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Bangkok Bank reports nine-month net profit of Baht 27,229 million

The Thai economy continued to grow on the back of strong exports and buoyant domestic demand. In spite of the risks from the US trade policies and retaliatory measures of trading partners, exports continued to expand given diversified export destinations. Private consumption grew at a stronger pace than previously expected, supported by acceleration in car sales and improvement in farm income. Private investment growth remained on its steady course, partly supported by capacity expansion in export-oriented sectors. In addition, there has been greater clarity on the direction of public investment in infrastructure projects, including those in the Eastern Economic Corridor (EEC). These factors have helped underpinning private sector sentiment. However, downside risks from trade disputes and spillovers on global trade and investment should be monitored more closely.

Within the context of current economic environment, Bangkok Bank has continued its prudent approach towards financial management, maintaining liquidity and capital reserves at sufficient levels to support future business expansion, and to cope with uncertainties which may arise to ensure the Bank's financial sustainability.

For the first nine months of 2018, Bangkok Bank and its subsidiaries have reported a net profit attributable to owners of the Bank of Baht 27,229 million, an increase of 11.1 percent from the first nine months of 2017. Operating income amounted to Baht 92,338 million, an increase of 10.3 percent, driven by an increase of 6.6 percent in net interest income with a net interest margin of 2.38 percent, and an increase of 15.7 percent in non-interest income contributed by increases in gains on trading and foreign exchange transactions, gains on investments and net fees and service income, due largely to higher fees from bancassurance and mutual funds, and securities business. The ratio of expenses to operating income was 42.1 percent.

At the end of September 2018, the Bank's loans amounted to Baht 2,021,246 million, an increase of 0.9 percent from the end of 2017, due to loans to large corporates, consumers, and loans made through the Bank's international network. The ratio of non-performing loans (NPL) to total loans was 3.6 percent. The Bank's total allowances for doubtful accounts amounted to Baht 151,515 million, which will be an adequate provisioning expenses against any uncertainty or new regulations.

In terms of capital, with the inclusion of net profit for the third quarter of 2018, the total capital adequacy ratio, the Common Equity Tier 1 capital adequacy ratio and the Tier 1 capital adequacy ratio of the Bank and its subsidiaries would be approximately 18.3 percent, 16.7 percent and 16.7 percent, respectively. These capital adequacy ratios are above the Bank of Thailand's minimum capital requirements. Shareholders' equity attributable to owners of the Bank as of September 30, 2018, amounted to Baht 404,574 million. The book value per share was Baht 211.95.

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