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24 August 2010

Subject : CIMB Thai Consolidated audited financial results for the six months ended 30 June 2010

To : President  
The Stock Exchange of Thailand

CIMB Thai Bank PCL is pleased to report its audited financial results for the six months ended 30 June 2010.

The audited financial statements showed that CIMB Thai consolidated achieved a net profit of THB 714 million for the six months period ended 30 June 2010, a turnaround of THB 1,216 million compared to 1H09 net loss of THB 502 million, Y-o-Y.

CIMB Thai achieved a 6% Y-o-Y growth in Total Income to THB 3.60 billion from THB 3.41 billion, up THB 0.19 billion, largely due to improved Net Interest Income of THB 223 million or 10% Y-o-Y. The Non interest income for the first half of the year was however lower by THB 30 million or 3% compared to 1H-09. Lower gain from the sale of investments in 1H-10 was offset by higher gain from derivatives trading arising from the redemption of the structured notes deposits in 1H-10, one-off gains from the disposal of Sathorn building and the disposal of one subsidiary.

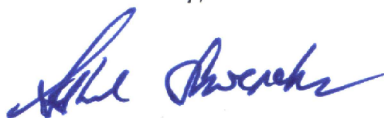
NIM improved from 2.9% in 1H-09 to 4.3% in 1H-10, mainly from rightsizing the deposit book as well as managing our deposit costs. Our deposits balances dropped from THB 117.1 billion in 1H-09 to THB 93.1 billion in 1H-10. Y-o-Y, deposits increased by 5%, up THB 4.7 billion from THB 88.4 billion in 4Q-09 to THB 93.1 billion in 1H-10. CIMB Thai's consolidated gross loan for 1H-10 increased by 7% compared to 4Q-09, mainly from Retail and SME loans. However to comply with all the criteria set forth in the accounting standards, we have reclassified the investment in subsidiaries from investment to disposal of assets held for sale and this has resulted in the consolidated loan as reported in the Financial Statement increasing by only 3%. Loan to deposit ratio (including Bill of Exchange) stood at 85% in 1H-10.

CIMB Thai's consolidated gross non-performing loan ("NPL") was THB 8.3 billion or a NPL ratio of 9.4%, an improvement from 14.9% in 4Q-09 as a result of the deconsolidation of STAMC. Had such subsidiary been included in the consolidation, CIMB Thai NPL ratio would improve to 12.5%. CIMB Thai annualized loan loss charge for 1H-10 was 0.8% compared to 2.3% in 1H-09, as we better managed our NPL in the current period. Loan loss coverage was 57.4% in 1H-10 as a result of our continued building up our monthly loan loss provision.

Operating expenses reduced by THB 309 million or 11% Y-o-Y mainly due to reduced provisions required for contingent liabilities and off-balance sheet items in the current period coupled by lower contribution fees to DPA from lower average deposits, offset by higher personnel costs in 1H-10. Cost to income ratio improved to 73% in 1H-10 compared to 86% in 1H-09, boosted by the improved total income and lower operating expenses.

CIMB Thai's Tier 1 capital and total capital adequacy ratios remained above regulatory requirement at 6.3% and 12.4% respectively (based on Basel II framework) and will be 7.0% and 13.1% respectively if the current period profit is included.

Yours faithfully,



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