

Investor Presentation For 2Q18

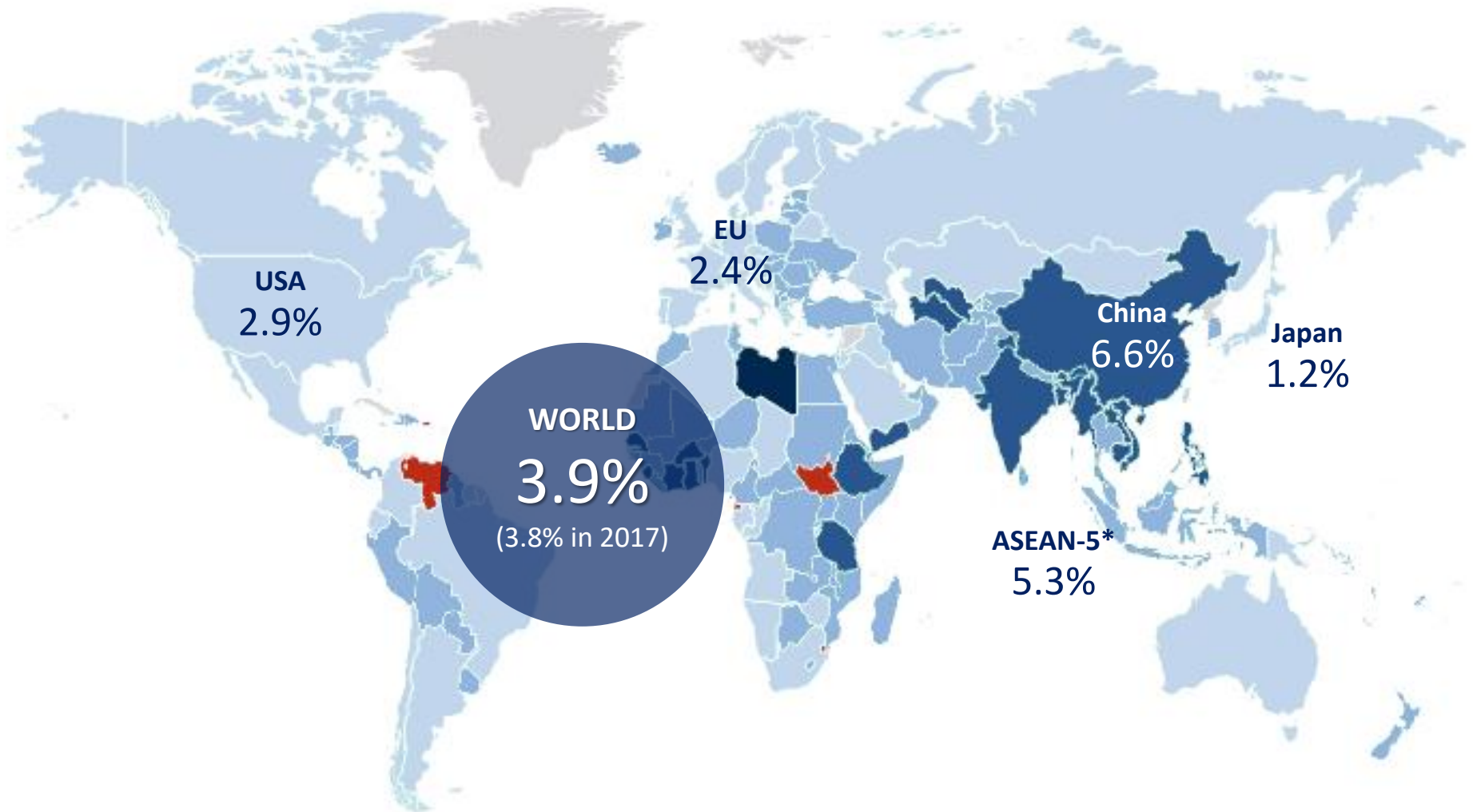
INSPIRING CHANGE >



Bangkok Bank

- 1. Operating Environment**
2. Our Key Focus and Position
3. Our Financial Result 2Q18

For 2018, global economic expansion is synchronous with rising global investment amid upbeat sentiment

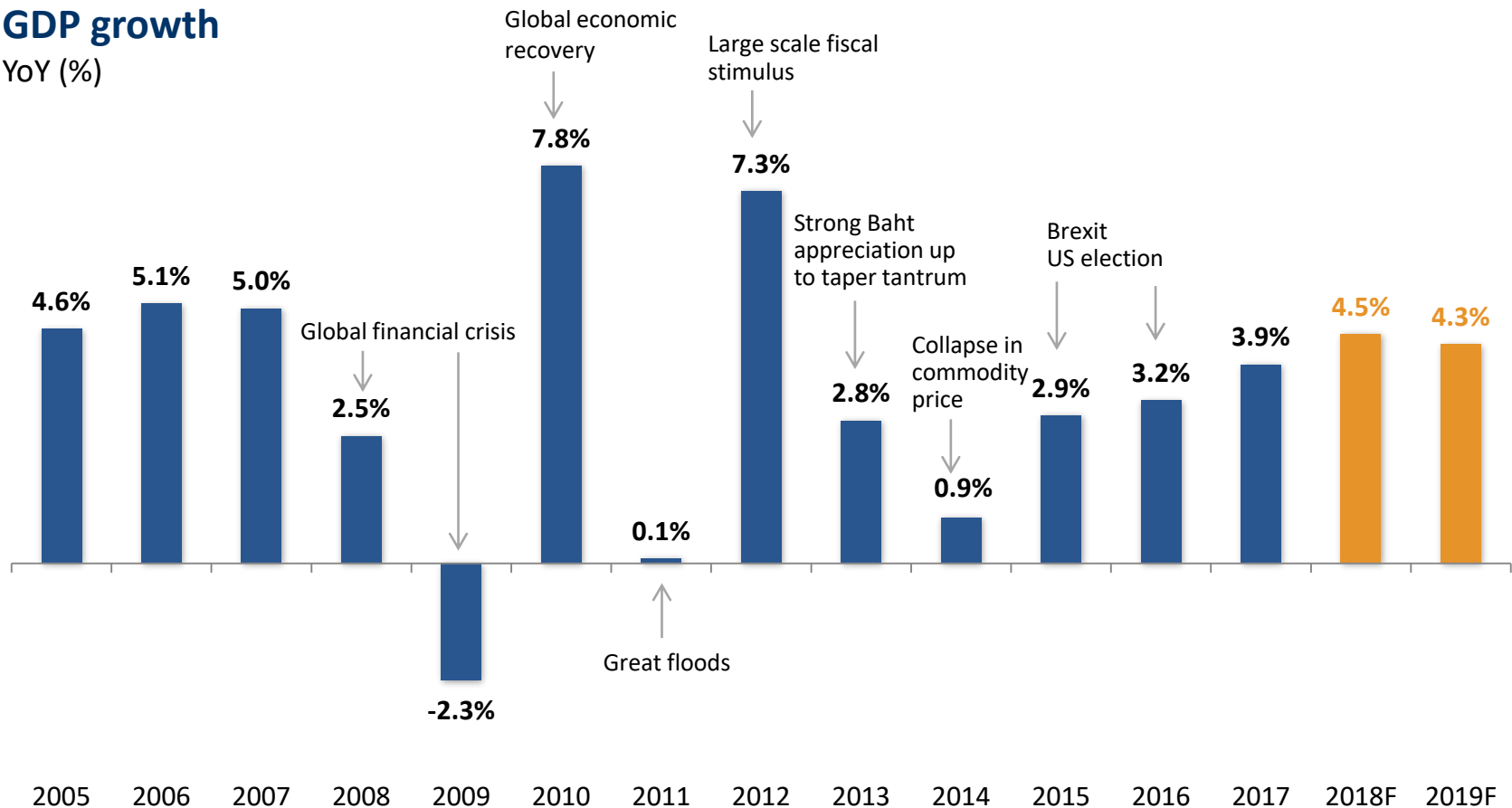


Note: *ASEAN-5 includes Indonesia, Malaysia, Philippines, Thailand, Vietnam
Source: IMF (2018)

The Thai Economy in 2018

Continued strength on the external front and firmer domestic activity

GDP growth YoY (%)

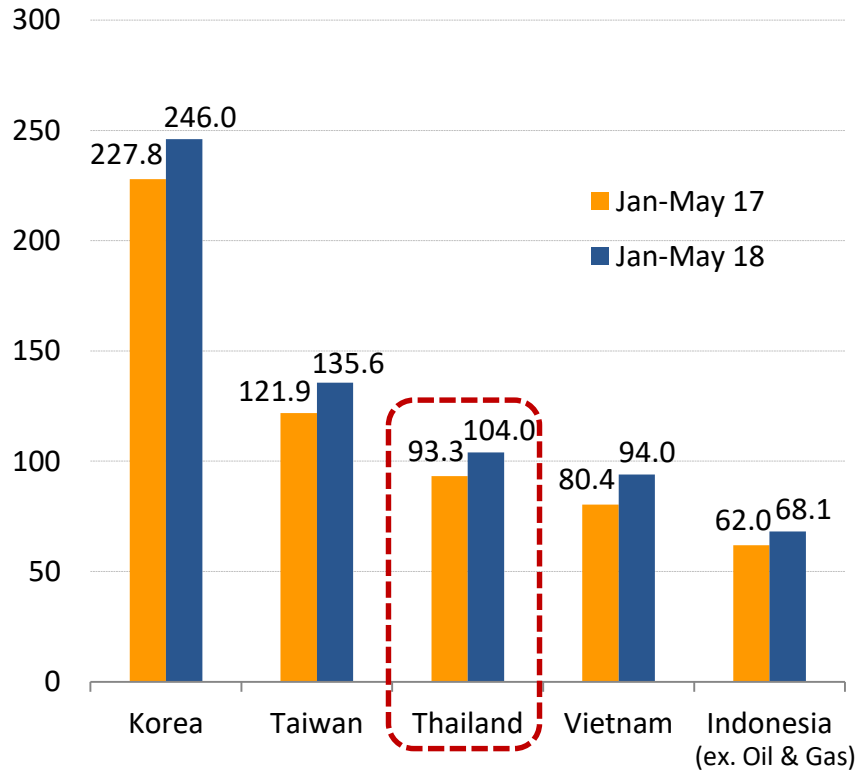


Source: National Economic and Social Development Board and Bank of Thailand

Exports have continued to benefit from robust global growth and rising global CAPEX

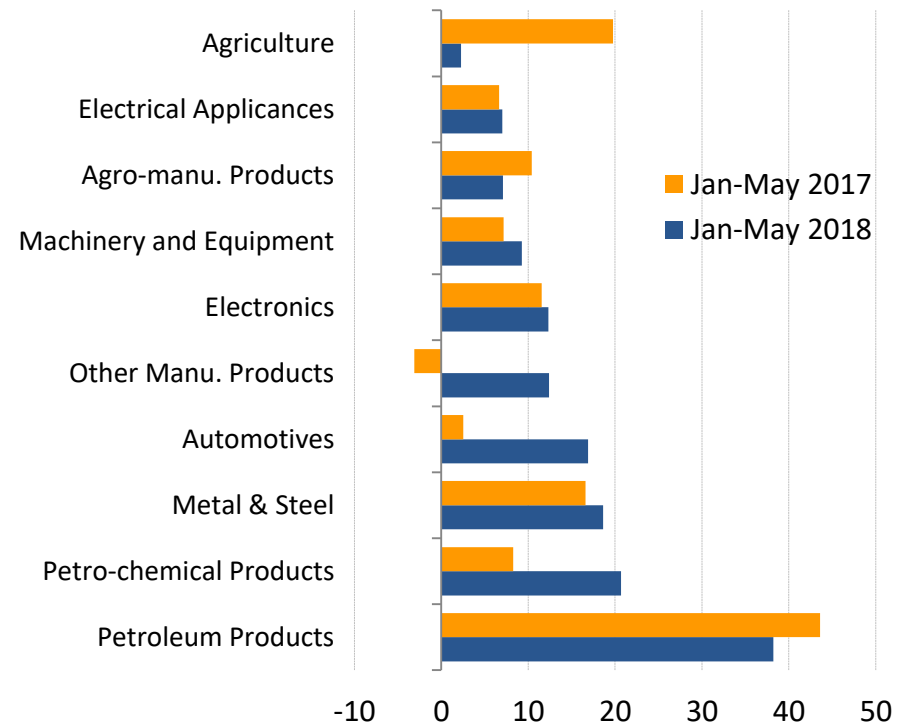
Export Value

Billion USD



Growth of Top Ten Exports

%YoY

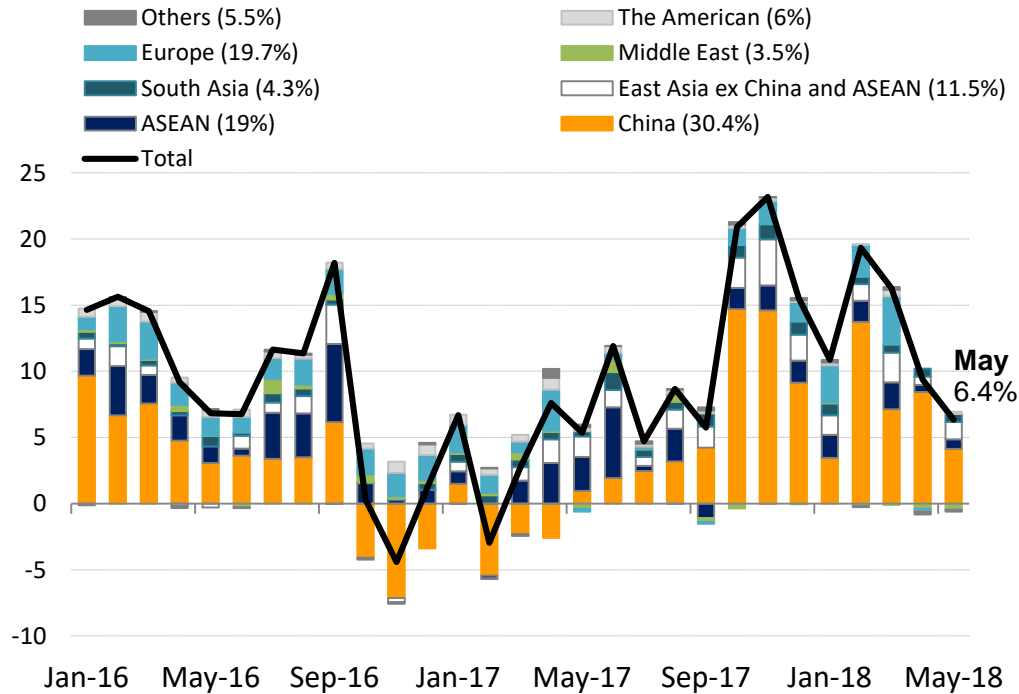


Source: Bank of Thailand, CEIC

Chinese tourists remain major drivers of the robust **tourism sector**

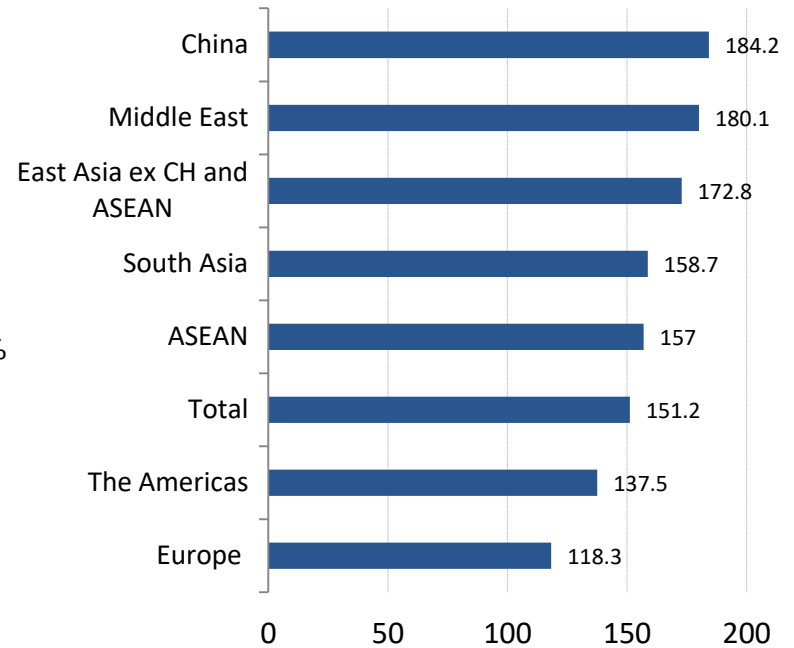
Contributions to International Tourist Arrivals

%YoY



Per Capita Per Day Spending

US\$/Head/Day

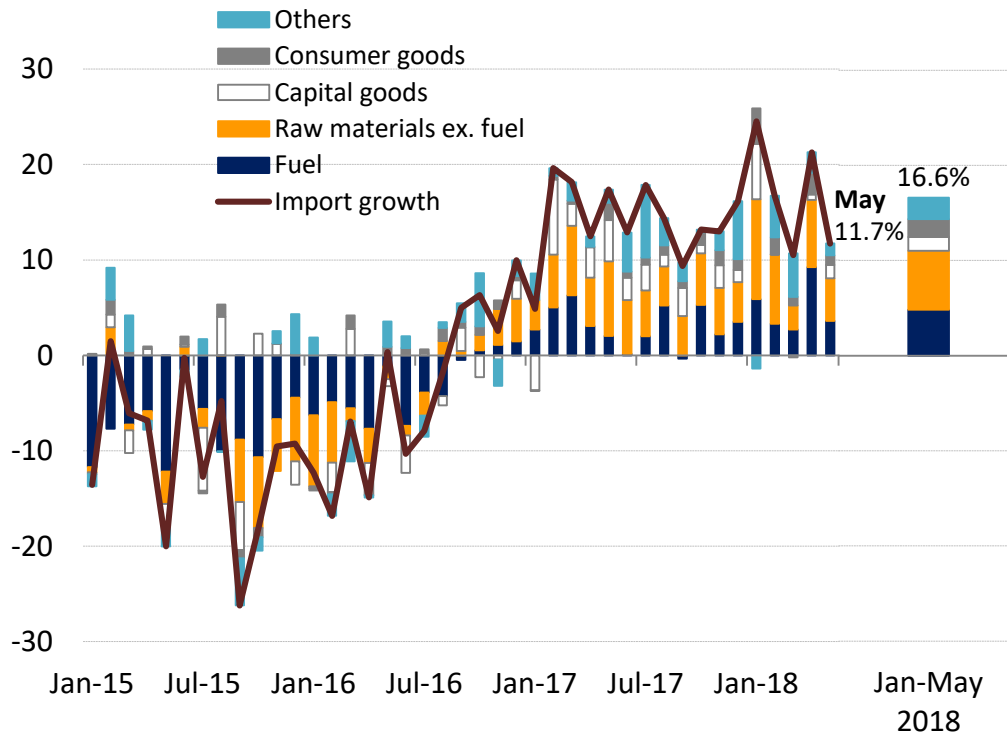


Source: Tourism Authority of Thailand, CEIC

Private investment is on firmer footing amid rising capacity utilisation

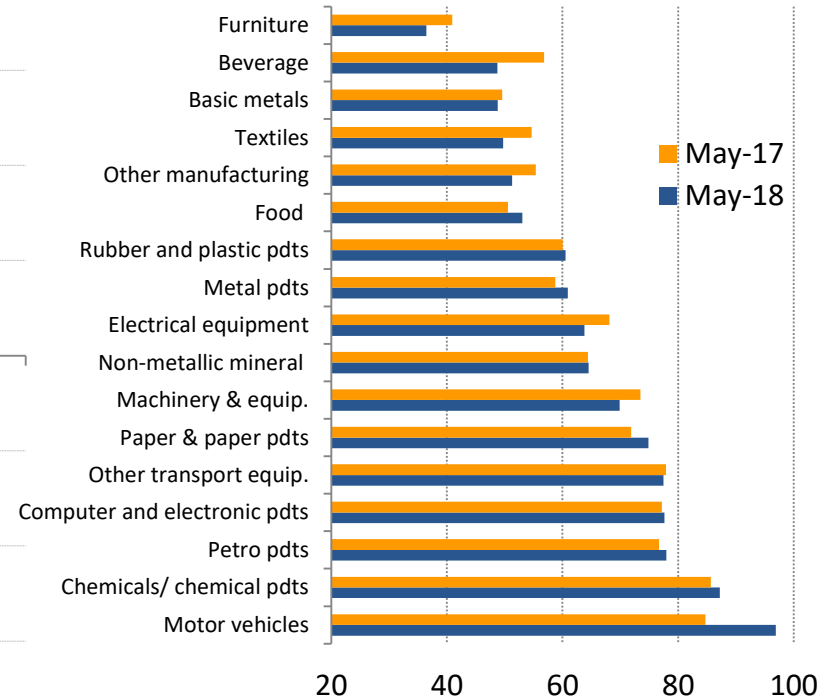
Contribution to Import Growth

% YoY



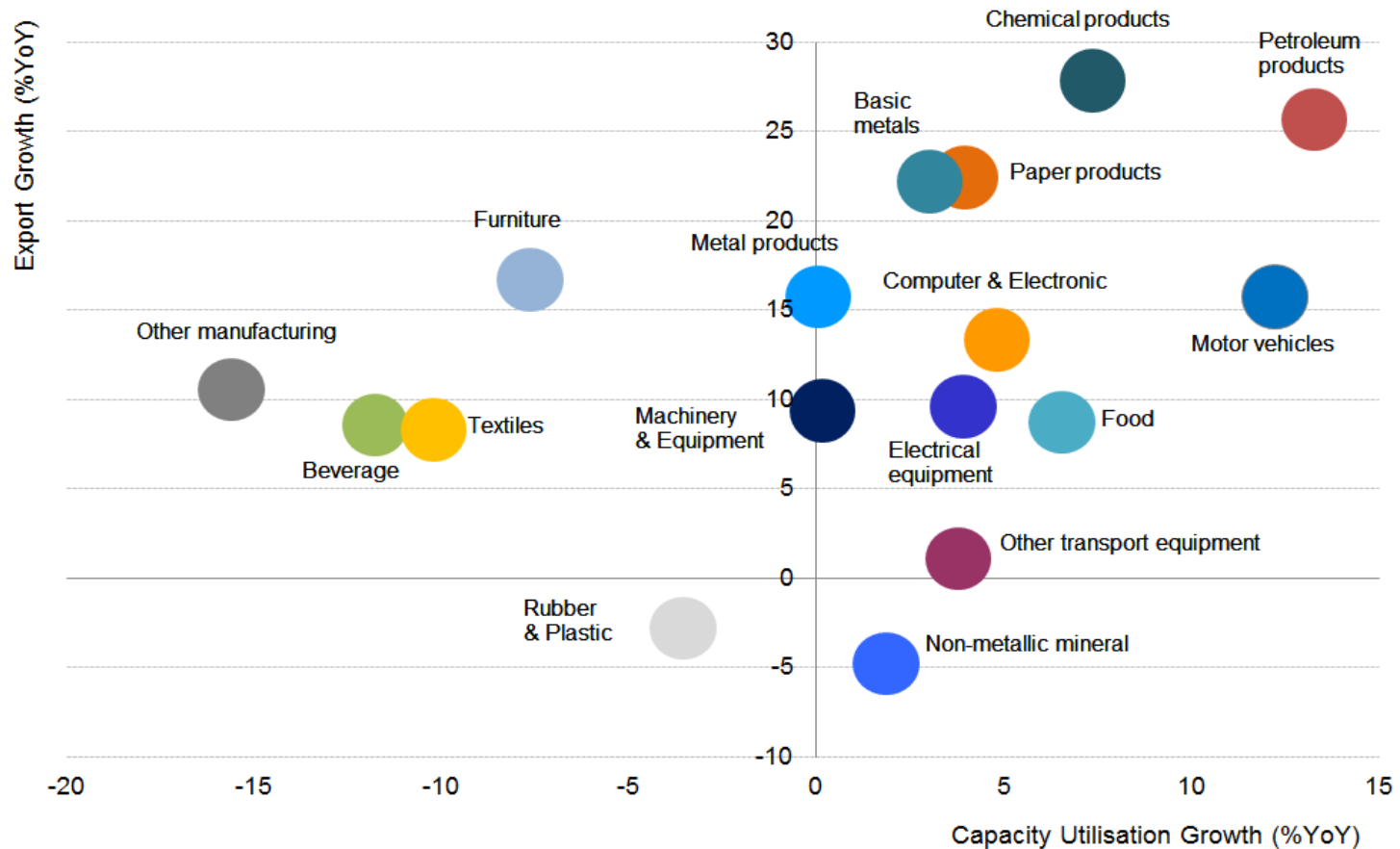
Capacity Utilisation Rate

%, not seasonally adjusted



Source: Bank of Thailand, The Office of Industrial Economics, Bureau of Budget and Fiscal Policy Office

Capacity utilisation rates have risen in sectors associated with exports in tandem with the upturn in global CAPEX



Source: Bank of Thailand, Office of Industrial Economics as of March 2018

Combined public and private investments: approximately 1.7 Trillion Baht (\$49.9 Billion) for the first 5 years

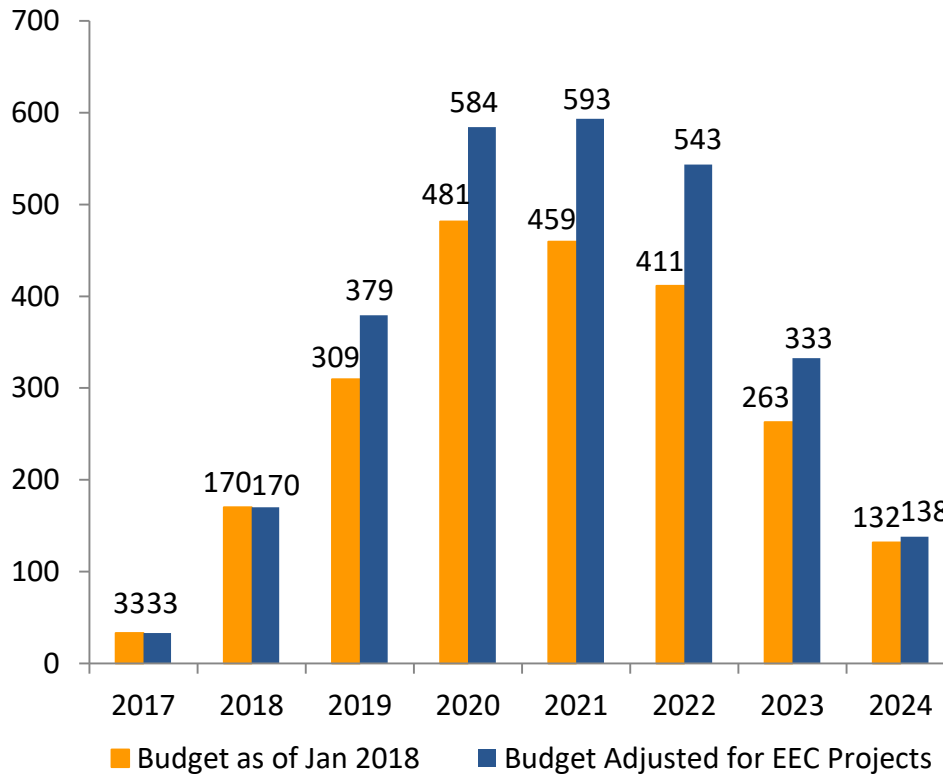


Source: EEC Office

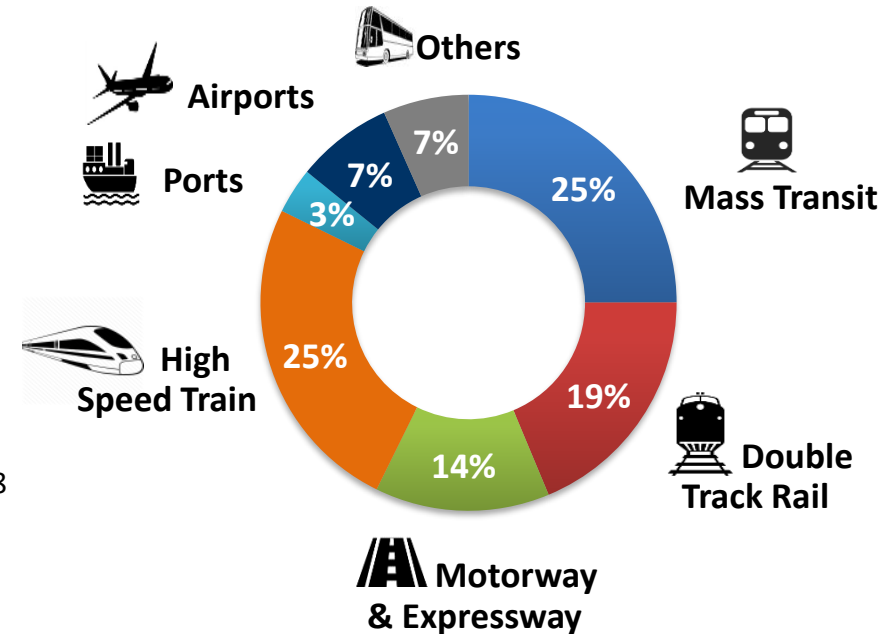
Budget disbursement for infrastructure projects to rise further with more clarity of EEC-related projects

Disbursement Schedule

Billion Baht



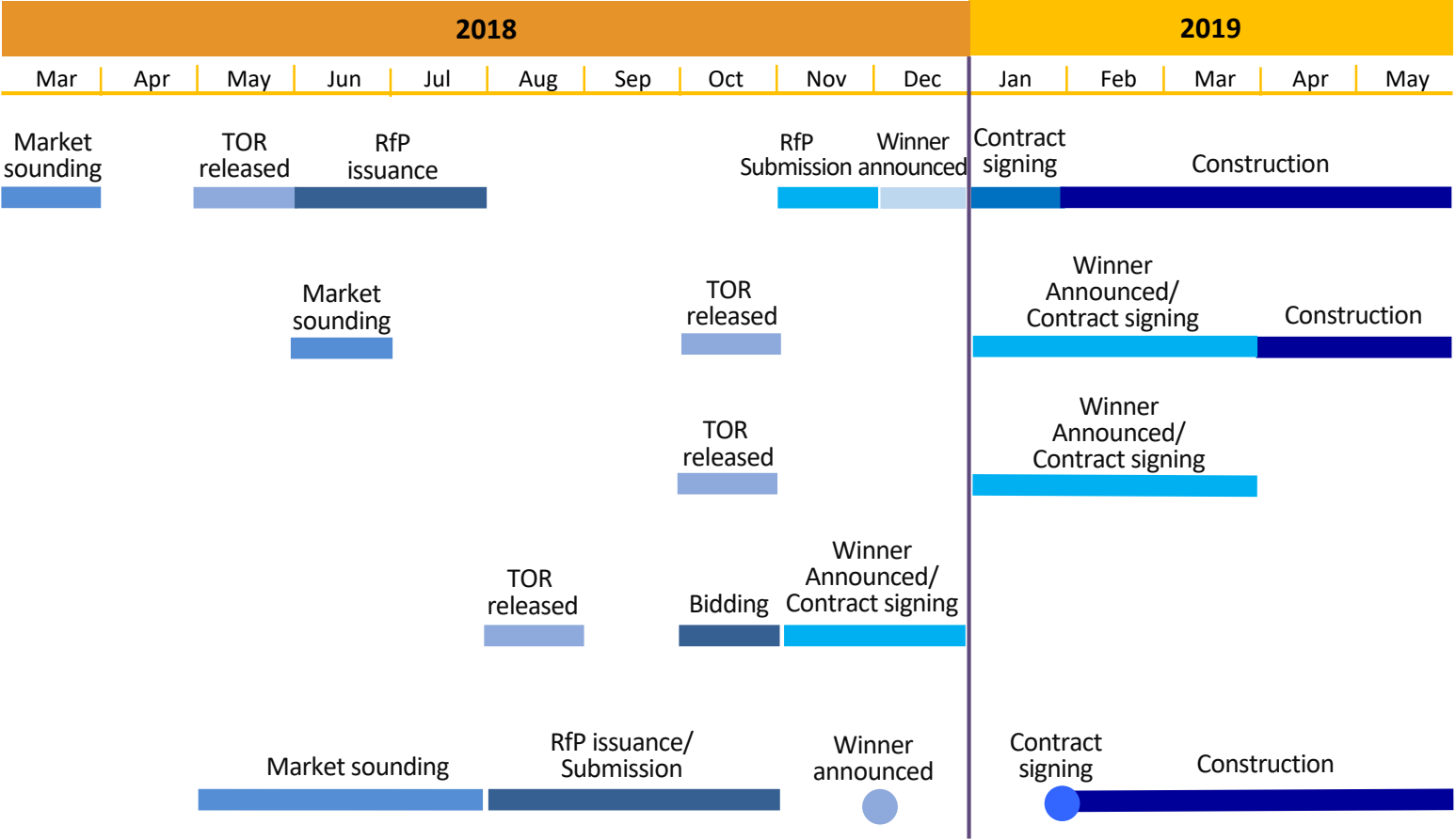
Shares of Infrastructure Investment 2017-2024 (% of total)



Note: The disbursement schedule for the EEC-related projects are calculated by Bangkok Bank Economics Team

Source: Ministry of Transport, Office of Transport and Traffic Policy and Planning, EECO

Infrastructure projects planned for the Eastern Economic Corridor (EEC)

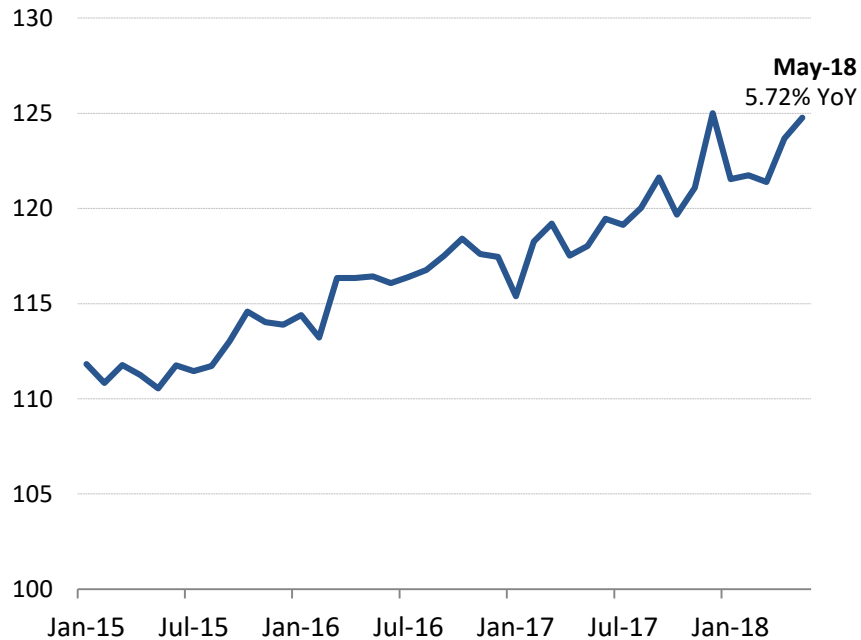


Source: EEC Office

Private consumption gained further traction and car sales appeared to have bottomed out

Private Consumption

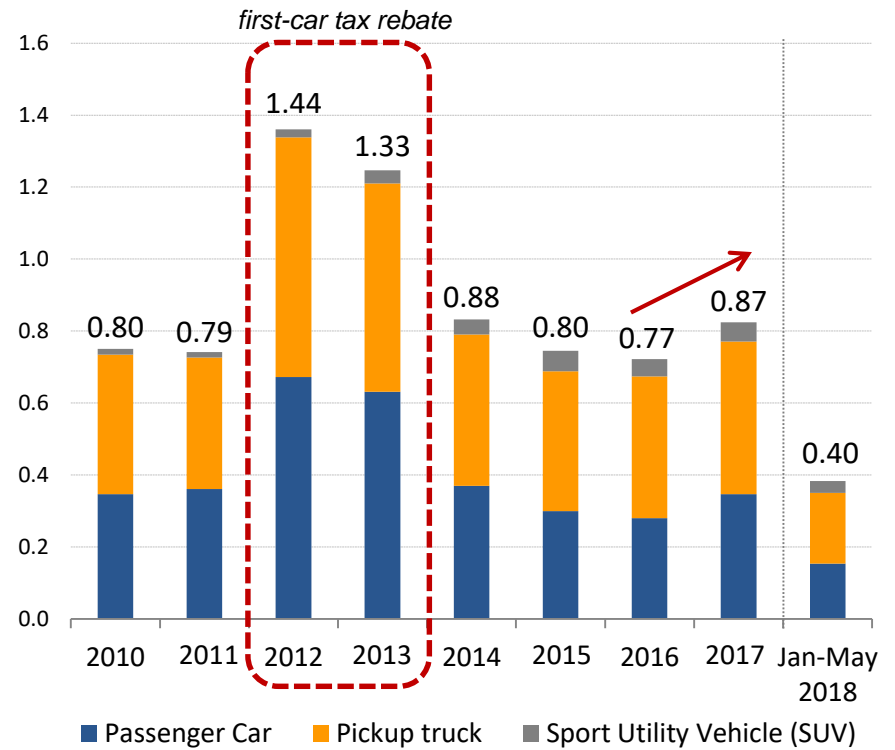
Monthly Index
2010 = 100 sa



Source: Bank of Thailand, CEIC

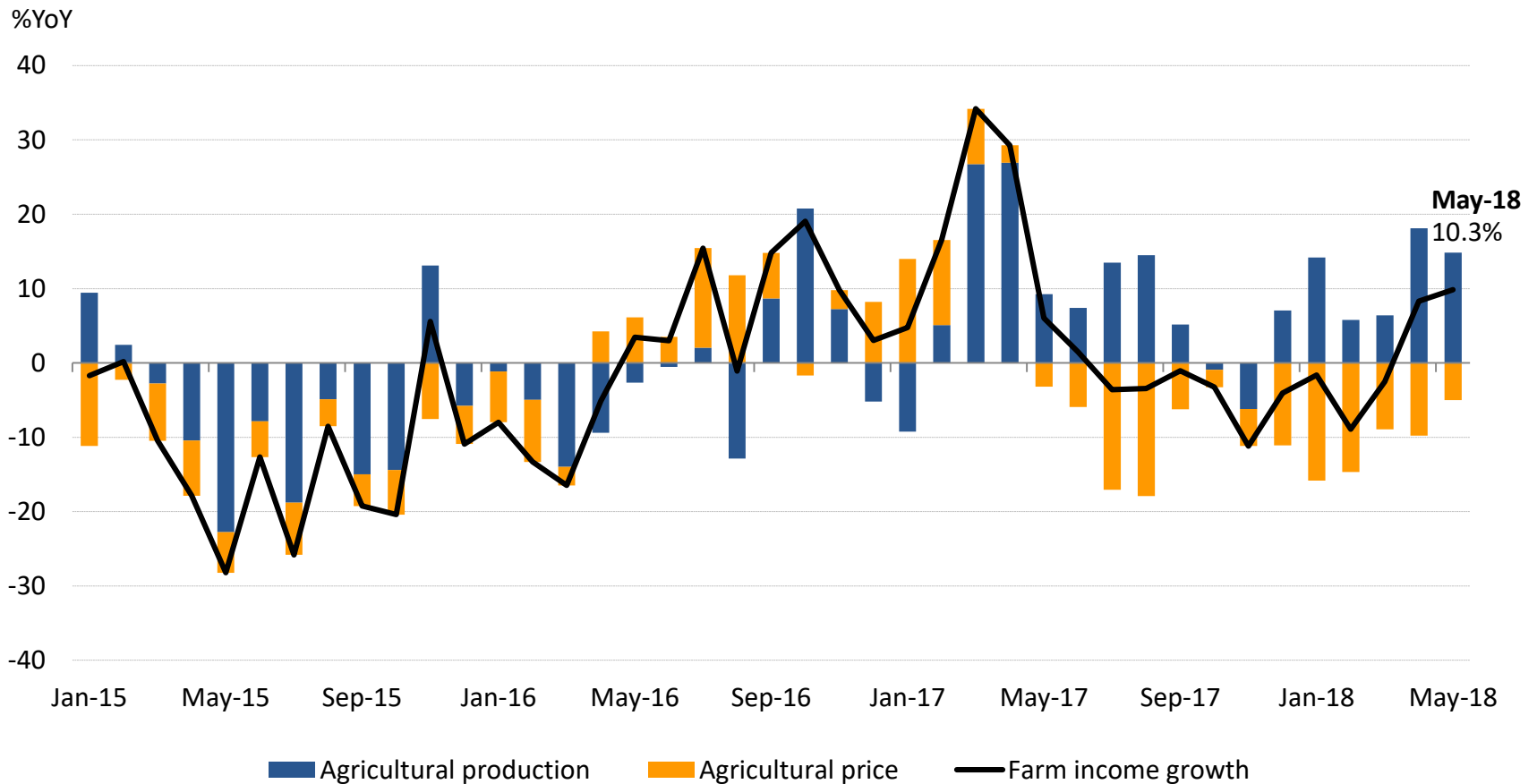
Domestic Motor Vehicle Sales

Million Units



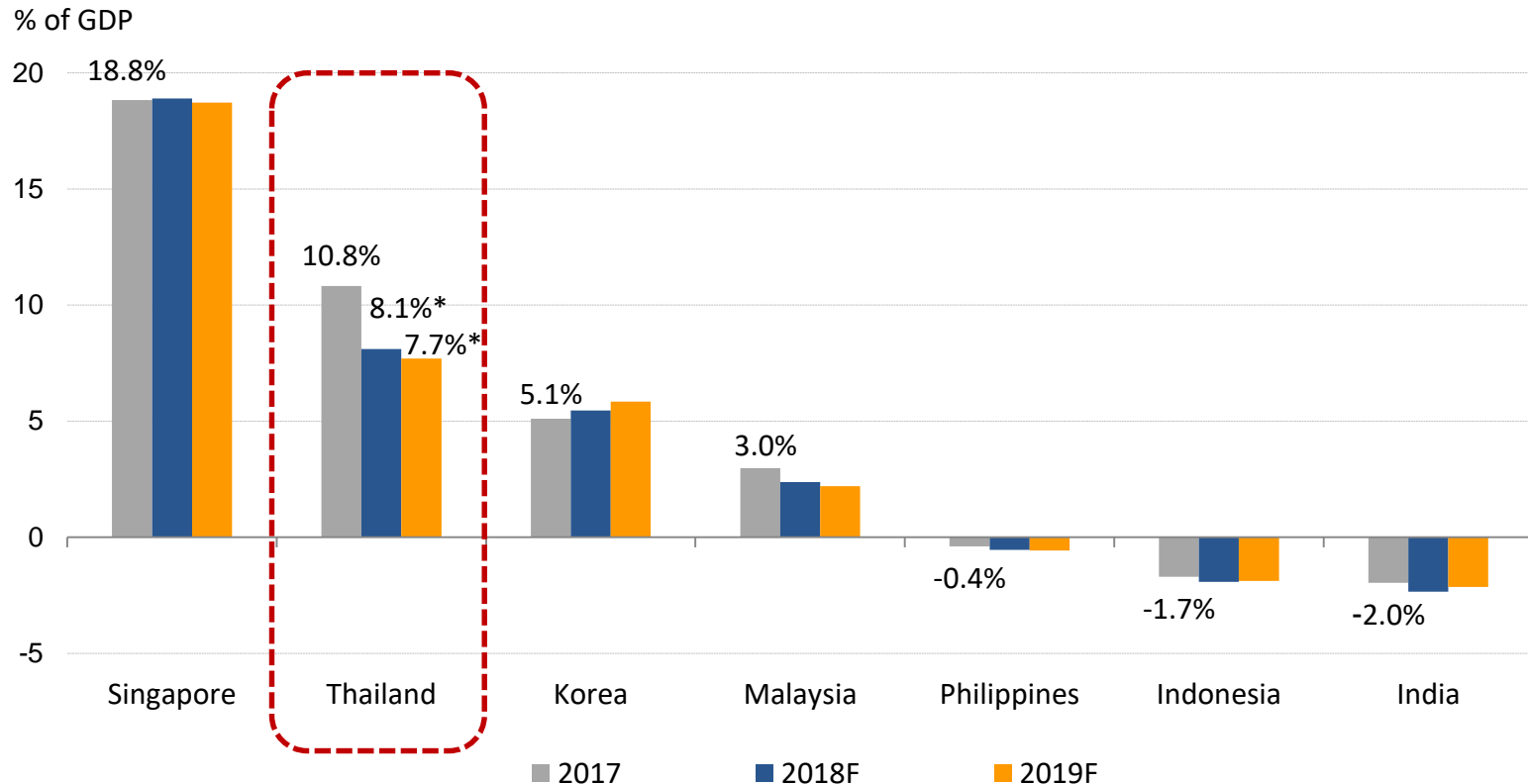
Farm Income has recovered strongly due to improving production of sugarcane, rice and rubber

Farm Income Contribution



Source: Bank of Thailand, Office of Agricultural Economics

Current account to edge down in 2018 and 2019 due to elevated oil prices and rising imports

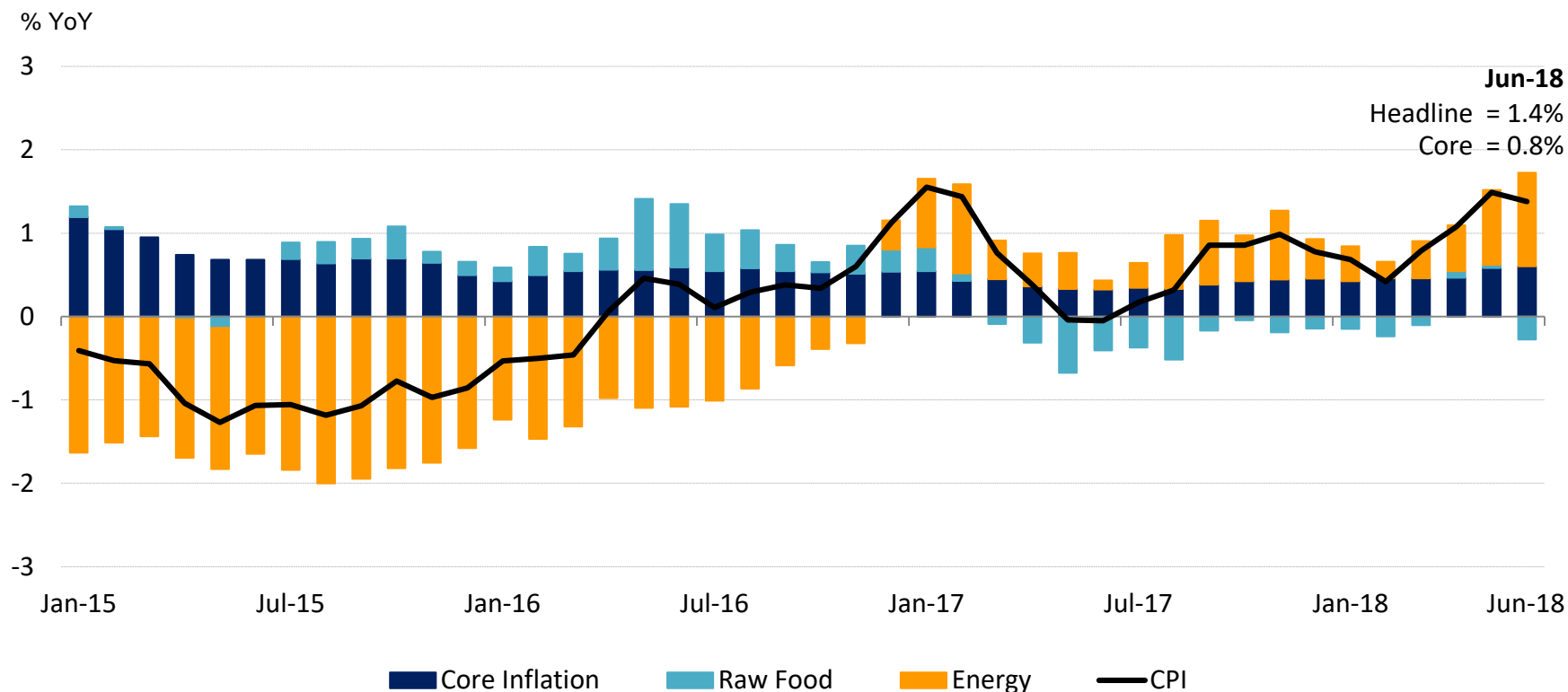


Note: * The forecast of Thailand is given by Bangkok Bank Economics Team

Source: International Monetary Fund, World Economic Outlook Database as of April 2018

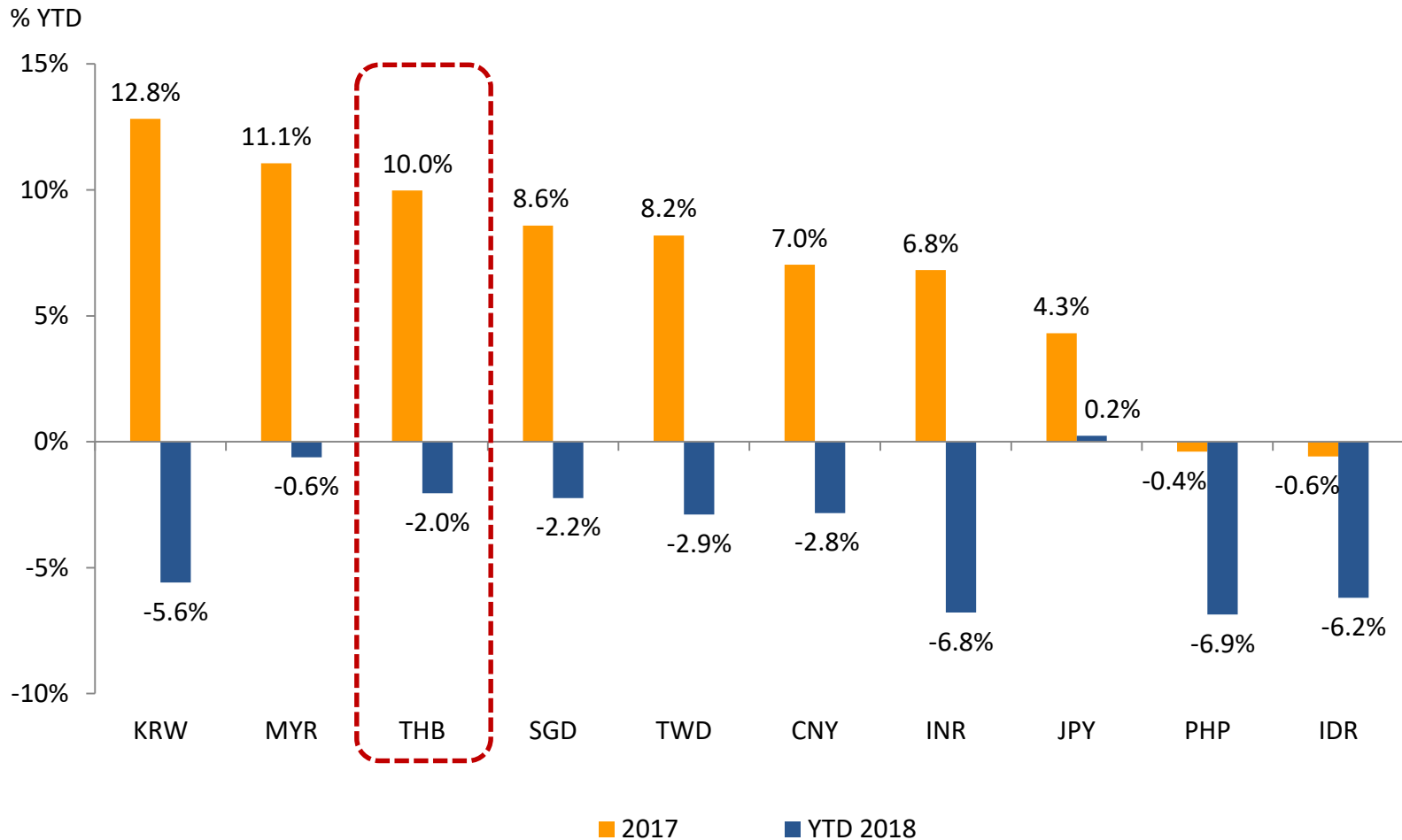
Inflation is trending up as a result of rising energy prices- albeit well below the inflation target

Contribution to Headline Inflation



Source: Ministry of Commerce

EM currencies have fallen sharply since April

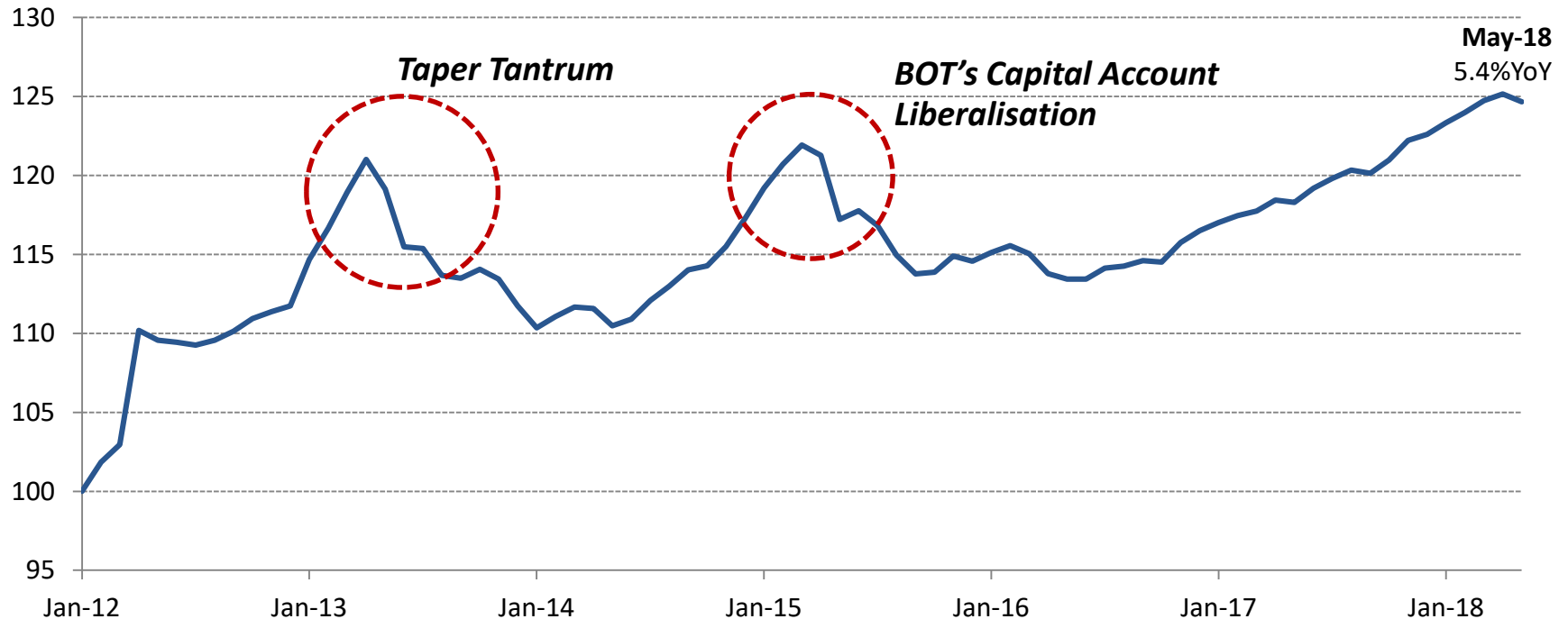


Source: Bloomberg as of 17 July 2018

Currency Movement: The NEER level has eased back from multiyear high – denting export competitiveness

Nominal Effective Exchange Rate (NEER)

Monthly Index
Jan 2012 = 100



Source: Bank of Thailand

Bangkok Bank

1. Operating Environment
- 2. Our Key Focus and Position**
3. Our Financial Result 2Q18

Our Key Focus



Inspiring Success

Support customers to tap into new opportunities in infrastructure investment in Thailand and AEC, businesses in EEC and S-curve industries. Expand customer base and revenue streams



Innovation Leadership

Offer innovative products and services using Big Data, machine learning and Artificial Intelligence (AI)



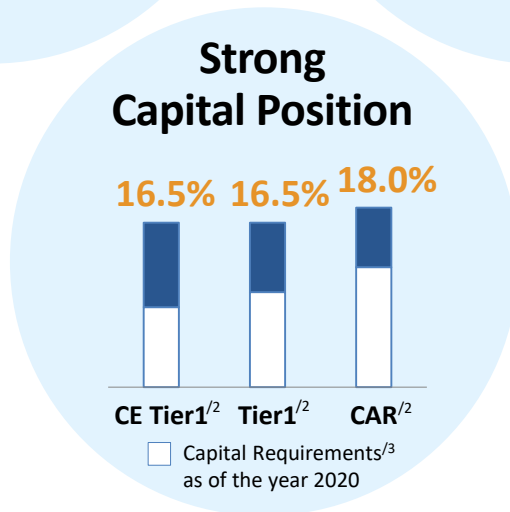
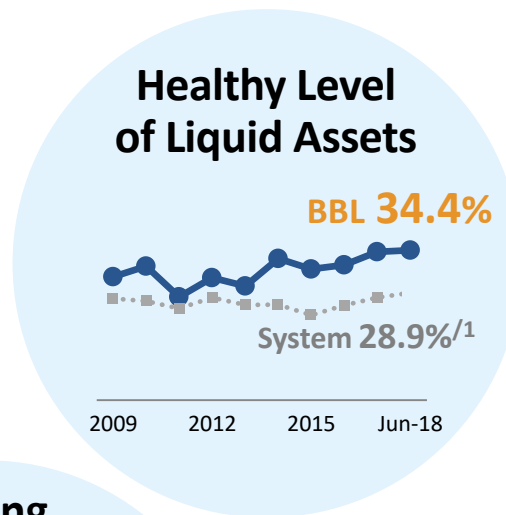
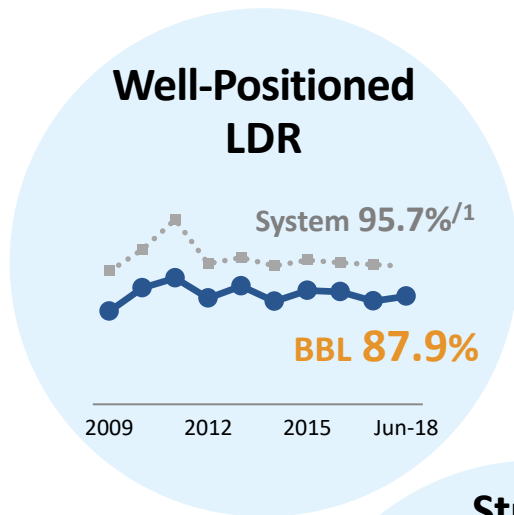
Inter-Connection

Connect businesses in ASEAN/AEC by leveraging our industry expertise and enhanced transaction services through our domestic and international networks



Goals are supported by:

1. Sustainable Liquidity and Capital



Note: /1 System refers to all commercial banks in Thailand as at May-18

/2 As of June 2018, the ratios include net profit for the first half of 2018

/3 The minimum capital requirements by the Bank of Thailand (BOT) under the Basel III, including the additional requirements for Higher Loss Absorbency (HLA) as Domestic Systemically Important Banks (D-SIBs)

Goals are supported by:

2. Scale and Franchise Leadership



Goals are supported by:

3. Solutions for a Digital Era

Building a Culture of Innovation

Promoting a culture of innovation with a range of initiatives



Rebuilding Technology Infrastructure

Enhance our back-end and front-end systems & improve straight-through-processing

Security Culture

Cultivate corporate security culture as a business enabler and support the sustainable cybersecurity

Research and Development

Working on areas such as AI and Big Data

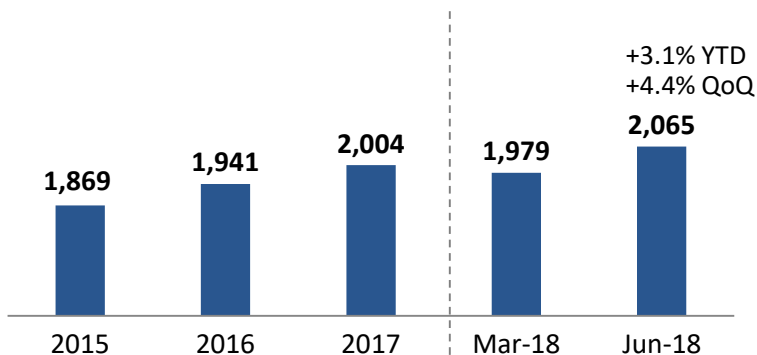
Bangkok Bank

1. Operating Environment
2. Our Key Focus and Position
3. **Our Financial Result 2Q18**

Overall Financial Position

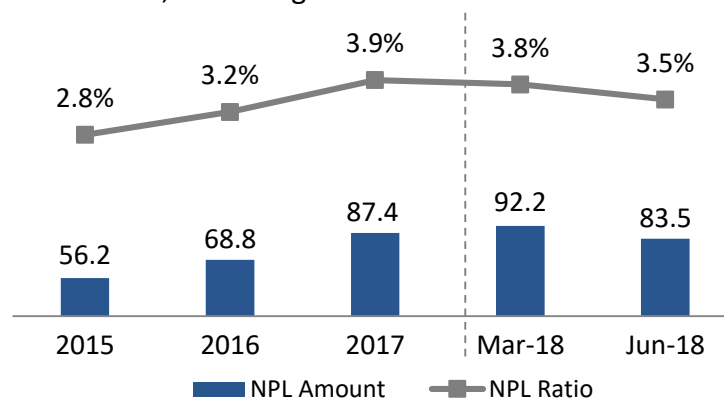
Loan

Billion Baht



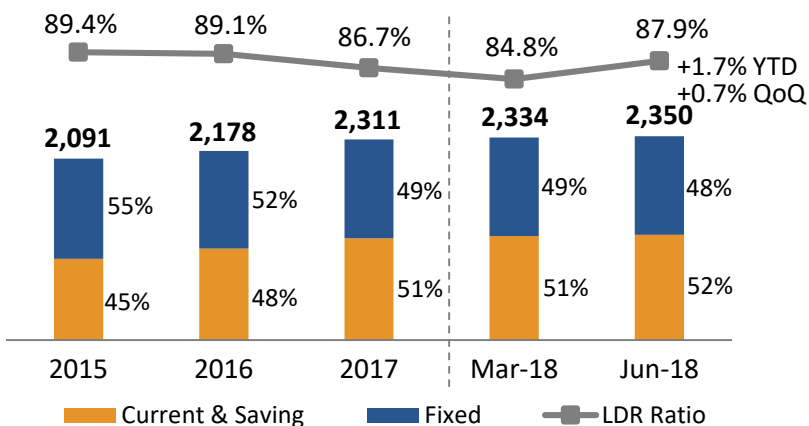
NPL Amount, NPL Ratio

Billion Baht, Percentage



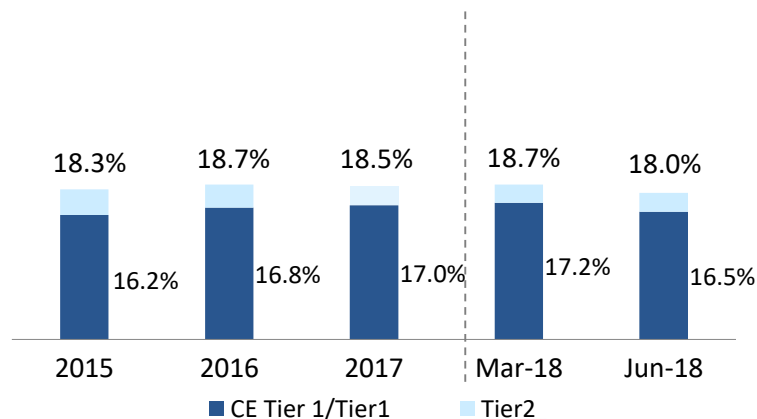
Deposit

Billion Baht, Percentage of Composition



CE Tier1, Capital Ratio*

Percentage



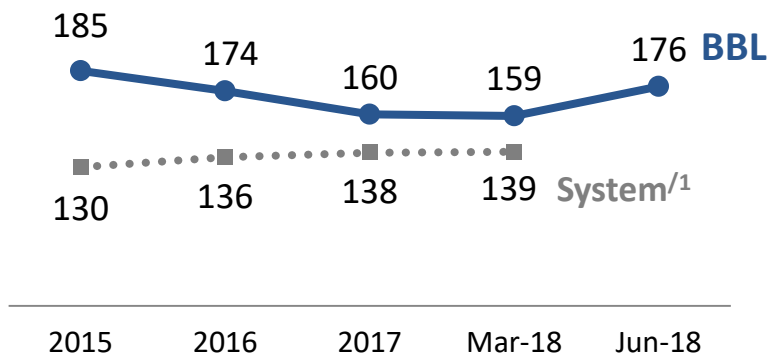
Note: * For 2015 – Mar-18, the ratios include net profit and deducted dividend. For Jun-18, the ratios include net profit.



Reserve for Asset Quality

Coverage Ratio

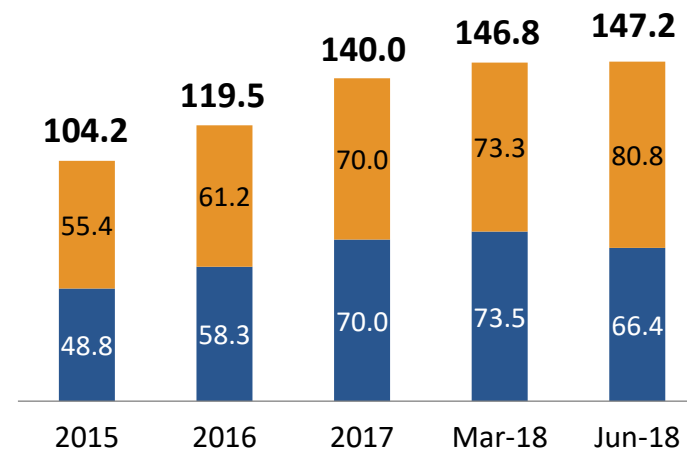
Percentage



Note: /1 System refers to all commercial banks in Thailand
 Source: Bank of Thailand, Bangkok Bank Analysis

Loan Loss Reserve

Billion Baht

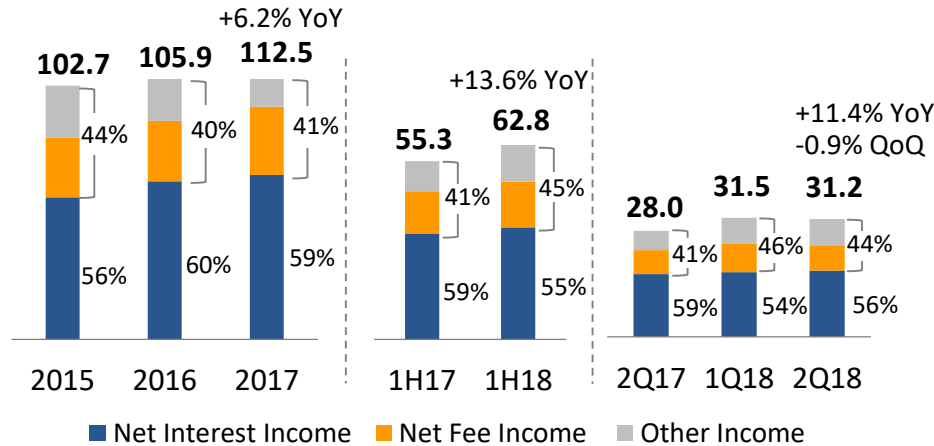


■ BBL's Excess Reserve over BOT Requirement
 ■ BBL's Required Reserve by BOT

Total Income and Operating Expense

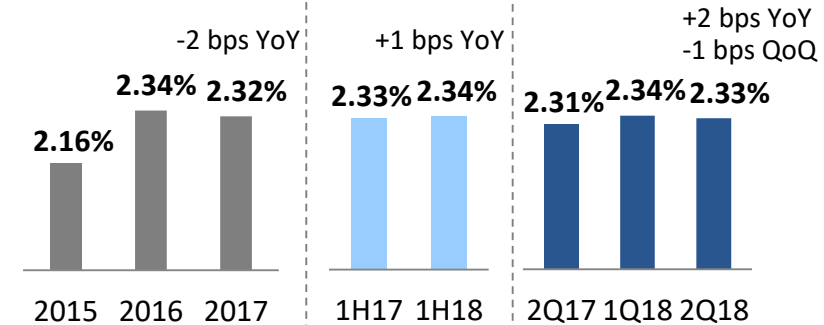
Income Breakdown

Billion Baht, Percentage of Composition



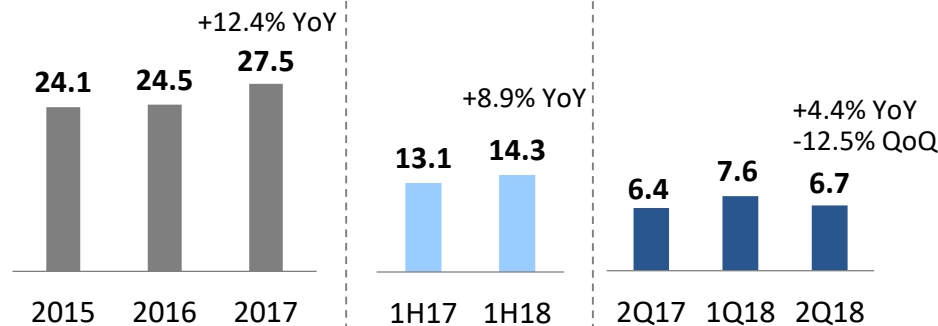
NIM

Percentage



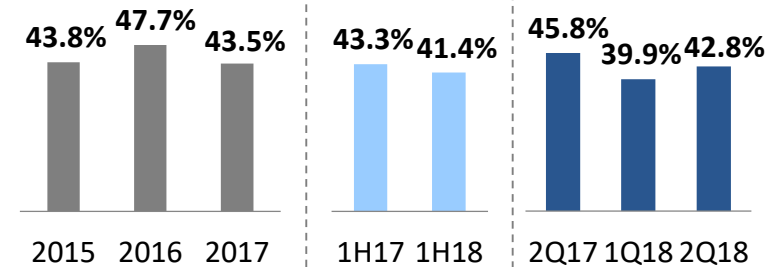
Net Fee Income

Billion Baht



Cost-to-Income Ratio

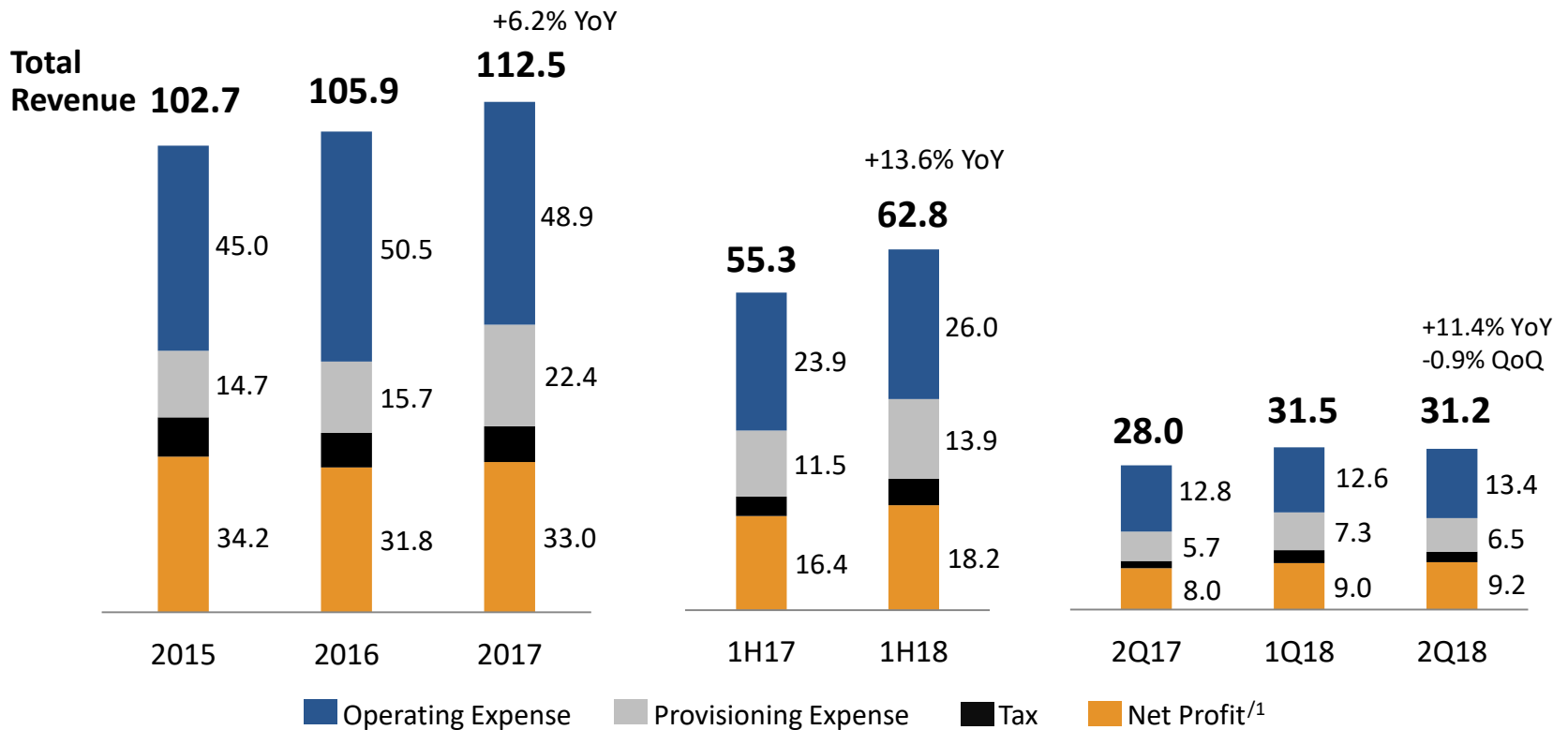
Percentage



Overall Profitability

Profitability Driver

Billion Baht



Note: /1 Attributable to owners of the Bank

Appendix

Infrastructure investment is set to accelerate before the general election

2015-2022 Infrastructure Projects 3.38 Trillion Baht

1 Inter-city rail network
2,227.42 Billion Baht

2 Mass transit
746.98 Billion Baht

3 Road
300.82 Billion Baht

4 Water transportation
6.76 Billion Baht

5 Air transport
98.02 Billion Baht



2016-2018 Transport Action Plans 60 Projects, 2.5 Trillion Baht

▶ Inter-city rail network

- Under construction: Chira-Khonkhaen (58% completed)
- Auctions completed: 5 projects

▶ Transportation in Bangkok & vicinity

- Under construction : Red/Orange lines
- To be constructed in 2018: Pink/Yellow lines
- Proposals developed: 5 lines

▶ Highway network

- Under construction: Bang Pa In-Korat (32% completed)
Bang Yai-Kanchanaburi (7% completed)
Pattaya-Maptaphut (70% completed)

- Under procurement : Rama 3-Dao Khanong –Outer Ring Road (West Bangkok)

▶ Air transport

- Under construction: Suvarnabhumi Phase II

▶ Other projects

- High-speed trains: Bangkok-Korat, Bangkok-Rayong
- Eastern Economic Corridor

Source: Office of Transport and Traffic Policy and Planning, Ministry of Transport

Opportunities from Regionalization & Urbanization

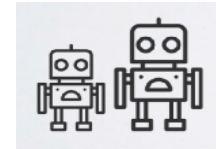
Higher Connectivity in the AEC



10 Target Industries



Next-Generation Automotive



Robotics



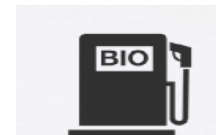
Smart Electronics



Aviation & Logistics



Affluent, Medical & Wellness Tourism



Biofuels & Biochemicals



Agriculture & Biotechnology



Digital



Food for the Future

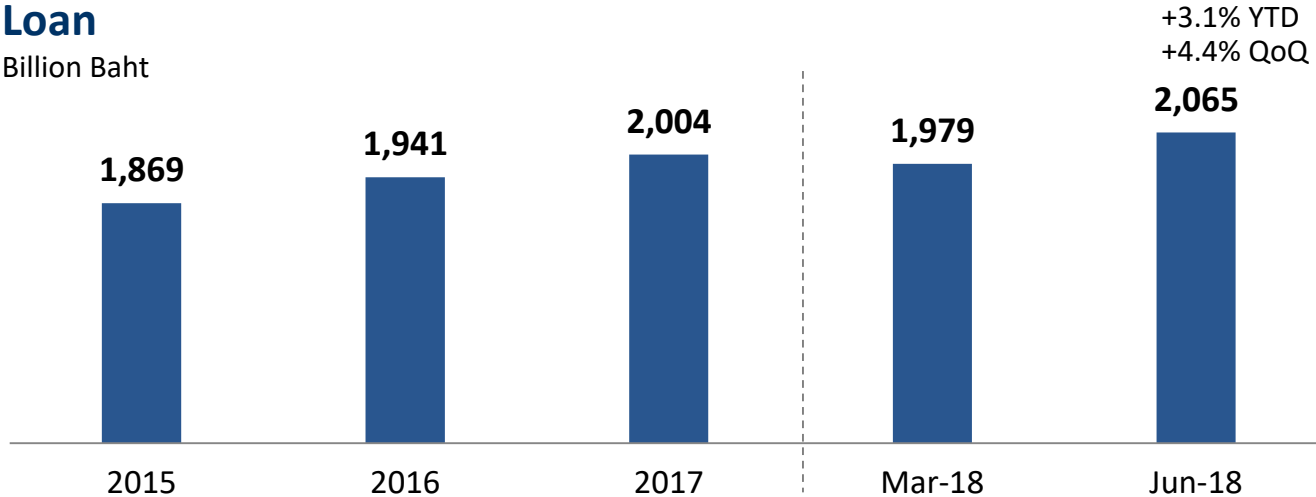


Medical Hub

Loan Growth and Composition

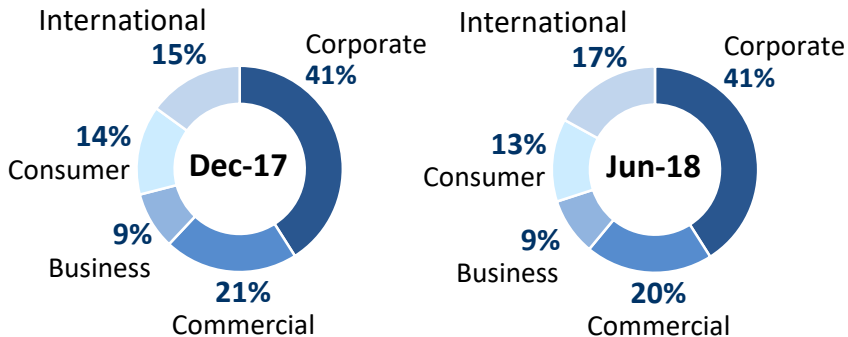
Loan

Billion Baht



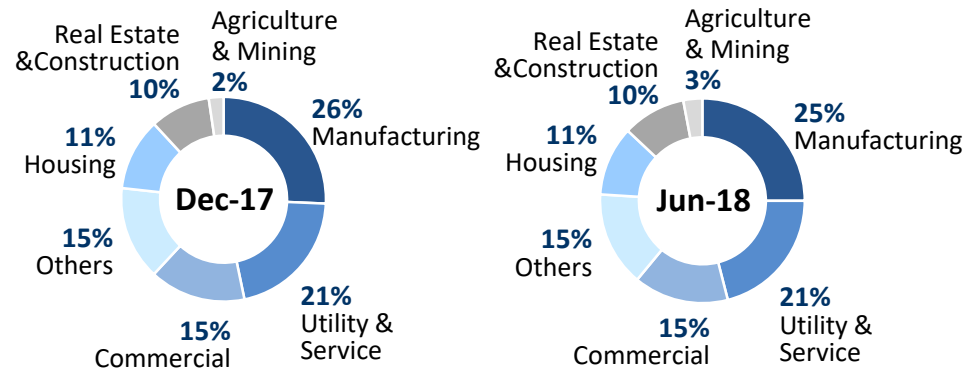
Loan by Business Unit

Percentage of Composition



Loan by Industry

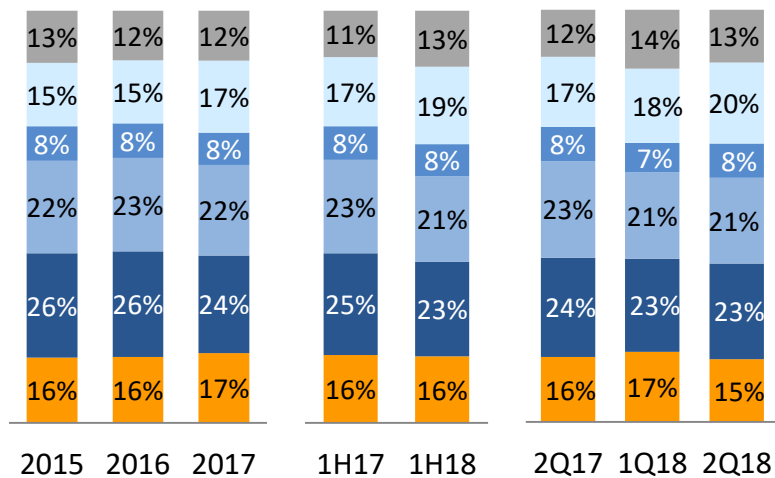
Percentage of Composition



Fee Income

Fee Income Breakdown

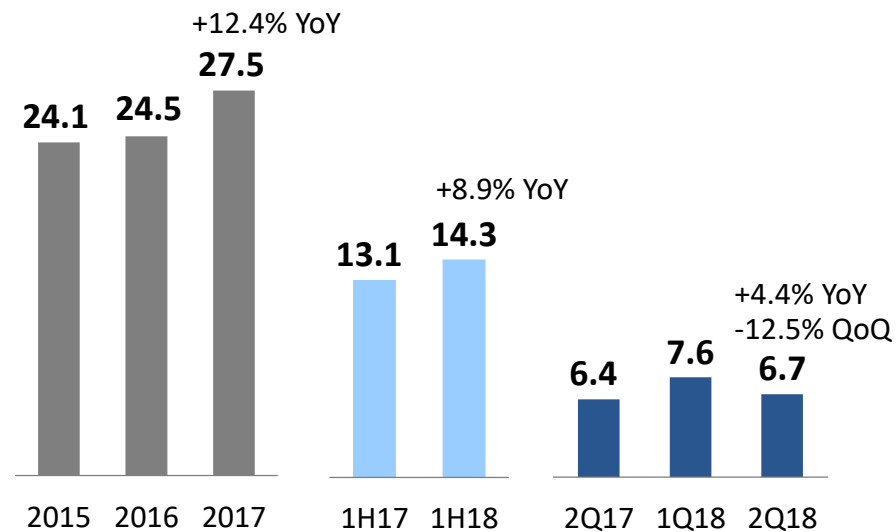
Percentage of Composition



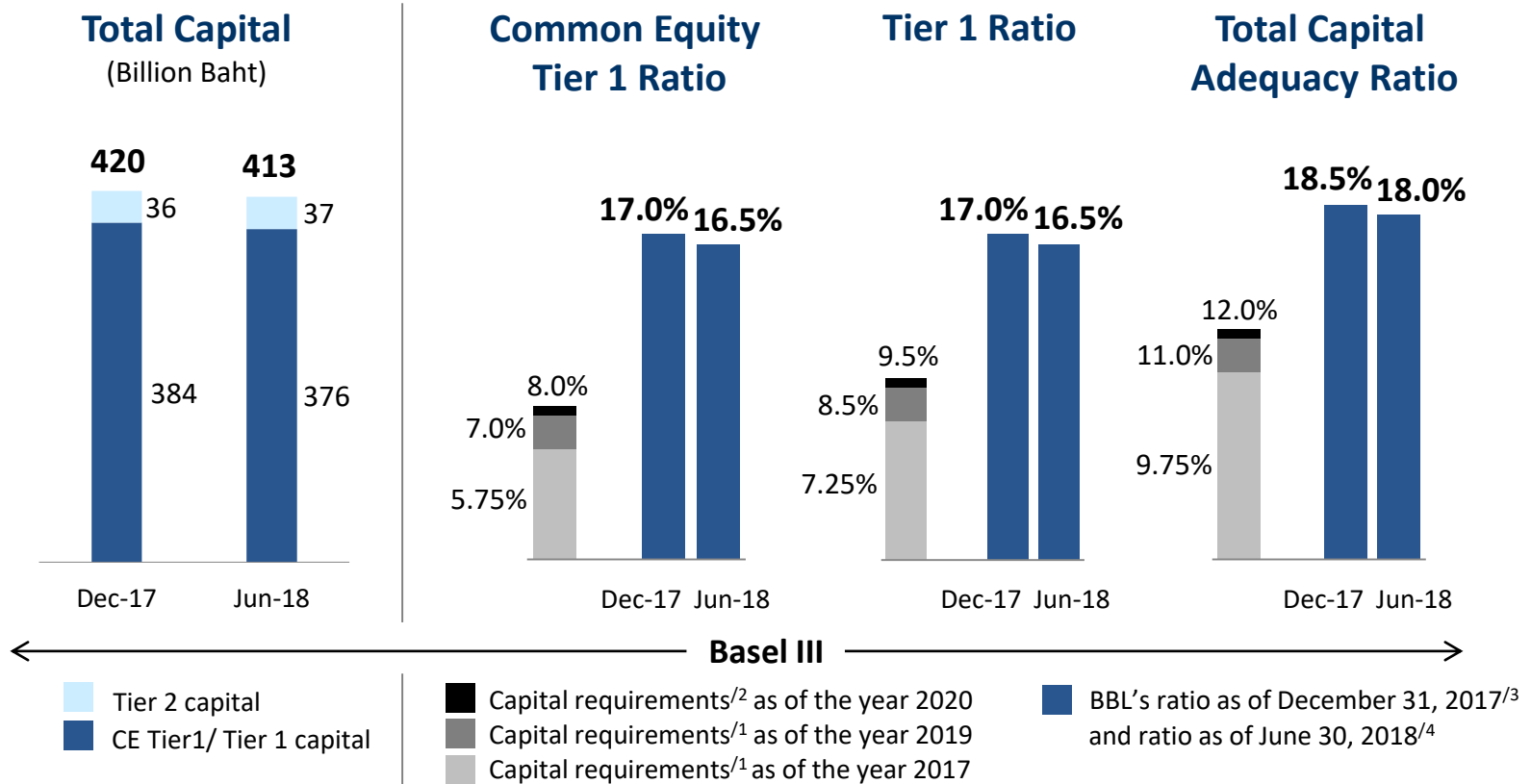
- Other Fees and Commissions
- Bancassurance and Mutual Fund
- Global Market Service
- Transaction Service
- Credit Card Business
- Loan Related Fee

Net Fee Income

Billion Baht



Capital Position



Note: /1 The Bank of Thailand requires commercial banks to maintain an additional capital conservation buffer. The buffer will gradually increase by more than 0.625% each year from January 1, 2016 until it reaches more than 2.5% in January 1, 2019.
 /2 The Bank of Thailand announced the guidelines for identifying and regulating Domestic Systemically Important Banks (D-SIBs) in September 2017. The BOT requires D-SIBs to hold additional capital for Higher Loss Absorbency (HLA) by gradually increasing its additional capital ratio by an increment of 0.5 percent from January 1, 2019 until completion of the increment to 1.0 percent in January 1, 2020 onwards.
 /3 The ratios include net profit for the second half of 2017 and the deduction of dividend payments in May 2018
 /4 The ratios include net profit for the first half of 2018

Financial Position

Million Baht

	Dec-15	Dec-16	Dec-17	Jun-18	Growth	
					%QoQ	%YTD
Loan ¹	1,868,903	1,941,093	2,003,989	2,065,487	4.4%	3.1%
Deposit	2,090,965	2,178,141	2,310,743	2,349,857	0.7%	1.7%
LDR	89.4%	89.1%	86.7%	87.9%	3.1%	1.2%
NPL	56,226	68,841	87,419	83,478	-9.4%	-4.5%
NPL Ratio	2.8%	3.2%	3.9%	3.5%	-0.3%	-0.4%
LLR to NPL	185%	174%	160%	176%	17.0%	16.1%
LLR to Loan	5.6%	6.2%	7.0%	7.1%	-0.3%	0.1%
Liquid Assets ²	906,648	956,847	1,051,982	1,092,475	-6.9%	3.8%
Liquid Assets to Total Assets	32.0%	32.5%	34.2%	34.4%	-2.6%	0.2%
CET1/Tier 1 Ratio ³	16.2%	16.8%	17.0%	16.5%	-0.7%	-0.5%
CAR ³	18.3%	18.7%	18.5%	18.0%	-0.7%	-0.5%

Note:

/1 Loan = Loan to Customer Less Deferred Revenue

/2 Liquid Assets consist of cash, interbank and money market assets, claims on securities and trading & available-for-sale securities

/3 For 2015-2017, the ratios include net profit and deducted dividend. For Jun-18, the ratios include net profit for the first half of the year 2018.

Financial Performance – 2Q18

Million Baht

	2Q17	1Q18	2Q18	Growth (%)	
				QoQ	YoY
Net Interest Income	16,568	17,123	17,573	2.6%	6.1%
Net Fee Income	6,372	7,602	6,655	-12.5%	4.4%
Non-Interest Income	11,472	14,414	13,667	-5.2%	19.1%
Total Income	28,040	31,537	31,240	-0.9%	11.4%
Operating Expense	12,846	12,594	13,376	6.2%	4.1%
Provisioning Expense	5,688	7,322	6,533	-10.8%	14.9%
Net Profit ^{/1}	8,047	9,005	9,194	2.1%	14.3%
EPS ^{/1} (Baht per Share)	4.22	4.72	4.82	2.1%	14.3%
NIM	2.31%	2.34%	2.33%	-0.01%	0.02%
Net Fee Income Ratio	22.7%	24.1%	21.3%	-2.8%	-1.4%
Cost to Income Ratio	45.8%	39.9%	42.8%	2.9%	-3.0%
ROA ^{/1}	1.07%	1.17%	1.16%	-0.01%	0.09%
ROE ^{/1}	8.38%	9.05%	9.16%	0.11%	0.78%

Note:

/1 Attributable to owners of the Bank

Financial Performance – 1H18

Million Baht

	1H16	1H17	1H18	Growth YoY
Net Interest Income	31,629	32,845	34,696	5.6%
Net Fee Income	12,079	13,091	14,257	8.9%
Non-Interest Income	19,916	22,408	28,081	25.3%
Total Income	51,545	55,253	62,777	13.6%
Operating Expense	25,448	23,925	25,970	8.5%
Provisioning Expense	7,186	11,494	13,854	20.5%
Net Profit ^{/1}	15,487	16,352	18,199	11.3%
EPS ^{/1} (Baht per Share)	8.11	8.57	9.53	11.3%
NIM	2.33%	2.33%	2.34%	0.01%
Net Fee Income Ratio	23.4%	23.7%	22.7%	-1.0%
Cost to Income Ratio	49.4%	43.3%	41.4%	-1.9%
ROA ^{/1}	1.07%	1.10%	1.17%	0.07%
ROE ^{/1}	8.48%	8.61%	9.12%	0.51%

Note:

^{/1} Attributable to owners of the Bank

Financial Performance – Year

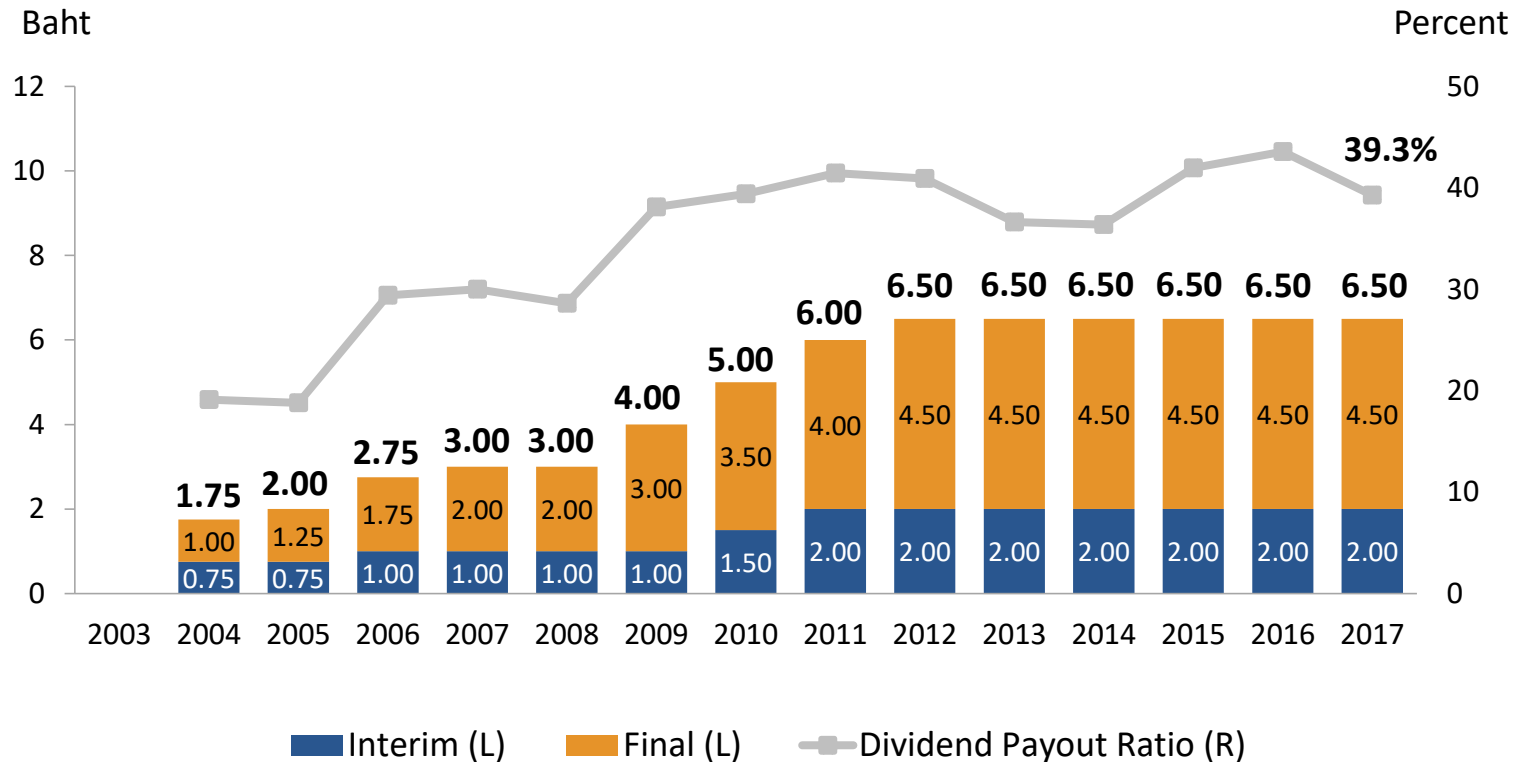
Million Baht

	2015	2016	2017	Growth (%) YoY
Net Interest Income	57,510	63,998	66,625	4.1%
Net Fee Income	24,071	24,492	27,526	12.4%
Non-Interest Income	45,219	41,860	45,843	9.5%
Total Income	102,728	105,858	112,468	6.2%
Operating Expense	45,045	50,505	48,948	-3.1%
Provisioning Expense	14,654	15,728	22,370	42.2%
Net Profit ^{/1}	34,181	31,815	33,009	3.8%
EPS ^{/1} (Baht per Share)	17.91	16.67	17.29	3.8%
NIM	2.16%	2.34%	2.32%	-0.02%
Net Fee Income Ratio	23.4%	23.1%	24.1%	1.0%
Cost to Income Ratio	43.8%	47.7%	43.5%	4.2%
ROA ^{/1}	1.21%	1.09%	1.09%	0.00%
ROE ^{/1}	9.91%	8.59%	8.49%	-0.10%

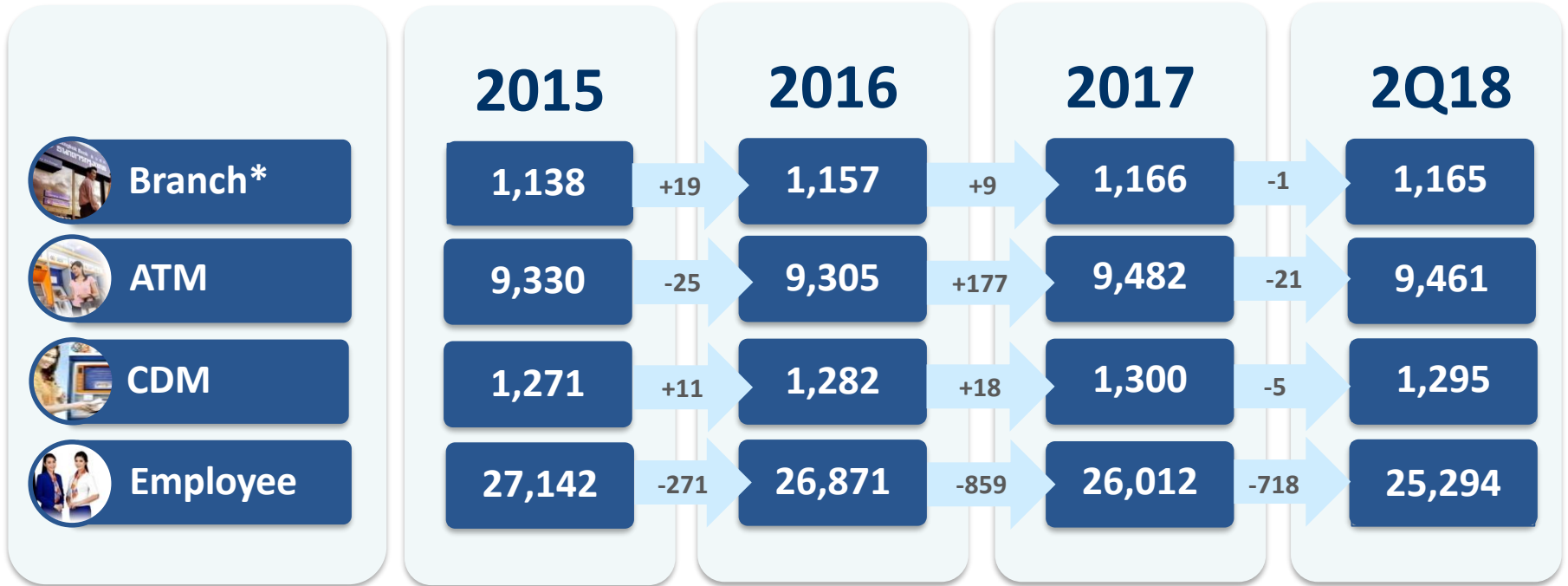
Note:

/1 Attributable to owners of the Bank

Dividend and Payout Ratio



Network



Note: Consolidated
* Domestic branches

Long-Standing International Presence

32 International Locations
in **15** Economies

UK

Branch: 1
Number of Year: 61

Cayman Islands

Branch: 1
Number of Year: 2

USA

Branch: 1
Number of Year: 53

Laos

Branch: 2
Number of Year: 24

Myanmar

Branch: 1
Number of Year: 23

Malaysia^{/1}

Branch: 5
Number of Year: 59

Singapore

Branch: 1
Number of Year: 61

Vietnam

Branch: 2
Number of Year: 25

China^{/1}

Branch: 6
Number of Year: 32

Japan

Branch: 2
Number of Year: 62

Philippines

Branch: 1
Number of Year: 22

Taiwan

Branch: 3
Number of Year: 52

Hong Kong

Branch: 2
Number of Year: 64

Cambodia

Branch: 1
Number of Year: 3

Indonesia

Branch: 3
Number of Year: 45

Note: As at June 2018
/1 Wholly-Owned Subsidiary

Source: Bangkok Bank Filing

2018 Financial Target

Consolidated	2018 Financial Target
Loan Growth	5-6%
NPL Ratio (Gross)	Maintain
Net Interest Margin (NIM)	Maintain
Net Fee Income Growth	Mid to High Single Digit
Cost to Income Ratio	Mid-40s

Note: The above financial targets are based on the Bank's preliminary estimates that may change due to the operating environments and other unforeseen circumstances.

For Further Information

Contact:

Investor Relations Team

Tel (66) 2 626 4981

Fax (66) 2 231 4890

Email: IR@bbl.co.th

Bangkok Bank Website

www.bangkokbank.com

This presentation is made by Bangkok Bank and may not be copied, altered, offered, sold or otherwise distributed to any other person by any recipient without the consent of Bangkok Bank. Although all reasonable effort has been made to ensure the facts stated herein are accurate and that the opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of Bangkok Bank. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by Bangkok bank as being accurate. Neither Bangkok Bank nor any of its directors, officers, employees, and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this information. The facts and information contained herein are as up to date as is reasonably possible and may be subject to revision in the future. Neither Bangkok Bank nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this presentation. Neither Bangkok Bank nor any of its directors, officers, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this presentation. This presentation may contain projections or other forward-looking statements related to Bangkok Bank that involve risks and uncertainties. Readers are cautioned that these statements are only projections and may differ materially from actual future results or events. All forward-looking statements are based on information available to Bangkok Bank on the date of its posting and Bangkok Bank assumes no obligation to update such statements unless otherwise required by applicable law. This presentation does not constitute an offer or invitation to subscribe for, or purchase, any shares of Bangkok Bank.