

CIMB Thai's annualized loan loss charge for the 1H11 was only 0.3% compared to 0.8% in the same corresponding period last year, reflecting the Bank's vigilant credit discipline and improved asset quality in the current period. Loan loss coverage ratio, however went down to 80.4% as of end June 2011 from 91.4% as of end December 2010, reflected by the increase in gross NPL in the 1H11.

On a year-on-year basis, operating expenses were higher in 1H11 by THB 156.6 million, or 6.7%, mainly due to increased personnel costs and other operating costs especially advertising expenses and collection fees and offset by the decrease in premises and equipment expenses. The cost to income ratio increased to 77% in 1H11 compared to 70% in 1H10 mainly due to one-off gain of Sathorn building, redemption of the structured deposits and disposal of one subsidiary aforementioned. Without such one-off gain, the cost to income ratio would have decreased from 85% in 1H10 to 77% in 1H11.

Total capital funds for the Bank only as of June 30, 2011 stood at THB 17.18 billion, well-above regulatory requirement, with the BIS ratio of 13.72%, representing Tier-1-capital of 8.43%.

Yours faithfully,



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