

Disclosure of Basel II (Pillar III)

Semi annual as of June 30, 2009

1. Capital

1.1 Capital Structure

At the end of 1H 2009, the bank's total capital adequacy and tier 1 ratios were 16.91% and 16.37%, which are well beyond the BOT minimum regulatory requirements of 8.5% and improved from 15.42% as at end of 2008. The improvement of the capital adequacy ratio was resulted from increased of retained earnings after appropriation of Baht 2,200 million.

Table 1 : Capital Structure

Unit : Baht		
Item	30 Jun 2009	31 Dec 2008
Tier 1 Capital	16,231,468,310	14,036,683,695
Issued and paid-up capital	5,231,524,660	5,231,517,800
Warrants	-	8,483,233
Share premium	2,655,779,138	2,647,294,293
Legal reserve	722,845,571	722,845,571
General reserve	380,000	380,000
Retained earnings after appropriation	7,620,938,941	5,426,162,798
Tier 2 Capital	528,089,308	524,041,729
Total Regulatory Capital	16,759,557,618	14,497,713,361
Total regulatory capital before deductions	16,759,557,618	14,560,725,424
Deductions from total regulatory capital	-	63,012,063

1.2 Capital Adequacy

Approach implemented by risk type are as follows :

- Credit risk and Equity risk using Standardized Approach (SA)
- Operational risk using Basic Indicator Approach (BIA)
- Market risk, the bank has no trading book activities at present.

Table 2 : Minimum capital requirements for credit risk classified by type of assets under the SA approach

Unit : Baht		
Minimum capital requirements for credit risk classified by type of assets under the SA	30 Jun 2009	31 Dec 2008
Performing assets		
1. Governments, Central Banks and Multilateral development banks (MDBs) and Public Sector Entities (PSEs) treated as Sovereigns	-	-
2. Banks, Public Sector Entities (PSEs) treated as Banks and Securities Companies	104,766,093	32,604,483
3. Corporates and Public Sector Entities (PSEs) treated as Corporates	1,940,234,435	1,483,911,798
4. Retail	3,420,628,803	3,509,328,942
5. Retail Mortgage Loans	29,990,756	35,643,604
6. Other Assets	1,429,546,989	1,385,839,066
Non-Performing assets	685,588,372	761,603,292
First-to-default Credit derivatives and Securitisation		
Total minimum capital requirements for credit risk classified by type of assets under the SA	7,610,755,448	7,208,931,185

Table 3 : Minimum capital requirements for market risk for positions in the trading book

Unit : Baht

Minimum capital requirements for market risk for positions in the trading book	30 Jun 2009	31 Dec 2008
1. Calculation by the Standardized Approach	-	-
2. Calculation by Internal Model Approach	-	-
Total minimum capital requirements for market risk	-	-

***The bank has no trading book activities at present.*

Table 4 : Minimum capital requirements for operational risk

Unit : Baht

Minimum capital requirements for operational risk	30 Jun 2009	31 Dec 2008
1. Calculation by the Basic Indicator approach	815,542,224	784,988,916
2. Calculation by the Standardized approach	-	-
3. Calculation by the Alternative Standardized approach	-	-
Total minimum capital requirements for operational risk	815,542,224	784,988,916

Table 5 : Total risk-weighted capital ratio and Tier 1 risk-weighted capital ratio

Ratios	30 Jun 2009	31 Dec 2008
1. Total capital to risk-weighted assets	16.91%	15.42%
2. Tier 1 capital to risk-weighted assets	16.37%	14.93%

2. Market risk

Table 6 : Minimum capital requirements for each type of market risk under the Standardized Approach

Unit : Baht

Minimum capital requirements for market risk under the Standardized Approach	30 Jun 2009	31 Dec 2008
Interest rate risk	-	-
Equity position risk	-	-
Foreign exchange rate risk	-	-
Commodity risk	-	-
Total minimum capital requirements for market risk	-	-

***The bank has no trading book activities at present.*