



**Analyst Meeting Presentation**  
**4Q2019 & FY2019 Financial Results**

# Performance Highlights

Consolidated



Net profit (THB million)<sup>(1)</sup>

*Net profit<sup>(2)</sup>*

ROE<sup>(1)</sup>

*ROE<sup>(1,2)</sup>*

ROA<sup>(1)</sup>

*ROA<sup>(1,2)</sup>*



NIM

*NIM<sup>(2)</sup>*

Non-NII (THB million)

Cost/income ratio

*Cost/income ratio<sup>(2)</sup>*



Loan (THB million)<sup>(3)</sup>

NPL ratio (gross)

Coverage ratio

CAR<sup>(4)</sup>

Tier 1<sup>(4)</sup>



	4Q19	QoQ	YoY	FY19	YoY
Net profit (THB million) <sup>(1)</sup>	7,459	+17.4%	+21.1%	29,284	+2.8%
<i>Net profit<sup>(2)</sup></i>		+12.0%	+50.1%		+18.2%
ROE <sup>(1)</sup>	8.78%	+107 bps	+68 bps	9.09%	-51 bps
<i>ROE<sup>(1,2)</sup></i>	10.88%	+87 bps	+278 bps	10.46%	+86 bps
ROA <sup>(1)</sup>	1.00%	+11 bps	+11 bps	1.02%	-
<i>ROA<sup>(1,2)</sup></i>	1.24%	+8 bps	+35 bps	1.17%	+15 bps
NIM	2.91%	-17 bps	-32 bps	3.22%	+9 bps
<i>NIM<sup>(2)</sup></i>	2.91%	-17 bps	-32 bps	3.07%	-6 bps
Non-NII (THB million)	10,919	+17.8%	+37.5%	37,342	+11.4%
Cost/income ratio	52.54%	-49 bps	+277 bps	49.72%	+443 bps
<i>Cost/income ratio<sup>(2)</sup></i>	45.48%	+25 bps	-429 bps	43.58%	-171 bps
	<b>(As at) Dec'19</b>	<b>QoQ</b>	<b>YTD</b>		
Loan (THB million) <sup>(3)</sup>	2,089,874	-0.1%	+3.2%		
NPL ratio (gross)	4.33%	-25 bps	- 20 bps		
Coverage ratio	131.76%	+369 bps	+602 bps		
CAR <sup>(4)</sup>	18.66%	-97 bps	+47 bps		
Tier 1 <sup>(4)</sup>	14.80%	+26 bps	+45 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, and provision on employees' benefits in 3Q19

(3) Less deferred revenue

(4) Bank only

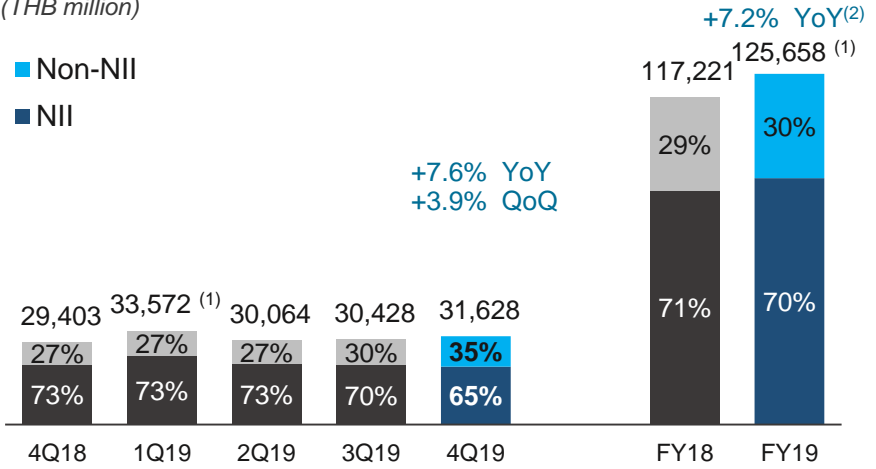
# Financial Highlights

Resilient loan growth and gain on investment as well as lower provision expenses drove up our net profit amid economic slowdown

## Total Revenue

(THB million)

■ Non-NII  
■ NII

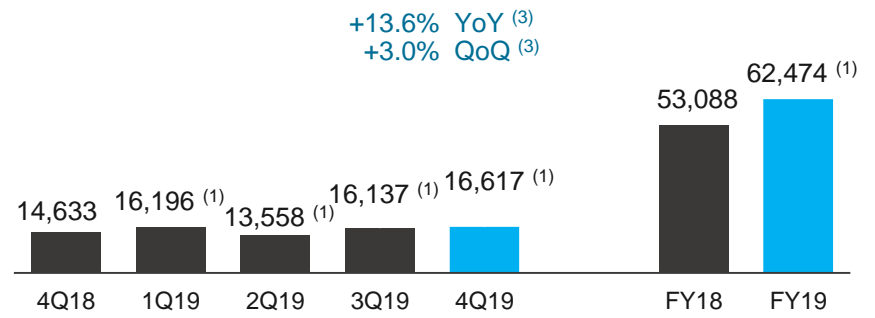


## Operating Expense

(THB million)

Consolidated

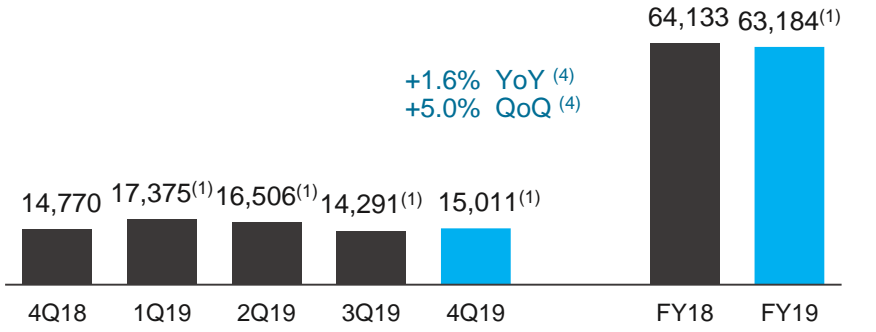
+17.7% YoY<sup>(3)</sup>



## Pre-Provision Profit (PPOP)<sup>(6)</sup>

(THB million)

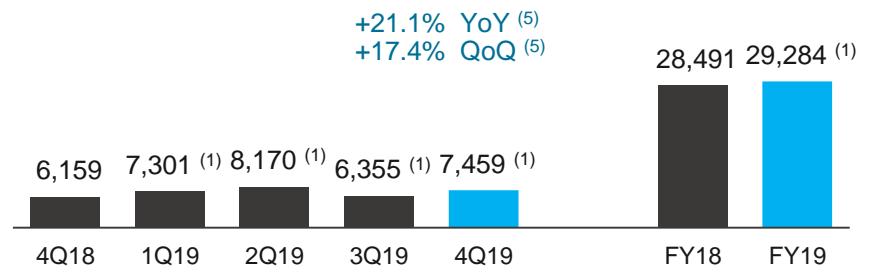
-1.5% YoY<sup>(4)</sup>



## Net Profit

(THB million)

+2.8% YoY<sup>(5)</sup>



(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 4Q19, and provision on employees' benefits in 3Q19.  
 (2) If excluding extraordinary item, total revenue in Y2019 increased 3.9 YoY.  
 (3) If excluding extraordinary items, operating expenses in 4Q19 increased 4.5% QoQ and decreased 1.7% YoY, while in Y2019 grew at a similar level YoY  
 (4) If excluding extraordinary items, pre-provision profit in 4Q19 increased 3.5% QoQ and increased 16.7% YoY, while in Y2019 increased 7.1% YoY.  
 (5) If excluding extraordinary items, net profit in 4Q19 increased 12.0% QoQ and increased 50.1% YoY, while in Y2019 increased 18.2% YoY.  
 (6) Pre-provision profit before impairment loss of loans and debt securities and income tax expense

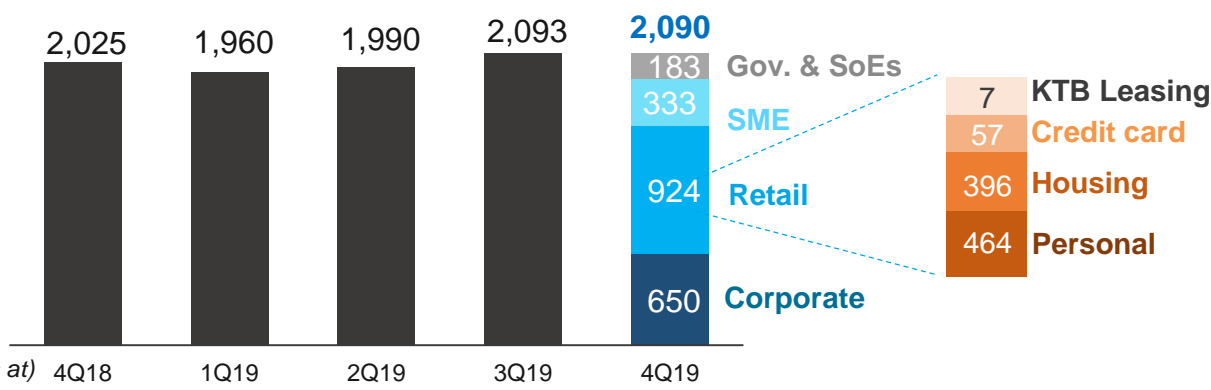
# Loan

Loan continuing growth contributing mainly from Retail and Corporate

Consolidated

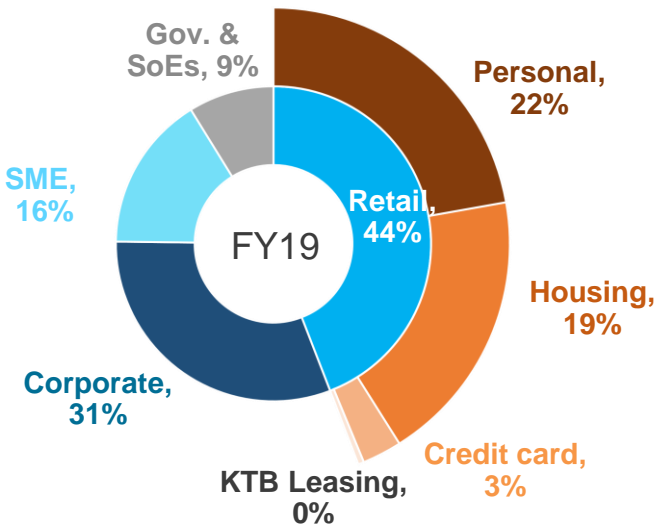
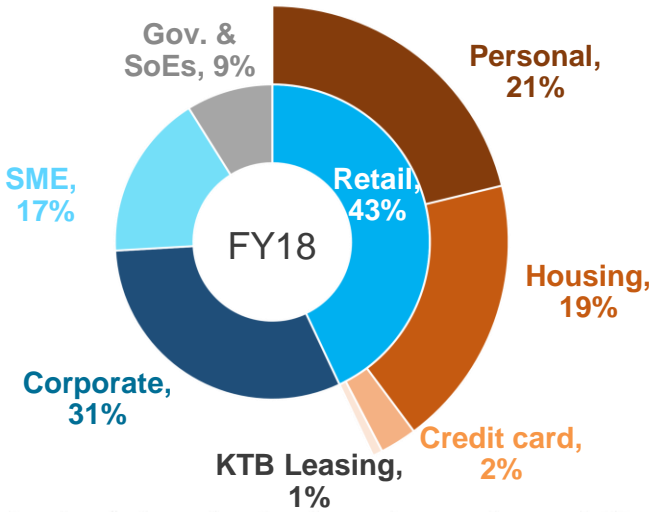
## Loan Growth

(THB billion)



Loan Growth by Segment	Y2019 (YTD)
Gov. & SoEs	+1.7%
SME	-3.4%
Retail	+6.2%
Housing	+5.1%
Personal	+8.3%
Credit card	+10.9%
KTB Leasing	-45.1%
Corporate	+3.1%
<b>Total</b>	<b>+3.2%</b>

## Loan Breakdown



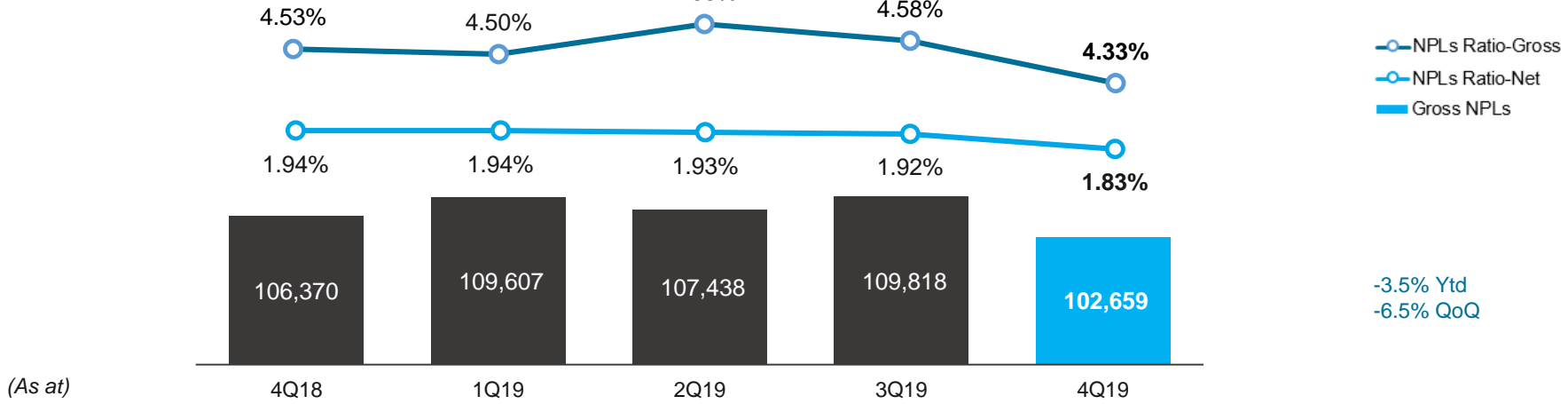
# Asset Quality

*NPL improvement writing on gradually slowing down NPL formation, hence, lowering provision set up whilst building up coverage ratio*

## NPL

Consolidated

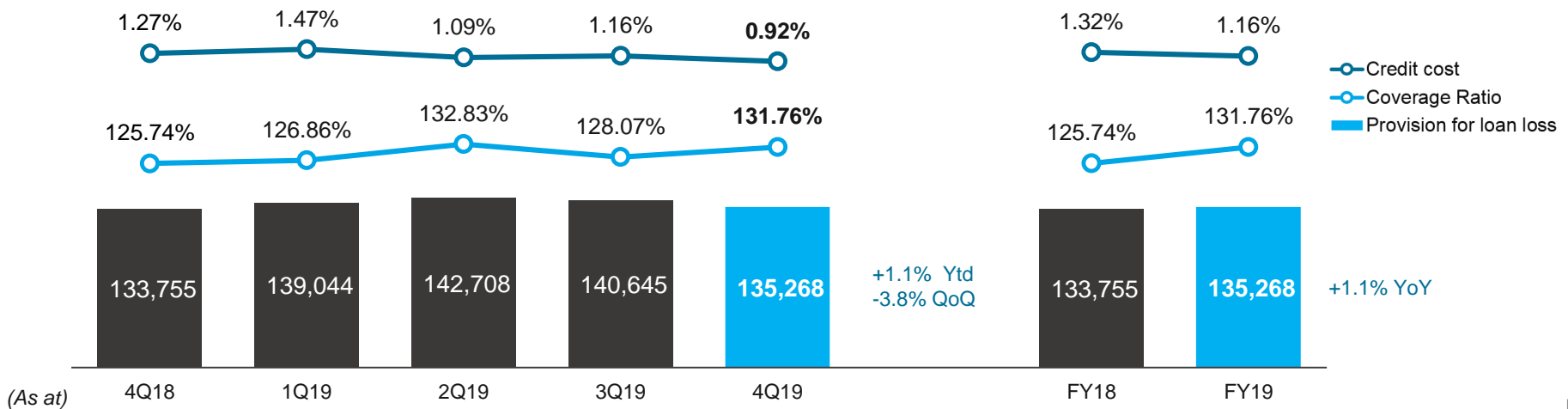
(THB million)



## Provision for Loan Loss

Consolidated

(THB million)



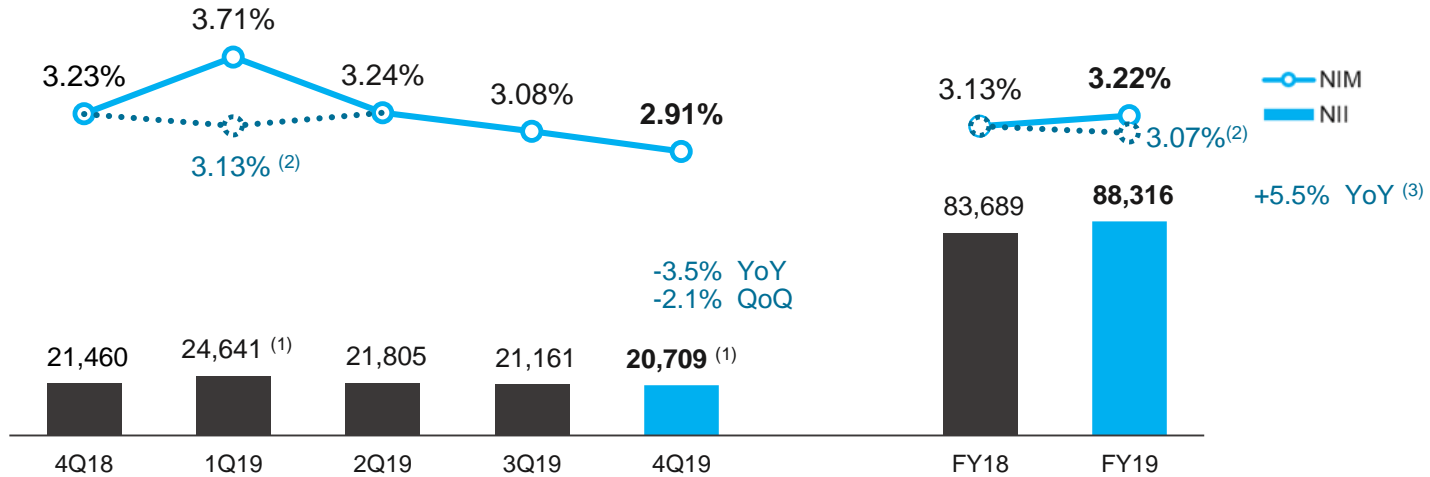
# Net Interest Income

Efficient cost of fund management alleviated interest income pressure from rate cuts

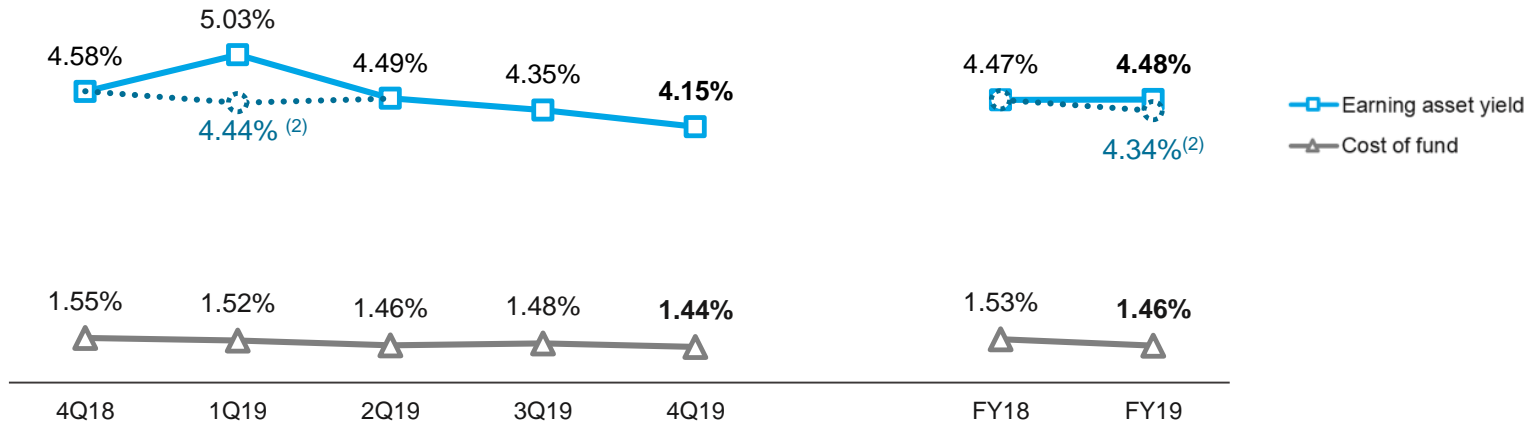
Consolidated

## 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 Y2019 increased 0.9 YoY.

# Non Interest Income

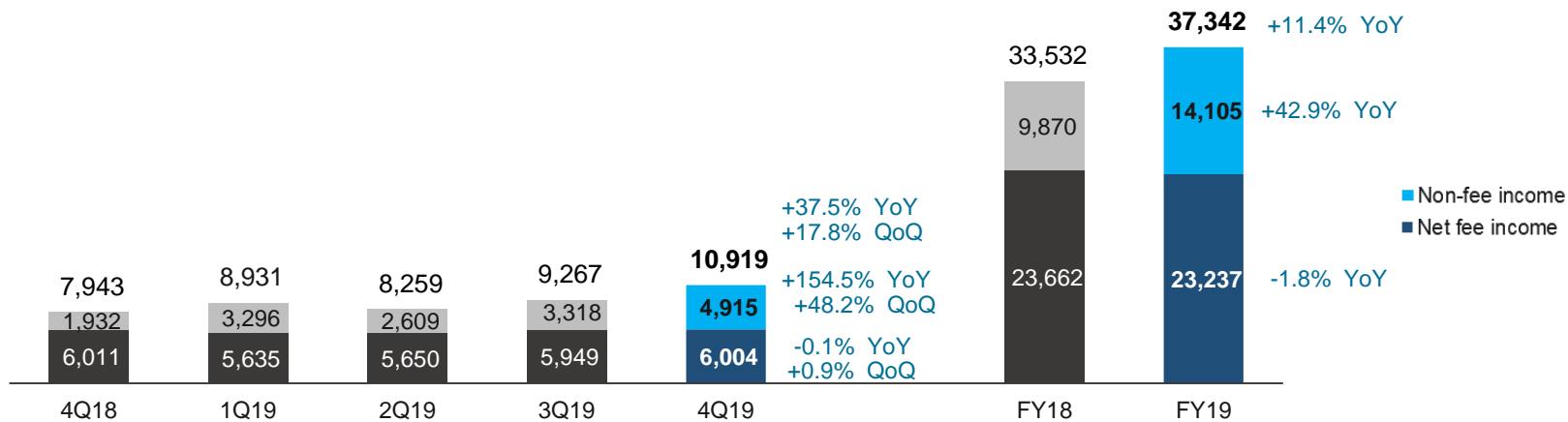


Fee income growth from Card business & electronic services coupling with an uplift in gain on investment boosted our Non-NII

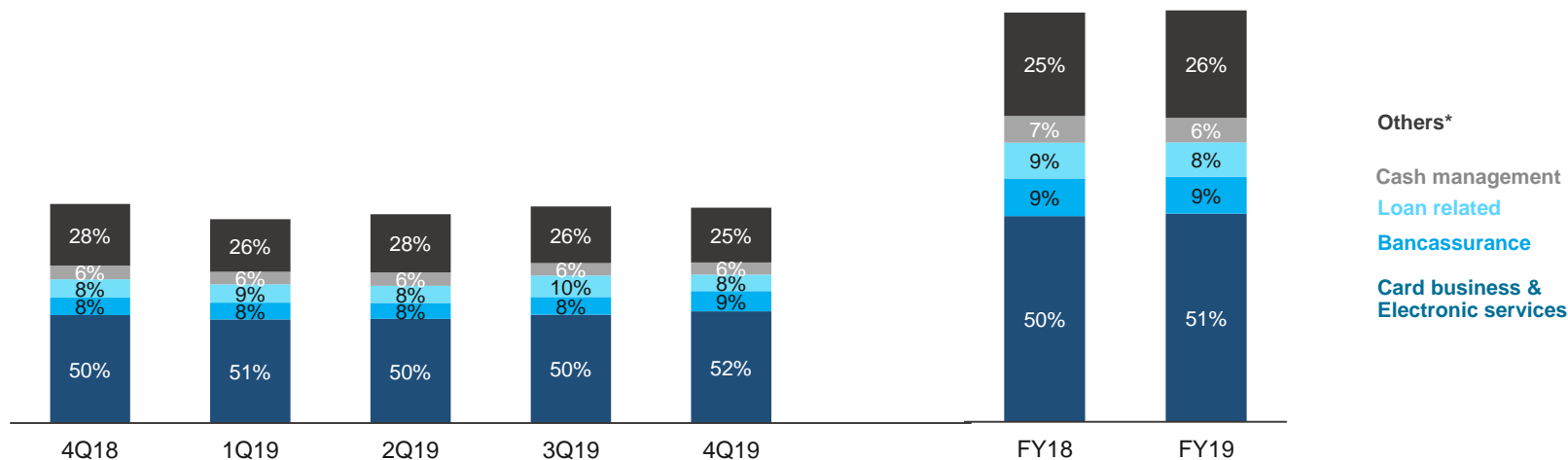
Consolidated

## Non-NII

(THB million)



## Fee Breakdown (Gross)



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

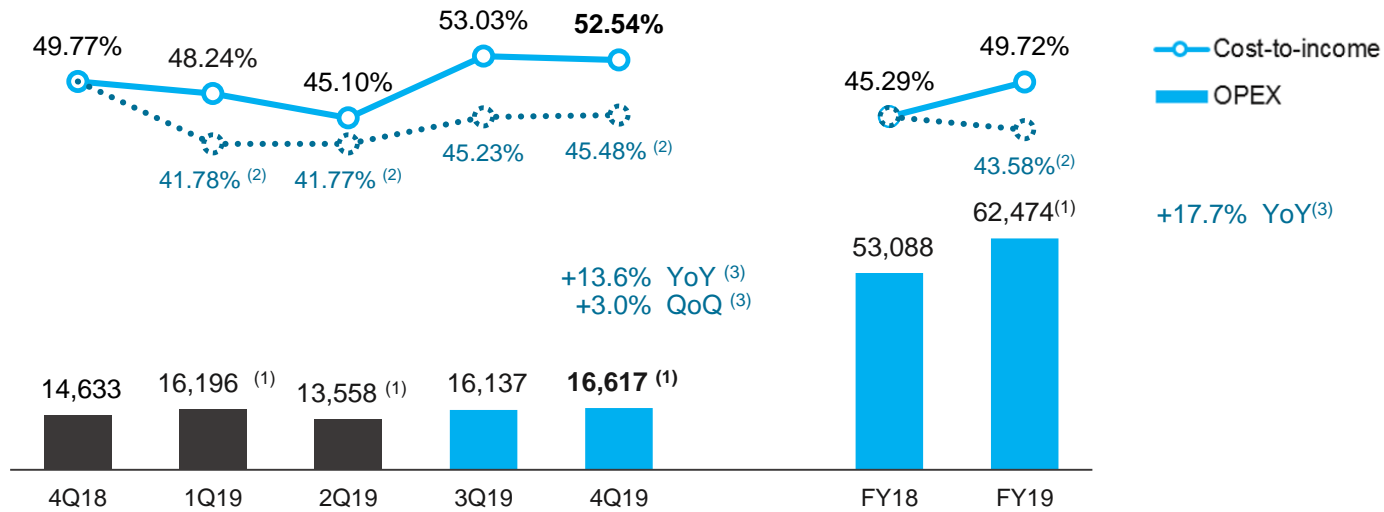
# OPEX

2019% C/I concluded at 43.6% (excluding extraordinary items), 1.7% better than last year with cost control mechanism in place in addition to income growth

Consolidated

## Operating Expense

(THB million)



## OPEX Breakdown



(1) Including extraordinary items i.e. provision on impairment of properties foreclosed in 1Q19, 2Q19 and 4Q19 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 4Q19 and provision on employees' benefits in 3Q19.  
 (3) If excluding extraordinary items, operating expenses in 4Q19 increased 4.5% QoQ and decreased 1.7% YoY, while in Y2019 grew at a similar level YoY.  
 (4) Others Including Directors' remuneration



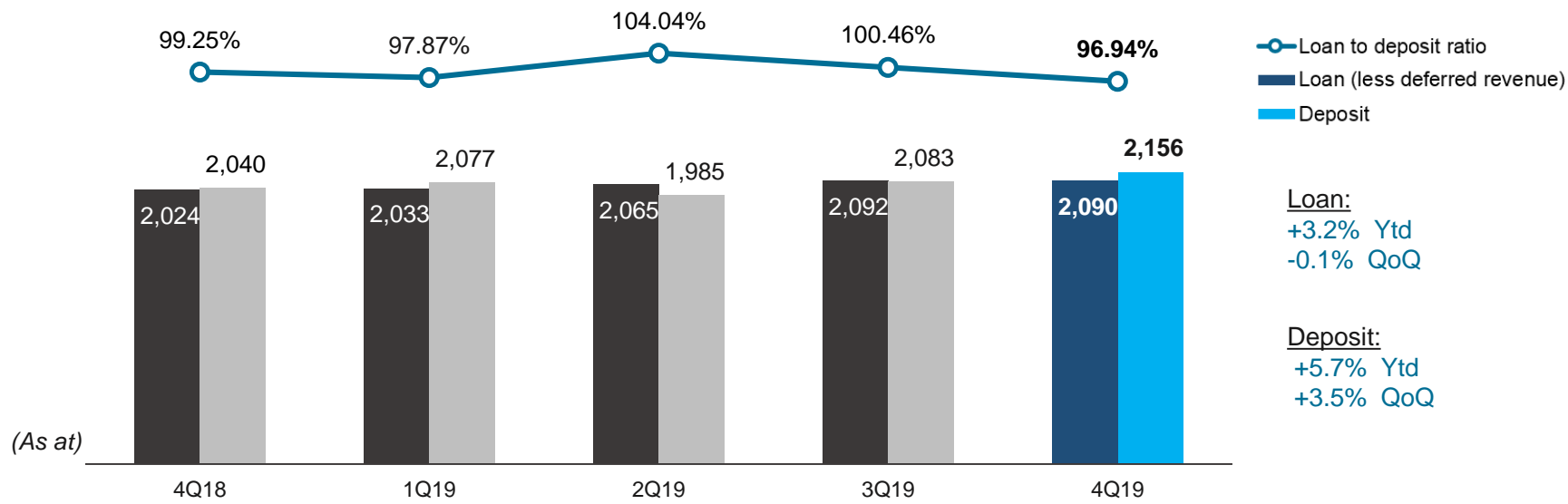
# Liquidity

Stronger Deposit Growth Whilst Continual Loan Growth Contributing to Better L/D Ratio

## Loan vs Deposit (L/D ratio)

(THB billion)

Consolidated



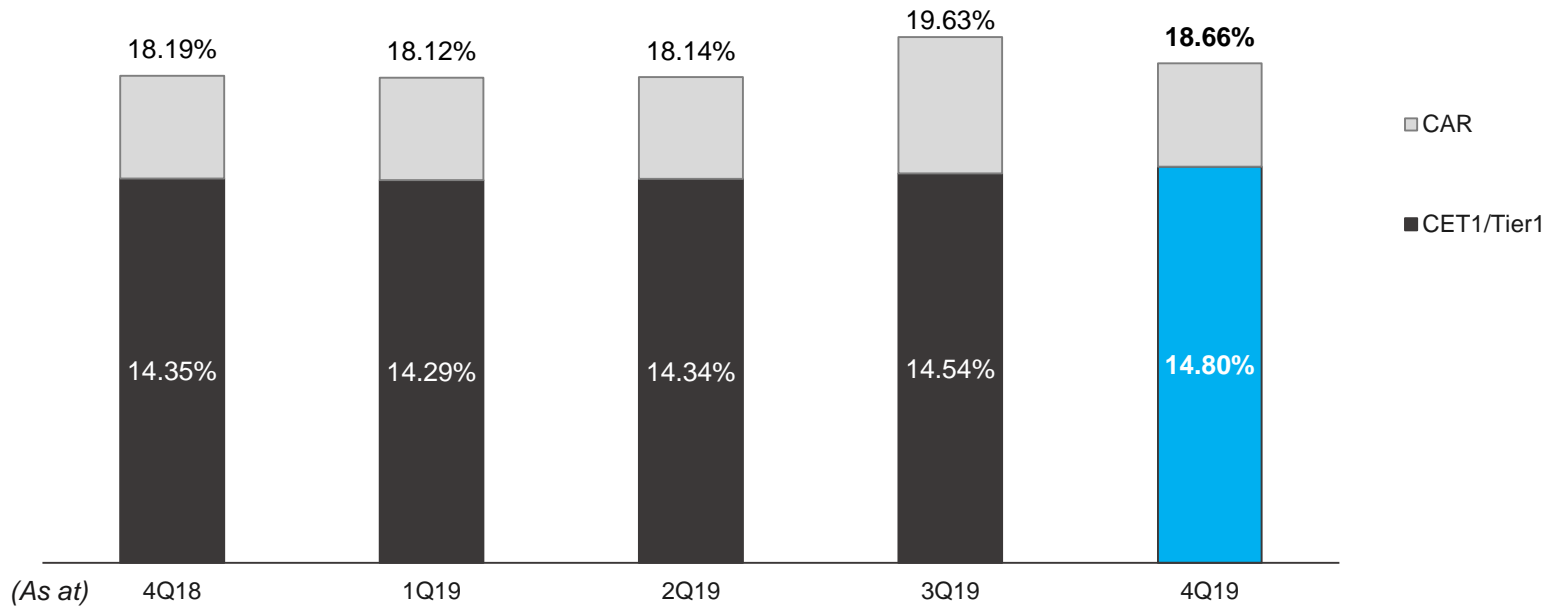
Loan:  
 +3.2% Ytd  
 -0.1% QoQ

Deposit:  
 +5.7% Ytd  
 +3.5% QoQ

(As at)

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*

*<https://www.ktb.co.th/en/investor-relations>*

*Tel :0-2208-3668-9*

*Email : IR@ktb.co.th*