



Lotus Pond - Being and Continuing  
Chua Ek Kay

# Our core values

## Integrity

We maintain the highest standards - ethical, moral and legal - in all our dealings with our customers and with each other, without compromise.

## Teamwork

We work as a team in which everyone, even the most brilliant, is united to reach our personal and corporate goals through co-operation and mutual loyalty.

## Trust & respect

We earn the trust and respect of our customers and colleagues by being open, honest and honourable in all we say and do.

## Performance excellence

We strive to do better every day because we are committed to market leadership throughout our organisation and this will continue to guide our future growth and development.



Lotus Pond – Being and Continuing

A recipient of Singapore's Cultural Medallion Award, Chua is best known for bridging Eastern and Western elements in his paintings. He is the first Chinese ink painter to win the UOB Painting of the Year ("POY") Competition. Using Chinese ink as a medium, Chua brings out the beauty and spirit of the lotus at various periods of its life, capturing the graceful movements of the lotus for posterity. The UOB POY Competition and Exhibition is a flagship event under the Bank's corporate social responsibility programme.

## Contents

1	Company Profile	86	Other Information
2	Financial Highlights	95	Pillar 3 Disclosure
3	Board of Directors	115	Report of the Audit Committee
3	Senior Management Team	116	Opinion of the Audit Committee on the Bank's Internal Control System
4	Chairman's Statement	117	Report of the Nomination & Compensation Committee
6	Organisational Structure	118	Corporate Governance and Management Structure
7	Management Discussion and Analysis 2010	121	Branch Network
12	Report of Independent Auditor	126	Company Information
13	Financial Statements and Notes to Consolidated Financial Statements		

# Company Profile

The United Overseas Bank (Thai) Public Company Limited (“UOB (Thai)”) was incorporated in November 2005 following the merger of the Bank of Asia and UOB Radanasin Bank. UOB (Thai) is a fully-licensed commercial bank. With its wide network of 148 branches and 341 ATMs nationwide (as of 31 March 2011) UOB (Thai) offers consumer and corporate customers a comprehensive suite of quality products and services to meet their financial objectives and needs.

To complement its commercial banking business, UOB (Thai) has three subsidiaries providing services including asset management, futures broking and debt collection.

UOB (Thai) is rated among the top banks in Thailand by Moody’s Investors Service, Fitch Ratings, and Standard & Poor’s:

#### Moody’s Investors Service:

International Ratings	Long-term	Baa1
	Short-term	Prime-2
	Financial strength	D

#### Fitch Ratings:

International Ratings	Long-term	BBB+
	Short-term	F2
	Individual	C
National Ratings	Long-term	AAA(thai)
	Short-term	F1+(thai)

#### Standard & Poor’s:

International Ratings	Long-term	BBB+
	Short-term	A2
Asean Regional Ratings	Long-term	axA+
	Short-term	axA-1

UOB (Thai) is 99.66% owned by Singapore-based United Overseas Bank Limited (“UOB”). UOB has an extensive network of more than 500 offices in 19 countries and territories.

UOB is rated among the world’s top banks by Moody’s Investors Service, receiving B for financial strength, and Aa1 and Prime-1 for long-term and short-term bank deposits respectively.

UOB’s mission is to be a premier bank in the Asia-Pacific region, committed to providing quality products and excellent customer service. UOB (Thai) aims to play a significant role in advancing this mission while contributing to Thailand’s economic development.

# Financial Highlights

	Audited Financial Statements	
	2010	2009
<b>Balance Sheet (Million Baht)</b>		
Assets	247,891	227,342
Loans	162,847	143,970
Allowance for doubtful accounts	6,147	6,162
Deposits	152,040	151,017
Liabilities	216,109	196,724
Shareholders' equity	31,782	30,617
Capital funds	28,197	28,347
<b>Earnings Performance (Million Baht)</b>		
Net interest and dividend income	7,042	7,032
Non-interest income	2,463	2,423
Provisions for doubtful debts	719	1,488
Net profit before tax	1,847	1,317
Net profit after tax	1,119	849
<b>Ratios (%)</b>		
Net interest and dividend income to average assets	3.0	3.2
Return on average assets	0.5	0.4
Return on average equity	3.6	2.8
Earnings per share - basic (Baht)	0.5	0.3
Book value per share (Baht)	12.8	12.3
Dividend per share (Baht)	-	-
Capital adequacy ratio	19.0	21.2

## Board of Directors

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Suebtrakul Soonthornthum	Independent Director
Arun Chirachavala	Independent Director
Chinnawat Bulsuk	Independent Director
Lee Chin Yong	Director
Cheo Chai Hong	Director
Wong Kim Choong	Director
Chua Teng Hui	Director

## Senior Management Team

Wong Kim Choong	President & CEO
Chua Teng Hui	Deputy President & Deputy CEO
Chanindh Homsilpakul	Senior Executive Vice President, Technology & Operations
Yeo Kian Ing	Senior Executive Vice President, Retail Technology & Operations
Roongthip Angkasirisan	Executive Vice President, Risk Management
Sanchai Apisaksirikul	Executive Vice President, Finance & Corporate Services
Pipat Assamongkol	Executive Vice President, Transaction Banking
Ho Swit Moy Margaret	Executive Vice President, Credit Approval
Khoo Wah Sun	Executive Vice President, Commercial Banking
Lim Keng Teck	Executive Vice President, Human Resources
Piyaporn Ratanaprasartporn	Executive Vice President, Corporate Banking
Adisorn Sermchaiwong	Executive Vice President, Channels
Ngamjitt Sirijindalert	Executive Vice President, Retail Middle Office
Pimolrat Tangkosakul	Executive Vice President, Corporate Services
Tay Han Chong	Executive Vice President, (Personal Financial Services, Business Banking & Commercial Banking)
Yuttachai Teyarachakul	Executive Vice President, Personal Financial Services
Pornchai Wiwatpattarakul	Executive Vice President, Compliance, Legal and Secretariat
Yap Tsok Kee	Executive Vice President, Global Markets
Sayumrat Maranate	Senior Vice President, Business Banking
Vajee Pramualrat	Senior Vice President, Special Asset Management
Lek Ruangnaovarat	Senior Vice President, Internal Audit
Phannivat Srikraivin	Senior Vice President, Strategic Client Coverage

# Chairman's Statement

**“While the global economy in 2011 is expected to be weak... the outlook for Asia remains positive.”**

## **2010 Market Review**

2010 was an eventful year for Thailand. Domestically, the year was marked by political unrests, natural disasters as well as uncertainty over the projects in Map Ta Put industrial and investment promotion zone. Globally, recovery in the advanced economies continued to be fragile. Growth remained sluggish in the US while Europe faced sovereign debt issues.

Notwithstanding these developments, the Thai economy's growth was strong at 7.8%, mirroring growth in other Asian economies. Thailand's rapid recovery reflects its resilience and strong fundamentals as well as its diversified trading partners.

## **2010 Bank Performance**

Because of the political and economic uncertainties in the first half of 2010 the Bank adopted a cautious and prudent approach to business expansion. In the second half, as the environment stabilised, we stepped up our business activities. Customer loans increased 13.1% to Baht 162.8 billion at the end of 2010.

Fee income increased 14.1% to Baht 2,086 million. Cost remained well controlled at Baht 6,939 million, a marginal increase of 4.3% year on year. Through effective risk management, there was a marked improvement in asset quality. Total provisions declined 51.7% to Baht 719 million. With our focus on disciplined growth and prudent risk and cost management, the Bank achieved a net profit after tax of Baht 1,119 million in 2010, an improvement of 31.8% from 2009's Baht 849 million.

During the year we boosted our bench strength with the appointments of several senior banking veterans. This further strengthened our capabilities and expertise, positioning UOB (Thai) to grow and meet the challenges ahead.

## **Prospects for 2011**

While the global economy in 2011 is expected to be weak from ongoing uncertainties surrounding the US and Europe economic recovery, the outlook for Asia remains positive. Thailand's gross domestic product (GDP) in



2011 is projected to grow 4% to 5%, and will largely be driven by exports and domestic consumption, as well as higher public investment. However, political uncertainties could potentially hamper economic growth.

Interest rate is expected to be on an upward trend from inflationary pressure. The Thai Baht is likely to continue to appreciate against the US dollar on the robust economic and export growth. These factors bode well for the banking industry and should drive demand for financial products and services.

Against this backdrop, UOB (Thai) should continue to grow in 2011. We will engage and partner our customers to maximise business opportunities in the buoyant economy. At the same time, the Bank will continue to manage risks and costs prudently.

#### **Acknowledgement**

I would like to thank the Board of Directors for their wise counsel. In particular, I would like to record the Board's appreciation to Mr Lee Tse Tiong, who left the Bank

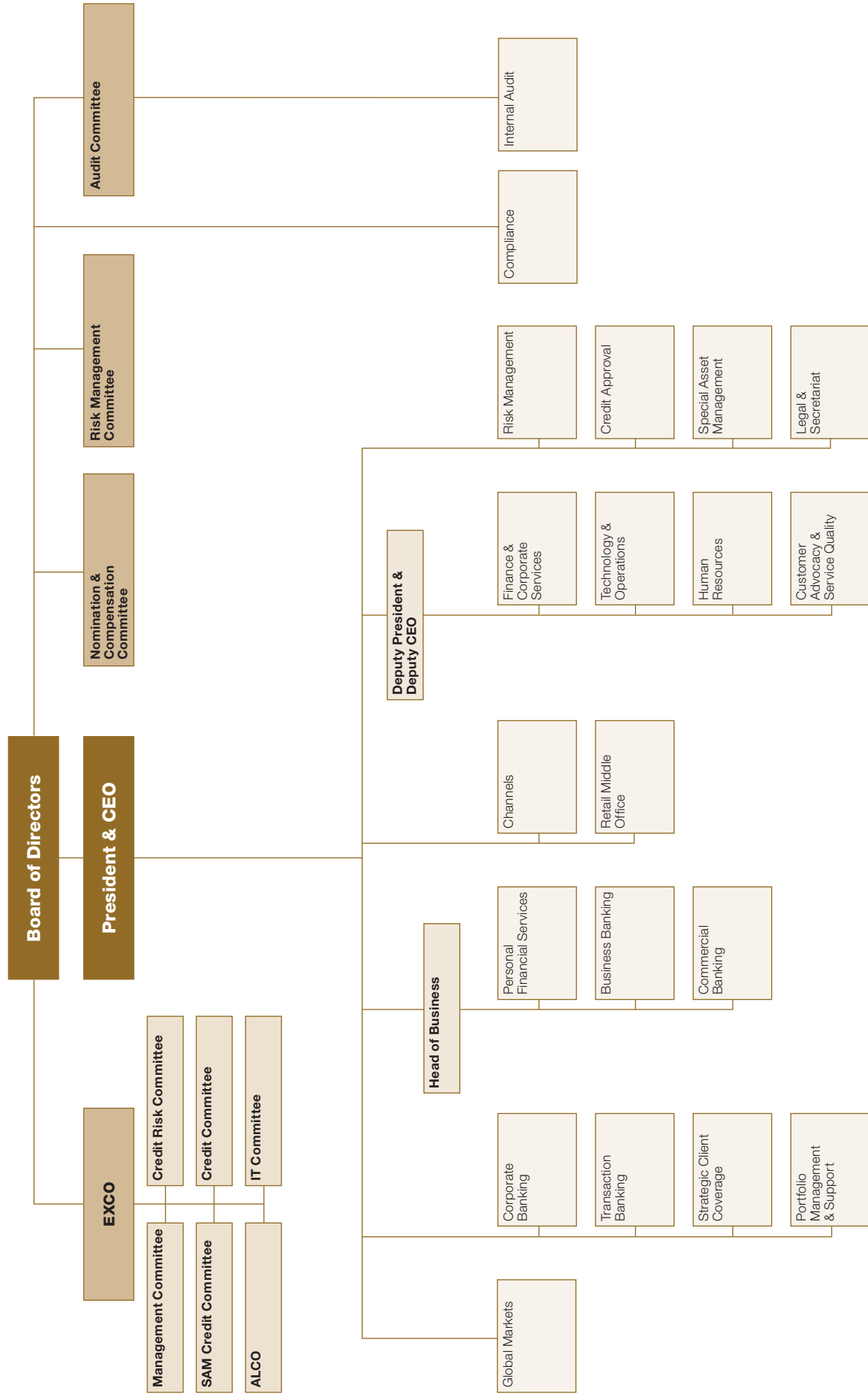
and the Board in 2010, for his many contributions in the last five years.

My appreciation also goes to the management and staff for their hard work and dedication, and our customers for their continued support.

**Wee Cho Yaw**  
March 2011

**“Against this backdrop, UOB (Thai) should continue to grow in 2011... At the same time, the Bank will continue to manage risks and costs prudently.”**

# Organisational Structure





# Management Discussion and Analysis 2010

## Statutory Financial Results

The Bank reported a net profit after tax of Baht 1,119 million for the year 2010, an increase of Baht 270 million or 31.8% compared to the net profit after tax of Baht 849 million last year. The increase in net profit after tax was mainly due to lower provisions for doubtful debts as asset quality improved, higher non-interest income, higher net interest and dividend income, partly offset by higher operating expenses and higher income tax.

## Summarised Statutory Financial Results

For the year ended 31 December 2010 and 2009

Profit & Loss Statements	Million Baht		
	2010 audited	2009 audited	% change
Interest and dividend income	8,924	9,588	(6.9)
Interest expenses	1,882	2,556	(26.4)
Net Interest and dividend income	7,042	7,032	0.1
Non-interest income	2,463	2,423	1.7
Total income	9,505	9,455	0.5
Non-interest expenses	6,939	6,650	4.3
Operating profit	2,566	2,805	(8.5)
Provisions for doubtful debts	719	1,488	(51.7)
Net profit before tax	1,847	1,317	40.3
Income tax	729	470	55.2
Minority Interest	1	2	(31.3)
Net profit after tax	1,119	849	31.8

Key Balance Sheet Items	Million Baht		
	31 Dec 10 audited	31 Dec 09 audited	% change
Total assets	247,891	227,342	9.0
Total loans	162,847	143,970	13.1
NPLs	8,620	8,632	(0.1)
Total deposits	152,040	151,017	0.7

Key Financial Ratios (%)	change		
	31 Dec 10 audited	31 Dec 09 audited	change
Net interest and dividend income to average assets	3.0	3.2	(0.2)
Loans to deposits ratio	107.1	95.3	11.8
NPLs to total loans ratio	5.0	4.6	0.4
Capital adequacy ratio	19.0	21.2	(2.2)

### Net Interest and Dividend Income

Net interest and dividend income for 2010 was Baht 7,042 million, an increase of Baht 10 million or 0.1% compared to the previous year. This was mainly due to higher average security trading volume of Baht 30,453 million, up by Baht 17,000 million. Dividend income increased by Baht 47 million, primarily from equity funds.

### Non-interest Income

Non-interest income was Baht 2,463 million, an increase of 1.7% compared to previous year. This was mainly attributed to higher gains on sale of investments in an offshore company, and higher fees and services income largely from insurance and card income, but was offset by lower gains on foreign currency exchange.

### Non-interest Expenses

The Bank's non-interest expense for 2010 was Baht 6,939 million, an increase of 4.3% from the previous year. Personnel expenses were higher compared to the previous year due to annual salary adjustments and increased headcount, offset by lower taxes and duties expenses, payments to the Deposit Protection Agency and losses on properties foreclosed.

### Loan Provision

The Bank set aside a total of Baht 719 million in loan loss provisions for 2010, which was Baht 769 million or 51.7% lower than provisions made for the previous year. This was due to improvement in asset quality and consumer loan collection.

### Loans Portfolio

	% of total loans	
	2010	2009
Housing	31.1	32.2
Manufacturing	20.1	16.4
Trading	18.7	17.2
Services	6.7	6.5
Real estate	4.4	5.7
Utility	3.9	4.8
Banking and finance	2.4	3.2
Construction	1.7	1.5
Agriculture, forestry and mining	0.6	0.7
Others	10.4	11.8
Total loans	100.0	100.0

### Capital Expenditure

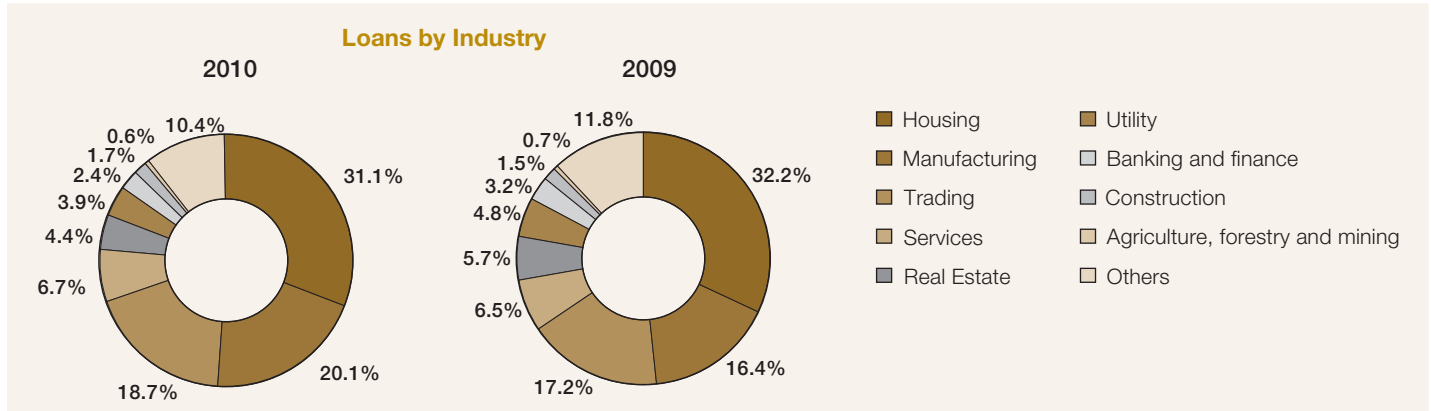
Capital expenditure for 2010 totaled Baht 295 million compared to Baht 509 million in 2009, a decrease of Baht 214 million, mainly from the conversion of a foreclosed asset to the Bank's training centre in 2009. The capital expenditure in 2010 was primarily for application software and computer equipment to improve efficiency and to support business activities.

### Dividend Payment Policy

The Bank's dividend payment policy is governed by Bank of Thailand and The Public Company Limited Act. The dividend payment policy is subjected to approval by shareholders at the annual general meeting, and does not exceed 45% of net profit for the year.

### Assets

The total assets of the Bank and its subsidiaries as at 31 December 2010 were Baht 247,891 million, an increase of Baht 20,549 million or 9.0 % from 31 December 2009. The increase was largely due to an increase in the Bank's core business in lending assets by Baht 18,877 million or 13.1% and in Treasury activities by Baht 3,193 million or 4.7%.



The Bank's loans to the manufacturing industry went up from 16.4% in 2009 to 20.1% in 2010. Loans to the trading industry also increased from 17.2% to 18.7%. However, the proportion of housing loans decreased from 32.2% to 31.1%.

#### Loans to Top 10 Customer Groups

	% to total loans	
	2010	2009
Loans to top 10 customer groups	<b>8.5</b>	11.7
Others	<b>91.5</b>	88.3
Total loans	<b>100.0</b>	100.0

The loan concentration in 2010 improved from the previous year. Loans to the top 10 largest customer groups accounted for 8.5% of total loans, down from 11.7% in 2009.

#### Classification of Loans\*

	2010		2009	
	Million Baht	%	Million Baht	%
Pass	<b>161,756</b>	<b>93.4</b>	172,925	92.9
Special mention	<b>2,761</b>	<b>1.6</b>	4,581	2.5
Total Performing loans	<b>164,517</b>	<b>95.0</b>	177,506	95.4
Substandard	<b>1,429</b>	<b>0.8</b>	1,625	0.9
Doubtful	<b>445</b>	<b>0.3</b>	488	0.2
Doubtful of loss	<b>6,746</b>	<b>3.9</b>	6,519	3.5
Total NPLs	<b>8,620</b>	<b>5.0</b>	8,632	4.6
Grand total	<b>173,137</b>	<b>100.0</b>	186,138	100.0

\* Including interbank and money market loans

## Asset Quality Ratios

	%	
	2010	2009
NPLs / Total loans*	5.0	4.6
Provision doubtful accounts / NPLs	71.3	71.4
Provision for doubtful accounts / Total loans	3.8	4.3

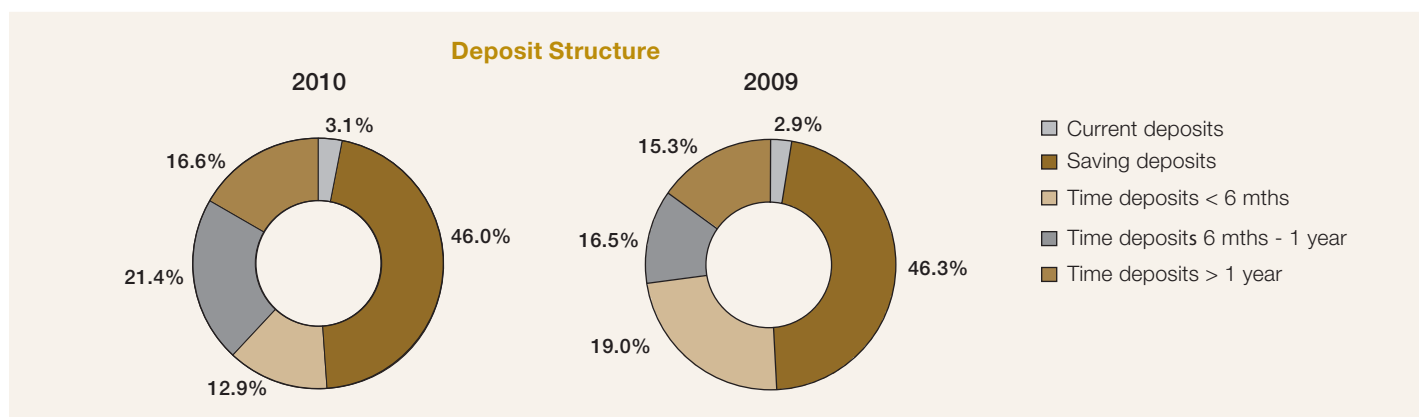
\* Including interbank and money market loans

## Non-performing Loan Management

NPLs in 2010 amounted to Baht 8.6 billion, and remained flat when compared to 2009. However, the NPLs to total loans ratio increased slightly due to a decrease in interbank and money market loans.

## Deposit Structure

	% to total deposits	
	2010	2009
Current deposits	3.1	2.9
Saving deposits	46.0	46.3
Time deposits	50.9	50.8
- under 6 months	12.9	19.0
- 6 months - 1 year	21.4	16.5
- over 1 year	16.6	15.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>



As at 31 December 2010, the Bank had total deposits of Baht 152,040 million, an increase of 0.7% from end-2009. Total savings deposits accounted for 46.0% of total deposits, while fixed deposits accounted for 50.9%. The remaining 3.1% was current deposits. Loans to deposits ratio was 107.1% as at end-2010 compared to 95.3% as at end-2009.

## Capital Funds

### Capital Adequacy Ratios

	2010		2009	
	Million Baht	%	Million Baht	%
Total capital	<b>28,197</b>	<b>19.0</b>	28,347	21.2
Tier 1 capital	<b>26,446</b>	<b>17.8</b>	26,142	19.5
Tier 2 capital and others	<b>1,751</b>	<b>1.2</b>	2,205	1.7

The Bank adopted the Foundation Internal Ratings Based Approach ("FIRB") of Basel II capital framework since end-June 2010. Total capital adequacy ratio remained strong at 19.0% as at end-2010. Total capital adequacy and Tier 1 ratios are above the Bank of Thailand's minimum requirement of 8.50% and 4.25%, respectively.

# Report of Independent Auditor

## To the Shareholders of United Overseas Bank (Thai) Public Company Limited

I have audited the accompanying consolidated balance sheet of United Overseas Bank (Thai) Public Company Limited and its subsidiaries as at 31 December 2010 and the related consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended, and the separate financial statements of United Overseas Bank (Thai) Public Company Limited for the same period. These financial statements are the responsibility of the Bank's management as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of United Overseas Bank (Thai) Public Company Limited and its subsidiaries, and the separate financial statements of United Overseas Bank (Thai) Public Company Limited as at 31 December 2009 and for the year then ended, as presented herein for comparative purposes, formed an integral part of the financial statements, which were audited by another auditor in the same office as mine who, under her respective reports dated 9 March 2010, expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. I believe that my audit provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2010, the results of their operations, and cash flows for the year then ended in accordance with generally accepted accounting principles.



Phuphun Charoensuk  
Certified Public Accountant (Thailand) No. 4950

Ernst & Young Office Limited  
Bangkok: 4 March 2011

# Balance Sheets

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Assets</b>					
Cash	8	<b>2,808,972,324</b>	3,558,348,631	<b>2,808,862,324</b>	3,558,214,093
Interbank and money market items	9				
Domestic items					
Interest bearing		<b>21,278,712,159</b>	43,379,898,498	<b>21,095,040,236</b>	43,219,525,451
Non-interest bearing		<b>2,262,801,347</b>	2,095,171,605	<b>2,258,243,269</b>	2,091,906,728
Foreign items					
Interest bearing		-	675,978,576	-	675,978,576
Non-interest bearing		<b>523,497,811</b>	774,455,012	<b>523,497,811</b>	774,455,012
Total interbank and money market items - net		<b>24,065,011,317</b>	46,925,503,691	<b>23,876,781,316</b>	46,761,865,767
Investments	10				
Current investments - net		<b>43,449,983,783</b>	9,862,630,982	<b>43,449,983,783</b>	9,848,712,060
Long-term investments - net		<b>4,075,968,486</b>	11,614,770,918	<b>4,075,343,486</b>	11,609,390,747
Investments in subsidiaries and associated company - net	10.6	<b>136,400,942</b>	131,376,794	<b>749,343,152</b>	749,343,152
Total investments - net		<b>47,662,353,211</b>	21,608,778,694	<b>48,274,670,421</b>	22,207,445,959
Loans and accrued interest receivables	11				
Loans		<b>162,847,324,382</b>	143,969,777,386	<b>162,846,488,284</b>	142,832,915,744
Accrued interest receivables		<b>312,419,846</b>	312,734,941	<b>312,419,846</b>	317,292,242
Total loans and accrued interest receivables		<b>163,159,744,228</b>	144,282,512,327	<b>163,158,908,130</b>	143,150,207,986
Less: Allowance for doubtful accounts	12	<b>(6,146,770,810)</b>	(6,161,754,628)	<b>(6,146,770,810)</b>	(5,940,807,126)
Loans and accrued interest receivables - net		<b>157,012,973,418</b>	138,120,757,699	<b>157,012,137,320</b>	137,209,400,860
Properties foreclosed - net	13	<b>4,389,324,946</b>	6,279,765,404	<b>4,389,324,946</b>	6,277,207,664
Customers' liabilities under acceptances		<b>36,515,680</b>	60,764,200	<b>36,515,680</b>	60,764,200
Premises and equipment - net	14	<b>3,566,719,996</b>	3,787,904,435	<b>3,546,196,930</b>	3,755,957,732
Unrealised gain on derivatives		<b>3,358,889,833</b>	2,662,663,989	<b>3,358,889,833</b>	2,662,663,989
Intangible assets - net	15	<b>915,727,475</b>	905,646,044	<b>902,782,075</b>	890,644,535
Deferred Tax Assets - net	16	<b>2,323,989,878</b>	2,188,387,677	<b>2,318,385,337</b>	2,052,328,502
Other assets - net	17	<b>1,750,316,646</b>	1,243,164,056	<b>1,588,873,740</b>	1,000,306,897
<b>Total assets</b>		<b>247,890,794,724</b>	227,341,684,520	<b>248,113,419,922</b>	226,436,800,198

The accompanying notes are an integral part of the financial statements.

## Balance Sheets (continued)

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Liabilities and shareholders' equity</b>					
Deposits	19				
Deposits in Baht		<b>151,131,439,667</b>	149,959,306,067	<b>151,230,145,959</b>	150,183,617,776
Deposits in foreign currencies		<b>908,952,956</b>	1,057,598,706	<b>908,952,956</b>	1,057,598,705
Total deposits		<b>152,040,392,623</b>	151,016,904,773	<b>152,139,098,915</b>	151,241,216,481
Interbank and money market items	20				
Domestic items					
Interest bearing		<b>3,695,406,220</b>	2,198,313,664	<b>3,802,334,021</b>	2,364,447,480
Non-interest bearing		<b>223,977,985</b>	170,663,758	<b>223,982,985</b>	170,668,758
Foreign items					
Interest bearing		<b>34,573,068,342</b>	23,995,333,647	<b>34,573,068,342</b>	23,995,333,647
Non-interest bearing		<b>1,345,486,847</b>	1,203,914,673	<b>1,345,486,847</b>	1,203,914,673
Total interbank and money market items		<b>39,837,939,394</b>	27,568,225,742	<b>39,944,872,195</b>	27,734,364,558
Liabilities payable on demand		<b>2,436,524,401</b>	2,055,864,027	<b>2,436,524,401</b>	2,055,864,027
Borrowings	21				
Short-term borrowings		<b>12,146,192,905</b>	9,509,847,094	<b>12,713,192,905</b>	9,550,847,094
Long-term borrowings		<b>19,617,481</b>	282,291,630	<b>19,617,481</b>	282,291,630
Total borrowings		<b>12,165,810,386</b>	9,792,138,724	<b>12,732,810,386</b>	9,833,138,724
Bank's liabilities under acceptances		<b>36,515,680</b>	60,764,200	<b>36,515,680</b>	60,764,200
Interest payable		<b>451,469,226</b>	401,850,930	<b>452,232,202</b>	405,155,244
Accrued expenses		<b>1,429,251,947</b>	1,229,649,172	<b>1,350,047,064</b>	1,119,366,891
Unrealised loss on derivatives		<b>4,592,580,117</b>	2,670,534,853	<b>4,592,580,117</b>	2,670,534,853
Provisions - other liabilities	22	<b>1,112,918,662</b>	1,015,707,994	<b>1,111,180,862</b>	1,008,782,350
Other liabilities	23	<b>2,005,688,723</b>	912,699,800	<b>1,862,697,088</b>	655,218,967
<b>Total liabilities</b>		<b>216,109,091,159</b>	196,724,340,215	<b>216,658,558,910</b>	196,784,406,295

The accompanying notes are an integral part of the financial statements.



# Balance Sheets (continued)

As at 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Shareholders' equity</b>					
Share capital					
Registered share capital					
2,485,661,305 ordinary shares at par value of Baht 10 each		<b>24,856,613,050</b>	24,856,613,050	<b>24,856,613,050</b>	24,856,613,050
Issued and fully paid-up share capital					
2,485,661,305 ordinary shares at par value of Baht 10 each		<b>24,856,613,050</b>	24,856,613,050	<b>24,856,613,050</b>	24,856,613,050
Revaluation surplus on fixed assets		<b>717,927,024</b>	721,970,330	<b>717,927,024</b>	721,970,330
Revaluation surplus on investments	10.3	<b>197,982,690</b>	151,306,066	<b>191,539,989</b>	149,199,770
Retained earnings					
Appropriated					
Statutory reserve	24	<b>190,000,000</b>	100,000,000	<b>190,000,000</b>	100,000,000
Unappropriated					
		<b>5,792,942,455</b>	4,759,841,402	<b>5,498,780,949</b>	3,824,610,753
Equity attributable to the Bank's shareholders		<b>31,755,465,219</b>	30,589,730,848	<b>31,454,861,012</b>	29,652,393,903
Minority interests		<b>26,238,346</b>	27,613,457	-	-
<b>Total shareholders' equity</b>		<b>31,781,703,565</b>	30,617,344,305	<b>31,454,861,012</b>	29,652,393,903
<b>Total liabilities and shareholders' equity</b>		<b>247,890,794,724</b>	227,341,684,520	<b>248,113,419,922</b>	226,436,800,198

## Off-balance sheet items

29.1

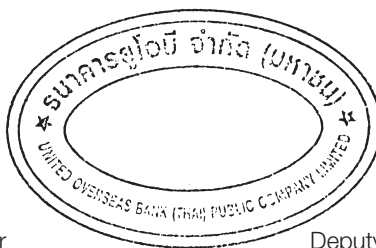
### - Contingencies and commitments

Avals to bills and guarantees of loans		<b>2,738,685,368</b>	1,618,141,783	<b>2,738,685,368</b>	1,618,141,783
Liabilities under unmatured import bills		<b>878,581,396</b>	736,813,415	<b>878,581,396</b>	736,813,415
Letters of credit		<b>2,415,925,757</b>	1,729,891,679	<b>2,415,925,757</b>	1,729,891,679
Other contingencies and commitments		<b>497,614,834,529</b>	286,235,636,265	<b>497,614,834,529</b>	286,235,636,265



(Wong Kim Choong)

President & Chief Executive Officer




(Chua Teng Hui)

Deputy President & Deputy Chief Executive Officer

The accompanying notes are an integral part of the financial statements.

# Income Statements

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Interest and dividend income</b>					
Loans		7,656,520,720	8,561,020,066	7,680,100,857	8,605,568,545
Interbank and money market items		414,798,562	457,009,522	412,838,334	455,657,044
Hire-purchase and financial lease		200,458,024	185,519,819	50,803,628	-
Investments		651,924,127	384,047,968	1,238,376,270	394,087,273
<b>Total interest and dividend income</b>		<b>8,923,701,433</b>	<b>9,587,597,375</b>	<b>9,382,119,089</b>	<b>9,455,312,862</b>
<b>Interest expenses</b>					
Deposits		1,613,231,344	2,305,684,694	1,614,762,008	2,308,211,163
Interbank and money market items		130,386,151	54,271,543	132,036,224	56,929,177
Short-term borrowings		138,061,539	188,498,965	139,389,999	189,195,619
Long-term borrowings		-	7,494,153	-	7,494,153
<b>Total interest expenses</b>		<b>1,881,679,034</b>	<b>2,555,949,355</b>	<b>1,886,188,231</b>	<b>2,561,830,112</b>
Net interest and dividend income		7,042,022,399	7,031,648,020	7,495,930,858	6,893,482,750
Bad debts and doubtful accounts		(718,817,142)	(1,487,784,261)	(684,376,312)	(1,489,379,159)
<b>Net interest and dividend income after bad debts and doubtful accounts</b>		<b>6,323,205,257</b>	<b>5,543,863,759</b>	<b>6,811,554,546</b>	<b>5,404,103,591</b>
<b>Non-interest income</b>					
Gains on investments	26	226,194,189	126,716,732	230,486,787	126,716,732
Share of profit from investment accounted for under equity method		7,058,544	8,553,028	-	-
Fees and service income					
Acceptances, avals and guarantees		12,093,769	9,303,628	12,093,769	9,303,628
Others		2,074,114,357	1,818,729,864	1,859,512,591	1,606,873,966
Gains on exchange		98,640,662	358,019,153	98,573,862	357,748,045
Other income		45,142,330	102,216,327	27,334,032	62,626,325
<b>Total non-interest income</b>		<b>2,463,243,851</b>	<b>2,423,538,732</b>	<b>2,228,001,041</b>	<b>2,163,268,696</b>

The accompanying notes are an integral part of the financial statements.

# Income Statements (continued)

For the years ended 31 December 2010 and 2009

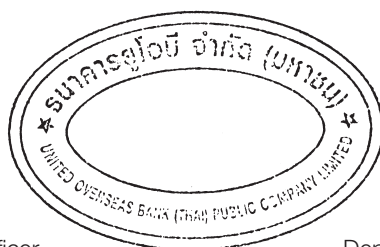
(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
<b>Non-interest expenses</b>					
Personnel expenses	27	3,000,811,417	2,775,192,760	2,760,812,819	2,540,311,510
Premises and equipment expenses		1,156,858,041	1,153,168,730	1,126,399,879	1,114,906,058
Taxes and duties		329,114,037	345,262,887	327,962,141	344,172,016
Fees and service expenses		694,181,288	640,272,294	820,605,059	850,358,620
Directors' remuneration	33	8,445,000	8,595,000	8,280,000	8,430,000
Payments to the Deposit Protection Agency		594,198,433	642,725,507	594,198,433	642,725,507
Losses on properties foreclosed	28	504,746,462	592,160,247	503,982,561	587,636,816
Other expenses		650,978,894	492,711,892	627,428,153	451,836,736
<b>Total non-interest expenses</b>		<b>6,939,333,572</b>	<b>6,650,089,317</b>	<b>6,769,669,045</b>	<b>6,540,377,263</b>
<b>Income before income tax</b>		<b>1,847,115,536</b>	<b>1,317,313,174</b>	<b>2,269,886,542</b>	<b>1,026,995,024</b>
Income tax	34	729,432,900	470,578,317	509,759,652	377,147,857
<b>Net income for the years</b>		<b>1,117,682,636</b>	<b>846,734,857</b>	<b>1,760,126,890</b>	<b>649,847,167</b>
<b>Net income attributable to:</b>					
Equity holders of the parent		1,119,057,747	848,802,467	1,760,126,890	649,847,167
Minority interests of the subsidiaries		(1,375,111)	(2,067,610)		
		<b>1,117,682,636</b>	<b>846,734,857</b>		
<b>Basic earnings per share</b>					
	35				
Net income attributable to equity holders of the parent		0.45	0.34	0.71	0.26
Weighted average number of ordinary shares (shares)		2,485,661,305	2,485,661,305	2,485,661,305	2,485,661,305



(Wong Kim Choong)

President & Chief Executive Officer




(Chua Teng Hui)

Deputy President & Deputy Chief Executive Officer

The accompanying notes are an integral part of the financial statements.

# Statements of Changes in Shareholders' Equity

For the years ended 31 December 2010 and 2009

	Consolidated financial statements							(Unit: Baht)
	Issued and paid-up share capital	Revaluation surplus on fixed assets	Revaluation surplus on investments	Retained earnings		Minority interests	Total	
		Appropriated	Unappropriated	Appropriated	Unappropriated			
<b>Beginning balance as of 1 January 2009</b>	24,856,613,050	737,515,852	190,264,287	65,000,000	3,941,853,737	29,681,067	29,820,927,993	
Amortisation of revaluation surplus on fixed assets	-	(5,978,854)	-	-	5,978,854	-	-	
Decrease in revaluation surplus on fixed assets	-	(16,229,035)	-	-	-	-	(16,229,035)	
Decrease in revaluation surplus on investments	-	-	(61,594,608)	-	-	-	(61,594,608)	
Deferred tax recognised in shareholder equity	-	6,662,367	22,636,387	-	(1,793,656)	-	27,505,098	
<b>Net income and expenses recognised directly in equity</b>	-	(15,545,522)	(38,958,221)	-	4,185,198	-	(50,318,545)	
Net income for the year	-	(15,545,522)	(38,958,221)	-	848,802,467	(2,067,610)	846,734,857	
<b>Total income and expenses for the year</b>	-	(15,545,522)	(38,958,221)	-	852,987,665	(2,067,610)	796,416,312	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	35,000,000	(35,000,000)	-	-	
<b>Ending balance as of 31 December 2009</b>	24,856,613,050	721,970,330	151,306,066	100,000,000	4,759,841,402	27,613,457	30,617,344,305	
<b>Beginning balance as of 1 January 2010</b>	24,856,613,050	721,970,330	151,306,066	100,000,000	4,759,841,402	27,613,457	30,617,344,305	
Amortisation of revaluation surplus on fixed assets	-	(5,776,151)	-	-	5,776,151	-	-	
Increase in revaluation surplus on investments	-	-	66,146,785	-	-	-	66,146,785	
Deferred tax recognised in shareholder equity	-	1,732,845	(19,470,161)	-	(1,732,845)	-	(19,470,161)	
<b>Net income and expenses recognised directly in equity</b>	-	(4,043,306)	46,676,624	-	4,043,306	-	46,676,624	
Net income for the year	-	(4,043,306)	46,676,624	-	1,119,057,747	(1,375,111)	1,117,682,636	
<b>Total income and expenses for the year</b>	-	(4,043,306)	46,676,624	-	1,123,101,053	(1,375,111)	1,164,359,260	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	90,000,000	(90,000,000)	-	-	
<b>Ending balance as of 31 December 2010</b>	24,856,613,050	717,927,024	197,982,690	190,000,000	5,792,942,455	26,238,346	31,781,703,565	

The accompanying notes are an integral part of the financial statements.

# Statements of Changes in Shareholders' Equity (continued)

For the years ended 31 December 2010 and 2009

	Separate financial statements						(Unit: Baht)
	Issued and paid-up share capital	Revaluation surplus on		Retained earnings		Total	
		fixed assets	investments	Appropriated	Unappropriated		
<b>Beginning balance as of 1 January 2009</b>	24,856,613,050	737,515,852	203,242,548	65,000,000	3,205,578,388	29,067,949,838	
Amortisation of revaluation surplus on fixed assets	-	(5,978,854)	-	-	5,978,854	-	
Decrease in revaluation surplus on fixed assets	-	(16,229,035)	-	-	-	(16,229,035)	
Decrease in revaluation surplus on investments	-	-	(77,203,969)	-	-	(77,203,969)	
Deferred tax recognised in shareholder equity	-	6,662,367	23,161,191	-	(1,793,656)	28,029,902	
<b>Net income and expenses recognised directly in equity</b>	-	(15,545,522)	(54,042,778)	-	4,185,198	(65,403,102)	
Net income for the year	-	-	-	-	649,847,167	649,847,167	
<b>Total income and expenses for the year</b>	-	(15,545,522)	(54,042,778)	-	654,032,365	584,444,065	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	35,000,000	(35,000,000)	-	
<b>Ending balance as of 31 December 2009</b>	24,856,613,050	721,970,330	149,199,770	100,000,000	3,824,610,753	29,652,393,903	
<b>Beginning balance as of 1 January 2010</b>	24,856,613,050	721,970,330	149,199,770	100,000,000	3,824,610,753	29,652,393,903	
Amortisation of revaluation surplus on fixed assets	-	(5,776,151)	-	-	5,776,151	-	
Increase in revaluation surplus on investments	-	-	60,486,027	-	-	60,486,027	
Deferred tax recognised in shareholder equity	-	1,732,845	(18,145,808)	-	(1,732,845)	(18,145,808)	
<b>Net income and expenses recognised directly in equity</b>	-	(4,043,306)	42,340,219	-	4,043,306	42,340,219	
Net income for the year	-	-	-	-	1,760,126,890	1,760,126,890	
<b>Total income and expenses for the year</b>	-	(4,043,306)	42,340,219	-	1,764,170,196	1,802,467,109	
Unappropriated retained earnings transferred to statutory reserve	-	-	-	90,000,000	(90,000,000)	-	
<b>Ending balance as of 31 December 2010</b>	24,856,613,050	717,927,024	191,539,989	190,000,000	5,498,780,949	31,454,861,012	

The accompanying notes are an integral part of the financial statements.

# Cash Flows Statements

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
<b>Cash flows from operating activities</b>				
Net income for the years before corporate income tax	<b>1,847,115,536</b>	1,317,313,174	<b>2,269,886,542</b>	1,026,995,024
Adjustments to reconcile net income to net cash provided by (paid from) operating activities:				
Share of profit on investment accounted for under equity method	<b>(7,058,544)</b>	(8,553,028)	-	-
Depreciation	<b>338,997,060</b>	366,795,650	<b>330,140,323</b>	351,086,801
Amortisation and losses on assets written off	<b>134,970,135</b>	114,881,164	<b>132,980,212</b>	113,070,807
Unrealised losses on revaluation of investments	<b>13,232,071</b>	19,065,778	<b>13,232,071</b>	19,065,778
Losses on impairment of investments	<b>20,146,892</b>	23,821,680	<b>20,146,892</b>	23,821,680
Bad debt and doubtful accounts - loans and accrued interest receivables	<b>1,311,411,585</b>	1,911,209,220	<b>1,287,967,960</b>	1,867,339,369
Interest income recognised by amortisation of revaluation allowance from debt restructuring	-	(220,661)	-	(220,661)
Losses on impairment of properties foreclosed	<b>500,000,000</b>	602,998,552	<b>500,000,000</b>	600,000,000
Gain on disposal of investments	<b>(158,968,167)</b>	(171,875,635)	<b>(163,260,765)</b>	(171,875,635)
(Gain) loss on disposal of premises and equipment	<b>(4,944,085)</b>	7,781,715	<b>14,196,978</b>	7,228,481
Loss on exchange	<b>1,331,706,015</b>	131,435,681	<b>1,331,706,015</b>	131,435,681
(Increase) decrease in accrued other income	<b>(37,425,919)</b>	16,927,181	<b>(18,564,082)</b>	(3,101,461)
Increase in provisions	<b>97,210,668</b>	8,745,267	<b>102,398,512</b>	4,219,622
Decrease in accrued other expenses	<b>170,538,669</b>	(49,585,899)	<b>183,886,487</b>	(52,251,990)
	<b>5,556,931,916</b>	4,290,739,839	<b>6,004,717,145</b>	3,916,813,496
Net interest and dividend income	<b>(7,042,022,399)</b>	(7,031,648,020)	<b>(7,495,930,858)</b>	(6,893,482,750)
Cash received from interest and dividend income	<b>8,852,487,316</b>	9,546,776,572	<b>9,314,341,401</b>	9,417,201,357
Cash paid for interest expenses	<b>(1,808,567,039)</b>	(3,023,424,240)	<b>(1,815,617,574)</b>	(3,027,431,322)
Cash paid for corporate income tax	<b>(852,225,006)</b>	(854,161,771)	<b>(786,630,358)</b>	(778,416,143)
Net income from operating activities before changes in operating assets and liabilities	<b>4,706,604,788</b>	2,928,282,380	<b>5,220,879,756</b>	2,634,684,638

The accompanying notes are an integral part of the financial statements.

# Cash Flows Statements (continued)

For the years ended 31 December 2010 and 2009

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
(Increase) decrease in operating assets				
Interbank and money market items	22,942,247,478	(21,327,962,517)	22,982,025,765	(21,244,110,413)
Investment in securities for trading	(9,755,092,422)	(3,723,462,388)	(9,755,092,422)	(3,723,462,388)
Loans	(20,436,374,253)	13,371,152,015	(20,534,347,521)	13,569,860,106
Properties foreclosed	1,464,017,568	1,574,574,897	1,461,459,829	1,566,250,787
Other assets	588,517,885	5,134,788,147	191,976,725	5,286,492,530
Increase (decrease) in operating liabilities				
Deposits	1,063,538,685	(10,727,275,964)	972,766,009	(10,642,041,917)
Interbank and money market items	12,144,664,586	19,366,783,854	12,085,458,571	19,339,612,094
Liabilities payable on demand	381,189,652	163,008,121	381,189,652	163,008,121
Short-term borrowings	2,370,484,882	3,670,384,251	2,896,484,882	3,662,687,596
Other liabilities	36,650,417	(3,818,833,151)	105,698,089	(3,985,812,352)
<b>Net cash flows provided by in operating activities</b>	<b>15,506,449,266</b>	<b>6,611,439,645</b>	<b>16,008,499,335</b>	<b>6,627,168,802</b>
<b>Cash flows from investing activities</b>				
Proceeds from sales of investments	29,292,804,651	21,764,939,159	29,270,642,440	21,697,712,406
Cash paid for investments	(45,267,234,461)	(27,829,192,941)	(45,265,271,565)	(27,815,278,502)
Cash received from liquidation of a subsidiary	-	110,779,988	-	110,779,988
Cash paid for entire business transfer of a subsidiary	-	-	(465,797,913)	-
Proceeds from sales of premises and equipment	24,270,690	10,691,545	4,490,819	10,662,228
Purchases of premises and equipment	(149,720,348)	(262,016,522)	(147,200,620)	(238,383,690)
Proceeds from sales of intangible assets	-	-	-	11,649,611
Purchases of intangible assets	(145,051,566)	(193,077,439)	(143,819,726)	(190,741,224)
<b>Net cash used in investing activities</b>	<b>(16,244,931,034)</b>	<b>(6,397,876,210)</b>	<b>(16,746,956,565)</b>	<b>(6,413,599,183)</b>
<b>Cash flows from financing activities</b>				
Decrease in long-term borrowings	(10,894,539)	(450,201,589)	(10,894,539)	(450,201,589)
<b>Net cash used in financing activities</b>	<b>(10,894,539)</b>	<b>(450,201,589)</b>	<b>(10,894,539)</b>	<b>(450,201,589)</b>
<b>Net decreases in cash</b>	<b>(749,376,307)</b>	<b>(236,638,154)</b>	<b>(749,351,769)</b>	<b>(236,631,970)</b>
<b>Cash as at 1 January</b>	<b>3,558,348,631</b>	<b>3,794,986,785</b>	<b>3,558,214,093</b>	<b>3,794,846,063</b>
<b>Cash as at 31 December</b>	<b>2,808,972,324</b>	<b>3,558,348,631</b>	<b>2,808,862,324</b>	<b>3,558,214,093</b>

## Supplemental disclosures of cash flows information

### Non-cash item

Properties foreclosed received in settlement of debts from borrowers

	60,995,988	192,004,553	60,995,988	180,531,952
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The accompanying notes are an integral part of the financial statements.

# Notes to Consolidated Financial Statements

For the year ended 31 December 2010 and 2009

## 1. General information

### 1.1 Corporate information

United Overseas Bank (Thai) Public Company Limited (“the Bank”) was incorporated as a public company under Thai Laws. Its registered head office is located at 191 South Sathon Road, Sathon, Bangkok. The Bank’s main business is commercial banking. As at 31 December 2010, the Bank conducts its business through a network of 146 domestic branches, covering all parts of Thailand (2009: 146 domestic branches and 1 overseas branch). Its major shareholder is United Overseas Bank Limited, a company registered in Singapore.

All subsidiaries were incorporated as companies under Thai law and operate their businesses in Thailand. Their principal businesses are fund management, derivatives brokerage, and debt collection services.

### 1.2 The entire business transfer of the subsidiary

At the Annual General Meeting No. 18, held on 16 April 2010, the shareholders approved the transfer to the Bank of the entire business of UOB Leasing (Thai) Co., Ltd., a subsidiary company in which the Bank holds a 99.99 % interest. Such transfer of business includes the transfer of all assets, liabilities, and employees of the subsidiary. On 1 October 2010, the Bank entered into an agreement to transfer an entire business with its subsidiary, under which it was to receive all of its subsidiary’s business, together with its assets, liabilities and obligations, including the employees of its subsidiary. The transfer price was set at the net book value of the subsidiary as at the end of the last working day prior to the effective date per the agreement (1 October 2010).

Asset and liability items of the subsidiary as at 30 September 2010 are as follows:

(Unit: Baht)

<b>Assets</b>	
Cash and cash equivalents	49,996,016
Hire-purchase receivables	436,507,055
Finance lease receivables	2,401,375,838
Operating lease receivables	471,508,596
Other current assets - net	7,451,442
Other long-term investments - net	1
Loans to other companies - net	2,008,687
Leasehold improvement and equipment - net	5,745,847
Other non-current assets - net	1,000,000
<b>Liabilities</b>	
Loans from a parent company	2,517,720,000
Installments received in advance	3,626,310
Current portion of deposits under lease agreements	1,738,318
Amount due to a parent company	300,000,000
Other current liabilities	44,737,531
Deferred tax liabilities	41,973,410
Transfer price - net book value	465,797,913

On 15 October 2010, an extraordinary general meeting of the subsidiary approved its dissolution, and this was registered with the Ministry of Commerce on 15 October 2010.

## 2. Basis of preparation

The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Profession Act B.E. 2547 and with reference to the guidelines laid down by the Bank of Thailand (“The BOT”). Their presentation is in compliance with the requirements of the Notification of the BOT dated 3 August 2008, concerning “Preparation and announcement of the financial statements of commercial banks and holding companies which are the parent company of a group of companies offering financial services”.



The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except for those that have been disclosed in the accounting policies.

### 3. Basis of consolidation

(a) These consolidated financial statements include the financial statements of United Overseas Bank (Thai) Public Company Limited (“the Bank”) and the following subsidiaries (“the subsidiaries”):

	Business type	Country of registration	Percentage of share holdings		Percentage of total assets included in consolidated assets		Percentage of income included in consolidated income for the years ended	
			As at 31 December		As at 31 December		31 December	
			2010	2009	2010	2009	2010	2009
<b>Subsidiaries</b>								
UOB Leasing (Thai) Co., Ltd.	Liquidation	Thailand	<b>99.99</b>	99.99	-	1.34	<b>1.84</b>	2.39
UOB Asset Management (Thai) Co., Ltd.	Fund Management	Thailand	<b>99.99</b>	99.99	<b>0.10</b>	0.09	<b>2.39</b>	2.20
UOB Bullion and Futures (Thai) Co., Ltd.	Derivatives Brokerage	Thailand	<b>75.00</b>	75.00	<b>0.05</b>	0.09	<b>0.15</b>	0.08
UOB Services Co., Ltd.	Debt Collection Business	Thailand	<b>99.99</b>	99.99	<b>0.01</b>	0.01	-	-

- (b) Subsidiaries are entities in which the Bank has control over the financial and operating policies of those entities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases. The effects to the consolidated financial statements of all significant transactions between the Bank and its subsidiaries are eliminated in the consolidated financial statements, including investment in subsidiaries and share capital of subsidiaries.
- (c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Bank.
- (d) The accompanying financial statements include the accounts of all branches after elimination of significant inter-branch transactions and balances.
- (e) If the Bank receives shares as a result of debt restructuring of a borrower, which causes the Bank to hold more than 20% or 50% of the shares of such company, the Bank will not treat that investee company as an associated or a subsidiary company, but will treat it as general investments since the Bank intends to hold such shares only temporarily.
- (f) The consolidated financial statements do not include the financial statements of unit trusts in which the Bank holds more than 50% of their issued units since the Bank has no control over their financial and operating policies.
- (g) The separate financial statements, which present investments in subsidiaries and associates presented under the cost method, have been prepared solely for the benefit of the public.
- (h) Minority interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Bank and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

#### 4. Adoption of new accounting standards

During the current year, the Federation of Accounting Professions issued a number of revised and new accounting standards (TAS, TFRS, TFRIC, SIC) as listed below.

- (a) Accounting standards that are effective for fiscal years beginning on or after 1 January 2011 (except Framework for the Preparation and Presentation of Financial Statements, which is immediately effective):

Framework for the Preparation and Presentation of Financial Statements (revised 2009)	
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate
SIC 31	Revenue-Barter Transactions Involving Advertising Services

- (b) Accounting standards that are effective for fiscal years beginning on or after 1 January 2013:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in Tax Status of an Entity or its Shareholders

The Bank and its subsidiaries have early adopted TAS 12: Income Taxes. With respect to the other accounting standards and financial reporting standards, the management of the Bank and its subsidiaries have believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the, TAS19: Employee Benefits which management expects the impact on the financial statements in the year when it is adopted.

### **TAS 19 Employee Benefits**

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits or liabilities arising from other defined benefit plans using actuarial techniques. Currently, the Bank records employee benefits when they are paid to the employees, and some portions being estimated as provisions through the income statement.

Based on management's evaluation of the impact of the application of this accounting standard on the financial statements in the year 2011, taking into account the results of expert determination of employee benefits using actuarial techniques, the effect will be to reduce retained earnings as at 1 January 2011 by approximately Baht 419 million in the consolidated financial statements and by approximately Baht 407 million in the separate financial statements.

## **5. Significant accounting policies**

Significant accounting policies adopted by the Bank and its subsidiaries are summarised below.

### **5.1 Revenue recognition**

#### (a) Interest and discount on loans

The Bank recognises interest on loans as income on an accrual basis. In accordance with the BOT's regulation, interest in arrears for more than three months from the due date, regardless of whether the loans are covered by collateral, is not accrued as interest income but is instead recognised as income when received. In addition, interest accrued in arrears for three months is reversed against interest income.

Interest income from loans under litigation is recognised on a cash basis.

#### (b) Hire purchase and financial lease income recognition

Interest on hire-purchase receivables and financial lease receivable under hire purchase agreements and financial lease agreements with effective dates on or after 1 January 2008 are recognised over the installment period, using the effective interest rate and income is recognised as the installments fall due irrespective of actual collections.

For interest on hire-purchase receivables and financial lease receivables under hire purchase agreements and financial lease agreements with effective dates before 1 January 2008, the Bank and a subsidiary company has chosen to adopt the following methods:

- For short-term lease agreement (3-4 years), the Bank and a subsidiary company applies the existing sum-of-the-years'-digits method until the lease expires.
- For long-term lease agreements, the Bank and a subsidiary company uses the outstanding balances of the pre-existing finance leases as of 1 January 2008 as the beginning balances and apply the effective interest rate method over the remainder of the lease period.

Rental income from operating lease contracts and car rent are recognised based on the term of lease except for receivables overdue more than three months, which are recognised on a cash basis.

- (c) Revenues from factoring are recognised on an accrual basis except for overdue receivables more than three months, which are recognised on a cash basis.
- (d) Interest income from loans under legal/litigation process is recognised on a cash basis.
- (e) Management fees and registrar fees are calculated as a percentage of the net asset value of the funds managed by a subsidiary or fixed amount as mentioned in prospectus and recognised as income on an accrual basis.
- (f) Realised gains or losses resulting from sales of securities and derivatives are recognised as at transaction date.
- (g) Fee income and other service income are recognised on an accrual basis.

## 5.2 Expenses recognition

The Bank and its subsidiaries recognise expenses on an accrual basis.

## 5.3 Cash

Cash is that amount included in the balance sheet under the caption of cash, and consist of cash on hand and cheques in transit.

## 5.4 Investments

The Bank and its subsidiaries classify investments in all types of debt securities and marketable equity securities as either trading securities, available-for-sale securities, or held-to-maturity securities, and classify non-marketable equity securities as general investment or investments in subsidiaries and associated companies.

Investments classified as trading securities are stated at fair value. Change in the fair value of these securities are recorded as gains or losses in the income statement.

Investments classified as available-for-sale securities are stated at fair value. Change in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded as gains or losses in the income statement when the securities are sold.

Investments in debt securities held-to-maturity are stated at amortised cost net of allowance for impairment. Any loss from impairment is charged to the income statement.

General investments, other than investments in subsidiaries and associated company, are stated at cost net of allowance for impairment (if any). Loss on impairment is charged to the income statement.

Purchases and sales of investments are recognised on settlement date.

Realised gains or losses resulting from the disposal of securities are recognised in the income statement by using the weighted average cost calculation method.

Interest income from debt securities is recognised on an accrual basis. Premiums and discounts arising on the acquisition of securities are amortised or accreted to interest income in the income statement based on effective yield rate over the term of the securities.

Income from equity investments and other non-fixed income investments is recognised as dividend income when the right to receive the dividend is established.

Fair values of securities are calculated on the following bases:

- (i) For Government securities and state enterprises securities, fair values are calculated by using the BOT formula, based on the average latest bidding price posted on the Thai Bond Market Association.
- (ii) For listed equity securities, fair value is the last bid price quoted in The Stock Exchange of Thailand on the last business day of the year.
- (iii) For unit trust, fair value is the Net Assets Value (NAV) as at the end of the year.
- (iv) For private enterprises debt securities, the average latest bidding price of the Thai Bond Market Association are used as fair values. In the absence of such prices, fair values are determined by applying the aforementioned the BOT yield curve adjusted for risk in accordance with the criteria established by the BOT.

In the event the Bank reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded as gains or losses in the income statement or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

## **5.5 Investments in subsidiaries and associated company**

### **Separate financial statements**

Investments in subsidiaries and associated company are stated at cost net of allowance for impairment (if any). Loss on impairment is charged to the income statement.

### **Consolidated financial statements**

Investments in associated company is recorded using the equity method. Under this method, investments are initially recorded at the acquisition cost and are adjusted to reflect the attributable share of the profits or losses from the operations of the associated company, in proportion to the investment.

## **5.6 Loans**

Loans include overdrafts, term-loans, trade bills, hire-purchase and financial lease receivables and other loans. All items categorised under loans (except for overdrafts) are disclosed as principal amount outstanding net off unearned discounts received in advance, with accrued interest income added as a single line item for all the instruments together.

Overdrafts are stated at the drawn amounts together with any accrued interest.

Discounts received in advance in respect of bills purchased and other unearned interest income are recognised on an accrual basis over the period to maturity of the bills.

## **5.7 Allowance for doubtful accounts**

The Bank set provision at 1% and 2% of the loan balance (excluding accrued interest receivable) net of collateral value for normal (including restructured receivables) loans and special mention loans, respectively, as required by the BOT guidelines.

For non-performing loans and receivables which are classified as substandard, doubtful and doubtful of loss, the Bank records allowance for doubtful accounts at 100% of the debt balance remaining after deducting the present value of expected future cash inflows from debt collection or from collateral disposal, with the discount interest rate and the period of collateral disposal being set with reference to the BOT's Notifications, in accordance with the BOT's guidelines issued on 3 August 2008. For unsecured consumer loan, the collective approach is applied based on historical loss experience of each customer group.

Bad debts are written off during the period that the Bank considers they are uncollectible as approved by the Executive Committee and are deducted from the allowance for doubtful accounts. All bad debt recovered are recognised as income on cash basis which is presented as an offset to bad debts and doubtful accounts in the income statement.

The Bank writes off unsecured consumer loans that are overdue more than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

## **5.8 Troubled debt restructuring**

The Bank restructures loans by means of transferring assets, transferring equity or modifying the terms of the loan.

Loans which have been restructured through a modification of terms are stated at the present value of estimated future receivable cash flows using discount rates equivalent to the market interest rates applicable at the time of the restructuring. The difference between the fair value of the loan as at the restructuring date and the previous book value is accounted for as revaluation allowance for debt restructuring and amortised to the income statement as interest income based on the amount received over the remaining period of the restructuring agreement.

## **5.9 Properties foreclosed**

Properties foreclosed of the Bank and a subsidiary are stated at the lower of cost and net realisable value. Net realisable value is determined by using the latest appraisal value, considering selling expenses in accordance with the BOT's guidelines. Properties foreclosed which have been received as a result of an asset swap are recorded at the lower of the legally claimable value of the loan or the net realisable value of the foreclosed property.

Losses on impairment are charged to the income statement. Gains or losses on the sale of properties foreclosed are recognised only when such properties are sold.

#### **5.10 Premises and equipment and depreciation**

Land is stated at cost or reappraised value. Premises is stated at cost or reappraised value less accumulated depreciation and allowance for impairment (if any). Equipment is stated at cost less accumulated depreciation.

Depreciation is calculated by reference to their cost or reappraised value on a straight-line basis over the following estimated useful lives:

Premises	- 50 years
Equipment	- 5 or 10 years

No depreciation is determined for land and assets under installation.

Premises and equipment are initially recorded at cost. Land and premises are however subsequently revalued by the independent appraisers to their fair value in accordance with the guidelines announced by the BOT. The Bank's policy is to revalue these assets every 5 years in order that the book value of these assets on the balance sheet dates does not differ materially from their fair value.

Differences arising from revaluation are dealt with in the financial statements as follows:

- When the Bank's carrying amount of asset is increased as a result of a revaluation, the increase is credited directly to equity under the heading of "Revaluation surplus on fixed assets". However, a revaluation increase will be recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense.
- When the Bank's carrying amount of asset is decreased as a result of a revaluation, the decrease is recognised as an expense in the income statements. However, a revaluation decrease is to be charged directly against the related "Revaluation surplus on fixed assets" to the extent that the decrease does not exceed the amount held in the "Revaluation surplus on fixed assets" in respect of those same assets. Any excess amount is to be recognised as an expense in the income statement.

Amortisation of the revaluation surplus on assets is transferred directly to retained earnings (deficit).

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

#### **5.11 Leasehold rights**

Leasehold rights are stated at cost less accumulated amortisation under the heading of "Other assets". Leasehold rights are amortised on a straight-line basis over the lease periods and the amortisation amounts are recognised as expenses in statements of income.

#### **5.12 Intangible assets and amortisation**

Intangible assets are carried at cost less accumulated amortisation and an accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the useful economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to the income statement.

A summary of the intangible assets with finite useful lives is as follows.

	<u>Useful lives</u>
Application softwares	5 or 10 years
Others	5 years

### **5.13 Provisions - other liabilities**

Provisions are recognised when the Bank and its subsidiaries has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. In the event that no independent market value can be obtained, then an estimate is assessed.

### **5.14 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Bank and its subsidiaries, whether directly or indirectly, or which are under common control with the Bank and its subsidiaries.

They also include associated company and individuals which directly or indirectly own a voting interest in the Bank and its subsidiaries that gives them significant influence over the Bank and its subsidiaries, key management personnel, directors and officers with authority in the planning and direction of the Bank's and its subsidiaries operations, together with close family members of such persons and companies which are controlled and influenced by them, whether directly or indirectly.

### **5.15 Impairment of assets**

At each reporting date, the Bank performs impairment reviews in respect of an asset whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Bank could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the income statement. However in cases where property, plant and equipment was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Bank estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

### **5.16 Employee benefits**

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

The Bank and its employees established the provident funds under the Provident Fund Act B.E. 2530. According to the Fund's regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the fund at the rate of 2% or 5% of basic salary and the Bank contributes to the fund at the rate of 5% of basic salary. The employees are entitled to the benefits upon termination of employment status except when the terminated employee has violated the rules of the Bank.

The Bank's subsidiaries and their employees also established their provident funds under the Provident Fund Act B.E. 2530. The Bank's subsidiaries and their employees contribute to the funds at the same rate of between 2% to 10% of basic salary depending upon the number of years of services of each employee. The funds will be paid to employees upon termination in accordance with the rules of the funds.

The funds set up by the Bank and its subsidiaries are managed independently by UOB Asset Management (Thai) Co., Ltd. except for the fund set up by UOB Asset Management (Thai) Co., Ltd., which is managed by Bualuang Securities Public Co., Ltd. Therefore, these funds do not appear in the consolidated or separate balance sheets of the Bank and the relevant subsidiaries.

The Bank also has long-term employment benefit scheme for employees who have employment period of not less than 15 years only for the Bank of Asia Public Co., Ltd.'s employees who joined the Bank before 16 May 2005, the benefit being based on the latest month's salary and the years of service. Employees will receive half of this long-term employment benefit when they resign or will receive it in full when they retire. The provision for this scheme is recorded as expenses in the income statements.

#### **5.17 Contributions to the Deposit Protection Agency**

Contributions to the Deposit Protection Agency are recorded as expenses for the period on an accrual basis.

#### **5.18 Income tax**

a) Current tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

b) Deferred Tax

Deferred tax is calculated based on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, by using the enacted tax rate at the balance sheet date.

The Bank recognises deferred tax liabilities for taxable temporary differences and recognises deferred tax assets for deductible temporary differences. The Bank recognises deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilized.

At each balance sheet date, the Bank reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Bank records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

#### **5.19 Translation of foreign currency**

Transactions in foreign currencies are translated into Baht at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies and off-balance sheet items, which related to forward exchange contracts and currency swap contracts, outstanding on the balance sheet date, have been translated into Baht at the exchange rate ruling on the balance sheet date announced by the BOT.

All foreign exchange gains or losses are recognised in the income statement.

#### **5.20 Financial derivatives**

Financial derivative contracts are recorded as off-balance sheet items and the changes in fair value are recorded in the income statements.

Outstanding financial derivative contracts are valued at fair value. At the balance sheet date, the unrealised gains or losses on outstanding financial derivative contracts, are presented on a gross basis in the balance sheet.

#### **5.21 Offsetting**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when the Bank and its subsidiaries have a legally enforceable right to set off the recognised amount and the transactions are intended to be settled on a net basis.



## **6. Significant accounting judgments and estimates**

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. However, the use of different estimates and assumptions could affect the amounts of accounting estimate. These judgments and estimates affect reported amounts and disclosures and actual results could differ. The significant accounting judgments and estimates are as follows:

### **Allowance for loan losses**

Allowances for loan losses are intended to adjust the value of loans and receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses on outstanding loans when there is any doubt about the borrower's capacity to repay the principal and/or the interest. The allowances for loan losses are determined through a combination of specific reviews, statistical modeling and estimates, taking into account change in the value of collateral and current economic conditions.

### **Fair value of financial instruments**

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercised judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and longer-term volatility of financial instruments.

### **Impairment of equity investments**

The Bank treats equity investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment.

### **Recognition and derecognition of assets and liabilities**

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgment on whether risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

### **Retirement benefits**

Retirement benefit costs are estimated based on assumptions. Inherent within these calculations are assumptions as to number of employees, salary and number of working years of each employee.

### **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **Litigation**

The Bank has contingent liabilities as a result of litigation. The Bank's management has used judgment to assess of the results of the litigation. The estimated loss has been recorded under contingent liabilities as at the balance sheet date.

### **Leases**

In determining whether a lease is to be classified as an operating lease or financial lease, management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### **Premises and equipment/Depreciation**

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and salvage values of the Bank's premises and equipment and to review estimate useful lives and salvage values when there are any changes.

The Bank and its subsidiaries measure land and buildings at revalued amounts. Fair value from revaluation is determined by independent valuer using market approach for land and depreciated replacement cost approach for buildings. Such valuation is based on certain assumptions and estimates

#### **Allowance for impairment of property foreclosed**

The Bank assesses allowance for impairment of property foreclosed when net realisable value is below book value. The management uses judgment in estimating impairment loss, taking into account changes in the value of asset, appraisal value, the type and quality of asset, how long it is expected to take to dispose of the asset and changes in economic circumstances.

#### **Profit and loss sharing from transfer non-performing loan**

In calculating profits or losses arising from the management of non-performing loans transferred to the Thai Asset Management Corporation (TAMC), the Bank uses projections of the amounts expect to be received from the debtors, from collateral value or from guarantors. The management consider these assumptions to be appropriate given the currently available information and current situation.

#### **Deferred tax assets**

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future profits.

### **7. Regulatory rule related to capital fund**

According to the BOT's notification Sor Nor Sor 25/2552, commercial banks are required to disclose certain additional capital information for position of 31 December 2010. The Bank will disclose this mandatory information at its website ([www.uob.co.th](http://www.uob.co.th)) by end-April 2011. The Bank also disclosed capital adequacy and capital risk exposure information as of 31 December 2009 since 23 April 2010.

### **8. Cash**

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2010	2009
Cash	2,712	3,297
Cheques in transit	97	261
Total	2,809	3,558

## 9. Interbank and money market items (Assets)

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2010			2009		
	On demand	Term	Total	On demand	Term	Total
<b>Domestic items</b>						
The Bank of Thailand and Financial Institutions Development Fund	2,196	10,800	12,996	2,028	42,600	44,628
Commercial banks	74	5,557	5,631	84	149	233
Other banks	-	2,225	2,225	-	-	-
Finance companies, securities companies and credit foncier companies	-	1,074	1,074	-	288	288
Other financial institutions	-	1,610	1,610	-	412	412
Total domestic items	2,270	21,266	23,536	2,112	43,449	45,561
Add: Accrued interest receivables	-	9	9	-	16	16
Less: Allowance for doubtful accounts	-	(4)	(4)	-	(102)	(102)
Domestic items - net	2,270	21,271	23,541	2,112	43,363	45,475
<b>Foreign items</b>						
US Dollar	91	-	91	552	667	1,219
Yen	67	-	67	47	-	47
EURO	65	-	65	25	-	25
Other currencies	301	-	301	151	-	151
Total foreign items	524	-	524	775	667	1,442
Add: Accrued interest receivables	-	-	-	-	9	9
Foreign items - net	524	-	524	775	676	1,451
Domestic and foreign items - net	2,794	21,271	24,065	2,887	44,039	46,926

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2010			2009		
	On demand	Term	Total	On demand	Term	Total
<b>Domestic Items</b>						
The Bank of Thailand and Financial Institutions						
Development Fund	2,196	10,800	12,996	2,028	42,600	44,628
Commercial banks	62	5,506	5,568	64	5	69
Other banks	-	2,100	2,100	-	-	-
Financial companies, securities companies and credit foncier companies	-	1,074	1,074	-	288	288
Other financial institutions	-	1,610	1,610	-	412	412
Total domestic items	2,258	21,090	23,348	2,092	43,305	45,397
Add: Accrued interest receivables	-	9	9	-	16	16
Less: Allowance for doubtful account	-	(4)	(4)	-	(102)	(102)
Domestic items - net	2,258	21,095	23,353	2,092	43,219	45,311
<b>Foreign items</b>						
US Dollar	91	-	91	552	667	1,219
Yen	67	-	67	47	-	47
EURO	65	-	65	25	-	25
Other currencies	301	-	301	151	-	151
Total foreign items	524	-	524	775	667	1,442
Add: Accrued interest receivables	-	-	-	-	9	9
Foreign items - net	524	-	524	775	676	1,451
Domestic and foreign items - net	2,782	21,095	23,877	2,867	43,895	46,762

## 10. Investments

### 10.1 Classified by types of investment

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December			
	2010		2009	
	Cost/ amortised cost	Fair value*	Cost/ amortised cost	Fair value*
<b>Current investments</b>				
<b>Securities for trading</b>				
Government and state enterprises securities	17,103	17,082	7,348	7,339
Less: Allowance for revaluation	(21)	-	(9)	-
Total	17,082	17,082	7,339	7,339
<b>Available-for-sale securities</b>				
Government and state enterprises securities	25,469	25,456	1,916	1,917
Private sector debt securities	-	-	210	214
Structured notes	259	259	388	393
Total	25,728	25,715	2,514	2,524
Add (less): Allowance for revaluation	(13)	-	10	-
Total	25,715	25,715	2,524	2,524
<b>Held-to-maturity debt instruments - due within 1 year</b>				
Thai Asset Management Corporation promissory notes	2,864	-	-	-
Less: Allowance for impairment of securities	(2,211)	-	-	-
Total	653	-	-	-
<b>Total current investments - net</b>	<b>43,450</b>		<b>9,863</b>	
<b>Long-term investments</b>				
<b>Available-for-sale securities</b>				
Government and state enterprises securities	3,048	3,006	9,677	9,482
Private sector debt securities	25	-	25	-
Marketable domestic equity securities	327	301	327	313
Marketable foreign equity security	-	58	-	231
Structured notes	-	-	252	257
Unit trusts	517	531	527	416
Total	3,917	3,896	10,808	10,699
Add: Allowance for revaluation	287	-	199	-
Less: Allowance for impairment of securities	(308)	-	(308)	-
Total	3,896	3,896	10,699	10,699
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	-	-	2,905	-
Less: Allowance for impairment of securities	-	-	(2,191)	-
Total	-	-	714	-
<b>General investments</b>				
Non-marketable domestic equity securities	120	-	120	-
Non-marketable foreign equity securities	14	-	14	-
Unit trusts	123	-	145	-
Total	257	-	279	-
Less: Allowance for impairment of securities	(77)	-	(77)	-
Total	180	-	202	-
<b>Total long-term investments - net</b>	<b>4,076</b>		<b>11,615</b>	

\* Refer to Note 37.6 C to the financial statements for fair value Held-to-maturity debt investments and general investments.

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December			
	2010		2009	
	Cost/ amortised cost	Fair value*	Cost/ amortised cost	Fair value*
<b>Current investments</b>				
<b>Securities for trading</b>				
Government and state enterprises securities	17,103	17,082	7,348	7,339
Less: Allowance for revaluation	(21)	-	(9)	-
Total	17,082	17,082	7,339	7,339
<b>Available-for-sale securities</b>				
Government and state enterprises securities	25,469	25,456	1,902	1,903
Private sector debt securities	-	-	210	214
Structured notes	259	259	388	393
Total	25,728	25,715	2,500	2,510
Add (less): Allowance for revaluation	(13)	-	10	-
Total	25,715	25,715	2,510	2,510
<b>Held-to-maturity debt instruments - due within 1 year</b>				
Thai Asset Management Corporation promissory notes	2,864	-	-	-
Less: Allowance for impairment of securities	(2,211)	-	-	-
Total	653	-	-	-
<b>Total current investments - net</b>	<b>43,450</b>		<b>9,849</b>	
<b>Long-term investments</b>				
<b>Available-for-sale securities</b>				
Government and state enterprises securities	3,048	3,006	9,677	9,482
Private sector debt securities	25	-	25	-
Marketable domestic equity securities	327	301	327	312
Marketable foreign equity security	-	58	-	231
Structured notes	-	-	252	257
Unit trusts	517	531	517	412
Total	3,917	3,896	10,798	10,694
Add: Allowance for revaluation	287	-	204	-
Less: Allowance for impairment of securities	(308)	-	(308)	-
Total	3,896	3,896	10,694	10,694
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	-	-	2,905	-
Less: Allowance for impairment of securities	-	-	(2,191)	-
Total	-	-	714	-
<b>General investments</b>				
Non-marketable domestic equity securities	119	-	119	-
Non-marketable foreign equity securities	14	-	14	-
Unit trusts	123	-	145	-
Total	256	-	278	-
Less: Allowance for impairment of securities	(77)	-	(77)	-
Total	179	-	201	-
<b>Total long-term investments - net</b>	<b>4,075</b>		<b>11,609</b>	

\* Refer to Note 37.6 C to the financial statements for fair value of Held-to-maturity debt investments and general investments.

As at 31 December 2010, the Bank has commitments to purchase debt securities of Baht 11,711 million (2009: Baht 2,354 million) and commitments to sell debt securities of Baht 12,812 million (2009: Baht 2,286 million).

The Bank has commitments in relation to an investment agreement to purchase investment units denominated in US Dollar currency. As at 31 December 2010, the Bank was committed to pay Baht 10 million, (2009: Baht 11 million) converted using the exchange rate ruling on the balance sheet date, for this investment.

## 10.2 Classified by the remaining period to maturity of the debt securities

Investments in debt instruments, excluding trading debt instruments, classified by remaining maturities are as follows:

	(Unit: Million Baht)			
	Consolidated financial statement			
	As at 31 December 2010			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	25,469	3,048	-	28,517
Private sector debt securities	25	-	-	25
Structured notes	259	-	-	259
Total	25,753	3,048	-	28,801
Less: Allowance for revaluation	(13)	(42)	-	(55)
Less: Allowance for impairment of securities	(25)	-	-	(25)
Total	25,715	3,006	-	28,721
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	2,864	-	-	2,864
Less: Allowance for impairment of securities	(2,211)	-	-	(2,211)
Total	653	-	-	653

	(Unit: Million Baht)			
	Consolidated financial statement			
	As at 31 December 2009			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	1,916	8,472	1,205	11,593
Private sector debt securities	235	-	-	235
Structured notes	388	252	-	640
Total	2,539	8,724	1,205	12,468
Add (less): Allowance for revaluation	10	(145)	(45)	(180)
Less: Allowance for impairment of securities	(25)	-	-	(25)
Total	2,524	8,579	1,160	12,263
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	-	2,905	-	2,905
Less: Allowance for impairment of securities	-	(2,191)	-	(2,191)
Total	-	714	-	714

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2010			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	25,469	3,048	-	28,517
Private sector debt securities	25	-	-	25
Structured notes	259	-	-	259
Total	25,753	3,048	-	28,801
Less: Allowance for revaluation	(13)	(42)	-	(55)
Less: Allowance for impairment of securities	(25)	-	-	(25)
Total	25,715	3,006	-	28,721
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	2,864	-	-	2,864
Less: Allowance for impairment of securities	(2,211)	-	-	(2,211)
Total	653	-	-	653

(Unit: Million Baht)

	Separate financial statement			
	As at 31 December 2009			
	Remaining within			
	1 year	1 - 5 years	Over 5 years	Total
<b>Available-for-sale securities</b>				
Government and state enterprises securities	1,902	8,472	1,205	11,579
Private sector debt securities	235	-	-	235
Structured notes	388	252	-	640
Total	2,525	8,724	1,205	12,454
Add (less): Allowance for revaluation	10	(145)	(45)	(180)
Less: Allowance for impairment of securities	(25)	-	-	(25)
Total	2,510	8,579	1,160	12,249
<b>Held-to-maturity debt instruments</b>				
Thai Asset Management Corporation promissory notes	-	2,905	-	2,905
Less: Allowance for impairment of securities	-	(2,191)	-	(2,191)
Total	-	714	-	714



### 10.3 Revaluation surplus on investments

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Revaluation surplus on investments				
Debt securities	2	7	2	7
Equity securities	240	287	234	281
Total	242	294	236	288
Revaluation deficit on investments				
Debt securities	(40)	(134)	(40)	(134)
Equity securities	(4)	(9)	(4)	(5)
Total	(44)	(143)	(44)	(139)
Total	198	151	192	149

### 10.4 Investments in equity securities in which the Bank and its subsidiaries holds over 10% of the paid-up capital, are as follow:

Company's name	Nature of business	Type of security	Consolidated and separate financial statements						Dividend	
			Paid-up share capital		Percentage of investment		Carrying value*		For the years end	
			As at 31 December		As at 31 December		As at 31 December		31 December	
			2010	2009	2010	2009	2010	2009	2010	2009
			(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)
<b>Related company</b>										
Wing Fat Co., Ltd.	Leather manufacturer	Common stock	70	70	14.29	14.29	-	-	-	-

\* Carrying value represents the cost less the allowance for impairment (if any).

### 10.5 Investments in unit trusts in which the Bank and its subsidiaries hold more than 10% of total fund, classified by type of fund, are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Investment in equity funds	204	179	204	175
Investment in flexible funds	327	237	327	237
Total	531	416	531	412

## 10.6 Investments in subsidiaries and associated company

Company's name	Nature of business	Type of security	Investment value											
			Paid-up share capital		Percentage of holding		Separate financial statements		Consolidated financial statements		Dividend income			
			As at 31 December 2010 (Million Baht)	2009 (Million Baht)	As at 31 December 2010 (%)	2009 (%)	As at 31 December 2010 (Million Baht)	2009 (Million Baht)	As at 31 December 2010 (Million Baht)	2009 (Million Baht)	As at 31 December 2010 (Million Baht)	2009 (Million Baht)		
<b>Subsidiaries</b>														
UOB Leasing (Thai) Co., Ltd.	Liquidation	Common stock	320	320	99.99	99.99	320	320	-	-	-	-	470	-
UOB Asset Management (Thai) Co., Ltd.	Fund management	Common stock	100	100	99.99	99.99	135	135	-	-	-	-	50	-
UOB Bullion and Futures (Thai) Co., Ltd.	Derivatives brokerage	Common stock	150	150	75.00	75.00	113	113	-	-	-	-	-	-
UOB Services Co., Ltd.	Debt Collection Business	Common stock	60	60	99.99	99.99	60	60	-	-	-	-	66	-
<b>Associated company</b>														
AXA Insurance Public Co., Ltd.	Non-life insurance	Common stock	353	353	22.06	22.06	121	121	136	131	136	131	1	10
Investments in subsidiaries and associated company - net			749	749			749	749	136	131	136	131	587	10

Summarised financial information of an associated company, AXA Insurance Public Co., Ltd. are as follows:

	(Unit: Million Baht)	
	As at 31 December	
	2010	2009
Paid-up capital	353	353
Fair values of investments (Net Assets Value)	135	132
Total assets	2,015	1,815
Total liabilities	1,403	1,216
Total revenues for the year	1,456	1,191
Net income for the year	8	45
Dividend received during the year	1	10

A reconciliation of shareholders' equity balance from the separate financial statements to the consolidated financial statements are as follows:

	(Unit: Million Baht)	
	As at 31 December	
	2010	2009
Shareholders' equity in the separate financial statements	31,455	29,652
<b>Reconciliation items</b>		
Accumulated share of profit from investments under equity method	375	1,014
Accumulated dividend received from associated company	(80)	(79)
Minority interest	26	28
Revaluation surplus of subsidiaries investment	6	2
Total reconciliation items	327	965
Shareholders' equity in consolidated financial statements	31,782	30,617

## 11. Loans and accrued interest receivable

### 11.1 Classified by loan type

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Overdrafts	14,152	13,532	14,152	13,532
Loans	94,912	90,094	94,911	90,015
Trade bills	50,330	37,098	50,330	39,041
Hire-purchase receivables	443	315	443	-
Financial lease receivables	2,291	2,296	2,291	-
Others	719	635	719	245
Total	162,847	143,970	162,846	142,833
Add: Accrued interest receivables	313	313	313	317
Less: Allowance for doubtful accounts	(6,147)	(6,162)	(6,147)	(5,941)
Total	157,013	138,121	157,012	137,209

## 11.2 Classified by the remaining periods of contracts

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Not over 1 year*	92,139	81,422	92,139	80,642
Over 1 year	70,708	62,548	70,707	62,191
Total	162,847	143,970	162,846	142,833
Add: Accrued interest receivables	313	313	313	317
Total	163,160	144,283	163,159	143,150

\* Including contracts without maturity date and expired contracts

## 11.3 Classified by currencies and residential status of debtors

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	157,784	157	157,941	140,621	181	140,802
US Dollar	4,473	-	4,473	2,912	-	2,912
Other currencies	433	-	433	256	-	256
Total	162,690	157	162,847	143,789	181	143,970
Add: Accrued interest receivables	313	-	313	313	-	313
Total	163,003	157	163,160	144,102	181	144,283

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	157,783	157	157,940	139,484	181	139,665
US Dollar	4,473	-	4,473	2,912	-	2,912
Other currencies	433	-	433	256	-	256
Total	162,689	157	162,846	142,652	181	142,833
Add: Accrued interest receivables	313	-	313	317	-	317
Total	163,002	157	163,159	142,969	181	143,150

#### 11.4 Classified by types of business and classified loans

(Unit: Million Baht)

	Separate financial statement					Total
	As at 31 December 2010					
	Normal	Special mention	Substandard	Doubtful	Doubtful of loss	
Agriculture and mining	649	20	4	-	369	1,042
Manufacturing and commerce	56,648	1,192	614	28	4,679	63,161
Real estate and construction	9,426	251	37	2	340	10,056
Public utilities and services	16,460	516	65	-	212	17,253
Housing loans	48,500	441	383	215	1,096	50,635
Others	19,782	341	326	200	50	20,699
<b>Total</b>	<b>151,465</b>	<b>2,761</b>	<b>1,429</b>	<b>445</b>	<b>6,746</b>	<b>162,846</b>
Add: Accrued interest receivables	301	12	-	-	-	313
<b>Total</b>	<b>151,766</b>	<b>2,773</b>	<b>1,429</b>	<b>445</b>	<b>6,746</b>	<b>163,159</b>

(Unit: Million Baht)

	Separate financial statement					Total
	As at 31 December 2009					
	Normal	Special mention	Substandard	Doubtful	Doubtful of loss	
Agriculture and mining	504	7	55	-	417	983
Manufacturing and commerce	40,552	2,512	594	28	4,402	48,088
Real estate and construction	9,370	597	41	-	366	10,374
Public utilities and services	15,420	479	8	1	204	16,112
Housing loans	43,962	432	391	180	1,017	45,982
Others	19,929	554	419	279	113	21,294
<b>Total</b>	<b>129,737</b>	<b>4,581</b>	<b>1,508</b>	<b>488</b>	<b>6,519</b>	<b>142,833</b>
Add: Accrued interest receivables	286	31	-	-	-	317
<b>Total</b>	<b>130,023</b>	<b>4,612</b>	<b>1,508</b>	<b>488</b>	<b>6,519</b>	<b>143,150</b>

As at 31 December 2009, the status of the loans of a subsidiary classified by past due performance are as follows:

(Unit: Million Baht)

As at 31 December 2009	
1 - 30 days	2,857
31 - 90 days	54
91 - 180 days	19
181 - 365 days	5
Over 365 days	145
<b>Total</b>	<b>3,080</b>

## 11.5 Classified by loan classification in accordance with the Notification of the BOT

(Unit: Million Baht)

	Separate financial statement					
	As at 31 December 2010					
	Loans and accrued interest receivables	Other claims	Total	Outstanding balance (after deduction of collateral value)**	The average rate of provision (%)	Provision amount
Pass*	151,766	5	151,771	48,640	1.0	486
Special mention*	2,773	-	2,773	1,023	2.0	21
Substandard	1,429	4	1,433	798	100.0	798
Doubtful	445	1	446	216	100.0	216
Doubtful of loss	6,746	2	6,748	3,888	100.0	3,888
Provision in addition to the minimum requirement of the BOT	-	-	-	-		745
<b>Total</b>	<b>163,159</b>	<b>12</b>	<b>163,171</b>	<b>54,565</b>		<b>6,154</b>

**Notes:**

\* Debt balance/book value of normal and special mention loans used in the calculation of provision excludes accrued interest receivable

\*\* Outstanding balance after deduction of collateral value represented loans balance less (1) present value of discounted future cash flow to be received from customer, or (2) present value of discounted cash flow of collateral value, or (3) recoverable loan balance based on collective approach.

(Unit: Million Baht)

	Separate financial statement					
	As at 31 December 2009					
	Loans and accrued interest receivables	Other claims	Total	Outstanding balance (after deduction of collateral value)**	The average rate of provision (%)	Provision amount
Pass*	130,023	7	130,030	43,983	1.0	440
Special mention*	4,612	1	4,613	2,413	2.0	48
Substandard	1,508	4	1,512	586	100.0	586
Doubtful	488	1	489	264	100.0	264
Doubtful of loss	6,519	1	6,520	3,714	100.0	3,714
Provision in addition to the minimum requirement of the BOT	-	-	-	-		895
<b>Total</b>	<b>143,150</b>	<b>14</b>	<b>143,164</b>	<b>50,960</b>		<b>5,947</b>

**Notes:**

\* Debt balance/book value of normal and special mention loans used in the calculation of provision excludes accrued interest receivable

\*\* Outstanding balance after deduction of collateral value represented loans balance less (1) present value of discounted future cash flow to be received from customer, or (2) present value of discounted cash flow of collateral value, or (3) recoverable loan balance based on collective approach.

As at 31 December 2010, loan provisions mentioned above include provision for other claims, amounting to Baht 7 million (2009: Baht 6 million).

As at 31 December 2010, following the entire business transfer of the subsidiary, the Bank had Baht 288 million of deferred interest attributable to bills purchased at a discount, hire-purchase contracts and financial lease receivables, which have been set off against amounts recorded as receivables in the consolidated balance sheets.

As at 31 December 2009, the Bank and a subsidiary had Baht 280 million deferred interest attributable to bills purchased at a discount, hire-purchase contracts and financial lease receivables, which have been set off against amounts recorded as receivables in the consolidated balance sheets and in the separate financial statements these amounted to Baht 12 million.

As at 31 December 2009, a subsidiary company has recorded allowance for doubtful accounts amounting to Baht 221 million.

As at 31 December 2010 and 2009 the Bank has classified unsecured consumer loan in accordance with the Notification of the BOT for non-performing loans (excluding receivables classified as pass and special mention) using a collective approach, as follows:

Overdue (Days)	(Unit: Million Baht)		
	Separate financial statement		
	As at 31 December 2010		
	Unsecured consumer loans	The range of provision (%)	Provision amount
0 - 119	302	73 - 94	228
120 - 179	205	73 - 94	154
Total	507		382

Overdue (Days)	(Unit: Million Baht)		
	Separate financial statement		
	As at 31 December 2009		
	Unsecured consumer loans	The range of provision (%)	Provision amount
0 - 119	400	49 - 69	216
120 - 179	287	63 - 88	213
Total	687		429

### 11.6 Hire purchase/finance lease receivables

As at 31 December 2010, following the entire business transfer of the subsidiary, the Bank has net receivables under hire purchase agreements and financial leases amounting to Baht 2,734 million (2009: the subsidiary had net receivables under hire purchase agreements and financial leases amounting to Baht 2,611 million), mostly comprising hire purchase agreements and financial leases for vehicles and machines. The terms of the agreements are generally between 3 to 5 years and most interest is charged at a fixed rate.

	(Unit: Million Baht)				
	As at 31 December 2010				
	Amounts due under lease agreement				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investment in the lease	252	2,656	-	92	3,000
Unearned finance income*	(7)	(251)	-	(8)	(266)
Present value of minimum lease payments receivable	245	2,405	-	84	2,734
Allowance for doubtful accounts					111

\* After deduction of commission and deferred initial direct costs of hire purchase (if any)

(Unit: Million Baht)

	As at 31 December 2009				
	Amounts due under lease agreement				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investment in the lease	1,274	1,552	-	53	2,879
Unearned finance income*	(119)	(144)	-	(5)	(268)
Present value of minimum lease payments receivable	1,155	1,408	-	48	2,611
Allowance for doubtful accounts					94

\* After deduction of commission and deferred initial direct costs of hire purchase (if any)

### 11.7 Non-accrual loans

The Bank had non-accrual loans, according to the BOT's criteria (NPLs and restructured NPLs under current period) as follows:

(Unit: Million Baht)

	Separate financial statements	
	As at 31 December	
	2010	2009
Non-accrual loans (principal only)	8,620	8,632
Percentage of total loans*	4.98	4.64

\* Including interbank and money market loans

The outstanding as at 31 December 2009 included loans to financial institutions amounting to Baht 117 million which are presented in interbank and money market items.

As at 31 December 2009, a subsidiary had the non-accrual loans in accordance with accounting policy as detailed in Note 5.1 to the financial statements amounting to Baht 169 million which represented 5.47% of its total loans.

### 11.8 Troubled debt restructuring

During the years ended 31 December 2010 and 2009, the Bank entered into troubled debt restructuring agreements with debtors. The number of debtors and their debt balances (including recorded accrued interest receivables) before restructuring can be summarised below.

(Unit: Million Baht)

	Separate financial statements	
	For the years ended 31 December	
	2010	2009
Debt balances before restructuring	1,708	2,637
Total number of customers	7,239	14,313



Detail of the restructured debtors during the years ended 31 December 2010 and 2009 referred to above can be classified by method of troubled debt restructuring as follows:

(Unit: Million Baht)

Type of restructuring	Separate financial statement				
	For the year ended 31 December 2010				
	Number of customers subject to restructuring	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring
Asset swap for settlement	-	-	-	-	-
Modification of terms	7,239	1,708	-	-	1,708
Transfer of assets and modification of terms	-	-	-	-	-
<b>Total</b>	<b>7,239</b>	<b>1,708</b>			<b>1,708</b>

(Unit: Million Baht)

Type of restructuring	Separate financial statement				
	For the year ended 31 December 2009				
	Number of customers subject to restructuring	Debt balances before restructuring	Type of assets	Fair value of assets	Debt balances after restructuring
Asset swap for settlement	44	207	Cash	207	-
Modification of terms	14,264	1,797	-	-	1,797
Transfer of assets and modification of terms	5	633	Cash/ Common stock	346	269
<b>Total</b>	<b>14,313</b>	<b>2,637</b>		<b>553</b>	<b>2,066</b>

The Bank recorded losses on restructuring for the year in relation to certain particular customers as utilisation of allowance for doubtful accounts rather than charging to the income statements for the period since the Bank had already fully provided allowance for those loans.

The debts restructured by means of modification of the term of repayment referred to above during the years ended 31 December 2010 and 2009 can be classified by the term of repayment under the restructuring agreement as follows:

Term of repayment according to the restructuring agreements:	Separate financial statement		
	For the year ended 31 December 2010		
	Number of debtors	Debt balances (Million Baht)	
Before restructuring		After restructuring	
Not more than 5 years	7,162	1,543	1,543
5 - 10 years	33	50	50
10 - 15 years	8	19	19
More than 15 years	36	96	96
<b>Total</b>	<b>7,239</b>	<b>1,708</b>	<b>1,708</b>

	Separate financial statement		
	For the year ended 31 December 2009		
	Number of debtors	Debt balances (Million Baht)	
Before restructuring		After restructuring	
Term of repayment according to the restructuring agreements:			
Not more than 5 years	14,033	2,230	1,866
5 - 10 years	36	83	83
10 - 15 years	39	31	31
More than 15 years	161	86	86
Total	14,269	2,430	2,066

As at 31 December 2010 and 2009, the troubled debtors restructuring for which the Bank completed the restructuring can be summarised as follows:

	(Unit: Million Baht)	
	Separate financial statements	
	Number of debtors	Debt balances after restructuring
Balance of restructured debtors as at 31 December 2010	19,219	5,063
Balance of restructured debtors as at 31 December 2009	19,017	4,883

As at 31 December 2010, the Bank has committed additional funds to restructured debtors amounting to Baht 98 million (2009: Baht 226 million).

### 11.9 Transfer of Assets to the Thai Asset Management Corporation (TAMC)

On 12 October 2001, the Bank entered into an agreement with the Thai Asset Management Corporation (TAMC) to transfer non-performing loans in accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544. Under the agreement, the Bank will receive a ten-year non-transferable promissory note availed by the Financial Institutions Development Fund, which bore interest at a rate based on the quarterly average deposit rate of the 5 major Thai commercial banks payable annually on the last working day of the year. The face value of the promissory note will be determined based on the lower of (a) the collateral value or (b) the net book value of the loans including three months accrued interest receivable as determined by the TAMC.

In accordance with the Emergency Decree on the Thai Asset Management Corporation B.E. 2544, the TAMC and the Bank will jointly be responsible for any profits or losses arising from managing the impaired assets in accordance with the conditions specified in the agreement at the end of the fifth year and at the end of the tenth year commencing 1 July 2001. The calculation of such profits or losses shall take into consideration the cost of transfer and all operating expenses of the TAMC, including interest on the promissory note. In the event that the TAMC incurs losses on the impaired assets transferred to it by the Bank, the Bank will be responsible for the first portion of losses, not exceeding 20% of the transfer price. The second portion of losses, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. The remaining losses will be absorbed by the TAMC. In the event that the TAMC makes profits on the impaired assets transferred to it by the Bank, the first portion of profits, not exceeding 20% of the transfer price, will be equally shared between the TAMC and the Bank. Should there be any profits remaining, the Bank is entitled to the remaining profits up to an amount not exceeding the sum of the book value of the assets transferred less the transfer price and the Bank's share of the first portion of the profits.

On 20 May 2004, the TAMC issued a letter to the Bank informing that it was reviewing whether to reduce the value of machinery and inventory which had been pledged as collateral relating to a major debtor. The receivable relating to this debtor was one of the assets transferred to the TAMC in October 2001. The letter argues that, as the pledged machinery and inventory was never moved to the location of the pledge, the pledge agreement had been made with no intention of actual obligation and, as such, was invalid.

Based on legal advice received from independent legal counsel, the Bank's management assessed as remote, the possibility that the Bank will have to accept a reduction in the value of the promissory note from the TAMC because of the TAMC's contention that the above pledge of assets was invalid. As such, the Bank expected no loss, as a result of that mentioned matter.

On 30 June 2006, the Bank received a letter from TAMC informing that TAMC will not give value to such machinery, given that those assets were not valid collateral and asks the Bank to make adjustment to the original list of assets transferred by reducing the value of the pledged collateral and hence the transfer value of such debtor totaling Baht 1,660 million. However, the Bank's Management does not agree with TAMC's position. The Bank has written to the TAMC on 31 July 2006 to confirm that the original transfer value is correct.

In addition, the Bank also received TAMC's letter dated 10 July 2006 and 7 December 2006 requesting the Bank to review the value of collateral of the transferred non-performing loans which are leasehold rights and whether the Bank's right over the leasehold rights are valid. If the Bank's legal right over the leasehold rights are invalid, the Bank is requested to adjust the collateral value and its transferred price amounting to Baht 5.4 million. The Bank's Management has confirmed the Bank's right over such collateral at the transfer date and therefore maintained the transfer price as previously reported as correct.

On 28 November 2006, the Bank received a TAMC loss sharing report for the end of the first 5 - year period, which the Bank was required to inform TAMC if any disputes arose from such report. The Bank has responded to the TAMC on the loss sharing report to TAMC on 15 January 2007, which included the confirmation of original transfer value as mentioned in the two preceding paragraphs.

On 15 October 2007, the Bank filed a law suit against TAMC regarding to the above matter. On 12 March 2009, the Court of First Instance judged in favor of the Bank. Currently, the case is under the Court of Appeal process.

The gross book value (before deduction of allowance for doubtful accounts) of non-performing loans transferred to TAMC was Baht 10,582 million, with the total transfer price based on the lower of collateral value or net book value of loans and accrued interest receivable totaling of Baht 6,399 million, of which included the value of collaterals as detailed above. Against this, as at 31 December 2010 the Bank has provided a provision for contingent loss from the gain/loss sharing from managing the impaired assets totaling of Baht 2,211 million.

As at 31 December 2010, the outstanding of TAMC's promissory note (before the price adjustment as informed according to TAMC's letter as mentioned above) was Baht 2,864 million (2009: Baht 2,905 million). During the year ended 31 December 2010, the Bank received a payment from TAMC for a principal and interest amounting to Baht 42 million and Baht 11 million, respectively (2009: principal of Baht 356 million and interest of Baht 23 million, respectively).

## 12. Allowance for doubtful accounts

	(Unit: Million Baht)						
	Separate financial statement						
	For the year ended 31 December 2010						
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Additional provision	Total
Beginning balance	440	48	582	263	3,713	895	5,941
Doubtful accounts (reversal)	15	(28)	86	(55)	1,253	(150)	1,121
Increase from entired business							
transferred of a subsidiary	34	1	25	8	176	-	244
Transferred from (transfer to) allowance							
for doubtful debts of loans to interbank							
and money market	(3)	-	100	-	-	-	97
Bad debts written off	-	-	-	-	(1,256)	-	(1,256)
Others	-	-	1	(1)	-	-	-
Ending balance	486	21	794	215	3,886	745	6,147

(Unit: Million Baht)

	Separate financial statement						
	For the year ended 31 December 2009						
	Pass	Special mention	Substandard	Doubtful	Doubtful of loss	Additional provision	Total
Beginning balance	519	51	546	212	3,489	950	5,767
Doubtful accounts (reversal)	(82)	(3)	18	52	1,937	(55)	1,867
Transferred from allowance for doubtful debts of loans to interbank and money market	3	-	19	-	-	-	22
Bad debts written off	-	-	-	-	(1,710)	-	(1,710)
Others	-	-	(1)	(1)	(3)	-	(5)
Ending balance	440	48	582	263	3,713	895	5,941

As at 31 December 2009, the allowance for doubtful accounts of a subsidiary is as follows:

(Unit: Million Baht)

	For the year ended 31 December 2009
Beginning balance	222
Doubtful accounts	44
Bad debt written off	(45)
Ending balance	221

### 13. Properties foreclosed

Properties foreclosed represent properties from debtors as a result of debt restructuring or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction.

Under the debt restructuring agreements, in cases where the debtors restructure their debts by means of a debt/asset swap, the Bank grants buy-back options or first refusal rights to certain debtors for a certain period, at prices as agreed in the debt restructuring agreements. The buy-back prices are normally agreed to be the transfer prices of the properties on the restructuring dates or plus interest.

Under BOT rules, the commercial banks are also required to treat owned closed branch's premises as "Properties foreclosed".

As at 31 December 2010 and 2009, the details of properties foreclosed are as follows:

(Unit: Million Baht)

Consolidated financial statement						
For the year ended 31 December 2010						
Type of properties foreclosed	Beginning balance	Transfer in (out)	Addition	Disposal	Ending balance	Obligations with regard to buy-back options or first refusal rights
Immovable						
Appraised by internal appraisers	2,133	73	74	(1,013)	1,267	-
Appraised by external appraisers	5,852	(73)	-	(1,252)	4,527	-
Movable	6	-	2	(8)	-	-
Total	7,991	-	76	(2,273)	5,794	-
Others	22	-	-	(14)	8	-
Total properties foreclosed	8,013	-	76	(2,287)	5,802	-
Less: Allowance for impairment	(1,733)	-	(500)	820	(1,413)	-
Properties foreclosed - net	6,280	-	(424)	(1,467)	4,389	-

(Unit: Million Baht)

Consolidated financial statement						
For the year ended 31 December 2009						
Type of properties foreclosed	Beginning balance	Transfer in (out)	Addition	Disposal	Ending balance	Obligations with regard to buy-back options or first refusal rights
Immovable						
Appraised by internal appraisers	1,659	867	60	(453)	2,133	-
Appraised by external appraisers	8,100	(867)	121	(1,502)	5,852	-
Movable	-	-	12	(6)	6	-
Total	9,759	-	193	(1,961)	7,991	-
Others	98	-	-	(76)	22	-
Total properties foreclosed	9,857	-	193	(2,037)	8,013	-
Less: Allowance for impairment	(1,553)	-	(625)	445	(1,733)	-
Properties foreclosed - net	8,304	-	(432)	(1,592)	6,280	-

(Unit: Million Baht)

Separate financial statement						
For the year ended 31 December 2010						
Type of properties foreclosed	Beginning balance	Transfer in (out)	Addition	Disposal	Ending balance	Obligations with regard to buy-back options or first refusal rights
Immovable						
Appraised by internal appraisers	2,133	73	74	(1,013)	1,267	-
Appraised by external appraisers	5,852	(73)	-	(1,252)	4,527	-
Movable	-	-	-	-	-	-
Total	7,985	-	74	(2,265)	5,794	-
Others	22	-	-	(14)	8	-
Total properties foreclosed	8,007	-	74	(2,279)	5,802	-
Less: Allowance for impairment	(1,730)	-	(500)	817	(1,413)	-
Properties foreclosed - net	6,277	-	(426)	(1,462)	4,389	-

(Unit: Million Baht)

Separate financial statement						
For the year ended 31 December 2009						
Type of properties foreclosed	Beginning balance	Transfer in (out)	Addition	Disposal	Ending balance	Obligations with regard to buy-back options or first refusal rights
Immovable						
Appraised by internal appraisers	1,659	867	60	(453)	2,133	-
Appraised by external appraisers	8,100	(867)	121	(1,502)	5,852	-
Movable	-	-	-	-	-	-
Total	9,759	-	181	(1,955)	7,985	-
Others	98	-	-	(76)	22	-
Total properties foreclosed	9,857	-	181	(2,031)	8,007	-
Less: Allowance for impairment	(1,553)	-	(600)	423	(1,730)	-
Properties foreclosed - net	8,304	-	(419)	(1,608)	6,277	-

On 27 January 2010, the Bank signed a Sale and Purchase Agreement to sell properties foreclosed (“NPAs”) of approximately Baht 861 million, which were the carrying value before allowance for impairment to Bangkok Commercial Asset Management Company Limited (“BAM”). There was no additional loss from sales of those properties foreclosed as allowance for impairment already been provided by the Bank. Transfer of the title deeds to these properties was completed in July 2010.

## 14. Premises and equipment

(Unit: Million Baht)

	Consolidated financial statements				Total
	Land	Premises	Equipment	Assets under installation	
<b>Cost</b>					
31 December 2009	1,392	1,424	3,980	47	6,843
Acquisition	-	-	110	40	150
Transfer in (out)	(8)	26	36	(78)	(24)
Disposal and written off	-	-	(332)	-	(332)
31 December 2010	1,384	1,450	3,794	9	6,637
<b>Increase from revaluation</b>					
31 December 2009	882	206	-	-	1,088
31 December 2010	882	206	-	-	1,088
<b>Accumulated depreciation</b>					
31 December 2009	-	(885)	(2,808)	-	(3,693)
Depreciation charged for the year	-	(21)	(318)	-	(339)
Transfer out	-	11	-	-	11
Disposal and written off	-	-	311	-	311
31 December 2010	-	(895)	(2,815)	-	(3,710)
<b>Impairment loss</b>					
31 December 2009	(355)	(93)	(2)	-	(450)
Disposal and written off	-	-	2	-	2
31 December 2010	(355)	(93)	-	-	(448)
<b>Net book value</b>					
31 December 2009	1,919	652	1,170	47	3,788
31 December 2010	1,911	668	979	9	3,567
Depreciation charge included in the income statements for the years ended 31 December:					
2009					367
2010					339

(Unit: Million Baht)

	Separate financial statements				Total
	Land	Premises	Equipment	Assets under installation	
<b>Cost</b>					
31 December 2009	1,392	1,424	3,731	47	6,594
Acquisition	-	-	108	40	148
Increased from entired business transferred of a subsidiary	-	-	13	-	13
Transfer in (out)	(8)	26	36	(78)	(24)
Disposal and written off	-	-	(151)	-	(151)
31 December 2010	1,384	1,450	3,737	9	6,580
<b>Increase from revaluation</b>					
31 December 2009	882	206	-	-	1,088
31 December 2010	882	206	-	-	1,088
<b>Accumulated depreciation</b>					
31 December 2009	-	(885)	(2,593)	-	(3,478)
Increased from entired business transferred of a subsidiary	-	-	(9)	-	(9)
Depreciation charged for the year	-	(21)	(309)	-	(330)
Transfer out	-	11	-	-	11
Disposal and written off	-	-	132	-	132
31 December 2010	-	(895)	(2,779)	-	(3,674)
<b>Impairment loss</b>					
31 December 2009	(355)	(93)	-	-	(448)
31 December 2010	(355)	(93)	-	-	(448)
<b>Net book value</b>					
31 December 2009	1,919	652	1,138	47	3,756
31 December 2010	1,911	668	958	9	3,546
Depreciation charge included in the income statements for the years ended 31 December:					
2009					351
2010					330

The Bank's land and buildings were last appraised in the year 2007 by independent appraisers. The reappraisal approaches are as follows:

Land	-	Fair market approach
Premises	-	Depreciated replacement cost

Difference arising from revaluation is recorded in the Bank's financial statement in accordance with the accounting policy as detailed in Note 5.10 to the financial statements.

As at 31 December 2010, certain premises and equipment items of the Bank and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation, of those assets amounted to Baht 1,536 million (2009: Baht 1,591 million). The Bank only: Baht 1,523 million (2009: Baht 1,567 million)



## 15. Intangible assets

As at 31 December 2010 and 2009, the intangible assets are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
31 December 2009	1,629	34	2	1,665
Acquisition	76	69	-	145
Transfer in (out)	61	(61)	-	-
Written off	(4)	-	-	(4)
31 December 2010	1,762	42	2	1,806
<b>Accumulated amortisation</b>				
31 December 2009	(759)	-	-	(759)
Amortisation for the year	(135)	-	-	(135)
Written off	4	-	-	4
31 December 2010	(890)	-	-	(890)
<b>Net book value</b>				
31 December 2009	870	34	2	906
31 December 2010	872	42	2	916
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in the income statements for the years ended 31 December:				
2009				115
2010				135

	(Unit: Million Baht)			
	Separate financial statements			
	Application software	Assets under installation	Others	Total
<b>Cost</b>				
31 December 2009	1,597	34	2	1,633
Acquisition	75	69	-	144
Increased from entired business transferred of a subsidiary	2	-	-	2
Transfer in (out)	61	(61)	-	-
31 December 2010	1,735	42	2	1,779
<b>Accumulated amortisation</b>				
31 December 2009	(742)	-	-	(742)
Increased from entired business transferred of a subsidiary	(1)	-	-	(1)
Amortisation for the year	(133)	-	-	(133)
31 December 2010	(876)	-	-	(876)
<b>Net book value</b>				
31 December 2009	855	34	2	891
31 December 2010	859	42	2	903
Remaining useful lives (years)	5 - 10	-	-	
Amortisation charge included in the income statements for the years ended 31 December:				
2009				113
2010				133

As at 31 December 2010, certain intangible assets of the Bank and its subsidiaries have been fully amortised but are still in use. The gross carrying amount, before deducting accumulated amortisation, of those assets amounted to Baht 163 million (2009: Baht 166 million). The Bank only: Baht 155 million (2009: Baht 155 million).

## 16. Deferred Tax

As at 31 December 2010 and 2009, deferred tax relates to the following:

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	As at 31 December				As at 31 December			
	Balance sheets		Income statements		Balance sheets		Income statements	
2010	2009	2010	2009	2010	2009	2010	2009	
Deferred tax assets on:								
Allowance for doubtful accounts	297	335	38	17	297	269	45	17
Allowance for impairment of properties foreclosed	424	520	96	(54)	424	519	95	(53)
Allowance for revaluation, impairment of fixed assets	132	133	1	1	132	133	1	1
Allowance for revaluation of investments	929	920	(9)	(5)	929	920	(9)	(5)
Provision of contingent liabilities	334	305	(29)	(7)	333	303	(30)	(6)
Unrealized loss on derivatives	370	2	(368)	(346)	370	2	(368)	(346)
Others	339	388	49	(9)	334	280	(54)	(13)
	<b>2,825</b>	2,603	<b>(222)</b>	(403)	<b>2,819</b>	2,426	<b>(320)</b>	(405)
Deferred tax liabilities on:								
Revaluation surplus on fixed assets	308	310	(2)	(2)	308	310	(2)	(2)
Revaluation surplus on investments	82	63	-	-	82	64	-	-
Others	111	42	69	(11)	111	-	(4)	-
	<b>501</b>	415	<b>67</b>	(13)	<b>501</b>	374	<b>(6)</b>	(2)
Deferred tax - net	<b>2,324</b>	2,188			<b>2,318</b>	2,052		
Deferred tax - income			<b>(155)</b>	(416)			<b>(326)</b>	(407)

Movements in the deferred tax during the years ended 31 December 2010 and 2009 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
Beginning balance	2,188	1,745	2,052	1,617
Charge to profit and loss account	155	416	326	407
Charge to equity	(19)	27	(18)	28
From entire business transferred of a subsidiary	-	-	(42)	-
Ending balance	<b>2,324</b>	2,188	<b>2,318</b>	2,052

During the years ended 31 December 2010 and 2009, deferred income tax related to items charged directly to equity during the period are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Deferred tax relating to revaluation (surplus) deficit on investments	(19)	22	(18)	23
Deferred tax relating to revaluation of fixed assets	-	5	-	5
	<b>(19)</b>	<b>27</b>	<b>(18)</b>	<b>28</b>

## 17. Other assets

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Accrued income	472	475	430	450
Suspense debtors	102	97	102	97
Prepaid and deferred expenses	158	130	148	120
Deposits	843	359	733	165
Leasehold right - net	129	143	129	143
Others	46	39	47	25
Total	<b>1,750</b>	<b>1,243</b>	<b>1,589</b>	<b>1,000</b>

## 18. Classified assets

	(Unit: Million Baht)				
	Separate financial statement				
	As at 31 December 2010				
	Investments	Loans <sup>(1)</sup>	Properties foreclosed	Other assets <sup>(2)</sup>	Total
<b>Classifications</b>					
Pass	-	161,756	-	5	161,761
Special mention	-	2,761	-	-	2,761
Substandard	-	1,429	-	4	1,433
Doubtful	-	445	-	1	446
Doubtful of loss	3,167	6,746	159	70	10,142
Total	<b>3,167</b>	<b>173,137</b>	<b>159</b>	<b>80</b>	<b>176,543</b>

<sup>(1)</sup> Including interbank and money market loans.

<sup>(2)</sup> Including accrued interest receivable for non-performing loans.

(Unit: Million Baht)

	Separate financial statement				Total
	As at 31 December 2009				
	Investments	Loans <sup>(1)</sup>	Properties foreclosed	Other assets <sup>(2)</sup>	
<b>Classifications</b>					
Pass	-	172,925	-	7	172,932
Special mention	-	4,581	-	1	4,582
Substandard	-	1,625	-	4	1,629
Doubtful	-	488	-	1	489
Doubtful of loss	3,275	6,519	367	54	10,215
<b>Total</b>	<b>3,275</b>	<b>186,138</b>	<b>367</b>	<b>67</b>	<b>189,847</b>

<sup>(1)</sup> Including interbank and money market loans.<sup>(2)</sup> Including accrued interest receivable for non-performing loans.**19. Deposits****19.1 Classified by types of deposits**

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Current accounts	<b>4,722</b>	4,404	<b>4,728</b>	4,412
Savings accounts	<b>69,910</b>	69,853	<b>70,003</b>	70,019
Fixed deposits				
- Less than 6 months	<b>19,784</b>	28,761	<b>19,784</b>	28,761
- 6 months - 1 year	<b>32,504</b>	24,980	<b>32,504</b>	24,980
- Over 1 year	<b>25,120</b>	23,019	<b>25,120</b>	23,069
<b>Total</b>	<b>152,040</b>	151,017	<b>152,139</b>	151,241

**19.2 Classified by the remaining period of contracts**

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Not over 1 year	<b>149,209</b>	130,754	<b>149,308</b>	130,978
Over 1 year	<b>2,831</b>	20,263	<b>2,831</b>	20,263
<b>Total</b>	<b>152,040</b>	151,017	<b>152,139</b>	151,241

### 19.3 Classified by currencies and residential status of depositors

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	146,643	4,488	151,131	145,643	4,316	149,959
US Dollar	330	153	483	528	154	682
Others	219	207	426	150	226	376
<b>Total</b>	<b>147,192</b>	<b>4,848</b>	<b>152,040</b>	<b>146,321</b>	<b>4,696</b>	<b>151,017</b>

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	146,742	4,488	151,230	145,867	4,316	150,183
US Dollar	330	153	483	528	154	682
Others	219	207	426	150	226	376
<b>Total</b>	<b>147,291</b>	<b>4,848</b>	<b>152,139</b>	<b>146,545</b>	<b>4,696</b>	<b>151,241</b>

### 20. Interbank and money market items (Liabilities)

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December					
	2010			2009		
	On demand	Term	Total	On demand	Term	Total
<b>Domestic items</b>						
The Bank of Thailand and Financial Institutions Development Fund	-	486	486	-	500	500
Commercial banks	1,458	-	1,458	84	667	751
Other banks	-	603	603	1	-	1
Finance companies, securities companies and credit foncier companies	517	146	663	341	202	543
Other financial institutions	352	357	709	302	272	574
<b>Total domestic items</b>	<b>2,327</b>	<b>1,592</b>	<b>3,919</b>	<b>728</b>	<b>1,641</b>	<b>2,369</b>
<b>Foreign items</b>						
US Dollar	25	34,312	34,337	9	23,992	24,001
Yen	-	259	259	-	-	-
Other currencies	1,323	-	1,323	1,198	-	1,198
<b>Total foreign items</b>	<b>1,348</b>	<b>34,571</b>	<b>35,919</b>	<b>1,207</b>	<b>23,992</b>	<b>25,199</b>
<b>Total domestic and foreign items</b>	<b>3,675</b>	<b>36,163</b>	<b>39,838</b>	<b>1,935</b>	<b>25,633</b>	<b>27,568</b>

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2010			2009		
On demand	Term	Total	On demand	Term	Total	
<b>Domestic items</b>						
The Bank of Thailand and Financial Institutions Development Fund	-	486	486	-	500	500
Commercial banks	1,458	-	1,458	84	667	751
Other banks	-	603	603	1	-	1
Finance companies, securities companies and credit foncier companies	517	146	663	341	202	543
Other financial institutions	365	451	816	307	433	740
Total domestic items	2,340	1,686	4,026	733	1,802	2,535
<b>Foreign items</b>						
US Dollar	25	34,312	34,337	9	23,992	24,001
Yen	-	259	259	-	-	-
Other currencies	1,323	-	1,323	1,198	-	1,198
Total foreign items	1,348	34,571	35,919	1,207	23,992	25,199
Total domestic and foreign items	3,688	36,257	39,945	1,940	25,794	27,734

**21. Borrowings**

As at 31 December 2010 and 2009, borrowings comprising only domestic borrowings in Baht currency are classified by type of securities, maturity and interest rate as follows:

(Unit: Million Baht)

Types	Consolidated financial statement		
	As at 31 December 2010		
	Maturity	Interest rate per annum (%)	Amount
<b>Short-term borrowings</b>			
Bills of exchange	4 Jan 2011 - 30 Dec 2011	1.00 - 3.21	12,146
Total			12,146
<b>Long-term borrowings</b>			
Term loan agreement	20 Jan 2013 - 4 Sep 2014	-	20
Total			20
Total borrowings			12,166

(Unit: Million Baht)

Types	Consolidated financial statement		
	As at 31 December 2009		
	Maturity	Interest rate per annum (%)	Amount
<b>Short-term borrowings</b>			
Bills of exchange	4 Jan 2010 - 22 Dec 2010	0.75 - 5.12	9,510
Total			9,510
<b>Long-term borrowings</b>			
Bills of exchange	31 Jan 2011 - 28 Feb 2011	2.88 - 3.21	252
Term loan agreement	20 Jan 2013 - 3 Jun 2015	-	30
Total			282
Total borrowings			9,792

(Unit: Million Baht)

Types	Separate financial statement		
	As at 31 December 2010		
	Maturity	Interest rate per annum (%)	Amount
<b>Short-term borrowings</b>			
Bills of exchange	4 Jan 2011 - 30 Dec 2011	1.00 - 3.21	12,713
Total			12,713
<b>Long-term borrowings</b>			
Term loan agreement	20 Jan 2013 - 4 Sep 2014	-	20
Total			20
Total borrowings			12,733

(Unit: Million Baht)

Types	Separate financial statement		
	As at 31 December 2009		
	Maturity	Interest rate per annum (%)	Amount
<b>Short-term borrowings</b>			
Bills of exchange	4 Jan 2010 - 22 Dec 2010	0.75 - 5.12	9,551
Total			9,551
<b>Long-term borrowings</b>			
Bills of exchange	31 Jan 2011 - 28 Feb 2011	2.88 - 3.21	252
Term loan agreement	20 Jan 2013 - 3 Jun 2015	-	30
Total			282
Total borrowings			9,833

**22. Provisions - other liabilities**

Outstanding balance comprise the following:

(Unit: Million Baht)

	Consolidated financial statement		
	Employee		
	Benefits	Others	Total
At 1 January 2010	683	333	1,016
Increase (decrease) during the year	193	(21)	172
Decreased from actual payment	(63)	-	(63)
Reversal of provisions	-	(12)	(12)
At 31 December 2010	813	300	1,113

(Unit: Million Baht)

	Separate financial statement		
	Employee		
	Benefits	Others	Total
At 1 January 2010	676	333	1,009
Increase (decrease) during the year	185	(21)	164
Decreased from actual payment	(50)	-	(50)
Reversal of provisions	-	(12)	(12)
At 31 December 2010	811	300	1,111

## 23. Other liabilities

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Accounts payable - others	355	518	221	279
Suspense creditors	201	206	201	206
Deposits	49	73	52	72
Bills collection - branches	30	37	30	37
Deferred income	1,292	-	1,292	-
Others	79	79	67	61
<b>Total</b>	<b>2,006</b>	<b>913</b>	<b>1,863</b>	<b>655</b>

## 24. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5% of its net income, after deducting any balance of deficit brought forward, until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution.

In addition, under the Civil and Commercial Code, the Bank's subsidiaries are required to set aside a statutory reserve at least 5% of their net income each time dividend is declared until the reserve reaches 10% of registered share capital. The statutory reserve cannot be used for dividend payment.

## 25. Capital funds

The primary objectives of the Bank's capital management are to maintain the Bank's ability to continue as a going concern and to maintain a capital adequacy ratio in accordance with the regulations of the BOT.

As at 31 December 2010, the Bank maintained Capital Funds in compliance with the BOT's Basel II framework and received an approval from the BOT to adopt Foundation Internal Ratings - Based Approach (FIRB) to compute capital requirement for credit risk.

As at 31 December 2009, the Bank adopted Standardised Approach (SA), for credit risk capital requirement under the BOT's Basel II framework.

	(Unit: Million Baht)	
	Separate	
	financial statements	
	As at 31 December	
	2010	2009
<b>Tier 1 Capital</b>		
Paid up share capital	24,857	24,857
Statutory reserves	190	100
Retained earnings after appropriation	3,825	3,205
Deduct: Deductions items from Tier 1 Capital - Deferred tax assets	(2,426)	(2,020)
<b>Total Tier 1 Capital</b>	<b>26,446</b>	<b>26,142</b>



	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December	
	2010	2009
<b>Tier 2 Capital</b>		
Unrealised revaluation surplus on land appraisal	617	617
Unrealised revaluation surplus on building appraisal	72	75
Reserve for normal performing loans	397	1,336
Excess provision which qualifies as Tier 2 Capital - IRB Approach	517	-
Revaluation surplus from equity securities - AFS	148	177
Total Tier 2 Capital	1,751	2,205
<b>Total capital funds</b>	<b>28,197</b>	<b>28,347</b>

	(Unit: Million Baht)			
	Separate financial statements			
	As at 31 December			
	2010		2009	
	BOT Minimum		BOT Minimum	
Capital Adequacy Ratio	The Bank	Requirement	The Bank	Requirement
Tier 1 capital funds to risk weighted assets	17.78%	4.25%	19.53%	4.25%
Total capital funds to risk weighted assets	18.95%	8.50%	21.18%	8.50%

## 26. Gains on investments

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
Gain on disposal of investments	259	170	263	170
Loss on impairment of investment	(20)	(24)	(20)	(24)
Loss on revaluation of investments	(13)	(19)	(13)	(19)
Gains on investments	226	127	230	127

## 27. Share-based compensation plans

During the year 2010, the Bank has implemented the share-based payment plan (“the Plan”) under which compensation in the form of Restricted Shares (“RS”) and Share Appreciation Rights (“SAR”) of United Overseas Bank Limited (“Major shareholder”). The Plan is awarded to senior members of management selected by the Nomination and Compensation Committee (NCC) based on factors such as individual performance, potential, leadership skills, job level, and market competitive practices. All participants in the Plan must have at least 1 year of service.

The Major shareholder will reimburse the Bank for costs incurred in respect of the Plan. During the year 2010, the Bank estimated and recorded expenses of Baht 0.2 million under the above plan.

## 28. Losses on properties foreclosed

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
Loss (gain) on disposal of properties foreclosed	5	(11)	4	(12)
Loss on impairment of properties foreclosed	500	603	500	600
Losses on properties foreclosed	505	592	504	588

## 29. Commitments and contingencies liabilities

### 29.1 Commitments

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2010			2009		
	Baht currency	Foreign currencies	Total	Baht currency	Foreign currencies	Total
Aval to bills	716	-	716	375	-	375
Guarantees of loans	148	1,875	2,023	135	1,108	1,243
Other guarantees	10,933	656	11,589	10,778	542	11,320
Letters of credit	77	2,339	2,416	134	1,596	1,730
Foreign exchange contracts*						
Bought	-	86,364	86,364	-	58,980	58,980
Sold	-	53,106	53,106	-	36,499	36,499
Interest rate swap contracts*	305,564	13,224	318,788	150,252	-	150,252
Cross currency interest rate swap contracts*						
Bought	-	6,467	6,467	-	4,905	4,905
Sold	-	603	603	-	2,642	2,642
Equity - linked options*						
Bought	434	-	434	768	-	768
Sold	428	-	428	751	-	751
Undrawn overdraft amount	19,835	-	19,835	20,118	-	20,118
Liabilities under unmatured import bills	100	779	879	94	643	737
<b>Total</b>	<b>338,235</b>	<b>165,413</b>	<b>503,648</b>	<b>183,405</b>	<b>106,915</b>	<b>290,320</b>

\* Refer to Note 37.5 to the financial statements for fair values of financial instruments.

## 29.2 Operating lease commitments

As at 31 December 2010 and 2009, the Bank and its subsidiaries had land/building lease agreements for branch offices and vehicles lease agreements, for which the lease terms range from 3 to 30 years and are renewable. The Bank and its subsidiaries also have committed to pay future rental payments which can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2010	2009	2010	2009
Land and building rental commitments	341	167	341	167
Car rental commitments	84	111	83	109
Total	425	278	424	276

## 29.3 Commitments under Bancassurance Agreement

On 31 January 2010, the UOB Group and the Bank signed a business partner agreement (Bancassurance Agreement) with an Insurance Group. Under the agreement the Bank received a sum of the fees in advance. With the commitment to the agreement for 12 years from the date of the agreement. The Bank amortises such fees income over the term of the agreement and presents the fees received in advance under other liabilities, as disclosed in note 23 to the financial statements.

## 29.4 Other commitments

The Bank has contractual commitments in respect of the purchase and servicing of information technology systems as well as other services. The outstanding balances of these major contractual commitments as at 31 December 2010, were approximately Baht 294 million (2009: Baht 324 million).

As at 31 December 2010, the Bank also has commitments in relation to various "to-sell and to-purchase" agreements for its foreclosed properties, the net book value of which was Baht 75 million (2009: Baht 136 million). The estimated gains under those agreements is Baht 9 million (2009: Baht 5 million), and the Bank recognises the sales transactions and any subsequent gains on the transfer dates.

In addition, the Bank has commitments in respect of the loss sharing under the Non-performing Loan Transfer Agreement made with TAMC, as discussed in Note 11.9 to the financial statements.

## 30. Assets pledged as collateral

	(Unit: Million Baht)	
	Consolidated and	
	Separate financial statements	
	Net book value	
	As at 31 December	
	2010	2009
<b>Government bonds</b>		
Pledged as collateral for securities sold under repurchase agreement	5,288	858
Pledged as collateral for Intraday Liquidity Facilities to the BOT	13,126	1,406
Pledged as collateral for Government departments	35	36

### 31. Litigation

In the course of operating its banking business, the Bank has had various labor suits and civil suits brought against it, including cases of tort. Under these lawsuits, claims against the Bank as at 31 December 2010 totaled Baht 1,069 million (2009: Baht 1,077 million). The Bank's management believes that the liability (if any) resulting from the lawsuits will not have a material impact to the Bank's financial position or results of operations.

### 32. Related party transactions

During the year, the Bank had significant business transactions with its subsidiaries, associated, related companies (related by ways of shareholding and/or common shareholders and/or common directors) and related persons (Directors and Senior Management, i.e. Senior Executive Vice Presidents, Executive Vice Presidents and executives from the level of Senior Vice President upwards who report directly to CEO) and their close family members. These transactions, have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Bank and those companies. Interest rates on loans to employees are calculated based on the Bank's employee welfare policy.

As at 31 December 2010, the Bank also has staff welfare loans to executives from level of Senior Vice President upwards who report directly to CEO of Baht 6 million (2009: Baht 8 million) and also has normal loans to Senior Management and their close family members with the outstanding balance of Baht 13 million (2009: Baht 13 million) and the average balance for the period then ended of Baht 11 million (2009: Baht 11 million).

In addition, as at 31 December 2010, the Bank also has deposits of those staff and their close family members of Baht 40 million (2009: Baht 56 million).

Significant transactions, outstanding balances, income and expenses incurred with related parties, apart from those disclosed in the other notes, are summarised below.

(Unit: Million Baht)

	Consolidated financial statements							
	For the years ended 31 December							
	2010				2009			
Associated company	Related companies	Group of major shareholder (UOB)	Total	Associated company	Related companies	Group of major shareholder (UOB)	Total	
Interest income	-	-	3	3	-	-	29	29
Gain (loss) on exchange	-	-	388	388	-	1	(2,293)	(2,292)
Commission and service income	13	3	12	28	10	1	7	18
Other income	-	-	1	1	-	-	-	-
Interest expenses	-	17	106	123	-	12	9	21
Insurance expenses	9	-	-	9	11	-	-	11
Commission and service expenses	-	-	274	274	-	-	268	268
Premises and equipment expenses	-	-	9	9	-	-	3	3

(Unit: Million Baht)

	Separate financial statements									
	For the years ended 31 December									
	2010					2009				
	Subsidiaries	Associated company	Related companies	Group of major shareholder (UOB)	Total	Subsidiaries	Associated company	Related companies	Group of major shareholder (UOB)	Total
Interest income	46	-	-	3	49	73	-	-	29	102
Gain (loss) on exchange	1	-	-	388	389	-	-	1	(2,293)	(2,292)
Commission and service income	78	13	3	1	95	78	10	1	-	89
Other income	16	-	-	1	17	15	-	-	-	15
Interest expenses	5	-	17	106	128	6	-	12	9	27
Insurance expenses	-	8	-	-	8	-	8	-	-	8
Commission and service expenses	159	-	-	274	433	232	-	-	268	500
Premises and equipment expenses	(5)	-	-	9	4	-	-	-	3	3

In addition, for the year ended 31 December 2010, the Bank also has paid Baht 47 million (2009: Baht 40 million) on software development to United Overseas Bank Limited, major shareholder.

The outstanding balances of significant related party transactions as at 31 December 2010 and 2009 are as follows:

Consolidated financial statements																						
As at 31 December																						
2010																						
	Average loans outstanding	Outstanding loans	Interbank and money market items (assets)	Unrealised gain on derivatives	Other assets	Commitment/ off-balance sheet	Deposits	Interbank and money market items (liabilities)	Unrealised loss on derivatives	Other liabilities	Average loans outstanding	Outstanding loans	Interbank and money market items (assets)	Unrealised gain on derivatives	Other assets	Commitment/ off-balance sheet	Deposits	Interbank and money market items (liabilities)	Unrealised loss on derivatives	Other liabilities	2010 Pricing policy of loans	
<b>Associated company</b>																						
AXA Insurance Plc.	-	-	-	-	-	-	42	-	-	-	-	-	-	-	-	1	17	-	-	-	-	N/A
<b>Related companies</b>																						
Wing Fat Co., Ltd.	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	N/A
Loxley Plc.	-	-	-	-	-	30	1	-	-	-	-	-	-	-	-	-	59	-	-	-	-	N/A
<b>The Muangthai Life</b>																						
Assurance Co., Ltd.	-	-	-	-	-	169	-	237	-	-	-	-	-	-	-	-	169	-	229	-	-	N/A
<b>Underwaterworld</b>																						
Pattaya Co., Ltd.	-	-	-	-	-	-	236	-	-	-	-	-	-	-	-	-	-	178	-	-	-	N/A
PPHR (Thailand) Limited	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	2	-	-	-	N/A
<b>Haw Par Tiger Balm</b>																						
(Thailand) Limited	-	-	-	-	-	-	46	-	-	-	-	-	-	-	-	-	-	23	-	-	-	N/A
Loxley Trading Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	N/A
Loxley Wireless Co., Ltd.	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	2	-	-	-	N/A
Loxbit Plc.	-	-	-	-	-	2	2	-	-	-	-	-	-	-	-	-	3	-	-	-	-	N/A
<b>Professional Computer Co., Ltd.</b>																						
Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	-	-	-	N/A
<b>Tisco Securities Co., Ltd.</b>																						
Malakye Holding Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	N/A
<b>Major shareholders</b>																						
United Overseas Bank Limited	-	-	90	304	-	26,774	-	34,848	43	53	-	-	712	-	-	2,006	-	24,240	44	66	-	Money market reference rate
United Overseas Bank Group of Companies	-	-	-	-	-	13	-	257	-	130	-	-	-	-	-	5	-	139	-	208	-	Money market reference rate

(Unit: Million Baht)

## Separate financial statements

As at 31 December

	2010										2009												
	Average loans outstanding	Outstanding loans	Interbank and money market items (assets)	Unrealised gain on derivatives	Other assets	Commitment/ off-balance sheet	Deposits	Interbank and money market items (liabilities)	Short-term borrowing	Unrealised loss on derivatives	Average loans outstanding	Outstanding loans	Interbank and money market items (assets)	Unrealised gain on derivatives	Other assets	Commitment/ off-balance sheet	Deposits	Interbank and money market items (liabilities)	Short-term borrowings	Unrealised loss on derivatives	Other liabilities	2010 Pricing policy of loans	
<b>Subsidiary companies</b>																							
UOB Leasing (Thai) Co., Ltd.	1,642	-	-	-	-	-	6	-	460	-	1,971	1,944	-	-	5	28	31	-	-	-	-	1	2.57% - 3.83 % p.a.
UOB Asset Management (Thai) Co., Ltd.	-	-	-	-	4	-	-	-	107	-	2	-	-	-	4	-	-	166	-	-	-	2	N/A
UOB Bullion and Futures (Thai) Co., Ltd.	-	-	-	-	-	-	42	-	87	-	-	-	-	-	-	-	79	-	-	-	-	3	N/A
UOB Services Co., Ltd.	-	-	-	-	2	-	51	-	20	-	16	-	-	-	2	-	114	-	-	-	-	22	N/A
<b>Associated company</b>																							
AXA Insurance Plc.	-	-	-	-	-	-	42	-	-	-	-	-	-	-	-	-	17	-	-	-	-	-	N/A
<b>Related companies</b>																							
Wing Fat Co., Ltd.	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	N/A
Loxley Plc.	-	-	-	-	-	30	1	-	-	-	-	-	-	-	-	59	-	-	-	-	-	-	N/A
The Muangthai Life Assurance Co., Ltd.	-	-	-	-	-	169	-	-	-	-	-	-	-	-	-	169	-	229	-	-	-	-	N/A
Underwaterworld Pattaya Co., Ltd.	-	-	-	-	-	-	236	-	-	-	-	-	-	-	-	-	178	-	-	-	-	-	N/A
PPHR (Thailand) Limited	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	N/A
Haw Par Tiger Belm (Thailand) Limited	-	-	-	-	-	-	46	-	-	-	-	-	-	-	-	-	23	-	-	-	-	-	N/A
Loxley Trading Co., Ltd.	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	6	-	-	-	-	-	N/A
Loxley Wireless Co., Ltd.	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	N/A
Loxbit Plc.	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-	N/A
Professional Computer Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22	-	-	-	-	-	-	N/A
Tisco Securities Co., Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Malakye Holding Co., Ltd.	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
<b>Major shareholders</b>																							
United Overseas Bank Limited	-	-	90	304	-	26,774	-	34,848	-	43	53	-	712	-	-	2,006	-	24,240	-	44	66	Money market reference rate	
United Overseas Bank Group of Companies	-	-	-	-	-	13	-	257	-	-	-	-	-	-	-	5	-	139	-	-	-	Money market reference rate	

### 33. Benefits of directors and Management

As at 31 December 2010 and 2009, the Bank and its subsidiaries had not paid other benefits except for normal staff benefits to their directors and management.

### 34. Tax

Tax charge to the profit and loss accounts for the years ended 31 December 2010 and 2009 comprises the following:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
On profit of the financial year				
Current tax	843	811	797	716
Deferred tax	(322)	(416)	(326)	(407)
Deferred tax adjustment	167	-	-	-
	688	395	471	309
Current tax adjustment	39	73	39	68
Share of tax of an associated company	2	3	-	-
Tax expenses on the profit the year	729	471	510	377

Tax charge on profit for the years ended 31 December 2010 and 2009 differs from the amount computed in accordance with tax legislation as detailed below.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
Accounting profit	1,847	1,317	2,270	1,027
Tax calculated at tax rate of 30%	554	395	681	308
Effect of:				
Income not subject to tax	(16)	(9)	(187)	(5)
Expenses not deductible for tax	(17)	6	(23)	6
Deferred tax adjustment	167	-	-	-
Other adjustment	-	3	-	-
	688	395	471	309
Current tax adjustment	39	73	39	68
Share of tax of associated	2	3	-	-
Tax expenses on profit of the year	729	471	510	377



### 35. Basic Earnings per share

Earning per share as presented in the income statements is basic earning per share, which is calculated by dividing net income for the years by the weighted average number of ordinary shares in issue during the year.

The Bank had the basic earnings per share as follows:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2010	2009	2010	2009
Net income (Million Baht)	1,119	849	1,760	650
Weighted average number of ordinary shares (shares)	2,485,661,305	2,485,661,305	2,485,661,305	2,485,661,305
Basic earnings per share (Baht)	0.45	0.34	0.71	0.26

### 36. Distribution of Balance Sheet items by geographic locations and results of operations classified by type of businesses

Key balance sheet items as at 31 December 2010 and 2009, classified by type of business are as follows:

	(Unit: Million Baht)					
	Consolidated financial statement					Consolidated Total
	As at 31 December 2010					
Commercial Bank	Leasing	Others	Total	Eliminated transaction*		
Total assets	248,113	467	721	249,301	(1,410)	247,891
Interbank and money market items - net (assets)	23,877	466	495	24,838	(773)	24,065
Investments - net	48,275	-	1	48,276	(614)	47,662
Loans and accrued interest receivable - net	157,012	-	1	157,013	-	157,013
Deposits	152,139	-	-	152,139	(99)	152,040
Interbank and money market items (liabilities)	39,945	-	-	39,945	(107)	39,838
Borrowings	12,733	-	-	12,733	(567)	12,166
Total contingencies-off-balance sheet	503,648	-	-	503,648	-	503,648

\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance to accounting standards.

(Unit: Million Baht)

	Consolidated financial statement					
	As at 31 December 2009					
	Commercial Bank	Leasing	Others	Total	Eliminated transaction*	Consolidated Total
Total assets	226,437	3,067	869	230,373	(3,031)	227,342
Interbank and money market items - net (assets)	46,762	42	557	47,361	(435)	46,926
Investments - net	22,207	5	15	22,227	(618)	21,609
Loans and accrued interest receivable - net	137,209	2,860	-	140,069	(1,948)	138,121
Deposits	151,241	-	-	151,241	(224)	151,017
Interbank and money market items (liabilities)	27,734	1,944	-	29,678	(2,110)	27,568
Borrowings	9,833	-	-	9,833	(41)	9,792
Total contingencies-off-balance sheet	290,320	-	-	290,320	-	290,320

\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance to accounting standards.

Distribution of Balance Sheet items by geographic locations of the Bank as at 31 December 2010 and 2009 are as follows:

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December					
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Total assets	<b>248,113</b>	-	<b>248,113</b>	226,434	3	226,437
Interbank and money market items - net (assets)	<b>23,877</b>	-	<b>23,877</b>	46,762	-	46,762
Investments - net	<b>48,275</b>	-	<b>48,275</b>	22,207	-	22,207
Loans and accrued interest receivable - net	<b>157,012</b>	-	<b>157,012</b>	137,209	-	137,209
Deposits	<b>152,139</b>	-	<b>152,139</b>	151,241	-	151,241
Interbank and money market items (liabilities)	<b>39,945</b>	-	<b>39,945</b>	27,734	-	27,734
Borrowings	<b>12,733</b>	-	<b>12,733</b>	9,833	-	9,833
Total contingencies-off-balance sheet	<b>503,648</b>	-	<b>503,648</b>	290,320	-	290,320

Results of the Bank's operations for the years ended 31 December 2010 and 2009 classified by type of business are as follows:

(Unit: Million Baht)

Consolidated financial statement						
For the year ended 31 December 2010						
	Commercial				Eliminated	Consolidated
	Bank	Leasing	Others	Total	transaction*	Total
Interest and dividend income	9,382	174	6	9,562	(638)	8,924
Interest expenses	(1,886)	(47)	-	(1,933)	51	(1,882)
Net interest and dividend income	7,496	127	6	7,629	(587)	7,042
Non-interest income	2,228	36	445	2,709	(246)	2,463
Non-interest expenses	(7,454)	(73)	(384)	(7,911)	253	(7,658)
Income before income tax	2,270	90	67	2,427	(580)	1,847

\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance accounting standards.

(Unit: Million Baht)

Consolidated financial statement						
For the year ended 31 December 2009						
	Commercial				Eliminated	Consolidated
	Bank	Leasing	Others	Total	transaction*	Total
Interest and dividend income	9,455	214	8	9,677	(89)	9,588
Interest expenses	(2,562)	(73)	-	(2,635)	79	(2,556)
Net interest and dividend income	6,893	141	8	7,042	(10)	7,032
Non-interest income	2,163	77	505	2,745	(322)	2,423
Non-interest expenses	(8,029)	(73)	(366)	(8,468)	330	(8,138)
Income before income tax	1,027	145	147	1,319	(2)	1,317

\* Eliminated transaction are transactions between the Bank and its subsidiaries and are eliminated upon consolidation in accordance accounting standard.

Results of the Bank's operations for the years ended 31 December 2010 and 2009 distributed by geographic locations are as follows:

(Unit: Million Baht)

Separate financial statements						
For the years ended 31 December						
	2010			2009		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Interest and dividend income	9,382	-	9,382	9,455	-	9,455
Interest expenses	(1,886)	-	(1,886)	(2,562)	-	(2,562)
Net interest and dividend income	7,496	-	7,496	6,893	-	6,893
Non-interest income	2,228	-	2,228	2,163	-	2,163
Non-interest expenses	(7,451)	(3)	(7,454)	(8,026)	(3)	(8,029)
Income (loss) before income tax	2,273	(3)	2,270	1,030	(3)	1,027

### 37. Disclosure of financial instruments

The Bank enters into financial instruments with off-balance sheet risk in the normal course of business, in order to meet the financing needs of its customers and to reduce its own exposure to fluctuations in foreign exchange rates and interest rates. These financial instruments with off-balance sheet risk include commitments to extend credit, standby letters of credit, financial guarantees, forward foreign exchange contracts, among others. Such instruments involve, to varying degrees, elements of credit risk, interest rate risk and foreign exchange risk in excess of the amount already recognised in the financial statements. The contracts or notional amounts of those instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The Bank enters into derivative contracts as part of its risk management strategy primarily to manage market risks arising from the Bank's underlying assets and liabilities and to reduce customer risks. In entering into off-balance sheet financial instruments, the Bank is governed by policies and parameters proposed by the Assets and Liabilities Committee and endorsed by the Corporate Risk Management Committee and Board of Directors.

#### 37.1 Accounting policies

Details of significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised in respect of each class of financial assets and financial liabilities, are disclosed in Note 5 to the financial statements.

#### 37.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Bank and its subsidiaries. The Bank and its subsidiaries have adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security, where appropriate, as a means of mitigating the risk of financial losses as a result of defaults.

In the case of recognised financial assets, the carrying amount of the assets recorded in the balance sheet, net of allowance for doubtful accounts, represents the Bank's and its subsidiaries' maximum exposure to credit risk.

Furthermore, the Bank's exposure to credit risk in the event of non-performance by the counterparties to commitments to extend credit, standby letters of credit, and financial guarantees is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and accepting conditional obligations as it does for on-balance sheet instruments. For derivatives, the contract or notional amounts do not represent the real exposure to credit loss. The Bank controls the credit risk of its derivatives through the credit approval process, credit limits, and monitoring procedures set by its Executive Committee. Credit risks also arise from the possibility that the counterparty to the off-balance sheet financial instruments will not adhere to the terms of the contract with the Bank when settlement becomes due.

The following table shows the credit equivalent of unmatured off-balance sheet financial instruments in accordance with the BOT's ruling.

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	As at 31 December	
	2010	2009
Foreign exchange contracts	1,086	863
Interest rate swap contracts	744	712
Cross currency interest rate swap contracts	52	569
Options	5	21
Avals to bills	484	296
Guarantees of loans	2,006	1,197
Performance guarantees	3,589	4,213
Bid guarantees	135	177
Liability under unmatured import bills	152	103
Import letters of credit	474	318
Others	33	3
<b>Total</b>	<b>8,760</b>	<b>8,472</b>

### 37.3 Interest rate risk

Interest rate risk arises when there is the potential for a change in interest rates to have an adverse effect on the net interest income of the Bank and its subsidiaries in the current reporting period, and in the future. Interest rate risk arises from the structure and characteristics of the Bank and its subsidiaries' assets, liabilities, shareholders' equity and interest rate linked derivative contracts, and from maturity mismatch in the repricing dates of their assets and liabilities.

The table below shows the Bank and its subsidiaries' exposure to interest rate risk, the remaining period to the earlier of contractual repricing dates or maturity dates, and the average contractual interest rate, where applicable, for classes of financial assets and financial liabilities subject to interest rate risk.

(Unit: Million Baht)							
Consolidated financial statement							
As at 31 December 2010							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non- interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	2,809	2,809	-
Interbank and money market items - net	20,937	322	20	-	2,786	24,065	1.53
Investments - net	28,300	11,728	6,310	118	1,206	47,662	2.06
Loans*	130,448	14,126	9,406	10	8,857	162,847	5.94
<b>Financial liabilities</b>							
Deposits	112,097	32,390	2,831	-	4,722	152,040	1.20
Interbank and money market items	35,535	2,501	233	-	1,569	39,838	0.47
Liabilities payable on demand	-	-	-	-	2,437	2,437	-
Short-term borrowings	7,359	4,787	-	-	-	12,146	1.82
Long-term borrowings	-	-	20	-	-	20	-
<b>Off-balance sheet financial instruments</b>							
Interest rate swap contracts							
- floating rate payer	85,167	70,255	-	-	-	155,422	1.23
- fixed rate payer	6,950	47,417	101,989	7,010	-	163,366	2.57
- floating rate payee	100,129	63,237	-	-	-	163,366	1.22
- fixed rate payee	9,730	35,123	103,563	7,006	-	155,422	2.58
Cross currency interest rate swap contracts							
- floating rate payer	844	1,332	-	-	-	2,176	1.15
- fixed rate payer	-	3,203	2,370	-	-	5,573	3.40
- floating rate payee	844	4,007	-	-	-	4,851	1.29
- fixed rate payee	-	2,898	-	-	-	2,898	0.50

\* Under interest rate risk management policy, non-accrual loans and loans are overdue with contract had matured are reported in the non-interest bearing bucket.

(Unit: Million Baht)

Consolidated financial statement							
As at 31 December 2009							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non- interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	3,558	3,558	-
Interbank and money market items - net	43,197	859	-	-	2,870	46,926	1.11
Investments - net	4,038	4,476	10,138	1,664	1,293	21,609	2.16
Loans*	113,418	11,998	9,207	39	9,308	143,970	6.55
<b>Financial liabilities</b>							
Deposits	106,496	19,854	20,263	-	4,404	151,017	1.08
Interbank and money market items	24,653	1,314	226	-	1,375	27,568	0.38
Liabilities payable on demand	-	-	-	-	2,056	2,056	-
Short-term borrowings	7,637	1,873	-	-	-	9,510	1.60
Long-term borrowings	-	-	277	5	-	282	2.89
<b>Off-balance sheet financial instruments</b>							
Interest rate swap contracts							
- floating rate payer	37,923	34,556	-	-	-	72,479	1.23
- fixed rate payer	5,100	18,581	50,192	3,900	-	77,773	3.39
- floating rate payee	41,997	35,776	-	-	-	77,773	1.14
- fixed rate payee	4,900	18,850	47,829	900	-	72,479	3.44
Cross currency interest rate swap contracts							
- floating rate payer	844	4,174	-	-	-	5,018	1.45
- fixed rate payer	-	-	2,944	-	-	2,944	6.20
- floating rate payee	844	4,276	-	-	-	5,120	1.32
- fixed rate payee	-	-	2,842	-	-	2,842	6.45

\* Under interest rate risk management policy, non-accrual loans and loans are overdue with contract had matured are reported in the non-interest bearing bucket.

(Unit: Million Baht)

	Separate financial statement						
	As at 31 December 2010						
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	2,809	2,809	-
Interbank and money market items - net	20,859	236	-	-	2,782	23,877	1.53
Investments - net	28,300	11,728	6,310	118	1,819	48,275	2.06
Loans*	130,448	14,126	9,405	10	8,857	162,846	5.94
<b>Financial liabilities</b>							
Deposits	112,190	32,390	2,831	-	4,728	152,139	1.20
Interbank and money market items	35,612	2,531	233	-	1,569	39,945	0.47
Liabilities payable on demand	-	-	-	-	2,437	2,437	-
Short-term borrowings	7,826	4,887	-	-	-	12,713	1.80
Long-term borrowings	-	-	20	-	-	20	-
<b>Off-balance sheet financial instruments</b>							
Interest rate swap contracts							
- floating rate payer	85,167	70,255	-	-	-	155,422	1.23
- fixed rate payer	6,950	47,417	101,989	7,010	-	163,366	2.57
- floating rate payee	100,129	63,237	-	-	-	163,366	1.22
- fixed rate payee	9,730	35,123	103,563	7,006	-	155,422	2.58
Cross currency interest rate swap contracts							
- floating rate payer	844	1,332	-	-	-	2,176	1.15
- fixed rate payer	-	3,203	2,370	-	-	5,573	3.40
- floating rate payee	844	4,007	-	-	-	4,851	1.29
- fixed rate payee	-	2,898	-	-	-	2,898	0.50

\* Under interest rate risk management policy, non-accrual loans and loans are overdue with contract had matured are reported in the non-interest bearing bucket.

(Unit: Million Baht)

	Separate financial statement						
	As at 31 December 2009						
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average rate of return per annum (%)
<b>Financial assets</b>							
Cash	-	-	-	-	3,558	3,558	-
Interbank and money market items - net	43,132	764	-	-	2,866	46,762	1.11
Investments - net	4,038	4,462	10,138	1,664	1,905	22,207	2.16
Loans*	112,941	11,865	8,849	39	9,139	142,833	6.46
<b>Financial liabilities</b>							
Deposits	106,662	19,904	20,263	-	4,412	151,241	1.08
Interbank and money market items	24,744	1,389	226	-	1,375	27,734	0.37
Liabilities payable on demand	-	-	-	-	2,056	2,056	-
Short-term borrowings	7,678	1,873	-	-	-	9,551	1.60
Long-term borrowings	-	-	277	5	-	282	2.89
<b>Off-balance sheet financial instruments</b>							
Interest rate swap contracts							
- floating rate payer	37,923	34,556	-	-	-	72,479	1.23
- fixed rate payer	5,100	18,581	50,192	3,900	-	77,773	3.39
- floating rate payee	41,997	35,776	-	-	-	77,773	1.14
- fixed rate payee	4,900	18,850	47,829	900	-	72,479	3.44
Cross currency interest rate swap contracts							
- floating rate payer	844	4,174	-	-	-	5,018	1.45
- fixed rate payer	-	-	2,944	-	-	2,944	6.20
- floating rate payee	844	4,276	-	-	-	5,120	1.32
- fixed rate payee	-	-	2,842	-	-	2,842	6.45

\* Under interest rate risk management policy, non-accrual loans and loans are overdue with contract had matured are reported in the non-interest bearing bucket.

### 37.4 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiaries may not be able to meet their obligations as they fall due as a result of inability to release their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiaries.

The Bank maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

The Bank manages liquidity at a centralised level. Liquidity risk is managed in accordance with a framework of policies, controls and limits established by the Bank's Assets and Liabilities Committee (ALCO). These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

The Bank takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.



The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of the Bank's core deposits and the maintenance of customer confidence. Core deposits are generally stable non-bank deposits, such as current accounts, savings accounts and fixed deposits. The Bank monitors the stability of its core deposits by analysing their volatility over time.

The Bank uses the funds to lend to customers and invests excess funds in government securities.

The Bank's liquidity risk management is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. The Bank is monitored under 'business as usual', and 3 crisis scenarios which are 'bank-specific crisis', 'general market crisis', and 'combination crisis'.

Liquidity Gap Analysis or Cash Flow Mismatch Analysis under the 'Business as Usual' scenario is measured and monitored against Net Cumulative Outflow (NCO) Limits which are set for overnight, 7 days, and 30 days. In the event that a limit is breached, an investigation will be conducted and the related documents reported to relevant parties, in accordance with the escalation process.

For stress testing (bank-specific crisis, general market crisis and combined scenarios), additional assumptions are taken into account such as sudden increase in deposit withdrawals, reduction in loan repayments, potential trading losses, or liquidation of securities with haircuts. These assumptions are agreed by Business Units and approved by Board of Directors or delegated committee.

The frequency of liquidity risk assessment is conducted on daily and monthly basis. Liquidity gap or maturity mismatch analysis report is produced by Balance Sheet Risk Management unit and monitored by Middle Office against approved Net Cumulative Outflow Limits. Other reports such as early warning indicators as well as sources and utilization of funds are produced on a monthly basis. These reports are deliberated in ALCO meeting.

Behavioural modeling is carried out and reviewed regularly to ensure that the cash flow requirements for the 'business as usual' and crisis scenarios are realistic. Loans and deposits which do not have maturity dates, and fixed deposits which are rolled over frequently, are generally estimated based on their past statistics or trends. Cash flow mismatch limits are established to limit the Bank's liquidity exposure. The Bank also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

Contingency funding plans are in place to identify liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

The Bank uses liquidity ratios as early warning indicators such as Loans to Deposits Ratio, Single Depositor Ratio and Top 20 Depositors Ratio, Undrawn Facilities Ratio, Deposit Withdrawal Ratio, Net Cumulative Outflow.

The maturity analysis of financial assets, financial liabilities and off-balance sheet items computed from the remaining maturity to repayment date is as follows:

(Unit: Million Baht)

	Consolidated financial statement						Total
	As at 31 December 2010						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	2,809	-	-	-	-	-	2,809
Interbank and money market items - net	2,794	20,928	323	20	-	-	24,065
Investments - net	-	24,808	11,944	9,586	118	1,206	47,662
Loans*	14,767	46,278	22,192	33,467	37,241	8,902	162,847
<b>Financial liabilities</b>							
Deposits	74,632	42,187	32,390	2,831	-	-	152,040
Interbank and money market items	3,675	33,429	2,501	233	-	-	39,838
Liabilities payable on demand	2,437	-	-	-	-	-	2,437
Short-term borrowings	10	7,349	4,787	-	-	-	12,146
Long-term borrowings	-	-	-	20	-	-	20
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	685	31	-	-	-	716
Guarantee of loans	15	873	99	112	924	-	2,023
Other guarantees	6,170	1,669	3,342	398	10	-	11,589
Letters of credit	110	2,236	70	-	-	-	2,416
Foreign exchange contracts	-	81,976	57,395	99	-	-	139,470
Interest rate swap contracts	-	16,680	82,540	205,552	14,016	-	318,788
Cross currency interest rate swap contracts	-	-	3,573	3,497	-	-	7,070
Equity linked options	-	520	-	342	-	-	862
Undrawn overdraft amount	19,835	-	-	-	-	-	19,835
Liabilities under unmatured import bills	-	701	176	2	-	-	879

\* Under liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the no specific maturity bucket.

(Unit: Million Baht)

	Consolidated financial statement						Total
	As at 31 December 2009						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	3,558	-	-	-	-	-	3,558
Interbank and money market items - net	2,887	43,178	861	-	-	-	46,926
Investments - net	-	2,370	4,262	12,020	1,664	1,293	21,609
Loans *	14,513	33,438	24,171	27,182	35,366	9,300	143,970
<b>Financial liabilities</b>							
Deposits	74,257	36,643	19,854	20,263	-	-	151,017
Interbank and money market items	1,935	24,093	1,314	226	-	-	27,568
Liabilities payable on demand	2,056	-	-	-	-	-	2,056
Short-term borrowings	11	7,626	1,873	-	-	-	9,510
Long-term borrowings	-	-	-	277	5	-	282
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	-	375	-	-	-	375
Guarantee of loans	15	-	154	182	892	-	1,243
Other guarantees	5,743	180	4,135	1,248	14	-	11,320
Letters of credit	-	14	1,716	-	-	-	1,730
Foreign exchange contracts	-	52,500	36,378	6,601	-	-	95,479
Interest rate swap contracts	-	10,000	37,431	98,021	4,800	-	150,252
Cross currency interest rate swap contracts	-	-	-	7,547	-	-	7,547
Equity - linked options	-	281	375	863	-	-	1,519
Undrawn overdraft amount	20,118	-	-	-	-	-	20,118
Liabilities under unmatured import bills	-	-	737	-	-	-	737

\* Under liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the no specific maturity bucket.

(Unit: Million Baht)

	Separate financial statement						Total
	As at 31 December 2010						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
<b>Financial assets</b>							
Cash	2,809	-	-	-	-	-	2,809
Interbank and money market items - net	2,782	20,858	237	-	-	-	23,877
Investments - net	-	24,808	11,944	9,586	118	1,819	48,275
Loans *	14,767	46,278	22,192	33,466	37,241	8,902	162,846
<b>Financial liabilities</b>							
Deposits	74,731	42,187	32,390	2,831	-	-	152,139
Interbank and money market items	3,688	33,493	2,531	233	-	-	39,945
Liabilities payable on demand	2,437	-	-	-	-	-	2,437
Short-term borrowings	10	7,816	4,887	-	-	-	12,713
Long-term borrowings	-	-	-	20	-	-	20
<b>Off-balance sheet financial instruments</b>							
Avals to bills	-	685	31	-	-	-	716
Guarantee of loans	15	873	99	112	924	-	2,023
Other guarantees	6,170	1,669	3,342	398	10	-	11,589
Letters of credit	110	2,236	70	-	-	-	2,416
Foreign exchange contracts	-	81,976	57,395	99	-	-	139,470
Interest rate swap contracts	-	16,680	82,540	205,552	14,016	-	318,788
Cross currency interest rate swap contracts	-	-	3,573	3,497	-	-	7,070
Equity - linked options	-	520	-	342	-	-	862
Undrawn overdraft amount	19,835	-	-	-	-	-	19,835
Liabilities under unmatured import bills	-	701	176	2	-	-	879

\* Under liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the no specific maturity bucket.

(Unit: Million Baht)

	Separate financial statement							Total
	As at 31 December 2009							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity		
<b>Financial assets</b>								
Cash	3,558	-	-	-	-	-	3,558	
Interbank and money market items - net	2,867	43,130	765	-	-	-	46,762	
Investments - net	-	2,370	4,248	12,020	1,664	1,905	22,207	
Loans *	14,648	32,825	24,038	26,825	35,366	9,131	142,833	
<b>Financial liabilities</b>								
Deposits	74,431	36,643	19,904	20,263	-	-	151,241	
Interbank and money market items	1,940	24,179	1,389	226	-	-	27,734	
Liabilities payable on demand	2,056	-	-	-	-	-	2,056	
Short-term borrowings	11	7,667	1,873	-	-	-	9,551	
Long-term borrowings	-	-	-	277	5	-	282	
<b>Off-balance sheet financial instruments</b>								
Avals to bills	-	-	375	-	-	-	375	
Guarantee of loans	15	-	154	182	892	-	1,243	
Other guarantees	5,743	180	4,135	1,248	14	-	11,320	
Letters of credit	-	14	1,716	-	-	-	1,730	
Foreign exchange contracts	-	52,500	36,378	6,601	-	-	95,479	
Interest rate swap contracts	-	10,000	37,431	98,021	4,800	-	150,252	
Cross currency interest rate swap contracts	-	-	-	7,547	-	-	7,547	
Equity - linked options	-	281	375	863	-	-	1,519	
Undrawn overdraft amount	20,118	-	-	-	-	-	20,118	
Liabilities under unmatured import bills	-	-	737	-	-	-	737	

\* Under liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the no specific maturity bucket.

### 37.5 Estimated fair value of financial instruments

The fair values of financial instruments have been estimated by the Bank and its subsidiaries using available market information and appropriate valuation methodologies.

As at 31 December 2010 and 2009, there are no material differences between the Bank and its subsidiaries' book value of financial instruments and their fair value, except that the fair value of off-balance sheet financial instruments as follows:

	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	As at 31 December			
	2010		2009	
	Notional value	Fair value*	Notional value	Fair value*
Foreign exchange contracts	139,470	(159)	95,479	(84)
Interest rate swap contracts	318,788	(254)	150,252	74
Cross currency interest rate swap contracts	7,070	(820)	7,547	1
Equity - linked options	863	-	1,519	1

\* Fair value represents gain/(loss) from mark-to-market as at the balance sheets date.

### **37.6 Methods and assumptions in estimating fair value of financial instruments**

The following methods and assumptions were used by the Bank and its subsidiaries in estimating fair value of financial instruments as disclosed herein.

**(a) Cash and interbank and money market items**

The carrying amounts of cash and interbank and money market items which have remaining maturities of less than 1 year or bear floating rates of interest approximate their fair value. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying average interest rates currently being offered on similar instruments.

**(b) Securities purchased under resale agreements**

The carrying amount of securities purchased under resale agreements is deemed to be the fair value.

**(c) Investments**

Fair value for securities is based on quoted market prices, where available. If quoted market prices are not available, fair value is based on quoted market prices of comparable instruments after adjusting for risk involved or the net asset values of such securities.

**(d) Loans**

For floating rate loans that reprice frequently and have no significant change in credit risk, fair value is based on carrying values. The fair value of fixed rate loans that reprice within 1 year from the balance sheet date is based on the carrying value at the balance sheet date. Fair value for other fixed interest rate loans is estimated using discounted cash flow analysis and using average interest rates currently being offered for loans with similar terms to borrowers of similar credit quality except in case of immaterial, carrying value will be used.

Fair value of hire-purchase and financial lease receivables is estimated by using discounted cash flow analysis and using interest rates currently being offered with average remaining years to maturity.

**(e) Accrued interest receivable**

Fair value of accrued interest receivable is based on carrying values.

**(f) Deposit liabilities**

The fair value of deposits which is payable on demand by the depositor, is equal to the carrying value of such deposits. The fair value of floating rate, certificates of deposit (CDs) and fixed rate deposits repricable within 1 year approximate their carrying value at the reporting date. Fair value for other fixed rate deposits is estimated using a discounted cash flow calculation that applies the current average deposit rates of the four major commercial banks to a schedule of aggregate expected monthly maturities on time deposits except in case of immaterial, carrying value will be used.

**(g) Interbank and money market items (liabilities)**

The carrying amount of interbank and money market items which have remaining maturities of less than 1 year and/or bear floating rates of interest approximates their fair value at the reporting date. Fair value for fixed rate instruments with remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying average interest rates currently being offered on similar instruments.

**(h) Securities sold under repurchase agreements**

The carrying value of securities sold under repurchase agreements approximates fair value.

**(i) Borrowings**

The fair value of borrowings with remaining maturities less than 1 year approximates their carrying value at the reporting date. Fair value of borrowings with remaining maturities greater than 1 year is estimated using discounted cash flow analysis based on the average current borrowing rates for similar types of borrowing arrangements.

## **(J) Fair value of off-balance sheet financial instruments**

### *Commitments to aval, guarantee, and letters of credit*

These financial instruments are generally not intended to be sold or traded such that estimated fair values are not readily ascertainable. Fair value of these items were not calculated for the following reasons:

- very few of the commitments extending beyond 1 year would commit the Bank to a predetermined rate of interest;
- the fees attaching to these commitments are the same as those currently charged to enter into similar arrangements; and
- the quantum of fees collected under these arrangements, upon which fair value would be determined, is not material.

### *Other off-balance sheet financial instruments*

The fair values of foreign exchange contracts were obtained from quoted market prices of similar foreign exchange contracts. For the other derivative contracts, the fair value is estimated using discounted cash flow.

## **38. Subsequence event**

On 4 March 2011, the Bank's Board of Directors' meeting passed a resolution to propose to the Annual General Meeting for approval, dividend payment of Baht 0.15 per share in respect of net income for the year 2010, or a total of Baht 373 million calculated on the basis of 2,485,661,305 issued and paid-up ordinary shares.

## **39. Approval of financial statements**

These financial statements were authorised for issue by the Bank's Board of Directors on 4 March 2011.

# Other Information

## 1. Subsidiaries and Affiliated Companies of UOB (Thai)

### 1. UOB Asset Management (Thai) Company Limited

Business : Provides asset management for mutual funds, private funds, provident funds and property funds  
Location : 11<sup>th</sup> Floor 191 South Sathon Road, Yannawa, Sathon, Bangkok 10120  
Tel : 0-2676-7100  
Fax : 0-2676-7880-7  
Paid-up capital : Baht 100,000,000 (10,000,000 ordinary shares)  
UOB (Thai)'s holding : 99.99%

### 2. UOB Services Company Limited

Business : Collection services  
Location : 17-18<sup>th</sup> Floor 690 Sukhumvit Road, Klong Toey, Bangkok 10110  
Tel : 0-2680-5555  
Fax : 0-2258-6900  
Paid-up capital : Baht 60,000,000 (10,000,000 ordinary shares)  
UOB (Thai)'s holding : 99.99%

### 3. UOB Bullion and Futures (Thai) Company Limited

Business : Trading in Futures Contracts  
Location : 191 South Sathon Road, Yannawa, Sathon, Bangkok 10120  
Tel : 0-2213-2611  
Fax : 0-2213-2614  
Paid-up capital : Baht 150,000,000 (1,500,000 ordinary shares)  
UOB (Thai)'s holding : 75.00%

### 4. AXA Insurance Public Company Limited

Business : Non-life insurance company  
Location : 23<sup>rd</sup> Floor Lumpini Tower Building, 1168/67 Rama IV Road, Thungmahamek, Sathon, Bangkok 10120  
Tel : 0-2285-6385  
Fax : 0-2285-6383  
Paid-up capital : Baht 352,642,100 (3,526,421 ordinary shares)  
UOB (Thai)'s holding : 22.06%

### 5. UOB Leasing (Thai) Company Limited

Business : The company registered the closure on 15 October 2010  
Location : 191 South Sathon Road, Yannawa, Sathon, Bangkok 10120  
Tel : 0-2343-4546  
Fax : 0-2285-1633  
Paid-up capital : Baht 320,000,000 (32,000,000 ordinary shares)  
UOB (Thai)'s holding : 99.99%



## 2. Details of Directors

Name	Period	Experience
1. Wee Cho Yaw	Jul 2004 - Present 1974 - Present 1974 - Apr 2007	<ul style="list-style-type: none"> <li>Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)</li> <li>Chairman, United Overseas Bank Limited, Singapore</li> <li>Chairman and CEO, United Overseas Bank Limited, Singapore</li> </ul>
2. Wee Ee Cheong	Jul 2004 - Present May 2007 - Present 2000 - Apr 2007	<ul style="list-style-type: none"> <li>Deputy Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)</li> <li>Deputy Chairman and CEO, United Overseas Bank Limited, Singapore</li> <li>Deputy Chairman and President, United Overseas Bank Limited, Singapore</li> </ul>
3. Suebtrakul Soonthornthum	Aug 2010 - Present Aug 2008 - Aug 2010 Aug 2004 - Present 1992 - Present	<ul style="list-style-type: none"> <li>Chairman of the Nomination and Compensation Committee and Member of the Audit Committee, UOB (Thai)</li> <li>Chairman of the Audit Committee, UOB (Thai)</li> <li>Independent Director, UOB (Thai)</li> <li>Senior Executive Vice President, Loxley Public Company Limited</li> </ul>
4. Arun Chirachavala	Aug 2010 - Present Apr 2008 - Present Aug 2007 - Present 2004 - 2006	<ul style="list-style-type: none"> <li>Chairman of the Audit Committee, UOB (Thai)</li> <li>Independent Director, UOB (Thai)</li> <li>Executive Chairman, Krungdhep Sophon Pcl. and subsidiaries</li> <li>President, Siam City Bank Pcl.</li> </ul>
5. Chinnawat Bulsuk	Aug 2008 - Aug 2010 Aug 2006 - Aug 2008 Aug 2004 - Present 2003 - Present	<ul style="list-style-type: none"> <li>Chairman of the Nomination and Compensation Committee, UOB (Thai)</li> <li>Chairman of the Audit Committee, UOB (Thai)</li> <li>Independent Director and Member of the Audit Committee, UOB (Thai)</li> <li>Director &amp; CEO, Thai Samut Asset Co., Ltd.</li> </ul>
6. Lee Chin Yong	Aug 2004 - Present 2003 - Present	<ul style="list-style-type: none"> <li>Authorised Signatory Director, UOB (Thai)</li> <li>Senior Executive Vice President, United Overseas Bank Limited, Singapore</li> </ul>
7. Cheo Chai Hong	Nov 2009 - Present Jul 2005 - Present	<ul style="list-style-type: none"> <li>Authorised Signatory Director, UOB (Thai)</li> <li>Executive Vice President, United Overseas Bank Limited, Singapore</li> </ul>
8. Wong Kim Choong	Aug 2004 - Present 2003 - 2004	<ul style="list-style-type: none"> <li>Authorised Signatory Director and President and CEO, UOB (Thai)</li> <li>Deputy CEO, United Overseas Bank (Malaysia) Berhad</li> </ul>
9. Chua Teng Hui	Jul 2004 - Present 1999 - Jul 2004	<ul style="list-style-type: none"> <li>Authorised Signatory Director and Deputy President &amp; Deputy CEO, UOB (Thai)</li> <li>CEO, United Overseas Bank, Philippines</li> </ul>

## Other Information

### 3. Directors' Remuneration

	Baht		
	Board of Directors	Audit Committee	Nomination & Compensation Committee
Wee Cho Yaw	1,440,000	-	-
Wee Ee Cheong	1,080,000	-	90,000
Suebtrakul Soonthornthum	720,000	570,000	150,000
Arun Chirachavala	720,000	510,000	-
Chinnawat Bulsuk	720,000	360,000	210,000
Lee Chin Yong	360,000	-	90,000
Cheo Chai Hong	360,000	-	-
Wong Kim Choong	360,000	-	-
Chua Teng Hui	360,000	-	-
Lee Tse Tiong ( <i>resigned 18 June 2010</i> )	180,000	-	-
	6,300,000	1,440,000	540,000

### 4. Senior Management's Remuneration

In 2010, the Bank Senior management's remuneration was Baht 237,654,972 (2009: Baht 226,324,088).

### 5. Directorships as of year end 2010 of Directors and Senior Management

#### Directors

#### 1. Wee Cho Yaw

Company	Position
<b>UOB Business Group</b>	
United Overseas Bank Ltd.	Chairman
United Overseas Insurance Ltd.	Chairman
United Overseas Bank (Malaysia) Bhd	Chairman
UOB Australia Ltd.	Chairman
Far Eastern Bank Ltd.	Chairman
PT Bank UOB Buana	President Commissioner
United Overseas Bank (China) Ltd.	Supervisor
Overseas Union Bank Limited (pending dissolution-merged into UOB)	Chairman
United International Securities Ltd.	Chairman
<b>Wee Family Business Group</b>	
C Y Wee & Co Pte Ltd.	Chairman
Ju Da Pte Ltd.	Chairman
Kheng Leong Company (Pte) Ltd.	Chairman
Wee Investments (Pte) Ltd.	Chairman
UOL Group Ltd.	Chairman
Pan Pacific Hotels Group Limited (formerly known as Hotel Plaza Ltd.)	Chairman
Haw Par Corporation Ltd.	Chairman
United Industrial Corporation Ltd.	Chairman
Singapore Land Ltd.	Chairman
Marina Centre Holdings Pte Ltd.	Chairman
Aquamarina Hotel Pte Ltd.	Chairman
Hotel Marina City Pte Ltd.	Chairman
Marina Bay Hotel Pte Ltd.	Chairman

Company	Position
<b>Non-Profit/Community Service Business Group</b>	
Chinese Development Assistance Council	Chairman (Board of Trustees)
Kim Mui Hoey Kuan	Chairman
Singapore Chinese Chamber of Commerce & Industry	Honorary President
Singapore Federation of Chinese Clan Associations	Honorary President
Singapore Hokkien Huay Kuan	Honorary President
Wee Foundation	Chairman

## 2. Wee Ee Cheong

Company	Position
<b>UOB Business Group</b>	
Chung Khiaw Bank (Malaysia) Bhd	Director
Far Eastern Bank Ltd.	Director
Hermes UOB Capital Management Ltd.	Director
OUB Centre Ltd.	Chairman
Overseas Union Bank Ltd. (pending dissolution-merged into UOB)	Director
PT Bank UOB Buana	Commissioner
United Overseas Bank Ltd.	Director
United Overseas Bank (China) Ltd.	Chairman
United Overseas Bank (Malaysia) Bhd	Director
United Overseas Insurance Ltd.	Director
UOBGC General Partners Ltd.	Director
UOB Australia Ltd.	Director
UOB Developments Pte Ltd.	Director
UOB Global Capital LLC	Director & Chairman
UOB Global Capital Pte Ltd.	Chairman
UOB Hermes Asia Technology Fund	Director
UOB Travel Planners Pte Ltd.	Director
UOB Trust Ltd.	Director
United International Securities Ltd.	Director
Walden AB Ayala Ventures Co Inc (incorporated in Philippines)	Director
<b>Wee Family Business Group</b>	
C Y Wee & Co Pte Ltd.	Director
E C Wee Pte Ltd.	Director
Kheng Investment Ltd. (incorporated in Cayman Islands)	Director
Kheng Leong Co (HK) Ltd. (incorporated in Hong Kong)	Director
Kheng Leong Company (Pte) Ltd.	Director
K.I.P. Industrial Holdings Limited (incorporated in Hong Kong)	Director
KLC Holdings Limited (incorporated in the British Virgin Islands)	Director
KLC Holdings (Hong Kong) Limited (incorporated in Hong Kong)	Director
Phoebus Singapore Holdings Pte Ltd.	Director
Portfolio Nominees Limited (incorporated in the British Virgin Islands)	Director
Richly Joy Holdings Limited (incorporated in the British Virgin Islands)	Director
Wee Investments Pte Ltd.	Director
Wee Venture (Overseas) Limited (incorporated in the British Virgin Islands)	Director
Pilkon Development Co., Ltd. (incorporated in the British Virgin Islands)	Director
Plaza Hotel Company Limited (incorporated in Vietnam)	Director

## Other Information

Company	Position
<b>Non-Profit/Community Service/Relationship Business Group</b>	
ASEAN Finance Corporation Ltd.	Director
INSEAD East Asia Council & International Council	Advisory Board Member
Singapore-China Foundation	Member, Board of Governors
Singapore Chinese Chamber of Commerce & Industry	Honorary Council Member
The Association of Banks in Singapore	Chairman
The Institute of Banking & Finance	Director
Visa International Senior Client Council	Member
Wee Foundation	Director

### 3. Suebtrakul Soonthornthum

Company	Position
<b>Loxley Business Group</b>	
Loxley Public Co., Ltd.	Director & SEVP
Loxley Global Co., Ltd.	Director
Loxley GTECH Technology Co., Ltd.	Director
Loxley Trading Co., Ltd.	Director
Loxley Property Development Co., Ltd.	Director
Guardfire Co., Ltd.	Chairman
Foseco (Thailand) Co., Ltd.	Chairman
General Aviation Co., Ltd.	Director
Besta International Co., Ltd.	Director
Blue Scope Steel (Thailand) Co., Ltd.	Director
Blue Scope Services (Thailand) Co., Ltd.	Director
Blue Scope Lysaght (Thailand) Co., Ltd.	Director
BP Castrol (Thailand) Co., Ltd.	Director
Ekpavee Co., Ltd.	Director
Data Mining Co., Ltd.	Director
Jago Co., Ltd.	Director
Asia Securities Management Co., Ltd.	Director
Zin Suapah Co., Ltd.	Director
Loxley Joint and Hold Co., Ltd.	Director
Oriental Post Co., Ltd.	Director
Postique Co., Ltd.	Director
Societe Commerciale Lao Co., Ltd.	Director
<b>Other Business Groups</b>	
Muang Thai Life Insurance Co., Ltd.	Independent Director
Muang Thai Real Estate Public Co., Ltd.	Chairman
Vanachai Group Public Co., Ltd.	Independent Director

#### 4. Arun Chirachavala

Company	Position
<b>Krungdhep Sophon Group</b> Krungdhep Sophon Public Co., Ltd. Krungdhep Document Co., Ltd. K.W.C. Warehouse Co., Ltd.	Executive Chairman Chairman Chairman
<b>Other Business Group</b> Palang Sophon Co., Ltd. TRC Construction Public Co., Ltd.	Director Independent Director

#### 5. Chinnawat Bulsuk

Company	Position
<b>Chinnawat Bulsuk's Business Group</b> Thai Samut Asset Co., Ltd.	Director & CEO
<b>Other Business Group</b> Chong Choe Co., Ltd.	Director

#### 6. Lee Chin Yong

Company	Position
<b>UOB Group of Companies</b> United Overseas Bank (Malaysia) Bhd Uni.Asia Capital Sdn Bhd Uni.Asia Life Assurance Bhd UOB Property Investment Pte Ltd. PT Bank UOB Buana UOB International Investment Pte Ltd. UOB-Kay Hian Holdings Ltd. United Overseas Bank (China) Ltd.	Director Director Director and Deputy Chairman Director Vice President Commissioner Director Director Director
<b>UOL Group of Companies</b> President Hotel Sdn Bhd HPL Properties (Malaysia) Sdn Bhd Grand Elite Sdn Bhd Grand Elite (Penang) Sdn Bhd UOL Serviced Residences Sdn Bhd	Director Director Director Director Director

#### 7. Cheo Chai Hong

Company	Position
<b>UOB Group of Companies</b> United Overseas Bank Philippines	Director
<b>Other Business Group</b> Banco De Oro Unibank Inc. Encus International Pte Ltd.	Director Director

## Other Information

### 8. Wong Kim Choong

-NIL-

### 9. Chua Teng Hui

Company	Position
<b>UOB Group of Companies</b> UOB Services Co., Ltd.	Chairman

### Senior Management

Name	Company	Position
1. Chanindh Homsilpakul	-	-
2. Yeo Kian Ing	-	-
3. Roongthip Angkasirisan	-	-
4. Sanchai Apisaksirikul	1. UOB Asset Management (Thai) Co., Ltd. 2. UOB Bullion and Futures (Thai) Co., Ltd. 3. UOB Services Co., Ltd.	Director Director Director
5. Pipat Assamongkol	-	-
6. Ho Swit Moy Margaret	-	-
7. Khoo Wah Sun	-	-
8. Lim Keng Teck	1. UOB Services Co., Ltd. 2. Singapore Thai Chamber of Commerce	Director Director
9. Piyaporn Ratanaprasartporn	-	-
10. Adisorn Sermchaiwong	-	-
11. Ngamjitt Sirijindalert	-	-
12. Pimolrat Tangkosakul	MalakYTE Holding Limited	Director
13. Tay Han Chong	-	-
14. Yuttachai Teyarachakul	-	-
15. Pornchai Wiwatpattarakul	-	-
16. Yap Tsok Kee	UOB Bullion and Futures (Thai) Co., Ltd.	Director
17. Sayumrat Maranate	-	-
18. Vajee Pramualrat	-	-
19. Lek Ruangnaovarat	-	-
20. Phannivat Srikraivin	-	-

## 6. Related Party Transactions

The Bank's transactions with the companies related to the Bank's directors during the year 2010 are as follows:

	Loans	Interbank and money market items (assets)	Other assets	Commitment/ off-balance sheet Deposits	Interbank and money market items (liabilities)	Other liabilities	Interest Income	Gain (loss) on exchange	Commission and service income	Other income	Interest expenses	Commission and service expenses	Premises and equipment expenses	Related with UOB (Thai) Director
<b>Subsidiaries companies</b>														
UOB Services Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	Chua Teng Hui
<b>Related companies</b>														
Loxley Plc.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
The Muangthai Life Assurance Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Underwaterworld Pattaya Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Haw Par Tiger Balm (Thailand) Limited				/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
PPHR (Thailand) Limited				/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
Loxley Wireless Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Loxbit Pcl.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Professional Computer Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Netone Network Solution Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
L Hardware and Services Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
Loxley Trading Co., Ltd.				/	/	/	/	/	/	/	/	/	/	Suebrakul Soonthornthum
<b>Major shareholders</b>														
United Overseas Bank Limited	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
<b>United Overseas Bank</b>														
<b>Group of Companies</b>														
United Overseas Bank (Malaysia) Bhd	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
Far Eastern Bank Ltd., Singapore				/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
UOB Kay Hian Securities (Thailand) Co., Ltd.	/	/	/	/	/	/	/	/	/	/	/	/	/	Wee Cho Yaw

Details of all related party transactions are disclosed in Note 32 in the Financial statements.

## Other Information

### **7. Shares of UOB (Thai), Subsidiaries and Affiliated Companies**

Directors of UOB (Thai) do not own any shares in UOB (Thai) or any of its subsidiaries and associated companies.

### **8. Auditor's Remuneration**

In 2010, the Bank and its subsidiaries paid for audit fee and special audit fee regarding to the Bank of Thailand's requirement to Ernst & Young Office Limited amounting to Baht 8,850,000 and Baht 350,000 respectively, totalling Baht 9,200,000.



# Pillar 3 Disclosure

## Pillar 3 Disclosure – Qualitative Parts

In compliance with the Bank of Thailand (“BOT”)’s notification to banks on Basel II Pillar 3 - Market Discipline, the following quantitative and qualitative disclosures have been included to facilitate the understanding of UOB (Thai) Group (consisting of UOB (Thai) and its subsidiaries)’s risk profile and the assessment of UOB (Thai) Group’s capital adequacy.

### Scope of Application

For the year ending 31 December 2010, the Pillar 3 disclosure by UOB (Thai) is prepared at both the Bank and Group levels. UOB (Thai) Group comprises United Overseas Bank (Thai) and its subsidiaries, namely UOB Asset Management (Thai), UOB Bullion and Futures (Thai) and UOB Services.

### Capital Management

The capital management is overseen by senior management and the Board of Directors (the “Board”). The overall framework seeks to ensure that UOB (Thai) Group maintains adequate capital to support the underlying risks of its businesses and complies with BOT’s minimum requirements.

Capital management involves a continuous capital assessment process, which encompasses the following key elements:

- Assessment of capital and business risks on an integrated basis across business segments, products and geographies, and the integration of such assessment with the budgeting process;
- Setting and tracking of internal capital targets to ensure that UOB (Thai) Group is able to maintain adequate capital for business growth;
- Assessment of short-term and long-term capital needs, including stress testing and scenario reviews, for the purposes of capital management and planning; and
- Assessment of the quality of capital and financing structures.

Capital management is led by Finance, with support from Risk Management, and key business units.

### Internal Audit

Internal Audit (“IA”) is an independent function that reports directly to the Audit Committee and the Board. IA performs an independent audit of the rest of UOB (Thai) Group and reports any control deficiencies, control lapses as well as non-compliance with policies and procedures to the Audit Committee and the Board. IA periodically assesses the formal disclosure policy and internal controls over the disclosure process to ascertain that the operations of disclosure are in compliance with related rules and/or regulations.

### Risk Management

The assumption of financial and non-financial risks is an integral part of UOB (Thai) Group’s business. The risk management strategy is targeted at ensuring on-going effective risk discovery and achieving effective capital management. Risks are managed within levels established by the management committees, and approved by the Board and its committees.

UOB (Thai) Group applies the following risk management principles:

- Promotion of sustainable long-term growth through embracing sound risk management principles and business practices;
- Continual improvement of risk discovery capabilities and establishment of appropriate value-creating risk controls; and
- Focus on facilitating business development within a prudent, consistent and efficient risk management framework that balances risks and returns.

UOB (Thai) Group has a comprehensive framework of policies and procedures for the identification, measurement, monitoring and control of risks. This framework is governed by the Board and appropriate senior management committees.

### Credit Risk

Credit Risk is defined as the potential loss arising from any failure by customers to fulfill their obligations, as and when they fall due. These obligations may arise from on-balance sheet and off-balance sheet exposures such as direct lending, trade finance, receivables under derivatives and foreign exchange contracts, and other credit-related activities.

## Pillar 3 Disclosure

Through the Risk Management Committee or Credit Risk Committee, UOB (Thai) Group establishes well-defined risk parameters for accepting credit risk, credit policies, guidelines and procedures to ensure that the credit portfolio is well-diversified and of an acceptable quality.

UOB (Thai) Group also has in place a rigorous process to regularly review, monitor and report credit exposures including credit risk concentration, industry sector exposures, level of non-performing loans as well as adequacy of provisions.

### Credit Risk Policies and Processes

Credit policies and processes are in place to manage credit risk in the following key areas:

#### Credit Approval Process

To maintain independence and integrity of the credit approval process, the credit approval function is segregated from credit origination. Credit approval authority is delegated through a risk-based credit discretionary limit (“CDL”) structure that is tiered according to the borrower’s credit rating. Delegation of CDL follows a stringent process that takes into consideration the experience, seniority and track record of the officer. All credit approving officers are guided by credit policies and credit acceptance guidelines. Approval of consumer and small business loans is guided by product programmes. These credit policies, guidelines and product programmes are periodically reviewed to ensure their continued relevance.

#### Credit Risk Concentration

A risk-sensitive process is in place to regularly review, manage and report credit concentrations and portfolio quality. This includes monitoring concentration limits and exposures by obligors, portfolios, borrowers, and industries. Limits are generally set as a percentage of capital fund.

Obligor limits ensure that there is no undue concentration to a group of related borrowers that may potentially pose a single substantial risk to UOB (Thai) Group.

Portfolio and borrower limits ensure that lending to borrowers with weaker credit is confined to acceptable levels. These limits are generally tiered according to the borrowers’ credit standing.

Industry limits ensure that any adverse effect arising from an industry-specific risk event is confined to acceptable levels.

#### Credit Stress Test

UOB (Thai) Group incorporates periodic credit stress testing as an integral part of its credit portfolio management process. This allows UOB (Thai) Group to assess the potential credit losses arising from the impact of exceptional but plausible adverse events. The preventive actions against the potential vulnerabilities and credit deterioration will be taken where necessary. Remedial actions such as exposure reduction, portfolio rebalancing, hedging and review of credit acceptance guidelines will be taken into consideration if necessary.

#### Delinquency Monitoring

All delinquent accounts, especially non-retail accounts, including credit limit excesses, are closely monitored and managed through a robust process by officers from business units, and Risk Management. Where appropriate, these accounts are also subject to more frequent credit reviews. For delinquent consumer loans as well as small retail enterprise loans, delinquent accounts are auto-routed to the collectors for immediate actions.

Delinquency trends are monitored, analysed and reported to the Credit Risk Committee periodically.

#### Classification and Loan Loss Impairment

UOB (Thai) Group classifies its loan portfolios according to the borrower’s ability to repay the loan from its normal source of income. All loans and advances to customers are classified into ‘Pass’, ‘Special Mention’ or ‘Non-Performing or Default’ categories. Non-performing loans (“NPL”) are further classified as ‘Substandard’, ‘Doubtful’ or ‘Doubtful of Loss’ in accordance with BOT guidelines.

Upgrading and de-classification of a NPL account to ‘Pass’ or ‘Special Mention’ status must be supported by a credit assessment of the repayment capability, cash flows and financial position of the borrower. UOB (Thai) Group must also be satisfied that once the account is de-classified, the account is unlikely to be classified again in the near future.

A restructured account is categorised as 'Non-performing' and placed on the appropriate classified grade depending on UOB (Thai) Group's assessment of the financial conditions of the borrower and the ability of the borrower to repay based on the restructured terms. A restructured account for credit facilities with monthly repayments or quarterly repayments can only be upgraded to 'Pass' status when all payments are current for six consecutive months and one year respectively. Credit facilities with semi-annual, annual or longer repayment bases are only upgraded if the borrower has fully complied with the restructured terms and demonstrated the ability to repay after achieving three consecutive repayment periods.

UOB (Thai) Group provides for impairment in accordance with regulatory requirements as well as accounting standards.

#### Special Asset Management

Special Asset Management ("SAM") manages the non-performing portfolios of UOB (Thai) Group. SAM proactively manages not only NPL accounts, with the primary intention of nursing these accounts back to health and transferring them back to the respective business units, but also the disposal of Non-Performing Assets to maximise UOB (Thai) Group's recovery.

#### Write-off Policy

A classified account that is not secured by any realisable collateral will be written off when all feasible avenues of recovery have been exhausted.

#### Credit exposures under Basel II

Under Basel II, credit risk for the various asset classes may be computed using a combination of (i) Standardised Approach; (ii) Foundation Internal Ratings-Based ("FIRB") Approach; and (iii) Internal Ratings-Based ("IRB") Approach. UOB (Thai) and UOB (Thai) Group currently use the FIRB Approach for regulatory capital computation purposes, while the subsidiaries use the Standardised Approach.

The table below summarises the approaches adopted by the Group for credit risk computation.

	Standardised <sup>1</sup> Million Baht	IRB Million Baht
Corporate, Sovereign and Bank	8,271	134,908
Retail	67,602	25,756
Other Assets	1,980	17,937
<b>Total</b>	<b>77,853</b>	<b>178,601</b>

<sup>1</sup> Amount under the Standardised Approach refers to credit exposures where IRB Approach is not applicable, or portfolios that will eventually adopt the IRB Approach.

#### Credit Risk Mitigation

As a fundamental credit principle, UOB (Thai) Group generally does not extend credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate the credit risk assumed. The value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value as well as in accordance with specific regulations as mandated by BOT. The main types of collateral taken by UOB (Thai) Group are cash, qualified marketable securities, and real estate. Policies and procedures are in place to satisfy the standard applicable for credit risk mitigation.

In addition, personal guarantees are often taken as a form of moral support to ensure moral commitment from the principal shareholders and/or directors. Corporate guarantees are also often obtained when the borrower's credit worthiness is not sufficient to justify an extension of credit.

UOB (Thai) Group currently uses supervisory prescribed haircuts for eligible financial collateral. For the purpose of capital computation, UOB (Thai) Group does not recognise personal and corporate guarantees as an eligible credit risk protection. UOB (Thai) Group also does not recognise International Swaps and Derivatives Association ("ISDA") netting.

## Pillar 3 Disclosure

In general, the following eligibility criteria must be met before collateral can be accepted for IRB purpose:

- **Legal certainty:** The documentation must be legally binding and enforceable (on an on-going basis) in all relevant jurisdictions.
- **Material positive correlation:** The value of the collateral must not be significantly affected by the deterioration of the borrower's credit worthiness.
- **Third-party custodian:** The collateral that is held by a third-party custodian must be segregated from the custodian's own assets.

To recognise the effects of guarantees under the FIRB Approach, UOB (Thai) Group adopts the Probability of Default ("PD") substitution approach whereby an exposure guaranteed by an eligible guarantor will utilise the PD of the computation of its capital requirements.

UOB (Thai) Group currently uses supervisory prescribed haircuts for eligible financial collateral. The following table summarises credit exposures by asset class secured by eligible collateral and guarantees:

	Standardised (Million Baht)		FIRB (Million Baht)	
	Amount by which total exposures are covered by		Amount by which total exposures are covered by	
	Eligible collateral	Guarantee	Eligible collateral	Guarantee
Corporate, Sovereign and Bank	2,155	130	25,319	1,507
Retail	275	-	NA	NA
<b>Total</b>	<b>2,430</b>	<b>130</b>	<b>25,319</b>	<b>1,507</b>

NA: Not Applicable

### Credit exposures subject to Standardised Approach

For exposures subject to the Standardised Approach, approved External Credit Assessment Institutions ("ECAI") ratings and prescribed risk weights based on asset class are used in the computation of regulatory capital except for Claims on Corporate where 100% risk weight is applied.

The ECAI ratings used by UOB (Thai) Group are international ratings from Standard & Poor's, Moody's Investors Services, and Fitch Ratings.

The following table shows the breakdown of net exposures after credit mitigation and provisions by risk weights under the Standardised Approach:

Risk weights	Net exposures Million Baht
0% to 50%	47,592
51% to 100%	27,761
101% and above	-
<b>Total</b>	<b>75,353</b>

### Credit exposures subject to supervisory's prescribed risk weight

#### Equity asset class

As per BOT's guidelines, 100% risk weight is applied to equity exposures which have been exempted from IRB capital computation for the first 10 years of Basel II implementation (2008-2018) as its total position has been immaterial, accounting for fewer than 10 equities with risk-weighted assets ("RWA") comprising less than 5% of the total capital.

### Credit exposures subject to supervisory risk weight under IRB Approach

The Specialised Lending exposures are subject to supervisory risk weight under the IRB Approach. The Specialised Lending exposures are Income Producing Real Estate ("IPRE"), Commodities Finance ("CF") and Project Finance ("PF").

The following table shows the breakdown of Specialised Lending exposures subject to supervisory risk weight under the IRB Approach:

Risk weights	Specialised lending Million Baht
0% to 50%	-
51% to 100%	2,949
101% and above	8,206
<b>Total</b>	<b>11,155</b>

### IRB Rating System

IRB rating system refers to the methods, processes, controls, data collection and information technology systems that support the assessment of credit risk, the assignment of exposures to rating grades or pools, as well as the parameterisation process for the various classes of exposure.

### Rating System Governance

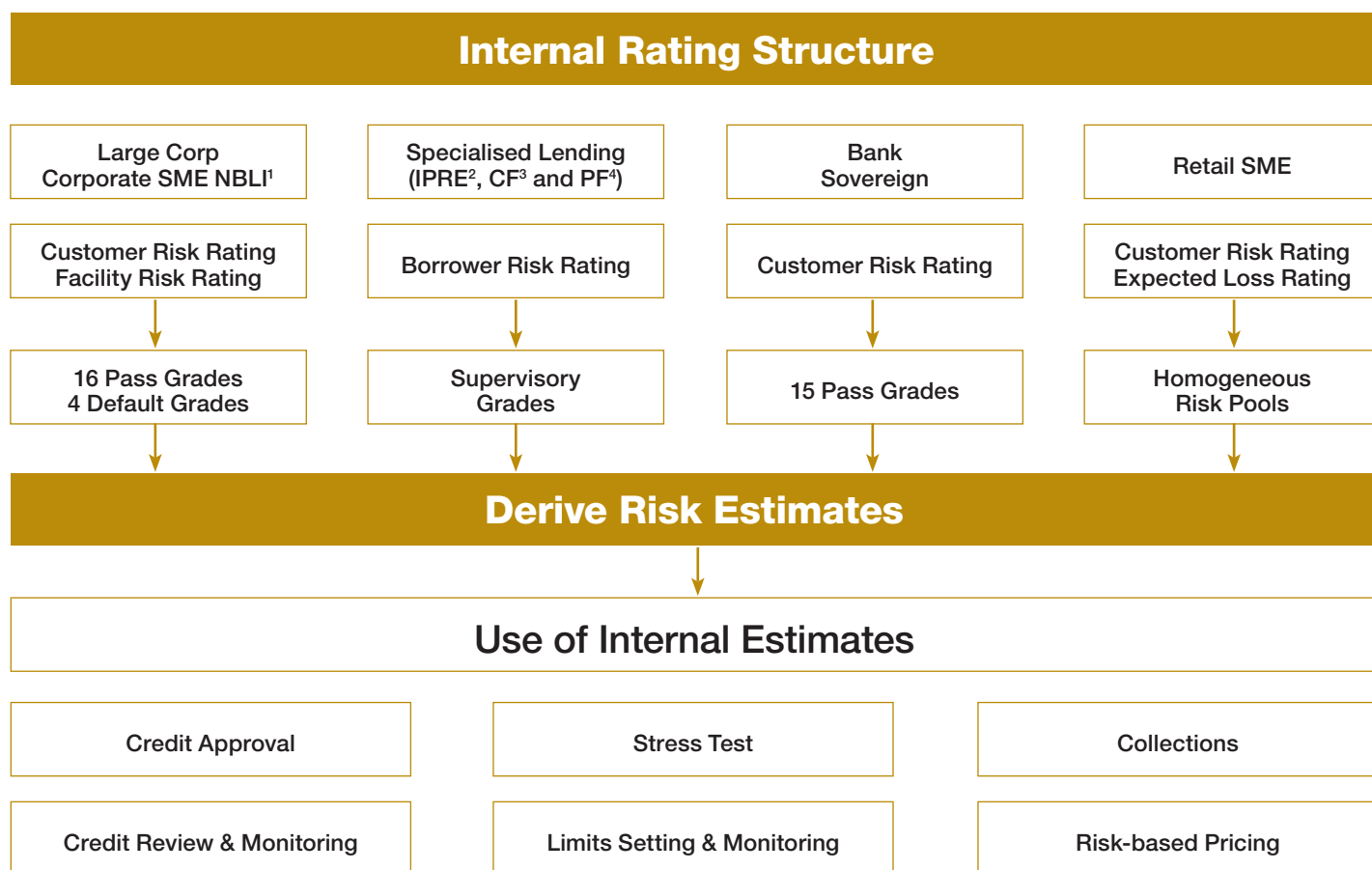
UOB (Thai) Group has established a credit rating governance framework to ensure the reliable and consistent performance of UOB (Thai) Group's rating systems. The framework specifies the roles and responsibilities of the various parties in the credit rating process, including independent model performance monitoring, annual model validation and independent reviews by Internal Audit.

### Rating Structure

UOB (Thai) Group has adopted the FIRB Approach for its non-retail exposures and the IRB Approach for its retail SME exposures.

## Pillar 3 Disclosure

UOB (Thai) Group's Internal Rating Structure is illustrated below.



<sup>1</sup> NBLI refers to Non-Bank Lending Institution

<sup>2</sup> IPRE refers to Income Producing Real Estate

<sup>3</sup> CF refers to Commodity Finance

<sup>4</sup> PF refers to Project Finance

### Internal Rating System

UOB (Thai) Group's internal rating system consists of statistical and expert judgemental models.

A statistical model is one whereby the risk factors and their risk weights are determined using a statistical method (for example, logistic regression). Such models are developed for portfolios with sufficient internal historical loss data such as the Corporate SME portfolio.

An expert judgement model is one whereby the risk factors and their risk weights are determined judgementally by credit experts. Such models are developed for portfolios with limited or no internal historical loss data, such as Bank and Sovereign asset classes.

All rating models are independently validated before they are implemented for use. They are also subject to annual reviews to ensure that the chosen risk factors appropriately measure the risks in the respective portfolios.

The PD is an estimate of the likelihood that an obligor will default within the next 12 months. An obligor is considered to have defaulted if:

- the obligor is unlikely to pay its credit obligations to UOB (Thai) Group in full, without recourse by UOB (Thai) Group to actions such as realising the security; or
- the obligor is past due more than 90 days on any credit obligation to UOB (Thai) Group.

UOB (Thai) Group's internal Corporate risk rating process provides a PD-based credit assessment of a borrower over a one-year time horizon.

The rating represents UOB (Thai) Group's assessment of the borrower's ability and willingness to contractually perform despite adverse economic conditions or the occurrence of unexpected events. Therefore, UOB (Thai) Group uses a longer time horizon in the rating assignment process, although the time horizon used in PD estimation is one year.

### **Corporate Asset Class**

The Group has rolled out Corporate SME ("CSME") and Non-Bank Lending Institution ("NBLI") models to rate exposures in this asset class. The rating structure consists of two dimensions:

- Risk of borrower default: Customer Risk Rating ("CRR") is the standalone rating of a borrower's credit risk based on financial (quantitative) and non-financial (qualitative) factors. This is derived from a comprehensive assessment of the borrower's financial strength, quality of management, business risks, and the industry it operates in.
- Transaction-specific factors: Facility Risk Rating is the rating of a facility's risk based on the borrower's CRR, facility and collateral-specific factors such as the type and structure of the facility, availability and type of collateral, and seniority of the exposure.

UOB (Thai) Group's internal rating grade structure for the Corporate asset class consists of 16 pass grades and four default grades. The CSME and NBLI models are mapped to the rating scale by calibration that takes into account UOB (Thai) Group's long-term average portfolio default rate.

### **Specialised Lending Asset Sub-Class**

Within the corporate asset class, UOB (Thai) Group has three sub-classes for Specialised Lending: Income Producing Real Estate ("IPRE"), Commodity Finance ("CF") and Project Finance ("PF"). Specialised Lending exposures are treated separately from normal Corporate exposures. Such exposures generally possess the following attributes either in legal or economic form:

- The exposure is typically to an entity (often a special purpose entity) which is created specifically to finance and/or operate physical assets;
- The borrowing entity has little or no other material assets or activities, and therefore little or no independent capacity to repay the obligation besides from the income that it receives from the asset(s) being financed;
- The terms of the obligation give UOB (Thai) Group a substantial degree of control over the asset(s) and the income that it generates; and
- The primary source of repayment of the obligation is the income generated by the asset(s), rather than the independent capacity of a broader commercial enterprise.

### **IPRE, CF and PF**

UOB (Thai) Group has rolled out the IPRE model as well as the CF and PF scorecards to rate IPRE, CF and PF exposures respectively in this asset sub-class. The internal risk grades are derived based on a comprehensive assessment of both financial and non-financial risk factors. The internal risk grades are then mapped to the five prescribed supervisory categories, each of which is associated with a specific risk weight. The five categories are 'Strong', 'Good', 'Satisfactory', 'Weak' and 'Default'.

### **Bank and Sovereign Asset Classes**

UOB (Thai) Group has rolled out internal Bank and Sovereign scorecards to rate exposures in the respective asset classes. As there was insufficient internal default data, the scorecard took into account external default data from ECAs. The scorecard has an internal rating grade structure consisting of 15 pass grades.

### **Retail Asset Class**

UOB (Thai) Group has adopted the IRB Approach for the Retail SME portfolio, which is classified under the Other Retail asset sub-class. According to regulators and internal guidelines, Retail SME exposure is defined as an exposure to individuals for businesses or to small businesses with total group obligor exposure of not more than Baht 45 million. In addition, the exposure is not managed individually but rather as part of a pool of similar exposures.

Retail SME exposures are assessed and managed using a combination of Application and Behavioral scorecards, Loss Given Default ("LGD") and Exposure At Default ("EAD") models to segregate exposures according to their borrower and transaction risks. PD, LGD and EAD parameters are estimated using internal loss data covering an economic cycle including downturns. Where internal loss data do not cover an appropriate economic cycle and/or are insufficient to provide robust risk estimates, the PD, LGD and EAD models may incorporate internal and/or external proxies, and where necessary, may be augmented with appropriate margins of conservatism.

## Pillar 3 Disclosure

### Probability of Default

PD is an estimate of the likelihood that an obligor will default within the next 12 months. The PD model comprises (i) an Application scorecard that is used for new customers and is used only for the first 12 months of the customer's relationship with UOB (Thai) Group; and (ii) a Behavioral scorecard that is used for subsequent re-rating at regular intervals and for rating existing customers who apply for limit increase.

### Loss Given Default

LGD is an estimate of economic loss in the event of default. The definition of default in the LGD model is identical to that of the PD model. Loss rates are estimated from historical workout experiences, taking into account the timing and uncertainty of recovery cash flows, direct and indirect costs in association with workouts, as well as the various post-default outcomes, such as cures, full recoveries and liquidations.

### Exposure At Default

EAD is an estimate of the expected gross exposure of a facility upon default. The definition of default in the EAD model is identical to that of the PD model. EAD comprises (i) the currently drawn exposures as well as an estimate of future drawings of available but unutilised credit (both on-balance and off-balance sheet exposures) (ii) the cash-equivalent amount of the off-balance sheet exposures.

### Credit Risk Profile

The following tables show the breakdown of exposures by RWA and EAD using the respective internal rating scale for the model applicable to the asset classes:

#### Corporate SME and NBLI Exposures

CRR band	Credit RWA Million Baht	EAD Million Baht	Exposure-weighted average risk weights (%)
1 – 9	40,558	42,928	94%
10 – 16	27,481	26,141	105%
17 – 20	0	4,556	0%
<b>Total</b>	<b>68,039</b>	<b>73,624</b>	<b>92%</b>

#### Specialised Lending (IPRE, CF and PF) Exposures

CRR band	Credit RWA Million Baht	EAD Million Baht	Exposure-weighted average risk weights (%)
Strong	0	0	0%
Good	2,625	2,949	89%
Satisfactory	8,915	7,753	115%
Weak	1,133	453	250%
Default	0	0	0%
<b>Total</b>	<b>12,673</b>	<b>11,155</b>	<b>114%</b>

#### Sovereign Exposures

CRR band	Credit RWA Million Baht	EAD Million Baht	Exposure-weighted average risk weights (%)
1 – 9	0	0	0%
10 – 15	0	44,701	0%
<b>Total</b>	<b>0</b>	<b>44,701</b>	<b>0%</b>



## Bank Exposures

CRR band	Credit RWA Million Baht	EAD Million Baht	Exposure-weighted average risk weights (%)
1 – 9	1,368	8,111	17%
10 – 15	855	13,144	7%
<b>Total</b>	<b>2,223</b>	<b>21,255</b>	<b>10%</b>

## Retail SME Exposures

CRR band	Credit RWA Million Baht	EAD Million Baht	Exposure-weighted average risk weights (%)
1 – 9	3,205	22,745	14%
10 – 16	1,358	2,993	45%
17 – 20	1,989	1,781	112%
<b>Total</b>	<b>6,552</b>	<b>27,519</b>	<b>24%</b>

### Comparison of Actual Loss and Expected Loss

UOB (Thai) Group adopted IRB in June 2010 and consequently, such EL comparison is not applicable at this stage.

### Use of Internal Estimates

Internal ratings are used pervasively in the areas of credit approval, credit review and monitoring, credit stress test, limits setting, pricing and collections.

## Market Risk

Market risk is governed by the Asset and Liability Committee (“ALCO”), which meets monthly to review and provide directions on market risk matters. The Market Risk Management Unit (“MRM”) supports the ALCO with independent assessment of the market risk profile of UOB (Thai) Group.

UOB (Thai) Group’s market risk framework comprises market risk policies, practices, control, and risk limits structure with appropriate delegation of authority. In addition, we have a stringent Product/Service Programme process in place to ensure that market risk issues are adequately addressed prior to product launches.

UOB (Thai) Group currently adopts the Standardised Approach for the calculation of regulatory market risk capital but uses Value-at-Risk (“VaR”) to measure and control trading market risks. To complement the VaR measure, stress and scenario tests are performed to identify UOB (Thai) Group’s vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses to facilitate proactive management of market risks.

In addition, VaR estimates are back-tested against profit and loss of the trading book to validate the robustness of the methodology. The back-testing process analyses whether exceptions are due to model deficiencies or market volatility.

## Interest Rate Risk in Banking Book

Balance Sheet Risk Management Unit (“BSRM”) supports the ALCO in monitoring the interest rate risk profile of the Banking book. The Asset-Liability Management unit (“ALM”) under Global Markets is responsible for the effective management of the UOB (Thai) Group balance sheet risk in accordance with the approved policy.

The purposes of interest rate risk management are to protect and enhance capital or economic net-worth through adequate, stable and reliable growth in net interest earnings under a broad range of possible economic conditions. This is achieved by ensuring that the structural interest rate risk is identified, measured, monitored and managed over a range of potential and realistic interest rate scenarios, including under stress situations. In addition, UOB (Thai) Group maintains a prudent and continuous balance between meeting the requirements/expectations of customers, shareholders, and regulators, and maintaining the solvency and economic viability of UOB (Thai) Group.

## Pillar 3 Disclosure

Interest rate risk assessment is mainly based on earnings perspective and economic value perspective. The impact of interest rate sensitivity is measured via static analysis. UOB (Thai) Group also conducts analysis using the repricing gap approach and price value of a basis point (PV01). In repricing gap approach, the cash flows are profiled in different time bands based on repricing schedule. For loans and deposits that do not have maturity dates, such as saving account deposit, the earliest possible repricing dates will be taken into consideration. Mismatches in the longer tenor from repricing gap will experience greater change in the price-value of interest rate positions than similar positions in the shorter tenor.

In addition, UOB (Thai) Group performs monthly stress testing to assess the impact of interest rate change on Net Interest Income (“NII”) and Economic Value of Equity (“EVE”). The parallel rate shocks of 100 basis points (“bp”) and 200bp are applied to the repricing gap profile. Such tests are performed to provide early warnings of potential losses, facilitating the proactive management of interest rate risks.

### Liquidity Risk

Liquidity risk is the risk that UOB (Thai) and its subsidiaries may not be able to meet their obligations as they fall due as a result of inability to release their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiaries.

UOB (Thai) Group maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

UOB (Thai) Group manages liquidity at a centralised level. Liquidity risk is managed in accordance with a framework of policies, controls and limits established by UOB (Thai)’s ALCO. These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

UOB (Thai) Group takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of UOB (Thai) Group’s core deposits and the maintenance of customer confidence. Core deposits are generally stable non-bank deposits, such as current accounts, savings accounts and fixed deposits. UOB (Thai) Group monitors the stability of its core deposits by analysing their volatility over time.

UOB (Thai) Group uses the funds to lend to customers and invests excess funds in government securities.

UOB (Thai) Group’s liquidity risk management is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. UOB (Thai) Group is monitored under ‘business as usual’, and three crisis scenarios, which are ‘bank-specific crisis’, ‘general market crisis’, and ‘combination crisis’.

Liquidity Gap Analysis or Cash Flow Mismatch Analysis under the ‘Business as Usual’ scenario is measured and monitored against Net Cumulative Outflow (“NCO”) limits which are set for overnight, seven days and 30 days. In the event that a limit is breached, an investigation will be conducted and the related documents reported to relevant parties, in accordance with the escalation process.

For stress testing (bank-specific crisis, general market crisis, and combined scenarios), additional assumptions such as sudden increase in deposit withdrawals, reduction in loan repayments, potential trading losses, or liquidation of securities with haircuts, are taken into account. These assumptions are agreed by business units and approved by The Board of Directors or delegated committee.

Liquidity risk assessment is conducted on both daily and monthly basis. Liquidity gap or maturity mismatch analysis report is produced by Balance Sheet Risk Management unit and monitored by Market Risk Control against approved NCO limits on a daily basis. Other reports such as early warning indicators as well as sources and utilisation of funds are produced on a monthly basis. These reports are deliberated in ALCO meetings.

Behavioural modeling is carried out and reviewed regularly to ensure that the cash flow requirements for the 'business as usual' and crisis scenarios are realistic. Loans and deposits which do not have maturity dates, and fixed deposits which are rolled over frequently, are generally estimated based on their past statistics or trends. Other balance sheet items like credit cards are generally estimated based on the past statistics of customers. Cash flow mismatch limits are established to limit the UOB (Thai) Group liquidity exposure. UOB (Thai) Group also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

Contingency funding plans are in place to identify liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

Loans to Deposits and Bill of Exchange (interbank and money market items are excluded) are among the liquidity ratios monitored.

## **Operational Risk**

Operational risk is managed through a framework of policies, processes and procedures by which business units identify, assess, monitor and control/mitigate their operational risks.

Operational Risk Self Assessment involves identifying and assessing inherent risks, as well as assessing the effectiveness of controls to mitigate the identified risks. Action plans to address issues are documented and monitored via Operational Risk Action Plans.

Key Operational Risk Indicators are statistical data collected and monitored by business and support units on an on-going basis to facilitate early detection of potential operational control weaknesses. Trend analysis is carried out to identify systemic issues that need to be addressed.

A database of operational risk events and losses has been established to facilitate the future use of advanced approaches for quantification of operational risks. The analysis of loss trends and root causes of loss events helps in strengthening the internal control environment.

An Insurance Programme is in place to mitigate the risk of high impact operational losses.

A Product/Services Programme ensures that risks associated with the introduction of new products and services are identified, analysed and addressed prior to launch and is subject to periodic reviews.

With the increasing need to outsource and insource for cost and operational efficiency, UOB (Thai) Group's Outsourcing and Insourcing Policy and Framework ensures that outsourcing and insourcing risks are adequately identified and managed prior to entering into any new arrangements and on an on-going basis.

Effective business continuity and crisis management strategies and plans have been developed and tested to ensure prompt recovery of critical business functions in the event of major business and/or system disruptions.

Legal risk is part of operational risk. Legal risk arises from unenforceable, unfavourable, defective or unintended contracts; lawsuits or claims; developments in laws and regulations; or non-compliance with applicable laws and regulations. Business units work with UOB (Thai) Group's legal counsel and external legal counsel to ensure that legal risks are effectively managed.

Reputation risk is the adverse impact on earning, liquidity or capital arising from negative stakeholder perception or opinion on UOB (Thai) Group's business practices, activities and financial condition. UOB (Thai) Group has a framework for managing reputation risk.

An operational risk management training and awareness programme is in place to promote an effective risk management culture.

UOB (Thai) Group adopts the Standardised Approach for the calculation of regulatory operational risk capital.

# Pillar 3 Disclosure

## Capital Disclosure

In compliance with the requirement under Basel II The Third Pillar - Market Discipline and the Bank of Thailand (“BOT”) disclosure requirements, United Overseas Bank (Thai) (“UOB (Thai)”) has developed a set of disclosures on consolidated basis - ‘UOB (Thai) and subsidiaries’ (“UOB (Thai) Group”), as firstly disclosed for the period ending 31 December 2010, covering:

1. Capital Structure
2. Capital Adequacy
3. Minimum Capital Requirements by risk type
4. Risk Exposures and Assessment
  - Credit Risk
  - Equity Exposures
  - Interest Rate Risk in Banking Book

On 31 December 2010, UOB (Thai) Group comprises UOB (Thai) and subsidiaries as follows:

Subsidiaries	Business type	Percentage of share holdings As at 31 December 2010
UOB Asset Management (Thai) Co., Ltd.	Fund Management	99.99
UOB Services Co., Ltd.	Debt Collection Business	99.99
UOB Bullion and Futures (Thai) Co., Ltd.	Derivatives Brokerage	75.00

### 1. Capital Structure

UOB (Thai) Group assesses its capital adequacy to support current and future activities and has received approval from BOT to adopt the Foundation Internal Ratings-Based (“FIRB”) Approach for credit risk capital computation since 30 June 2010. The following table represents the breakdown of UOB (Thai) Group’s total regulatory capital as of 31 December 2010.

#### Capital Structure

Unit: Million Baht	31 Dec 10
<b>Tier 1 capital</b>	
Paid-up share capital	24,857
Statutory reserves	190
Retained earnings after appropriation	4,045
Minority Interest	13
<b>Deduct:</b> Deduction items from Tier 1 capital - deferred tax assets	(2,426)
Deduct items - 50% from Tier 1 capital and 50 % from Tier 2 capital	(60)
<b>Total Tier 1 capital</b>	<b>26,619</b>
<b>Tier 2 capital</b>	
Unrealised revaluation surplus on land and building appraisal	689
Reserve for performing loans under SA	394
Excess provision which qualifies as Tier 2 capital under IRB Approach	516
Revaluation surplus from equity securities - AFS	148
Minority interest	13
<b>Deduct:</b> Deduct items - 50% from Tier 1 capital and 50 % from Tier 2 capital	(60)
<b>Total Tier 2 capital</b>	<b>1,700</b>
<b>Total Capital Funds</b>	<b>28,319</b>

## 2. Capital Adequacy

UOB (Thai) Group is subject to the capital adequacy guidelines stipulated by BOT, which are based on the framework of Basel II. As per these guidelines, the Bank is required to maintain a minimum ratio of total capital to risk-weighted assets of 8.50%. In addition, the ratio of Tier 1 capital to risk-weighted assets cannot be less than 4.25% and Tier 2 capital cannot exceed Tier 1 capital.

As at 31 December 2010, UOB (Thai) Group's Total Capital Adequacy Ratio was 19.07%, and the ratio of Tier 1 capital to risk-weighted assets was 17.93%.

Unit: Percent	BOT Minimum Requirements	31 Dec 10
Total capital funds to risk-weighted assets	8.50	19.07
Tier 1 capital fund to risk-weighted assets	4.25	17.93

### Risk-Weighted Assets

BOT has approved the Bank's adoption of FIRB to compute credit risk capital since 30 June 2010. The following table provides information on UOB (Thai) Group's risk-weighted assets, and their equivalent amount categorised by types of risk as at 31 December 2010.

Unit: Million Baht	Approach	31 Dec 10
Credit risk-weighted assets	FIRB	126,393
Market risk-weighted assets	SA	7,700
Operational equivalent amount for risk-weighted assets	SA	14,383
<b>Total risk-weighted assets</b>		<b>148,476</b>

## 3. Minimum Capital Requirements by Risk Types

Under the Basel II Pillar 1 framework in accordance with BOT's guidelines, UOB (Thai) Group must maintain the minimum capital requirements covering three types of risk-weighted assets: credit risk, market risk and operational risk.

The table below represents a breakdown of the minimum capital requirements by risk type. As of 31 December 2010, UOB (Thai) Group's total capital fund was Baht 28,319 million, compared with the BOT's minimum capital requirements of Baht 12,620 million. The Bank's capital exceeded the minimum regulatory requirement by Baht 15,699 million.

### Minimum Capital Requirements by Risk Type

Unit: Million Baht	Approach	31 Dec 10
Minimum capital requirements for :		
Credit risk	FIRB	10,743
Market risk	SA	654
Operational risk	SA	1,223
<b>Total minimum capital requirements</b>		<b>12,620</b>
<b>Total capital funds</b>		<b>28,319</b>
<b>Excess of capital funds over minimum capital requirements</b>		<b>15,699</b>

# Pillar 3 Disclosure

## Minimum Capital Requirements for Credit Risk by Asset Class under IRB Approach

Unit: Million Baht		31 Dec 10
<b>Minimum capital requirements for credit risk under IRB Approach</b>		
<b>Performing</b>		
Claims on sovereigns, financial institutions and corporates		5,972
Claims on other retail exposures		388
Other assets		786
<b>Non-performing</b>		<b>169</b>
<b>Total minimum capital requirements for credit risk under IRB Approach</b>		<b>7,315</b>
<b>Minimum capital requirements for credit risk under SA</b>		
<b>Performing</b>		
Claims on financial institutions, non-central government public sector entities (PSEs), corporates		489
Claims on retail		1,242
Claims on housing loans		1,474
Equity exposures		91
Other assets		13
<b>Non-performing</b>		<b>119</b>
<b>Total minimum capital requirements for credit risk under SA</b>		<b>3,428</b>
<b>Total minimum capital requirements for credit risk</b>		<b>10,743</b>

Note : Under BOT's supervision, credit risk-weighted assets under IRB Approach must be at least 60% of the value of all credit risk-weighted assets, excluding equity exposures.

## 4. Risk Exposures and Assessment

### Credit Risk

The following table represents the exposure amount of assets and off-balance sheet items in both Trading and Banking Books.

### Exposure Amount of Key Asset and Off-Balance Sheet Items before Credit Risk Mitigation Classified by Remaining Maturity and Yearly Average Balance as at 31 December 2010

	Unit: Million Baht			Average Balance
	Remaining Maturity as at 31 Dec 10			
	Within 1 year	More than 1 year	Total	
<b>Asset Items</b>				
Loans including Interbank and Money Market - net of provisions	88,117	79,189	167,306	167,873
Debt securities - net of provisions	36,752	9,704	46,456	32,040
Deposits and Placement	13,771	-	13,771	7,233
<b>Off-balance sheet items</b>				
Aval of bills, guarantees of loans, and letter of credits	4,119	1,036	5,155	3,962
OTC derivatives (notional amount)	239,767	223,339	463,106	363,528
Undrawn committed line	3	598	601	1,239

Note : 1. The outstanding off-balance sheet items are before applying credit conversion factors ("CCF").  
2. Loans, Deposits and Placement include accrued interest.

Loans including Accrued Interest before Credit Risk Mitigation Classified by Business Type as at 31 December 2010

Unit: Million Baht

Business Type	Asset classification as prescribed by the BOT					Total
	Normal	Special Mention	Sub-standard	Doubtful	Doubtful of loss	
<b>Loans</b>						
Agriculture and mining	649	20	4	-	369	1,042
Manufacturing and commerce	56,649	1,192	614	28	4,679	63,162
Real estate and construction	9,426	251	37	2	340	10,056
Public utilities and services	16,460	516	65	-	212	17,253
Housing loans	48,500	441	383	215	1,096	50,635
Others	30,072	341	326	200	50	30,989
<b>Total Loans</b>	<b>161,756</b>	<b>2,761</b>	<b>1,429</b>	<b>445</b>	<b>6,746</b>	<b>173,137</b>
Accrued Interest Receivable	308	12	-	-	-	320
<b>Total</b>	<b>162,064</b>	<b>2,773</b>	<b>1,429</b>	<b>445</b>	<b>6,746</b>	<b>173,457</b>

Note : Loans before provisions

Provisions (General and Specific provision) and Write-off during the Period. For Loans including Accrued Interest and Debt Investment Classified by Business Type as at 31 December 2010

Unit: Million Baht

Business Type	31 Dec 10		
	General provision	Specific provision	Write-off during the period
<b>Loans</b>			
Agriculture and mining		129	14
Manufacturing and commerce		3,717	101
Real estate and construction		142	-
Public utilities and services		141	1
Housing loans		367	63
Others		399	999
<b>Total</b>	<b>1,256</b>	<b>4,895</b>	<b>1,178</b>
<b>Investment in Debt Securities</b>		<b>2,236</b>	

Note : General provision is the provision for performing loans, while specific provision is the provision for non-performing loans.

Change in Provision for Loans with Accrued Interest

Unit: Million Baht

	31 Dec 10		
	General provision	Specific provision	Total
<b>Beginning Provisions as at 31 Dec 09</b>	<b>1,384</b>	<b>4,658</b>	<b>6,042</b>
<b>Movement in 2010 :</b>			
<u>Increase/(Decrease)</u>			
1. Bad debts written-off	-	(1,178)	(1,178)
2. Increase (Decrease) in provisions	(128)	1,416	1,288
3. Change in provisions from exchange rate	-	(1)	(1)
<b>Ending Provisions as at 31 Dec 10</b>	<b>1,256</b>	<b>4,895</b>	<b>6,151</b>

## Pillar 3 Disclosure

### Exposures at Default

As per Basel II definition, the exposure at default (“EAD”) gives an estimate of the amount outstanding drawn amounts plus likely future drawdowns in case the borrower defaults. The following table exhibits the EAD for credit risk which are the outstanding balances of both on-balance sheet assets and off-balance sheet items, distributed by Basel II asset class. Under Basel II IRB Approach, the EAD of the assets is shown before specific provision, while the EAD of the off-balance sheet items is presented after applying the relevant credit conversion factor (“CCF”) and before specific provision.

#### EAD by Asset Class under IRB Approach as at 31 December 2010

	Unit: Million Baht		
	On-balance sheet assets	Off-balance sheet items	Total
<b>Performing claims</b>			
Claims on sovereigns, financial institutions and corporates	110,133	24,775	134,908
Claims on other retail exposures	16,464	9,292	25,756
Other assets	17,937	-	17,937
<b>Non-performing claims</b>	<b>5,944</b>	<b>423</b>	<b>6,367</b>
<b>Total</b>	<b>150,478</b>	<b>34,490</b>	<b>184,968</b>

#### EAD by Asset Class under SA Approach as at 31 December 2010

	Unit: Million Baht		
	On-balance sheet assets	Off-balance sheet items	Total
<b>Performing claims</b>			
Claims on financial institutions, PSEs treated as claims on financial institutions, and securities firms	380	87	467
Claims on corporate, PSEs treated as claims on corporate	7,716	88	7,804
Claims on retail	18,323	1,047	19,370
Claims on housing loans	48,138	94	48,232
Other Assets	1,980	-	1,980
<b>Non-performing claims</b>	<b>1,651</b>	<b>-</b>	<b>1,651</b>
<b>Total</b>	<b>78,188</b>	<b>1,316</b>	<b>79,504</b>

Note: 1. PSEs = Non-Central Government Public Sector Entities  
2. EAD under SA is presented after applying the relevant credit conversion factor (“CCF”) and specific provision.



## Credit Risk Mitigation (“CRM”)

Under Basel II IRB approach, banks may mitigate credit risk in calculating capital requirements. The main CRM techniques as allowed by BOT are financial collateral, on-balance sheet netting, guarantees and credit derivatives. For UOB (Thai) Group, financial collateral and guarantees are used as credit risk mitigation. The table below represents the exposure amount which had financial collaterals and guarantees categorised by asset type.

### Exposure Amount with Collateral for Each Type of Asset under IRB Classified by Credit Risk Mitigation Techniques as at 31 December 2010

	Unit: Million Baht
	Exposure Amount with Collateral
<b>Performing Claims</b>	
Claims on financial institutions and corporate covering:	
Financial collateral	15,609
Other collateral	9,710
Guarantee	1,507
<b>Total</b>	<b>26,826</b>

### Exposure Amount with Collateral for Each Type of Asset under SA Classified by Credit Risk Mitigation Techniques as at 31 December 2010

	Unit: Million Baht		
Asset type	Financial collateral	Guarantees	Total
<b>Performing Claims</b>			
- Claims on financial institutions, PSEs treated as claims on financial institutions, and securities firms	15	24	39
- Claims on corporates, PSEs treated as claims on corporate	2,140	106	2,246
- Claims on retail	275	-	275
<b>Total</b>	<b>2,430</b>	<b>130</b>	<b>2,560</b>

## Pillar 3 Disclosure

### Exposure Amount of On- and Off-Balance Sheet Items (Net) after CRM in Each Type of Asset Classified by Risk Weight (%) under SA as at 31 December 2010

Unit: Million Baht

Asset type	31 Dec 10							
	% Risk Weight							
	0	20	35	50	75	100	150	Total
<b>Performing claims</b>								
- Claims on financial institutions, PSEs treated as claims on financial institutions, and securities firms	5	145	-	338	-	-	-	488
- Claims on corporates, PSEs treated as claims on corporates	-	-	-	-	-	5,558	-	5,558
- Claims on retail	-	-	-	-	17,922	1,173	-	19,095
- Claims on housing loans	-	-	47,094	-	1,132	6	-	48,232
- Other assets	10	-	-	-	-	1,970	-	1,980
<b>Total</b>	<b>15</b>	<b>145</b>	<b>47,094</b>	<b>338</b>	<b>19,054</b>	<b>8,707</b>	<b>-</b>	<b>75,353</b>
<b>Non-performing claims</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>575</b>	<b>9</b>	<b>993</b>	<b>74</b>	<b>1,651</b>

### Credit Risk Assessment under IRB Classified by Rating Grade as at 31 December 2010

Unit: Million Baht

Asset Type	31 Dec 10								
	Grade 1-9			Grade 10-16			Grade 17-20		
	EAD	PD (%)	RW (%)	EAD	PD (%)	RW (%)	EAD	PD (%)	RW (%)
Claims on sovereigns, financial institutions and corporates	51,039	0.82	82.15	83,986	2.01	33.74	4,556	100.00	-
Other retail exposures	22,745	0.45	14.09	2,993	8.56	45.39	1,781	100.00	111.65

**Net Exposure Amount of Specialised Lending using the Supervisory Slotting Criteria Method under IRB Classified by Risk Weight (%) as at 31 December 2010**

Supervisory Grade	Risk weight	Unit: Million Baht
		Exposure Amount
1. Strong	70%	-
2. Strong*	50%	-
3. Good	90%	2,805
4. Good*	70%	144
5. Satisfactory	115%	7,753
6. Weak	250%	453
7. Default	0%	-
<b>Total</b>		<b>11,155</b>

Note : \* Preferential risk weight under the conditions of Specialised Lending as specified by Bank of Thailand.

**Expected Loss as at 31 December 2010**

Asset Class	Unit: Million Baht
	Expected loss
Claims on sovereigns, financial institutions and corporates	2,766
Retail exposures	744
<b>Total</b>	<b>3,510</b>

**Equity Exposures**

**Equity Exposures in Banking Book under SA as at 31 December 2010**

	Unit: Million Baht
	31 Dec 10
<b>1. Equity exposures</b>	
1.1 Listed Equity Shares	
- Book Value	288
- Market Value	359
1.2 Mutual Funds	
- Book Value	273
- Market Value	531
1.3 Other Equity Shares	621
<b>Total Equity Exposures</b>	<b>1,511</b>
<b>2. Gain on sale of equities in the reporting period</b>	<b>148</b>
<b>3. Net surplus from revaluation of available for sale equities</b>	<b>329</b>
<b>4. Minimum capital requirements for exposures under SA</b>	<b>128</b>

# Pillar 3 Disclosure

## Interest Rate Risk in Banking Book

### Impact of Change in Interest Rate to Earnings as at 31 December 2010

	Unit: Million Baht
	Impact of Change in Interest Rate by 1% to Earnings
THB	302
USD	(169)
EURO	-
Other Currencies	(10)
<b>Total Impact in Interest Rate</b>	<b>123</b>

*Note : Interest Rate Change of +100bps is applied.*

# Report of the Audit Committee

The Audit Committee of United Overseas Bank (Thai) Pcl. comprises three independent directors: Mr. Arun Chirachavala, AC Chairman, Mr. Suebtrakul Soonthornthum and Mr. Chinnawat Bulsuk as Committee members. All Committee members are non-executive directors and non-employees of the Bank.

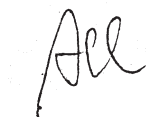
In 2010, the Committee held four meetings to review the Bank's internal control system and discussed financial and operational audit issues with the Bank's External and Internal Auditors. Relevant Management members were invited to attend the meetings to provide additional information and clarification of the internal control systems.

Major matters in the meetings were as follows:

- Reviewed the major items of the financial reports, Management Letter (ML) and the reliability of those reports including the meetings (non-executive session) held with the External Auditor (E&Y).
- Proposed the Revised Audit Committee Charter for the Board of Directors' approval.
- Approved the Revised Internal Audit Charter and Codes of Ethics for Internal Audit, and further proposed to the Board of Directors for approval.
- Approved the Annual Planned Schedules for Audit Committee Meetings.
- Approved and monitored the Internal Audit Year Plan and resources.
- Evaluated the Performance Evaluation of the Head of Internal Audit.
- Acknowledged the Quarterly Compliance and Risk Management reports.
- Acknowledged the major audit findings regarding the compliance with internal and external regulations.
- Acknowledged the quarterly audit reports, major findings, and status updates.
- Acknowledged the implementation issues and progresses of Basel II - Internal Ratings Based Approach (IRBA) and the Internal Capital Adequacy Assessment Process (ICAAP).
- Reviewed and discussed the adequacy and effectiveness of the Bank's Internal Control System with the Senior Management, Internal and External Auditors as well as the Management's Responses to the control deficiencies and timely remedial actions taken.
- Reviewed the reasonableness of the Connected and Related Parties' transactions.
- Reviewed and proposed the Bank's External Auditor Fees to the Board of Directors.

The Committee has continuously reviewed and assessed the Bank's key risks, controls and monitoring system through the Bank's Internal Audit and upon the discussions with the External Auditor and Senior Management. From the evaluation of the Bank's Internal Control System, it was concluded that the Bank's Internal Control in the areas of financial reporting and risk management are adequate and reliable, and that reinforces the Bank to continue to improve the overall internal control framework.

In addition, the Internal Audit System is ISO9001: 2008 certified.



Mr. Arun Chirachavala  
Chairman of the Audit Committee  
March 4, 2011

# Opinion of the Audit Committee on the Bank's Internal Control System

The Board of Directors has reviewed the opinion and the assessment form on the adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting no. 573 held on March 4, 2011. Participants of the meeting included the Audit Committee members comprising the three independent directors who are not employees of the Bank.

The Audit Committee's opinion on the Internal Control System of the Bank and its subsidiaries was summarized after the meetings with the Senior Management and External Auditor, and upon the Quarterly Reports by Risk Management, Compliance, Internal Audit, and General Control Environment Self-Assessment (GCESA).

The evaluation of the Bank's Internal Control System was divided into five sections as follows:

- Organization Control and Environment Measures
- Risk Management Measures
- Management Control Activities
- Information and Communication Measures
- Monitoring and Evaluation

The Audit Committee is of the opinion that the Bank has in place an adequate internal control system. The Audit Committee has been regularly notified of the issues arisen.

The External Auditor of the Bank is Ernst & Young Office Limited (E&Y) of which Ms. Phuphun Charoensuk, a Certified Public Accountant (CPA), as Designated External Auditor, has examined and given her opinion that the Bank's Financial Statements in all material respects; its financial position, operations results and cash flows for the year then ended as at December 31, 2010 presented fairly and in accordance with generally accepted accounting principles.



Mr. Arun Chirachavala  
Chairman of the Audit Committee  
March 4, 2011

# Report of the Nomination & Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors, and consists of an Independent Director as Committee Chairman and other 2 non-executive Directors as follows:

- |                                |          |
|--------------------------------|----------|
| 1) Mr. Suebrakul Soonthornthum | Chairman |
| 2) Mr. Wee Ee Cheong           | Member   |
| 3) Mr. Francis Lee Chin Yong   | Member   |

The Nomination and Compensation Committee held 5 meetings in 2010.

The Nomination and Compensation Committee is responsible for the setting up of policies and criteria for considering the selection and remuneration of the Bank's Board members and the Bank's senior management and includes the following:

- Review the nomination of qualified Board Directors, CEO and Management from EVP level and above, including any internal promotions to the rank of EVP and above;
- Recommend the remuneration of the Board Directors and review the remuneration of the senior management team.

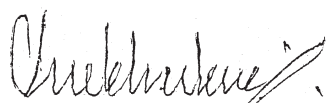
In selecting a Board Director, CEO and Senior Management, the factors to be taken into consideration, in addition to all applicable regulatory requirements, include the candidate's academic qualifications, personal character, technical and leadership competence, employment and career experience, and his or her management philosophy and management vision.

The successful candidate must share the Board's and Management's philosophy and vision in managing the financial institution in order to ensure that the institution's goals are met. Furthermore, the candidate must share the same beliefs that will help establish mutual trust and close working relationships with the Board and with the Senior Management team. The Nomination and Compensation Committee will review the successful candidate for suitability before the bank proceeds to obtain approval from the Bank of Thailand and from the Board of Directors.

In setting compensation for 2010 as disclosed in this Annual Report, the scale and component of remuneration for the Directors, Executive Directors, Non-Executive Directors, and Senior Management are comparable to the general practice in the financial industry with regard to work experience and the Bank's overall performance results and in accordance with the principles and policies which have been approved by the Board and shareholders.

The Bank believes in the remuneration policy and principle of meritocracy - which is to ensure that each staff including that of senior management is rewarded and recognized based on his or her level of performance and contribution to the Bank.

The Nomination and Compensation Committee will, based on the bank's financial performance, market and industry rewards trends, as well as on GDP and inflation rate projections, propose the annual staff remuneration increment and bonus rates to the Board of Directors for consideration and approval in the first quarter of each year.



Mr. Suebrakul Soonthornthum  
Chairman of the Nomination & Compensation Committee  
February 11 2011

# Corporate Governance and Management Structure

## Corporate Governance

United Overseas Bank (Thai) Public Company Limited (the “Bank”), a United Overseas Bank Limited (“UOB”) subsidiary, is committed to maintaining the highest standard of corporate governance. The Bank believes that good corporate governance is fundamental to sustaining business growth, as well as safeguarding the beneficial interests of stakeholders including all shareholders, employees, business partners, customers, government entities with supervisory authority and auditors. The Bank has established a “Code of Conduct” (the “code”) as a set of principles for guidance for all employees, including the Management Team, in the performance of their roles and responsibilities. This code spells out the best practices that all employees should follow to uphold the core values of integrity and trust of the Bank.

The Board of Directors (the “Board”) has formed various committees for effective management and oversight of the Bank’s various activities; and closely monitors their performance. These committees ensure that the Bank adheres to the good governance practices of the Bank of Thailand and government entities to ensure that the interests of all stakeholders are equally protected.

### Control Systems, Compliance and Internal Audit

The Board and Management recognise the importance of having effective and efficient internal controls, risk management, compliance and internal audit. All units within the Bank are expected to comply with the governance guidelines on internal controls and ethics. Internal control activities form an integral part of operational processes. The Bank has established appropriate dual controls segregating the operational functions and the control and monitoring functions to achieve appropriate checks and balances. The Bank has also set up various committees to manage detailed day-to-day operational matters, and has an Internal Audit team, which comprises qualified members, to audit and ensure compliance with all established controls in all operational systems and the Bank’s Policies and Guidelines.

Compliance is an independent function that manages compliance risks within the Bank and reports directly to the Board of Directors. Compliance is responsible for communicating, educating and advising all units in the Bank on applicable regulatory development and the impact on the business practices as well as conducting compliance reviews and tests to ensure that all applicable law and regulations, including anti-money laundering and anti-terrorist and financial crime measures, are duly complied with in the Bank’s business conduct.

Internal Audit is an independent unit that reports directly to the Audit Committee and is responsible for auditing and providing assurance with regard to operational control (including related-party transactions) and internal control guidelines. Internal Audit is certified under international standards (ISO9001: 2008) and complies with UOB Group’s audit standards.

## Directors’ Reporting

The Board is responsible for the Bank’s and its subsidiaries’ consolidated financial statements and for the financial information presented in this annual report. These financial statements were prepared in accordance with accounting standards enunciated under the accounting Profession Act. B.E. 2547, and in reliance of governing policies, careful judgement and best estimates. Important information is adequately disclosed in the notes to financial statements and has been reviewed and unconditionally commented on by independent certified public accountants. The Bank’s financial statements reflect the true and transparent financial status and performance for the information of shareholders.

The Board has prescribed and maintains oversight of an effective internal control system to ensure that accounting records are accurate, complete and adequate to protect the Bank’s assets and uncover weaknesses to prevent operational risk or materially irregular operations.

The Board of Directors has established the Audit Committee, consisting of independent members, which is responsible for the quality of the financial reports, internal control systems, internal audit and disclosure of related-party transactions or transactions that may cause conflict of interest, to ensure ethical standards and transparency.

## Management Structure

### Board of Directors

The Board of Directors (the “Board”) consists of nine qualified directors, three of whom are independent directors. The Board meets at least once every three months and no fewer than half of the total number constitutes a quorum for meetings.

The Board’s duties are to set the Bank’s policies and strategic directions as well as to oversee Management to ensure the Bank’s efficient and effective compliance with the Bank’s policies, relevant laws, objectives, articles of association, and the shareholders’ resolutions. The Board is also empowered to elect a certain number of Board members to form the Executive Committee to conduct any business or businesses under any such condition that the Board may think fit and may appoint one director or other person to take action on its behalf.

The Board of Directors consists of:

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Chinnawat Bulsuk	Independent Director
Suetrakul Soonthornthum	Independent Director
Arun Chirachavala	Independent Director
Lee Chin Yong	Director
Cheo Chai Hong	Director
Wong Kim Choong	Director
Chua Teng Hui	Director



### Executive Committee

The Executive Committee (“EXCO”) is empowered by the Board to manage the day-to-day operations of the Bank. The EXCO is also given the authority to:

- a) set credit discretionary limits;
- b) approve or ratify approvals for credit applications and debt restructuring cases;
- c) delegate to the Assets and Liabilities Committee (“ALCO”) the responsibility to manage and review the Bank’s assets and liabilities;
- d) review and approve the risk policies of the Bank;
- e) approve and control the design and development of the use of the risk measurement system, including the processes and procedures applied in the risk appraisal; and
- f) approve and control the administration and management of the capital fund, including the capital adequacy assessment process and stress testing.

The EXCO also empowers the Bank’s President to set up necessary functional committees, appoint members to the committee and determine the scope of duties and responsibilities of these committees. In addition, the EXCO is responsible for monitoring the progress of the Bank’s business operations.

The Executive Committee consists of:

Wong Kim Choong	Chairman
Wee Ee Cheong	Vice Chairman I
Lee Chin Yong	Vice Chairman II
Chua Teng Hui	Member
Cheo Chai Hong	Member

### Audit Committee

The Audit Committee is appointed by the Board of Directors. Its main responsibilities are to ensure that the Bank has appropriate and efficient internal control systems, the internal audit function audits the business’ compliance with the regulations imposed by governing laws, and that the process of the preparation and disclosure of information in the financial reports of the Bank is complete and correct. The Audit Committee is also responsible for the selection and nomination of the Bank’s auditors, including determining the auditors’ remuneration and considering the disclosure of information on related-party transactions or transactions where conflict of interest may occur, to ensure ethical standards and transparency.

The Audit Committee consists of:

Arun Chirachavala	Chairman
Suebtrakul Soonthornthum	Member
Chinnawat Bulsuk	Member

### Nomination and Compensation Committee

The Nomination and Compensation Committee is appointed by the Board of Directors, and consists of an Independent Director as the Committee Chairman and two other non-executive directors. It is responsible for the setting up of policies and criteria for considering the selection and remuneration of the Bank’s Board members and the Bank’s senior management. This includes:

1. reviewing the nomination of qualified directors to the Board, Chief Executive Officer and management from Executive Vice President level and above, including deciding on any internal promotions to the rank of Executive Vice President and above; and
2. recommending the remuneration of the Board of Directors and reviewing the remuneration of the senior management team.

The Nomination and Compensation Committee consists of:

Suebtrakul Soonthornthum	Chairman
Wee Ee Cheong	Member
Lee Chin Yong	Member

### Risk Management Committee

The Risk Management Committee (“RMC”) assists the Board in overseeing the risk management of the Bank. The RMC reviews the Bank’s overall risk appetite and the Internal Capital Adequacy Assessment Process (“ICAAP”). Other key functions performed by RMC include:

1. establishing policies covering credit risk, market risk, liquidity risk, operational risk and any other types of risks that may affect the reputation and stability of the Bank and its subsidiaries;
2. reviewing the adequacy of the policies, risk management procedures and all important aspects of the rating systems and processes which include the use of rating systems and estimates of Internal Ratings-Based Approach parameters and stress test, taking into account the business and capital implication;
3. discussing risk and capital issues on an integrated basis including review of capital plan and capital allocation; and
4. overseeing UOB (Thai) Group’s consolidated companies to ensure Group risk management policies and regulatory requirements are complied with.

The Committee reports directly to the Board on a regular basis and highlights new risks and exceptional risk events to the Audit Committee from time to time.

# Corporate Governance

The Risk Management Committee consists of:

President and CEO	Chairman
Deputy President and Deputy CEO	Vice Chairman
Head of Technology and Operations	Member
Head of Finance and Corporate Services	Member
Head of Corporate Banking	Member
Head of Commercial Banking	Member
Head of Personal Financial Services	Member
Head of Credit Approval	Member
Head of Global Markets	Member
Head of Compliance	Member
Head of Risk Management	Member
Head of Channels	Member
Head of Business Banking	Member

In addition to these committees, the Board also has sub-committees to manage the day-to-day operational matters. These committees consist of relevant management staff handling various functions. These committees include the Management Committee, Assets and Liabilities Committee, Credit Committee, Valuation Committee, IT Committee, Credit Risk Committee, Special Asset Management Credit Committee and UOB (Thai) Subsidiaries Management Committee.

In 2010, the Board of Directors held four meetings, and the Audit Committee held four meetings. The attendance of each director is as follows:

<u>Board of Directors' meeting</u>	<u>Meetings attended</u>
Wee Cho Yaw	2/4
Wee Ee Cheong	4/4
Chinnawat Bulsuk	4/4
Suebtrakul Soonthornthum	4/4
Arun Chirachavala	3/4
Lee Chin Yong	4/4
Cheo Chai Hong	4/4
Wong Kim Choong	4/4
Chua Teng Hui	4/4
Lee Tse Tiong (Resigned 18 June 2010)	1/1

<u>Audit Committee's meeting</u>	<u>Meetings attended</u>
Suebtrakul Soonthornthum	4/4
Chinnawat Bulsuk	4/4
Arun Chirachavala	4/4

# Branch Network

as of 31 March 2011

## Head Office

### Sathon Head Office

191 South Sathon Road, Sathon,  
Bangkok 10120  
Tel : 0-2343-3000, ext. 2682, 2684,  
2686, 2688, 2689  
Fax : 0-2287-2972

## Bangkok Metropolitan Branch Offices

### All Seasons Place

3<sup>rd</sup> Floor M Thai Tower,  
All Seasons Place,  
87 Wittayu Road, Pathumwan,  
Bangkok 10330  
Tel : 0-2257-0116-8, 0-2257-0137  
Fax : 0-2257-0149

### Amarin Plaza

(Mon.-Fri. 8.30am-5.00pm)  
1<sup>st</sup> Floor Amarin Plaza,  
500 Ploenchit Road, Pathumwan,  
Bangkok 10500  
Tel : 0-2252-6292-3, 0-2251-8579,  
0-2256-9045-6, 0-2256-9906,  
0-2256-9677, 0-2256-9680  
Fax : 0-2252-7871

### Anusavaree Chaisamoraphoom

911/1-3 Phaholyothin Road,  
Phayatai, Bangkok 10400  
Tel : 0-2271-0089, 0-2271-3447,  
0-2271-2662  
Fax : 0-2271-0088

### Asoke

1<sup>st</sup> Floor Ratchapark Building,  
163 Sukhumvit 21 Road,  
Wattana, Bangkok 10110  
Tel : 0-2258-3259, 0-2258-3261,  
0-2258-3265, 0-2258-3268,  
0-2258-3881  
Fax : 0-2258-9552

### Bang Bon

289, 291, 293 and 295 Mu 6,  
Eakchai-Bangbon Road,  
Bangbon, Bangkok 10150  
Tel : 0-2898-0423-5, 0-2415-6984  
Fax : 0-2898-0426

### Bangbuathong

28/33-35 Mu 4, Bangkrayui-Sainoi Road,  
Bangbuathong, Nonthaburi 11110  
Tel : 0-2920-2451-5  
Fax : 0-2920-2450

### Bangkae

455/9-11 Petchkasem Road (Soi 51-53),  
Bangkae, Bangkok 10160  
Tel : 0-2455-2091, 0-2455-2095,  
0-2455-2097  
Fax : 0-2455-2108

### Bang Kapi

(Mon.-Fri. 8.30am-5.00pm)  
1<sup>st</sup> Floor Mall Avenue Building,  
3530 Ladprao Road, Bang Kapi,  
Bangkok 10240  
Tel : 0-2378-0973-4, 0-2375-0201  
Fax : 0-2378-0975

### Bangmod

630 Rama II Road, Jomthong,  
Bangkok 10150  
Tel : 0-2867-0203-5, 0-2867-0913  
Fax : 0-2867-0914

### Bangna K.M.2

21/235-236 Mu 12, Bang Na-Trad Road,  
Bangna, Bangkok 10260  
Tel : 0-2396-1931, 0-2393-9825,  
0-2399-0178-81  
Fax : 0-2393-6147

### Bangplee

(Mon.-Fri. 8.30am-5.00pm)  
BIG C Center Bangplee,  
89 Mu 9 Taeparak KM 13 Road,  
Bangplee, Samutprakarn 10540  
Tel : 0-2752-4505-6, 0-2752-4507-9  
Fax : 0-2752-4504

### Bangrak

Jems Tower Building,  
1249/19, 1249/50, 1249/59 Charoen Krung Road,  
Bangrak, Bangkok 10500  
Tel : 0-2237-5050-1, 0-2266-9896-7  
Fax : 0-2266-9667

### Bangyai City

(Mon.-Sat. 10.00am-06.00pm)  
89/12-14 Mu 6 Bangyai City, Kanchanapisek Road,  
Saothonghin, Bangyai, Nonthaburi 11140  
Tel : 0-2595-0481, 0-2595-0482,  
0-2595-0484, 0-2595-0485  
Fax : 0-2595-0486

### Big C Omyai

(everyday 10.00am-8.00pm)  
Big C Super Center Omyai,  
17/17 Mu 8 Omyai, Sampran,  
Nakhon Prathom 73160  
Tel : 0-2431-1534-37  
Fax : 0-2431-1542

### BTS On Nut

(everyday 10.00am-8.00pm)  
BTS On Nut, Sukhumvit Road,  
Klong Toey, Bangkok 10110  
Tel : 0-2741-4206-7, 0-2741-4210  
Fax : 0-2741-4208

### Buntudthong

56/20, 56/59-62 Rama I Road,  
Pathumwan, Bangkok 10330  
Tel : 0-2214-1733, 0-2214-2067,  
0-2214-2252, 0-2214-1292  
Fax : 0-2215-4836

### Central Pinklao

(everyday 10.00am-8.00pm)  
Central Pinklao Department Store,  
7/364 Baromratchonnane Road,  
Bangkok-Noi, Bangkok 10700  
Tel : 0-2884-8030-2  
Fax : 0-2884-8033

### Central Rama 2

(everyday 10.00am-8.00pm)  
Room No 159, 1<sup>st</sup> Floor,  
Central Plaza Rama 2 Department Store,  
128 Mu 6 Rama 2 Road, Bang Khun Thien,  
Bangkok 10150  
Tel : 0-2415-1648-50, 0-2415-1867  
Fax : 0-2415-1868

### Central Rattanaithibet

(everyday 10.00am-8.00pm)  
2<sup>nd</sup> Floor Central Plaza Rattanaithibet  
Zone E-Center Department Store,  
68/100, 68/919 Mu 8 Rattanaithibet Road,  
Muang, Nonthaburi 11000  
Tel : 0-2527-8619-20, 0-2527-8631,  
0-2527-8633  
Fax : 0-2527-8636

### Chaengwatana

Na Nakorn Building,  
99/349 Mu 2 Chaengwatana Road,  
Donmuang, Bangkok 10210  
Tel : 0-2576-1057-60, 0-2576-1544,  
0-2576-1531, 0-2576-1532  
Fax : 0-2576-1533

### City Complex

(Mon.-Fri. 8.30am-5.00pm)  
City Complex Building,  
831 Petchburi Road, Rajathevee,  
Bangkok 10400  
Tel : 0-2255-0746, 0-2255-0749,  
0-2653-8522, 0-2613-5199  
Fax : 0-2255-0748

### Hua Mark

5, 7, 9 Ramkamhaeng Road,  
Bang Kapi, Bangkok 10240  
Tel : 0-2318-8561-4, 0-2718-4624,  
0-2319-3062  
Fax : 0-2318-0139

### Imperial (Ladphrao 81)

Basement Floor,  
Imperial World Department Store,  
2539 Ladphrao Road, Wang Thong Lang,  
Bangkok 10310  
Tel : 0-2934-8686-9, 0-2934-8691  
0-2934-8692, 0-2933-0103  
Fax : 0-2934-8690

### Klong Toey

Rama IV Department Store,  
1472,1474 Rama IV Road,  
Klong Toey, Bangkok 10110  
Tel : 0-2249-0886-7, 0-2249-0888-90  
Fax : 0-2249-4075

### Ladphrao

1558 Ladphrao Road,  
Wang Thong Lang,  
Bangkok 10310  
Tel : 0-2514-2709, 0-2514-2964,  
0-2539-5800, 0-2530-1120  
Fax : 0-2539-2003

### Major Phra Pra Daeng

(everyday 10.00am-8.00pm)  
Major Phra Pra Daeng Building,  
360/1-3 Mu 7 Suksawat Road,  
Rat Burana, Bangkok 10140  
Tel : 0-2818-1970-2  
Fax : 0-2818-1973

# Branch Network

as of 31 March 2011

## Manorom

Manorom Building,  
3354/1 Rama 4 Road, Klongton,  
Klong Toey, Bangkok 10110  
Tel : 0-2249-7480-2  
Fax : 0-2249-7479

## Minburi

G Floor Navamin Plaza,  
599/1 Mu 13 Sihanurakit Road,  
Minburi, Bangkok 10510  
Tel : 0-2518-0815-7  
Fax : 0-2518-0799

## Muang Thong Thani

339 Maungthongthani,  
Bondstreet Road,  
Parkkred, Nonthaburi 11120  
Tel : 0-2503-4940-3  
Fax : 0-2503-4914

## Navanakorn

(Mon.-Fri. 8.30am-5.00pm)  
12/47-48 Mu 19 Phaholyothin Road,  
Klong Nueng, Klong Luang,  
Pathumthani 12120  
Tel : 0-2529-3154-6  
Fax : 0-2529-5200

## Ngam Wong Wan

207/15 Mu 6 Ngam Wong Wan Road,  
Luksi, Bangkok 10210  
Tel : 0-2591-7902, 0-2591-0770  
Fax : 0-2591-0771

## Nong Khaem

77/207 Mu 2 Phetchakasem Road,  
Nong Khaem, Bangkok 10160  
Tel : 0-2420-7941-4  
Fax : 0-2420-7940

## Nonthaburi

32/16-19 Pracharat Road,  
Muang, Nonthaburi 11000  
Tel : 0-2525-1770-2, 0-2968-4592-4,  
0-2968-4594  
Fax : 0-2526-2993

## On Nut

1468, 1470 Mu 6 On Nut Road,  
Suanluang, Bangkok 10250  
Tel : 0-2332-3134-7  
Fax : 0-2331-8519

## Paradise Park

(everyday 10.00am-8.00pm)  
Room No 2C004, 2<sup>nd</sup> Floor,  
Paradise Park Building,  
61 Srinakarin Road, Nongbon,  
Praves, Bangkok 10250  
Tel : 0-2746-0816-8  
Fax : 0-2746-0819

## Pattanakarn

309/1-4 Pattanakarn Road,  
Praves, Bangkok 10250  
Tel : 0-2322-0439, 0-2322-0441-3  
Fax : 0-2322-0438

## Phaholyothin K.M.26

1/737 Mu 17 Soi Amporn,  
Phaholyothin KM 26, Lam Luk Ka,  
Pathumthani 12150  
Tel : 0-2532-3645-50, 0-2532-3644  
Fax : 0-2532-3641

## Phaholyothin Soi 19

Rasa Tower Building,  
555 Phaholyothin Road,  
Chatuchak, Bangkok 10900  
Tel : 0-2937-0300-4, 0-2513-3165  
Fax : 0-2937-0305

## Phahurad

(Mon.-Fri. 8.30am-5.00pm)  
The Old Siam Plaza,  
2/30-33, 4/11-14 Burapa Road,  
Phra Nakhon, Bangkok 10200  
Tel : 0-2222-0176-9, 0-2222-4113-4,  
0-2223-1854-5, 0-2623-8477  
Fax : 0-2223-0708

## Phetchakasem 35

(Mon.-Fri. 10.30am-7.00pm)  
Future Park-Robinson Bangkae,  
607 Phetchakasem 35 Road,  
Phasi Charoen, Bangkok 10160  
Tel : 0-2454-8690-3  
Fax : 0-2454-8696

## Phra Pinklao

30 Charansnidvongs Road,  
Bangplad, Bangkok 10700  
Tel : 0-2434-7110-3, 0-2434-7115,  
0-2424-2283  
Fax : 0-2434-7114

## Rajchaprarop

(Mon.-Fri. 8.30am-5.00pm)  
120/3-6 Rajchaprarop Road,  
Rajtheevee, Bangkok 10400  
Tel : 0-2656-3071-2, 0-2656-3068  
Fax : 0-2251-0404

## Rajchawong

219/2 Rajawongse Road,  
Samphandhawongse, Bangkok 10100  
Tel : 0-2221-7515, 0-2622-7388-90  
Fax : 0-2622-7392

## Ramintra K.M.9

(everyday 10.00am-8.00pm)  
Fashion Island Department Store,  
587, 589 Mu 7 Ramintra Road,  
Kunayao, Bangkok 10230  
Tel : 0-2947-5307-9, 0-2947-5311  
Fax : 0-2947-5310

## Rangsit

(everyday 10.00am-8.00pm)  
Future Park Rangsit Building,  
94 Mu 2 Tanya Buri, Pathumthani 12110  
Tel : 0-2958-0562-7  
Fax : 0-2958-0568

## Ratchada-Huay Khwang

167/8 Ratchadaphisek Road,  
Din Daeng, Bangkok 10320  
Tel : 0-2276-9408-11, 0-2276-9414  
0-2276-9412  
Fax : 0-2276-9413

## Ratchada-Sathupradit

127/1 Nonsee Road,  
Yannawa, Bangkok 10120  
Tel : 0-2681-1111-5, 0-2295-3706,  
0-2295-3707  
Fax : 0-2681-1110

## Ratchada-Thaphra

Hansawat Building,  
299 Ratchadapisake Road,  
Thonburi, Bangkok 10600  
Tel : 0-2476-9945-9  
Fax : 0-2476-9944

## Samrong

999/99 Mu 1 Sukhumvit Road,  
Muang, Samutprakan 10270  
Tel : 0-2384-7656, 0-2384-4510,  
0-2394-0422, 0-2394-0428  
Fax : 0-2384-4352

## Sam Yaek

601 Charoen Krung Road,  
Samphandhawongse,  
Bangkok 10100  
Tel : 0-2222-5111-6  
Fax : 0-2222-1354

## Saphan Khao

325/168 Lukluang Road,  
Dusit, Bangkok 10300  
Tel : 0-2282-3665, 0-2282-3796,  
0-2282-4374, 0-2282-3694-5  
Fax : 0-2282-1914

## Saphanmai

108/502-503 Mu 7  
Phaholyothin Road, Anusavaree,  
Bangkhen, Bangkok 10220  
Tel : 0-2522-6646-8  
Fax : 0-2522-6649

## Sathon 2

Bangkok City Tower Building,  
179/3 South Sathon Road,  
Sathon, Bangkok 10120  
Tel : 0-2679-5700-2, 0-2679-5704  
Fax : 0-2679-5703

## Senanikom

126/19 Phaholyothin 32 Road  
(Soi Senanikom 1), Chatuchak,  
Bangkok 10900  
Tel : 0-2561-3100-1, 0-2579-6248,  
0-2561-1054, 0-2941-7775  
Fax : 0-2579-9088

## Siam Paragon

(everyday 10.00am-8.00pm)  
Main Level Unit M14  
Siam Paragon Shopping Center,  
991 Rama 1 Road, Pathumwan,  
Bangkok 10330  
Tel : 0-2129-4570-2  
Fax : 0-2129-4573

## Siam Square

(Mon.-Fri. 8.30am-5.00pm)  
410-410/1 Siam Square Soi 6,  
Rama 1 Road, Pathumwan,  
Bangkok 10500  
Tel : 0-2251-3343, 0-2251-2145,  
0-2251-2278-9  
Fax : 0-2251-2280

**Silom 2**

(Mon.-Fri. 8.30am-5.00pm)

14 Silom Road, Bangrak,  
Bangkok 10500

Tel : 0-2632-8801-3, 0-2632-8805  
Fax : 0-2632-8804

**Silom Complex**

(Mon.-Fri. 8.30am-5.00pm)

Silom Complex Building,  
191 Silom Road, Bangrak,  
Bangkok 10500

Tel : 0-2231-3139-40, 0-2632-1177-8  
Fax : 0-2231-3137

**Si Phraya**

295 Si Phraya Road,  
Bangrak, Bangkok 10500

Tel : 0-2235-2884-7, 0-2236-6805,  
0-2631-5440-1  
Fax : 0-2235-2882

**Si Yeak Sriwara**

573/139 Soi Ramkhamhaeng 39,  
Pracha-U-Thit Road, Wang Thong Lang,  
Bangkok 10310

Tel : 0-2934-7941-4  
Fax : 0-2934-7945

**Soi Chokechai 4**

141/3-4 Soi Chokechai 4 (Ladphrao 53),  
Wang Thong Lang, Bangkok 10310

Tel : 0-2539-6112-3, 0-2539-5061,  
0-2539-5062  
Fax : 0-2539-3500

**Soi Sukhumvit 101/1**

339/101-102 Soi Sukhumvit 101/1,  
Sukhumvit Road, Pra Khanong,  
Bangkok 10260

Tel : 0-2361-6418-20, 0-2393-9952,  
0-2399-4968  
Fax : 0-2399-5132

**Soi Yoo Dee**

597/113-114 Trok Watchannai,  
Chan Road, Bang Khoe Laem,  
Bangkok 10120

Tel : 0-2292-1627-8, 0-2291-4904-5,  
0-2291-4907  
Fax : 0-2291-4906

**Songwad**

1252-1254 Songwad Road,  
Samphandhawongse,  
Bangkok 10100

Tel : 0-2225-6254-5, 0-2226-3606-7,  
0-2225-3596-7  
Fax : 0-2225-6256

**Srinakarin**

395/5 Srinakarin Road,  
Muang, Samutprakarn 10270

Tel : 0-2385-7312-5  
Fax : 0-2385-7316

**Sri Yan**

468-468/1 Nakhon Chai Sri Road,  
Dusit, Bangkok 10300

Tel : 0-2243-0914-5, 0-2241-3467,  
0-2243-3725  
Fax : 0-2241-3425

**St. Louis 3**

31 Soi Chan 18/7 (St.Louis3),  
Thung Wat Don, Sathon,  
Bangkok 10120

Tel : 0-2212-7024, 0-2211-1407  
Fax : 0-2211-0815

**Sukhumvit 4**

142 Sukhumvit Road,  
Klong Toey, Bangkok 10110

Tel : 0-2653-2178-9  
Fax : 0-2653-2181

**Sukhumvit 25**

Ban Chang Glass House Building,  
1 Soi Sukhumvit 25, Klong Toey,  
Bangkok 10110

Tel : 0-2258-0270-1, 0-2260-6117-9,  
0-2258-9330-2, 0-2661-7741  
Fax : 0-2258-4582

**Sukhumvit 26**

690 Sukhumvit Road,  
Klong Toey, Bangkok 10110

Tel : 0-2620-4469-71, 0-2620-4473-80  
Fax : 0-2260-5312

**Sukhumvit 83**

2<sup>nd</sup> Floor Market Plus Building,  
2149 Soi Sukhumvit 83,  
Pra Khanong, Bangkok 10260

Tel : 0-2742-5812-15, 0-2742-5818  
Fax : 0-2742-5816

**Sukhumvit 101 (Piyarom Park)**

(Mon.-Fri. 8.30am-5.00pm)

3079/25 Soi Piyabuttra,  
Sukhumvit Road, Phra Khanong,  
Bangkok 10260

Tel : 0-2730-5100-3, 0-2730-5105,  
0-2730-5104  
Fax : 0-2730-5106

**Suksawat**

393, 395, 397 Suksawat Road,  
Rat Burana, Bangkok 10140

Tel : 0-2468-4797, 0-2477-2411-2,  
0-2477-2409-11  
Fax : 0-2468-6028

**Surawong**

134 Surawongse Road,  
Bangrak, Bangkok 10500

Tel : 0-2233-9730-3  
Fax : 0-2235-5208

**Taksin**

43,45,47 Taksin Road,  
Thon Buri, Bangkok 10600

Tel : 0-2438-0063, 0-2439-1864,  
0-2437-2387, 0-2437-2537  
Fax : 0-2438-6426

**Talard Si Mummuang**

355/33-35 Mu 15  
Phaholyothin Road, Lam Luk Ka,  
Pathumthani 12130

Tel : 0-2536-7850, 0-2536-7854-6  
Fax : 0-2536-7853

**Thai Wah Tower**

Thai Wah Tower 1 Building,  
21/63-66 South Sathon Road,  
Sathon, Bangkok 10120

Tel : 0-2285-0092-4  
Fax : 0-2285-0095

**Thanon Asoke-Dindaeng**

729 Asoke-Dindaeng Road,  
Dindaeng, Bangkok 10320

Tel : 0-2248-6935-7  
Fax : 0-2248-6933

**Thanon Khaolarm**

2214, 2216 Khaolarm Road,  
Samphandhawongse,  
Bangkok 10100

Tel : 0-2238-2540, 0-2238-3399,  
0-2234-6823  
Fax : 0-2238-2543

**Thanon Krungthonburi**

Sinsathorn Tower,  
77/2 Krungthonburi Road,  
Klongsarn, Bangkok 10600

Tel : 0-2440-0345-9  
Fax : 0-2440-0350

**Thanon Phaholyothin 8**

G Floor, Shinawatra Tower 1 Building,  
414 Phaholyothin Road,  
Phayatai, Bangkok 10400

Tel : 0-2616-9760-2, 0-2357-1690  
Fax : 0-2357-1490

**Thanon Phayatai**

Room No 1/4-1/6,  
1<sup>st</sup> Floor Golden Town Building,  
71 Phayatai Road, Ratchathewi,  
Bangkok 10400

Tel : 0-2653-4530-2  
Fax : 0-2653-4658

**Thanon Phraram 6**

Tipco Tower Building,  
118/1 Rama 6 Road, Phayatai,  
Bangkok 10400

Tel : 0-2357-3460-3, 0-2357-3332  
Fax : 0-2357-3464

**Thanon Phraram 9**

G Floor Worrasombat Building,  
100/1 Rama 9 Road, Huay Khwang,  
Bangkok 10310

Tel : 0 2645-0683-7  
Fax : 0-2645-0440

**Thanon Pracha-U-Thit**

147/1-4 Mu 8 Pracha-U-Thit Road,  
Rat Burana, Bangkok 10140

Tel : 0-2873-1457-60, 0-2873-1439  
Fax : 0-2873-1440

**Thanon Ramkhamhaeng 2**

229 Mu 8 Ramkhamhaeng 2 Road,  
Praves, Bangkok 10260

Tel : 0-2316-9735, 0-2316-9738,  
0-2397-6042, 0-2397-6043,  
0-2397-6045, 0-2397-6046  
Fax : 0-2397-6044

# Branch Network

as of 31 March 2011

## Thanon Ramkhamhaeng 81/1

713 Ramkhamhaeng Road,  
Bangkapi, Bangkok 10240  
Tel : 0-2374-1374-7  
Fax : 0-2732-2010

## Thanon Sri Wara

314 Soi Ladphrao 94 (Panjamit),  
Sri Wara Road, Wang Thong Lang,  
Bangkok 10310  
Tel : 0-2559-3600-5, 0-2935-6025-6  
Fax : 0-2559-3606

## Thanon Sukhaphiban 3

198/3 Ramkhamhaeng Road  
(Sukhaphiban 3), Bangkapi,  
Bangkok 10240  
Tel : 0-2375-8725, 0-2375-8794,  
0-2375-8799, 0-2377-9183  
Fax : 0-2375-8795

## Thanon Vorachak

94-96 Vorachak Road,  
Pom Prap Sattru Phai,  
Bangkok 10100  
Tel : 0-2225-9086, 0-2228-9088,  
0-2225-9085, 0-2621-1247  
Fax : 0-2225-9087

## Thanon Witthayu

(Mon.-Fri. 8.30am-5.00pm)  
Room No 121, G Floor CRC Tower Building,  
87/2 Witthayu Road, Pathumwan,  
Bangkok 10330  
Tel : 0-2255-5392-4  
Fax : 0-2255-5395

## Thanon Yaowaraj

(Mon.-Fri. 8.30am-5.00pm)  
422, 424 Yaowaraj Road,  
Samphandhawongse,  
Bangkok 10100  
Tel : 0-2226-2930-1, 0-2226-5855  
Fax : 0-2226-2933

## Thonglor

283/15-17 Soi Thonglor 13,  
Sukhumvit 55 Road, Wattana,  
Bangkok 10250  
Tel : 0-2712-7150-5  
Fax : 0-2712-7156

## Tops Bangna

(everyday 10.00am-8.00pm)  
Central City Department Store,  
1090 Mu 12 Bangna-Trad Road,  
Bangna, Bangkok 10260  
Tel : 0-2361-7851-3, 0-2361-7855  
Fax : 0-2361-7854

## Tops Ratchadaphisek

(everyday 10.00am-8.00pm)  
Robinson Ratchadaphisek Department Store,  
139 Ratchadaphisek Road, Din Daeng,  
Bangkok 10310  
Tel : 0-2246-5058-9, 0-2246-5101,  
0-2246-5218  
Fax : 0-2246-5578

## Union Mall Ladphrao

(everyday 10.00am-8.00pm)  
2<sup>nd</sup> Floor Union Mall Center,  
54 Ladphrao Road, Jomphol,  
Chatuchak, Bangkok 10900  
Tel : 0-2939-2613-5  
Fax : 0-2939-2701

## Wiphawadi-Rangsit 9

T.S.T. Tower Building,  
21 Wiphawadi-Rangsit Road,  
Chatuchak, Bangkok 10900  
Tel : 0-2273-8120-1, 0-2273-8939-40  
Fax : 0-2273-8122

## Yaowaraj Mahajak

(Mon.-Fri. 8.30am-5.00pm)  
236, 238, 240 Yaowaraj Road,  
Jakrawat, Samphandhawongse,  
Bangkok 10110  
Tel : 0-2225-5241-44  
Fax : 0-2225-5245

## Upcountry Branch Office Central Area

### Lop Buri

21/11-12 Mu 1 Phaholyothin Road,  
Muang, Lop Buri 15000  
Tel : 0-3641-4248-50  
Fax : 0-3641-4251

### Nakhon Pathom

(Mon.-Fri. 8.30am-5.00pm)  
63-65 Rajvithi Road, Muang,  
Nakhon Pathom 73000  
Tel : 0-3425-1184-6, 0-3425-1178  
Fax : 0-3425-1187

### Phra Nakhon Si Ayutthaya

255 Mu 5 Rojana Road,  
Phra Nakhon Si Ayutthaya,  
Phra Nakhon Si Ayutthaya 13000  
Tel : 0-3524-6116, 0-3524-6030,  
0-3524-6118  
Fax : 0-3524-1546

### Phrapathomjedee

45-47 Saiphra Road, Phrapathomjedee,  
Muang, Nakornpathom 73000  
Tel : 0-3427-2353-4, 0-3421-9236-7  
Fax : 0-3425-7504

### Sam Chuk

225/2 Mu 2 Sam Chuk, Suphan Buri 72130  
Tel : 0-3557-1055, 0-3557-1980,  
0-3557-1990  
Fax : 0-3557-1044

### Samut Sakhon

927/403 Sethakit 1 Road, Muang,  
Samut Sakhon 74000  
Tel : 0-3481-0514-5, 0-3442-7510,  
0-3442-7582  
Fax : 0-3481-0513

### Samut Songkhram

125/104 Tang Kao Muang Road,  
Muang, Samut Songkhram 75000  
Tel : 0-3471-8111, 0-3471-8222,  
0-3471-8626, 0-3471-8629  
Fax : 0-3471-8627

## Saraburi

427 Phaholyothin Road,  
Muang, Saraburi 18000  
Tel : 0-3621-2137-8, 0-3631-2055-6  
0-3622-2344, 0-3622-1630  
Fax : 0-3622-1636

## Western Area

### Damnoen Saduak

234 Mu 8 Bangpare-Samut Songkhram Road,  
Damnoen Saduak, Ratchaburi 70130  
Tel : 0-3225-4332, 0-3224-1333  
0-3225-4444, 0-3234-5065  
Fax : 0-3225-4913

### Kanchanaburi

River Khwae Hotel,  
284/15-16 Sangchutoe Road,  
Muang, Kanchanaburi 71000  
Tel : 0-3452-1621-3  
Fax : 0-3452-1624

### Phetchaburi

28 Panich Charoen Road,  
Muang, Phetchaburi 76000  
Tel : 0-3241-5883-4, 0-3242-5169,  
0-3242-5959  
Fax : 0-3242-8517

### Ratchaburi

(Mon.-Fri. 8.30am-5.00pm)  
11 Kathatorn Road, Tumbol Na Muang,  
Muang, Ratchaburi 70000  
Tel : 0-3231-0321-3  
Fax : 0-3231-0324

## Eastern Area

### Baan Bung

403 Chon Buri- Baan Bung Road,  
Baan Bung, Chon Buri 20170  
Tel : 0-3844-3628, 0-3844-3072,  
0-3875-0979-80, 0-3875-1118-9  
Fax : 0-3844-3039

### Baan Chang

51/12 Mu 5 Sukhumvit Road,  
Baan Chang, Rayong 21130  
Tel : 0-3860-3120-3  
Fax : 0-3860-3119

### Bang Lamung

90/27 Mu 5 Pattaya-Nagluw Road,  
Bang Lamung, Chon Buri 20150  
Tel : 0-3842-8418, 0-3842-9333,  
0-3842-7748-9, 0-3842-0273  
Fax : 0-3842-3332

### Chachoengsao

94/3 Chumphon Road, Muang,  
Chachoengsao 24000  
Tel : 0-3851-1621-2, 0-3881-8149,  
0-3851-4627-8, 0-3853-5083  
Fax : 0-3851-1623

### Chanthaburi

82/9 Thachalab Road, Muang,  
Chanthaburi 22000  
Tel : 0-3931-2822, 0-3934-6616,  
0-3934-6434-5  
Fax : 0-3932-1201

**Chon Buri**

804 Kor. Chetchamnong Road,  
Muang, Chon Buri 20000  
Tel : 0-3827-3601-6  
Fax : 0-3827-3607

**Chon Buri 2**

116/110 Mu 3 Sukhumvit Road,  
Muang, Chon Buri 20000  
Tel : 0-3879-7457-9, 0-3879-7462  
Fax : 0-3879-7461

**Eastern Seaboard**

24/1 Mu 4 Thanon Hemaraj Avenue,  
Pluak Daeng, Rayong 21140  
Tel : 0-3895-5284-6, 0-3895-5288,  
0-3895-5287, 0-3895-5290  
Fax : 0-3895-5289

**Pattaya**

325/115-116 Mu 10 Pattaya Sai 2 Road,  
Bang Lamung, Chon Buri 20260  
Tel : 0-3842-9464, 0-3871-0414,  
0-3841-0027  
Fax : 0-3842-9400

**Rayong**

144/39-41 Sukhumvit Road,  
Muang, Rayong 21000  
Tel : 0-3861-4730-2  
Fax : 0-3861-4734

**Robinson Sriracha**

*(everyday 10.00am-8.00pm)*  
Room No.1F-B-13,  
G Floor Robinson Sriracha Department Store,  
90/1 Sukhumvit Road, Sriracha,  
Chon Buri 20110  
Tel : 0-3832-8458-60  
Fax : 0-3832-8461

**Sriracha**

135/18-19 Sukhumvit Road,  
Sriracha, Chon Buri 20110  
Tel : 0-3832-4500-2, 0-3832-4504  
Fax : 0-3832-4503

**Northern Area****Chiang Mai**

149-149/1-3 Chang-Klarn Road,  
Muang, Chiang Mai 50100  
Tel : 0-5327-0029-30, 0-5328-2903,  
0-5382-1080-1  
Fax : 0-5328-2015

**Chiang Mai - Huaikaew**

137 Huay Kaew Road, Muang,  
Chiang Mai 50200  
Tel : 0-5321-1091-4  
Fax : 0-5321-1095

**Chiang Rai**

643/5 Mu 3 Utrakrit Road, Muang,  
Chiang Rai 57000  
Tel : 0-5371-6786, 0-5371-1414,  
0-5371-6557  
Fax : 0-5371-5429

**Lampang**

255 Boonwat Road, Muang, Lampang 52000  
Tel : 0-5421-8383, 0-5422-7383,  
0-5421-8454, 0-5421-8373  
Fax : 0-5422-7637

**Nakhon Sawan**

532-534 Kosi Road, Muang,  
Nakhon Sawan 60000  
Tel : 0-5621-4109, 0-5621-4690,  
0-5621-4709, 0-5631-4234-5  
Fax : 0-5621-3224

**Pa Sang**

232 Mu 1 Lamphun-Pa Sang Road,  
Pa Sang, Lamphun 51120  
Tel : 0-5352-0282, 0-5355-7337  
Fax : 0-5352-0283

**Phitsanulok**

112/39-41 Akartodsrod Road,  
Muang, Phitsanulok 65000  
Tel : 0-5522-5153-5  
Fax : 0-5522-5156

**Thanon Highway-Chiang Mai**

1/99 Chiang Mai-Lampang Road,  
Muang, Chiang Mai 50000  
Tel : 0-5330-4701-4, 0-5330-4706  
Fax : 0-5330-4705

**North East Area****Khon Kaen**

34, 34/1-2 Namuang Road,  
Muang, Khon Kaen 40000  
Tel : 0-4323-7620-1, 0-4333-4577,  
0-4323-7609  
Fax : 0-4323-7435

**Nakhon Ratchasima**

2-4 Choompol Road, Muang,  
Nakhon Ratchasima 30000  
Tel : 0-4426-8873-7  
Fax : 0-4425-5476

**Nakhon Ratchasima 2**

545 Friendship Highway, Muang,  
Nakhon Ratchasima 30000  
Tel : 0-4426-3487-91  
Fax : 0-4426-3493

**Roiet**

427-429 Phadungpanich Road,  
Muang, Roiet 45000  
Tel : 0-4351-5850-2  
Fax : 0-4351-5854

**Sakon Nakhon**

1551/9-10 Sukkasaem Road,  
Muang, Sakon Nakhon 47000  
Tel : 0-4271-6350, 0-4271-6303,  
0-4271-6895, 0-4271-6765,  
0-4271-6230  
Fax : 0-4271-6728

**Surin**

79,81,83 Chitbumrung Road,  
Muang, Surin 32000  
Tel : 0-4451-1848, 0-4451-8997,  
0-4451-8998  
Fax : 0-4451-1081

**Ubon Ratchathani**

177 Ubparat Road, Muang,  
Ubon Ratchathani 34000  
Tel : 0-4524-3830-1, 0-4526-2904,  
0-4524-4270-1, 0-4524-4717  
Fax : 0-4524-3832

**Udon Thani**

359 Phosri Road, Muang, Udon Thani 41000  
Tel : 0-4222-1333, 0-4222-3613,  
0-4234-3425, 0-4224-9590  
Fax : 0-4224-4062

**Khonkaen - Thanon Mittrpararb**

81/1 Mittrpararb Road, Muang, Khon Kaen 40000  
Tel : 0-4324-1686, 0-4324-1268,  
0-4324-2547  
Fax : 0-4323-8435

**Southern Area****Central Festival Phuket**

*(everyday 10.00am-8.00pm)*  
Central Festival Phuket Department Store,  
74-75 Mu 5 Tumbol Vichit,  
Muang, Phuket 83000  
Tel : 0-7621-0526, 0-7621-0534, 0-7621-0575  
Fax : 0-7621-0596

**Hat Pa Tong**

159, 161, 163 Rat-U-Thit 200 years Road,  
Krathu, Phuket 83150  
Tel : 0-7634-0489, 0-7634-0142-3  
Fax : 0-7634-1169

**Hat Yai**

164 Nipat-utit 1 Road, Hat Yai, Songkhla 90110  
Tel : 0-7424-3032, 0-7424-5033,  
0-7424-3810, 0-7423-5605  
Fax : 0-7423-5606

**Nakhon Sri Thammarat**

*(Mon.-Fri. 8.30am-5.00pm)*  
1719-1721 Rajdamnern Road, Muang,  
Nakhon Sri Thammarat 80000  
Tel : 0-7535-6112, 0-7535-6860-1  
Fax : 0-7534-2352

**Phuket**

206 Phuket Road, Muang, Phuket 83000  
Tel : 0-7621-1566, 0-7621-1577,  
0-7621-4901-2, 0-7621-0970-1  
Fax : 0-7621-4902

**Surat Thani**

208/2-3 Chonkasem Road,  
Muang, Surat Thani 84000  
Tel : 0-7728-6292-4  
Fax : 0-7728-6298

**Trang**

*(Mon.-Fri. 8.30am-5.00pm)*  
1/5-6 Phraram 6 Road, Thap Thiang,  
Muang, Trang 92000  
Tel : 0-7521-7782-4, 0-7521-7781  
Fax : 0-7521-7785

**Yala**

8-12 Pipitpakdi Road, Muang, Yala 95000  
Tel : 0-7321-2218, 0-7321-2414,  
0-7324-0872, 0-7324-0873  
Fax : 0-7321-3764

**Distribution Channels**

Branches : 148  
ATM : 341  
Foreign Exchange : 29  
Kiosks  
UOB Call Center : 0-2285-1555  
Website : www.uob.co.th

# Company Information

Name : United Overseas Bank (Thai) Public Company Limited  
Public company registration number : 0107535000176  
Nature of business : Commercial Bank  
Registration address : 191 South Sathon Road, Sathon, Bangkok 10120  
Tel : 66-2343-3000  
Fax : 66-2287-2973-4  
Telex : 84351 BKASIA TH  
S.W.I.F.T. : BKASTHBK  
Website : www.uob.co.th

## Auditor

Ms. Phuphun Charoensuk : Certified Public Accountant (Thailand) No. 4950 and/or  
Ms. Rungnapa Lertsuwankul : Certified Public Accountant (Thailand) No. 3516 and/or  
Mr. Narong Puntawong : Certified Public Accountant (Thailand) No. 3315

Ernst & Young Office Limited  
33<sup>rd</sup> Floor Lake Rajada Office Complex  
193/136-137 Rajadapisek Road,  
Klong Toey, Bangkok 10110  
G.P.O. Box 1047 Bangkok 10501  
Tel : 0-2264-0777  
Fax : 0-2264-0789-90  
Website : www.ey.com

## Registrar

United Overseas Bank (Thai) Public Company Limited  
191 South Sathon Road, Sathon, Bangkok 10120  
Tel : 0-2343-4951-2  
Fax : 0-2286-5841



## Credit Ratings

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<b>Moody's Investors Service</b>	<b>Rating</b>	<b>as at 28 Oct 10</b>
Long-Term Bank Deposits	Baa1	
Short-Term Bank Deposits	Prime-2	
Long-Term Outlook	Stable	
Short-Term Outlook	Stable	
Financial Strength	D	
Financial Strength Outlook	Stable	

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<b>Fitch Ratings</b>	<b>Rating</b>	<b>as at 02 Dec 10</b>
Long-Term Foreign Currency	BBB+	
Short-Term Foreign Currency	F2	
Long-Term Outlook	Stable	
Individual	C	
Support	2	
Long-term National Rating	AAA(tha)	
Short-term National Rating	F1+(tha)	
National Rating Outlook	Stable	

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<b>Standard &amp; Poor's</b>	<b>Rating</b>	<b>as at 09 Dec 10</b>
Long-Term Counterparty Credit	BBB+	
Short-term Counterparty Credit	A2	
Outlook	Stable	
Long-Term ASEAN regional scale ratings	axA+	
Short-term ASEAN regional scale ratings	axA-1	



[www.uob.co.th](http://www.uob.co.th)

**United Overseas Bank (Thai) Public Company Limited**

Head Office

191 South Sathon Road, Sathon

Bangkok 10120, Thailand

Phone (66) 2343 3000

Fax (66) 2287 2973 4