

Investor Presentation For 3Q18

INSPIRING CHANGE >

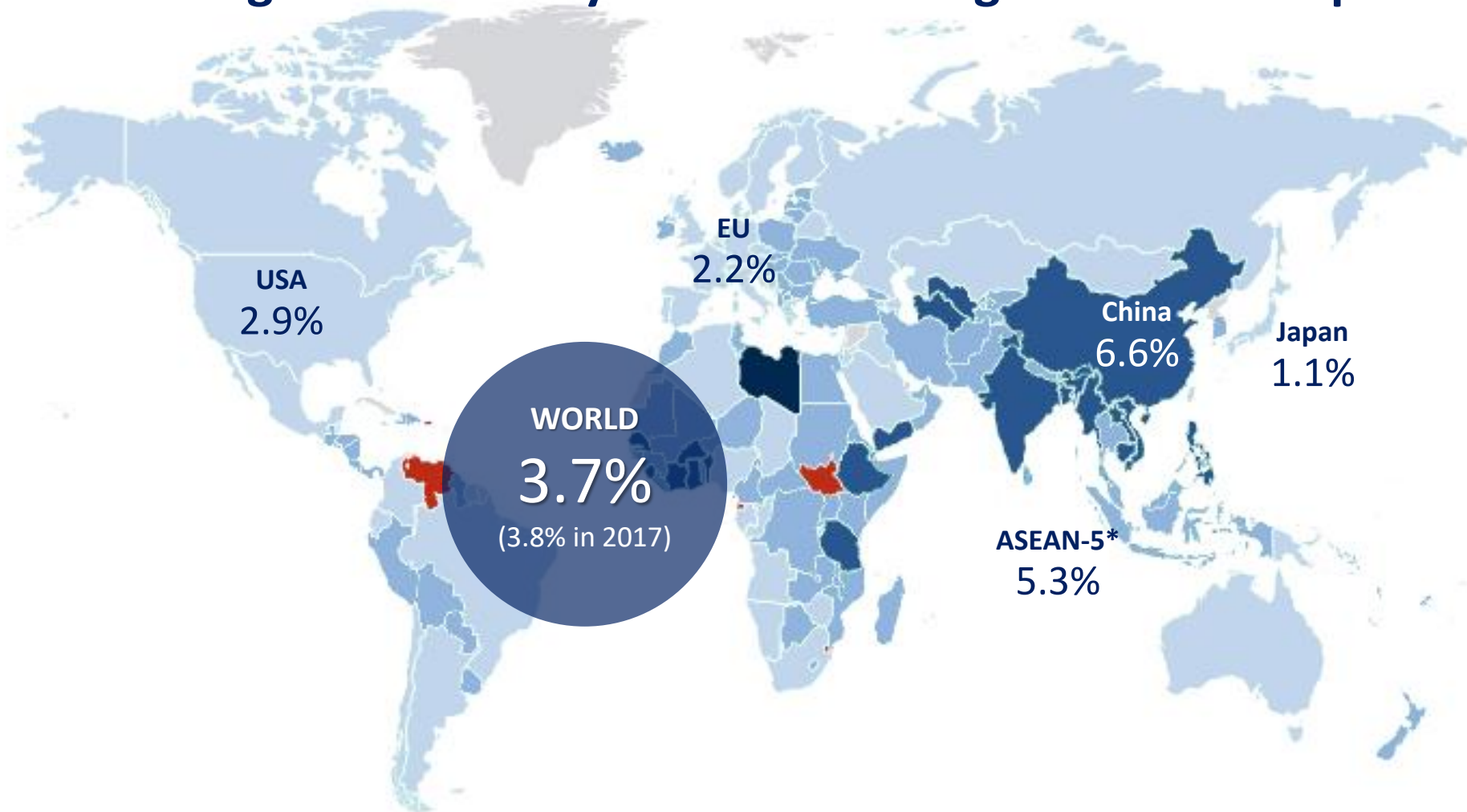


Bangkok Bank

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

For 2018, global economic expansion remains solid

However, the outlook for global growth has worsened on the back of tighter monetary conditions and global trade disputes

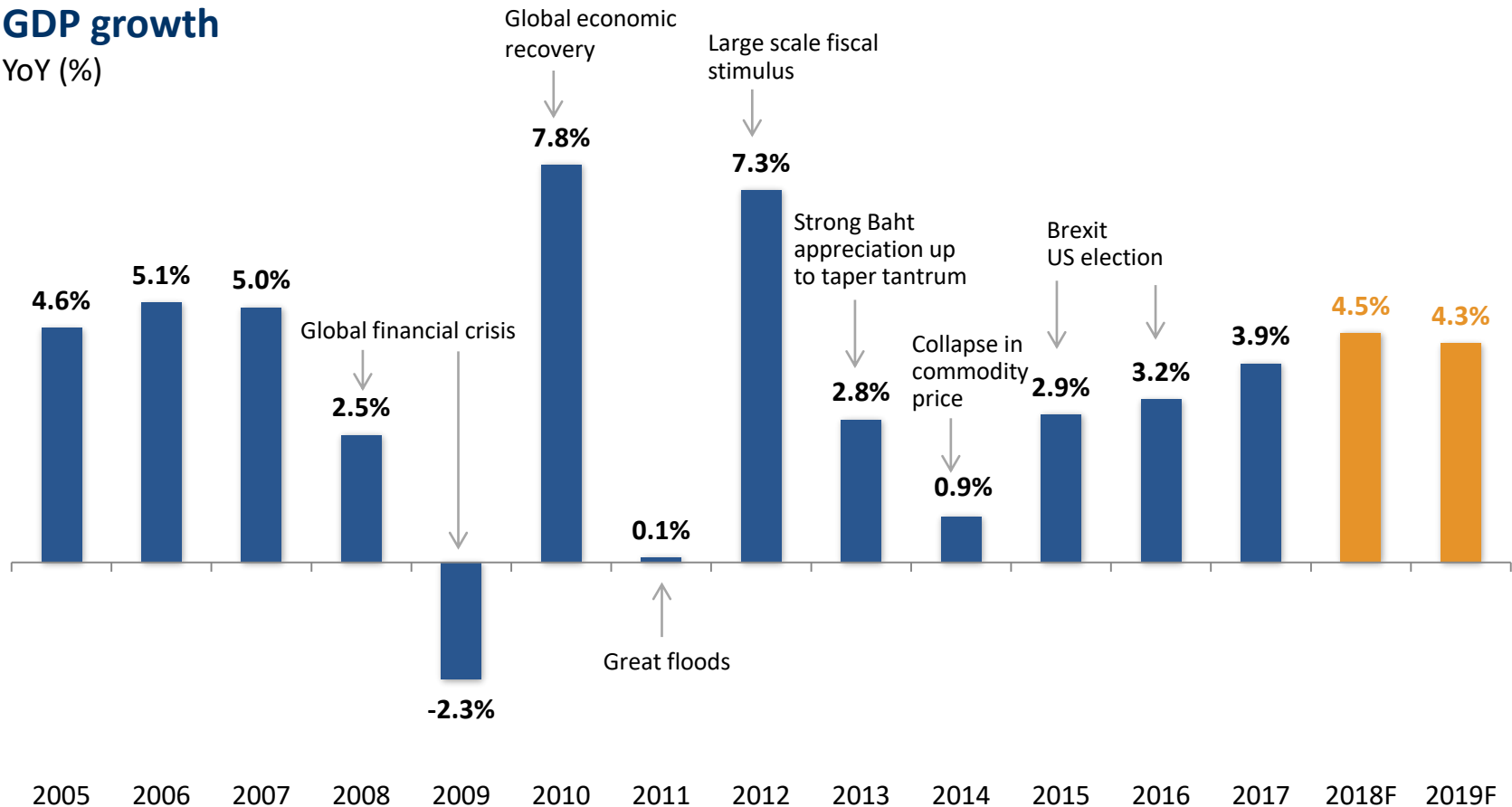


Note: *ASEAN-5 includes Indonesia, Malaysia, Philippines, Thailand, Vietnam
Source: IMF (2018)

The Thai Economy in 2018

Continued strength on the external front and firmer domestic activity despite recent drops in exports and tourist arrivals

GDP growth YoY (%)

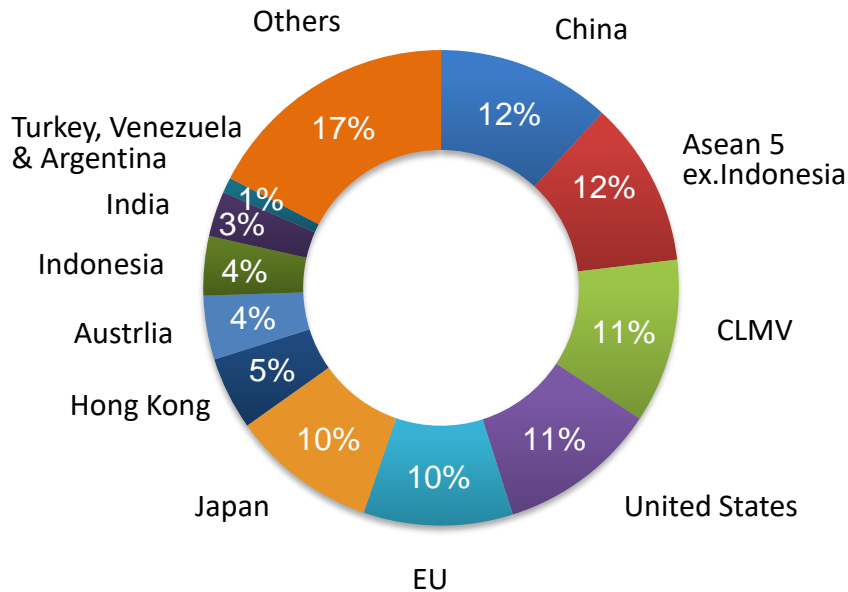


Source: National Economic and Social Development Board and Bank of Thailand

Exports have continued to expand solidly, but latest readings showed trade wars are starting to weigh on export performance

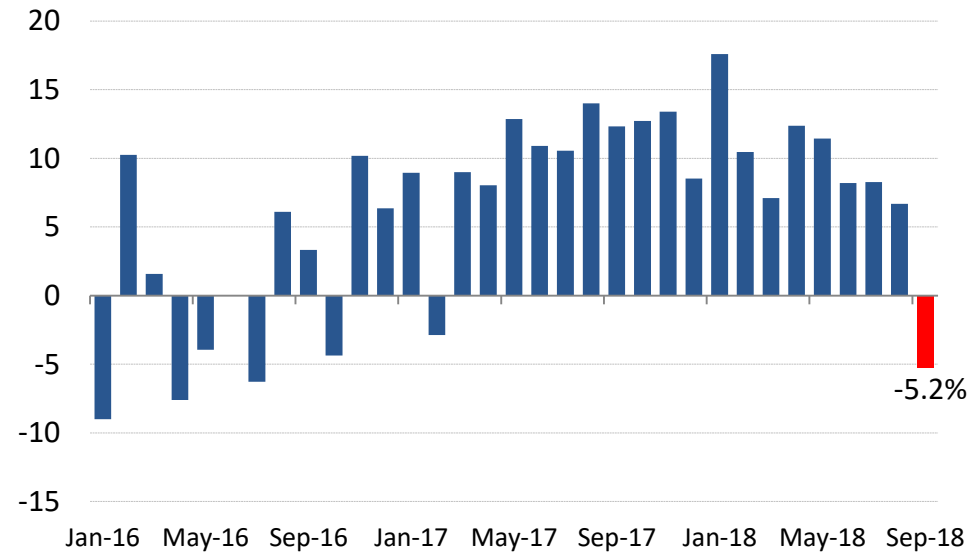
Thailand's Export Destinations

Percentage of Composition



Export Growth

%YoY (Customs)



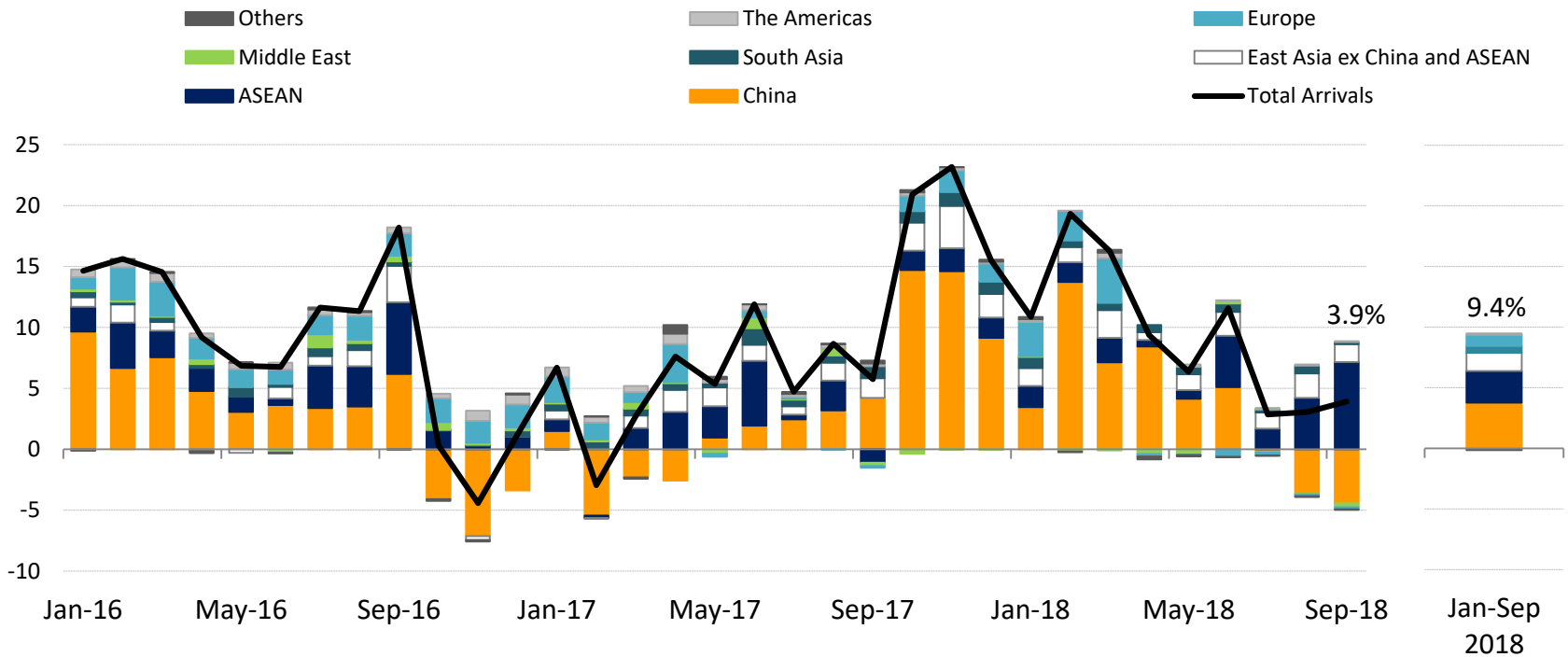
Note : Data as of September 2018

Source: Bank of Thailand, CEIC

Tourism remains robust, but has recently slow

Contributions to International Tourist Arrivals

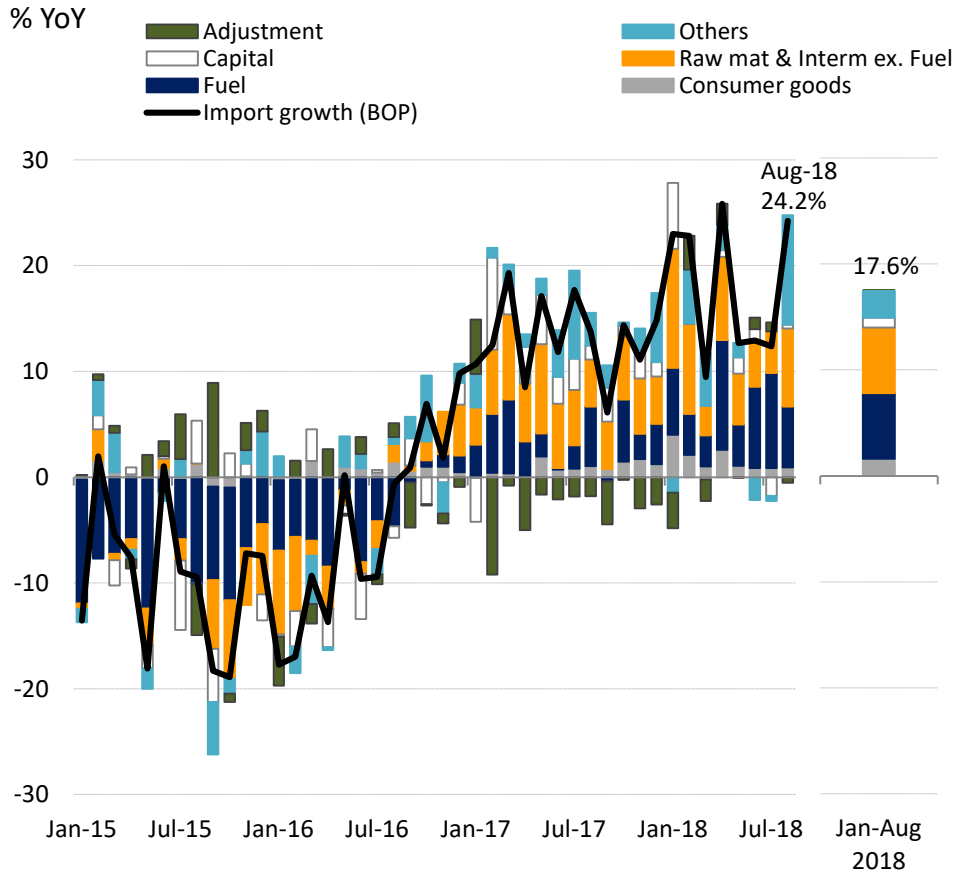
%YoY



Source: Tourism Authority of Thailand, CEIC

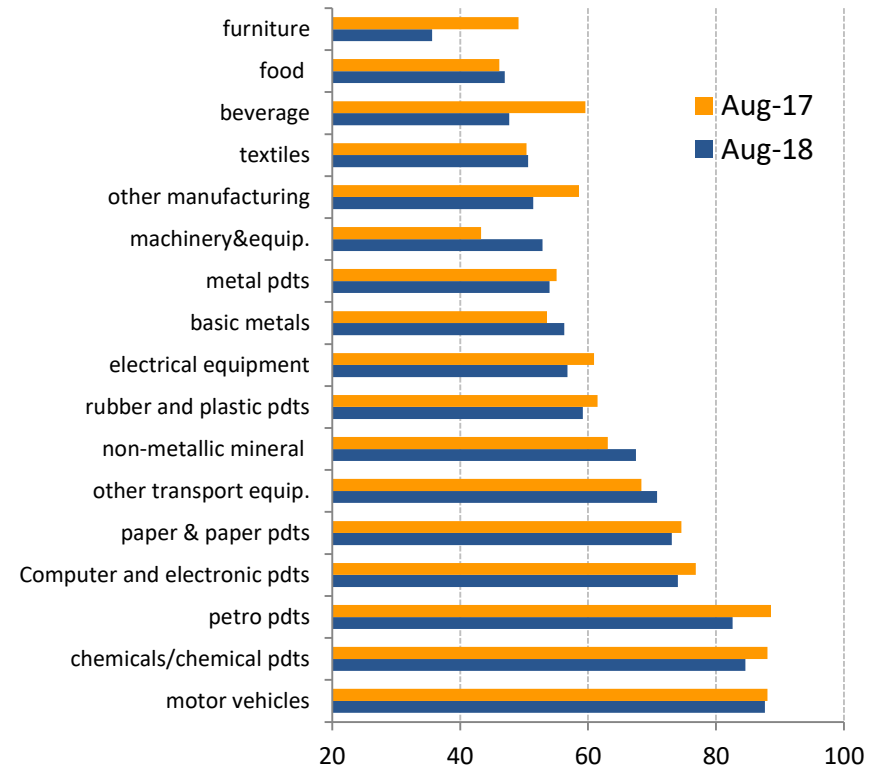
Private investment is on firmer footing amid rising capacity utilisation

Contribution to Import Growth



Capacity Utilisation Rate

% , not seasonally adjusted

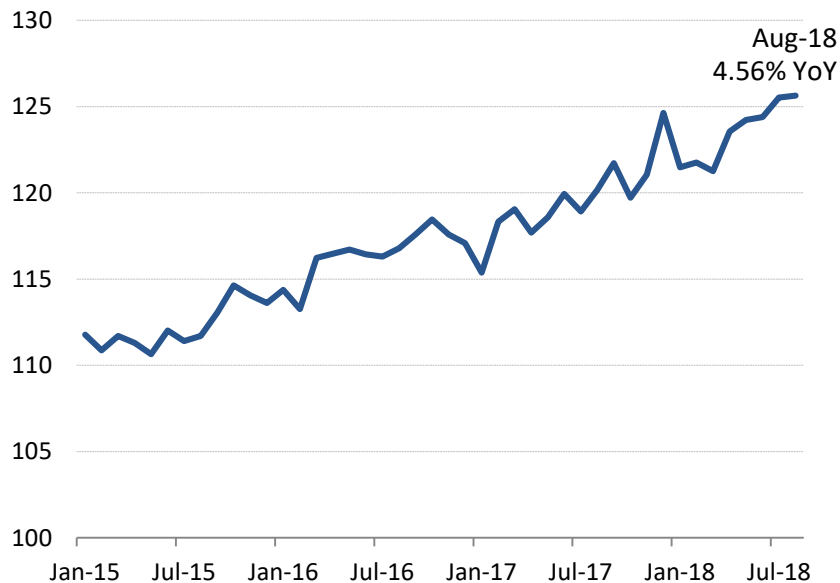


Source: Bank of Thailand, The Office of Industrial Economics, Bureau of Budget and Fiscal Policy Office

Private consumption gained further traction as car sales have continued to rebound

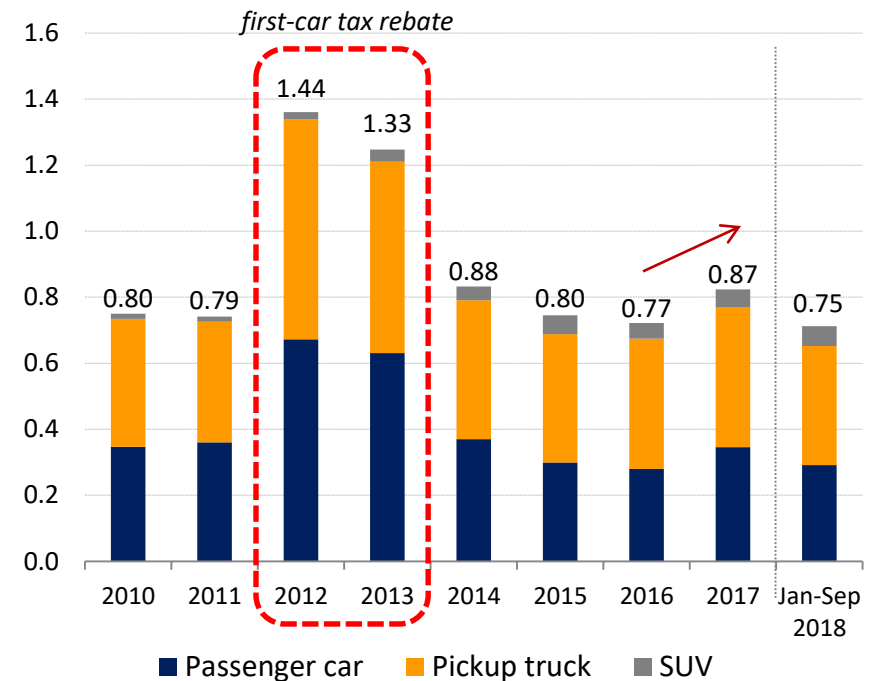
Private Consumption

Monthly Index



Domestic Motor Vehicle Sales

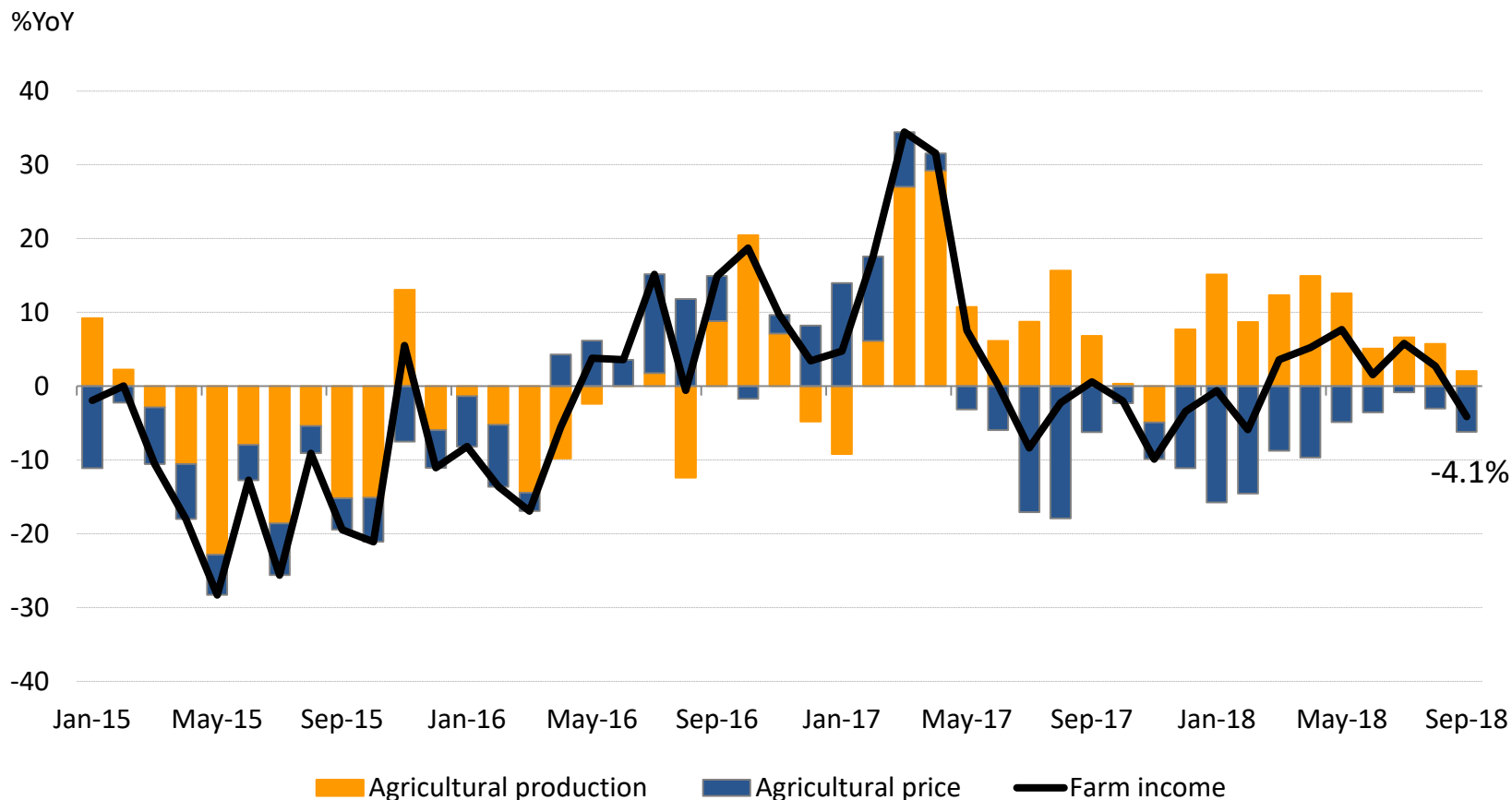
Million Units



Source: Bank of Thailand, CEIC

Farm Income has dropped sharply after the recent gains since the start of 2018

Contribution to Farm Income

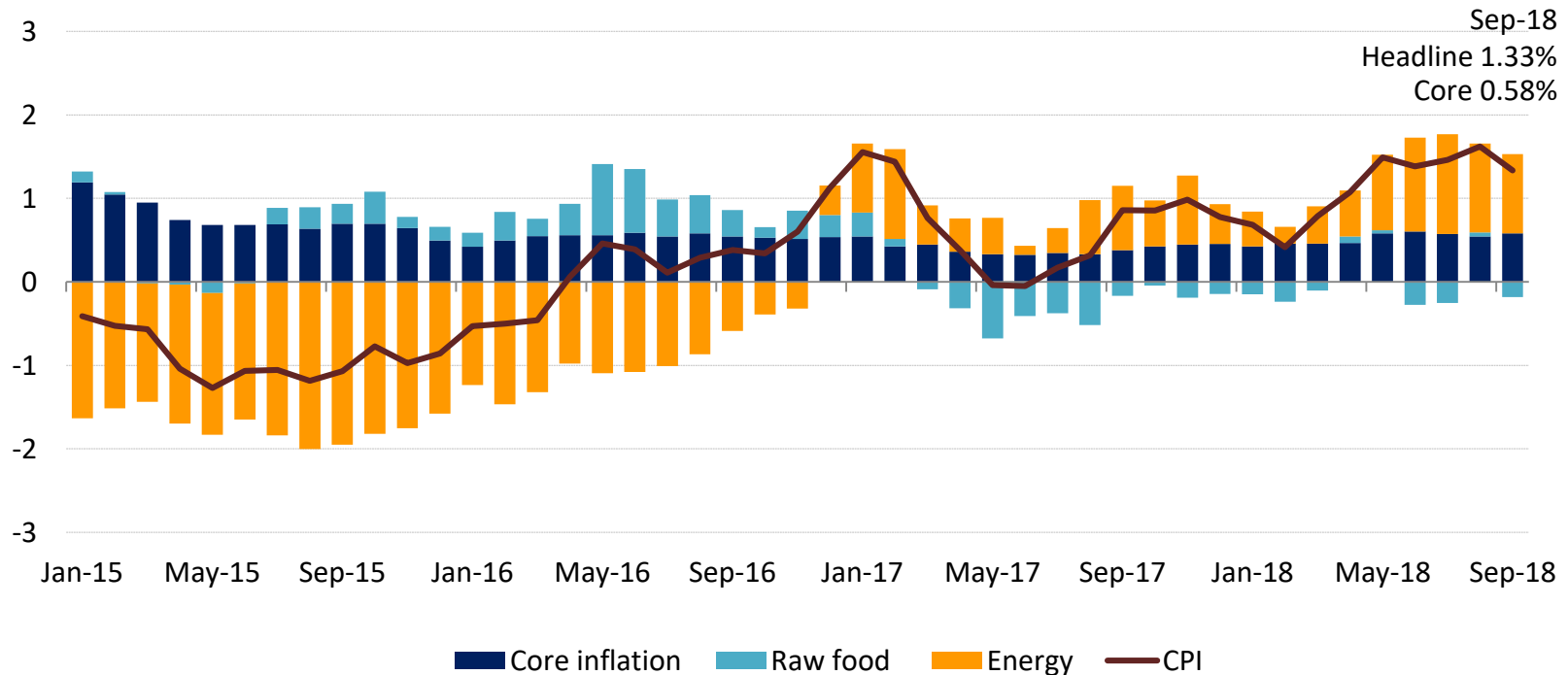


Source: Office of Agricultural Economics

Headline Inflation has trended upwards on surging energy prices but core inflation remains subdued

Contribution to Headline Inflation

%YoY



Source: Ministry of Commerce

Combined public and private investments: approximately 1.7 Trillion Baht for the first 5 years

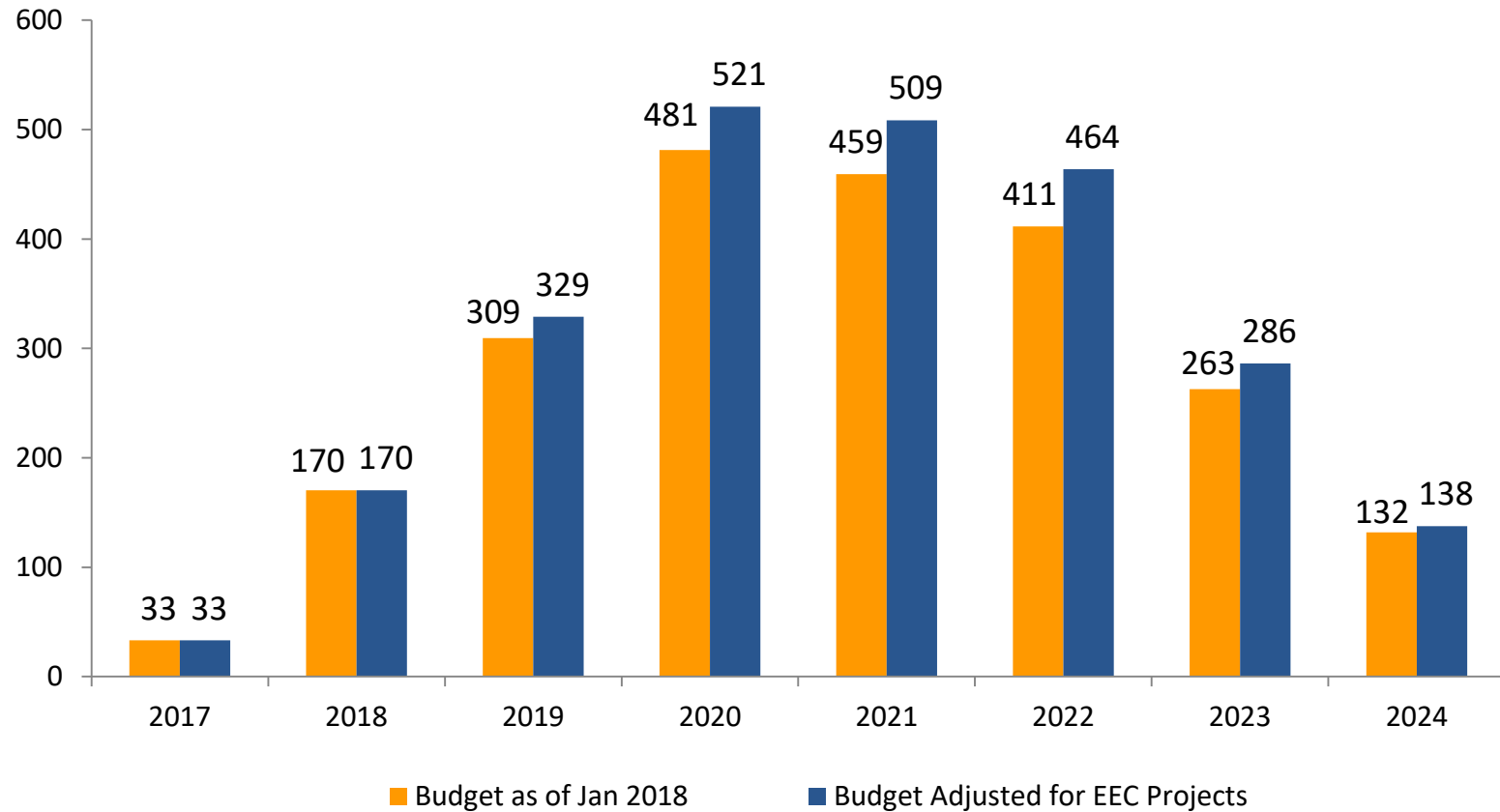


Source: EEC Office, as of October 2018

Planned Budget disbursement for infrastructure projects

Disbursement Schedule

Billion Baht



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

Bangkok Bank

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

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)



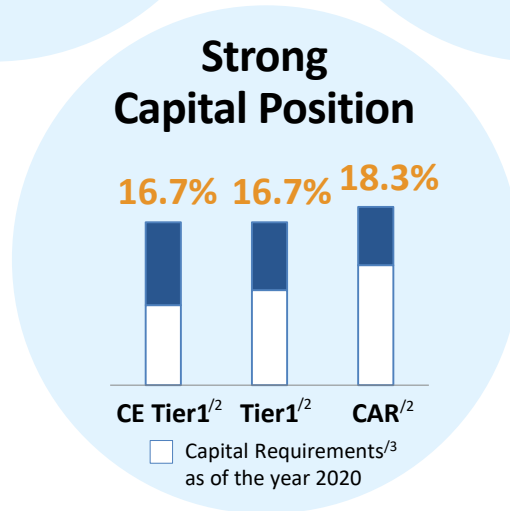
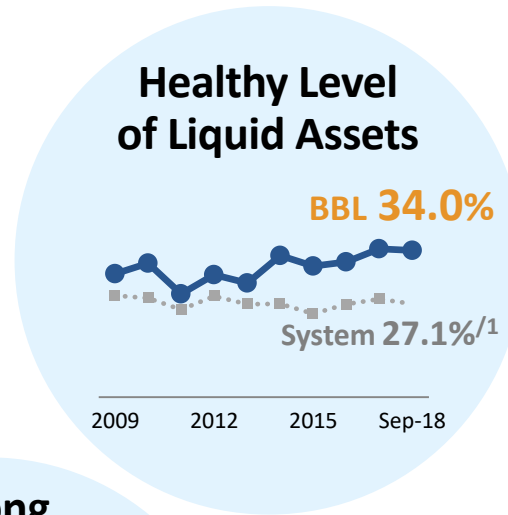
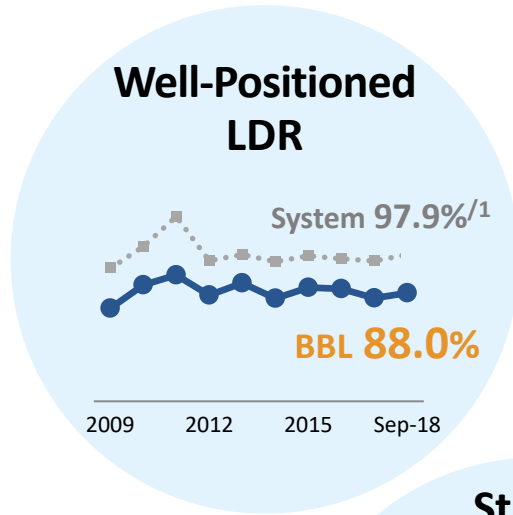
Inter-Connection

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 of August 2018

/2 As of September 2018, the ratios include net profit for the third quarter 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

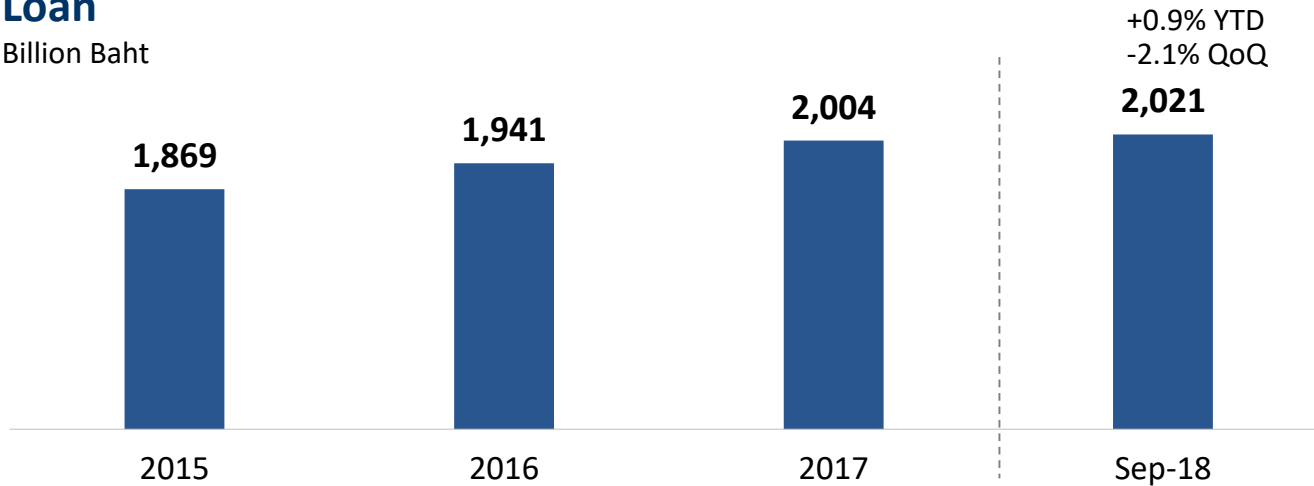
Bangkok Bank

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

Loan Growth and Composition

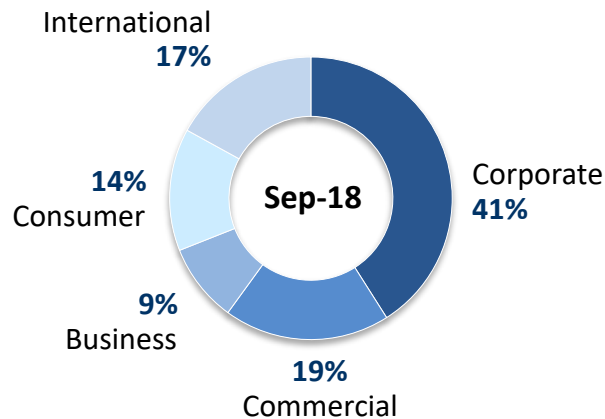
Loan

Billion Baht



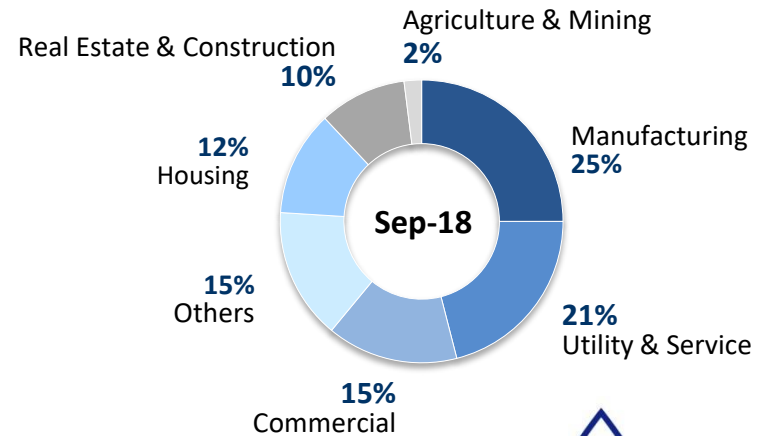
Loan by Business Unit

Percentage of Composition



Loan by Industry

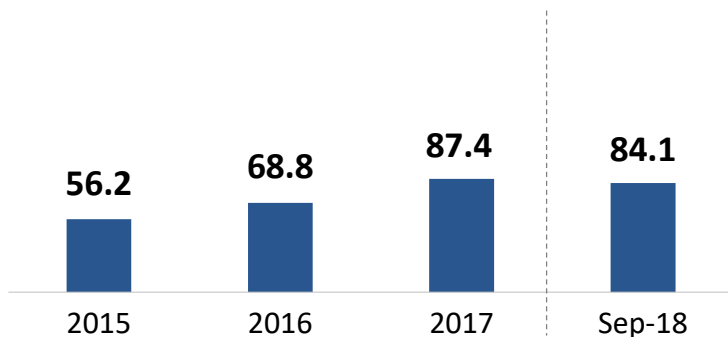
Percentage of Composition



Asset Quality and Reserve

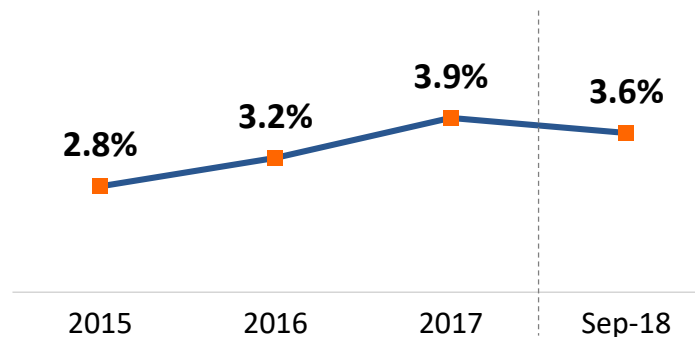
NPL Amount

Billion Baht, Percentage



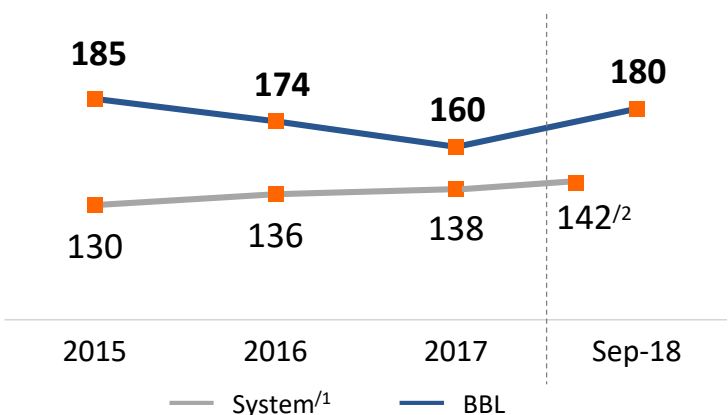
NPL Ratio

Billion Baht, Percentage



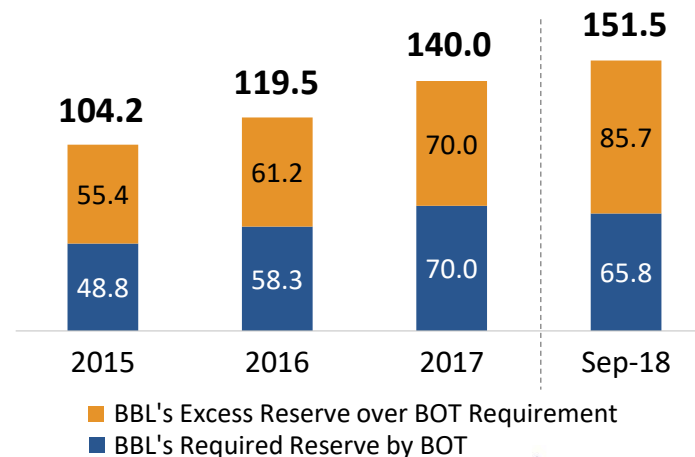
Coverage Ratio

Percentage



Loan Loss Reserve

Billion Baht



Note: /1 System refers to all commercial banks in Thailand

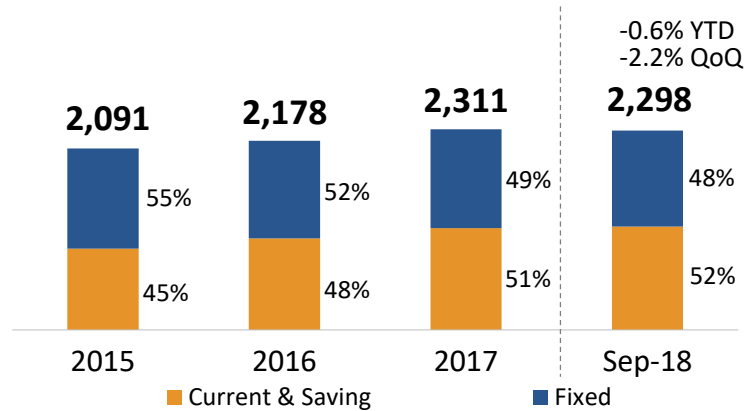
/2 As of June 2018

Source: Bank of Thailand, Bangkok Bank Analysis

Liquidity Position

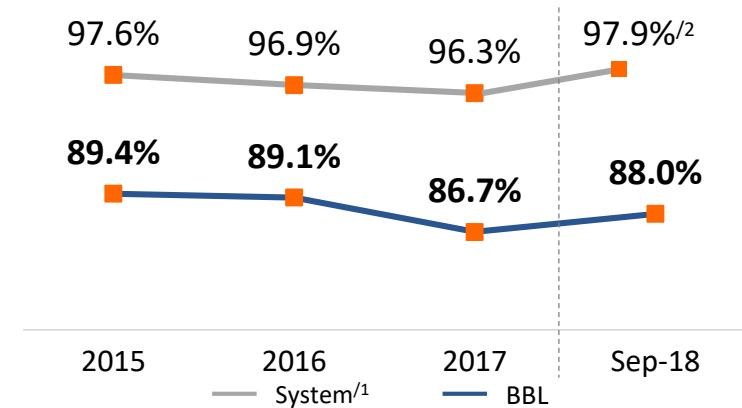
Deposit

Billion Baht, Percentage of Composition



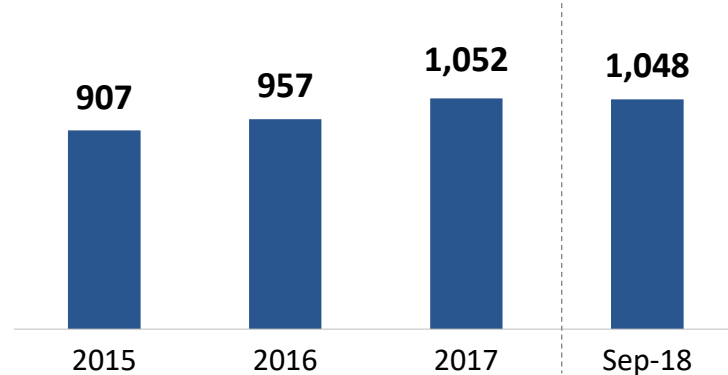
Loan-to-deposit ratio

Percentage



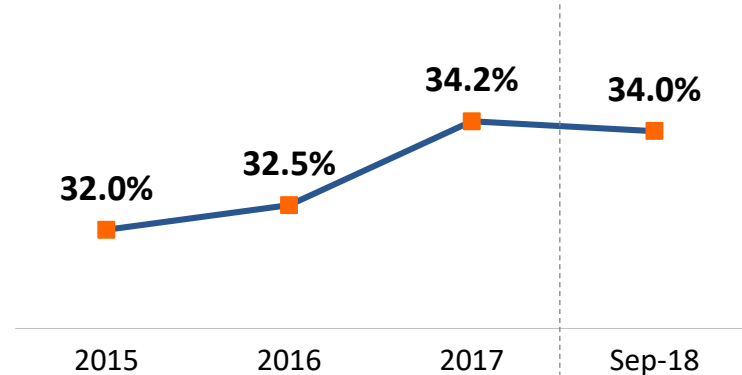
Liquid assets³

Billion Baht



Liquid assets³ / Total assets

Percentage



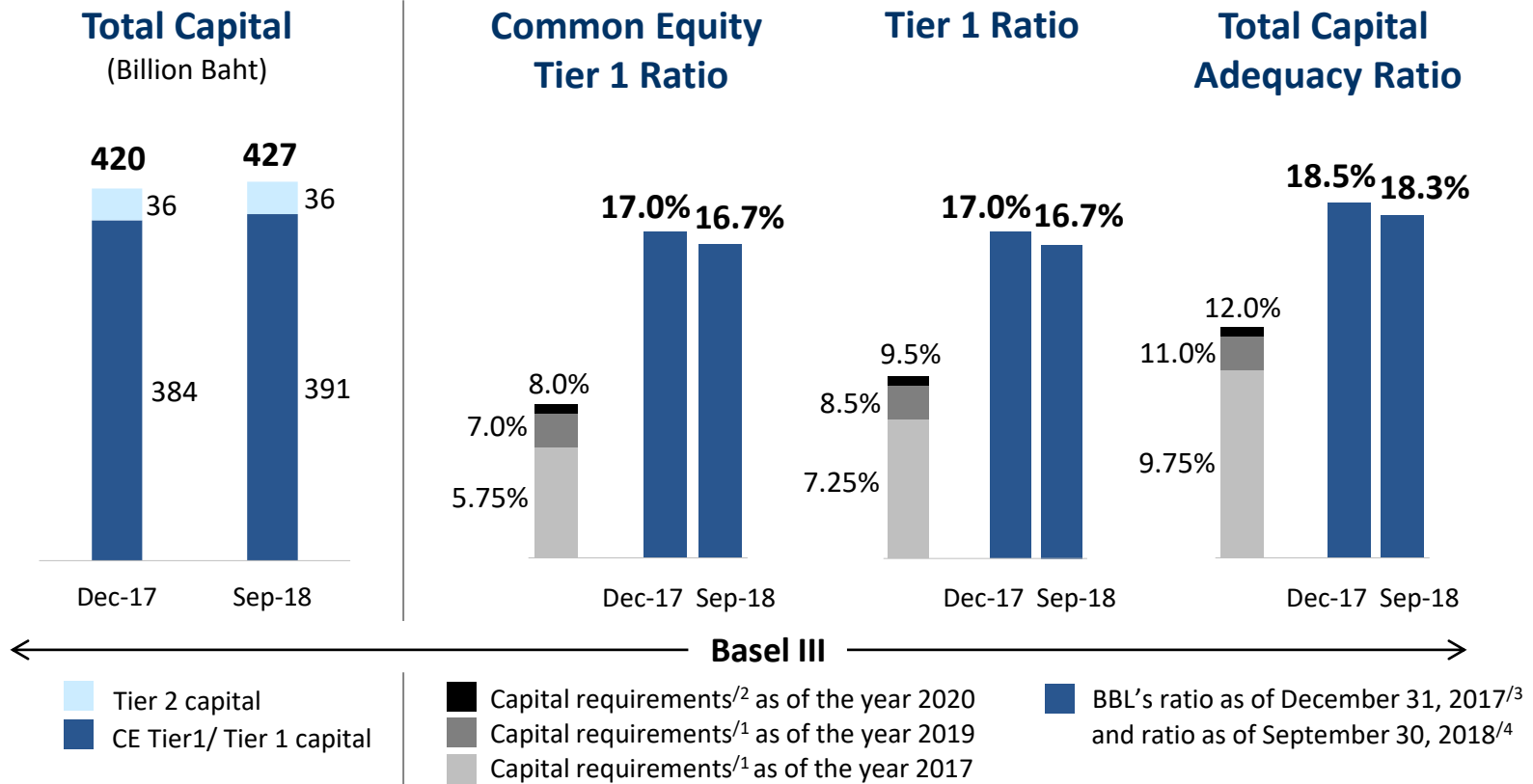
Notes: /1 System refers to all commercial banks in Thailand

/2 As of August 2018

/3 Liquid assets are defined as cash, interbank and money market assets and trading & available-for-sale securities

Source: Bank of Thailand, Bangkok Bank Analysis

Capital Position

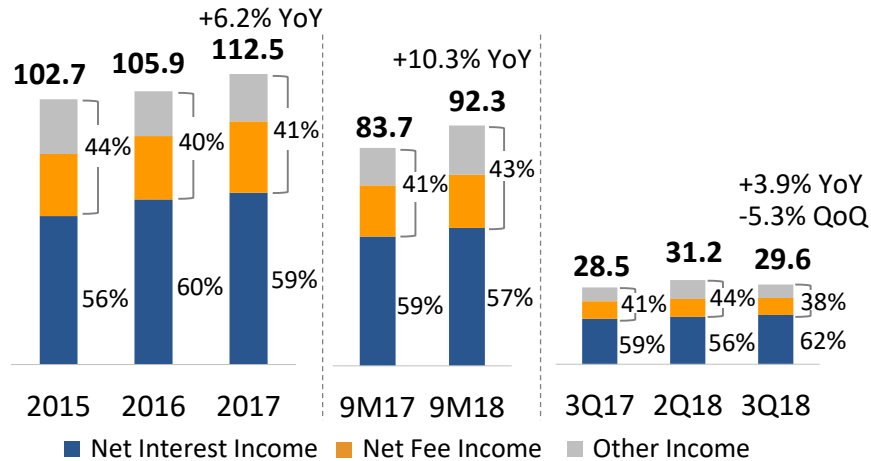


Note: /1 The Bank of Thailand requires commercial banks to maintain an additional capital conservation buffer. The buffer will gradually increase by more than 0.625% each year from January 1, 2016 until it reaches more than 2.5% in January 1, 2019.
 /2 The Bank of Thailand announced the guidelines for 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 third quarter of 2018

Interest Income and Operating Income

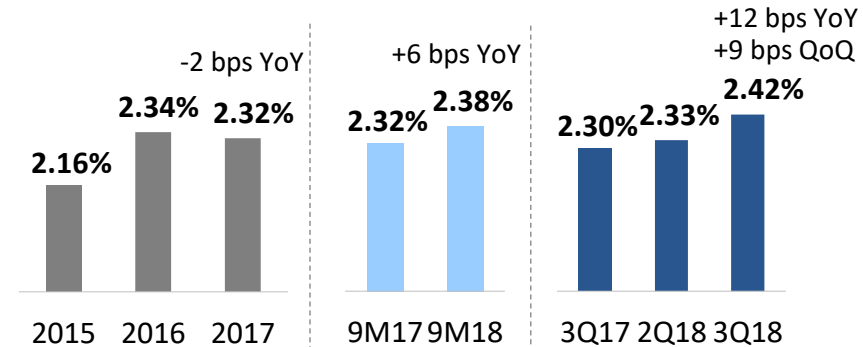
Income Breakdown

Billion Baht, Percentage of Composition



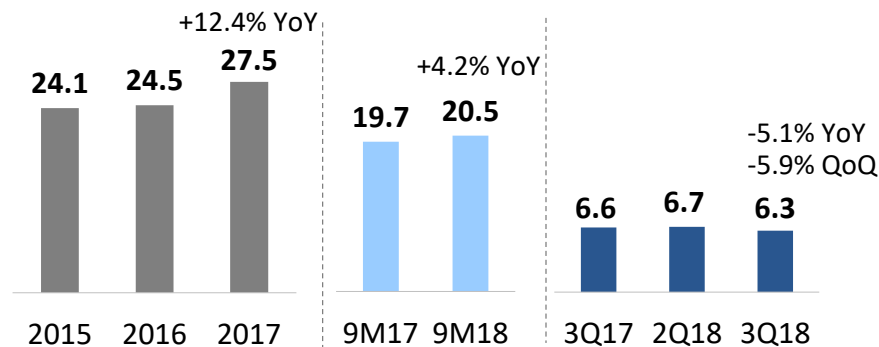
NIM

Percentage



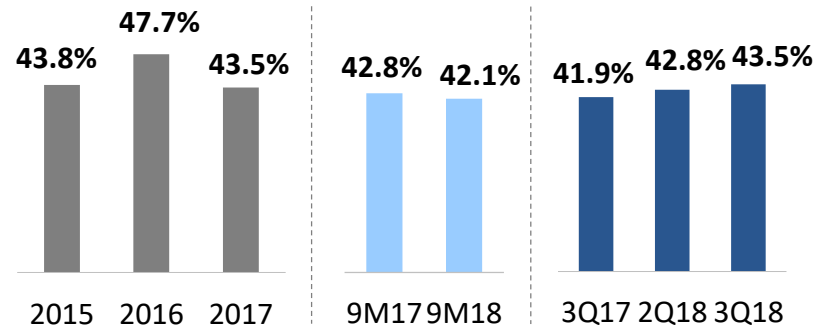
Net Fee Income

Billion Baht



Cost-to-Income Ratio

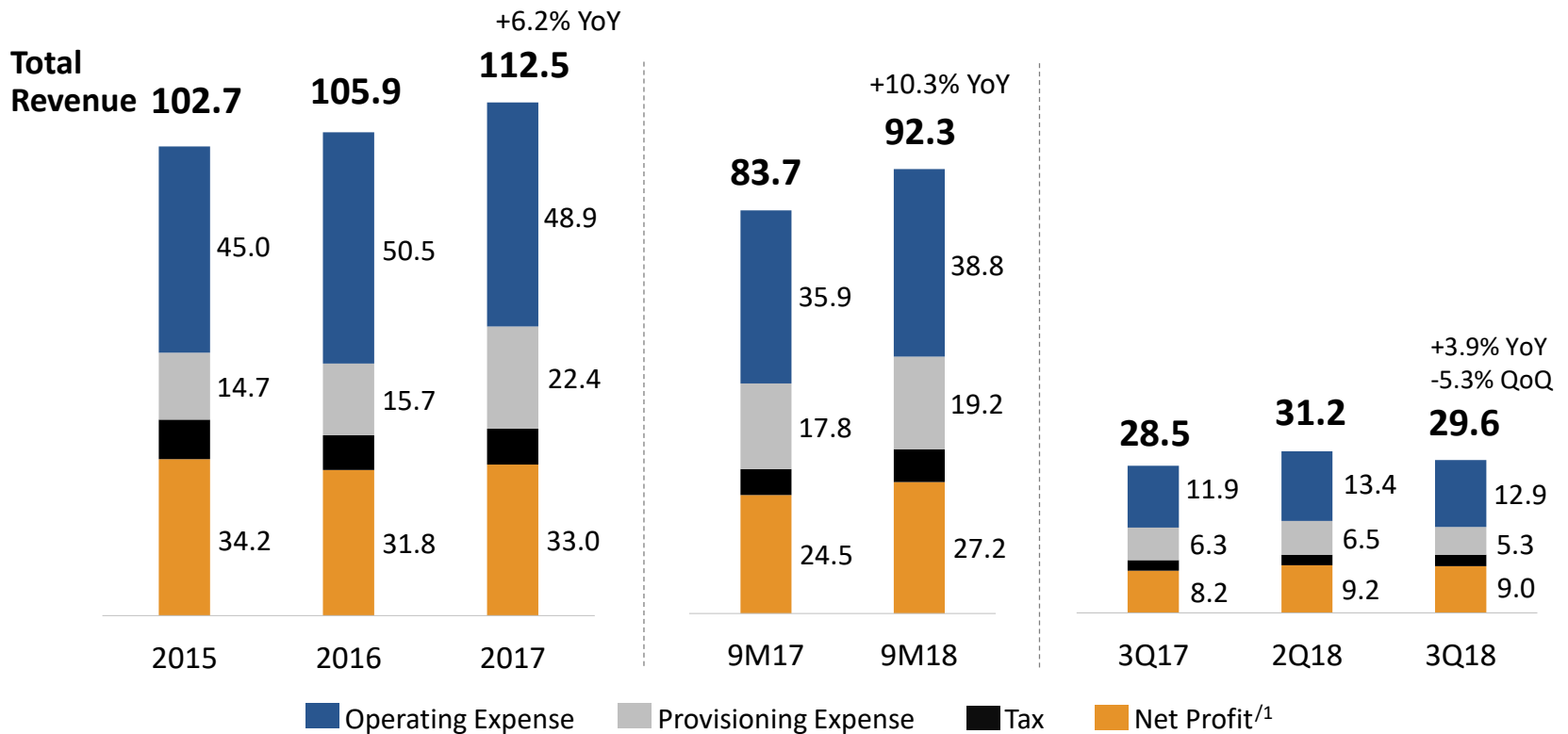
Percentage



Overall Profitability

Profitability Driver

Billion Baht

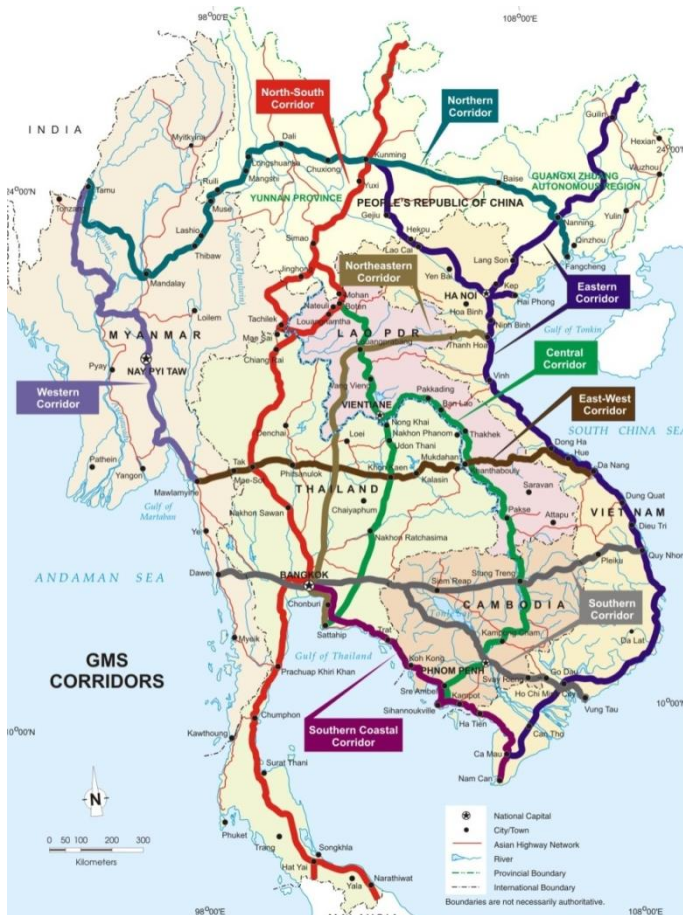


Note: /1 Attributable to owners of the Bank

Appendix

Opportunities from Regionalization & Urbanization

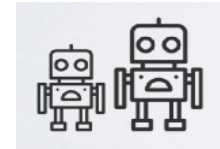
Higher Connectivity in the AEC



10 Target Industries



Next-Generation Automotive



Robotics



Smart Electronics



Aviation & Logistics



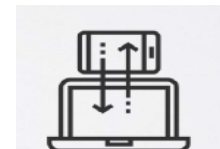
Affluent, Medical & Wellness Tourism



Biofuels & Biochemicals



Agriculture & Biotechnology



Digital



Food for the Future

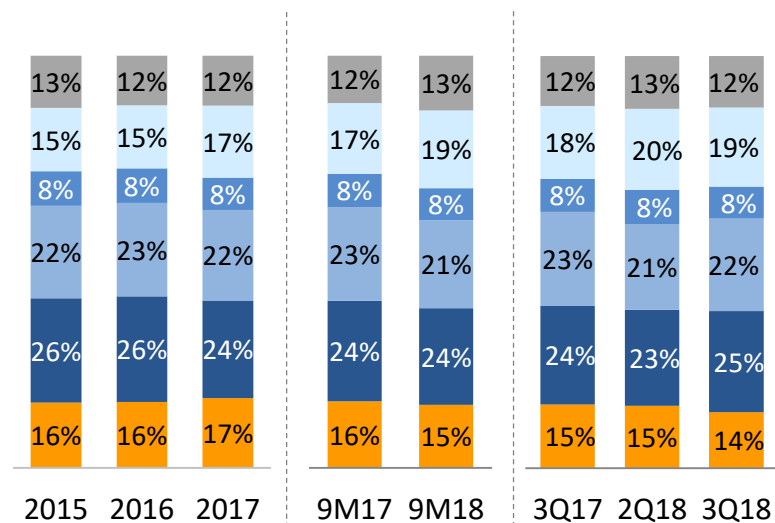


Medical Hub

Fee Income

Fee Income Breakdown

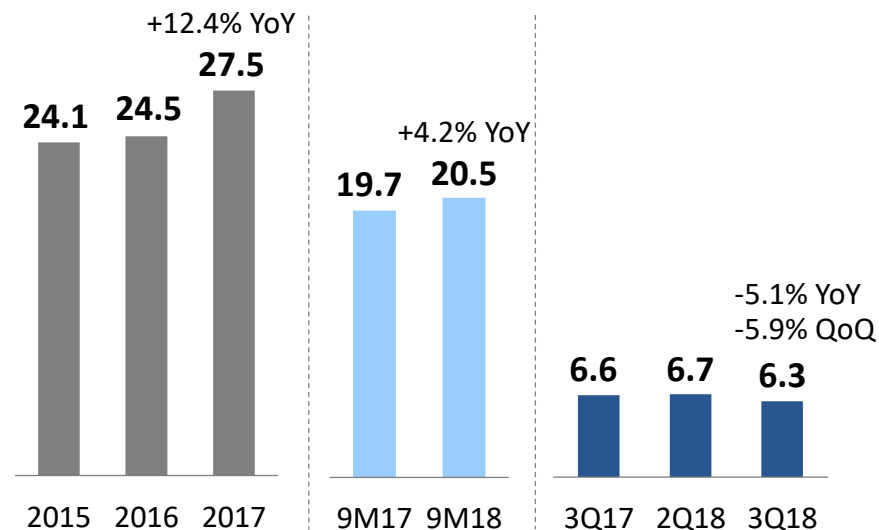
Percentage of Composition



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

Net Fee Income

Billion Baht



Financial Position

Million Baht

	Dec-15	Dec-16	Dec-17	Sep-18	Growth	
					%QoQ	%YTD
Loan ^{/1}	1,868,903	1,941,093	2,003,989	2,021,246	-2.1%	0.9%
Deposit	2,090,965	2,178,141	2,310,743	2,297,627	-2.2%	-0.6%
LDR	89.4%	89.1%	86.7%	88.0%	0.1%	1.3%
NPL	56,226	68,841	87,419	84,137	0.8%	-3.8%
NPL Ratio	2.8%	3.2%	3.9%	3.6%	0.1%	-0.3%
LLR to NPL	185%	174%	160%	180%	3.8%	19.9%
LLR to Loan	5.6%	6.2%	7.0%	7.5%	0.4%	0.5%
Liquid Assets ^{/2}	906,620	956,841	1,051,975	1,048,167	-4.1%	-0.4%
Liquid Assets to Total Assets	32.0%	32.5%	34.2%	34.0%	-0.4%	-0.2%
CASA	44.8%	48.4%	50.7%	51.8%	0.2%	1.0%
CET1/Tier 1 Ratio ^{/3}	16.6%	16.8%	17.0%	16.7%	0.4%	-0.3%
CAR ^{/3}	18.7%	18.7%	18.5%	18.3%	0.4%	-0.3%

Note:

/1 Loan = Loan to Customer Less Deferred Revenue

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

/3 For 2015-2017, the ratios include net profit and deducted dividend. For Sep-18, the ratios include net profit for the third quarter of 2018.

Financial Performance – 3Q18

Million Baht

	3Q17	2Q18	3Q18	Growth (%)	
				QoQ	YoY
Net Interest Income	16,825	17,573	18,256	3.9%	8.5%
Net Fee Income	6,599	6,655	6,263	-5.9%	-5.1%
Non-Interest Income	11,651	13,667	11,321	-17.2%	-2.8%
Total Income	28,476	31,240	29,577	-5.3%	3.9%
Operating Expense	11,938	13,376	12,878	-3.7%	7.9%
Provisioning Expense	6,259	6,533	5,346	-18.2%	-14.6%
Net Profit ^{/1}	8,161	9,194	9,030	-1.8%	10.6%
EPS ^{/1} (Baht per Share)	4.28	4.82	4.73	-1.8%	10.6%
NIM	2.30%	2.33%	2.42%	0.09%	0.12%
Net Fee Income Ratio	23.2%	21.3%	21.2%	-0.1%	-2.0%
Cost to Income Ratio	41.9%	42.8%	43.5%	0.7%	1.6%
ROA ^{/1}	1.06%	1.16%	1.14%	-0.02%	0.08%
ROE ^{/1}	8.33%	9.16%	8.91%	-0.25%	0.58%

Note:

/1 Attributable to owners of the Bank

Financial Performance – 9M18

Million Baht

	9M16	9M17	9M18	Growth YoY
Net Interest Income	47,695	49,670	52,953	6.6%
Net Fee Income	18,237	19,690	20,520	4.2%
Non-Interest Income	30,796	34,054	39,385	15.7%
Total Income	78,491	83,724	92,339	10.3%
Operating Expense	37,537	35,858	38,832	8.3%
Provisioning Expense	12,132	17,753	19,200	8.2%
Net Profit ^{/1}	23,547	24,513	27,229	11.1%
EPS ^{/1} (Baht per Share)	12.34	12.84	14.26	11.1%
NIM	2.33%	2.32%	2.38%	0.06%
Net Fee Income Ratio	23.2%	23.5%	22.2%	-1.3%
Cost to Income Ratio	47.8%	42.8%	42.1%	-0.7%
ROA ^{/1}	1.09%	1.09%	1.16%	0.07%
ROE ^{/1}	8.55%	8.50%	9.04%	0.54%

Note:

^{/1} Attributable to owners of the Bank

Financial Performance – Year

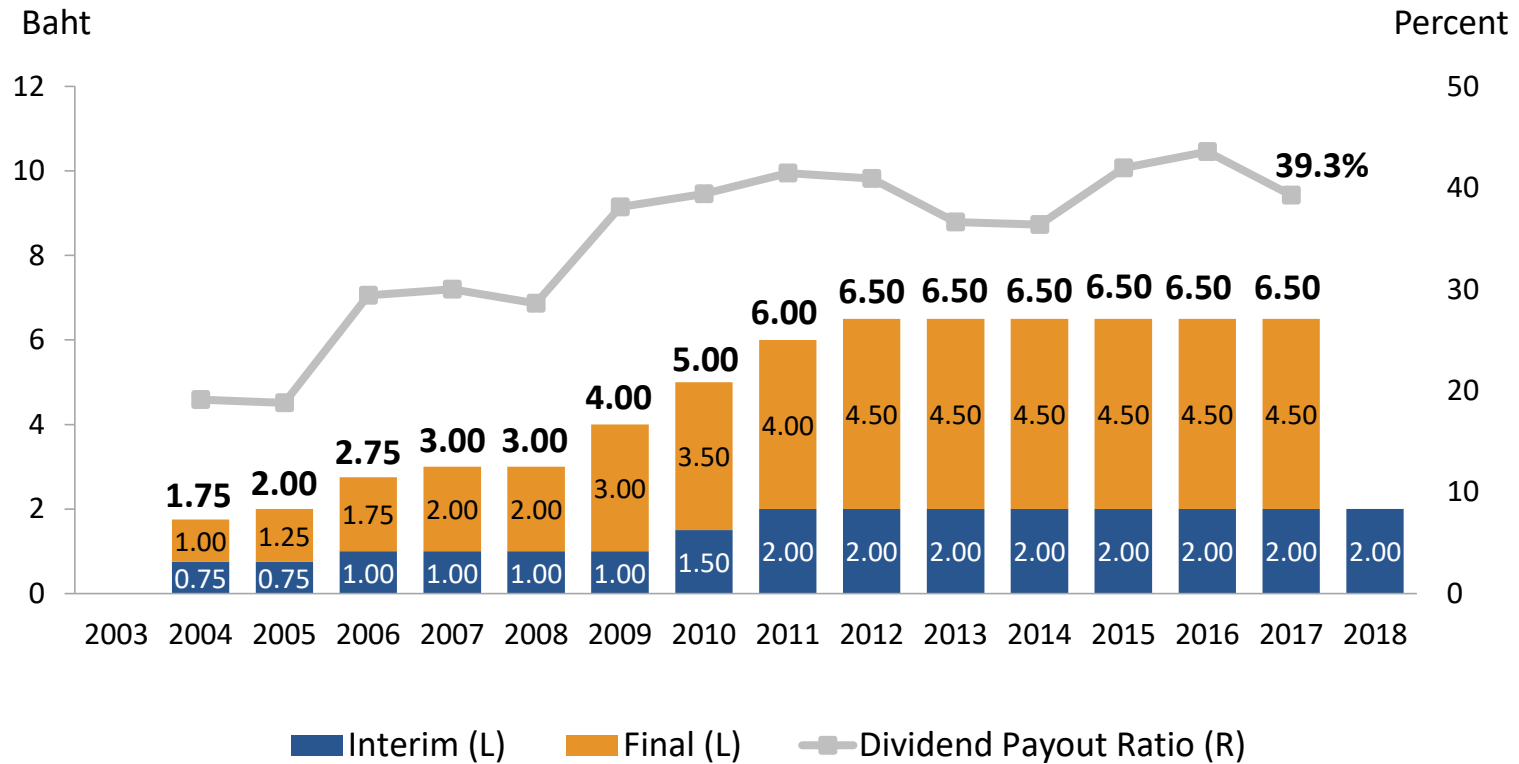
Million Baht

	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%

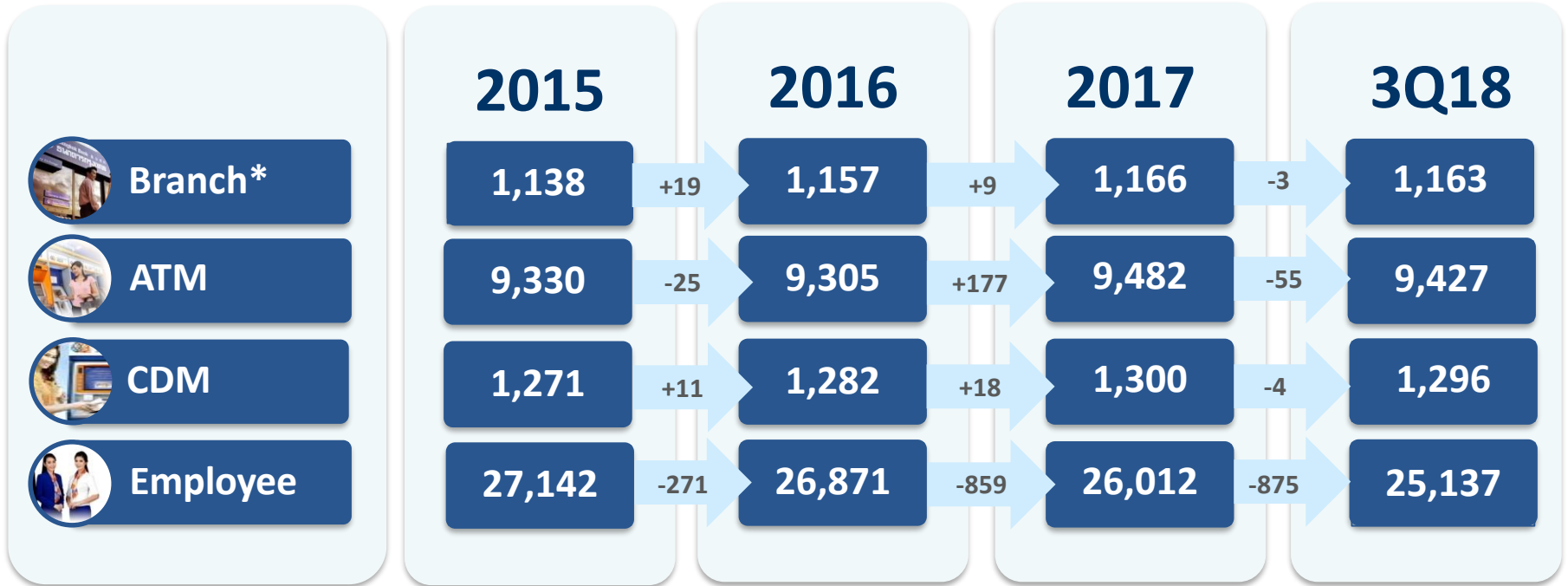
Note:

/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: 3

USA

Branch: 1
Number of Year: 53

Laos

Branch: 2
Number of Year: 25

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: 26

China^{/1}

Branch: 6
Number of Year: 32

Japan

Branch: 2
Number of Year: 62

Philippines

Branch: 1
Number of Year: 23

Taiwan

Branch: 3
Number of Year: 53

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 September 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@bangkokbank.com

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.