

Thanachart Bank's Net Profit Increased from the Third Quarter of Last Year

Based on Improvements in All Areas

Thanachart Bank disclosed its operating results for the third quarter of 2015. On a consolidated basis, the Bank and its subsidiaries achieved a net profit of 2,713 million baht, an increase of 285 million baht or 11.74% over the third quarter last year. This was due to improvements in all aspects of performance, but especially enhanced non-interest income and effective management of impaired loans. Asset quality continued to strengthen, resulting in a reduction of the Bank's consolidated NPL ratio to 3.42% from 4.53% and an increase in the coverage ratio to 111.58% from 82.32%. Furthermore, the capital adequacy of the Bank showed continued strong improvement.

Mr. Somjate Moosirilert, President and Chief Executive Officer of Thanachart Bank Public Company Limited (TBANK) said, "Despite a challenging economic environment, the Bank continued to strengthen as a result of effective management of the cost of funds, growth in the non-interest income base mainly from a strategy of opportunistically timing of the sale of appropriate products and services, and effectively controlling operating expenses. Pre-provision Operating Profit (PPOP) grew by 2.85% over the same quarter last year. Furthermore, improved practices in the management of impaired loans succeeded in reducing the impairment loss by 4.42%. As a result, the Bank's consolidated net profit in the third quarter of 2015 amounted to 2,713 million baht, a significant increase of 285 million baht or 11.74% over the same quarter last year. The Bank also continued to strengthen its asset quality through effective NPL management. NPLs reduced by 29.74%, or 10,718 million baht, resulting in a decrease in the NPL ratio to 3.42% from 4.53% and an increase in the coverage ratio to 111.58% from 82.32%. The Bank's capital adequacy increased to 17.63% from 15.35%. "

Moreover, TBANK has restructured its Tier I capital by redeeming Hybrid Tier I and replacing it with Common Equity Tier I. This helps strengthen the Bank's Tier I capital to better support future growth.