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Management Discussion and Analysis

For the quarter ended March 31, 2015

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Executive Summary:

On January 5, 2015, the business transfer of Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) Bangkok branch was seamlessly and successfully integrated into Krungsri. The business transfer represented a net value of Baht 46,675 million, of which Baht 448,811 million were assets, and Baht 402,136 million were liabilities. Total shareholders' equity increased by Baht 51,097 million mainly from additional 1,281,618,026 shares issued at an offering price of Baht 40.49 per share.

Despite a slower than expected economic recovery in the first quarter of 2015, net profit of Baht 4,379 million was satisfactorily achieved, representing a 32.6% increase over the same period of 2014. The increase in net profit was attributed to higher net interest income resulting from lending growth in the corporate segment, and net fees and service income growth largely driven by the business transfer from BTMU Bangkok branch.

Total **loans** outstanding at the end of the first quarter were Baht 1,234,762 million, representing an increase of Baht 222,001 million or 21.9% from December 2014. This notable growth was largely driven by the corporate loans portfolio transfer from BTMU Bangkok branch. As of March 31, 2015, Krungsri's loan portfolio comprised commercial lending to corporate and SME customers, equivalent to 60% of total loan portfolio, and retail lending of approximately 40%.

Deposits totaled Baht 1,010,484 million, signifying an increase of Baht 172,928 million, or 20.6%, from December 2014. The growth in deposits was mainly a result of the deposit transfer from the BTMU Bangkok branch.

Net fees and service income increased by 8.2% quarter-on-quarter, driven by an increase in loan-related fees associated with lending growth in the corporate segment, and wealth & fund management and securities-related fees.

Non-performing loans represented 2.36% of total loans, compared to 2.79% in December 2014.

Meanwhile, our **total provision** stood at Baht 44,606 million, with an excess provision over the Bank of Thailand's reserve requirements of Baht 14,088 million, or 46.2%. The loan loss coverage ratio was 139.2%.

Earnings per share (EPS) was Baht 0.59 in 1Q/15.

While economic recovery in the first quarter was slower than expected, owing to both a softened global economic conditions and sluggish domestic demand, we expect the recovery to regain momentum in the latter part of the year, with full year GDP growth projected at 3.8%. Rebound in consumption is expected to be driven by lower fuel prices, and improved private investment as Board of Investment of Thailand's approved projects are implemented, together with accelerated government budget disbursement. With these baseline assumptions, we have set our loan growth target in the range of 7-9% for 2015.

NIM: 4.21%

Net Profit:

Baht 4.4 billion

Coverage: 139.2%

NPLs ratio:

2.36%

Summary of Financial Performance and Status:

1Q/15 deliverables:

- **Loan Growth:**

Increased by 21.9% or Baht 222,001 million compared to December 2014.

- **Deposit Growth:**

Increased by 20.6% or Baht 172,928 million compared to December 2014.

- **Net Profit:**

Baht 4,379 million, representing a 10.4% increase from 4Q/14, and a 32.6% increase from 1Q/14.

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

Moderated downward from the prior quarter to 4.21%, reflecting a higher component of corporate loans.

- **Net Fees and Service Income:**

Increased by 8.2% from 4Q/14 and 24.5% from 1Q/14, driven by an increase in loan-related fees and wealth & fund management and securities-related fees.

- **Cost to Income Ratio:**

Significantly improved to 46.3% from 47.4% in 4Q/14.

- **Non-Performing Loans (NPLs):**

Represented 2.36% of total loans, compared to 2.79% in December 2014.

- **Coverage Ratio:**

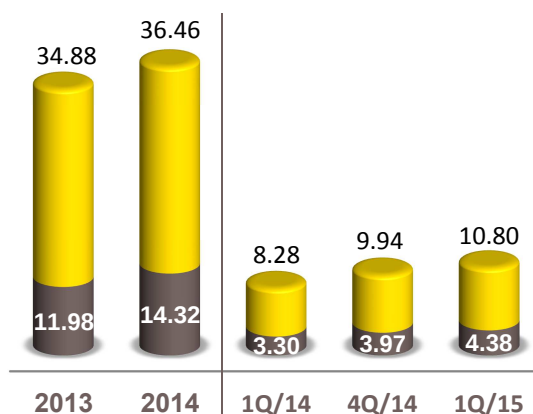
Strong at 139.2%.

- **Capital Adequacy Ratio:**

Improved to 15.1% compared to 14.7% recorded in December 2014.

PPOP & Net Profit

Unit: Baht Billion



■ Net Profit ■ PPOP (Pre-Provision Operating Profit)

In 1Q/15, operating profit amounted to Baht 10,798 million, representing an increase of Baht 2,517 million or 30.4% compared to 1Q/14, resulting from growth in net interest income and net fees and service income. Net profit in 1Q/15 was Baht 4,379 million, representing an increase of Baht 1,076 million or 32.6% compared to 1Q/14, driven by net interest income and net fees and service income.

On a quarter-on-quarter basis, operating profit increased by Baht 857 million or 8.6% from 4Q/14, largely driven by an increase in net interest income. Net profit increased by Baht 414 million or 10.4% from 4Q/14.

1. Statements of Profit or Loss and Other Comprehensive Income

Consolidated Statements of Profit or Loss and Other Comprehensive Income	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Interest Income	20,776	19,044	18,275	1,732	9.1	2,501	13.7
Interest Expenses	6,919	6,681	6,778	238	3.6	141	2.1
Interest Income, Net	13,857	12,363	11,497	1,494	12.1	2,360	20.5
Fees and Service Income	5,572	5,220	4,491	352	6.7	1,081	24.1
Fees and Service Expense	1,280	1,254	1,044	26	2.1	236	22.6
Fees and Service Income, Net	4,292	3,966	3,447	326	8.2	845	24.5
Non-interest and Non-fees Income	1,970	2,571	1,642	(601)	(23.4)	328	20.0
Other Operating Expenses	9,321	8,959	8,305	362	4.0	1,016	12.2
Pre-Provision Operating Profit (PPOP)	10,798	9,941	8,281	857	8.6	2,517	30.4
Impairment Loss of Loan and Debt Securities	5,253	4,879	4,084	374	7.7	1,169	28.6
Income Tax Expense	1,166	1,097	894	69	6.3	272	30.4
Net Profit	4,379	3,965	3,303	414	10.4	1,076	32.6
Other Comprehensive income	98	(791)	572	889	112.4	(474)	(82.9)
Total Comprehensive income	4,477	3,174	3,875	1,303	41.1	602	15.5
Net Profit Attributable To							
Owners of the Bank	4,326	3,936	3,266	390	9.9	1,060	32.5
Non-Controlling Interest	53	29	37	24	82.8	16	43.2
Net Profit	4,379	3,965	3,303	414	10.4	1,076	32.6
Total Comprehensive Income Attributable To							
Owners of the Bank	4,424	3,145	3,838	1,279	40.7	586	15.3
Non-Controlling Interest	53	29	37	24	82.8	16	43.2
Total Comprehensive income	4,477	3,174	3,875	1,303	41.1	602	15.5
Earning Per Share (Baht)	0.59	0.65	0.54	(0.06)	(9.2)	0.05	9.3

2. Financial Performance

2.1 Net Interest Income

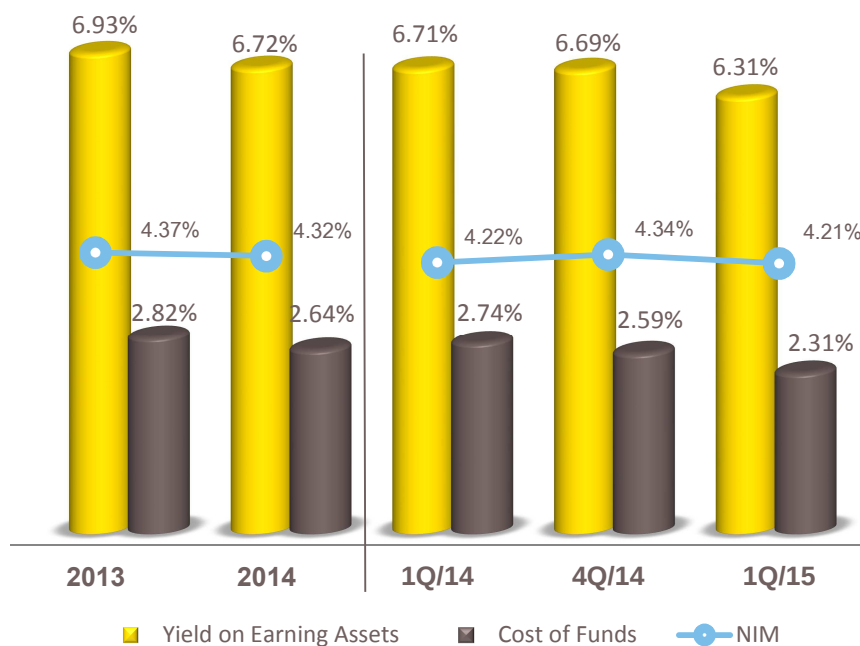
Consolidated	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
INTEREST INCOME							
Interest on loans	14,047	12,829	12,114	1,218	9.5	1,933	16.0
Interest on interbank and money market items	871	575	638	296	51.5	233	36.5
Hire purchase and financial lease income	5,183	5,124	4,968	59	1.2	215	4.3
Investments and trading transactions	28	61	33	(33)	(54.1)	(5)	(15.2)
Investments in debt securities	647	455	522	192	42.2	125	23.9
Total Interest Income	20,776	19,044	18,275	1,732	9.1	2,501	13.7
INTEREST EXPENSE							
Interest on deposits	4,158	3,987	3,991	171	4.3	167	4.2
Interest on interbank and money market items	317	354	336	(37)	(10.5)	(19)	(5.7)
Interest on borrowings	1,219	1,294	1,453	(75)	(5.8)	(234)	(16.1)
Contribution to Financial Institution Development							
Fund and Deposit Protection Agency	1,219	1,042	994	177	17.0	225	22.6
Borrowing fee expenses	2	0	0	2	0.0	2	0.0
Other interest expenses	4	4	4	0	0.0	0	0.0
Total Interest Expenses	6,919	6,681	6,778	238	3.6	141	2.1
Interest Income, net	13,857	12,363	11,497	1,494	12.1	2,360	20.5
Net Interest Margin	4.21%	4.34%	4.22%				
Yield on Earning Assets	6.31%	6.69%	6.71%				
Cost of Funds	2.31%	2.59%	2.74%				

Net interest income in 1Q/15 was Baht 13,857 million, representing an increase of Baht 1,494 million or 12.1% from 4Q/14 largely attributed to higher interest income. An increase in interest income was driven by an increase in outstanding loans and interbank and money market volumes. Although the volume of deposits increased significantly interest expense only increased by Baht 238 million or 3.6%, attributed to improvement in funding costs, reflecting a higher mix of lower cost funds.

On a year-on-year basis, net interest income increased by Baht 2,360 million or 20.5%, mainly attributed to loan growth. Interest expense increased mainly from an increase in deposit expense as a result of higher volume of deposits.

Reflecting the higher component of corporate lending, Krungsri's overall yield moderated to 6.31% in 1Q/15 from 6.69% in 4Q/14. Nevertheless, our cost of funds improved to 2.31% from 2.59% in 4Q/14 in line with a higher mix of lower cost funds. Consequently, NIM moderated to 4.21% from 4.34% in the prior quarter.

Net Interest Margin (NIM)

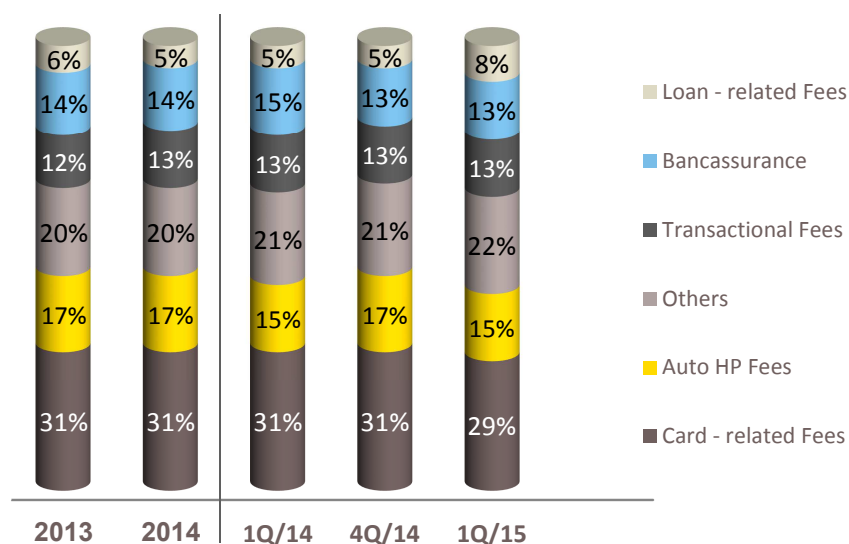


	Jan-14	Feb-14	Mar-14	Apr-14	Sep-14	Dec-14	Mar-15
Policy Rate	2.25%	2.25%	2.00%	2.00%	2.00%	2.00%	1.75%
Krungsri Lending Rate	7.25%	7.25%	7.125%	7.125%	7.125%	7.125%	6.975%
Saving Rate	0.50%	0.50%	0.40%	0.40%	0.40%	0.40%	0.40%
3 - month deposits	1.50- 1.75%	1.45- 1.70%	1.25- 1.55%	1.10- 1.30%	1.10- 1.30%	1.10- 1.30%	1.00- 1.10%
6 - month deposits	1.85- 2.00%	1.75- 1.95%	1.50- 1.70%	1.35- 1.50%	1.35- 1.50%	1.35- 1.50%	1.25- 1.30%
12 - month deposits	2.25%	2.15%	1.95- 2.05%	1.50- 1.75%	1.50- 1.75%	1.50- 1.75%	1.25- 1.50%

2.2 Net Fees and Service Income

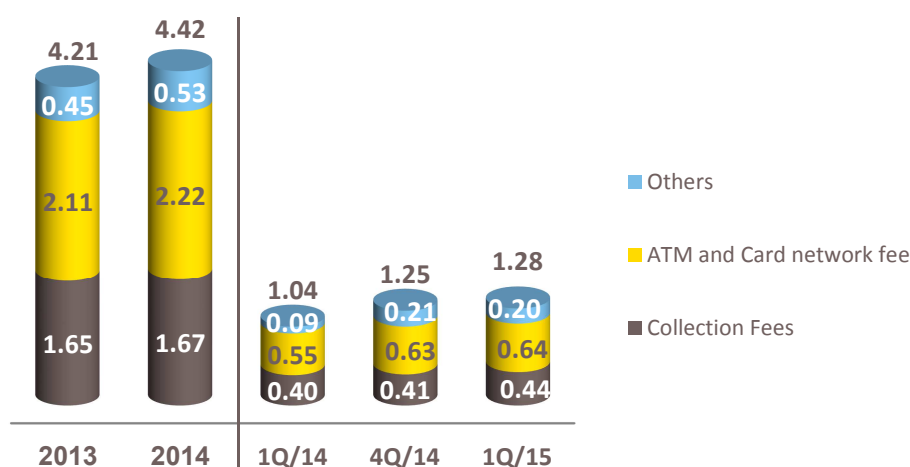
Consolidated	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Acceptances, aval and guarantees	135	131	126	4	3.1	9	7.1
Other fees and service income	5,437	5,089	4,365	348	6.8	1,072	24.6
Fees and service income	5,572	5,220	4,491	352	6.7	1,081	24.1
Fees and service expense	1,280	1,254	1,044	26	2.1	236	22.6
Fees and Service Income, net	4,292	3,966	3,447	326	8.2	845	24.5

Fees & Service Income Breakdown



Fees & Service Expense

Unit: Baht Billion



Net fees and service income increased by 8.2% quarter-on-quarter, driven by an increase in the loan-related fees associated with the corporate portfolio transfer from BTMU Bangkok branch. While wealth, fund management and securities-related fees improved to 11.2%.

On a year-on-year basis, net fees and service income increased by 24.5%, driven by increases in various components, including loan-related fees of 89.2%, wealth & fund management and securities-related fees of 53.5%, auto hire purchase fees of 22.7%, and card related fees of 18.0%.

2.3 Non-interest and Non-fees Income

Consolidated	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Gains (losses) on trading and foreign exchange transactions	441	465	425	(24)	(5.2)	16	3.8
Gains (losses) on investments	279	659	24	(380)	(57.7)	255	1,062.5
Share of profit (loss) from investment for using equity method	106	6	62	100	1,666.7	44	71.0
Bad debt recoveries	717	921	713	(204)	(22.1)	4	0.6
Other operating income	427	520	418	(93)	(17.9)	9	2.2
Total Non-interest and Non-fees Income	1,970	2,571	1,642	(601)	(23.4)	328	20.0

On a quarter-on-quarter basis, non-interest and non-fees income decreased by Baht 601 million or 23.4%, driven primarily by a reduction in gains on investments from Available for Sale (AFS) securities recorded in 4Q/14. Bad debt recoveries income decreased by Baht 204 million or 22.1%.

Compared to 1Q/14, non-interest and non-fees income increased by Baht 328 million or 20.0%, driven primarily by an increase in gains on investments from securities Available for Sales (AFS) of Baht 255 million.

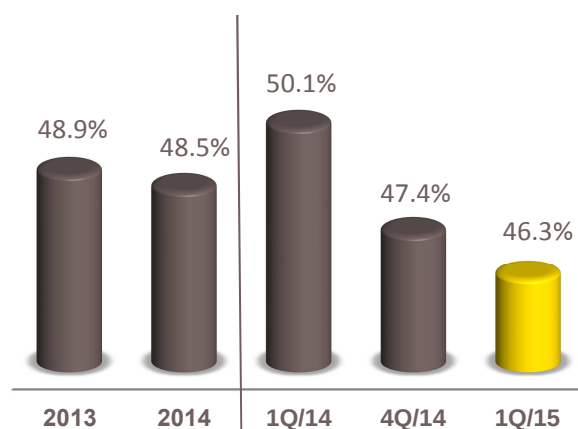
2.4 Other Operating Expenses

Consolidated	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Employee's expenses	4,575	4,017	4,035	558	13.9	540	13.4
Premises and equipment expenses	1,696	1,649	1,584	47	2.9	112	7.1
Taxes and duties	635	392	577	243	62.0	58	10.1
Directors' remuneration	11	13	9	(2)	(15.4)	2	22.2
Other expenses	2,404	2,888	2,100	(484)	(16.8)	304	14.5
Total Other Operating Expenses	9,321	8,959	8,305	362	4.0	1,016	12.2

On a quarter-on-quarter basis, operating expenses increased by Baht 362 million or 4.0%, largely driven by an increase in employee expenses of Baht 558 million or 13.9%, mainly due to the integration of 605 employees from BTMU Bangkok. Taxes and duties increased by Baht 243 million or 62%, reflecting an increase in business volumes, offset by a decrease in other expenses of Baht 484 million, mainly from a decrease in promotion expenses and reserve for impairment loss on NPA.

Operating expenses increased by Baht 1,016 million or 12.2% compared to 1Q/14, driven by an increase in employee expenses of Baht 540 million or 13.4%, mainly due to annual merit increases and additional headcounts from BTMU Bangkok branch. Furthermore, other expenses increased by Baht 304 million or 14.5%, mainly driven by an increase in promotion expenses.

Cost to Income Ratio



In 1Q/15, the cost-to-income ratio significantly improved, edging down to 46.3% from 47.4% in 4Q/14 and 50.1% in 1Q/14, reflecting both effective cost controls and increased efficiency.

2.5 Impairment loss of loans and debt securities

Consolidated	1Q/15	4Q/14	1Q/14	Change QoQ		Change YoY	
				Baht mn	%	Baht mn	%
Bad Debt and Doubtful Accounts	4,980	4,580	3,693	400	8.7	1,287	34.8
Loss on Debt Restructuring	273	299	391	(26)	(8.7)	(118)	(30.2)
Total impairment loss of loan and debt securities	5,253	4,879	4,084	374	7.7	1,169	28.6

Loan loss provisions in 1Q/15 amounted to Baht 5,253 million, representing an increase of Baht 374 million from the prior quarter, reflecting an increase in business volume during the period.

As of March 31, 2015, total provision was Baht 44,606 million, with an excess provision over Bank of Thailand's reserve requirements of Baht 14,088 million, representing 146.2% of the Bank of Thailand's reserve requirements. The loan loss coverage ratio was 139.2%.

3. Financial Status

3.1 Financial Position

Consolidated	As at Mar. 31, 15	As at Dec. 31, 14	Change from Dec. 31, 14	
			Baht mn	%
ASSETS				
Cash	26,916	31,155	(4,239)	(13.6)
Interbank and money market items, net	190,591	80,364	110,227	137.2
Investments, net	112,083	60,573	51,510	85.0
Investments in subsidiaries , associates and joint ventures, net	1,324	1,217	107	8.8
Loans to customers	1,280,204	1,057,636	222,568	21.0
Accrued interest receivable	3,840	2,636	1,204	45.7
Deferred revenue	(45,442)	(44,875)	(567)	(1.3)
Allowance for doubtful accounts	(42,603)	(38,159)	(4,444)	(11.6)
Revaluation allowance for debt restructuring	(1,609)	(1,617)	8	0.5
Properties for sale, net	5,299	5,456	(157)	(2.9)
Others	102,225	56,976	45,249	79.4
TOTAL ASSETS	1,632,828	1,211,362	421,466	34.8
LIABILITIES AND SHAREHOLDERS' EQUITY				
Deposits	1,010,484	837,556	172,928	20.6
Interbank and money market items, net	213,948	46,612	167,336	359.0
Debt issued and borrowings	138,074	151,805	(13,731)	(9.0)
Others	87,555	43,719	43,836	100.3
TOTAL LIABILITIES	1,450,061	1,079,692	370,369	34.3
Issued and paid-up share capital	73,558	60,741	12,817	21.1
Retained earning	53,633	49,329	4,304	8.7
Others	55,576	21,600	33,976	157.3
TOTAL SHAREHOLDERS' EQUITY	182,767	131,670	51,097	38.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,632,828	1,211,362	421,466	34.8
Book value per share (Baht)	24.85	21.68	3.17	14.6

The transfer of BTMU Bangkok branch assets and liabilities completed on January 5, 2015, comprising :

Assets: Total amount of Baht 448,811 million, of which

- Loan to customers: Baht 232,772 million
- Interbank and money market items: Baht 115,012 million
- Investments: Baht 80,341 million

Liabilities: Total amount of Baht 402,136 million, of which

- Deposits: Baht 146,865 million
- Interbank and money market items: Baht 216,837 million
- Debt issued and borrowings: Baht 19,691 million

As of March 31, 2015, assets stood at Baht 1,632,828 million, representing an increase of Baht 421,466 million or 34.8% from December 2014, largely attributed to higher net loan volume of Baht 222,001 million or 21.9%, and an increase in interbank and money market items of Baht 110,227 million or 137.2%, mainly from an increase in repurchase agreements of Baht 38,845 million, and loan to money markets of Baht 26,904 million.

Compared to 4Q/14, liabilities grew by 34.3%, or Baht 370,369 million. The growth in liabilities was driven by an increase in deposits of 20.6% or 172,928 million, and an increase in interbank and money market items of 359% or Baht 167,336 million, mainly from an increase in loans from financial institution which amount of Baht 167,763 million. Debt issued and borrowings decreased by 9%, or Baht 13,731 million, in part driven by the maturity of two tranches of long-term debentures, totaling Baht 6,240 million and short-term debenture, totaling Baht 26,252 million, offset by a new issuance of debentures in the amount of Baht 8,000 million and an increase in bills of exchange of Baht 10,767 million.

Total shareholders' equity rose to Baht 182,767 million, reflecting an increase of Baht 51,097 million or 38.8%, from December 2014. The increase was mainly due to an increase in additional new share issued of 1,281,618,026 shares at an offering price of Baht 40.49 per share and equity holders' net income of Baht 4,379 million in 1Q/15.

Book value per share as of March 31, 2015 increased by 14.6% to Baht 24.85 from Baht 21.68 at the end of 2014.

3.2 Loans to customers

3.2.1 Loans by segment

Consolidated	Mar. 31, 15	Dec. 31, 14	Change from Dec. 31, 14	
			Baht mn	%
Corporate	525,612	294,955	230,657	78.2
- Thai Corporate	349,371	267,147	82,224	30.8
- International Corporate (JPC/MNC)	176,241	27,808	148,433	533.8
SMEs	212,715	220,651	(7,936)	(3.6)
Retail	496,435	497,155	(720)	(0.1)
- Hire purchase	244,407	241,008	3,399	1.4
- Housing	134,835	132,966	1,869	1.4
- Credit cards and personal loans	117,193	123,181	(5,988)	(4.9)
Total *	1,234,762	1,012,761	222,001	21.9

* Loans to customers net of deferred revenue

The integration of BTMU Bangkok branch into Krungsri on January 5, 2015, resulted in a total loan transfer of Baht 232,772 million to Krungsri, mainly comprising of lending to international corporates (Japanese corporations and multi-national corporations-JPC/MNC)

As of March 31, 2015, total outstanding loans stood at Baht 1,234,762 million, increasing by Baht 222,001 million or 21.9% from December 31, 2014. The growth in loan was the mainly a result of loan transfer from BTMU Bangkok branch.

The **retail segment** saw a contraction of 0.1% in 1Q/15 or a decrease of Baht 720 million. The contraction in retail loan growth was largely attributed to seasonally lower retail spending together with slowing loan demand which mirrored a steady decline in consumer sentiment and spending.

Auto hire purchase loans grew slightly by 1.4% in 1Q/15 despite a contraction in domestic car sales (for the first 2 months of 2015, domestic car sales dropped by 12% compared to the same period last year), underlying our strong Auto business franchise and customers' brand preference.

Housing loans grew by 1.4% during the quarter on the back of continued pick-up in demand in the mortgage market and our successful multi-year execution of the partnership strategy.

In line with industry development, credit cards and personal loans contracted by 4.9% in 1Q/15, driven mainly by seasonally lower spending patterns, normal repayments, weaker consumer confidence and higher household leverage.

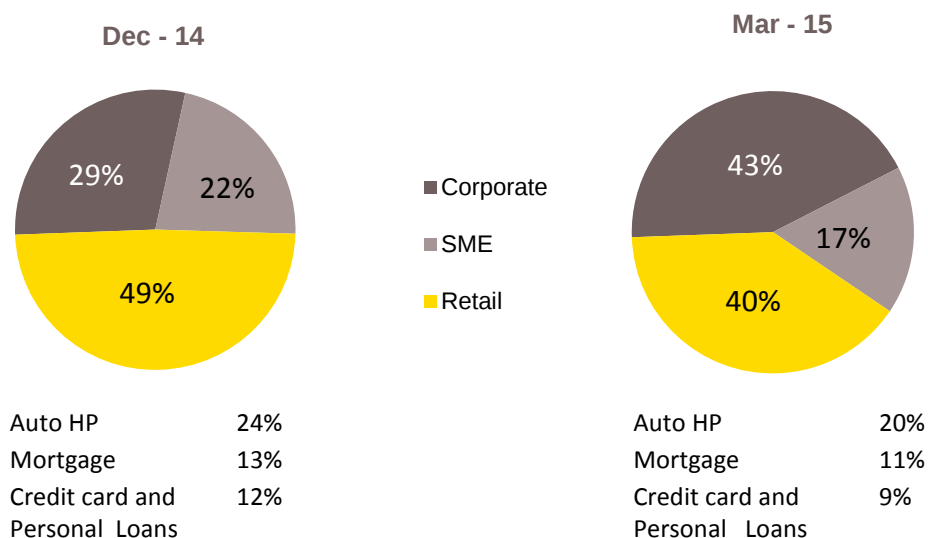
The successful integration of BTMU Bangkok branch into Krungsri resulted in a significant increase of Baht 230,657 million in the **corporate segment** from December 2014. Excluding the loan transfer from BTMU Bangkok branch, corporate loan saw a slight contraction in line with working capital repayments. At the end of 1Q/15, corporate loans portfolio increased to 43% of the Bank's total loan portfolio from 29% at end of 4Q/14.

Driven largely by the seasonality impact of working capital repayments, and lackluster loan demand that mirrored the slow economic activities, **SME loans** contracted by 3.6% in 1Q/15.

As at end 1Q/15, commercial lending, comprising corporate and SME customers accounted for 60% of our total loan portfolio, while retail lending represented the remaining 40%.

While economic recovery in the first quarter was slower than expected, owing to both a softened global economic conditions and sluggish domestic demand, we expect the recovery to regain momentum in the latter part of the year, with full year GDP growth projected at 3.8%. Rebound in consumption is expected to be driven by lower fuel prices, and improved private investment as Board of Investment of Thailand's approved projects are implemented, together with accelerated government budget disbursement. With these baseline assumptions, we have set our loan growth target in the range of 7-9% for 2015.

Loan Composition



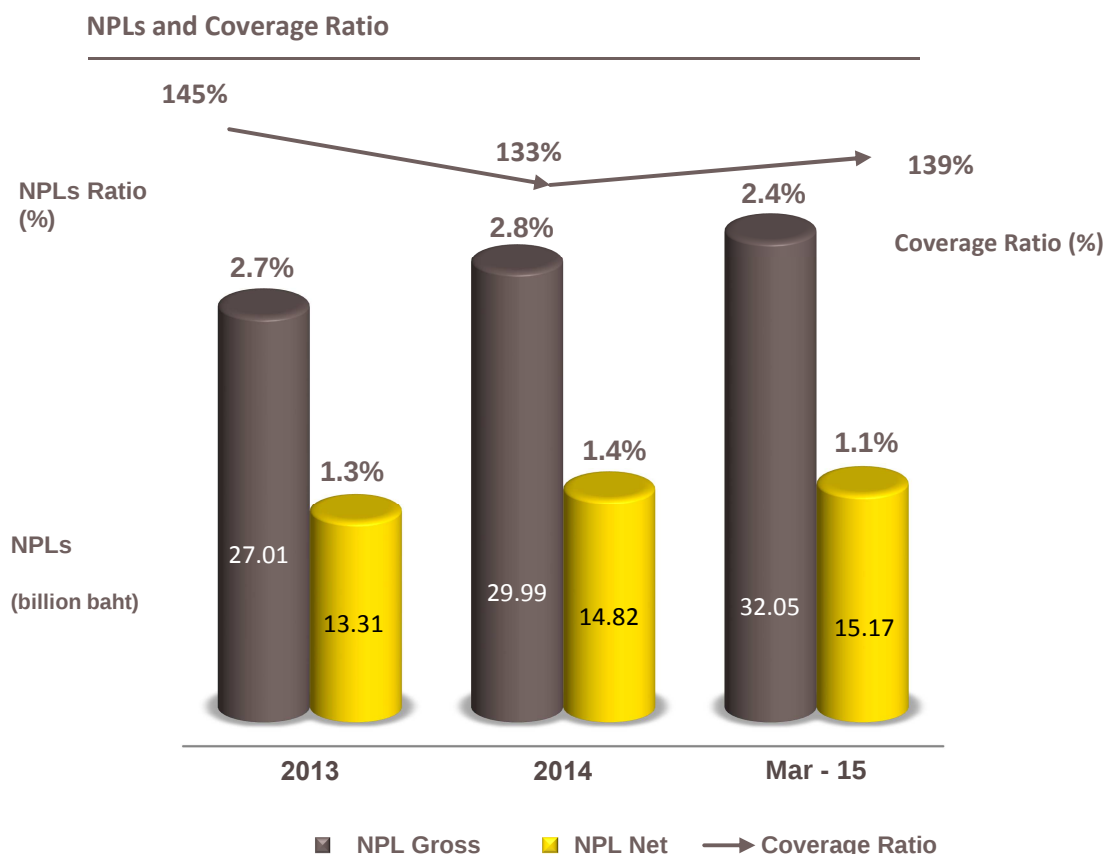
3.2.2 Loan classification and provision

Unit : Baht mn

Consolidated	Mar. 31, 15		Dec. 31, 14		Change	
	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision
Normal	1,159,010	8,560	952,203	6,665	206,807	1,895
Special mention	47,536	3,451	33,202	3,239	14,334	212
Substandard	9,364	5,334	10,031	4,969	(667)	365
Doubtful	9,541	3,763	8,601	3,341	940	422
Doubtful of loss	13,151	7,407	11,360	6,441	1,791	966
Total	1,238,602	28,515	1,015,397	24,655	223,205	3,860
Surplus Reserve		14,088		13,504		584
Total	1,238,602	42,603	1,015,397	38,159	223,205	4,444

3.2.3 Non-performing loans

Consolidated	Mar 31, 15	Dec 31, 14	Change from Dec 31, 14	
			Baht mn	%
Non-Performing Loans (Net)	15,168	14,818	350	2.4
Non-Performing Loans (Gross)	32,053	29,988	2,065	6.9
Loans loss reserves (LLR)	44,606	39,958	4,648	11.6
Coverage Ratio	139.2%	133.2%	6.0%	4.5
BOT Requirement	30,518	26,453	4,065	15.4
Actual / Required LLR	146.2%	151.1%	(4.9%)	(3.2)



As of March 31, 2015, gross NPLs increased by Baht 2,065 million from December 2014 to Baht 32,053 million. An increase in NPLs in 1Q/15 was mainly attributed to corporate customers and the retail segments against the backdrop of weaker economic conditions. The ratio of gross NPLs to total loans at 1Q/15 stood at 2.36% compared to 2.79% in December 2014.

Total provisions stood at Baht 44,606 million, with an excess provision over the Bank of Thailand requirements of Baht 14,088 million. Correspondingly, the actual provisioning ratio when compared to the Bank of Thailand's requirements stood at 146.2%, while the Group's coverage ratio was 139.2%.

3.3 Funding Structure

Consolidated	Mar. 31, 15	Dec. 31, 14	Change from Dec. 31, 14	
			Baht mn	%
Current	29,526	20,234	9,292	45.9
Savings	500,494	404,466	96,028	23.7
Time	480,464	412,856	67,608	16.4
< 6 Months	140,500	75,815	64,685	85.3
6 Months - 1 Year	289,709	246,144	43,565	17.7
> 1 Year	50,255	90,897	(40,642)	(44.7)
Total Deposit	1,010,484	837,556	172,928	20.6
B/E	36,717	25,950	10,767	41.5
Debenture	66,491	90,983	(24,492)	(26.9)
Total Funding	1,113,692	954,489	159,203	16.7

As of March 31, 2015, overall funding for the Bank, including deposits, bills of exchange and debentures, increased by Baht 159,203 million or 16.7% from December 2014.

Deposits totaled at Baht 1,010,484 million, representing a notable increase of Baht 172,928 million or 20.6% from December 2014. The growth in deposits mainly resulted from deposit transfer from BTMU Bangkok branch of Baht 146,865 million, of which savings and time deposits approximately accounted for 60% and 35%, respectively.

As a result, the proportion of current and savings deposits (CASA) as a percentage of total deposits increased to 52.5% compared to 50.7% as of December 2014.

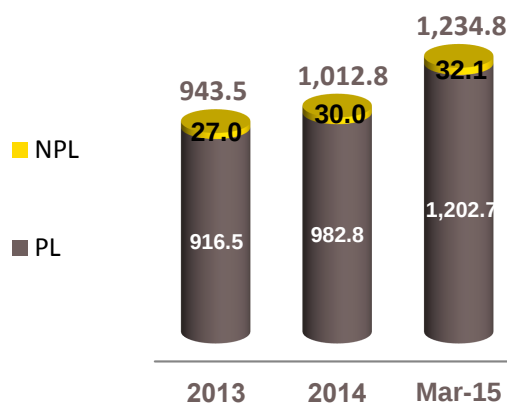
Bills of exchange (B/E) totaled at Baht 36,717 million, representing an increase of Baht 10,767 million or 41.5% from December 2014, mainly due to bills of exchange transfer from BTMU Bangkok branch.

Debentures stood at Baht 66,491 million as of March 2015. The decrease of Baht 24,492 million or 26.9% from December 2014 was driven by the maturity of long-term debentures, totaling Baht 6,240 million and short-term debenture, totaling Baht 26,252 million, offset by a new issuance of long term debentures in the amount of Baht 8,000 million.

Consequently, the loan to deposit ratio increased to 122%, and the loan to deposit plus B/E and debentures ratio increased to 111%.

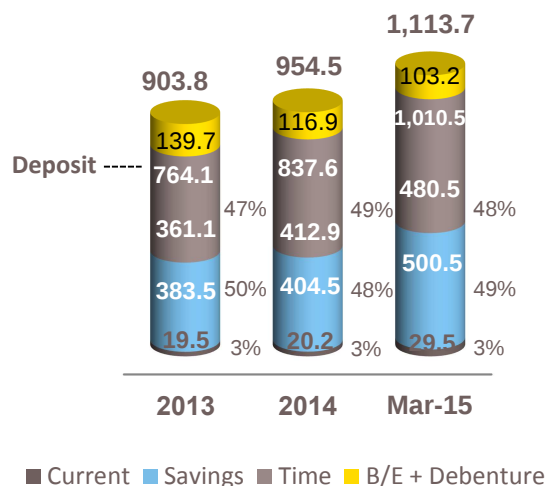
Loans

Unit: Baht Billion



Deposits + B/E + Debenture

Unit: Baht Billion



	2013	2014	Mar -15
L/D	123%	121%	122%
L/D+B/E+Debenture	104%	106%	111%

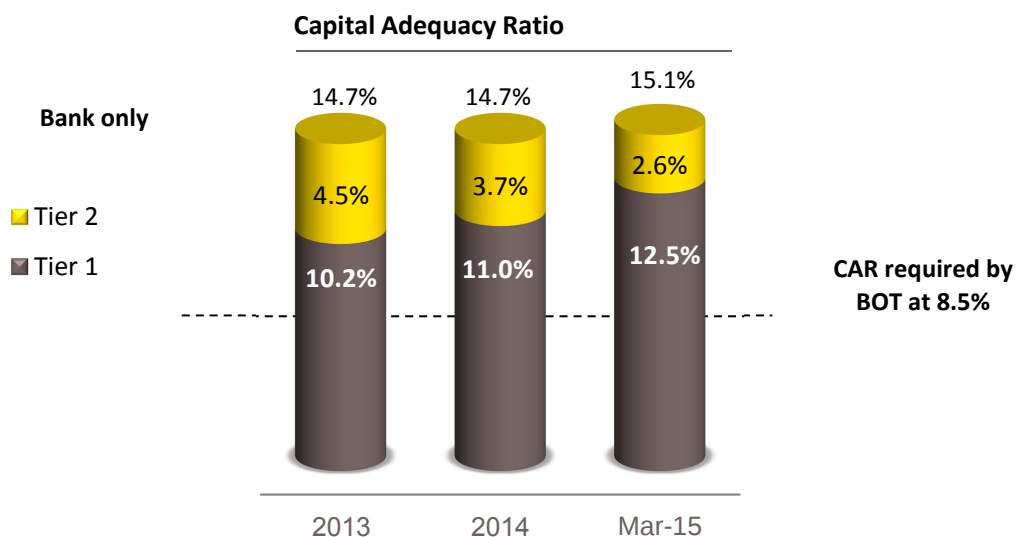
3.4 Contingencies

Consolidated	Mar. 31, 15	Dec. 31, 14	Change from Dec. 31, 14	
			Baht mn	%
Avals to bills and Guarantees of loans	1,909	1,947	(38)	(2.0)
Liability under unmatured import bills	2,128	7,688	(5,560)	(72.3)
Letters of credit	6,139	5,701	438	7.7
Other contingencies	124,859	108,119	16,740	15.5
Total	135,035	123,455	11,580	9.4

The Krungsri Group's contingencies as of March 31, 2015, totaled at Baht 135,035 million, representing an increase of Baht 11,580 million or 9.4%, from December 31, 2014. This increase was driven mainly by an increase in other contingencies of Baht 16,740 million offset by a decrease in liability under unmatured import bills of Baht 5,560 million.

3.5 Statutory Capital

As of March 31, 2015, the Bank's capital remained strong at Baht 175,597 million, equivalent to 15.1% of risk-weighted assets with 12.5% in Tier 1 capital. Our current level of capital remains strong and sufficient to provide Krungsri with the flexibility to continue growing our business.



Baht Billion	2013	2014	Mar - 15
Tier 1	84.73	98.99	145.10
Tier 2	37.60	33.44	30.50
Total Capital	122.33	132.43	175.60

4. Credit Ratings

In February 2015, Fitch Ratings reaffirmed Krungsri's International Rating of "A-" with Stable outlook and National Rating of "AAA(tha)" with Stable outlook. The Bank's credit ratings assigned by 1) Moody's Investors Service; 2) Standard & Poor's; 3) Fitch Ratings; and 4) TRIS Rating, as at March 31, 2015 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
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Debt and Deposit Rating Outlook	Stable
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Baseline Credit Assessment (BCA)	Ba1
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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	Stable
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3. Fitch Ratings

International Ratings (Foreign Currency)

- Long Term	A-
- Subordinated Debt	BBB+
- Short Term	F2
- Viability Rating	bbb
- Support	1
- Outlook	Stable

National Ratings

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

4. TRIS Rating

National Ratings

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

5. 2015 Key Performance Targets

Consolidated	1Q/14	4Q/14	1Q/15	2015 Targets
Loan Growth (Net)	-3.7 bn -0.4%	+37.9 bn +3.9%	+222.0 bn +21.9%	7-9%
NPLs Ratio	2.97%	2.79%	2.36%	< 2.5%
Deposit Mix: Savings and Current	55%	51%	53%	> 50%
Loan Mix : Retail	50%	49%	40%	~ 40%
L/Deposit+Debentures+B/E	105%	106%	111%	n.d.
NIM	4.22%	4.34%	4.21%	~ 4%
Fee income growth (YoY)	-2.0%	10.2%	24.1%	12%+
Cost to Income Ratio	50.08%	47.40%	46.33%	< 50%
Provisions	173 bps	202 bps	163 bps	~ 140 bps
Loan Loss Coverage	135%	133%	139%	135%+
CAR (Bank Only)	14.4%	14.7%	15.1%	n.d.