



Investor Presentation

For 3Q19

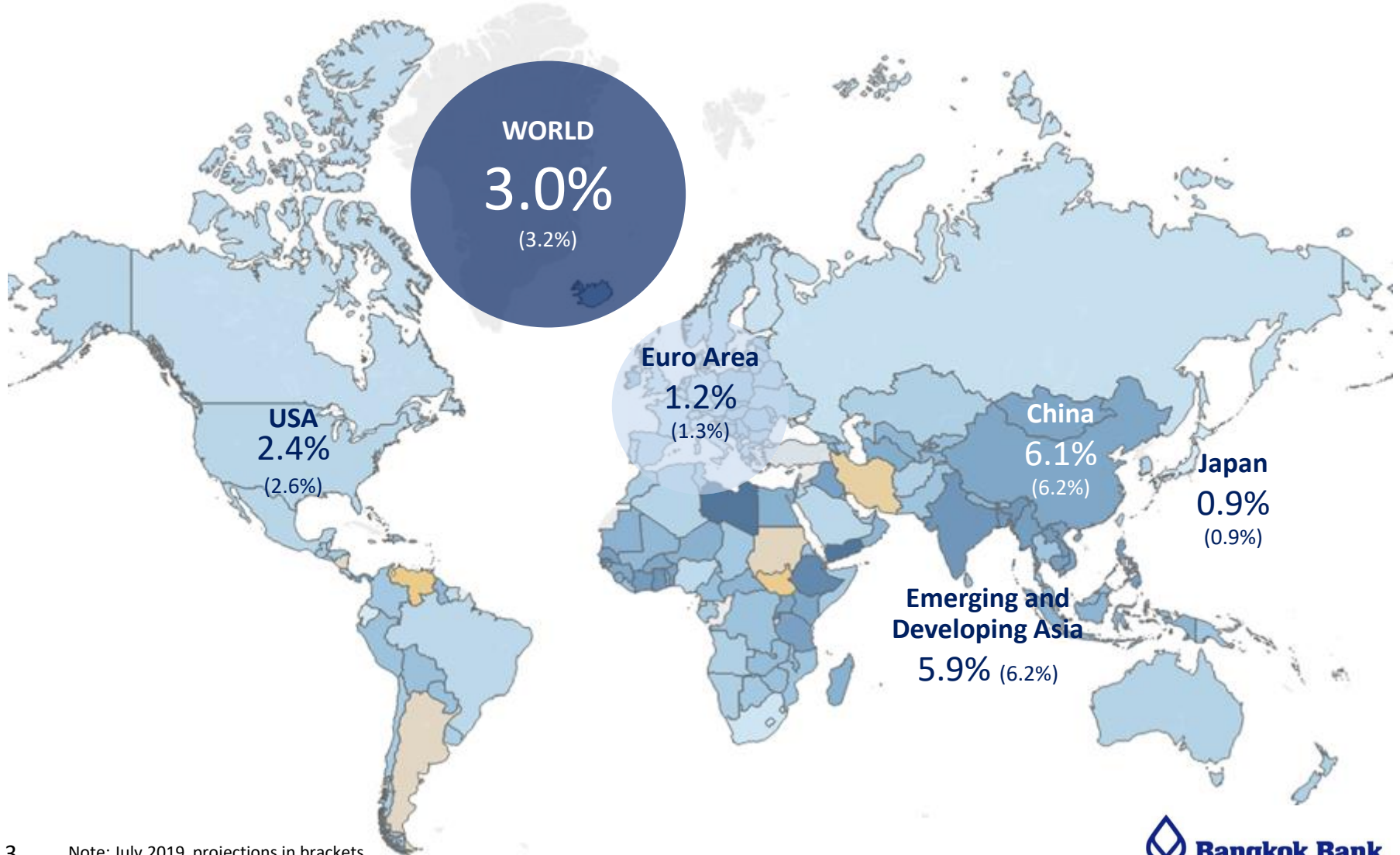
CREATING
VALUE



Bangkok Bank

- Operating Environment
- Financial Performance

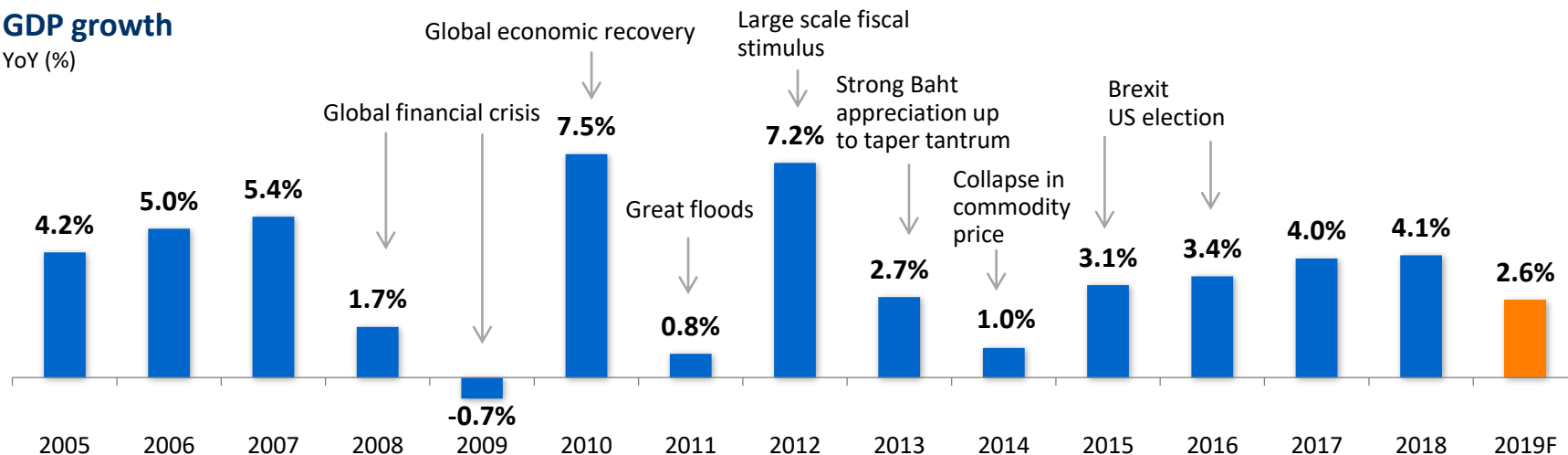
Global economy in 2019 is set to slow against the backdrop of the **US-China trade escalation**



Thailand's GDP growth in 2019 is projected to moderate as the world economy slows

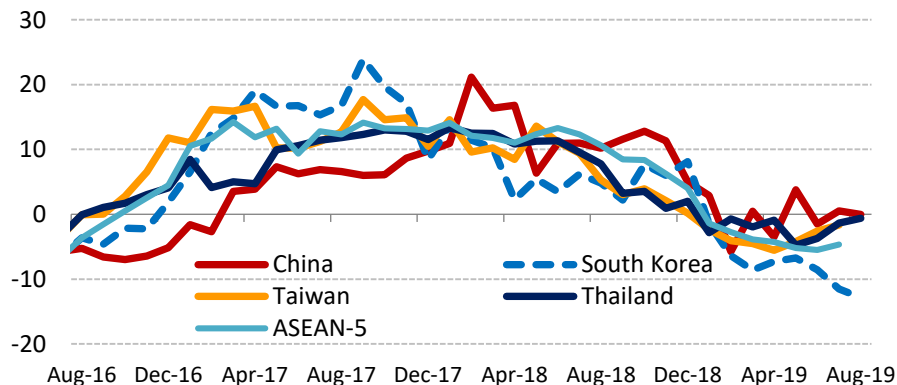
GDP growth

YoY (%)



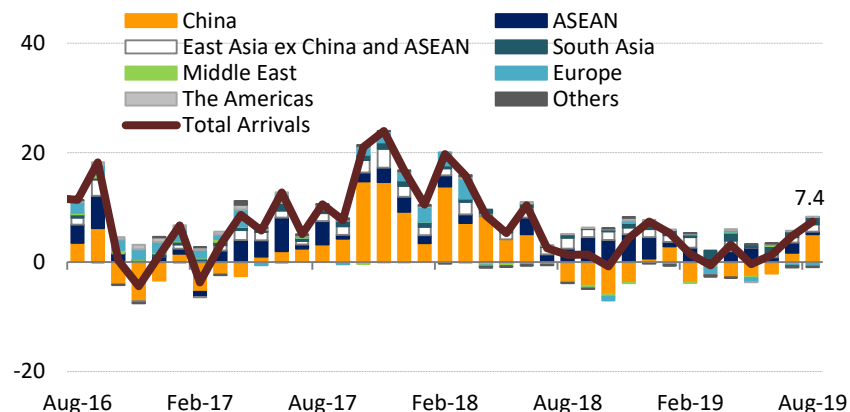
Exports of Asian economies (3mma)

%YoY



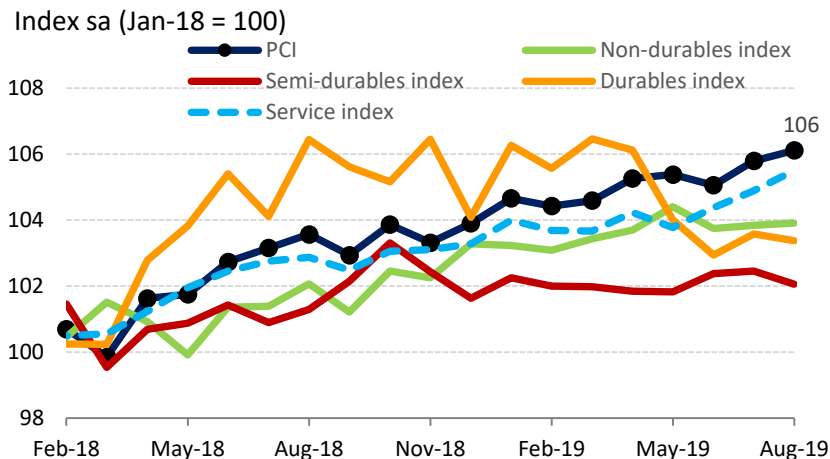
Contributions to international tourist arrivals

%YoY

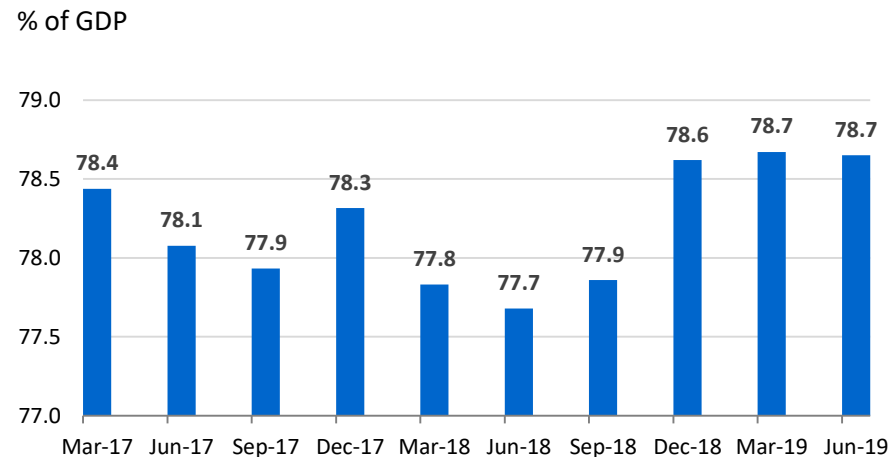


Domestic activity has softened in line with lower CapU and elevated household debt

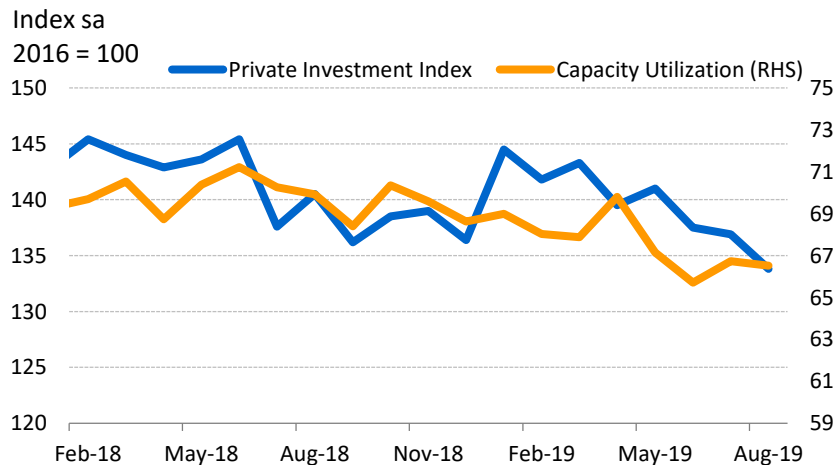
Private consumption



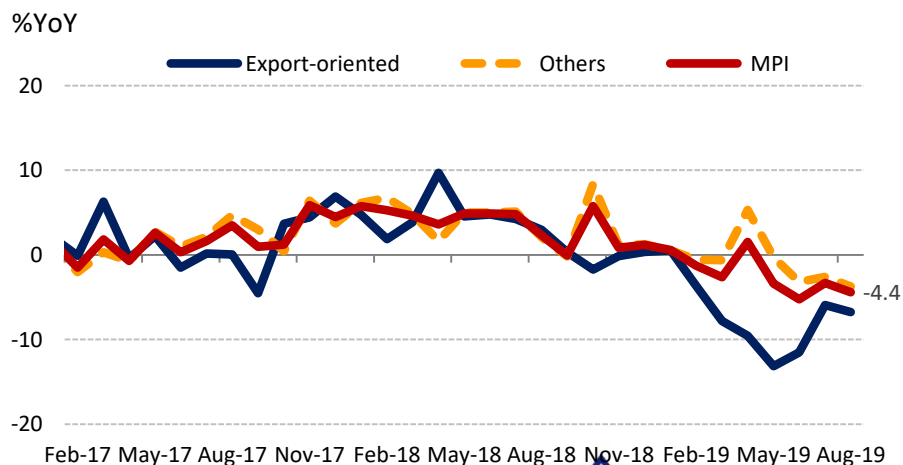
Household debt



Private investment index and capacity utilization rate



Manufacturing production index



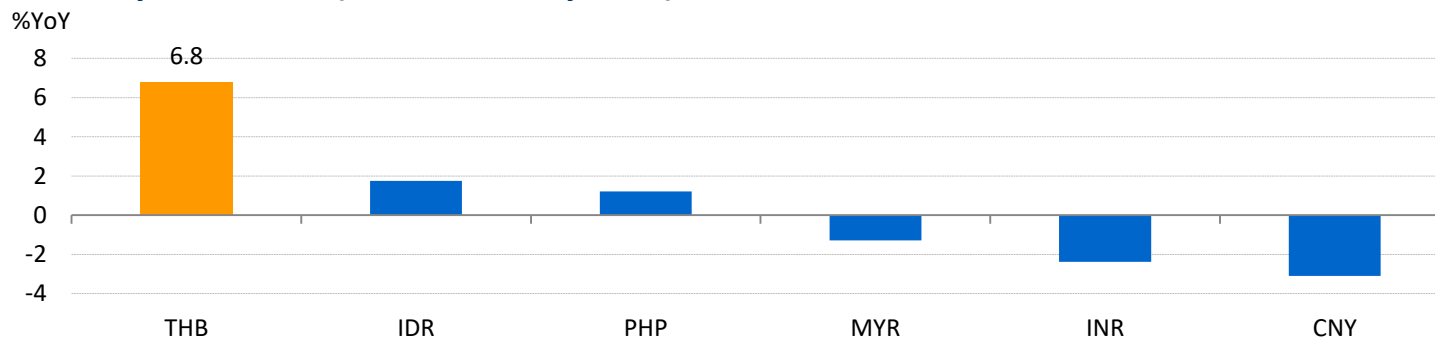
Thailand continued to maintain strong external fundamentals amongst EMs

	(1) Current Account to GDP	(2) Reserve to External Debt	(3) Budget Balance to GDP	(4) External Debt to GDP	(5) Inflation
Turkey	0.1	16.6	-1.9	57.2	18.0
Argentina	-3.9	21.5	-5.0	51.8	56.3
Colombia	-4.3	36.8	-2.4	39.9	3.3
South Africa	-2.9	28.2	-3.9	46.8	4.4
Brazil	-1.1	66.8	-7.5	29.9	4.3
Mexico	-0.9	37.4	-2.1	36.5	4.2
India	-2.1	76.0	-3.5	20.1	3.1
Russia	6.8	86.7	2.9	27.4	5.0
Philippines	-2.0	92.6	-3.2	23.9	3.0
Malaysia	3.0	44.0	-3.1	63.9	0.6
Thailand	5.5	129.9	1.2	35.2	1.1
China	1.3	157.2	-2.6	14.4	2.6
Indonesia	-3.1	31.6	-1.8	36.2	3.1
South Korea	3.8	87.2	1.6	25.6	0.7
Taiwan	11.5	249.5	1.0	32.4	0.6

Note: (1) = 4Q trailing, (2) = for latest quarter available, (3) = for 2018, (4) = for 2018, (5) = for 2Q19

Source: CEIC

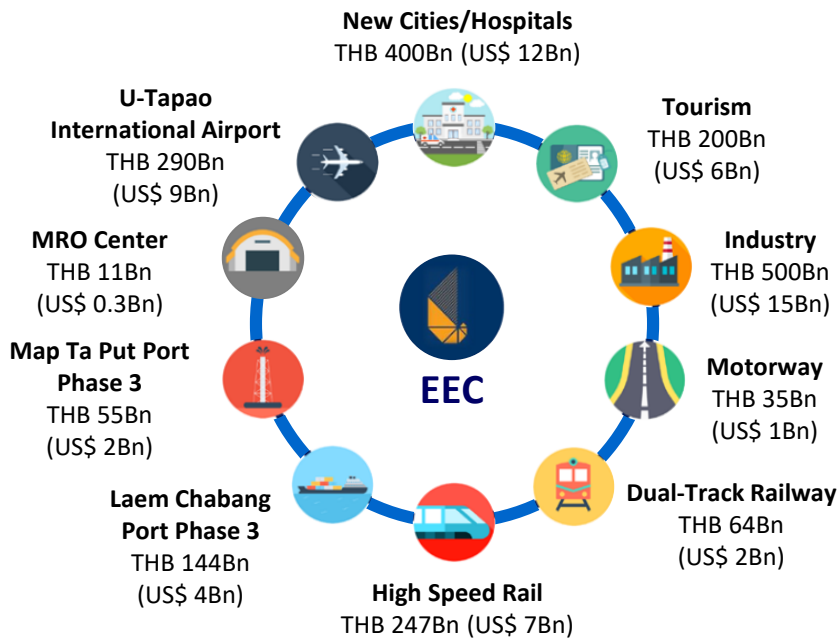
Currency movement (since 1 January 2019)



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

Combined public and private investments

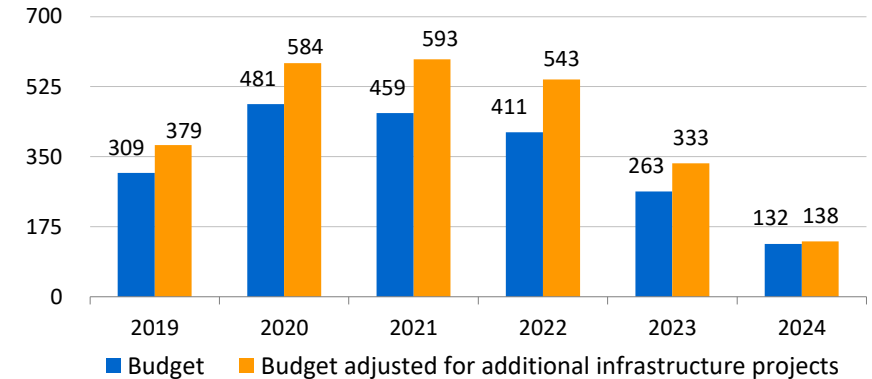
Approximately THB1.9Tn (US\$62Bn) over the next 5 years



Source: EECO

Disbursement schedule

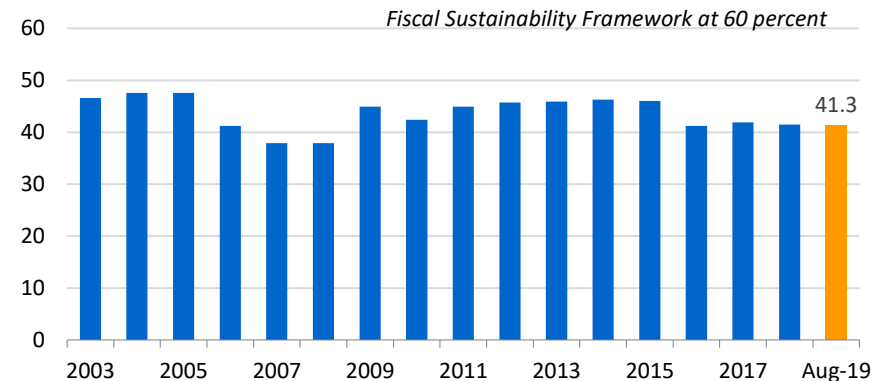
Billion Baht



Source: Ministry of Transport, OTTP, EECO, Bangkok Bank Economic Team

Public debt to GDP

% of GDP



Source: Bank of Thailand

Bangkok Bank

- Operating Environment
- **Financial Performance**

Financial Performance

 Prudent, diversified approach to loan growth



 Steady and sustainable profit supported by diversified income stream



 Strong capital base



 Manageable asset quality

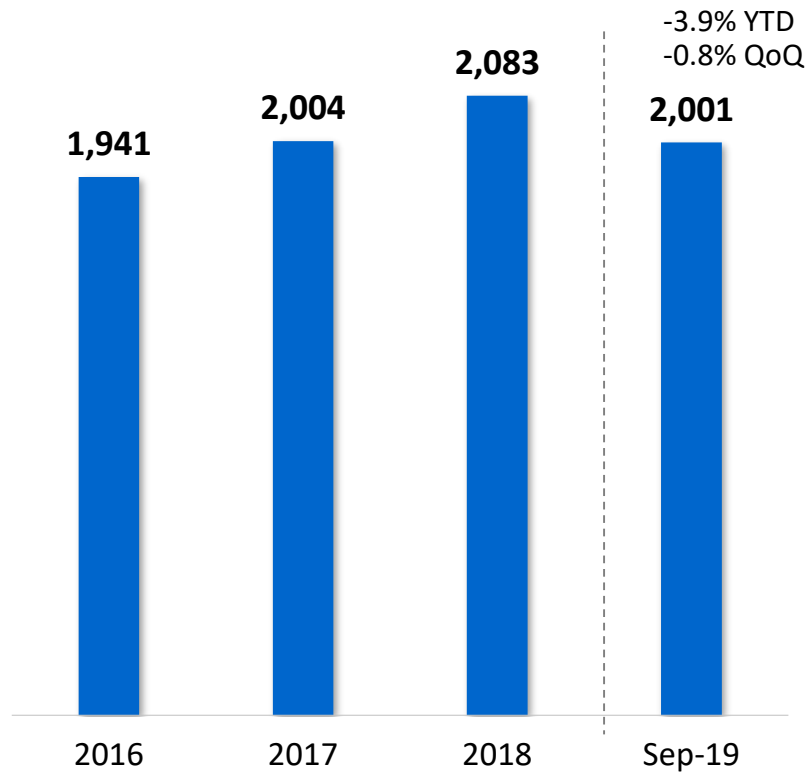


 Healthy liquidity positioning

1. PRUDENT, DIVERSIFIED APPROACH TO LOAN GROWTH

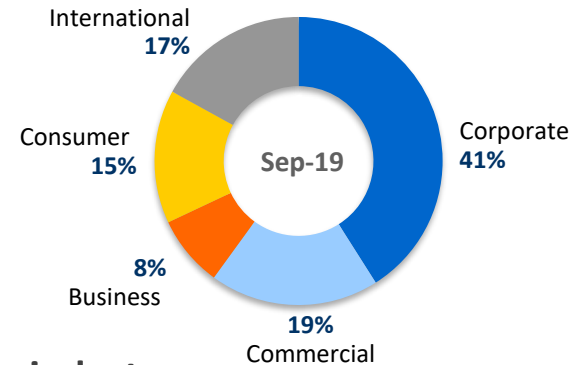
Prudent approach to loan growth, credit diversification driving earnings stability

Loan
Billion Baht



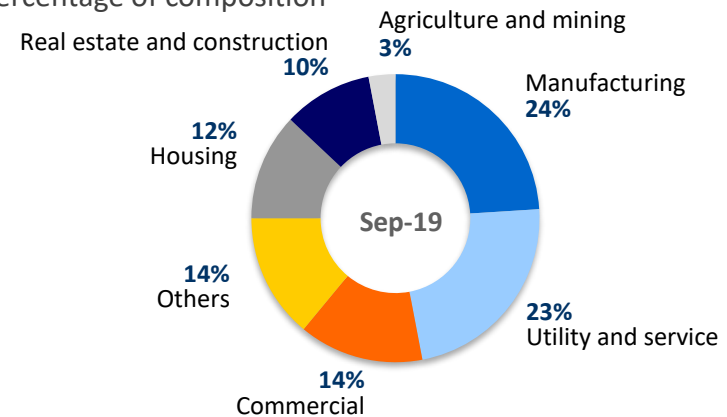
Loan by business unit

Percentage of composition



Loan by industry

Percentage of composition

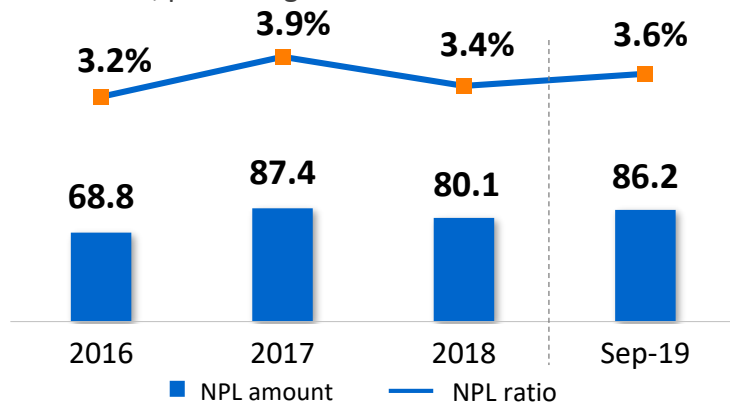


2. MANAGEABLE ASSET QUALITY

Strong loan loss reserve against downside risks

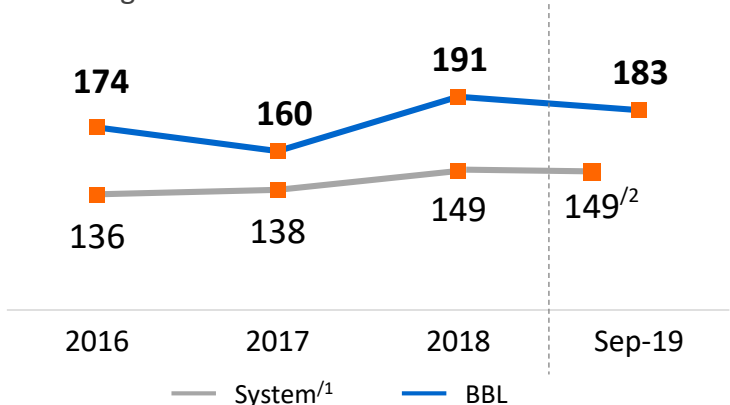
NPL amount

Billion Baht, percentage



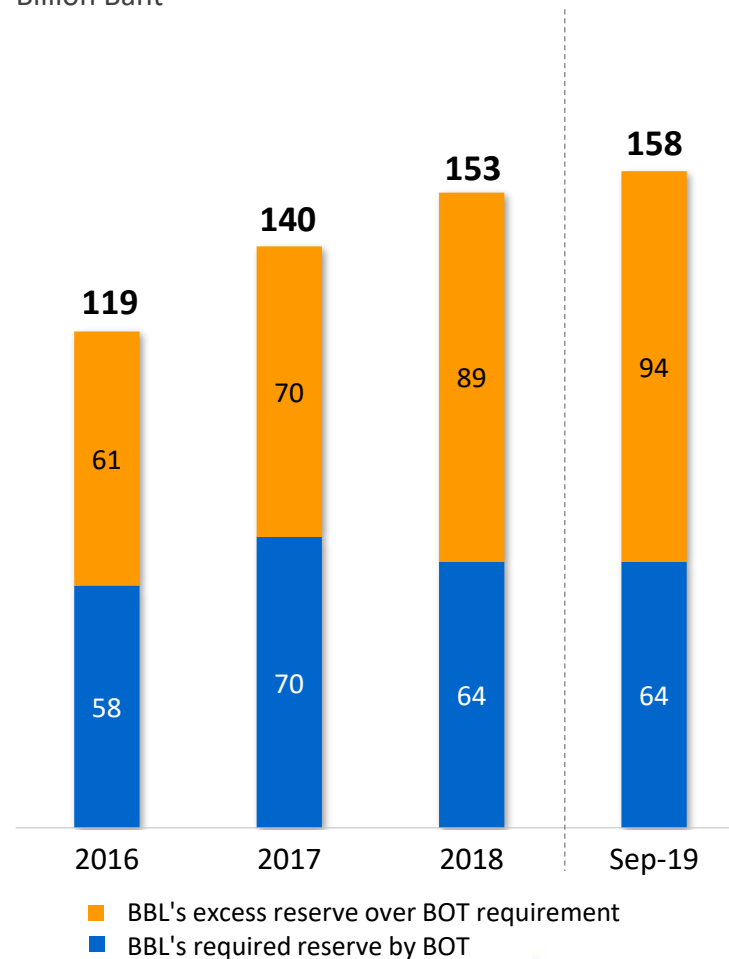
Coverage ratio

Percentage



Loan loss reserve

Billion Baht



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

/2 As of June 2019

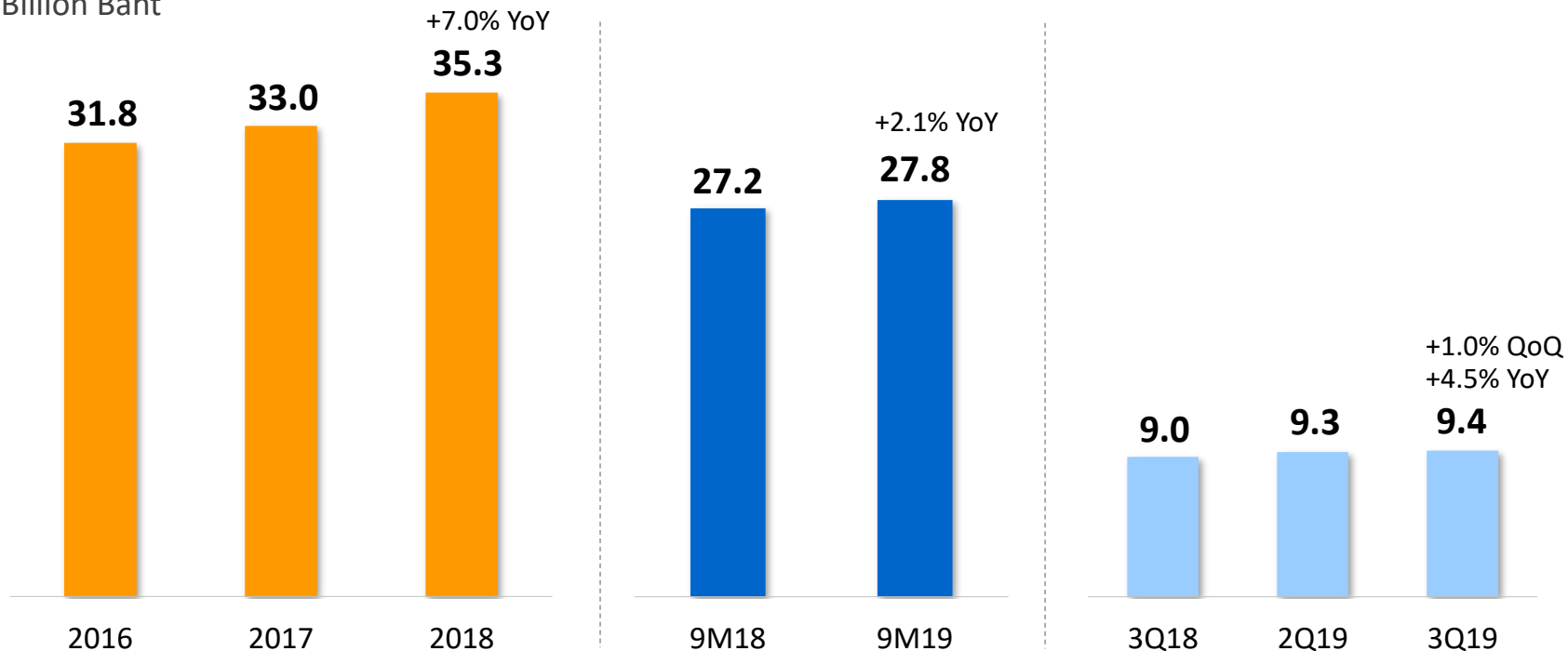
Source: Bank of Thailand, Bangkok Bank analysis

3. STEADY AND SUSTAINABLE PROFIT SUPPORTED BY DIVERSIFIED INCOME STREAM

Consistently delivering profits over business cycles

Net profit^{/1}

Billion Baht



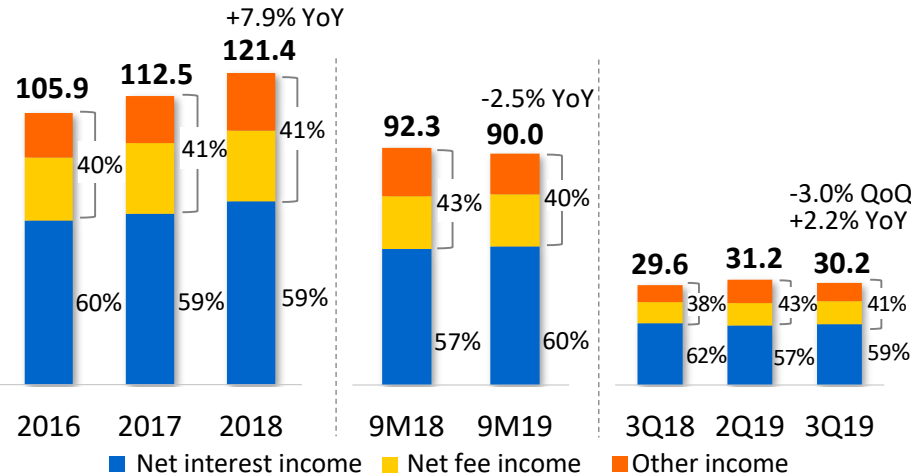
Note: /1 Attributable to owners of the Bank

3. STEADY AND SUSTAINABLE PROFIT SUPPORTED BY DIVERSIFIED INCOME STREAM

Diversified operating income and effective cost management

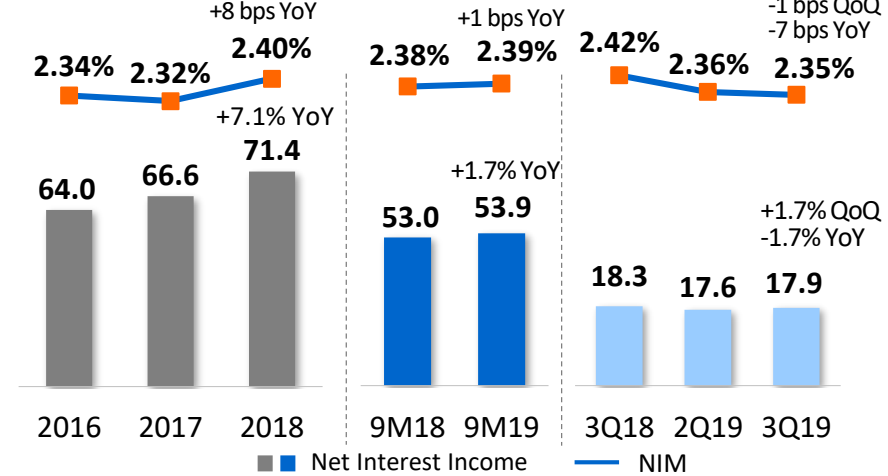
Income breakdown

Billion Baht, percentage of composition



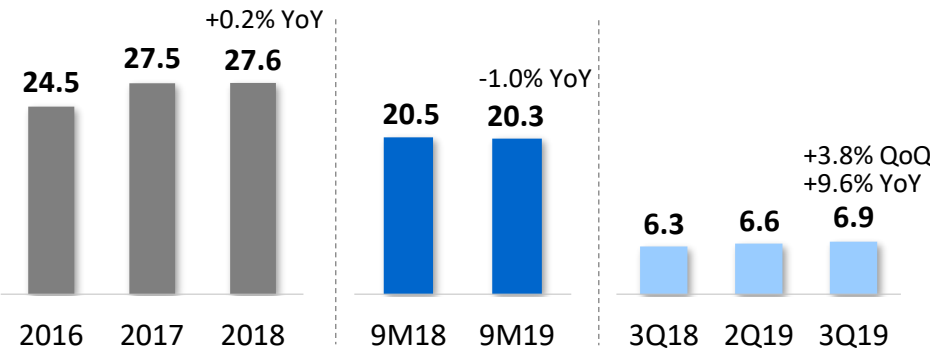
Net interest income, NIM

Billion Baht, percentage



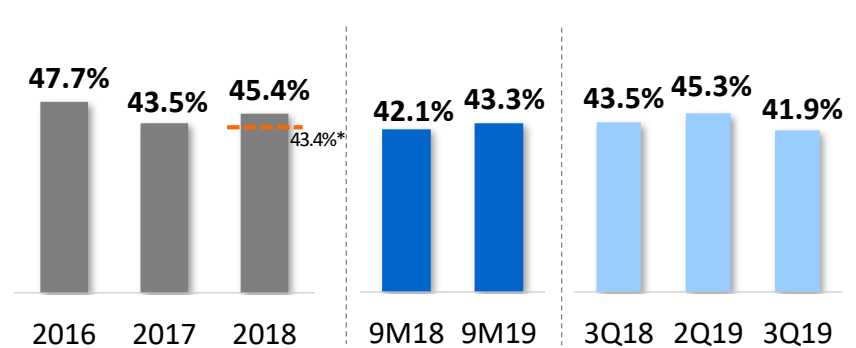
Net fee income

Billion Baht



Cost-to-income ratio

Percentage



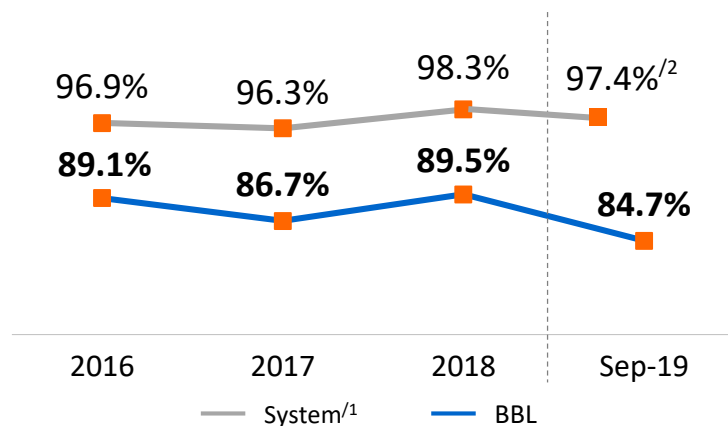
Note: * If excluding the recognition of provision for post-employment benefits for the compensation in lieu of notice in the case of retirement of employees according to the new Labor Protection Act (7) B.E. 2562 (2019).

4. HEALTHY LIQUIDITY POSITIONING

Solid deposit franchise supports our funding and liquidity

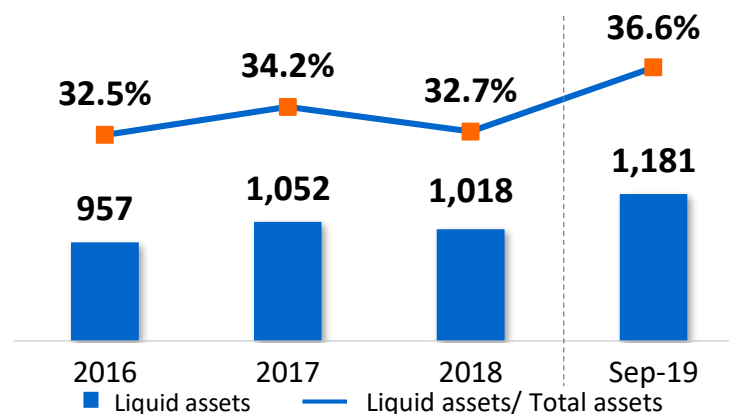
Loan-to-deposit ratio

Percentage



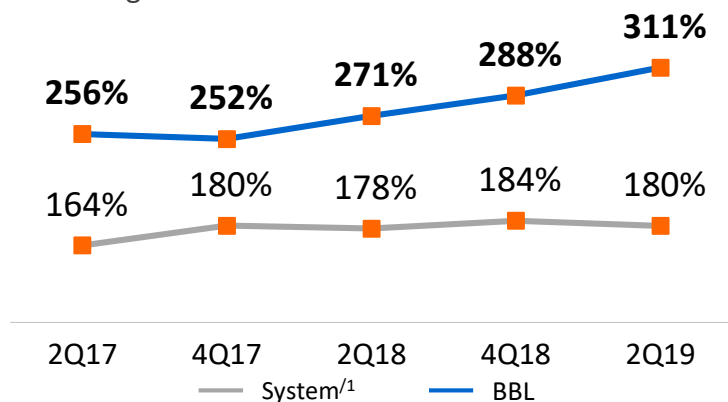
Liquid assets²

Billion Baht



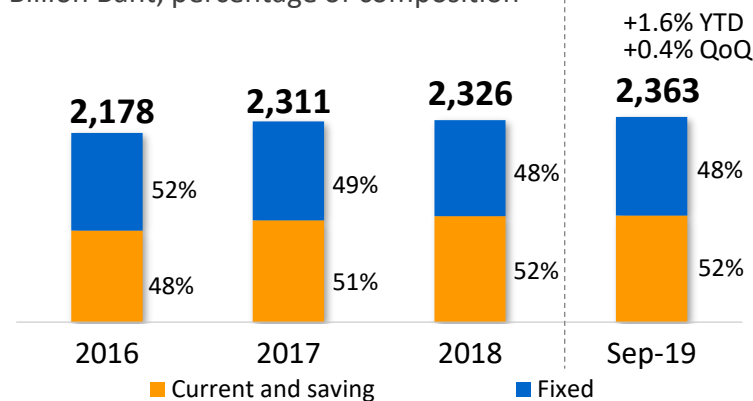
Liquidity coverage ratio³

Percentage



Deposit

Billion Baht, percentage of composition



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

/2 As of August 2019

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

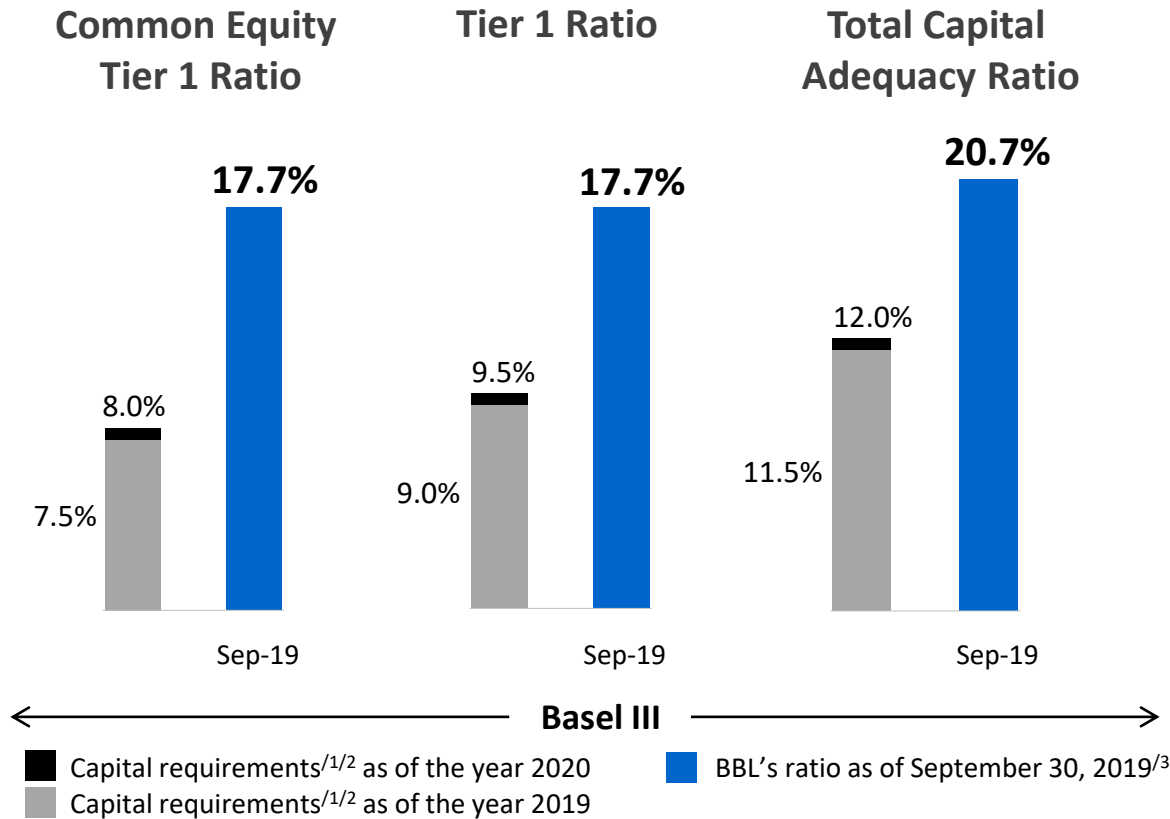
/4 The BOT requires commercial banks to maintain Liquidity Coverage Ratio (LCR) at the end of each month not less than 60%, starting from January 1, 2016. The LCR requirement is to increase by 10% yearly until it reaches 100% on January 1, 2020.

For BBL, LCR is computed as an average ratio of month-end LCR in the quarter. For System, LCR is as of month.

Source: Bank of Thailand, Bangkok Bank analysis

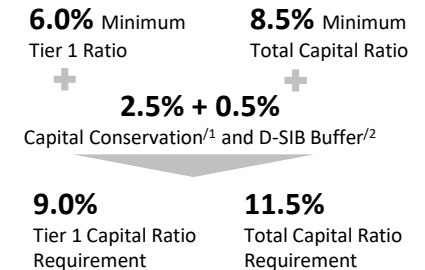
5. STRONG CAPITAL BASE

Capital level is comfortably above minimum requirements

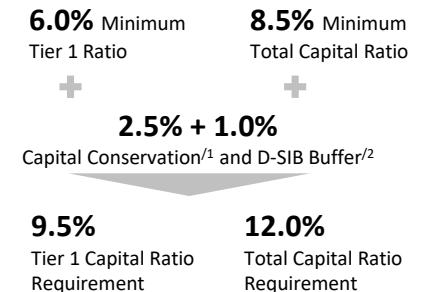


Regulatory capital ratio requirements

2019



2020



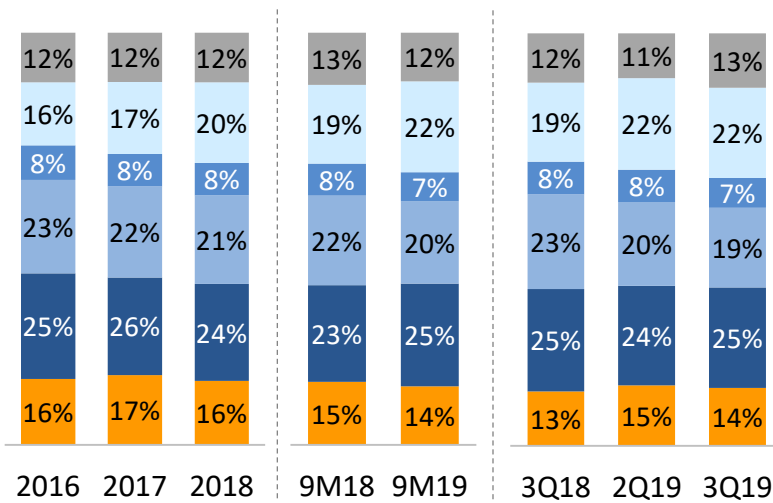
- Note: /1 The Bank of Thailand requires commercial banks to maintain an additional capital conservation buffer. The buffer will gradually increase by more than 0.625% each year from January 1, 2016 until it reaches more than 2.5% in January 1, 2019.
 /2 The Bank of Thailand announced the guidelines 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 Based on Basel III standards issued by BOT since January 1, 2013.

Appendix

Fee income

Fee income breakdown

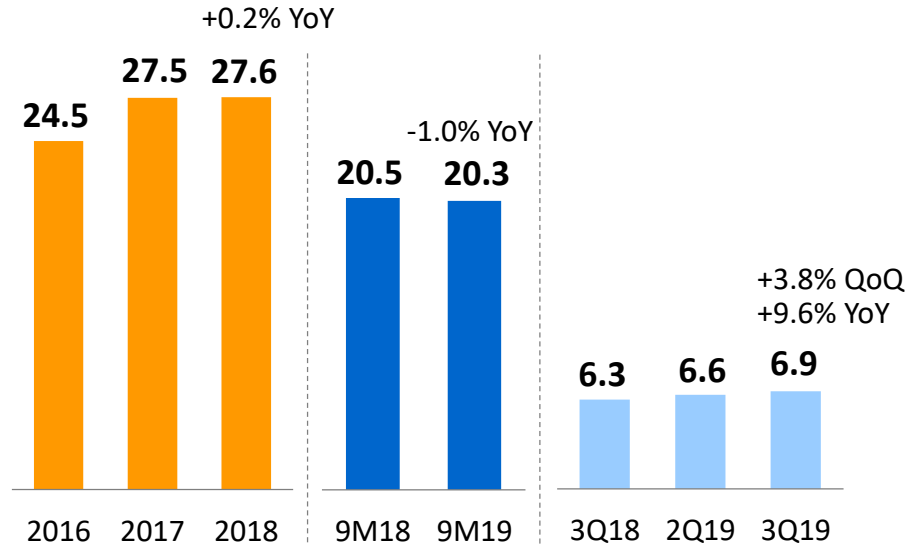
Percentage of composition



- 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-16	Dec-17	Dec-18	Sep-19	Growth (%)	
					QoQ	YTD
Loan ^{/1}	1,941,093	2,003,989	2,083,160	2,001,445	-0.8%	-3.9%
Deposit	2,178,141	2,310,743	2,326,470	2,362,766	0.4%	1.6%
LDR	89.1%	86.7%	89.5%	84.7%	-1.0%	-4.8%
NPL	68,841	87,419	80,137	86,221	5.0%	7.6%
NPL ratio	3.2%	3.9%	3.4%	3.6%	0.1%	0.2%
LLR to NPL	174%	160%	191%	183%	-2.4%	-7.5%
LLR to loan	6.2%	7.0%	7.3%	7.9%	0.3%	0.6%
Liquid assets ^{/2}	956,841	1,051,975	1,018,448	1,180,661	9.1%	15.9%
Liquid assets to total assets	32.5%	34.2%	32.7%	36.6%	2.2%	3.9%
CASA	48.4%	50.7%	52.4%	52.0%	-0.2%	-0.4%
CET1/Tier 1 ratio ^{/3}	16.4%	16.6%	16.4%	17.7%	0.9%	1.3%
CAR ^{/3}	18.3%	18.2%	18.0%	20.7%	2.4%	2.7%

Note:

/1 Loan = Loan to customer less deferred revenue

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

/3 Based on Basel III standards issued by BOT since January 1, 2013

Financial performance – 3Q19

Million Baht

	3Q18	2Q19	3Q19	Growth (%)	
				QoQ	YoY
Net interest income	18,256	17,635	17,944	1.8%	-1.7%
Net fee income	6,263	6,615	6,864	3.8%	9.6%
Other operating income	5,058	6,919	5,431	-21.5%	7.4%
Total income	29,577	31,169	30,239	-3.0%	2.2%
Operating expense	12,878	14,108	12,679	-10.1%	-1.5%
Provisioning expense	5,346	5,549	5,381	-3.0%	0.7%
Net profit/ ¹	9,030	9,347	9,438	1.0%	4.5%
EPS/ ¹ (Baht per share)	4.73	4.90	4.94	1.0%	4.5%
NIM	2.42%	2.36%	2.35%	-0.01%	-0.07%
Net fee income ratio	21.2%	21.2%	22.7%	1.5%	1.5%
Cost to income ratio	43.5%	45.3%	41.9%	-3.3%	-1.6%
ROA/ ¹	1.14%	1.19%	1.17%	-0.02%	0.03%
ROE/ ¹	8.91%	8.84%	8.78%	-0.06%	-0.13%

Note:

¹ Attributable to owners of the Bank

Financial performance – year and 9 months

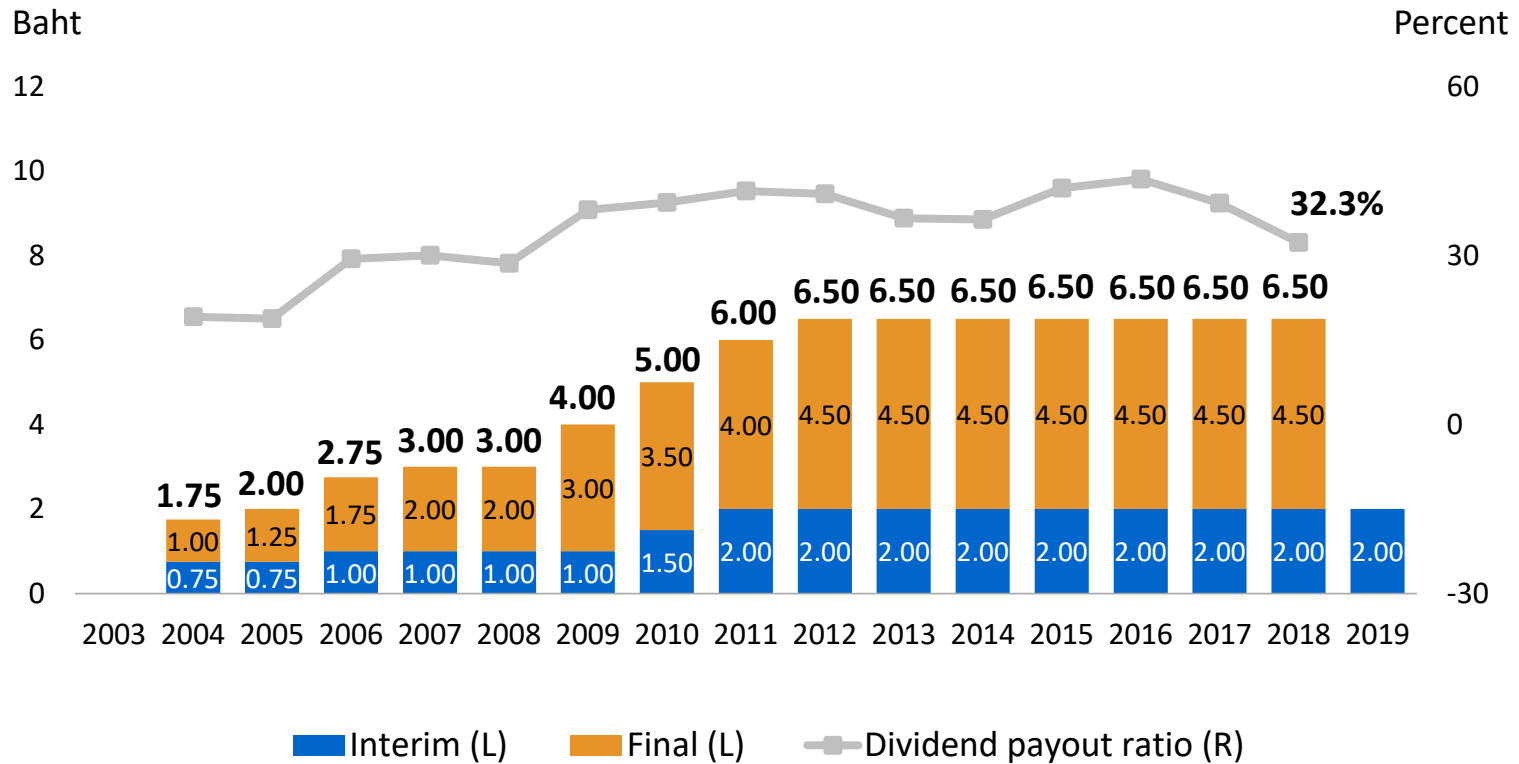
Million Baht

	2016	2017	2018	Growth %YoY	9M18	9M19	Growth %YoY
Net interest income	63,998	66,625	71,376	7.1%	52,953	53,878	1.7%
Net fee income	24,492	27,526	27,590	0.2%	20,520	20,319	-1.0%
Other operating income	17,368	18,317	22,435	22.5%	18,865	15,826	-16.1%
Total income	105,858	112,468	121,400	7.9%	92,338	90,023	-2.5%
Operating expense	50,505	48,948	55,165	12.7%	38,832	38,975	0.4%
Provisioning expense	15,728	22,370	21,965	-1.8%	19,200	16,009	-16.6%
Net profit/ ¹	31,815	33,009	35,330	7.0%	27,229	27,814	2.1%
EPS/ ¹ (Baht per share)	16.67	17.29	18.51	7.0%	14.26	14.57	2.1%
NIM	2.34%	2.32%	2.40%	0.08%	2.38%	2.39%	0.01%
Net fee income ratio	23.1%	24.5%	22.7%	-1.8%	22.2%	22.6%	0.4%
Cost to income ratio	47.7%	43.5%	45.4%	1.9%	42.1%	43.3%	1.2%
ROA/ ¹	1.09%	1.09%	1.13%	0.04%	1.16%	1.18%	0.02%
ROE/ ¹	8.59%	8.49%	8.73%	0.24%	9.04%	8.79%	-0.25%

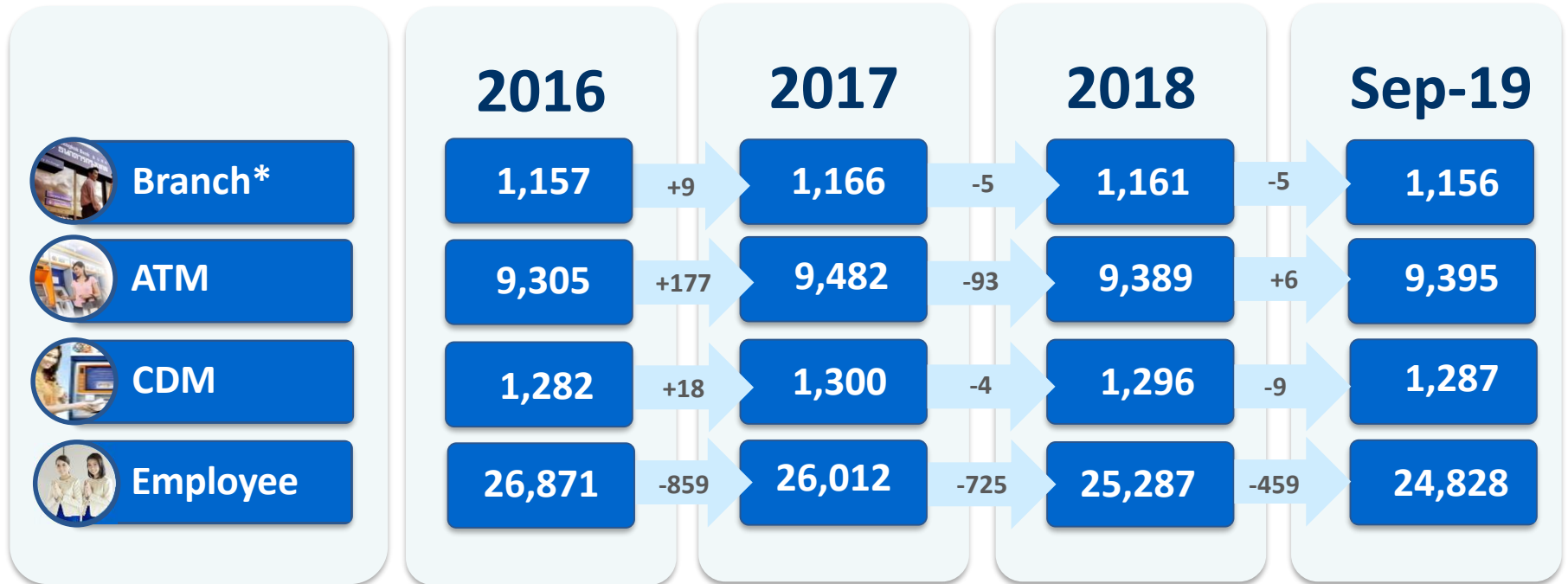
Note:

¹/1 Attributable to owners of the Bank

Dividend and payout ratio



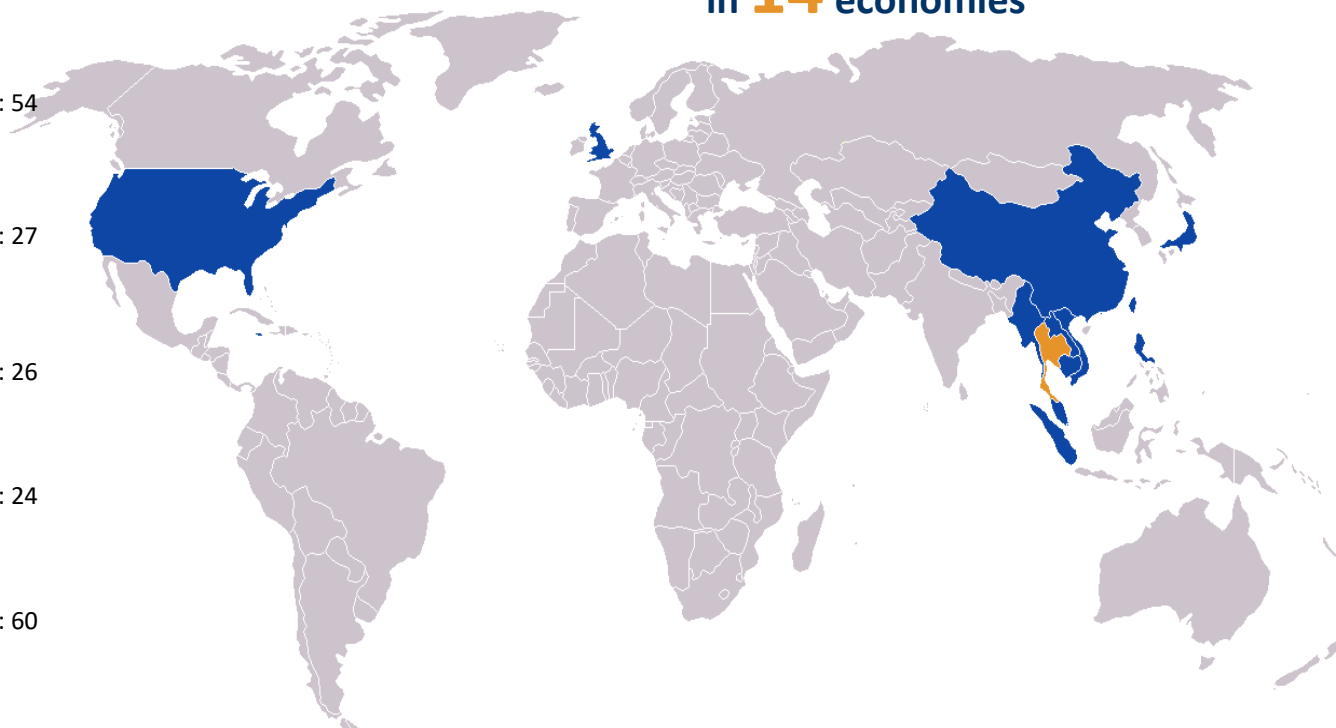
Network



Note: Consolidated
* Domestic branches

Long-standing international presence

31 International locations
in **14** economies



UK
Branch: 1
Number of year: 62

USA
Branch: 1
Number of year: 54

Vietnam
Branch: 2
Number of year: 27

Laos
Branch: 2
Number of year: 26

Myanmar
Branch: 1
Number of year: 24

Malaysia^{/1}
Branch: 5
Number of year: 60

Singapore
Branch: 1
Number of year: 62

China^{/1}
Branch: 6
Number of year: 33

Japan
Branch: 2
Number of year: 63

Philippines
Branch: 1
Number of year: 24

Taiwan
Branch: 3
Number of year: 54

Hong Kong
Branch: 2
Number of year: 65

Cambodia
Branch: 1
Number of year: 4

Indonesia
Branch: 3
Number of year: 46

Note: As at September 2019
/1 Wholly-owned subsidiary

Source: Bangkok Bank filing

For further information

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Bangkok Bank website

www.bangkokbank.com

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