



Analyst Meeting Presentation
3Q2019 & 9M2019 Financial Results

Performance Highlights

Consolidated



Net profit (THB million)⁽¹⁾

Net profit⁽²⁾

ROE⁽¹⁾

ROE^(1,2)

ROA⁽¹⁾

ROA^(1,2)

NIM

NIM

Non-NII (THB million)

Cost/income ratio

Cost/income ratio⁽²⁾



Loan (THB million)⁽³⁾

NPL ratio (gross)

Coverage ratio

CAR⁽⁴⁾

Tier 1⁽⁴⁾



	3Q19	QoQ	YoY	9M19	YoY
Net profit (THB million) ⁽¹⁾	6,355	-22.2%	-18.9%	21,825	-2.3%
<i>Net profit</i> ⁽²⁾		-8.0%	+5.3%		+9.5%
ROE ⁽¹⁾	7.71%	-263 bps	-290 bps	9.10%	-110 bps
<i>ROE</i> ^(1,2)	10.01%	-135 bps	-60 bps	10.19%	-1 bps
ROA ⁽¹⁾	0.89%	-28 bps	-23 bps	1.03%	-4 bps
<i>ROA</i> ^(1,2)	1.16%	-12 bps	+4 bps	1.16%	+9 bps
NIM	3.08%	-16 bps	-4 bps	3.33%	+22 bps
<i>NIM</i>	3.08%	-16 bps	-4 bps	3.14% ⁽²⁾	+3 bps
Non-NII (THB million)	9,267	+12.2%	+15.9%	26,422	+3.3%
Cost/income ratio	53.03%	+793 bps	+893 bps	48.77%	+498 bps
<i>Cost/income ratio</i> ⁽²⁾	45.23%	+346 bps	+113 bps	42.92%	-87 bps
	(As at) Sep'19	QoQ	YTD		
Loan (THB million) ⁽³⁾	2,092,057	+1.3%	+3.4%		
NPL ratio (gross)	4.58%	-10 bps	+5 bps		
Coverage ratio	128.07%	-476 bps	+233 bps		
CAR ⁽⁴⁾	19.63%	+149 bps	+144 bps		
Tier 1 ⁽⁴⁾	14.54%	+20 bps	+19 bps		

(1) Net profit, ROE, ROA represented for equity holders of the bank

(2) Excluding extraordinary items i.e. interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 million in 1Q19, provision on impairment of properties foreclosed in 1H19, and provision on employees' benefits in 3Q19

(3) Less deferred revenue

(4) Bank only

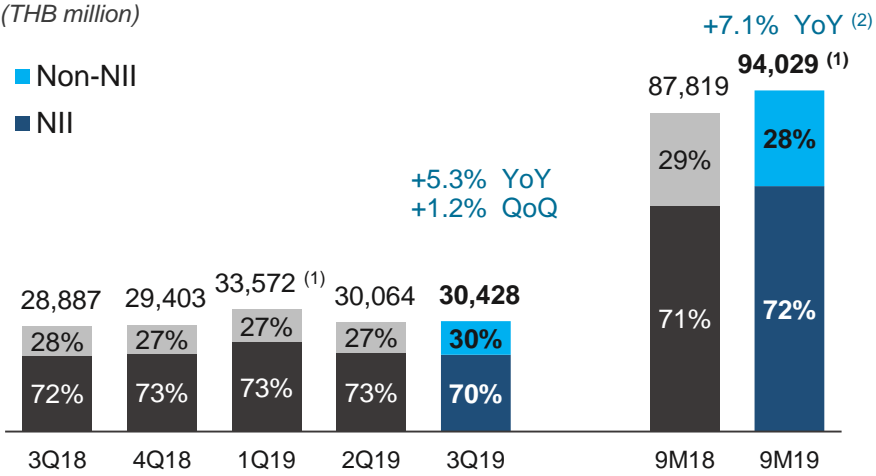
Financial Highlights

Excluding Extraordinary Items, 3Q19 & 9M19 Net Profit Increased YoY from Higher Revenues
 Despite 3Q19 Net Profit Decreased QoQ from Accelerated OPEX

Total Revenue

(THB million)

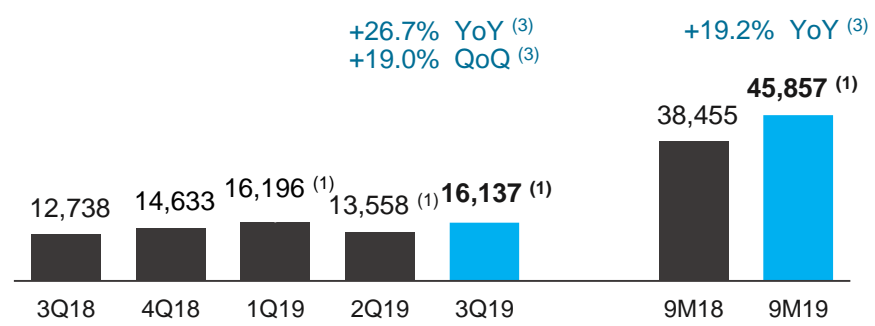
■ Non-NII
 ■ NII



Operating Expense

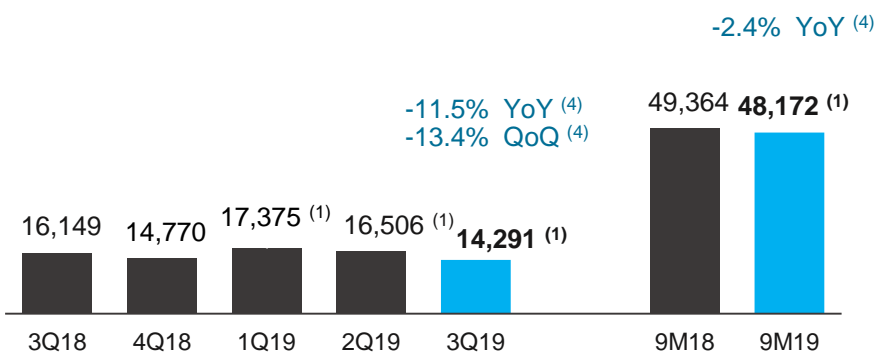
(THB million)

Consolidated



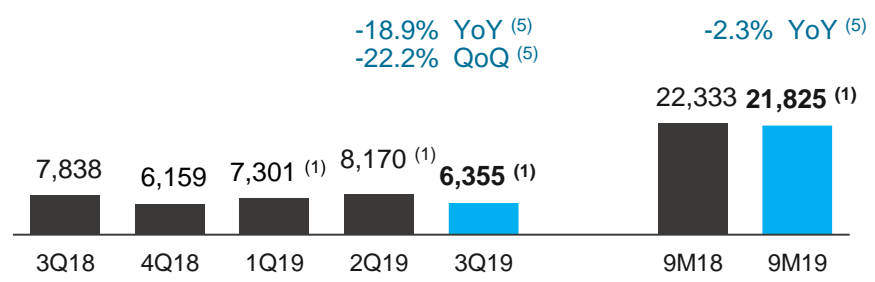
Pre-Provision Profit (PPOP)⁽⁶⁾

(THB million)



Net Profit

(THB million)



(1) Including extraordinary items i.e. interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 million in 1Q19, provision on impairment of properties foreclosed in 1Q19 & 2Q19, and provision on employees' benefits in 3Q19
 (2) If excluding extraordinary item, total revenue in 9M19 increased 2.6 YoY.
 (3) If excluding extraordinary items, operating expenses in 3Q19 increased 9.6% QoQ and increased 8.0% YoY, while in 9M19 increased 0.6% YoY.
 (4) If excluding extraordinary items, pre-provision profit in 3Q19 decreased 4.8% QoQ and increased 3.2% YoY, while in 9M19 increased 4.2% YoY.
 (5) If excluding extraordinary items, net profit in 3Q19 decreased 8.0% QoQ and increased 5.3% YoY, while in 9M19 increased 9.5% YoY.
 (6) Pre-provision profit before impairment loss of loans and debt securities and income tax expense

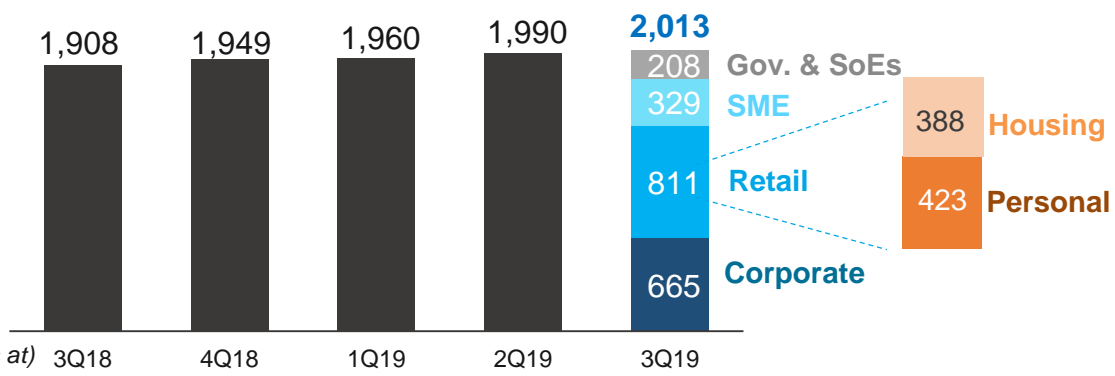
Loan

Loan YTD Growth from Key Segments

Bank Only

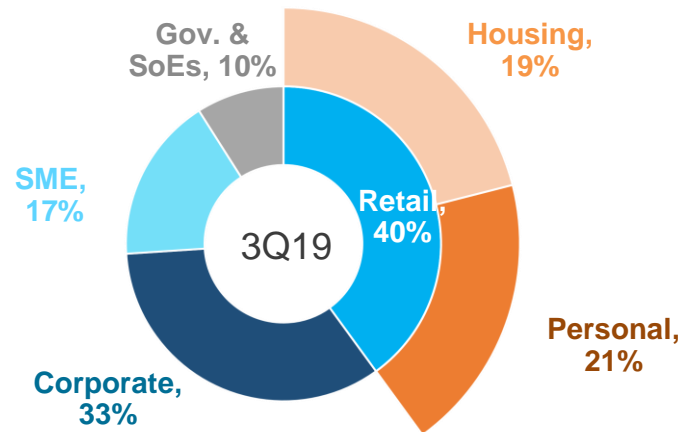
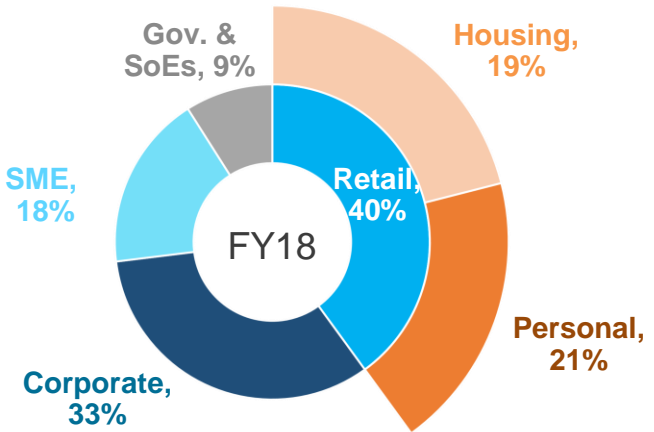
Loan Growth

(THB billion)



Loan Growth by Segment	3Q19 (YTD)
Gov. & SoEs	+15.5%
SME	-4.4%
Retail	+4.3%
Housing	+3.0%
Personal	+5.4%
Corporate	+2.9%
Total	+3.3%

Loan Breakdown



Asset Quality

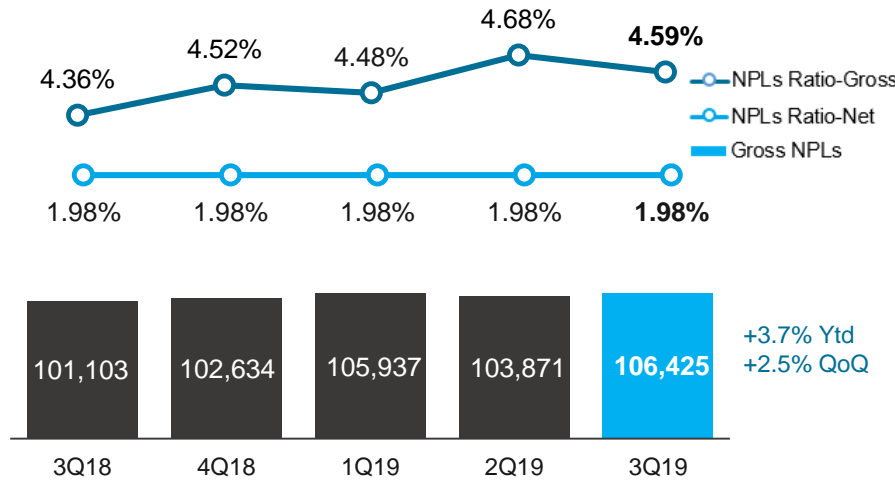
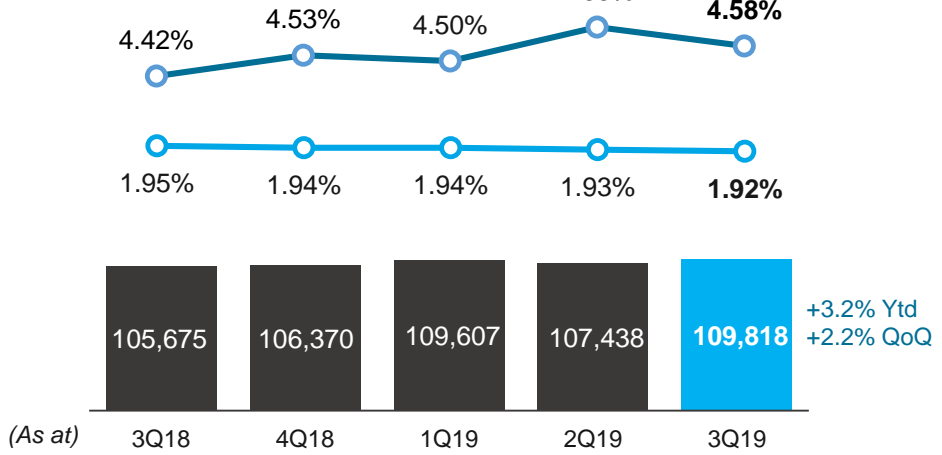
NPL Slightly Increased While Coverage Ratio Being Maintained

NPL

Consolidated

Bank Only

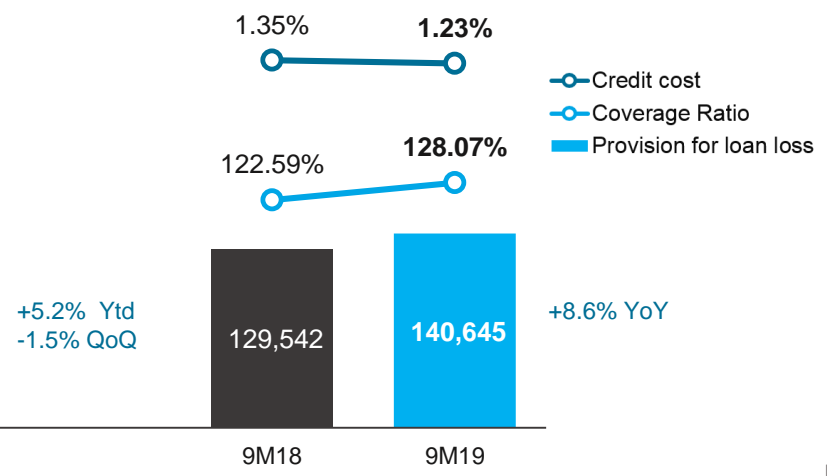
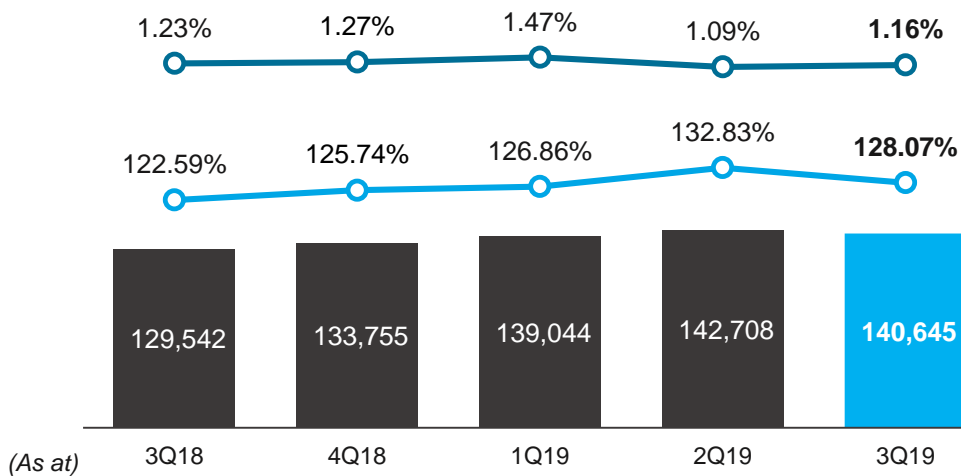
(THB million)



Provision for Loan Loss

(THB million)

Consolidated



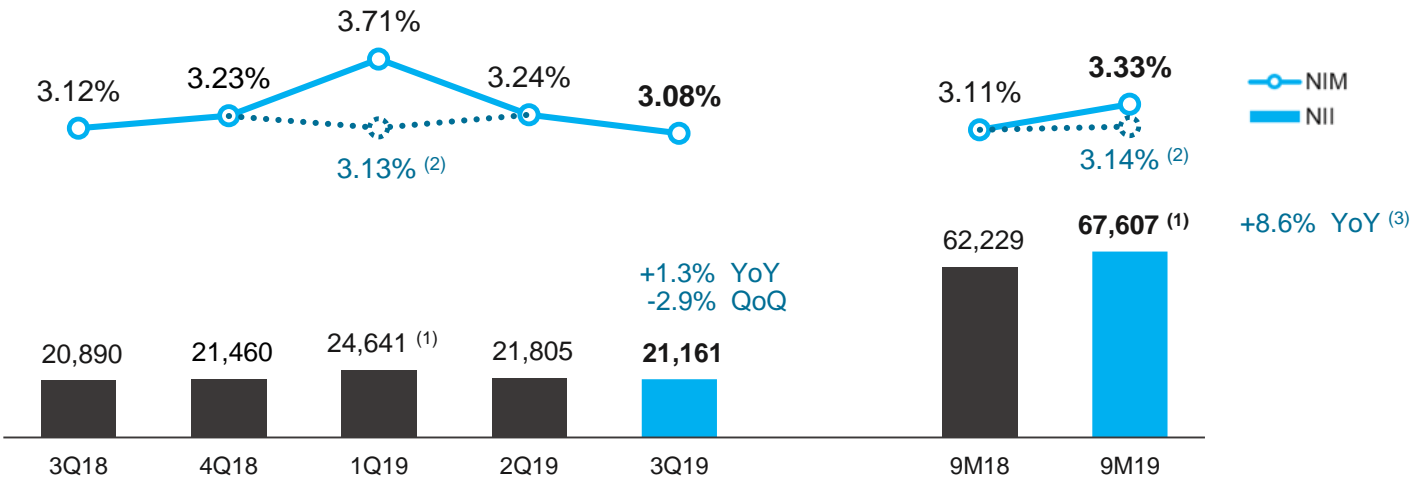
Net Interest Income

Pressured NIM from Certain Rates Cut and Sub-debt Tier 2's Funding Cost in 3Q19;
Slightly Increased NIM in 9M19

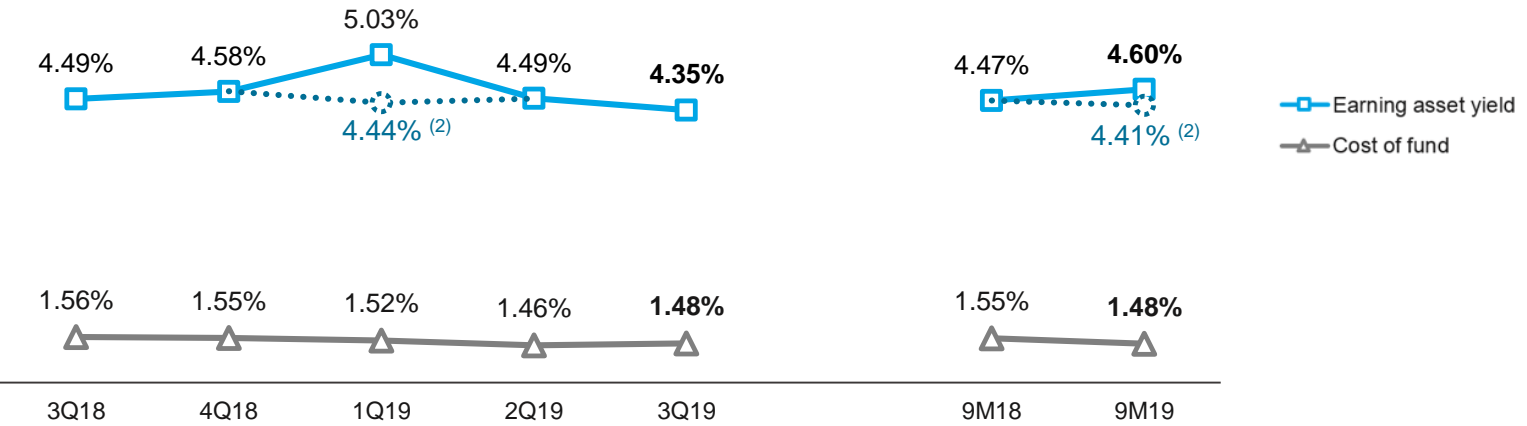
Consolidated

NII vs NIM

(THB million)



Yield vs CoF



(1) Including extraordinary item of interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 million in 1Q19
 (2) Excluding extraordinary item of interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 million in 1Q19
 (3) If excluding extraordinary item, net interest income in 9M19 increased 2.4 YoY.

Non Interest Income

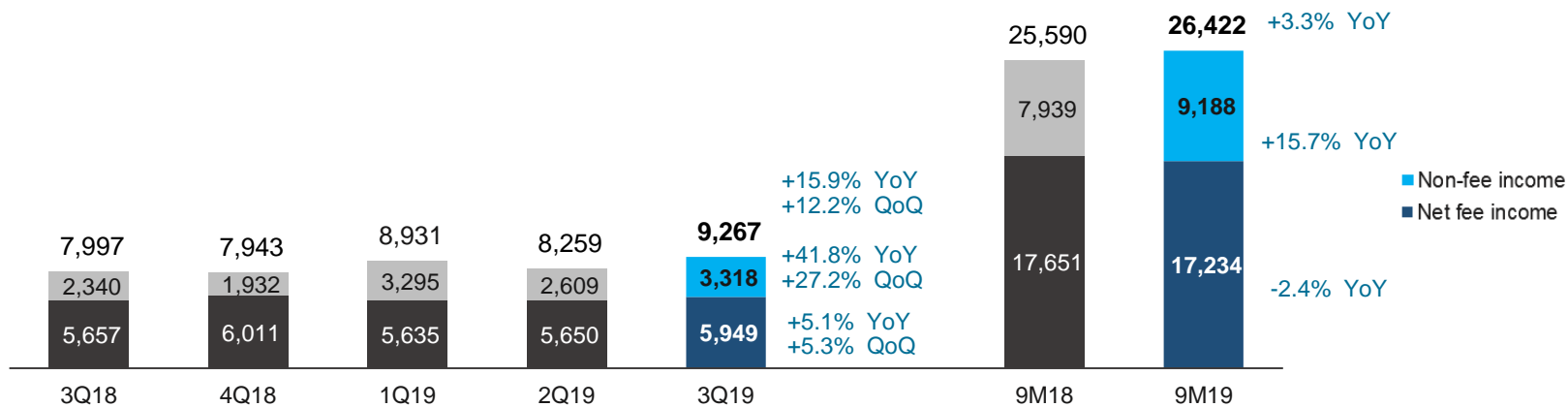


Better Loan Related Fee & Bancassurance and Higher Gain on Investment in 3Q19;
Impact from Fee Online Waiver while Having Gain on Investment in 9M19

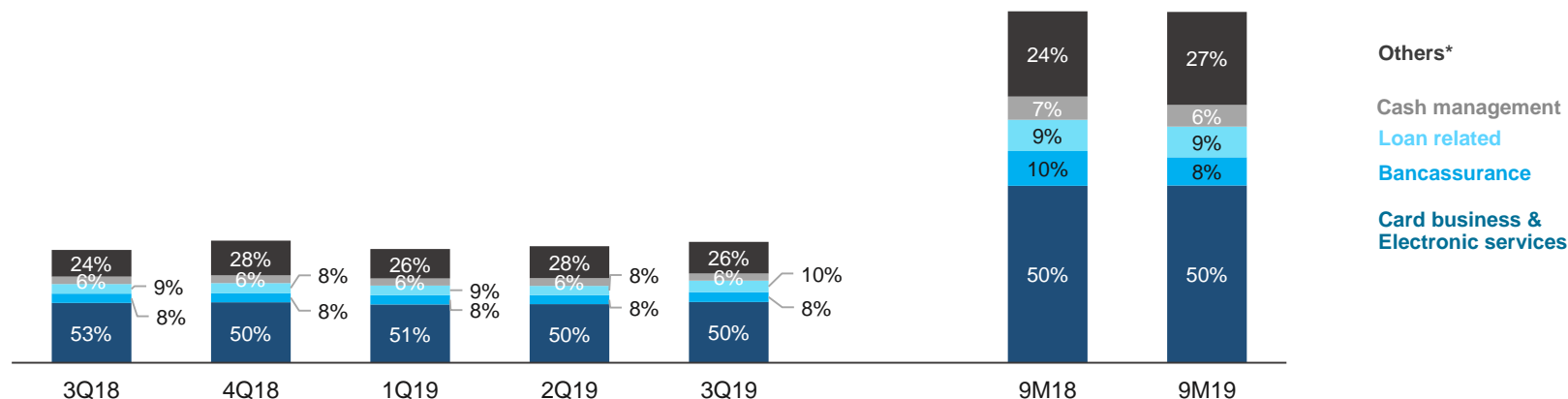
Consolidated

Non-NII

(THB million)



Fee Breakdown (Gross)



*Others includes Fees from Mutual fund, Global Market, and other services

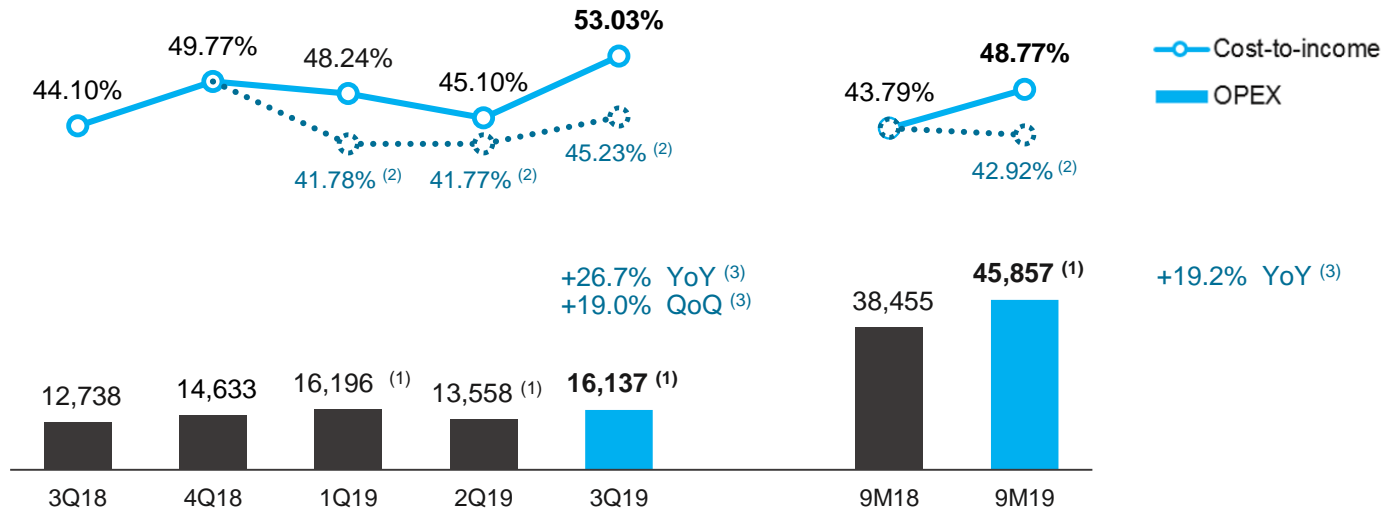
OPEX

Excluding Extraordinary Items, Cost-to-Income Ratio Rose in 3Q19 from Higher Personnel and Other Expenses QoQ and YoY While Lowered in 9M19 from Higher Revenues YoY

Consolidated

Operating Expense

(THB million)



OPEX Breakdown



■ Personnel exp. ■ Impairment loss of properties foreclosed ■ Premises & equipment exp. ■ Others⁽⁴⁾ ■ Tax and duties

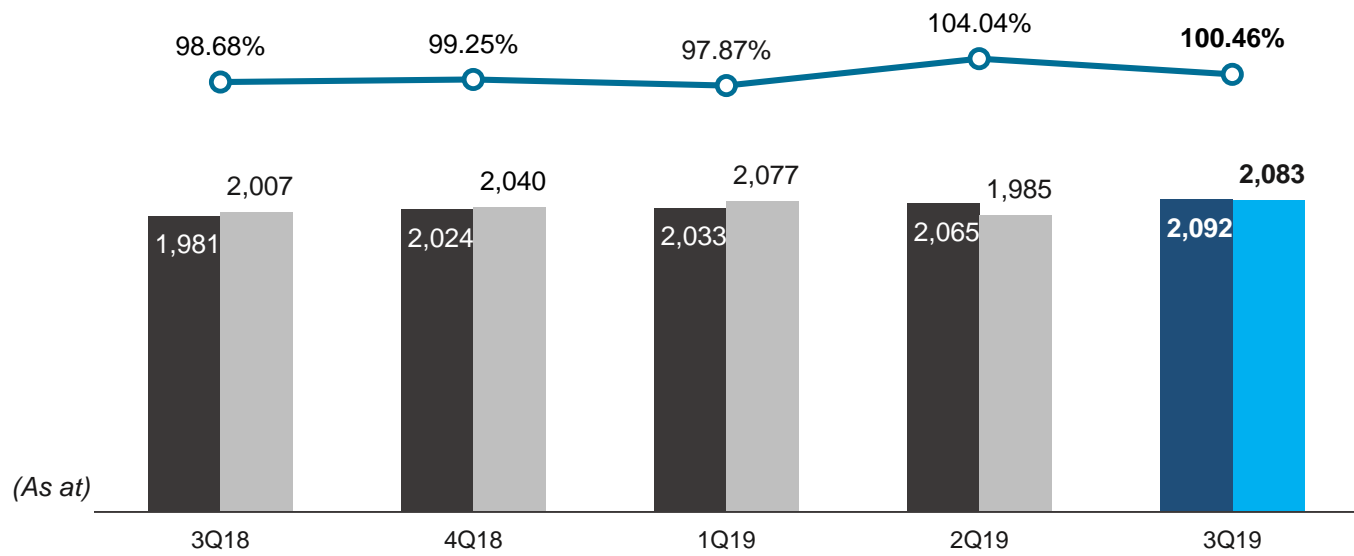
(1) Including extraordinary items i.e. provision on impairment of properties foreclosed in 1Q19 & 2Q19, and provision on employees' benefits in 3Q19
 (2) Excluding extraordinary items i.e. interest income from loan in relation to partial payment from the auction of mortgaged guarantee assets of Baht 3,899 million in 1Q2019, provision on impairment of properties foreclosed in 1Q19 & 2Q19, and provision on employees' benefits in 3Q19
 (3) If excluding extraordinary items, operating expenses in 3Q19 increased 9.6% QoQ and increased 8.0% YoY, while in 9M19 increased 0.6% YoY.
 (4) Others Including Directors' remuneration

Liquidity

Higher Deposit and Continual Loan Growth Contributing to Better L/D Ratio

Loan vs Deposit (L/D ratio)

(THB billion)



(As at)

Consolidated

- Loan to deposit ratio
- Loan (less deferred revenue)
- Deposit

Loan:
 +3.4% Ytd
 +1.3% QoQ

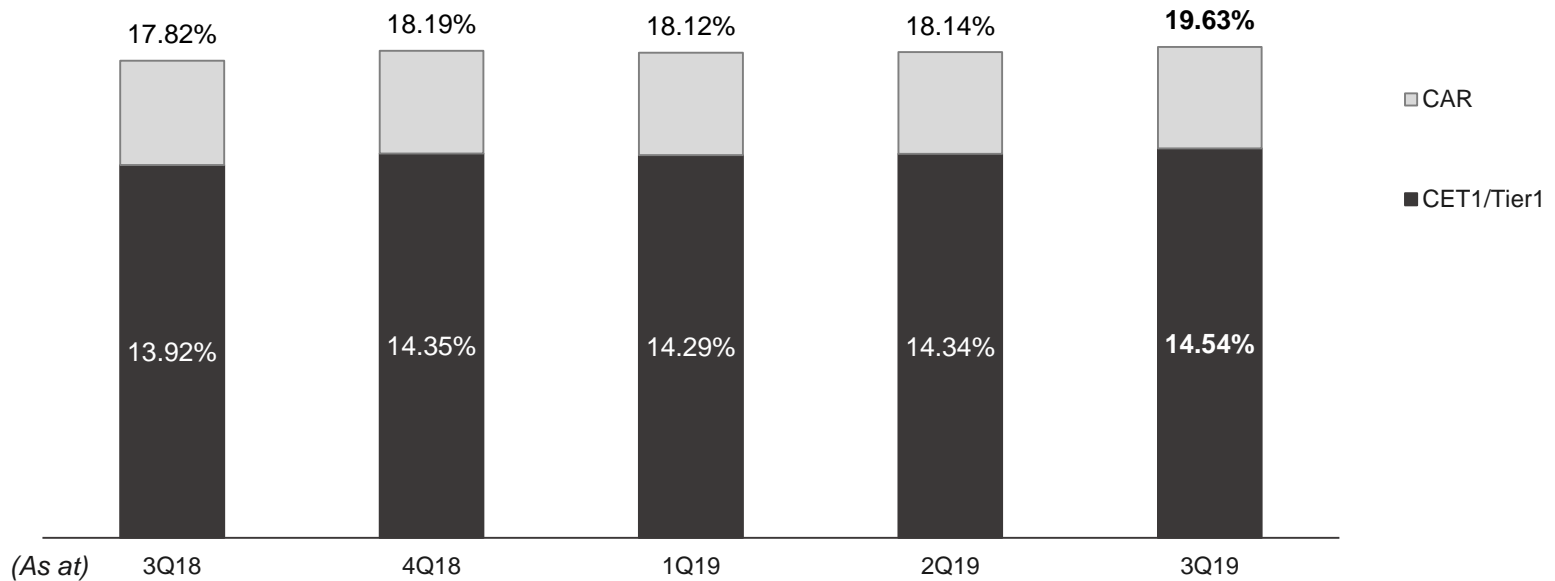
Deposit:
 +2.1% Ytd
 +4.9% QoQ

L/D ratio %	3Q18	4Q18	1Q19	2Q19	3Q19
	94.89%	95.39%	94.19%	100.05%	96.56%

Bank Only

Bank only

CET1 vs CAR Ratios



**Every half-year figures were updated in alignment with report submitted to BOT.*

Disclaimer

Information contained in our presentation is intended solely for your reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the company.

In addition, the information contains projections and forward-looking statements that reflect the company's current views with respect to future events and financial performance.

These views are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the company's assumptions are correct.

Actual results may differ materially from those projected.

Thank you

Krungthai Bank PCL

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