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Management Discussion and Analysis

For the quarter and year ended
December 31, 2019

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Executive Summary:

In 2019, the Thai economy expanded at a rate lower than its growth potential largely caused by negative external factors which affected both exports and domestic demand. Notwithstanding the weakening operating environment, buoyed by the strong fundamental, Krungsri delivered a robust loan growth of 8.7 percent, exceeding the Bank's target range of 6 - 8 percent. Net profit recorded at Baht 32,749 million*, a robust increase of 32.0% from 2018, driven by significantly higher non-interest income from the recognition of gains on investments from the sales of 50% of shares in Ngern Tid Lor Company Limited (NTL) in 1Q/19, and higher net interest income, supported by a robust loan growth.

In addition to the robust financial performance, other achievements as outlined by the medium-term business plan “to be a leading regional financial institution with global reach” included:

- Krungsri issued the first private-sector “gender” bond in the Asia Pacific region and the first social bond issuance in Asian emerging markets in compliance with the International Capital Markets Association Social Bond Principles and the ASEAN Social Bond Standards. This inaugural certified social bond issuance will help expand credit lines to women-led small and medium-sized enterprises (WSMEs) — an important sector that drives Thailand's economic growth and employment.
- Krungsri announced a plan to acquire 50% of shares of SB Finance Company Inc. (SBF), a finance company in the Philippines, from Security Bank Corporation (SBC) for an estimated consideration of Baht 1,096.9 million. The announcement resonated the Bank's continued mission to pursue opportunities for regional expansion, particularly in fast-growing economies, while applying our industry-leading expertise and conducting best practices through retail and consumer banking businesses. The transaction is expected to be completed in 2Q/20.

Total loans reached Baht 1,817,877 million, an increase of Baht 145,859 million, or 8.7% from December 2018. Loan growth was broad-based, covering all key customer segments. Reflecting Krungsri's industry leadership position, the retail segment was the leading catalyst with a notable increase of Baht 88,157 million, or 11.1%, followed by corporate and SME segments which increased Baht 34,977 million, or 5.6%, and Baht 22,725 million, or 9.1%, respectively.

The robust loan growth in 2019 also reflected the Bank's agility in realigning our loan portfolio toward high-yield segments, thus moving Krungsri closer to the target optimal portfolio mix between commercial and retail loans at a 50:50 ratio.

Deposits totaled Baht 1,566,885 million, an increase of Baht 140,537 million, or 9.9%, from December 2018, attributed to an increase in time deposits of Baht 129,786 million.

Compared to 2018, **non-interest income** significantly increased by 31.9%, or Baht 10,934 million, mainly driven by the recognition of gains on investments from the NTL transaction and a share of profit from investment using equity method.

** Excluding the one-off items in 2019, namely the recognition of gains on investment from the NTL transaction and the provision for compensation in personnel expenses relating to severance payment in accordance with the amended Labor Protection Act, the normalized net profit for the year was recorded at Baht 26,941 million, increasing by 8.6%, or Baht 2,128 million from 2018.*

Despite the weakening economy, **the non-performing loan (NPL) ratio improved** to 1.98% in December 2019 compared to 2.08% in December 2018, resulting from our prudent portfolio management and rigor risk management practices.

Loan-loss reserves stood at Baht 67,715 million, with an excess of Baht 22,759 million over the Bank of Thailand's reserve requirements. Correspondingly, the actual provisioning ratio when compared to the Bank of Thailand's requirements stood at 150.6%, while the coverage ratio improved to 163.8% from 160.8% in December 2018.

Corresponding to the higher net profit, **earnings per share (EPS)** rose to Baht 4.45 in 2019, from Baht 3.37 in 2018.

Despite the improved outlook on the global economy, uncertainties pertaining to trade tensions and geopolitical risks remain high. Continued accommodative monetary policy together with fiscal stimulus measures as well as the expected acceleration in public investment will provide support required to maintain Thailand's economic growth momentum for 2020 at around 2.5 percent. Consequently, Krungsri prudently sets a loan growth target of 5 - 7% for the year.

NIM: 3.60%

**Net Profit:
Baht 32.7 billion**

Coverage Ratio: 163.8%

NPL Ratio: 1.98%

Summary of Financial Performance and Status:

Key 2019 deliverables:

- **Net Profit:**

Recorded at Baht 32,749 million, representing a 32.0% increase over 2018.

(Upon adjusting the one-off items in 2019, the normalized net profit for the year increased by Baht 2,128 million, or 8.6%, from 2018.)

- **Loan Growth:**

Increased by 8.7%, or Baht 145,859 million, compared to December 2018.

- **Deposit Growth:**

Increased by 9.9%, or Baht 140,537 million, compared to December 2018.

- **Net Interest Margin (NIM):**

Moderated to 3.60% from 3.81% in 2018, mainly due to the sales of 50% shares in NTL and the impact of lending rate cuts.

- **Non-Interest Income:**

Significantly increased by 31.9%, or Baht 10,934 million, from 2018, mainly driven by the recognition of gains on investments from the NTL transaction and a share of profit from investment.

(Upon adjusting the aforementioned one-time gains on investments, normalized non-interest income still recorded a strong increase of Baht 2,309 million, or 6.7%, from 2018.)

- **Cost to Income Ratio:**

Recorded at 42.9%, improving from 47.2% in 2018.

(Upon adjusting the one-off items in 2019, the normalized cost to income ratio was recorded at 45.1% for the year.)

- **Non-Performing Loan (NPL) Ratio:**

Improved to 1.98%, from 2.08% in December 2018.

- **Coverage Ratio:**

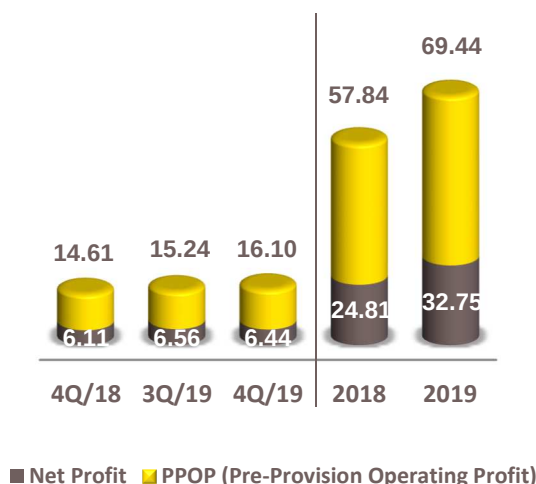
Recorded at 163.8%, strengthening from 160.8% in December 2018.

- **Capital Adequacy Ratio:**

Recorded at 16.56%, compared to 15.13% in December 2018.

PPOP & Net Profit

Unit: Baht Billion



For the year ended December 31, 2019

In 2019, notwithstanding the one-off item expense pertaining to the provision for compensation in personnel expenses relating to severance payment in accordance with the amended Labor Protection Act, the operating profit was Baht 69,439 million, an increase of Baht 11,601 million, or 20.1% from 2018, driven by solid performance in non-interest income, significantly driven by the recognition of gains from investments from the sales of 50% of shares in NTL, together with a higher net interest income, supported by a robust loan portfolio expansion at 8.7%.

The net profit registered Baht 32,749 million, an increase of Baht 7,936 million, or 32.0% from 2018, largely attributed to the robust operating profit, partially offset by an increase in the loan-loss provision, corresponding to a higher loan volume and a prudential safeguard in light of decelerating economy.

For the fourth quarter ended December 31, 2019

In 4Q/19, the operating profit was Baht 16,099 million, an increase of Baht 864 million, or 5.7%, on a quarter-on-quarter basis, mainly due to an increase in net fees and service income, together with a decrease in operating expenses.

The net profit registered Baht 6,437 million, a decrease of Baht 127 million, or 1.9% from the prior quarter, driven by an increase in loan-loss provision, resulting from an increase in prudential provision reserved during the quarter.

On a year-on-year basis, the operating profit increased by Baht 1,491 million, or 10.2%, mainly from a decrease in other operating expenses, driven by a decrease in impairment of contingent liabilities.

The net profit increased by Baht 327 million, or 5.4%, driven by higher operating profit, partially offset by an increase in the loan-loss provision.

1. Statements of Profit or Loss and Other Comprehensive Income

Consolidated	4Q/19	3Q/19	4Q/18	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Interest Income	27,746	27,775	28,091	(29)	(0.1)	(345)	(1.2)
Interest Expenses	8,618	8,654	8,356	(36)	(0.4)	262	3.1
Interest Income, Net	19,128	19,121	19,735	7	0.0	(607)	(3.1)
Fees and Service Income	7,795	7,238	7,701	557	7.7	94	1.2
Fees and Service Expense	1,999	1,964	2,082	35	1.8	(83)	(4.0)
Fees and Service Income, Net	5,796	5,274	5,619	522	9.9	177	3.2
Non-interest and Non-fees Income	3,682	3,821	3,130	(139)	(3.6)	552	17.6
Other Operating Expenses	12,507	12,981	13,876	(474)	(3.7)	(1,369)	(9.9)
Pre-Provision Operating Profit (PPOP)	16,099	15,235	14,608	864	5.7	1,491	10.2
Impairment Loss of Loan and Debt Securities	8,187	6,942	6,790	1,245	17.9	1,397	20.6
Income Tax Expense	1,383	1,623	1,618	(240)	(14.8)	(235)	(14.5)
Net Profit	6,529	6,670	6,200	(141)	(2.1)	329	5.3
Other Comprehensive Income, Net	1,917	(229)	(259)	2,146	937.1	2,176	840.2
Total Comprehensive Income	8,446	6,441	5,941	2,005	31.1	2,505	42.2
Net Profit Attributable To							
Owners of the Bank	6,437	6,564	6,110	(127)	(1.9)	327	5.4
Non-Controlling Interest	92	106	90	(14)	(13.2)	2	2.2
Net Profit	6,529	6,670	6,200	(141)	(2.1)	329	5.3
Total Comprehensive Income Attributable To							
Owners of the Bank	8,357	6,335	5,851	2,022	31.9	2,506	42.8
Non-Controlling Interest	89	106	90	(17)	(16.0)	(1)	(1.1)
Total Comprehensive Income	8,446	6,441	5,941	2,005	31.1	2,505	42.2
Earning Per Share (Baht)	0.88	0.89	0.83	(0.01)	(1.1)	0.05	6.0

Consolidated	2019	2018	Change YoY	
			Baht mn	%
Interest Income	110,455	107,132	3,323	3.1
Interest Expense	34,032	31,804	2,228	7.0
Interest Income, Net	76,423	75,328	1,095	1.5
Fees and Service Income	29,652	28,999	653	2.3
Fees and Service Expense	7,875	7,751	124	1.6
Fees and Service Income, Net	21,777	21,248	529	2.5
Non-interest and Non-fees Income	23,408	13,003	10,405	80.0
Other Operating Expenses	52,169	51,741	428	0.8
Pre-Provision Operating Profit (PPOP)	69,439	57,838	11,601	20.1
Impairment Loss of Loan and Debt Securities	28,203	26,180	2,023	7.7
Income Tax Expense	8,104	6,467	1,637	25.3
Net Profit	33,132	25,191	7,941	31.5
Other Comprehensive Income, Net	1,653	(1,030)	2,683	260.5
Total Comprehensive Income	34,785	24,161	10,624	44.0
Net Profit Attributable To				
Owners of the Bank	32,749	24,813	7,936	32.0
Non-Controlling Interest	383	378	5	1.3
Net Profit	33,132	25,191	7,941	31.5
Total Comprehensive Income Attributable To				
Owners of the Bank	34,405	23,783	10,622	44.7
Non-Controlling Interest	380	378	2	0.5
Total Comprehensive Income	34,785	24,161	10,624	44.0
Earning Per Share (Baht)	4.45	3.37	1.08	32.0

2. Financial Performance

2.1 Net Interest Income

Consolidated	4Q/19	3Q/19	4Q/18	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
INTEREST INCOME							
Interest on loans	18,058	18,121	18,380	(63)	(0.3)	(322)	(1.8)
Interest on interbank and money market items	1,057	1,187	1,479	(130)	(11.0)	(422)	(28.5)
Hire purchase and financial lease income	8,080	7,829	7,668	251	3.2	412	5.4
Investments and trading transactions	25	24	6	1	4.2	19	316.7
Investments in debt securities	504	584	558	(80)	(13.7)	(54)	(9.7)
Other interest income	22	30	0	(8)	(26.7)	22	-
Total Interest Income	27,746	27,775	28,091	(29)	(0.1)	(345)	(1.2)
INTEREST EXPENSE							
Interest on deposits	4,606	4,726	4,043	(120)	(2.5)	563	13.9
Interest on interbank and money market items	1,002	973	1,472	29	3.0	(470)	(31.9)
Interest on borrowings	1,182	1,159	1,126	23	2.0	56	5.0
Contribution to Financial Institution Development Fund and Deposit Protection Agency	1,781	1,776	1,706	5	0.3	75	4.4
Borrowing fee expenses	37	11	5	26	236.4	32	640.0
Other interest expenses	10	9	4	1	11.1	6	150.0
Total Interest Expenses	8,618	8,654	8,356	(36)	(0.4)	262	3.1
Interest Income, Net	19,128	19,121	19,735	7	0.0	(607)	(3.1)
Net Interest Margin	3.52%	3.61%	3.95%				
Yield on Earning Assets	5.11%	5.24%	5.63%				
Cost of Funds	1.77%	1.82%	1.86%				

Consolidated	2019	2018	Change YoY	
			Baht mn	%
INTEREST INCOME				
Interest on loans	72,244	69,337	2,907	4.2
Interest on interbank and money market items	4,681	6,213	(1,532)	(24.7)
Hire purchase and financial lease income	31,073	29,727	1,346	4.5
Investments and trading transactions	91	28	63	225.0
Investments in debt securities	2,279	1,827	452	24.7
Other interest income	87	0	87	-
Total Interest Income	110,455	107,132	3,323	3.1
INTEREST EXPENSE				
Interest on deposits	18,226	15,079	3,147	20.9
Interest on interbank and money market items	4,168	5,535	(1,367)	(24.7)
Interest on borrowings	4,415	4,423	(8)	(0.2)
Contributions to Financial Institution Development				
Fund and Deposit Protection Agency	7,089	6,720	369	5.5
Borrowing fee expenses	74	30	44	146.7
Other interest expenses	60	17	43	252.9
Total Interest Expenses	34,032	31,804	2,228	7.0
Interest Income, Net	76,423	75,328	1,095	1.5
Net Interest Margin	3.60%	3.81%		
Yield on Earning Assets	5.20%	5.42%		
Cost of Funds	1.78%	1.78%		

For the year ended December 31, 2019

For 2019, interest income was recorded at Baht 110,455 million, an increase of Baht 3,323 million or 3.1%, compared to 2018. Key items are as follows:

- Notwithstanding the lending rate cut, interest on loans increased by Baht 2,907 million, or 4.2%, reflecting the rebalancing of loan portfolio mix toward the high yield segments.
- Interest on hire purchase and financial lease income increased by Baht 1,346 million, or 4.5%, mirroring an auto hire purchase portfolio growth.
- Interest on interbank and money market items decreased by Baht 1,532 million, or 24.7%, mainly due to lower repurchase agreement rates, reflecting the policy rate cut.

Interest expenses was recorded at Baht 34,032 million, increased by Baht 2,228 million, or 7.0% from 2018, mainly caused by an increase in interest on deposits of Baht 3,147 million, reflecting an increase in the outstanding deposit balance, particularly time deposits, offset by a decrease in interest on interbank and money market items of Baht 1,367 million.

Consequently, net interest income was recorded at Baht 76,423 million, representing an increase of Baht 1,095 million, or 1.5% from 2018.

For the fourth quarter ended December 31, 2019

Interest income in 4Q/19 was recorded at Baht 27,746 million, slightly decreased by 0.1% or Baht 29 million on a quarter-on-quarter basis. Key items are as follows:

- Interest on interbank and money market items decreased by Baht 130 million, or 11.0%, driven by a decrease in interest rate on repurchase agreements.
- Interest on investment in debts and securities decreased by Baht 80 million, or 13.7%, caused by a decrease in interest on Available for Sale (AFS) portfolio.
- Interest on hire purchase and financial lease income increased by Baht 251 million, or 3.2%, mirroring an auto hire purchase portfolio expansion during the quarter.

Interest expenses were recorded at Baht 8,618 million, decreasing by 0.4%, or Baht 36 million, mainly caused by a decrease in interest on deposits of Baht 120 million, or 2.5% reflecting a lower cost of deposits.

Consequently, net interest income was recorded at Baht 19,128 million, representing an increase of Baht 7 million from 3Q/19.

On a year-on-year basis, interest income decreased by Baht 345 million, or 1.2%. Key items are as follows:

- Interest on interbank and money market items decreased by Baht 422 million, or 28.5%.
- Interest on loans decreased by Baht 322 million, or 1.8%, mainly from the lending rate cuts.
- Interest on hire purchase and financial lease income increased by Baht 412 million, or 5.4%, resulting from an auto hire purchase portfolio expansion.

Interest expenses increased by 3.1%, or Baht 262 million, mainly caused by an increase in interest on deposits of Baht 563 million, reflecting a higher outstanding balance of deposits, offset by a decrease in interest on interbank and money market items of Baht 470 million.

Consequently, net interest income decreased by Baht 607 million, or 3.1%, compared to the same period last year.

In alignment with the Bank of Thailand's policy rate cuts in 2019, the Bank announced reductions in interest rates as follows:

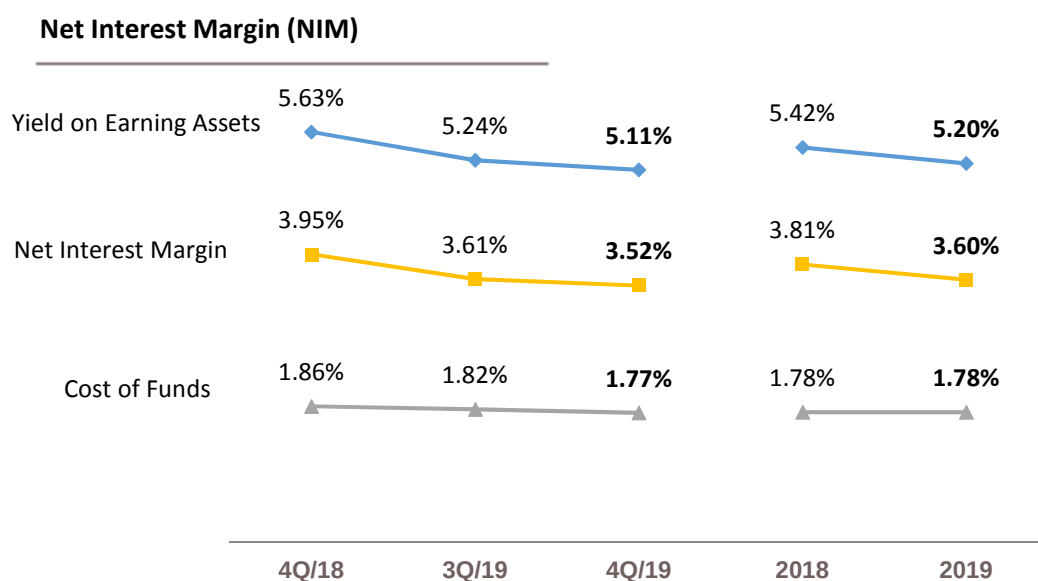
- A 0.25% reduction each in Minimum Overdraft Rate (MOR) and Minimum Retail Rate (MRR), which was in effect from August 19, 2019 onwards.
- A 0.25% reduction in Minimum Loan Rate (MLR), and 0.05-0.35% reductions in deposits rates for corporate customers, which was in effect from November 12, 2019 onwards.

In 4Q/19, yield on earning assets decreased to 5.11% from 5.24% in 3Q/19, while cost of funds decreased to 1.77% from 1.82% in 3Q/19 which reflected the policy rate cut and the Bank's interest rate cut in during the period.

Consequently, NIM moderated to 3.52% from 3.61% in 3Q/19

In 2019, yield on earning assets decreased to 5.20% from 5.42%, reflecting a decrease in yield on loans to 5.85% from 6.07%, mainly due to the sale of 50% shares in NTL and the lending rate cut. Notwithstanding an increase in cost of deposit to 1.67% from 1.56% in 2018, the cost of borrowings was decreased to 2.87 from 2.94 in 2018, thus resulting in stable cost of funds at 1.78%.

Consequently, NIM moderated to 3.60% from 3.81% in 2018.



	4Q/18	3Q/19	4Q/19	2018	2019
Yield on Loans	6.17%	5.87%	5.81%	6.07%	5.85%
Cost of Deposits	1.62%	1.72%	1.65%	1.56%	1.67%

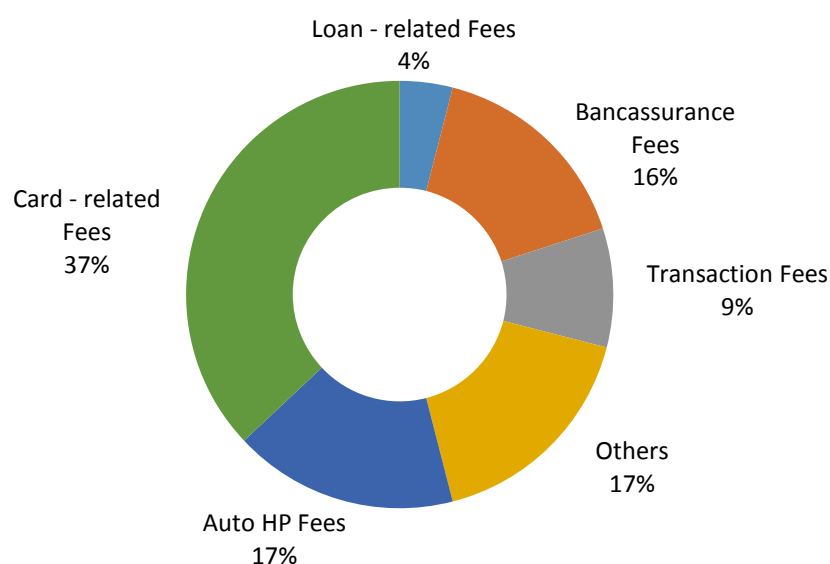
	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
Policy Rate	1.50%	1.50%	1.50%	1.50%	1.75%	1.75%	1.75%	1.50%	1.25%
Krungsri Lending Rate (MLR)	6.60%	6.60%	6.60%	6.60%	6.60%	6.60%	6.60%	6.60%	6.35%
Savings Rate	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%	0.30%
3 - month deposits	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.80-1.00%	0.60-1.00%
6 - month deposits	0.90-1.20%	0.90-1.20%	0.90-1.20%	0.90-1.20%	0.90-1.20%	0.90-1.20%	0.90-1.40%	0.90-1.40%	0.65-1.40%
12 - month deposits	1.10-1.35%	1.10-1.35%	1.10-1.35%	1.10-1.35%	1.10-1.35%	1.10-1.35%	1.10-1.55%	1.10-1.55%	0.75-1.55%

2.2 Non-Interest Income

Consolidated	4Q/19	3Q/19	4Q/18	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Acceptances, aval and guarantees	134	129	136	5	3.9	(2)	(1.5)
Other fees and service income	7,661	7,109	7,565	552	7.8	96	1.3
Fees and service income	7,795	7,238	7,701	557	7.7	94	1.2
Fees and service expense	1,999	1,964	2,082	35	1.8	(83)	(4.0)
Fees and Service Income, net	5,796	5,274	5,619	522	9.9	177	3.2
Gains (losses) on trading and foreign exchange transactions	1,123	1,021	1,226	102	10.0	(103)	(8.4)
Gains (losses) on investments	44	115	(4)	(71)	(61.7)	48	1,200.0
Share of profit (loss) from investment using equity method	409	397	76	12	3.0	333	438.2
Bad debt recoveries	1,759	1,595	1,550	164	10.3	209	13.5
Other operating income	347	693	282	(346)	(49.9)	65	23.0
Total Non-interest and Non-fees Income	3,682	3,821	3,130	(139)	(3.6)	552	17.6
Non-Interest Income	9,478	9,095	8,749	383	4.2	729	8.3

Consolidated	2019	2018	Change YoY	
			Baht mn	%
Acceptances, aval and guarantees	524	525	(1)	(0.2)
Other fees and service income	29,128	28,474	654	2.3
Fees and service income	29,652	28,999	653	2.3
Fees and service expense	7,875	7,751	124	1.6
Fees and Service Income, net	21,777	21,248	529	2.5
Gains (losses) on trading and foreign exchange transactions	4,350	4,737	(387)	(8.2)
Gains (losses) on investments	9,232	374	8,858	2,368.4
Share of profit (loss) from investment using equity method	1,409	391	1,018	260.4
Bad debt recoveries	6,483	5,994	489	8.2
Other operating income	1,934	1,507	427	28.3
Total Non-Interest and Non-fees Income	23,408	13,003	10,405	80.0
Non-Interest Income	45,185	34,251	10,934	31.9

Fees & Service Income Breakdown in 4Q/19



For the year ended December 31, 2019

For 2019, non-interest income was Baht 45,185 million, a robust increase of Baht 10,934 million, or 31.9%, compared to last year. Details are as follows:

- Net fees and service income was Baht 21,777 million, an increase of Baht 529 million, or 2.5%. Key items are:
 - o Card-related fees increased by Baht 938 million, or 9.4%.
 - o Loan-related fees increased by Baht 213 million, or 21.3%
 - o Collection fees decreased by Baht 308 million, or 30.1%
 - o Wealth & fund management and securities-related fees decreased by Baht 217 million, or 4.6%.
 - o Transaction fees decreased by Baht 99 million, or 3.3%, partly due to digital fee-waivers.
 - o Bancassurance fees decreased by Baht 78 million, or 2.0%.
 - o Auto hire purchase fees decreased by Baht 21 million, or 0.4%.
 - o Fees and service expenses increased by Baht 124 million, or 1.6%, mainly resulting from ATM and card network fees.
- Gains on investments significantly increased by Baht 8,858 million, or 2,368.4%, mainly due to the one-time gains on investments from the NTL transaction in 1Q/19.
- A share of profit from investment using the equity method increased by Baht 1,018 million, or 260.4%, driven by the change in control over NTL to a 50% joint venture.
- Bad debt recoveries increased by Baht 489 million, or 8.2%.
- Other operating income increased by Baht 427 million, or 28.3%, mainly driven by gain on sales of properties for sale which increased by Baht 344 million.
- Gains on trading and foreign exchange transactions decreased by Baht 387 million, or 8.2%, mainly due to a decrease in interest rate derivatives.

For the fourth quarter ended December 31, 2019

Total non-interest income in 4Q/19 was Baht 9,478 million, increasing by Baht 383 million, or 4.2% from 3Q/19. Details are as follows:

- Net fees and service income was Baht 5,796 million, increasing by Baht 522 million, or 9.9%. Key items are:
 - o Mirroring the fourth quarter's seasonality, card-related fees increased by Baht 378 million, or 15.0%, and bancassurance fees increased by Baht 353 million, or 41.0%.
 - o Collection fees increased by Baht 22 million, or 15.2%.
 - o Wealth & fund management and securities-related fees decreased by Baht 53 million, or 4.6%, mirroring the capital market conditions during the period.
 - o Auto hire purchase fees decreased by Baht 23 million, or 1.8%.
 - o Fees and service expenses increased by Baht 35 million, or 1.8%, mainly resulting from ATM and card network fees.

- Bad debt recoveries increased by Baht 164 million, or 10.3%.
- Gains on trading and foreign exchange transactions increased by Baht 102 million, or 10.0%.
- Other operating income decreased by Baht 346 million, or 49.9%, mainly driven by the absence of gain on sales of properties for sale recognized in 3Q/19.
- Gains on investments decreased by Baht 71 million, or 61.7%.

On a year-on-year basis, total non-interest income increased by Baht 729 million, or 8.3%.

Details are as follows:

- Net fees and service income increased by Baht 177 million, or 3.2%. Key items are:
 - o Card-related fees increased by Baht 95 million, or 3.4%.
 - o Bancassurance fees increased by Baht 41 million, or 3.5%.
 - o Loan-related fees increased by Baht 40 million, or 15.5%.
 - o Collection fees decreased by Baht 99 million, or 37.4%.
 - o Auto hire purchase fees decreased by Baht 42 million, or 3.1%.
 - o Fees and service expenses decreased by Baht 83 million, or 4.0%, mainly resulting from ATM and card network fees.
- A share of profit from investment using the equity method increased by Baht 333 million, or 438.2%, driven by the change in control over NTL to a 50% joint venture.
- Bad debt recoveries increased by Baht 209 million, or 13.5%.
- Other operating income increased by Baht 65 million, or 23.0%.
- Gains on investments increased by Baht 48 million, or 1,200.0%.
- Gains on trading and foreign exchange transactions decreased by Baht 103 million, or 8.4%, mainly due to a decrease in income from FX and derivatives.

2.3 Other Operating Expenses

Consolidated	4Q/19	3Q/19	4Q/18	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Employee expenses	6,515	6,670	6,680	(155)	(2.3)	(165)	(2.5)
Premises and equipment expenses	2,014	1,905	2,184	109	5.7	(170)	(7.8)
Taxes and duties	709	703	729	6	0.9	(20)	(2.7)
Directors' remuneration	14	15	16	(1)	(6.7)	(2)	(12.5)
Other expenses	3,255	3,688	4,267	(433)	(11.7)	(1,012)	(23.7)
Total Other Operating Expenses	12,507	12,981	13,876	(474)	(3.7)	(1,369)	(9.9)

Consolidated	2019	2018	Change YoY	
			Baht mn	%
Employee expenses	27,649	26,287	1,362	5.2
Premises and equipment expenses	7,922	8,420	(498)	(5.9)
Taxes and duties	2,871	2,789	82	2.9
Directors' remuneration	59	59	0	0.0
Other expenses	13,668	14,186	(518)	(3.7)
Total Other Operating Expenses	52,169	51,741	428	0.8

For the year ended December 31, 2019

Total other operating expenses were Baht 52,169 million, increasing by Baht 428 million, or 0.8% from 2018. Key items are as follows:

- Employee expenses increased by Baht 1,362 million, or 5.2%, mainly resulting from the aforementioned one-time severance provision recorded in 1Q/19.
- Other expenses decreased by Baht 518 million, or 3.7%, driven by a decrease in impairment of contingent liabilities.
- Premises and equipment expenses decreased by Baht 498 million, or 5.9%, driven mainly by a decrease in rental expenses.

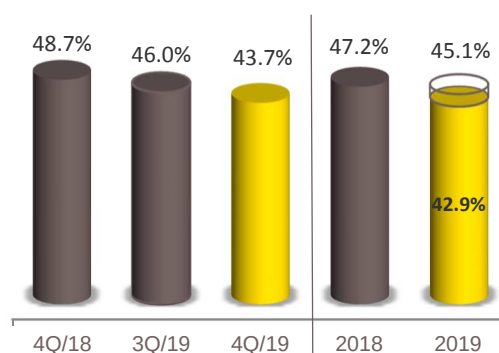
For the fourth quarter ended December 31, 2019

Total other operating expenses in 4Q/19 were Baht 12,507 million, decreasing by Baht 474 million, or 3.7%, mainly due to a decrease in other expenses of Baht 433 million resulting from a decrease in impairment of contingent liabilities.

On a year-on-year basis, total other operating expenses decreased by Baht 1,369 million, or 9.9%. Key items are as follows:

- Other expenses decreased by Baht 1,012 million, or 23.7%, driven by a decrease in impairment of contingent liabilities.
- Premises and equipment expenses decreased by Baht 170 million, or 7.8%, driven mainly by a decrease in rental expenses.
- Employee expenses decreased by Baht 165 million, or 2.5%, mainly resulting from the sales of 50% of shares in NTL.

Cost to income Ratio



The cost-to-income ratio was recorded at 43.7% in 4Q/19, improving from 46.0% in 3Q/19, mainly driven by effective expense management.

For 2019, the cost-to-income ratio was recorded at 42.9%, improving from 47.2% in 2018, as a result of our continued efforts to enhance operating efficiency together with our effective expense management.

(Upon adjusting the one-off items in 2019, the normalized cost to income ratio was recorded at 45.1% for the year.)

2.4 Impairment loss on loans and debt securities

Consolidated	4Q/19	3Q/19	4Q/18	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Impairment loss on debt instrument (reversal)	(12)	0	0	(12)	-	(12)	-
Bad Debts and Doubtful Accounts	7,889	6,661	6,416	1,228	18.4	1,473	23.0
Loss on Debts Restructuring	310	281	374	29	10.3	(64)	(17.1)
Total impairment loss of loan and debt securities	8,187	6,942	6,790	1,245	17.9	1,397	20.6

Consolidated	2019	2018	Change YoY	
			Baht mn	%
Impairment loss on debt instrument (reversal)	(12)	0	(12)	-
Bad Debts and Doubtful Accounts	27,046	24,464	2,582	10.6
Loss on Debts Restructuring	1,169	1,716	(547)	(31.9)
Total impairment loss of loan and debt securities	28,203	26,180	2,023	7.7

The loan-loss provision in 4Q/19 amounted to Baht 8,187 million, an increase of Baht 1,245 million, or 17.9%, from 3Q/19, corresponding to a higher loan volume and a prudential safeguard in light of decelerating economy.

For 2019, the loan-loss provision was recorded at Baht 28,203 million, representing an increase of Baht 2,023 million, or 7.7%, on a year-on-year basis, corresponding to a higher loan volume and a prudential safeguard in light of decelerating economy, corresponding the improvement of coverage ratio during the year.

3. Financial Status

3.1 Statement of Financial Position

Consolidated	As at Dec. 31, 19	As at Sep. 30, 19	As at Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
ASSETS							
Cash	33,831	30,503	34,680	3,328	10.9	(849)	(2.4)
Interbank and money market items, net	331,431	275,165	245,553	56,266	20.4	85,878	35.0
Investments, net	118,340	115,666	134,749	2,674	2.3	(16,409)	(12.2)
Investments in subsidiaries and joint ventures, net	11,952	11,648	2,620	304	2.6	9,332	356.2
Loans to customers	1,909,362	1,866,616	1,749,254	42,746	2.3	160,108	9.2
Accrued interest receivable	4,483	4,788	4,326	(305)	(6.4)	157	3.6
Deferred revenue	(91,485)	(88,055)	(77,236)	(3,430)	(3.9)	(14,249)	(18.4)
Allowance for doubtful accounts	(65,710)	(64,842)	(59,791)	(868)	(1.3)	(5,919)	(9.9)
Revaluation allowance for debt restructuring	(1,674)	(1,646)	(1,569)	(28)	(1.7)	(105)	(6.7)
Properties for sale, net	3,500	3,470	3,478	30	0.9	22	0.6
Assets classified as held for sale	0	0	39,536	0	-	(39,536)	(100.0)
Others	105,562	115,875	98,022	(10,313)	(8.9)	7,540	7.7
TOTAL ASSETS	2,359,592	2,269,188	2,173,622	90,404	4.0	185,970	8.6
LIABILITIES AND SHAREHOLDERS' EQUITY							
Deposits	1,566,885	1,495,047	1,426,348	71,838	4.8	140,537	9.9
Interbank and money market items, net	252,121	243,143	244,097	8,978	3.7	8,024	3.3
Debt issued and borrowings	175,667	164,242	155,650	11,425	7.0	20,017	12.9
Liabilities directly associated with assets classified as held for sale	0	0	13,784	0	-	(13,784)	(100.0)
Others	92,803	103,086	90,025	(10,283)	(10.0)	2,778	3.1
TOTAL LIABILITIES	2,087,476	2,005,518	1,929,904	81,958	4.1	157,572	8.2
Issued and paid-up share capital	73,558	73,558	73,558	0	0.0	0	0.0
Retained earning	140,041	134,251	114,050	5,790	4.3	25,991	22.8
Others	58,517	55,861	56,110	2,656	4.8	2,407	4.3
TOTAL SHAREHOLDERS' EQUITY	272,116	263,670	243,718	8,446	3.2	28,398	11.7
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,359,592	2,269,188	2,173,622	90,404	4.0	185,970	8.6
Book value per share (Baht)	36.99	35.85	33.13	1.14	3.2	3.86	11.7

As of December 31, 2019, total assets stood at Baht 2,359,592 million, representing an increase of Baht 185,970 million, or 8.6%, from December 2018. Key items are as follows:

- Total loans (net of deferred revenue) increased by Baht 145,859 million, or 8.7%.
- Net interbank and money market items increased by Baht 85,878 million, or 35.0%, mainly resulting from an increase in repurchase agreements.
- Asset classified as held for sale decreased by Baht 39,536 million, attributed to the completion of the NTL transaction in 1Q/19.
- Net investments decreased by Baht 16,409 million, or 12.2%, mainly resulting from a decrease in the Available for Sale (AFS) portfolio of Baht 14,373 million.

Compared to 3Q/19, total assets increased by Baht 90,404 million, or 4.0%. Key items are as follows:

- Net interbank and money market items increased by Baht 56,266 million, or 20.4%, mainly resulting from an increase in repurchase agreements of Baht 66,193 million, offset by a decrease in loans with financial institutions amounting to Baht 8,413 million.
- Total loans (net of deferred revenue) increased by Baht 39,316 million, or 2.2%.
- Other assets decreased by Baht 10,313 million, or 8.9%, mainly due to a decrease in claim on securities.

As of December 31, 2019, total liabilities stood at Baht 2,087,476 million, representing an increase of Baht 157,572 million, or 8.2%, from December 2018. Key items are as follows:

- Deposits increased by Baht 140,537 million, or 9.9%, largely driven by time deposits.
- Debts issued and borrowings increased by Baht 20,017 million, or 12.9%, driven mainly by the issuance of the subordinated debentures of Baht 18,826 million in 2Q/19, new issuance of gender bond of Baht 6,640 million* in 4Q/19.
- Liabilities directly associated with assets classified as held for sale decreased by Baht 13,784 million, mainly due to the completion of the NTL transaction in 1Q/19.

Compared to 3Q/19, total liabilities increased by Baht 81,958 million, or 4.1%. Key items are as follows:

- Deposits increased by Baht 71,838 million, or 4.8%, driven by an increase in time deposits.
- Debts issued and borrowings increased by 11,425 million, or 7.0 driven by new issuance of gender bond and the net issuance of Krungsri Group's long-term debentures of Baht 11,114 million.
- Other liabilities decreased by Baht 10,283 million, or 10.0%, driven by a decrease in accounts payable for investments.

As of December 31, 2019, total shareholders' equity stood at Baht 272,116 million, an increase of Baht 28,398 million, or 11.7%, from December 2018 due to an increase in equity holders' net profit of Baht 32,749 million in 2019 and an increase in land and building revaluation of Baht 3,057 million, which was partially offset by dividends paid of Baht 6,252 million.

Book value per share as of December 31, 2019 increased by 11.7% to Baht 36.99 from Baht 33.13 at the end of 2018.

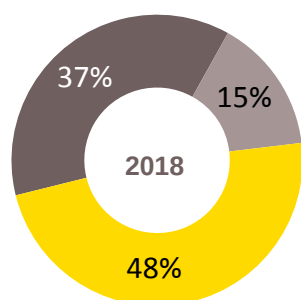
** The tranche of Baht 2,113 million issued to DEG was recorded in the borrowing item, and the tranche of Baht 4,527 million issued to IFC was recorded in interbank and money market items.*

3.2 Loans to customers

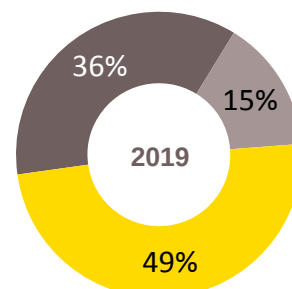
3.2.1 Loans by segment

Consolidated	Dec. 31, 19	Sep. 30, 19	Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
Corporate	661,147	657,168	626,170	3,979	0.6	34,977	5.6
- Thai Corporate	427,197	432,829	422,911	(5,632)	(1.3)	4,286	1.0
- International Corporate (JPC/MNC)	233,950	224,339	203,259	9,611	4.3	30,691	15.1
SMEs	273,224	271,531	250,499	1,693	0.6	22,725	9.1
Retail	883,506	849,862	795,349	33,644	4.0	88,157	11.1
- Hire purchase	414,192	402,863	367,199	11,329	2.8	46,993	12.8
- Mortgage	270,112	264,098	250,484	6,014	2.3	19,628	7.8
- Credit cards and personal loans	199,202	182,901	177,666	16,301	8.9	21,536	12.1
Total *	1,817,877	1,778,561	1,672,018	39,316	2.2	145,859	8.7

* Loans to customers net of deferred revenue



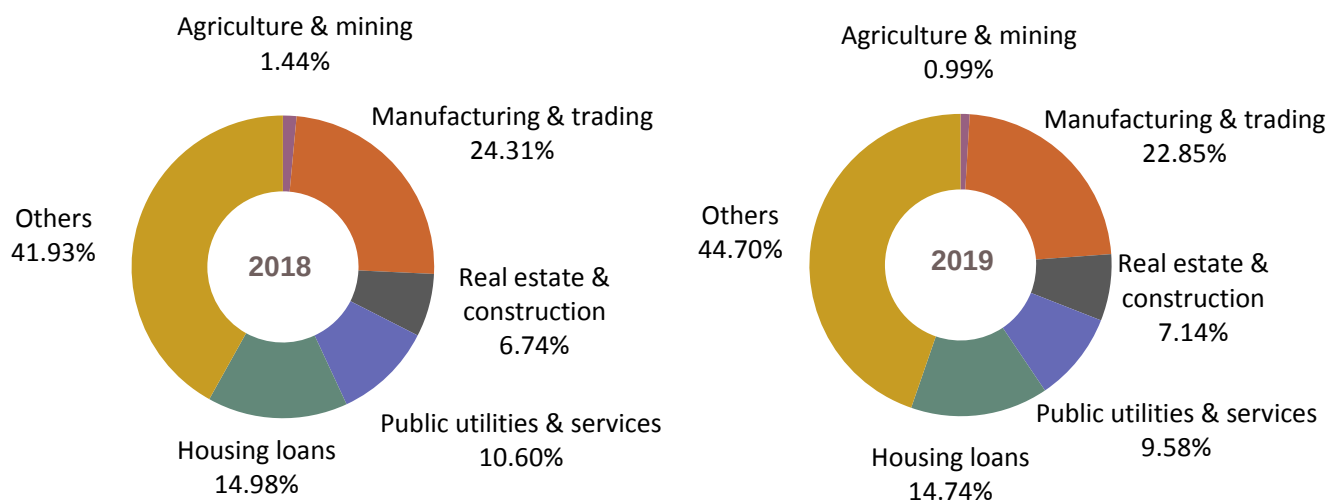
■ Corporate
■ SME
■ Retail



Auto HP 22%
Mortgage 15%
Credit card and Personal Loans 11%

Auto HP 23%
Mortgage 15%
Credit card and Personal Loans 11%

3.2.2 Loans by Industry



As of December 31, 2019, total outstanding loans (net of deferred revenue) stood at Baht 1,817,877 million, an increase of Baht 145,859 million, or 8.7% from December 2018, which grew across segments.

On a quarter-on-quarter basis, loans increased by Baht 39,316 million, or 2.2% from 3Q/19, driven mainly by the retail segment.

At the end of December 2019, commercial loans, comprising corporate and SME customers, accounted for 51% of the total loan portfolio, while retail lending represented the remaining 49%.

Details of loan performance by segment are as follows:

Corporate loans grew by 5.6% or Baht 34,977 million from December 2018, of which Thai Corporate loans increased by 1.0%, or Baht 4,286 million, and International Corporate (JPC/MNC) loans increased by 15.1%, or Baht 30,691 million, reflecting Krungsri prominent leadership position in the Japanese and Multinational Corporations segment.

On a quarter-on-quarter basis, corporate loans increased by 0.6% or Baht 3,979 million, in 4Q/19. International Corporate (JPC/MNC) loans increased by 4.3%, or Baht 9,611 million in 4Q/19. Meanwhile, Thai Corporate loans decreased Baht 5,632 million, or 1.3%, mainly due to loan repayments.

SME loans grew by 9.1%, or Baht 22,725 million from December 2018, and increased by 0.6%, or Baht 1,693 million in 4Q/19. The growth of SME loans for 2019 was broad-based, covering all SME segments, reflecting our innovative products and services.

The **retail loan segment** grew by 11.1%, or Baht 88,157 million from December 2018, and increased by 4.0%, or Baht 33,644 million in 4Q/19.

- **Auto hire purchase loans** grew by 12.8%, or Baht 46,993 million from December 2018, and increased by 2.8% or Baht 11,329 million in 4Q/19. The growth of auto hire purchase loans in 2019 was board-based and resulted from the digital lending innovations, and continued collaboration with manufacturers and dealers.

- **Mortgage loans** increased by 7.8% or Baht 19,628 million from December 2018, and increased by 2.3%, or Baht 6,014 million in 4Q/19. The growth in 2019 was supported by Krungsri's strategy on innovative digital platforms and collaborative partnership with real estate developers for customer experience excellence.
- **Credit cards and personal loans** increased by 12.1%, or Baht 21,536 million from December 2018, which was mainly attributed to an increase of Baht 16,301 million, or 8.9% achieved in 4Q/19, largely attributed to seasonal year-end spending pattern.

3.2.3 Loan classification and provision

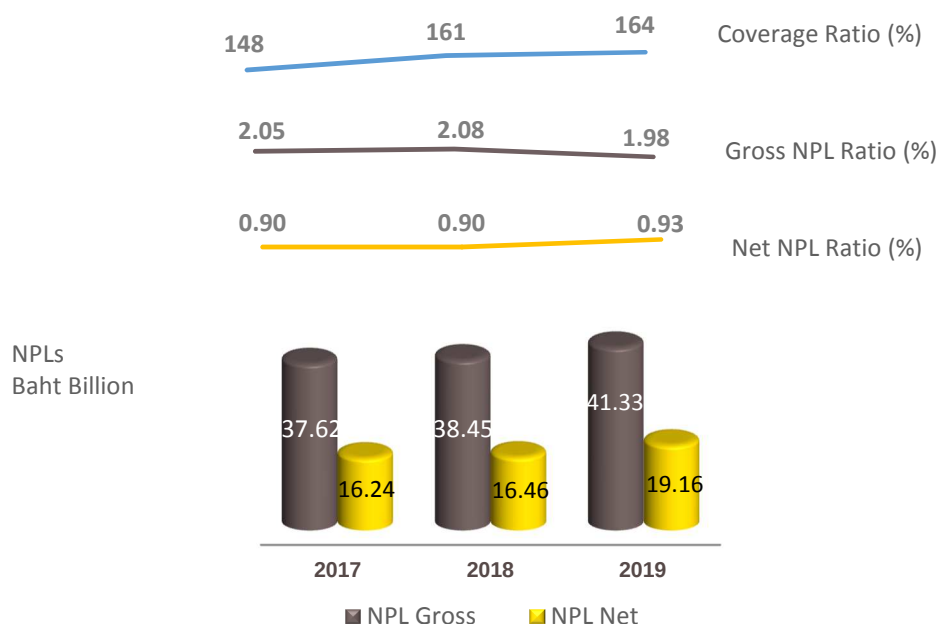
Unit : Baht mn

Consolidated	Dec. 31, 19		Dec. 31, 18		Change	
	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision
Normal	1,718,385	13,758	1,583,364	12,418	135,021	1,340
Special mention	62,641	7,799	54,533	6,375	8,108	1,424
Substandard	12,257	6,306	10,066	5,148	2,191	1,158
Doubtful	6,531	3,217	5,500	2,787	1,031	430
Doubtful of loss	22,546	11,871	22,881	13,322	(335)	(1,451)
Total	1,822,360	42,951	1,676,344	40,050	146,016	2,901
Surplus Reserve		22,759		19,741		3,018
Total	1,822,360	65,710	1,676,344	59,791	146,016	5,919

3.2.4 Non-performing loans

Consolidated	Dec. 31, 19	Sep. 30, 19	Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
Non-Performing Loans (Net)	19,164	17,338	16,455	1,826	10.5	2,709	16.5
Non-Performing Loans (Gross)	41,334	40,041	38,446	1,293	3.2	2,888	7.5
Loans Loss Reserves (LLR)	67,715	66,874	61,808	841	1.3	5,907	9.6
Coverage Ratio	163.8%	167.0%	160.8%	(3.2%)	(1.9)	3.0%	1.9
BOT Requirement	44,956	44,904	42,066	52	0.1	2,890	6.9
Actual / Required LLR	150.6%	148.9%	146.9%	1.7%	1.1	3.7%	2.5

NPLs and Coverage Ratio



NPL by Segment

Consolidated	Dec. 31, 19	Sep. 30, 19	Jun. 30, 19	Mar. 31, 19	Dec. 31, 18
Corporate	1.0%	1.1%	1.1%	1.0%	1.1%
SME	5.4%	5.5%	5.4%	6.0%	6.3%
Retail	2.3%	2.1%	2.1%	2.0%	2.0%
Hire Purchase	1.9%	1.8%	1.8%	1.7%	1.8%
Mortgage	3.4%	2.9%	2.7%	2.7%	2.6%
Personal Loan, Credit Card, and Other	1.6%	1.7%	1.6%	1.7%	1.6%

In 2019, Krungsri conducted the NPL sales of Baht 930 million in 2Q/19.

As of December 31, 2019, gross NPLs stood at Baht 41,334 million, an increase of Baht 2,888 million, or 7.5%, from Baht 38,446 million at the end of 2018. Compared to September 30, 2019, gross NPLs increased by Baht 1,293 million, or 3.2%.

The ratio of gross NPLs as of December 31, 2019 stood at 1.98%, decreasing from 2.01% in September 2019 and 2.08% in December 2018.

As of December 31, 2019, loan-loss reserves stood at Baht 67,715 million, with an excess of Baht 22,759 million over the Bank of Thailand's reserve requirements. Correspondingly, the actual provisioning ratio when compared to the Bank of Thailand's requirements stood at 150.6%.

The coverage ratio moderated to 163.8% from 167.0% in 3Q/19, meanwhile improving from 160.8% at the end of 2018.

3.3 Funding Structure

Deposits

Consolidated	Dec. 31, 19	Sep. 30, 19	Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
Current	37,336	43,508	35,391	(6,172)	(14.2)	1,945	5.5
Savings	599,989	589,183	591,183	10,806	1.8	8,806	1.5
Time	929,560	862,356	799,774	67,204	7.8	129,786	16.2
< 6 Months	370,607	324,991	360,275	45,616	14.0	10,332	2.9
6 Months and < 1 Year	88,673	68,199	127,892	20,474	30.0	(39,219)	(30.7)
1 Year and over 1 Year	470,280	469,166	311,607	1,114	0.2	158,673	50.9
Total Deposit	1,566,885	1,495,047	1,426,348	71,838	4.8	140,537	9.9

Borrowing

Consolidated	Dec. 31, 19	Sep. 30, 19	Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
Debenture	110,530	99,416	108,640	11,114	11.2	1,890	1.7
Subordinated debenture	61,168	61,252	42,735	(84)	(0.1)	18,433	43.1
Other	3,969	3,574	4,275	395	11.1	(306)	(7.2)
Total Borrowing	175,667	164,242	155,650	11,425	7.0	20,017	12.9

As of December 31, 2019, deposits totaled Baht 1,566,885 million, an increase of Baht 140,537 million, or 9.9% from December 2018, attributed to an increase in time deposits of Baht 129,786 million and savings deposits of Baht 8,806 million.

As a result, the proportion of current and savings deposits (CASA) as a percentage of total deposits decreased to 40.7%, compared to 43.9% in December 2018.

As of December 31, 2019, the total borrowing stood at Baht 175,667 million, increasing by Baht 20,017 million, or 12.9% from December 2018. Key items are as follows:

- 1) The Bank issued subordinated debentures, which qualified as the tier 2 capital, in the amount of Baht 18,826 million in June 2019.
- 2) The Bank issued the gender bond totaling Baht 6,640 million* to International Finance Corporation (IFC) and Deutsche Investitions und Entwicklungsgesellschaft (DEG) in October 2019.

* The tranche of Baht 2,113 million issued to DEG was recorded in the borrowing item, and the tranche of Baht 4,527 million issued to IFC was recorded in interbank and money market items.

- 3) The Bank issued new long-term debentures totaling amount of Baht 27,000 million, offset by the matured debentures of Baht 25,000 million.

Detail of new issuance of debentures as follows:

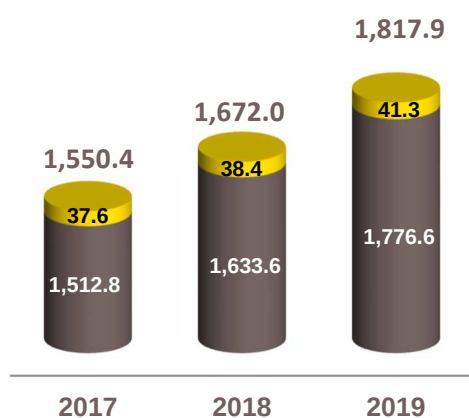
- o On 4 April 2019: Baht 15,000 million with a maturity of 3 years carrying an interest rate of 2.37%
- o On 22 November 2019: Baht 7,000 million with a maturity of 2 years carrying an interest rate of 1.72%
- o On 22 November 2019: Baht 5,000 million with a maturity of 3 years carrying an interest rate of 1.80%

- 4) Krungsri subsidiaries issued new long-term debentures totaling amount of Baht 7,543 million, offset by the matured debentures of Baht 9,765 million.

Consequently, the loan to deposit ratio and the loan to deposit plus debentures ratio decreased to 116% and 108% respectively, compared to 117% and 109% at the end of December 2018.

Loans

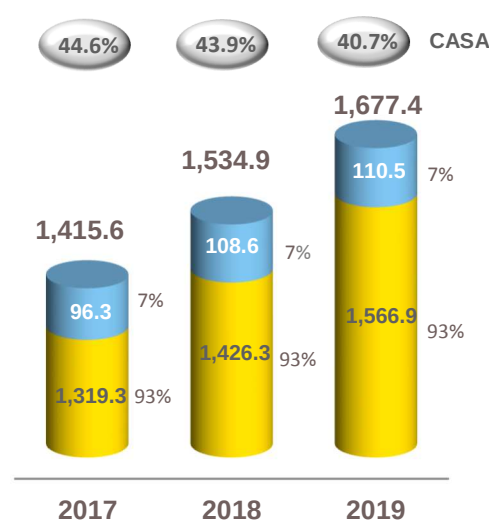
Unit: Baht Billion



■ Performing Loan (PL) ■ Non-Performing Loan (NPL)

Deposits + Debenture

Unit: Baht Billion



■ Deposit ■ Debenture

	2017	2018	2019
L/D	118%	117%	116%
L/D + Debentures	110%	109%	108%

3.4 Contingencies

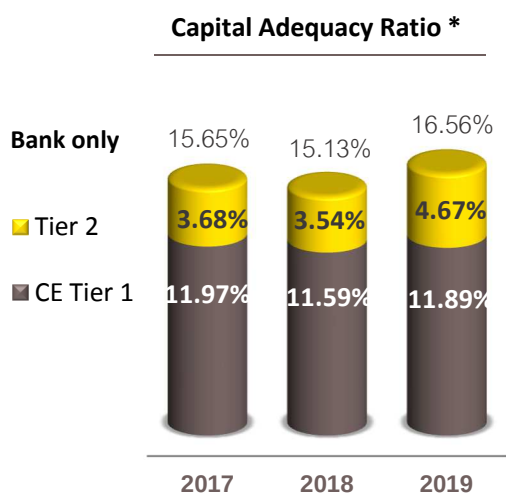
Consolidated	Dec. 31, 19	Sep. 30, 19	Dec. 31, 18	Change from Sep. 30, 19		Change from Dec. 31, 18	
				Baht mn	%	Baht mn	%
Avals to bills and Guarantees of loans	5,947	3,405	3,541	2,542	74.7	2,406	67.9
Liability under unmatured import bills	1,217	1,289	1,955	(72)	(5.6)	(738)	(37.7)
Letters of credit	3,965	3,764	5,818	201	5.3	(1,853)	(31.8)
Other contingencies	98,094	96,681	95,063	1,413	1.5	3,031	3.2
Total	109,223	105,139	106,377	4,084	3.9	2,846	2.7

Krungsri Group's contingencies as of December 31, 2019 totaled Baht 109,223 million, an increase of Baht 2,846 million, or 2.7%, from December 31, 2018. The increase was mainly caused by an increase in other contingencies of Baht 3,031 million and avals to bills and guarantees of loans of Baht 2,406 million.

3.5 Statutory Capital

As of December 31, 2019, the Bank's capital was recorded at Baht 267,009 million, equivalent to 16.56% of risk-weighted assets, comprising common equity tier 1 capital of 11.89% and tier 2 capital of 4.67%.

The current level of capital is sufficient to provide Krungsri with flexibility to continue growing our business.



* The BOT requires the Bank to maintain a minimum CAR at 8.5% and gradually increase the conservation buffer by 0.625% per year from January 1, 2016 until reaching 2.5% by January 1, 2019

Baht Billion	2017	2018	2019
CE Tier 1	167.53	175.38	191.67
Tier 2	51.50	53.60	75.34
Total Capital	219.03	228.98	267.01

Remark: BOT has adopted supervisory framework for Domestic Systemically Important Banks (D-SIBs) by requiring qualified banks to maintain additional 1% of common equity tier 1 from the current minimum requirement, starting 0.5% on Jan 1, 2019 and 1% on Jan 1, 2020.

4. Accounting Changes – TFRS 9 – Financial Instruments

Effective from January 1, 2020 onwards, the Bank adopted TFRS 9, which entails new requirements for 1) Classification and Measurement of financial assets and liabilities, 2) Impairment loss, and 3) Hedged accounting.

With advance preparations and policies, procedures and reporting system already in place, Krungsri expects limited and manageable impacts from this accounting standard change.

5. Credit Ratings

Moody's Investors Service, Standard and Poor's, and Fitch Ratings announced to revise Krungsri's rating and outlook. Details are as follows:

- 1) Moody's Investors Service revised the rating outlook to Positive from Stable on July 30, 2019, following the sovereign outlook revision to Positive from Stable, reflecting that investment in physical and human capital, in the context of a lengthening track record of a predictable and stable macroeconomic environment, could, over time, boost Thailand's competitiveness.
- 2) Standard and Poor's revised the rating outlook to Positive from Stable on December 11, 2019, following the sovereign outlook revision to Positive from Stable, reflecting the improvement of political stability, and the expectation of economic growth recovery.
- 3) Fitch Ratings announced an upgrade of Krungsri Short-Term Issue Default Rating (IDR) from F2 to F1 on April 12, 2019, reflecting the fact that Krungsri has become more integrated with MUFG and also shown that it is a key component of MUFG's regional strategy.
- 4) Fitch Ratings revised the rating outlook to Negative from Stable on November 1, 2019, following a similar revision in the outlook of MUFG Bank, Ltd. - on October 23, 2019.

The Bank's credit ratings assigned by Moody's Investors Service, Standard & Poor's, Fitch Ratings and TRIS Rating as of December 31, 2019 are shown in the table below.

1. Moody's Investors Service

Bank Deposits

- Long Term	Baa1
- Short Term	Prime-2

Debt

- Long Term -Senior Debt	Baa1
Debt and Deposit Rating Outlook	Positive

Baseline Credit Assessment (BCA)	baa3
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2. Standard and Poor's

Issuer Credit Rating (ICR)

- Long Term	BBB+
- Short Term	A-2

Foreign Currency

- Long Term - Senior Debt	BBB+
- Short Term	A-2

Stand-alone Credit Profile (SACP)

Outlook	Positive
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3. Fitch Ratings

International Ratings (Foreign Currency)

- Long Term	A-
- Subordinated Debt	BBB+
- Short Term	F1
- Viability Rating	bbb
- Support	1
- Outlook	Negative

National Ratings

- Long Term – Debenture	AAA (tha)
- Subordinated Debt	AA+ (tha)
- Short Term	F1+ (tha)
- Outlook	Negative

4. TRIS Rating

National Ratings

- Company Rating	AAA
- Issue Rating (subordinated)	AA+
- Outlook	Stable