



Performance of the Thai Banking System in 2014



Overall Performance of the Thai Banking System

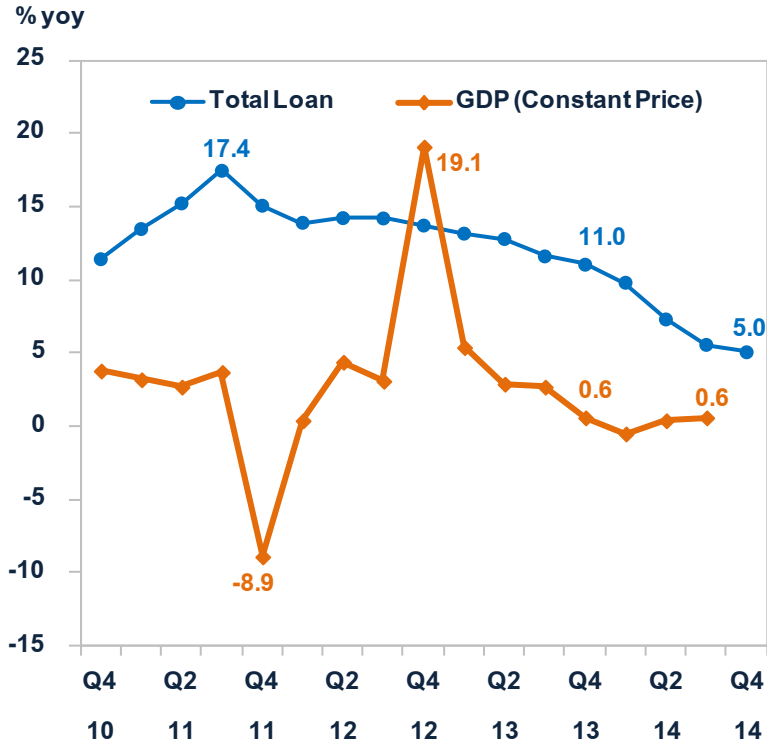
The banking system remained resilient

- **Loan continued to slow down at 5.0% (year-on-year growth), in line with the economic conditions.**
- **Loan quality was relatively stable, albeit slightly deteriorated in consumer loan.**
NPL to total loan was unchanged from last year at 2.15%.
- **Loan loss provision remained high.**
Ratio of actual to regulatory loan loss provision stood at 169.4%.
- **Net profit decelerated, in line with the economic conditions.**
- **Capital increased mainly from continued profitability.**
BIS ratio and Tier 1 ratio rose to 16.8% and 13.7%, respectively.

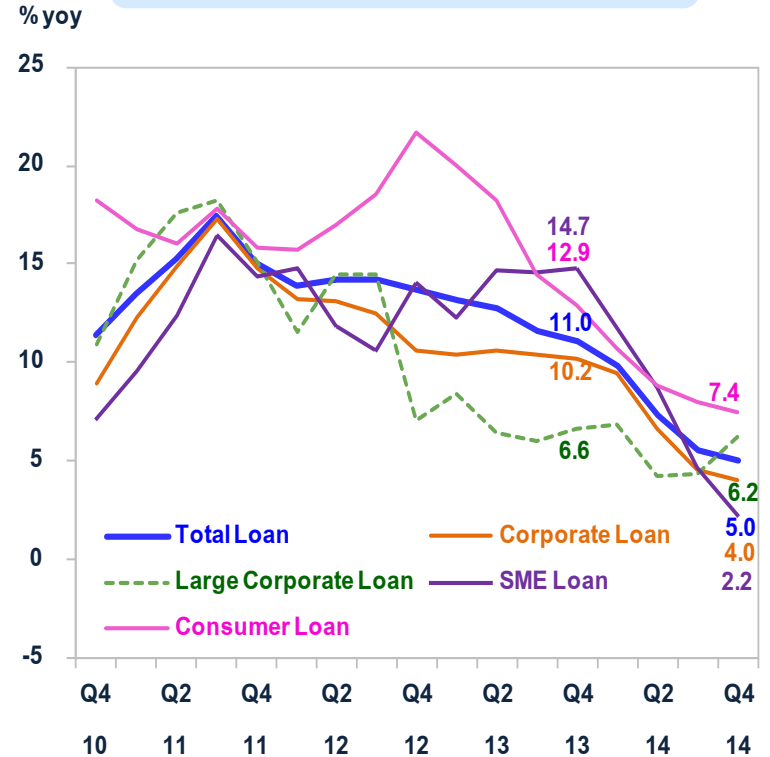


Loan growth slowed down

GDP and Loan Growth



Commercial Bank Loan Growth



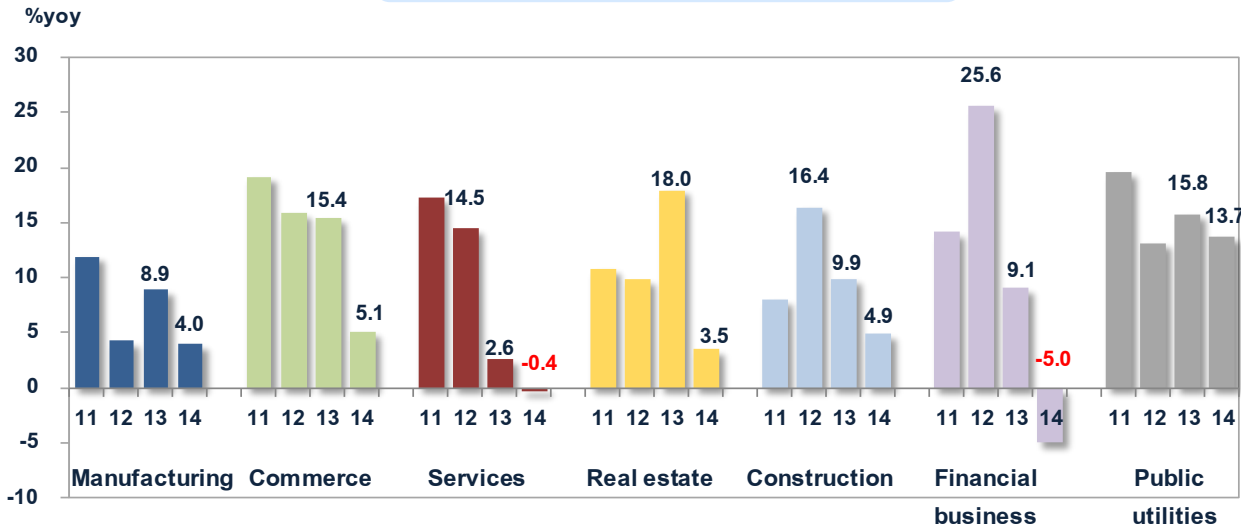
Loan	Total Loan	Corporate Loan		Consumer Loan	
		Large Corporate Loan	SME Loan		
2014 Loan Outstanding (Billion baht)	11,241	3,568	4,180	3,493	
Growth (%yoy)	2013	11.0	6.6	14.7	12.9
	2014	5.0	6.2	2.2	7.4



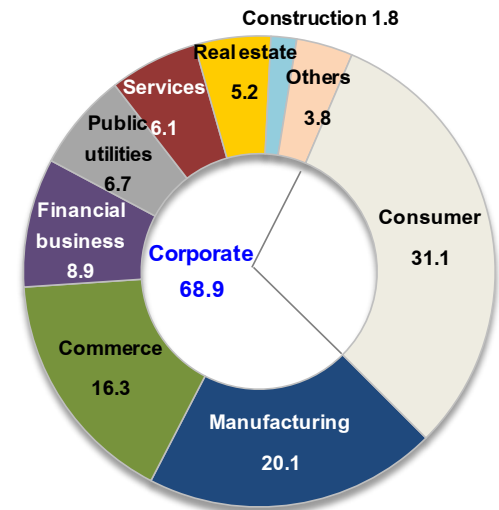
Corporate Loan

- Corporate loan decelerated in all sectors, with relatively high loan growth in the public utilities sector (especially electric power).
- Loan growth in the service sector slowed down markedly due to repayment by the communication/ telecommunication sectors that raised funds from the capital market.
- Loan to the financial business sector declined mainly from leasing of automobile.

Corporate Loan Growth



Structure of Corporate Loan as of December 2014 (% of total)



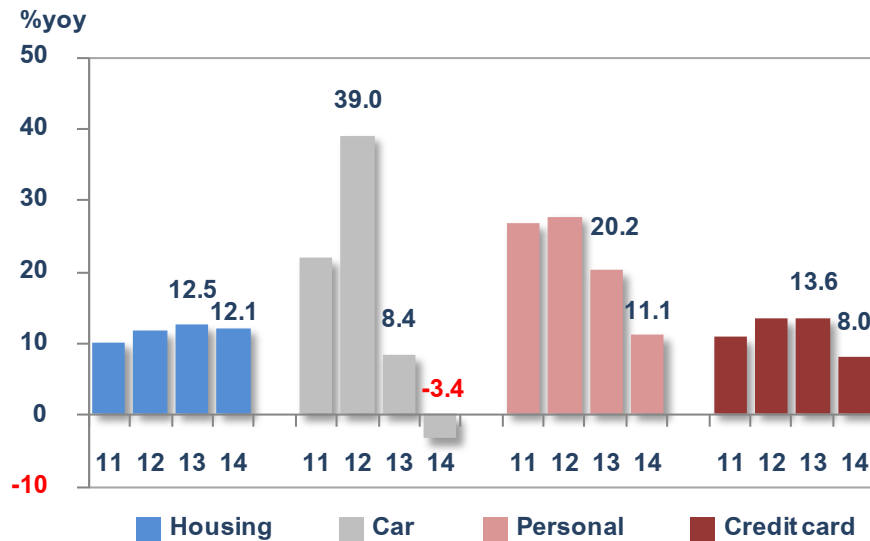
Outstanding (Billion Baht)	Manufacturing	Commerce	Services	Real Estate	Construction	Financial Business	Public Utilities
2013	2,172	1,748	685	565	188	1,047	664
2014	2,259	1,838	683	585	197	995	755



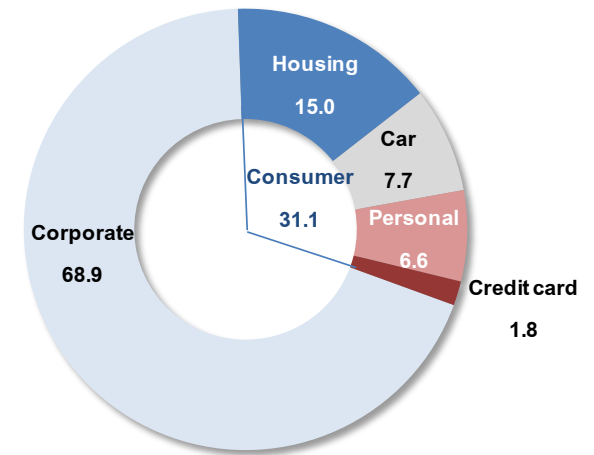
Consumer Loan

- Car loan contracted as debt repayment outpaced loan expansion after acceleration of loan in 2012.
- Housing loan continued to grow well.

Consumer Loan Growth



Structure of Consumer Loan as of December 2014 (% of total)



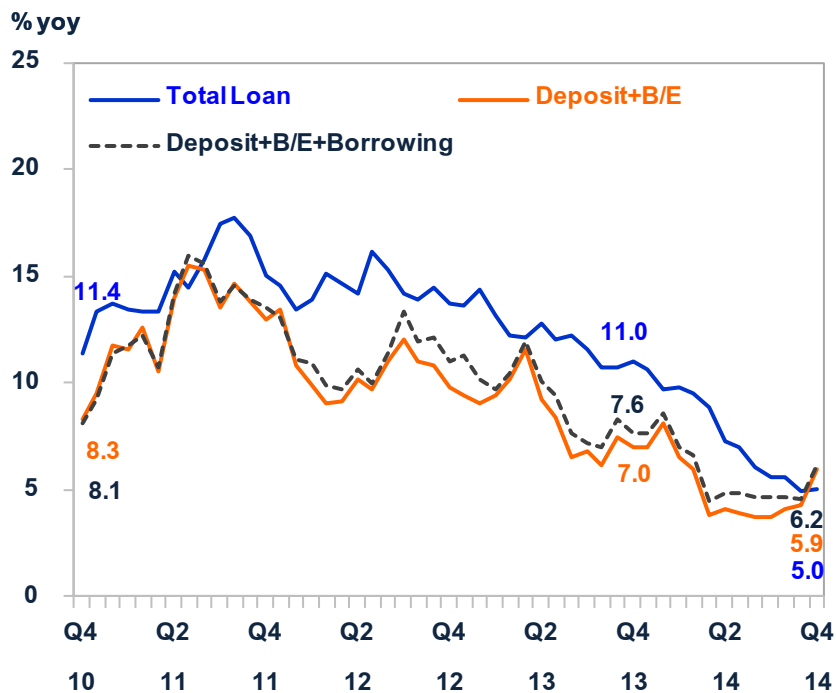
Outstanding (Billion Baht)	Housing	Car	Personal	Credit Card
2013	1,506	890	671	184
2014	1,689	860	746	199



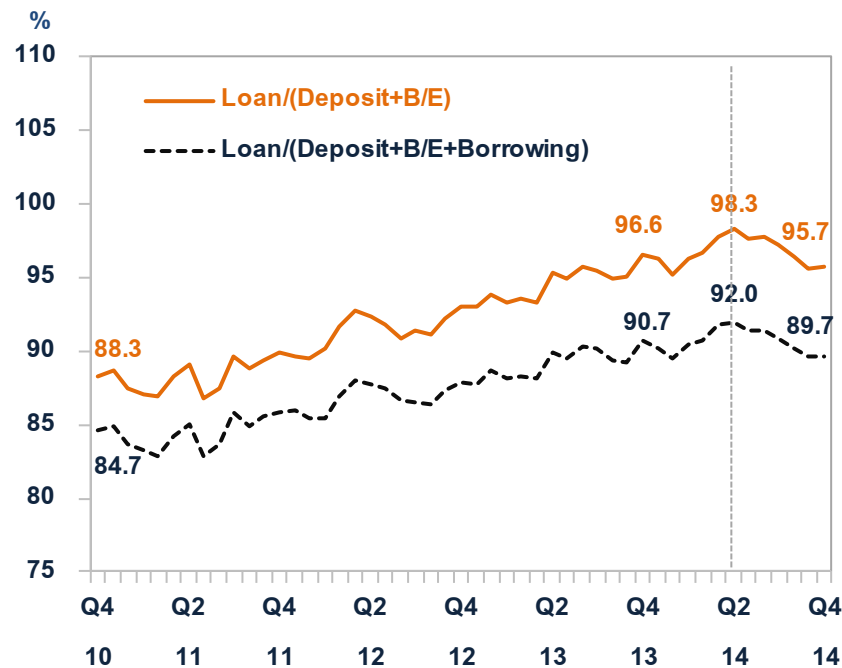
Liquidity : Eased in the second half of the year

Loan grew at a slower pace than deposit plus B/E

Loan, Deposit and Borrowing Growth



Loan to Deposit and Borrowing

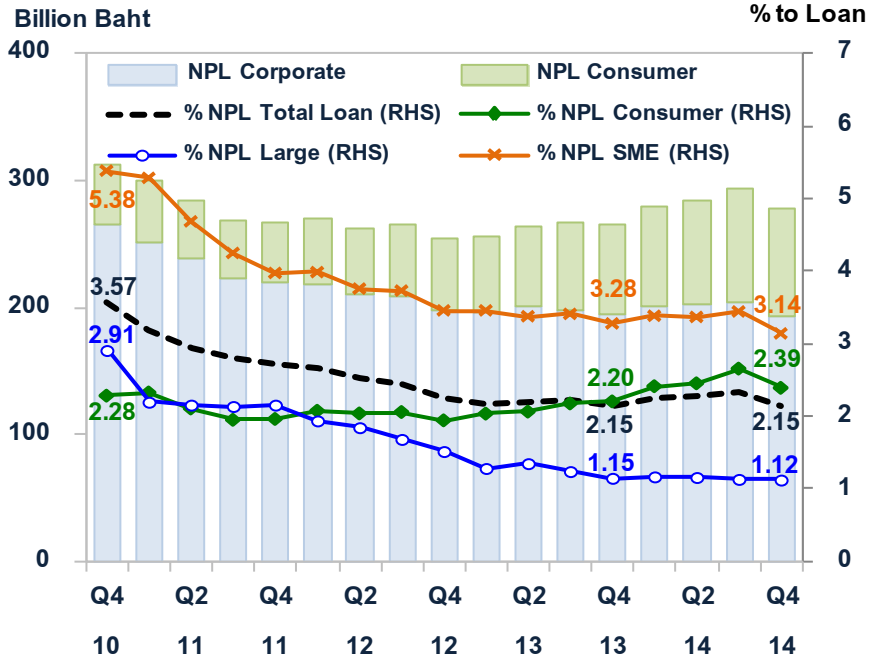


Outstanding (Billion Baht)	Total Loan	Deposit and B/E	Deposit B/E and Borrowing
2013	10,701	11,082	11,802
2014	11,241	11,741	12,530

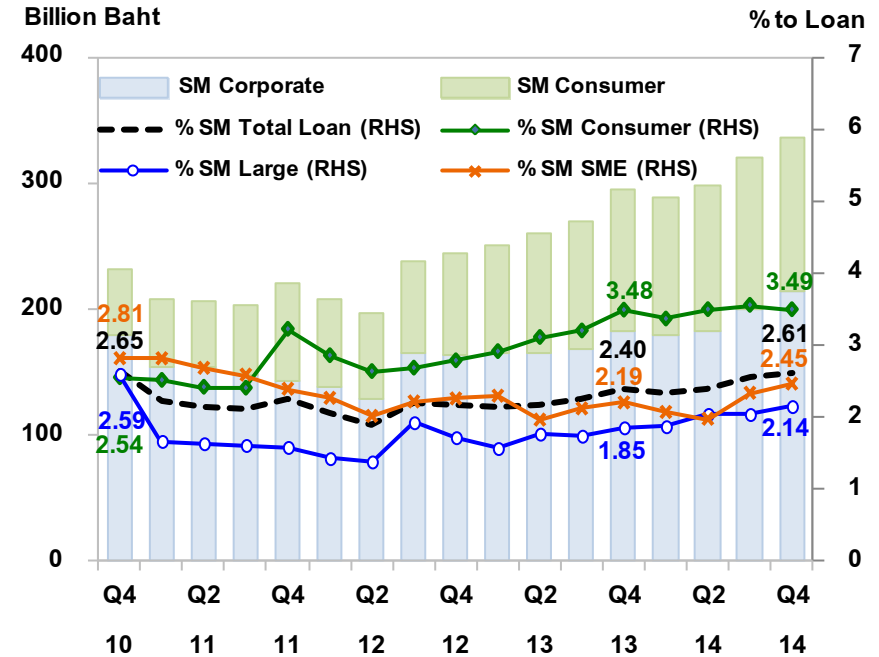


Loan quality : overall remained relatively stable, albeit slightly deteriorated in the consumer loan

Non-Performing Loan (NPL)



Special Mention (SM)



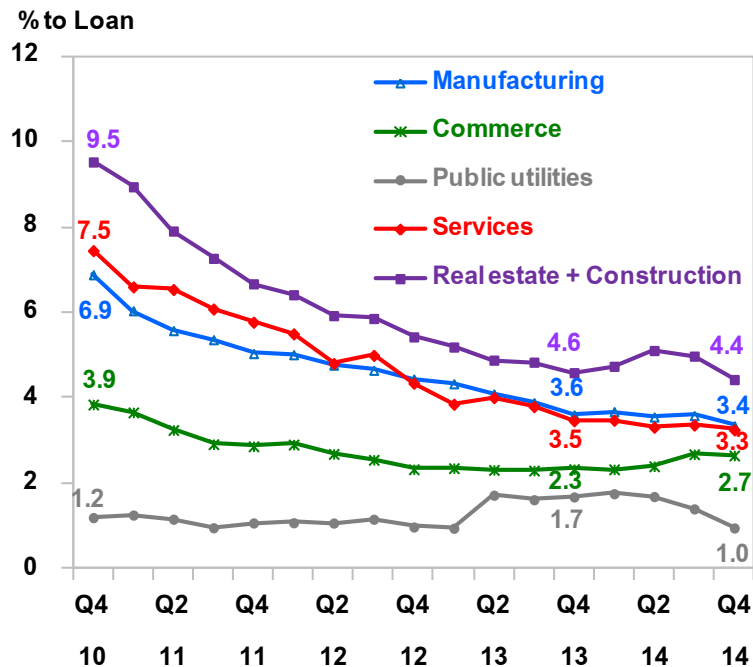
NPL/SM Outstanding (Billion Baht)	NPL		SM		Loan*	
	Corporate	Consumer	Corporate	Consumer	Corporate	Consumer
2013	194.0	71.6	182.4	113.2	9,092	3,251
2014	193.7	83.5	214.5	121.9	9,380	3,493

* includes interbank loan

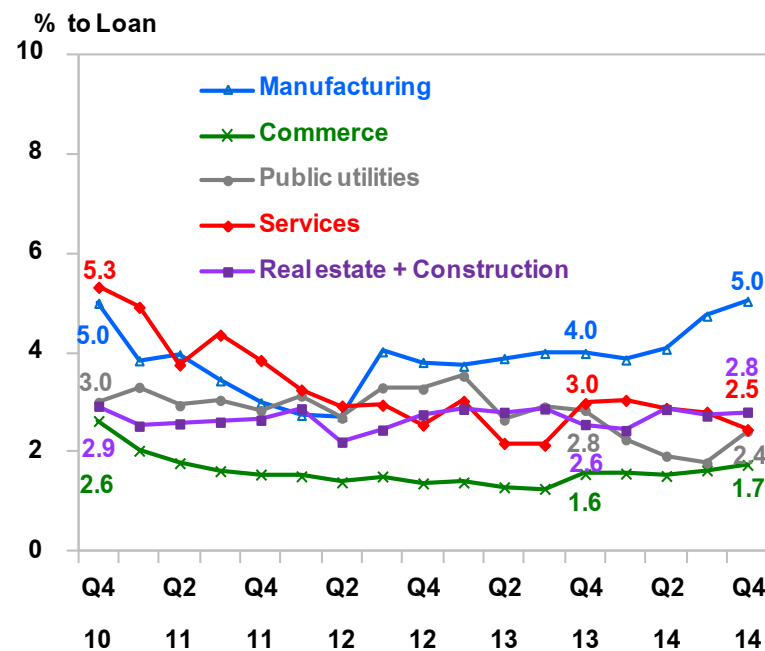


Corporate Loan Quality

NPL



Special Mention (SM)



Corporate Loan (Billion Baht)		Manufacturing	Commerce	Public Utilities	Services	Real Estate + Construction
2013	NPL	78.3	40.9	11.2	23.8	34.6
	SM	86.7	27.3	18.9	20.4	19.3
	Loan*	2,172	1,748	664	685	753
2014	NPL	75.8	48.9	7.3	22.2	34.7
	SM	113.8	32.1	18.3	16.8	22.0
	Loan*	2,259	1,838	755	683	782

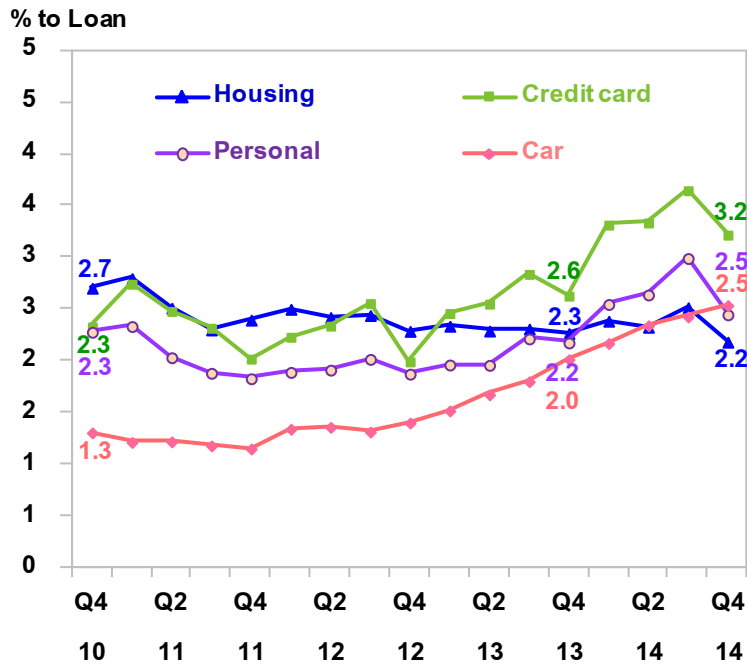
* includes interbank loan

% to Total Loan : Manufacturing 20.1% Commerce 16.3% Real estate + Construction 7.0% Public utilities 6.7% Services 6.1%

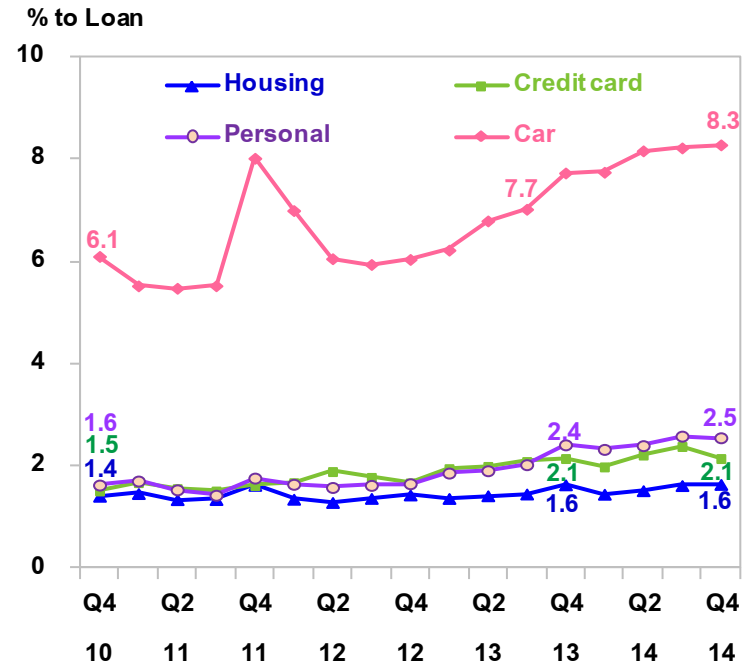


Consumer Loan Quality : deteriorated in almost all sectors

NPL



Special Mention (SM)



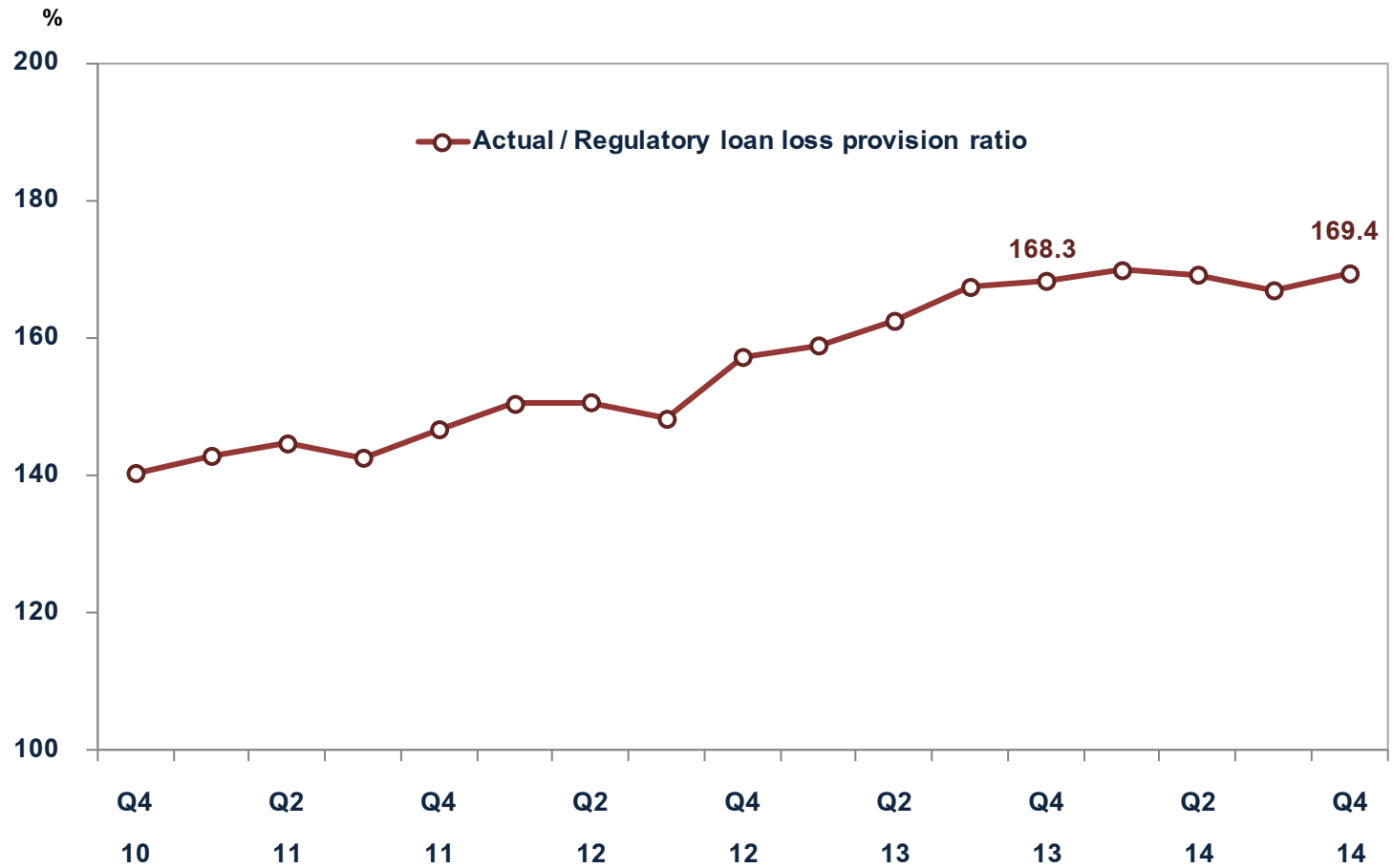
Consumer Loan (Billion Baht)		Housing	Car	Personal	Credit Card
2013	NPL	34.2	18.0	14.6	4.8
	SM	24.4	68.8	16.1	3.9
	Loan*	1,506	890	671	184
2014	NPL	36.9	21.8	18.3	6.4
	SM	27.5	71.2	19.0	4.2
	Loan*	1,689	860	746	199

* includes interbank loan

% to Total Loan : Housing 15.0% Car 7.7% Personal 6.6% Credit card 1.8%



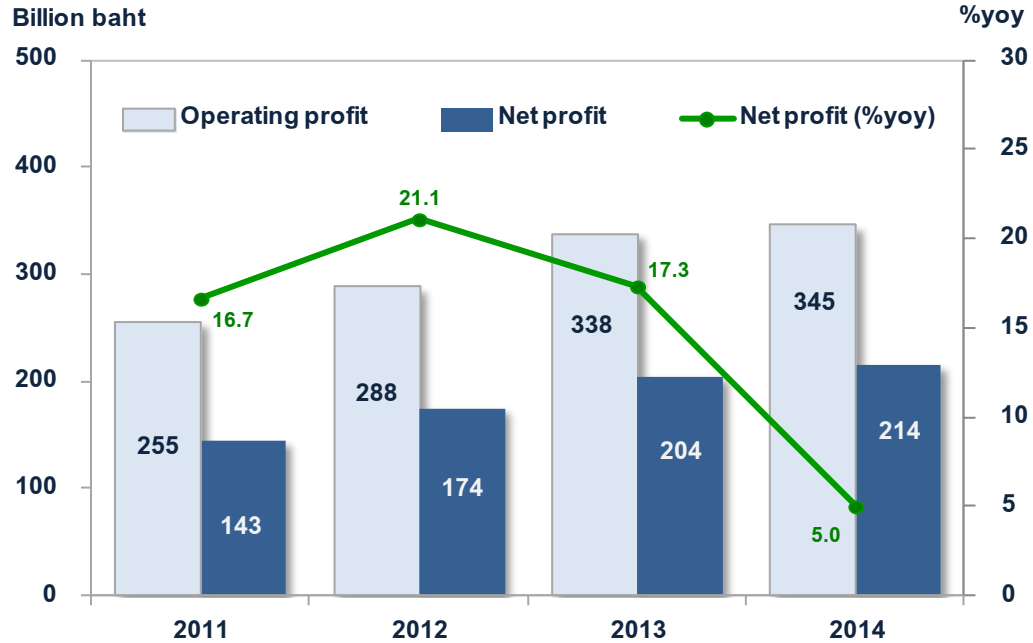
Loan loss provision remained high



Loan Loss Provision (Billion Baht)	Actual Provision	Regulatory Provision
2013	383.5	227.9
2014	397.8	234.9



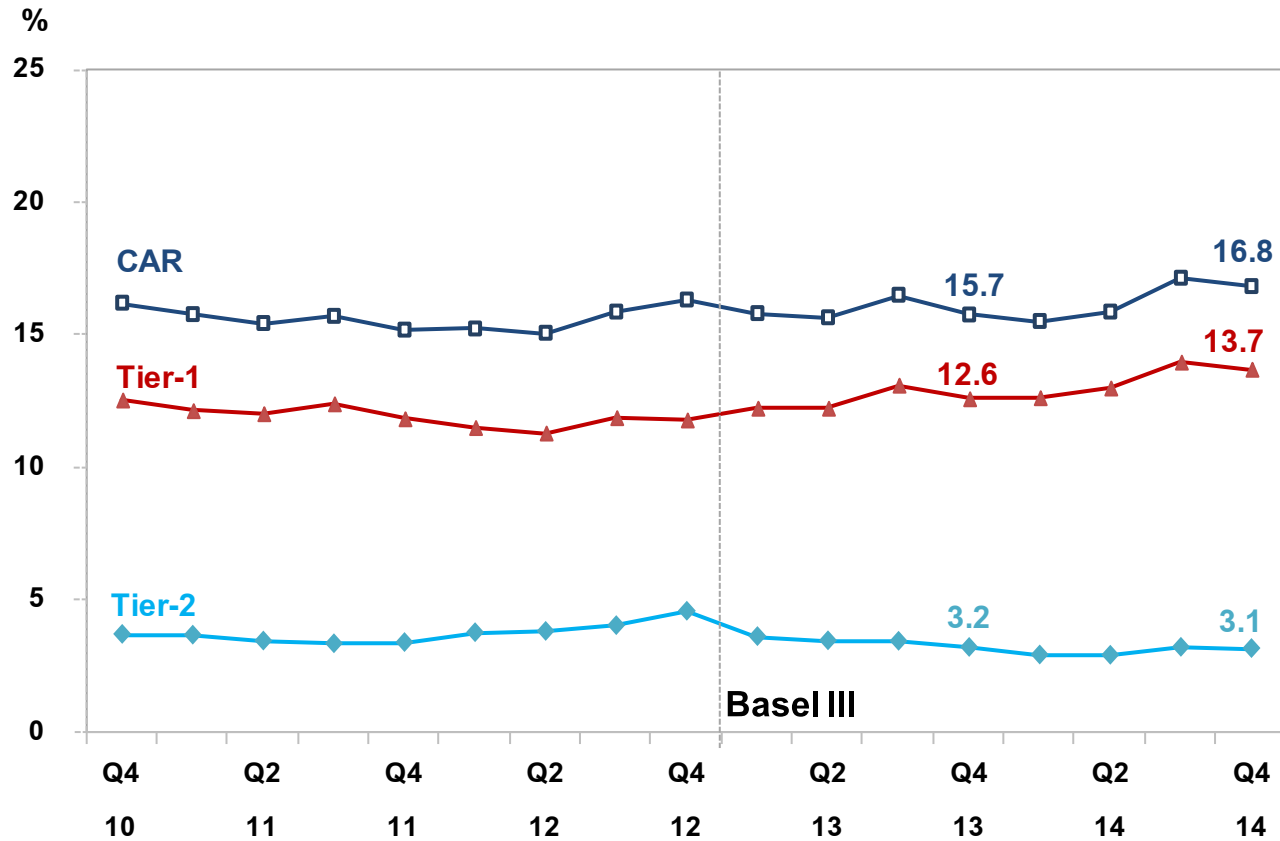
Banking Performance : profit remained high, though decelerated in line with economic conditions



Financial Ratio (% of asset)	2011	2012	2013	2014
NIM	2.55	2.53	2.55	2.60
ROA	1.14	1.25	1.32	1.32



Capital increased mainly from continued profitability



Adopt new accounting standard on employee benefits in 2011

Adopt Basel III regulation in 2013

Total Capital	2013	2014
Outstanding (Billion Baht)	1,855	2,043