

(Translation)

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20 January 2014

Subject: CIMB Thai Group consolidated unaudited financial results for the year ended 31 December 2013

To : President  
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the unaudited consolidated financial results for the year ended 31 December 2013. The key summaries are as follows:

For the year ended 31 December 2013, CIMB Thai group recorded a consolidated net profit of THB 1,490.1 million, a year-on-year ("YoY") increase of THB 184.0 million or 14.1% from full year 2012. The increase in income was mainly attributed to a growth in net fee and service income of 45.4%, net interest income of 25.3% and other operating income of 9.2%. The provisions expense increased by 97.5% YoY mainly from special provisions set aside as counter-cyclical buffer. Extraordinary items in 2013 included gains from TAMC, gain from liquidating a subsidiary, gain on redemption of Vayupak Fund and special provisions set aside as counter-cyclical buffer. Excluding these extraordinary items in both 2012 and 2013, CIMB Thai Group would have recorded a consolidated net profit growth of 85.3%.

On a YoY basis, CIMB Thai group's consolidated operating income rose by THB 1,917.8 million, or 23.0% from full year 2012 to THB 10,246.0 million (excluding extraordinary items, operating income rose by THB 1,844.6 million or 26.6%). Net fee and service income increased by THB 392.8 million or 45.4%, mainly due to improvements in insurance fees, advisory fees and arrangement fees. Net interest income increased by THB 1,318.0 million or 25.3% YoY, largely underlined by strong loan expansion and good take-up rates of both retail and treasury financial products. Meanwhile, there was an increase of THB 207.0 million or 9.2% in other operating income (excluding extraordinary items, other operating income rose by THB 133.8 million or 15.7%).

Operating expenses grew modestly by THB 770.1 million or 14.5%, mainly from employee expenses and other operating expenses resulting from business growth momentum. The cost to income ratio decreased to 59.5% in 2013 compared to 63.9% in 2012 resulting from better effective cost management.

Amid intense competition in both deposit and lending markets, CIMB Thai group was still able to maintain its Net Interest Margin (NIM) over interest earning assets at 3.2% in 2013, flat YoY, which was among top ranking in banking industry.

As at 31 December 2013, total gross loans stood at THB 171.1 billion, marking a 23.2% increase from 31 December 2012, largely underlined by the retail portfolio expansion. In addition, Deposits, Bill of Exchanges and Debentures stood at THB 186.7 billion, an increase of 21.3% from THB 154.0 billion at the end of December 2012. Given the aforementioned development in loans and deposits, the Loan to Deposit Ratio (including Bill of Exchanges and Debentures) stood at 91.6% from 90.2% as at 31 December 2012.

The gross non-performing loans ("NPL") stood at THB 4.9 billion, with an equivalent gross NPL ratio of 2.5%, representing a drop of 0.3% from 31 December 2012. The improvement in the gross NPL ratio is reflective of CIMB Thai group's stringent credit risk underwriting, effective risk management policies, improvement in loan collection processes and the continued management of the Bank's NPLs.



CIMB Thai Group's loan loss coverage ratio increased to 107.8% as at 31 December 2013 from 85.1% at the end of December 2012. This is due to special provisions set aside as counter-cyclical buffer. As at 31 December 2013, our total provisions stood at THB 5.3 billion showing an excess of THB 2.7 billion over Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 31 December 2013 stood at THB 27.9 billion. BIS ratio stood at 14.2%, 10.0% of which comprised Tier-1-capital.

Yours faithfully,

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