



We are thriving together...

Investor Presentation

3 August 2011

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Financial Highlights

Business As Usual



Key Financial Highlights

Business As Usual

- The Group's net profit was up by 38.4% qoq due mainly to the tax benefit from transferring NPA of SCIB to TS AMC
- Loans increased by 3.9% YTD, led by 8.7% growth of HP

NPL Management

- At the end of June 11, TCAP's NPL size recorded at 42.0 BTHB, compared to 11.9 BTHB pre-SCIB acquisition
- The management is confident of the group's ability to manage distressed assets, as testified by its success in the recent past

Capital Planning

- TBANK's BIS ratio as of 2Q11 was 13.9%, or approximately 13.0% after goodwill adjustment according to the BOT basis
- Between 2012-14, management plans to increase its BIS ratio by 1-2 percent with no capital injection
- In the event that an additional fund is needed, several avenues are available for the TBANK

Group's prospect

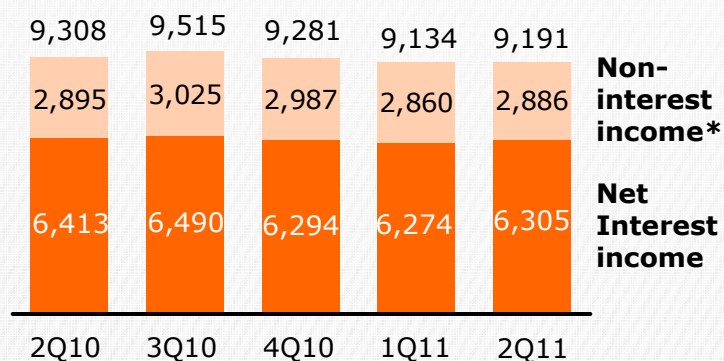
- Overall, the Group's prospect remains positive particularly given the upcoming long-term integration benefits
- The Group's financial ratios are currently in line with the target
- Expenses are expected to temporarily increase in the 2H11 due to the integration cost

Group's Profitability

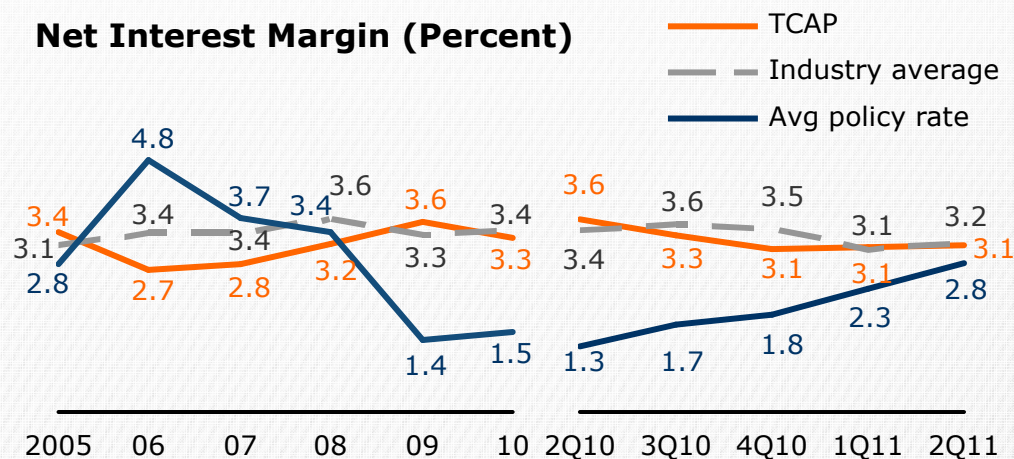
Business As Usual

2Q11 profit up by 38.4% qoq, due mainly to tax benefit from transferring NPA of SCIB to TS AMC

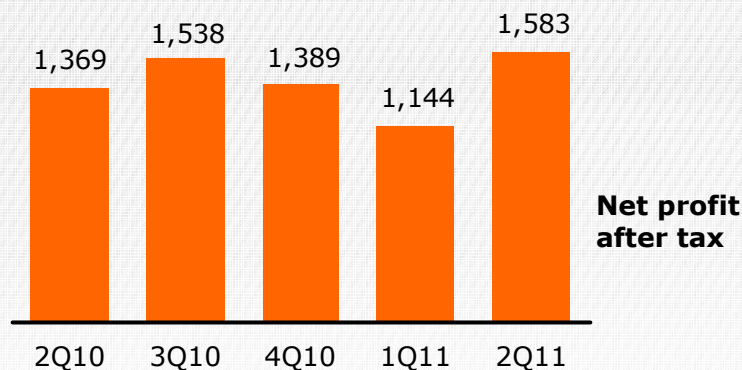
Total Income (Million BAHT)



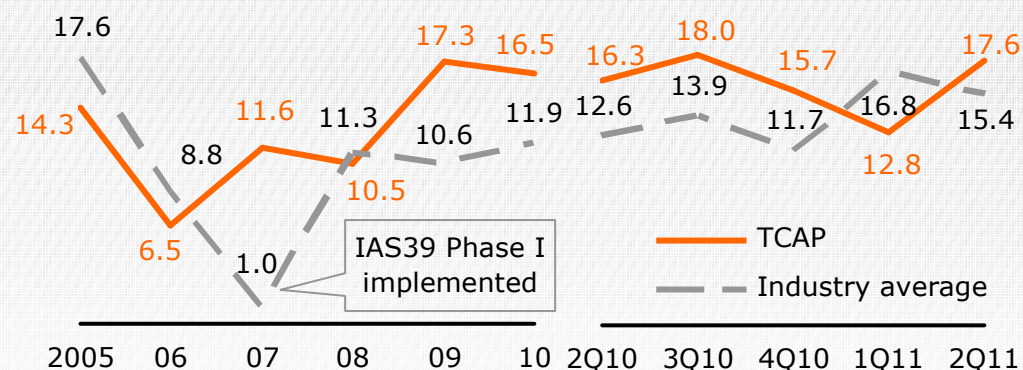
Net Interest Margin (Percent)



Net Profit (Million BAHT)**

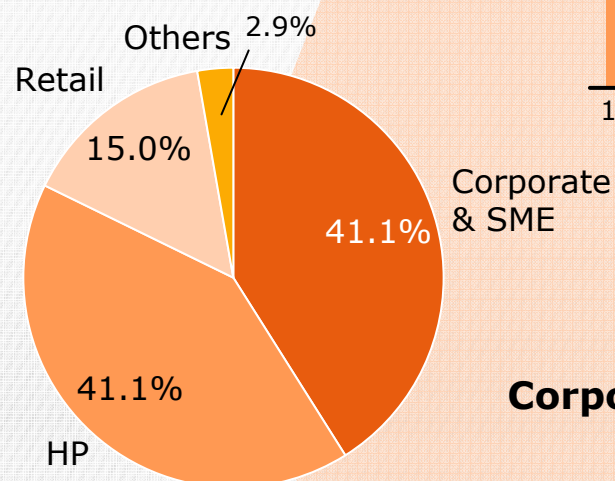


ROAE (Percent)**

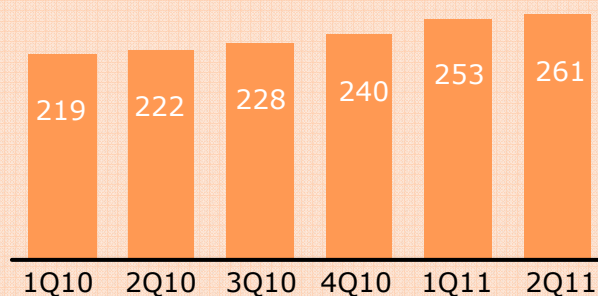


Note: *Net of insurance expenses; **Excluding non-controlling interest; Source: Company data

Loans Breakdown

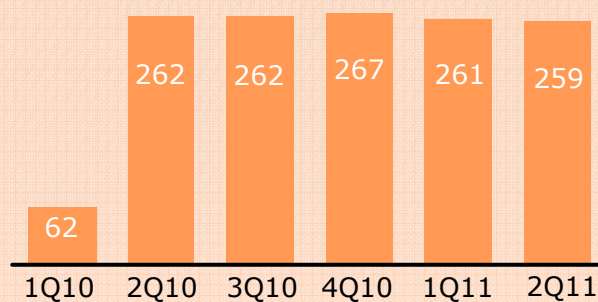


Hire Purchase (BTHB)



- HP rose 8.7% YTD
- 66 BTHB of new lending in 1H11, up 29% yoy
- 1 million active customers

Corporate & SMEs (BTHB)

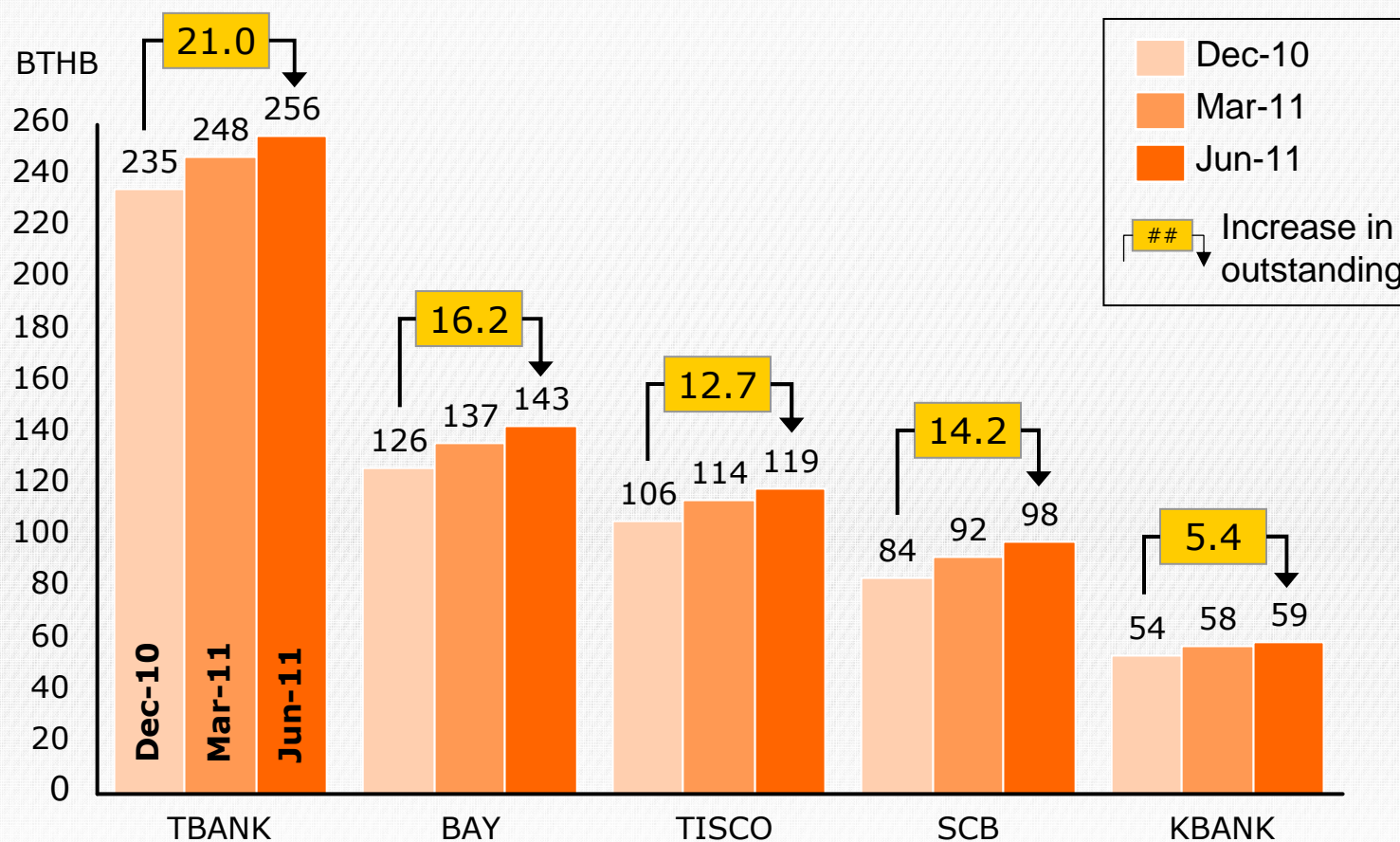


- Corporate & SMEs loans declined by 3.2% YTD
- Gradual drop as a result of the bank's planned reduction in high risk borrowers

Source: Company data

Hire Purchase Portfolio

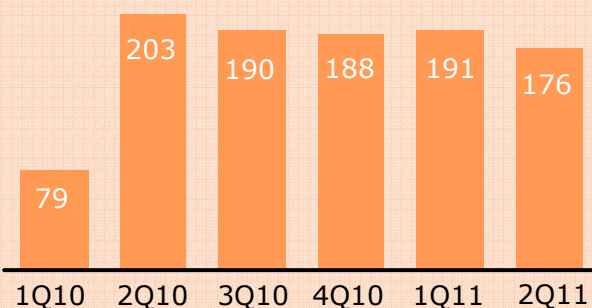
Comparison of Hire Purchase of Portfolio of Key Banks



Source: Company data

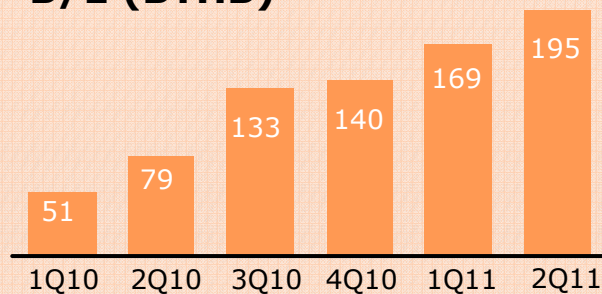
Deposit Breakdown

CASA (BTHB)



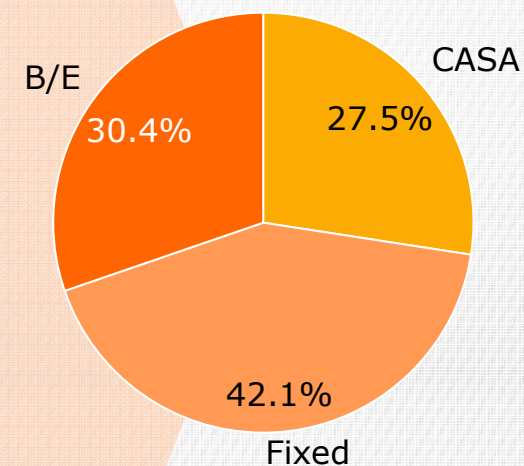
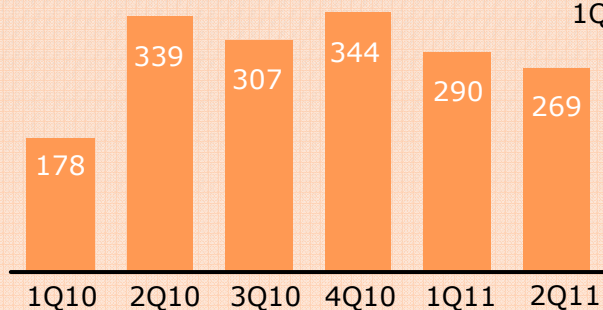
- Deposits decreased from the adjustments of liquidity for cost management during the rising interest rate

B/E (BTHB)



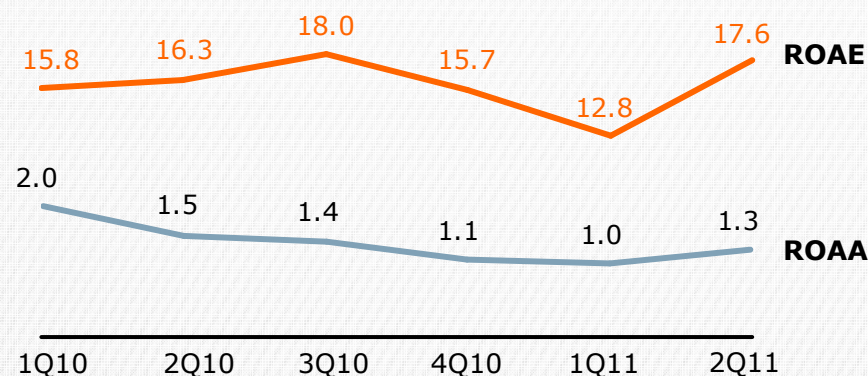
- B/E increased from the policy to handle with the reduction of deposit protection

Fixed (BTHB)

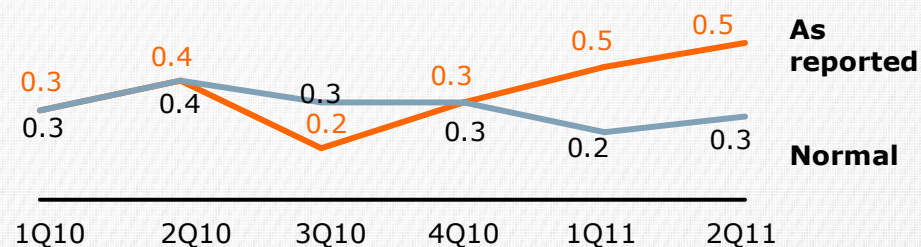


Financial Ratios

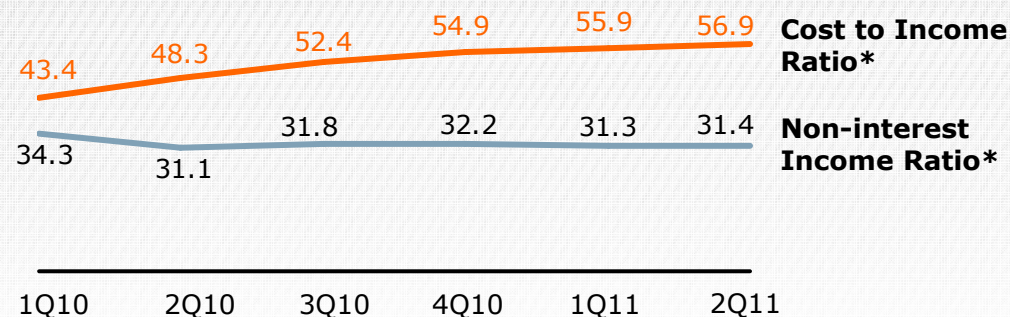
ROAA and ROAE (Percent)



Provision to Total Loans (Percent)



Cost to Income Ratio* and Non-interest Income Ratio* (Percent)



2Q11

- ROAA and ROAE improved from the net profit improvement
- Cost to income increased from business transaction and integration
- Non-interest income increased from more utilization of SCIB branches
- Normal provision averaged at 0.3%, compared to industry level of 0.6%

Note: *Net of insurance, Source: Company data

Comparison to Targets

Performance parameters		2010A	Average 3-year Target	1H11
Profitability	ROE	16.5%	10-15%	15.2%
	ROA	1.4%	1.0-1.3%	1.2%
	NIM	3.3%	3.0-3.5%	3.1%
	Non-interest Income Ratio*	32.1%	~30%	31.4%
	Cost to Income Ratio*	50.4%	~50%	56.4%
Loan	Loan Growth	111%**	7-10%	3.9%
Asset	Asset Size	0.88 TTHB	~1 TTHB	0.86 TTHB
Asset Quality	LTD Ratio	91.2%	90%	99.3%
	Provision to Total Loans	0.3%	0.8%	0.5%

Note: *Net of insurance, ** Effect of SCIB acquisition
Source: Company data



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Financial Highlights

NPL Management

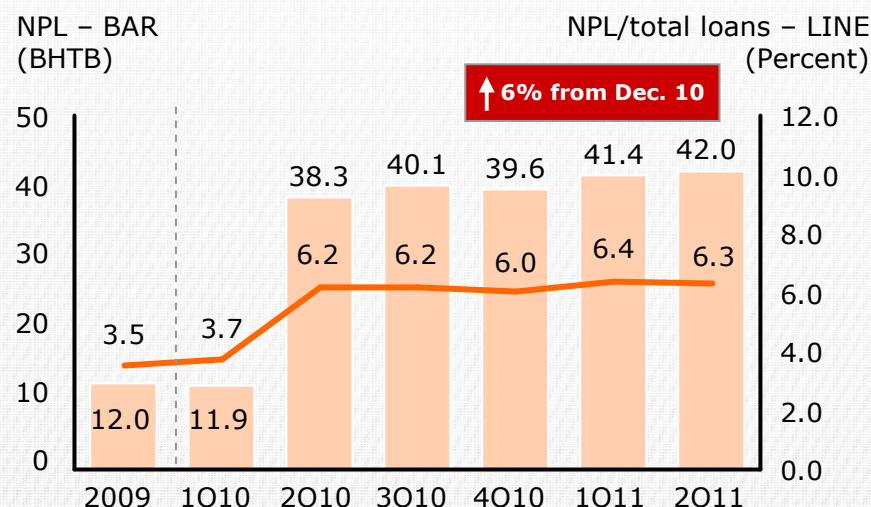


NPL Reclassification

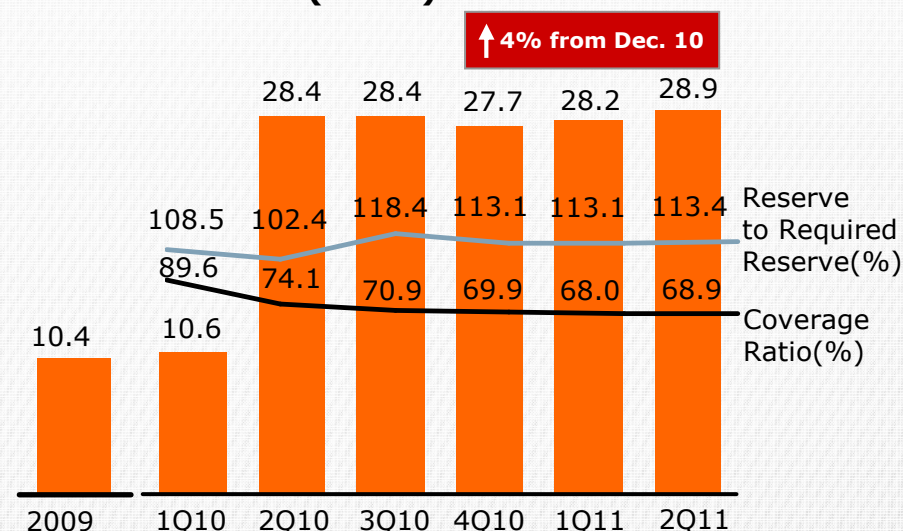
NPL Management

An increase in NPLs following the SCIB acquisition can be explained by the more conservative approach in NPL definition taken by the group

TCAP's NPL vs. NPL to Total Loans



TCAP's Reserve (BTHB)



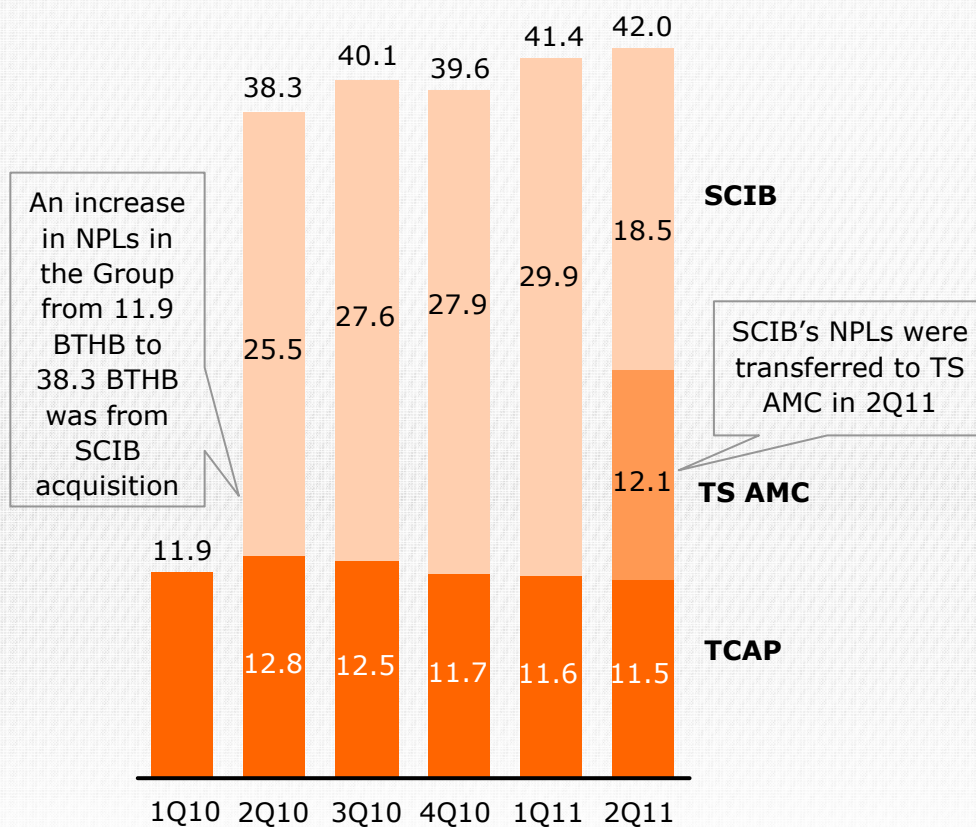
NPL Definition and Classification

- While the group NPL ratio has gone up following the SCIB acquisition, its provision amount has been relatively stable
- This implies that the rise in the group's NPLs is attributed to the difference approach between TCAP and SCIB
 - While SCIB defines its NPLs by account, TCAP takes a more conservative approach to define NPLs by customer, resulting in more NPLs following the SCIB acquisition
 - The increase in provision in 2Q11 was a result of provision provided to protect against potential risks according to the conservative policy of TCAP

Source: Company data

NPL Portfolio

TCAP NPL Portfolio Size* (BTHB)



Note: *Gross value of NPLs include bad debt reserve

SCIB (MTHB)	NPLs	Reserve NPLs	Total Reserve	Collateral (NPLs)
2Q10	25,464	12,681	16,933	13,233
3Q10	27,625	13,692	16,957	14,344
4Q10	27,872	13,716	17,224	14,488
1Q11	29,851	13,866	17,500	16,161
2Q11	18,476	8,175	12,198	10,301

NPL Management

- TCAP's expertise in managing NPLs has enabled the company to generate satisfactory returns from the NPL portfolio in the past years

Net Profit (MTHB)	2007	2008	2009	2010
MAX AMC	98	130	115	108
NFS AMC	78	253	395	461
Total	176	383	510	569

- TS AMC was set up to manage NPL&NPA from SCIB by utilizing our proven expertise. In 2Q11, 12,055 MTHB of NPLs were transferred to TS AMC



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Financial Highlights

Capital Planning

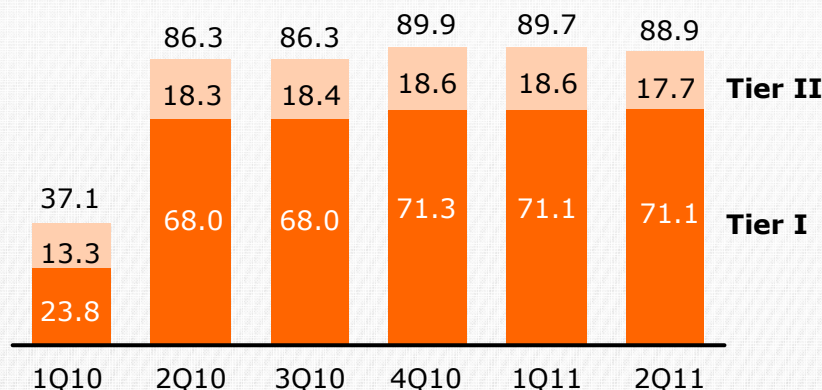


TBANK Capital

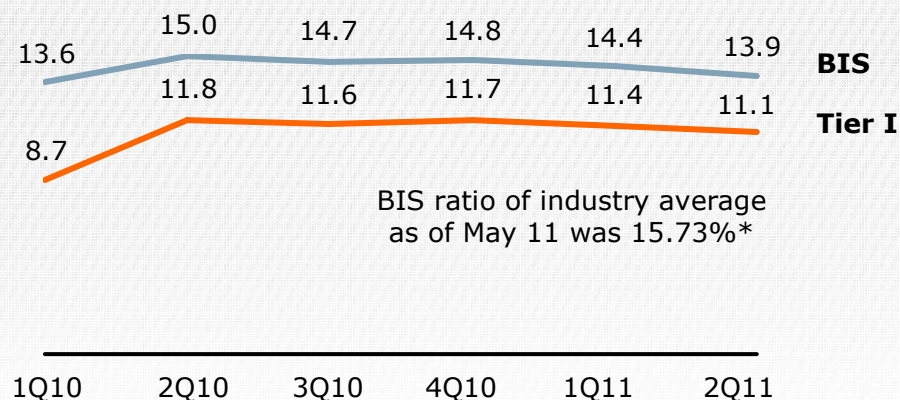
Capital Planning

Over the next 3-5 years, TBANK's capital adequacy ratio is expected to go up as incremental retained earning from business integrating materializes

TBANK Capital (BTHB)



TBANK Capital Ratios (Percent)



Source: Company data; *Data from the BOT website

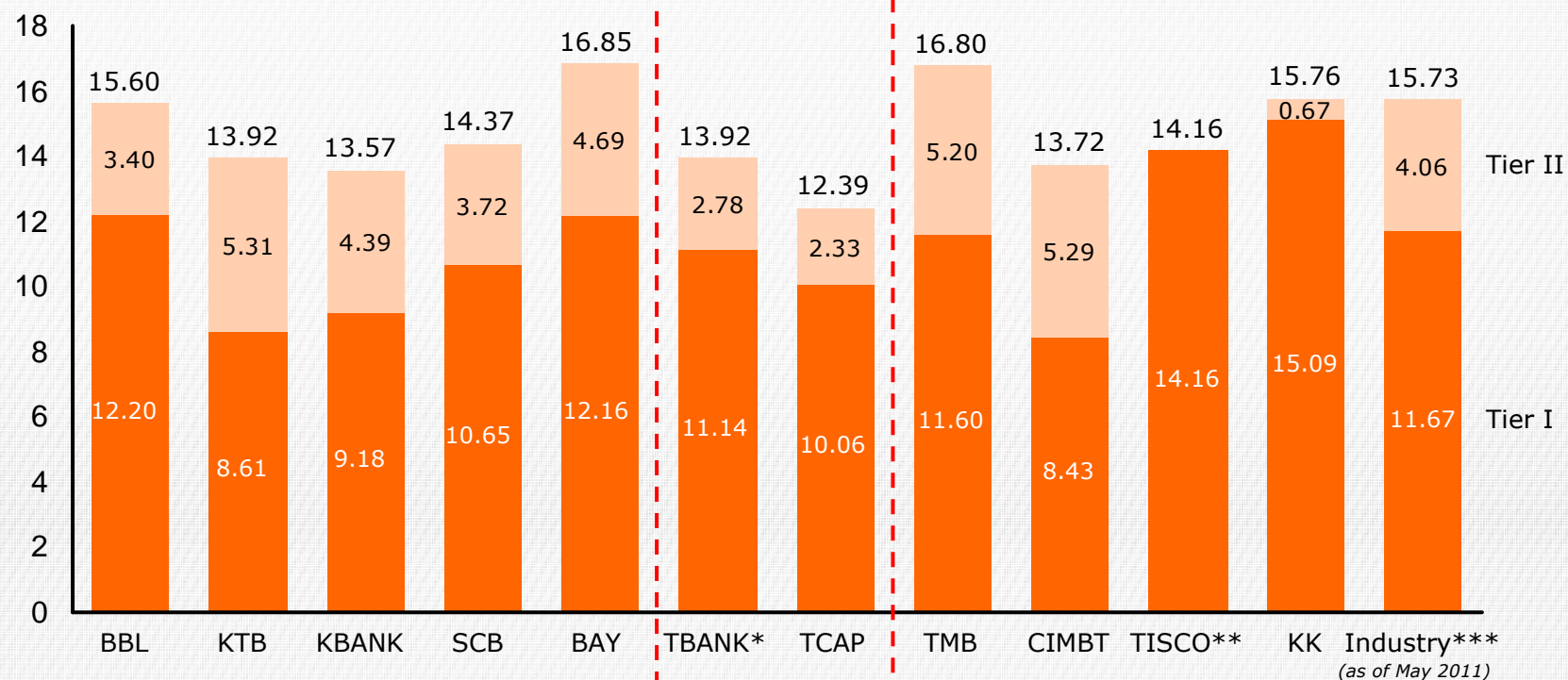
Capital Adequacy

- Over the next 3-5 years, the bank aims to increase BIS ratio to 13-15%, in line with industry average (inclusive of all goodwill) through accumulation of retained earnings, while maintaining reasonable dividends
- Number of alternatives are available for TBANK to raise its capital level without need to issue additional stocks
 - Available room to issue Tier II,
 - Securitization,
 - Etc.
- If deducting a 15,740 MTHB of goodwill and including a 10,000 MTHB of SCIB's subdebts, the BIS ratio of 2Q11 would be 13.0% with Tier I capital of 8.7%

Capital Adequacy Ratio

Comparison of capital adequacy ratios (as of June 2011)

Percent



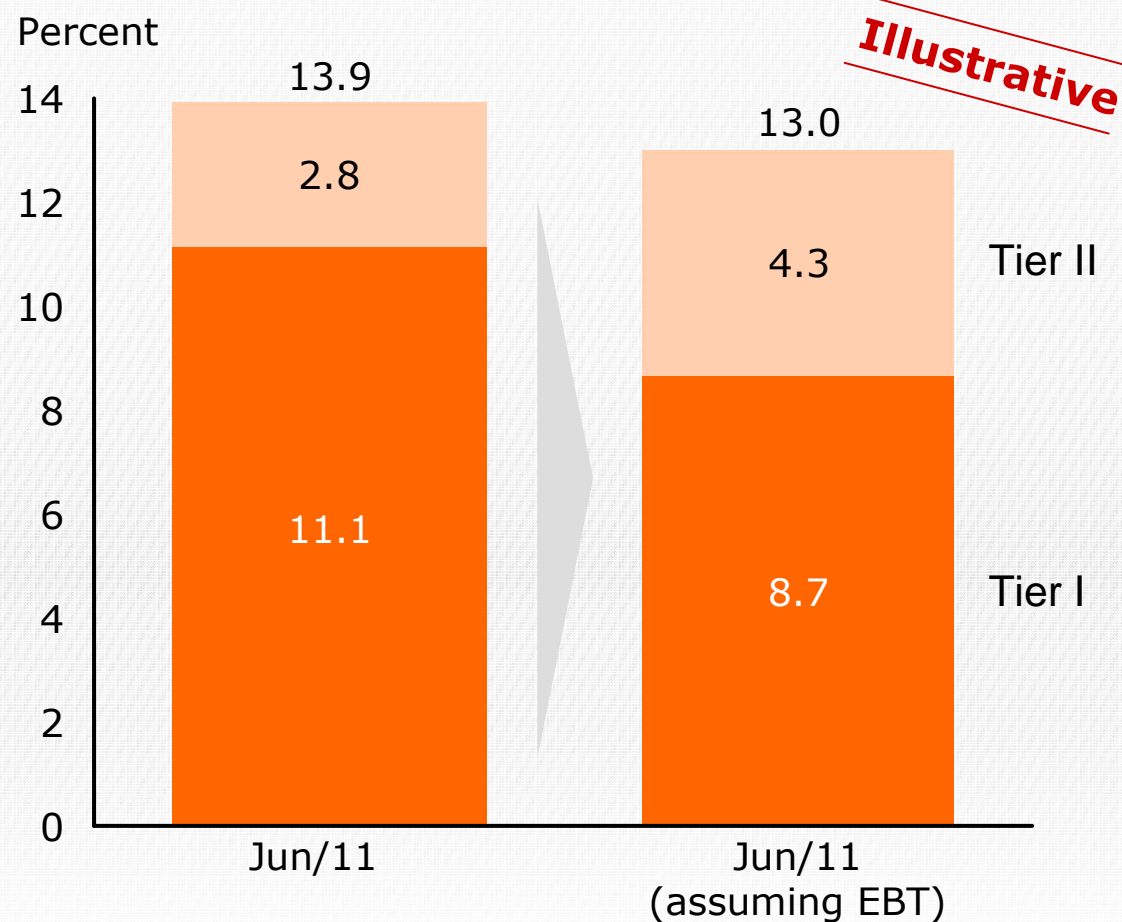
Dec 10	16.10	15.52	13.96	15.50	15.84	14.75	13.08	16.63	14.69	15.23	15.18	16.50
Jun 11	15.60	13.92	13.57	14.37	16.85	13.92	12.39	16.80	13.72	14.16	15.76	15.73

Note: *Including SCIB's risk weighted assets, **Based on IRB Approach, ***Data from BOT website
Source: Company data

Expected change in TBANK's BIS ratio assuming EBT under BOT basis

Capital Planning

TBANK's capital adequacy ratio



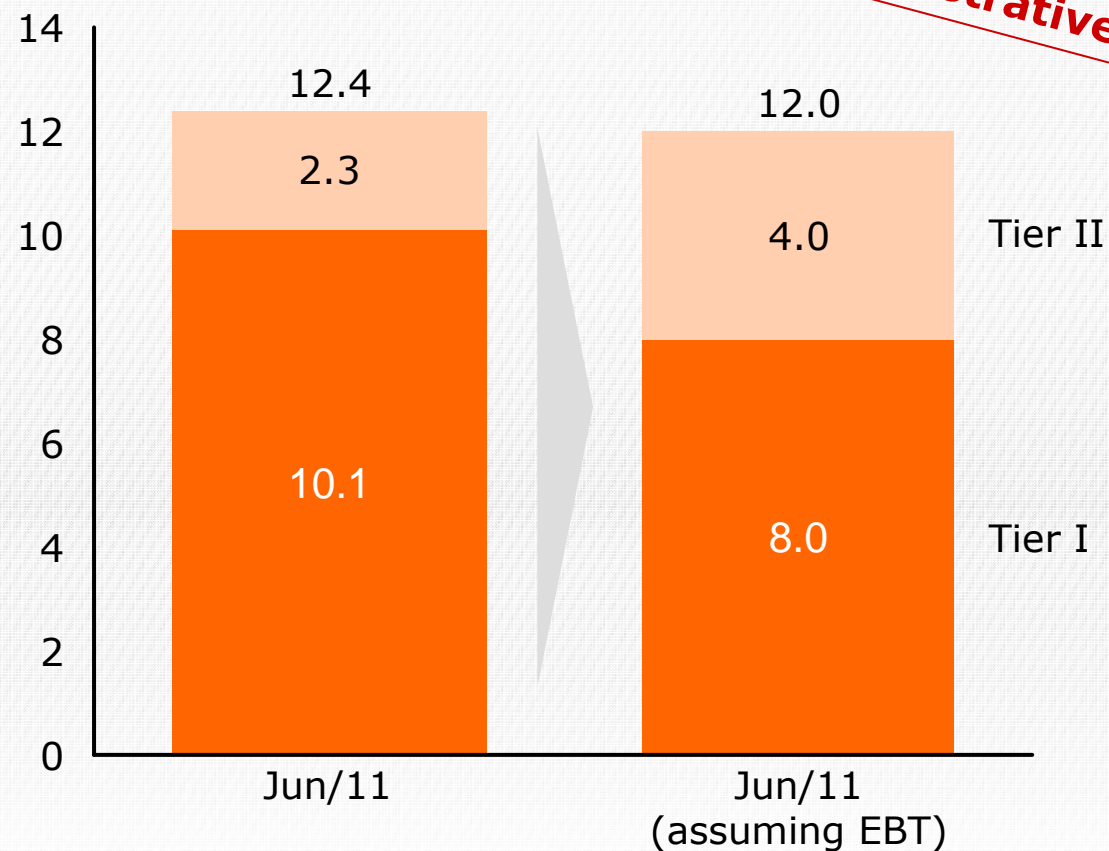
Source: Company data

Expected change in TCAP's BIS ratio assuming EBT under BOT basis

Capital Planning

TCAP's capital adequacy ratio

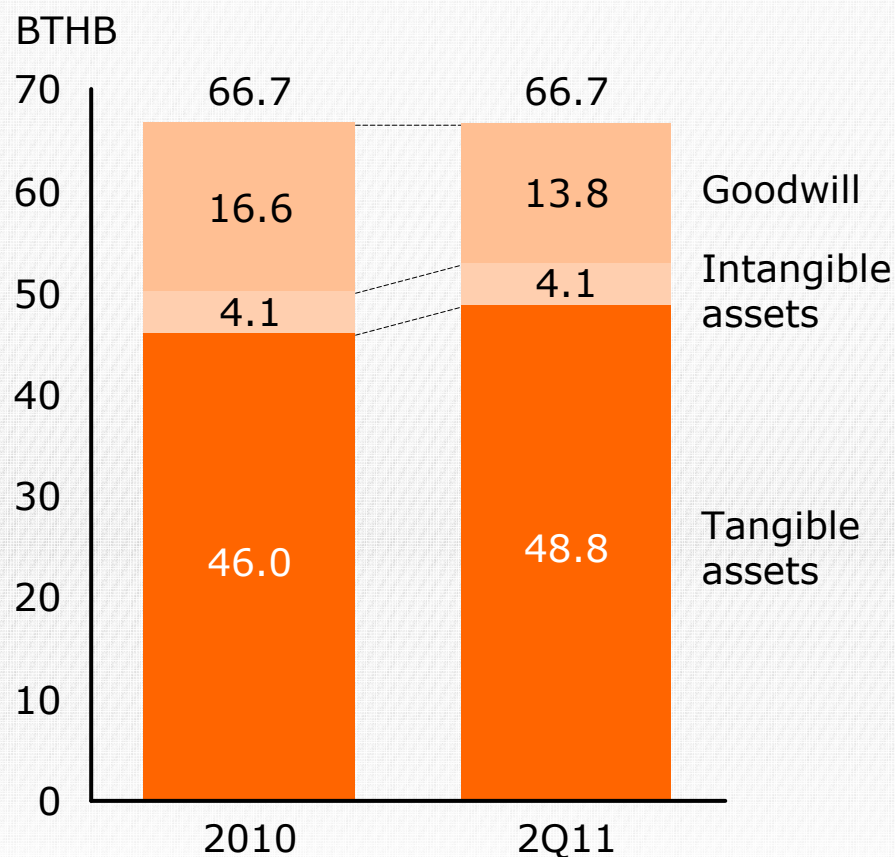
Percent



Source: Company data

Goodwill Adjustments

TCAP Purchase Price Allocation



Source: Company data

Goodwill Adjustments

- With regards to TBANK's holding of SCIB shares, the Purchase Price Allocation was conducted according to the Financial Reporting standard pertaining to Business Combinations
- The Group has made adjustments related to assets and liabilities effecting differences between the costs and fair values of assets, liabilities, contingent liabilities, and goodwill, causing the goodwill amount to decline from 16,576 MTHB to 13,819 MTHB for TCAP
 - The decrease in goodwill resulted in an increase in BIS ratio

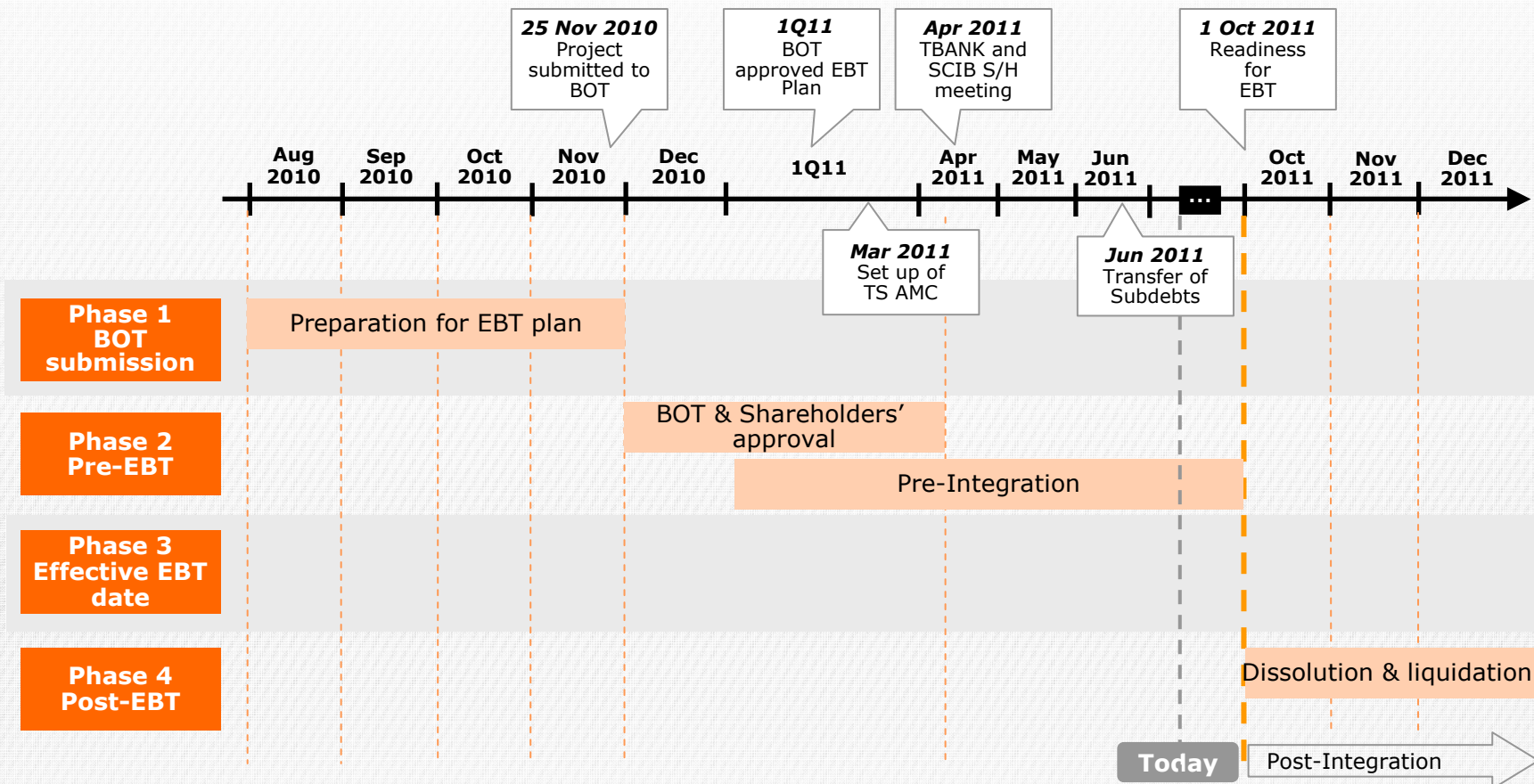


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Integration Progress



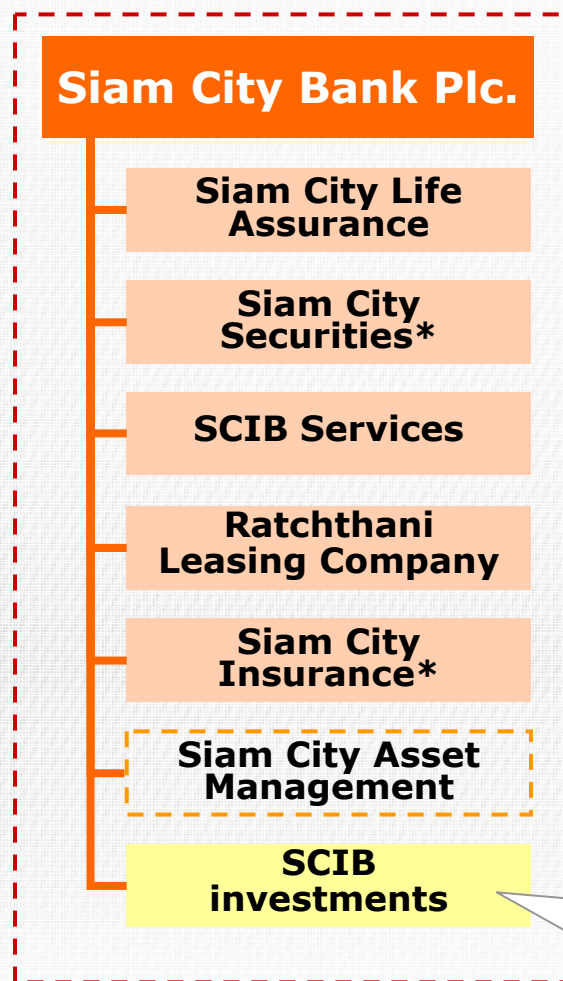
Integration Progress: IT systems have been completely developed and tested. Now, we are in the process of User Acceptance Test (UAT). Staff members are being trained to maintain quality service.



Estimated overall time required till liquidation of 16 months
The integration progress has been on track thus far without delays

SCIB Subsidiaries / Investment Management

The management has undertaken a number of strategies to optimize the value from SCIB's existing subsidiaries and investments



SCIB's ownership

100.00%

99.79%

100.00%

48.32%

45.50%

60.00%

Subsidiaries / Investment Management

1

Integrate with TGROUP

2

Maintain Business Operations

3

Sell to Potential Investors

- SCIB business with common / complementary nature will be integrated to the group to strengthen customer/ distribution network and leverage business synergies

- For other business deemed to have good potential, the group will maintain/improve its business operations as appropriate

- As a part of subsidiary reorganization plan, some subsidiaries will be divested
- For example, as of May 30th 2011, Siam City Asset Management was sold to Government Pension Fund

Investments have shown higher fair value than book value, resulting in goodwill adjustments for the Group

Note: *In selling process
Source: Company data



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About Thanachart Group



Group Background

TCAP has grown steadily over the past two decades to become Thailand's leading bank today offering a wide range of financial products & services

1980	Thanachart Group began business operations
1997	Thanachart Securities separated to become a subsidiary
1997	Thanachart Insurance and Life Assurance established
1997	Asset management companies established
1998	Thanachart Fund Management established
2002	Thanachart Bank established
2004	TBANK received full commercial banking license
2006	TCAP became a holding company, transferring all business to TBANK
2007	Scotiabank became strategic partner with 24.98% shareholding
2009	Scotiabank raised shareholding of TBANK to 49%
2010	TBANK acquired Siam City Bank (SCIB) with ownership of 99.95%

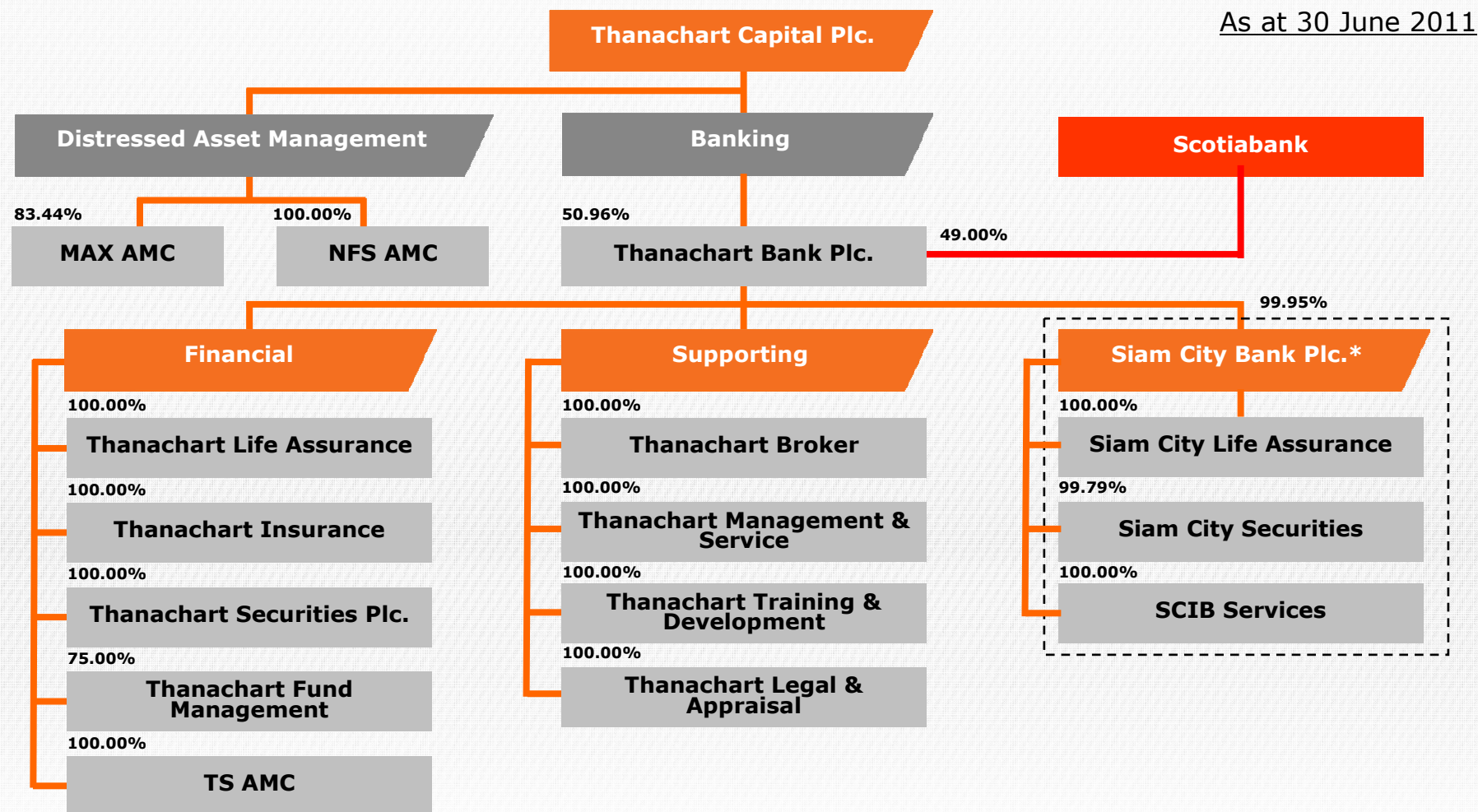
Key Product Offerings

- Retail banking
 - Hire purchase (No.1 in Thailand)
 - Home loans
 - Others (personal, cards, etc.)
- Corporate & SME banking
- Distressed asset management
- Insurance
 - Life insurance
 - Auto insurance
 - Property insurance
 - Others
- Securities business
- Fund management
- Financial advisory

TBANK	2009 (Pre-SCIB)	Jun 2011 (Post-SCIB)
Customers	1.4M	3.9M
Branches	256	679
ATMs	401	2,203

Company structure

Today, Thanachart Group offers a comprehensive range of financial products & services to customers with unique needs



Note: *Assets and liabilities of Siam City Bank Public Company Limited and its subsidiaries will be counted as part of Thanachart Group after the Entire Business Transfer is done

Vision and Business Direction

TCAP strives to offer its customers with best services through its comprehensive banking products, leveraging the group's strong synergy

Organization visions

1 Customer
Centricity

2 Universal
Banking

3 Synergy

Enabled through

CEO's "6+" Agenda

Agenda 1

Achieving Financial Target

Agenda 2

Customer Growth Initiatives

Agenda 3

Operational Improvement

Agenda 4

People Development

Agenda 5

Good Corporate Governance

Agenda 6

Public Relations and Communication

Plus

***Achieving the synergy objectives
from the acquisition
smoothly/ timely/effectively***

Strategic Intent

To realize the CEO's agenda, the group developed the six strategic intents for its business operations in 2011

Six Strategic Intents

1

Intention to provide our customers with a superior experience by offering the **best service and a total financial solution** to their unique needs

2

Intention to be the dominant market **leader for HP Business**

3

Intention to establish a **reputable presence in the Housing Loan Business** of Thailand's Banking Industry

4

Intention to **grow the loan portfolio (Corporate & SME)** higher than industry average

5

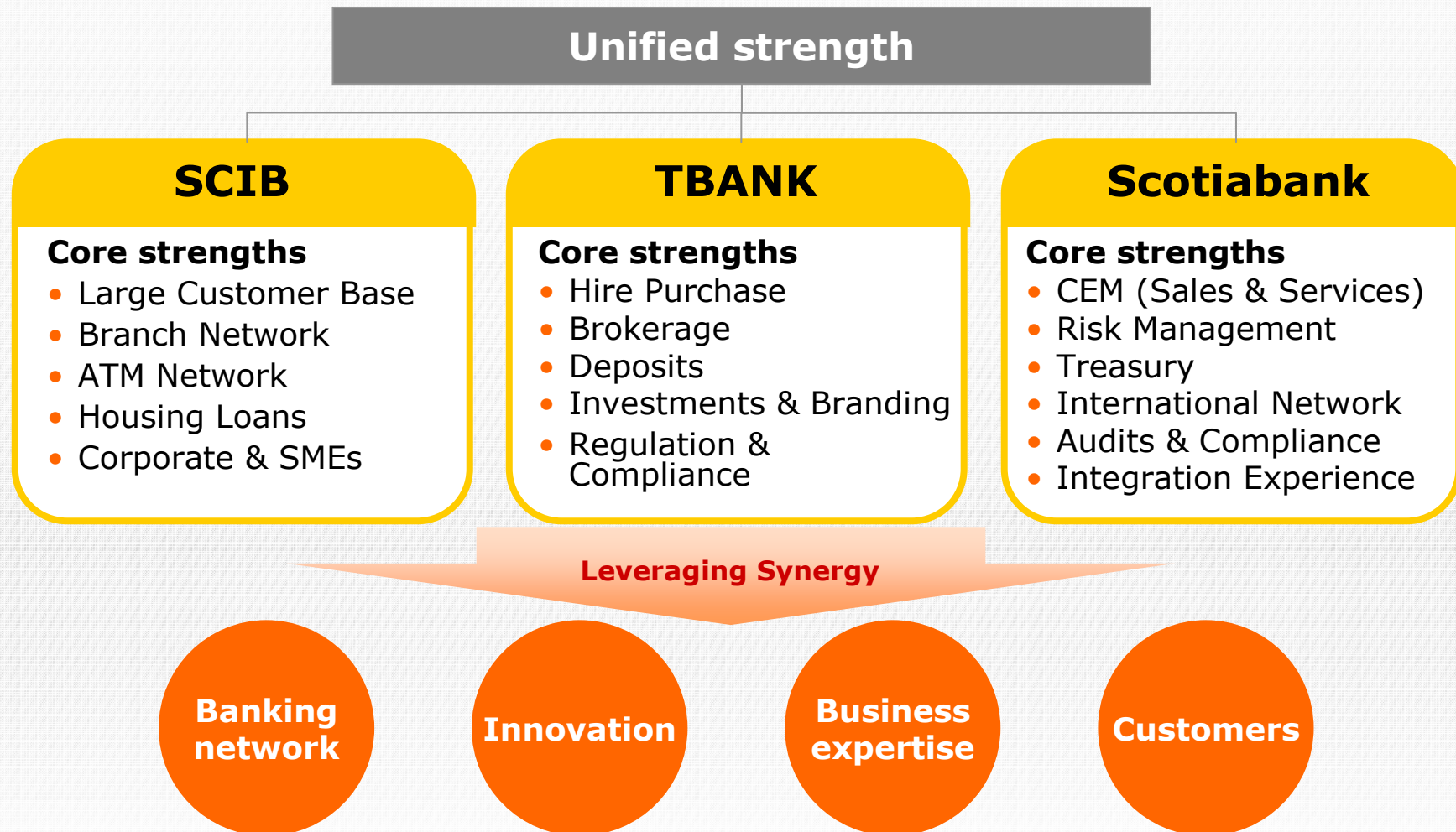
Intention to **increase the fee-based income proportion** to be on par with industry average

6

Intention to enhance our service and support productivity with **cost effectiveness**

Why Thanachart?

Thanachart Group leverages core strengths from the key leading banks, both locally and internationally, to create competitive advantages



Profile Summary of SCIB

1941

Established in 1941 by government officials and members of royal family

1944

Siam City Insurance established

1991

SCIB Services* established

1997

Siam City Life Assurance established

2000

Merged with Bangkok Metropolitan Bank

2003

SCIB Re-listed in Stock Exchange of Thailand

2003

Set up Siam City Securities with 99.7% ownership

2004

Siam City Assets Management established

2006

Invested in 48.3% stake of Ratchthani Leasing

2010

Acquired by TBANK with ownership of 99.95%

Key Product Offerings

- Loans
 - Corporate
 - SME
 - Housing
 - Energy Conservation
- Trade finance and remittance
- Online banking
- Others
 - Cashier and gift cheque
 - Safety deposit boxes
 - Automatic balance and interest transfers

Transaction details

- Financial Institutions Development Fund, as mandated by Ministry of Finance and Bank of Thailand, made clear its intentions of selling 47.57% stake in SCIB via bidding process.
- FIDF engaged Tisco and UBS while TBANK engaged Morgan Stanley and Thanachart Securities to act as financial advisors.
- TBANK secured SCIB stake through purchase agreement of 32.50 THB per share

Note: * Provides non-financial supporting services to SCIB; Source: Company data



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Appendix



Subsidiaries Performance

Subsidiaries	% held by TCAP	Net Profit (MTHB)				
		2Q10	1Q11	2Q11	1H10	1H11
TBANK (Consolidated)	50.96%	2,237	2,208	2,328	4,012	4,536
TBANK (Separate)	50.96%	1,959	1,265	4,977	3,356	6,242
TNS	50.96%	131	78	66	175	143
TFUND	38.22%	33	31	32	67	63
TNI	50.96%	95	113	117	172	230
TLIFE	50.96%	180	174	170	317	344
TGL	50.96%	47	31	26	111	57
TS AMC	50.96%	-	2	20	-	22
SCIB (Separate)	50.93%	1,205	765	1,075	2,244	1,840
NFS AMC	100.00%	10	14	37	168	51
MAX AMC	83.44%	10	3	50	60	52

Source: Company data

Detailed Group's Financial Information

Unit: MTHB

Consolidated statements of comprehensive income	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11
Interest income	5,661	9,681	9,718	9,967	10,168	10,749
Interest expense	1,837	3,268	3,228	3,673	3,894	4,444
Net interest income	3,824	6,413	6,490	6,294	6,274	6,305
Fees and service income	505	890	987	1,019	1,028	970
Fees and service expenses	191	40	150	139	143	128
Net fees and service income	314	850	837	880	885	842
Gain on tradings and foreign exchange transactions	52	166	207	144	240	210
Gain on Investment	125	244	47	135	35	210
Share of income from investment in associated	56	193	69	52	93	63
Dividend income	50	91	331	21	255	195
Gain on disposal/property foreclosed	261	139	73	201	72	56
Insurance premium income	2,696	2,179	3,078	3,232	2,900	3,354
Other operating income	516	748	790	960	607	624
Total operating income	7,894	11,023	11,922	11,919	11,361	11,859
Insurance expenses	2,074	1,715	2,407	2,638	2,227	2,668
Net non-interest income	5,820	9,308	9,515	9,281	9,134	9,191
Personnel expenses	1,185	2,384	2,461	2,546	2,760	2,635
Premises and equipment expenses	450	938	947	964	898	904
Taxes and duties	52	194	188	201	207	208
Directors' remuneration	7	40	6	9	11	42
Other expenses	832	937	1,383	1,376	1,232	1,436
Total operating Expenses	2,526	4,493	4,985	5,096	5,108	5,225
Impairment loss of loans and debt securities	(119)	(631)	(363)	(566)	(721)	(818)
Profit before corporate income tax	3,175	4,184	4,167	3,619	3,305	3,148
Corporate income Tax	(942)	(1,411)	(1,289)	(1,201)	(1,070)	(415)
Net profit	2,233	2,773	2,878	2,418	2,235	2,733
Non-controlling interest	(890)	(1,404)	(1,340)	(1,029)	(1,091)	(1,150)
The Company	1,343	1,369	1,538	1,389	1,144	1,583

Consolidated statements of financial position	2010	1Q11	2Q11
Cash	15,298	11,401	12,475
Interbank and money market items-interest	78,609	53,906	44,139
Interbank and money market items-non interest	6,496	11,003	6,802
Net Interbank and MM	85,105	64,909	50,941
Net investments	144,993	141,334	138,704
Net Investment in associated companies	2,239	2,247	2,290
Loans and receivables	642,006	649,920	668,432
Accrued interest receivables	956	993	968
Deferred revenue	(32,360)	(34,119)	(35,309)
Allowance for doubtful accounts	(27,959)	(28,472)	(29,147)
Net loans and accrued interest receivables	582,643	588,322	604,944
Properties foreclosed - net	12,856	12,650	12,375
Intangible assets - net	4,805	4,709	4,761
Goodwill	13,671	13,671	13,863
Other assets	20,306	23,488	20,195
Total assets	881,916	862,731	860,548
Deposits	532,382	481,391	444,907
Interbank and money market items-interest	38,573	36,598	46,807
Interbank and money market items-no interest	1,972	1,738	1,688
Net interbank and money market items	40,545	38,336	48,495
Debt issued and borrowings	184,717	214,257	239,706
- Short-term	136,319	166,098	192,496
- Long-term	48,398	48,159	47,210
Insurance premium payable	26,348	26,804	27,639
Other liabilities	26,205	30,489	27,883
Total liabilities	810,197	791,277	788,630
Company shareholders' equity	36,092	36,002	36,625
Non-controlling interest	35,627	35,452	35,293
Shareholders' equity	71,719	71,454	71,918
Total liabilities & shareholders' equity	881,916	862,731	860,548

Source: Company data

Regulations and Compliance

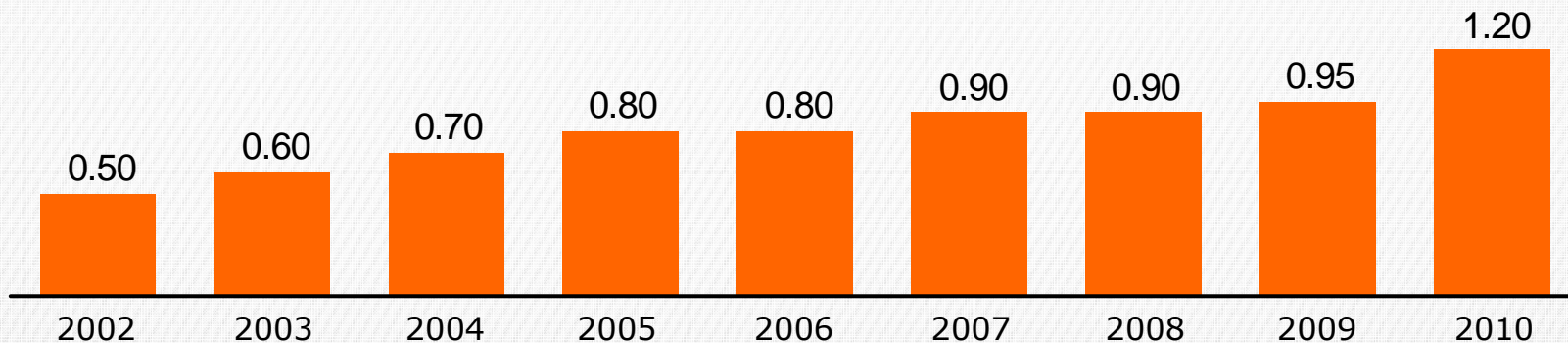
Topic	Coverage area	TCAP's status
IAS 39	Financial instruments in recognition and measurement	<ul style="list-style-type: none"> • The execution of accounting practice in line with IAS 39 is expected in Jan 2013 • The "<u>collective approach</u>" stipulated by IAS 39 is expected to reduce credit cost
IAS 19	Employee benefits	<ul style="list-style-type: none"> • The one-time deduction of employee benefits from retained earning in the beginning of 2011 according to BOT guidelines incurred the total amount of 2,288 MTHB • Going forward, a small amount of incremental provision is required
IAS 12	Income taxes	<ul style="list-style-type: none"> • Compliance for IAS 12 will take effect in 2013 in terms of deferred tax • TCAP is in its early preparation stage
BASEL III	Measure of capital adequacy requirement	<ul style="list-style-type: none"> • The first phase of implementation in accordance with BASEL III will start in 2013, and is expected to complete in 2019 • The bank is not expected to be impacted by the implementation of BASEL III, provided that it is able to sustain the BIS ratio of 13-15%

Dividend Policy

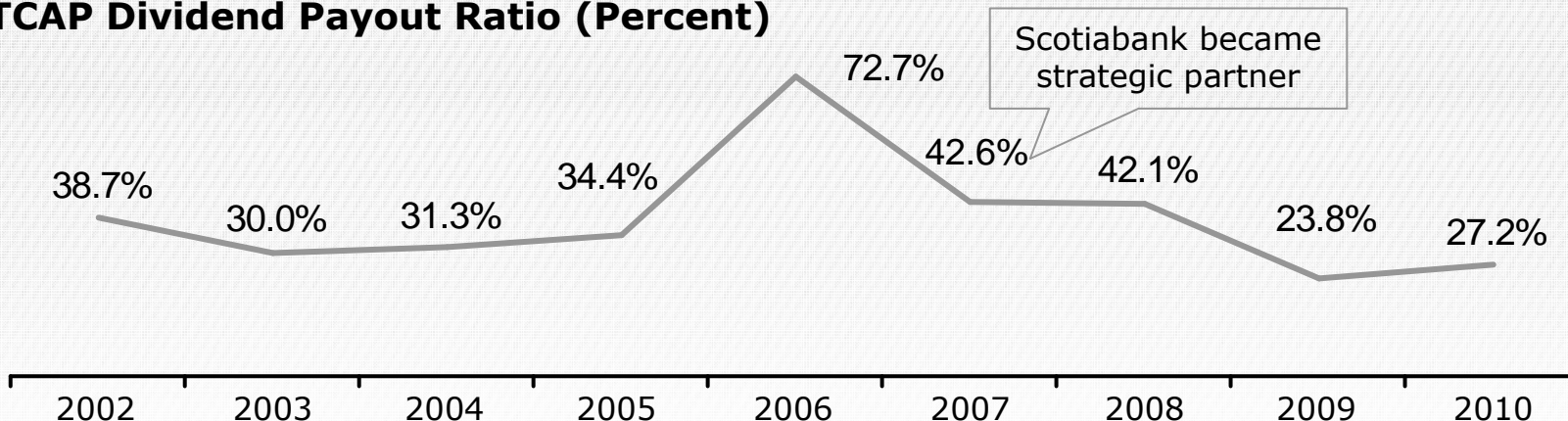
TCAP has consistently exhibited commitment in paying dividends to shareholders, enabled by company's flexible dividend payout policy

TCAP Dividend per Share (BAHT)

TCAP's dividend per share has consistently grown with an average rate of 12% per year



TCAP Dividend Payout Ratio (Percent)



Source: Company data

Investor Relations

Thanachart Capital Public Company Limited
16th Floor, MBK Tower,
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