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**Summary of Operating Results for the Bank and its Subsidiaries****Quarter and Year Ended December 31, 2017**

In 2017, the Thai economy continued to expand, primarily due to higher growth in exports and tourism as well as a recovery in overseas demand from the global economy, which expanded by a better than expected pace. However, the diverging monetary policies of the world's major central banks and the political environment in important trading partners may result in an environment of global financial and trade uncertainty. Against this backdrop, Bangkok Bank has continued its prudent approach to financial management by maintaining liquidity and capital positions at sufficient levels to support future business expansion and cope with uncertainties, to ensure financially sustainable business expansion.

Bangkok Bank and its subsidiaries' net interest income amounted to Baht 66.6 billion, an increase of 4.1 percent from 2016, with a net interest margin of 2.32 percent. Non-interest income was Baht 45.8 billion, an increase of 9.5 percent due predominantly to the increase in net fees and service income and gains on investments. The increase in net fees and service income caused by the increase in fee income from bancassurance and mutual funds, and loan-related fees. The Bank's operating expenses were Baht 48.9 billion, a decrease of 3.1 percent, with a ratio of expense to operating income of 43.5 percent. Consequently, net profit (attributable to the Bank) for 2017 was Baht 33.0 billion, an increase of 3.8 percent from last year.

At the end of December 2017, the Bank's loans were Baht 2,004.0 billion, an increase of 3.2 percent from the end of 2016. The ratio of non-performing loans (NPLs) to total loans was 3.9 percent, while the total allowances for doubtful accounts were Baht 140.0 billion with the ratio of loan loss reserves to NPLs at 160.2 percent.

In terms of capital, the Bank of Thailand (BOT) announced the guidelines for identifying and regulating Domestic Systemically Important Banks (D-SIBs) in September 2017. Bangkok Bank, which is classified as a D-SIB, is required by the BOT to hold additional capital for the Higher Loss Absorbency (HLA), which gradually increasing the required common equity Tier 1 capital ratio, by an increment of 0.5 percent from January 1, 2019 until completion of the increment of 1.0 percent from January 1, 2020 onwards. For the Bank, with the inclusion of net profit from July to December 2017, the total capital adequacy ratio, the Common Equity Tier 1 capital adequacy ratio and the Tier 1 capital adequacy ratio of the Bank and its subsidiaries would be approximately 18.9 percent, 17.4 percent and 17.4 percent, respectively. These capital adequacy ratios are adequate to support the additional capital adequacy ratios specified in the guidelines on D-SIBs. Shareholders' equity as of December 31, 2017, amounted to Baht 401.7 billion. The book value per share was Baht 210.45, an increase of Baht 11.90 from the end of 2016.

## Overall Picture of the Bank and its Subsidiaries

Million Baht

Item	Quarter			Change (%)		Year		Change (%)
	4/2017	3/2017	4/2016	3/2017	4/2016	2017	2016	
Net profit *	<b>8,496</b>	8,161	8,267	4.1%	2.8%	<b>33,009</b>	31,815	3.8%
Earnings per share (Baht)	<b>4.45</b>	4.28	4.33	4.1%	2.8%	<b>17.29</b>	16.67	3.8%
Net interest margin	<b>2.31%</b>	2.30%	2.36%	0.01%	(0.05)%	<b>2.32%</b>	2.34%	(0.02)%
Net fees and service income to operating income ratio	<b>27.3%</b>	23.2%	22.9%	4.1%	4.4%	<b>24.5%</b>	23.1%	1.4%
Expense to operating income ratio	<b>45.5%</b>	41.9%	47.4%	3.6%	(1.9)%	<b>43.5%</b>	47.7%	(4.2)%
Return on average assets *	<b>1.10%</b>	1.06%	1.13%	0.04%	(0.03)%	<b>1.09%</b>	1.09%	-
Return on average equity *	<b>8.48%</b>	8.33%	8.77%	0.15%	(0.29)%	<b>8.49%</b>	8.59%	(0.10)%

\* Attributable to the Bank

Million Baht

Item	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Loans **	<b>2,003,989</b>	1,938,619	1,941,093	3.4%	3.2%
Deposits	<b>2,310,743</b>	2,300,958	2,178,141	0.4%	6.1%
Loan to deposit ratio	<b>86.7%</b>	84.3%	89.1%	2.5%	(2.4)%
Non-performing loans (NPLs)	<b>87,419</b>	88,231	68,841	(0.9)%	27.0%
Ratio of NPLs to total loans	<b>3.9%</b>	3.8%	3.2%	0.1%	0.7%
Ratio of loan loss reserves to NPLs	<b>160.2%</b>	154.0%	173.6%	6.2%	(13.4)%
Total capital adequacy ratio	<b>18.2%</b>	18.7%	18.3%	(0.5)%	(0.1)%

\*\* Less deferred revenue

## Operating Income and Expenses of the Bank and its Subsidiaries

Million Baht

Item	Quarter			Change (%)		Year		Change
	4/2017	3/2017	4/2016	3/2017	4/2016	2017	2016	(%)
Net interest income	<b>16,955</b>	16,825	16,303	0.8%	4.0%	<b>66,625</b>	63,998	4.1%
Non-interest income	<b>11,789</b>	11,651	11,063	1.2%	6.6%	<b>45,843</b>	41,860	9.5%
Operating expenses	<b>13,089</b>	11,938	12,968	9.6%	0.9%	<b>48,948</b>	50,505	(3.1)%
Impairment loss of loans and debt securities	<b>4,617</b>	6,259	3,596	(26.2)%	28.4%	<b>22,370</b>	15,728	42.2%
Operating profit before tax	<b>11,038</b>	10,279	10,802	7.4%	2.2%	<b>41,150</b>	39,625	3.8%
Income tax expenses	<b>2,457</b>	2,037	2,469	20.6%	(0.5)%	<b>7,832</b>	7,556	3.7%
Net profit	<b>8,581</b>	8,242	8,333	4.1%	3.0%	<b>33,318</b>	32,069	3.9%
Net profit *	<b>8,496</b>	8,161	8,267	4.1%	2.8%	<b>33,009</b>	31,815	3.8%
Total comprehensive income *	<b>8,705</b>	12,196	8,128	(28.6)%	7.1%	<b>34,763</b>	29,205	19.0%

\* Attributable to the Bank

In terms of operating results for the fourth quarter of 2017, compared with the third quarter of 2017, Bangkok Bank and its subsidiaries reported an increase of Baht 138 million or 1.2 percent in non-interest income due mainly to an increase in net fees and service income, with contributions from loan-related fees, bancassurance and mutual funds as well as fee income from underwriting commitments, while gains on investments decreased. Net interest income rose by Baht 130 million or 0.8 percent due to an increase in interest income from investments. This was coupled with the decline in interest expenses on debt issued and borrowings from the early redemption of Subordinated Debentures No. 1/2012. Impairment loss of loans and debt securities declined by Baht 1.6 billion or 26.2 percent while operating expenses rose by Baht 1.2 billion, due predominantly to an increase in other expenses, and premises and equipment expenses. Consequently, net profit (attributable to the Bank) in the fourth quarter of 2017 amounted to Baht 8.5 billion, an increase of Baht 335 million or 4.1 percent from the third quarter of 2017.

Compared with the fourth quarter of 2016, non-interest income rose by Baht 726 million or 6.6 percent, mainly due to increases in net fees and service income, largely due to an increase in loan-related fees and fee income from bancassurance and mutual funds. Net interest income rose by Baht 652 million or 4.0 percent mainly due to an increase in interest income from interbank and money market items and loans, while interest expenses from deposits increased in line with an increase in deposit volume. Operating expenses rose by Baht 121 million or 0.9 percent, due predominantly to increases in personnel expenses and premises and equipment expenses, while other expenses decreased due mainly to a decline in provisions for contingencies. Impairment loss of loans and debt securities rose by Baht 1.0 billion. Consequently, net profit (attributable to the Bank) rose by Baht 229 million or 2.8 percent from the same quarter of 2016.

Comparing 2017 to 2016, Bangkok Bank and its subsidiaries reported an increase of Baht 4.0 billion or 9.5 percent in non-interest income due predominantly to the increase in net fees and service income, caused by the increase in fee income from bancassurance and mutual funds, loan-related fees, and gains on investments. Net interest income rose by Baht 2.6 billion or 4.1 percent mainly due to an increase in interest income from interbank and money market items and an increase in interest income from loans. Operating expenses decreased by Baht 1.6 billion or 3.1 percent, due predominantly to a decrease in provisions for contingencies. Impairment loss on loans and debt securities rose by Baht 6.6 billion or 42.2 percent. As a result, net profit (attributable to the Bank) amounted to Baht 33.0 billion, an increase of Baht 1.2 billion or 3.8 percent from the previous year.

### Net Interest Income

Million Baht

Item	Quarter			Change (%)		Year		Change (%)
	4/2017	3/2017	4/2016	3/2017	4/2016	2017	2016	
<b>Interest Income</b>								
Loans	<b>22,465</b>	22,418	21,967	0.2%	2.3%	<b>88,876</b>	88,079	0.9%
Interbank and money market items	<b>2,237</b>	2,348	1,499	(4.7)%	49.2%	<b>8,358</b>	6,122	36.5%
Investments	<b>2,158</b>	1,987	2,055	8.6%	5.0%	<b>8,242</b>	8,242	-
<b>Total interest income</b>	<b>26,860</b>	26,753	25,521	0.4%	5.2%	<b>105,476</b>	102,443	3.0%
<b>Interest expenses</b>								
Deposits	<b>5,616</b>	5,552	4,992	1.2%	12.5%	<b>21,596</b>	21,410	0.9%
Interbank and money market items	<b>310</b>	307	235	1.0%	31.9%	<b>1,115</b>	1,104	1.0%
Contributions to the Deposit Protection Agency and Financial Institutions Development Fund	<b>2,429</b>	2,442	2,277	(0.5)%	6.7%	<b>9,617</b>	9,127	5.4%
Debt issued and borrowings	<b>1,550</b>	1,627	1,714	(4.7)%	(9.6)%	<b>6,523</b>	6,804	(4.1)%
<b>Total interest expenses</b>	<b>9,905</b>	9,928	9,218	(0.2)%	7.5%	<b>38,851</b>	38,445	1.1%
<b>Net interest income</b>	<b>16,955</b>	16,825	16,303	0.8%	4.0%	<b>66,625</b>	63,998	4.1%
Yield on earning assets	<b>3.66%</b>	3.65%	3.69%	0.01%	(0.03)%	<b>3.68%</b>	3.74%	(0.06)%
Cost of funds	<b>1.54%</b>	1.54%	1.52%	-	0.02%	<b>1.54%</b>	1.59%	(0.05)%
Net interest margin	<b>2.31%</b>	2.30%	2.36%	0.01%	(0.05)%	<b>2.32%</b>	2.34%	(0.02)%

Net interest income in the fourth quarter of 2017 amounted to Baht 17.0 billion, an increase of Baht 130 million or 0.8 percent from the third quarter of 2017, due to an increase of Baht 107 million or 0.4 percent in interest income, mainly from an increase of Baht 171 million or 8.6 percent in interest income from investments, due largely to an increase in investment volume. Interest income from interbank and money market items declined by Baht 111 million or 4.7 percent from a decline in transaction volume. Interest expenses declined by Baht 23 million or 0.2 percent, due mainly to a decrease of Baht 77 million in interest expenses on debt issued and borrowings from the early redemption of Subordinated Debentures No. 1/2012 in December 2017. Interest expenses from deposits rose by Baht 64 million or 1.2 percent. The net interest margin rose by 0.01 percent from the previous quarter to 2.31 percent as a result of higher yield on earning assets.

Compared with the fourth quarter of 2016, net interest income rose by Baht 652 million or 4.0 percent, due to an increase of Baht 1.3 billion or 5.2 percent in interest income. Significant items included an increase of Baht 738 million or 49.2 percent in interest income from interbank and money market items due to an increase in transaction volume, and an increase of Baht 498 million or 2.3 percent in interest income from loans due to an increase in lending volume. Interest expenses rose by Baht 687 million or 7.5 percent, mainly from an increase of Baht 624 million or 12.5 percent in interest expenses on deposits due to an increase in deposit volume. As a result, contributions to the Deposit Protection Agency and Financial Institutions Development Fund also increased. The net interest margin decreased by 0.05 percent from the same quarter last year.

In 2017, net interest income amounted to Baht 66.6 billion, an increase of Baht 2.6 billion or 4.1 percent from 2016, due predominantly to an increase of Baht 2.2 billion or 36.5 percent in interest income from interbank and money market items caused by an increase in transaction volume and yield which is in line with market yield, and an increase of Baht 797 million or 0.9 percent in interest income on loans due to the expansion in loan volume. Interest expenses rose by

Baht 406 million or 1.1 percent mainly due to an increase in interest expenses on deposits and contributions to the Deposit Protection Agency and Financial Institutions Development Fund in line with an increase in deposit volume. The net interest margin decreased by 0.02 percent from last year to 2.32 percent as a result of lower yield on earning assets.

Bangkok Bank Interest Rates	May 16, '17	Apr 25, '16	Apr 6, '16	May 26, '15
<b>Loans (%)</b>				
MOR	7.125	7.375	7.375	7.375
MRR	7.125	7.625	7.875	7.875
MLR	6.250	6.250	6.250	6.500
<b>Deposits (%)</b>				
Savings	0.500-0.625	0.500-0.625	0.500-0.625	0.500-0.625
Fixed 3 months	1.000	1.000	1.000	1.000
Fixed 6 months	1.250	1.250	1.250	1.250
Fixed 12 months	1.500	1.500	1.500	1.500
		<b>Apr 29, '15</b>		<b>Mar 11, '15</b>
<b>Bank of Thailand Policy Rates (%)</b>		1.500		1.750

### Non-Interest Income

Million Baht

Item	Quarter		Change (%)		Year		Change (%)	
	4/2017	3/2017	4/2016	3/2017	4/2016	2017		2016
Fees and service income	<b>10,121</b>	8,807	8,478	14.9%	19.4%	<b>36,460</b>	32,936	10.7%
<u>Less</u> Fees and service expenses	<b>2,285</b>	2,208	2,223	3.5%	2.8%	<b>8,934</b>	8,444	5.8%
<b>Net fees and service income</b>	<b>7,836</b>	6,599	6,255	18.7%	25.3%	<b>27,526</b>	24,492	12.4%
Gains on tradings and foreign exchange transactions	<b>1,736</b>	1,492	2,026	16.4%	(14.3)%	<b>6,257</b>	7,459	(16.1)%
Gains on investments	<b>965</b>	2,502	1,222	(61.4)%	(21.0)%	<b>6,428</b>	4,272	50.5%
Share of profit from investment using equity method	<b>16</b>	52	41	(69.2)%	(61.0)%	<b>205</b>	97	111.3%
Gains on disposal of assets	<b>209</b>	198	542	5.6%	(61.4)%	<b>1,196</b>	999	19.7%
Dividend income	<b>892</b>	711	784	25.5%	13.8%	<b>3,788</b>	3,966	(4.5)%
Other operating income	<b>135</b>	97	193	39.2%	(30.1)%	<b>443</b>	575	(23.0)%
<b>Total other operating income</b>	<b>3,953</b>	5,052	4,808	(21.8)%	(17.8)%	<b>18,317</b>	17,368	5.5%
<b>Total non-interest income</b>	<b>11,789</b>	11,651	11,063	1.2%	6.6%	<b>45,843</b>	41,860	9.5%
Net fees and service income to operating income ratio	<b>27.3%</b>	23.2%	22.9%	4.1%	4.4%	<b>24.5%</b>	23.1%	1.4%

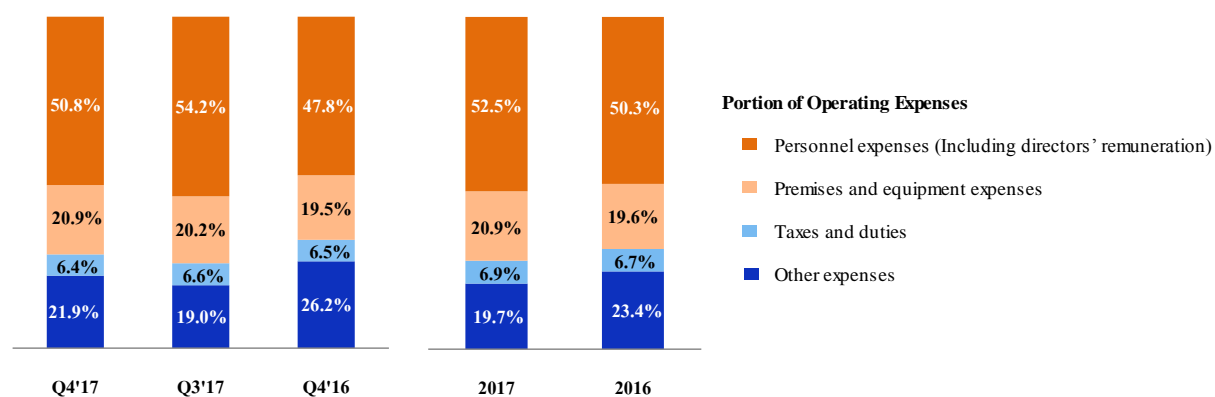
Non-interest income in the fourth quarter of 2017 amounted to Baht 11.8 billion, an increase of Baht 138 million or 1.2 percent from the third quarter of 2017, mainly due to an increase of Baht 1.2 billion in net fees and service income, due to an increase in fee income from loan-related services, bancassurance and mutual funds, and underwriting commitments. Gains on tradings and foreign exchange transactions increased by Baht 244 million and dividend income increased by Baht 181 million, while gains on investments decreased by Baht 1.5 billion. Consequently, the ratio of net fees and service income to operating income stood at 27.3 percent, 4.1 percent higher than the previous quarter.

Compared with the fourth quarter of 2016, non-interest income rose by Baht 726 million or 6.6 percent due mainly to an increase of Baht 1.6 billion in net fees and service income due to an increase in fee income from loan-related services, and bancassurance and mutual funds. Gains on disposal of assets decreased by Baht 333 million and gains on tradings and foreign exchange transactions decreased by Baht 290 million.

In 2017, non-interest income amounted to Baht 45.8 billion, an increase of Baht 4.0 billion or 9.5 percent from 2016, due to an increase in net fees and service of Baht 3.0 billion, due mainly to the increase in fee income from bancassurance and mutual funds, loan-related services, and transaction services. Gains on investments increased by Baht 2.2 billion while gains on tradings and foreign exchange transactions decreased by Baht 1.2 billion. Consequently, the ratio of net fees and service income to operating income stood at 24.5 percent, compare to 23.1 percent in the previous year.

### Operating Expenses

Item	Million Baht							
	Quarter		Change (%)		Year		Change (%)	
	4/2017	3/2017	4/2016	3/2017	4/2016	2017		2016
Personnel expenses	6,602	6,446	6,157	2.4%	7.2%	25,541	25,247	1.2%
Directors' remuneration	46	22	43	109.1%	7.0%	148	125	18.4%
Premises and equipment expenses	2,736	2,409	2,535	13.6%	7.9%	10,252	9,909	3.5%
Taxes and duties	840	790	838	6.3%	0.2%	3,357	3,388	(0.9)%
Other expenses	2,865	2,271	3,395	26.2%	(15.6)%	9,650	11,836	(18.5)%
<b>Total operating expenses</b>	<b>13,089</b>	<b>11,938</b>	<b>12,968</b>	<b>9.6%</b>	<b>0.9%</b>	<b>48,948</b>	<b>50,505</b>	<b>(3.1)%</b>
Expense to operating income ratio	45.5%	41.9%	47.4%	3.6%	(1.9)%	43.5%	47.7%	(4.2)%



Operating expenses in the fourth quarter of 2017 amounted to Baht 13.1 billion, an increase of Baht 1.2 billion or 9.6 percent from the third quarter of 2017 due to an increase of Baht 594 million in other expenses, partly from marketing expenses and an increase of Baht 327 million in premises and equipment expenses.

Compared with the fourth quarter of 2016, operating expenses increased by Baht 121 million, due to an increase of Baht 445 million in personnel expenses from the annual salary adjustment and an increase of Baht 201 million in premises and equipment expenses, while other expenses decreased by Baht 530 million mainly due to a decline in provisions for contingencies.

In 2017, operating expenses amounted to Baht 48.9 billion, a decrease of Baht 1.6 billion or 3.1 percent from 2016. Significant items included a decrease of Baht 2.2 billion in other expenses mainly due to lower provisions for contingencies.

### Impairment Loss of Loans and Debt Securities

Million Baht

Item	Quarter		Change (%)		Year		Change (%)	
	4/2017	3/2017	4/2016	3/2017	4/2016	2017		2016
Bad debt and doubtful accounts	4,654	6,420	2,792	(27.5)%	66.7%	22,712	15,351	48.0%
Loss on debt restructuring (reversal)	(37)	(161)	804	77.0%	(104.6)%	(342)	377	(190.7)%
<b>Total</b>	<b>4,617</b>	<b>6,259</b>	<b>3,596</b>	<b>(26.2)%</b>	<b>28.4%</b>	<b>22,370</b>	<b>15,728</b>	<b>42.2%</b>

Impairment loss of loans and debt securities in the fourth quarter of 2017 was Baht 4.6 billion, compared to Baht 6.3 billion in the third quarter of 2017 and Baht 3.6 billion in the fourth quarter of 2016. In 2017, impairment loss of loans and debt securities amounted to Baht 22.4 billion, compared to Baht 15.7 billion in the previous year.

### Significant Items in the Financial Position

#### Assets

Million Baht

Item	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Net interbank and money market items	437,738	607,775	394,612	(28.0)%	10.9%
Net investments	591,720	493,908	546,614	19.8%	8.3%
Net investments in associates	1,460	1,443	1,327	1.2%	10.0%
Loans *	2,003,989	1,938,619	1,941,093	3.4%	3.2%
Net properties for sale	11,415	11,378	12,262	0.3%	(6.9)%
<b>Total assets</b>	<b>3,076,310</b>	<b>3,073,691</b>	<b>2,944,230</b>	<b>0.1%</b>	<b>4.5%</b>

\* Less deferred revenue

Total assets as of December 31, 2017, amounted to Baht 3,076.3 billion, an increase of Baht 2.6 billion from the end of September 2017. Significant items included net investments of Baht 591.7 billion, an increase of Baht 97.8 billion or 19.8 percent from an increase in the investment in available-for-sale securities, and loans of Baht 2,004.0 billion, an increase of Baht 65.4 billion or 3.4 percent, while net interbank and money market items of Baht 437.7 billion, a decrease of Baht 170.0 billion or 28.0 percent mainly from a decrease in lending.

Compared with the end of December 2016, total assets rose by Baht 132.1 billion. Significant items included an increase of Baht 62.9 billion or 3.2 percent in loans, an increase of Baht 45.1 billion or 8.3 percent in net investments due to the investment in available-for-sale securities, and an increase of Baht 43.1 billion or 10.9 percent in net interbank and money market items due to an increase in lending.

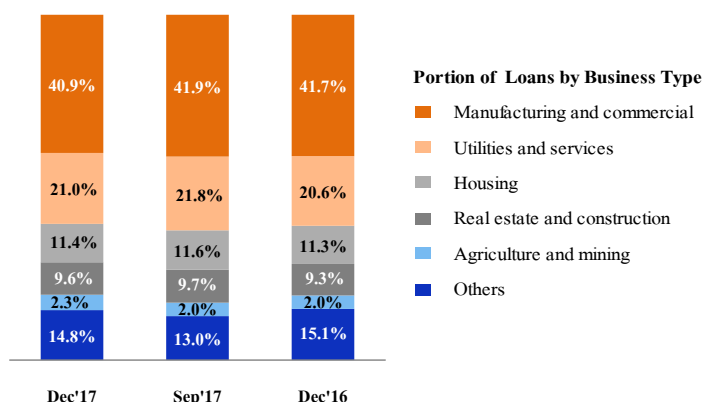
#### Loans

Loans as of December 31, 2017 amounted to Baht 2,004.0 billion, an increase of Baht 65.4 billion or 3.4 percent from the end of September 2017 due to the increase in all customer segments, mainly from large corporates. Compared with the end of December 2016, loans rose by Baht 62.9 billion or 3.2 percent due to an increase in loans to large corporates, medium-sized businesses and the consumer sector, as well as loans made through the Bank's international network.

Million Baht

Loans by Business Type *	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Manufacturing and commercial	819,338	812,621	810,335	0.8%	1.1%
Utilities and services	421,595	422,319	399,372	(0.2)%	5.6%
Housing	228,146	225,109	219,365	1.3%	4.0%
Real estate and construction	191,176	187,971	179,973	1.7%	6.2%
Agriculture and mining	46,658	39,019	38,541	19.6%	21.1%
Others	297,076	251,580	293,507	18.1%	1.2%
<b>Total</b>	<b>2,003,989</b>	<b>1,938,619</b>	<b>1,941,093</b>	<b>3.4%</b>	<b>3.2%</b>

\* Less deferred revenue



The highest portion of lending was to various industries in the manufacturing and commercial sectors, at 40.9 percent, followed by 21.0 percent to utilities and services, 11.4 percent to housing, and 9.6 percent to real estate and construction. The main increase in loans from the end of September 2017 was to 'others' and agriculture and mining, while the increase from the end of December 2016 was mainly to utilities and services and real estate and construction.

### Classified Loans and Allowance for Doubtful Accounts

Million Baht

Item	Loans & Accrued Interest Receivables *			Allowance for Doubtful Accounts Classified to Bank of Thailand Criteria		
	December 2017	September 2017	December 2016	December 2017	September 2017	December 2016
Normal	1,875,782	1,806,458	1,830,827	14,983	14,547	14,502
Special mentioned	45,814	48,646	46,058	591	619	548
Substandard	11,760	11,955	9,495	5,275	5,364	2,589
Doubtful	19,012	20,487	16,050	10,387	10,766	10,140
Doubtful of loss	56,682	55,834	43,316	36,471	36,135	27,815
<b>Total</b>	<b>2,009,050</b>	<b>1,943,380</b>	<b>1,945,746</b>	<b>67,707</b>	<b>67,431</b>	<b>55,594</b>
<u>Add</u> Excess allowance for doubtful accounts				70,004	66,047	61,214
<b>Total allowance for doubtful accounts from loan classification</b>				<b>137,711</b>	<b>133,478</b>	<b>116,808</b>
<u>Add</u> Revaluation allowance for debt restructuring				2,310	2,362	2,710
<b>Total allowance for doubtful accounts</b>				<b>140,021</b>	<b>135,840</b>	<b>119,518</b>

\* Less deferred revenue



Million Baht

Item	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
NPLs before allowance for doubtful accounts	<b>87,419</b>	88,231	68,841	(0.9)%	27.0%
Ratio of NPLs to total loans	<b>3.9%</b>	3.8%	3.2%	0.1%	0.7%
NPLs after allowance for doubtful accounts (net NPLs)	<b>26,576</b>	26,928	19,156	(1.3)%	38.7%
Ratio of net NPLs to net total loans	<b>1.2%</b>	1.2%	0.9%	-	0.3%
Ratio of loan loss reserves to minimum required provisioning	<b>200.0%</b>	194.6%	205.0%	5.4%	(5.0)%
Ratio of loan loss reserves to NPLs	<b>160.2%</b>	154.0%	173.6%	6.2%	(13.4)%

Non-performing loans (NPLs) at the end of December 2017 amounted to Baht 87.4 billion and the ratio of NPLs to total loans was 3.9 percent.

Total allowance for doubtful accounts at the end of December 2017 was Baht 140.0 billion or 200.0 percent of the minimum amount required by the Bank of Thailand (BOT) of Baht 70.0 billion. The ratio of loan loss reserves to NPLs as at the end of December 2017 was 160.2 percent.

#### *Net Investments*

Net investments as of December 31, 2017 amounted to Baht 591.7 billion, an increase of Baht 97.8 billion or 19.8 percent from the end of September 2017, and of Baht 45.1 billion or 8.3 percent from the end of December 2016, due mainly to an increase in investment from available-for-sale securities.

Million Baht

Investments by Investment Holding	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Trading securities	<b>15,113</b>	21,799	33,148	(30.7)%	(54.4)%
Available-for-sale securities	<b>533,651</b>	424,622	462,742	25.7%	15.3%
Held-to-maturity debt securities	<b>11,233</b>	14,742	18,121	(23.8)%	(38.0)%
General investments	<b>31,723</b>	32,745	32,603	(3.1)%	(2.7)%
<b>Total net investments</b>	<b>591,720</b>	493,908	546,614	19.8%	8.3%

Most of the net investments were in government and state-enterprise securities. As of December 31, 2017, these amounted to Baht 315.8 billion, accounting for 53.4 percent of total investments. Foreign debt securities were Baht 99.4 billion, private enterprise debt securities Baht 43.5 billion, and net equity securities Baht 124.1 billion.

Million Baht

Investments by Maturity *	December 2017		September 2017		December 2016		Change (%)	
	Amount	Portion	Amount	Portion	Amount	Portion	September 2017	December 2016
Up to one year	71,982	12.1%	70,386	14.2%	87,347	15.9%	2.3%	(17.6)%
Between one and five years	375,910	63.4%	286,528	57.9%	317,650	58.0%	31.2%	18.3%
Over five years	24,597	4.2%	18,020	3.6%	37,631	6.9%	36.5%	(34.6)%
No maturity	120,691	20.3%	120,417	24.3%	105,313	19.2%	0.2%	14.6%
<b>Total net investments</b>	<b>593,180</b>	<b>100.0%</b>	<b>495,351</b>	<b>100.0%</b>	<b>547,941</b>	<b>100.0%</b>	<b>19.7%</b>	<b>8.3%</b>

\* Including net investments in associates

The remaining terms of the net investments (including net investments in associates) as of December 31, 2017 were categorized into securities with less than one year to maturity of Baht 72.0 billion, securities with one-to-five years to maturity of Baht 375.9 billion, securities with remaining maturities of more than five years of Baht 24.6 billion, and securities with no maturity of Baht 120.7 billion.

### Liabilities and Shareholders' Equity

Million Baht

Item	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Deposits	2,310,743	2,300,958	2,178,141	0.4%	6.1%
Interbank and money market items	133,583	133,365	130,928	0.2%	2.0%
Debt issued and borrowings	107,190	129,518	137,815	(17.2)%	(22.2)%
<b>Total liabilities</b>	<b>2,674,303</b>	<b>2,680,473</b>	<b>2,564,985</b>	<b>(0.2)%</b>	<b>4.3%</b>
<b>Shareholders' equity *</b>	<b>401,724</b>	<b>393,019</b>	<b>379,016</b>	<b>2.2%</b>	<b>6.0%</b>

\* Attributable to the Bank

Total liabilities as of December 31, 2017 amounted to Baht 2,764.3 billion, a decrease of Baht 6.2 billion or 0.2 percent from the end of September 2017, due largely to a decrease of Baht 22.3 billion or 17.2 percent in debt issued and borrowings while an increase of Baht 9.8 billion or 0.4 percent in deposits.

Compared with the end of December 2016, total liabilities rose by Baht 109.3 billion or 4.3 percent, mostly from deposits which rose by Baht 132.6 billion or 6.1 percent. Debt issued and borrowings fell by Baht 30.6 billion or 22.2 percent.

### Deposits

Million Baht

Deposits Classified by Product Type	December 2017		September 2017		December 2016		Change (%)	
	Amount	Portion	Amount	Portion	Amount	Portion	September 2017	December 2016
Current	106,184	4.6%	96,560	4.2%	95,810	4.4%	10.0%	10.8%
Savings	1,065,928	46.1%	1,034,254	44.9%	958,150	44.0%	3.1%	11.2%
Fixed *	1,138,631	49.3%	1,170,144	50.9%	1,124,181	51.6%	(2.7)%	1.3%
<b>Total</b>	<b>2,310,743</b>	<b>100.0%</b>	<b>2,300,958</b>	<b>100.0%</b>	<b>2,178,141</b>	<b>100.0%</b>	<b>0.4%</b>	<b>6.1%</b>
Loan to deposit ratio		<b>86.7%</b>		84.3%		89.1%	2.4%	(2.4)%

\* Including negotiable certificates of deposit

Total deposits as of December 31, 2017 amounted to Baht 2,310.7 billion, an increase of Baht 9.8 billion or 0.4 percent from the end of September 2017, due to current deposits which rose by 10.0 percent and savings deposits which rose by 3.1 percent caused by an increase in the proportion of low-cost deposits, while fixed deposits which fell by 2.7 percent.

Compared with the end of December 2016, total deposits rose by Baht 132.6 billion or 6.1 percent from all types of deposits; savings deposits rose by 11.2 percent, current deposits rose by 10.8 percent and fixed deposits rose by 1.3 percent due to the cost management of deposits by increasing the proportion of low-cost deposits.

### *Debt Issued and Borrowings*

Million Baht

Debt Issued and Borrowings Classified by Type of Instruments	December 2017		September 2017		December 2016		Change (%)	
	Amount	Portion	Amount	Portion	Amount	Portion	September 2017	December 2016
Senior unsecured notes	98,003	86.6%	100,105	73.9%	107,556	74.7%	(2.1)%	(8.9)%
Unsecured subordinated notes	14,692	13.0%	35,007	25.8%	36,123	25.1%	(58.0)%	(59.3)%
Bills of exchange	26	0.1%	36	0.1%	74	0.1%	(27.8)%	(64.9)%
Others	384	0.3%	346	0.2%	213	0.1%	11.0%	80.3%
<b>Total (before less discount on borrowings)</b>	<b>113,105</b>	<b>100.0%</b>	<b>135,494</b>	<b>100.0%</b>	<b>143,966</b>	<b>100.0%</b>	<b>(16.5)%</b>	<b>(21.4)%</b>
<u>Less</u> Discount on borrowings	<b>5,915</b>		5,976		6,151		(1.0)%	(3.8)%
<b>Total</b>	<b>107,190</b>		<b>129,518</b>		<b>137,815</b>		<b>(17.2)%</b>	<b>(22.2)%</b>

Total debt issued and borrowings as of December 31, 2017 amounted to Baht 107.2 billion, a decrease of Baht 22.3 billion from the end of September 2017 and a decrease of Baht 30.6 billion from the end of December 2016. The declines were due mainly to the early redemption of Baht 20.0 billion of Subordinated Debentures No. 1/2012 on December 7, 2017 and to a decrease in the value of foreign-denominated debentures as a result of the Baht's appreciation.

### *Shareholders' Equity*

Shareholders' equity (attributable to the Bank) as of December 31, 2017 amounted to Baht 401.7 billion, an increase of Baht 22.7 billion or 6.0 percent from the end of 2016, due mainly to the net profit (attributable to the Bank) for 2017 of Baht 33.0 billion, net of two dividend payments in 2017 totaling Baht 12.1 billion which consisted of the final dividend payment for 2016 performance of Baht 8.3 billion (Baht 4.50 per share) following the resolution of the shareholders' meeting dated April 12, 2017, and the interim dividend payment made from the net profit from operations for the first half of 2017 (January to June) of Baht 3.7 billion (Baht 2.00 per share), and due to an increase of Baht 7.0 billion in revaluation gains on available-for-sale investments. Loss on translation of the financial statements of foreign operations rose by Baht 5.0 billion due to the Baht's appreciation.

### Contingent Liabilities

Million Baht

Item	December 2017	September 2017	December 2016	Change (%)	
				September 2017	December 2016
Avals to bills	8,187	7,424	5,529	10.3%	48.1%
Guarantees of loans	20,445	20,192	18,001	1.3%	13.6%
Liability under unmatured import bills	16,394	14,597	17,921	12.3%	(8.5)%
Letters of credit	31,803	33,009	35,623	(3.7)%	(10.7)%
Other commitments					
Underwriting commitments	1,098	3,820	-	(71.3)%	100.0%
Amount of unused bank overdrafts	174,083	176,188	175,893	(1.2)%	(1.0)%
Other guarantees	259,314	263,485	267,989	(1.6)%	(3.2)%
Others	88,622	97,230	82,088	(8.9)%	8.0%
<b>Total</b>	<b>599,946</b>	<b>615,945</b>	<b>603,044</b>	<b>(2.6)%</b>	<b>(0.5)%</b>

Contingent liabilities as of December 31, 2017 amounted to Baht 599.9 billion, a decrease of Baht 16.0 billion or 2.6 percent from the end of September 2017, with a decrease in ‘others’ (under other commitments) and other guarantees.

Compared with the end of December 2016, contingent liabilities declined by Baht 3.1 billion, due to decreases in other guarantees and letters of credit, while ‘others’ (under other commitments) increased.

### Sources and Utilization of Funds

The primary sources of funds as of December 31, 2017 were Baht 2,310.7 billion or 75.1 percent in deposits, Baht 401.7 billion or 13.1 percent in shareholders’ equity (attributable to the Bank), Baht 133.6 billion or 4.3 percent in interbank and money market liabilities, and Baht 107.2 billion or 3.5 percent in debt issued and borrowings.

The utilization of funds comprised Baht 2,004.0 billion or 65.1 percent in loans, Baht 437.7 billion or 14.2 percent in interbank and money market assets, and Baht 593.2 billion or 19.3 percent in net investments (including net investments in associates).

### Capital Reserves and Capital Adequacy Ratio

#### Consolidated

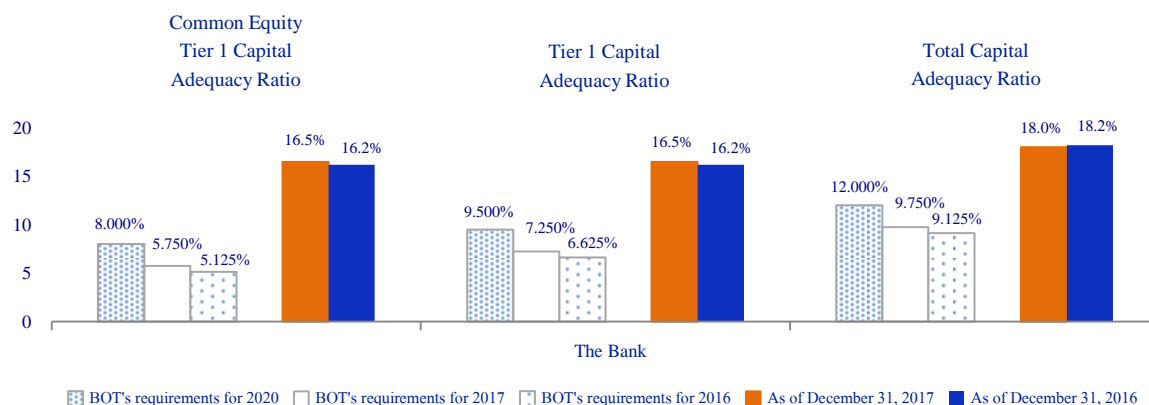
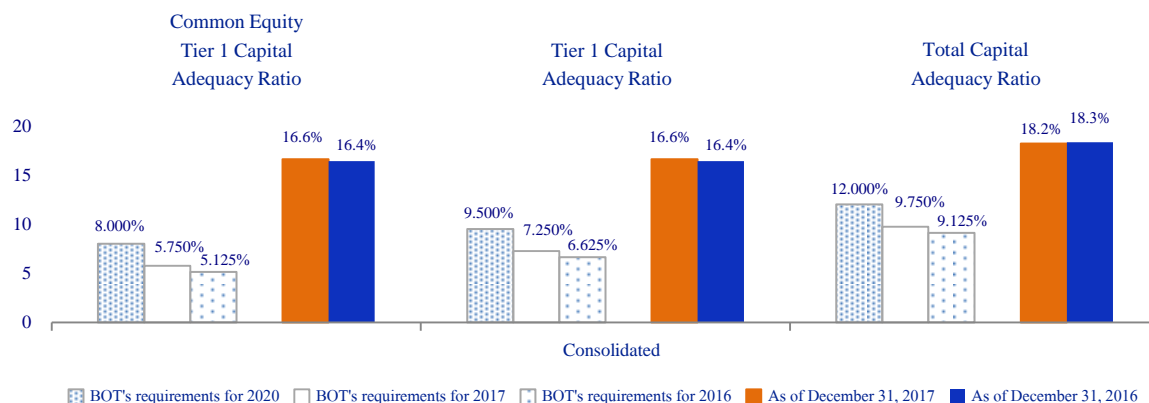
Million Baht

Item	Capital			Capital Adequacy Ratio		
	December 2017	September 2017	December 2016	December 2017	September 2017	December 2016
<b>Total capital</b>	<b>419,580</b>	423,958	403,068	<b>18.2%</b>	18.7%	18.3%
Tier 1 capital	383,942	383,797	360,818	16.6%	17.0%	16.4%
Common Equity Tier 1 capital	383,841	383,721	360,702	16.6%	17.0%	16.4%

*The Bank*

Million Baht

Item	Capital			Capital Adequacy Ratio		
	December 2017	September 2017	December 2016	December 2017	September 2017	December 2016
<b>Total capital</b>	<b>404,226</b>	408,506	388,788	<b>18.0%</b>	18.6%	18.2%
Tier 1 capital	<b>369,261</b>	369,305	347,373	<b>16.5%</b>	16.8%	16.2%
Common Equity Tier 1 capital	<b>369,261</b>	369,305	347,373	<b>16.5%</b>	16.8%	16.2%



Under the principles of Basel III, the Bank of Thailand (BOT) requires commercial banks registered in Thailand and members of their financial groups to maintain minimum levels of capital adequacy as measured by three ratios, including the Common Equity Tier 1 ratio at no less than 4.50 percent, the Tier 1 ratio at no less than 6.00 percent, and the total capital ratio at no less than 8.50 percent – measured as a percentage of total risk-weighted assets. It also requires a capital conservation buffer in addition to minimum capital adequacy ratios, phasing in an additional capital ratio of more than 0.625 percent p.a. starting January 1, 2016 until completion of the increment to more than 2.50 percent on January 1, 2019. To satisfy the minimum levels and capital buffer specified by the BOT's requirements, in 2017 the Bank is required to maintain the Common Equity Tier 1 ratio at more than 5.75 percent, the Tier 1 ratio at more than 7.25 percent, and the total capital ratio at more than 9.75 percent – measured as percentages of total risk-weighted assets. In September 2017, the BOT announced the guidelines for identifying and regulating Domestic Systemically Important Banks (D-SIBs). Bangkok Bank, which is classified as a D-SIB, is required by the BOT to hold additional capital for Higher Loss Absorbency (HLA) by gradually increasing its additional capital ratio by an increment of 0.50 percent p.a. from January 1, 2019 until completion of the increment to 1.00 percent in January 1, 2020.

As of December 31, 2017, legal capital funds were Baht 419.6 billion, Common Equity Tier 1 capital was Baht 383.8 billion, and Tier 1 capital was Baht 383.9 billion. The total capital adequacy ratio was 18.2 percent, the Common Equity Tier 1 capital adequacy ratio was 16.6 percent, and the Tier 1 capital adequacy ratio was 16.6 percent. With the inclusion of net profit from July to December 2017, the total capital adequacy ratio, the Common Equity Tier 1 capital adequacy ratio and the Tier 1 capital adequacy ratio would be 18.9 percent, 17.4 percent and 17.4 percent, respectively.

### Liquid Assets

Item	December 2017	September 2017	December 2016
Liquid assets (Million Baht)	1,051,982	1,109,192	956,847
Liquid assets/total assets (%)	34.2	36.1	32.5
Liquid assets/deposits (%)	45.5	48.2	43.9

Liquid assets consisted of cash, interbank and money market items, claims on securities, trading securities and available-for-sale securities. As of December 31, 2017, liquid assets totaled Baht 1,052.0 billion, a decrease of Baht 57.2 billion or 5.2 percent from the end of September 2017, due mainly to a decrease of Baht 170.0 billion in interbank and money market items, while available-for-sale securities rose by Baht 109.0 billion.

Compared with the end of December 2016, liquid assets rose by Baht 95.1 billion or 9.9 percent. Significant items included an increase of Baht 70.9 billion in available-for-sale securities and an increase of Baht 43.1 billion in interbank and money market items.

### Credit Ratings

At the end of December 2017, credit-rating agencies maintained the Bank's credit ratings from the end September 2017 and the end of 2016. Details of the Bank's credit ratings are as follows:

Credit Rating Agency *	December 31, 2017	September 30, 2017	December 31, 2016
<b>Moody's Investors Service</b>			
Long term - Deposits	<b>Baa1</b>	Baa1	Baa1
Short term - Debt instruments / deposits	<b>P-2 / P-2</b>	P-2 / P-2	P-2 / P-2
Senior unsecured debt instruments	<b>Baa1</b>	Baa1	Baa1
Subordinated debt instruments	<b>Baa3</b>	Baa3	Baa3
Outlook	<b>Stable</b>	Stable	Stable
Financial strength (BCA)	<b>baa2</b>	baa2	baa2
Financial strength outlook	<b>Stable</b>	Stable	Stable
<b>Standard &amp; Poor's</b>			
Long term - Debt instruments	<b>BBB+</b>	BBB+	BBB+
- Deposits	<b>BBB+</b>	BBB+	BBB+
Short term - Debt instruments / deposits	<b>A-2 / A-2</b>	A-2 / A-2	A-2 / A-2
Senior unsecured debt instruments	<b>BBB+</b>	BBB+	BBB+
Subordinated debt instruments	<b>BBB</b>	BBB	BBB
Financial strength (SACP)	<b>bbb</b>	bbb	bbb
Support	<b>+1</b>	+1	+1
Outlook	<b>Stable</b>	Stable	Stable

Credit Rating Agency *	December 31, 2017	September 30, 2017	December 31, 2016
<b>Fitch Ratings</b>			
<b>International ratings</b>			
Long term - Debt instruments	<b>BBB+</b>	BBB+	BBB+
Short term - Debt instruments	<b>F2</b>	F2	F2
Senior unsecured debt instruments	<b>BBB+</b>	BBB+	BBB+
Subordinated debt instruments	<b>BBB</b>	BBB	BBB
Financial strength (Viability)	<b>bbb+</b>	bbb+	bbb+
Support	<b>2</b>	2	2
Outlook	<b>Stable</b>	Stable	Stable
<b>National ratings</b>			
Long term - Debt instruments	<b>AA+(tha)</b>	AA+(tha)	AA+(tha)
Short term - Debt instruments	<b>F1+(tha)</b>	F1+(tha)	F1+(tha)
Subordinated debt instruments	<b>AA(th)</b>	AA(th)	AA(th)
Outlook	<b>Stable</b>	Stable	Stable

\* Long-term credit ratings classified as investment grade by Moody's Investors Service, Standard & Poor's and Fitch Ratings are Baa3, BBB- and BBB-, or higher, respectively. Short-term credit ratings classified as investment grade by Moody's Investors Service, Standard & Poor's and Fitch Ratings are P-3, A-3 and F3, or higher, respectively.