

(Translation)

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22 February 2011

Subject : CIMB Thai Consolidated audited financial results for the year ended 31 December 2010

To : President
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the audited financial results for the year ended 31 December 2010 with the key summaries as follows:

The audited operating results for the year ended 31 December 2010 showed a consolidated net profit of THB 829 million, a notable improvement of THB 827 million from a net profit of THB 2 million in 2009.

On a year-on-year basis, the consolidated CIMB Thai total income increased by THB 522.8 million, or 8 percent, from THB 6.3 billion to THB 6.8 billion. The higher income was attributed to both the improvement in net interest income and non-interest income. On the net interest income side, the improvement of THB 213.2 million, or 5 percent, was observed in 2010, largely underlined by loan expansion as well as lower interest expenses in the current year. In addition, loan loss provisioning was lowered by THB 367.7 million, or 31 percent. On the non-interest income side, the increase of THB 309.6 million, or 19 percent, was largely attributed to the gain from derivatives trading, arising from the redemption of the structured deposits in 2Q-10, one-off gains from the disposal of the Sathorn building and three subsidiaries – namely, *BT Asset Management Co., Ltd*, *BT Insurance Co., Ltd*, and *Sathorn Asset Management Co., Ltd (STAMC)*, - as well as the divestment of minority interests in Worldclass Rent a Car Co., Ltd.

Net Interest Margin (NIM) over earning assets improved to 4.1 percent from 3.3 percent, supported by rightsizing the deposit book and improved management of deposit costs.

As of December 31, 2010, total gross loans stood at THB 93.8 billion, an increase of 9 percent (if STAMC is included, gross loans increased 13.5 percent). The notable loan growth largely arose from SME and retail portfolio expansion. Deposits and Bill of Exchanges, meanwhile, stood at THB 109 billion, up 12 percent from THB 97 billion at the end of 2009. Given the aforementioned development in loans and deposits, the Loan to Deposit Ratio (including Bill of Exchanges) improved and registered at 86.0 percent. For bank-only, the Loan to Deposit Ratio (including Bill of Exchanges) stood at 82.8 percent.

With ongoing efforts to improve asset quality and operating efficiency, following the sales of STAMC together with the disposal of NPL portfolios to STAMC, the CIMB Thai's consolidated gross non-performing loans ("NPL") stood at THB 2.9 billion - *equivalent to an NPL ratio of 3.1 percent* – a marked progress from 14.9 percent at the end of 2009. The disposal of investment in STAMC from CIMB Thai to CIMB Group and the NPL portfolios sales were parts of CIMB Thai's strategic intent and undertaking to separate bad bank from good bank, which will improve not only efficiency but also flexibility in the management of NPLs and recovery.

CIMB Thai's annualized loan loss charge for the year ended 31 December 2010 was only 0.9 percent compared to 1.4 percent in the same corresponding period last year, reflecting the Bank's ability to manage NPL and improve asset quality in the current period. Loan loss coverage ratio improved to 91.4 percent as of end-December 2010 from 62.2 percent previously, exhibiting our prudent policy of building up a stronger cushion to mitigate against a potential volatile impact on our income during an economic downturn.

On a year-on-year basis, operating expenses were higher by THB 56 million, or 1 percent, mainly due to personnel costs and marketing expenses. The cost to income ratio improved to 78 percent in 2010 compared to 83 percent (after restatement of discontinued operations for 2009) last year, boosted by the organizational restructuring and alignment, which resulted in improved operating efficiency.

In 4Q-10, the Bank increased capital fund by THB 3 billion, total capital funds as of December 31, 2010 stood at THB 17.2 billion, well-above regulatory requirement, with the BIS ratio of 14.7 percent, representing Tier-1-capital of 9.0 percent.

Yours faithfully,



Mr. Subhak Siwaraksa
President and Chief Executive Officer
CIMB Thai Bank PCL