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19 July 2010

To President
The Stock Exchange of Thailand

Subject : Submittal of the Unaudited Financial Statements

Enclosed herewith, please find copies of the unaudited financial statements for the second quarter ended 30 June 2010 in SET SMART compared with various time intervals of the financial statements previously reported.

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We trust you will find the enclosed helpful and informative.

Yours sincerely,

(Banthoon Lamsam)

Chief Executive Officer



KASIKORNBANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

	Consolidated (Thousand Baht)				The Bank (Thousand Baht)			
	30 June 2010	31 March 2010	Change	31 December 2009	30 June 2010	31 March 2010	Change	31 December 2009
ASSETS								
Cash	22,773,895	23,118,752	(344,857)	26,674,351	22,772,718	23,117,564	(344,846)	26,673,193
Interbank and money market items								
Domestic items								
Interest bearing	140,343,814	85,800,184	54,543,630	51,485,376	139,482,403	84,829,517	54,652,886	50,859,166
Non-interest bearing	2,351,023	1,165,039	1,185,984	2,081,084	2,188,950	1,066,982	1,121,968	1,974,761
Foreign items								
Interest bearing	3,858,899	4,185,046	(326,147)	8,875,160	3,858,899	4,185,046	(326,147)	8,875,160
Non-interest bearing	331,030	486,341	(155,311)	942,052	331,030	486,341	(155,311)	942,052
Total Interbank and Money Market Items - net	146,884,766	91,636,610	55,248,156	63,383,672	145,861,282	90,567,886	55,293,396	62,651,139
Investments								
Current investments - net	123,267,325	158,848,648	(35,581,323)	108,155,210	119,388,381	154,723,017	(35,334,636)	105,642,492
Long-term investments - net	110,610,860	113,118,080	(2,507,220)	146,681,827	39,798,479	48,142,038	(8,343,559)	84,748,287
Investments in subsidiaries and associated companies - net	145,408	134,256	11,152	146,883	16,057,034	17,055,310	(998,276)	17,055,310
Total Investments - net	234,023,593	272,100,984	(38,077,391)	254,983,920	175,243,894	219,920,365	(44,676,471)	207,446,089
Loans and accrued interest receivables								
Loans	978,565,812	962,645,967	15,919,845	943,377,995	969,046,674	953,029,959	16,016,715	933,888,523
Accrued interest receivables	1,200,665	1,174,512	26,153	1,051,070	1,001,776	972,275	29,501	1,009,721
Total Loans and Accrued Interest Receivables	979,766,477	963,820,479	15,945,998	944,429,065	970,048,450	954,002,234	16,046,216	934,898,244
<u>Less</u> Allowance for doubtful accounts	(31,119,862)	(30,288,887)	(830,975)	(29,526,489)	(29,873,805)	(29,061,548)	(812,257)	(28,346,633)
<u>Less</u> Revaluation allowance for debt restructuring	(5,225,947)	(4,973,587)	(252,360)	(4,518,401)	(5,225,807)	(4,973,382)	(252,425)	(4,493,038)
Total Loans and Accrued Interest Receivables - net	943,420,668	928,558,005	14,862,663	910,384,175	934,948,838	919,967,304	14,981,534	902,058,573
Properties foreclosed - net	14,103,165	14,046,774	56,391	14,958,668	11,787,164	11,629,177	157,987	11,877,926
Customers' liability under acceptances	507,663	433,537	74,126	573,763	507,663	433,537	74,126	573,763
Premises and equipment - net	38,176,327	38,209,073	(32,746)	37,819,694	33,058,650	32,943,579	115,071	32,442,001
Leasehold - net	642,969	706,722	(63,753)	698,655	642,969	706,704	(63,735)	698,508
Intangible assets - net	15,070,321	14,352,556	717,765	13,455,432	11,776,093	11,001,723	774,370	10,123,217
Derivative assets	23,613,379	25,229,511	(1,616,132)	21,640,274	23,613,379	25,229,128	(1,615,749)	21,640,274
Other assets - net	16,486,712	13,897,598	2,589,114	13,959,483	11,906,851	9,898,174	2,008,677	10,329,268
Total Assets	1,455,703,458	1,422,290,122	33,413,336	1,358,532,087	1,372,119,501	1,345,415,141	26,704,360	1,286,513,951



KASIKORNBANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

	Consolidated (Thousand Baht)				The Bank (Thousand Baht)			
	30 June 2010	31 March 2010	Change	31 December 2009	30 June 2010	31 March 2010	Change	31 December 2009
LIABILITIES AND EQUITY								
Deposits								
Deposits in baht	1,014,063,066	992,567,804	21,495,262	962,552,861	1,015,564,098	994,831,120	20,732,978	965,125,274
Deposits in foreign currencies	14,464,361	15,368,436	(904,075)	12,939,061	14,464,361	15,368,436	(904,075)	12,939,061
Total Deposits	1,028,527,427	1,007,936,240	20,591,187	975,491,922	1,030,028,459	1,010,199,556	19,828,903	978,064,335
Interbank and money market items								
Domestic items								
Interest bearing	34,873,206	35,922,731	(1,049,525)	39,508,227	36,258,651	37,164,076	(905,425)	40,526,584
Non-interest bearing	2,977,395	2,646,925	330,470	2,316,183	3,356,007	2,630,834	725,173	2,319,058
Foreign items								
Interest bearing	5,155,426	4,597,389	558,037	4,679,906	5,155,426	4,597,389	558,037	4,679,906
Non-interest bearing	487,510	410,327	77,183	481,069	487,510	410,327	77,183	481,069
Total Interbank and Money Market Items	43,493,537	43,577,372	(83,835)	46,985,385	45,257,594	44,802,626	454,968	48,006,617
Liabilities payable on demand	20,307,988	13,343,918	6,964,070	12,755,625	20,297,487	13,342,884	6,954,603	12,747,902
Borrowings								
Short-term borrowings	53,949,418	59,259,592	(5,310,174)	37,403,727	53,385,897	58,776,282	(5,390,385)	37,327,431
Long-term borrowings	46,901,935	39,447,176	7,454,759	41,567,027	46,901,935	39,447,176	7,454,759	41,567,027
Total Borrowings	100,851,353	98,706,768	2,144,585	78,970,754	100,287,832	98,223,458	2,064,374	78,894,458
Bank's liability under acceptances	507,663	433,537	74,126	573,763	507,663	433,537	74,126	573,763
Provisions	5,669,027	5,027,681	641,346	6,372,265	5,468,239	4,831,821	636,418	4,810,081
Derivative liabilities	22,475,308	27,272,226	(4,796,918)	25,109,236	22,474,021	27,271,716	(4,797,695)	25,109,142
Life policy reserve	68,333,082	63,874,807	4,458,275	59,914,391	-	-	-	-
Other liabilities	27,322,016	24,539,690	2,782,326	20,402,656	21,399,349	19,557,503	1,841,846	16,351,179
Total Liabilities	1,317,487,401	1,284,712,239	32,775,162	1,226,575,997	1,245,720,644	1,218,663,101	27,057,543	1,164,557,477



KASIKORNBANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

	Consolidated (Thousand Baht)				The Bank (Thousand Baht)			
	30 June 2010	31 March 2010	Change	31 December 2009	30 June 2010	31 March 2010	Change	31 December 2009
Equity								
Share capital								
Authorized share capital								
3,048,614,697 ordinary shares, Baht 10 par value	30,486,147	30,486,147	-	30,486,147	30,486,147	30,486,147	-	30,486,147
Issued and paid-up share capital								
2,393,260,193 ordinary shares, Baht 10 par value	23,932,602	23,932,602	-	23,932,602	23,932,602	23,932,602	-	23,932,602
Premium on ordinary shares	18,103,110	18,103,110	-	18,103,110	18,103,110	18,103,110	-	18,103,110
Appraisal surplus on asset revaluation	10,682,664	10,726,312	(43,648)	10,766,987	10,682,664	10,726,312	(43,648)	10,766,987
Revaluation surplus on investments	2,352,168	2,229,716	122,452	1,486,967	2,036,154	1,967,473	68,681	1,367,828
Retained earnings								
Appropriated								
Legal reserve	3,050,000	3,050,000	-	3,050,000	3,050,000	3,050,000	-	3,050,000
Unappropriated	70,148,532	70,130,364	18,168	65,726,723	68,594,327	68,972,543	(378,216)	64,735,947
Total equity attributable to equity holders of the Bank	128,269,076	128,172,104	96,972	123,066,389	126,398,857	126,752,040	(353,183)	121,956,474
Minority interests	9,946,981	9,405,779	541,202	8,889,701	-	-	-	-
Total Equity	138,216,057	137,577,883	638,174	131,956,090	126,398,857	126,752,040	(353,183)	121,956,474
Total Liabilities and Equity	1,455,703,458	1,422,290,122	33,413,336	1,358,532,087	1,372,119,501	1,345,415,141	26,704,360	1,286,513,951
Off-balance sheet items - contingencies								
Aval to bills and guarantees of loans	3,659,586	3,598,930	60,656	2,454,273	3,659,586	3,598,930	60,656	2,454,273
Liability under unmatured import bills	7,313,863	7,983,078	(669,215)	7,542,167	7,313,863	7,983,078	(669,215)	7,542,167
Letters of credit	20,352,724	22,162,638	(1,809,914)	21,152,003	20,352,724	22,162,638	(1,809,914)	21,152,003
Other contingencies	2,553,645,957	2,655,707,887	(102,061,930)	2,779,690,361	2,553,703,088	2,655,776,583	(102,073,495)	2,779,609,550



KASIKORNBANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

	Consolidated (Thousand Baht)				The Bank (Thousand Baht)			
	Q2/10	Q1/10	Change	Q2/09	Q2/10	Q1/10	Change	Q2/09
Interest and dividend income								
Loans	12,206,869	11,714,769	492,100	11,963,583	12,474,890	11,972,601	502,289	12,290,508
Interbank and money market items	546,164	388,065	158,099	192,409	541,583	384,640	156,943	192,496
Finance leases	704,014	689,914	14,100	572,814	-	-	-	-
Investments	1,980,938	1,788,717	192,221	1,092,593	1,446,488	1,417,328	29,160	1,358,949
Total interest and dividend Income	15,437,985	14,581,465	856,520	13,821,399	14,462,961	13,774,569	688,392	13,841,953
Interest expense								
Deposits	1,645,876	1,683,574	(37,698)	2,040,689	1,644,820	1,682,551	(37,731)	2,041,335
Interbank and money market items	373,687	342,603	31,084	116,118	375,753	344,292	31,461	116,853
Short-term borrowings	227,999	183,577	44,422	387,057	229,899	185,673	44,226	388,983
Long-term borrowings	489,982	507,357	(17,375)	527,784	499,751	515,749	(15,998)	529,786
Total interest expense	2,737,544	2,717,111	20,433	3,071,648	2,750,223	2,728,265	21,958	3,076,957
Net income from interest and dividends	12,700,441	11,864,354	836,087	10,749,751	11,712,738	11,046,304	666,434	10,764,996
Bad debt and doubtful accounts	824,963	105,655	719,308	1,603,118	784,181	73,076	711,105	1,576,308
Loss on debt restructuring	903,152	1,593,023	(689,871)	943,939	903,099	1,592,799	(689,700)	943,687
Net income from interest and dividends after bad debt and doubtful accounts and loss on debt restructuring	10,972,326	10,165,676	806,650	8,202,694	10,025,458	9,380,429	645,029	8,245,001
Non-interest income								
Gain on investments	380,908	221,485	159,423	287,401	321,912	124,470	197,442	285,682
Share of profit from investments on equity method	1,909	1,573	336	552	-	-	-	-
Fees and service income								
Acceptances, aval and guarantees	378,981	374,420	4,561	320,078	378,981	374,420	4,561	320,078
Others	4,968,045	4,884,467	83,578	4,335,090	4,704,788	4,740,470	(35,682)	3,744,253
Gain on exchanges	927,771	854,976	72,795	874,826	928,498	857,012	71,486	874,993
Net premium written	7,887,742	6,928,985	958,757	-	-	-	-	-
Other income	454,442	301,823	152,619	140,966	432,037	237,177	194,860	109,070
Total non-interest income	14,999,798	13,567,729	1,432,069	5,958,913	6,766,216	6,333,549	432,667	5,334,076
Non-interest expenses								
Personnel expenses	4,036,946	3,954,130	82,816	3,378,166	3,107,716	3,014,754	92,962	2,750,435
Premises and equipment expenses	2,496,438	2,517,408	(20,970)	2,053,995	2,461,957	2,496,121	(34,164)	2,176,733
Taxes and duties	569,514	582,566	(13,052)	531,225	559,270	516,141	43,129	518,691
Fees and service expenses	1,264,067	1,395,019	(130,952)	1,088,974	1,271,376	1,420,534	(149,158)	1,104,399
Directors' remuneration	57,474	15,497	41,977	40,879	48,291	13,087	35,204	40,879
Contributions to Deposit Protection Agency	1,010,313	978,311	32,002	873,184	1,010,313	978,311	32,002	873,184
Underwriting expenses	6,836,431	6,014,617	821,814	-	-	-	-	-
Other expenses	2,084,853	1,514,413	570,440	1,366,938	2,138,494	1,393,081	745,413	1,488,050
Total non-interest expenses	18,356,036	16,971,961	1,384,075	9,333,361	10,597,417	9,832,029	765,388	8,952,371
Income before income tax	7,616,088	6,761,444	854,644	4,828,246	6,194,257	5,881,949	312,308	4,626,706
Income tax expense	2,386,816	2,100,815	286,001	1,123,706	1,826,276	1,686,028	140,248	1,000,973
Net income	5,229,272	4,660,629	568,643	3,704,540	4,367,981	4,195,921	172,060	3,625,733
Net income attributable to:								
Equity holders of the Bank	4,763,418	4,363,912	399,506	3,704,536	4,367,981	4,195,921	172,060	3,625,733
Minority interest	465,854	296,717	169,137	4	-	-	-	-
Net income	5,229,272	4,660,629	568,643	3,704,540	4,367,981	4,195,921	172,060	3,625,733
Basic earnings per share (Baht)	1.99	1.82	0.17	1.55	1.83	1.75	0.08	1.51
Weighted average number of ordinary shares ('000)	2,393,260	2,393,260	-	2,393,260	2,393,260	2,393,260	-	2,393,260

KASIKORNBANK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

For the six-month periods ended 30 June 2010 and 2009

	Consolidated (Thousand Baht)			The Bank (Thousand Baht)		
	2010	2009	Change	2010	2009	Change
Interest and dividend income						
Loans	23,921,638	25,105,467	(1,183,829)	24,447,491	25,752,241	(1,304,750)
Interbank and money market items	934,230	865,272	68,958	926,223	865,184	61,039
Finance leases	1,393,927	1,181,469	212,458	-	-	-
Investments	3,769,655	2,179,518	1,590,137	2,863,816	2,776,964	86,852
Total interest and dividend Income	30,019,450	29,331,726	687,724	28,237,530	29,394,389	(1,156,859)
Interest expense						
Deposits	3,329,450	5,560,607	(2,231,157)	3,327,371	5,561,372	(2,234,001)
Interbank and money market items	716,289	175,973	540,316	720,045	177,560	542,485
Short-term borrowings	411,577	942,652	(531,075)	415,572	949,338	(533,766)
Long-term borrowings	997,339	1,147,178	(149,839)	1,015,500	1,148,198	(132,698)
Total interest expense	5,454,655	7,826,410	(2,371,755)	5,478,488	7,836,468	(2,357,980)
Net income from interest and dividends	24,564,795	21,505,316	3,059,479	22,759,042	21,557,921	1,201,121
Bad debt and doubtful accounts	930,618	2,979,273	(2,048,655)	857,258	2,917,025	(2,059,767)
Loss on debt restructuring	2,496,175	1,927,707	568,468	2,495,898	1,927,424	568,474
Net income from interest and dividends after bad debt and doubtful accounts and loss on debt restructuring	21,138,002	16,598,336	4,539,666	19,405,886	16,713,472	2,692,414
Non-interest income						
Gain on investments	602,393	463,005	139,388	446,382	459,815	(13,433)
Share of profit from investments on equity method	3,482	5,641	(2,159)	-	-	-
Fees and service income						
Acceptances, aval and guarantees	753,401	638,025	115,376	753,401	638,025	115,376
Others	9,852,512	8,245,387	1,607,125	9,445,259	7,189,370	2,255,889
Gain on exchanges	1,782,747	2,003,424	(220,677)	1,785,510	2,003,638	(218,128)
Net premium written	14,816,727	-	14,816,727	-	-	-
Other income	756,265	274,760	481,505	669,214	243,275	425,939
Total non-interest income	28,567,527	11,630,242	16,937,285	13,099,766	10,534,123	2,565,643
Non-interest expenses						
Personnel expenses	7,991,076	6,707,184	1,283,892	6,122,470	5,504,047	618,423
Premises and equipment expenses	5,013,846	3,928,431	1,085,415	4,958,077	4,197,719	760,358
Taxes and duties	1,152,080	1,079,300	72,780	1,075,411	1,053,232	22,179
Fees and service expenses	2,659,086	2,112,987	546,099	2,691,910	2,086,037	605,873
Directors' remuneration	72,971	55,280	17,691	61,379	55,280	6,099
Contributions to Deposit Protection Agency	1,988,624	1,746,367	242,257	1,988,624	1,746,367	242,257
Underwriting expenses	12,851,048	-	12,851,048	-	-	-
Other expenses	3,599,266	2,303,634	1,295,632	3,531,575	2,533,118	998,457
Total non-interest expenses	35,327,997	17,933,183	17,394,814	20,429,446	17,175,800	3,253,646
Income before income tax	14,377,532	10,295,395	4,082,137	12,076,206	10,071,795	2,004,411
Income tax expense	4,487,631	2,791,098	1,696,533	3,512,304	2,563,122	949,182
Net income	9,889,901	7,504,297	2,385,604	8,563,902	7,508,673	1,055,229
Net income attributable to:						
Equity holders of the Bank	9,127,330	7,504,296	1,623,034	8,563,902	7,508,673	1,055,229
Minority interest	762,571	1	762,570	-	-	-
Net income	9,889,901	7,504,297	2,385,604	8,563,902	7,508,673	1,055,229
Basic earnings per share (Baht)	3.81	3.14	0.67	3.58	3.14	0.44
Weighted average number of ordinary shares ('000)	2,393,260	2,393,260	-	2,393,260	2,393,260	-



Summary of the Bank and subsidiaries' operating performance

	Million Baht				
	Q2/10	Q1/10	Q2/09	Six-month 2010	Six-month 2009
Net income (equity holders of the Bank)	4,763	4,364	3,705	9,127	7,504
Basic earnings per share (Baht)	1.99	1.82	1.55	3.81	3.14
Net income from interest and dividends	12,700	11,864	10,750	24,565	21,505
Non-interest income	15,000	13,568	5,959	28,568	11,630

	Million Baht		
	30 Jun 10	31 Mar 10	31 Dec 09
Loans	978,566	962,646	943,378
Total assets	1,455,703	1,422,290	1,358,532
Deposits	1,028,527	1,007,936	975,492
Total liabilities	1,317,487	1,284,712	1,226,576
Non-performing loans, net (%)	1.62%	1.77%	1.91%
Non-performing loans, gross (%)	3.19%	3.51%	3.76%
Capital adequacy ratio (%)	15.03%	15.03%	15.19%

Financial Ratios	Consolidated			Consolidated without Consolidation of MTGH		
	Q2/10	Q1/10	Q2/09	Q2/10	Q1/10	Q2/09
Net interest margin	3.78%	3.66%	3.82%	3.69%	3.63%	3.82%
Return on average assets	1.32%	1.26%	1.23%	1.32%	1.31%	1.23%
Return on average equity	14.86%	13.90%	12.65%	14.05%	13.80%	12.65%
Non-interest income to average assets	4.17%	3.90%	1.98%	2.20%	2.13%	1.98%
Non-interest income ratio	54.15%	53.35%	35.66%	38.85%	38.56%	35.66%
Efficiency ratio	66.27%	66.73%	55.86%	57.21%	56.83%	55.86%

	Six-month 2010	Six-month 2009	Six-month 2010	Six-month 2009
Net interest margin	3.75%	3.71%	3.68%	3.71%
Return on average assets	1.30%	1.20%	1.32%	1.20%
Return on average equity	14.53%	13.03%	14.07%	13.03%
Non-interest income to average assets	4.06%	1.87%	2.18%	1.87%
Non-interest income ratio	53.77%	35.09%	38.71%	35.09%
Efficiency ratio	66.49%	54.11%	57.03%	54.11%

Note - Consolidated means KASIKORNBANK PUBLIC COMPANY LIMITED, K Companies, P Companies, companies in MTGH Group and other subsidiaries
- Financial ratios are calculated on an annualized basis



For the second quarter ended 30 June 2010, the Bank's consolidated net income totaled Baht 4,763 Million, increased by Baht 399 Million or 9.15%, compared with the previous quarter. When compared to the second quarter of 2009, the Bank's consolidated net income increased by Baht 1,058 Million or 28.58%. For the six-month period of 2010, the Bank's consolidated net income totaled Baht 9,127 Million, increased by Baht 1,623 Million or 21.63%, compared with the same period of 2009.

Compared with the previous quarter, non-interest income increased by Baht 1,432 Million or 10.55%. This increase was due mainly to net premium written income and fees and service income which continued to grow. Meanwhile, non-interest expenses increased by Baht 1,384 Million or 8.15% due mainly to underwriting expenses from life insurance business. The efficiency ratio of this quarter showed at 66.27%, improved from the preceding quarter which performed at 66.73%. Without consolidation of MTGH, the efficiency ratio of this quarter was at 57.21%, as compared to 56.83% of the previous quarter. The increase in non-interest expenses was mainly due to advertising and marketing expenses as a result of increase in business volume as well as the expenditures relating to the Bank's strategic projects.

Net income from interest and dividends increased by Baht 836 Million or 7.05% from the previous quarter. Meanwhile, the Net Interest Margin (NIM) for this quarter of 2010 was 3.78%, which increased from that of 3.66% of the previous quarter.

As of 30 June 2010, the Bank's consolidated assets totaled Baht 1,455,703 Million, increased by Baht 33,413 Million or 2.35% compared to 31 March 2010. Total loans amounted to Baht 978,566 Million, increased by Baht 15,920 Million or 1.65% compared to 31 March 2010. Compared to 31 December 2009, the Bank's consolidated assets increased by Baht 97,171 Million or 7.15%. Total loans increased by Baht 35,188 Million or 3.73%.

The Capital Adequacy Ratios as of 30 June 2010 and 31 March 2010 were 15.03%. The NPL gross as of 30 June 2010 was 3.19%, which was lower than that of 3.51% as of 31 March 2010.

As a result of additional investment in Muang Thai Life Assurance Company Limited ("MTL") via investment in shares of Muangthai Group Holding Company Limited ("MTGH") on 30 November 2009, the financial statements for the second quarter and the six-month period of 2009 for comparison did not reflect financial position and operating performance of those companies.



Analysis of operating performance of Q2/10

>> Consolidated statements of income

	Million Baht					
	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Interest and dividend income	15,438	14,581	857	30,020	29,332	688
Interest expense	2,738	2,717	21	5,455	7,827	(2,372)
Net income from interest and dividends	12,700	11,864	836	24,565	21,505	3,060
Bad debt and doubtful accounts	825	105	720	931	2,979	(2,048)
Loss on debt restructuring	903	1,593	(690)	2,496	1,928	568
Net income from interest and dividends after bad debt and doubtful accounts and loss on debt restructuring	10,972	10,166	806	21,138	16,598	4,540
Non-interest income	15,000	13,568	1,432	28,568	11,630	16,938
Non-interest expenses	18,356	16,972	1,384	35,328	17,933	17,395
Income before income tax	7,616	6,762	854	14,378	10,295	4,083
Income tax expenses	2,387	2,101	286	4,488	2,791	1,697
Net income	5,229	4,661	568	9,890	7,504	2,386
Net income attributable to:						
Equity holders of the Bank	4,763	4,364	399	9,127	7,504	1,623
Minority interest	466	297	169	763	-	763
Net income	5,229	4,661	568	9,890	7,504	2,386

In the second quarter of 2010, the Bank and subsidiaries recorded net income amounting to Baht 4,763 Million, increased from the preceding quarter by Baht 399 Million or 9.15%. The items having significant changes are as follows:

□ **Interest and dividend income**, increased by Baht 857 Million or 5.88% over the preceding quarter.

	Million Baht					
	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Loans	12,207	11,714	493	23,922	25,105	(1,183)
Interbank and money market items	546	388	158	934	865	69
Finance leases	704	690	14	1,394	1,182	212
Investments	1,981	1,789	192	3,770	2,180	1,590
Total	15,438	14,581	857	30,020	29,332	688

- **Interest income from loans**, increased from the previous quarter by Baht 493 Million or 4.21%, as a result of the increase in average loan balance during the period.
- **Interest income from interbank and money items**, increased from the previous quarter by Baht 158 Million or 40.72%, as a result of higher average volume of bilateral repo during the period.



- **Interest expense**, increased from the preceding quarter by Baht 21 Million or 0.77%.

Million Baht						
	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Deposits	1,646	1,683	(37)	3,330	5,561	(2,231)
Interbank and money market items	374	343	31	716	176	540
Short-term borrowings	228	184	44	412	943	(531)
Long-term borrowings	490	507	(17)	997	1,147	(150)
Total	2,738	2,717	21	5,455	7,827	(2,372)

- **Bad debt and doubtful accounts and loss on debt restructuring**

Bad debt and doubtful accounts and loss on debt restructuring totaled Baht 1,728 Million, increased over the preceding quarter by Baht 30 Million or 1.77% as a result of economic recovery.

Million Baht						
	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Bad debt and doubtful accounts						
The Bank						
>> change in this quarter	1,687	1,665	22	3,353	4,845	(1,492)
>> compensate for loss on debt restructuring	(903)	(1,593)	690	(2,496)	(1,928)	(568)
Subsidiaries						
>> Increase in this quarter	41	33	8	74	62	12
Total bad debt and doubtful accounts	825	105	720	931	2,979	(2,048)
Loss on debt restructuring	903	1,593	(690)	2,496	1,928	568
Total	1,728	1,698	30	3,427	4,907	(1,480)

- **Non-interest income**, increased from the preceding quarter by Baht 1,432 Million or 10.55%. The increase was due mainly to net premium written from MTL, and continuous growing in fees and service income.

Million Baht						
	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Gain on investments	381	221	160	602	463	139
Share of profit from investments on equity method	2	2	-	4	6	(2)
Fees and service income	5,347	5,259	88	10,606	8,883	1,723
Gain on exchanges	928	855	73	1,783	2,003	(220)
Net premium written	7,887	6,929	958	14,817	-	14,817
Other income	455	302	153	756	275	481
Total	15,000	13,568	1,432	28,568	11,630	16,938

- **Non-interest expenses**, increased from the preceding quarter by Baht 1,384 Million or 8.15%. The increase was due mainly to underwriting expenses from MTL, and higher advertising and marketing expenses.

Million Baht

	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
Personnel expenses	4,037	3,954	83	7,991	6,707	1,284
Premises and equipment expenses	2,496	2,517	(21)	5,014	3,929	1,085
Taxes and duties	570	583	(13)	1,152	1,079	73
Fee and service expenses	1,264	1,395	(131)	2,659	2,113	546
Directors' remuneration	58	16	42	73	55	18
Contributions to Deposit Protection Agency	1,010	978	32	1,989	1,746	243
Underwriting expenses	6,836	6,015	821	12,851	-	12,851
Other expenses	2,085	1,514	571	3,599	2,304	1,295
Total	18,356	16,972	1,384	35,328	17,933	17,395

- **Net Operation performance of the Bank's subsidiaries (Unaudited)** – reflected in the consolidated financial statements in accordance with the holding % held by the Bank

Million Baht

Net income	Q2/10	Q1/10	Change	Six-month 2010	Six-month 2009	Change
K Companies*	356	317	39	673	437	236
Companies in MTGH Group*	829**	552**	277	1,380**	-	1,380
Other subsidiaries *	62	37	25	98	151	(53)
Total	1,247	906	341	2,151	588	1,563

* % holding - The Bank hold 100% of shares in K Companies and other subsidiaries

- The Bank hold directly and indirectly % of shares in companies in MTGH Group as follows :

- Muangthai Group Holding Company Limited	51.00%
- Muang Thai Life Assurance Company Limited	38.25%
- Muangthai Broker Company Limited	49.98%

** Excluding inter transactions among the Group



Analysis of financial position of Q2/2010

>> Assets

	30 Jun 10	31 Mar 10	Change	31 Dec 09	Change
Total Assets	1,455,703	1,422,290	33,413	1,358,532	97,171
▪ Interbank and money market items-net	146,885	91,637	55,248	63,384	83,501
▪ Investments-net	234,024	272,101	(38,077)	254,984	(20,960)
- Debt instruments	222,932	260,718	(37,786)	243,625	(20,693)
- Equity securities	11,092	11,383	(291)	11,359	(267)
▪ Loans and accrued interest receivables-net	943,421	928,558	14,863	910,384	33,037

The items of **Assets** having significant changes are as follows:

- ❑ **Interbank and money market items-net (assets)**, increased by Baht 55,248 Million or 60.29% as a result of the Bank liquidity management.
- ❑ **Investments-net**, decreased by Baht 38,077 Million or 13.99% as a result of lower investments in government bonds.
- ❑ **Loans and accrued interest receivables-net**

	30 Jun 10	31 Mar 10	Change	31 Dec 09	Change
Loans	978,566	962,646	15,920	943,378	35,188
• Restructured loans	77,653	77,412	241	77,188	465
- Performing Restructured loans	59,950	58,728	1,222	58,913	1,037
- Non-performing Restructured loans	17,703	18,684	(981)	18,275	(572)
• Non-restructured loans	900,913	885,234	15,679	866,190	34,723
Accrued interest receivables	1,200	1,175	25	1,051	149
Total Loans and accrued interest receivables	979,766	963,821	15,945	944,429	35,337
Less Allowance for doubtful accounts	(31,119)	(30,289)	(830)	(29,527)	(1,592)
Revaluation allowance for debt restructuring	(5,226)	(4,974)	(252)	(4,518)	(708)
Total Loans and accrued interest receivables-net	943,421	928,558	14,863	910,384	33,037

- **Loans**, increased by Baht 15,920 Million, or 1.65%, due mainly to the increases in housing loans and commercial loans.



● Classified Loans

Million Baht

	30 Jun 10				31 Mar 10			
	Loans and accrued interest receivables	Outstanding debt after deduction of collateral value/ NPV of cash flow from debtors or sale of collateral	% used for calculation the provisions	Total provision	Loans and accrued interest receivables	Outstanding debt after deduction of collateral value/ NPV of cash flow from debtors or sale of collateral	% used for calculation the provisions	Total provision
Pass	918,078	312,391	1	3,124	900,102	300,987	1	3,010
Special mention	19,235	4,315	2	86	19,974	5,345	2	107
Sub-standard	4,673	1,693	100	1,693	6,777	1,929	100	1,929
Doubtful	7,407	2,562	100	2,562	8,152	2,919	100	2,919
Doubtful of Loss	23,004	13,234	100	13,234	21,768	12,413	100	12,413
Total	972,397	334,195		20,699	956,773	323,593		20,378
Revaluation allowance for debt restructuring				5,226				4,974
Total				25,925				25,352
Allowance established in excess of BOT regulations for NPL and Normal loans				10,298				9,770
Credit balance transaction	2,078			-	1,857			-
Loans from life insurance business	5,291			122	5,191			141
Total	979,766			36,345	963,821			35,263

	31 Dec 09			
	Loans and accrued interest receivables	Outstanding debt after deduction of collateral value/ NPV of cash flow from debtors or sale of collateral	% used for calculation the provisions	Total provision
Pass	879,546	282,937	1	2,829
Special mention	20,194	3,956	2	79
Sub-standard	9,240	3,065	100	3,061
Doubtful	7,805	3,020	100	3,020
Doubtful of Loss	20,281	11,261	100	11,261
Total	937,066	304,239		20,250
Revaluation allowance for debt restructuring				4,506
Total				24,756
Allowance established in excess of BOT regulations for NPL and Normal loans				9,141
Credit balance transaction	2,676			-
Loans from life insurance business	4,687			148
Total	944,429			34,045

>> Liabilities and Equity

	Million Baht				
	30 Jun 10	31 Mar 10	Change	31 Dec 09	Change
Total Liabilities	1,317,487	1,284,712	32,775	1,226,576	90,911
▪ Deposits	1,028,527	1,007,936	20,591	975,492	53,035
▪ Life policy reserve	68,333	63,875	4,458	59,914	8,419
Equity (equity holders of the Bank)	128,269	128,172	97	123,066	5,203

The items of **Liabilities** and **Equity** having significant changes are as follows:

- **Deposits**, increased by Baht 20,591 Million or 2.04%, due mainly to increases in saving and time deposits for campaigns to provide greater alternative for the customers.
- **Life policy reserve**, increased by Baht 4,458 Million or 6.98%, due mainly to MTL's transactions from life insurance business.
- **Equity (equity holders of the Bank)**, increased by Baht 97 Million or 0.08% as a result of net income generated during the second quarter of 2010 amounting to Baht 4,763 Million, meanwhile dividend payment for 2009 net income amounting to Baht 4,786 Million, was paid in April 2010.

>> Capital Funds

	Million Baht				
	30 Jun 10	31 Mar 10	Change	31 Dec 09	Change
Tier 1 Capital	105,020	102,961	2,059	102,961	2,059
Tier 2 Capital	50,962	50,318	644	49,530	1,432
Total Capital Base	155,982	153,279	2,703	152,491	3,491
Risk weighted assets	1,037,529	1,020,080	17,449	1,004,092	33,437
Tier 1 Capital ratio	10.12%	10.09%	0.03	10.25%	(0.13)
Capital adequacy ratio	15.03%	15.03%	-	15.19%	(0.16)



Additional Information

Investment, Loans and allowance for doubtful accounts, Properties foreclosed and Deposits

	Consolidated (Million Baht)				
	30 Jun 10	31 Mar 10	31 Dec 09	30 Sep 09	30 Jun 09
Investments					
Debt Instruments	222,932	260,718	243,625	176,527	160,443
▪ Government and state enterprise securities					
>> Trading investments	5,742	8,569	8,094	3,765	1,707
>> Available-for-sale investments	143,422	182,180	164,765	155,674	140,099
>> Held-to-maturity investments	46,859	44,802	43,205	4,246	4,684
▪ Private enterprise debt instruments					
>> Trading investments	338	495	14	72	418
>> Available-for-sale investments	1,185	1,189	1,707	1,357	1,361
>> Held-to-maturity investments	16,801	15,587	12,976	-	-
▪ Foreign debt instruments					
>> Available-for-sale investments	6,457	6,442	11,258	11,309	12,069
>> Held-to-maturity investments	2,128	1,454	1,606	104	105
Equity Securities	11,092	11,383	11,359	3,362	3,314
>> Trading investments	310	314	313	285	288
>> Available-for-sale investments	8,700	8,868	8,816	909	796
>> General investments	1,937	2,067	2,083	2,025	2,085
>> Investment in subsidiaries & associated companies	145	134	147	143	145
Total investments-net	234,024	272,101	254,984	179,889	163,757
Loans, Accrued interest receivables and Allowance for doubtful accounts					
Non- performing loans net (NPL net)	17,410	18,078	18,473	17,404	17,535
Total loans used for NPL net ratio calculation (Loans net)	1,077,712	1,022,623	968,524	958,358	919,962
NPL net to total loans (% NPL net)	1.62	1.77	1.91	1.82	1.91
Non-performing loan gross (NPL gross)	34,910	36,521	37,152	36,180	35,057
Total loans used for NPL gross ratio calculation (Loans gross)	1,095,212	1,041,067	987,203	977,134	937,483
NPL gross to total loans (% NPL gross)	3.19	3.51	3.76	3.70	3.74
Written off loans	861	546	1,540	1,042	1,313
Restructured loans	77,653	77,412	77,188	78,801	77,566
Classified loans					
>> Pass	918,078	900,102	879,546	827,693	825,851
>> Special mention	19,235	19,974	20,194	18,418	20,483
>> Sub-standard	4,673	6,777	9,240	8,463	7,805
>> Doubtful	7,407	8,152	7,805	8,125	6,759
>> Doubtful of Loss	23,004	21,768	20,281	19,769	20,673
Total	972,397	956,773	937,066	882,468	881,571
Credit balance transaction	2,078	1,857	2,676	1,704	1,282
Loans from life insurance business	5,291	5,191	4,687	-	-
Total	979,766	963,821	944,429	884,172	882,853
Allowance for doubtful accounts	36,345	35,263	34,045	33,077	31,848
Allowance as required by BOT	25,925	25,352	24,756	24,458	23,190
Allowance to allowance as required by BOT (%)	140.19	139.09	137.52	135.24	137.34
Properties foreclosed-net					
Properties foreclosed	15,582	15,491	16,654	15,895	16,104
Less Allowance for impairment	(1,479)	(1,444)	(1,695)	(1,580)	(1,577)
Properties foreclosed-net	14,103	14,047	14,959	14,315	14,527
Deposits					
>> Current	55,024	53,693	54,743	48,017	54,809
>> Saving	607,706	591,785	537,742	508,397	500,021
>> Fixed 3 – 5 months	185,406	196,981	166,793	177,066	224,758
>> Fixed 6 – 11 months	30,354	44,453	96,881	95,123	40,665
>> Fixed 12 months and upward	150,037	121,024	119,333	109,587	88,772
Total deposits	1,028,527	1,007,936	975,492	938,190	909,025



Additional Information

Capital Funds

	% ⁽¹⁾					% ⁽²⁾				
	30 Jun 10	31 Mar 10	31 Dec 09	30 Sep 09	30 Jun 09	30 Jun 10	31 Mar 10	31 Dec 09	30 Sep 09	30 Jun 09
Capital adequacy ratio										
Tier 1 Capital ratio	10.12	10.09	10.25	10.90	10.39	10.96	11.16	10.94	11.24	11.08
Tier 2 Capital ratio	4.91	4.94	4.94	5.42	5.52	4.91	4.93	4.93	5.40	5.52
Capital adequacy ratio	15.03	15.03	15.19	16.32	15.91	15.87	16.09	15.87	16.64	16.60

- (1) Excluding net profit of each period, which under Bank of Thailand's regulations, net profit in the first period is to be counted as capital after approval by the Board of Directors as per the Bank's regulations. Net profit in the second period is also counted as capital after approval of the General Meeting of Shareholders. However, whenever a net loss occurs, the capital must be immediately reduced accordingly.
- (2) Including net profit of each period and other transactions be counted as the capital funds.



Additional Information

Financial Highlights – Consolidated financial statements

As of or for the quarter ended	30 Jun 10	31 Mar 10	%Change	31 Dec 09	30 Sep 09	30 Jun 09
Common share information:						
Per share (Baht)						
- basic earnings	1.99	1.82	9.34	1.53	1.55	1.55
- book value	53.60	53.56	0.07	51.42	49.83	48.73
Share price ¹⁾ (Baht)						
- high	103.00	100.50	2.49	91.00	83.00	74.75
- low	82.25	77.25	6.47	76.25	61.25	44.50
- closing	90.75	96.50	(5.96)	85.00	82.50	66.25
Common shares						
outstanding						
- average basic (thousand shares)	2,393,260	2,393,260	-	2,393,260	2,393,260	2,393,260
- end of quarter (thousand shares)	2,393,260	2,393,260	-	2,393,260	2,393,260	2,393,260
Market capitalization (Million Baht)	217,188	230,950	(5.96)	203,427	197,444	158,553
Value measures:						
Price to book value ratio (PBV)	1.69	1.80	(6.11)	1.65	1.66	1.36
Balance sheet information (Million Baht)						
Loans	978,566	962,646	1.65	943,378	883,049	881,648
Allowance for doubtful accounts and revaluation allowance for debt restructuring	36,345	35,263	3.07	34,045	33,077	31,848
Non-performing loans net (NPL net)	17,410	18,078	(3.70)	18,473	17,404	17,535
Non-performing loans gross (NPL gross)	34,910	36,521	(4.41)	37,152	36,180	35,057
Total assets	1,455,703	1,422,290	2.35	1,358,532	1,242,008	1,187,843
Deposits	1,028,527	1,007,936	2.04	975,492	938,190	909,025
Total liabilities	1,317,487	1,284,712	2.55	1,226,576	1,122,740	1,071,219
Equity (equity holders of the Bank)	128,269	128,172	0.08	123,066	119,268	116,624
Average assets	1,438,997	1,390,411	3.49	1,300,270	1,214,926	1,203,134
Average earning assets ²⁾	1,344,117	1,295,178	3.78	1,214,559	1,140,202	1,127,661
Average equity (equity holders of the Bank)	128,221	125,619	2.07	121,167	117,946	117,120
Balance sheet quality measures:						
Loans to deposits ratio	95.14%	95.51%	(0.37)	96.71%	94.12%	96.99%
NPL net to loans ³⁾	1.62%	1.77%	(0.15)	1.91%	1.82%	1.91%
NPL gross to loans ⁴⁾	3.19%	3.51%	(0.32)	3.76%	3.70%	3.74%
Total allowance to loans	3.71%	3.66%	0.05	3.61%	3.75%	3.61%
Total allowance to NPL gross	104.11%	96.56%	7.55	91.64%	91.42%	90.85%
NPL gross after allowance (Million Baht)	(1,435)	1,258	(214.07)	3,107	3,103	3,209
Operating results (Million Baht)						
Interest and dividend income	15,438	14,581	5.88	13,854	13,211	13,822
Interest expense	2,738	2,717	0.77	2,678	2,517	3,072
Net income from interest and dividends	12,700	11,864	7.05	11,176	10,694	10,750
Bad debt and doubtful accounts and loss on debt restructuring	1,728	1,698	1.77	2,278	2,218	2,547
Non-interest income	15,000	13,568	10.55	9,023	6,634	5,959
Non-interest expenses	18,356	16,972	8.15	12,707	9,508	9,334
Total income ⁵⁾	27,700	25,432	8.92	20,199	17,328	16,709
Net income (equity holders of the Bank)	4,763	4,364	9.15	3,668	3,720	3,705



Financial Highlights – Consolidated financial statements (continued)

As of or for the quarter ended	Consolidated ⁶⁾					Consolidated without consolidation of MTGH				
	30 Jun 10	31 Mar 10	31 Dec 09	30 Sep 09	30 Jun 09	30 Jun 10	31 Mar 10	31 Dec 09	30 Sep 09	30 Jun 09
Operating measure:										
Net interest margin (NIM) ⁷⁾	3.78%	3.66%	3.68%	3.75%	3.82%	3.69%	3.63%	3.68%	3.75%	3.82%
Return on average assets (ROAA) ⁷⁾	1.32%	1.26%	1.13%	1.22%	1.23%	1.32%	1.31%	1.13%	1.22%	1.23%
Return on average equity (ROAE) ⁷⁾	14.86%	13.90%	12.11%	12.62%	12.65%	14.05%	13.80%	11.82%	12.62%	12.65%
Non-interest income to average assets ⁷⁾	4.17%	3.90%	2.78%	2.18%	1.98%	2.20%	2.13%	2.14%	2.18%	1.98%
Non-interest income ratio	54.15%	53.35%	44.67%	38.28%	35.66%	38.85%	38.56%	38.31%	38.28%	35.66%
Efficiency ratio	66.27%	66.73%	62.91%	54.88%	55.86%	57.21%	56.83%	58.73%	54.88%	55.86%

¹⁾ local board / high-low share prices during the quarter

²⁾ Earning assets = Interbank and money market items-net + Investments-net + Loans + Accrued interest receivables

³⁾ Loans used in calculation are loans to general customers and loans to financial institutions after allowance for doubtful account of non-performing loan

⁴⁾ Loans used in calculation are loans to general customers and loans to financial institutions

⁵⁾ Total income = Net income from interest and dividends + Non-interest income

⁶⁾ Consolidated means KASIKORNBANK PUBLIC COMPANY LIMITED, K Companies, P Companies, companies in MTGH Group and other subsidiaries

⁷⁾ Financial ratios are calculated on an annualized basis



Preparing of Consolidated financial statements

The consolidated financial statements comprise the Bank and subsidiaries, are as follows:

% Shareholding (Directly and Indirectly)	30 Jun 10 / 31 Mar 10 / 31 Dec 09
K Companies	
>> KASIKORN ASSET MANAGEMENT CO., LTD.	100.00
>> KASIKORN RESEARCH CENTER CO., LTD.	100.00
>> KASIKORN SECURITIES PCL	99.99
>> KASIKORN LEASING CO., LTD.	100.00
>> KASIKORN FACTORY & EQUIPMENT CO., LTD.	100.00
Phethai Asset Management Co., Ltd.	100.00
KHAO KLA Venture Capital Management Co., Ltd.	100.00
K-SME Venture Capital Co., Ltd.	100.00
Progress Software Co., Ltd.	100.00
Progress Plus Co., Ltd.	100.00
Progress Appraisal Co., Ltd.	100.00
Progress Gunpai Co., Ltd.	100.00
Progress Management Co., Ltd.	100.00
Progress Facilities Management Co., Ltd.	100.00
Progress Service Co., Ltd.	100.00
Progress Land and Buildings Co., Ltd.	100.00
Progress Storage Co., Ltd.	100.00
Progress HR Co., Ltd.	100.00
Progress Service Support Co., Ltd.	100.00
Progress Collection Co., Ltd.	100.00
Progress Training Co., Ltd.	100.00
Thanyathanathavee Co., Ltd.	100.00
Thanyathamrongkij Co., Ltd.	100.00
Thanyanithiwattana Co., Ltd.	100.00
Ruang Khao Puean Thai joint investment agreement	100.00
Muangthai Group Holding Co., Ltd.	51.00
Muang Thai Life Assurance Co., Ltd.	38.25
Muangthai Broker Co., Ltd.	49.98