

(Translation)

Ref.CIMBT.OFP. 133/2017

12 May 2017

Subject: CIMB Thai Group consolidated reviewed financial results for the three months ended 31 March 2017

To : President
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the reviewed consolidated financial results for the three months ended 31 March 2017. The key summaries are as follows:

For the three months ended 31 March 2017, CIMB Thai Group's consolidated operating income decreased by THB 184.7 million or 5.6% year-on-year ("YoY") to THB 3,129.9 million. The lower operating income was attributed to a 59.3% drop in other income, offset by 3.0% growth in net interest income and a 27.6% expansion in net fee and service income. Pre-Provision Operating Profit decreased by 11.3% YoY to THB 1,382.6 million, mainly due to lower operating income, offset by a 0.5% YoY decrease in operating expenses. Net profit decreased by THB 206.1 million or 63.0% YoY to THB 121.2 million, mainly from a 7.0% YoY increase in provisions, due to higher YoY NPLs during the period.

On a YoY basis, net fee and service income increased by THB 92.4 million or 27.6%, arising from higher fees from debt capital market, hire-purchase and financial lease and mutual fund. Net interest income increased by THB 72.3 million or 3.0%, from better funding cost management. Other operating income decreased by THB 349.4 million or 59.3% due to slower treasury business activity and the absence of gains from sales of available for sale securities, partially moderated by higher other operating income.

Operating expenses decreased by THB 8.0 million or 0.5%, mainly from lower premises and equipment expenses and taxes and duties, partially offset by higher employee expenses. The cost to income ratio increased to 55.8% in 1Q17 compared to 53.0% in 1Q16 as a result of the lower operating income.

Net Interest Margin (NIM) over earning assets stood at 3.77% in 1Q17, compared to 3.72% in 1Q16, from more efficient funding cost management.

As at 31 March 2017, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 200.6 billion, a 2.8% decrease from 31 December 2016. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 217.3 billion, a decrease of 2.8% from THB 223.5 billion at the end of December 2016. The Modified Loan to Deposit Ratio was slightly lower at 92.3% compare to 92.4% as at 31 December 2016.

The gross non-performing loans ("NPL") stood at THB 11.2 billion, with an equivalent gross NPL ratio of 5.3% from 6.1% as at 31 December 2016. The lower NPL ratio was mainly due to the sale of some NPLs in 1Q17, more efficient risk management policies, continued resolution of the Bank's NPLs and improvements in loan collection processes.

CIMB Thai Group's loan loss coverage ratio increased to 81.2% as at 31 March 2017 from 77.3% at the end of December 2016, adhering to a more conservative reserve policy. As at 31 March 2017, total provisions stood at THB 9.0 billion, translating to a THB3.4 billion excess over the Bank of Thailand's reserve requirements.



Total consolidated capital funds as at 31 March 2017 stood at THB 37.9 billion. The BIS ratio stood at 16.7%, of which 11.1% comprised Tier-1-capital.

Yours faithfully,

Mr. Kittiphun Anutarasoti
President and Chief Executive Officer
CIMB Thai Bank PCL