

(Translation)

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19 October 2017

Subject: CIMB Thai Group consolidated unreviewed financial results for the nine months ended 30 September 2017

To : President  
The Stock Exchange of Thailand

Dear Sir,

On behalf of CIMB Thai Bank PCL, I am pleased to submit the unreviewed consolidated financial results for the nine months ended 30 September 2017. The key summaries are as follows:

For the nine months ended 30 September 2017, CIMB Thai group's consolidated operating income rose by THB 145.3 million or 1.5% year-on-year ("YoY") to THB 9,838.6 million from 9M2016 mainly contributed by a 3.6% growth in net interest income and a 21.0% growth in net fee and service income, while other income declined 32.8%. Pre-Provision Operating Profit increased 0.6% YoY to THB 4,406.5 million from higher income and a 2.3% YoY growth in operating expenses. However, net profit decreased by THB 243.9 million or 30.6% YoY to THB 554.4 million, attributed to a 9.8% YoY increase in provisions due to higher non-performing loans ("NPL") compared to end September 2016.

On a YoY basis, net interest income increased by THB 266.7 million or 3.6% mainly driven by a 9.1% decrease in interest expenses. Net fee and service income increased by THB 254.0 million or 21.0%, from higher advisory, mutual funds and hire-purchase fees. Total other operating income decreased by THB 375.5 million or 32.8% due to lower gains on trading and foreign exchange transactions and lower gains on investments.

Operating expenses grew by THB 120.9 million or 2.3% mainly from higher properties for sale expenses, but partially offset by lower premises and equipment expenses and taxes and duties. The cost to income ratio increased to 55.2% in 9M2017 compared to 54.8% in 9M2016 as a result of lower other operating income.

Net Interest Margin (NIM) over earning assets stood at 3.88% in 9M2017, compared to 3.76% from 9M2016, as a result of more efficient management of funding cost.

As at 30 September 2017, total gross loans (inclusive of loans guaranteed by other banks and loans to financial institutions) stood at THB 210.8 billion, marking an increase of 2.1% from 31 December 2016. Deposits (inclusive of Bill of Exchanges, Debentures and selected Structured Deposit Products) stood at THB 212.0 billion, a decrease of 5.1% from THB 223.5 billion at the end of December 2016. The Modified Loan to Deposit Ratio stood at 99.4% compared to 92.4% as at 31 December 2016.

The gross NPL stood at THB 12.2 billion, with a lower equivalent gross NPL ratio of 5.7% compared to 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 and improved asset quality management and loan collection processes.



CIMB Thai Group's loan loss coverage ratio increased to 85.1% as at 30 September 2017 from 77.3% at the end of December 2016. As at 30 September 2017, our total provisions stood at THB 10.3 billion showing an excess of THB 3.6 billion over Bank of Thailand's reserve requirements.

Total consolidated capital funds as at 30 September 2017 stood at THB 43.8 billion. BIS ratio stood at 18.0%, 12.7% of which comprised Tier-1-capital.

Yours faithfully,

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