company shareholders' equity	51,353	52,674
Non-controlling interest	52,923	58,649
Shareholders' equity	104,276	111,323
Total liabilities & shareholders' equity	1,025,630	997,581

Source: Company data



Subsidiaries Performance

Subsidiaries	% held	Net Profit (MTHB)						
		4Q14	1Q15	2Q15	3Q15	4Q15	2014	2015
Thanachart Bank Plc. (Consolidated)		2,592	2,561	2,702	2,713	2,767	9,922	10,743
Thanachart Securities Plc.	50.96%	225	183	93	89	122	561	488
Thanachart Fund Management	38.22%	65	84	73	83	80	290	320
Thanachart Insurance Plc.	50.96%	240	304	297	298	219	1,047	1,117
TS AMC	50.96%	74	(104)	37	120	(71)	320	(18)
Ratchthani Leasing Plc.	33.22%	143	174	191	215	169	704	749
NFS AMC	100.00%	42	25	7	11	7	58	50
MAX AMC	83.44%	(0)	(5)	(2)	4	71	130	69
SCILIFE	51.00%	79	(2)	(27)	(47)	(48)	203	(123)

Source: Company data



Investor Relations

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Website: <http://www.thanachart.co.th/ir.html>



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