



(Translation)

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28 February 2013

Subject: CIMB Thai Group consolidated audited financial results for the year ended 31 December 2012

To : President  
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the audited consolidated financial results for the year ended 31 December 2012. The key summaries are as follows:

For the year ended 31 December 2012, CIMB Thai group recorded a consolidated net profit of THB 1,580.9 million, a year-on-year (YoY) increase of THB 264.6 million or 20.1% from FY2011. The increase in income was mainly attributed to a commendable growth in net interest income and net fee and service income of 12.4% and 48.4% respectively. Operating expenses were managed well and grew at a slower pace of 8.7% whilst there was a 29.0% YoY increase in provisions.

On a YoY basis, consolidated operating income for CIMB Thai group increased by THB 956.1 million, or 13.0% from FY2011 to THB 8,328.1 million. The higher operating income was mainly due to higher net interest income, net fee and service income and other operating income. With regards to net interest income, a YoY increase of THB 573.5 million, or 12.4% was recorded, largely underlined by loan expansion. Net fee and service income increased by THB 282.1 million, or 48.4%, mainly due to the increase in corporate finance and advisory fees. Meanwhile, there was an increase of THB 100.5 million or 4.7% in other operating income which mainly consisted of higher gains on investment mainly from sale of investment in a subsidiary, gains on trading and foreign exchange transactions and shared gains from TAMC which grew at 90.9%, 38.8%, and 33.2% respectively. This was offset by a decrease in other operating income of 62.2% mainly due to one-off gains on sale of NPL and Sermmitr office space in 2011.

Net Interest Margin (NIM) over earning assets dropped to 3.21% in 2012 from 3.46% in 2011 mainly due to the additional deposit insurance which was introduced in May 2012. Additionally, NIMs were eroded due to higher deposit and borrowing (Bill of Exchanges) rates resulting from intense competition in the deposit market.

As at 31 December 2012, total gross loans stood at THB 138.8 billion, marking an increase of 16.4% from end of December 2011. The loans growth was largely underlined by the retail portfolio expansion. Meanwhile, Deposits and Bill of Exchanges stood at THB 146.2 billion, an increase of 8.8% from THB 134.4 billion at the end of December 2011. Given the aforementioned development in loans and deposits, the Loan to Deposit Ratio (including Bill of Exchanges) stood at 95.0%.

For the year ended 31 December 2012, the gross non-performing loans ("NPL") decreased to THB 4.0 billion, with an equivalent gross NPL ratio of 2.8% from 3.4% in 2011. The reduction of NPL was mainly due to selling of NPLs in 4Q2012, more efficient risk management policies, continued resolution of the Bank's NPLs and improvements in loan collection processes.

CIMB Thai's loan loss coverage ratio increased to 85.1% as at 31 December 2012 from 81.6% at the end of December 2011, following the conservative reserve policy. As at 31 December 2012, our total provision stood at THB 3.4 billion, an excess of THB 1.6 billion over Bank of Thailand's reserve requirements.

On a YoY basis, operating expenses increased by THB 424.0 million, or 8.7%, mainly due to the increase in premises and equipment expenses, taxes and duties expenses and other operating expenses. Cost to income ratio was 63.9% in the year ended 31 December 2012 compared to 66.5% in 2011.

Total consolidated capital funds as at 31 December 2012 stood at THB 26.9 billion, well above regulatory requirements. BIS ratio stood at 16.3%, 10.3% of which comprised Tier-1-capital.

Yours faithfully,



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