

CIMB THAI Bank Public Company Limited
and its subsidiaries
(Formerly known as “BankThai Public Company Limited”)
Report and interim financial statements
For the three-month and nine-month periods ended
30 September 2009

Report of Independent Auditor

To the Shareholders of CIMB THAI Bank Public Company Limited
(Formerly known as “BankThai Public Company Limited”)

I have reviewed the accompanying consolidated balance sheet of CIMB THAI Bank Public Company Limited and its subsidiaries as at 30 September 2009, the related consolidated statements of income for the three-month and nine-month periods ended 30 September 2009, the related consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, and the separate financial statements of CIMB THAI Bank Public Company Limited for the same period. These financial statements are the responsibility of the Bank's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Without qualifying my review report on the aforementioned financial statements, I draw attention to matter as discussed in Note 24 to the financial statements, the Bank has obligations in respect of the gain/loss sharing which may occur in the future as a result of the transfer of non-performing loans to TAMC and the outstanding issues with respect to the requisition of original ownership documents and others that may result in adjustments to the price and related interest, which are being examined and concluded by the Bank and TAMC.

I have previously audited the consolidated financial statements of CIMB THAI Bank Public Company Limited and its subsidiaries and the separate financial statements of CIMB THAI Bank Public Company Limited for the year ended 31 December 2008 in accordance with generally accepted auditing standards. Under my report dated 20 February 2009, I expressed a qualified audit opinion on those statements in respect of the possible effect to the financial statements of the non-compliance with capital funds maintenance provisions (however, on 23 March 2009, the Bank received payment of additional capital funds, which brought the Bank's capital funds to risk asset ratio above the minimum level required by law). In addition, I drew attention to (1) the uncertainty of the outcome of the credit crisis in the United States which could effect the financial statements (2) CDO sales (3) the gain/loss sharing which might occur in the future as a result of the transfer of non-performing loans to TAMC and the outstanding issues, relating to the requisition of original ownership documents among others, which might affect the transfer price and related interest. The consolidated and separate balance sheet as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on.

The consolidated statements of income for the three-month and nine-month periods ended 30 September 2008 and the consolidated statements of changes in shareholders' equity, and cash flows for the nine-month periods then ended of CIMB THAI Bank Public Company Limited and its subsidiaries and the separate financial statements of CIMB THAI Bank Public Company Limited, as presented herein for comparative purposes, formed an integral part of the interim financial statements which I reviewed and on which, under my report dated 14 November 2008, I issued a qualified review report in respect of the possible effect to the financial statements of the non-compliance with capital funds maintenance (however, on 23 March 2009, the Bank received payment of additional capital funds, which brought the Bank's capital funds to risk asset ratio above the minimum level required by law). In addition, I drew attention to (1) the uncertainty of the outcome of the crisis in the United States which could affect the financial statement, (2) CDO sales, (3) the gain/loss sharing which may occur in the future as a result of the transfer of non-performing loans to TAMC and outstanding issues.

Ratana Jala

Certified Public Accountant (Thailand) No. 3734

Ernst & Young Office Limited

Bangkok: 11 November 2009

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Balance sheets

As at 30 September 2009 and 31 December 2008

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Cash	2,301,319	4,631,711	2,299,679	4,630,352
Interbank and money market items	2			
Domestic items				
Interest bearing	10,024,030	33,653,567	9,552,705	33,327,564
Non-interest bearing	2,662,647	8,919,265	2,569,744	8,879,089
Foreign items				
Interest bearing	426,164	21,562	426,164	21,562
Non-interest bearing	28,348	772,752	28,348	772,752
Interbank and money market items - net	13,141,189	43,367,146	12,576,961	43,000,967
Investments	3			
Short-term investments - net	6,269,438	4,761,189	6,088,476	4,633,261
Long-term investments - net	17,072,375	40,660,167	16,886,548	40,251,593
Investments in subsidiaries and associate - net	205,454	98,833	1,448,638	1,343,638
Investments - net	23,547,267	45,520,189	24,423,662	46,228,492
Loans and accrued interest receivables	4			
Loans	81,178,757	92,260,539	76,231,579	87,553,427
Accrued interest receivables	285,210	388,790	226,780	325,979
Total loans and accrued interest receivables	81,463,967	92,649,329	76,458,359	87,879,406
Less: Allowance for doubtful debts	5	(8,133,272)	(4,419,391)	(5,249,481)
Revaluation allowance for debt restructuring	6	(24,002)	(24,002)	(19,682)
Loans and accrued interest receivables - net	73,306,693	83,656,891	72,014,966	82,610,243
Properties foreclosed - net	7	2,397,063	2,216,017	2,277,163
Customers' liability under acceptance	103,441	162,592	103,441	162,592
Premises and equipment - net	3,742,281	3,863,325	3,670,702	3,787,788
Accounts receivable from sale of investments	3.1 (d)	4,088,962	4,087,369	24,144,587
Intangible assets	8	573,461	556,557	531,837
Other assets	3,043,770	3,996,851	2,808,189	3,671,327
Total assets	126,245,446	212,376,634	124,757,543	211,045,348

The accompanying notes are an integral part of the financial statements.

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Balance sheets (continued)

As at 30 September 2009 and 31 December 2008

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity				
Deposits				
Deposits in Baht	96,265,384	159,528,186	96,584,771	159,805,073
Deposits in foreign currencies	479,302	200,502	479,302	200,502
Total deposits	96,744,686	159,728,688	97,064,073	160,005,575
Interbank and money market items				
Domestic items				
Interest bearing	3,388,611	8,349,284	3,298,016	8,082,692
Non-interest bearing	91,700	73,171	95,344	75,696
Foreign items				
Interest bearing	807,643	1,819,758	807,643	1,819,758
Non-interest bearing	67,494	7,536	67,494	7,536
Total interbank and money market items	4,355,448	10,249,749	4,268,497	9,985,682
Liability payable on demand	275,302	188,352	275,302	188,352
Borrowings				
	9			
Short-term borrowings	2,452,036	3,924,194	2,452,036	3,453,202
Long-term borrowings	5,614,815	3,144,937	5,520,351	3,144,937
Total borrowings	8,066,851	7,069,131	7,972,387	6,598,139
Bank's liability under acceptance	103,441	162,592	103,441	162,592
Accrued interest expenses	415,037	679,008	415,221	666,990
Accounts payable for purchases of investments	3,951,843	24,191,832	3,944,828	24,191,832
Provisions - Pension benefits to employees	535,682	493,077	535,225	493,077
Other liabilities	3,952,049	4,478,970	2,812,690	3,718,236
Total liabilities	118,400,339	207,241,399	117,391,664	206,010,475

The accompanying notes are an integral part of the financial statements.

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Balance sheets (continued)

As at 30 September 2009 and 31 December 2008

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2009	31 December 2008	30 September 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital 10					
Registered					
13,349,401,164 ordinary shares of Baht 0.50 each		6,674,701		6,674,701	
13,349,401,164 ordinary shares of Baht 3.75 each			50,060,254		50,060,254
Issued and paid-up share capital					
13,349,401,164 ordinary shares of Baht 0.50 each					
(31 December 2008 : 6,674,700,582 ordinary shares of Baht 3.75 each)		6,674,701	25,030,127	6,674,701	25,030,127
Share discount		-	(10,606,988)	-	(10,606,988)
Unrealised gains (losses)					
Revaluation surplus on assets	12	734,239	748,815	734,239	748,815
Revaluation surplus (deficit) on change in value of investments	13	(4,985)	54,638	(10,676)	55,778
Retained earnings (deficit)					
Appropriated - statutory reserve	14	-	6,053	-	6,053
Retained earnings (deficit)		373,384	(9,704,736)	(32,385)	(10,198,912)
Treasury stocks	11				
124,589,637 shares held by subsidiaries		-	(460,381)	-	-
Equity attributable to the Bank's shareholders		7,777,339	5,067,528	7,365,879	5,034,873
Minority interest - equity attributable to minority shareholders of subsidiaries		67,768	67,707	-	-
Total shareholders' equity		7,845,107	5,135,235	7,365,879	5,034,873
Total liabilities and shareholders' equity		126,245,446	212,376,634	124,757,543	211,045,348
Off-balance sheet items - commitments 20					
Aval to bills and guarantees of loans		189,255	656,554	389,255	966,894
Liability under unmatured import bills		179,356	438,401	179,356	438,401
Letter of credits		1,938,524	1,335,784	1,938,524	1,335,784
Other commitments		159,302,033	216,412,133	159,302,097	216,412,197

The accompanying notes are an integral part of the financial statements.

Directors

CIMB THAI BANK Public Company Limited and its subsidiaries
(Formerly known as "BankThai Public Company Limited")

Income statements

For the three-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht except earnings per share expressed in Baht)

Note	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Interest and dividend income				
Loans	1,398,075	1,716,630	1,417,591	1,738,621
Interbank and money market items	51,543	175,248	47,324	168,620
Hire purchase and finance lease income	151,392	157,599	-	-
Investments	280,172	689,522	273,287	678,226
Total interest and dividend income	1,881,182	2,738,999	1,738,202	2,585,467
Interest expenses				
Deposits	384,005	1,195,938	386,420	1,195,967
Interbank and money market items	38,422	38,846	33,564	32,308
Short-term borrowings	732	32,509	732	21,367
Long-term borrowings	85,731	39,829	85,731	39,829
Total interest expenses	508,890	1,307,122	506,447	1,289,471
Net interest and dividend income	1,372,292	1,431,877	1,231,755	1,295,996
Bad debt and doubtful accounts	(137,912)	(403,013)	(140,000)	(396,000)
Net interest and dividend income after bad debt and doubtful accounts	1,234,380	1,028,864	1,091,755	899,996
Non-interest income				
Gains on investments	147,123	960,887	98,040	945,028
Fees and charges				
Acceptances, aval and guarantees	22,458	22,657	22,458	22,657
Others	193,955	209,188	135,645	154,472
Gains on exchange/derivatives	95,310	91,825	95,310	91,835
Gains on properties foreclosed	-	-	23,295	5,939
Premium written	66,803	66,061	-	-
Other income	15,859	7,816	17,948	13,126
Total non-interest income	541,508	1,358,434	392,696	1,233,057

The accompanying notes are an integral part of the financial statements.

CIMB THAI BANK Public Company Limited and its subsidiaries**(Formerly known as "BankThai Public Company Limited")****Income statements (continued)****For the three-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Non-interest expenses					
Personnel expenses		589,873	569,355	486,701	473,413
Contribution fee to the Deposit Protection Agency/ the Financial Institutions Development Fund		144,000	160,740	144,000	160,740
Premises and equipment expenses		366,729	349,058	319,565	324,307
Taxes and duties		54,304	66,739	53,171	65,397
Share of losses from investments in associated company		-	741	-	-
Fees and charges		81,395	118,602	65,847	89,557
Directors' remuneration		1,599	6,360	532	5,094
Other expenses		65,064	106,879	(1,948)	25,009
Total non-interest expenses		1,302,964	1,378,474	1,067,868	1,143,517
Income before corporate income tax		472,924	1,008,824	416,583	989,536
Corporate income tax	17	(7,837)	3,158	-	-
Net income for the period		465,087	1,011,982	416,583	989,536
Net income attributable to:					
Equity holders of the Bank		461,442	1,009,926	416,583	989,536
Minority interests of the subsidiaries		3,645	2,056		
		<u>465,087</u>	<u>1,011,982</u>		
Earnings per share					
Basic earnings per share (Baht per share)	18				
Net income attributable to equity holders of the Bank		0.03	0.15	0.03	0.15
Weighted average number of ordinary shares (shares)		<u>13,349,401,164</u>	<u>6,550,110,945</u>	<u>13,349,401,164</u>	<u>6,674,700,582</u>

The accompanying notes are an integral part of the financial statements.

Directors

CIMB THAI BANK Public Company Limited and its subsidiaries
(Formerly known as "BankThai Public Company Limited")

Income statements

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Interest and dividend income					
Loans		4,253,238	5,188,225	4,321,863	5,295,396
Interbank and money market items		387,951	488,558	373,682	470,187
Hire purchase and finance lease income		457,378	471,804	-	-
Investments		1,099,060	2,538,420	1,082,383	2,667,459
Total interest and dividend income		6,197,627	8,687,007	5,777,928	8,433,042
Interest expenses					
Deposits		2,192,756	3,536,294	2,193,337	3,537,187
Interbank and money market items		136,649	135,262	126,345	110,819
Short-term borrowings		6,726	96,707	6,097	68,856
Long-term borrowings		233,976	185,165	233,976	185,165
Total interest expenses		2,570,107	3,953,428	2,559,755	3,902,027
Net interest and dividend income		3,627,520	4,733,579	3,218,173	4,531,015
Bad debt and doubtful accounts		(1,082,463)	(1,685,851)	(1,078,000)	(1,584,000)
Net interest and dividend income after bad debt and doubtful accounts		2,545,057	3,047,728	2,140,173	2,947,015
Non-interest income					
Gains (losses) on investments	16	675,501	(705,292)	559,810	(1,866,642)
Gains on sales of non-performing loans		-	140,610	-	-
Fees and charges					
Acceptances, aval and guarantees		60,419	86,051	60,419	86,051
Others		527,324	639,433	375,069	514,539
Gains on exchange/derivatives		154,266	141,836	156,552	141,848
Gains on properties foreclosed		-	-	37,725	22,336
Premium written		197,173	191,421	-	-
Other income		101,585	30,900	62,929	35,184
Total non-interest income (losses)		1,716,268	524,959	1,252,504	(1,066,684)

The accompanying notes are an integral part of the financial statements.

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Income statements (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Non-interest expenses					
Personnel expenses		1,685,247	1,731,144	1,390,548	1,434,095
Contribution fee to the Deposit Protection Agency/ the Financial Institutions Development Fund		459,542	503,627	459,542	503,627
Premises and equipment expenses		1,002,732	1,055,005	923,309	987,554
Taxes and duties		179,036	198,598	174,208	186,950
Share of losses from investments in associated company		-	8,860	-	-
Fees and charges		343,942	373,557	249,134	291,552
Directors' remuneration		11,079	19,593	7,528	15,366
Reserve for off-balance sheet items		170,500	17,000	170,500	17,000
Other expenses		409,388	581,156	156,834	352,374
Total non-interest expenses		4,261,466	4,488,540	3,531,603	3,788,518
Losses before corporate income tax		(141)	(915,853)	(138,926)	(1,908,187)
Corporate income tax	17	(40,401)	(52,231)	-	-
Net losses for the period		(40,542)	(968,084)	(138,926)	(1,908,187)
Net losses attributable to:					
Equity holders of the Bank		(40,603)	(974,237)	(138,926)	(1,908,187)
Minority interests of the subsidiaries		61	6,153		
		(40,542)	(968,084)		
Losses per share					
Basic losses per share (Baht per share)	18				
Net losses attributable to equity holders of the Bank		(0.00)	(0.15)	(0.01)	(0.30)
Weighted average number of ordinary shares (shares)		11,366,713,635	6,301,631,313	11,368,995,497	6,426,220,950

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

CIMB THAI BANK Public Company Limited and its subsidiaries
(Formerly known as "BankThai Public Company Limited")
Statements of changes in shareholders' equity
For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

Consolidated financial statements										
Shareholders' equity of the Bank										
Note	Issued and paid-up share capital	Share discounts	Revaluation surplus on assets	Revaluation surplus (deficit) on investments	Legal reserve	Deficit	Treasury stocks held by the subsidiaries	Total equity attributable to the Bank's shareholders	Minority interest	Total
Balance as at 31 December 2007	8,343,376	-	767,698	(273,497)	6,053	(7,726,983)	(467,211)	649,436	61,581	711,017
Income (expenses) recognised directly in equity:										
Amortise revaluation surplus on assets	-	-	(14,136)	-	-	14,136	-	-	-	-
Decrease in fair value of investments	-	-	-	(225,466)	-	-	-	(225,466)	-	(225,466)
Net income (expenses) recognised directly in equity	-	-	(14,136)	(225,466)	-	14,136	-	(225,466)	-	(225,466)
Net losses for the period	-	-	-	-	-	(974,237)	-	(974,237)	6,153	(968,084)
Total income (expenses) recognised for the period	-	-	(14,136)	(225,466)	-	(960,101)	-	(1,199,703)	6,153	(1,193,550)
Increase in ordinary shares	10	16,686,751	(10,606,988)	-	-	-	-	6,079,763	-	6,079,763
Decrease in treasury stocks held by subsidiaries	11	-	-	-	-	(6,840)	6,830	(10)	-	(10)
Minority interests - equity attributable to minority shareholders of subsidiaries		-	-	-	-	-	-	-	(48)	(48)
Balance as at 30 September 2008		<u>25,030,127</u>	<u>(10,606,988)</u>	<u>753,562</u>	<u>(498,963)</u>	<u>6,053</u>	<u>(8,693,924)</u>	<u>(460,381)</u>	<u>67,686</u>	<u>5,597,172</u>
Balance as at 31 December 2008		25,030,127	(10,606,988)	748,815	54,638	(9,704,736)	(460,381)	5,067,528	67,707	5,135,235
Income (expenses) recognised directly in equity:										
Amortise revaluation surplus on assets	-	-	(14,576)	-	-	14,576	-	-	-	-
Decrease in fair value of investments	-	-	-	(59,623)	-	12,013	-	(47,610)	-	(47,610)
Net income (expenses) recognised directly in equity	-	-	(14,576)	(59,623)	-	26,589	-	(47,610)	-	(47,610)
Net losses for the period	-	-	-	-	-	(40,603)	-	(40,603)	61	(40,542)
Total income (expenses) recognised for the period	-	-	(14,576)	(59,623)	-	(14,014)	-	(88,213)	61	(88,152)
Increase in ordinary shares	10	25,030,127	(22,493,741)	-	-	-	-	2,536,386	-	2,536,386
Decrease in ordinary shares	10	(43,385,553)	33,100,729	-	-	(6,053)	10,290,877	-	-	-
Decrease in treasury stocks held by subsidiaries	11	-	-	-	-	(198,743)	460,381	261,638	-	261,638
Balance as at 30 September 2009		<u>6,674,701</u>	<u>-</u>	<u>734,239</u>	<u>(4,985)</u>	<u>-</u>	<u>373,384</u>	<u>7,777,339</u>	<u>67,768</u>	<u>7,845,107</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

CIMB THAI BANK Public Company Limited and its subsidiaries
(Formerly known as "BankThai Public Company Limited")
Statements of changes in shareholders' equity (continued)
For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

	Note	Separate financial statements						Total
		Issued and paid-up share capital	Share discounts	Revaluation surplus on assets	Revaluation surplus (deficit) on investments	Legal reserve	Deficit	
Balance as at 31 December 2007		8,343,376	-	767,698	(272,436)	6,053	(7,430,654)	1,414,037
Income (expenses) recognised directly in equity:								
Amortise revaluation surplus on assets		-	-	(14,136)	-	-	14,136	-
Decrease in fair value of investments		-	-	-	(220,447)	-	-	(220,447)
Net income (expenses) recognised directly in equity		-	-	(14,136)	(220,447)	-	14,136	(220,447)
Net losses for the period		-	-	-	-	-	(1,908,187)	(1,908,187)
Total income (expenses) recognised for the period		-	-	(14,136)	(220,447)	-	(1,894,051)	(2,128,634)
Increase in ordinary shares	10	16,686,751	(10,606,988)	-	-	-	-	6,079,763
Balance as at 30 September 2008		<u>25,030,127</u>	<u>(10,606,988)</u>	<u>753,562</u>	<u>(492,883)</u>	<u>6,053</u>	<u>(9,324,705)</u>	<u>5,365,166</u>
Balance as at 31 December 2008		25,030,127	(10,606,988)	748,815	55,778	6,053	(10,198,912)	5,034,873
Income (expenses) recognised directly in equity:								
Amortise revaluation surplus on assets		-	-	(14,576)	-	-	14,576	-
Decrease in fair value of investments		-	-	-	(66,454)	-	-	(66,454)
Net income (expenses) recognised directly in equity		-	-	(14,576)	(66,454)	-	14,576	(66,454)
Net losses for the period		-	-	-	-	-	(138,926)	(138,926)
Total income (expenses) recognised for the period		-	-	(14,576)	(66,454)	-	(124,350)	(205,380)
Increase in ordinary shares	10	25,030,127	(22,493,741)	-	-	-	-	2,536,386
Decrease in ordinary shares	10	(43,385,553)	33,100,729	-	-	(6,053)	10,290,877	-
Balance as at 30 September 2009		<u>6,674,701</u>	<u>-</u>	<u>734,239</u>	<u>(10,676)</u>	<u>-</u>	<u>(32,385)</u>	<u>7,365,879</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Cash flow statements**For the nine-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Cash flows from operating activities				
Net losses before tax	(141)	(915,853)	(138,926)	(1,908,187)
Adjustments to reconcile net losses for the periods to net cash flows from (used in) operating activities:				
Share of losses from investments in associated company	-	8,860	-	-
Depreciation and amortisation	389,926	379,824	359,013	354,125
Bad debts and doubtful accounts	1,082,463	1,685,851	1,078,000	1,584,000
Impairment losses on equipment, intangible assets and other assets	15,500	130,000	9,700	130,000
Reserve for off-balance sheet items	170,500	17,000	170,500	17,000
Accrual of provisions	42,605	-	42,148	-
Reserve for contingent liabilities	4,930	-	4,930	-
Impairment losses on investments	40,530	65,824	40,530	68,422
Reversal of impairment losses on investments in non-performing loans	(4,495)	-	-	-
Unrealised losses on exchange and derivatives	186,502	1,251,321	186,502	1,251,321
Losses (gains) on property foreclosed	64,023	54,866	(37,725)	(22,336)
Unrealised (gains) losses on revaluation of investments	(23,097)	2,956,694	(3,034)	2,946,805
Gains on sale of investments	(536,073)	(126,665)	(542,757)	(127,884)
Gains on sale of non-performing loans	-	(140,610)	-	-
Gains on investment in non-performing loans	(149,422)	(1,189,594)	(51,585)	(23,575)
Gains on disposal of equipment	(9,943)	(5,722)	(9,928)	(5,271)
Interest and dividend income	(6,197,627)	(8,687,007)	(5,777,928)	(8,433,042)
Interest expenses	2,570,107	3,953,428	2,559,755	3,902,027
Increase (decrease) in accrued expenses	66,547	(533,043)	80,738	71,647
Losses from operations before changes in operating assets and liabilities	(2,287,165)	(1,094,826)	(2,030,067)	(194,948)
(Increase) decrease in operating assets				
Interbank and money market items	30,213,362	(16,345,844)	30,412,355	(16,297,434)
Securities purchased under resale agreements	-	2,250,000	-	2,250,000
Investments held for trading	(133,814)	(5,682,810)	(121,383)	(5,702,968)
Loans	8,779,030	2,827,842	9,375,100	4,814,277
Properties foreclosed	400,329	307,900	135,510	56,555
Other assets	(240,310)	1,428,231	(322,440)	1,880,250

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

CIMB THAI BANK Public Company Limited and its subsidiaries

(Formerly known as "BankThai Public Company Limited")

Cash flow statements (continued)**For the nine-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Increase (decrease) in operating liabilities				
Deposits	(62,984,002)	(18,924,804)	(62,941,502)	(18,621,099)
Interbank and money market items	(5,896,005)	(2,018,981)	(5,717,185)	(2,461,827)
Liability payable on demand	86,950	(22,539)	86,950	(22,539)
Other liabilities awaiting accounts transfer	(839,952)	181,107	(843,876)	181,107
Other liabilities	516,007	(123,586)	135,118	(708,493)
Cash flows used in operating activities	(32,385,570)	(37,218,310)	(31,831,420)	(34,827,119)
Cash received from interest income	5,214,743	6,494,356	4,806,396	5,875,489
Cash paid for interest expenses	(2,216,079)	(4,243,963)	(2,200,566)	(4,225,512)
Cash paid for corporate income tax	(26,182)	(52,854)	-	-
Net cash flows used in operating activities	(29,413,088)	(35,020,771)	(29,225,590)	(33,177,142)
Cash flows from investing activities				
Decrease in securities held for investments	22,446,937	29,067,123	22,130,237	26,033,371
Increase in investments in subsidiary companies	-	-	(105,000)	-
Cash paid for purchases of premises and equipment	(117,304)	(165,401)	(100,936)	(155,923)
Proceeds from disposals of equipment	17,854	10,888	17,411	8,953
Cash paid for purchases of intangible assets	(158,729)	(49,407)	(150,519)	(48,020)
Dividend received	151,702	254,505	150,582	426,913
Interest received	1,213,361	2,591,654	1,197,419	2,550,777
Net cash flows from investing activities	23,553,821	31,709,362	23,139,194	28,816,071
Cash flows from financing activities				
(Decrease) increase in short-term borrowings	(1,472,158)	188,195	(1,001,166)	1,208,643
Increase (decrease) in long-term borrowings	2,594,464	(2,759,660)	2,500,000	(2,759,660)
Cash received from capital increase	2,536,386	6,079,764	2,536,386	6,079,764
Proceeds from treasury stocks held by subsidiary	155,017	-	-	-
Interest expenses	(284,834)	(374,900)	(279,497)	(345,353)
Net cash flows from financing activities	3,528,875	3,133,399	3,755,723	4,183,394
Net decrease in cash and cash equivalents	(2,330,392)	(178,010)	(2,330,673)	(177,677)
Cash and cash equivalents at beginning of the period	4,631,711	3,875,057	4,630,352	3,872,919
Cash and cash equivalents at the end of the period	2,301,319	3,697,047	2,299,679	3,695,242

Supplemental disclosure of cash flows informations:

Non-cash transaction:

Bad debts written-off	2,036,403	302,726	2,002,378	213,021
Properties foreclosed received in settlement of debts	355,016	313,504	12,870	-

The accompanying notes are an integral part of the financial statements.

**CIMB THAI Bank Public Company Limited and its subsidiaries
(Formerly known as “BankThai Public Company Limited”)**

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2009

1. General information

1.1 The Bank’s information

CIMB THAI Bank Public Company Limited (“the Bank”) is a public company incorporated and domiciled in Thailand. Its parent company is CIMB Bank Berhad, which is a public company incorporated in Malaysia. The parent company of the Group is Bumiputra-Commerce Holdings Berhad. The Bank has been licensed by the Ministry of Finance to operate banking business. Its registered address is 44 North Sathorn Road, Bangrak, Bangkok. As at 30 September 2009, the Bank has 147 branches in Thailand.

All subsidiaries were incorporated as a limited company or a public limited company under Thai laws. All operate in Thailand, engaging mainly in securities business, fund management, insurance business, consultancy service, asset management, hire purchase and leasing.

On 20 April 2009, the Bank obtained approval from the Ministry of Finance to change the Bank’s name from “BankThai Public Company Limited” to “CIMB THAI Bank Public Company Limited”. The name was registered with the Ministry of Commerce on 1 May 2009.

1.2 Capital Funds Maintenance Provisions

As at 31 December 2008, the Bank’s capital funds to risk-weighted assets ratio (BIS ratio) was less than the level required by law. The Bank has requested a waiver from the Bank of Thailand (BOT) and proposed a plan to increase its capital funds to resolve this issues. The BOT has ordered the Bank to report to it on progress towards resolution of the issues of maintenance of capital funds and the increases in capital at regular intervals until the capital increase is completed.

On 20 February 2009, the Extraordinary General Meeting of Shareholders No. 1/2009, has the resolution as follows:

- a) Amending agenda items 2 and 4 of the resolutions of the Extraordinary General Meeting of Shareholders No. 2/2008 to change the previous offering price of not lower than Baht 0.66 to an offering price of Baht 0.38, which will enable the Bank to increase its capital funds to Baht 2,536,386,221 as a result of the rights offering.

- b) The issue and offering for sale of hybrid instruments that would be regarded by the Bank of Thailand as Tier 2 Capital ("Hybrid Tier 2"), up to an amount of Baht 2,500 million. The issuance of Hybrid Tier 2 has been structured to be in line with the maximum Hybrid Tier 2 Capital that can be raised by the Bank pursuant to the Bank of Thailand's Notification Re: Elements of Capital of the Commercial Banks registered in Thailand, in order to ensure a more efficient capital structure of the Bank, subject to the recognition of the issued instruments as Hybrid Tier 2 by the Bank of Thailand.

On 23 March 2009, the Bank received payment of capital and registered the capital increase with the Ministry of Commerce, which brought the Bank's capital adequacy ratio, or BIS ratio, above the minimum level required by law.

On 27 March 2009, the Bank issued hybrid instruments amounting to Baht 2,500 million and sold them to CIMB Bank (L) Ltd., in which CIMB Bank Berhad (the Bank's parent company) is a major shareholder (as detailed in Note 9 (d) to the financial statements). The Bank had issued a letter dated 30 March 2009 to the BOT requesting recognition of the proceeds from the issue as Hybrid Tier 2 capital. The BOT issued a letter dated 28 April 2009 granting permission for the Bank to recognise the hybrid instruments as Tier 2 capital, although the Bank must comply with the following:

1. Amend the "Terms and Conditions Governing Rights and Obligations of the issuer and the securities holders" by cancelling the conditions regarding the repurchase of the hybrid instruments, and submit an amended copy to the BOT prior to recognition of the increase in the Tier-2 Capital.
2. During the final five years, the Bank must reduce the amount of these instruments recognised as capital by 20% per year.
3. If the Bank wishes to redeem the instruments prior to maturity, the Bank must comply with the BOT announcement No. SorNorSor 88/2551 Re: Capital Fund Criteria for Commercial Banks Registered in Thailand, dated 3 August 2008.

Further to this, on 28 April 2009 and 12 May 2009 the Bank issued letters announcing amendments of the Terms and Conditions Governing Rights and Obligations of the Issuer and the Securities Holders, which canceled the stipulations relating to the buy back of the hybrid instruments. The Bank also sent a copy of CIMB Bank (L) Ltd's acknowledgement of the amendments to the BOT and the BOT subsequently issued a letter dated 20 May 2009, acknowledging the amendments and permitting them to take effect from 27 March 2009.

1.3 Economic crisis

The financial crisis experienced by the United States over the past year has had a far reaching effect on the global economy as evidenced by falls in share prices worldwide, a tight squeeze on credit including interbank lending, failures of large financial institutions and reduced consumer confidence. The governments of many countries made efforts to remedy the liquidity crisis and build confidence. However, it remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of facts known to the Bank, and on estimates and assumptions currently considered appropriate as of the financial statement reporting date. However, they could be affected by an array of future events.

1.4 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34 (revised 2007) "Interim financial statements", with the Bank and its subsidiaries choosing to present condensed interim financial statements. However, additional line items are presented in the balance sheets, the statements of earnings, changes in shareholders' equity and cash flows as in the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The financial statements in Thai language are the official financial statements of the Bank. The financial statements in English language have been translated from such financial statements in Thai language.

1.5 Basis of preparation of the consolidated financial statements

These interim consolidated financial statements include the financial statements of CIMB THAI Bank Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008, with no structural changes related to subsidiaries occurring during the period.

1.6 The separate financial statements, which present investments in subsidiaries and associates presented under the cost method, have been prepared solely for the benefit of the public.

The management of the Bank has assessed that TAS 20 does not relevant to the business of the Bank and its subsidiaries, while TAS 24 (revised 2007) and TAS 40 are in the process of evaluating the effect of such standards on the financial statements for the year in which they are initially applied.

1.8 Significant accounting policies

These interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

2. Interbank and money market items (assets)

(Unit: Million Baht)

	Consolidated financial statements					
	30 September 2009			31 December 2008		
	At call	Term	Total	At call	Term	Total
Domestic:						
Bank of Thailand and the Financial Institutions Development Fund	1,963	-	1,963	5,428	32,627	38,055
Commercial banks	197	8,242	8,439	206	262	468
Other banks	7	1,668	1,675	5	53	58
Finance, finance and securities, securities, and credit foncier companies	544	63	607	-	3,373	3,373
Other financial institutions	-	-	-	20	585	605
Total domestic items	2,711	9,973	12,684	5,659	36,900	42,559
Add: Accrued interest receivables	-	4	4	-	16	16
Less: Allowance for doubtful debts	-	(2)	(2)	-	(2)	(2)
Domestic items - net	2,711	9,975	12,686	5,659	36,914	42,573
Foreign:						
US dollar	409	-	409	729	-	729
Yen	1	-	1	22	-	22
EURO	22	-	22	19	-	19
Other currencies	23	-	23	24	-	24
Foreign items - net	455	-	455	794	-	794
Domestic and foreign items - net	3,166	9,975	13,141	6,453	36,914	43,367

(Unit: Million Baht)

	Separate financial statements					
	30 September 2009			31 December 2008		
	At call	Term	Total	At call	Term	Total
Domestic:						
Bank of Thailand and the Financial Institutions Development Fund	1,963	-	1,963	5,425	32,627	38,052
Commercial banks	62	7,900	7,962	150	-	150
Other banks	-	1,600	1,600	-	-	-
Finance, finance and securities, securities, and credit foncier companies	544	54	598	30	3,359	3,389
Other financial institutions	-	-	-	20	585	605
Total domestic items	2,569	9,554	12,123	5,625	36,571	42,196
Add: Accrued interest receivables	-	1	1	-	13	13
Less: Allowance for doubtful debts	-	(2)	(2)	-	(2)	(2)
Domestic items - net	2,569	9,553	12,122	5,625	36,582	42,207
Foreign:						
US dollar	409	-	409	729	-	729
Yen	1	-	1	22	-	22
EURO	22	-	22	19	-	19
Other currencies	23	-	23	24	-	24
Foreign items - net	455	-	455	794	-	794
Domestic and foreign items - net	3,024	9,553	12,577	6,419	36,582	43,001

As at 30 September 2009, the Bank has promissory notes of Baht 548 million, that had been issued by finance companies ordered closed, and are avaled by the Financial Institution Development Fund ("the FIDF"). A promissory note amounting to Baht 544 million was recalled to cancel the aval since the FIDF is of the opinion that the Bank has no obligations in respect of the related liabilities. However, the Bank has yet to return the promissory note to the FIDF in order to retain its right to claim compensation from the FIDF should the Bank need to undertake responsibility for any obligations in the future.

As of the balance sheet date such promissory note avaled by FIDF has been presented as assets and the related obligation has been presented as liabilities at the same amount to Baht 544 million.

3. Investments

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Value at cost method/equity method	24,296	46,825	26,607	48,930
Add (less): Allowance for revaluation	-	17	(11)	42
Allowance for impairment	(749)	(1,322)	(2,172)	(2,743)
Net book value	23,547	45,520	24,424	46,229

3.1 Classified by types of investment

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	30 September 2009		31 December 2008		30 September 2009		31 December 2008	
	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value
Short-term investments:								
Securities held for trading								
Government and state enterprises securities	641	641	1,018	1,015	594	594	983	979
Private sector debt securities	530	530	3	3	510	510	-	-
Domestic marketable equity securities	43	48	60	47	-	-	-	-
Total	1,214	1,219	1,081	1,065	1,104	1,104	983	979
Add (less): Allowance for revaluation	5	-	(16)	-	-	-	(4)	-
Securities held for trading - net	1,219	1,219	1,065	1,065	1,104	1,104	979	979
Available-for-sales securities								
Government and state enterprises securities	4,831	4,830	2,896	2,907	4,783	4,783	2,884	2,895
Private sector debt securities	204	204	768	769	203	202	758	759
Domestic marketable equity securities	28	16	30	5	-	-	-	-
Total	5,063	5,050	3,694	3,681	4,986	4,985	3,642	3,654
Add: Allowance for revaluation	13	-	13	-	-	-	13	-
Less: Allowance for impairment	(26)	-	(26)	-	(1)	-	(1)	-
Available-for-sales securities - net	5,050	5,050	3,681	3,681	4,985	4,985	3,654	3,654
Held-to-maturity debt securities								
Government and state enterprises securities	-	-	15	-	-	-	-	-
	-	-	15	-	-	-	-	-
Short-term investments - net	6,269	6,269	4,761	4,761	6,089	6,089	4,633	4,633

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	30 September 2009		31 December 2008		30 September 2009		31 December 2008	
	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value
Long-term investments:								
Available-for-sales securities								
Government and state enterprises securities	144	144	18,681	18,887	100	100	18,669	18,874
Private sector debt securities	35	36	378	383	-	-	50	52
Domestic marketable equity securities	2,600	2,576	3,297	2,697	2,513	2,497	3,235	2,652
Total	2,779	2,756	22,356	21,967	2,613	2,597	21,954	21,578
Add (less): Allowance for revaluation	(18)	-	20	-	(11)	-	33	-
Less: Allowance for impairment	(5)	-	(409)	-	(5)	-	(409)	-
Available-for-sales securities - net	2,756	2,756	21,967	21,967	2,597	2,597	21,578	21,578
Held-to-maturity debt securities								
Promissory notes issued by TAMC	800		2,705		800		2,705	
Government and state enterprises securities	4,242		155		4,242		155	
Overseas debt securities	7,654		13,951		7,654		13,951	
Total	12,696		16,811		12,696		16,811	
Less: Allowance for impairment	(54)		(54)		(54)		(54)	
Held-to-maturity debt securities - net	12,642		16,757		12,642		16,757	
General investments								
Private sector debt securities	2		11		2		11	
Domestic non-marketable equity securities	1,051		1,349		1,050		1,348	
Overseas non-marketable equity securities	14		14		14		14	
Investments in receivables (Note 3.6)	1,261		1,385		1,130		1,260	
Total	2,328		2,759		2,196		2,633	
Less: Allowance for impairment	(654)		(823)		(549)		(716)	
General investments - net	1,674		1,936		1,647		1,917	
Long-term investments - net	17,072		40,660		16,886		40,252	

(a) As of 30 September 2009 and 31 December 2008, the Bank had foreign currency denominated debt investments in structured notes totalling USD 170 million (Baht 5,705 million) and USD 360 million (Baht 12,580 million), respectively, which have been classified as the held-to-maturity investments and are recorded under the cost method. Such notes were issued by foreign financial institutions and banks whose ratings were A or better. The notes have remaining lives of 2-8 years and contain conditions related to interest to be received by the bank and/or early repayment rights of the note issuers. As at 30 September 2009 and 31 December 2008, the average price of the notes quoted by arrangers is approximately 98 percent and 99 percent of cost, respectively. The Bank has not set aside allowance for impairment on such investment because the Bank's management are confident that all notes will be recovered in full on the maturity date or when the issuer early redeems the notes. However, in view of the current financial turmoil and related uncertainties, the values of the notes may be affected by future impact of the economic and financial crisis.

- (b) As at 30 September 2009, held-to-maturity debt securities classified as long-term investments included promissory notes of Baht 800 million (31 December 2008: Baht 2,705 million) which were received from TAMC in settlement for non-performing loans transferred to TAMC (as already discussed in Note 24 to the financial statements). Such promissory notes are non-transferable and avaled by the Financial Institutions Development Fund.
- (c) As at 30 September 2009, the Bank has an investment in the Vayupak Fund 1, which is a marketable security. The cost of such investment is Baht 2,500 million and it is presented at its fair value of Baht 2,487 million, with the loss from revaluation amounting to Baht 13 million presented in shareholders' equity. The presentation of fair value is in accordance with Thai Accounting Standard No. 40 (previous version) "Accounting for Investment in Debt and Equity Securities". The investee was established in accordance with a Cabinet resolution passed on 1 July 2003, with a registered capital of Baht 100,000 million. It is a 10-year fund with a policy to guarantee principal and a minimum return. The fund units cannot be redeemed prior to maturity and the Bank presents the investment as long-term investment in available-for-sale securities.
- (d) As at 30 September 2009, the Bank has accounts receivable from sales of investments of Baht 4,087 million and accounts payable from purchases of investments of Baht 3,945 million, which arose for sales and purchases of investments made during the last one to five working days before the period date. Settlement of such transactions was completed after the period date.
- (e) As at 30 September 2009 and 31 December 2008, the Bank has investments which are pledged as collateral, as mentioned in Note 19.1 to the financial statements.

3.2 Classified by the remaining period to maturity of the debt securities

(Unit: Million Baht)

	Consolidated financial statements							
	30 September 2009				31 December 2008			
	Periods remaining				Periods remaining			
	1 year	1 - 5 years	Over 5 years	Total	1 year	1 - 5 years	Over 5 years	Total
Available-for-sales securities								
Government and state enterprises securities	4,831	141	3	4,975	2,896	18,672	9	21,577
Private sector debt securities	204	32	3	239	768	373	5	1,146
Total	5,035	173	6	5,214	3,664	19,045	14	22,723
Add: Allowance for revaluation	-	-	1	1	13	209	2	224
Less: Allowance for impairment	(1)	-	-	(1)	(1)	-	-	(1)
Total	5,034	173	7	5,214	3,676	19,254	16	22,946
Held-to-maturity securities								
Promissory notes issued by TAMC	-	792	8	800	-	2,697	8	2,705
Government and state enterprises securities	-	4,087	155	4,242	15	-	155	170
Overseas debt securities	-	3,627	4,027	7,654	-	3,118	10,833	13,951
Total	-	8,506	4,190	12,696	15	5,815	10,996	16,826
Less: Allowance for impairment	-	(54)	-	(54)	-	(54)	-	(54)
Total	-	8,452	4,190	12,642	15	5,761	10,996	16,772
General investments								
Private sector debt securities	-	-	2	2	11	-	-	11
Less: Allowance for impairment	-	-	(2)	(2)	(11)	-	-	(11)
Total	-	-	-	-	-	-	-	-
Total debt securities	5,034	8,625	4,197	17,856	3,691	25,015	11,012	39,718

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements							
	30 September 2009				31 December 2008			
	Periods remaining				Periods remaining			
	1 year	1 – 5 years	Over 5 years	Total	1 year	1 – 5 years	Over 5 years	Total
Available-for-sales securities								
Government and state enterprises securities	4,783	100	-	4,883	2,884	18,669	-	21,553
Private sector debt securities	203	-	-	203	758	50	-	808
Total	4,986	100	-	5,086	3,642	18,719	-	22,361
Add: Allowance for revaluation	-	-	-	-	13	206	-	219
Less: Allowance for impairment	(1)	-	-	(1)	(1)	-	-	(1)
Total	4,985	100	-	5,085	3,654	18,925	-	22,579
Held-to-maturity securities								
Promissory notes issued by TAMC	-	792	8	800	-	2,697	8	2,705
Government and state enterprises securities	-	4,087	155	4,242	-	-	155	155
Overseas debt securities	-	3,627	4,027	7,654	-	3,118	10,833	13,951
Total	-	8,506	4,190	12,696	-	5,815	10,996	16,811
Less: Allowance for impairment	-	(54)	-	(54)	-	(54)	-	(54)
Total	-	8,452	4,190	12,642	-	5,761	10,996	16,757
General investments								
Private sector debt securities	-	-	2	2	11	-	-	11
Less: Allowance for impairment	-	-	(2)	(2)	(11)	-	-	(11)
Total	-	-	-	-	-	-	-	-
Total debt securities	4,985	8,552	4,190	17,727	3,654	24,686	10,996	39,336

3.3 Investments representing shareholdings in which the Bank and its subsidiaries hold more than 10%

The following are equity securities, classified by types of business, in which the Bank and its subsidiaries hold more than 10% of the paid-up share capital of the investee companies but those companies were not classified as subsidiaries and associated companies:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	30 September 2009	31 December 2008
Commercial business	2	2
Property development	1	167
Public utilities and services	17	17
Bank and Finance	4	10
Insurance businesses	234	234
Total	258	430
Less: Allowance for impairment	(173)	(344)
Net	85	86

3.4 Investments in investment units in which the Bank and its subsidiaries hold more than 10%

Investments in investment units in which the Bank and its subsidiaries hold more than 10% of the paid-up fund, which are not treated as their subsidiaries and associated companies, classified by type of fund, are as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements			
	30 September 2009		31 December 2008	
	Cost	Fair value	Cost	Fair value
General investments				
Investment in property funds	421	418	476	470
Investment in fixed income funds	-	-	20	22
Total	421	418	496	492
Less: Allowance for impairment	(3)		(3)	
Book value	418		493	

3.5 Investments in companies having problems relating to financial position and operating results

As at 30 September 2009 and 31 December 2008, the Bank and its subsidiaries have the following investments in companies, which have problems relating to financial positions and operating results, can be summarised as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements							
	30 September 2009				31 December 2008			
	Number of companies	Cost	Allowance for revaluation and impairment	Book value	Number of companies	Cost	Allowance for revaluation and impairment	Book value
Listed companies under delisting conditions	3	-	-	-	4	-	-	-
Companies with problems regarding to business continuity and/or weak financial status and operating performance	55	50	(40)	10	63	216	(206)	10
Defaulted debt securities	17	1	(1)	-	18	11	(11)	-

3.6 Investments in receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
Investments in receivables	1,261	1,385	1,130	1,260
Less: Allowance for impairment	(259)	(261)	(154)	(154)
Investments in receivables - net	1,002	1,124	976	1,106

The outstanding balances of loan receivables as at 30 September 2009 and 31 December 2008, can be summarised as follows:

	30 September 2009				31 December 2008			
	Number of debtors	Principal	Purchase price	Estimated	Number of debtors	Principal	Purchase price	Estimated
				rate of return (Yield) *				rate of return (Yield)*
	Million Baht	Million Baht	Percent	Million Baht	Million Baht	Percent		
Consolidated financial statements								
Total accumulated investments								
in receivables	14,730	24,916	7,074	19	6,053	24,912	7,066	19
Outstanding investments in receivables as at the balance sheet date	12,433	10,461	1,261		3,874	10,683	1,385	
Separate financial statements								
Outstanding investments in receivables as at the balance sheet date	255	2,729	1,130		300	2,896	1,260	

* Excluded yield of investment in receivable of a subsidiary, the outstanding amount of which is Baht 49 million as at 30 September 2009 and 31 December 2008.

3.7 Investments in subsidiary and associated companies

Company name	Nature of business	Paid-up share capital		Percentage of holding		Investment value				Dividend received for the nine-month periods ended	
		30 September 2009	31 December 2008	30 September 2009	31 December 2008	Cost method		Equity method		for the nine-month periods ended	
		Million Baht	Million Baht	%	%	30 September 2009	31 December 2008	30 September 2009	31 December 2008	30 September 2009	31 December 2008
		Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiary - not included in consolidated financial statements											
Krung Thai Thanakit Finance Plc.	In process of liquidation	388	388	99	99	562	562	154	238	-	-
Associated company											
Worldclass Rent a Car Co., Ltd.	Car rental	380	380	20	20	61	61	61	61	-	-
Total						623	623	215	299	-	-
Less: Allowance for impairment						(314)	(314)	(10)	(10)		
Investments in subsidiary and associated companies						309	309	205	289		
Less: Ordinary shares of the Bank held by its subsidiary which are not included in consolidated financial statements (cost method)								-	(190)		
Investments in subsidiary and associated companies - net						205	205	205	99		

(Unaudited but reviewed)

Company name	Nature of business	Separate financial statements							
		Paid-up share capital		Percentage of holding		Investment value		Dividend received	
		30	31	30	31	Cost	method	for the nine-month	
		September	December	September	December	September	December	periods ended	
		2009	2008	2009	2008	2009	2008	2009	2008
		Million	Million	%	%	Million	Million	Million	Million
		Baht	Baht			Baht	Baht	Baht	Baht
Subsidiaries - included in consolidated financial statements									
BT Insurance Co., Ltd.	Non-life insurance	300	300	100	100	236	236	-	-
CIMB Securities (Thailand) Co., Ltd. (Formerly known as "BT Securities Co., Ltd.")	Securities	1,200	1,200	100	100	1,175	1,175	-	-
BT Business Consulting Co., Ltd.	Consultancy services	33	33	100	100	32	32	-	-
BT Leasing Co., Ltd.	Leasing/ hire purchase	275	200	100	100	453	378	-	-
BT Asset Management Co., Ltd.	Fund manager	220	190	100	100	220	190	-	-
Sathom Asset Management Co., Ltd.	Asset management	25	25	100	100	25	25	-	175
BT Worldlease Co., Ltd.	Hire purchase - motorcycles, motorcycle trading	240	240	75	75	248	248	-	-
Subsidiary - not included in consolidated financial statements									
Krung Thai Thanakit Finance Plc.	In process of liquidation	388	388	99	99	562	562	-	-
Associated company									
Worldclass Rent a Car Co., Ltd.	Car rental	380	380	20	20	61	61	-	-
Total						3,012	2,907	-	175
Less: Allowance for impairment						(1,563)	(1,563)		
Investments in subsidiary and associated companies - net						<u>1,449</u>	<u>1,344</u>		

Share of losses from investment in an associated company for the nine-month period ended 30 September 2008, amounting to Baht 9 million, were calculated based on the associated company's financial statements, which were prepared by its management and have not been audited or reviewed by its auditor.

BT World Lease Company Limited, which is a subsidiary of the Bank, has two subsidiary companies. These are Siam Wall N.E. Leasing Company Limited, which is principally engaged in the provision of hire purchase loans to motorcycle buyers, and Asset Liability Management Company Limited, which is principally engaged in the sale of used motorcycles. Siam Wall N.E. Leasing Company Limited and Asset Liability Management Company Limited passed resolutions to dissolve those companies, and registered their dissolutions with the Business Promotion Department, Ministry of Commerce on 22 September 2008 and 7 November 2008, respectively. Siam Wall N.E. Leasing Company Limited registered its liquidation on 26 December 2008 and BT Worldlease Co., Ltd. has received a refund of capital of Baht 29 million as a result of the liquidation. On 9 June 2009 Asset Liability Management Company Limited registered its liquidation but BT Worldlease Co., Ltd. received no return of capital.

4. Loans and accrued interest receivables

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Loans	81,179	92,261	76,232	87,553
Accrued interest receivables	285	389	226	326
Total loans and accrued interest receivables	81,464	92,650	76,458	87,879
Less: Allowance for doubtful debts	(8,133)	(8,973)	(4,419)	(5,249)
Revaluation allowance for debt restructuring	(24)	(20)	(24)	(20)
Net book value	73,307	83,657	72,015	82,610

4.1 Classified by loan type

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Bank overdrafts	5,451	5,995	5,434	5,927
Loans	55,186	61,117	52,530	58,449
Bills*	16,138	21,040	18,208	23,164
Hire purchase receivables*	3,459	3,645	-	-
Financial lease receivables*	257	261	-	-
Securities business receivables	627	189	-	-
Others	61	14	60	13
Total loans	81,179	92,261	76,232	87,553
Add: Accrued interest receivables	285	389	226	326
Total loans and accrued interest receivables	81,464	92,650	76,458	87,879
Less: Allowance for doubtful debts	(8,133)	(8,973)	(4,419)	(5,249)
Revaluation allowance for debt restructuring	(24)	(20)	(24)	(20)
Loans and accrued interest receivables – net	73,307	83,657	72,015	82,610

* As at 30 September 2009 and 31 December 2008, those amount have been presented net from unearned interest income with total of Baht 926 million and Baht 996 million, respectively (separate financial statements: Baht 4 million and Baht 14 million, respectively).

4.2 Classification of loans

The Bank and its subsidiaries classified loans by loan classification and/or based on the over due date as summarised below:

a) Loans of the Bank and its subsidiaries

	Consolidated financial statements							
	30 September 2009				31 December 2008			
	Loans and accrued interest receivables	Balance after collateral ⁽¹⁾	Minimum percentage	Allowance provided in the accounts	Loans and accrued interest receivables	Balance after collateral ⁽¹⁾	Minimum percentage	Allowance provided in the accounts
	Million Baht	Million Baht	%	Million Baht	Million Baht	Million Baht	%	Million Baht
Pass	51,889	17,259	1	220	64,128	19,801	1	261
Special mention	12,099	2,731	2	66	11,037	2,177	2	112
Sub-standard	2,655	990	100	990	3,462	1,243	100	1,273
Doubtful	1,457	542	100	581	1,768	762	100	886
Doubtful of loss	8,996	5,419	100	5,654	8,089	5,698	100	5,803
Total	77,096	26,941		7,511	88,484	29,681		8,335
General provision for further losses				174				166
Total				7,685				8,501

⁽¹⁾ For provision for sub-standard, doubtful and doubtful of loss loans, which is set up in accordance with new BOT guidelines, the debt balance after collateral is the debt balance remaining after deducting the present value of expected future cash flows from debt collection or from collateral disposal, as the case may be.

	Separate financial statements							
	30 September 2009				31 December 2008			
	Loans and accrued interest receivables	Balance after collateral ⁽¹⁾	Minimum percentage	Allowance provided in the accounts	Loans and accrued interest receivables	Balance after collateral ⁽¹⁾	Minimum percentage	Allowance provided in the accounts
	Million Baht	Million Baht	%	Million Baht	Million Baht	Million Baht	%	Million Baht
Pass	54,615	19,986	1	220	66,881	22,553	1	249
Special mention	12,099	2,731	2	66	11,037	2,177	2	112
Sub-standard	2,655	990	100	990	3,462	1,243	100	1,243
Doubtful	1,457	542	100	581	1,768	762	100	802
Doubtful of loss	5,632	2,225	100	2,460	4,731	2,463	100	2,693
Total	76,458	26,474		4,317	87,879	29,198		5,099
General provision for further losses				102				150
Total				4,419				5,249

⁽¹⁾ For provision for sub-standard, doubtful and doubtful of loss loans, which is set up in accordance with new BOT guidelines, the debt balance after collateral is the debt balance remaining after deducting the present value of expected future cash flows from debt collection or from collateral disposal, as the case may be.

As at 30 September 2009, there were defaulted loans amounting to Baht 7,862 million, for which the Bank has ceased accrual of interest income on accrual basis (31 December 2008: Baht 7,615 million).

b) Securities business receivables of the subsidiary

(Unit: Million Baht)

	Securities business receivables and accrued interest		Allowance for doubtful accounts as required by SEC		Allowance for doubtful accounts	
	30 September	31 December	30 September	31 December	30 September	31 December
	2009	2008	2009	2008	2009	2008
Pass	550	129	-	-	-	-
Sub-standard debt	18	24	-	-	-	-
Doubtful debt	60	77	60	77	78	99
Total	628	230	60	77	78	99

c) Hire purchase receivables and financial lease receivables of the subsidiaries

As at 30 September 2009 and 31 December 2008, hire-purchase receivables and financial lease receivables of the subsidiaries are classified based on the over due date as follows:

(Unit: Million Baht)

	Debt balance - net from unearned income		Allowance for doubtful accounts	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
Current or overdue less than				
1 installment	2,908	3,013	28	30
Overdue 2 - 3 installments	479	557	9	11
Overdue 4 - 6 installments	49	79	29	45
Overdue 7 - 12 installments	28	14	28	14
Overdue more than 12 installments	271	268	271	268
Debtors under litigation	5	5	5	5
Total	3,740	3,936	370	373

4.3 Non-performing loans

As at 30 September 2009 and 31 December 2008, the Bank and its subsidiaries had the following non-performing loans, according to the criteria set up by the BOT and the Office of the Securities and Exchange Commission:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Non-performing loans (principal only)	13,416	13,608	9,707	9,888

As at 30 September 2009 and 31 December 2008, the above non-performing loans under the BOT's criteria were presented in accordance with the notification of the BOT, defining non-performing loans to be the debts classified as sub-standard, doubtful and doubtful of loss and excluding outstanding loans for which debt restructuring agreements have been made and conditions to upgrade to pass class or special mention class in accordance with the BOT's criteria have already been fulfilled.

4.4 Hire purchase and financial lease receivables

Net receivables of the Bank's subsidiaries under hire purchase agreements and financial leases amount to Baht 3,370 million and comprise hire purchase agreements and financial leases for cars and motorcycles. The term of the agreements are generally between 3 and 6 years and interest is charged at a fixed rate.

(Unit: Million Baht)

	Consolidated financial statements as at 30 September 2009				
	Amounts due under lease agreement				
	Less than		Over 5	Non -	
	1 year	1-5 years	years	performing	Total
Gross investment in the lease	1,863	2,386	13	400	4,662
Unearned finance income	(508)	(366)	(1)	(47)	(922)
Present value of minimum lease payments receivable	1,355	2,020	12	353	3,740
Allowance for doubtful accounts					(370)
Net receivables under hire purchase agreements and financial leases					<u>3,370</u>

4.5 Troubled debt restructuring

During for the nine-month period ended 30 September 2009 and for year ended 31 December 2008, the Bank entered into troubled debt restructuring agreements with debtors. The number of debtors and their debt balances (including recorded accrued interest receivables) before restructuring can be summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Number of debtors	3,566	4,593	3,564	4,590
Debt balances	1,880	2,115	1,879	2,114

(Unaudited but reviewed)

The restructured debtors referred to above can be classified by method of troubled debt restructuring as described below:

(Unit: Million Baht)

Consolidated financial statements					
For the nine-month period ended 30 September 2009					
	Number of debtors	Debt balances		Type of assets transferred	Loss on troubled debt restructuring
		Before restructuring	After restructuring		
Transfer of assets	-	-	-	- Land and land with premises - Ordinary shares - Others	-
Modification of terms of payments	3,566	1,880	1,832		48
Combination of methods	-	-	-	- Land and land with premises - Ordinary shares - Others	-
Total	3,566	1,880	1,832		48
Loans and accrued interest receivables as at 30 September 2009		208,788	81,464		

(Unit: Million Baht)

Consolidated financial statements					
For the year ended 31 December 2008					
	Number of debtors	Debt balances		Type of assets transferred	Loss on troubled debt restructuring
		Before restructuring	After restructuring		
Transfer of assets	-	-	-	- Land and land with premises - Ordinary shares - Others	-
Modification of terms of payments	4,593	2,115	2,106		9
Combination of methods	-	-	-	- Land and land with premises - Ordinary shares - Others	-
Total	4,593	2,115	2,106		9
Loans and accrued interest receivables as at 31 December 2008		264,847	92,650		

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements						
For the nine-month period ended 30 September 2009						
	Number of debtors	Debt balances		Type of assets transferred	Fair value	Loss on troubled debt restructuring
		Before restructuring	After restructuring			
Transfer of assets	-	-	-	- Land and land with premises	-	-
				- Ordinary shares	-	
				- Others	-	
Modification of terms of payments	3,564	1,879	1,831			48
Combination of methods	-	-	-	- Land and land with premises	-	-
				- Ordinary shares	-	
				- Others	-	
Total	3,564	1,879	1,831		-	48
Loans and accrued interest receivables as at 30 September 2009	<u>155,419</u>		<u>76,458</u>			

(Unit: Million Baht)

Separate financial statements						
For the year ended 31 December 2008						
	Number of debtors	Debt balances		Type of assets transferred	Fair value	Loss on troubled debt restructuring
		Before restructuring	After restructuring			
Transfer of assets	-	-	-	- Land and land with premises	-	-
				- Ordinary shares	-	
				- Others	-	
Modification of terms of payments	4,590	2,114	2,105			9
Combination of methods	-	-	-	- Land and land with premises	-	-
				- Ordinary shares	-	
				- Others	-	
Total	4,590	2,114	2,105		-	9
Loans and accrued interest receivables as at 31 December 2008	<u>208,964</u>		<u>87,879</u>			

The debts restructured by means of modification of the term of repayment and combination of methods referred to above can be classified by the term of repayment under the restructuring agreements as follows:

(Unit: Million Baht)

Term of repayment according to the restructuring agreements	Consolidated financial statements					
	For the nine-month period ended 30 September 2009			For the year ended 31 December 2008		
	Number	Debt balances		Number	Debt balances	
	of Debtors	Before restructuring	After restructuring	of debtors	Before restructuring	After restructuring
Not more than 5 years	1,245	842	794	1,496	1,066	1,057
5 – 10 years	2,301	815	815	3,088	1,034	1,034
10 – 15 years	10	179	179	8	13	13
More than 15 years	10	44	44	1	2	2
Total	3,566	1,880	1,832	4,593	2,115	2,106

(Unit: Million Baht)

Term of repayment according to the restructuring agreements	Separate financial statements					
	For the nine-month period ended 30 September 2009			For the year ended 31 December 2008		
	Number	Debt balances		Number	Debt balances	
	of debtors	Before restructuring	After restructuring	of debtors	Before restructuring	After restructuring
Not more than 5 years	1,244	841	793	1,493	1,065	1,056
5 – 10 years	2,301	815	815	3,088	1,034	1,034
10 – 15 years	10	179	179	8	13	13
More than 15 years	9	44	44	1	2	2
Total	3,564	1,879	1,831	4,590	2,114	2,105

(Unaudited but reviewed)

Supplemental information for the nine-month period ended 30 September 2009 and for the year ended 31 December 2008 relating to the restructured debts is as follow:

(Unit: Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>30 September</u>	<u>31 December</u>	<u>30 September</u>	<u>31 December</u>
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Losses on debt restructuring due to debtors being able to comply with debt restructuring conditions during the periods (Hair cut loss)	177	306	163	248
Cash settlement by debtors				
Principal	698	1,153	690	1,133
Interest	273	332	270	329

As at 30 September 2009 and 31 December 2008, the troubled debtors for which the Bank and its subsidiaries completed their debt restructuring can be summarised as follow:

(Unit: Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>30 September</u>	<u>31 December</u>	<u>30 September</u>	<u>31 December</u>
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Number of debtors	6,934	6,113	6,929	6,109
Debt balances after restructuring	3,282	3,251	3,254	3,221

In cases where the troubled debt restructuring involves modifications of the terms and the repayment conditions, the fair value of the loans after restructuring is determined based on the net present value of expected future cashflows, discounted by the market interest rate. As at 30 September 2009 and 31 December 2008, the Bank have losses from the revaluation of restructured debts (PV Loss) of Baht 24 million and Baht 20 million, respectively, for which the Bank had provided allowance for revaluation as a result of debt restructuring.

(Unaudited but reviewed)

In addition, as at 30 September 2009 the Bank may have to realise additional losses from debt restructuring through waiver of part of the principal or interest receivables if the restructured debtors are able to comply with the conditions as stipulated in the debt restructuring agreements approximately Baht 40 million (31 December 2008: Baht 43 million). The Bank had already provided a provision for such losses, which is presented as part of the allowance for doubtful debts in the balance sheet.

5. Allowance for doubtful debts

(Unit: Million Baht)

Consolidated financial statements									
30 September 2009									
	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	General provision	Total	Securities and hire purchase receivables	Grand total
Balance as at 31 December 2008	261	112	1,273	886	5,803	166	8,501	472	8,973
Add: Addition	-	-	-	-	-	1,078	1,078	11	1,089
Reversal of bad debts	-	-	-	-	-	86	86	-	86
Allowance made for returned NPLs	-	-	-	-	33	-	33	-	33
Transferred from revaluation allowance for debt restructuring	-	-	-	-	-	1	1	-	1
Less: Bad debts written off	-	-	(228)	(51)	(1,719)	(5)	(2,003)	(35)	(2,038)
Reversal of allowance made for settled debts	-	-	-	-	(6)	-	(6)	-	(6)
Transfer to revaluation allowance for debt restructuring	-	-	-	-	-	(5)	(5)	-	(5)
Increase (decrease) due to change in classification or collateral value/transfer general provision to specific provision	(41)	(46)	(55)	(254)	1,543	(1,147)	-	-	-
Balance as at 30 September 2009	220	66	990	581	5,654	174	7,685	448	8,133

(Unit: Million Baht)

Consolidated financial statements									
31 December 2008									
	Pass	Special mention	Sub-standard	Doubtful	Doubtful of loss	General provision	Total	Securities and hire purchase receivables	Grand total
Balance as at 31 December 2007	476	16	1,509	309	7,772	428	10,510	551	11,061
Add: Addition	-	-	-	-	-	2,291	2,291	52	2,343
Reversal of bad debts	-	-	-	-	-	8	8	-	8
Transferred from revaluation allowance for debt restructuring	-	-	-	-	-	7	7	-	7
Less: Bad debts written off	(10)	(7)	(6)	(3)	(1,817)	(9)	(1,852)	(113)	(1,965)
Reversal of allowance made for settled debts	-	-	-	-	(10)	-	(10)	(18)	(28)
Reversal of allowance made for sold NPLs	(55)	-	-	-	(2,398)	-	(2,453)	-	(2,453)
Increase (decrease) due to change in classification or collateral value/transfer general provision to specific provision	(150)	103	(230)	580	2,256	(2,559)	-	-	-
Balance as at 31 December 2008	261	112	1,273	886	5,803	166	8,501	472	8,973

(Unaudited but reviewed)

(Unit: Million Baht)

Separate financial statements							
30 September 2009							
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	General provision	Total
Balance as at 31 December 2008	249	112	1,243	802	2,693	150	5,249
Add: Addition	-	-	-	-	-	1,078	1,078
Reversal of bad debts	-	-	-	-	-	86	86
Transferred from revaluation allowance for debt restructuring	-	-	-	-	-	1	1
Transferred from revaluation allowance for subsidiary	-	-	-	-	13	-	13
Less: Bad debts written off	-	-	(228)	(51)	(1,719)	(5)	(2,003)
Transfer to revaluation allowance for debt restructuring	-	-	-	-	-	(5)	(5)
Increase (decrease) due to change in classification or collateral value/transfer general provision to specific provision	(29)	(46)	(25)	(170)	1,473	(1,203)	-
Balance as at 30 September 2009	<u>220</u>	<u>66</u>	<u>990</u>	<u>581</u>	<u>2,460</u>	<u>102</u>	<u>4,419</u>

(Unit: Million Baht)

Separate financial statements							
31 December 2008							
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	General provision	Total
Balance as at 31 December 2007	475	16	1,509	309	4,694	330	7,333
Add: Addition	-	-	-	-	-	2,196	2,196
Reversal of bad debts	-	-	-	-	-	8	8
Transferred from revaluation allowance for debt restructuring	-	-	-	-	-	7	7
Less: Bad debts written off	(10)	(7)	(6)	(3)	(1,817)	(9)	(1,852)
Transferred from revaluation allowance for subsidiary	(12)	-	(30)	(84)	(2,317)	-	(2,443)
Increase (decrease) due to change in classification or collateral value/transfer general provision to specific provision	(204)	103	(230)	580	2,133	(2,382)	-
Balance as at 31 December 2008	<u>249</u>	<u>112</u>	<u>1,243</u>	<u>802</u>	<u>2,693</u>	<u>150</u>	<u>5,249</u>

6. Revaluation allowance for debt restructuring

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2009	31 December 2008	30 September 2009	31 December 2008
Balance – beginning of the period	20	51	20	51
Add: Revaluation allowance transferred from allowance for doubtful debts	5	-	5	-
Less: Amounts written off during the periods	-	(24)	-	(24)
Revaluation allowance transferred to allowance for doubtful debts	(1)	(7)	(1)	(7)
Balance – end of the period	<u>24</u>	<u>20</u>	<u>24</u>	<u>20</u>

The write-off transactions and/or the adjustments of revaluation allowance for debt restructuring are transferred to allowance for doubtful debts.

7. Properties foreclosed

Properties foreclosed represent properties foreclosed from debtors as a result of debt restructuring, or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction, or unused assets transferred as a result of merger and awaiting disposal.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Cost	3,071	3,245	2,876	3,017
Less: Allowance for impairment	(674)	(762)	(660)	(740)
Book value	<u>2,397</u>	<u>2,483</u>	<u>2,216</u>	<u>2,277</u>
Immovable	3,053	3,204	2,876	3,017
Movable	18	41	-	-
Total	3,071	3,245	2,876	3,017
Less: Allowance for impairment	(674)	(762)	(660)	(740)
Properties foreclosed - net	<u>2,397</u>	<u>2,483</u>	<u>2,216</u>	<u>2,277</u>

The Bank provides allowance for impairment of properties foreclosed by reference to appraised value. The Bank appraisals or review the fair value of properties foreclosed annually in accordance with the Notification of the Bank of Thailand. However, the actual selling price may differ from the appraised value. In addition, the Bank is subject to restrictions on the allowed periods it may hold such properties, as stipulated by the Bank of Thailand. If the Bank is unable to dispose of the properties within allowed periods, the Bank has to set aside additional provision in accordance with the Bank of Thailand guidelines. The Bank's management believes that the carrying value of such properties is suitable to the current situation and the current disposal plan of its properties foreclosed.

8. Intangible assets

(Unit: Million Baht)

Consolidated financial statements

	Amortising period	Balance as at 31 December 2008	Increase	Transfer in/(out)	Written off/ Amortisation	Balance as at 30 September 2009
Expenditures in connection with development and improvement of computer systems – under development	-	479	138	(19)	(48)	550
Computer software	5 - 10 years	314	20	19	(67)	286
License Fee	5, 10 years	9	-	-	(2)	7
Total		802				843
Less: Allowance for impairment		(251)				(270)
Net intangible assets		551				573

(Unit: Million Baht)

Separate financial statements

	Amortising period	Balance as at 31 December 2008	Increase	Transfer in/(out)	Written off/ Amortisation	Balance as at 30 September 2009
Expenditures in connection with development and improvement of computer systems – under development	-	479	138	(19)	(48)	550
Computer software	5 - 10 years	298	11	19	(57)	271
License Fee	5 years	6	-	-	(1)	5
Total		783				826
Less: Allowance for impairment		(251)				(270)
Net intangible assets		532				556

9. Borrowings

(Unit: Million Baht)

	Consolidated financial statements					
	30 September 2009			31 December 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Hybrid instrument						
Hybrid securities of Baht 2,500 million maturing in 2019	2,500	-	2,500	-	-	-
Subordinated notes						
Subordinated debentures of USD 50 million, maturing in 2016	-	1,678	1,678	-	1,747	1,747
Subordinated debentures of USD 40 million, maturing in 2017	-	1,342	1,342	-	1,398	1,398
Non-interest bearing subordinated debentures of Baht 120 million, maturing in 2014	95	-	95	-	-	-
Subordinated debentures maturing in 2003	544	-	544	544	-	544
Non-interest bearing subordinated debentures of Baht 2,760 million, maturing in 2009	-	-	-	2,760	-	2,760
	<u>3,139</u>	<u>3,020</u>	<u>6,159</u>	<u>3,304</u>	<u>3,145</u>	<u>6,449</u>
Securities sold under repurchase agreement						
Securities sold under repurchase agreements maturing in 2009, coupon rate of 3.85% per annum	-	-	-	316	-	316
	<u>-</u>	<u>-</u>	<u>-</u>	<u>316</u>	<u>-</u>	<u>316</u>
Fixed rate notes						
Bills of exchange maturing in 2009, coupon rate of 1.10 – 4.00% per annum	1,908	-	1,908	149	-	149
Promissory note maturing in 2009, coupon rate of 3.80 – 5.25% per annum	-	-	-	155	-	155
	<u>1,908</u>	<u>-</u>	<u>1,908</u>	<u>304</u>	<u>-</u>	<u>304</u>
Total	5,047	3,020	8,067	3,924	3,145	7,069
Less: Current portion of long-term borrowings	(2,452)	-	(2,452)	(3,924)	-	(3,924)
Long-term borrowings – net	<u>2,595</u>	<u>3,020</u>	<u>5,615</u>	<u>-</u>	<u>3,145</u>	<u>3,145</u>

(Unit: Million Baht)

	Separate financial statements					
	30 September 2009			31 December 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Hybrid instrument						
Hybrid securities of Baht 2,500 million						
maturing in 2019	2,500	-	2,500	-	-	-
Subordinated notes						
Subordinated debentures of USD 50 million,						
maturing in 2016	-	1,678	1,678	-	1,747	1,747
Subordinated debentures of USD 40 million,						
maturing in 2017	-	1,342	1,342	-	1,398	1,398
Subordinated debentures maturing in 2003	544	-	544	544	-	544
Non-interest bearing subordinated						
debentures of Baht 2,760 million, maturing						
in 2009	-	-	-	2,760	-	2,760
	<u>3,044</u>	<u>3,020</u>	<u>6,064</u>	<u>3,304</u>	<u>3,145</u>	<u>6,449</u>
Fixed rate notes						
Bills of exchange maturing in 2009, coupon						
rate of 1.10 – 4.00% per annum	1,908	-	1,908	149	-	149
	<u>1,908</u>	<u>-</u>	<u>1,908</u>	<u>149</u>	<u>-</u>	<u>149</u>
Total	4,952	3,020	7,972	3,453	3,145	6,598
Less: Current portion of long-term borrowings	(2,452)	-	(2,452)	(3,453)	-	(3,453)
Long-term borrowings – net	<u>2,500</u>	<u>3,020</u>	<u>5,520</u>	<u>-</u>	<u>3,145</u>	<u>3,145</u>

- a) As at 30 September 2009 and 31 December 2008, the Bank has domestic subordinated debentures of 544 Million and Baht 3,304 million which transferred to the Bank since merger date.
- b) On 16 February 2007, the Bank issued unsecured 400 units of a subordinated debenture with a face value of USD 100,000 each to overseas investors, at a price of USD 100,000 per unit, or for a total of USD 40 million. The notes have a tenor of 10 years, maturing on 20 February 2017, with an early redemption call option in the year 2012. They bear interest at the 6-month LIBOR US dollar deposit rate plus 350 basis points from years 1 – 5 and, at the 6-month LIBOR US dollar deposit rate plus 525 basis points from year 6 onwards. Interest is due on 20 February and 20 August every year (under the specified conditions).

There is a call option in the following three cases:

1. If there are significant changes in tax laws that increase the tax liabilities of the issuer.
2. If the issuer wishes to redeem the debentures early on the optional redemption date.
3. If the debentures cannot be counted as Lower Tier II Subordinated Debt of the issuer.

In all three cases, early redemption must be pre-approved by the Bank of Thailand.

Certain covenants are stipulated in the debenture agreements, including prohibitions on borrowing, providing guarantees, or creating any other obligations which are or purport to be subordinated debt of the Bank, within 120 days after the issue date.

The related expenses of Baht 23 million were recorded as a deferred expense and are amortised to expenses over the term of the debenture.

- c) On 17 July 2006, the Bank issued 50 unsecured and subordinated debentures with a face value of USD 1 million each to overseas investors, at a price of USD 1 million per unit, or for a total of USD 50 million. The notes have a tenor of 10 years, maturing on 17 July 2016, with an early redemption call option in the year 2011. They bear interest at the 6-month LIBOR US dollar deposits rate plus 350 basis points for the first 5 years, and at the 6-month LIBOR US dollar deposits rate plus 525 basis points after the optional redemption date in 2011. Interest is due every 17 July and 17 January (under the specified conditions).

There is a call option in the following three cases:

1. If there are significant changes in tax laws that increase the tax liabilities of the issuer.
2. If the issuer wishes to redeem the debentures early on the optional redemption date.
3. If the debentures cannot be counted as Lower Tier II Subordinated Debt of the issuer.

In all three cases, early redemption must be pre-approved by the Bank of Thailand.

Certain covenants are stipulated in the debenture agreements, including prohibitions on borrowing, providing guarantees, or creating any other obligations which are or purport to be subordinated debt of the Bank unless such obligations rank junior to or pari passu with the debentures.

The related expenses of Baht 38 million were recorded as a deferred expense and are amortised to expenses over the term of the debenture.

- d) On 27 March 2009, the Bank issued 2,500,000 Cumulative hybrid instruments with a face value of Baht 1,000 each, or a total of Baht 2,500 million. The debentures have a tenor of 10 years, maturing on 27 March 2019, with an early redemption call option 5 years after the issue date. They bear interest at 5.25% p.a. for the first 5 years, and 6.75% p.a. for years 6-10. Interest is due every 27 March and 27 September (under the specified conditions).

There is a call option in the following two cases:

1. If there are significant changes in tax laws that increase the tax liabilities of the issuer.
2. If the debentures cannot be counted as Hybrid Tier II Debt of the Bank.

In both cases, early redemption must be pre-approved by the Bank of Thailand.

10. Share capital

Capital Increase

On 3 September 2008, the Extraordinary General Meeting of Shareholders No.2/2008 approved an increase in the registered capital, from Baht 25,030,127,182.50 to Baht 50,060,254,365 by issuing 6,674,700,582 new ordinary shares with a par value of Baht 3.75 each.

On 20 February 2009, the Extraordinary General Meeting of Shareholders No. 1/2009 approved amendments of the resolutions of the Extraordinary General Meeting of Shareholders No. 2/2008 to change the previously stipulated offering price of not lower than Baht 0.66 to an offering price of Baht 0.38. The tendered share accepted by the offeror at completion of the offer period totaled 6,674,700,582 shares of Baht 2,536.38 million. As the result, on 18 March 2009 CIMB Bank Berhad holds 12,435,069,760 shares, or equivalent to 93.15 percent of total issued and outstanding shares of the Bank.

The Bank registered an increased capital on 23 March 2009, after the registration of the capital increase, the registered capital and paid up capital is Baht 50,060,254,365 and share discount is Baht 33,100,728,672.96 (13,349,401,164 ordinary shares at 3.75 per share).

Capital Reduction

On 20 February 2009, the Extraordinary General Meeting of Shareholders No. 1/2009 approved the transfer of Baht 6,053,483.70 from the Bank's legal reserve to offset its deficit and a decrease of the registered capital by way of lowering the par value from Baht 3.75 per share to Baht 0.50 per share. The premium arising from the capital reduction exercise was to be used to credit the share discount account in order to offset the share discount, and then retained earnings account, in order to offset the deficit. After such capital reduction, the registered share capital of the Bank will be reduced from Baht 50,060,254,365 to Baht 6,674,700,582.

On 12 March 2009, the Bank obtained approval from the BOT for the reduction of its capital from Baht 50,060,254,365 to Baht 6,674,700,582.

On 30 March 2009, the Bank transferred Baht 6,053,483.70 from the legal reserve to offset deficit and registered a capital reduction by means of reducing the par value of shares from of Baht 3.75 to Baht 0.50. The premium arising from the capital reduction exercise and the transfer of legal reserve being credited against the share discount of Baht 33,100,728,672.96 and the deficit of Baht 10,290,878,593.74.

The registered, issued and paid up capital is as follows:

	<u>Baht</u>
Registered share capital	
13,349,401,164 ordinary shares at Baht 0.50	6,674,700,582
Issued and paid up capital	
13,349,401,164 ordinary shares at Baht 0.50	6,674,700,582

11. Treasury stock - Bank's ordinary shares held by its subsidiaries

As at 31 December 2008, CIMB Securities (Thailand) Company Limited (Formerly known as "BT Securities Company Limited") and Krung Thai Thanakit Finance Public Company Limited, subsidiary companies of the Bank, hold 124,589,637 of the Bank's ordinary shares. Investment in the Bank's ordinary shares is presented as treasury stock in the consolidated financial statements, and amounts to approximately Baht 460 million. The investments are recorded under the cost method, as a deduction item in shareholders' equity.

In January 2009, CIMB Securities (Thailand) Company Limited (Formerly known as "BT Securities Company Limited") and KrungThai Thanakit Finance Public Company Limited, subsidiary companies of the Bank, sold ordinary shares of such treasury stock to CIMB Bank Berhad under the tender offer scheme at a price of Baht 2.10 per share, for a total of Baht 262 million. The losses on sale of such ordinary shares Baht 199 million are recorded directly against the Bank's deficit.

12. Revaluation surplus

This represents surplus arising from revaluation of land and premises. The surplus is amortised to retained earnings on a straight-line basis over the remaining life of the related assets.

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	30 September 2009	31 December 2008
Balance - beginning of period	749	768
Less: Amortisation	(15)	(19)
Balance - end of period	<u>734</u>	<u>749</u>

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

13. Revaluation surplus (deficit) on investments

	(Unit: Million Baht)	
	Consolidated financial statements	
	30 September 2009	31 December 2008
Revaluation surplus on investments:		
Debt securities	3	236
Equity securities	15	13
Total	<u>18</u>	<u>249</u>
Revaluation deficit on investments:		
Debt securities	(2)	(1)
Equity securities	(21)	(193)
Total	<u>(23)</u>	<u>(194)</u>
Revaluation surplus (deficit) on investments - net	<u>(5)</u>	<u>55</u>

	(Unit: Million Baht)	
	Separate financial statements	
	30 September 2009	31 December 2008
Revaluation surplus on investments:		
Debt securities	2	221
Equity securities	1	11
Total	<u>3</u>	<u>232</u>
Revaluation deficit on investments:		
Debt securities	(2)	(1)
Equity securities	(12)	(175)
Total	<u>(14)</u>	<u>(176)</u>
Revaluation surplus (deficit) on investments - net	<u>(11)</u>	<u>56</u>

14. Statutory reserve

Under the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5 percent of its net profit for the year, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of its registered share capital.

15. Capital funds

The primary objectives of the Bank's capital management are to maintain the Bank's ability to continue as a going concern and to maintain a capital adequacy ratio in accordance with the Act on Undertaking of Banking business B.E. 2551 were as follows:

	30 September 2009 <hr/> (Million Baht)	Total capital to risk assets <hr/> (%)	31 December 2008 <hr/> (Million Baht)	Total capital to risk assets <hr/> (%)
<u>Tier I</u>				
Issued and paid up share capital	6,675		25,030	
Share discount	-		(10,607)	
Statutory reserve	-		6	
Deficit unappropriated	(449)		(10,310)	
Total	<hr/> 6,226	6.24	<hr/> 4,119	3.57
<u>Tier II</u>				
Revaluation surplus on assets	461		468	
Reserve for loan classified as pass	200		226	
Long-term subordinated debentures	3,065		2,060	
Hybrid securities	2,500		-	
Total	<hr/> 6,226		<hr/> 2,754	
Total Tier I and Tier II capital funds	12,452		6,873	
Less: Revaluation deficit on capital securities available-for-sale	<hr/> (53)		<hr/> (174)	
Total capital funds	<hr/> <hr/> 12,399	12.43	<hr/> <hr/> 6,699	5.80

16. Gains (losses) on investments

Gains (losses) on investments as presented in the income statements for the nine-month periods ended 30 September 2009 and 2008 consisted of the following:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2009	2008	2009	2008
Unrealised gains (losses) on revaluation of investments	23	(2,957)	3	(2,947)
Allowance for impairment of investments	(40)	(66)	(40)	(68)
Reverse allowance for impairment of investment in non-performing loans	4	-	-	-
Realised gains (losses) on securities trading				
Trading securities	3	1,001	3	997
Available-for-sale securities	398	14	405	15
Held-to-maturity debt securities	-	4	-	4
General investments	138	109	138	109
Realised gains on investment in non-performing loans	149	1,190	51	23
Gains (losses) on investments	<u>675</u>	<u>(705)</u>	<u>560</u>	<u>(1,867)</u>

17. Corporate income tax

No corporate income tax was payable for the period, after adding back certain non-deductible expenses and provisions for tax computation purposes and deducting tax exempted income to the profit/loss for the period, since the tax losses brought forward by the Bank exceeded net income for the period.

The corporate income tax presented in the consolidated financial statements is the corporate income tax of the Bank's subsidiaries.

18. Earnings (losses) per share

Earnings (losses) per share as presented in the separate income statements is the basic earnings (losses) per share which is calculated by dividing the net income (losses) for the year by weighted average number of ordinary shares held by outside shareholders in issue during the period.

Earnings (losses) per share as presented in the consolidated income statements is basic earnings (losses) per share which is calculated by dividing net income (losses) for the year by the weighted average number of ordinary shares held by outside shareholders in issue during the period (net from treasury stocks held by subsidiaries in consolidated financial statements).

19. Encumbrance of assets**19.1 Assets used as collateral**

The Bank and its subsidiaries placed assets such as cash at banks, government and state enterprises bonds as collateral against the following:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
Securities sold under repurchase agreements	-	312	-	-
Utilities usage	9	9	9	9
Guarantees on loans	45	45	-	-
Others	14	14	-	-
Total	68	380	9	9

19.2 Assets subject to obligation

The Bank and its subsidiaries have long-term investments in certain equity securities obtained as a result of debt restructuring, under the debt restructuring agreements, it is obligated to dispose of after agreed periods, which range from 1 year to 20 years commencing from the date of the debt restructuring agreements. As at 30 September 2009 and 31 December 2008, the investments subject to such obligation are as follows:

(Unit: Million Baht)

Year of maturity	Consolidated and separate financial statements			
	30 September 2009		31 December 2008	
	Number of company	Cost	Number of company	Cost
2010	1	8	1	8
2011 onwards	2	-	2	-
Total	3	8	3	8

20. Commitments and contingent liabilities

20.1 Commitments

As at 30 September 2009 and 31 December 2008, significant commitments of the Bank consist of:

(Unit: Million Baht)

	Separate financial statements					
	30 September 2009			31 December 2008		
	Baht	Foreign currency	Total	Baht	Foreign currency	Total
Avals to bills ⁽¹⁾	367	-	367	496	-	496
Guarantees on loans	5	17	22	455	16	471
Liability under unmatured import bills	-	179	179	-	438	438
Letters of credits	70	1,868	1,938	23	1,313	1,336
Other commitments:						
Other guarantees ⁽¹⁾	5,974	179	6,153	5,642	219	5,861
Forward and spot contracts						
- Bought	-	8,902	8,902	-	16,050	16,050
- Sold	-	9,002	9,002	-	22,019	22,019
Cross currency and interest rate						
- Bought	7,122	2,778	9,900	8,265	2,892	11,157
- Sold	1,204	8,222	9,426	1,205	9,353	10,558
Interest rate swap contracts						
- Fixed rate payer	19,179	8,057	27,236	23,351	11,022	34,373
- Floating rate payer	17,390	8,058	25,448	26,020	11,022	37,042
- Fixed rate payee	16,550	8,058	24,608	23,180	11,022	34,202
- Floating rate payee	20,019	8,057	28,076	26,191	11,022	37,213
Range accrual swap contracts						
- Payer	1,418	-	1,418	-	-	-
- Payee	1,418	-	1,418	-	-	-
Credit Default Swap						
- Sold	-	-	-	382	-	382
Undrawn bank overdrafts	7,716	-	7,716	7,555	-	7,555
Total	98,432	63,377	161,809	122,765	96,388	219,153

⁽¹⁾ As at 30 September 2009, the Bank has issued bank guarantees amounting to Baht 3 million (31 December 2008: Baht 4 million) for an affiliate and avaled notes payable of a subsidiary amounting to Baht 200 million (31 December 2008: Baht 310 million). The aval of the subsidiary has been eliminated from the consolidated financial statements.

20.2 Contingent liabilities

- (a) As at 30 September 2009 and 31 December 2008, the Bank and its subsidiaries had the following contingent liabilities in connection with court cases in which the Bank or its subsidiaries have been sued as defendants in the Court. The lawsuits were mainly lodged to claim compensation and the management believes that they will have no significant impact on the Bank and its subsidiaries once they are finalised:

(Unit: Million Baht)

	<u>Consolidated and separate financial statements</u>	
	<u>30 September 2009</u>	<u>31 December 2008</u>
Sum claimed in cases where the Bank and its subsidiaries are direct defendants	770	311
Sum claimed in cases where the Bank and its subsidiaries are co-defendants with others		
- Sum of claims that can be specifically attributed to the Bank and its subsidiaries	12	10
- Sum of claims that cannot be specifically attributed to the Bank and its subsidiaries and for which the total sum claimed is therefore presented.	<u>24,620</u>	<u>24,620</u>
Total	<u>25,402</u>	<u>24,941</u>

In the above court cases, a sum of Baht 24,500 million relates to claims against the Bank in cases where it is co-defendants with TAMC and other banks. The plaintiffs lodged the claims in respect of transfers of non-performing loans from various banks to TAMC. However, the Bank believes that the outcomes of these cases will not materialise because the transfers were made in accordance with the result in the Emergency Decree Establishing the Thai Asset Management Corporation B.E. 2544. In addition, transfers of loans from the Bank to TAMC amounting to approximately Baht 959 million, occurred before the merger of the Bank.

As at 30 September 2009, included in the above-mentioned amounts are cases in which the court was judged in favor of the plaintiffs, with sums claimed totaling Baht 9 million in cases where the Bank is the direct defendant and Baht 26 million in cases where the Bank is the co-defendant with others. However, the Bank is in the process of appealing the decisions.

As at 30 September 2009 and 31 December 2008, the Bank and its subsidiaries recognized provisions for contingent loss from legal cases of approximately Baht 55 million and Baht 50 million, respectively. The management concluded and believed that such provisions were adequate to cover any possible loss from these legal cases.

- (b) The Bank has commitments in respect of the loss sharing (if any) under the agreement to transfer non-performing to TAMC, as discussed under Note 24 to the financial statements.

20.3 Commitments under long-term leases

As at 30 September 2009 and 31 December 2008, the Bank and its subsidiaries had entered into a number of agreements to lease land, buildings and vehicles for periods of longer than 6 months, under which future rental fees can be summarised as follows:

(Unit: Million Baht)

Lease periods	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2009	2008	2009	2008
1 - 3 years	345	469	286	393
4 - 5 years	24	27	24	27
6 - 10 years	20	26	20	26
11 - 30 years	13	14	13	14

20.4 Other commitments

As at 30 September 2009, the Bank has other commitments as follows:

- The Bank entered into various agreements relating to computer system development consultancy services and computer system and software development. As at 30 September 2009, the Bank is obligated to pay a further Baht 285 million and USD 0.2 million, respectively under such agreements.
- The Bank has capital commitments of approximately Baht 15 million in respect of the purchase and installation of equipment.

21. Related party transactions

During the periods, the Bank and its subsidiaries had significant business transactions with its related parties. These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of businesses between the Bank and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer pricing policy (For the period 2009)
	Consolidated financial statements		Separate financial statements		
	2009	2008	2009	2008	
Subsidiary companies					
Interest income	-	-	21	25	At interest rate 2.00 – 3.75 percent and 4.75 - 6.50 percent per annum
Fees and services income	-	-	35	25	At the rate agreed under contracts
Other income	-	-	4	3	
Interest expenses	-	1	1	1	At interest rate 0.25 - 3.75 percent per annum
Premises and equipments expenses	-	-	1	2	At the rate agreed under contracts
Other expenses	-	-	-	3	
Associated company					
Fees income	-	11	-	11	
Interest expenses	-	1	-	1	
Related companies					
Interest income	4	2	4	2	At interest rate 3.70 percent and 5.00 - 6.50 percent per annum
Fees income	9	-	9	-	At the rate agreed under contracts
Interest expenses	-	21	-	21	

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy (For the period 2009)
	Consolidated financial statements		Separate financial statements		
	2009	2008	2009	2008	
Parent company					
Upfront from derivatives contract	117	-	117	-	At the rate agreed under contracts
Subsidiary companies					
Interest income	-	-	82	124	At interest rate 2.00 - 3.75 percent and 4.75 - 6.50 percent per annum
Dividend income	-	-	-	175	
Fees and services income	-	-	62	114	At the rate agreed under contracts
Other income	-	-	16	9	
Interest expenses	-	1	2	2	At interest rate 0.25 – 3.75 percent per annum
Premises and equipments expenses	-	-	14	17	At the rate agreed under contracts
Fees expenses	-	-	1	-	At the rate agreed under contracts
Other expenses	-	-	-	4	
Associated company					
Fees income	-	21	-	21	
Interest expenses	-	1	-	1	
Related companies					
Interest income	12	6	12	6	At interest rate 3.70 percent and 5.00 – 6.50 percent per annum
Dividend income	-	1	-	1	
Fees income	34	-	34	-	At the rate agreed under contracts
Interest expenses	52	56	52	56	At interest rate 0.25 – 3.75 percent per annum

During the year 2009, the Bank has charged asset management fees to Sathorn Asset Management Company Limited (a subsidiary) under the amendment of the Collection Agency Agreement dated 22 April 2009. The fee between 1 January 2009 to 31 December 2009 will be at a rate of 20% of the total debt collected and the amount received from the disposal of properties foreclosed, before any charges and related expenses (2008: 30%). The fee for the nine-month period ended 30 September 2009 of Baht 22 million (2008: Baht 90 million) are recorded as other fees and charges in the income statement and the outstanding amounts were presented under the caption of other assets in the balance sheet. This transaction was eliminated from the consolidated financial statements. As at 30 September 2009, the Bank has receivable fee from such subsidiary to Baht 3 million.

(Unaudited but reviewed)

In addition, the Bank and a subsidiary conducted securities trading through another subsidiary engaged in the securities business. The volumes of such trades for the nine-month period ended 30 September 2009 and 2008, were Baht 450 million and Baht 36 million, respectively, while related commission fees for the same period amounted to Baht 1 million and Baht 0.09 million, respectively.

The outstanding balances of significant related party transactions as at 30 September 2009 and 31 December 2008 are as follows:

(Unit: Million Baht)

Consolidated financial statements					
30 September 2009					
	Average loans outstanding	Outstanding Loans/ Investments in receivables	Obligations	Deposits	Borrowings
<u>Subsidiary company</u>					
Krung Thai Tanakit Finance Plc.	-	-	-	254	-
		-	-	254	-
<u>Associated company</u>					
	-	-	3	-	-
		-	3	-	-
<u>Related companies</u>					
CIMB Bank (L) Ltd.	-	-	-	-	2,500
Other Companies	152	151	-	142	-
		151	-	142	2,500
<u>Related persons</u>					
	-	-	-	92	-
		-	-	92	-

(Unit: Million Baht)

Consolidated financial statements					
31 December 2008					
	Average loans outstanding	Outstanding Loans/ Investments in receivables	Obligations	Deposits	Borrowings
<u>Subsidiary company</u>					
Krung Thai Tanakit Finance Plc.	-	-	-	147	-
		-	-	147	-
<u>Associated company</u>					
	1	-	4	-	-
		-	4	-	-
<u>Related companies</u>					
	280	252	2	80	-
		252	2	80	-
<u>Related persons</u>					
	1	1	-	120	-
		1	-	120	-

(Unit: Million Baht)

Separate financial statements

30 September 2009

	Average loans outstanding	Outstanding Loans/ Investments in receivables	Obligations	Other assets	Deposits	Borrowings	Other liabilities
<u>Subsidiary companies</u>							
CIMB Securities (Thailand) Co., Ltd. (Formerly known as "BT Securities Co., Ltd.")	38	-	-	2	92	-	2
BT Leasing Co., Ltd.	2,253	2,200	-	-	29	-	-
BT Asset Management Co., Ltd.	-	-	-	1	22	-	1
BT Business Consulting Co., Ltd.	5	4	-	-	1	-	-
BT Insurance Co., Ltd.	-	-	-	15	60	-	15
Sathorn Asset Management Co., Ltd.	-	-	-	17	197	-	16
Krung Thai Tanakit Finance Plc.	-	-	-	-	254	-	-
BT Worldlease Co., Ltd.	596	523	200	-	35	-	-
		<u>2,727</u>	<u>200</u>	<u>35</u>	<u>690</u>	<u>-</u>	<u>34</u>
<u>Associated company</u>							
	-	-	3	-	-	-	-
		-	<u>3</u>	-	-	-	-
<u>Related companies</u>							
CIMB Bank (L) Ltd.	-	-	-	-	-	2,500	-
Other Companies	126	125	-	-	142	-	-
		<u>125</u>	<u>-</u>	<u>-</u>	<u>142</u>	<u>2,500</u>	<u>-</u>
<u>Related persons</u>							
	-	-	-	-	92	-	-
		-	-	-	<u>92</u>	-	-

(Unit: Million Baht)

Separate financial statements							
31 December 2008							
	Average	Outstanding					
	loans	Loans/ Investments		Other		Other	
	outstanding	in	Obligations	assets	Deposits	Borrowings	
		receivables				liabilities	
Subsidiary companies							
CIMB Securities (Thailand) Co., Ltd. (Formerly known as "BT Securities Co., Ltd.")							
	86	86	-	1	51	-	1
BT Leasing Co., Ltd.	2,258	2,259	-	-	11	-	-
BT Asset Management Co., Ltd.	-	-	-	1	7	-	1
BT Business Consulting Co., Ltd.	6	6	-	-	2	-	-
BT Insurance Co., Ltd.	-	-	-	20	51	-	15
Sathorn Asset Management Co., Ltd.	1,224	-	-	8	153	-	8
Krung Thai Tanakit Finance Plc.	-	-	-	-	147	-	-
BT Worldlease Co., Ltd.	189	488	310	-	46	-	1
Subsidiary held by the Bank's subsidiary (BT Worldlease Co., Ltd.)							
Asset Liability Management Co., Ltd.	-	-	-	-	1	-	-
		2,839	310	30	469	-	26
Associated company							
	1	-	4	-	-	-	-
		-	4	-	-	-	-
Related companies							
	256	227	2	-	80	-	-
		227	2	-	80	-	-
Related persons							
	1	1	-	-	120	-	-
		1	-	-	120	-	-

The Bank pays interest on deposits made by related parties at the normal rates granted to general depositors.

As at 30 September 2009, the Bank has liabilities amounting to Baht 2,500 million as a result of the issue of hybrid instruments, which were offered to an affiliated company, as already discussed in Notes 1.2 and 9 d) to the financial statements.

As at 30 September 2009, the Bank has commitments in financial derivatives with a parent company as follows:

	(Unit: Million Baht)		
	30 September 2009		
	Baht	Foreign currency	Total
<u>Parent company</u>			
Interest rate swap contracts			
- Floating rate payer	500	-	500
- Fixed rate payee	500	-	500
Range accrual swap contracts			
- Payer	1,418	-	1,418
- Payee	1,418	-	1,418
<u>Related company</u>			
Cross currency and interest rate			
- Bought	2,500	-	2,500
- Sold	-	2,377	2,377

Directors' remuneration represents the benefits paid to the Bank's and its subsidiaries' directors in accordance with Section 90 of the Public Company Limited Act, excluding salary and related benefits payable to directors who hold executive positions.

22. Financial information by segment

The Bank operates financial and banking business, and its subsidiaries' business involve securities business, fund manager business, non-life insurance business, consultancy service business, asset management business, hire purchase and leasing business which are not the same business segment as the Bank's.

Financial information presented in the consolidated financial statements as at 30 September 2009 and 31 December 2008 and for the three-month and nine-month period ended 30 September 2009 are as follows:

(Unit: Million Baht)

	For the three-month period ended 30 September 2009					Consolidated
	Bank business	Hire purchase business	Asset management business	Other business	Eliminations	
Net interest and dividend income after bad debt and doubtful accounts and loss on debt restructuring	1,092	130	7	5	-	1,234
Non-interest income	393	29	23	135	(38)	542
Non-interest expenses	(1,068)	(117)	(12)	(144)	38	(1,303)
Corporate income tax	-	(1)	(3)	(4)	-	(8)
Net income (losses)	417	41	15	(8)	-	465

(Unit: Million Baht)

	For the nine-month period ended 30 September 2009					Consolidated
	Bank business	Hire purchase business	Asset management business	Other business	Eliminations	
Net interest and dividend income after bad debt and doubtful accounts and loss on debt restructuring	2,140	352	29	24	-	2,545
Non-interest income	1,253	74	111	377	(99)	1,716
Non-interest expenses	(3,532)	(374)	(47)	(408)	99	(4,262)
Corporate income tax	-	(1)	(25)	(14)	-	(40)
Net income (losses)	(139)	51	68	(21)	-	(41)

(Unit: Million Baht)

	Bank business		Hire purchase business		Asset management business		Other business		Eliminations		Consolidated	
	As at											
	30 September 2009	31 December 2008	30 September 2009	31 December 2008	30 September 2009	31 December 2008	30 September 2009	31 December 2008	30 September 2009	31 December 2008	30 September 2009	31 December 2008
Investments - Net	24,424	46,228	20	-	14	6	332	800	(1,243)	(1,514)	23,547	45,520
Loans and accrued interest receivable - Net (including interbank and money market items)	84,592	125,611	3,455	3,645	296	259	1,266	683	(3,161)	(3,174)	86,448	127,024
Land, premises and equipments - Net	3,671	3,788	23	26	-	-	48	49	-	-	3,742	3,863
Accounts receivable from sale of investments	4,087	24,145	-	-	-	-	2	-	-	-	4,089	24,145
Other assets	7,984	11,273	51	65	171	183	248	334	(49)	(30)	8,405	11,825
Total assets	124,758	211,045	3,549	3,736	481	448	1,896	1,866	(4,453)	(4,718)	126,231	212,377

23. Financial instruments

The Bank's financial instruments, as defined under Thai Accounting Standard No. 48 "Financial Instruments: Disclosure and Presentation", principally comprise cash, interbank and money market items, loans, investments, deposit, liability payable on demand and borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

23.1 Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers, clients or counter parties failed to discharge their contractual obligations.

The Bank credit risk management processes are implemented under a credit risk management policy, and have been structured in order to maintain checks and balances and clear segregation of responsibilities between the marketing, credit approval, inspection and risk management functions. The Bank manages credit risk at the customer standalone risk level and the portfolio level, developing different and appropriate credit risk rating tools to measure the risk at each level. For corporate customers and small-medium enterprise customers, risk grading tools and an SME Filter, respectively, have been developed to grade customer credit risk levels. For individual retail customers, with multi-purpose credit, whether uncollateralised (personal cash) or collateralised (mortgage power), including for home loans, the Bank has developed a credit scoring system for use in risk evaluation.

In respect of the credit review and approval process, the Bank has appointed a Credit Committee to consider the granting of credit facilities at different levels, based on the credit limit, focusing on borrowers' ability to make repayment, the type of credit, the financial status of the borrower, the economic situation and the status of the borrowers' industry. Furthermore, the Bank has established a Credit Review Unit, which is an independent unit, to ensure that the credit approval process is transparent and effective.

The maximum credit risk exposure is the carrying value of the financial assets after deducting by allowance for losses as stated in the balance sheet, and the risk of off-balance sheet commitments e.g. loan guarantees and other guarantees, derivative contracts.

As at 30 September 2009 and 31 December 2008, the Bank had the following off-balance sheet commitments as summarised by the period to maturity, counting from the balance sheet dates, of the contracts:

(Unit: Million Baht)

	Separate financial statements					
	Counting from 30 September 2009			Counting from 31 December 2008		
	Less than 1 year	Over 1 year	Total	Less than 1 year	Over 1 year	Total
Aval to bills	367	-	367	496	-	496
Guarantees of loans	22	-	22	471	-	471
Liabilities under unmatured import bills	179	-	179	438	-	438
Letters of credit	1,938	-	1,938	1,336	-	1,336
Other guarantees	6,006	147	6,153	5,780	81	5,861

23.2 Market risk

Market risk is the risk that the bank may suffer loss as a result of changes in the value of positions taken, both on and off balance sheet, due to movements in interest rates, foreign exchange rates, equity prices and commodity prices.

The Bank has a Market Risk Management Unit, which is responsible for assessment of market risk, and uses has tools and systems that are widely accepted as efficient to help measure, monitor and manage market risk. This supports the Bank in ensuring that market risk is monitored and managed effectively, preventing the occurrence of unacceptable levels of market risk, and enabling the Bank to take action to adjust market risk to appropriate levels in a timely manner.

a) Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates may lead to changes in the value of financial instruments, and fluctuations in revenue and the values of financial assets and liabilities.

Interest rate risk arises from interest rate structure and the characteristics and structure of the Bank's assets, liabilities and capital. The Bank has set risk limits for interest rate risk under the banking accounts, with consent from the Assets and Liabilities Committee (ALCO), in order to manage risk at an appropriate level, while interest rate risk limits for the trading accounts are approved by the Risk Management Committee.

As at 30 September 2009 and ended 31 December 2008, financial assets and liabilities classified by types of interest rate are as follows:

(Unit: Million Baht)

Descriptions	Separate financial statements			Total
	30 September 2009			
	Floating interest rate	Fixed interest rate	Non-interest bearing	
<u>Financial Assets</u>				
Cash	-	-	2,300	2,300
Interbank and money market items	429	9,550	2,598	12,577
Investments ⁽¹⁾	8,786 ⁽¹⁾	7,373	10,448	26,607
Loans	52,543	23,373	316	76,232
<u>Financial Liabilities</u>				
Deposits	24,620	71,125	1,319	97,064
Interbank and money market items	1,094	3,011	163	4,268
Liabilities payable on demand	-	-	275	275
Borrowings	3,020	4,408	544	7,972

⁽¹⁾ Certain of this amount comprises investment in receivable of Baht 1,130 million based on the original contract rate. Interest on investment in receivable is recognised on a cash basis.

(Unaudited but reviewed)

(Unit: Million Baht)

Descriptions	Separate financial statements			
	31 December 2008			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
Financial Assets				
Cash	-	-	4,630	4,630
Interbank and money market items	86	33,252	9,652	42,990
Investments ⁽¹⁾	17,695 ⁽¹⁾	19,736	11,499	48,930
Loans	59,566	27,777	210	87,553
Financial Liabilities				
Deposits	21,115	137,532	1,359	160,006
Interbank and money market items	1,475	8,421	89	9,985
Liabilities payable on demand	-	-	188	188
Borrowings	3,145	149	3,304	6,598

⁽¹⁾ Certain of this amount comprises investment in receivable of Baht 1,260 million based on the original contract rate. Interest on investment in receivable is recognised on a cash basis.

With respect to financial instruments that carry fixed interest rates, the periods from the balance sheet date to the repricing or maturity date (whichever is the earlier) are presented below:

(Unit: Million Baht)

Transactions	Separate financial statements as at 30 September 2009						Total	Weighted average interest rates Percent
	Repricing or maturity date							
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity		
Financial assets								
Interbank and money market items	20	9,530	-	-	-	-	9,550	1.21
Investments	-	1	1,037	6,168	167	-	7,373	3.47
Loans	500	9,534	5,819	790	631	6,099	23,373	6.80
Financial liabilities								
Deposits	-	26,983	37,385	6,757	-	-	71,125	1.68
Interbank and money market items	-	2,659	350	2	-	-	3,011	1.94
Borrowings	300	1,598	10	-	2,500	-	4,408	3.50

(Unit: Million Baht)

Separate financial statements as at 31 December 2008								
Transactions	At call	Repricing or maturity date					Total	Weighted average interest rates Percent
		0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	No maturity		
Financial assets								
Interbank and money market items	50	33,202	-	-	-	-	33,252	2.77
Investments	-	9	51	19,199	477	-	19,736	3.33
Loans	437	10,114	11,284	510	917	4,515	27,777	6.32
Financial liabilities								
Deposits	-	70,892	61,459	5,181	-	-	137,532	3.68
Interbank and money market items	10	3,876	4,528	7	-	-	8,421	3.04
Borrowings	-	149	-	-	-	-	149	3.64

The outstanding balances of loans which have floating interest rates or fixed interest rates include loans on which interest recognition is discontinued (presented before deducting allowance for doubtful account losses).

In addition, the average balances of the financial assets and liabilities of the Bank generating revenues and expenses, calculated based on the average balances outstanding during the period, and the average interest and dividend rate for nine-month period ended 30 September 2009 and for the year ended 31 December 2008, can be summarised as follows:

Separate financial statements						
	30 September 2009			31 December 2008		
	Average balances	Interest and dividend	Average rate (%)	Average balances	Interest and dividend	Average rate (%)
Performing financial assets						
Interbank and money market items	30,069	374	1.66	22,223	767	3.45
Securities purchased under resale agreements	-	-	-	1,847	7	3.32
Investments	31,260	1,082	4.63	62,429	3,210	5.14
Loans	79,735	4,322	7.25	91,468	6,991	7.64
Performing financial liabilities						
Deposits	124,222	2,193	2.36	156,829	4,888	3.12
Interbank and money market items	6,015	113	2.51	6,640	141	2.13
Borrowings	5,507	240	5.83	5,078	379	7.45

b) Foreign Exchange Risk

Foreign exchange risk is the risk that changes in foreign exchange rates may result in changes in the value of financial instruments, and fluctuations in revenues and the value of financial assets and liabilities.

The Bank's Treasury and Trading Division is responsible for managing foreign currency positions within risk limits set by Risk Management Committee.

In addition to the financial assets and liabilities denominated in foreign currencies already disclosed in the relevant notes to the financial statements as at 30 September 2009 and 31 December 2008, the Bank has the following net foreign currency positions categorised by major foreign currencies:

(Unit: Equivalent to million USD)

	Separate financial statements							
	30 September 2009				31 December 2008			
	USD	KRW*	EURO*	Other Currencies*	USD	KRW*	EURO*	Other Currencies*
Spot	114.10	41.75	3.32	1.95	312.98	39.23	3.12	5.23
Forward								
- Forward contract	(118.86)	(41.41)	(2.63)	(2.95)	(310.80)	(38.81)	(2.60)	(6.14)
Total	(4.76)	0.34	0.69	(1.00)	2.18	0.42	0.52	(0.91)

* EURO, KRW and other currencies are stated in USD equivalents.

c) Equity position risk

Equity position risk is the risk that changes in the market prices of equity securities may result in changes in the value of investments, and fluctuations in revenues and the value of financial assets.

23.3 Liquidity risk

Liquidity risk is the risk that by the Bank will be unable to pay its debts and obligations when due because of an inability to convert assets into cash, or because of its failure to procure enough funds.

The Treasury group of the Bank is responsible for liquidity management, including procurement of both short-term and long-term sources of funds, and debt security investment management. The overall liquidity risk management is under the responsibility of the Asset and Liability Management Committee, who monitor and control risk, using tools to manage liquidity risk, such as minimum liquidity asset requirements, liquidity gap, liquidity ratio and liquidity risk limits.

The period to maturity, counting from the balance sheet date, of financial instruments outstanding as at 30 September 2009 and 31 December 2008 are as follows:

(Unit: Million Baht)

Descriptions	Separate financial statements				
	Counting from 30 September 2009				
	At call	Less than 1 year	More than 1 year	No maturity	Total
Financial Assets					
Cash	2,300	-	-	-	2,300
Interbank and money market items	3,044	9,533	-	-	12,577
Investments	-	6,090	15,297	5,220	26,607
Loans ⁽¹⁾	10,630 ⁽¹⁾	24,381	41,221	-	76,232
Financial Liabilities					
Deposits	24,521	64,368	8,175	-	97,064
Interbank and money market items	1,257	3,009	2	-	4,268
Liabilities payable on demand	275	-	-	-	275
Borrowings	544	1,908	5,520	-	7,972

⁽¹⁾ A part of loans classified as maturity at call of Baht 9,707 million are outstanding balances of defaulted loans classified in sub-standard category and upward. However, repayment schedules of these loans are dependent upon new restructuring conditions.

(Unit: Million Baht)

Descriptions	Separate financial statements				
	Counting from 31 December 2008				
	At call	Less than 1 year	More than 1 year	No maturity	Total
Financial Assets					
Cash	4,630	-	-	-	4,630
Interbank and money market items	6,419	36,571	-	-	42,990
Investments ⁽¹⁾	11 ⁽¹⁾	4,625	38,030	6,264	48,930
Loans ⁽²⁾	10,650 ⁽²⁾	32,330	44,573	-	87,553
Financial Liabilities					
Deposits	22,474	132,353	5,179	-	160,006
Interbank and money market items	1,564	8,414	7	-	9,985
Liabilities payable on demand	188	-	-	-	188
Borrowings	544	2,909	3,145	-	6,598

⁽¹⁾ Investments classified as maturity at call of Baht 11 million are investment in defaulted debt securities.

⁽²⁾ A part of loans classified as maturity at call of Baht 9,888 million are outstanding balances of defaulted loans classified in sub-standard category and upward. However, repayment schedules of these loans are dependent upon new restructuring conditions.

23.4 Fair value

Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction. The Bank has estimated the fair value of financial instruments as follows:

(a) Financial assets

Determination of the fair value is dependent upon the characteristics of the financial instrument. The fair values of most financial assets, including cash, interbank and money market items, securities purchased under resale agreements, and loans, are presented at the amount stated in the balance sheets. The fair value of these financial assets is approximated at their respective carrying values since the values of such financial instruments are predominantly subject to market interest rates. Financial instruments with standard terms and conditions which are traded on an active and liquid market, such as investments, have their fair value determined by the quoted market prices.

(b) Financial liabilities

The fair values of financial liabilities, including borrowings and deposits, interbank and money market items, liabilities payable on demand, and borrowings, are considered to approximate their respective carrying values for the same reasons as detailed for financial assets above.

Differences between the book values and the fair values of financial instruments of the Bank are estimated to be immaterial. Further to this, book values and fair values of structured note are mentioned in Note 3.1 (a) to the financial statements.

23.5 Financial derivatives

The Bank engages in financial derivatives activities as required in the normal course of business of the Bank to meet its clients' needs and to manage the risks of the Bank arising from fluctuations in foreign exchange rates and interest rates.

As at 30 September 2009 and 31 December 2008, financial derivatives as classified by their maturities are as follows:

(Unit: Million Baht)

	Separate financial statements					
	30 September 2009			31 December 2008		
	Less than 1 year	Over 1 year	Total	Less than 1 year	Over 1 year	Total
Forward and spot contracts						
- Bought	8,441	461	8,902	15,695	355	16,050
- Sold	9,002	-	9,002	21,775	244	22,019
Foreign currency swap contracts						
- Bought	-	9,900	9,900	3,642	7,515	11,157
- Sold	-	9,426	9,426	3,358	7,200	10,558
Interest rate swap contracts						
- Fixed rate payer	7,399	19,837	27,236	13,561	20,812	34,373
- Floating rate payer	6,340	19,108	25,448	13,759	23,283	37,042
- Fixed rate payee	3,500	21,108	24,608	13,759	20,443	34,202
- Floating rate payee	10,239	17,837	28,076	13,561	23,652	37,213
Range accrual swap contracts						
- Payer	-	1,418	1,418	-	-	-
- Payee	-	1,418	1,418	-	-	-
Credit Default Swap						
- Sold	-	-	-	382	-	382

The Bank sets up policies and relevant risk limits by which it requires risk reporting and control procedures for the various types of risk, as a control over financial derivative activities. The Bank realises that financial derivatives involve credit risk and considers credit limits for its customers in general. The same credit approval process used when granting loans to a customer is adopted for financial derivative customers, so that the Bank is able to maintain risk at acceptable levels. However, financial derivatives may cause the Bank to incur gains or losses as they are sensitive to foreign exchange rates or interest rates, which can fluctuate materially as the market situation changes.

24. Agreement to transfer non-performing loans to TAMC

On 12 October 2001, the Bank entered into an agreement to transfer non-performing loans to Thai Asset Management Corporation (“TAMC”) in accordance with the Emergency Decree establishing TAMC.

As at 30 September 2009 and 31 December 2008, loans transferred to TAMC are as follows:

(Unit: Million Baht)

Loans transferred to TAMC	Consolidated and separate financial statements			
	30 September 2009		31 December 2008	
	Book value	Transfer price	Book value	Transfer price
CAP	82,342	21,932	82,345	21,934
NON CAP	15,774	3,465	15,774	3,465
Total	98,116	25,397	98,119	25,399
Less: TAMC notes which have been redeemed by TAMC		(24,597)		(22,694)
Outstanding TAMC notes (included in long-term investments; classified as held-to-maturity debt securities) (Note 3.1)		800		2,705

The Bank is to receive payment in the form of non-transferable, 10-year promissory notes, availed by the FIDF and bearing interest at the average deposit rate of the 5 major banks. As at 30 September 2009 and 31 December 2008, the Bank recognised interest receivable under these promissory notes amounting to Baht 255 million and Baht 282 million, respectively.

Share of the unrealised gain and losses arising from management of the non-performing loans

Under the agreement to transfer non-performing loans to TAMC, the Bank also has joint responsibility with TAMC for a share of the gains and losses arising from TAMC’s management of the non-performing loans, which is to be allocated at the end of the agreement, counting from 1 July 2001. In case of losses, the Bank is liable for all initial losses up to 20 percent of the transfer price. Further losses of up to another 20 percent of the transfer price are to be shared equally between the Bank and TAMC, while TAMC is liable for all remaining losses. According to the agreement, expenses of TAMC and the interest expenses of promissory notes issued by TAMC will be included in the calculation of the gain/loss sharing. In case of gains, initial profits of up to 20 percent of the transfer price are to be shared equally between the Bank and TAMC. Further gains which, when combined with the initial portion, do not exceed the difference between the book value of the transferred non-performing assets and their transfer price, belong to the Bank. All remaining gains will belong to TAMC. For loan debtors transferred at no cost, collections received after deducting debt management expenses will belong to the Bank.

However, on 17 November 2006, the Bank transferred rights over future gain sharing under the agreement to transfer CAP loans to TAMC to FIDF, although the Bank is still obligated to share losses with TAMC.

As at 30 September 2009, the amount of such gains/losses cannot be reasonably estimated, and the Bank has therefore not recognised any gains/losses that may occur as a result of the above obligations in its accounts. However, the Bank's management believes that no significant future losses will be incurred.

Outstanding issues with TAMC

As of 30 September 2009, the Bank and TAMC had outstanding issues regarding the follow up of outstanding requisitions of original ownership documents and appraisal reports for collateral, and regarding the valuation of leasehold rights collateral of 92 debtors with transfer prices totalling Baht 686 million. The Bank believes that these issues will not have a material impact on the transfer price of the loans and interest on TAMC note, since some of the original ownership documents and appraisal reports for the collateral have already been handed over to TAMC while, collateral for receivables that have a number of creditors, TAMC needs to contact the major creditors itself in order to move the issue forward. With respect to the outstanding issue of the valuation of leasehold rights, the Bank believes that the transferable leaseholds can be appraised or revalued.

The above issues are still being investigated and finalised between the Bank and TAMC. The Bank's management believes that there will not be a material impact to the transfer price and relevant interest. However, for conservative reasons, the Bank has recorded allowance for impairment of the TAMC Promissory Notes amounting to Baht 54 million in the financial statements.

25. Subsequent Event

On 20 October 2009, the Bank has entered into a sale and purchase agreement to sale its Sathorn Building to the outside person, amounting to approximately Baht 1,000 million. The sale is expected to complete in December 2009.

26. Approval of financial statements

These financial statements were authorised for issue by Audit Committee on 11 November 2009.