



Performance of the Thai Banking System in 2008 and Key Developments



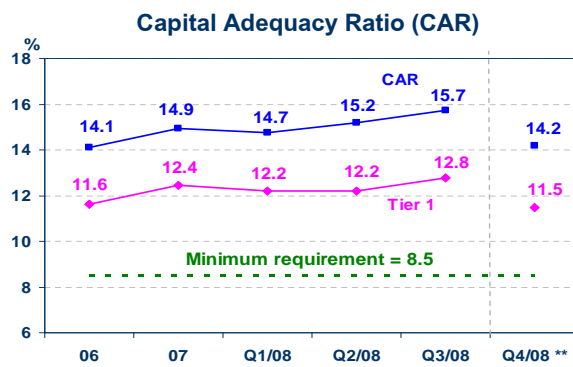
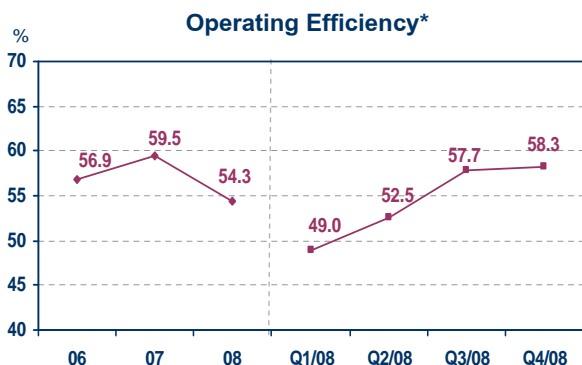
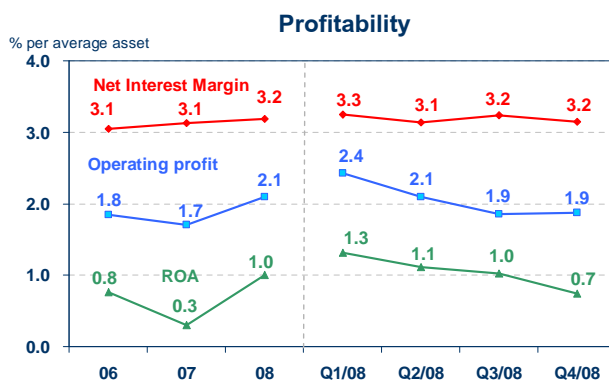
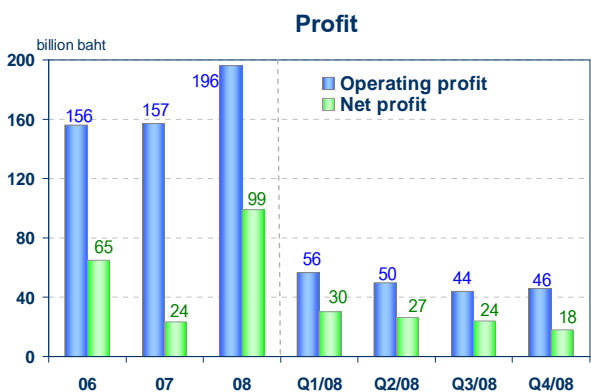
Performance of the Thai Banking System in 2008 and Key Developments

In 2008, the Thai banking system was profitable and stable, but saw increased pressure on asset quality.

- Net profits totaled 99 billion bahts
- Capital to risk-asset ratio (or BIS ratio) was strong at 14.2% as of Dec., though dropping slightly from 15.6% as of Nov due to implementation of strengthened capital standards of Basel II as of Dec. 2008.
- Loan growth decelerated while deposit growth accelerated in the fourth quarter.
- Liquidity remained adequate, but with continued heightened volatility in the global financial market, the banking system should remain focused on risk management and liquidity management.
- Gross NPL declined resulting from loan repayment, debt restructuring and writing-off. NPL amounted to 397 billion bahts or 5.3% of total loan (Net NPL = 2.9%). The banking system has excess provision to cushion against future risks, but with the rise in delinquency rate, banks must remain vigilant on capital adequacy.



Overall Performance

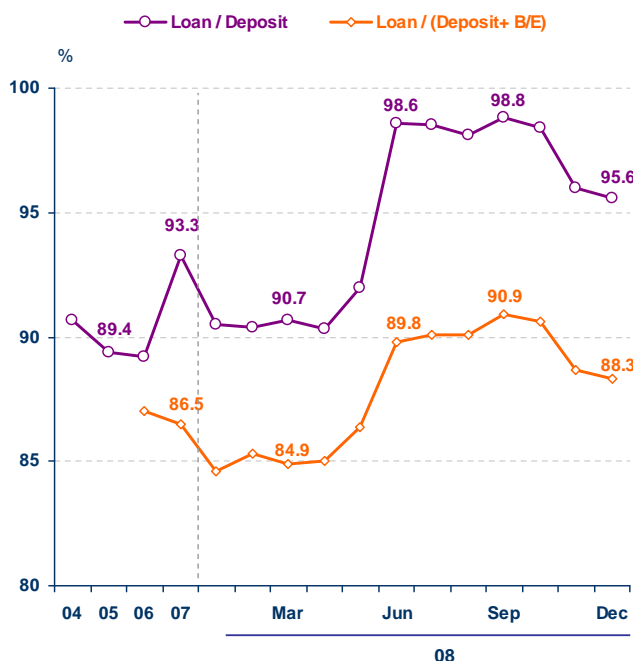
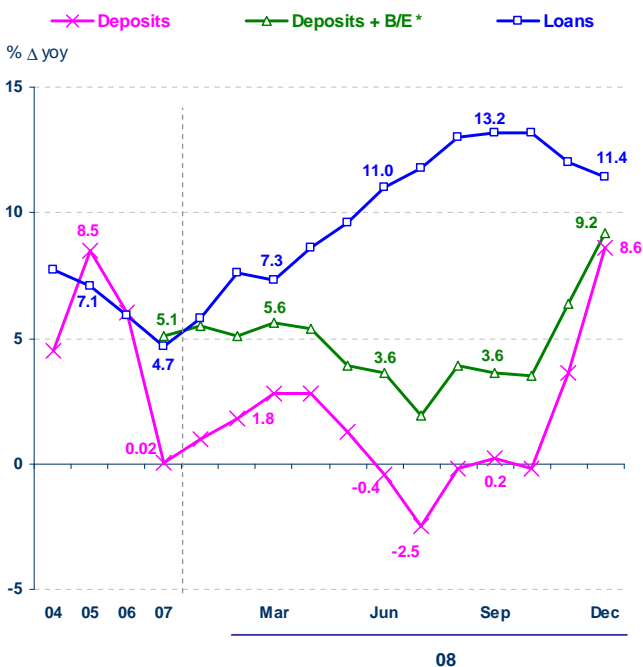


*Operating expenses/Total income

** According to Basel II



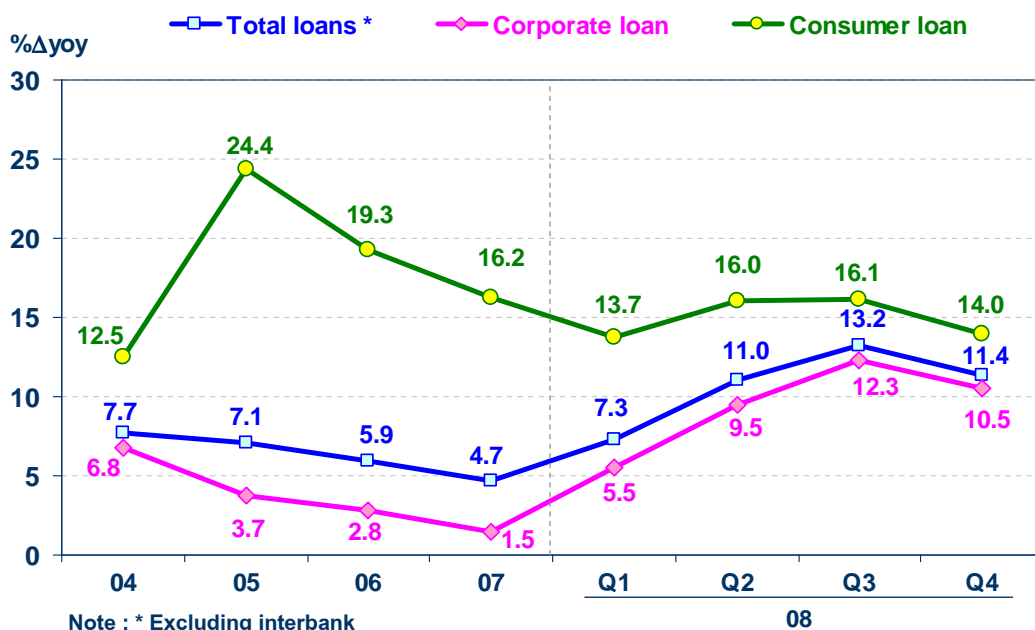
Loans, Deposits and Liquidity



* Data available since August 2006



Loan growth

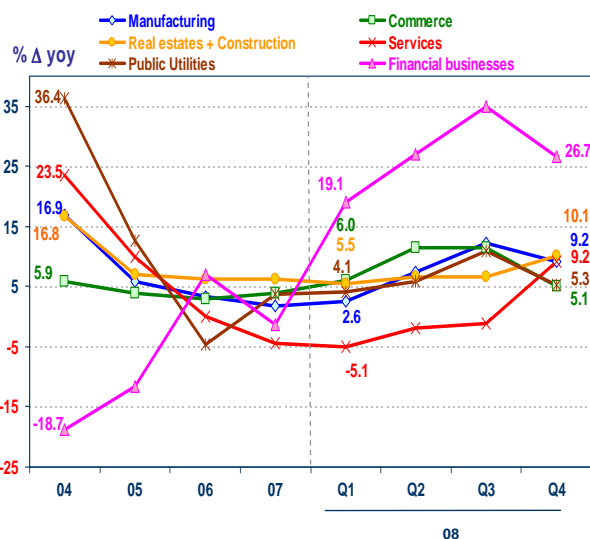


Consumer loan / Total loans = 24.7%
 Corporate loan / Total loans = 75.3%

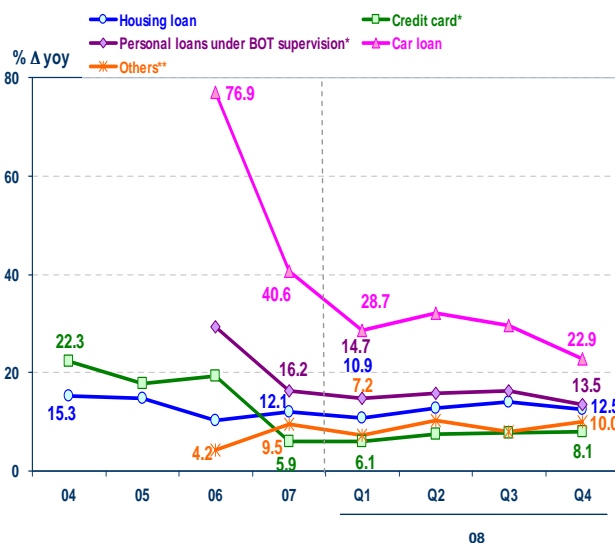


Loans

Corporate loan



Consumer loan



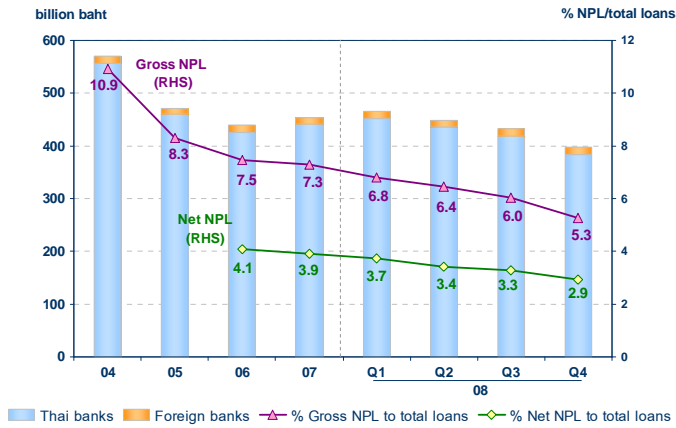
* Including KTC and AYC

** Loans for health care expenses, education, working abroad, etc.

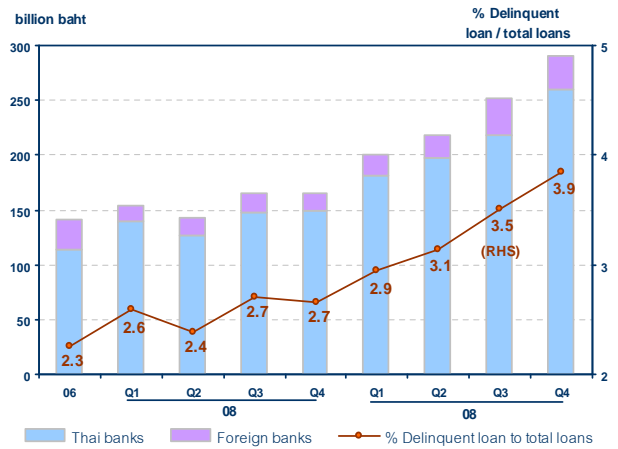


NPL and Delinquent Loan

NPLs



Delinquency *

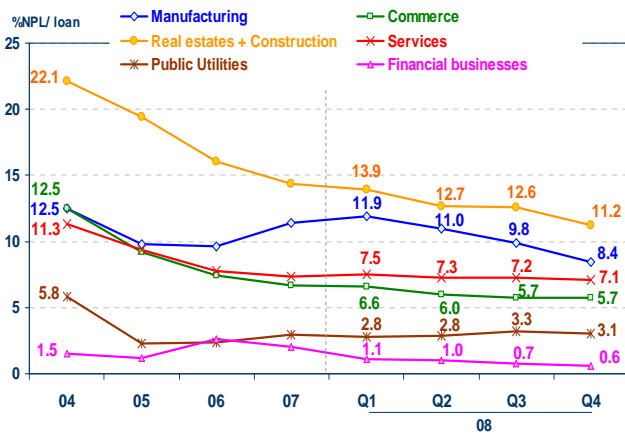


*Special mentioned loan or past due loan over 1 month but not over 3 months.

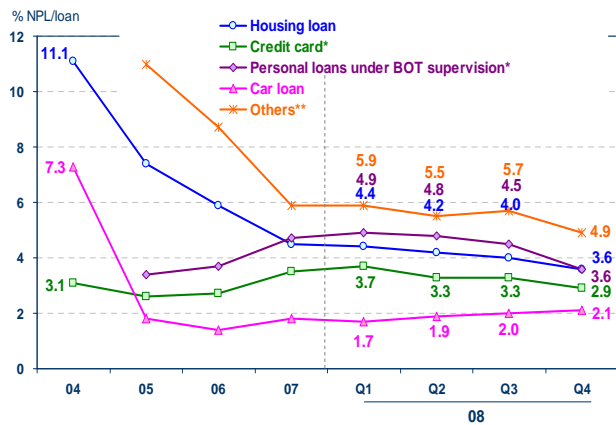


NPLs

Corporate NPLs



Consumer NPLs



* Including KTC and AYC

** Loans for health care expenses, education, working abroad, etc.