

CIMB THAI BANK PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2011

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders of CIMB THAI Bank Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position as at 31 March 2011, and the related consolidated and separate statements of comprehensive income, changes in equity, and cash flow for the three-month period ended 31 March 2011 and 2010 of CIMB THAI Bank Public Company Limited and its subsidiaries, and of CIMB THAI Bank Public Company Limited, respectively. The Bank's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these interim financial statements based on my reviews.

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

Based on my reviews, nothing has come to my attention that causes me to believe that the interim consolidated and separate financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the consolidated and separate financial statements for the year ended 31 December 2010 of CIMB THAI Bank Public Company Limited and its subsidiaries, and of CIMB THAI Bank Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements in my report dated on 21 February 2011. The consolidated and separate statements of financial position as at 31 December 2010, presented for comparative purposes, are part of the financial statements that I have audited, and on which I issued a report as stated above, and I have not performed any other auditing procedures subsequent to the date of that report.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
PricewaterhouseCoopers ABAS Limited

Bangkok
11 May 2011

CIMB THAI Bank Public Company Limited
Statements of financial position
As at 31 March 2011 and 31 December 2010

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2011	2010	2011	2010
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Cash		2,354,136	2,744,520	2,352,273	2,743,016
Interbank and money market items - net	5	5,654,232	15,248,078	5,283,600	14,836,153
Derivatives assets		2,304,530	2,476,285	2,304,530	2,476,285
Investments - net	6	22,485,110	21,477,643	22,411,712	21,397,459
Investments in subsidiaries - net	7	153,913	153,913	1,323,143	1,323,143
Loans and accrued interest receivables	8				
Loans		99,745,958	95,508,372	95,954,700	92,165,375
Accrued interest receivables		226,956	202,371	200,291	177,764
Total loans and accrued interest receivables		99,972,914	95,710,743	96,154,991	92,343,139
<u>Less</u> Deferred revenue		(1,997,875)	(1,694,106)	(3,153)	(4,507)
<u>Less</u> Allowance for doubtful debts	9	(2,613,803)	(2,604,899)	(2,433,178)	(2,423,693)
<u>Less</u> Revaluation allowance for debt restructuring	10	(14,992)	(8,557)	(14,992)	(8,557)
Loans and accrued interest receivables - net		95,346,244	91,403,181	93,703,668	89,906,382
Customers' liability under acceptance		26,197	61,479	26,197	61,479
Properties for sale - net	11	1,988,711	2,049,011	1,972,134	2,032,605
Premises and equipment - net	12	2,834,109	2,824,940	2,741,603	2,756,058
Intangible assets - net		435,828	451,672	425,736	442,482
Other assets - net		846,580	1,584,570	718,157	1,227,642
Total assets		134,429,590	140,475,292	133,262,753	139,202,704

Director _____ Director _____

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI Bank Public Company Limited
Statements of financial position (Cont'd)
As at 31 March 2011 and 31 December 2010

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2011	2010	2011	2010
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Liabilities					
Deposits		87,200,810	94,656,137	87,074,788	94,539,999
Interbank and money market items-net		3,421,541	3,611,685	3,293,043	3,417,326
Liability payable on demand		427,901	250,634	427,901	250,634
Derivatives liabilities		1,646,018	1,941,105	1,646,018	1,941,105
Debt issued and borrowings	13	24,845,653	22,654,284	24,744,090	22,553,937
Bank's liability under acceptance		26,197	61,479	26,197	61,479
Provisions	14	1,445,598	1,002,756	1,403,722	1,002,756
Other liabilities		3,705,420	4,361,378	3,138,264	3,741,243
Total liabilities		122,719,138	128,539,458	121,754,023	127,508,479
Equity attributable to owners of the Bank					
Share capital					
Registered					
16,315,934,756 ordinary shares of Baht 0.50 each		8,157,967	8,157,967	8,157,967	8,157,967
Issued and paid-up share capital					
16,315,934,756 ordinary shares of Baht 0.50 each		8,157,967	8,157,967	8,157,967	8,157,967
Premium on share capital		1,483,267	1,483,267	1,483,267	1,483,267
Other reserves	15	692,314	727,402	673,568	707,629
Retained earnings					
Appropriated - statutory reserve	16	63,500	63,500	63,500	63,500
Unappropriated		1,229,884	1,421,427	1,130,428	1,281,862
Equity attributable to					
Owners of the Bank		11,626,932	11,853,563	11,508,730	11,694,225
Non-controlling interest		83,520	82,271	-	-
Total equity		11,710,452	11,935,834	11,508,730	11,694,225
Total liabilities and equity		134,429,590	140,475,292	133,262,753	139,202,704

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI BANK Public Company Limited

Statements of comprehensive income (Unaudited)

For the three-month periods ended 31 March 2011 and 2010

		Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
	Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest incomes	17	1,747,349	1,515,400	1,599,712	1,389,895
Interest expenses	18	(617,769)	(481,491)	(614,029)	(478,100)
Net interest income		1,129,580	1,033,909	985,683	911,795
Fees and service income	19	236,580	186,699	147,812	132,336
Fees and service expenses	19	(28,108)	(23,799)	(18,284)	(19,919)
Net fees and service income		208,472	162,900	129,528	112,417
Gains on tradings and foreign exchange transactions	20	122,374	60,009	113,901	59,882
(Losses) gains on investments	21	(594)	2,700	(1,269)	1,383
Other operating income	22	129,808	410,485	122,930	415,378
Total operating income		1,589,640	1,670,003	1,350,773	1,500,855
Other operating expenses					
Employee expenses		690,407	629,836	549,819	518,613
Directors' remuneration		2,172	2,556	2,088	2,472
Premises and equipment expenses		285,946	330,349	252,266	301,691
Taxes and duties		60,616	52,720	57,807	51,254
Others		192,588	167,332	150,321	135,068
Total other operating expenses		1,231,729	1,182,793	1,012,301	1,009,098
Bad and doubtful debts and impairment losses	23	65,776	160,490	55,000	154,000
Profit from continuing operation before income tax expenses		292,135	326,720	283,472	337,757
Income tax expenses	24	(7,639)	(3,936)	-	-
Net profit from continuing operation		284,496	322,784	283,472	337,757
Profit after tax of discontinued operation		-	29,404	-	-
Net profit for the period		284,496	352,188	283,472	337,757

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI BANK Public Company Limited
Statements of comprehensive income (Unaudited) (Cont'd)
For the three-month periods ended 31 March 2011 and 2010

	Notes	Consolidated financial statements		Separate financial statements	
		2011	2010	2011	2010
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Other comprehensive incomes (expenses)					
Changes in revaluation surplus		(1,268)	(155,589)	(1,268)	(155,589)
Losses on remeasuring					
available-for-sale investments		(33,820)	(1,152)	(32,793)	(3,280)
Total other comprehensive expenses from continuing operation		(35,088)	(156,741)	(34,061)	(158,869)
Other comprehensive income on assets of disposal group classified as held for sales		-	14	-	-
Total other comprehensive expenses		(35,088)	(156,727)	(34,061)	(158,869)
Total comprehensive income for the period		249,408	195,461	249,411	178,888
Net profit attributable to:					
Owners of the Bank		281,588	348,136	283,472	337,757
Non-controlling interests		2,908	4,052	-	-
		284,496	352,188	283,472	337,757
Total comprehensive income attributable to:					
Owners of the Bank		246,500	191,410	249,411	178,888
Non-controlling interests		2,908	4,051	-	-
		249,408	195,461	249,411	178,888
Earnings per share for profit attributable to owners of the Bank	25				
Basic earnings per share (Baht per share)		0.02	0.03	0.02	0.03
Weighted average number of ordinary shares (shares)		16,315,934,756	13,349,401,164	16,315,934,756	13,349,401,164

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI Bank Public Company Limited
Statements of changes in equity (Unaudited)
For the three-month periods ended 31 March 2011 and 2010

Consolidated financial statements											
Attributable to owners of the Bank											
Other reserves											
Other											
Revaluation surplus (deficit) on change in value of investments											
Revaluation surplus on assets											
Total equity attributable to owners of the Bank											
Non-controlling interest											
Total											
Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at 1 January 2010	6,674,701	-	729,327	49,179	-	778,506	-	420,566	7,873,773	70,358	7,944,131
Total comprehensive income (expenses) for the period	-	-	(155,589)	(1,152)	14	(156,727)	-	348,136	191,409	4,052	195,461
Transfer to retained earnings	-	-	-	-	-	-	-	155,589	155,589	-	155,589
Balance as at 31 March 2010	6,674,701	-	573,738	48,027	14	621,779	-	924,291	8,220,771	74,410	8,295,181
Balance as at 1 January 2011	8,157,967	1,483,267	566,609	160,793	-	727,402	63,500	1,421,427	11,853,563	82,271	11,935,834
Impact of the adoption of TAS 19 Employee Benefits	4	-	-	-	-	-	-	(474,399)	(474,399)	(1,659)	(476,058)
Restated balance	8,157,967	1,483,267	566,609	160,793	-	727,402	63,500	947,028	11,379,164	80,612	11,459,776
Total comprehensive income (expenses) for the period	-	-	(1,268)	(33,820)	-	(35,088)	-	281,588	246,500	2,908	249,408
Transfer to retained earnings	-	-	-	-	-	-	-	1,268	1,268	-	1,268
Balance as at 31 March 2011	8,157,967	1,483,267	565,341	126,973	-	692,314	63,500	1,229,884	11,626,932	83,520	11,710,452

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI Bank Public Company Limited
Statements of changes in equity (Unaudited) (Cont'd)
For the three-month periods ended 31 March 2011 and 2010

		Separate financial statements						
		Other reserves						
		Revaluation surplus						
		(deficit) on						
		change in value						
		of investments						
		Total						
		other reserves						
		Legal						
		reserve						
		Retained						
		earnings						
		(deficits)						
		Total						
Notes	Issued and paid-up share capital	Share premium	Revaluation surplus on assets	Revaluation surplus (deficit) on change in value of investments	Total other reserves	Legal reserve	Retained earnings (deficits)	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at 1 January 2010	6,674,701	-	729,327	39,270	768,597	-	180,164	7,623,462
Total comprehensive income (expenses) for the period	-	-	(155,589)	(3,280)	(158,869)	-	337,757	178,888
Transfer to retained earnings	-	-	-	-	-	-	155,589	155,589
Balance as at 31 March 2010	<u>6,674,701</u>	<u>-</u>	<u>573,738</u>	<u>35,990</u>	<u>609,728</u>	<u>-</u>	<u>673,510</u>	<u>7,957,939</u>
Balance as at 1 January 2011	8,157,967	1,483,267	566,609	141,020	707,629	63,500	1,281,862	11,694,225
Impact of the adoption of TAS 19 Employee Benefits	-	-	-	-	-	-	(436,174)	(436,174)
Restated balance	8,157,967	1,483,267	566,609	141,020	707,629	63,500	845,688	11,258,051
Total comprehensive income (expenses) for the period	-	-	(1,268)	(32,793)	(34,061)	-	283,472	249,411
Transfer to retained earnings	-	-	-	-	-	-	1,268	1,268
Balance as at 31 March 2011	<u>8,157,967</u>	<u>1,483,267</u>	<u>565,341</u>	<u>108,227</u>	<u>673,568</u>	<u>63,500</u>	<u>1,130,428</u>	<u>11,508,730</u>

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI BANK Public Company Limited
Statements of cash flow (Unaudited)
For the three-month periods ended 31 March 2011 and 2010

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities				
Profit before corporate income tax from continuing operations	292,135	326,720	283,472	337,757
Profit before corporate income tax from discontinued operations	-	40,687	-	-
Profit before corporate income tax including discontinued operations	292,135	367,407	283,472	337,757
Adjustments to reconcile net incomes before income tax to cash in (out) flows from operating activities:				
Depreciation and amortisation	97,655	119,023	91,949	113,077
Bad debts and doubtful accounts	65,776	160,649	55,000	154,000
Reserve for off-balance sheet items	-	(3,000)	-	(3,000)
Provision for liabilities	27,167	31,528	25,175	29,996
Losses on impairment of properties for sale	306	2,700	-	2,700
Unrealised gains on exchange and derivatives	(21,766)	(62,740)	(21,766)	(62,740)
Losses (gains) on properties for sale	25,587	6,715	(1,052)	(8,352)
Unrealised gains on revaluation of investments	(1,341)	(539)	(1,136)	(539)
Losses (gains) on sale of investments	1,268	(2,861)	1,268	(1,383)
Gains on disposal of premises and equipment	(3,253)	(289,138)	(3,091)	(289,969)
Impairment of premises and equipment	-	1,591	-	1,591
Loss from write-off intangible assets	-	9,397	-	8,523
Interest and dividend incomes	(1,837,656)	(1,624,554)	(1,690,020)	(1,480,202)
Interest expenses	523,768	379,492	520,029	376,100
Losses from operations before changes in operating assets and liabilities	(830,354)	(904,330)	(740,172)	(822,441)
(Increase) decrease in operating assets				
Interbank and money market items	9,591,292	11,378,993	9,551,529	11,411,736
Investments held for trading	(1,513,868)	(1,678,984)	(1,519,833)	(1,678,984)
Loans	(4,178,293)	(1,966,050)	(3,925,641)	(1,857,734)
Properties for sale	102,324	9,305	21,143	18,484
Other assets	729,788	201,021	526,756	198,501
Increase (decrease) in operating liabilities				
Deposits	(7,455,327)	(5,944,582)	(7,465,211)	(5,975,579)
Interbank and money market items	(190,144)	(3,503,382)	(124,283)	(3,578,134)
Liability payable on demand	177,267	(8,879)	177,267	(8,879)
Other liabilities	(632,582)	(249,496)	(579,091)	(161,798)
Cash flows used in operating activities	(4,199,897)	(2,666,384)	(4,077,536)	(2,454,828)
Cash received from interest incomes	1,616,342	1,441,299	1,469,098	1,262,593
Cash paid for interest expenses	(337,927)	(354,527)	(333,184)	(352,292)
Cash paid for tax	(164)	(15,219)	-	-
Net cash flows used in operating activities	(2,921,646)	(1,594,831)	(2,941,622)	(1,544,527)

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

CIMB THAI BANK Public Company Limited
Statements of cash flow (Unaudited) (Cont'd)
For the three-month periods ended 31 March 2011 and 2010

	Consolidated financial statements		Separate financial statements	
	2011	2010	2011	2010
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities				
Cash paid for purchases of available-for-sale securities	(1,058,642)	(2,479,906)	(1,057,614)	(2,479,906)
Proceeds from disposals of available-for-sale securities	-	1,554,193	-	1,554,193
Proceeds from maturity and principal payment of available-for-sale securities	1,471,027	2,500,000	1,470,000	2,500,000
Cash paid for purchases of held to maturities securities	-	(2,103,165)	-	(2,103,165)
Proceeds from repayment of investment in receivable	27,054	57,875	27,054	57,875
Cash paid for purchases of general investments	-	(448)	-	(448)
Proceeds from disposals of general investments	14,568	-	14,568	-
Proceeds from maturity of general investments	8,745	8,745	8,745	8,745
Proceeds from disposals of investment in subsidiaries and associates	-	40,678	-	-
Cash paid for purchases of premises and equipment	(40,082)	(43,102)	(28,769)	(43,102)
Proceeds from disposals of premises and equipment	2,433	1,054,748	2,149	1,043,902
Cash paid for purchases of intangible assets	(7,059)	(40,016)	(5,598)	(40,016)
Dividend received	90,308	90,475	90,308	90,465
Interest received	139,279	143,661	139,279	145,137
Net cash flows from investing activities	647,631	783,738	660,122	733,680
Cash flows from financing activities				
Increase in short-term borrowings	2,157,692	218,919	2,157,692	218,921
Interest expenses	(216,040)	(111,609)	(216,040)	(111,569)
Net cash flows from financing activities	1,941,652	107,310	1,941,652	107,352
Net decrease in cash and cash equivalents	(332,363)	(703,783)	(339,848)	(703,495)
Cash and cash equivalents at beginning of the period	2,744,520	2,821,772	2,743,016	2,820,537
Cash and cash equivalents at the end of the period	2,412,157	2,117,989	2,403,168	2,117,042
Supplemental disclosure of cash flows information				
Non-cash transaction:				
Properties fore sales received in settlement of debts	108,297	91,058	-	-
Payable from purchase premises and equipment	23,698	10,697	22,655	10,697
Payable from purchase intangible assets	2,033	17,563	2,033	17,563
Changes in revaluation surplus in available-for-sale	33,820	1,138	32,792	3,280
Write-off loans and allowance for doubtful debts	122,956	271,888	111,461	196,252
Adjustment of brought forward retained earnings due to the adoption of TAS 19 Employee Benefits	476,058	-	436,174	-
Receivable from disposal of properties for sale	40,380	-	40,380	-
Properties for sale received from auction	-	2,826	-	2,826
Transfer provision for employee benefits to other assets	5,618	-	5,618	-

The accompanying notes to interim consolidated and separate financial statements from page 10 to 48 are an integral part of the interim financial statements

1 General information

CIMB THAI Bank Public Company Limited (“the Bank”) is a public company incorporated and domiciled in Thailand. The Bank operates a commercial bank in Thailand since 8 March 1949. The Bank’s Head Office is 44 Langsuan Road, Lumpini, Patumwan, Bangkok.

The Bank is listed on the Stock Exchange of Thailand. For reporting purposes, the Bank and its subsidiaries are referred to as the Group. Its parent company is CIMB Bank Berhad, which is a public company incorporated in Malaysia. The parent company of the Group is CIMB Group Holdings Berhad (formerly known as “Bumiputra - Commerce Holdings Berhad”).

All subsidiaries were incorporated as limited companies under Thai laws, and all operate in Thailand, engaging mainly in securities business, debt collection business, hire purchase and leasing.

The interim consolidated and separate financial statements were authorised by the Audit Committee on 11 May 2011.

The interim consolidated and separate financial statements were reviewed but not audited yet.

2 Basis of preparation of consolidated and separate financial statements

The interim consolidated and separate financial statements (“the interim financial statements”) are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission (“SEC”). The primary financial statements (i.e., statements of financial position, comprehensive income, changes in equity and cash flow) are prepared in the format as required by the Notification of the Bank of Thailand (“BoT”), no. SorNorSor 11/2553 The Preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group dated on 3 December 2010. The notes to the interim financial statements are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2009), “Interim Financial Reporting” and additional notes are presented as required by the BoT and requirements of SEC issued under the Securities and Exchange Act., B.E. 2535.

The interim financial statements are prepared to provide information additional to that included in the consolidated and separate financial statements for the year ended 31 December 2010. In order not to duplicate information previously reported, the interim financial statements should be read in conjunction with the latest annual financial statements.

An English version of the interim consolidated and separate financial statements have been prepared from the interim financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.

The interim consolidated 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 2010, with no structural changes related to subsidiaries occurring during the period. Those changes during 2010 reported in Note 7 and 13 to the interim financial statements.

The Bank prepares interim separate financial statements for the benefit of public, which present investment in subsidiaries and associated companies under cost method.

Comparative figures have been reclassified as necessary to conform with the presentation according to the Notification of the BOT, no. SorNorSor 11/2553, The Preparation and Format of the Financial Statements of Commercial Bank and Holding Parent Company of Financial Group dated on 3 December 2010 which is mandatory for the accounting periods beginning on or after 1 January 2011.

2 Basis of preparation of consolidated and separate financial statements (Cont'd)

Statements of financial position

Certain accounts in the statements of financial position as at 31 March 2010 have been reclassified in order to be comparable to the presentation in the statements of financial position as at 31 March 2011. The significant transactions are shown as follows:

1. Investments in subsidiaries in the separate financial statements amounting to Baht 1,323 million was reclassified from Investments - net to Investments in subsidiaries - net.
2. Deferred revenue in the consolidated financial statement amounting to Baht 1,694 million and in the separate financial statements amounting to Baht 5 million was reclassified from Loans to Deferred revenue.
3. Prepaid interest of fixed deposits in the consolidated and the separate financial statements amounting to Baht 7 million was reclassified from Other assets to Deposits.
4. Bills of exchange held by the financial institutions in the consolidated and the separate financial statements amounting to Baht 2,262 million was reclassified from Interbank and money market items to Debt issued and borrowings.
5. Provision for litigation and off-balance sheet items in the consolidated and the separate financial statements amounting to Baht 458 million was reclassified from Other liabilities to Provisions.

Statements of comprehensive income

Certain accounts in the statements of comprehensive income for the three-month periods ended 31 March 2010 have been reclassified in order to be comparable to the presentation in the statement of comprehensive income for the three-month periods ended 31 March 2011. The significant transactions are shown as follows:

1. Interest and dividend income from Investments in the consolidated and separate financial statement amounting to Baht 91 million and Fee and service income from subsidiaries in the separated financial statement amounting to Baht 13 million were reclassified from Interest and dividend income from investments and Fees and charges - Others to Other operating income.
2. Fee and service expenses for contract staffs in the consolidated and separate financial statements amounting to Baht 14 million and professional fee in the consolidated financial statements amounting to Baht 43 million and in separate financial statements amounting to Baht 39 million were reclassified from Personnel expenses and Fee and charges to Other expenses.
3. Contribution fee to the Deposit Protection Agency in the consolidated and the separate financial statements amounting to Baht 102 million was reclassified from Contribution fee to the Deposit Protection Agency to Interest expenses.
4. Commission expenses from hire purchase contracts in the consolidated financial statement amounting to Baht 14 million was reclassified from Fees and charges expenses to Interest incomes.

3 Accounting policies

The following new accounting standards, new financial reporting standards, amendments to accounting standards and interpretation are mandatory for the first time for the financial year beginning 1 January 2011

Effective for the periods beginning on or after 1 Januar 2011

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit plans
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Ventures
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property
TFRS 2	Share-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate
TSIC 31	Revenue-Barter Transactions Involving Advertising Service

The new accounting standards, amendments to accounting standards and new interpretation are mandatory for the accounting periods beginning on or after 1 January 2013, but the Bank has not early adopted them as the following:

Effective for the periods beginning on or after 1 January 2013

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

3 Accounting policies (Cont'd)

The management of the Bank has assessed that TAS 2 (revised 2009), TAS 11 (revised 2009), TAS 20 (revised 2009), TAS 29, TAS 31 (revised 2009), TAS 40 (Revised 2009) and TFRS 3 (Revised 2009), TFRS 6, TFRIC15 are not relevant to the main business of the Bank and subsidiaries. For other accounting standards, they are in the process of evaluating the effect of such standards to the financial statement for the year initially applied. New accounting standards which may impact significantly to the financial statement are shown as follows;

TAS 12 deals with taxes on income, comprising current tax and deferred tax. Current tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. Deferred taxes are measured by based on the temporary difference between the tax base of an asset or liability and its carrying amount in the financial statements and using the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. The Bank and subsidiaries will apply this standard from 1 January 2013 retrospectively with an expectation to incur of deferred tax account and changes in retained earnings and income tax expense. The management is currently assessing the impact of applying this standard.

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2010 except as described in note 4 to the interim financial statements.

4 Impact of the adoption of TAS 19 Employee Benefits

According to TAS 19 Employee Benefits, the Bank and subsidiaries set provision for pension fund which comprises of post employment benefits to employee under the labour law applicable in Thailand and pension benefits to employee with more than 10 years of service and who resign in accordance with the rules and conditions stipulated by the Bank.

The liability in respect of employee's benefits is measured, using the projected unit credit method which is calculated by an independent actuary in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yield on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and others. Actuarial gains or losses will be recognised in the statement of comprehensive income in the period to which they are related.

The Bank adjusted consolidated and separate statement of financial position as at 1 January 2011 by increasing provision for pension fund amounting to Baht 474 million and Baht 436 million, respectively, and reducing beginning retained earning with the same amount. The Bank also adjusted consolidated and separate comprehensive income statements for the three-month periods ended 31 March 2011 by increasing expense for pension fund amounting to Baht 27 million and Baht 25 million as detail in Note 14 to the interim financial statement.

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5 Interbank and money market items (assets)

	Consolidated financial statements					
	31 March 2011			31 December 2010		
	At call Million Baht	Term Million Baht	Total Million Baht	At call Million Baht	Term Million Baht	Total Million Baht
Domestic:						
Bank of Thailand and the Financial Institutions Development Fund	2,839	-	2,839	635	2,300	2,935
Commercial banks	466	40	506	538	3,017	3,555
Other banks	5	-	5	4	6,875	6,879
Finance, finance and securities, securities, and credit foncier companies	544	-	544	544	1	545
Other financial institutions	-	921	921	-	432	432
Total domestic items	3,854	961	4,815	1,721	12,625	14,346
<u>Add</u> Accrued interest receivables	-	-	-	-	2	2
<u>Less</u> Allowance for doubtful debts	-	(3)	(3)	-	(4)	(4)
Domestic items - net	3,854	958	4,812	1,721	12,623	14,344
Foreign:						
US dollar	781	13	794	833	42	875
Yen	10	-	10	6	-	6
EURO	-	-	-	8	-	8
Other currencies	38	-	38	15	-	15
Foreign items - net	829	13	842	862	42	904
Domestic and foreign items - net	4,683	971	5,654	2,583	12,665	15,248
Separate financial statements						
	31 March 2011			31 December 2010		
	At call Million Baht	Term Million Baht	Total Million Baht	At call Million Baht	Term Million Baht	Total Million Baht
Domestic:						
Bank of Thailand and the Financial Institutions Development Fund	2,839	-	2,839	635	2,300	2,935
Commercial banks	14	-	14	23	3,000	3,023
Other banks	-	-	-	-	6,875	6,875
Finance, finance and securities, securities, and credit foncier companies	544	125	669	544	125	669
Other financial institutions	-	921	921	-	432	432
Total domestic items	3,397	1,046	4,443	1,202	12,732	13,934
<u>Add</u> Accrued interest receivables	-	2	2	-	2	2
<u>Less</u> Allowance for doubtful debts	-	(4)	(4)	-	(4)	(4)
Domestic items - net	3,397	1,044	4,441	1,202	12,730	13,932
Foreign:						
US dollar	781	13	794	833	42	875
Yen	10	-	10	6	-	6
EURO	-	-	-	8	-	8
Other currencies	38	-	38	15	-	15
Foreign items - net	829	13	842	862	42	904
Domestic and foreign items - net	4,226	1,057	5,283	2,064	12,772	14,836

As at 31 March 2011, the Bank has promissory notes of Baht 547 million (31 December 2010: Baht 547 million), that had been issued by finance companies which were ordered to be closed, and are avaled by the Financial Institution Development Fund ("the FIDF").

The FIDF recalls promissory notes amounting to Baht 544 million (31 December 2010: Baht 544 million) 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 not yet returned 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 Baht 544 million (31 December 2010: Baht 544 million).

6 Investments - net

6.1 Classified by types of investment

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Fair Value Million Baht	Fair Value Million Baht	Fair Value Million Baht	Fair Value Million Baht
Securities held for trading				
Government and state enterprises securities	398	80	398	80
Private sector debt securities	1,209	5	1,209	5
Domestic marketable equity securities	44	50	-	-
Total Securities held for trading	1,651	135	1,607	85
Available-for-sales securities				
Government and state enterprises securities	5,124	5,539	5,124	5,539
Domestic marketable equity securities	2,673	2,705	2,652	2,683
Total Available-for-sales securities	7,797	8,244	7,776	8,222
	Cost/ Amortised Cost Million Baht	Cost/ Amortised Cost Million Baht	Cost/ Amortised Cost Million Baht	Cost/ Amortised Cost Million Baht
Held-to-maturity debt securities				
Government and state enterprises securities	9,164	9,181	9,164	9,181
Promissory notes issued by Thai Asset Management Corporation	800	800	800	800
Private sector debt securities	552	552	552	552
Overseas debt securities	1,515	1,508	1,515	1,508
Investments in receivables (Note 6.5)	814	841	769	796
Total	12,845	12,882	12,800	12,837
Less Allowance for impairment	(187)	(187)	(150)	(150)
Total Held-to-maturity deb securities	12,658	12,695	12,650	12,687

6 Investments - net (Cont'd)

6.1 Classified by types of investment (Cont'd)

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Cost	Cost	Cost	Cost
	Million Baht	Million Baht	Million Baht	Million Baht
General Investments				
Domestic non - marketable equity securities	579	603	579	603
Overseas non - marketable equity securities	13	13	13	13
Total	592	616	592	616
Less Allowance for impairment	(213)	(213)	(213)	(213)
Total General investments	379	403	379	403
Investments -net	22,485	21,477	22,412	21,397

- (a) As of 31 March 2011, the Bank had foreign currency denominated debt investment in structured note totalling USD 50 million or Baht 1,515 million (31 December 2010: USD 50 million or Baht 1,508 million), which has been classified as the held-to-maturity investments and is recorded under the cost method. Such note was issued by foreign bank whose rating was A or better. The note has remaining live less than 1 year and contain conditions related to interest to be received by the Bank and/or early repayment rights of the note issuer.

As of 31 March 2011, the estimated price of the notes quoted by arrangers is approximately 99 percent (31 December 2010: 98 percent). 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.

- (b) As of 31 March 2011, held-to-maturity debt securities classified as long-term investments included promissory notes which were received from TAMC in settlement for non-performing loans transferred to TAMC (as already discussed in Note 31 to the interim financial statements) amounting to Baht 800 million (31 December 2010: Baht 800 million). Such promissory notes are non-transferable and avaled by the FIDF.
- (c) As of 31 March 2011, 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 (31 December 2010: Baht 2,500 million) and it is presented at its fair value of Baht 2,652 million (31 December 2010: Baht 2,683 million), with the gain from revaluation amounting to Baht 152 million (31 December 2010: Baht 183 million) presented in equity. The presentation of fair value is in accordance with Thai Accounting Standard No. 105 concerning Accounting for Investment in Debt and Equity Securities. The investee fund 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 of 31 March 2011 and 31 December 2010, the Bank has investments which are pledged as collateral, as mentioned in Note 26 to the interim financial statements.

6 Investments - net (Cont'd)

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

The following are equity securities 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. The investments classified by industry are as follows:

	Consolidated and separate financial statements	
	31 March 2011	31 December 2010
	Million Baht	Million Baht
Commercial business	2	2
Property development	1	1
Public utilities and services	17	17
Bank and Finance	4	4
Total	24	24
<u>Less</u> Allowance for impairment	(11)	(11)
Investments representing shareholdings in which the Bank and its subsidiaries hold more than 10% - net	13	13

6.3 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 subsidiaries and associated companies. The investments classified by type of fund are as follows:

	Consolidated and separate financial statements			
	31 March 2011		31 December 2010	
	Cost Million Baht	Fair value Million Baht	Cost Million Baht	Fair value Million Baht
General investments				
Investment in property funds	220	217	229	226
<u>Less</u> Allowance for impairment	(3)		(3)	
General investments - net	217		226	

6 Investments - net (Cont'd)

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

As at 31 March 2011 and 31 December 2010, the Bank and its subsidiaries have the following investments in companies, which have problems relating to financial positions and operating results:

Consolidated and separate financial statements							
31 March 2011				31 December 2010			
Number of companies	Cost Million Baht	Allowance for Revaluation/ Impairment Million Baht	Book Value Million Baht	Number of companies	Cost Million Baht	Allowance for Revaluation/ Impairment Million Baht	Book Value Million Baht
Listed companies under delisting conditions	2	-	-	2	-	-	-
Companies with problems regarding to business continuity and/or weak financial status and operating performance	51	42	(42)	51	42	(42)	-
Defaulted debt securities	18	2	(2)	18	2	(2)	-
	71	44	(44)	71	44	(44)	-

6.5 Investments in receivables

	Consolidated financial statements		Separate financial statements	
	31 March 2011 Million Baht	31 December 2010 Million Baht	31 March 2011 Million Baht	31 December 2010 Million Baht
Investments in receivables	814	841	769	796
<u>Less</u> Allowance for impairment	(130)	(131)	(94)	(94)
Investments in receivables - net	684	710	675	702

As at 31 March 2011 and 31 December 2010, the outstanding balances of loan receivables can be summarised as follows:

	31 March 2011				31 December 2010			
	Number of debtors	Principal Million Baht	Purchase price Million Baht	Estimated rate of return (Yield) * %	Number of debtors	Principal Million Baht	Purchase price Million Baht	Estimated rate of return (Yield)* %
<u>Consolidated financial statements</u>								
Total accumulated investments in receivables	6,046	24,833	7,069	19	6,036	24,833	7,069	19
Outstanding investments in receivables as at the balance sheet date	341	3,683	814		353	3,733	841	
<u>Separate financial statements</u>								
Total accumulated investments in receivables	5,857	22,948	6,996	19	5,857	22,948	6,996	14
Outstanding investments in receivables as at the balance sheet date	189	2,106	769		199	2,136	796	

* Excluded yield of investment in receivable of a subsidiary which the outstanding as at 31 March 2011 amount Baht 45 million (31 December 2010: Baht 45 million)

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7 Investments in subsidiary - net

Company name	Nature of business	Type of securities	Percentage of holding		Separate financial statements	
			31 March 2011 %	31 December 2010 %	Cost method	
					31 March 2011 Million Baht	31 December 2010 Million Baht
Subsidiaries - included in consolidated financial statements						
CIMB Securities (Thailand) Co., Ltd. CT Coll Co., Ltd. (Formerly known as “BT Business Consulting Co., Ltd.”)	Securities	Common stock	100	100	1,175	1,175
Center Auto Lease Co., Ltd. (Formerly known as “BT Leasing Co., Ltd.”)	Debt collection	Common stock	100	100	38	38
World Lease Co., Ltd. (Formerly known “BT Worldlease Co., Ltd.”)	Leasing/hire purchase	Common stock	100	100	703	703
	Hire purchase - motorcycles					
	motorcycle trading	Common stock	75	75	248	248
Subsidiary - not included in consolidated financial statements						
Krung Thai Thanakit Finance Plc.	In process of liquidation	Common stock	99	99	562	562
Total					2,726	2,726
Less Allowance for impairment					(1,403)	(1,403)
Investments in subsidiary and associated companies - net					1,323	1,323

Board of Directors' meeting no. 4/2010 on 12 March 2010 and the 2009 annual general shareholder meeting on 29 April 2010 resolved that the Bank sells its investment in equity of BT Insurance Co., Ltd. 29,999,910 shares which was 99.99% of its paid-up capital to the acquirer outside the Group. Besides, the Board of Directors' meeting no. 5/2010 on 25 March 2010 and the 2009 annual general shareholder meeting also approved changing in shareholding structure of the Bank by allowing the Bank to sell its investment in Sathorn Asset Management Co., Ltd. 24,999,993 shares which was 99.99% of its paid-up capital, BT Asset Management Co., Ltd. (which later on changed the name to CIMB-Principal Asset Management Co., Ltd.) 23,999,993 shares which was 99.99% of its paid-up capital. The meetings also approved the sale of World Class Rent a Car Co., Ltd. 760,000 shares which was 20% of its paid-up capital to other shareholders of World Calss Rent A Car Co.,Ltd.

As at 4 May 2010, the Bank increased its investment in BT Asset Management Co., Ltd. (which later on changed its name to CIMB-Principal Asset Management Co., Ltd.) amounting to Baht 5 million.

As at 30 June 2010, the Bank sold its shares in BT Asset Management Co., Ltd (which later on changed the name to CIMB-Principal Asset Management Co., Ltd.). The Bank received cash from selling the shares amounted to Baht 250 million. Gain from sales recognised in consolidated income statement at amount of Baht 218 million (separate statement of comprehensive income Baht 162 million).

On 23 July 2010, the Bank sold the shareholding in World Class Rent a Car Co., Ltd. to other shareholders of World Class Rent a Car Co.,Ltd. Gain from sale amounting to Baht 22 million is recognised in the consolidated and separate statements of comprehensive income for the year ended 31 December 2010.

On 29 September 2010, the Board of directors of BT Leasing Co., Ltd. which is the Bank's subsidiary and The Board of Directors' meeting no. 13/2553 on 24 November 2010 approved for raising its capital amounting to Baht 1,000 million. On 29 November 2010, the Bank settled the capital to BT Leasing Co., Ltd. amounting to Baht 250 million.

7 Investments in subsidiary - net (Cont'd)

As at 7 October 2010, the Bank increased its investment in BT Business Consulting Co., Ltd. (which later on changed the name to CT Coll Co., Ltd.) amounting to Baht 5.5 million.

On 4 November 2010, the Bank sold the shareholding in BT Insurance Co., Ltd. The Bank received cash from selling the shares amounted to Baht 392 million. Gain from sale recognised in consolidated statement of comprehensive income at amount of Baht 21 million (separate statement of comprehensive income Baht 98 million). However, the Bank has an obligation to price adjustment which may result a payment in the maximum amount of Baht 58 million.

On 23 December 2010, the Bank sold the shareholding in Sathorn Asset Management Co., Ltd. The Bank received cash from selling the shares amounted to Baht 229 million. Loss from sale recognised in consolidated statement of comprehensive income at amount of Baht 84 million (gain in separate statement of comprehensive income Baht 204 million).

On 11 January 2011, BT Business Consulting Co., Ltd. which is a subsidiary registered change its name to CT Coll Co., Ltd.

On 3 February 2011, BT Leasing Co., Ltd. which is a subsidiary registered change its name to Center Auto Lease Co., Ltd.

8 Loans and accrued interest receivables

8.1 Classified by loan type

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht
Bank overdrafts	6,073	6,057	6,075	6,063
Loans	59,664	57,688	62,620	60,921
Bills	24,658	23,804	27,203	25,124
Hire purchase receivables	8,748	7,509	-	-
Securities business receivables	546	393	-	-
Others	57	57	57	57
Total loans	99,746	95,508	95,955	92,165
<u>Less</u> Deferred revenue	(1,998)	(1,694)	(3)	(4)
Total loans net of deferred revenue	97,748	93,814	95,952	92,161
<u>Add</u> Accrued interest receivables	227	202	200	178
Total loans net of deferred revenue and accrued interest receivables	97,975	94,016	96,152	92,339
<u>Less</u> Allowance for doubtful debts (Note 9)				
Minimum allowance for doubtful accounts required based on the BOT's guidelines				
- Individual Approach	(1,343)	(1,650)	(1,313)	(1,470)
- Collective Approach	(151)	-	-	-
General provision for further losses	(1,120)	(954)	(1,120)	(954)
<u>Less</u> Revaluation allowance for debt restructuring (Note 10)	(15)	(9)	(15)	(9)
Loans and accrued interest receivables - net	95,346	91,403	93,704	89,906

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8 Loans and accrued interest receivables (Cont'd)

8.2 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								
31 March 2011				31 December 2010				
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	
Minimum allowance for doubtful accounts based on the BOT's guidelines								
- Pass	87,082	32,753	1	371	82,402	30,578	1	357
- Special mention	8,166	2,213	2	41	8,702	2,434	2	43
- Sub-standard	1,386	544	100	541	1,540	727	100	725
- Doubtful	318	100	100	163	390	82	100	145
- Doubtful of loss	1,023	179	100	378	982	172	100	380
General provision for further losses			1,120					954
Total	97,975	35,789	2,614	94,016	33,993			2,604
Separate financial statements								
31 March 2011				31 December 2010				
Loans and accrued interest receivables	Balance after collateral ⁽¹⁾	Minimum percentage	Allowance provided in the accounts	Loans and accrued interest receivables	Balance after collateral ⁽²⁾	Minimum percentage	Allowance provided in the accounts	
Million Baht	Million Baht	%	Million Baht	Million Baht	Million Baht	%	Million Baht	
Minimum allowance for doubtful accounts based on the BOT's guidelines								
- Pass	86,013	32,156	1	345	81,388	29,884	1	323
- Special mention	7,579	1,627	2	30	8,197	1,928	2	34
- Sub-standard	1,317	505	100	504	1,477	691	100	691
- Doubtful	238	74	100	74	313	60	100	59
- Doubtful of loss	1,005	161	100	360	964	154	100	363
General provision for further losses			1,120					954
Total	96,152	34,523	2,433	92,339	32,717			2,424

⁽¹⁾ For provision for sub-standard, doubtful and doubtful of loss loans, which is set up in accordance with BoT's notification No. Sor Nor Sor 31/2551, 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.

8 Loans and accrued interest receivables (Cont'd)

8.2 Classification of loans (Cont'd)

b) Securities business receivables of the subsidiary

	Securities business receivables and accrued interest		Allowance for doubtful accounts as required by SEC		Allowance for doubtful accounts	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Pass	473	319	-	-	-	-
Sub-standard debt	19	19	-	-	-	-
Doubtful debt	55	55	55	55	63	63
Total	547	393	55	55	63	63

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

As at 31 March 2011 and 31 December 2010, hire-purchase receivables and financial lease receivables of the subsidiaries are classified based on the over due date as follows:

	Debt balance - net unearned income		Allowance for doubtful accounts	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht
Current or overdue less than 1 installment	6,098	5,254	60	52
Overdue 2 - 3 installments	587	506	12	10
Overdue 4 - 6 installments	50	44	36	34
Overdue 7 - 12 installments	26	22	25	22
Overdue more than 12 installments	13	13	13	13
Debtors under litigation	5	5	5	5
Total	6,779	5,844	151	136

8 Loans and accrued interest receivables (Cont'd)

8.3 Hire purchase and finance lease receivables

As at 31 March 2011, net receivables of the Bank's subsidiaries under hire purchase agreements and financial leases amount to Baht 6,628 million (31 December 2010: Baht 5,708 million), and mostly 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 mostly charged at a fixed rate.

Consolidated financial statements as at 31 March 2011					
Amounts due under lease agreement					
	Less than 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Non - performing loans Million Baht	Total Million Baht
Gross investment in the lease	2,648	5,360	637	129	8,774
<u>Less</u> Unearned finance income	(721)	(1,095)	(144)	(35)	(1,995)
Present value of minimum lease payments receivable	1,927	4,265	493	94	6,779
<u>Less</u> Allowance for doubtful accounts					(151)
Net receivables under hire purchase agreements and financial leases					<u>6,628</u>

Consolidated financial statements as at 31 December 2010					
Amounts due under lease agreement					
	Less than 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Non - performing loans Million Baht	Total Million Baht
Gross investment in the lease	2,409	4,533	477	114	7,533
<u>Less</u> Unearned finance income	(637)	(915)	(107)	(30)	(1,689)
Present value of minimum lease payments receivable	1,772	3,618	370	84	5,844
<u>Less</u> Allowance for doubtful accounts					(136)
Net receivables under hire purchase agreements and financial leases					<u>5,708</u>

8 Loans and accrued interest receivables (Cont'd)

8.4 Troubled debt restructuring

During the three-month period ended 31 March 2011 and the year ended 31 December 2010, 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:

	Consolidated and separate financial statements	
	31 March 2011	31 December 2010
Number of debtors (Number)	590	3,473
Debt balances (Million Baht)	1,085	2,725

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

Consolidated and separate financial statements			
For the three-month period ended 31 March 2011			
	Debt balances		Loss on troubled debt restructuring
	Before restructuring	After restructuring	
Number of debtors	Million Baht	Million Baht	Million Baht
Modification of terms of payments	590	1,084	1
Total	590	1,084	1

Consolidated and separate financial statements			
For the year ended 31 December 2010			
	Debt balances		Loss on troubled debt restructuring
	Before restructuring	After restructuring	
Number of debtors	Million Baht	Million Baht	Million Baht
Modification of terms of payments	3,473	2,681	43
Total	3,473	2,681	43

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:

	Consolidated and separate financial statements					
	For the three-month period ended 31 March 2011			For the year ended 31 December 2010		
	Debt balances			Debt balances		
	Number of debtors	Before restructuring	After restructuring	Number of debtors	Before restructuring	After restructuring
Period of debts restructuring contracts		Million Baht	Million Baht		Million Baht	Million Baht
Not more than 5 years	148	334	334	1,157	749	705
5 - 10 years	427	729	729	2,238	1,804	1,804
10 - 15 years	2	3	3	22	78	78
More than 15 years	13	19	18	56	94	94
Total	590	1,085	1,084	3,473	2,725	2,681

8 Loans and accrued interest receivables (Cont'd)

8.4 Troubled debt restructuring (Cont'd)

Supplemental information for the three-month period ended 31 March 2011 and for the year ended 31 December 2010 relating to the restructured debts is as follows:

	Consolidated financial statements		Separate financial statements	
	For the three-month period ended 31 March 2011 Million Baht	For the year ended 31 December 2010 Million Baht	For the three-month period ended 31 March 2011 Million Baht	For the year ended 31 December 2010 Million Baht
Losses on debt restructuring due to debtors being able to comply with debt restructuring conditions during the period/year	41	407	41	407
Cash settlement by debtors				
Principal	115	1,526	114	1,524
Interest	63	353	62	351

As at the three-month period ended 31 March 2011 and the year ended 31 December 2010, the troubled debtors for which the Bank and its subsidiaries completed their debt restructuring can be summarised as follow:

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	as at 31 March 2011	31 December 2010
Number of debtors (Number)	8,049	8,193	8,047	8,190
Debt balances after restructuring (Million Baht)	3,416	3,172	3,393	3,148

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 31 March 2011, the Bank have losses from the revaluation of restructured debts (PV Loss) of Baht 15 million (31 December 2010: Baht 9 million) for which the Bank had provided an allowance for revaluation as a result of debt restructuring.

In addition, as at 31 March 2011 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 43 million (31 December 2010: Baht 43 million). The Bank had already provided as a provision for such losses, which is presented as part of the allowance for doubtful debts in the statement of financial positions.

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9 Allowance for doubtful debts

Consolidated financial statements									
31 March 2011									
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	General provision for further losses Million Baht	Total Million Baht	Securities and hire purchase receivables Million Baht	Grand total Million Baht
Balance as at 31 December 2010	323	34	691	59	363	935	2,405	199	2,604
<u>Add</u> Addition	-	-	-	-	-	39	39	27	66
Reversal of bad debts	-	-	-	-	-	72	72	-	72
<u>Less</u> Bad debts written off	-	-	(101)	-	(11)	-	(112)	(10)	(122)
Transfer to revaluation allowance for debt restructuring	-	-	-	-	-	(6)	(6)	-	(6)
change in classification or collateral value or transfer general provision to specific provision	22	(4)	(86)	15	8	45	-	-	-
Balance as at 31 March 2011	345	30	504	74	360	1,085	2,398	216	2,614
Consolidated financial statements									
31 December 2010									
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	General provision for further losses Million Baht	Total Million Baht	Securities and hire purchase receivables Million Baht	Grand total Million Baht
Balance as at 31 December 2009	247	51	1,142	358	5,558	146	7,502	442	7,944
<u>Add</u> Addition	-	-	-	-	-	757	757	58	815
Reversal of bad debts	-	-	-	-	-	252	252	-	252
Transfer from revaluation allowance for debt restructuring	-	-	-	-	-	7	7	-	7
Transfer from allowance for sold NPL	-	-	-	-	24	-	24	-	24
<u>Less</u> Bad debts written off	-	(6)	(632)	-	(319)	(24)	(981)	(287)	(1,268)
Transfer to revaluation allowance for debt restructuring	-	-	-	-	-	(7)	(7)	-	(7)
Reversal of allowance made for settled debts for interbank	(11)	-	-	-	(87)	-	(98)	(14)	(112)
Reversal of allowance for sold NPL	-	-	(3)	(7)	(1,871)	-	(1,881)	-	(1,881)
Increase (decrease) due to change in classification or collateral value or transfer general provision to specific provision	87	(11)	184	(292)	116	(84)	-	-	-
Write-off from disposal of subsidiary	-	-	-	-	(3,058)	(110)	(3,168)	-	(3,168)
Balance as at 31 December 2010	323	34	691	59	363	935	2,405	199	2,604

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9 Allowance for doubtful debts (Cont'd)

Separate financial statements							
31 March 2011							
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	General provision Million Baht	Total Million Baht
Balance as at 31 December 2010	323	34	691	59	363	954	2,424
<u>Add</u> Addition	-	-	-	-	-	55	55
Reversal of bad debts	-	-	-	-	-	72	72
<u>Less</u> Bad debts written off	-	-	(101)	-	(11)	-	(112)
Transfer to revaluations allowance for debt restructuring classification or collateral value or transfer general provision to specific provision	-	-	-	-	-	(6)	(6)
	22	(4)	(86)	15	8	45	-
	345	30	504	74	360	1,120	2,433

Separate financial statements							
31 December 2010							
	Pass Million Baht	Special mention Million Baht	Sub- standard Million Baht	Doubtful Million Baht	Doubtful of loss Million Baht	General provision Million Baht	Total Million Baht
Balance as at 31 December 2009	247	51	1,141	357	2,404	37	4,237
<u>Add</u> Addition	-	-	-	-	-	775	775
Reversal of bad debts	-	-	-	-	-	252	252
Transfer from revaluations allowance for debt restructuring	-	-	-	-	-	7	7
Reversal of allowance made for settled debts	-	-	-	-	24	-	24
<u>Less</u> Bad debts written off	-	(6)	(632)	-	(319)	(24)	(981)
Transfer to revaluation allowance for debt restructuring	-	-	-	-	-	(7)	(7)
Transfer to allowance for interbank	-	-	-	-	-	(2)	(2)
Reversal of allowance for sold NPL	-	-	(3)	(7)	(1,871)	-	(1,881)
Increase (decrease) due to change in classification or collateral value or transfer general provision to specific provision	76	(11)	185	(291)	125	(84)	-
Balance as at 31 December 2010	323	34	691	59	363	954	2,424

10 Revaluation allowance for debt restructuring

Consolidated and separate financial statements		
	31 March 2011 Million Baht	31 December 2010 Million Baht
Balance - beginning of the period/year	9	9
<u>Add</u> Revaluation allowance transferred from allowance for doubtful debts	6	7
<u>Less</u> Revaluation allowance transferred to allowance for doubtful debts	-	(7)
Balance - end of the period/year	15	9

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

11 Properties for sale - net

Properties for sale represent properties for sale 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.

Consolidated financial statements				
For the three-month periods ended 31 March 2011				
	Balance as at 31 December 2010 Million Baht	Additions Million Baht	Disposals Million Baht	Balance as at 31 March 2011 Million Baht
Immovable				
- Assessed by external appraiser	2,645	-	(62)	2,583
Movable	15	108	(108)	15
Total	2,660	108	(170)	2,598
<u>Less</u> Allowance for impairment	(611)	-	2	(609)
Properties for sale - net	2,049	108	(168)	1,989

Consolidated financial statements					
For the year ended 31 December 2010					
	Balance as at 31 December 2009 Million Baht	Additions Million Baht	Disposals Million Baht	Write-off from disposal of subsidiary Million Baht	Balance as at 31 December 2010 Million Baht
Immovable					
- Assessed by external appraiser	3,027	17	(231)	(168)	2,645
Movable	19	361	(365)	-	15
Total	3,046	378	(596)	(168)	2,660
<u>Less</u> Allowance for impairment	(636)	(146)	158	13	(611)
Properties for sale - net	2,410	232	(438)	(155)	2,049

11 Properties for sale - net (Cont'd)

Separate financial statements			
For the three-month periods ended 31 March 2011			
Balance as at 31 December 2010 Million Baht	Additions Million Baht	Disposals Million Baht	Balance as at 31 March 2011 Million Baht
Immovable			
- Assessed by external appraiser	2,638	-	(62)
Total	2,638	-	(62)
<u>Less</u> Allowance for impairment	(605)	-	1
Properties for sale - net	2,033	-	(61)
Separate financial statements			
For the year ended 31 December 2010			
Balance as at 31 December 2009 Million Baht	Additions Million Baht	Disposals Million Baht	Balance as at 31 December 2010 Million Baht
Immovable			
- Assessed by external appraiser	2,852	13	(227)
Total	2,852	13	(227)
<u>Less</u> Allowance for impairment	(620)	(3)	18
Properties for sale - net	2,232	10	(209)

The Bank provides allowance for impairment of properties for sale by reference to appraisal value. The Bank appraise or review the fair value of properties for sale annually in accordance with the Notification of the Bank of Thailand. However, the actual selling price may differ from the appraisal value. In addition, the Bank is subject to restrictions on the allowable periods it may hold such properties, as stipulated by the Bank of Thailand. If the Bank is unable to dispose of the properties within allowable 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 for sale.

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12 Premises and equipment - net

	Consolidated financial statement									
	Cost/ Appraisal Value				Accumulated depreciation					
	Balance as at 31 December 2010 Million Baht	Additions Million Baht	Disposals/ written off Million Baht	Balance as at 31 March 2011 Million Baht	Balance as at 31 December 2010 Million Baht	Additions Million Baht	Disposals/ written off Million Baht	Balance as at 31 March 2011 Million Baht	Allowance for impairment Million Baht	Net book value Million Baht
Land										
Cost	563	-	-	563	-	-	-	-	-	563
Revaluation surplus (Revaluation in year 2006)	450	-	-	450	-	-	-	-	-	450
Devaluation of asset (Revaluation in year 2006)	(88)	-	-	(88)	-	-	-	-	-	(88)
Buildings										
Cost	2,145	32	-	2,177	(943)	(25)	-	(968)	-	1,209
Revaluation surplus (Revaluation in year 2006)	180	-	-	180	(63)	(1)	-	(64)	-	116
Devaluation of asset (Revaluation in year 2006)	(177)	-	-	(177)	85	4	-	89	-	(88)
Equipment	2,589	64	(21)	2,632	(1,967)	(57)	9	(2,015)	(17)	600
Assets under installation and under construction	68	50	(46)	72	-	-	-	-	-	72
Total	5,730	146	(67)	5,809	(2,888)	(79)	9	(2,958)	(17)	2,834

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12 Premises and equipment - net (Cont'd)

	Separate financial statement									
	Cost/ Appraisal Value				Accumulated depreciation					
	Balance as at 31 December 2010	Additions	Disposals/ written off	Balance as at 31 March 2011	Balance as at 31 December 2010	Additions	Disposals/ written off	Balance as at 31 March 2011	Allowance for impairment	Net book value
	Million Baht			Million Baht	Million Baht			Million Baht		
Land										
Cost	563	-	-	563	-	-	-	-	-	563
Revaluation surplus (Revaluation in year 2006)	450	-	-	450	-	-	-	-	-	450
Devaluation of asset (Revaluation in year 2006)	(88)	-	-	(88)	-	-	-	-	-	(88)
Buildings										
Cost	2,097	28	-	2,125	(917)	(25)	-	(942)	-	1,183
Revaluation surplus (Revaluation in year 2006)	180	-	-	180	(63)	(1)	-	(64)	-	116
Devaluation of asset (Revaluation in year 2006)	(177)	-	-	(177)	85	4	-	89	-	(88)
Equipment	2,359	34	(16)	2,377	(1,783)	(45)	4	(1,824)	(17)	536
Assets under installation and under construction	68	49	(47)	70	-	-	-	-	-	70
Total	5,452	111	(63)	5,500	(2,678)	(67)	4	(2,741)	(17)	2,742

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13 Debt issued and borrowings

	Consolidated financial statements					
	31 March 2011			31 December 2010		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Hybrid instrument						
Hybrid securities of Baht 2,500 million maturing in 2019	-	2,534	2,534	-	2,529	2,529
Subordinated notes						
Subordinated debentures of USD 50 million, maturing in 2016	-	1,558	1,558	-	1,542	1,542
Subordinated debentures of USD 40 million, maturing in 2017	-	1,241	1,241	-	1,229	1,229
Non-interest bearing subordinated debentures of Baht 120 million, maturing in 2014	102	-	102	100	-	100
Subordinated debentures maturing in 2003	544	-	544	544	-	544
	646	5,333	5,979	644	5,300	5,944
Fixed rate notes						
Bill of exchange maturing at call, coupon rate of 1.10% - 1.65% per annum	600	-	600	2,400	-	2,400
Bills of exchange maturing in 2011, coupon rate of 1.30% - 2.00% per annum	18,267	-	18,267	14,310	-	14,310
	18,867	-	18,867	16,710	-	16,710
Total	19,513	5,333	24,846	17,354	5,300	22,654
<u>Less</u> Current portion of long-term borrowings	(19,411)	-	(19,411)	(17,254)	-	(17,254)
Long-term borrowings - net	102	5,333	5,435	100	5,300	5,400
Separate financial statements						
	31 March 2011			31 December 2010		
	Domestic Million Baht	Foreign Million Baht	Total Million Baht	Domestic Million Baht	Foreign Million Baht	Total Million Baht
Hybrid instrument						
Hybrid securities of Baht 2,500 million maturing in 2019	-	2,534	2,534	-	2,529	2,529
Subordinated notes						
Subordinated debentures of USD 50 million, maturing in 2016	-	1,558	1,558	-	1,542	1,542
Subordinated debentures of USD 40 million, maturing in 2017	-	1,241	1,241	-	1,229	1,229
Subordinated debentures maturing in 2003	544	-	544	544	-	544
	544	5,333	5,877	544	5,300	5,844
Fixed rate notes						
Bill of exchange maturing at call, coupon rate of 1.10% - 1.65% per annum	600	-	600	2,400	-	2,400
Bills of exchange maturing in 2011, coupon rate of 1.30% - 2.00% per annum	18,267	-	18,267	14,310	-	14,310
	18,867	-	18,867	16,710	-	16,710
Total	19,411	5,333	24,744	17,254	5,300	22,554
<u>Less</u> Current portion of long-term borrowings	(19,411)	-	(19,411)	(17,254)	-	(17,254)
Long-term borrowings - net	-	5,333	5,333	-	5,300	5,300

14 Provisions

	Consolidated financial statements		Separate financial statements	
	31 March 2011 Million Baht	31 December 2010 Million Baht	31 March 2011 Million Baht	31 December 2010 Million Baht
Provisions for contingenet loss from legal cases	108	108	108	108
Reserve for off-balance sheet items	312	316	312	316
Provision for pension fund	991	545	949	545
Provision for putback option of sold debtors	34	34	34	34
	<u>1,445</u>	<u>1,003</u>	<u>1,403</u>	<u>1,003</u>

Provision for pension fund

Provision for pension fund comprises of post employment benefits to employees under the labour laws applicable in Thailand and pension benefits to employee with more than 10 years of service and who resign in accordance with the rules and conditions stipulated.

As at 31 March 2011, the pension benefits only provided to employees who are former employees of the Union Bank of Bankgkok Public Company Limited 568 employees (31 December 2010: 605 employees) which are unfunded obligations. The pension benefits is a part of provision for pension fund as follows:

	31 March 2011	
	Consolidated financial statement Million Baht	Separate financial statement Million Baht
Present value of obligations	991	949
Provision for pension fund	<u>991</u>	<u>949</u>

Movements of provision for pension fund are as follows:

	31 March 2011	
	Consolidated financial statement Million Baht	Separate financial statement Million Baht
Beginning balance	1,021	981
Current service costs	16	14
Interest costs	11	11
<u>Less</u> benefits paid for the period	<u>(57)</u>	<u>(57)</u>
Ending balance	<u>991</u>	<u>949</u>

Expenses for pension fund were recognised in the statements of comprehensive income as follows:

	31 March 2011	
	Consolidated financial statement Million Baht	Separate financial statement Million Baht
Current service cost	16	14
Interest costs	11	11
Total	<u>27</u>	<u>25</u>

14 Provisions (Cont'd)

Significant assumptions used in the actuarial calculation are summarised as follows:

	2011
Discount rate	4.75%
Salary increase rate	5.00% and 7.00%
Pre-retirement mortality rate	75.00% of Thai Mortality Ordinary Table 1997
Disability rate	10.00% of pre-retirement mortality rate
Pre-retirement withdrawal rate	From Thai Withdrawal Table
Retirement age	60 years old

15 Other reserves

	Consolidated financial statements		Separate financial statements	
	31 March 2011 Million Baht	31 December 2010 Million Baht	31 March 2011 Million Baht	31 December 2010 Million Baht
Revaluation surplus on assets	565	567	565	567
Revaluation surplus on change in value of investments	127	160	108	141
Total	692	727	673	708

A. 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 and transferred directly to retained earnings.

	Consolidated financial statements		Separate financial statements	
	31 March 2011 Million Baht	31 December 2010 Million Baht	31 March 2011 Million Baht	31 December 2010 Million Baht
Balance - beginning of the period/year	566	729	566	729
<u>Less</u> Amortisation	(1)	(5)	(1)	(5)
Decrease from sale of office building	-	(157)	-	(157)
Balance - end of the period/year	565	567	565	567

15 Other reserves (Cont'd)

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

B. Revaluation surplus (deficit) on change in value of investments

	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht
Revaluation surplus on investments:				
Debt securities	5	3	5	3
Equity securities	172	202	153	183
Total	177	205	158	186
Revaluation deficit on investments:				
Debt securities	(50)	(44)	(50)	(45)
Total	(50)	(44)	(50)	(45)
Revaluation surplus on change in value of investments - net	127	161	108	141

16 Statutory reserve

Under the Public Company Limited Act B.E. 2535, the Bank is required to set aside a statutory reserve of 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. This reserve cannot be used to pay dividend.

17 Interest incomes

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Interest on interbank and money market items	61	21	61	21
Investments and trading transactions	5	7	5	7
Investments in debt securities	104	129	104	129
Interest on loans	1,357	1,214	1,430	1,233
Hire purchase and financial lease income	220	144	-	-
Interest incomes	1,747	1,515	1,600	1,390

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18 Interest expenses

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Interest on deposits	332	249	332	249
Interest on interbank and money market item	26	15	24	13
Contribution fee to the Deposit Protection Agency	94	102	94	102
Debt securities issued				
- Subdebts	84	76	83	75
- Others	81	38	80	38
Others	1	1	1	1
Interest expenses	<u>618</u>	<u>481</u>	<u>614</u>	<u>478</u>

19 Net fees and service income

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Fees and service incomes				
Acceptances, aval and guarantees	23	25	23	25
ATM and Debit card fees	26	25	26	25
Insurance brokerage income	99	55	28	12
Others	88	82	71	70
Fees and service incomes	<u>236</u>	<u>187</u>	<u>148</u>	<u>132</u>
Fees and service expenses				
Collection fees	(4)	(6)	(4)	(6)
ATM fees	(8)	(8)	(8)	(8)
Others	(16)	(10)	(6)	(6)
Fees and service expenses	<u>(28)</u>	<u>(24)</u>	<u>(18)</u>	<u>(20)</u>
Net fees and service income	<u>208</u>	<u>163</u>	<u>130</u>	<u>112</u>

20 Gains on tradings and foreign exchange transactions

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Gains (losses) on tradings and foreign exchange transactions				
Foreign currencies and Foreign exchange rate derivatives	(31)	(67)	(31)	(67)
Interest rate swap contracts	157	128	149	128
Debt securities	-	1	-	1
Others	(4)	(2)	(4)	(2)
Gains on tradings and foreign exchange Transactions	<u>122</u>	<u>60</u>	<u>114</u>	<u>60</u>

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21 (Losses) gains on investments

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Gains (losses) on sales				
Available-for-sale	-	1	-	1
Held-to-maturity	-	2	-	-
General investments	(1)	-	(1)	-
(Losses) gains on investments	(1)	3	(1)	1

22 Other operating incomes

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Gain on sale of office building	-	290	-	290
Gain on premises and equipment	3	-	3	-
Gain on sales of properties for sales	2	6	1	4
Dividend income	90	91	90	91
Other incomes	35	23	29	30
Other operating incomes	130	410	123	415

23 Bad and doubtful debts and impairment losses

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011 Million Baht	2010 Million Baht	2011 Million Baht	2010 Million Baht
Loans	66	160	55	154
Total	66	160	55	154

24 Corporate income tax

No corporate income tax was payable for the year, 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.

25 Earnings per share

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

26 Encumbrance of assets

26.1 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:

	Consolidated financial statements		Separate financial statements	
	31 March 2011 Million Baht	31 December 2010 Million Baht	31 March 2011 Million Baht	31 December 2010 Million Baht
Utilities usage	6	6	6	6
Guarantees on loans	45	45	-	-
Assets used as collateral	<u>51</u>	<u>51</u>	<u>6</u>	<u>6</u>

26.2 Assets subject to obligation

The Bank has long-term investments in certain equity securities obtained as a result of debt restructuring, under the debt restructuring agreements. The Bank obligated to dispose off the investment after agreed periods, which range from 1 year to 10 years commencing from the date of the debt restructuring agreements.

As at 31 March 2011 and 31 December 2010, the investments subject to such obligation are as follows:

Year of maturity	Consolidated and separate financial statements			
	31 March 2011		31 December 2010	
	Number of company	Cost Million Baht	Number of company	Cost Million Baht
2011	-	-	1	-
2012 onwards	1	-	1	-
Assets subject to obligation	<u>1</u>	<u>-</u>	<u>2</u>	<u>-</u>

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27 Commitments and contingent liabilities

27.1 Commitments

As at 31 March 2011 and 31 December 2010, significant commitments of the Bank consist of:

	Separate financial statements					
	31 March 2011			31 December 2010		
	Thai Baht Million Baht	Foreign currency Million Baht	Total Million Baht	Thai Baht Million Baht	Foreign currency Million Baht	Total Million Baht
Aval to bills and guarantees of loans:						
Avals to bills ⁽¹⁾	439	-	439	828	-	828
Guarantees on loans	10	22	32	5	16	21
Aval to bills and guarantees of loans	449	22	471	833	16	849
Liability under unmaturred import bills:						
Liability under unmaturred import bills	-	554	554	-	603	603
Letters of credits:						
Letters of credits	487	1,679	2,166	319	1,543	1,862
Other commitments:						
Forward and spot contracts						
- Bought	-	40,754	40,754	-	18,141	18,141
- Sold	-	39,849	39,849	-	19,129	19,129
Cross currency and interest rate						
- Bought	4,990	2,069	7,059	4,990	2,059	7,049
- Sold	2,248	4,215	6,463	2,248	4,194	6,442
Interest rate swap contracts						
- Fixed rate payer	79,293	9,975	89,268	62,380	9,513	71,893
- Floating rate payer	67,851	11,862	79,713	58,724	11,844	70,568
- Fixed rate payee	65,745	10,045	75,790	58,391	10,035	68,426
- Floating rate payee	81,400	11,792	93,192	62,713	11,322	74,035
Foreign exchange option						
- Call option sales contracts	-	63	63	-	-	-
- Put option sales contracts	-	49	49	-	-	-
- Call option purchase contracts	-	-	-	-	-	-
- Put option purchase contracts	-	27	27	-	-	-
Undrawn bank overdrafts	9,089	-	9,089	8,772	-	8,772
Investment						
- Bought	15,412	-	15,412	18,200	-	18,200
- Sold	14,382	-	14,382	18,025	-	18,025
Other commitments:						
Other guarantees	7,691	110	7,801	7,233	165	7,398
Other commitments	348,101	130,810	478,911	301,676	86,402	388,078
Total commitments	349,037	133,065	482,102	302,828	88,564	391,392

(1) As at 31 March 2011, the Bank has issued avala notes payable of a subsidiary amounting to Baht 270 million (31 December 2010: Baht 270 million)

27 Commitments and contingent liabilities (Cont'd)

27.2 Contingent liabilities

- (a) As at 31 March 2011 and 31 December 2010, 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:

	Consolidated and separate financial statements	
	31 March 2011	31 December 2010
	Million Baht	Million Baht
Sum claimed in cases where the Bank and its subsidiaries are direct defendants	474	836
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	257	95
- Sum of claims that cannot be specifically attributed to the Bank and its subsidiaries and for which the total sum claimed is therefore presented.	24,592	24,592
Total	25,323	25,523

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 the cases will not cause material loss because the transfers were made in accordance of 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 31 March 2011, included in the above-mentioned amounts are cases in which the court was judged in favor of the plaintiffs, with sums claimed totaling Baht 18 million in cases where the Bank is the direct defendant and Baht 38 million in cases where the Bank is the co-defendant with others. However, the Bank is in the process of appealing the decisions (31 December 2010: Baht 9 million and Baht 13 million, respectively).

As at 31 March 2011, the Bank and its subsidiaries recognised provisions for contingent loss from legal cases of approximately Baht 108 million (31 December 2010: Baht 108 million), respectively. The management concluded and believed that such provisions were adequate to cover any possible loss from these legal cases. In addition, the Bank and subsidiaries recognised reserve for off-balance sheet items related to guarantees which the Bank or its subsidiaries have been sued as defendants by Baht 287 million (31 December 2010: Baht 110 million).

- (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 31 to the interim financial statements.

27 Commitments and contingent liabilities (Cont'd)

27.3 Commitments under long-term leases

As at 31 March 2011 and 31 December 2010, 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:

Lease periods	Consolidated financial statements		Separate financial statements	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht
1 - 3 years	341	311	279	269
4 - 5 years	19	18	17	17
6 - 10 years	14	14	14	14
11 - 30 years	9	10	9	10
Commitments under long-term leases	383	353	319	310

27.4 Other commitments

As at 31 March 2011, the Bank has other commitments as the Bank entered into various agreements relating to computer system development consultancy services and computer system and software development. As at 31 March 2011, the Bank is obligated to pay a further Baht 73 million and USD 0.08 million under such agreements (31 December 2010: Baht 170 million and USD 0.09 million).

28 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 on agreed-upon contracts. Below is a summary of those transactions.

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiaries				
Revenue:				
Interest income	-	-	77	22
Fees income	-	-	3	-
Dividend income	-	-	-	16
Other income	-	-	-	4
Expenses:				
Interest expenses	1	-	1	-
Premises and equipment expenses	-	-	3	-
Fees expenses	-	-	7	-

28 Related party transactions (Cont'd)

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Related companies				
Revenue:				
Interest income	1	1	1	1
Expenses:				
Interest expenses	1	-	1	-

During the year 2011, the Bank charges asset management fees to Sathorn Asset Management Company Limited (a related company) under the Insourcing Service Agreement dated 30 November 2010. The fee between 23 December 2010 to 22 December 2011 will be Baht 150,000 per month for processing debt collection and filing related documents (2010: 20% of the total debt collected and the amount received from the disposal of properties for sale, before any charges and related expenses) and Baht 166,000 for accounting and financial services (2010: None).

The fee for the three-month period ended 31 March 2011 amounting to Baht 1 million (31 March 2010: Baht 9 million) are recorded as other fees and charges in the statement of comprehensive income. As at 31 March 2011, the Bank has receivable fee from such related company of Baht 1 million (31 December 2010: 2 million).

In addition, the Bank conducted securities trading through a subsidiary engaged in the securities business. The volumes of such trades for the three-month periods ended 31 March 2011 were Baht 87 million (31 March 2010: Baht 0.3 million), while there were commission fees amounting to Baht 0.16 million for the three-month period ended 31 March 2011 (31 March 2010: None).

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28 Related party transactions (Cont'd)

The outstanding balances of significant related party transactions as at 31 March 2011 and 31 December 2010 are as follows:

Consolidated financial statements					
31 March 2011					
	Average loans outstanding Million Baht	Outstanding Loans/ Investments in receivables Million Baht	Obligations Million Baht	Deposits Million Baht	Borrowings Million Baht
<u>Subsidiary company</u>					
Krung Thai Tanakit Finance Plc.	-	-	-	256	-
	-	-	-	256	-
<u>Company under common control</u>					
CIMB Bank (L) Ltd.	-	-	-	-	2,500
	-	-	-	-	2,500
<u>Related companies</u>					
Other Companies	123	123	1	785	-
	123	123	1	785	-
<u>Related persons</u>					
	-	-	-	52	-
	-	-	-	52	-
Consolidated financial statements					
31 December 2010					
	Average loans outstanding Million Baht	Outstanding Loans/ Investments in receivables Million Baht	Obligations Million Baht	Deposits Million Baht	Borrowings Million Baht
<u>Subsidiary company</u>					
Krung Thai Tanakit Finance Plc.	-	-	-	256	-
	-	-	-	256	-
<u>Company under common control</u>					
CIMB Bank (L) Ltd.	-	-	-	-	2,500
	-	-	-	-	2,500
<u>Related companies</u>					
Other Companies	165	123	1	604	-
	165	123	1	604	-
<u>Related persons</u>					
	-	-	-	28	-
	-	-	-	28	-

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28 Related party transactions (Cont'd)

	Separate financial statements						
	31 March 2011						
	Average loans outstanding Million Baht	Outstanding Loans/ Investments in receivables Million Baht	Other commitments Million Baht	Other assets Million Baht	Deposits Million Baht	Borrowings Million Baht	Other liabilities Million Baht
<u>Subsidiary companies</u>							
CIMB Securities (Thailand) Co., Ltd.	126	127	-	1	136	-	1
Center Auto Lease Co., Ltd. (Formerly known as BT Leasing Co., Ltd.)	4,324	4,587	-	-	81	-	-
CT Coll Co., Ltd. (Formerly known as BT Business Consulting Co., Ltd.)	1	1	-	-	1	-	7
Krung Thai Tanakit Finance Plc.	-	-	-	-	256	-	-
World Lease Co., Ltd. (Formerly known as “BT Worldlease Co., Ltd.”)	873	915	270	-	14	-	-
	5,324	5,630	270	1	488	-	8
<u>Company under common control</u>							
CIMB Bank (L) Ltd.	-	-	-	-	-	2,500	-
	-	-	-	-	-	2,500	-
<u>Related companies</u>							
Other Companies	123	123	1	-	785	-	-
	123	123	1	-	785	-	-
<u>Related persons</u>							
	-	-	-	-	52	-	-
	-	-	-	-	52	-	-
Separate financial statements							
	31 December 2010						
	Average loans outstanding Million Baht	Outstanding Loans/ Investments in receivables Million Baht	Obligations Million Baht	Other assets Million Baht	Deposits Million Baht	Borrowings Million Baht	Other liabilities Million Baht
<u>Subsidiary companies</u>							
CIMB Securities (Thailand) Co., Ltd.	79	125	-	2	76	-	1
BT Leasing Co., Ltd.	3,019	3,763	-	-	31	-	-
CT Coll Co., Ltd. (Formerly known as BT Business Consulting Co., Ltd.)	4	-	-	-	2	-	-
Krung Thai Tanakit Finance Plc.	-	-	-	-	256	-	-
World Lease Co., Ltd. (Formerly known as “BT Worldlease Co., Ltd.”)	596	790	270	-	28	-	-
	3,698	4,678	270	2	393	-	1
<u>Company under common control</u>							
CIMB Bank (L) Ltd.	-	-	-	-	-	2,500	-
	-	-	-	-	-	2,500	-
<u>Related companies</u>							
Other Companies	165	123	1	-	604	-	-
	165	123	1	-	604	-	-
<u>Related persons</u>							
	-	-	-	-	28	-	-
	-	-	-	-	28	-	-

As at 31 March 2011, the Bank availed notes payable of a subsidiary amounting to Baht 270 million (31 December 2010: Baht 270 million)

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

28 Related party transactions (Cont'd)

As at 31 March 2011 and 31 December 2010, 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 13 to the interim financial statements.

As at 31 March 2011 and 31 December 2010, the Bank has commitments in financial derivatives with related parties company as follows:

	31 March 2011		
	Thai Baht Million Baht	Foreign currency Million Baht	Total Million Baht
<u>Parent company</u>			
Interest rate swap contracts			
- Fixed rate payer	10,071	3,237	13,308
- Floating rate payer	5,378	1,818	7,196
- Fixed rate payee	4,875	-	4,875
- Floating rate payee	10,574	5,055	15,629
Forward and spot contracts			
- Bought	-	420	420
- Sold	-	387	387
<u>Related company</u>			
Cross currency and interest rate			
- Bought	2,500	-	2,500
- Sold	-	2,146	2,146
	31 December 2010		
	Thai Baht Million Baht	Foreign currency Million Baht	Total Million Baht
<u>Parent company</u>			
Interest rate swap contracts			
- Fixed rate payer	4,567	3,119	7,686
- Floating rate payer	3,359	1,809	5,168
- Fixed rate payee	2,815	-	2,815
- Floating rate payee	5,111	4,928	10,039
Forward and spot contract			
- Bought	-	391	391
- Sold	-	385	385
<u>Related company</u>			
Cross currency and interest rate			
- Bought	2,500	-	2,500
- Sold	-	2,135	2,135

29 Director and management remuneration

The Bank has not extended extraordinary monetary and/or non-monetary benefits to the Banks' directors, executives at the level of executive vice president and higher, except for ordinary benefits to the directors and executives such as directors' fee, directors' bonus (if any) and income tax, executives' salary and bonus (if any).

	Consolidated financial statements		Separate financial statements	
	For three-month periods ended 31 March		For three-month periods ended 31 March	
	2011	2010	2011	2010
	Million Baht	Million Baht	Million Baht	Million Baht
Short-term employee benefits	91	72	64	44
Pension Fund	50	-	50	-
Director and management remuneration	141	72	114	44

30 Financial information by segments

The Bank operates financial and banking business, whereas its subsidiaries' business involve securities business, debt collection business, hire purchase and leasing business which are not the same business segment as the Bank.

Financial information presented in the consolidated financial statements as at 31 March 2011 and 31 December 2010 and for the three-month periods ended 31 March 2011 and 2010 are as follows:

	For the three-month periods ended 31 March 2011				
	Bank business	Hire purchase business	Other business	Eliminations	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Interest income	1,600	220	4	(77)	1,747
Interest expenses	(614)	(78)	(3)	78	(617)
Net Interest income	986	142	1	1	1,130
Net Fees and service income	129	27	61	(9)	208
Other incomes	235	6	10	-	251
Other expenses	(1,012)	(135)	(92)	8	(1,231)
Impairment loss of loans and debt securities	(55)	(27)	-	16	(66)
Corporate income tax	-	(8)	-	-	(8)
Net profits (losses) for the period	283	5	(20)	16	284

	For the three-month periods ended 31 March 2010				
	Bank business	Hire purchase business	Other business	Eliminations	Total
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Interest income	1,390	144	3	(22)	1,515
Interest expenses	(478)	(24)	(2)	23	(481)
Net Interest income	912	120	1	1	1,034
Net Fees and service income	112	24	41	(14)	163
Other income	477	7	2	(13)	473
Other expenses	(1,009)	(101)	(72)	(1)	(1,183)
Impairment loss of loans and debt securities	(154)	(7)	-	-	(161)
Corporate income tax	-	(4)	-	-	(4)
Profit after tax for the period from discontinued operation	-	-	3	27	30
Net profits (losses) for the period	338	39	(25)	-	352

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30 Financial information by segments (Cont'd)

	Bank business		Hire purchase business		Other business		Eliminations		Total	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
Total assets	133,263	139,202	6,869	5,895	1,310	1,353	(7,012)	(5,975)	134,430	140,475
Interbank and money market items -net (Assets)	5,284	14,836	123	77	611	596	(364)	(261)	5,654	15,248
Investments - net	22,412	21,397	-	-	73	80	-	-	22,485	21,477
Loans and accrued interest receivables	93,704	89,906	6,628	5,708	483	330	(5,469)	(4,541)	95,346	91,403
Deposits	87,075	94,540	-	-	222	177	(96)	(61)	87,201	94,656
Interbank and money market items -net (Liabilities)	3,293	3,417	5,771	4,829	126	125	(5,769)	(4,760)	3,421	3,611
Borrowings	24,744	22,554	-	-	102	100	-	-	24,846	22,654

31 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 31 March 2011 and 31 December 2010, The Bank and subsidiaries have loans transferred to TAMC are as follows:

	Consolidated and separate financial statements			
	31 March 2011		31 December 2010	
	Book value Million Baht	Transfer price Million Baht	Book value Million Baht	Transfer price Million Baht
Loans transferred to TAMC				
CAP	82,342	21,932	82,342	21,932
NON CAP	15,774	3,465	15,774	3,465
Total	98,116	25,397	98,116	25,397
Less TAMC notes which have been redeemed by TAMC		(24,597)		(24,597)
Outstanding TAMC notes (included in long-term investments; classified as held-to-maturity debt securities) (Note 6.1)		800		800

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 31 March 2011, the Bank recognised interest receivable under these promissory notes amounting to Baht 37 million (31 December 2010 : Baht 35 million).

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 together with TAMC share 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, starting from 1 July 2001. In the 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, whilst TAMC is liable for all remaining losses thereafter. 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 has 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 31 March 2011, the Bank’s management believes that no significant future losses will be incurred.

Outstanding issues with TAMC

As of 31 March 2011, 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 with transfer prices totalling Baht 145 million and interest amounting Baht 18 million. The Bank believes that these issues will not have a material impact on the transfer price adjustment of the loans and interest on TAMC note, since the Bank has handed some of the original ownership documents and appraisal reports for the collateral to TAMC.

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 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 interim financial statements.