

รายงานประจำปี 2547  
Annual Report 2004



Be SCIB Be Your Wish  
บริการ...ที่ได้ดังใจคุณ



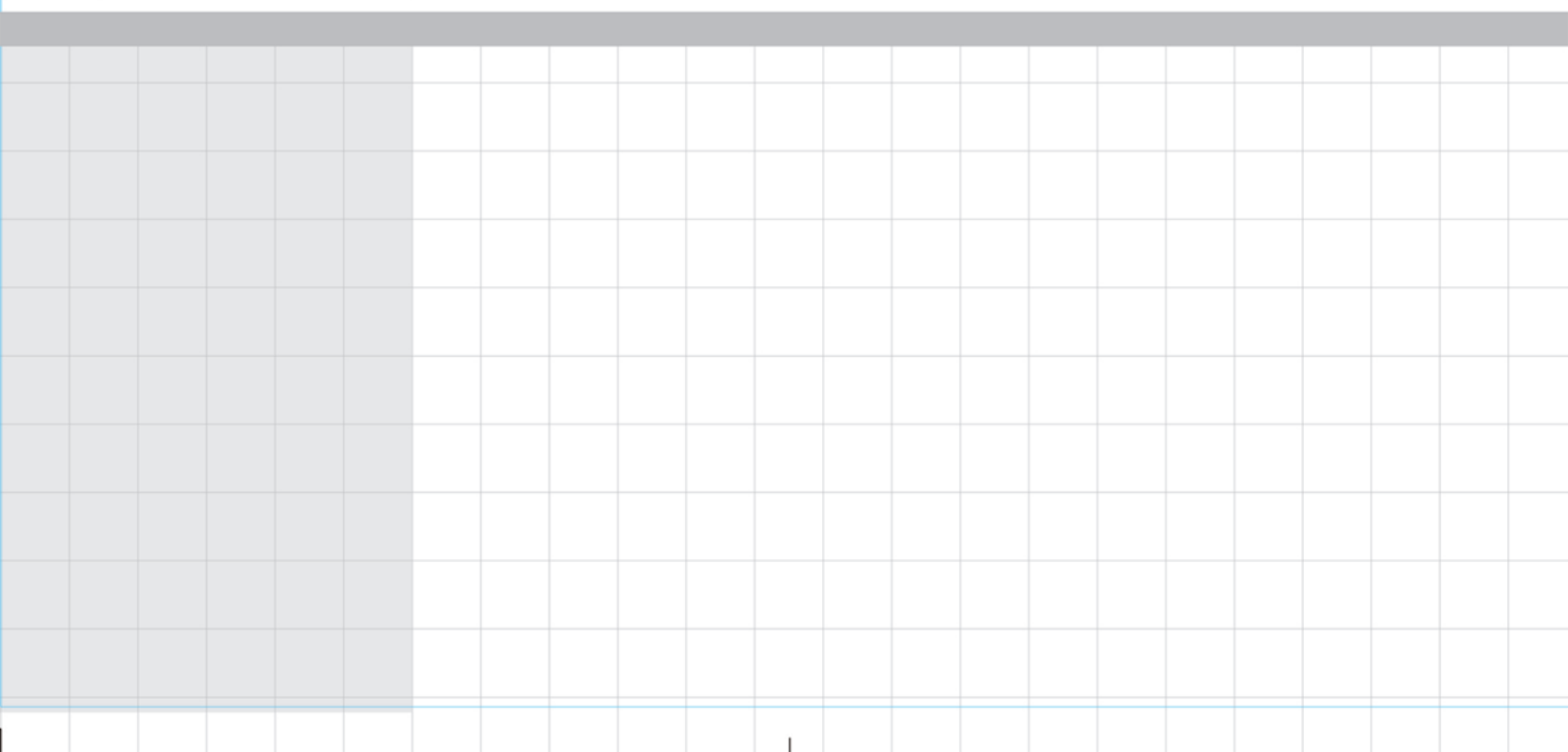
ธนาคารนครหลวงไทย  
SIAM CITY BANK  
ใส่ใจคุณ

SCIB... UNIVERSAL BANK



ธนาคารนครหลวงไทย  
SIAM CITY BANK  
ใส่ใจคุณทุก

Be SCIB Be Your Wish  
บริการ...ที่ได้ดังใจคุณ



# Contents

Financial Highlights	3
Message From the Board of Directors	4
Report of the Audit Committee	7
Board of Directors	8
Siam City Bank's Organization Chart	14
Board of Executive Directors	16
List of Executive Officers	24
Financial Position and Operating Results	26
Characteristics of Business Operations	37
Shareholding Structure and Management	45
Risk Management and Risk Factors	69
General Information	74
The Board of Directors' Responsibility for the Financial Statements	78
Auditor's Report	79
Financial Statement	80
List of Branches	133
Major Correspondent Banks	146



SCIB... UNIVERSAL BANK

# Financial Highlights

As of December 31

Unit: Million Baht

	2004	2003	2002
<b>Operating Results</b>			
Total Assets	472,444	469,972	486,168
Total Liabilities	439,193	437,338	451,235
Shareholders' Equity	33,251	32,634	34,934
Interest and Dividend Income	15,771	17,113	16,502
Net Interest and Dividend Income	10,010	8,752	5,827
Non-Interest Income	5,256	6,272	4,139
Total Income	21,027	23,385	20,641
Net Profit	6,367	3,631	882
Retained Earning	7,726	4,362	950
<b>Financial Ratio</b>			
Net Profit / Total Income (%)	30.28	15.53	4.27
Return on Equity (%)	19.33	10.75	3.29
Return on Assets (%)	1.35	0.76	0.22
Earning Per Share (Baht)	3.01	1.72	0.54
Book Value Per Share (Baht)	15.74	15.45	16.53
Capital Adequacy (%)	11.27	11.59	15.54
<b>Quality of Assets</b>			
Non-Performing Loans (NPLs)	10,988	8,588	527
NPLs / Total Loans(%)	3.29	2.66	0.16

Note : Consolidated financial statements



## Dear Shareholders,

Throughout the year 2004, Thailand was beset with domestic and external problems, including avian flu epidemic, unrest in three southern provinces, increased fuel prices and finally loss of lives and property damages sustained in the tsunami disaster. However, Thai economy managed to expand at a rate of 6%, driven by exports and domestic private consumption, increased investment, production utilization at or near full capacity in many industrial sectors and government policy of continued investments in many utility projects.

Competition among Thai commercial banks in 2004 continued to be as intense as ever, in lending as well as in the introduction of new products and financial services. While the Financial Master Plan allowed commercial banks to introduce a wider range of products and financial services,

# Message from the Board of Directors

the assets quality problem and economic uncertainty combined to require commercial banks to exercise extreme care in their operations. Excess liquidity in the system and low level of domestic interests were beneficial to investments and loan growth, leading to increased profit for commercial banks. Thai commercial bank system grew stronger; large commercial banks showed higher levels of profit, set aside reserves at levels higher than those required by the Bank of Thailand, managed to reduce their accumulated loss and announced dividends for their shareholders.

The past year was another year of success for Siam City Bank as it experienced growth and expansion in all businesses. The Bank is now in a stronger and a better competitive position. Local and international customers' and investors' confidence in the Bank was evident in their almost full conversion of SCIB-C1 warrants into common shares, such that the Financial Institutions Development Fund's shareholding was reduced from 82.48% to 47.58% and the Bank changed its status from a state enterprise to a private commercial bank on 25 November 2004.

In 2004, the Bank earned a total net profit of Baht 6,367, or Baht 3.01 per share, or 75% over the total net profit of Baht 3,631 million or Baht 1.72 per share in 2003. Return on equity (RoE) and return on assets (RoA) were 19.33% and 1.35% respectively, as compared to the 2003 return on equity of 10.75% and return on assets of 0.76%. Increase in profit was attributable to increased income and efficient control of costs and expenditure. Management of spread led to decrease of funding costs from the restructuring and expanding retail customer base while loan portfolio (excluding AMC Note) increased from Baht 152,583 million at the end of 2003 to Baht 211,214 million at the end of 2004, an increase of 38% while non-performing loans were kept at 3.29%, the lowest level in Thai commercial bank system. Its reserve for bad debts at 68% was higher than the level required by the Bank of Thailand. Its tier-1 capital of 10.24% put the Bank in a very strong position and enabled it to be the first bank to pay an interim dividend on 16 September 2004 at 40% of net profit or 70 satang per share.

In addition to business expansion to increase revenue, and costs and expenditure control to manage profit, the Bank is fully aware of the importance of developments in other areas to strengthen its competitive capacity and improve its operational standards. The Bank strives to expand its line of products and services to realize its vision and strategy of becoming a leading universal bank. To satisfy customers' needs, its product line consists of those products offered by the Bank as well as those offered by its subsidiaries, such as, life insurance, non-life insurance, securities trading, and mutual fund. Bank's branches have been transformed from mere sale outlets to sale and customer relationship centers with the introduction of Customer Relationship Management system. Physical appearance of the branches has been modernized to offer a unique and modern venue where

customers can transact their businesses. Sales and marketing management departments have been added to the organizational structure to support business expansion. Most importantly, the Bank attaches great importance on good corporate governance. The Bank's and its executives' adherence to good corporate governance policy earned the Bank's a rating of "Good" with a total score of 7.5 by Thai Rating and Information Service.

In 2005, the Bank continues its mission and objective of quality growth, fair profit and reasonable return to shareholders. Attainment of the Bank's mission and objective will be made through: business expansion made in concomitance with increased efficiency in operations; close business cooperation with subsidiaries and affiliated companies; efficient management of assets and branch network; improvement of quality and service delivery procedure for prompt and efficient services; accelerated increase of staff capability at all levels through training in theory and practices; increase of staff skills and potentials to meet competition; development of information technology; prudent risk management in all areas; higher standards of internal audit; and encouragement of staff's adherence to good corporate governance, so that the Bank will continue to grow and realize its vision of a leading universal bank.

On behalf of the Board of Directors, we would like to thank our shareholders, customers, investors, the press, other public and private organizations and the general public for their confidence in and support of the Bank's businesses. We would also like to thank the Bank's employees for their dedication and continued contribution towards the Bank's success. The Board of Directors looks forward to the honor of your continued support.



(Sompol Kiatphaibool)  
Chairman



(Arun Chirachavala)  
President



# Report of the Audit Committee

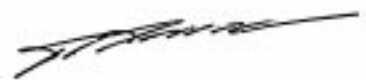
The Board of Directors appointed the Audit Committee, consisting of:

- |   |           |
|---|-----------|
| 1. Mr. Somkiat Sukdheva                       | Chairman  |
| 2. Assoc. Prof. Dr. Somjai Phagaphasvivat     | Member    |
| 3. Assoc. Prof. Dr. Suchart Thada-Thamronvech | Member    |
| 4. Mr. Prachak Udomsilp                       | Secretary |

During 2004, the Audit Committee convened 11 meetings with audit departments to review efficiency and sufficiency of internal control systems, and with top management to consider the following important issues:

1. Reviewed the Bank's and its subsidiaries' financial statements, including procedure for the preparation of statements and disclosure of important information;
2. Met with the Bank's external auditor to discuss audit procedure and problems encountered, and consider issues and observations presented by external auditor for submission to the Bank's management for implementation;
3. Considered observations and recommendations contained in audit reports by the Bank of Thailand and The Securities and Exchange Commission, and entrusted the Bank's audit departments with the tasks of following up on implementation of the recommendations, as well as compliance with the rules and regulations issued by the Bank of Thailand, Securities and Exchange Commission, and Stock Exchange of Thailand;
4. Reviewed risk management including strategy risk, market risk, liquidity risk, loan risk and operational risk;
5. Considered related transactions for transparency and ensured that related transactions had no material impact on the Bank's operations;
6. Considered credit review reports which included reviews of loans extended to businesses related to the Bank's directors and executives;
7. Reviewed internal control and internal audit systems, as well as annual audit plans proposed by the Bank's internal audit departments;
8. Considered observations contained in audit reports on the Bank's departments and branches which covered operation management and information technology, and recommended measures to rectify operational deficiencies and to prevent recurrence of such deficiencies;
9. Invited individual first vice presidents of the departments concerned to clarify their operations that involved risks, and recommended to them measures to rectify deficiencies and to prevent possible damages;
10. Reviewed accuracy and efficiency of information technology systems involving internal control, financial statements, risk management, and recommended changes;
11. Received reports and commented on the policy concerning security of the Bank's information technology systems;
12. Considered candidacy of external auditors for the year 2005; and
13. Reported its accomplishments to the Board of Directors.

Since the Bank changed its status from a state enterprise to a commercial bank on 25 November 2004, an external auditor is required to be nominated to replace the Auditor General. The Audit Committee has considered the candidacy of external auditors and their fees and would submit its recommendation to the Board of Directors and shareholders for consideration.



(Mr. Somkiat Sukdheva)  
Chairman, Audit Committee

# Board of Directors



## 1. Mr. Sompol Kiatphaibool

Chairman of The Board

Chairman of The Executive Board of Directors



**2. Mr. Somkiat Sukdheva**  
Director  
Chairman of Audit Committee  
Independent Director



**3. Assoc. Prof. Dr. Somjai Phagaphasvivat**  
Director  
Member of Audit Committee  
Independent Director



**4. Mrs. Tasna Rajatabhothi**  
Director  
Member of Recruitment  
and Compensation Committee



**5. Assoc. Prof. Dr. Suchart Thada-Thamrongvech**  
Director  
Member of Audit Committee  
Independent Director



**6. Dr. Suvit Maesincee**  
Director  
Executive Director



**7. Mr. Chavalit Sethameteekul**  
Director



**8. Mr. Visut Montriwat**  
Director  
Chairman of Recruitment  
and Compensation Committee  
Independent Director



**9. Mr. Khemchai Chutiwongse**  
Director  
Member of Recruitment  
and Compensation Committee  
Independent Director



**10. Mr. Arun Chirachavala**  
Director  
Executive Director  
President

# 1

## Mr. Sompol Kiatphaibool

Chairman of The Board

Chairman of The Executive Board of Directors

Age 64 Years

### Education

- Bachelor of Economics (Hons), Thammasat University
- Master of Development Economics (Hons), National Institute of Development Administration
- Master of Economics, Fairleigh Dickinson University, New Jersey, U.S.A.
- Certificate, National Defence College of Thailand

### Professional Experience

- Agricultural Futures Trading Commissioner
- Senator
- Chairman of The Committee on Agriculture and Co-Operatives
- Member, Court of Directors, The Bank of Thailand
- Member, Civil Service Commissioner
- Permanent Secretary, Ministry of Commerce

### Present Positions

- Advisor to Minister of Finance
- Chairman of the National Housing Authority's Board of Directors
- Chairman of the Support Arts and Crafts International Center of Thailand
- Chairman, Audit Committee-Ministry of Transport
- Member, The Securities and Exchange Commission
- Member, Public Sector Development Commission

# 2

## Mr. Somkiat Sukdheva

Director

Chairman of Audit Committee

Independent Director

Age 60 Years

### Education

- Bachelor of Economics, Thammasat University
- Mastor of Management, Sasin of Chulalongkorn University.
- Senior Executive Program (SEP) , SLOAN SCHOOL M.I.T., U.S.A.

### Professional Experience

- Advisor, C.A.S. Information Technology Company Limited
- Chairman of Thailand Credit Card Club
- Executive Vice President (Credit Card Group), Thai Farmers Bank Public Company Limited.
- Advisor to The Board of Marketing, Visa International (Asia-Pacific) Company Limited.
- Member of The Committee, Thammasat Association

### Present Positions

- Chairman of The Board, PT&S Carcare Limited Partnership
- Executive Director, Korvac (Thailand) Company Limited
- Director, National Finance Public Company Limited
- Member of the Committee, Thammasat Economics Association
- Director, Wildlife Fund Thailand
- Advisor, Sasin of Chulalongkorn University Alumni Association
- Member of Steering Committee, Sasin of Chulalongkorn University
- Director, EDC Service Company Limited

# 3

## Assoc. Prof. Dr. Somjai Phagaphasvivat

Director

Member of Audit Committee

Independent Director

Age 59 years

### Education

- B.A., Chulalongkorn University
- B.A., M.A. and Ph.D. in Political Science, University of Madrid, Spain
- M.A. in International Economics, University of Nancy, France
- Ph.D. in International Economics, University of Nancy, France

### Professional Experience

- Senator
- Vice-Rector, Development Planning, Thammasat University
- Advisor, The Securities Exchange of Thailand
- Advisor, The Escap, The United Nations

### Present Positions

- Director, Lee Feed Mill Public Company Limited
- Director, Thai Hua Rubber Public Company Limited
- Director, Starprint Public Company Limited
- Director, Amarin Printing and Publishing Public Company Limited
- Director, Yuasa Battery (Thailand) Public Company Limited
- Assoc. Prof. at The Faculty of The Political Science, Thammasat University
- Lecturer on Strategic Planning and Management for the MBA, Executive MBA and Mini MBA, Faculty of Commerce and Accountancy, Thammasat University, Chulalongkorn University, NIDA and other Leading Universities in Thailand

## 4

### Mrs. Tasna Rajatabhothi

Director

Member of Recruitment  
and Compensation Committee  
Age 60 years

#### Education

- B.Sc. U. of Canterbury, New Zealand  
(under Colombo Plan scholarship)

#### Professional Experience

- Assistant Governor, Financial Markets  
Operation Group, Bank of Thailand
- Assistant Governor, Financial Institutions  
Policy Group, Bank of Thailand
- Director Asset Management Corporation
- Senior Director, Financial Markets Group,  
Bank of Thailand
- Manager, Financial Institutions Development  
Fund, Bank of Thailand

## 5

### Assoc. Prof. Dr. Suchart Thada-Thamrongvech

Director

Independent Director  
Member of Audit Committee  
Age 52 years

#### Education

- B.A. (Hons.) in Economics,  
Thammasat University
- M.Sc. in Economics, The London School of  
Economics and Political Science,  
United Kingdom
- Ph.D. in Economics, Mc Master University,  
Canada

#### Professional Experience

- Vice Rector for International Affairs and  
Research, Ramkhamhaeng University
- Director, Metropolitan Waterworks Authority
- Director, Provincial Waterworks Authority
- Director, Bank for Agriculture and Agricultural  
Cooperatives
- Director and Member of Audit Committee,  
Bangkok Metropolitan Bank Public Company  
Limited
- Advisor to the Minister of Commerce

#### Present Positions

- Eminent Advisor to the Prime Minister in the  
Field of Economics
- Policy Advisor to the Minister of Energy
- Associate Professor of Economics, Faculty of  
Economics, Ramkhamhaeng University
- Director and Chairman of the Audit  
Committee, Ratchaburi Electricity  
Generating Holding Public Company Limited
- Director and Chairman of the Audit  
Committee, Bangkok Rubber Public  
Company Limited
- Director and Chairman of the Audit  
Committee, Pan Asia Footwear Public  
Company Limited
- Director, Rice Policy Committee
- Director, Petroleum Committee
- Director, Council of the North Eastern  
University
- Advisor to the Board of Investment

## 6

### Dr. Suvit Maesincee

Director

Executive Director  
Age 43 years

#### Education

- BSC, In Pharm, Mahidol University
- MBA, National Institute of Development  
Administration (NIDA)
- Ph.D. in Marketing, Kellogg Graduate School  
of Management Northwestern University,  
U.S.A.

#### Professional Experience

- Senior Consultant, Booz Allen & Hamilton  
International Company Limited
- Senior Consultant, LEK Consulting Company  
Limited

#### Present Positions

- Professor of Marketing, Sasin Graduate  
School of Management Chulalongkorn  
University
- Board of Director and Executive Director,  
Thai Vegetable Oil Public Company Limited
- Board of Director, TOT Corporation Public  
Company Limited

## 7

### Mr. Chavalit Sethameteekul

Director

Age 57 years

#### Education

- LL.B (Honour), Thammasat University
- Master of Arts (Public Administration), Thammasat University

#### Professional Experience

- Director, Bank of Thailand
- Chairman of Board of Directors, Small Industry Credit Guarantee Corporation
- Deputy Permanent Secretary, Ministry of Finance
- Inspector-General, Ministry of Finance
- Director, New Bangkok International Airport Company Limited
- Director, Bangkok Mass Transit Authority
- Director, Krungthai Legal Services Company Limited
- Acting Legal Advisor, Ministry of Finance
- Deputy Directors-General, The Excise Department
- Vice Chairman, Playing Card Factory
- Director, Phapurea Company Ltd.

#### Present Positions

- Director, Thailand Tobacco Monopoly
- Director General, The Customs Department
- Advisor, Thammasat Association
- Director, Thammasat Law Association
- Director, The Metropolitan Electricity Authority
- Director, Petroleum Committee
- Inspector General, Ministry of Finance

## 8

### Mr. Visut Montriwat

Director

Independent Director

Chairman of Recruitment and Compensation Committee  
Age 59 years

#### Education

- B.Com. Faculty of Commerce and Accountancy, Chulalongkorn University
- M.B.A. Northern Illinois University
- National Defense College (Class No. 388)

#### Professional Experience

- Inspector General, Ministry of Finance
- Deputy Permanent Secretary, Ministry of Finance
- Director - General, Treasury Department, Ministry of Finance
- Comptroller - General, Comptroller General's Department, Ministry of Finance

#### Present Positions

- Director - General, Treasury Department, Ministry of Finance
- Director, Esso (Thailand) Public Company Limited
- Director, Paiboon Insurance Company Limited
- Director, Thailand Tobacco Monopoly

## 10

### Mr. Arun Chirachavala

Director

Executive Director

President

#### Education

- B.S. in Industrial Engineering, with Distinction (June 1977) Stanford University, U.S.A.
- M.S. in Industrial Engineering (June 1978) Stanford University, U.S.A.

#### Professional Experience

- First Senior Executive Vice President, Siam City Bank Public Company Limited
- Acting President, Bangkok Metropolitan Bank Public Company Limited
- Director and Audit Committee Member, UOB Radanasin Bank Public Company Limited
- Advisor, Bangchak Petroleum Public Company Limited
- Advisor, Government Pension Fund
- Advisor and Executive Committee Member, Bangkok Commercial Asset Management Company Limited
- Senior Executive Vice President, Bangkok Bank of Commerce Public Company Limited

#### Present Positions

- Chairman and Executive Chairman, Max Life Insurance Company Limited
- Director, Krungdhep Sophon Public Company Limited

## 9

### Mr. Khemchai Chutiwongse

Director

Member of Recruitment and Compensation Committee  
Independent Director

Age 50 years

#### Education

- LL.B. (Honour), Chulalongkorn University
- Barrister-at law (Honour), The Institute of Legal Education
- LL.M. Harvard University

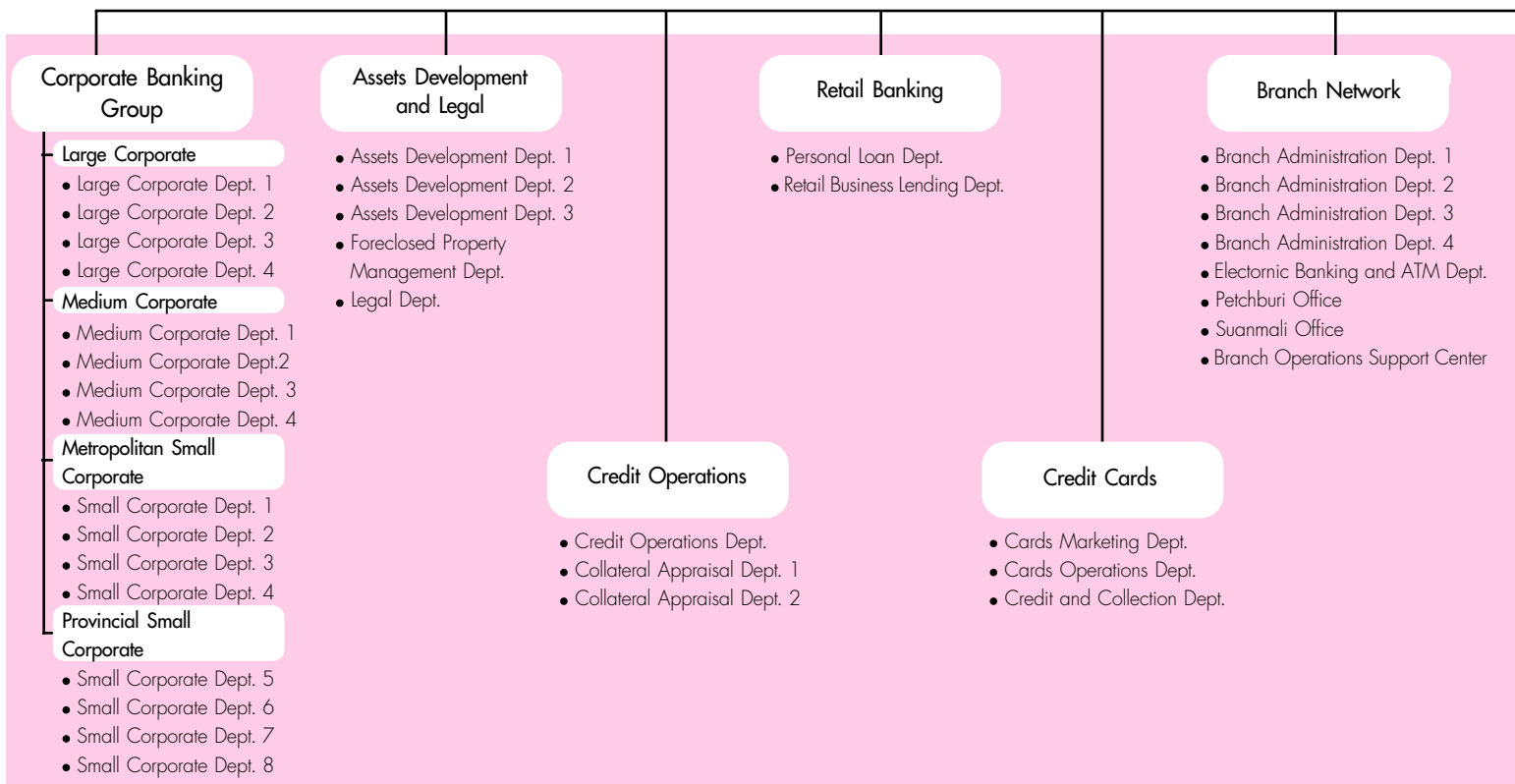
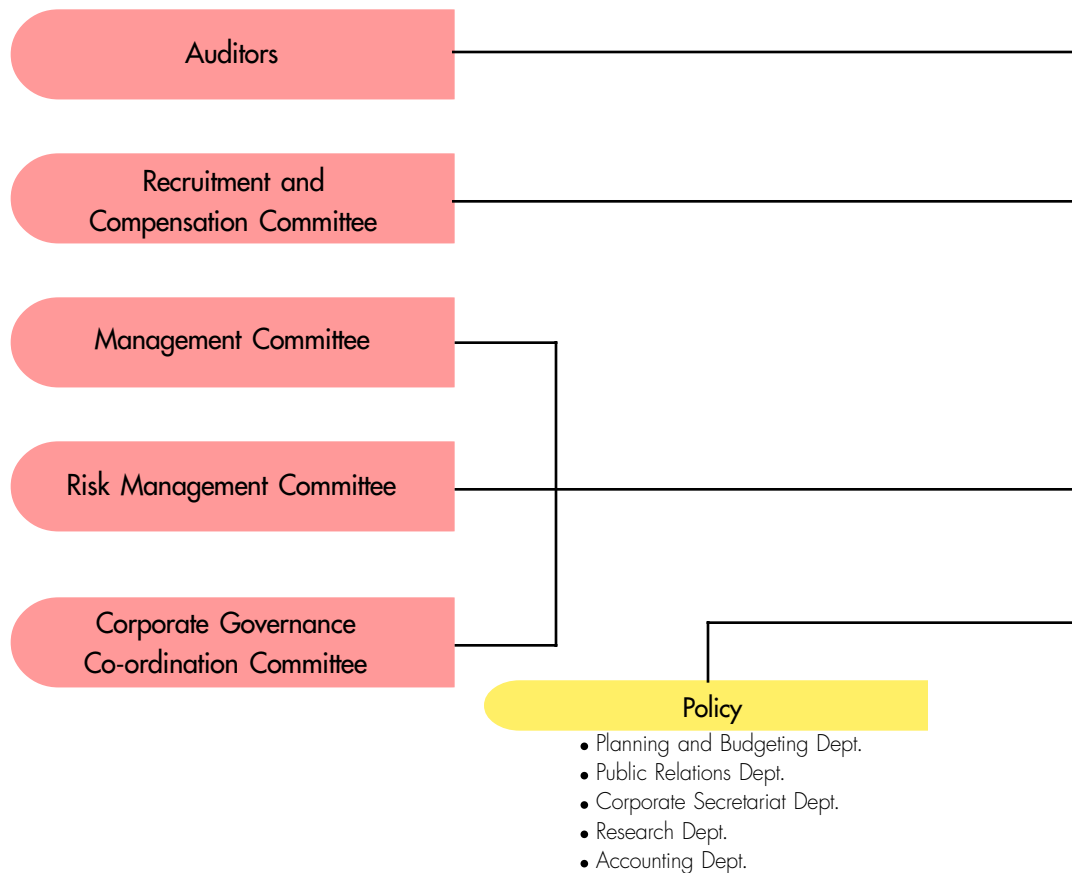
#### Professional Experience

- Executive Director, Attorney General's Office
- Expert Public Prosecutor, Attorney General's Office
- Pathumthani Chief Public Prosecutor, Attorney General's Office
- Chief Public Prosecutor of the Nonthaburi Summary Court, Attorney General's Office
- Central Chief Public Prosecutor, Attorney General's Office

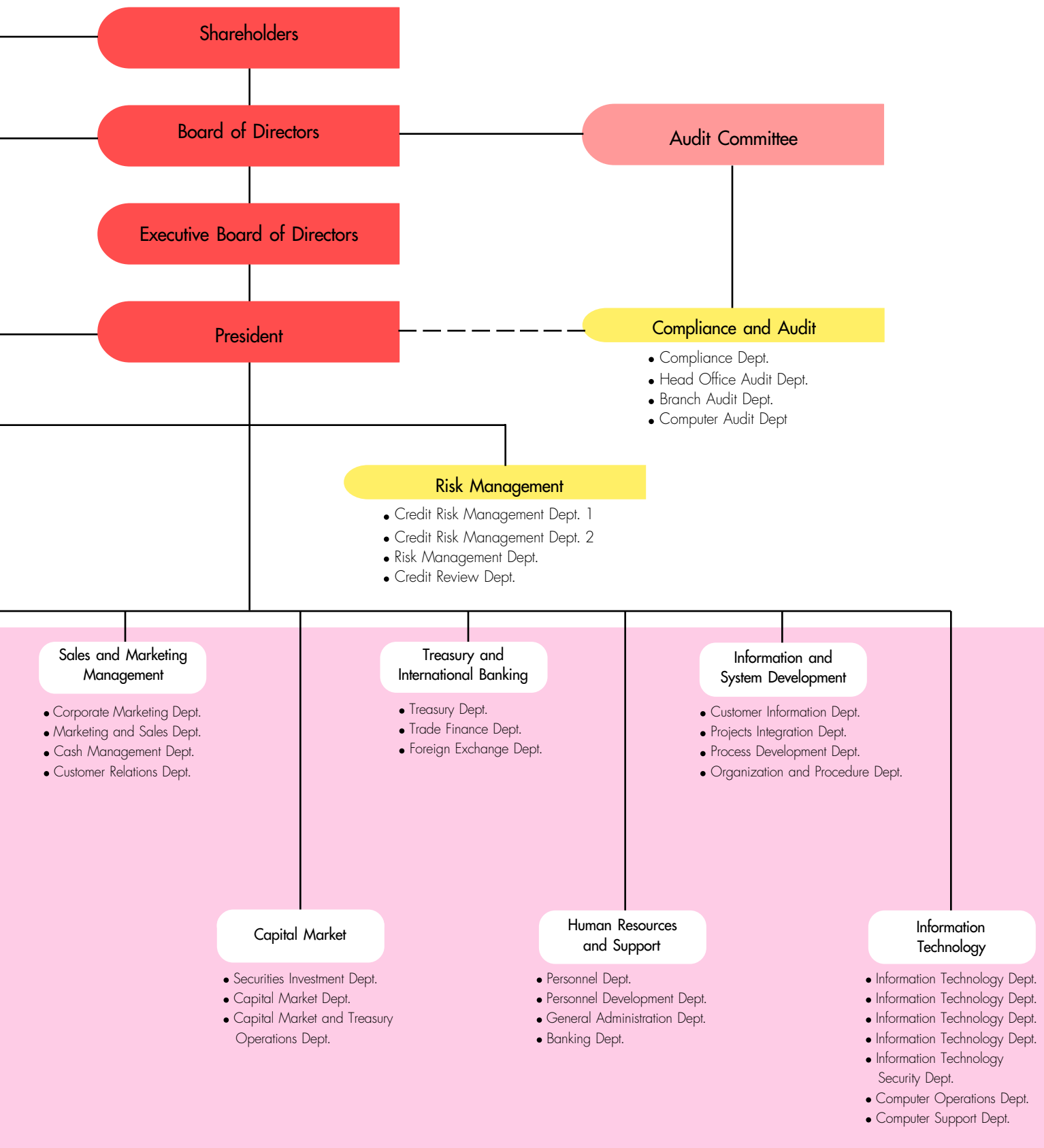
#### Present Positions

- Deputy Director-General, Attorney General's Office
- Director, Sukhumvit Asset Management Company Limited
- Director, TOT Corporation Public Company Limited

# Siam City Bank's Organization Chart







# Board of Executive Directors



**Mr. Arun Chirachavala**  
President



**Mr. Lersuk Chuladesa**  
First Senior Executive Vice President  
Corporate Banking Group  
Assets Development and Legal



**Mr. Sutipong Ittipong**  
Senior Executive Vice President  
Credit Operations  
Retail Banking  
Credit Cards  
Human Resources and Support  
Information and System Development

## Education

- B.S. in Industrial Engineering, with Distinction (June 1977) Stanford University, U.S.A.
- M.S. in Industrial Engineering (June 1978) Stanford University, U.S.A.

## Professional Experience

- 2002-2004 First Senior Executive Vice President, Siam City Bank Public Company Limited
- 2002 Acting President, Bangkok Metropolitan Bank Public Company Limited
- 1999-2002 Director and Audit Committee Member, UOB Radanasin Bank Public Company Limited
- 2000-2001 Advisor, Bangchak Petroleum Public Company Limited
- 1999 Advisor, Government Pension Fund
- 1998-1999 Advisor and Executive Committee Member, Bangkok Commercial Asset Management Company Limited
- 1997-1998 Senior Executive Vice President, Bangkok Bank of Commerce Public Company Limited

## Education

- Bachelor of Commerce, Faculty of Commerce and Accountancy, Chulalongkorn University
- M.P.A. Project Management and Policy, National Institute of Development Administration
- Mini MBA II, Thammasat University
- Management Development Program for Middle Managers, Standard Charter, Singapore
- Financial Executive IV (FINEX IV), Thai Bankers Association

## Professional Experience

- 2002-2004 Senior Executive Vice President, Siam City Bank Public Company Limited
- 2001-2002 Executive Director, Wang Kanai Sugar Group
- 1999-2000 Executive Vice President, The Bangkok Commercial Asset Management Company Limited
- 1994-1998 Executive Vice President, Siam City Bank Public Company Limited

## Education

- B.A. Economics, Pittsburg State University, U.S.A.
- M.A. Economics, Pittsburg State University, U.S.A.

## Professional Experience

- 1995-2001 Executive Vice President, Siam City Bank Public Company Limited



**Mr. Thanom Narong**  
Senior Executive Vice President  
Information Technology



**Mr. Prachak Udomsilp**  
Executive Vice President  
Compliance and Audit



**Ms. Angkana Swasdipoon**  
Executive Vice President  
Policy

### Education

- LLB, Thammasat University
- Barrister-at-Law,  
Thai Bar Association
- MBA, Kasetsart University

### Professional Experience

- 1998-2002 Senior Executive Vice President,  
Bangkok Metropolitan Bank Public  
Company Limited
- 1997 Managing Director,  
Union Finance Company Limited

### Education

- Bachelor of Economics,  
Chulalongkorn University
- Master of Development Economics, National  
Institute of Development Administration (NIDA)
- MBA, Thammasat University
- Master of Management,  
Sasin of Chulalongkorn University

### Professional Experience

- 2001-2002 Executive Vice President, Bangkok  
Metropolitan Bank Public Company  
Limited
- 2000-2002 Secretary of the Board of Directors  
and Executive Board of Directors,  
Bangkok Metropolitan Bank Public  
Company Limited
- 1992-2001 Senior Vice President, Corporate  
Planning and Research Department,  
Bangkok Metropolitan Bank Public  
Company Limited

### Education

- Bachelor of Economics (First Class Honors),  
Chulalongkorn University
- Post-Graduate Degree in Economics,  
University of York, England

### Professional Experience

- 2001-2003 Senior Vice President,  
Planning and Budgeting Department,  
Siam City Bank Public  
Company Limited
- 1998-2001 Vice President,  
Asset Management Department,  
Bangkok Commercial Asset  
Management Company Limited



**Mr. Enghug Nontikarn**  
 First Executive Vice President  
 Risk Management



**Mrs. Jaree Wuthisanti**  
 Executive Vice President  
 Large Corporate



**Mr. Wuttichai Suraratchai**  
 Executive Vice President  
 Medium Corporate

### Education

- Bachelor of Economics, Thammasat University
- MBA, Thammasat University

### Professional Experience

1998-2001 Executive Vice President, Treasury Management, Siam City Bank Public Company Limited

1995-1998 Senior Vice President, Treasury Department, Siam City Bank Public Company Limited

### Education

- Bachelor of Accounting (First Class Honors), Chiangmai University
- Diploma in Advanced International Bank Management Program, The Swedish International Development Cooperation Agency, Sida
- M.B.A. (General Management), The National Institute of Development Administration

### Professional Experience

1999-2003 Senior Vice President, Project Financing Department 3, The Industrial Finance Corporation of Thailand

1997-1999 Senior Vice President, Project Financing Department 4, The Industrial Finance Corporation of Thailand

### Education

- Bachelor's Degree in Economics, Ramkhamhaeng University
- Bachelor's Degree in Accounting, First Class Honor, Thammasat University
- Master's Degree in Business Administration (MBA), Thammasat University

### Professional Experience

1999-2001 Senior Vice President, Corporate Finance Department 1, The Industrial Finance Corporation of Thailand (IFCT)

1999-2002 Vice President, Special Projects Department, The Industrial Finance Corporation of Thailand (IFCT)

1994-1999 Executive Vice President, First City Investment Public Company Limited



**Mr. Utane Kongsoontornkitkul**  
Executive Vice President  
Metropolitan Small Corporate



**Mr. Virat Thanatrongpol**  
Executive Vice President  
Provincial Small Corporate



**Mr. Parinya Patanaphakdee**  
Executive Vice President  
Assets Development and Legal

#### Education

- B.Eng. (Industrial), Chulalongkorn University, 1977
- MBA (Executive), Thammasart University, 1989

#### Professional Experience

- 2001-2003 Senior Vice President, Branch Credit Department 1, Siam City Bank Public Company Limited
- 1997-2001 First Vice President, Asset Management Department 3, Siam City Bank Public Company Limited

#### Education

- LLB, Ramkhamhaeng University
- Barrister-at-Law, Thai Bar Association
- MBA Thammasat University

#### Professional Experience

- 2000-2002 Executive Vice President, Bangkok Metropolitan Bank Public Company Limited
- 1996-1999 Senior Vice President, Industrial Credit Department, Bangkok Metropolitan Bank Public Company Limited

#### Education

- LL.B. (Law) (Honour), Ramkhamhaeng University
- Barrister-at-Law, The Institute of Legal Education
- MBA, National Institute of Development Administration Bangkok (NIDA)
- Financial Executive Development Program FINEX XI, (2002) The Thai Institute of Banking and Finance Association
- The Programme for Senior Executives in Criminal Justice Administration (2004), National Academy of Criminal Justice Office of The Judiciary

#### Professional Experience

- 2001 Senior Vice President, Legal Department, Siam City Bank Public Company Limited
- 1999-2000 Vice President, Legal Department, Bangkok Commercial Asset Management Company Limited
- 1997-1998 First Vice President, Legal Department, Siam City Bank Public Company Limited



**Mr. Cherd Suppana**  
Executive Vice President  
Credit Operations



**Mr. Pravit Ongwatana**  
Executive Vice President  
Retail Banking



**Mr. Sujin Suwannagate**  
Executive Vice President  
Credit Cards

### Education

- Bachelor of Science, Rajabhat Institute Nakornpathom
- MBA National Institute of Development Administration (NIDA), Bangkok

### Professional Experience

- 1999-2003 Senior Vice President & Manager, Asset Management Dept. 2, Siam City Bank  
Public Company Limited
- 1998-1999 First Vice President & Manager Petchburi Office, Siam City Bank  
Public Company Limited

### Education

- Bachelor of Engineering (Chemical), Chulalongkorn University
- MBM, Asian Institute of Management, Manila, Philippines (Under Ford Foundation Scholarships)

### Professional Experience

- 1997-2001 Senior Vice President, Retail Banking Department, Siam City Bank  
Public Company Limited

### Education

- Bachelor of Arts (Statistics), Thammasat University, Bangkok, Thailand
- MBA, Long Island University, NYC, U.S.A.

### Professional Experience

- 2003-2004 Senior Vice President, Credit Risk Management I Department, Siam City Bank  
Public Company Limited
- 2001-2004 Senior Vice President, Credit Risk Management Department, Siam City Bank  
Public Company Limited.



**Ms. Kanoksri Rojmeta**  
Executive Vice President  
Branch Network



**Mrs. Amornrat Leevarapakul**  
Executive Vice President  
Sales and Marketing Management



**Ms. Amporn Ruangprasertkun**  
Executive Vice President  
Capital Market

#### Education

- B.A. (Accounting), Ramkhamhaeng University
- MBA Tarleton State University, Texas, U.S.A.

#### Professional Experience

- 2002-2003 Senior Vice President and Manager  
Branch Administration Dept. 1,  
Siam City Bank Public Company  
Limited
- 2000-2001 First Vice President and Manager,  
Branch Administration Dept. 1,  
Siam City Bank Public Company  
Limited
- 1998-1999 First Vice President and Manager  
Petchaburi Office,  
Siam City Bank Public Company  
Limited
- 1996-1998 Vice President and Senior Manager  
District 7, Office Region 2,  
Siam City Bank Public Company  
Limited

#### Education

- B.A. Economics (Finance), (Honors),  
Chulalongkorn University

#### Professional Experience

- 2004 Executive Vice President,  
The Industrial Finance Corporation  
of Thailand
- 2002-2003 Senior Vice President,  
Corporate Finance Department 2,  
The Industrial Finance  
Corporation of Thailand
- 2000-2002 Vice President,  
Corporate Finance Department 2,  
The Industrial Finance  
Corporation of Thailand

#### Education

- Bachelor of Engineering, Civil Engineering,  
Khonkaen University
- MBA (Honors), Financial Management,  
The National Institute of Development  
Administration (NIDA)

#### Professional Experience

- 2002-2003 Senior Vice President,  
Securities Investment Department,  
Siam City Bank Public Company  
Limited
- 1995-2002 Senior Vice President,  
Investment Banking Department,  
Bangkok Metropolitan Bank  
Public Company Limited



**Mr. Rathian Srimongkol**  
 First Executive Vice President  
 Treasury and International Banking  
 Chief Financial Officer



**Mr. Pongsak Harnsongkitpong**  
 Executive Vice President  
 Human Resources and Support



**Mrs. Wilai Wadwongtham**  
 Executive Vice President  
 Information and System Development

### Education

- Bachelor of Medical Science, Mahidol University
- Medical Degree, (Siriraj Hospital), Mahidol University
- Master of Business Administration, Thammasat University

### Professional Experience

- 2002-2004 Executive Vice President, Siam City Bank  
 Public Company Limited
- 1993-1997 Executive Director and Acting President, Thana One Finance & Securities Public Company Limited

### Education

- BBA (Accounting) Faculty of Economics and Business Administration, Kasetsart University

### Professional Experience

- 1993-2000 Senior Vice President, Audit Department, Siam City Bank  
 Public Company Limited

### Education

- Bachelor of Science, Ramkhamhaeng University
- MBA, Kasetsart University

### Professional Experience

- 2001-2002 Executive Vice President, Bangkok Metropolitan Bank  
 Public Company Limited
- 2000-2001 Senior Vice President, Information Technology Department, Bangkok Metropolitan Bank  
 Public Company Limited
- 1999-2000 Senior Vice President, Information System Audit Department, Bangkok Metropolitan Bank  
 Public Company Limited
- 1995-1998 Senior Vice President, Audit Department, Bangkok Metropolitan Bank  
 Public Company Limited





**Mr. Sanur Yodpinit**

Executive Vice President  
Information Technology

### Education

- Bachelor of Electrical Engineering  
(First Class Honour)  
Chulalongkorn University
- Master of Computer Science,  
University of Illinois (Champaign-Urbana),  
U.S.A.

### Professional Experience

- 1998-2001 Vice President,  
Computer Department,  
Bangkok Commercial  
Asset Management Company Limited
- 1994-1998 Project Manager,  
Bangkok Bank of Commerce  
Public Company Limited



# List of Executive Officers

## Board of Directors

### Chairman

Mr. Sompol Kiatphaibool

### Directors

Mr. Somkiat Sukdheva \*

Assoc. Prof. Dr. Somjai

Phagaphasvivat \*

Mrs. Tasna Rajatabhothi

Assoc. Prof. Dr. Suchart

Thada-Thamrongvech \*

Dr. Suvit Maesincee

Mr. Chavalit Sethameteekul

Mr. Visut Montriwat

Mr. Khemchai Chutiwongse \*

Mr. Arun Chirachavala

## Board of Executive Directors

### Chairman

Mr. Sompol Kiatphaibool

### Executive Directors

Dr. Suvit Maesincee

Mr. Arun Chirachavala

## Audit Committee

### Chairman

Mr. Somkiat Sukdheva

### Committee Members

Assoc. Prof. Dr. Somjai

Phagaphasvivat

Assoc. Prof. Dr. Suchart

Thada-Thamrongvech

## Recruitment and Compensation Committee

### Chairman

Mr. Visut Montriwat

### Committee Members

Mrs. Tasna Rajatabhothi

Mr. Khemchai Chutiwongse

## Management Committee

### Chairman

Mr. Arun Chirachavala

### Committee Members

Mr. Lersuk Chuladesa

Mr. Sutipong Ittipong

Mr. Thanom Narong

Mr. Enghug Nontikarn

Mr. Rathian Srimongkol

Mr. Sanur Yodpinit

Ms. Angkana Swasdipoon

Mr. Parinya Patanaphakdee

Mr. Pongsak Harnsongkitpong

Ms. Kanoksri Rojmeta

## Senior Executive Officers

### President

Mr. Arun Chirachavala

### First Senior Executive Vice President

Mr. Lersuk Chuladesa

### Senior Executive Vice President

Mr. Sutipong Ittipong

### Senior Executive Vice President

Mr. Thanom Narong

### Executive Vice President (Compliance and Audit)

Mr. Prachak Udomsilp

### Executive Vice President (Policy)

Ms. Angkana Swasdipoon

### First Executive Vice President (Risk Management)

Mr. Enghug Nontikarn

### Executive Vice President (Large Corporate)

Mrs. Jaree Wuthisanti

### Executive Vice President (Medium Corporate)

Mr. Wuttichai Suraratchai

### Executive Vice President (Metropolitan Small Corporate)

Mr. Utane Kongsoontornkitkul

### Executive Vice President (Provincial Small Corporate)

Mr. Virat Thanatrongpol

### Executive Vice President (Assets Development and Legal)

Mr. Parinya Patanaphakdee

### Executive Vice President (Credit Operations)

Mr. Cherd Suppana

### Executive Vice President (Retail Banking)

Mr. Pravit Ongwatana

### Executive Vice President (Credit Cards)

Mr. Sujin Suwannagate

### Executive Vice President (Branch Network)

Ms. Kanoksri Rojmeta

### Executive Vice President (Sale and Marketing Management)

Mrs. Amornrat Leevarapakul

### Executive Vice President (Capital Market)

Ms. Amporn Ruangprasertkun

### First Executive Vice President (Treasury and International Banking)

### Chief Financial Officer

Mr. Rathian Srimongkol

### Executive Vice President (Human Resources and Support)

Mr. Pongsak Harnsongkitpong

### Executive Vice President (Information and System Development)

Mrs. Wilai Wadwongtham

### Executive Vice President (Information Technology)

Mr. Sanur Yodpinit

## Executives of the Departments

### Compliance Department

First Vice President & Manager :  
Ms. Chutima Boonmee

### Head Office Audit Department

First Vice President & Manager :  
Mr. Surapong Churangarit

### Branch Audit Department

Senior Vice President & Manager :  
Mrs. Rasami Suthipiniytham

### Computer Audit Department

First Vice President & Manager :  
Mr. Paiboon Chuwithaya

### Planning and Budgeting Department

First Vice President & Manager :  
Ms. Veena Tachachainirun

### Public Relations Department

Senior Vice President & Manager :  
Mrs. Onanong Pranootnaraparn

### Corporate Secretariat Department

First Vice President & Manager :  
Mrs. Yaovalak Kunakornporamat

### Research Department

First Vice President & Manager :  
Mr. Suphachai Sophastienphong

### Accounting Department

First Vice President & Manager :  
Mrs. Phenchan Weerawuth

### Credit Risk Management Department 1

First Vice President & Manager :  
Dr. Prisadarng Skolpadungket

### Credit Risk Management Department 2

First Vice President & Manager :  
Mr. Kiatchai Rojlerthanya

### Risk Management Department

First Vice President & Manager :  
Mr. Wichit Sangtongstit

### Credit Review Department

Senior Vice President & Manager :  
Mr. Theprach Winotai

### Large Corporate Department 1

First Vice President & Manager :  
Mr. Ekachai Techawiriyakul

### Large Corporate Department 2

Senior Vice President & Manager :  
Mr. Chaiyanandh Lapitananuvat

### Large Corporate Department 3

Senior Vice President & Manager :  
Ms. Sopha Nontananundh

### Large Corporate Department 4

First Vice President & Manager :  
-

### Medium Corporate Department 1

First Vice President & Manager :  
Mrs. Suvimon Skulsriprasert

### Medium Corporate Department 2

First Vice President & Manager :  
Mr. Arpichad Akdhakura

Medium Corporate Department 3  
First Vice President & Manager :  
Mr. Sitta Hanbuntrong

Medium Corporate Department 4  
First Vice President & Manager :  
Mr. Yuthyong Sudharatna

Small Corporate Department 1  
Senior Vice President & Manager :  
Mrs. Wanida Tananate

Small Corporate Department 2  
First Vice President & Manager :  
Mr. Chaikiat Hansumrit

Small Corporate Department 3  
Senior Vice President & Manager :  
Mr. Bunlue Punpongjareorn

Small Corporate Department 4  
First Vice President & Manager :  
Mr. Phadaum Na Ranong

Small Corporate Department 5  
Senior Vice President & Manager :  
Mr. Wongsorn Pitupan

Small Corporate Department 6  
Senior Vice President & Manager :  
Mr. Vichien Siriveshvaravudh

Small Corporate Department 7  
Senior Vice President & Manager :  
Mr. Weerasak Wacharakosit

Small Corporate Department 8  
First Vice President & Manager :  
Mrs. Thaisika Kritphonchai

Assets Development Department 1  
Senior Vice President & Manager :  
Mr. Paiboon Srisawad

Assets Development Department 2  
First Vice President & Manager :  
Mr. Kiatkong Hsitantivech

Assets Development Department 3  
First Vice President & Manager :  
Mr. Somphong Singhasuttakorn

Foreclosed Property  
Management Department  
Senior Vice President & Manager :  
Mr. Thanom Pongpowthai

Legal Department  
First Vice President & Manager :  
Mr. Sombat Wongkhamhaeng

Credit Operations Department  
Senior Vice President & Manager :  
Mr. Veraphol Muangjuey

Collateral Appraisal Department 1  
First Vice President & Manager :  
Mr. Phichai Supasutthivech

Collateral Appraisal Department 2  
First Vice President & Manager :  
Mrs. Kanittha Yungcharoen

Personal Loan Department  
Senior Vice President & Manager :  
Ms. Anchalee Besuwan

Retail Business Lending Department  
First Vice President & Manager :  
Mr. Paisal Tiavongsuvan

Cards Marketing Department  
First Vice President & Manager :  
Mr. Thomas Andrew Choy

Cards Operations Department  
First Vice President & Manager :  
Mr. Virach Paisitsavet

Credit and Collection Department  
Acting First Vice President &  
Manager :  
Mr. Virach Paisitsavet

Branch Administration Department 1  
Senior Vice President & Manager :  
Mr. Surapon Tantasukitvanich

Branch Administration Department 2  
First Vice President & Manager :  
Mr. Visuit Boreriboon

Branch Administration Department 3  
First Vice President & Manager :  
Mr. Kasem Kessaneeyabutr

Branch Administration Department 4  
First Vice President & Manager :  
Ms. Sudarat Chalermvutanon

Electronic Banking and  
ATM Department  
First Vice President & Manager :  
Mr. Supakit Lohanan

Petchburi Office  
First Vice President & Manager :  
Mr. Somchai Wannasiripipat

Suanmali Office  
First Vice President & Manager :  
Mr. Sombat Sanguansakpakdee

Branch Operations Support Center  
Acting First Vice President &  
Manager :  
Ms. Kanoksri Rojmeta

Corporate Marketing Department  
Senior Vice President & Manager :  
Mrs. Prangtong Singkhabhand

Marketing and Sales Department  
First Vice President & Manager :  
Mrs. Chanyaruch Wongwanich

Cash Management Department  
Senior Vice President & Manager :  
Mr. Pongsin Potisuntorn

Customer Relations Department  
Senior Vice President & Manager :  
Mr. Phanuwat Yothaphand

Securities Investment Department  
Senior Vice President & Manager :  
Mr. Manat Teawprasobsuk

Capital Market Department  
First Vice President & Manager :  
Mrs. Nisanart Thongpakdee

Capital Market and Treasury  
Operations Department  
First Vice President & Manager :  
Mr. Thanakorn Vijakkhana

Treasury Department  
Senior Vice President & Manager :  
Mr. Soros Sakornvisava

Trade Finance Department  
First Vice President & Manager :  
Mr. Sailom Nopkachain

Foreign Exchange Department  
Senior Vice President & Manager :  
Mr. Sirorote Buacharoon

Personnel Department  
Senior Vice President & Manager :  
Mr. Sirichai Thanasiritrakul

Personnel Development Department  
Senior Vice President & Manager :  
Ms. Abhiradee Sukhajoti

General Administration Department  
Senior Vice President & Manager :  
Mr. Wilas Jarangkul

Banking Department  
Senior Vice President & Manager :  
Mrs. Benjawan Maneechay

Customer Information Department  
First Vice President & Manager :  
Mrs. Nattaya Palawatvichai

Projects Integration Department  
First Vice President & Manager :  
Ms. Pensri Wuttisittikulkiy

Process Development Department  
First Vice President & Manager :  
Ms. Danucha Jiranuntarat

Organization and Procedure  
Department  
First Vice President & Manager :  
Mr. Somsak Sinprasertat

Information Technology  
Department 1  
First Vice President & Manager :  
Mr. Tanee Phalawong

Information Technology  
Department 2  
Senior Vice President & Manager :  
Mr. Yongyuth Pisiviloth

Information Technology  
Department 3  
First Vice President & Manager :  
Mrs. Khanitta Vuvahong

Information Technology  
Department 4  
First Vice President & Manager :  
Mrs. Vibulsiri Na Ranong

Information Technology Security  
Department  
First Vice President & Manager :  
Mr. Viroj Saengvongrusmee

Computer Operations Department  
Senior Vice President & Manager :  
Mr. Thanee Kuruchitkosol

Computer Support Department  
First Vice President & Manager :  
-

*\* Independent Director*



## Financial Position and Operating Results

### Operating Results

Operating results of the Bank and its subsidiaries for 2004 showed a net profit of Baht 6,367 million. Net interest and dividend incomes totaled Baht 10,010 million and non-interest income totaled Baht 5,256 million. Non-interest expenses stood at Baht 8,336 million, reserve for bad debts and doubtful debts at Baht 203 million, loss from debt restructuring at Baht 281 million and income tax at Baht 79 million. Net profit increased by Baht 2,736 million or 75.35% as compared to 2003 net profit of Baht 3,631 million, largely due to loan expansion and funding costs decrease. The Bank earned Baht 3.01 per share, or Baht 1.29 per share over 2003 earning of Baht 1.72 per share.

### Net Interest and Dividend Incomes

The Bank earned net interest and dividend incomes of Baht 10,010 million in 2004, an increase of Baht 1,258 million over 2003, or a 14.37% increase, due to reduction of interest expenses by Baht 2,598 million or 31.08%.

### Non-interest Incomes

In 2004, the Bank earned non-interest incomes of Baht 5,256 million, a decrease of Baht 1,016 million or 16.20%, when compared to non-interest incomes of Baht 6,272 million in 2003. This was largely due to decrease of profit from sales of investments of Baht 1,386 million and increase of service fee income of Baht 706 million.

### Non-interest Expenses

The Bank incurred non-interest expenses of Baht 8,336 million in 2004, an increase of Baht 970 million or 13.17%, when compared to non-interest expenses of Baht 7,366 million in 2003, largely due to personnel and other operating expenses.

### Bad Debts and Doubtful Debts

Since the Bank set aside in 2003 a large reserve for bad debt and doubtful debts to absorb any possible losses from debtors who might not be able to comply with loan restructuring conditions, and to reduce any adverse material impact on the Bank's future financial position, the Bank in 2004 set aside a reserve for bad debts and doubtful debts of Baht 203 million, a decrease of Baht 3,489 million or 94.50%. Loss on debt restructuring was Baht 281 million in 2004, an increase of Baht 162 million or 136.13%. At the end of 2004, the Bank's reserve for bad debts and doubtful debts was Baht 3,325 million or 68.28% higher than the level required by the Bank of Thailand.





## Financial Position

At the end of 2004, total assets stood at Baht 472,444 million, an increase of Baht 2,472 million or 0.53%. Important components are:

**Lending** Total lending amounted to Baht 333,898 million, or 70.67% of total assets, an increase of Baht 11,483 million, or 3.56% over 2003, due to increase in large and small loans. In March 2004, Sukhumvit Assets Management Co. honored prematurely its promissory notes of Baht 3,148 million and in June 2004 the Financial Institutions Development Fund, which gave aval on AMC notes issued by Sukhumvit Assets Management Co. honored matured promissory notes of Baht 44,000 million. At the end of 2004, the Bank had a total of Baht 122,684 million in AMC Notes. Exclusive of these notes, the Bank had a total of Baht 211,214 million in lending, or 44.71% of total assets. When compared with total lending for 2003 exclusive of the AMC Notes, the Bank's total lending increased by Baht 58,631 million or 38.43%.

**Net Investment in Securities** Net investment in securities amounted to Baht 89,339 million, or 18.91% of total assets, a decrease of Baht 13,213 million or 12.88% from yearend of 2003. The Bank's investment consisted of net short-term investment at 21.32%, net long-term investment at 78.50%, and net investment in subsidiaries and affiliated companies at 0.18%

**Inter-Bank and Money Market Transactions** These transactions amounted to Baht 2,816 million, or 0.60% of total assets, a decrease of Baht 4,431 million or 61.14% from yearend of 2003, due to decline in inter-bank and money market transactions of Baht 3,795 million.

**Net Properties Foreclosed** Net properties foreclosed amounted to Baht 12,569 million, or 2.66% of total assets, a decrease of Baht 1,154 million or 8.41% from yearend of 2003, due to sale of properties foreclosed.

## Assets Quality

### Lending

#### Distribution of Loans

It has been the Bank's policy to diversify its loan portfolio among various economic sectors relative to their importance to the development of the country. To reduce risk of loan concentration in any one particular sector, at the end of 2004 the Bank had extended lending to the following business sectors:

Unit : Million Baht

Business sectors	Amount	Percent
1. Agriculture, fishery and forestry	1,619	0.77
2. Mining and quarrying	841	0.40
3. Manufacturing	45,887	21.73
4. Construction	3,788	1.79
5. Wholesale and retail trade	25,627	12.13
6. Import	4,279	2.03
7. Export	4,250	2.01
8. Banking and finance	17,054	8.07
9. Real estate	20,894	9.89
10. Public utilities	33,230	15.73
11. Services	29,260	13.86
12. Personal consumption	24,485	11.59
<b>Total</b>	<b>211,214</b>	<b>100.00</b>

### Non-Performing Loans

Non-Performing Loans (NPLs) are defined by the Bank of Thailand as substandard, doubtful and loss loans. At the end of 2004, the Bank had a portfolio of Non-Performing Loans (excluded accrued interest) totaling Baht 10,988 million, an increase of Baht 2,400 million over 2003.

Unit : Million Baht

Loans	Principal
Sub-standard	3,184
Doubtful	7,237
Loss	567
<b>Total</b>	<b>10,988</b>

## Loan Classification and Provision of Reserve for Doubtful Debts

As at 31 December 2004, the Bank had classified debtors in specific accounts which included loans, accrued interest receivables and reserve for doubtful loans as follows:

Unit : Million Baht

Classified Debtors	Obligation before deducting collateral value	Obligation after deducting collateral value	Percent of legal reserve required by the BOT	Amount of legal reserve to be provided	Amount of legal reserve provided by the Bank
Normal	319,306	74,774	1	748	-
Special Mention	5,625	2,125	2	43	-
Sub-standard	3,211	975	20	195	-
Doubtful	7,266	6,242	50	3,736	-
Loss	579	147	100	148	-
<b>Total</b>	<b>335,987</b>	<b>84,263</b>		<b>4,870</b>	<b>8,195</b>

Legal reserve for doubtful debts as required by the Bank of Thailand was Baht 4,870 million; the amount suggested by the Bank of Thailand included reserve for doubtful loans of Baht 615 million and loan loss of Baht 2 million. The Bank had provided a reserve for loan loss of Baht 8,195 million, which was Baht 3,325 million or 68% higher than required legal reserve. In its opinion, this reserve would absorb any possible losses from debtors who may not be able to comply with loan restructuring conditions, and reduce any adverse material impact on the Bank's future financial position.

### Investment in Securities

The Bank's policies on investment in securities are as follows:

**Equities** : The Bank has formulated clear objectives for investments in equities, specified guidelines for equity selection to diversify its investments, and required cut loss limits to reduce risks of price fluctuation in proprietary trading.

**Bonds** : The Bank invests only in government bonds and bonds guaranteed by Ministry of Finance.

**Debt Instruments** : The Bank invests only in debentures or other debt instruments of investment grades, i.e. BBB rating or better, with clear guidelines as to holding periods and cut loss limits in case of proprietary trading.



As at 31 December 2004, investments in securities were as follows

Unit : Million Baht

Types of Securities	Cost/Amortized Value	Percentage
<b>1. Short-term investment</b>	<b>19,055</b>	<b>21.37</b>
1.1 Investment for proprietary trading	404	0.45
1.2 Debt instruments held to maturity	18,512	20.76
1.3 Investment for sale	139	0.16
<b>2. Long-term Investment</b>	<b>69,959</b>	<b>78.45</b>
2.1 Investment for sale	20,765	23.28
Government & state enterprise securities	13,710	15.37
Private sector debt instruments	654	0.73
Other debt instruments	6,401	7.18
2.2 Debt Instruments held to maturity	42,206	47.33
2.3 General investments	6,988	7.84
<b>3. Investment in subsidiaries and associated companies</b>	<b>166</b>	<b>0.18</b>
<b>Total investment in securities</b>	<b>89,180</b>	<b>100.00</b>
Plus Allowance for revaluation of investment	169	
Minus Allowance for diminution of values	(10)	
<b>Net total investment in securities</b>	<b>89,339</b>	

Total return on investment in terms of interest and dividend income in 2004 was Baht 4,598 million, a decrease of Baht 133 million, when compared to year 2003's return on investment of Baht 4,731 million, due to decrease of long-term investments. The Bank reserved an allowance for diminution of values of investments in full compliance with Thai Accounting Standard (TAS) No. 40.

## Liquidity

Cashflow Statement showed that net cash received from operations amounted to Baht 10,373 million, due to decrease of long-term investments of Baht 11,870 million. Net cash used in operations amounted to Baht 3,282 million, from net lending increase of Baht 13,042 million and profit from operations of Baht 6,243 million. Cash used in funding activities amounted to Baht 2,979 million. Dividends were paid twice in 2004, the first for 2003 operations and the second as interim dividend for 2004; total payments amounted to Baht 3,064 million.

At the end of 2004, the Bank and its subsidiaries maintained assets liquidity ratio as required by the Bank of Thailand.

## Sources of Funds

### Proper Capital Structure

Important source of funds is deposits, at 90.05% of funding. Debt to equity ratio in 2004 was 13.21, a decrease from 13.40 in 2003, due to increase of shareholders' equities of Baht 6,367 million.

## Shareholders' Equities

Shareholders' equities at end of 2004 were Baht 33,251 million, an increase of Baht 617 million from the year 2003 of Baht 32,634 million, due to largely profit of Baht 6,367 million. Dividend and directors' remuneration amounted to 3,071 million and excess on change of capital investment declined by Baht 2,707 million.

## Liabilities

As at 31 December 2004, the Bank and its subsidiaries had a total of Baht 439,193 in liabilities, an increase of Baht 1,855 million or 0.42%, due to increase in securities sold under repurchase agreement of Baht 16,000 million.

Total liabilities in Thai and foreign currencies at end of 2003 were as follows:

**Baht Currency** A total of Baht 433,921 million, 98.80% of total liabilities, consisted of:

• Deposits	384,122	Million Baht
• Inter-bank and money market items	19,387	Million Baht
• Securities sold under repurchase agreements	18,000	Million Baht
• Borrowing	107	Million Baht
• Liability payable on demand	1,029	Million Baht
• Bank's liability under acceptances	100	Million Baht
• Other liabilities	3,741	Million Baht
• Interests payable	772	Million Baht
• Discrepancy from transfer of assets from Bangkok Metropolitan Bank	6,663	Million Baht

**Foreign Currencies** A total of Bath 5,272 million, 1.20% of total liabilities, consisted of:

• Deposits	258	Million Baht
• Inter-bank and money market items	5,014	Million Baht

Deposits in US dollars accounted for 98.06% of total foreign currency deposits while deposits in other currencies accounted for only 1.94%.

Inter-bank and money market items in US dollars accounted for 98.95% while items in other currencies accounted for 1.05%.

The Bank's liabilities in foreign currencies accounted for only 1.20% of total liabilities. Thus, fluctuation of the currency exchange rates would have negligible impact on the Bank's financial position.

## Relationship between Sources and Uses of Funds

Unit : Million Baht

	The Bank's Financial Statements			
	2004	Percentage	2003	Percentage
<b>Uses of Funds</b>				
Inter-bank and money market items	2,199	0.50	7,139	1.62
Securities purchased under resale agreements	17,600	3.97	10,000	2.26
Investments in securities	89,795	20.25	102,517	23.19
Lending	333,815	75.28	322,318	72.93
<b>Total Uses of Funds</b>	<b>443,409</b>	<b>100.00</b>	<b>441,974</b>	<b>100.00</b>
<b>Sources of Funds</b>				
Deposits	385,470	90.05	406,862	95.71
Inter-bank and money market items	24,501	5.72	16,229	3.82
Securities sold under repurchase agreement	18,000	4.21	2,000	0.47
Borrowing	107	0.02	-	-
<b>Total Sources of Funds</b>	<b>428,078</b>	<b>100.00</b>	<b>425,091</b>	<b>100.00</b>

The Bank's sources and uses of funds structure for 2004 revealed that loans accounted for 75.28% of uses of funds, followed by investments in securities at 20.25%. The remainder was securities purchased under resale agreements, and inter-bank and money market items. Major sources of funds were deposits, at 90.05% of total sources of funds, followed by inter-bank and money market items, and securities sold under repurchase agreement, at 5.72 and 4.21% respectively.

In 2004, the Bank's overall loans to deposits ratio of 86.60%, against 79.22% in 2003, indicated an expansion of the Bank's businesses.

## Maturity Structure of Sources and Uses of Funds

Unit : Million Baht

	The Bank's Financial Statements		
	Less than 1 year	More than 1 year	Total
<b>Uses of Funds</b>			
Inter-bank and money market items	2,199	-	2,199
Securities purchased under resale agreements	17,600	-	17,600
Investments in securities	18,166	71,629	89,795
Lending	125,881	207,934	333,815
<b>Total Uses of Funds</b>	<b>163,846</b>	<b>279,563</b>	<b>443,409</b>
<b>Percentage</b>	<b>36.95</b>	<b>63.05</b>	<b>100.00</b>
<b>Sources of Funds</b>			
Deposits	318,253	67,217	385,470
Inter-bank and money market items	24,501	-	24,501
Securities sold under repurchase agreement	18,000	-	18,000
Borrowing	50	57	107
<b>Total Sources of Funds</b>	<b>360,804</b>	<b>67,274</b>	<b>428,078</b>
<b>Percentage</b>	<b>84.28</b>	<b>15.72</b>	<b>100.00</b>

Maturity structure of the Bank's sources and uses of funds disclosed that more than 1 year uses of funds amounted to Baht 279,563 million or 63.05% of total uses of funds, while more than 1 year sources of funds amounted to only Baht 67,274 million or 15.72% of total sources of funds. Such mismatch in sources and uses of funds arises from disparity between maturity structures of loans and deposits, prevalent among Thai commercial banks where short-term funds are raised for long-term lending or investments. However, since most deposits in the Bank are renewed upon maturity the Bank has an uninterrupted source of funding for its lending activities.

## Relationship between Financial Costs and Returns

Unit : Million Baht

	The Bank's Financial Statements	
	Amount	Percentage
<b>Loans classified by interest types</b>		
Loans with fixed interest rates	69,169	20.71
Loans with floating interest rates	264,746	79.29
<b>Total Loans*</b>	<b>333,915</b>	<b>100.00</b>
<b>Deposits Classified by Maturity</b>		
Short-term deposits	318,253	82.56
Long-term deposits (> 12 months)	67,217	17.44
<b>Total Deposits</b>	<b>385,470</b>	<b>100.00</b>

\*Includes loans to financial institutions

Deposit structure of the Bank, in which short-term deposits were larger than long-term deposits at 82.56% against 17.44%, is also a structure normally found among Thai commercial banks. Since short-term deposits carry lower interest rates than do long-term deposits and short-term deposits tend to be renewed upon maturity, short maturity of deposits gives the Bank a flexibility in managing its costs. On the other hand, most loans were long-term and 79.29% of them carried floating interest rates. Thus, the Bank was able to manage its return in response to any changes in costs.

The most significant cost was average cost of deposits at 1.40% while its loans carried minimum lending rate (MLR) earning 5.75%. However, since promissory notes from Sukhumvit Assets Management Co., Ltd. (AMC notes) that accounted for 36.75% of total loans carried a yield of only 1.85%, total yield of loan portfolio was down to 3.35%. Thus, the Bank earned a net yield of 1.95%.

## Capital Expenditure

During 2004, computer systems at Siam City Bank and former Bangkok Metropolitan Bank were integrated, paving the way for the Bank to become one of the leaders in providing efficient services to its customers. To further increase operational efficiency, the Bank invested in developing various information technology systems, such internet banking, telebanking, installations of more ATM's, customer relationship management, Hi-port, profit management, and e-learning.

As for investment in land and buildings, the Bank made only necessary and important investments by relocating some branches to areas with growth potential, and continuing modernization and standardization of design and layout of branches.

In 2005, the Bank will continue to invest in the installation of more ATMs, modernization and standardization of design and layout of 30 currency exchange offices, remodeling of the Suan-Mali building, development of IT and customer information systems to provide more convenience to customers. These projects have been budgeted at Baht 1,000 million.

## Major Factors and Influences on Financial Position and Operating Results

See Risk Factors

### Important Financial Ratios

#### Financial ratios as at 31 December (Consolidated)

Unit : Percent

	2004	2003	2002
<b>Profitability Ratio</b>			
Gross Profit	68.67	55.38	39.88
Net Profit	30.28	15.53	4.27
Return to Equity	19.33	10.75	3.29
Loan Yield	3.38	3.74	4.70
Cost of Deposit	1.38	1.95	3.01
Net Interest Margin	2.00	1.79	1.69
Return on Investment	6.50	7.95	6.80
<b>Efficiency Ratio</b>			
Net Interest Income / Assets	1.16	0.78	0.49
Return on Assets	1.35	0.76	0.22
Assets Turnover (times)	4.46	4.89	5.27
<b>Financial Ratio</b>			
Debt to Equity (times)	13.21	13.40	12.92
Loans to Borrowings	86.61	79.04	77.22
Loans to Deposits	86.67	79.29	77.34
Deposit / Total Liabilities	87.52	92.97	93.64
Dividend Payout	40.69 <sup>(1)</sup>	43.65	47.92
Capital Adequacy	11.27	11.59	15.54
<b>Asset Quality Ratio</b>			
Provision / Total Loans <sup>(2)</sup>	4.97	7.53	6.14
Loan Loss / Total Loans <sup>(2)</sup>	0.23	2.48	3.55
NPLs / Total Loans <sup>(2)</sup>	5.18	5.60	0.46
Accrued Interest Receivables / Total Loans <sup>(2)</sup>	0.50	0.58	0.67

(1) The Bank announced an interim dividend on profit from operations for the first half of 2004.

(2) Computed from loan operations, exclusive of AMC Notes and interests of Sukhumvit Assets Management.

# Characteristics of Business Operations

## Characteristics of Business Operations

Siam City Bank (PCL) was registered with an initial paid-up capital of Baht 1 million on May 8, 1941 and opened its door for business on May 24, 1941. It now provides universal banking services to business sectors and the general public through its nation-wide branch network.

## Important Change during the Past Year

### Change of Status to a Private Commercial Bank

After its merger with Bangkok Metropolitan Bank, the Bank was in a strong position and continued to earn a steady stream of profit. The sale of common shares held by Financial Institutions Development Fund to domestic investors and the general public in November 2003 was very successful; 370 million shares or 17.51% of the Bank's paid-up capital were distributed among a large number of retail investors in excess of the number required by the Stock Exchange of Thailand. Buyers of these shares also received 1:2 warrants to convert to common shares within one year. The Bank's shares began trading again on 1 December 2003 after a suspension of more than 5 years. Interest in the Bank's shares among local and foreign investors, both institutional and individual, was evident in warrants being almost fully converted, resulting in a decrease of Financial Institutions Development Fund's shareholding from 82.48% to 47.58%. The Bank changed its status from a state enterprise to a private commercial bank on 25 November 2004.

### Other Developments

**Marketing** The Bank increased its distribution channels to promote business expansion, by relocating existing branches and opening 4 new branches. At the end of 2004, the Bank had a total of 367 branches. Modernization of the branch physical appearance initiated in 2003 was completed for branches in Bangkok and surrounding area. For customers' convenience, 295 new ATM machines were installed and 907 machines were in service by end of December 2004. Internet banking system has been under development and when completed will be another avenue for customers to transact their businesses at the Bank. Internet banking system is expected to be operational in early 2005. In addition to cross selling and sale promotion, the Bank commissioned production of television commercials to project a corporate and product image of a modern bank offering a full range of products and financial services.

**Products** The Bank also expanded its product line. There are products offered by the Bank as well as those developed jointly with its subsidiaries, such as, loans for international business, packing credit SCIB Plus, life insurance, mortgage loan, marine insurance, individual accident insurance, credit cards, SCIB side card, saving account with accident insurance, automatic fund transfer (SCIB Link), taxi fare payment through credit card, counter payment using bar code developed in cooperation with Hutchison Wireless Multimedia, Orient Thai Airlines, and Mitr Siam Motors, credit card service and on-line payment transfer. At its branches, customers are able to open securities trading account through Siam City Securities accounts, and purchase mutual funds managed by Siam City Assets Management Co.

**Personnel** The Bank has always recognized the importance of human resources to its success and has instituted a program of systematic training to improve its employees' skills and capability. Training and development of all levels of personnel have been continuous. E-Learning system involves distribution of subject matters on CD-ROMs to assist employees in their self-study. SCIB Focus is a project to promote competition among its employees to provide excellent services to customers, fulfilling the vision of a leading universal bank with best personal touch. At the end of December 2004, the Bank's employees numbered 6,377.

**Structure and Processes** The Bank rationalized its structure to adapt to changing market conditions. Business departments were divided along customers' sizes and locations, e.g. large, medium, and small, and metropolitan and provincial. In the retail sector, there are departments in charge of individual, small business enterprise and credit card customers. Marketing and sales departments were set up to support business expansion. Process development departments were added to enhance service delivery and operations efficiency. The Bank also refined operations of Customers Suggestions Center by launching a mailed survey and commissioned the Thai Rating and Information Service Co. (TRIS) to evaluate its operations. After an evaluation, TRIS gave a "Good" rating of 7.5 out of 10. On risk management and control, a risk management and control tool was developed to compute Daily Var of debt and equity instruments, improve efficiency of Operation Risk Coordinator, prepare preliminary RAROC, benchmark industrial risks, and develop other instruments to improve audit efficiency.

**Information Technology** The Bank developed various information technology systems to increase service efficiency, such as, international fund transfer system (Western Union, Host to Host), internet banking, automatic fund transfer, BIS system to compute capital to assets ratio in accordance with Basel II. The Bank also improved network systems and developed security for its network system to facilitate service delivery.

**Social Activities and Honors** As a responsible corporate citizen, the Bank made social contribution by engaging in various cultural projects and public charitable activities.

**"Siam City Preserves Thai Uniqueness"** project consisted of two activities for young participants. The first activity was "Read and Listen Competition," a competition aimed at developing Thai youth's ability to pronounce Thai words clearly and accurately. "Thai Manners Competition" activity aimed at raising an awareness of the value of Thai graceful and gentle manners. Both projects were honored by Her Royal Highness the Crown Princess, who graciously awarded trophies to winners. Winners also received cash prizes totaling Baht 384,400. The Bank also produced a VCD "Demonstration of Thai Manners," for distribution to educational institutions in Thailand.

**Television documentary "Thai Marks"** was aired every Monday, Tuesday and Wednesday at 20.15 hours on Modern 9 TV to trace Thai ways of living from past to present, to record and describe Thai culture and arts, values and beliefs and other interesting Thai professions. Of particular interest were stories on Thai skills that were passed locally from generation to generation, such as weaving of Thai silk, Thai cotton, and adaptation of Thai clothes in various types of products for export.

**Red Cross Fair Booth** The Bank recognized the Thai Red Cross Society's important role in raising funds to help alleviate hardship of those people who suffered losses from disasters. It participated in the annual Red Cross Fair by opening a booth at the fair and contributed proceeds from sales at the booth to the Red Cross Society. Proceeds were proffered to Her Royal Highness the Crown Princess, Chairperson of the Red Cross Society.



## Banking Operations

The Bank operates banking businesses allowed by Commercial Bank Act and businesses related to commercial banks as announced by the Bank of Thailand, Ministry of Finance and other agencies. Its banking businesses may be divided into two types:

1. Businesses that generate interest and dividend incomes, such as deposits, loans and investments;
2. Businesses that generate non-interest incomes, such as fee and other incomes including foreign exchange, bill discount, letters of credit for import and export, domestic and international money transfers, credit cards, aval and guarantees, securities and asset management.

In addition to its principal financial services of deposits and loans, the Bank continues to develop and improve its products line to serve customers' needs. Product development includes its own products as well as those developed jointly with its subsidiaries to offer more options to customers and satisfy their financial needs. The Bank's business operations may be divided into 5 principal groups:

1. **Corporate Banking Group.** Responsible for relationship with large corporate customers whose annual sales exceed Baht 2,000 million, medium size corporate whose annual sales average between Baht 200 million to Baht 2,000 million, and small corporate whose annual sales are less than Baht 200 million. Principal products and services include: long-term loan, project loan, revolving credit line for liquidity purpose such as overdraft and promissory note, international trade loan, guarantees such as loan guarantee, performance guarantee, aval and bill of acceptance, payment guarantee such as letter of credit and commercial document, cash management, foreign currency exchange and investment banking.
2. **Retail Banking Group.** Responsible for relationship with customers who are owners of small businesses requiring loans of less than Baht 5 million, and retail customers, by offering them basic financial products and services. Products in this category include loan for small business, loan for new business owners, loans for franchise business, housing loan, consumer loan, and personal loan. Card businesses include credit card, debit card, ATM card, deposit products, safe deposit box, gift check and cashier check.
3. **Financial and Cash Management Group.** Responsible for financial management on behalf of corporate and retail customers. Products in this category include cash management, liquidity management, collection and payment, payroll administration, domestic and international money transfers, foreign currency transactions, such as foreign exchange, collection of foreign exchange bills and traveler's checks.
4. **Brokerage and Agency Service Group.** Responsible for relationship with institutional, corporate and retail customers. The group also markets products developed jointly with the Bank's subsidiaries. Principal products include bancassurance, trustee services and custodian services including custodian of securities, delivery and transfer of securities, receipt and payment of securities transactions, dividend payment, debt instrument holder representation, mutual fund trustee, and selling and buying agent of debt instrument and unit trust.
5. **Treasury Group.** Responsible for management of the Bank's assets and liabilities, through proprietary trading of money and instruments in the money and capital markets to earn highest return for the Bank under an appropriate level of risk and in accordance with related policy and regulations.

## Structure and Businesses of Subsidiaries and Affiliated Companies

As at 31 December 2004, there were 9 subsidiaries and affiliated companies. Six companies are in active support of the Bank's businesses while three are in the process of liquidation. They are: Crown Development Co., Ltd., Siam City I.T. Co., Ltd., and The Chada Thong Properties Co., Ltd.

Unit : Baht

No.	Name of Company	Type of Business	Bank's shareholding	Investment value
1	Max Life Assurance Co., Ltd. <sup>(1)</sup>	Life Insurance	100.00%	526,260,000
2	Siam City Assets Management Co., Ltd.	Assets Management	100.00%	100,000,000
3	SCIB Services Co., Ltd.	Services	100.00%	100,000
4	Siam City Securities Co., Ltd. <sup>(2)</sup>	Securities	99.79%	2,074,743,873
5	Siam City Insurance Co., Ltd.	Insurance	45.50%	31,571,880
6	Siam Samsung Life Insurance Co., Ltd.	Life Insurance	25.00%	125,000,000
7	Crown Development Co., Ltd.	Real Estates	100.00%	94,060,000
8	Siam City I.T. Co., Ltd.	Computer Consultant	100.00%	4,397,986
9	The Chada Thong Properties Co., Ltd.	Real Estates	70.00%	700,000
		<b>Total</b>		<b>2,956,833,739</b>

Note : (1) Formerly Metropolitan Life Insurance Co., Ltd.

(2) Formerly Yuanta Securities (Thailand) Co., Ltd.

## Structure of Incomes (Consolidated Financial Statements)

Items	As at 31 December 2004		As at 31 December 2003	
	Amount (Million Baht)	Percent	Amount (Million Baht)	Percent
<b>Interest and dividend incomes</b>				
Loans	10,993	53.51	12,020	61.41
Inter-bank and money market transactions	180	0.88	362	1.85
Investments	4,598	22.38	4,731	24.17
Total interest and dividend incomes	15,771	76.77	17,113	87.43
Loan loss and doubtful loans	(203)	(0.99)	(3,692)	(18.86)
Loss from debt restructuring	(281)	(1.37)	(119)	(0.61)
Total interest and dividend incomes after loan loss, Doubtful loans and loss from debt restructuring	15,287	74.41	13,302	67.96

Items	As at 31 December 2004		As at 31 December 2003	
	Amount (Million Baht)	Percent	Amount (Million Baht)	Percent
<b>Non-interest incomes</b>				
Profit (loss) on investments	1,641	7.99	3,027	15.46
Profit (loss) on investments, pro rata	5	(0.02)	1	0.01
Service fees				
Acceptance, aval and guarantee	288	1.40	405	2.07
Other services	2,642	12.86	1,819	9.29
Profit (loss) on exchange	192	0.93	188	0.96
Management fee from Petchburi Assets Management Co., Ltd.	142	0.69	214	1.09
Other incomes	346	1.68	618	3.16
Total non-interest incomes	5,256	25.59	6,272	32.04
<b>Total Income</b>	<b>20,543</b>	<b>100.00</b>	<b>19,574</b>	<b>100.00</b>

Total incomes for 2004 amounted to Baht 20,543 million, an increase of Baht 969 million or 4.95% over 2003. In 2003, interest and dividend incomes after loan loss, bad debts and loss from loan restructuring amounted to 67.96% while non-interest income amounted to 32.04% of total income. In 2004, non-interest income was down to 25.59% of total incomes, due to a decrease in gain from investment.

## Marketing and Competition

### Market Overview

Thai financial market saw another year of intense competition, both in lending and in the introduction of new products. Competition was attributable to Financial Master Plan announced during early 2004 that allowed commercial banks to offer a wider range of products and financial services. Competition in retail banking was particularly intense as commercial banks focused primarily on consumers, offered them various products and add more distribution channels. Meanwhile, commercial lending continued apace due to additional investments in the public and private sectors to increase production capacity. Liquidity in the commercial bank system remained high and kept funding costs at low levels, thus improving commercial banks' performance considerably.

At end of 2004, Siam City Bank ranked 7<sup>th</sup> among Thai commercial banks in terms of assets, with market shares for deposits and loans at 7.26% and 7.20% respectively. Non-performing loans portfolio at the Bank was lowest among Thai commercial banks while reserve and capital fund were at high levels. The Bank's branch network reaches into every province of the country, allowing an aggressive expansion of businesses and improvement of selling efficiency and service quality. The Bank is well on the path of steady growth and is now able to compete with other leading commercial banks in Thailand.

**Competition** Intense competition among Thai commercial banks was due to excess liquidity in the system. With interest rates no longer serving as a competitive tool, commercial banks turned to marketing promotion strategies, full-range financial services and lending products tailored to customers' individual needs. Lending with high profit margin, such as consumer loans, personal loans and loan for small and medium enterprises, was particularly competitive.

Intensity of competition required the Bank to improve its efficiency in service delivery, train and develop employees, improve operating procedure, introduce new technology to reduce costs, develop new products to reach target customer groups, and increase non-interest incomes. Competition may be described under the following marketing mix:

**Price** During early part of the year, high liquidity in the system prevented commercial banks from competing for deposits. As the year wore on, excess liquidity began to dry up and medium and small commercial banks began to offer higher rates for deposits. Lending rates however remained competitive throughout the year.

**Product** Technology and financial innovations have enabled commercial banks to offer a new variety of retail financial products with conditions to suit customers' needs. Internet banking is a service with low costs and is expected to become an important income earner for commercial banks. A full line of financial services that fit customers' needs will be a strategy to increase service efficiency, satisfy customers and increase fee incomes.

**Place** Several commercial banks have embarked upon programs to modernize the appearance of their branches and add more facilities for customers to transact their businesses. Banking hours have been moved earlier or later in some areas and lengthened in others. Branches in adjacent locations have been merged and new branches are now located near or in the community or business centers where there are large numbers of customers, such as, department stores, office buildings, hospitals, and educational institutions. New branches tend to be small, in the forms of micro or kiosk branches.

**Promotion** Several commercial banks have planned their business expansion in retail banking. Thus, their marketing promotions tend to offer credit cards, consumer loans, housing loans, and loans for small and medium enterprises. To inform and attract customers, print media, commercials, radio and billboards are used in advertising campaigns.

## Banking Business Trend

While Thai economy is expected to continue to expand in 2005, thereby offering commercial banks a growth opportunity, environmental risks remain a challenge. These risks include volatility of energy prices and increasing interest and inflation rates. Governmental regulations also have direct impact on commercial bank operations. The Financial Master Plan announced early in 2004 has opened an opportunity for establishment of new commercial banks, and mergers of finance companies and credit foncier companies to cut costs. Establishment of a deposit insurance institute and Basel II capital to risk assets ratio requirement have made it mandatory for commercial banks to expand their businesses, improve service, expand customer bases, accelerate information technology development and increase personnel capability to meet with competition.

## Business Objectives and Strategies

The Bank aims at becoming a universal bank with full banking services, to increase its competitive advantages, to provide steady stream of profit and to maximize shareholders' wealth. The important strategies are as follows:

### **Expand customer base by focusing on medium and small customers**

The Bank's strategy is to expand its customer base among medium and small customers by offering its products through cross-selling, pro-active marketing campaigns and reaching customers via its 367 branches. Medium and small customers are customers with high growth potential and have shown an increasing demand for new financial services. These customers would balance the Bank's customer base and the Bank would differentiate its services through High Personal Touch.

### **Offer products and services on par with large commercial banks**

The Bank aims at competing with large commercial banks by offering products and services in tandem with its subsidiaries and affiliated companies. Wide range of products and services would satisfy corporate and retail customers' demand and increase their transactions with the Bank. In addition to offering various packages of products, the Bank also plans to increase product lines for retail customers, such as, card products including corporate card and debit card, small business loans, personal loans, consumer loans, and loans related to housing loans, such as, loans for furniture purchase, internet purchase and products offered by its subsidiaries. In cooperation with other strategic partners, the Bank plans to further expand its line of products and services.

### **Increase and improve distribution channels**

The Bank plans to increase its distribution channels and improve their efficiency, by launching internet banking, and developing mobile phone banking, payments and card value refill systems on ATM. The Bank also plans to open kiosk branches in department stores and business centers, equipped with ATM, passbook update machines, deposit taking machines. Booths for currency exchanges will also get a facelift in line with modern look of the branches.

### **Promote adherence of good corporate governance**

The Bank emphasizes professionalism and transparency in its executives' and employees' business conduct, with a check and balance through operation audits, code of ethics and good corporate governance. Good corporate governance policy is the basic principle for the directors, executives and employees to comply in their duties and responsibilities, and to perform their tasks in an efficient, transparent and fair manner to all concerned. Code of ethics specifies ethical conducts towards shareholders, customers, other commercial banks and society. The Bank has appointed a coordinating committee on good corporate governance to follow up on implementation of the policy and also plans to commission a third party organization to review implementation of its good corporate governance policy for further improvement.

### **Improve personnel quality and efficiency**

The Bank emphasizes the importance of self improvement and encourages an awareness of and preparation for changes. It encourages further education and training to improve quality of all levels of its personnel. Training road map or training plan for each employee has been prepared and trainings courses were conducted covering theories and practices of banking operations. The Bank also plans to increase the number of employees in selling, analytical and specialized skill positions. Performance evaluation methods such as Key Performance Indicators (KPI) and Competency have been used to measure performance, improve work environment and provide career advancement.

### **Improve efficiency of service and operation methods**

The Bank's ultimate objective is to satisfy customers by providing them with excellent quality, through convenient, fast and efficient service. To accomplish this objective, the Bank has improved method and process of service delivery by introducing standard work/standard time method, and applying six-sigma concept. The Bank also plans to introduce e-communication among departments to facilitate a more efficient coordination and to develop loan origination system to facilitate customer service.

### **Increase capability of information technology and management information systems**

The Bank plans to increase capability of its information technology systems to service customers, to prepare for increased transactions and to provide new services, such as services through internet, telephone, cell-phone, ATM and Image Cheque system. It also plans to develop internal support service systems, communication networks, and security of communication systems. The CRM Phase II (Customer Relationship) will be used to gauge customers' needs while Profit Measurement system will measure profit earned on products and customers. Risk management information system will improve efficiency of the administration and management.

# Shareholding Structure and Management

## Shareholders

As at 31 December 2004, the first ten largest shareholders of the Bank were:

Shareholders	No. of shares	Percentage
1. Financial Institutions Development Fund	1,005,330,950	47.58
2. Thailand Securities Depository Co.Ltd. for Depositors (Thai)	598,161,868	28.31
3. Thailand Securities Depository Co.Ltd for Depositors (Foreign)	508,118,212	24.05
4. Mr. Kamthorn Watanalaoha	150,004	0.01
5. Major Gen. Phanumas Uthaisen	150,000	0.01
6. Mr. Phongsak Phayukavichien	100,000	0.00
7. Mr. Kamol Vongkusolkit	100,000	0.00
8. Mr. Prasit Khovilaikool	100,000	0.00
9. Miss Pavaree Temchareon	50,000	0.00
10. Mr. Tivakorn Jarutikorn	50,000	0.00

## Dividend Policy

### Bank's Policy

The Bank's Articles of Association states that payment of dividend shall be made from profit only and that when the Bank earns sufficient profit to announce a dividend payment, such payment must be approved by the shareholders' meeting. The Board of Directors however may resolve to approve payment of an interim dividend when the Bank earns sufficient profit, and report the interim dividend payment at the next shareholders' meeting.

On 7 April 2004, the 103<sup>rd</sup> general meeting of the shareholders approved a dividend payment from year 2003 profit at Baht 0.75 per share, or 44% of 2003 net profit. The Bank paid dividend on 19 April 2004.

On 17 August 2004, at its 700<sup>th</sup> meeting the Board of Directors resolved to pay an interim dividend at Baht 0.70 per share from profit from operations during the first half of 2004. The Bank paid dividend on 16 September 2004.

### Subsidiaries' Policy

The payment of dividend by each of the Bank's subsidiaries shall depend upon its operations during the previous year and its cash-flow.

In 2004, SCIB Service Co.Ltd. paid a dividend at the rate of Baht 2,000 per share. The Bank holds 1,000 shares and received a dividend of Baht 2,000,000. No other subsidiaries declared any dividend payment.

## Management

### Structure of the Boards

Structure of the Bank's boards consists of the Board of Directors, Board of Executive Directors, Audit Committee, Recruitment and Compensation Committee, and Risk Management Committee.

### Board of Directors

As at 31 December 2004, the Board of Directors consisted of:

1. Mr. Sompol	Kiatphaibool	Chairman
2. Mr. Somkiat	Sukdheva	Director
3. Assoc.Prof.Dr. Somjai	Phagaphasvivat	Director
4. Mrs. Tasna	Rajatabhothi	Director
5. Assoc.Prof.Dr. Suchart	Thada-Thamrongvech	Director
6. Dr. Suvit	Maesincee	Director
7. Mr. Chavalit	Sethameteekul	Director
8. Mr. Visut	Montriwat	Director
9. Mr. Khemchai	Chutiwongse	Director
10. Mr. Arun	Chirachavala	Director and President

Ms. Angkana Swasdipoon serves as secretary to the Board. Directors with power of attorney are Mr. Sompol Kiatphaibool, Mr. Arun Chirachavala and Dr. Suvit Maesincee, two of whom may sign on behalf of the Bank and confirm their signatures with the Bank's official seal.

### Independent Directors include:

1. Mr. Somkiat	Sukdheva	Independent Director
2. Assoc.Prof.Dr. Somjai	Phagaphasvivat	Independent Director
3. Assoc.Prof.Dr. Suchart	Thada-Thamrongvech	Independent Director
4. Mr. Khemchai	Chutiwongse	Independent Director
5. Mr. Visut	Montriwat	Independent Director

The first three independent directors were appointed by the Board of Directors at its 677<sup>th</sup> meeting on 28 March 2003. The fourth independent director was appointed by the Board of Directors at its 691<sup>st</sup> meeting on 4 February 2004 while the fifth independent director was appointed at the 710<sup>th</sup> meeting on 26 January 2005. All five independent directors have issued on their annual letters stating their independent status as required by the Bank of Thailand. The Bank has filed their letters with the Bank of Thailand.

At its 710<sup>th</sup> meeting on 26 January 2005, the Board of Directors defined roles of its "independent directors," for use as a guide in its good corporate governance practices. The Bank reviewed its understanding of independent directors' roles with the Securities and Exchange Commission, Stock Exchange of Thailand and against directive from the Bank of Thailand in the latter's letter, Sor Nor Sor 31 (Wor.) 2770 / 2002 dated 3 December 2002 on structure of committee on corporate governance of commercial banks.



The Bank defines “independent directors,” as follows:

**1) Shareholding**

Independent directors shall not hold shares in excess of 0.5% of total shares with voting rights, in the name of the Bank, its subsidiaries and affiliated companies, or persons with conflict of interest (including related persons defined in Article 258 of Securities and Exchange Act of 1992).

**2) Management**

Independent directors shall not, during one year prior to their appointments, have taken part in management of the Bank, or have been employees or advisors receiving regular salaries, authorized officers of the Bank, its subsidiaries and affiliated companies, or have been persons with conflict of interest.

**3) Business Relationship**

Independent directors shall not have any business relationship with, or any direct or indirect interest in financial and management matters involving the Bank, its subsidiaries and affiliated companies, or other persons with conflict of interest, that may cause a loss of their independence.

**4) Independence**

Independent directors shall not be close relatives of the executives, large shareholders of the Bank, its subsidiaries and affiliated companies, or other persons with conflict of interest, which may give rise to conflict of interest. Independent directors shall not be representatives to protect the interests of any Bank’s directors or large shareholders.

To comply with directive from the Securities and Exchange Commission in its letter, Kor Lor Tor. Jor (Wor) 56 / 2004., dated 1 December 2004, on disclosure of definition of independent directors of public companies in the annual reports, the Bank has increased the number of independent directors to one half of the number of directors on the Board.

**Regulations concerning Board of Directors**

**1. Selection and composition**

- 1.1 Directors shall have qualifications stipulated in the Public Companies Act, Commercial Bank Act and regulations of Stock Exchange of Thailand.
- 1.2 Directors shall be independent, ethical, honest, knowledgeable and experienced in their fields of endeavor, decisive and responsible.
- 1.3 The Board shall consist of no less than 5 directors, three of whom shall be executive directors.
- 1.4 The Board has power to appoint advisors to the Board.

**2. Tenure**

- 2.1 The term of the directors is prescribed by the Bank’s Articles of Association.
- 2.2 At each annual general meeting of shareholders, the term of one third of the Board of directors shall expire. Directors whose term so expires shall be eligible for reappointment.
- 2.3 Directors shall not be over 65 years of age in case of the Bank being a state enterprise, or not over 70 years of age in case of the Bank being a public company.
- 2.4 Resignation of directors shall be in writing and becomes effective upon the Bank’s receipt of such resignation.

- 2.5 To fill a vacant director position, the Board of Directors shall appoint a person whose qualifications and characteristics are not in contravention to applicable laws. The appointment shall be authorized by vote of no less than three fourths of the remaining directors. Replacement director shall serve the remaining term of director who vacated the position.

### **3. Independence**

- 3.1 One third of the Board of Directors but not less than three directors shall be independent directors, whose qualifications satisfied conditions prescribed by the Bank of Thailand.
- 3.2 Independent directors shall act as a check and balance against any person or group of persons exercising control over the decisions of the Board.

### **4. Meetings**

- 4.1 The Board shall meet once every month and may convene more meetings as needed.
- 4.2 The Chairman of the Board shall inform directors of the agenda of the meeting, indicate whether items are for information or consideration, provide complete documentation for the meeting, and deliver agenda and documents well in advance of the meeting.
- 4.3 Directors are required to attend every Board meeting.
- 4.4 The Board shall keep secret matters that may have adverse material impact on the Bank's operations.
- 4.5 Directors who are involved in related interest items shall leave the meeting room to allow a free discussion of the issue.
- 4.6 Minutes of the meeting shall record dissenting opinions expressed by directors who do not agree with the Board's resolutions.
- 4.7 Quorum for the meeting of the Board of Directors shall not be less than one half of the number of directors. The Chairman or Vice-Chairman shall chair the meeting.

### **5. Committees**

The committees are:

- Board of Directors
- Board of Executive Directors
- Audit Committee
- Risk Management Committee
- Recruitment and Compensation Committee

### **6. Duties and Responsibilities of Directors**

- 6.1 Ensure that management of the Bank is conducted under applicable laws, objectives, Articles of Association, and shareholders' resolutions.
- 6.2 Adhere to governance principles for directors, prescribed by the stock Exchange of Thailand.
- 6.3 Determine the Bank's policies and direction and review its objectives, plans and strategies.
- 6.4 Supervise the management in the performance of their duties and responsibilities to ensure maximum benefits for shareholders.
- 6.5 Conduct businesses under principles of good corporate governance, with transparency, fairness, accountability and sufficient disclosure to all concerned.

- 6.6 Determine the Bank's strategies and policies on risk management and supervise implementation of risk management policies.
- 6.7 Perform their duties and responsibilities for maximum benefits of the Bank and its shareholders.
- 6.8 Comply with applicable laws and regulations.
- 6.9 Receive regular reports on the efficiency of internal control and risk management systems.

## **7. Compensation**

- 7.1 Recruitment and Compensation Committee proposes policies and principles on compensation for the directors and President for the Board's consideration. The President is authorized to determine and report to the committee compensation for first senior executive vice president and senior executive vice presidents, taking into consideration their individual performances.
- 7.2 Recruitment and Compensation Committee shall receive compensation appropriate with their duties and responsibilities, in line with prevailing practice and shareholders' benefits.
- 7.3 Shareholders shall approve annual compensation for directors.
- 7.4 Directors shall be entitled to receive meeting honoraria, lump sum rewards, bonuses or other forms of compensation as approved by the annual general meeting of shareholders. The meeting may specify amounts, stipulate a guideline or authorize the Bank to determine the amounts periodically.
- 7.5 Directors shall be entitled to receive other benefits, such as medical reimbursement, reasonable entertainment expenses and sundry expenses.

## **8. Performance Evaluation**

- 8.1 The Board of Directors shall determine guideline and criteria of their performance evaluation through:
  1. Self-evaluation, and
  2. Group evaluation.
- 8.2 Secretary to the Board of Directors shall compile the evaluation for the Board's information.

### **Board of Executive Directors**

**As at 31 December 2004, the Board of Executive Directors consisted of:**

- |               |              |          |
|---------------|--------------|----------|
| 1. Mr. Sompol | Kiatphaibool | Chairman |
| 2. Dr. Suvit  | Maesincee    | Director |
| 3. Mr. Arun   | Chirachavala | Director |

Mrs. Yaovalak Kunakornporamat serves as secretary to the Board.

### **Regulations concerning Board of Executive Directors**

- 1) Board of Executive Directors shall consist of no less than 3 directors. Executive directors shall not serve concurrently as members of Audit Committee and shall serve their regular term as directors.
- 2) Board of Executive Directors shall perform their duties and responsibilities as approved by the Board of Directors.
- 3) Board of Executive Directors shall be entitled to receive compensation determined by the Board of Directors and such entitlements shall not adversely affect other compensation or benefits they receive as Bank's directors.

## Duties, Responsibilities and Power of Board of Executive Directors

1. Consider and present for the Board of Directors' approval matters concerning the Bank's policies, matters that when implemented shall have material impact on the Bank's operations, matters that must be performed in accordance with the laws and Bank's regulations, and matters that the Board of Executive Directors deems to require Board of Director's approval, such as loan applications.
2. Shall have power to approve investments in securities under securities law, e.g. equities, semi-equity instruments, debt instruments, derivatives, mutual funds, and securities not under securities laws, e.g. acceptance, promissory notes, certificates of deposit, and other instruments, in amounts not exceeding Baht 500 million for the Bank's portfolio. Investments in other banks' instruments or in the Bank's own instruments shall be without limit.
3. Shall have power to approve loans, loan restructuring of Bank's customers and / or customers managed by the Bank, within conditions and approval limits set forth by the Board of Directors.
4. Shall have power to consider and screen loan applications and investments in amounts in excess of its approval limits stipulated in No. 2 and 3, for further consideration and approval by the Board of Directors.
5. Shall have power to determine and/or amend rules and regulations concerning matters of importance, or great risks to the Bank's operations.
6. Shall have power to improve or change employment conditions, employee welfare and benefits.
7. Shall have power to consider requests for payment of assistance fund or bonus to employees.
8. Shall have power to approve sales of assets, such as properties foreclosed or other assets, including sales that may result in loss, in accordance with the Bank's regulations.
9. Shall have power to evaluate the President's performance and report to the Board of Directors.
10. Shall have power to recommend write-off of assets and loan loss as expenses, and recommend such write-offs to the Board of Directors prior to obtaining ratification by shareholders at the annual general meeting.
11. Shall have power to direct the management in their performance of duties for benefits of the Bank in accordance with laws.
12. Shall have power to consider other matters assigned by the Board of Directors.
13. Shall advise the President or the Management Committee on matters concerning:
  - 13.1 Personnel and organizational structure;
  - 13.2 Lending;
  - 13.3 Collateral and debt restructuring;
  - 13.4 Expenditure;
  - 13.5 Reduction of fees, interest rates;
  - 13.6 Opening, establishing, closing, discontinuing, moving offices or branches, in and outside the country, assets quality and reserves;
  - 13.7 Bank's risk evaluation;
  - 13.8 Bank's liquidity and capital fund;
  - 13.9 Purchases of land / building / equipment for Bank's operations.

## Meetings

The Board of Executive Directors shall meet once every week, chaired by the Chairman. If the Chairman is indisposed, directors attending the meeting shall select one member to chair the meeting. When the meeting discusses an issue of interest related to any director, the director who is involved with related interest shall leave the meeting room to allow a free discussion of the issue.

## Audit Committee

As at 31 December 2004, Audit Committee consisted of:

- |    |                        |                    |          |
|----|------------------------|--------------------|----------|
| 1. | Mr. Somkiat            | Sukdheva           | Chairman |
| 2. | Assoc.Prof.Dr. Somjai  | Phagaphasvivat     | Director |
| 3. | Assoc.Prof.Dr. Suchart | Thada-Thamrongvech | Director |

Mr. Prachak Udomsilp serves as the secretary to the Committee.

## Regulations Concerning Audit Committee

### Charter of Audit Committee

This charter, approved by the Board of Directors at its 695<sup>th</sup> meeting on 21 April 2004, has been prepared to inform all concerned of power, duties, and responsibilities of Audit Committee.

#### 1. Composition and qualifications

Audit Committee shall consist of at least 3 members, a chairman and two members; all of whom shall be Bank's directors and possess all qualifications as required by regulatory agencies supervising commercial banks. At least two members shall be independent directors who satisfy the Bank of Thailand's definitions of independent directors. Audit Committee shall be allowed to appoint one advisor, and a Bank's officer who possesses suitable qualifications to serve as secretary of the Committee.

#### 2. Tenure

Audit Committee members shall be appointed to a term of three years. Members whose term expires shall be eligible for re-appointment.

In the case of a vacancy in Audit Committee membership due to reasons other than expiration of the term, the Bank's Board of Directors shall appoint a person whose qualifications satisfy eligibility requirements to become a replacement member. Replacement member of Audit Committee shall serve the remaining term of member who vacated the position.

#### 3. Duties and Responsibilities

Audit Committee shall be vested with the following duties and responsibilities:

- 3.1 At the discretion of the Chairman, call four or more meetings per year.
- 3.2 Review the Bank's financial statements for accuracy and reliability.
- 3.3 Supervise disclosure of the Bank's information in accordance with regulatory agencies' rules and regulations, paying particular attention to related transactions, or transactions that may involve conflict of interest.
- 3.4 Review the Bank's risk management systems, risk control and internal audit.

- 3.5 Review accuracy and efficiency of information technology systems as they involve financial statements, risk management, and internal audit, and recommend timely upgrading of IT systems.
- 3.6 Review the Bank's operations to ensure that they are performed in accordance with the Commercial Bank Act, Securities and Exchange Act, and other Acts related to commercial bank operations, including rules and regulations announced by regulatory agencies.
- 3.7 Consider, select, review and propose appointment of and remuneration, including audit fees, for the Bank's external auditor.
- 3.8 Call a meeting with external auditor at least once a year to discuss audit report and obtain external auditor's opinion on matters of importance.
- 3.9 Call a formal meeting with the management at least once a year.
- 3.10 Prepare quarterly Reports of the Audit Committee for submission to the Board of Directors.
- 3.11 Prepare a Report of the Audit Committee for publication in the Bank's annual report.
- 3.12 Perform other duties as required by laws or as ordered by the Bank's Board of Directors.

#### **4. Power of the Audit Committee**

To fulfill its duties and responsibilities, Audit Committee shall be vested with the following power:

- 4.1 Invite the management, heads of departments or the Bank's employees to attend its meetings to clarify issues involved or to submit documents involved with issues under consideration.
- 4.2 Ensure a parity level of professionalism between and a coordinated performance of internal auditors and external auditors.
- 4.3 Offer opinions concerning appointment, removal, transfer, dismissal and performance appraisal of heads of internal audit departments, as proposed by the President.
- 4.4 Ensure and confirm independence of internal and external auditors.
- 4.5 Consider and offer opinions concerning remuneration of external auditors, including fees for services and other consulting work provided by external auditors.
- 4.6 Hire or retain outside experts to provide opinions at a fee that the Audit Committee deems appropriate.

#### **5. Others**

Audit Committee shall on an annual basis:

- 5.1 Review its own performance;
- 5.2 Review any changes in this Charter and submit proposed changes to the Board of Directors for approval.

#### **Recruitment and Compensation Committee**

As at 26 January 2005, Recruitment and Compensation Committee consisted of:

- |    |              |              |          |
|----|--------------|--------------|----------|
| 1. | Mr. Visut    | Montriwat    | Chairman |
| 2. | Mrs. Tasna   | Rajatabhothi | Director |
| 3. | Mr. Khemchai | Chutiwongse  | Director |

Mrs. Yaovalak Kunakornporamat serves as the secretary to the Committee.

The Board of Directors at its 710<sup>th</sup> meeting on 26 January 2005 approved revision of Recruitment and Compensation Committee to conform with principles of good corporate governance by requiring the Chairman of Recruitment and Compensation Committee to be an independent director and the Chairman of Audit Committee ineligible to serve on Recruitment and Compensation Committee.

### **Duties and Responsibilities**

1. Determine policy, criteria and method for selection of the Bank's directors and directors in various committees formed by order of the Board of Directors, determine proper size and composition of committees, and disclose policies and details of recruitment process in the Bank's annual reports.
2. Determine policy and criteria on compensation for the directors and President, who serve on various committees, such as executive committee and audit committee.
3. Review and ensure that the directors and President receive compensation commensurate with their duties and responsibilities.
4. Determine guideline for evaluation of the directors and President for adjustment of annual compensation.
5. Prepare a report on compensation for the directors and executives for publication in the Bank's annual report.

### **Risk Management Committee**

As at 16 January 2005, Risk Management Committee consisted of:

- |     |              |                 |                      |
|-----|--------------|-----------------|----------------------|
| 1.  | Mr. Arun     | Chirachavala    | Chairman             |
| 2.  | Mr. Sutipong | Ittipong        | Member               |
| 3.  | Mr. Enghug   | Nontikarn       | Member               |
| 4.  | Mr. Prachak  | Udomsilp        | Member               |
| 5.  | Mrs. Jaree   | Wuthisanti      | Member               |
| 6.  | Mr. Pongsak  | Harnsongkitpong | Member               |
| 7.  | Mrs. Wilai   | Waedwongtham    | Member               |
| 8.  | Ms. Kanoksir | Rojmeta         | Member               |
| 9.  | Mr. Cherd    | Suppana         | Member               |
| 10. | Mr. Wichit   | Sangtongstit    | Member and Secretary |

## Regulations concerning Risk Management Committee

### Duties and Responsibilities

- 1) Determine an appropriate risk management framework for the Bank.
- 2) Determine appropriate power, duties, responsibilities, strategy and policy for an acceptable level of credit risk, in line with the Bank's policy.
- 3) Determine policy and guideline for acceptable levels of market risk, liquidity risk and foreign exchange risk.
- 4) Review operational procedures and processes to reduce the Bank's operational risks.
- 5) Follow-up on implementation of risk management on a continuous basis to ensure that risk management is consistent with current situation, and with policy and guideline laid down by the Board of Directors.
- 6) Have authority to appoint sub-committees or working groups to work on needed tasks.
- 7) Have power to invite employees concerned to explain or to obtain additional documents from departments or employees involved.
- 8) Departments and employees involved shall cooperate fully with the Committee when requested.

### Meetings

Risk Management Committee shall meet once a month.

### The President

Good corporate governance policy, as approved by the Board of Director at its 673<sup>rd</sup> meeting on 27 November 2002 and amended at its 696<sup>th</sup> meeting on 11 May 2005, has determined regulations concerning the President. The President shall be a director of the Bank and has the following power, duties and responsibilities:

### Power, Duties and Responsibilities

1. Manage the Bank's businesses in accordance with objective No. 3 of Articles of Association.
2. Register rights, enter into contract or file disposition on sale, transfers of, movable and immovable properties with appropriate authorities; transfer or receive transfers of rights to, rent or transfer rights to rent properties without time limit; buy or rent land, building, structure or land with structure with amounts of sale, transfer or rent being at the discretion of the Present.
3. Sell or underwrite to sell bonds, debentures and other debt instruments issued by government or private companies up to the amount of Baht 200 million.
4. Initiate legal procedure, enter as a co-plaintiff, file complaint with authority, file claims against debts where the Bank has first claims, file claims against bankruptcy cases, tender bids in auction, transfer properties received as settlement of debts, withdraw claims or complaints upon payment of debts, and appoint attorneys or representatives to act on his behalf.
5. Compromise or submit to arbitrators disputes where the Bank has an interest.
6. Attend and vote in meetings where the Bank is a shareholder or has an interest.
7. Adjust and change organization structure and work procedure. Appoint, transfer and dismiss all employees up to executive vice president level, and determine salaries and other emoluments for Bank's employees.
8. Authorize representatives to act on his behalf in the performance of duties in No. 1 to 7, including dismissal and appointment of replacements for such representatives. The Bank shall endorse actions committed within bound of authorization by authorized representatives and their replacements.



9. Have power to appoint a Management Committee, chaired by the President, consisting of the President and a number of Bank's executives to manage and operate the Bank's businesses in accordance with the Board of Directors' policy.
10. Have power to approve unlimited amounts of investments in government bonds to maintain legal reserve, manage liquidity and increase profits.
11. Have power to approve all types of loans and loan restructuring, or loans managed by the Bank, within limit defined by the Board of Directors or Board of Executive Directors.
12. Have power to approve investment in securities under securities laws, e.g. equities, semi-equity instruments, debt instruments, derivatives, mutual funds, and securities not under securities laws, e.g. acceptance, promissory notes, certificates of deposit, and other instruments, in the amount not exceeding Baht 200 million for the Bank's portfolio. Investments in other banks' instruments or the Bank's own instruments shall not exceed Baht 500 million.
13. Have power to approve sales of foreclosed properties, without limit as to amount in case where sales produce no loss to the Bank. In cases where properties are valued under Baht 2 million, the President shall have power to approve sales, regardless of gain or loss. However, losses are to be reported to the Board of Executive Directors.
14. Have power to delegate general and specific power of attorney on loans, debt restructuring and investments to First Executive Vice President and other high-ranking executives. Executives so delegated may further assigned their power to departments to execute their duties on behalf of the Bank.
15. Have power to determine salary and bonus for each of the Bank's executives, taking into consideration the Bank's performance, executive's individual performance and total budget approved by the Board of Directors.
16. Have power to determine other matters, such as setting up, dissolving, opening, closing and moving of offices or branches in and outside the country, assets quality, legal reserve and risk management.
17. Supervise and be responsible for the Bank's liquidity and capital fund.
18. Have power to approve the Bank's expenses, such as purchases of land, buildings, equipments for the Bank's businesses.
19. As a senior executive of the Bank, comply with announcement dated 24 July 2002 by the Bank of Thailand concerning loans or investments in related businesses or loans to shareholders of the Bank.

## Bank's Executives

As at 4 January 2005, Bank's executives were:

- |    |               |              |  |
|----|---------------|--------------|--|
| 1. | Mr. Arun      | Chirachavala | President  |
| 2. | Mr. Lersuk    | Chuladesa    | First Senior Executive Vice President            |
| 3. | Mr. Sutipong  | Ittipong     | Senior Executive Vice President                  |
| 4. | Mr. Thanom    | Narong       | Senior Executive Vice President                  |
| 5. | Mr. Prachak   | Udomsilp     | Executive Vice President (Compliance and Audit)  |
| 6. | Ms. Angkana   | Swasdipoon   | Executive Vice President (Policy)                |
| 7. | Mr. Enghug    | Nontikarn    | First Executive Vice President (Risk Management) |
| 8. | Mrs. Jaree    | Wuthisanti   | Executive Vice President (Large Corporate)       |
| 9. | Mr. Wuttichai | Suraratchai  | Executive Vice President (Medium Corporate)      |

10.	Mr. Utane	Kongsoontornkitkul	Executive Vice President (Metropolitan Small Corporate)
11.	Mr. Virat	Thanatrongpol	Executive Vice President (Provincial Small Corporate)
12.	Mr. Parinya	Patanaphakdee	Executive Vice President (Assets Development and Legal)
13.	Mr. Cherd	Suppana	Executive Vice President (Credit Operations)
14.	Mr. Pravit	Ongwatana	Executive Vice President (Retail Banking)
15.	Mr. Sujin	Suwannagate	Executive Vice President (Credit Cards)
16.	Ms. Kanoksri	Rojmeta	Executive Vice President (Branch Network)
17.	Mrs. Amornrat	Leevarapakorn	Executive Vice President (Sale and Marketing Management)
18.	Ms. Amporn	Ruangprasertkun	Executive Vice President (Capital Market)
19.	Mr. Rathian	Srimongkol	First Executive Vice President (Treasury and International Banking) Chief Financial Officer
20.	Mr. Pongsak	Harnsongkitpong	Executive Vice President (Human Resources and Support)
21.	Mrs. Wilai	Wadwongtham	Executive Vice President (Information and System Development)
22.	Mr. Sanur	Yodpinit	Executive Vice President (Information Technology)
23.	Mrs. Penchan	Weerawuth	First Vice President (Accounting)
24.	Mr. Soros	Sakornvisava	Senior Vice President (Treasury)

Note : According to Securities Exchange Commission's definition, executives and controllers are executives Nos. 1-4, 7, 19 and 23-24.

## Recruitment of Directors and Executives

Financial Institutions Development Fund reduced its shareholding to 47.58% on 25 November 2004, enabling the Bank to change its status to a Private company. Recruitment of directors is made under principles of good corporate governance under examination of Recruitment and Compensation Committee. Recruitment process may be divided into two instances, as follows:

1. **Appointment of directors upon expiration of tenure** Directors are appointed during shareholders meeting, individually or in a group depending upon the number of directors whose terms expire. Right of small shareholders shall not be different from that of large shareholders; one share shall carry one vote. Persons obtaining the largest number of votes shall be appointed to directorship.
2. **Appointment of directors before expiration of tenure** The Board of Directors shall appoint a person whose qualifications and characteristics are not in contravention to applicable laws, by a vote of no less than three fourths of the remaining number of directors. Replacement director shall serve the remaining term of director who vacated the position.

## Recruitment of the President

Mr. Apisak Tantivorawong resigned from the position of President on 8 November 2004 while the Bank was still a state enterprise. The Board of Directors at its 703<sup>rd</sup> meeting on 28 October 2004 resolved to initiate a process to recruit a President in accordance with requirements of the Act governing standard qualifications of state enterprise directors and officers, 1975. The Board of Directors at its 706<sup>th</sup> meeting on 30 November 2004 hired and appointed Mr. Arun Chirachavala as the President, effective 1 December 2004. Though the Bank changed its status to a Private company when the recruitment process was near completion, it continued with the recruitment process in accordance with the Act governing the standard qualifications of state enterprise directors and officers 1975. Recruitment process for a President is as follows:

1. A committee shall be appointed to select a Recruitment Committee, consisting of Permanent Secretary of the Ministry of Finance, Secretary General of the National Economic and Social Development Board, a representative of the State Enterprise Labor Relations Committee and a representative of the Bank's Board of Directors.
2. Recruitment Committee shall consist of 5 members who do not possess any qualifications in contravention to the Act governing standard qualifications of state enterprise directors and officers, 1975.
3. The person to be appointed to position of the President shall: not possess any qualifications in contravention to the Act governing the standard qualifications of state enterprise directors and officers, 1975, not be over 60 years of age on the date of application for the position, and possess experience, knowledge, and ability suitable for position of the President.
4. The President shall be appointed to a term of four years.
5. Appointment contract shall be co-signed by the Chairman of the Board of Directors, and a director appointed by the Board of Directors. Appointment contract shall not be subjected to the provisions of Labor Protection Act, State Enterprise Labor Relation Act, Social Security Act and Workers Compensation Act.
6. Salary, benefits and conditions of employment of the Bank's executives shall be determined by the Board of Directors, with approval of the Ministry of Finance.

## Recruitment of Executives and Officers

To recruit executives for the Bank's various departments, and officers with skills in specialized areas, such as information technology and risk management, the Bank considers individuals from inside and outside the Bank who possess knowledge and experience for maximum contribution to the Bank. Recruitment procedure for executives and officers is as follows:

### 1. Search process

- 1.1 Individuals inside the Bank who are able and qualified to become executives or officers in required position may be classified into two groups:
  - 1.1.1 Those whose knowledge and experience fit requirements of the position;
  - 1.1.2 Those who possess strong potential, flexible, adaptable and knowledgeable in Bank's functions,.

- 1.2 Individuals outside the Bank. The Bank favors individuals whose experiences in financial institutions fit the requirements of positions. The Bank would invite candidates for interviews with hiring departments, to allow hiring department to decide the suitability of the candidates' characteristics, personality and human relation skills.

## 2. Selection

- 2.1 Individual inside the Bank. Human Resources Department summarizes and submits background information to the Personnel Committee for approval.
- 2.2 Individual outside the Bank. Human Resource Department or hiring department summarizes and submits result of interview to Senior Executive Vice President or the President for approval.

## Compensation for Directors and Executives

### 1) Cash Compensation

- 1.1 In 2004, compensation in form of meeting honoraria for 13 directors on the Board of Directors, Board of Executive Directors, Audit Committee, Enterprise Relation Committee, Recruitment and Compensation Committee, President Search Committee amounted to Baht 9,649,996.46. Directors' bonuses from 2003 operating results amounted to Baht 7,923,040.04. Details of individual compensation are as follows:

No.	Name	Directors	Executive Directors	Audit Committee	Enterprise Relation Committee	Recruitment and Compensation Committee	President Search Committee	President's Compensation Committee	Bonus	Total
1	Mr. Sompol Kiatphaibool	1,200,000.00	1,200,000.00	-	-	75,000.00	-	20,000.00	1,964,308.89	4,459,308.89
2	Pol.Gen. Pornsak Durongkavibulya	-	-	-	-	-	-	-	327,384.82	327,384.82
3	Assoc.Prof. Prasit Kovilaikool	-	-	-	-	-	-	-	491,077.24	491,077.24
4	Mr. Somkiat Sukdheva	525,000.00	-	480,000.00	110,000.00	45,000.00	-	10,000.00	654,769.62	1,824,769.62
5	Assoc.Prof.Dr. Somjai Phagaphasvivat	525,000.00	-	360,000.00	-	-	-	-	501,460.02	1,386,460.02
6	Mrs. Tasna Rajatabhothi	525,000.00	-	-	-	45,000.00	15,789.48	10,000.00	654,769.63	1,250,559.11
7	Mr. Visut Montriwat	525,000.00	-	-	-	-	-	-	438,695.65	963,695.65
8	Mr. Chavalit Sethmeeteekul	525,000.00	-	-	-	-	-	-	501,460.03	1,026,460.03
9	Assoc.Prof.Dr. Suchart Thada -Thamrongvech	525,000.00	-	360,000.00	-	-	-	-	654,769.63	1,539,769.63
10	Dr. Suvit Maesincee	525,000.00	525,000.00	-	-	-	-	-	752,190.06	1,802,190.06
11	Mr. Khemchai Chutiwongse	536,290.32	-	-	-	-	-	-	-	536,290.32
12	Mr. Apisak Tantivorawong (in position 1 Jan to 7 Nov 04)	447,708.33	447,708.33	-	-	-	-	-	982,154.45	1,877,571.11
13	Mr. Arun Chirachavala (in position 1-31 Dec 04)	43,750.00	43,750.00	-	-	-	-	-	-	87,500.00

1.2 In 2004, compensation for 6 executives in the form of salary, meal allowance, and bonus amounted to Baht 32,885,701.13.

## 2) Other Compensation

In 2004, the Bank's contribution to provident fund on behalf of 6 executives amounted to Baht 1,413,979.35, based on the following criteria:

Years of service	Bank's contribution
Within the first 5 years	3%
5-10 years	5%
10-15 years	7%
More than 15 years	10%

Executives in this provision mean those four highest ranking executives after the President and those with similar title.

## Shareholding by Directors and Executives

Name	Position	No. of shares held as at 31 December 2004
1. Mr. Sompol Kiatphaibool	Chairman, Board of Directors Chairman, Board of Executive Directors	-
2. Mr. Somkiat Sukdheva	Director Chairman, Audit Committee Independent Director	100,000 shares
3. Assoc.Prof.Dr. Somjai Phagaphasvivat	Director Audit Committee Independent Director	-
4. Mrs. Tasna Rajatabhoti	Director Recruitment and Compensation Committee	-
5. Assoc.Prof.Dr. Suchart Thada-Thamronvech	Director Audit Committee Independent Director	-
6. Dr. Suvit Maesincee	Director Executive Director	100,000 shares
7. Mr. Chavalit Sethameteekul	Director	-
8. Mr. Visut Montriwat	Director Chairman, Recruitment and Compensation Committee Independent Director	60,000 shares
9. Mr. Khemchai Chutiwongse	Director Recruitment and Compensation Committee Independent Director	-

Name	Position	No. of shares held as at 31 December 2004
10. Mr. Arun Chirachavala	Director Executive Director President	100,000 shares
11. Mr. Lersuk Chuladesa	First Senior Executive Vice President	100,001 shares
12. Mr. Sutipong Ittipong	Senior Executive Vice President	100,000 shares
13. Mr. Thanom Narong	Senior Executive Vice President	-
14. Mr. Enghug Nontikarn	First Executive Vice President	-
15. Mr. Rathian Srimongkol	First Executive Vice President	100,000 shares

## Corporate Governance

The Bank in November 2002 adopted a policy of good corporate governance for its directors, executives and employees to recognize the importance of fulfilling their duties and responsibilities with efficiency, transparency, accountability and fairness to all concerned. The Bank also adopted a code of ethics to gain confidence of the shareholders, customers, investors and the general public. The good corporate governance policy was revised in May 2004 for comprehensiveness and to meet international standards. A comparison of the Bank's policy with those in use in international financial institutions revealed that the Bank's good corporate governance policy conformed to standards laid down by the Stock Exchange of Thailand.

### Good Corporate Governance Policy

Important policies and principles of good corporate governance consist of:

1. Clear separation of power and duties of the Directors from those of the management for transparency in operations;
2. Determination of important qualifications of Directors, structure of the Board of Directors and independent directors, and separation of power and duties of each Board committee in accordance with corporate governance;
3. Adherence to fairness as basic principle of business;
4. Transparency in accurate, complete and timely disclosure to the shareholders and other stakeholders of the Bank's information that is clear, consistent and comparable;
5. High standards of risk management and an efficient internal control.

To achieve these purposes, the Bank has appointed a Committee for the Coordination of Good Corporate Governance, charged with responsibilities of translating principles of good corporate governance into clear operational guidelines, encouraging all employees to internalize such policies, promoting a better understanding of their roles, duties and responsibilities, and providing a system of review and monitor to report to the Board of Directors every quarter.

The Bank commissioned Thai Rating and Information Service Co.Ltd. to undertake a corporate governance rating, to enable the stakeholders to be aware of the Bank's management principle under good corporate governance policy and to obtain suggestions from TRIS to improve implementation of its good corporate governance policy. It was expected that the rating would convince Thai and international investors of the Bank's intention and attempt to become known as an institution with good corporate governance. The Bank obtained a "Good" rating of 7.5 out of 10, on 21 September 2004.

### Shareholders' Rights and Equality

The Bank adheres to principle of shareholders' equality in their right of access to disclosure of Bank's information, exercise of voting rights, convenience in attending the shareholders' meeting, and an equal opportunity to express their opinions. The Bank has therefore specified its responsibility and respect for shareholders in the Bank's code of ethics as follows:

1. All shareholders shall be treated equitably in disclosure of the Bank's information that is complete, sufficient, fair and transparent, and their voting rights in shareholders' meeting shall be clearly determined.
2. The Bank's management shall be carried out in the most efficient manner, aiming at growth of business and appropriate return to the shareholders.
3. Shareholders' meetings shall be organized to provide convenience to the shareholders, and encourage an equal treatment of all shareholders.
4. All shareholders shall have an equal opportunity to express opinion and ask questions, and their suggestions shall be given due consideration and, if found beneficial, implemented.

### Other Stakeholders' Rights

The Bank is aware of other stakeholders' rights and has adopted a policy to assure other stakeholders that they would receive a fair treatment and protection in their dealings with the Bank. The Bank's code of business ethics have specified responsibility and respect for other stakeholders' rights as follows:

**Customers :** All customers shall be entitled to an equal treatment in the provision of accurate, complete and useful information on a regular basis, protection of their interests, non-disclosure of their data for personal gains, and provision of quality service for their satisfaction.

**Employees :** All employees shall be entitled to an appropriate level of compensation and benefits, a healthful office and work environment, a continuous program for promotion and development of their knowledge and ability, a fair and encouraging opportunity for career progress, and a due consideration and implementation of their suggestions.

**Other Commercial Banks :** The Bank shall compete with other commercial banks under rules and regulations of regulatory agencies, promote activities that create a better understanding among banks, cooperate in disclosure of non-confidential data, and participate in reduction of costs and expenses in the commercial bank system and larger economic system.

**Society :** The Bank shall cooperate and promote government policies, be responsible to the community where the Bank's branches are located, strive to conserve arts and culture, and neither cooperate with nor support any customers who engage in illegal businesses or businesses dangerous to the society.

The above guidelines apply to directors, executives and employees and have been clearly detailed in the Bank's and employees' codes of ethics. Customers who have been treated unfairly may obtain assistance from the Customers Suggestions and Complaints Center.

## Shareholders' Meetings

The Bank recognizes the importance of shareholders' meetings. The Board of Directors carefully considers agenda and offers its opinion on each item of the agenda. Documents used in the meeting, such as, letter of invitation and proxy, are delivered to shareholders within the time specified by laws to allow the shareholders sufficient time to consider the agenda. Minutes of the meeting are prepared accurately and completely, and are open for examination. Venue of the shareholders' meeting is convenient and large enough to accommodate attending shareholders. Registration of attending shareholders opens two hours prior to the meeting.

During the meeting, the Board of Directors provides opportunities for shareholders to ask questions and express their opinions and members of the Board participate in responding to shareholders' questions.

## Leadership and Vision

In correspondence with good corporate governance, the Bank has specified that members of the Board of Directors be independent, ethical, honest, able, knowledgeable, and decisive, and that they must discharge their duties with full and complete sense of responsibility. Structure of the Board of Directors calls for the following conditions: directors who are full-time employees shall number no more than one fourth of the Board; number of independent directors shall be sufficient to check influence of any person or group of persons over the Board's decision; a clear division of the power and duty of the Board of Directors, Board of Executive Directors, Audit Committee and the President. Directors' self-evaluation is considered one of important elements of good corporate governance.

Role of the Board of Directors in determining the Bank's vision and policies:

1. The Board of Directors determines policies, strategies and directions of the Bank's operations, and monitors, follows up and audits operations to ensure that the management has successfully and efficiently implemented policies and strategies to maximize the shareholders' wealth.
2. The Board of Directors establishes efficient systems of internal control, internal audit and risk management and regularly follows up on implementation of such systems.
3. The Board of Directors considers and determines a clear separation of the duties and responsibilities of the Board of Directors from those of the management.
4. The Board of Directors supervises the Board of Executive Directors in the latter's implementation of policies. However, this supervision does not cover issues involving conflict of interests and issues that must be resolved by the shareholders' meeting, as required by regulations of the Securities and Exchange Commission and Stock Exchange of Thailand.

## Conflict of Interests

The Board of Directors exercises due care on issues of conflict of interests, by specifying in writing the policy and procedure for the approval of items of related interests. The Board of Directors also specifies policy and procedure against executives' use of internal data for personal gain.

1. The Board of Directors is informed of items of conflict of interest or items of related interests, and carefully considers the issue. The treatment of these items on pricing and conditions complies with the Securities and Exchange Commission regulations and is on an arm's length basis. Items of related interests are reported in the Annual Report and Form 56-1.
2. When the agenda of the Board of Directors' meeting calls for discussion of an item of related interest, the director who is involved in related interest item leaves the meeting room to allow a free discussion of the issue.



3. The Bank monitors use of internal data by requiring executives to report changes in their securities holding to the Securities and Exchange Commission as required by Securities and Exchange Act of B.E. 1992, and by prohibiting executives or departments in possession of internal data to disclose such data to outsiders or unrelated persons.

## **Business Ethics**

The Bank adheres to principles of transparency and fairness as basic ethics in its business operations. The Bank has published a Codes of Ethics Manual that delineates the treatment of shareholders, customers, organizations, other commercial banks, and society, for distribution to its directors, executives and employees. All employees of the Bank have been informed of the policy of corporate governance and business ethics in training programs organized specially for the purpose. In addition, the Bank has publicized information on corporate governance and business ethics by creating a web-page on good governance. The Bank also invited an executive who was knowledgeable in corporate governance from a large public company known for its good corporate governance policy to lecture on corporate governance to the Bank's executives. There was a campaign to promote business ethics among employees by selecting persons who were outstanding in ethics to serve as role models for the Bank's employees. Announcements were made on public announcement system in the Bank encouraging employees to follow guidelines in the Manual in the performance of their duties.

The Bank's Codes of Ethic Manual contains the Bank Code of Ethics and the Employee Code of Ethics.

## **Bank Code of Ethics**

The Bank adheres to the principles of responsible and honest business operations under the framework of law, objectives, Articles of Association, and resolutions of the shareholders' meeting. The following are the Bank Code of Ethics:

### **1) Ethical conduct toward shareholders**

- 1.1) Treat shareholders equitably in the disclosure of information that is complete, sufficient, fair and transparent and determine clearly their voting rights.
- 1.2) Carry out duties in the most efficient manner.
- 1.3) Provide convenience to the shareholders at meetings and treat all shareholders equitably.
- 1.4) Encourage an equal opportunity for the expression of opinion.

### **2) Ethical conduct toward customers**

- 2.1) Treat all customers fairly.
- 2.2) Provide accurate, complete and useful information.
- 2.3) Protect customers' interests.
- 2.4) Innovate and provide quality service.

### **3) Ethical conduct toward employees**

- 3.1) Provide compensation commensurate with duties, performance and responsibility.
- 3.2) Provide appropriate benefits.
- 3.3) Provide healthful work environment and conditions.

- 3.4) Encourage development of employees' knowledge and ability.
- 3.5) Treat employees with fairness and encourage career progress.
- 3.6) Place importance on useful suggestions.

#### **4) Ethical conduct toward other banks**

- 4.1) Compete with other banks fairly.
- 4.2) Cooperate in disclosing non-confidential information.
- 4.3) Encourage activities that promote better understanding.
- 4.4) Cooperate in the cost and expenses reduction in the banking and larger economic systems.

#### **5) Ethical conduct toward society**

- 5.1) Neither cooperate in nor support illegal businesses.
- 5.2) Cooperate in and support government's policies and social activities.
- 5.3) Responsible to the communities where the Bank's branches are located.
- 5.4) Preserve arts and culture.

### **Employees Code of Ethics**

#### **1) Ethical conduct toward the Bank**

- 1.1) Develop and maintain pride in the Bank.
- 1.2) Create and maintain the Bank's good image.
- 1.3) Follow rules and regulations.
- 1.4) Have a positive attitude and loyalty toward the Bank.
- 1.5) Use the Banks' property to create maximum benefit to the Bank.
- 1.6) Seek neither direct nor indirect benefits for self or others.
- 1.7) Maintain good relationship with regulatory agencies.
- 1.8) Refrain from any activities that would aid any political party.

#### **2) Ethical conduct toward customers**

- 2.1) Serve customers using polite words and manners.
- 2.2) Protect customers' interests.
- 2.3) Obtain knowledge about the customers to build good relationships.
- 2.4) Provide customers with prompt, courteous and fair assistance.

- 2.5) Keep customers' information and secrets, except in cases where
  - the customers agree to disclosure in writing;
  - the disclosure is allowed by law; and
  - the Bank is required to disclose as per regulatory agencies' order.
- 2.6) Help develop the Bank toward international standards.
- 2.7) Secure new customers for long-term relationship.
- 2.8) Perform duties with honesty.
- 2.9) Do not demand, receive or agree to receive cash, gifts or other benefits from customers.
- 2.10) Do not receive cash, valuable gifts or solicit gifts of high value from customers.
- 2.11) Avoid activities that may create conflict with customers' interests.

### **3) Ethical conduct toward co-workers**

- 3.1) Create and promote cooperation among workers.
- 3.2) Supervisors shall behave in an exemplary manner.
- 3.3) Treat co-workers in a responsible manner.
- 3.4) Counsel and train co-workers.
- 3.5) Do not discuss co-workers' personal matters or information.
- 3.6) Supervisors would not accept gifts and valuables from the subordinates.
- 3.7) Supervisors should be fair in their supervision.

### **4) Ethical conduct toward self**

- 4.1) Perform duties with diligence.
- 4.2) Follow rules and regulations.
- 4.3) Neither intend to conceal nor commit any illegal acts.
- 4.4) Do not gamble.
- 4.5) Do not use the Bank's assets for personal gains.
- 4.6) Do not engage in activities in conflict with the Bank's interests.

### **5) Ethical conduct toward society**

- 5.1) Maintain good social reputation.
- 5.2) Participate in social contribution.
- 5.3) Neither cooperate in nor support activities dangerous to the society.
- 5.4) Participate in the Bank's social activities.
- 5.5) Be a good citizen.

## Check and Balance of Non-Executive Directors

A check and balance mechanism is in place for directors who are not Bank executives. The corporate governance policy specifies that the Board of Directors shall consist of no less than 5 directors. Independent directors shall constitute one third of the directors and shall number at least three, so as to enable independent directors to serve as a check of influence of a person or group of persons over the Board's decision.

## Combination or separation of positions

The Bank specifies roles, power, duties and responsibilities of the Chairman of the Board and the President along the principle of separating supervisory duties from operational functions, thereby preventing any one person from assuming unlimited power. While the Chairman of the Board also serves as the Chairman of the Executive Board, the Chairman does not function as the President. The President is not an agent of any one large shareholder or group of shareholders. The President has been chosen through selection process in accordance with the Act governing standard qualifications for state enterprise directors and employees, 1975.

## Compensation for Directors and Executives

Recruitment and Compensation Committee has determined that the directors and President be compensated at a rate commensurate with their duties and responsibilities, comparable to prevailing level in the industry, and sufficient to provide incentives to retain capable directors while taking into consideration the Bank's operating results.

## Directors' Meetings

The Bank convenes the Board of Directors meeting once every month. The agenda of the meeting specifies separately issues for information and issues for consideration, and follow-ups are made on the issues carried over from the previous meeting. Documents for the meeting are complete and delivered to the directors before the meeting. During the meeting, director who is involved in matter of related interest leaves the meeting room to allow a free discussion of the issue.

In 2004, the Board of Directors convened 12 ordinary meetings, and 5 extraordinary meetings. The attendance record of directors is as follows:

	Ordinary	Extraordinary	Total
1. Mr. Sompol Kiatphaibool	12	5	17/17
2. Mr. Somkiat Sukdheva	12	5	17/17
3. Mrs. Tasna Rajatabhoti	11	4	15/17
4. Assoc.Prof.Dr. Somjai Phagaphasvivat	11	3	14/17
5. Mr. Chavalit Sethameteekul	7	3	10/17
6. Mr. Visut Montriwat	9	5	14/17
7. Assoc.Prof.Dr. Suchart Thada-Thamrongvech	12	5	17/17
8. Mr. Khemchai Chutiwongse	12	4	16/17
9. Dr. Suvit Maesincee	10	5	15/17
10. Mr. Apisak Tantivorawong	10	4	14/14
11. Mr. Arun Chirachavala	1	-	1/1

## Sub-Committees

The Bank has appointed various sub-committees to oversee specialized functions, such as, Audit Committee, Board of Executive Directors, Risk Management Committee, and Recruitment and Compensation Committee. The duties and responsibilities of each Sub-Committee have been specified in writing.

## Control and Internal Audit System

The Bank has instituted an efficient internal control system and has monitored and controlled operations in compliance with rules, regulation, directives of the government agencies concerned, by setting up Audit Committee, Good Corporate Governance Coordinating Committee and internal audit departments.

## The Board of Directors' Report

The Bank attaches great importance to its internal control system. Such system has been implemented in accordance with the internal control guideline laid down by the Committee of Sponsoring Organization of the Treadway Commission (COSO). This international standard calls for five sub-systems, namely organization and environment, risk management, control activities, information and communication systems, and follow-up systems. The Board of Directors and the Bank executives are responsible for creating and maintaining the internal control systems and regularly reviewing their efficiency, to prevent any risks. The control systems cover financial matters, risk management, operation audits and system and measures to prevent any executives from using the Bank's or the subsidiaries' assets without authority or permission.

The Bank has also instituted a risk management system that measures, monitors and controls risks on a continuous and efficient basis. The Bank evaluates its 5 risk areas, namely strategic risk, credit risk, market risk, liquidity risk and operational risk, annually as suggested by the Bank of Thailand.

The details of internal control and audit are found below.

The Bank has organized a clear line of authority and responsibilities of various departments. Policies, objectives, plans, budgets, operating procedures and authority of executives at all levels have been determined to facilitate flexibility in the Bank's management. In addition, management of all departments is under close supervision of the high-ranking executives in charge of particular areas, such as Risk Management Department, Credit Review Department, System Security Department, Internal Audit Departments (Headquarters/Branch/Information Technology) as well as the Audit Committee. As for its subsidiaries, the Bank has seconded its executives to serve as directors to take part in the determination of policy, objectives, plans and budgets as well as to ensure that management of the subsidiaries is in line with rules and regulations of the companies, and that conflicts of interest in the subsidiaries are avoided. The Bank's Headquarters Audit and Information Technology Audit departments also audit the subsidiaries once a year and report audit result to Audit Committee.

Audit Committee reports results of internal audit of the Bank and subsidiaries to the Board of Director every quarter. Its reports have not found any important weaknesses or deficiencies, or any executives using the Bank's or subsidiaries' assets without authority or permission. However, Audit Committee has followed up on minor issues found by internal audit departments.

At its 711<sup>th</sup> meeting on 24 February 2005, the Board of Directors instituted a measure to prevent directors, executives and employees from using inside information for gain in securities trading. To prevent any violation of Securities and Exchange Act of 1992 and to promote ethical conduct in business operations under good corporate governance principle, the Bank has assigned the Compliance Unit the task of preparing and maintaining a list of securities to prevent use of inside information for trading gains, effective 1 March 2005.

## Relation with Investors

The Bank recognized the importance of equitable dissemination of accurate, complete and transparent information to shareholders, investors and all concerned to enable them to make sound investment decisions. The information dissemination has been made through media of the Stock Exchange of Thailand, Securities and Exchange Commission, and their website. Investor Relations division carries out the tasks of communicating with and disclosing information to shareholders, investors, analysts and the general public. In 2004, the Bank organized 185 company visits and analyst meetings between the Bank's executives and investors and analysts.

Investors may obtain information about the Bank at Tel. 0-2253-1246, or at **website [www.scib.co.th](http://www.scib.co.th)** or **e-mail address: [angkana\\_swa@scib.co.th](mailto:angkana_swa@scib.co.th)**.

## Related Transactions

Details of related transactions may be found in Notes to the Bank's Financial Statements.

# Risk Management and Risk Factors

Commercial banks face a variety of risks that adversely impact their business operations. These risks, from within and outside the country, result from the changes in economic and financial conditions, interest rates as well as competitive environment. The Bank recognizes the importance of risk management and has established a structure of risk management so that policy, control and audit of risk management can be efficiently planned and implemented.

- **Board of Directors** determines overall policy and principles of risk management, and defines the scope of efficient and sufficient implementation of risk management plans.
- **Audit Committee** designs internal audit systems and directs performance of audits to ensure that departmental operations have been carried out within rules, regulations and orders on risk management.
- **Risk Management Committee** designs risk management strategies and directs performance of audits to ensure that risk management operations have been carried out within the framework of the Board of Directors' policy.
- **Assets and Liabilities Management Committee** determines strategies and operational guidelines on management of liquidity, interest rate risks and exchange risks.
- **Risk Management Group** is responsible for audit and control of efficient risk management to prevent any losses in the Bank's business operations. This group is independent of the marketing and business groups and reports directly to the President. The group consists of the following departments:
  - **Credit Risk Management Department** is responsible for suggestions and recommendations to improve credit policy, work rules, authority structure and risk management; development of systems and tools for risk evaluation as well as procedures for audit, report and monitor; review and expression of opinion on risk of loan applications as analyzed by loan officers prior to submission to the executive or the credit committee for consideration.
  - **Risk Management Department** is entrusted with responsibility to ensure that marketing, liquidity, investment and operational risks are within strategies and guidelines laid down by Risk Management Committee and Assets and Liabilities Management Committee, and that tools for risk evaluation and procedures for audit, report and monitor are developed to achieve effective risk management.
  - **Credit Review Department** is responsible for verifying loan quality to ensure that all loans, have been processed according to credit approval procedures indicated by the bank.

## Individual Risk Factors and Risk Management

### Credit Risk Management

Credit risk involves debtor's inability to repay or comply with conditions and requirements of the loan contracts, due to debtor's own financial problems, fluctuation in the economic and business conditions, management mistakes or debtor's refusal to honor loan conditions. To guard against credit risk, the Bank has announced policy of extending loans to all business and industrial sectors that offer potential for growth and are important to economic development of the country. The extension of new loans shall be made with caution and careful consideration, with growth potential and debtor's ability to repay as important criteria.

The Bank has rationalized its organizational structure, loan consideration procedure and loan approval structure by channeling more loan applications to loan committees so that loan review and consideration will be conducted with care. Loan sub-committees have been appointed at the branch and regional levels. Tools to evaluate and manage risk have been developed, e.g., credit rating of business loans and consumer loans. The development of these tools followed recommendation by the international risk management consultant, with the purpose of bringing the Bank's risk management up to international standards. To further reduce risk, loan officers are required to secure credit information from Credit Bureau for consideration of loan applications, whether they be new loans or additional credit lines of existing customers. Credit risks consist of:

#### Loan Concentration Risk

In expanding its credit business, the Bank has the policy of extending loans to various groups of customers, emphasizing medium-size customers with growth potential to enlarge its customer base and reduce loan concentration among large customers. The Bank has established three group of departments specializing in medium size and small size corporate customers to promote extension of loans to these target groups. The Bank also has the policy of spreading risks among different business sectors to minimize risk of loan concentration in any one particular industrial sector. A risk management of overall portfolio is performed by monthly analysis of loan concentration in any particular business sector, to reduce risk arisen out of changes in external environment beyond the Bank's control. A limit on total loans for a particular business sector has been established and Risk Management Committee is informed of this limit to prevent over-concentration of loans in any particular business sector. A simulation of adverse conditions has been made to test sufficiency of the Bank's capital, using economic condition data and business tendency as variables in determining the concentration limits. The Credit Committee uses this simulation in its loan approval process.

#### Risk from Failure to Meet Loan Target

The ability of a bank to expand its loan portfolio is a direct function of general economic conditions, investment climate, competition among commercial banks and customers' ability to raise funds directly in the money market. Thus, the Bank is exposed to risk of facing prepayments from its loan customers, thereby reducing its ability to reach loan target. Although prepayment is a form of income, failure to reach loan target has greater implication on its financial position and profit.

In 2004, the Bank was able to extend loans in the amount of Baht 58,323 million, or 38% over the target, exclusive of the AMC Noted issues by Petchburi Assets Management Co., and maintained low non-performing loans to total loans ratio.



### **Risk from the Decline of Interest Income**

Low level of interest rates, strong competition for new loans, risk of present customers switching to other banks, and possibility of customers raising funds in the money market by issuing debt instruments, all combined to force the Bank to offer competitively low interest rates on loans. This has a direct adverse impact on the Bank's profitability.

However, the Bank has a policy of maintaining interest rate levels by taking into consideration customers' credit risk and the Bank's funding costs and implemented the strategy of increasing non-interest incomes to compensate decline in interest incomes.

### **Operational Risks after Loan Approval**

After a loan has been approved to the customer, the Bank requires loan officer and loan department to monitor customer's compliance with terms of contract, and review customer's status at least once a year, or as soon as there is a significant change in the loan conditions. The Bank also requires a review of price and liquidity of collateral within specific time. If the review has found collateral to depreciate in value such that the value is no longer sufficient to cover loan, the Bank will set aside a reserve for doubtful debts, require customer to provide additional collateral, or reduce customer's credit line.

The Bank's Credit Review Department has performed its review of loan quality and compliance with lending procedure, and reported such review to the Bank's executives and the Bank of Thailand. The Bank also has a system of aging loans that supports loan review and serves as a warning signal to facilitate timely prevention and solution of problem loans.

### **Risk from the Increase of NPLs**

Non-performing loans (NPL) are a major problem that adversely affects income and adequacy of capital of financial institutions. Though the Bank has the lowest level of NPL among Thai commercial banks, it is aware of this ever-present danger and has attempted to forestall NPL increase by implementing strict policy and procedures in granting loans. The policy calls for loans of greater than Baht 50 million to successfully pass the examination of Credit Risk Management Department such that overall Bank's exposure is monitored. After a loan has been approved, loan officer and loan review officer consider business trend and the probability that each customer will become an NPL. For existing NPLs, the Bank has established a Sub-committee on Loan Restructuring to follow up on loan restructuring. The authority of the executives involved in loan restructuring, from senior executive vice president to assistant vice president, has been revised to empower them to approve loan restructuring within their authority and restructuring conditions. The important feature of restructuring efforts has been the analysis of each customer's cash flow report and repayment capability, coupled with the objective of helping the customer to revive and maintain business and not to become NPL again.

### **Risk that Restructured Loans Become NPLs**

NPLs that have been restructured may become NPLs again. This is due to the fact that during early phase of loan restructuring repayment schedule is favorable, interest rates are low and there is no principal repayment. The Bank stands exposed to this risk once restructuring conditions are replaced by normal loan conditions. The Bank is aware of the possibility of loss when restructured loans become NPLs again and has taken a measure to absorb such possible loss by setting aside reserve for each of restructured loans in addition to that required by the Bank of Thailand.

## **Risk from Guarantees**

Bill of payment guarantee, loan guarantee, letter of credit, aval and other forms of guarantee are another source of risk that may require the Bank's cash payment on behalf of the customers who could not comply with conditions of guarantees. The Bank attempts to reduce and prevent realization of contingent liabilities by thoroughly examining the customers' credit history, requiring additional collateral as well as using the same criteria for loan consideration as it would a regular loan.

## **Market Risk Management**

Market risk is caused by changes in market factors, such as interest rates, exchange rates and equity prices, affecting the Bank's income, assets values and financial liabilities. The Bank has a policy of managing market risk to an acceptable level in accordance with guideline for market risk management, so that the Bank could continue its business efficiently and achieve a targeted return. Market risk management consists of:

### **Interest Rate Risk Management**

Interest rate risk arises out of differences in the interest rate structures and mismatches between assets and liabilities structures of the Bank. The Bank has a policy of controlling adverse impact from interest rate changes to within an acceptable level under close supervision of Assets and Liabilities Management Committee. The evaluation of the interest rate change risks is made by analyzing changes of interest rates on assets and liabilities of the Bank (Repricing Gap Analysis), and on the Bank's operations and assets (Sensitivity Analysis) within the next 12 months.

### **Foreign Exchange Risk Management**

The exchange rate fluctuation is another risk factor that may adversely impact the Bank's operations or financial position. The Bank has therefore determined scope of its exchange and derivative businesses. The main purposes are to provide regular services to the customers, and to reduce their exchange rate risk. The Bank also engages in financial derivative transactions to manage its exchange and interest rate risks. These transactions are backed by customers' transactions and are performed to reduce risk, not to speculate.

### **Market Risk in Trading Activities**

In trading debt and equity instruments, Securities Management Department manages risk within guideline specified by Assets and Liabilities Management Committee, which has determined various limits of risk control, such as exposure limit, individual limit, stop loss limit, and introduced tools in risk management, such as Value at Risk (VaR) to estimate and control the maximum possible loss.

The Bank also performed a stress test of trading risks in debt instruments, equity instruments, trading transactions, assets and liabilities management transactions, using market data in the past to evaluate possible impact from severe changes in market conditions and to test the Bank's readiness.

## Liquidity Risk Management

Liquidity risk involves the Bank's inability to meet its financial obligations upon maturity due to its inability to obtain sufficient cash, or to liquidate assets at reasonable cost. Recognizing possible damage of such risk, the Bank has appointed a Liquidity Management Committee (Money Desk) to keep a close watch on financial and liquidity management of the Bank within risk management guideline specified by Assets and Liabilities Management Committee. The Money Desk manages daily liquidity by considering daily cash demand, liquidity above the mandatory level of 6% required by the Bank of Thailand, structure of deposits and withdrawals, customers' behavior, competitive position, economic conditions within and outside the country, and expected return to the Bank. It also considers maximum cumulative outflow during normal condition and during crisis by comparing the Bank's cash position, credit lines granted but unused at other banks, and reserve level. It also prepares a contingency plan in the case of the Bank running into a liquidity problem situation. Risk Management Department estimates the cash flow by considering daily demand for cash, demand for cash within 12 month and within 5 year, including cash need projection based on assumptions of emergency and customers' behavior to plan cash management, liquidity position and reserve position for a monthly presentation to Assets and Liabilities Management Committee.

## Operational Risk Management

Operational risk refers to possible damage the Bank may sustain as a result of lack of efficient supervision and control in management of work processes, operations system and information technology system, or result of external factors beyond the Bank's control. and external events that have adverse impact on the Bank's operations. The Bank is aware of the importance of operational risks and has developed an operational risk management system that is up to international standards, efficient and transparent and in line with good governance principle by setting up a department in charge of operational risks at both policy level and operational level. In addition, an operational risk coordinator has been appointed in every department, who has the responsibility to relay to all levels of employees guidelines on risk management. Employees are encouraged to be familiar with and use principle of operational risk management in their daily work to enhance their department's effectiveness risk management. Improvement of methods and techniques of risk management has been made through identification of risks, evaluation of the risk severity, risk management, and follow-up of change in the severity of such risk using risk self-assessment in operations. Each business unit is responsible for evaluation and management of its own operational risks. The management structure also lends itself to operational risk management by clear delineation of duties, responsibilities, check and balance and clear line of authority. Internal audit departments are independent and report directly to Audit Committee.

# General Information

## 1.1 Siam City Bank Public Company Limited, Head Office :

1101 New Petchburi Road, Makkasan, Rajthevi, Bangkok 10400 Registration no.Bor Mor Jor 354  
 Tel 0-2253-0200-43, 0-2208-5000 Fax 0-2253-1240 Type of Business: Banking  
 Registered capital and paid-up capital : Bath 21,128,106,760 comprising 2,112,810,676 Ordinary shares at Bath 10 per share

## 1.2 Equity Participation in other Companies more than 10% of the Shares Issued

As at December 31, 2004 The bank held over 10 Percent of share in the following companies :

Company	Type of Business	Type of Shares	Total Number of shares Issued	Shares held by SCIB	
				Number of share held	% of Paid-up Capital
<b>Common shares from investment</b>					
1. Max Life Assurance Co., Ltd.	Life Insurance	Common Share	50,000,000	50,000,000	100.00
2. Siam City Assets Management Co., Ltd.	Assets Management	Common Share	10,000,000	10,000,000	100.00
3. SCIB Services Co., Ltd.	Services	Common Share	1,000	1,000	100.00
4. Siam City Securities Co., Ltd.	Securities	Common Share	200,000,000	199,577,643	99.79
5. Crown Development Co., Ltd.	Real Estates	Common Share	10,000,000	10,000,000	100.00
6. Siam City I.T. Co., Ltd.	Computer Consultant	Common Share	500,000	499,986	100.00
7. The Chada Thong Properties Co., Ltd.	Real Estates	Common Share	10,000	7,000	70.00
8. Siam City Insurance Co., Ltd.	Insurance	Common Share	400,000	102,000	45.50
9. Thoon Ruam Kan Co., Ltd.	Credit Card	Common Share	240,000	80,000	33.33
10. Siam Samsung Life Insurance Co., Ltd.	Life Insurance	Common Share	50,000,000	12,500,000	25.00
11. Piboon Concrete Co., Ltd.	Building & Furnishing Materials	Common Share	8,000,000	800,000	10.00
12. Metropolitan Industrial Leasing Co., Ltd.	Leasing	Common Share	20,000,000	2,000,000	10.00
13. Steel Top Co., Ltd.	Building & Furnishing Materials	Common Share	74,000,000	7,400,000	10.00
14. Siam Tire Cord Co., Ltd.	Textiles Clothing & Footwear	Common Share	2,000,000	200,000	10.00
15. Crystal City Development Co., Ltd.	Building & Furnishing Materials	Common Share	750,000	75,000	10.00
16. Soonvijai Development Co., Ltd.	Real Estate	Common Share	13,000	1,300	10.00
17. Modular Samko Co., Ltd.	Household Goods	Common Share	3,500,000	350,000	10.00
18. Sahakol Chassis Co., Ltd.	Vehicle Parts	Common Share	45,000,000	4,500,000	10.00
19. Siam Euro Leasing Co., Ltd.	Hire Purchase & Leasing	Common Share	13,000,000	1,300,000	10.00
20. Siam City Real Estate Services Co., Ltd.	Real Estate	Common Share	1,000,000	100,000	10.00
<b>Common shares from debt restructuring (Debt-Equity SWAP)</b>					
21. S.A.S. Trading Co., Ltd.	Holding Company	Common Share	114,823,529	39,246,306	34.18
22. Paktai Chueplerng Pcl.	Energy	Common Share	125,000,000	37,546,934	30.04
23. Thai-German Products Pcl.	Building & Furnishing Materials	Common Share	21,012,069	94,361,456	29.08
24. Thai Nam Plastic Pcl.	Chemicals & Plastics	Common Share	21,175,004	4,335,365	20.47
25. High Pressure Steel Pipe Industry Co., Ltd	Steel	Common Share	500,001	70,470	14.09
26. Island Resort Hotel Co., Ltd	Hotel	Common Share	40,000,000	5,195,000	12.99
27. Metropole Phuket Co., Ltd.	Hotel	Common Share	30,000,000	3,589,492	11.96
28. Wongpaitoon Group Pcl.	Textiles	Common Share	604,845,880	63,149,057	10.44

Remarks : 1. No 5, 6, 7 and 9 have filed for liquidation  
 2. No 1, 4 and 8 former names are Bangkok Metropolitan Life Assurance Co.,Ltd., Yuanta Securities (Thailand) Co., Ltd. and Siam City Insurance Co.,Ltd. respectively  
 3. No 3 and 23 bank's equity holding has increased from 99.40% to 100.00% and from 25.16% to 29.08% respectively

## Names and locations of the companies that the bank has shareholding more than 10%

### 1. Max Life Assurance Co., Ltd.

169 Suttisan Rd. Samsen Payatai  
Bangkok 10400  
Tel. 0-2616-2324 Fax 0-2616-2343

### 2. Siam City Assets Management Co., Ltd.

942/135 Charn Issara Tower I 4<sup>th</sup> Floor,  
Rama IV Rd., Suriyawong,  
Bangrak, Bangkok 10500  
Tel. 0-2624-8500 Fax. 0-2624-8599

### 3. SCIB Services Co., Ltd

1091/230 New Petchburi Rd. Rajthevi,  
Bangkok 10400  
Tel. 0-2208-5061-2 Fax 0-2651-6611

### 4. Siam City Securities Co., Ltd.

898 8A Fl.. Ploenchit Tower  
Ploenchit Rd., Bangkok 10330  
Tel. 0-2624-8888 Fax 0-2624-8899

### 5. Crown Development Co., Ltd.

169 Suttisan Rd. Samsen Payatai  
Bangkok 10400  
Tel. 0-2616-0923-40 Fax 0-2616-3548

### 6. Siam City I.T. Co., Ltd.

183 Rajanakarn Bldg. 27<sup>th</sup> Floor  
South Sathan Rd.  
Bangkok 10120  
Tel. 0-2676-5800 Fax 0-2676-5838

### 7. The Chada Thong Properties Co., Ltd.

1091/230 New Petchburi Rd. Rajthevi,  
Bangkok 10400  
Tel. 0-2616-3550-1 Fax 0-2616-3548

### 8. Siam City Insurance Co., Ltd.

138/36-38 AA Floor Jewellery  
Center Bldg. Nares Rd.  
Bangrak Bangkok. 10500  
Tel. 0-2267-1110 Fax 0-2267-1112

### 9. Thoon Ruam Kan Co., Ltd.

133/2 Sukumvit 21  
Bangkok 10110  
Tel. 0-2259-0284 Fax 0-2258-7043

### 10. Siam Samsung Life Insurance Co., Ltd.

2922/222-227 Charn Issara Tower II  
15<sup>th</sup> Floor, New Petchburi Rd.  
Bangkok 10320  
Tel. 0-2308-2261-68 Fax 0-2308-2269

### 11. Piboon Concrete Co., Ltd.

263/1 Moo 10 Maepheak Sansai  
Chiangmai 50290  
Tel. (053) 849-435-8 Fax (053) 849-439

### 12. Metropolitan Industrial Leasing Co., Ltd.

252/88 14<sup>th</sup> Floor Muang thai Phatra Office Tower 2  
Ratchadaphisek Rd. Bangkok 10320  
Tel. 0-2693-3200-6 Fax 0-2693-3207

### 13. Steel Top Co., Ltd.

16<sup>th</sup> Floor, U M Tower  
Ramkhamhaeng Rd. Bangkok 10250  
Tel. 0-2719-9637-41 Fax 0-2719-9642

### 14. Siam Tire Cord Co., Ltd.

46/1 Moo 9 Bangna-Trad Rd.  
K M.39 Bangprakong  
Chacherngsal 24130  
Tel. (038) 538-555 Fax (038) 538-399

**15. Crystal City Development Co., Ltd.**

2170 New Petchburi Rd. Bangkok  
Tel. 0-2255-6470 Fax 0-2255-6495

**16. Soonvijai Development Co., Ltd.**

1740 New Petchburi Rd.  
Bangkok 10320  
Tel. 0-2718-0386-9 Fax 0-2718-0387-8

**17. Modular Samko Co., Ltd.**

70/9 Soi Ekamai, Sukumvit Rd., Bangkok  
Tel. 0-2391-0498-9 Fax 0-2381-1290

**18. Sahakol Chassis Co., Ltd.**

1418/6-8 Phaholyotin Rd. Ladyao,  
Bangkhen, Bangkok  
Tel. 0-2512-0336-41 Fax 0-2513-2424

**19. Siam Euro Leasing Co., Ltd.**

27 Sukumvit Soi 1  
Bangkok 10110  
Tel. 0-2254-1074 Fax 0-2254-1076

**20. S.A.S. Trading Co., Ltd.**

805 Aswahem Bldg. 14<sup>th</sup> Floor  
Srinakarin Rd. Bangkok. 10250  
Tel. 0-2720-5804-8 Fax 0-2720-5813

**21. Paktai Chueplerng Pcl.**

100/1 Varasombat Bldg. 20<sup>th</sup> Floor  
Rama IX Rd. Bangkok 10320  
Tel. 0-2246-9979 Fax 0-2247-7469

**22. Thai-German Products Pcl.**

170 Ocean Tower I 10<sup>th</sup> Floor  
Ratchadaphisek Rd., Klongtoey  
Bangkok 10110  
Tel. 0-2261-3300 Fax 0-2261-2769

**23. Thai Nam Plastic Pcl.**

40 Moo 7 Petchkasem Rd., Km.23  
Omnoi, Kratumban, Samutsakorn 74130  
Tel. 0-2810-3000, 0-2420-9968-74  
Fax 0-2420-1827

**24. High Pressure Steel Pipe Industry Co., Ltd.**

1620/4 Songwad Rd.  
Bangkok 10100  
Tel. 0-2235-2940-49 Fax 0-2255-6495

**25. Island Resort Hotel Co., Ltd.**

1168/71 25 FL., Lumpini Tower Bldg.  
Rama IV Rd., Sathorn  
Bangkok 10120  
Tel. 0-2258-6404-7 Fax 0-2285-6408

**26. Metropole Phuket Co., Ltd.**

518/5 Maneeya Center 8<sup>th</sup> Floor  
Ploenchit Rd. Bangkok 10330  
Tel. 0-2254-8351 Fax 0-2254-8198

**27. Wongpaitoon Group Pcl.**

70/19 moo 6, Ekachai Rd.,  
Bangbon, Bangkok 10150  
Tel. 0-2416-4647-9 Fax 0-2416-1850

## As at December 31, 2004

The bank held unit trusts more than 10% of each fund as follows :

Company	Type of Business	Type of Shares	Total Number of shares Issued	Shares held by SCIB	
				Number of shares Held	% of Paid-up Capital
Max Equity Retirement Fund	Open-End Fund	Unit Trust	2,410,235.16	2,000,000.00	95.24
Max Equity Fund	Open-End Fund	Unit Trust	24,573,002.57	22,757,545.85	89.86
Max Balance Fund	Open-End Fund	Unit Trust	27,636,701.79	23,092,550.00	81.81
Max Balance Retirement Fund	Open-End Fund	Unit Trust	4,216,206.54	2,500,400.06	79.55
Business Strategic Fund	Close-End Fund	Unit Trust	50,499,834.28	34,000,000.00	67.33
The Thai Business Fund 3	Close-End Fund	Unit Trust	300,000,000.00	100,000,000.00	33.33
Thai Pattana 1 Fund	Close-End Fund	Unit Trust	135,000,000.00	45,000,000.00	33.33
Krung Thai ThanaWattana Fund	Open-End Fund	Unit Trust	430,195,000.00	100,000,000.00	23.25
Thailand Oppertunity Fund	Close-End Fund	Unit Trust	359,507,067.32	50,000,000.00	13.91

### Other Reference Persons

- Common share registrar

Thailand Securities Depository Co., Ltd.  
62 the Stock Exchange of Thailand Building  
Ratchadapisek Road, Klongtoey, Bangkok 10110
- Auditors

Khunying Jaruvan Maintaka or  
Mrs. Duangta Jantong  
The State Audit Office  
Soi Areesamphan, Rama VI Road, Payathai Bangkok 10440  
Tel : 0-2618-5807 Fax : 0-2651-7914
- Frequently contacted financial institution

12 commercial banks in the financial market,  
Bank of Thailand Financial Institutions Development Fund

# The Board of Directors' Responsibility for the Financial Statements

The Board of Directors is responsible for the Bank's financial statements and consolidated financial statements of the Bank and its subsidiaries, and financial information contained in the annual report. Financial statements have been prepared in accordance with generally accepted accounting principles in Thailand, using appropriate and consistent accounting policies, exercising due care and best estimation in their preparation, and disclosing sufficient important information in notes to the financial statements.


The Board of Directors has arranged to maintain an efficient internal control, to ensure that accounting records are accurate, complete and sufficient to reflect the assets and to give warning signals as to frauds and important irregular transactions.

The Board of Director has appointed an Audit Committee, consisting of independent directors, to be responsible for the quality of financial statements and internal control system. Opinion of the Audit Committee on this matter is contained in the annual report.

The Board of Directors is of the opinion that the Bank's internal control system is satisfactory and is reasonably confident in the reliability of the financial statements of the Bank and its subsidiaries as at 31 December 2004.



(Mr. Somphol Kiatphaibool)  
Chairman



(Mr. Arun Chirachavala)  
President



## To the Shareholders of Siam City Bank Public Company Limited

Office of the Auditor General has audited the consolidated balance sheet of the Siam City Bank Public Company Limited and its subsidiaries and the balance sheet of the Siam City Bank Public Company Limited as at December 31, 2004 and 2003, the related statements of Income, changes in shareholders' equity, and cash flows for the year ended December 31, 2004 and 2003. The management of the Bank is responsible for the accuracy and completeness of financial information whereas Office of the Auditor General is responsible for the opinion on the aforementioned financial statements.

Office of the Auditor General has performed the examination in accordance with the generally accepted auditing standards, which require Office of the Auditor General to plan and carry out the audit to achieve a reasonable confidence whether or not the financial statement represent data which are materially contrary to facts. The audit has included the test of evidences attached to their financial transactions or disclosure in the financial statements; the assessment of the appropriateness of accounting principles applied by the Bank, and the estimation of material financial transactions which have been prepared by the management; and the assessment of the appropriateness of disclosure in the financial statements as a whole. Office of the Auditor General believes that such audit provides an appropriate basis on which Office of the Auditor General concludes its opinion

In the opinion of Office of the Auditor General, the consolidated financial statements of Siam City Bank Public Company Limited and subsidiaries and the Bank's financial statements for the year ended December 31, 2004 and 2003 represent the operating results for the year ended December 31, 2004 and 2003 accumulated results in accordance with generally accepted accounting principles.

The following remarks do not constitute as part of the opinion Office of the Auditor General call the attention as follow :- the notes item 2.4 on loans and accrued interest receivable includes a total amount of Baht 123,788.90 million representing promissory note amount plus accrued interest received from Sukhumvit Asset Management Co., Ltd. in settlement of non - performing loans transferred from the bank. Item 2.30 is related to the acquisition of Bangkok Metropolitan Bank PCL. by Siam City Bank PCL. as from April 1, 2002 after which adjustments were made on the acquired value of the business as noted in item 2.15.

(Signed) .....

(MRS. SATJA SASANAVIN)

DEPUTY AUDITOR GENERAL  
FOR AUDITOR GENERAL

(Signed) .....

(MRS. DUANGTA JANTONG)

DIRECTOR OF AUDIT OFFICE

# Financial Statement

## SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

### BALANCE SHEETS

AS AT DECEMBER 31, 2004 AND 2003

Amount : Baht

	Remark	Consolidated Financial Statements		The Bank's Financial Statements	
		2004	2003	2004	2003
<b>ASSETS</b>					
Cash		10,212,605,168	6,100,330,311	10,212,456,168	6,100,113,083
Interbank and money market items	2.1				
Domestic items					
Interest bearing		682,571,427	632,694,371	99,915,275	531,689,720
Non-interest bearing		609,110,914	4,404,421,743	574,942,864	4,397,045,032
Foreign items					
Interest bearing		800,944,371	1,855,337,698	800,944,371	1,855,337,698
Non-interest bearing		723,305,725	354,807,751	723,305,725	354,807,751
Total Interbank and money market Items		2,815,932,437	7,247,261,563	2,199,108,235	7,138,880,201
Securities purchased under resale agreements	2.2	17,600,000,000	10,000,000,000	17,600,000,000	10,000,000,000
Investments in securities					
Temporary Investment - net	2.3.1	19,044,789,003	2,621,503,541	18,166,131,152	2,470,790,838
Long - term Investment- net	2.3.2	70,127,851,620	99,771,233,525	68,763,338,450	98,738,254,777
Investments in subsidiary and associated companies - net	2.3.7	165,988,988	158,979,189	2,865,049,379	1,308,433,965
Investments in securities - net		89,338,629,611	102,551,716,255	89,794,518,981	102,517,479,580
Loans and accrued interest receivables	2.4				
Loans		333,898,462,724	322,414,547,232	333,815,490,763	322,318,095,819
Accrued interest receivables		2,171,988,828	2,938,810,799	2,171,700,498	2,938,551,545
Total Loans and Accrued Interest Receivables		336,070,451,552	325,353,358,031	335,987,191,261	325,256,647,364
Less Allowance for doubtful accounts	2.5	(8,247,905,596)	(8,856,633,392)	(8,195,143,699)	(8,801,752,090)
Allowance for loss from debt restructuring	2.6	(2,310,712,015)	(2,694,162,746)	(2,310,712,015)	(2,694,162,746)
Loans and Accrued Interest Receivables - Net		325,511,833,941	313,802,561,893	325,481,335,547	313,760,732,528
Properties foreclosed - net	2.7	12,568,997,063	13,723,278,340	12,568,997,063	13,723,278,340
Customers' liability under acceptances		100,108,945	202,150,813	100,108,945	202,150,813
Premises and equipment - net	2.8	8,567,696,569	7,788,277,002	8,506,033,669	7,750,280,239
An outstanding amount from transfer of non - performing loans to Sukhumvit Asset Management Co., Ltd.	2.9	1,885,102,873	1,725,776,372	1,885,102,873	1,725,776,372
Other assets - net	2.10	3,843,144,738	6,830,362,709	3,676,944,171	6,527,626,442
<b>Total Assets</b>		<b>472,444,051,345</b>	<b>469,971,715,258</b>	<b>472,024,605,652</b>	<b>469,446,317,598</b>

Notes to financial statements form an integral part of these statements.

## SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## BALANCE SHEETS (Continued)

AS AT DECEMBER 31, 2004 AND 2003

Amount : Baht

	Remark	Consolidated Financial Statements		The Bank's Financial Statements	
		2004	2003	2004	2003
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Deposits	2.11				
Deposits in Baht		384,121,560,240	406,506,705,152	385,211,305,160	406,766,978,113
Deposits in foreign currencies		258,381,059	95,162,032	258,381,059	95,162,032
Total Deposits		384,379,941,299	406,601,867,184	385,469,686,219	406,862,140,145
Interbank and money market items	2.12				
Domestic items					
Interest bearing		19,065,733,308	13,440,760,281	19,165,733,308	13,440,760,281
Non-interest bearing		320,770,872	212,247,761	320,770,872	212,247,761
Foreign items					
Interest bearing		5,013,905,517	2,575,430,000	5,013,905,517	2,575,430,000
Non-interest bearing		280,022	284,008	280,022	284,008
Total Interbank and Money Market Items		24,400,689,719	16,228,722,050	24,500,689,719	16,228,722,050
Liability payable on demand		1,029,061,716	1,334,232,769	1,029,061,716	1,334,232,769
Securities sold under repurchase agreements	2.13	18,000,000,000	2,000,000,000	18,000,000,000	2,000,000,000
Borrowings	2.14				
Short-term borrowings		50,000,000	-	50,000,000	-
Long-term borrowings		57,316,215	-	57,316,215	-
Total borrowings		107,316,215	-	107,316,215	-
Bank's liability under acceptances		100,108,945	202,150,813	100,108,945	202,150,813
An asset surplus from the acquisition business from BMB PCL.	2.15	6,662,540,719	5,389,119,027	6,662,540,719	5,389,119,027
Accrued Interest expenses		772,036,463	1,660,687,143	772,036,463	1,660,687,143
Other liabilities	2.16	3,741,302,674	3,920,796,378	2,145,708,995	3,112,846,869
Total Liabilities		439,192,997,750	437,337,575,364	438,787,148,991	436,789,898,816

Notes to financial statements form an integral part of these statements.

## SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES


## BALANCE SHEETS (Continued)

AS AT DECEMBER 31, 2004 AND 2003

Amount : Baht

	Remark	Consolidated Financial Statements		The Bank's Financial Statements	
		2004	2003	2004	2003
Shareholders' Equity					
Share capital	2.17				
Authorized share capital					
2,112,810,676 ordinary share capital, Baht 10 par value		21,128,106,760	21,128,106,760	21,128,106,760	21,128,106,760
Issued and fully paid-up share capital					
2,112,810,676 ordinary share capital, Baht 10 par value		21,128,106,760	21,128,106,760	21,128,106,760	21,128,106,760
Surplus on fixed assets revaluation	2.18	3,038,649,363	3,098,128,934	3,038,649,363	3,098,128,934
Excess on change of capital investment		1,190,350,299	3,897,577,030	1,190,350,299	3,895,177,030
Cumulative translation adjustment		163,685,430	173,372,953	163,685,430	173,372,953
Retained earnings					
Appropriated					
Legal reserve	2.19	259,606,560	78,075,263	259,606,560	78,075,263
Unappropriated		7,466,352,599	4,283,557,842	7,457,058,249	4,283,557,842
Treasury Stock	2.20	-	(25,765,700)	-	-
Minority Interest		4,302,584	1,086,812	-	-
Total Shareholders' Equity		33,251,053,595	32,634,139,894	33,237,456,661	32,656,418,782
Total Liabilities and Shareholders' Equity		472,444,051,345	469,971,715,258	472,024,605,652	469,446,317,598
<b>Off-balance sheet items-Contingencies</b>	2.22.2				
Aval to bills and guarantees of loans		2,198,083,823	1,771,656,108	2,198,083,823	1,771,656,108
Liability under unmaturing import bills		825,952,879	736,506,565	825,952,879	736,506,565
Letters of credit		5,099,430,718	4,605,776,086	5,099,430,718	4,605,776,086
Other contingencies		82,778,136,655	105,670,192,124	82,778,136,655	105,670,192,124

Notes to financial statements form an integral part of these statements.


(Mr. Sompol Kiatphabool)  
Chairman of the board

(Mr. Arun Chirachavala)  
President

## SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

Amount : Baht

	Remark	Consolidated Financial Statements		The Bank's Financial Statements	
		2004	2003	2004	2003
Interest and dividend income					
Loans		10,993,032,905	12,020,284,649	10,992,847,236	12,020,250,592
Interbank and money market items		179,985,887	361,786,538	174,615,392	356,148,362
Investment		4,598,474,941	4,730,821,577	4,511,851,762	4,701,073,307
Total Interest and Dividend Income		15,771,493,733	17,112,892,764	15,679,314,390	17,077,472,261
Interest expenses					
Deposits		5,524,650,246	8,305,840,477	5,530,046,705	8,305,863,795
Interbank and money market items		237,077,657	54,557,166	237,208,519	54,557,166
Total Interest Expenses		5,761,727,903	8,360,397,643	5,767,255,224	8,360,420,961
Net income from interest		10,009,765,830	8,752,495,121	9,912,059,166	8,717,051,300
Bad debts and doubtful accounts		203,161,939	3,692,129,367	204,957,569	3,696,047,671
Loss on debt restructuring items		280,646,491	119,145,178	280,646,491	119,145,178
Net income from interest after bad debts and doubtful accounts and loss on debt restructuring items		9,525,957,400	4,941,220,576	9,426,455,106	4,901,858,451
Non-interest income					
Gain (loss) on investment		1,641,504,168	3,027,239,925	1,649,591,789	3,012,242,375
Profit (Loss) sharing in subsidiaries		4,673,004	1,552,322	(54,372,132)	70,355,971
Fees and service income					
Acceptances, avals and guarantees		288,065,907	405,066,263	288,065,907	405,066,263
Others		2,642,203,131	1,819,328,520	1,415,692,203	1,081,558,634
Gain (Loss) on exchanges		192,361,846	187,618,838	192,361,846	187,618,838
Income from Asset Management Fee		141,641,320	213,941,114	141,641,320	213,941,114
Other income		345,589,511	617,658,401	538,353,643	716,019,311
Total Non-interest Income		5,256,038,887	6,272,405,383	4,171,334,576	5,686,802,506

Notes to financial statements form an integral part of these statements.

## SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF INCOME (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

Amount : Baht

	Remark	Consolidated Financial Statements		The Bank's Financial Statements	
		2004	2003	2004	2003
Non-interest expenses					
Personnel expenses		2,435,852,551	2,009,521,182	2,224,538,252	1,881,760,077
Premises and equipment expenses		1,312,239,562	1,258,778,742	1,272,703,566	1,239,147,659
Taxes and duties		960,378,786	805,794,052	959,104,787	804,817,567
Fees and service expenses		141,864,953	363,536,024	179,626,619	361,842,526
Director's remuneration fees		16,696,923	14,317,963	10,643,910	10,582,109
Contribution to The Financial Institutions Development Fund		1,692,069,758	1,768,930,505	1,692,069,758	1,768,930,505
Other expenses		1,776,950,692	1,145,045,291	886,774,217	707,318,433
Total Non-Interest Expenses		8,336,053,225	7,365,923,759	7,225,461,109	6,774,398,876
Net income before income tax		6,445,943,062	3,847,702,200	6,372,328,573	3,814,262,081
Income tax expense	2.26	78,737,828	217,011,065	5,277,919	183,636,148
Income before minority interest		6,367,205,234	3,630,691,135	6,367,050,654	3,630,625,933
Income on minority interest		(154,580)	(65,202)	-	-
Net income		6,367,050,654	3,630,625,933	6,367,050,654	3,630,625,933
Primary Earning per share		3.01	1.72	3.01	1.72

Notes to financial statements form an integral part of these statements.


(Mr. Sompol Kiatphaibool)  
Chairman of the board

(Mr. Arun Chirachavala)  
President

**SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGE IN SHAREHOLDER'S EQUITY (Consolidated Financial Statements)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

Amount : Baht

	Issued and fully Paid-up share capital	Surplus on Treasury stock	Surplus on fixed assets revaluation	Excess on change of capital investment	cumulative translation adjustment	Retained earnings	Treasury stock	Minority interest	Total
Balance as at December 31, 2002	21,128,106,760	-	3,224,742,566	9,721,996,937	(90,768,689)	949,561,984	-	39,694	34,933,679,252
Cumulative Effect on Correction of Fundamental Errors	-	-	78,078,258	-	-	-	-	981,916	79,060,174
Balance after adjustment	21,128,106,760	-	3,302,820,824	9,721,996,937	(90,768,689)	949,561,984	-	1,021,610	35,012,739,426
Surplus on Fixed Assets Revaluation	-	-	(204,691,890)	-	-	204,691,890	-	-	-
Excess on change of capital investment	-	-	-	(5,824,419,907)	-	-	-	-	(5,824,419,907)
Cumulative Translation Adjustment	-	-	-	-	264,141,642	-	-	-	264,141,642
Net income	-	-	-	-	-	3,630,625,933	-	65,202	3,630,691,135
Dividend paid - ordinary shares	-	-	-	-	-	(422,562,135)	-	-	(422,562,135)
Directors' remuneration	-	-	-	-	-	(684,567)	-	-	(684,567)
Treasury Stock	-	-	-	-	-	-	(25,765,700)	-	(25,765,700)
Balance as at December 31, 2003	21,128,106,760	-	3,098,128,934	3,897,577,030	173,372,953	4,361,633,105	(25,765,700)	1,086,812	32,634,139,894
Cumulative effect on Correction of fundamental Errors	-	-	-	1,799,998	-	-	-	-	1,799,998
Balance after adjustment	21,128,106,760	-	3,098,128,934	3,899,377,028	173,372,953	4,361,633,105	(25,765,700)	1,086,812	32,635,939,892
Surplus of Treasury stock	-	9,294,350	-	-	-	-	-	-	9,294,350
Surplus of repurchased capital shares that devaluated for sales Treasury stock	-	(9,294,350)	-	-	-	9,294,350	-	-	-
Surplus on Fixed Assets Revaluation	-	-	(59,479,571)	-	-	59,479,571	-	-	-
Excess on change of capital investment	-	-	-	(2,709,026,729)	-	-	-	-	(2,709,026,729)
Cumulative Translation Adjustment	-	-	-	-	(9,687,523)	-	-	-	(9,687,523)
Net income	-	-	-	-	-	6,367,050,654	-	154,580	6,367,205,234
Dividend paid - ordinary shares	-	-	-	-	-	(3,063,575,481)	-	-	(3,063,575,481)
Directors' remuneration	-	-	-	-	-	(7,923,040)	-	-	(7,923,040)
Treasury Stock	-	-	-	-	-	-	(18,834,050)	-	(18,834,050)
Sales Treasury Stock	-	-	-	-	-	-	44,599,750	-	44,599,750
Minority interest	-	-	-	-	-	-	-	3,061,192	3,061,192
Ending balance as at December 31, 2004	21,128,106,760	-	3,038,649,363	1,190,350,299	163,685,430	7,725,959,159	-	4,302,584	33,251,053,595

Notes to financial statements form an integral part of these statements.

**SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGE IN SHAREHOLDER'S EQUITY** (The Bank's Financial Statements)  
**FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

Amount : Baht

	Issued and fully Paid-up share capital	Surplus on fixed assets revaluation	Excess on change of capital investment	cumulative translation adjustment	Retained earnings (loss)	Total
Balance as at December 31, 2002	21,128,106,760	3,224,742,566	9,721,996,937	(90,768,689)	949,561,984	34,933,639,558
Cumulative Effect on Correction of Fundamental Errors	-	78,078,258	-	-	-	78,078,258
Balance after adjustment	21,128,106,760	3,302,820,824	9,721,996,937	(90,768,689)	949,561,984	35,011,717,816
Surplus on Fixed Assets Revaluation	-	(204,691,890)	-	-	204,691,890	-
Excess on change of capital investment	-	-	(5,826,819,907)	-	-	(5,826,819,907)
Cumulative Translation Adjustment	-	-	-	264,141,642	-	264,141,642
Net income	-	-	-	-	3,630,625,933	3,630,625,933
Dividend paid - ordinary shares	-	-	-	-	(422,562,135)	(422,562,135)
Directors' remuneration	-	-	-	-	(684,567)	(684,567)
Balance as at December 31, 2003	21,128,106,760	3,098,128,934	3,895,177,030	173,372,953	4,361,633,105	32,656,418,782
Cumulative effect on Correction of fundamental Errors	-	-	4,199,998	-	-	4,199,998
Balance after adjustment	21,128,106,760	3,098,128,934	3,899,377,028	173,372,953	4,361,633,105	32,660,618,780
Surplus on Fixed Assets Revaluation	-	(59,479,571)	-	-	59,479,571	-
Excess on change of capital investment	-	-	(2,709,026,729)	-	-	(2,709,026,729)
Cumulative Translation Adjustment	-	-	-	(9,687,523)	-	(9,687,523)
Net income	-	-	-	-	6,367,050,654	6,367,050,654
Dividend paid - ordinary shares	-	-	-	-	(3,063,575,481)	(3,063,575,481)
Directors' remuneration	-	-	-	-	(7,923,040)	(7,923,040)
Ending balance as at December 31, 2004	21,128,106,760	3,038,649,363	1,190,350,299	163,685,430	7,716,664,809	33,237,456,661

Notes to financial statements form an integral part of these statements.



SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003

Amount : Baht

	Consolidated Financial Statements		The Bank's Financial Statements	
	2004	2003	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income	6,367,050,654	3,630,625,933	6,367,050,654	3,630,625,933
Net income adjustment from cash received (paid) in operations. to net cash used in operating activities :				
Depreciation and amortization	681,437,161	597,031,076	637,378,359	566,070,675
Bad debts and doubtful accounts	203,161,939	3,692,129,367	204,957,569	3,696,047,671
Loss (Gain) from equidation of assets	(24,205,694)	(17,676,439)	(23,338,640)	(18,061,828)
Loss (Gain) on disposal of Properties Foreclosed	(152,933,353)	(368,728,887)	(152,933,353)	(368,728,887)
Loss (Gain) from translation of foreign currencies	154,460,512	618,279,444	154,460,512	618,279,444
Loss (Gain) trading in securities	(946,837,348)	(3,227,224,372)	(949,175,141)	(3,224,226,792)
Loss from reclassification in portfolio of investment	54,284,378	-	54,284,378	-
Loss (Gain) from revaluation of investments	116,524,227	(115,710,680)	110,774,399	(103,710,710)
Loss from revaluation of land and building (Reverse entry)	-	(28,158,584)	-	(28,158,584)
Loss on diminution in value of securities (Reverse entry)	(865,475,425)	315,695,127	(865,475,425)	315,695,127
Loss on debt restructuring items	1,103,183,270	119,145,178	1,103,183,270	119,145,178
Loss on debt restructuring items (Reverse entry)	(822,536,779)	-	(822,536,779)	-
Loss on diminution in value of Properties Foreclosed	-	170,736,195	-	170,736,195
Decrease (Increase) Interest received from debt restructuring items	(187,475,753)	(350,880,277)	(187,475,753)	(350,880,277)
Loss (Profit) sharing from equity method	(4,673,004)	(1,552,322)	54,372,132	(70,355,971)
Decrease in accrued interest and accrued dividend receivables	1,397,689,638	4,733,963,760	1,417,504,039	4,755,140,183
Increase (Decrease) in accrued interest expenses	(888,650,680)	(296,587,419)	(888,650,680)	(296,585,817)
Increase in other accrued expenses	67,325,107	309,123,650	83,415,339	285,482,487
Increase (Decrease) a discrepancy from the translation of currencies	(9,687,523)	264,141,642	(9,687,523)	264,141,642
Increase in minority interest in subsidiaries	154,580	65,202	-	-
Gain from operation before the changes of operating assets and liabilities	6,242,795,907	10,044,417,594	6,288,107,357	9,960,655,669
(Increase) Decrease in operating assets				
Interbank and money market items	4,433,899,038	6,675,502,601	4,942,322,154	6,363,442,235
Securities purchase under resale agreements	(7,600,000,000)	9,150,000,000	(7,600,000,000)	9,150,000,000
Temporary investment	284,977,762	(2,108,841,210)	388,250,198	(1,982,365,117)
Loans	(13,041,998,602)	2,208,871,554	(13,055,105,097)	2,245,752,915
Properties foreclosed	1,432,538,300	3,003,260,818	1,432,538,300	3,003,260,818
Discrepancy from transferring assets to Sukhumvit Assets Management Co., Ltd.	(127,384,928)	(16,238,812)	(127,384,928)	(16,238,812)
Other assets	2,492,821,016	(1,941,144,872)	2,358,405,599	(1,768,014,867)

Notes to financial statements form an integral part of these statements.

**SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

Amount : Baht

	Consolidated Financial Statements		The Bank's Financial Statements	
	2004	2003	2004	2003
Increase (Decrease) in operating liabilities				
Deposits	(22,221,925,885)	(14,063,852,949)	(21,392,453,927)	(13,806,856,477)
Interbank and money market items	8,171,967,669	2,088,771,454	8,271,967,669	2,088,771,454
Liabilities payable on demand	(305,171,053)	697,560,523	(305,171,053)	697,560,523
Securities sold under repurchase agreement	16,000,000,000	(1,880,000,000)	16,000,000,000	(1,880,000,000)
Short-term borrowings	50,000,000	-	50,000,000	-
Other liabilities	905,953,649	318,983,781	118,616,445	(427,518,387)
Net Cash Provided by Operating Activities	(3,281,527,127)	14,177,290,482	(2,629,907,283)	13,628,449,954
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>				
Decrease (Increase) in long-term investment	11,870,086,469	(10,375,510,096)	12,825,074,126	(9,890,903,037)
Proceeds from sales of premises and equipment	37,741,964	19,725,197	36,213,931	19,249,197
Proceeds from disposal of leaseholds rights	5,723,000	-	5,723,000	-
Proceeds from sales of investment in associated companies	3,000,000	-	3,000,000	-
Purchases of premises and equipment	(1,541,775,301)	(791,993,383)	(1,514,825,821)	(753,236,842)
Purchases of investments in subsidiaries and associated companies	(1,851,892)	(710,035,901)	(1,598,752,562)	(710,035,901)
Net Cash Used in Investment Activities	10,372,924,240	(11,857,814,183)	9,756,432,674	(11,334,926,583)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from long-term borrowings	57,316,215	-	57,316,215	-
Cash received from Treasury Stock	53,894,100	-	-	-
Cash paid for Treasury Stock	(18,834,050)	(25,765,700)	-	-
Cash paid for dividend and director's remuneration fees	(3,071,498,521)	(423,246,702)	(3,071,498,521)	(423,246,702)
Net Cash Provided by Financing Activities	(2,979,122,256)	(449,012,402)	(3,014,182,306)	(423,246,702)
Net increase cash and cash equivalents	4,112,274,857	1,870,463,897	4,112,343,085	1,870,276,669
Cash and cash equivalents at beginning of period	6,100,330,311	4,229,866,414	6,100,113,083	4,229,836,414
Cash and cash equivalents at end of period	10,212,605,168	6,100,330,311	10,212,456,168	6,100,113,083
Supplemental disclosures of cash flows information :				
Cash paid during the period :-				
Interest expenses	6,656,690,821	8,657,008,380	6,655,905,904	8,657,006,777
Income tax	181,488,900	286,886,217	85,746,485	283,310,905

Notes to financial statements form an integral part of these statements.

**SIAM CITY BANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED AND BANK'S FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2004 AND 2003**

**1. THE BASIS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF FINANCIAL STATEMENTS PRESENTATION**

The Siam City Bank Public Company Limited is a listed public company in Thailand with its headquarters located at 1101 New Petchburi Road, Makkasan Subdistrict, Rajthevi District, Bangkok. The Bank operates commercial banking as its main business concern and maintains branches throughout the Country. The Bank employed 6,377 employees and 6,257 employees on 31 December 2004 and 2003 respectively.

- 1.1.1 The consolidated and the Bank's financial statements are prepared in accordance with the announcements of the Bank of Thailand dated May 10, 2001 prescribing the forms of balance sheets and profit and loss account of commercial banks, for the consistent with Accounting Standard issued under the Accounting Act 2000 and in accordance with the Thai generally accepted accounting principles.
- 1.1.2 The consolidated and the Bank financial statements record the investment in subsidiary and associated companies at equity method.
- 1.1.3 The Bank's financial statements comprised of accounts of the head office, of all domestic and foreign branch and the Bangkok International Banking Facilities after netting of all interbranch items.

The consolidated financial statements for the accounting for the year ended December 31, 2004 includes the financial figures of Scib Services Co., Ltd., Max Life Assurance Co., Ltd. (formerly Metropolitan Life Assurance Co., Ltd.), Siam City Securities Co., Ltd. (formerly Yuanta Securities (Thailand) Co., Ltd.) and Siam City Asset Management Co., Ltd. in which the bank holds over 50 % of their paid up capital after netting of interoffice items and relevant balances, but excludes those of Chada Thong Property Co., Ltd. Siam City I.T. Co., Ltd., Crown Development Co., Ltd. in which the bank holds over 50 % of their paid up capital. This is due to the fact that the latter three companies have been terminated and are in the process of liquidation.

The consolidated financial statements for the accounting for the year ended December 31, 2003 includes the financial figures of Scib Services Co., Ltd., Max Life Assurance Co., Ltd. (formerly Metropolitan Life Assurance Co., Ltd.) and Siam City Securities Co., Ltd. (formerly Yuanta Securities (Thailand) Co., Ltd.) in which the bank to hold over 50 % of their paid up capital after netting of interoffice items and relevant balances, but excludes those of Chada Thong Property Co., Ltd., Siam City I.T. Co., Ltd., Crown Development Co., Ltd. in which the bank to hold over 50 % of their paid up capital. This is due to the fact that the latter three companies have been terminated and are in the process of liquidation.

The financial positions and operating results of subsidiary companies for the year ended December 31, 2004 and for the year ended December 31, 2003 are exhibited in notes to the financial statements, item 2.3.7.

- 1.1.4 On April 1, 2002, the Bank assumed all assets and liabilities as well as contingent items of Bangkok Metropolitan Bank PCL. at book value as of March 31, 2002 in a takeover as stated in notes to financial statements, item 2.15 and 2.30.
- 1.1.5 Some items in the financial statements as at December 31, 2003 have been rearranged to enable a clear comparison with those in the financial statements for the year ended December 31, 2004.

## 1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 1.2.1 Recognition of Interest Income

Interest income is recognized on accrual basis except where loans are three months or more overdue, whether or not covered by collateral, a cash basis is adopted in compliance with the regulations of the Bank of Thailand.

### 1.2.2 Recognition of Interest Expenses

Interest expenses are recognized on accrual basis.

### 1.2.3 Loans

Loans under overdraft agreements are shown inclusive of interest while only principals are shown under other loans and bills receivable. Discounts received in advances on bills receivable are to deduct from the principal amounts.

### 1.2.4 Allowance for Doubtful Accounts

The Bank provides an allowance for doubtful accounts by analyzing individual accounts based on loan collectibility and existing collaterals in accordance with the Commercial Bank Act and guidelines issued by Bank of Thailand. Bad loans were charged against “allowance for doubtful accounts”. Bad debts recovered were credited to “allowance for doubtful accounts”.

### 1.2.5 Debt Restructuring

The Bank has set a method to determine losses of outstanding balances in debtors’ new accounts by taking assets, conversion of debts into equities of outstanding at fair value of those assets. Any adjustment on repayment conditions is based on the present value of principal amount plus accrued interest prior to restructuring. Any difference between the present value expected to be received and the investment amount for the debtors are to be recorded as provision for debt restructuring and to be writing off from the income statements over the period of restructuring agreement.

### 1.2.6 Investment

#### Classification and Evaluation of Investment.

The Bank has Classified and valued its investment in marketable debt and equity instruments. Intended to be held no longer than one year as temporary investment held or trade and available-for-sale are stated at fair value. Debt instruments held to maturity within one year are stated at amortized cost. Non-marketable equity instruments are classified as general investments are stated at cost less allowance for diminution value. (if any).

Investments intended to hold for longer than one year are classified as long-term investments consisting of marketable debt and equity instruments held for “available-for-sale” purposes and stated at fair value, debt instruments held to maturity and stated at amortized cost and general investments in non-marketable equity instruments stated at cost less allowance for diminution value. (if any).

Unrealized gain or loss from valuation of securities of trade is recognized in the statements of income. Unrealized gain or loss from valuation of “available-for-sale” securities is recognized separately in the shareholder’s equity until the securities are sold after which the gain or loss will be recorded in the statements of income.

The Bank undertakes assessment for diminution value of investment, when there are indicative signs of continued decrease in the book value of investment, taking into consideration the operating outcomes of the businesses in which the Bank invested. The declining value of investment would be recorded as loss from diminution value of investment in the statement of incomes.

Cost of investments sold is calculated using the weighted average basis.

Investments in subsidiary and associated companies are recorded by equity method. and realized loss from subsidiary and associated companies for not more than the value of investments in those companies. If the subsidiary and associated companies subsequently become profitable, the Bank will record the profit only after the profit is greater than the loss which has never been realized in the financial statements. Temporary investments in subsidiaries with fixed terms and conditions are stated at cost.

### **The Valuation of fair value of securities**

Marketable debt instruments are valued at fair value by using the latest bids quoted at the end of trading period of the Stock Exchange of Thailand. Debt instruments traded at Thai Bond Dealing Club stated at the latest bids quoted at the club. Other debt instruments are stated at the rate of return for government bonds calculated by Thai Bond Dealing Club plus an appropriate risk premium.

Debt instruments to be held until maturity of which principal repayment or interest payment can not be collected either in part or in full, the diminution in value is calculated by using actual interest rate to determine the present value.

Marketable equity instruments are calculated by basing on the latest bids of the last trading day of period of the Stock Exchange of Thailand.

#### **1.2.7 Translation of Foreign Currencies**

**Assets and liabilities in foreign currencies and transactions under forward exchange contracts or currency swap contracts** are translated into Baht at the rates of exchange on the date of transactions. Assets and liabilities in foreign currencies and transactions under forward exchange contracts or currency swap contracts outstanding at the end of period are translated into Baht at the mid-rate of exchange prescribed by the Bank of Thailand on that date. Exchange gains or losses arising from such translation are included in the statement of income.

**Translation of figures in foreign currency on financial statements** Financial Statement figures of branches abroad are expressed in U.S. dollars. Assets and liabilities expressed in foreign currency are converted into Baht at an exchange rate fixed by Bank of Thailand on the last day of the accounting period. Items for income and expenses on the profit and loss statement are converted at the daily exchange rate of the transaction date. Any gain or loss occurred from the conversion of U.S. currency in the branch financial statements into Baht was booked under the item cumulative translation adjustment in the Statements of Change in Shareholder's Equity.

#### **1.2.8 Land, Building, Equipment and Depreciation.**

Land, Building, and equipment are shown at original costs. Depreciation and amortization are computed by the straight - line method at the rates of 3% for buildings and 10% for equipment and the rates of 5% for buildings and 20% for equipment since 1<sup>st</sup> January 1998.

Increased values of lands and buildings from revaluation are recorded with surplus on fixed asset revaluation as shown in the shareholders' equity. If the values of revalued lands and buildings are in a decline and are recognized as expenditure in the preceding period, the increased amount from revaluation would be immediately recognized as income in an amount not exceeding the decreased amount which is recognized as expenditure in the preceding period.

Decreased values of lands and buildings from revaluation would be immediately recognized as expenditure. If the values of lands and buildings are in a rise and there is still surplus on fixed asset revaluation in the shareholders' equity, the decreased amount would be deducted from surplus on fixed asset revaluation in an amount not exceeding the increased amount of revaluation of the same kinds of assets. The excessive amount would be immediately recognized as expenditure.

Depreciation of the revalued buildings is computed by the straight-line method over the remaining useful lives as recorded in the statements of Income. Surplus on fixed asset revaluation is transferred to the statements of retained earnings in an amount equal to depreciation of the revalued buildings.

In case of disposing or discontinuing the use of land and buildings after revaluation, the surplus on fixed assets revaluation in the shareholders equity will be transferred to retained earnings.

In 1992, the Bank undertook revaluation of lands basing on the Department of Land's appraisal value, while buildings were appraised by an appraiser approved by the Bank of Thailand.

In December 1999 and 2002, lands and buildings were appraised by a value as approved by SEC by using the cost approach method.

It is a policy of the Bank to undertake revaluation of lands and buildings every 3-5 years. Should there be indications of diminution in asset value, revaluation would be performed immediately to realize loss on such diminution.

#### **1.2.9 Properties Foreclosed**

Properties foreclosed are stated at acquisition cost minus reserve for declining in value which is the Bank of Thailand. Diminution in value is recorded as a loss on diminution value on properties foreclosed in the Statement of Income.

#### **1.2.10 Leaseholds Rights**

Leaseholds rights are amortized on straight-line basis in accordance with contract life, which terms ranging from 1 to 30 years.

#### **1.2.11 Treasury Stock**

The Bank's subsidiaries purchased the Bank's available-for-sale securities as temporary investment. In auditing the consolidated Balance Sheets, the Bank would adjust by writing off the investment in ordinary shares held by subsidiaries as its own account by including the repurchased share capital as being deducted from the Shareholders' Equity.

#### **1.2.12 Financial Tools**

The Bank has managed exchange risks by maintaining net foreign currencies positions in accordance with the valuation method approved by the Bank's policy and Bank of Thailand's guidelines. Sales contracts for financial investments in derivative are expressed in foreign currencies for the protection against risks in exchange rate interests rate fluctuations and service for customer.

Values of derivative contracts are recorded off-balance sheet. In case of interest income and interest expense in some contracts, interest is recognized on time basis in taking into account the actual returns. Interest expense is recognized on accrual basis. In case of fees received or paid in advance, income and expense are recognized on straight - line basis over all contracts' lives in the statements of income.

#### **1.2.13 Provident Fund**

On June 27, 1990 the Bank registered its provident fund under Provident Fund Act 1987 and transferred the provident fund set up under the Ministerial Regulation No.162 (1983) to this fund. Under the plan, permanent employees are eligible to become members of the fund. Contributions to the fund are made by both members and the Bank to the Provident Fund at rates ranging from 3 - 10% depending on the employment duration of each employee and under the fund regulations. Members are entitled to these contributions in case of their death, retirement or dissolution of the Bank.

#### **1.2.14 Primary Earnings (Loss) per Share**

Primary earnings (loss) per share shown in financial statements are computed by dividing net income (loss) by weighted average ordinary shares that issued and fully paid-up share capital in the period.

#### **1.2.15 Cash and Cash Equivalent**

Cash and cash equivalent includes cash on hand and cash in process of collection which refers to demand bills and draft for collection and clearing cheques.

#### **1.2.16 Income Tax**

Tax expenses consist of taxes in the present period which are computed as stipulated in the revenue code.

### 1.2.17 Accounting forecast

In auditing the balance sheets in accordance with the generally accepted accounting principles, the Bank and its subsidiaries use the projection and different assumptions, which affect the amount of incomes, expenditures, assets and liabilities as well as disclosure of information on assets and liabilities. Actual results may differ from the estimates.

## 2. SUPPLEMENTARY INFORMATION

### 2.1 Interbank and Money Market Items

Amount : Million Baht

Consolidated financial statements						
December 31, 2004			December 31, 2003			
	At Call	Term	Total	At Call	Term	Total
<b>Domestic</b>						
The Bank of Thailand and the Financial Institutions Development Fund	330.47	-	330.47	3,696.64	588.48	4,285.12
Commercial banks	501.23	360.05	861.28	145.25	435.89	581.14
Other banks	0.62	-	0.62	0.82	-	0.82
Finance, finance and securities, securities and credit foncier companies	-	109.80	109.80	-	100.00	100.00
Other financial institutions	-	-	-	-	75.00	75.00
Total Domestic	832.32	469.85	1,302.17	3,842.71	1,199.37	5,042.08
<u>Add</u> Accrued interest receivables	-	0.31	0.31	-	0.39	0.39
	832.32	470.16	1,302.48	3,842.71	1,199.76	5,042.47
<u>Less</u> Allowance for doubtful accounts	-	(10.80)	(10.80)	-	(5.36)	(5.36)
Total	832.32	459.36	1,291.68	3,842.71	1,194.40	5,037.11
<b>Foreign</b>						
US Dollar	798.24	97.67	895.91	812.38	963.50	1,775.88
Japanese Yen	196.79	-	196.79	123.42	-	123.42
Other currencies	431.46	-	431.46	310.50	-	310.50
Total Foreign	1,426.49	97.67	1,524.16	1,246.30	963.50	2,209.80
<u>Add</u> Accrued interest receivables	0.09	-	0.09	0.05	0.30	0.35
Total	1,426.58	97.67	1,524.25	1,246.35	963.80	2,210.15
Total Domestic and Foreign	2,258.90	557.03	2,815.93	5,089.06	2,158.20	7,247.26

Amount : Million Baht

## The Bank's financial statements

	December 31, 2004			December 31, 2003		
	At Call	Term	Total	At Call	Term	Total
<b>Domestic</b>						
The Bank of Thailand and the Financial Institutions Development Fund	330.47	-	330.47	3,696.64	588.48	4,285.12
Commercial banks	244.47	-	244.47	111.92	435.84	547.76
Other banks	0.62	-	0.62	0.82	-	0.82
Finance, finance and securities, securities and credit foncier companies	-	100.00	100.00	-	100.00	100.00
Total Domestic	575.56	100.00	675.56	3,809.38	1,124.32	4,933.70
<u>Add</u> Accrued interest receivables	-	0.30	0.30	-	0.39	0.39
	575.56	100.30	675.86	3,809.38	1,124.71	4,934.09
<u>Less</u> Allowance for doubtful accounts	-	(1.00)	(1.00)	-	(5.36)	(5.36)
Total	575.56	99.30	674.86	3,809.38	1,119.35	4,928.73
<b>Foreign</b>						
US Dollar	798.24	97.67	895.91	812.38	963.50	1,775.88
Japanese Yen	196.79	-	196.79	123.42	-	123.42
Other currencies	431.46	-	431.46	310.50	-	310.50
Total Foreign	1,426.49	97.67	1,524.16	1,246.30	963.50	2,209.80
<u>Add</u> Accrued interest receivables	0.09	-	0.09	0.05	0.30	0.35
Total	1,426.58	97.67	1,524.25	1,246.35	963.80	2,210.15
Total Domestic and Foreign	2,002.14	196.97	2,199.11	5,055.73	2,083.15	7,138.88

## 2.2 Securities Purchased under Resale Agreements

Amount : Million Baht

Consolidated and the  
Bank's financial statements

	December 31, 2004	December 31, 2003
Government Bonds and the Bank of Thailand Bonds	17,600.00	10,000.00



## 2.3 Investments

Amount : Million Baht

	Consolidated financial statements			
	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
<b>2.3.1 Temporary Investment</b>				
Securities for Trading				
Private debt instruments	100.24	100.27	521.50	502.88
Marketable equity securities - domestic	303.85	293.50	1,770.14	1,906.25
Total	404.09	393.77	2,291.64	2,409.13
Add (less) Allowance for revaluation of investments	(10.32)	-	117.49	-
Total	393.77	393.77	2,409.13	2,409.13
Available for sale Securities				
Government and state enterprise securities	24.96	24.95	-	-
Private debt instruments	114.45	114.37	-	-
Total	139.41	139.32	-	-
Less Allowance for revaluation of investments	(0.09)	-	-	-
Total	139.32	139.32	-	-
Debt Instruments held to maturity				
Government and state enterprise securities	18,134.16		10.00	
Private debt instruments	377.54		61.51	
Foreign debt instruments	-		-	
Total	18,511.70		71.51	
General Investment				
Investments in debtors	-		140.86	
Total	-		140.86	
Total Temporary Investment - net	19,044.79		2,621.50	

Amount : Million Baht

	The Bank's financial statements			
	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
<b>Temporary Investment</b>				
Securities for Trading				
Private debt instruments	-	-	521.50	502.88
Marketable equity securities - domestic	160.54	155.26	1,642.94	1,767.05
Total	160.54	155.26	2,164.44	2,269.93
Add (less) Allowance for revaluation of investments	(5.28)	-	105.49	-
Total	155.26	155.26	2,269.93	2,269.93

Amount : Million Baht

The Bank's financial statements

	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
Available for sale Securities				
Government and state enterprise securities	4.99	4.99	-	-
Private debt instruments	49.67	49.60	-	-
Total	54.66	54.59	-	-
<u>Less</u> Allowance for revaluation of investments	(0.07)	-	-	-
Total	54.59	54.59	-	-
Debt Instruments held to maturity				
Government and state enterprise securities	17,578.74		-	
Private debt instruments	377.54		60.00	
Foreign debt instruments	-		-	
Total	17,956.28		60.00	
General Investment				
Investments in debtors	-		140.86	
Total	-		140.86	
Total Temporary Investment - net	18,166.13		2,470.79	

On December 31, 2003 regarding investment in debtors Baht 140.86 million, the bank has acquired accounts receivable from foreign financial institutions.

Amount : Million Baht

Consolidated financial statements

	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
<b>2.3.2 Long - term Investment</b>				
Available for sale Securities				
Government and state enterprise securities	13,709.49	14,234.51	48,880.40	52,021.18
Private debt instruments	653.56	630.17	816.07	791.03
Foreign debt instruments	-	-	1,366.30	1,450.24
Marketable equity securities - domestic	6,360.44	6,014.20	4,255.55	4,686.86
Marketable equity securities - foreign	41.02	54.69	41.60	88.16
Total	20,764.51	20,933.57	55,359.92	59,037.47
<u>Add</u> Allowance for revaluation of investments	169.06	-	3,677.55	-
Total	20,933.57	20,933.57	59,037.47	59,037.47

Amount : Million Baht

Consolidated financial statements				
	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
Debt Instruments held to maturity				
Government and state enterprise securities	31,521.62		6,669.00	
Private debt instruments	8,950.23		3,575.33	
Foreign debt instruments	1,734.45		23,285.38	
Total	42,206.30		33,529.71	
<u>Less</u> Allowance for diminution in value	-		(17.33)	
Total	42,206.30		33,512.38	
General investment				
Non - Marketable equity securities - Domestic	4,751.09		4,985.43	
Non - Marketable equity securities - Foreign	38.39		37.45	
Investments in debtors	2,198.50		2,198.50	
Total	6,987.98		7,221.38	
Long - term Investment - Net	70,127.85		99,771.23	

Amount : Million Baht

The Bank's financial statements				
	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
<b>Long - term Investment</b>				
Available for sale Securities				
Government and state enterprise securities	13,709.49	14,234.51	48,880.40	52,021.18
Private debt instruments	622.72	599.27	816.07	791.03
Foreign debt instruments	-	-	1,366.30	1,450.24
Marketable equity securities - domestic	6,181.96	5,822.06	4,215.55	4,644.46
Marketable equity securities - foreign	41.02	54.69	41.60	88.16
Total	20,555.19	20,710.53	55,319.92	58,995.07
<u>Add</u> Allowance for revaluation of investments	155.34	-	3,675.15	-
Total	20,710.53	20,710.53	58,995.07	58,995.07

Amount : Million Baht

The Bank's financial statements

	December 31, 2004		December 31, 2003	
	Cost/Amortized Cost	Fair Value	Cost/Amortized Cost	Fair Value
Debt Instruments held to maturity				
Government and state enterprise securities	31,050.56		6,119.58	
Private debt instruments	8,317.74		3,269.96	
Foreign debt instruments	1,734.45		23,285.38	
Total	41,102.75		32,674.92	
Less Allowance for diminution in value	-		(17.33)	
Total	41,102.75		32,657.59	
General investment				
Non - Marketable equity securities - Domestic	4,713.17		4,849.64	
Non - Marketable equity securities - Foreign	38.39		37.45	
Investments in debtors	2,198.50		2,198.50	
Total	6,950.06		7,085.59	
Long - term Investment - Net	68,763.34		98,738.25	

As for the year ending December 31, 2004, the Bank transferred investments as follows:

- Long-term investment from available-for-sale to be securities for trading in the form of equity securities according to demand of the domestic market in the amount of Baht 0.90 million with fair value of Baht 0.84 million at the transfer date. Loss from this transfer amounted to Baht 0.06 million.
- Temporary investment from private debt instruments for trade to held to maturity was stated at cost at Baht 201.41 million and at fair value at Baht 193.38 million Loss from transfer of investment items accounted for Baht 8.03 million.
- Temporary investment from trading to be available-for-sale securities in the form of equity securities according to demand of the domestic market in the amount of Baht 1,399.70 million with fair value of Baht 1,353.51 million at the transfer date. Loss from this transfer amounted to Baht 46.19 million.
- Long-term investment from available-for-sale in the forms of Government and State Enterprise debt instruments held to maturity, which accounted for Baht 27,391.18 million at the transfer date with fair value of Baht 28,426.06 million and surplus from change in value of investment fund of Baht 1,034.88 million.
- Long-term investment from available for sale in the form of foreign debt instruments to debt instruments held to maturity. The cost of investment as of the date of transfer was Baht 1,204.96 million, with the fair value at Baht 1,209.89 million and capital surplus from change in investment value at Baht 4.93 million.

On December 31, 2004, the Bank's long-term investment in foreign debt instruments held to maturity accounted, comprising Baht 1,734.45 million for debt instruments held to maturity of over five years maturity. The rate of return ranged from 8.54%.

On December 31, 2004 regarding investment in debtors Baht 2,198.50 million, the bank has acquired accounts receivable from a company.

On December 31, 2004, the Bank has investment received as debt repayment from 10 restructured debtors. The cost of ordinary share was Baht 1,491.94 million with the book value at Baht 889.49 million.

On December 31, 2003, investment of the Bank in Mutual Funds amounted to Baht 5,400 million, comprising Baht 1,400 million for temporary investment for trading and Baht 4,000 million for long-term available for-sale investment. The Bank recognized earnings from investment adjustment in an amount of Baht 90.68 million in the profit of revaluation and recognized surplus for change in investment in an amount of Baht 259.08 million.

On December 31, 2003, the Bank's investment in foreign debt instruments held to maturity accounted for Baht 23,285.38 million, comprising Baht 15,405.87 million for debt instruments of one to five years maturity and Baht 7,879.51 million for debt instruments of over five years maturity. The rate of return ranged from 2.68% to 9.29%.

On December 31, 2003 regarding investment in debtors Baht 2,198.50 million, the bank has acquired accounts receivable from a company.

On December 31, 2003, the Bank has investment received as debt repayment from 15 restructured debtors as follows: Baht 1,691.94 million ordinary shares (book value Baht 977.73 million) and Baht 1,279.93 million in bonds (book value Baht 389.73 million).

On December 31, 2004 and 2003, the Bank has Government and State Enterprise bonds under obligation as follows:

Amount : Million Baht

	Consolidated financial statements	
	December 31, 2004	December 31, 2003
Government and State Enterprise bonds		
- Placed at Court of Justice in order to alleviate legal execution	9.08	9.08
- Placed as guarantee with the registrar	20.00	20.00
- Placed as allowance for insurance	110.00	9.00
- Placed for extension of loans in local branches	5,000.00	-
- Pledged Bonds as Collateral against Interest Rate Swap	273.60	-
Total	5,412.68	38.08

Amount : Million Baht

	The Bank's financial statements	
	December 31, 2004	December 31, 2003
Government and State Enterprise bonds		
- Placed at Court of Justice in order to alleviate legal execution	9.08	9.08
- Placed for extension of loans in local branches	5,000.00	-
Total	5,009.08	9.08

### 2.3.3 Debt instrument maturities

Amount : Million Baht

	Consolidated financial statements			
	December 31, 2004			Total
	1 Year	Over 1 Year - 5 Year	Over 5 Year	
Investment available-for-sale				
Government and state enterprise securities	24.96	13,709.49	-	13,734.45
Private debt instruments	114.45	264.33	389.23	768.01
Total	139.41	13,973.82	389.23	14,502.46
<u>Add</u> (less) Allowance for revaluation of investments	(0.09)	521.92	(20.29)	501.54
Total	139.32	14,495.74	368.94	15,004.00
Debt instruments held to maturity				
Government and state enterprise securities	18,134.16	1,083.01	30,438.61	49,655.78
Private debt instruments	377.54	7,925.17	1,025.06	9,327.77
Foreign debt instruments	-	-	1,734.45	1,734.45
Total	18,511.70	9,008.18	33,198.12	60,718.00
Total Debt Instruments	18,651.02	23,503.92	33,567.06	75,722.00

Amount : Million Baht

	Consolidated financial statements			
	December 31, 2003			Total
	1 Year	Over 1 Year - 5 Year	Over 5 Year	
Investment available-for-sale				
Government and state enterprise securities	1,365.62	14,613.03	32,901.75	48,880.40
Private debt instruments	-	225.13	590.94	816.07
Foreign debt instruments	-	198.11	1,168.19	1,366.30
Total	1,365.62	15,036.27	34,660.88	51,062.77
<u>Add</u> Allowance for revaluation of investments	8.14	1,399.69	1,791.85	3,199.68
Total	1,373.76	16,435.96	36,452.73	54,262.45
Debt instruments held to maturity				
Government and state enterprise securities	10.00	3,225.58	3,443.42	6,679.00
Private debt instruments	61.51	2,390.83	1,184.50	3,636.84
Foreign debt instruments	-	15,405.87	7,879.51	23,285.38
Total	71.51	21,022.28	12,507.43	33,601.22
<u>Less</u> Allowance for diminution in value	-	(17.33)	-	(17.33)
Total	71.51	21,004.95	12,507.43	33,583.89
Total Debt Instruments	1,445.27	37,440.91	48,960.16	87,846.34

Amount : Million Baht

The Bank's financial statements				
December 31, 2004				
	1 Year	Over 1 Year - 5 Year	Over 5 Year	Total
Investment available-for-sale				
Government and state enterprise securities	4.99	13,709.49	-	13,714.48
Private debt instruments	49.67	233.49	389.23	672.39
Total	54.66	13,942.98	389.23	14,386.87
<u>Add</u> (less) Allowance for revaluation of investments	(0.07)	521.86	(20.29)	501.50
Total	54.59	14,464.84	368.94	14,888.37
Debt instruments held to maturity				
Government and state enterprise securities	17,578.74	1,083.01	29,967.55	48,629.30
Private debt instruments	377.54	7,444.76	872.98	8,695.28
Foreign debt instruments	-	-	1,734.45	1,734.45
Total	17,956.28	8,527.77	32,574.98	59,059.03
Total Debt Instruments	18,010.87	22,992.61	32,943.92	73,947.40

Amount : Million Baht

The Bank's financial statements				
December 31, 2003				
	1 Year	Over 1 Year - 5 Year	Over 5 Year	Total
Investment available-for-sale				
Government and state enterprise securities	1,365.62	14,613.03	32,901.75	48,880.40
Private debt instruments	-	225.13	590.94	816.07
Foreign debt instruments	-	198.11	1,168.19	1,366.30
Total	1,365.62	15,036.27	34,660.88	51,062.77
<u>Add</u> Allowance for revaluation of investments	8.14	1,399.69	1,791.85	3,199.68
Total	1,373.76	16,435.96	36,452.73	54,262.45
Debt instruments held to maturity				
Government and state enterprise securities	-	3,225.58	2,894.00	6,119.58
Private debt instruments	60.00	2,204.43	1,065.53	3,329.96
Foreign debt instruments	-	15,405.87	7,879.51	23,285.38
Total	60.00	20,835.88	11,839.04	32,734.92
<u>Less</u> Allowance for diminution in value	-	(17.33)	-	(17.33)
Total	60.00	20,818.55	11,839.04	32,717.59
Total Debt Instruments	1,433.76	37,254.51	48,291.77	86,980.04

### 2.3.4 Investments of over 10% of share in the other companies :

Amount : Million Baht

	Consolidated and the Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Cost	Allowance for diminution in value	at Book value	Cost	Allowance for diminution in value	at Book value
Industrial group	500.06	457.01	43.05	500.06	457.01	43.05
Commercial group	3.50	3.50	-	3.50	3.50	-
Communications group	-	-	-	3.00	3.00	-
Banking and financial business group	41.00	21.00	20.00	66.00	46.00	20.00
Property development group	297.21	297.21	-	297.21	297.21	-
Assurance group	-	-	-	15.90	5.05	10.85
Service group	109.15	109.15	-	109.15	109.15	-
Total	950.92	887.87	63.05	994.82	920.92	73.90

### 2.3.5 Investments in finance institutions which were permanently closed are as follows :

Amount : Million Baht

	Consolidated and the Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Cost	Allowance for diminution in value	at Book value	Cost	Allowance for diminution in value	at Book value
Debentures	170.98	170.98	-	170.98	170.98	-
Bill of exchange	2,700.11	2,700.11	-	2,700.11	2,700.11	-
Total	2,871.09	2,871.09	-	2,871.09	2,871.09	-

Investments (at cost) for an amount of Baht 2,871.09 million are in the receiver's liquidation process.

### 2.3.6 Investments in Listed Companies which are being delisted from SET

For the year ended December 31, 2004, one company in which the Bank invested in the ordinary shares was delisted from the SET and one another company was able to return to the normal trading and one another company, the Bank could sell its ordinary shares with profit of Bath 0.52 million.

On December 31, 2004, investments of the Bank in the ordinary shares of 5 listed companies, which are being delisted from SET accounted for Baht 224.93 million in the cost of capital of Baht 5.32 million in the book value.

On December 31, 2003, investments of the Bank in the ordinary shares of 8 listed companies, which are being delisted from SET accounted for Baht 279.17 million in the cost of capital of Baht 6.26 million in the book value.



### 2.3.7 Investments in subsidiaries and associated companies

Amount : Million Baht

			Consolidated financial statements					
			December 31, 2004			December 31, 2003		
Subsidiaries and associated companies	Type of Business	Type of Securities	%	Investment	Investment	%	Investment	Investment
				at cost	at Book value		at cost	at Book value
Crown Development Co., Ltd.	Real Estates Development	Ordinary shares	100.00	94.06	-	100.00	94.06	-
The Chada Thong Properties Co., Ltd.	Real Estates Development	Ordinary shares	70.00	0.70	-	70.00	0.70	-
Siam City I.T. Co., Ltd.	Computer consultant	Ordinary shares	100.00	4.40	-	100.00	4.40	-
SCIB Service Co., Ltd.	Service	Ordinary shares	100.00	0.10	-	99.40	0.10	-
Siam City Factoring Co., Ltd.	Factoring	Ordinary shares	-	-	-	48.16	86.69	-
Siam Sumsung Life Insurance Co., Ltd.	Life Insurance	Ordinary shares	25.00	125.00	110.29	25.00	125.00	117.04
Siam City Insurance Co., Ltd.	Insurance	Ordinary shares	45.50	31.57	55.70	45.50	31.57	41.94
Max Assurance Co., Ltd.	Life Insurance	Ordinary shares	100.00	526.26	-	100.00	526.26	-
Siam City Securities Co., Ltd.	Securities	Ordinary shares	99.79	2,074.74	-	99.77	577.84	-
Siam City Asset Management	Securities	Ordinary shares	100.00	100.00	-	-	-	-
Total				2,956.83	165.99		1,446.62	158.98
<u>Less</u> Allowance for diminution in value				(99.16)	-		(185.85)	-
Investments in subsidiaries and associated companies - Net				2,857.67	165.99		1,260.77	158.98

Amount : Million Baht

			The Bank's financial statements					
			December 31, 2004			December 31, 2003		
Subsidiaries and associated companies	Type of Business	Type of Securities	%	Investment	Investment	%	Investment	Investment
				at cost	at Book value		at cost	at Book value
Crown Development Co., Ltd.	Real Estates Development	Ordinary shares	100.00	94.06	-	100.00	94.06	-
The Chada Thong Properties Co., Ltd.	Real Estates Development	Ordinary shares	70.00	0.70	-	70.00	0.70	-
Siam City I.T. Co., Ltd.	Computer consultant	Ordinary shares	100.00	4.40	-	100.00	4.40	-
SCIB Service Co., Ltd.	Service	Ordinary shares	100.00	0.10	6.77	99.40	0.10	7.12
Siam City Factoring Co., Ltd.	Factoring	Ordinary shares	-	-	-	48.16	86.69	-
Siam Sumsung Life Insurance Co., Ltd.	Life Insurance	Ordinary shares	25.00	125.00	110.29	25.00	125.00	117.04
Siam City Insurance Co., Ltd.	Insurance	Ordinary shares	45.50	31.57	55.70	45.50	31.57	41.94
Max Assurance Co., Ltd.	Life Insurance	Ordinary shares	100.00	526.26	518.10	100.00	526.26	593.59
Siam City Securities Co., Ltd.	Securities	Ordinary shares	99.79	2,074.74	2,097.28	99.77	577.84	548.74
Siam City Asset Management	Securities	Ordinary shares	100.00	100.00	76.91	-	-	-
Total				2,956.83	2,865.05		1,446.62	1,308.43
<u>Less</u> Allowance for diminution in value				(99.16)	-		(185.85)	-
Investments in subsidiaries and associated companies - Net				2,857.67	2,865.05		1,260.77	1,308.43

The Crown Development Co., Ltd., the Chada Thong Properties Co.,Ltd. and the Siam City I.T. Co.,Ltd. ceased operations and were in the process of being dissolved. The Bank recognized losses from diminution in value of investments in these companies.

The financial positions and operating results, for the year ended December 31, 2004 and 2003 are as follows :

**SCIB Service Company Limited**

Amount : Million Baht

	December 31, 2004	December 31, 2003
Assets	37.95	18.23
Liabilities	31.18	11.06
Paid-up share capital	0.10	0.10
Retained Earnings	6.70	7.06
Shareholders' Equity	6.77	7.16
Net profit for the year	1.64	3.64

**Max Life Assurance Company Limited (formerly BMB Life Assurance Company Limited)**

Amount : Million Baht

	December 31, 2004	December 31, 2003
Assets	1,981.71	1,170.86
Liabilities	1,471.96	586.01
Paid-up share capital	500.00	500.00
Retained Earnings (Dificit)	(3.95)	82.45
Shareholders' Equity	509.75	584.85
Net profit (loss) for the year	(86.40)	70.12

**Siam City Securities company Limited (formerly Yuanta Securities (Thailand) Company Limited)**

Amount : Million Baht

	December 31, 2004	December 31, 2003
Assets	2,132.44	717.09
Liabilities	85.73	244.10
Paid-up share capital	2,000.00	500.00
Retained Earnings (Dificit)	(13.27)	(95.76)
Shareholders' Equity	2,046.71	472.99
Net profit for the year	82.49	19.28

## Siam City Asset Management

Amount : Million Baht

	December 31, 2004
Assets	80.05
Liabilities	3.14
Paid-up share capital	100.00
Deficit	(23.16)
Shareholders' Equity	76.91
Net loss for the year	(23.16)

### 2.4 Loans and accrued interest receivables

#### 2.4.1 Classified by Type of Loans

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Overdrafts	17,334.13	15,644.48	17,338.26	15,645.26
Loans	140,619.78	96,637.94	140,532.68	96,637.94
Bills	47,201.70	40,024.71	47,201.70	39,927.69
Bills of Sukhumvit Asset Management	122,683.79	169,832.37	122,683.79	169,832.37
Others	6,105.59	330.20	6,105.59	329.99
Total	333,944.99	322,469.70	333,862.02	322,373.25
<u>Less</u> unearned discount on bills	(46.53)	(55.15)	(46.53)	(55.15)
Total	333,898.46	322,414.55	333,815.49	322,318.10
<u>Add</u> Accrued interest receivables	1,066.88	893.92	1,066.59	893.66
Interest receivables Sukhumvit Asset Management	1,105.11	2,044.89	1,105.11	2,044.89
Total	336,070.45	325,353.36	335,987.19	325,256.65
<u>Less</u> Allowance for doubtful accounts	(8,247.91)	(8,856.63)	(8,195.14)	(8,801.75)
Allowance for loss from debt restructuring	(2,310.71)	(2,694.17)	(2,310.71)	(2,694.17)
Total	325,511.83	313,802.56	325,481.34	313,760.73

On May 7, 2004, Petchburi Asset Management Co., Ltd. (PAMC), transferred its businesses to Sukhumvit Asset Management Co., Ltd. (SAM), as mentioned in 2.29.3 of Notes to the Financial Statements, resulting that all items under PAMC became those of SAM.

On December 31, 2004, the Bank received promissory note from the Sukhumvit Asset Management Co., Ltd. (SAM) of Baht 122,683.79 million plus Baht 1,105.11 million accrued interest receivable totaling of Baht 123,788.90 million deriving from transfer of non - performing loans as mentioned in 2.29 of notes to the Financial Statements. The promissory notes consist of 8 promissory notes issued by Sukhumvit Asset Management Co., Ltd. with the aval of the FIDF with due date during June 30,

2005 - June 30, 2006. Interest payment is every 6 months at the rate of weighted average cost of capital of all types of deposit plus cost of contribution paid to the FIDF,

For the year ended December 31, 2004, the Sukhumvit Asset Management Co., Ltd. (SAM), made the prepayment for the promissory notes before due date, paid Baht 3,148.58 million. The FIDF, with its aval for promissory notes, paid Bath 44,000 million on due date of 2 promissory notes, and the Sukhumvit Asset Management Co., Ltd. made interest payment for promissory notes for the period of January 2004 - June 2004 in an amount of Baht 1,603.46 million.

#### 2.4.2 Classified by Maturity of Contracts

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Within 1 year	126,010.37	114,491.62	125,927.40	114,395.17
Over 1 year	207,934.62	207,978.08	207,934.62	207,978.08
Total	333,944.99	322,469.70	333,862.02	322,373.25
<u>Less</u> unearned discount on bills	(46.53)	(55.15)	(46.53)	(55.15)
Total	333,898.46	322,414.55	333,815.49	322,318.10
Accrued interest receivables	2,171.99	2,938.81	2,171.70	2,938.55
Total	336,070.45	325,353.36	335,987.19	325,256.65

#### 2.4.3 Classified by Currencies and Residence of Debtors

Amount : Million Baht

	Consolidated financial statements					
	December 31, 2004			December 31, 2003		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	322,200.69	-	322,200.69	315,285.66	-	315,285.66
US Dollar	11,145.10	366.90	11,512.00	6,513.20	376.56	6,889.76
Other currencies	232.30	-	232.30	294.28	-	294.28
Total	333,578.09	366.90	333,944.99	322,093.14	376.56	322,469.70
<u>Less</u> unearned discount on bills	(46.53)	-	(46.53)	(55.15)	-	(55.15)
Total	333,531.56	366.90	333,898.46	322,037.99	376.56	322,414.55
Accrued interest receivables			2,171.99			2,938.81
Total			336,070.45			325,353.36

Amount : Million Baht

The Bank's financial statements

	December 31, 2004			December 31, 2003		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	322,117.72	-	322,117.72	315,189.21	-	315,189.21
US Dollar	11,145.10	366.90	11,512.00	6,513.20	376.56	6,889.76
Other currencies	232.30	-	232.30	294.28	-	294.28
Total	333,495.12	366.90	333,862.02	321,996.69	376.56	322,373.25
<u>Less</u> unearned discount on bills	(46.53)	-	(46.53)	(55.15)	-	(55.15)
Total	333,448.59	366.90	333,815.49	321,941.54	376.56	322,318.10
Accrued interest receivables			2,171.70			2,938.55
Total			335,987.19			325,256.65

2.4.4 Classified by Type of Business and Loan Classification

Amount : Million Baht

Consolidated financial statements

Debt	December 31, 2004					
	Total	Active	Special Mention	Substandard	Doubtful	Bad
Agricultural and mining	2,275.78	49.18	9.39	5.98	119.67	2,460.00
Manufacturing and commerce	68,976.97	3,561.36	384.25	6,912.74	207.60	80,042.92
Property development and construction	23,593.59	914.57	92.31	32.27	49.06	24,681.80
Infrastructure and service	62,015.59	338.21	78.83	41.69	15.80	62,490.12
Housing loans	17,616.79	408.26	214.35	168.00	161.70	18,569.10
Other	142,883.92	323.08	2,404.52	75.99	13.54	145,701.05
Total	317,362.64	5,594.66	3,183.65	7,236.67	567.37	333,944.99
<u>Less</u> unearned discount on bills	(46.53)	-	-	-	-	(46.53)
Total	317,316.11	5,594.66	3,183.65	7,236.67	567.37	333,898.46
Accrued interest receivables	2,072.98	30.67	27.59	29.28	11.47	2,171.99
Total	319,389.09	5,625.33	3,211.24	7,265.95	578.84	336,070.45

Amount : Million Baht

## Consolidated financial statements

Debt	December 31, 2003					
	Total	Active	Special Mention	Substandard	Doubtful	Bad
Agricultural and mining	1,759.86	113.35	25.08	13.20	100.70	2,012.19
Manufacturing and commerce	57,086.73	3,786.25	317.00	6,886.81	214.03	68,290.82
Property development and construction	15,361.23	320.25	45.27	130.89	0.39	15,858.03
Infrastructure and service	42,155.94	286.53	76.63	365.97	4.71	42,889.78
Housing loans	12,112.32	363.40	128.67	87.35	68.05	12,759.79
	180,348.55	186.80	34.12	33.91	55.71	180,659.09
Total	308,824.63	5,056.58	626.77	7,518.13	443.59	322,469.70
<u>Less</u> unearned discount on bills	(55.15)	-	-	-	-	(55.15)
Total	308,769.48	5,056.58	626.77	7,518.13	443.59	322,414.55
Accrued interest receivables	2,850.71	26.80	8.11	49.49	3.70	2,938.81
Total	311,620.19	5,083.38	634.88	7,567.62	447.29	325,353.36

Amount : Million Baht

## The Bank's financial statements

Debt	December 31, 2004					
	Total	Active	Special Mention	Substandard	Doubtful	Bad
Agricultural and mining	2,275.78	49.18	9.39	5.98	119.67	2,460.00
Manufacturing and commerce	68,976.97	3,561.36	384.25	6,912.74	207.60	80,042.92
Property development and construction	23,593.59	914.57	92.31	32.27	49.06	24,681.80
Infrastructure and service	62,015.59	338.21	78.83	41.69	15.80	62,490.12
Housing loans	17,616.79	408.26	214.35	168.00	161.70	18,569.10
Other	142,800.95	323.08	2,404.52	75.99	13.54	145,618.08
Total	317,279.67	5,594.66	3,183.65	7,236.67	567.37	333,862.02
<u>Less</u> unearned discount on bills	(46.53)	-	-	-	-	(46.53)
Total	317,233.14	5,594.66	3,183.65	7,236.67	567.37	333,815.49
Accrued interest receivables	2,072.69	30.67	27.59	29.28	11.47	2,171.70
Total	319,305.83	5,625.33	3,211.24	7,265.95	578.84	335,987.19

Amount : Million Baht

The Bank's financial statements						
December 31, 2003						
Debt	Total	Active	Special Mention	Substandard	Doubtful	Bad
Agricultural and mining	1,759.86	113.35	25.08	13.20	100.70	2,012.19
Manufacturing and commerce	57,086.73	3,786.25	317.00	6,886.81	214.03	68,290.82
Property development and construction	15,361.23	320.25	45.27	130.89	0.39	15,858.03
Infrastructure and service	42,155.94	286.53	76.63	365.97	4.71	42,889.78
Housing loans	12,112.32	363.40	128.67	87.35	68.05	12,759.79
Other	180,252.10	186.80	34.12	33.91	55.71	180,562.64
Total	308,728.18	5,056.58	626.77	7,518.13	443.59	322,373.25
<u>Less</u> unearned discount on bills	(55.15)	-	-	-	-	(55.15)
Total	308,673.03	5,056.58	626.77	7,518.13	443.59	322,318.10
Accrued interest receivables	2,850.45	26.80	8.11	49.49	3.70	2,938.55
Total	311,523.48	5,083.38	634.88	7,567.62	447.29	325,256.65

#### 2.4.5 Loan Classification

The Bank has made provisions for loans and accrued interest receivables as at December 31, 2004, as follows :

Amount : Million Baht

The Bank's financial statements					
Classified loans	Loan and accrued interest receivables	Loan amount (Less Collateral)	Reserve %	Reserve amount	Reserve
Active	319,352.36	74,774.49	1	747.74	-
Special Mention	5,625.33	2,124.81	2	42.50	-
Substandard	3,211.25	974.92	20	194.98	-
Doubtful	7,265.95	6,242.29	50	3,736.55	-
Bad Debt	578.84	146.90	100	148.31	-
<u>Less</u> unearned discount on bills	(46.53)	-		-	-
Total	335,987.19	84,263.41		4,870.08	8,195.14

On December 31, 2004, provision for loan loss as required by the Bank of Thailand amounted Baht 4,870.08 million, including additional amount of Baht 615.40 million to be reserved according to the Bank of Thailand's opinion. According to new classification, doubtful debtors totaled Baht 1.41 million. The Bank has set an amount of Baht. 8,195.14 million as allowance for doubtful debts in accordance with Bank of Thailand's regulations. The amount was Baht 3,325.06 million or 68.28% in excess of the standard requirement of Baht 4,870.08 million. This was taking into account the possible losses from restructured debts that may not be able to perform within the restructuring contracts and to avoid future impacts on the Bank's financial statements.

The classified loans of Baht 335,987.19 million include loans which have been reclassified after restructuring of Baht 18,311.65 million.

On December 31, 2004, the Bank's has non-performing loans not including accrued interest, classified into Substandard, Doubtful and Bad Debts, amounting to Baht 10,987.70 million or 3.29% of total loans or 5.20% of total loans excluding promissory notes from Sukhumvit Asset Management.

No provision is made for an amount of Baht 122,683.79 million under the promissory note received from Sukhumvit Asset Management because these notes are avalized by Financial Institutions Development Fund.

The Bank has made provisions for loans and accrued interest receivables as at December 31, 2003, as follows :

Amount : Million Baht

<b>The Bank's financial statements</b>					
<b>Classified loans</b>	<b>Loan and accrued interest receivables</b>	<b>Loan amount (Less Collateral)</b>	<b>Reserve %</b>	<b>Reserve amount</b>	<b>Reserve</b>
Active	311,578.63	58,466.23	1	584.66	-
Special Mention	5,083.38	3,081.08	2	61.62	-
Substandard	634.88	224.54	20	44.91	-
Doubtful	7,567.62	6,774.71	50	4,057.23	-
Bad Debt	447.29	282.20	100	282.20	-
<u>Less</u> unearned discount on bills	(55.15)	-		-	-
<b>Total</b>	<b>325,256.65</b>	<b>68,828.76</b>		<b>5,030.62</b>	<b>8,801.75</b>

On December 31, 2003, provision for loan loss as required by the Bank of Thailand amounted Baht 5,030.62 million, including additional amount of Baht 669.87 million to be reserved according to the Bank of Thailand's opinion. The Bank has set an amount of Baht. 8,801.75 million as allowance for doubtful debts in accordance with Bank of Thailand's regulations. The amount was Baht 3,771.13 million or 74.96% in excess of the standard requirement of Baht 5,030.62 million. This was taking into account the possible losses from restructured debts that may not be able to perform within the restructuring contracts and to avoid future impacts on the Bank's financial statements.

The classified loans of Baht 325,256.65 million include loans, which have been reclassified after restructuring of Baht 17,822.10 million.

On December 31, 2003, the Bank's has non-performing loans not including accrued interest, classified into Substandard, Doubtful and Bad Debts, amounting to Baht 8,588.48 million or 2.66% of total loans or 5.63% of total loans excluding promissory notes from Petchburi Asset Management.

No provision is made for an amount of Baht 169,832.37 million under the promissory note received from Petchburi Asset Management because these notes are avalized by Financial Institutions Development Fund.



On December 31, 2004, and December 31, 2003, loans of the Bank extended to the companies to be delisted from SET were as follow :

Amount : Million Baht

	The Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Loan and accrued interest receivables	Collaterals amount	Allowance for doubtful accounts	Loan and accrued interest receivables	Collaterals amount	Allowance for doubtful accounts
Company which are being delisted from SET	8,446.64	1,578.99	4,010.04	12,133.74	4,102.00	4,790.09

#### 2.4.6 Debts Restructuring

##### Debt Restructuring Policy and Measurement

The policy for debt restructuring was set up with the objectives to maximize repayments, to help debtors continue their own business, to reduce the Bank's non-performing loans and loan loss reserve, and to support economic recovery. The Bank has set up criteria in selecting debtors for restructuring, arranging the repayment schedule and approaches of payment, and monitoring the debtors' performance after restructuring.

For the year ended December 31, 2004, the Bank has entered into debt restructuring contracts as follows:

Amount : Million Baht

Debts	No. of customer	Outstanding Debts before restructuring
Balance	608	20,963.50
Restructuring debts for the ended	26	9,124.34
<u>Less</u> repayments	(158)	(1,823.02)
Debt restructuring agreements were cancelled	(11)	(4,920.97)
Total Restructuring debts	465	23,343.85

Debt restructuring format	Number	Amount of debt before restructuring (million Baht)	Type of transferred assets	Fair Value (Baht)	Loss from debt restructuring (million Baht)
Adjustment of repayment conditions	25	7,674.17	-	-	561.05
Multiple types of debt restructuring	1	1,450.17	Ordinary shares	1	542.13
Total	26	9,124.34		1	1,103.18

As for the year ending December 31, 2004, loss from debt restructured was reported at Baht 1,103.18 million and loss from adjustment of 19 debtors that has been restructured was Baht 822.53 million, while income of receivable interest from restructured debtor accounted for Baht 187.48 million.

## 2.5 Allowance for Doubtful Accounts

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Balance at beginning of the period	8,856.63	4,230.41	8,801.75	4,230.41
Doubtful accounts	203.16	3,692.13	204.96	3,696.05
Bad debts recovered	4.35	1.03	4.35	1.03
Bad debt written off	(680.90)	(58.12)	(680.90)	(58.12)
Others	(135.33)	991.18	(135.02)	932.38
Balance at the end of the period	8,247.91	8,856.63	8,195.14	8,801.75

## 2.6 Allowance for loss from debt restructuring

Amount : Million Baht

	Consolidated and the Bank's financial statements	
	December 31, 2004	December 31, 2003
Balance at beginning of the period	2,694.17	2,755.73
Increased during the period	561.05	119.15
Amortized	(187.48)	(350.88)
Others	(757.03)	170.17
Balance at the end of the period	2,310.71	2,694.17

## 2.7 Properties Foreclosed

Amount : Million Baht

	Consolidated and the Bank's financial statements			
	December 31, 2004			
	Beginning Balance	Addition	Disposals	Ending Balance
<b>Asset from loan repayment</b>				
Immovable asset	15,483.47	155.98	(1,323.20)	14,316.25
movable asset	31.00	-	-	31.00
Total	15,514.47	155.98	(1,323.20)	14,347.25
Others	777.82	8.57	(272.69)	513.70
Properties Foreclosed	16,292.29	164.55	(1,595.89)	14,860.95
<u>Less</u> Allowance for diminution in value	(2,569.01)	-	277.06	(2,291.95)
Properties Foreclosed - Net	13,723.28	164.55	(1,318.83)	12,569.00

Amount : Million Baht

	Consolidated and the Bank's financial statements			
	December 31, 2003			
	Beginning Balance	Addition	Disposals	Ending Balance
<b>Asset from loan repayment</b>				
Immovable asset	18,458.80	128.50	(3,103.83)	15,483.47
movable asset	31.00	-	-	31.00
Total	18,489.80	128.50	(3,103.83)	15,514.47
Others	458.66	432.16	(113.00)	777.82
Properties Foreclosed	18,948.46	560.66	(3,216.83)	16,292.29
<u>Less</u> Allowance for diminution in value	(3,172.10)	-	603.09	(2,569.01)
Properties Foreclosed - Net	15,776.36	560.66	(2,613.74)	13,723.28

## 2.8 Land, Building and Equipments

Amount : Million Baht

### Consolidated financial statements December 31, 2004

	Cost				Accumulated depreciation				Allowance for diminution in value	Net Ending Balance
	Beginning Balance	Addition	Disposals	Ending Balance	Beginning Balance	Addition	Disposals	Ending Balance		
Land										
Cost	2,637.31	21.78	(9.05)	2,650.04	-	-	-	-	(0.81)	2,649.23
Appraisal increase										
- in 1992	633.38	-	-	633.38	-	-	-	-	-	633.38
- in 1999	892.55	-	-	892.55	-	-	-	-	-	892.55
- in 2002	1,318.48	-	(1.03)	1,317.45	-	-	-	-	-	1,317.45
Appraisal decrease										
- in 1999	(928.31)	-	4.06	(924.25)	-	-	-	-	-	(924.25)
- in 2002	(120.53)	-	0.35	(120.18)	-	-	-	-	-	(120.18)
Building										
Cost	3,178.37	165.94	(17.40)	3,326.91	(1,233.61)	(103.53)	3.87	(1,333.27)	(6.84)	1,986.80
Appraisal increase										
- in 1992	65.83	-	(0.60)	65.23	(35.61)	(3.39)	0.31	(38.69)	-	26.54
- in 1999	344.02	-	-	344.02	(118.56)	(26.46)	-	(145.02)	-	199.00
- in 2002	651.27	-	(0.68)	650.59	(45.99)	(36.53)	0.01	(82.51)	-	568.08
Appraisal decrease										
- in 1999	(803.28)	-	9.85	(793.43)	64.17	26.62	(1.35)	89.44	-	(703.99)
- in 2002	(10.78)	-	0.28	(10.50)	0.90	2.53	(0.01)	3.42	-	(7.08)
Equipment	3,759.58	1,271.09	(872.19)	4,158.48	(2,865.26)	(344.99)	448.81	(2,761.44)	-	1,397.04
Others	437.17	772.13	(556.18)	653.12	-	-	-	-	-	653.12
Total	12,055.06	2,230.94	(1,442.59)	12,843.41	(4,233.96)	(485.75)	451.64	(4,268.07)	(7.65)	8,567.69

Amount : Million Baht

## Consolidated financial statements

December 31, 2003

	Cost				Accumulated depreciation				Allowance for diminution in value	Net Ending Balance
	Beginning Balance	Addition	Disposals	Ending Balance	Beginning Balance	Addition	Disposals	Ending Balance		
Land										
Cost	3,037.84	103.94	(504.47)	2,637.31	-	-	-	-	(0.81)	2,636.50
Appraisal increase										
- in 1992	634.58	-	(1.20)	633.38	-	-	-	-	-	633.38
- in 1999	895.33	-	(2.78)	892.55	-	-	-	-	-	892.55
- in 2002	1,357.33	-	(38.85)	1,318.48	-	-	-	-	-	1,318.48
Appraisal decrease										
- in 1999	(952.49)	-	24.18	(928.31)	-	-	-	-	-	(928.31)
- in 2002	(262.42)	-	141.89	(120.53)	-	-	-	-	-	(120.53)
Building										
Cost	3,484.75	8.47	(314.85)	3,178.37	(1,228.60)	(120.49)	115.48	(1,233.61)	(32.01)	1,912.75
Appraisal increase										
- in 1992	65.83	-	-	65.83	(32.71)	(3.49)	0.59	(35.61)	-	30.22
- in 1999	346.61	-	(2.59)	344.02	(91.29)	(27.27)	-	(118.56)	-	225.46
- in 2002	602.26	49.01	-	651.27	-	(46.86)	0.87	(45.99)	-	605.28
Appraisal decrease										
- in 1999	(861.40)	-	58.12	(803.28)	32.29	31.88	-	64.17	-	(739.11)
- in 2002	(60.52)	-	49.74	(10.78)	-	0.90	-	0.90	-	(9.88)
Equipment	3,337.39	501.11	(78.92)	3,759.58	(2,636.59)	(288.67)	60.00	(2,865.26)	-	894.32
Others	135.82	303.68	(2.33)	437.17	(0.14)	-	0.14	-	-	437.17
Total	11,760.91	966.21	(672.06)	12,055.06	(3,957.04)	(454.00)	177.08	(4,233.96)	(32.82)	7,788.28

Amount : Million Baht

## The Bank's financial statements

December 31, 2004

	Cost				Accumulated depreciation				Allowance for diminution in value	Net Ending Balance
	Beginning Balance	Addition	Disposals	Ending Balance	Beginning Balance	Addition	Disposals	Ending Balance		
Land										
Cost	2,637.31	21.78	(9.05)	2,650.04	-	-	-	-	(0.81)	2,649.23
Appraisal increase										
- in 1992	633.38	-	-	633.38	-	-	-	-	-	633.38
- in 1999	892.55	-	-	892.55	-	-	-	-	-	892.55
- in 2002	1,318.48	-	(1.03)	1,317.45	-	-	-	-	-	1,317.45
Appraisal decrease										
- in 1999	(928.31)	-	4.06	(924.25)	-	-	-	-	-	(924.25)
- in 2002	(120.53)	-	0.35	(120.18)	-	-	-	-	-	(120.18)
Building										
Cost	3,178.37	165.94	(17.40)	3,326.91	(1,233.61)	(103.53)	3.87	(1,333.27)	(6.84)	1,986.80
Appraisal increase										
- in 1992	65.83	-	(0.60)	65.23	(35.61)	(3.39)	0.31	(38.69)	-	26.54
- in 1999	344.02	-	-	344.02	(118.56)	(26.46)	-	(145.02)	-	199.00
- in 2002	651.27	-	(0.68)	650.59	(45.99)	(36.53)	0.01	(82.51)	-	568.08
Appraisal decrease										
- in 1999	(803.28)	-	9.85	(793.43)	64.17	26.62	(1.35)	89.44	-	(703.99)
- in 2002	(10.78)	-	0.28	(10.50)	0.90	2.53	(0.01)	3.42	-	(7.08)
Equipment	3,703.67	1,224.49	(861.03)	4,067.13	(2,847.35)	(331.67)	447.27	(2,731.75)	-	1,335.38
Others	437.17	772.13	(556.18)	653.12	-	-	-	-	-	653.12
Total	11,999.15	2,184.34	(1,431.43)	12,752.06	(4,216.05)	(472.43)	450.10	(4,238.38)	(7.65)	8,506.03

## The Bank's financial statements

December 31, 2003

	Cost				Accumulated depreciation				Allowance for diminution in value	Net Ending Balance
	Beginning Balance	Addition	Disposals	Ending Balance	Beginning Balance	Addition	Disposals	Ending Balance		
Land										
Cost	3,037.84	103.94	(504.47)	2,637.31	-	-	-	-	(0.81)	2,636.50
Appraisal increase										
- in 1992	634.58	-	(1.20)	633.38	-	-	-	-	-	633.38
- in 1999	895.33	-	(2.78)	892.55	-	-	-	-	-	892.55
- in 2002	1,357.33	-	(38.85)	1,318.48	-	-	-	-	-	1,318.48
Appraisal decrease										
- in 1999	(952.49)	-	24.18	(928.31)	-	-	-	-	-	(928.31)
- in 2002	(262.42)	-	141.89	(120.53)	-	-	-	-	-	(120.53)
Building										
Cost	3,484.75	8.47	(314.85)	3,178.37	(1,228.60)	(120.49)	115.48	(1,233.61)	(32.01)	1,912.75
Appraisal increase										
- in 1992	65.83	-	-	65.83	(32.71)	(3.49)	0.59	(35.61)	-	30.22
- in 1999	346.61	-	(2.59)	344.02	(91.29)	(27.27)	-	(118.56)	-	225.46
- in 2002	602.26	49.01	-	651.27	-	(46.86)	0.87	(45.99)	-	605.28
Appraisal decrease										
- in 1999	(861.40)	-	58.12	(803.28)	32.29	31.88	-	64.17	-	(739.11)
- in 2002	(60.52)	-	49.74	(10.78)	-	0.90	-	0.90	-	(9.88)
Equipment	3,332.39	440.07	(68.79)	3,703.67	(2,634.12)	(266.12)	52.89	(2,847.35)	-	856.32
Others	135.82	303.68	(2.33)	437.17	(0.14)	-	0.14	-	-	437.17
Total	11,755.91	905.17	(661.93)	11,999.15	(3,954.57)	(431.45)	169.97	(4,216.05)	(32.82)	7,750.28

## 2.9 Difference of debt transfer to SAM.

On June 29, 2001, the Bank transferred its non-performing debts to the Petchburi Asset Management Co., Ltd. under the Debt Transfer Agreement as mentioned in 2.29 and 2.4.1 of Notes to the Financial Statements. These was a difference from the debt transfer amounted to Baht 1,885.10 million as of December 31, 2004, arising from the price adjustment of assets under valuation process.

## 2.10 Other Assets

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Accrued Interest received	1,028.90	1,648.71	998.40	1,648.71
Suspense debtors	303.02	159.68	303.02	159.68
Sundry debtors	112.55	47.43	101.91	45.61
Inter-office accounts	633.12	1,033.61	633.12	1,033.61
Leasehold	443.70	517.29	443.70	517.29
Suspense account for difference rate	406.51	1,811.25	406.51	1,811.25
Others	1,037.04	1,693.71	910.72	1,392.80
Total	3,964.84	6,911.68	3,797.38	6,608.95
Less allowance for doubtful accounts	(121.70)	(81.32)	(120.44)	(81.32)
Other Assets - Net	3,843.14	6,830.36	3,676.94	6,527.63

## 2.11 Deposits

### 2.11.1 Classified by Type of Deposit

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Current	6,406.36	5,352.55	6,412.99	5,429.99
Savings	134,317.09	120,844.79	135,400.09	121,027.52
Term				
- Less than 6 months	138,995.68	117,392.21	138,995.79	117,392.31
- 1 year and over 1 year	104,635.14	162,897.03	104,635.14	162,897.03
Certificates of Deposit	25.67	115.29	25.67	115.29
Total	384,379.94	406,601.87	385,469.68	406,862.14

### 2.11.2 Classified by Maturity of Contracts

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Within 1 year	317,163.02	348,121.47	318,252.76	348,381.74
Over 1 year	67,216.92	58,480.40	67,216.92	58,480.40
Total	384,379.94	406,601.87	385,469.68	406,862.14



### 2.11.3 Classified by Currencies and Residence of Depositors

Amount : Million Baht

	Consolidated financial statements					
	December 31, 2004			December 31, 2003		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	384,121.56	-	384,121.56	406,506.71	-	406,506.71
US Dollar	234.76	18.57	253.33	63.63	20.25	83.88
Other currencies	3.54	1.51	5.05	10.09	1.19	11.28
Total	384,359.86	20.08	384,379.94	406,580.43	21.44	406,601.87

Amount : Million Baht

	The Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	385,211.30	-	385,211.30	406,766.98	-	406,766.98
US Dollar	234.76	18.57	253.33	63.63	20.25	83.88
Other currencies	3.54	1.51	5.05	10.09	1.19	11.28
Total	385,449.60	20.08	385,469.68	406,840.70	21.44	406,862.14

### 2.12 Interbank and money market items

Amount : Million Baht

	Consolidated financial statements					
	December 31, 2004			December 31, 2003		
	At Call	Term	Total	At Call	Term	Total
<b>Domestic</b>						
Commercial banks	271.09	1,900.03	2,171.12	182.23	198.14	380.37
Other banks	1,107.55	1,000.01	2,107.56	334.96	-	334.96
Finance, finance and securities, securities and credit foncier companies	2,271.66	0.60	2,272.26	289.91	69.27	359.18
Other financial institutions	10,199.96	2,635.61	12,835.57	11,237.76	1,340.74	12,578.50
Total Domestic	13,850.26	5,536.25	19,386.51	12,044.86	1,608.15	13,653.01
<b>Foreign</b>						
US Dollar	0.28	4,961.38	4,961.66	0.28	2,575.43	2,575.71
Other currencies	52.52	-	52.52	-	-	-
Total Foreign	52.80	4,961.38	5,014.18	0.28	2,575.43	2,575.71
Total Domestic and Foreign	13,903.06	10,497.63	24,400.69	12,045.14	4,183.58	16,228.72

For the year ended December 31, 2004 the Bank has borrowed short term foreign currency loans from its Cayman Island Branch for an amount of US\$ 117,000,000 total of Baht 4,570.72 million an interest rate SIBOR and LIBOR an average interest rates between 2.53% - 3.01% p.a.

Amount : Million Baht

The Bank's financial statements

	December 31, 2004			December 31, 2003		
	At Call	Term	Total	At Call	Term	Total
<b>Domestic</b>						
Commercial banks	271.09	2,000.03	2,271.12	182.23	198.14	380.37
Other banks	1,107.55	1,000.01	2,107.56	334.96	-	334.96
Finance, finance and securities, securities and credit foncier companies	2,271.66	0.60	2,272.26	289.91	69.27	359.18
Other financial institutions	10,199.96	2,635.61	12,835.57	11,237.76	1,340.74	12,578.50
<b>Total Domestic</b>	<b>13,850.26</b>	<b>5,636.25</b>	<b>19,486.51</b>	<b>12,044.86</b>	<b>1,608.15</b>	<b>13,653.01</b>
<b>Foreign</b>						
US Dollar	0.28	4,961.38	4,961.66	0.28	2,575.43	2,575.71
Other currencies	52.52	-	52.52	-	-	-
<b>Total Foreign</b>	<b>52.80</b>	<b>4,961.38</b>	<b>5,014.18</b>	<b>0.28</b>	<b>2,575.43</b>	<b>2,575.71</b>
<b>Total Domestic and Foreign</b>	<b>13,903.06</b>	<b>10,597.63</b>	<b>24,500.69</b>	<b>12,045.14</b>	<b>4,183.58</b>	<b>16,228.72</b>

2.13 Securities sold under repurchase agreements

Amount : Million Baht

	Consolidated and the Bank's financial statements	
	December 31, 2004	December 31, 2003
Government Bonds and the Bank of Thailand Bonds	18,000.00	2,000.00

2.14 Borrowings

As of December 31, 2004, the Bank's short-term borrowing in the form of three-month bills of exchange amounted to Baht 50 million an interest rate 2.10% and the Bank's long - term borrowing of Baht 57.32 million from the Revolving fund for Energy conservation of the Department of Alternative Energy Development and Efficiency for relending purpose. The term of loan from the Department was 10 years, non-interest and the amount under the loan agreement was Baht 100 million.

2.15 Difference from Acquisition of Bangkok Metropolitan Bank

On March 29, 2002, the Bank entered into the Business Transfer Agreement with the BMB as mentioned in 2.30 of Notes to the Financial Statements and on April 1, 2002, the Bank accepted the transfer of assets amounting to Baht 189,224.35 million and liabilities amounting to Baht 181,930.60 million from the BMB by utilizing the book value as of March 31, 2002. Difference of transfer resulting from higher value of assets than that of liabilities accounted for Baht 7,293.75 million.

In the year 2002 - 2004, an adjustment was made to reduce the assets amount by Baht 1,545.83 million and to reduce the liabilities by Baht 914.62 million, resulting in a smaller difference between transfer of assets and liabilities by Baht 631.21 million. Thus the Bank has acquired assets from Bangkok Metropolitan Bank in a value of Baht 187,678.52 million and liabilities in a value of Baht 181,015.98 million. As of December 31, 2004, with a difference in value of the assets over the liabilities of Baht 6,662.54 million, for which the Bank will issue a promissory to Bangkok Metropolitan Bank PCL. The amount of the notes may be changed, subject to examination by the committee that accept the assets, liabilities and obligations with the consents of the Bank's board of directors and FIDF.

## 2.16 Other Liabilities

Amount : Million Baht

	Consolidated financial statements		The Bank's financial statements	
	December 31, 2004	December 31, 2003	December 31, 2004	December 31, 2003
Suspense creditors	1,170.08	2,224.21	1,170.08	2,224.21
Sundry creditors	218.88	211.29	218.88	211.29
Others	2,352.34	1,485.30	756.75	677.35
Total	3,741.30	3,920.80	2,145.71	3,112.85

## 2.17 Share Capital

On September 16, 2003, the Board of the FIDF resolved to sell 370 million shares, or 17.50 percent of the shares held by the FIDF. These shares would be sold with one-year covered warrants in the proportion of 1 share to 2 covered warrants or 740 million shares. Ordinary shares would be sold during November 2003. As at November 30, 2004, some persons already exercised their right to convert covered warrants into ordinary shares units. If the rights to convert derivative warrants to purchase the Bank's shares were fully exercised, the shareholding proportion of the FIDF would decrease to 47.46% of the paid-up capital.

As of December 31, 2004 and 2003, the Bank's issued and paid-up capital as ordinary shares totaled 2,112.81 million shares at Baht 10 par value, making the total amount of Baht 21,128.10 million.

## 2.18 Surplus on fixed asset revaluation

As of December 31, 2004, surplus from asset valuation of Baht 3,038.65 million, and Baht 3,098.13 million from the previous period. Surplus from asset valuation was equal to asset devaluation to be added to accumulated profit in the amount of Baht 59.48 million.

On December 31, 2003, surplus on fixed asset revaluation accounted for Baht 3,098.13 million of which the amount of Baht 3,224.74 million was transferred from the preceding period. During the period, adjust surplus on fixed revaluation of lands and buildings of which the amount of Baht 78.08 million, Surplus on fixed assets revaluation totaling Baht 204.69 million was transferred to retained earnings: Baht 137.40 million for those disposed of from the book and Baht 67.29 million for those with revaluation increase equal to the amount of depreciation.

## 2.19 Legal Reserves

On 7 April 2004 the 103<sup>rd</sup> Ordinary General Shareholders' Meeting resolved that net income for the year 2003, totaling Baht 3,630.63 million, be appropriated as follows: Baht 181.53 million as legal reserve, Baht 1,584.61 million as dividend payable to the shareholders at Baht 0.75 per share and Baht 7.92 million as directors' remuneration. As of June 30, 2004, the Bank made payment of dividends and Director's remuneration.

According to the resolution of the Board of Directors's 700<sup>th</sup> meeting, held on August 17, 2004, interim dividend was paid to the shareholders at Baht 0.70 per share from the profit of half-year operation that amounted to Baht 1,478.97 million. The payment was completed on September 16, 2004.

## 2.20 Treasury Stock

As of December 31, 2004, there was no record of the Bank's ordinary shares bought by its affiliated companies, as the affiliated companies already sold that amount of shares.

As of December 31, 2003, Siam City Securities Co., Ltd, as one of the Bank's subsidiaries redeemed 1.43 million units stocks of Bank at the value of the cost of fund amount of Baht 25.77 million.

## 2.21 Capital Requirements

The Bank's capital, maintained as ratio to risk assets, as required by the Bank of Thailand, on December 31, 2004 and December 31, 2003 consisted of:

Amount : Million Baht

	The Bank's financial statements	
	December 31, 2004	December 31, 2003
Tier 1 capital	23,897.21	21,654.42
Tier 2 capital	2,756.70	2,841.58
Total capital	26,653.91	24,496.00
<u>Less</u> The amount below capital from change in investment value in equity securities of available-for-sale securities	(346.23)	-
Total	26,307.68	24,496.00

The Bank has maintained its capital funds in proportion to its risk assets in compliance with the rules, standards and conditions as set by the Bank of Thailand. As at December 31, 2004 the ratio of the tier 1 capital fund to total risk assets stood at 10.24%.

## 2.22 Contingent Liabilities and Commitments

### 2.22.1 Contingent Liabilities

As of December 31, 2004, the Bank has been charged by third parties defendant and co-defendant with other parties in a total of 117 cases amounting to Baht 12,339.20 million. The amount under the proceeding is Baht 86.91 million. The total 59 cases are under first court proceeding, 53 cases are under the appeal court or supreme court and 5 cases are being fulfilled by the Bank after the court judgement. The Bank has to repay 10 cases of its debt in the total amount of Baht 24.41 million according to the judgment of the Court of First Instance, which the management believed would provide no significant impact to the Financial Statements.

## 2.22.2 Commitments

Amount : Million Baht

	Consolidated and the Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Baht	Foreign Currency	Total	Baht	Foreign Currency	Total
Aval to bills	1,008.42	-	1,008.42	747.92	-	747.92
Guarantees of loans	511.89	677.77	1,189.66	528.47	495.27	1,023.74
Other Letters of guarantee	17,216.03	1,513.90	18,729.93	16,772.41	1,444.86	18,217.27
Liabilities under unmatured import bills	161.56	664.40	825.96	137.89	598.61	736.50
Letters of credit	197.51	4,901.92	5,099.43	80.27	4,525.51	4,605.78
Exchange rate agreements						
- Purchase agreements	8,575.27	-	8,575.27	7,329.38	-	7,329.38
- Sale agreements	22,511.17	-	22,511.17	46,041.63	990.55	47,032.18
Unused credit line of overdraft	31,473.28	-	31,473.28	31,188.72	-	31,188.72
Others	517.87	970.61	1,488.48	783.97	1,118.67	1,902.64
<b>Total</b>	<b>82,173.00</b>	<b>8,728.60</b>	<b>90,901.60</b>	<b>103,610.66</b>	<b>9,173.47</b>	<b>112,784.13</b>

## 2.23 Related Party Transactions

2.23.1 As at December 31, 2004, the Bank had loans and commitments between the Bank, related companies, directors and executives at the departmental-manager level and upward as summarized below :

Amount : Million Baht

	Loans		Commitments		Interest Rate
	Balance	Average	Balance	Average	
Related companies	2,001.72	2,099.45	191.51	234.79	2.50% - 7.25%
Directors and executives at the departmental-manager level upward	50.96	50.90	0.16	0.16	2.00% - 6.75%, 17.25%

As at December 31, 2004, loans to executives at the department-manager level and upward amounted to Baht 50.96 million which included staff loans of Baht 38.47 million.

The bank charge interest on loans granted to related companies at the same rate applicable to general customs.

### 2.23.2 Transactions with Subsidiaries and Associated Companies

The Bank's significant transactions relating to assets, liabilities, revenues, and expenses with subsidiaries and associated companies as at December 31, 2004 and December 31, 2003 are summarized as follows:

Amount : Million Baht

	The Bank's financial statements	
	December 31, 2004	December 31, 2003
<b>Assets</b>		
Investments	2,865.05	1,308.43
Loans	19.77	0.83
Other Assets	13.81	47.73
Total	2,898.63	1,356.99
<b>Liabilities</b>		
Domestic deposits - interest bearing	1,293.63	318.05
- non-interest bearing	26.52	121.62
Liabilities	10.38	32.37
Total	1,330.53	472.04
<b>Revenues</b>		
Non-interest income	219.85	106.16
<b>Expenses</b>		
Interest expenses	6.64	0.12
Non-interest expenses	156.84	98.72
Total	163.48	98.84

### 2.24 Directors' and Executives' Benefits

The Bank paid no benefits to its directors and executives other than those that were normally paid, such as salary and executive bonus, directors' fee and directors' bonus.

### 2.25 Long-term Leases

- The Bank has 103 lease contracts for branch offices with leasing terms ranging from 1 to 30 years (1979 - 2027). As at December 31, 2004, the Bank has future obligations of about Baht 145.83 million on these leasing contracts.
- The Bank has 10 long-term lease contracts with subsidiary and other companies. These contracts are leases on computers and automobiles with leasing terms ranging from 1 - 6 years (2000 to 2009). As at December 31, 2004, the Bank has future obligations of about Baht 58.15 million on these leasing contracts.

### 2.26 Corporate Income Tax

The Bank's financial statements record a net profit for the year ended December 31, 2004 at Baht 6,367.05 million. As the Bank has accumulated tax loss of not exceeding 5 years amounted to Baht 12,065.97 million, the Bank do not have to pay corporate income tax in compliance with the Revenue Code.

The Bank's statements of income for the year ended December 31, 2004 including income tax expense of Baht 5.28 million for BIBF.

## 2.27 The Bank's financial position and results of the Bank's operations categorized according to domestic and overseas business.

### 2.27.1 Financial Position Categorized by Types of Business

Amount : Million Baht

	The Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Domestic Activities	Overseas Activities	Total	Domestic Activities	Overseas Activities	Total
Total Assets	469,562	2,462	472,024	443,048	26,398	469,446
Interbank and money market items	2,189	10	2,199	6,940	199	7,139
Loans	333,805	10	333,815	322,303	15	322,318
Investment in securities	88,060	1,734	89,794	77,781	24,736	102,517
Deposits	385,470	-	385,470	406,862	-	406,862
Interbank and money market items	19,930	4,571	24,501	13,653	2,576	16,229
Long-term borrowings	107	-	107	-	-	-
Commitments	90,901	-	90,901	111,794	990	112,784

### 2.27.2 Results of Operations Categorized by Types of Business

Amount : Million Baht

	The Bank's financial statements					
	December 31, 2004			December 31, 2003		
	Domestic Activities	Overseas Activities	Total	Domestic Activities	Overseas Activities	Total
Interest and dividend income	14,959	720	15,679	16,216	861	17,077
Interest expenses	5,720	47	5,767	8,302	58	8,360
Net interest income	9,239	673	9,912	7,914	803	8,717
Non-interest income	4,067	104	4,171	5,814	(127)	5,687
Non-interest expenses	7,705	6	7,711	10,580	10	10,590
Net income (loss) before income tax	5,601	771	6,372	3,148	666	3,814

## 2.28 Financial Instruments

Financial Instruments is any agreement that creates the financial asset of any firm whereas at the same time creates the financial liability or equity of the other firm, which has to comply to the accounting standard No. 48 of the transaction and information disclosure of financial instruments.

## 2.28.1 Market Risk

Due to market risk, the Bank may face damages caused by change in value of its financial status both included and not included in the Balance Sheets. Market risk has been assessed for the present time as well as for the future, taking into account the changing market conditions, namely interest rates, exchange rates and prices of equity, which result in the Bank's earnings or value of its assets and liabilities.

### 2.28.1.1 Interest rate risk

Interest rate risk is caused by interest rate fluctuation, which may affect change in value of assets and liabilities of the Bank and may produce negative impacts to the Bank's operational results. In general, major assets and credits are committed with floating interest rates by referring to the interest rates as announced by the Bank (MLR, MOR, MRR) as well as the Bank's average deposit rates. Therefore, interest rate risk is in a low level. However, the Bank manages interest rate risk by adjustment of structure and proportion of assets and liabilities with different interest periods, so as to be compatible with the prevailing situation.

As of December 31, 2004 and 2003 fixed rate and floating - rate credits can be classified as follows:

Amount : Million Baht

<b>Consolidated financial statements and the Bank's financial statements</b>		
	December 31, 2004	December 31, 2003
Fixed interest rate	69,169	44,288
Floating interest rate	264,746	278,566
Total loans (include interbank)	333,915	322,854

For the Bank's interest bearing financial assets and interest-bearing financial liabilities, their average balances and average interest rate and dividend as at December 31, 2004 are summarized as follows:

Amount : Million Baht

<b>The Bank's financial statements</b>			
<b>December 31, 2004</b>			
	Average balance	Interest and Dividend Income/Expense	Average Rate (%) Per Annum
<b>Interest-bearing financial assets</b>			
Interbank and money market items	11,583.23	48.92	0.42
Securities purchased under resale agreements	16,933.33	125.69	0.74
Investment	97,347.98	4,511.85	4.63
Loans	320,627.23	10,992.85	3.43
Total	446,491.77	15,679.31	
<b>Interest-bearing financial liabilities</b>			
Deposits	403,352.58	5,530.05	1.37
Interbank and money market items	14,408.95	107.73	0.75
Securities resale under purchased agreements	12,033.11	129.48	1.08
Total	429,794.64	5,767.26	



### **2.28.1.2 Foreign Exchange Risk**

Foreign exchange risk incurs from change in interest rates, which may result in the operations of financial status of the Bank. The Bank undertakes its foreign exchange transaction and derivatives without purpose of profit making, but in order to manage foreign exchange positions of the Bank and to prevent risk from exchange rate in investment in foreign debt instrument.

### **2.28.1.3 Equity Position Risk**

Equity position risk incurs from change in prices of equity, which may result in the operations and financial status of the Bank. The Bank has the policy to invest in enterprises with the purpose to support to the Bank's business, the Bank also invest in equity for trading.

## **2.28.2 Loan Risk**

Loan risk is caused by the possibility that the contractors are unable to fulfill their obligations or the credit rating of the Bank's trading partners are degraded, which produce impacts to the Bank's income and capital fund. Loan risk is of significant importance as it relates to credit extension performance, which is one of the core businesses of the Bank, both for the credits that are assets and obligations, for example loans as well as credits extended to businesses or industries, aval and guarantee.

In managing loan risk, the Bank has resorted to the policy to extend credit to all target businesses and industries with high potentiality and which are contributory to the general economic growth of the country. Emphasis has also been put on expanding of credit base for small and medium enterprises (SMEs) as well as retailed credits in order to disperse risk.

In addition, the Bank has also placed importance on the matter of risk management both before and after credit approval in applying the directions as proposed by foreign consultants, so as to ensure that the risk management system meets with international standard. Regulations have been issued for credit officers to check for credit information with the Credit Bureau before proposing for approval both for the new loans and original loans requesting for increase in the loan amount.

## **2.28.3 Liquidity Risk**

Liquidity risk is caused by the possibility that the Bank is unable to fulfill its financial obligations at due date or as called for by the clients for the reason that the Bank can not procure sufficient money or can not transfer its assets into cash, which is sufficient for the demand under the appropriate cost that may adversely affect the Bank's position.

In managing liquidity risk, the Bank has taken into consideration demand for cash flow for business operations of the Bank as compared with sources of cash flow both in the short and long term. Liquidity risk is managed by the Department of Financial Management under the supervision of the Money Desk Committee. Forecast of short-term and long-term cash flow has been formulated on different assumptions, so as to determine the plans of financial management and mobilization, and procurement of reserves. In addition to maintaining the liquidity assets according to the requirement of the Bank of Thailand, the Bank also maintains the position of high liquidity in order to assure its smooth operation.

The Bank's maturity profile of on-balance-sheet financial assets and liabilities as at December 31, 2004.

Amount : Million Baht

**The Bank's financial statements  
December 31, 2004**

	At Call	Within 6 months	Up to 1 year	Over 1 year	Total
<b>Asset</b>					
Interbank and money market items	2,002.14	196.97	-	-	2,199.11
Securities purchased under resale agreements	-	17,600.00	-	-	17,600.00
Investment in securities	-	-	18,166.13	71,628.39	89,794.52
Loans	17,338.26	98,397.23	10,145.38	207,934.62	333,815.49
<b>Total financial assets</b>	<b>19,340.40</b>	<b>116,194.19</b>	<b>28,311.51</b>	<b>279,563.01</b>	<b>443,409.12</b>
<b>Liabilities</b>					
Deposits	141,813.08	139,295.14	37,144.54	67,216.92	385,469.68
Interbank and money market items	13,903.06	10,597.63	-	-	24,500.69
Securities purchased under resale agreements	-	18,000.00	-	-	18,000.00
Long-term borrowings	-	50.00	-	57.32	107.32
<b>Total financial liabilities</b>	<b>155,716.14</b>	<b>167,942.77</b>	<b>37,144.54</b>	<b>67,274.24</b>	<b>428,077.69</b>

#### 2.28.4 Fair value of financial assets and liabilities

Fair value of financial assets and liabilities is computed with information in the market and appropriate price evaluation for each kind of financial assets and liabilities. The following is a summary of book value and estimated fair value of financial instruments as at December 31, 2004 and 2003.

Amount : Million Baht

**Consolidated financial statements**

	December 31, 2004		December 31, 2003	
	Book value	Fair value	Book value	Fair value
<b>Financial assets</b>				
Cash	10,212.60	10,212.60	6,100.33	6,100.33
Interbank and money market items	2,815.93	2,815.93	7,247.26	7,247.26
Securities purchased under resale agreements	17,600.00	17,600.00	10,000.00	10,000.00
Investments	89,338.63	89,338.63	102,551.72	102,551.72
Loans and Accrued Interest Receivables - Net	325,511.83	325,511.83	313,802.56	313,802.56
Customer's liability under acceptances	100.11	100.11	202.15	202.15
<b>Financial liabilities</b>				
Deposits	384,379.94	384,379.94	406,601.87	406,601.87
Interbank and money market items	24,400.69	24,400.69	16,228.72	16,228.72
Liability payable on demand	1,029.06	1,029.06	1,334.23	1,334.23
Borrowings	107.32	107.32	-	-
Bank's liability under acceptances	100.11	100.11	202.15	202.15

	<b>The Bank's financial statements</b>			
	<b>December 31, 2004</b>		<b>December 31, 2003</b>	
	<b>Book value</b>	<b>Fair value</b>	<b>Book value</b>	<b>Fair value</b>
<b>Financial assets</b>				
Cash	10,212.46	10,212.46	6,100.11	6,100.11
Interbank and money market items	2,199.11	2,199.11	7,138.88	7,138.88
Securities purchased under resale agreements	17,600.00	17,600.00	10,000.00	10,000.00
Investments	89,794.52	89,794.52	102,517.48	102,517.48
Loans and Accrued Interest Receivables - Net	325,481.34	325,481.34	313,760.73	313,760.73
Customer's liability under acceptances	100.11	100.11	202.15	202.15
<b>Financial liabilities</b>				
Deposits	385,469.68	385,469.68	406,862.14	406,862.14
Interbank and money market items	24,500.69	24,500.69	16,228.72	16,228.72
Liability payable on demand	1,029.06	1,029.06	1,334.23	1,334.23
Borrowings	107.32	107.32	-	-
Bank's liability under acceptances	100.11	100.11	202.15	202.15

The following methods and assumptions were used by the Bank in estimating fair value of financial assets and liabilities, as disclosed above

The fair value of cash interbank and money market items (assets and liabilities), Securities purchased under resale agreements, Securities sold under repurchase agreements, Liability payable on demand, Borrowing and customers' and Bank's liability under acceptances : the carrying amounts approximate fair value.

The fair value of temporary investments and long - term investments would be assessed under the stipulation of the Bank of Thailand's announcement No. Sor Nor Sor (21) Wor. 1059/2001 concerning the accounting of investment, as follows:

- Temporary investments. The government bonds, state enterprise bonds and debentures are valued by using as benchmark the latest bid at the end of accounting period. In case of no bidding price, the latest market prices as shown at [www.bot.or.th](http://www.bot.or.th) and [www.thaibdc.or.th](http://www.thaibdc.or.th) would be used for valuation.
- Long-term investments. The "Trade" and "available - for sale" debentures are valued by using as benchmark the latest bid at the end of accounting period. In case of no bidding price, the latest market prices as shown in [www.bot.or.th](http://www.bot.or.th) and [www.thaibdc.or.th](http://www.thaibdc.or.th) would be used. As for the debentures and debt instruments held to maturity, the fair value is assessed by using the yield curve plus risk premium as shown at [www.bot.or.th](http://www.bot.or.th).

The fair values of general investments are based on the original cost after the adjustment of impairment losses.

The fair values of investment in subsidiaries are recorded by the equity method.

The fair values of loans and accrued interest receivable are based on book value of loans and accrued interest receivables, after netting off allowance for doubtful accounts.

## 2.28.5 Derivative Financial Instruments

The Bank has a policy to do derivative business of instruments including forward exchange contracts, currency swap and currency option agreements to protect against exchange rate and interest rate risks and to service the customers.

The following is a summary of the notional amounts and fair value of the Bank's derivative financial instrument, classified by maturity as at December 31, 2004.

Amount : Million Baht

### Consolidated and the Bank's financial statements

December 31, 2004

	Notional amount up to 1 year	Notional amount over 1 year	Total	Fair value
Spot and forward foreign exchange contracts	29,889.24	-	29,889.24	29,379.71
Currency Swap agreements	1,197.20	-	1,197.20	1,171.98
Total	31,086.44	-	31,086.44	30,551.69

## 2.29 The transfer of Non-Performing Loans to Petchburi Assets Management Co., Ltd.

On March 20, 2001 and June 26, 2001, the Cabinet approved the directions to solve the problems of the SCIB and the BMB by transferring the NPLs of each Bank to the PAMC of which the FIDF is the shareholder. These NPLs would be sold at the book value deducted by the existing allowance for doubtful loans. The said allowance would be returned as income to write off the total accumulated losses of the Banks and to be reserved for normal and special mention debts. Within 12 months from the date of NPL transfer to the PAMC, the Banks have the right to transfer any debtors becoming NPLs to the PAMC at the book value deducted by allowance at the date of transfer. The PAMC, in acquiring the NPLs, would issue the promissory notes of not over 5 years with the aval of the FIDF. After NPL transfer to the PAMC, both Banks would have to proceed with capital write-down and repayment of capital to the shareholders.

After the completion of NPLs transfers as agreed, the Bank has the right to transfer obligations created and existing as of 30 June 2001, under which it effected payments to the beneficiaries, within 30 June 2004 to PAMC using the amount paid to the beneficiaries less deposit collateral (if any). To settle for the transfer of rights to take recourse against the loan guarantors, PAMC may pay in cash or issue promissory notes with maturity date no later than 30 June 2006.

### 2.29.1 Asset Transfer Agreement

On June 29, 2001, two Asset Transfer Agreements were signed between the SCIB and PAMC, and between the BMB and PAMC. The first tranche of assets was transfer on June 29, 2001, while the first and second additional transfers were undertaken on December 28, 2001 and June 28, 2002 respectively. Accordingly, PAMC would issue promissory notes with aval of the FIDF to both Banks.

## 2.29.2 Hiring Agreement

On June 29, 2001, 2 Hiring Agreements were signed between the SCIB and PAMC and between the BMB and PAMC. The details are as follows :

- Asset Management Hiring Agreement for debt collection, management of debts and collaterals for debt restructuring, accounting and reporting, information system of primary debtors and others as well as providing of necessary facilities to PAMC. The hiring fee for SCIB was 0.25% of the average outstanding debts and 0.30% for BMB.
- Proxy Designation Agreement for debt collection and payment reception through the Banks' counters or by account deduction, reports on debt collection and payment reception. The hiring fee was 3% based on the quarterly collected amount.

The parties agreed that the Hiring Agreements would be effective for 6 months from the date of signing. At the end of the Agreements, provided that PAMC can not nominate new asset manager and proxy for debt collection and repayment reception, the Agreements can be extended until the nomination is completed.

On June 5, 2002, PAMC's Board in its 11<sup>th</sup> meeting, approved the extension of contract to hire the Bank to manage NPLs and to collect debt and assigned PAMC to negotiate and supervise on execution of debt restructuring contracts for all debtors in Bangkok Metropolitan area as well as debtors of over Baht 50 million in regional areas.

## 2.29.3 Transfer of businesses from Petchburi AMC to Sukhumvit AMC

On May 7, 2004, The Petchburi Asset Management Co., Ltd. transferred its businesses to The Sukhumvit Asset Management Co., Ltd. resulting that all items under Petchburi AMC became those of Sukhumvit AMC.

## 2.30 Transfer of the BMB's business to the SCIB

2.30.1 According to the announcement of the Ministry of Finance dated March 29, 2002 concerning the approval of transfer of BMB's business to SCIB effective from April 1, 2002, the Minister of Finance, advised by the Bank of Thailand, granted approval to the procedures under the Project of BMB's Business Transfer to SCIB as follows :

- BMB would transfer its assets, as well as all liabilities and obligations to SCIB based on the book value as of March 31, 2002.
- The transferred assets were valued after relevant reserves.
- As the FIDF, as a state enterprise, has its shares in both Banks in the proportion of over 90%, this approval was considered as the legal resolution of the shareholders' meetings of both Banks. The transfer and acceptance of transfer were lawful.
- The procedures to transfer the assets would be undertaken under a written agreement without any clause stipulating the return of assets or liabilities to the BMB.
- After completion of business transfer including relevant registered records and merging of operational systems, the BMB would return the permission to run commercial banking business to the Ministry of Finance and complete the liquidation process without delay.
- After acceptance of business transfer from the BMB, the SCIB would proceed to recapitalization in order to support the transferred assets and to continue business operation.

- Provided that the BMB did not begin to transfer its assets under this project within June 30, 2002, approvals according to this announcement would be considered as terminated.

2.30.2 On March 29, 2002, the SCIB entered into the Business Transfer Agreement with the BMB, which was effective from April 1, 2002, with the following details :

- BMB agreed to transfer its assets and liabilities as well as all contingent obligations to SCIB and SCIB agreed to accept the transfer of BMB's assets and liabilities as well as all contingent obligations.
- Values of the assets, liabilities and obligations to be transferred would be based on the book value as of March 31, 2002.
- In case that the value of the transferred assets was higher than that of transferred liabilities, SCIB agreed to issue the promissory notes without interest to BMB in order to compensate for the difference.
- BMB agreed to submit the lists of assets, liabilities and obligations as of March 31, 2002 to SCIB within April 30, 2002 and SCIB agreed to accomplish the acceptance of transfer of assets, liabilities and obligations and the adjustment of values and amounts of transfer within 3 months after April 30, 2002.
- SCIB would welcome BMB employees willing to work with the Bank under the conditions as stipulated in the Project submitted to the Minister of Finance for approval.

2.30.3 According to the announcement of the Ministry of Finance dated April 25, 2002, fees and taxes on business transfer from BMB to SCIB would be waived as an exceptional case, effective from April 1, 2002.

## 2.31 Others

2.31.1 On December 29, 2003, the shareholders of the Siam City Securities Co., Ltd. passed a special resolution at the 5/2003 extraordinary meeting to approve in share capital by issuing 150 million shares at Baht 10 par value and on January 13, 2004 the shareholders resolved at the 1/2004 Extraordinary Meeting an increase in share capital from Baht 1,500 million to Baht 2,000 million or 200 shares at Baht 10 par value in the proportion of 1 original share to 3 new shares. The Bank, as an original shareholder of the Siam City Securities Co., Ltd, purchased 199.58 million shares, resulting that the proportion of shares of the Bank in Siam City Securities Co., Ltd, rose to 99.79 percent of the issued and fully paid-up shares.

2.31.2 On January 23, 2004 the Bank set up the Siam City Asset Management Co., Ltd. with the registered capital of 10 million shares at Baht 10 par value of which the Bank hold 100 percent of the issued and paid-up registered capital.

# List of Branches

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Head Office	0-2208-5000, 0-2253-0200-43	0-2253-1240	
Petchburi Office	0-2208-6085-6, 0-2253-7068	0-2253-6198	petburi_off@scib.co.th
Suan Mali Office	0-2225-9999, 0-2223-0561, 0-2220-2222 Ext. 2222, 2107, 2229, 2817, 2115	0-2224-3810	reg101@scib.co.th
<b>District 1</b>	<b>0-2221-9347-9</b>	<b>0-2221-9344</b>	<b>reg01@scib.co.th</b>
Sampeng	0-2222-7396, 0-2222-7551, 0-2223-2898	0-2225-8468	br005@scib.co.th
Yao Waraj	0-2221-1236, 0-2221-7194-5, 0-2225-0578	0-2225-0580	br008@scib.co.th
Charoen Krung (Sub-Branch)	0-2221-0784, 0-2224-1839, 0-2225-7194, 0-2225-1934	0-2224-2059	br050@scib.co.th
Tien Kua Tien	0-2221-3575-6	0-2221-3575	br146@scib.co.th
Sam Yaek	0-2221-3499, 0-2221-3543	0-2223-2705	br102@scib.co.th
Anu Wong	0-2222-0161-4, 0-2222-0169, 0-2622-4077-8	0-2225-8931	br027@scib.co.th
Pha Hu Rad (Sub-Branch)	0-2221-2069, 0-2221-5239, 0-2225-3594	0-2221-5128	br712@scib.co.th
Rajawong	0-2224-5705, 0-2224-5870, 0-2224-5897	0-2224-5792	br134@scib.co.th
Leng Noi Jee	0-2221-1248, 0-2221-3501, 0-2222-8531	0-2223-3211	br110@scib.co.th
Sikak Phraya Sri	0-2222-4477-8, 0-2623-8521-2	0-2225-7036	br121@scib.co.th
Werng Nakorn Kasem	0-2222-2430, 0-2221-7201-4	0-2222-6475	br140@scib.co.th
Bamrung Muang	0-2216-9794-7, 0-2214-0606-8	0-2216-9798	br006@scib.co.th
Bo Bei (Sub-Branch)	0-2628-1693-5, 0-2628-1690	0-2628-1696	br068@scib.co.th
<b>District 2</b>	<b>0-2621-5612, 0-2225-9999 Ext. 2454, 2898, 2899</b>	<b>0-2621-5611</b>	<b>reg02@scib.co.th</b>
Pra Tu Nam	0-2251-6018, 0-2251-6852, 0-2252-6937, 0-2252-6979, 0-2252-7690, 0-2251-6019	0-2252-6935	br105@scib.co.th
Charoen Phol	0-2215-6628-30	0-2215-6627	br136@scib.co.th
Samyarn	0-2215-1549, 0-2215-4199, 0-2215-4225, 0-2216-4739, 0-2216-6017	0-2216-6170	br109@scib.co.th
Hua Lamphong	0-2237-9710-4	0-2237-9713	br007@scib.co.th
Nang Lerng	0-2281-0842, 0-2281-2169, 0-2281-2320, 0-2282-0124	0-2281-2322	br113@scib.co.th
Charu Muang	0-2214-1488, 0-2214-1739, 0-2216-6981, 0-2216-6980, 0-2216-6880, 0-2611-7902	0-2214-2038	br112@scib.co.th
Saim Square	0-2251-6763, 0-2252-5252, 0-2252-5308, 0-2252-7080	0-2253-9429	br119@scib.co.th
The Ves	0-2628-7240-4, 0-2628-7247	0-2282-8810	br025@scib.co.th
Racha Damnern	0-2221-3391, 0-2223-6010, 0-2226-0178-9, 0-2222-5880, 0-2226-0182	0-2222-9635	br002@scib.co.th
Bang Lampoo	0-2281-6821, 0-2281-6332	0-2281-7457	br104@scib.co.th
Tha Prachand	0-2221-6486, 0-2225-4466, 0-2225-8934, 0-2623-6160-2	0-2225-8933	br015@scib.co.th
Pakklong Talad (Sub-Branch)	0-2221-7511, 0-2222-0686, 0-2222-7467	0-2222-4794	br062@scib.co.th
<b>District 3</b>	<b>0-2944-7066-7</b>	<b>0-2944-7068</b>	<b>reg03@scib.co.th</b>
Lad Prao	0-2512-2343-4, 0-2938-2433, 0-2511-1312, 0-2511-1160	0-2512-2342	br013@scib.co.th
Central Lad Prao	0-2541-1297, 0-2541-1300, 0-2541-1490, 0-2541-1617	0-2541-1718	br151@scib.co.th
Lad Prao 118	0-2530-4347-9, 0-2539-2925-7, 0-2539-5092-4	0-2530-4348	br177@scib.co.th
Lad Prao 53 (Sub-Branch)	0-2539-1167, 0-2539-1507, 0-2539-2857, 0-2539-9785	0-2539-2261	br174@scib.co.th

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Appeal Court	0-2938-3421-6	0-2938-3428	br081@scib.co.th
Chokchai 4 (Sub-Branch)	0-2931-0895-7	0-2931-0798	br060@scib.co.th
Rachada-Huay Khwang	0-2694-1489-91, 0-2694-1495	0-2694-1496	br091@scib.co.th
Lad Prao 80 (Sub-Branch)	0-2933-9170-2, 0-2933-9174-5	0-2933-9178	br064@scib.co.th
Thanon Nawamin	0-2519-5720, 0-2519-5724, 0-2519-4616, 0-2519-5696	0-2519-4627	br042@scib.co.th
Klong Chan	0-2377-1364, 0-2377-1368-9	0-2377-3609	br141@scib.co.th
Indraruk (Sub-Branch)	0-2375-1281-2, 0-2375-1284	0-2375-1285	br169@scib.co.th
Thanon Serithai	0-2374-8984-5, 0-2374-8987-8	0-2374-8986	br037@scib.co.th
Bang Khen	0-2579-1340, 0-2579-3483, 0-2579-4526, 0-2579-7485	0-2579-6794	br125@scib.co.th
<b>District 4</b>	<b>0-2616-3543, 0-2616-2200, 0-2616-3563</b>	<b>0-2616-3544</b>	<b>reg04@scib.co.th</b>
Anusavaree Chai Samornraphoom	0-2644-7474-6, 0-2354-9330-1	0-2354-9351	br018@scib.co.th
Racha Prarop	0-2245-4968-9, 0-2642-6054-5	0-2245-0882	br127@scib.co.th
Ratchawat	0-2241-0868, 0-2243-6183, 0-2243-7980-1	0-2241-1483	br111@scib.co.th
Bang Sue	0-2587-0616, 0-2587-0686, 0-2587-8216	0-2585-9659	br128@scib.co.th
Saphan Kwai	0-2279-3942, 0-2279-5633, 0-2279-6060-1, 0-2279-7533, 0-2616-6748	0-2616-6747	br108@scib.co.th
Suthi San	0-2616-3553-8 ตำบล 120, 121, 127, 129	0-2616-3561	br055@scib.co.th
Talad Mochit	0-2278-5300-1, 0-2270-0308, 0-2618-5656-7	0-2279-3411	br021@scib.co.th
Huay Kwang	0-2692-0061, 0-2692-2098, 0-2692-2099, 0-2692-2100	0-2276-1134	br012@scib.co.th
Huay Kwang (2)	0-2277-4728, 0-2276-3596, 0-2277-3142	0-2277-1074	br117@scib.co.th
Pracha Utid (Huay Kwang)	0-2934-4181-3	0-2934-4184	br176@scib.co.th
Thanon Pra Ram 9	0-2246-7829-30	0-2246-8473	br165@scib.co.th
Asoke-Dindaeng	0-2641-7544, 0-2641-7546-9	0-2641-7566	br080@scib.co.th
<b>District 5</b>	<b>0-2291-4631, 0-2291-4847</b>	<b>0-2291-0407</b>	<b>reg05@scib.co.th</b>
Wat Phrayakrai	0-2289-3026-7, 0-2289-5033	0-2289-5032	br150@scib.co.th
Pra Ram 3	0-2682-7322-6, 0-2682-7328-9	0-2682-7327	br079@scib.co.th
Bangkhlo	0-2289-4223, 0-2289-4236, 0-2289-4253	0-2289-4159	br157@scib.co.th
Sathupradit	0-2682-0610-8	0-2682-0619	br071@scib.co.th
Trok Chan	0-2211-1286, 0-2211-4511, 0-2674-8257-8	0-2211-4653	br114@scib.co.th
Thanon South Sathorn (Thai C.C. Tower)	0-2675-5697-9, 0-2675-5700	0-2675-5701	br183@scib.co.th
Silom (Thanon Pun)	0-2237-9317-20, 0-2235-5800-2, 0-2237-9661-2	0-2237-9321	br010@scib.co.th
Silom	0-2635-1150-4, 0-2635-1157	0-2635-1155	br103@scib.co.th
Rajdamri	0-2251-4314, 0-2251-4348-9	0-2251-4316	br154@scib.co.th
Center World Phaza	0-2255-6163, 0-2255-9658-9	0-2255-9657	br161@scib.co.th
Si Phraya	0-2233-5305-7, 0-2267-2191-4	0-2233-4174	br003@scib.co.th
Tha Niya	0-2236-3520-1, 0-2236-5339, 0-2236-9129-30	0-2236-9119	br053@scib.co.th
<b>District 6</b>	<b>0-2260-2431, 0-2661-2673, 0-2260-2738</b>	<b>0-2258-8995</b>	<b>reg06@scib.co.th</b>
Pra Ram 4	0-2249-4201-3, 0-2249-0330, 0-2249-0325, 0-2249-0360, 0-2671-0260	0-2249-4204	br019@scib.co.th
Kluaynumtai	0-2258-6620-1	0-2258-5505	br130@scib.co.th



OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Klong Toey	0-2240-0161, 0-2249-2633, 0-2249-2911	0-2249-4789	br106@scib.co.th
Ploenchit Center	0-2656-8403-7	0-2656-8400	br072@scib.co.th
Asoke	0-2260-7830-4, 0-2260-7836-8	0-2260-7839	br031@scib.co.th
Na Na Nua	0-2252-0709, 0-2252-6540, 0-2253-4835, 0-2254-5538	0-2253-5668	br133@scib.co.th
Eka Mai	0-2392-2831, 0-2392-7278-9, 0-2711-4842	0-2392-2832	br126@scib.co.th
Thong Lor (2) (Sub-Branch)	0-2391-0157, 0-2392-0527-8	0-2391-1862	br175@scib.co.th
Petchaburi Tat Mai	0-2308-2955-8, 0-2718-1834	0-2308-2950	br044@scib.co.th
Thong Lor (Sub-Branch)	0-2381-8672, 0-2381-2209, 0-2391-0273-4, 0-2391-2821	0-2381-4090	br054@scib.co.th
IFCT Tower	0-2252-6458, 0-2251-1327, 0-2255-3385, 0-2251-1498, 0-2252-6304	0-2251-1357	br115@scib.co.th
Ratchada Phisek	0-2641-2225-8	0-2641-3233	br052@scib.co.th
<b>District 7</b>	<b>0-2719-4585-6</b>	<b>0-2719-4587</b>	<b>reg07@scib.co.th</b>
Ramkhamhaeng	0-2375-2126-7, 0-2374-9644, 0-2375-1945, 0-2375-2254	0-2375-2452	br041@scib.co.th
Sukha Phibal 3 (Sub-Branch)	0-2373-0005, 0-2373-0007-8, 0-2373-5454	0-2373-0004	br059@scib.co.th
Lamsali	0-2735-2060-3	0-2735-2067	br170@scib.co.th
Hua Mark	0-2314-0086, 0-2314-2627, 0-2319-5700	0-2314-7277	br135@scib.co.th
Phatanakarn	0-2719-4580-3, 0-2719-4590	0-2719-4591	br051@scib.co.th
Klong Ton (Sub-Branch)	0-2381-3114-5, 0-2381-3121-2	0-2381-3124	br056@scib.co.th
Thanon Pattanakarn 22	0-2318-7241-2, 0-2318-7620, 0-2318-7969	0-2318-7393	br148@scib.co.th
On Nuch (Sub-Branch)	0-2322-1557-9	0-2322-1556	br179@scib.co.th
Sukhumvit 71	0-2391-6067, 0-2392-5944, 0-2392-8102	0-2392-2534	br118@scib.co.th
Pra Ves	0-2321-1181, 0-2322-2223, 0-2321-1184-5, 0-2722-1371-3	0-2322-8943	br024@scib.co.th
Seacon Square	0-2721-8548-50	0-2721-8551	br164@scib.co.th
Pra Ves (On Nuch) (Sub-Branch)	0-2328-8023-9	0-2328-8027	br181@scib.co.th
King Kaew	0-2316-1990-2, 0-2750-0184-5	0-2317-1312	br030@scib.co.th
<b>District 8</b>	<b>0-2412-2797, 0-2418-2723, 0-2866-2442</b>	<b>0-2412-2798</b>	<b>reg08@scib.co.th</b>
Phetkasem 69	0-2809-3034-8	0-2809-3041	br075@scib.co.th
Nongkeam	0-2445-4788, 0-2445-4790-2	0-2445-4789	br160@scib.co.th
Bangyeerua	0-2472-2664-7	0-2472-2668	br004@scib.co.th
Siyaek Bankaek	0-2465-2115, 0-2466-1950, 0-2465-5072, 0-2466-1673, 0-2466-3552	0-2465-5071	br009@scib.co.th
Tha Dindaeng (Sub-Branch)	0-2863-1283-8	0-2863-1289	br074@scib.co.th
Bangkae	0-2454-6225-7, 0-2454-2790-2, 0-2454-0041	0-2413-1329	br017@scib.co.th
Talad Bangkae (Sub-Branch)	0-2801-1004-6	0-2801-1007	br172@scib.co.th
Sam Yaek Fai Shai	0-2411-3446, 0-2418-3575-6	0-2411-2321	br116@scib.co.th
Charan Sanitwong 35 (Sub-Branch)	0-2411-0511, 0-2411-0545, 0-2411-0605	0-2411-0607	br048@scib.co.th
Wongwienyai	0-2437-0188, 0-2437-2596, 0-2438-6148	0-2437-5784	br107@scib.co.th
Chareon Nakhon (Sub-Branch)	0-2862-5010-6	0-2862-5017	br078@scib.co.th
<b>District 9</b>	<b>(034) 812-620-4</b>	<b>(034) 426-992</b>	<b>reg09@scib.co.th</b>
Kra Tum Ban	(034) 472-651-2	(034) 471-511	br016@scib.co.th
Sam Phran	(034) 322-781, (034) 322-783, (034) 323-800	(034) 322-782	br022@scib.co.th
Omnoi	0-2420-1450, 0-2420-1811, 0-2420-2565-6	0-2420-1132	br124@scib.co.th

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Samut Sakhon	(034) 837-586-90, (034) 411-225-6, (034) 425-205-8	(034) 425-204	br325@scib.co.th
Klongkru (Sub-Branch)	(034) 827-086, (034) 827-093	(034) 827-094	br069@scib.co.th
Mahachai Muang Mai	(034) 812-620-4	(034) 426-989	br034@scib.co.th
Talad Mahachai (Sub-Branch)	(034) 810-287-8	(034) 810-467	br061@scib.co.th
Thanon Seattrakit 1 (Omnoi)	0-2810-4596-9	0-2810-4605	br066@scib.co.th
Wat Thienad (Sub-Branch)	0-2429-0216, 0-2429-0813	0-2429-0847	br097@scib.co.th
Nakhon Chai Sri	(034) 331-350-1	(034) 331-349	br147@scib.co.th
Talad Tana (Nakhon Chai Sri)	(034) 331-107-9	(034) 331-151	br026@scib.co.th
Salaya (Sub-Branch)	0-2441-4557-9	0-2441-4560	br100@scib.co.th
<b>District 10</b>	<b>0-2709-8010, 0-2709-8506</b>	<b>0-2709-8011</b>	<b>reg10@scib.co.th</b>
Poo Chao Saming Prai (2)	0-2394-3188, 0-2394-3192, 0-2394-4860	0-2394-4861	br142@scib.co.th
Samrong Nua	0-2384-7141, 0-2384-7244, 0-2384-7419, 0-2394-2246-50	0-2384-7678	br131@scib.co.th
Huachiew Chaloeprakiat University	0-2312-6600-5	0-2312-6603	br168@scib.co.th
U Domsuk	0-2393-7123, 0-2395-5959, 0-2393-5781-2	0-2399-2399	br137@scib.co.th
Muang Mai Bang Pli	0-2706-0322-6	0-2706-0329	br092@scib.co.th
Bang Poo Industrial Estate	0-2324-0360, 0-2324-0364, 0-2324-0806-7, 0-2709-8106-7	0-2324-0805	br158@scib.co.th
Bang Poo	0-2323-2960-3	0-2323-2964	br040@scib.co.th
Samrong	0-2396-0278-80, 0-2745-3482-3	0-2399-5103	br011@scib.co.th
Talad Somrong (Sub-Branch)	0-2756-8411-4	0-2756-8419	br067@scib.co.th
Poo Chao Saming Prai (Sub-Branch)	0-2384-0033-5	0-2384-0059	br045@scib.co.th
Samut Prakarn	0-2388-0099, 0-2395-0045, 0-2395-2021, 0-2702-8086	0-2387-0333	br123@scib.co.th
Talad Paknam (Sub-Branch)	0-2702-8380-4	0-2702-8388	br046@scib.co.th
Theparak	0-2759-6061-4, 0-2759-6066	0-2759-6067	br039@scib.co.th
Namdang (Sub-Branch)	0-2385-2511-2, 0-2385-2920, 0-2385-2936	0-2385-2921	br171@scib.co.th
<b>District 11</b>	<b>0-2582-0872-4</b>	<b>0-2582-0875</b>	<b>reg11@scib.co.th</b>
Haryaek Pakkred	0-2583-7574, 0-2583-9144	0-2584-3959	br152@scib.co.th
Pracha Chuen	0-2585-6811, 0-2585-7231	0-2585-2666	br129@scib.co.th
Minburi	0-2517-8014-5, 0-2517-9321	0-2517-8016	br163@scib.co.th
Bang Bua Thong	0-2571-3598-9, 0-2920-1965, 0-2571-3373-5, 0-2571-7843-4	0-2571-7845	br014@scib.co.th
Rattanathibet (Sub-Branch)	0-2969-9040-3, 0-2969-9046	0-2969-9048	br063@scib.co.th
Pak Kred	0-2960-9928-30, 0-2583-7246, 0-2583-7876	0-2583-7562	br023@scib.co.th
Thanon Samakhee (Sub-Branch)	0-2574-2794-5	0-2574-2793	br166@scib.co.th
Chaeng Watana	0-2573-7625-6, 0-2982-9192-3, 0-2982-9438-40	0-2982-9441	br038@scib.co.th
Song Prapha (Sub-Branch)	0-2928-8542-5	0-2928-8546	br076@scib.co.th
Ram Intra	0-2943-5630-2, 0-2519-0824-5	0-2519-0826	br035@scib.co.th
Fashion Island (Sub-Branch)	0-2947-6402-5	0-2947-6410	br065@scib.co.th
Ram Intra (Km. 8)	0-2510-6900, 0-2510-2342, 0-2510-9874, 0-2510-1093	0-2510-9875	br149@scib.co.th
Ram Intra Km.7 (Sub-Branch)	0-2510-9903, 0-2510-9610, 0-2510-9788	0-2510-9197	br180@scib.co.th

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<b>District 12</b>	<b>0-2531-3509, 0-2531-3464, 0-2531-9774</b>	<b>0-2531-9845</b>	<b>reg12@scib.co.th</b>
Simum Muang Rangsit	0-2531-9774, 0-2531-3445, 0-2531-3509, 0-2531-3447	0-2531-9636	br036@scib.co.th
Zeer Rangsit	0-2992-6807-9	0-2992-6810	br173@scib.co.th
Don Muang	0-2929-7004, 0-2566-1950-1	0-2566-3425	br122@scib.co.th
Rangsit Klong 3	0-2990-8806-8	0-2533-1659	br058@scib.co.th
Rangsit	0-2531-0988, 0-2532-3725, 0-2531-3176	0-2532-0016	br145@scib.co.th
Lamlooka	0-2994-5747-51	0-2994-5753	br090@scib.co.th
Talad Saphan Mai Don Muang	0-2521-1670, 0-2521-0612-3, 0-2552-2822	0-2521-0611	br143@scib.co.th
Saphan Mai Don Muang (Sub-Branch)	0-2970-4400-3	0-2970-4408	br070@scib.co.th
Pathum Thani	0-2581-5766, 0-2581-6976	0-2581-6925	br155@scib.co.th
Bang kadee Industrial Park (Sub-Branch)	0-2501-1254-6	0-2501-1257	br099@scib.co.th
Klong Luang	0-2516-1230-33, 0-2516-1202	0-2516-1203	br029@scib.co.th
Navanakorn (Sub-Branch)	0-2909-0620-3, 0-2909-0626	0-2909-0625	br082@scib.co.th
<b>District 13</b>	<b>0-2435-4676, 0-2886-5095-6</b>	<b>0-2435-4675</b>	<b>reg13@scib.co.th</b>
Bang Khun Non	0-2424-9778-9, 0-2433-6028-9	0-2434-9772	br153@scib.co.th
Thanon Borommarat Chachonnani (Pin Klao)	0-2446-8061-4	0-2446-8065	br184@scib.co.th
Bang Phlad	0-2435-7205, 0-2435-6808-10	0-2435-6807	br159@scib.co.th
Bang Kruai (Sub-Branch)	0-2447-2897, 0-2447-5095, 0-2447-5506, 0-2447-1265	0-2883-8619	br182@scib.co.th
Pin Klao	0-2435-4273-4, 0-2435-7374, 0-2435-4530, 0-2435-4577-8	0-2435-4518	br033@scib.co.th
Talingchan (Sub-Branch)	0-2882-7790-4	0-2882-7796	br085@scib.co.th
Thanon Arun Amarin	0-2424-0888, 0-2424-0999, 0-2883-3981-2	0-2433-7061	br139@scib.co.th
Pran Nok (Sub-Branch)	0-2418-0785, 0-2418-0787, 0-2418-0782	0-2418-0786	br162@scib.co.th
Bang Bon	0-2899-8533-7	0-2899-8540	br073@scib.co.th
Non Thaburi (Sub-Branch)	0-2527-0255-60	0-2527-0254	br047@scib.co.th
Wutakas	0-2466-9981-2, 0-2466-6160, 0-2465-4236, 0-2472-5839	0-2472-5838	br020@scib.co.th
Talad Plu (Sub-Branch)	0-2466-7404, 0-2466-7423, 0-2466-8196, 0-2466-9511	0-2465-1767	br057@scib.co.th
Wong Sawang	0-2585-9646-8, 0-2586-0420-2, 0-2910-8700	0-2910-7949	br032@scib.co.th
<b>District 14</b>	<b>0-2477-2416-7, 0-2477-2487</b>	<b>0-2477-2486</b>	<b>reg14@scib.co.th</b>
Bang Mod	0-2428-7014-5, 0-2428-6913-6	0-2428-6994	br043@scib.co.th
Thanon Roma 2 (Soi 3)	0-2427-1552-3	0-2427-1551	br138@scib.co.th
Phrapradaeng	0-2463-3940-1, 0-2463-8415-7	0-2463-6897	br028@scib.co.th
Pracha Utid (Sub-Branch)	0-2873-4721-3, 0-2873-5848	0-2873-5849	br084@scib.co.th
Krunai	0-2462-8020, 0-2462-8034, 0-2464-2454	0-2462-6193	br144@scib.co.th
Bang Kru (Sub-Branch)	0-2817-5417-19	0-2817-5423	br088@scib.co.th
Samyaek Phrapradaeng	0-2463-2156-7, 0-2462-6284	0-2462-5355	br120@scib.co.th
Thanam Phrapradaeng (Sub-Branch)	0-2463-0488, 0-2463-2228, 0-2463-3577-8	0-2464-2156	br167@scib.co.th

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Rachada Phisek-Thapra	0-2878-8845-50	0-2878-8852	br077@scib.co.th
Charan Sanitwong 13 (Sub-Branch)	0-2864-1560-5	0-2864-1566	br083@scib.co.th
Samre	0-2468-0609, 0-2468-1008-9, 0-2476-5422	0-2476-5423	br132@scib.co.th
Talad Samre (Sub-Branch)	0-2472-2045-50	0-2472-2052	br049@scib.co.th
<b>District 15</b>	<b>(038) 876-610-1</b>	<b>(038) 876-612</b>	<b>reg15@scib.co.th</b>
Chandhaburi	(039) 325-525, (039) 322-048, (039) 311-079, (039) 312-276	(039) 325-926	br312@scib.co.th
Trat	(039) 525-731-5	(039) 525-734	br414@scib.co.th
Huay Sa Thon	(039) 395-381-3	(039) 395-384	br378@scib.co.th
Rayong	(038) 614-913-4	(038) 612-342	br332@scib.co.th
Mab Ta Put	(038) 682-531-3	(038) 681-995	br382@scib.co.th
Nikhom Phattana	(038) 636-090-1	(038) 636-092	br710@scib.co.th
Banphe	(038) 651-995, (038) 651-997, (038) 651-978	(038) 651-993	br559@scib.co.th
Klaeng	(038) 887-003-9	(038) 678-002	br578@scib.co.th
Sattahip	(038) 437-321, (038) 437-986	(038) 437-717	br531@scib.co.th
Koh Chang (Sub-Branch)	(039) 551-026-29	(039) 551-030	br415@scib.co.th
<b>District 16</b>	<b>(038) 275-498-9</b>	<b>(038) 273-243</b>	<b>reg16@scib.co.th</b>
Pattaya	(038) 720-334, (038) 720-339	(038) 429-973	br377@scib.co.th
Chonburi	(038) 276-930-7	(038) 276-935	br380@scib.co.th
Bangplaso	(038) 271-819, (038) 276-651, (038) 283-719, (038) 283-919	(038) 276-652	br507@scib.co.th
Siracha	(038) 773-415-20	(038) 773-421	br399@scib.co.th
Thanon Surasak 1 (Sriracha)	(038) 311-872-3, (038) 312-206-7	(038) 311-871	br508@scib.co.th
Laem Chabang	(038) 400-740-3	(038) 400-745	br404@scib.co.th
Cha Choeng Sao	(038) 515-835-7	(038) 515-838	br388@scib.co.th
Nongmon	(038) 392-302, (038) 392-125, (038) 392-131	(038) 392-501	br514@scib.co.th
Banbung	(038) 443-060-1, (038) 444-015-6	(038) 443-713	br519@scib.co.th
Bowin Industrial Estate	(038) 345-456-8, (038) 345-828	(038) 345-829	br435@scib.co.th
<b>District 17</b>	<b>(037) 421-888-9</b>	<b>(037) 421-345</b>	<b>reg17@scib.co.th</b>
Prachin Buri	(037) 211-300, (037) 213-855-9	(037) 213-080	br334@scib.co.th
Nakorn Nayok	(037) 311-131, (037) 311-201	(037) 312-610	br357@scib.co.th
Sakaew	(037) 241-061, (037) 241-585-6	(037) 241-062	br367@scib.co.th
Wang Nam Yen	(037) 251-543-7	(037) 251-546	br387@scib.co.th
Wang Somboon (Sub-Branch)	(037) 449-193-4	(037) 449-195	br701@scib.co.th
Aranya Prathet	(037) 223-505-7	(037) 223-511	br397@scib.co.th
Na Dee	(037) 289-069, (037) 411-201-2	(037) 289-069	br398@scib.co.th
Kabin Buri	(037) 281-156, (037) 281-333	(037) 281-155	br520@scib.co.th
Phanom Sarakham	(038) 551-005, (038) 551-824-5, (038) 836-991	(038) 551-659	br528@scib.co.th
<b>District 18</b>	<b>(056) 225-257, (056) 228-415</b>	<b>(056) 225-258</b>	<b>reg18@scib.co.th</b>
Paknampho	(056) 212-082, (056) 212-189, (056) 213-388, (056) 212-678, (056) 212-847-8	(056) 213-516	br302@scib.co.th

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Nakorn Sawan	(056) 222-998, (056) 227-835	(056) 222-150	br504@scib.co.th
Ta Klee	(056) 261-093, (056) 261-133, (056) 262-381-3	(056) 262-383	br349@scib.co.th
Hangnam Sakorn (Sub-Branch)	(056) 431-232, (056) 431-233	(056) 431-234	br708@scib.co.th
Chong Khae	(056) 269-163, (056) 269-128-30	(056) 269-127	br702@scib.co.th
Han Kha	(056) 451-040, (056) 451-042, (056) 451-499, (056) 451-500	(056) 451-499	br544@scib.co.th
Nong Ben (Sub-Branch)	(056) 296-163-5	(056) 296-166	br700@scib.co.th
Chai Nat	(056) 416-650-3	(056) 416-654	br424@scib.co.th
U Thai Thani	(056) 571-616-19	(056) 571-620	br433@scib.co.th
<b>District 19</b>	<b>(055) 246-788, (055) 251-881</b>	<b>(055) 219-997</b>	<b>reg19@scib.co.th</b>
Phisanulok	(055) 243-871-2, (055) 259-322	(055) 244-268	br372@scib.co.th
Phichit	(056) 611-033, (056) 611-127	(056) 611-127	br513@scib.co.th
Phetchaboon	(056) 723-103, (056) 723-104	(056) 723-104	br572@scib.co.th
Kamphang Phet	(055) 712-753-4, (055) 712-770, (055) 712-803	(055) 712-830	br390@scib.co.th
Sawarn Kalok	(055) 641-478-9, (055) 642-512, (055) 642-515	(055) 641-480	br353@scib.co.th
Sukho Thai	(055) 616-200-4	(055) 616-200	br422@scib.co.th
Tak	(055) 511-275, (055) 511-360, (055) 513-484-5	(055) 513-486	br323@scib.co.th
Mae Sod	(055) 533-311-8, (055) 533-319	(055) 533-320	br381@scib.co.th
Lumsak (Sub-Branch)	(056) 701-540, (056) 701-878, (056) 704-207, (056) 704-267	(056) 704-513	br572@scib.co.th
Wang Chao (Sub-Branch)	(055) 556-059, (055) 556-061	(055) 556-063	br706@scib.co.th
<b>District 20</b>	<b>(054) 230-422, (054) 230-051</b>	<b>(054) 230-593</b>	<b>reg20@scib.co.th</b>
Lampang	(054) 226-041-4	(054) 226-045	br301@scib.co.th
Thanon Boonywat	(054) 217-444, (054) 217-666, (054) 218-790, (054) 224-668, (054) 214-666	(054) 224-667	br502@scib.co.th
Sob Tui	(054) 228-040-3	(054) 228-044	br342@scib.co.th
Pha Yao	(054) 431-124, (054) 482-386-8	(054) 431-272	br341@scib.co.th
Prae	(054) 522-004, (054) 522-006	(054) 522-005	br546@scib.co.th
Nan	(054) 711-095-9	(054) 711-098	br419@scib.co.th
Uttaradit	(055) 403-103-7	(055) 403-107	br418@scib.co.th
Lampoon	(053) 510-371, (053) 512-060-1	(053) 510-372	br307@scib.co.th
Bhumibhon Dam	(055) 549-598-9, (055) 599-004-5	(055) 599-021	br352@scib.co.th
<b>District 21</b>	<b>(053) 273-352, (053) 272-732, (053) 275-737, (053) 285-343, (053) 276-528</b>	<b>(053) 272-733</b>	<b>reg21@scib.co.th</b>
Chieng Mai	(053) 273-352, (053) 275-737, (053) 276-528	(053) 272-733	br300@scib.co.th
Maesai	(053) 731-675, (053) 731-879, (053) 731-904, (053) 733-165-6	(053) 731-905	br391@scib.co.th
San Pakoi	(053) 244-157, (053) 249-167-8, (053) 246-157, (053)247-157, (053) 249-170-1	(053) 241-157	br345@scib.co.th
San Sai	(053) 491-457, (053) 491-928, (053) 491-934, (053) 491-969	(053) 491-728	br711@scib.co.th
Kuangsing	(053) 210-826-8, (053) 216-586	(053) 222-718	br555@scib.co.th
Chiengrai	(053) 717-100-6, (053) 717-108-9	(053) 717-107	br375@scib.co.th
Hangdong (Sub-Branch)	(053) 434-035-7	(053) 434-038	br577@scib.co.th
Mae Hongson	(053) 614-441-2, (053) 614-444-5	(053) 614-443	br425@scib.co.th

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Changclan	(053) 274-634, (053) 274-934-5	(053) 274-635	br505@scib.co.th
<b>District 22</b>	<b>(043) 227-280-1, (043) 227-274</b>	<b>(043) 227-282</b>	<b>reg22@scib.co.th</b>
Udorn Thani	(042) 221-703, (042) 221-381, (042) 247-211-2	(042) 247-209	br333@scib.co.th
Nong Khai	(042) 412-890-4	(042) 412-895	br389@scib.co.th
Thanon Udondusadee	(042) 247-574, (042) 247-732, (042) 247-775	(042) 247-510	br561@scib.co.th
Khon Kaen	(043) 221-163, (043) 223-234, (043) 224-201-2	(043) 221-822	br339@scib.co.th
Thanon Srichan	(043) 227-275-8	(043) 227-279	br522@scib.co.th
Chum Phae	(043) 311-684, (043) 312-292, (043) 312-393	(043) 312-395	br563@scib.co.th
Ban Phai	(043) 274-038-40	(043) 274-043	br589@scib.co.th
Srang Khom	(042) 277-169-70	(042) 277-173	br580@scib.co.th
Loei	(042) 861-450-3	(042) 861-454	br431@scib.co.th
Nong Bua Lamphoo	(042) 311-107, (042) 311-166, (042) 311-385, (042) 311-588	(042) 311-657	br427@scib.co.th
Kan Ra Sin	(043) 812-024, (043) 812-026, (043) 812-034, (043) 812-044	(043) 812-066	br423@scib.co.th
<b>District 23</b>	<b>(045) 244-914, (045) 254-116-7</b>	<b>(045) 254-348</b>	<b>reg23@scib.co.th</b>
Ubon Ratchathani	(045) 244-910-4, (045) 244-917	(045) 244-919	br383@scib.co.th
Thanon Sabpasit	(045) 244-315, (045) 244-729, (045) 245-744, (045) 245-855	(045) 243-193	br585@scib.co.th
Ya So Thorn	(045) 714-051-6	(045) 714-054	br591@scib.co.th
Amnat Charoen	(045) 511-721-4	(045) 511-726	br586@scib.co.th
Warin Chamrab	(045) 322-788, (045) 322-791-3	(045) 322-790	br564@scib.co.th
Roiet	(043) 511-521, (043) 513-520-1	(043) 511-520	br361@scib.co.th
Muk Da Harn	(042) 631-367-70	(042) 631-374	br402@scib.co.th
Maha Sarakham	(043) 725-485, (043) 725-661, (043) 723-653, (043) 725-418	(043) 723-692	br420@scib.co.th
Nakhon Phanom	(042) 516-125-8	(042) 516-129	br395@scib.co.th
Sri Sa Ket	(045) 617-861-4	(045) 617-860	br434@scib.co.th
Sakon Nakorn	(042) 716-446-50	(042) 716-451	br592@scib.co.th
<b>District 24</b>	<b>(044) 267-291-2, (044) 257-094</b>	<b>(044) 257-095</b>	<b>reg24@scib.co.th</b>
Nakorn Rachasrima	(044) 241-545, (044) 251-376, (044) 259-003-4, (044) 272-600-1	(044) 259-002	br359@scib.co.th
Thanon Suranaree	(044) 242-560, (044) 242-904, (044) 256-705, (044) 267-312	(044) 256-706	br503@scib.co.th
Thanon Mitapap (Sub-Branch)	(044) 268-631-6	(044) 268-634	br576@scib.co.th
Pak Chong	(044) 313-798-9, (044) 313-855-6, (044) 313-976-7	(044) 313-255	br386@scib.co.th
Samyak Pak Thongchai	(044) 213-993-5, (044) 281-815	(044) 213-994	br394@scib.co.th
Nang Rong	(044) 631-049, (044) 631-586-8	(044) 631-050	br369@scib.co.th
Buriram	(044) 601-555, (044) 602-000, (044) 602-111	(044) 602-123	br401@scib.co.th
Plubplachai (Buriram)	(044) 608-012-5	(044) 608-016	br587@scib.co.th
Surin	(044) 514-455-8	(044) 514-459	br376@scib.co.th
Chaiyaphum	(044) 813-251-5	(044) 813-253	br429@scib.co.th
<b>District 25</b>	<b>(036) 221-094, (036) 316-264, (036) 318-277</b>	<b>(036) 220-407</b>	<b>reg25@scib.co.th</b>
Sara Buri	(036) 211-166, (036) 211-454, (036) 212-420, (036) 315-227	(036) 212-421	br331@scib.co.th
Pakpiew	(036) 211-833-4, (036) 221-286, (036) 220-312	(036) 221-884	br509@scib.co.th
Kaeng Khoi	(036) 244-176, (036) 244-179, (036) 245-127-8	(036) 244-178	br521@scib.co.th

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Nong Khae	(036) 371-504, (036) 371-517, (036) 371-859	(036) 371-516	br535@scib.co.th
Ban Mo	(036) 201-141, (036) 201-391-2	(036) 201-142	br370@scib.co.th
Sing Buri	(036) 511-199, (036) 521-200-1	(036) 521-202	br385@scib.co.th
Lop Buri	(036) 411-233, (036) 411-595, (036) 421-020-2	(036) 421-023	br340@scib.co.th
Tarua Ayudhaya	(035) 341-019, (035) 341-029, (035) 341-729	(035) 341-795	br356@scib.co.th
<b>District 26</b>	<b>(035) 336-622, (035) 336-623</b>	<b>(035) 336-624</b>	<b>reg26@scib.co.th</b>
Ayudhaya	(035) 252-431-6, (035) 252-359, (035) 252-438	(035) 252-437	br343@scib.co.th
Talad Chaophrom	(035) 244-768, (035) 245-162-3, (035) 246-101, (035) 246-109	(035) 245-441	br570@scib.co.th
Roj Chana	(035) 213-892-4	(035) 242-136	br392@scib.co.th
Lad Bua Luang	(035) 379-290-1	(035) 379-292	br703@scib.co.th
Bang Pa Han	(035) 381-023-5	(035) 381-026	br554@scib.co.th
Se Na	(035) 201-035, (035) 201-291, (035) 201-748, (035) 201-590	(035) 201-749	br348@scib.co.th
Bang Sai (Sub-Branch)	(035) 282-118, (035) 375-226	(035) 375-144	br707@scib.co.th
Ang Thong	(035) 611-099, (035) 612-301-3	(035) 611-100	br363@scib.co.th
Wises Chai Chan	(035) 632-801-4	(035) 632-805	br421@scib.co.th
<b>District 27</b>	<b>(034) 621-231-2</b>	<b>(034) 621-233</b>	<b>reg27@scib.co.th</b>
Kanchana Buri	(034) 515-096-100	(034) 515-102	br335@scib.co.th
Thanon Bavorn (Sub-Branch)	(034) 511-022, (034) 512-387, (034) 514-205, (034) 512-201	(034) 511-597	br713@scib.co.th
Tarua Kanchanaburi	(034) 561-130, (034) 561-040, (034) 562-074	(034) 562-073	br338@scib.co.th
Ta Muang	(034) 611-119, (034) 611-403, (034) 612-417-8	(034) 612-419	br337@scib.co.th
Thong Pha Poom	(034) 599-073, (034) 599-352	(034) 599-613	br400@scib.co.th
Suphan Buri	(035) 511-330, (035) 511-590, (035) 523-882-3	(035) 523-881	br324@scib.co.th
Thanon Phrapanvasa	(035) 521-575, (035) 521-963	(035) 521-964	br537@scib.co.th
Sri Pra Chan	(035) 581-150, (035) 581-160	(035) 581-140	br540@scib.co.th
U Thong	(035) 551-299, (035) 551-618, (035) 552-106-7	(035) 551-868	br538@scib.co.th
Dan Chang	(035) 595-497-9	(035) 595-499	br384@scib.co.th
Sam Chook	(035) 571-644, (035) 571-655, (035) 571-666	(035) 571-099	br346@scib.co.th
Song Phi Nong	(035) 532-890-4	(035) 532-894	br417@scib.co.th
<b>District 28</b>	<b>(032) 201-487, (032) 200-466, (032) 342-983</b>	<b>(032) 201-488</b>	<b>reg28@scib.co.th</b>
Nakorn Prathom	(034) 255-317-9	(034) 254-915	br320@scib.co.th
Thanon Ratchawithi (Nakorn Prathom)	(034) 242-348, (034) 251-080	(034) 251-081	br529@scib.co.th
Bang Len	(034) 391-026-9	(034) 391-030	br371@scib.co.th
Kam Phaeng Saen	(034) 351-100, (034) 351-614	(034) 351-094	br358@scib.co.th
Rachaburi	(032) 337-142, (032) 338-280, (032) 325-802-5, (032) 337-777	(032) 325-801	br314@scib.co.th
Ban Pong	(032) 200-429-31, (032) 211-993	(032) 211-035	br316@scib.co.th
Thanon Songphon	(032) 200-427, (032) 211-899, (032) 211-900, (032) 342-986	(032) 200-426	br517@scib.co.th
Photharam	(032) 231-089, (032) 231-255, (032) 233-283-4	(032) 231-090	br326@scib.co.th
Damnern Sa Duak	(032) 253-810-5	(032) 253-813	br315@scib.co.th
Pho Hak (Sub-Branch)	(032) 387-021-2	(032) 387-023	br709@scib.co.th

OFFICE / BRANCH	TELEPHONE	FAX	E-mail
<b>District 29</b>	<b>(034) 720-735, (034) 720-758</b>	<b>(034) 720-736</b>	<b>reg29@scib.co.th</b>
Samut Songkram	(034) 711-361, (034) 711-444, (034) 711-510, (034) 715-444	(034) 715-555	br321@scib.co.th
Ban Phaeo	(034) 481-088, (034) 481-099, (034) 480-111, (034) 480-112, (034) 481-605	(034) 481-606	br368@scib.co.th
Umpava	(034) 751-177-8, (034) 751-640-1, (034) 481-605	(034) 751-642	br322@scib.co.th
Khaowang	(032) 425-350, (032) 426-086, (032) 428-352	(032) 428-351	br360@scib.co.th
Petcha Buri	(032) 427-023-5	(032) 424-200	br547@scib.co.th
Tha Yang	(032) 461-445-6, (032) 461-823-4	(032) 461-447	br545@scib.co.th
Cha Am	(032) 434-130-1, (032) 471-158, (032) 471-094	(032) 471-185	br523@scib.co.th
Hua Hin	(032) 511-098, (032) 511-203, (032) 512-218, (032) 512-470-1	(032) 512-219	br350@scib.co.th
Pran Buri	(032) 621-643, (032) 622-373-4	(032) 622-055	br515@scib.co.th
Prachuab Khiri Khan	(032) 604-464-7	(032) 604-468	br428@scib.co.th
<b>District 30</b>	<b>(077) 283-804, (077) 283-171, (077) 283-067</b>	<b>(077) 282-150</b>	<b>reg30@scib.co.th</b>
Chumphon	(077) 571-935-9, (077) 501-060	(077) 571-940	br408@scib.co.th
Lang Suan	(077) 541-965, (077) 541-975, (077) 581-417-8	(077) 541-987	br319@scib.co.th
Ban Don	(077) 210-365, (077) 272-006, (077) 273-663, (077) 281-551, (077) 281-552, (077) 282-151	(077) 210-366	br308@scib.co.th
Ban Na Doem (Sub-Branch)	(077) 359-013, (077) 359-067, (077) 359-015	(077) 359-014	br704@scib.co.th
Surat Thani	(077) 283-627-30	(077) 284-080	br560@scib.co.th
Phunpin	(077) 311-449, (077) 311-377, (077) 312-368-70	(077) 311-537	br354@scib.co.th
Koh Samui	(077) 421-110, (077) 421-111, (077) 420-363, (077) 420-365	(077) 421-112	br313@scib.co.th
Haad Chaweng	(077) 230-405, (077) 231-089-90	(077) 422-051	br714@scib.co.th
Haad La Mai (Sub-branch)	(077) 458-159-61	(077) 458-165	br432@scib.co.th
Koh Pha-Ngan	(077) 377-051, (077) 377-054, (077) 238-186-7	(077) 377-052	br373@scib.co.th
Haad Rin (Sub-Branch)	(077) 375-477, (077) 375-476	(077) 375-476	br412@scib.co.th
Koh Tao (Sub-Branch)	(077) 456-533-4	(077) 456-784	br413@scib.co.th
<b>District 31</b>	<b>(076) 396-807, (076) 396-808</b>	<b>(076) 396-807</b>	<b>reg31@scib.co.th</b>
Ra Nong	(077) 811-198, (077) 811-299, (077) 811-752, (077) 812-299	(077) 811-751	br366@scib.co.th
Phuket	(076) 212-077, (076) 212-385, (076) 222-838-41	(076) 211-355	br374@scib.co.th
Thanon Montri	(076) 212-993, (076) 212-999, (076) 215-393, (076) 222-846	(076) 213-149	br539@scib.co.th
Haad Ka Ron	(076) 396-981, (076) 396-095, (076) 396-485-6	(076) 396-980	br705@scib.co.th
Haad Pa Tong	(076) 292-116-8	(076) 345-687	br396@scib.co.th
Thlang	(076) 311-020, (076) 311-040, (076) 311-432, (076) 274-176	(076) 311-433	br365@scib.co.th
Phang Nga	(076) 411-295, (076) 411-527-8	(076) 411-326	br364@scib.co.th
Thai Muang	(076) 571-234-7	(076) 571-215	br355@scib.co.th
Ta Kua Pa	(076) 431-503-5, (076) 421-666	(076) 421-777	br317@scib.co.th
Khao Lak (Sub-Branch)	(076) 423-493-5, (076) 423-559	(076) 423-560	br416@scib.co.th
<b>District 32</b>	<b>(075) 216-252, (075) 216-484</b>	<b>(075) 216-638</b>	<b>reg32@scib.co.th</b>
Trang	(075) 218-059, (075) 218-590, (075) 211-321, (075) 214-033	(075) 211-320	br304@scib.co.th
Kantang	(075) 251-250, (075) 251-640, (075) 251-038	(075) 251-644	br329@scib.co.th
Huay Yod	(075) 235-033-5, (075) 271-013	(075) 271-064	br327@scib.co.th



OFFICE / BRANCH	TELEPHONE	FAX	E-mail
Yarn Ta Khao	(075) 281-003, (075) 281-101	(075) 281-102	br344@scib.co.th
Nakhon Sri Dhamaraj	(075) 342-779-80, (075) 356-119, (075) 356-761	(075) 356-741	br305@scib.co.th
Pak Pa Nang	(075) 517-132, (075) 517-298, (075) 518-023, (075) 517-979, (075) 517-969	(075) 518-021	br306@scib.co.th
Thong Song	(075) 411-087, (075) 411-287, (075) 411-956, (075) 411-808	(075) 411-054	br328@scib.co.th
Kra Bi	(075) 611-320-1, (075) 620-520, (075) 620-546-51, (075) 611-764	(075) 620-549	br330@scib.co.th
Koh Lanta	(075) 684-225-6	(075) 684-225	br403@scib.co.th
Ao Luk	(075) 681-169, (075) 634-335-7	(075) 681-170	br379@scib.co.th
Ao Nang (Sub-Branch)	(075) 695-550-3	(075) 695-554	br430@scib.co.th
<b>District 33</b>	<b>(074) 355-400, (074) 355-399</b>	<b>(074) 355-400</b>	<b>reg33@scib.co.th</b>
Haad Yai	(074) 235-549, (074) 239-907, (074) 355-396-7	(074) 243-648	br303@scib.co.th
Thanon Nipatuthit 1	(074) 244-898-9, (074) 245-111	(074) 232-485	br501@scib.co.th
Songkhla	(074) 311-638, (074) 323-735-6	(074) 313-543	br362@scib.co.th
Phata Lung	(074) 613-082, (074) 613-951-2	(074) 611-918	br318@scib.co.th
Pattani	(073) 335-950-1, (073) 331-851	(073) 335-949	br310@scib.co.th
Sai Buri	(073) 411-021, (073) 411-314-5	(073) 411-138	br347@scib.co.th
Nara Thivas	(073) 512-013, (073) 511-030, (073) 514-463-5	(073) 512-014	br311@scib.co.th
Su Ngei Golok	(073) 611-359, (073) 611-002, (073) 613-611	(073) 613-632	br351@scib.co.th
Ya La	(073) 212-592, (073) 213-375, (073) 211-692	(073) 211-691	br309@scib.co.th
Be Tong	(073) 231-120, (073) 231-416	(073) 230-914	br336@scib.co.th
Sa Tun	(074) 725-251-3	(074) 725-254	br426@scib.co.th

## TRADE FINANCE DEPARTMENT

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OFFICE	SENIOR MANAGER/CHIEF	TELEPHONE	FAX
Head Office	Mr. Sailom Nopkachain	0-2253-3630	0-2253-1240
Thaniya Center	Mr. Premchai Wisidwutikul	0-2233-2377	0-2236-7341
Samutsakorn Center	Ms. Molwadee Lopsoontorn	(034) 837-615-7	(034) 837-619
Bangpoo Industrial Estate Center	Mr. Kampol Pholngam	0-2709-8106-7	0-2324-0805
Haad Yai Center	Mrs. Nidhree Apiwantanakorn	(074) 235-400	(074) 235-403

## CURRENCY EXCHANGE OFFICES

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### Bangkok

Khao sarn Road Booth	Khao sarn Road 2 Booth	Khao sarn Road 3 Booth
Sukhumvit Road, Soi 15 Booth	Wat Arunrachavararamvoraviaharn Booth	Metro Shopping Center Booth
Patpong Road Booth	Nana Tai Booth	World Trade Center Booth
Vimanmek Mansion Dusit Palace Booth	Prompong Train Station Booth	Nana Nua Branch
Thaprachand Branch	Bamrungmuang Branch	Thaniya Branch (Silom Road)
Bobae Sub-Branch	Rajddamnern Branch	Ratchada Huay Kwang Branch

### Ayudhaya Branch

Wat Yai Chai Mongkol	Mobile Wat Mongkol Borpit
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### Chiengmai

Chiengmai Branch	Chang Klan Branch	Ta-pae
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### Chiengrai

Chiengrai Air Port
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### Chonburi

Pattaya Branch	Pattaya 2	Pattaya Tai
Pattaya Tai Soi 14	Pattaya Beach	Pattaya Klang
Pattaya Com Building		

### Trad

Khao-Chang
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## Prachuapkhirikhan

Hua-Hin Branch

Hua-Hin 2

Hua-Hin 3

## Phang-Nga

Khao-lug Sub-Branch

## Krabi

Krabi Branch

Autarakit Road

Tarua-Chaofa

Ao Nang Sub-Branch

Ao Phra Nang

Koh Luntha Branch

Ban-Phra-Ae

## Phuket

Karon Beach Branch

Soi Bangla

Kata Beach

Wongvien Karon

Patong Beach

Patong-Bangla

Patong Tai

Kamala Beach

Thanon Montre Branch

Phuket Air Port

## Surathani

Koh Samui Branch

Tarua Pha-Yai

Lamai Sub-Branch (Koh Samui)

Week-Ende (Lamai Beach, Koh Samui)

Lamai Beach 2 (Koh Samui)

Chaweng Beach Sub Branch (Koh Samui)

Chaweng Long Beach (Koh Samui)

Chaweng Beach (Koh Samui)

Chaweng Klang (Koh Samui)

Koh Pha-Ngan Branch

Tarua Koh Pha-Ngan

Haad-Rin Sub Branch (Koh Pha-Ngan)

Haad-Rin 2 (Koh Pha-Ngan)

Koh Tao Sub Branch

Ban Haad-Sairi (Koh Tao)

# Major Correspondent Banks

## AFRICA

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### Johannesburg

STANDARD BANK OF SOUTH AFRICA

## ASIA / AUSTRALIA

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### Beijing

BANK OF CHINA  
HONGKONG AND SHANGHAI BANKING CORP.

### Hong Kong

BANK OF EAST ASIA  
HONGKONG AND SHANGHAI BANKING CORP.

### Jakarta

BANK NEGARA INDONESIA  
HONGKONG AND SHANGHAI BANKING CORP.  
STANDARD CHARTERED BANK

### Kuala Lumpur

RHB BANK BERHAD  
UNITED OVERSEAS BANK (MALAYSIA) BHD.

### Melbourne

AUSTRALIA AND NEW ZEALAND BANKING GROUP  
NATIONAL AUSTRALIA BANK

### Mumbai

BANK OF NOVA SCOTIA  
STANDARD CHARTERED BANK

### Osaka

MIZUHO CORPORATE BANK  
RESONA BANK

### Penang

OVERSEA - CHINESE BANKING CORP.  
RHB BANK BERHAD

### Riyadh

SAUDI BRITISH BANK  
RIYADH BANK

### Seoul

AMERICAN EXPRESS BANK  
BANK OF NEW YORK  
KOREA EXCHANGE BANK  
UNION BANK OF CALIFORNIA

### Singapore

OVERSEA - CHINESE BANKING CORP.  
STANDARD CHARTERED BANK  
UNITED OVERSEAS BANK

### Sydney

COMMONWEALTH BANK OF AUSTRALIA  
NATIONAL AUSTRALIA BANK  
WESTPAC BANKING CORP.

### Taipei

BANK OF NEW YORK  
JPMORGAN CHASE BANK  
UNION BANK OF CALIFORNIA

### Tokyo

BANK OF NOVA SCOTIA  
BANK OF TOKYO - MITSUBISHI  
MIZUHO CORPORATE BANK  
RESONA BANK  
SUMITOMO MITSUI BANKING CORP.  
UFJ BANK LTD  
UNION BANK OF CALIFORNIA

### Wellington

ANZ BANKING GROUP (NEW ZEALAND) LTD  
BANK OF NEW ZEALAND  
NATIONAL BANK OF NEW ZEALAND

### Yangon

MYANMA FOREIGN TRADE BANK  
MYANMA INVESTMENT AND COMMERCIAL BANK

## EUROPE

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### Amsterdam

ABN AMRO BANK N.V.  
ING BANK N.V.

### Brussels

FORTIS BANK  
ING BANK N.V.

### Copenhagen

DANSKE BANK A/S  
NORDEA BANK DANMARK A/S

### Frankfurt

AMERICAN EXPRESS BANK GMBH  
COMMERZ BANK AG  
DEUTSCHE BANK  
DRESDNER BANK

### Gothenburg

SVENSKA HANDELSBANKEN

### London

BARCLAYS BANK  
HSBC BANK PLC  
ROYAL BANK OF SCOTLAND  
STANDARD CHARTERED BANK

### Madrid

BANCO DE SABADELL  
COMMERZ BANK AG

### Milan

BANCA INTESA  
BANCA NAZIONALE DEL LAVORO

### Munich

BAYERISCHE HYPO - UND VEREINS BANK AG  
BAYERISCHE LANDES BANK

### Oslo

NORDEA BANK NORGE ASA

### Paris

BNP PARIBAS  
NATEXIS BANQUES POPULAIRES

### Rome

BANCA NAZIONALE DEL LAVORO  
BANCA INTESA

### Stockholm

SKANDINAVISKA ENSKILDA BANKEN  
SVENSKA HANDELSBANKEN

### Vienna

BANK AUSTRIA CREDITANSTALT AG  
RZB AUSTRIA

### Zurich

CREDIT SUISSE FIRST BOSTON  
UBS AG

## NORTH AMERICA

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### Los Angeles

BANK OF AMERICA S.A.  
UNION BANK OF CALIFORNIA

### New York

AMERICAN EXPRESS BANK  
BANK OF AMERICA S.A.  
BANK OF NEW YORK  
CITIBANK N.A.  
HSBC BANK USA  
JPMORGAN CHASE BANK  
STANDARD CHARTERED BANK

UNION BANK OF CALIFORNIA INT'L  
WACHOVIA BANK N.A.

### Philadelphia

WACHOVIA BANK N.A.

### San Francisco

BANK OF AMERICA S.A.  
UNION BANK OF CALIFORNIA

### Toronto

BANK OF NOVA SCOTIA  
CANADIAN IMPERIAL BANK OF COMMERCE  
ROYAL BANK OF CANADA

## Items as required in format 56-2 in the 2004 Annual Report

Items	Page
1. General information	
1.1 Company	74
1.2 Juristic entities in which the company holds over 10% of shares	74
1.3 Other referral parties	77
2. Message from the Board of Directors	4
3. Report of the Audit Committee	7
4. Financial highlights	
4.1 Information from Financial Statement	3
4.2 Financial ratio	36
5. Characteristics of business operations	
5.1 Characteristics of business operations of the company and its affiliated and policy on division of works among the companies in the group	39
5.2 Income Structure	40
5.3 Changes in the past year	37
6. Situation of industrial sector and competition	41
7. Shareholders and management	
7.1 Shareholders	45
7.2 Management structure	46
7.3 Nomination of Director and Executives	56
7.4 Executives	8
7.5 Executives remuneration	58
8. Corporate governance	60
9. Related transactions	123
10. Other factors that may affect decisions on investment	-
11. Risk factors	69
12. Information on debentures or promissory note (in case of issue and not yet redeemed debentures or promissory notes)	-
13. Explanation and analysis of financial position and operational performance	26
14. Financial Statements	88



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Head Office : 1101 New Petchburi Road, Makkasan, Rajathevi, Bangkok 10400

Tel : 0-2208-5000, 0-2253-0200-43

Call Center : Tel. : 0-2256-0930-3 Fax : 0-2651-7836, 0-2253-6138