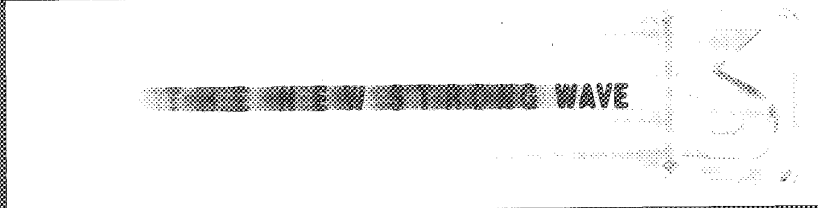


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ANNUAL
REPORT
1996

NAKORNTHON BANK
PUBLIC COMPANY LIMITED

70:P

To strengthen the new progressive undertaking of
developing and expanding the potential
to provide the ultimate service satisfaction.

29,096.9	36,841.0	44,728.7	56,866.4	Assets	64,471.0
23.%	27.%	21.%	27.%	% increase	13.%
22,661.1	25,861.0	29,815.7	40,317.5	Deposits	47,056.2
15.%	14.%	15.%	35.%	% increase	17.%
24,779.7	30,982.9	37,147.5	46,818.0	Loans (Net of provision for possible loan losses)	54,432.4
31.%	25.%	20.%	26.%	% increase	16.%
1,835.0	2,124.3	2,990.6	3,772.6	Shareholders' Equity	4,824.1
51.%	16.%	41.%	26.%	% increase	28.%
9,620,000.	96,200,000.*	109,129,603.*	120,419,244.*	No. of share (Common Share)	133,932,534.*
43.	50.	55.	62	No. of branches (Branch)	63.
1,332.	1,493.	1,615.	1,849	No. of Staff (Person)	2,028.

1 9 9 6 Unit : Million Baht

3,027.0	3,671.0	4,172.2	5,998.2	Total operating income	7,099.9
-1.%	21.%	14.%	44.%	% increase	18.%
2,651.2	3,214.2	3,486.8	5,162.0	Total expenses	6,143.6
-7.%	21.%	8.%	48.%	% increase	19.%
264.7	328.5	491.6	610.8	Net profit	701.6
67.%	24.%	50.%	24.%	% increase	15.%
36.92	3.41*	4.57*	5.45*	Net Profit per share (Baht)	5.6.
22.00	2.20*	2.75*	3.35*	Dividend per share (Baht)	3.3.

*Change in par value of share from Baht 100 per share to Baht 10 per share.

→ FIVE YEAR FINANCIAL STATISTICS

CONTENT

Board of Directors	4
Executive Committee	6
Executive Officers	7
Board of Directors' Report	10
The Thai Economy in 1996 and Forecast for 1997	20
Organization Chart	26
Auditor's Report and Financial Statements	30
Auditor's Report and Financial Statements (Part 2)	38
Notes to the Financial Statements	43
Others Information	53
Bank Branches	57

As at December 31

Assets

% increase

Deposits

% increase

Loans (*Net of provision for possible loan loss*)

% increase

Shareholders' Equity

% increase

No. of share (*Common Share*)

No. of branches (*Branch*)

No. of Staff (*Person*)

For the year ended December 31

Total operating income

% increase

Total expenses

% increase

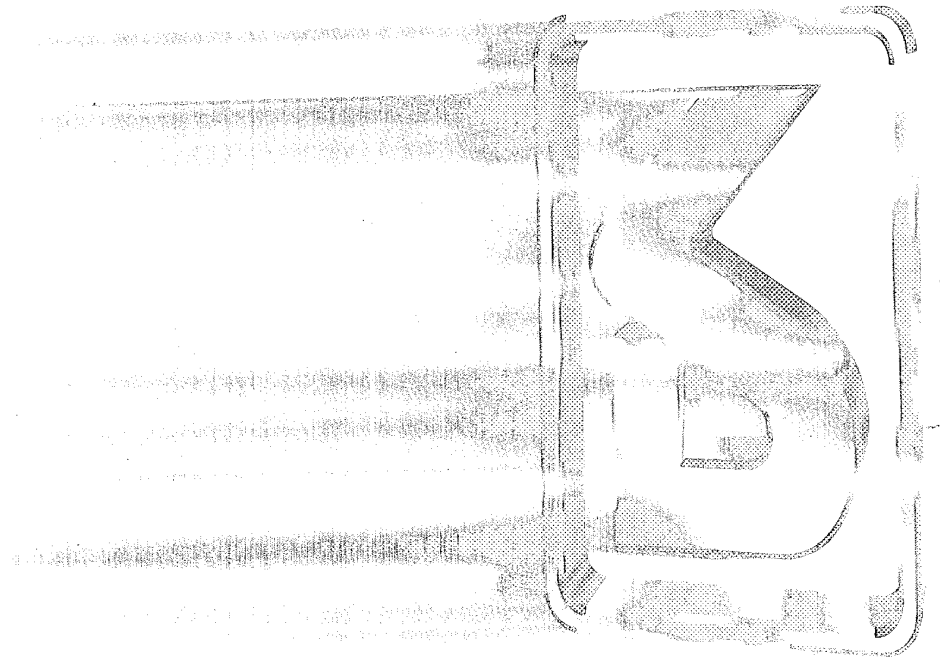
Net profit

% increase

Net Profit per share (*Baht*)

Dividend per share (*Baht*)

THE NEW STRONG WAVE



To strengthen the new progressive undertaking of
developing and expanding the potential
to provide the ultimate service satisfaction.

Because our mission is to provide ultimate customer satisfaction,
Nakornthon Bank Public Company Limited continuously strives for service excellence
by improving the internal and external services
through the implementation of fully-integrated work systems
so as to attain the highest global standard of banking services.



PRIVATE BANKING



NEW STRONG WAVE

A new client-oriented service sets high benchmark
for all inclusive banking convenience.

The very best in client relationship management intensifies customer satisfaction.

Commitment to professionalism characterizes every contact
inside the new Sathorn Nakorn Building,

while comprehensive leading edge services supported
by top personnel and technology complement the warm and exceptional welcome.

BOARD OF DIRECTORS



FROM LEFT TO RIGHT

1. MR. SUNTHORN HONGLADAROM
2. MR. SUPHOT WANGLEE
3. MR. SUCHIN WANGLEE
4. MR. PRASIT CHOLVANICH

5. MR. PANYA SAWASDICHEVIN
6. MR. THAMNOON WANGLEE
(Not present in the picture)
7. PROF.DR. ATHASIT VEJAJIVA
(Not present in the picture)

BOARD OF DIRECTORS



FROM LEFT TO RIGHT

1. MR. KITTI PATPONGPIBUL
2. MR. POOMCHAI LAMSAM
3. MR. VORAWEE WANGLEE
4. MR. ISARA VONGKUSOLKIT
5. MR. THAMNU WANGLEE

6. KHUNYING CHANUT PIYAOU
(Not present in the picture)
7. MR. SANTI BHIROM-BHAKDI
(Not present in the picture)

EXECUTIVE COMMITTEE



FROM LEFT TO RIGHT

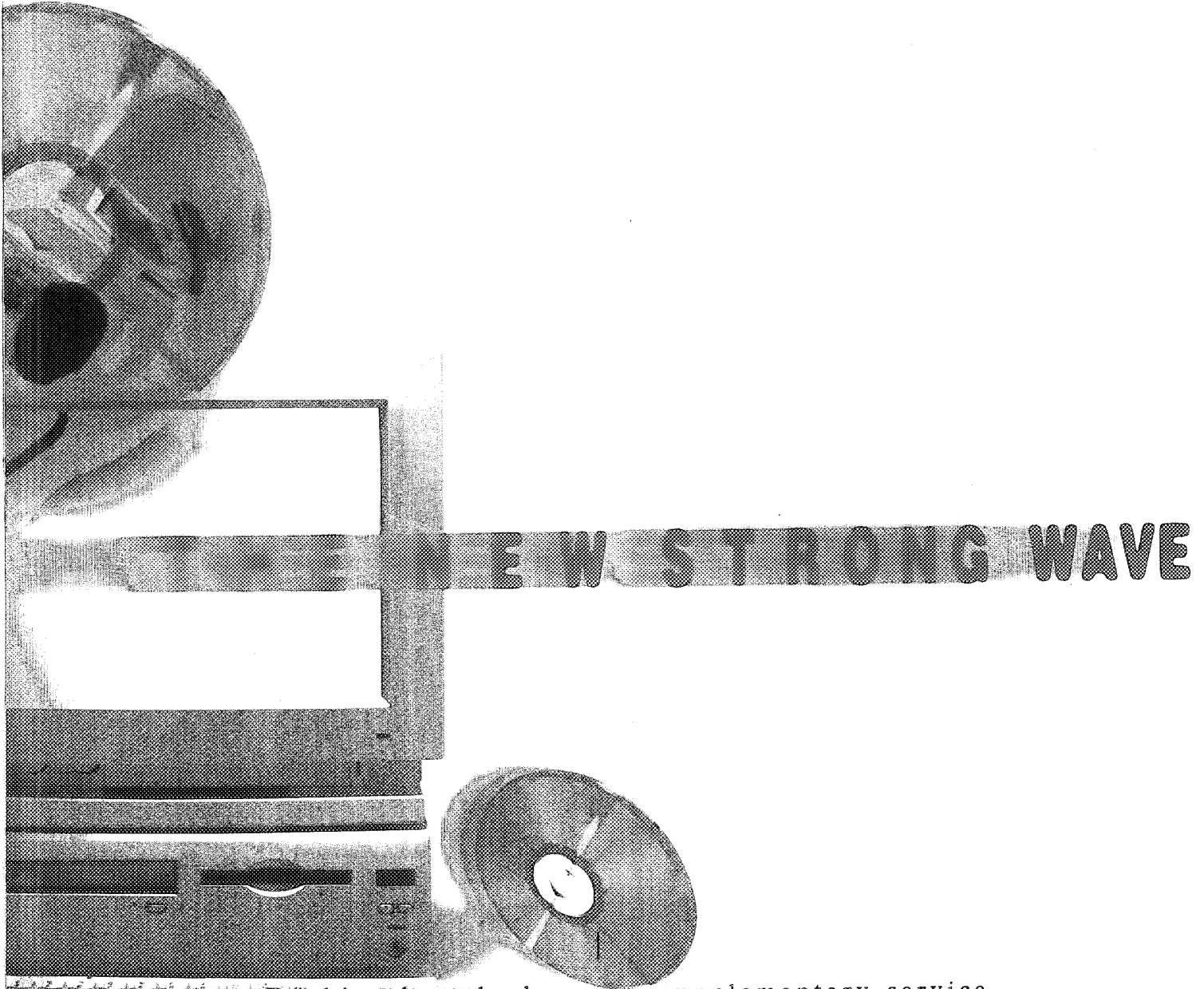
1. MR. KITTI PATPONGPIBUL
Managing Director
2. MR. THAMNU WANGLEE
President
3. MR. VALLOBH SETASUVARNA
Senior Vice President, Development Group
4. MRS. INDHIRA WATTANAKASAEM
Executive Vice President, Policy Group, Human Resources Group
5. MR. VORAWEE WANGLEE
Chief Executive Officer
6. MR. THAVISAKDI KURUCHITTHAM
Executive Vice President, Management Group
7. MR. DAMRONG RIDHISILPA
Senior Executive Vice President, Accounting Group, Foreign Group, Support Group (Not present in the picture)
8. MR. PRASARN KATANYUTANON
Executive Vice President, Corporate Banking Group, Investment Banking Group (Not present in the picture)
9. MR. OON OONSIRI
Adviser (Not present in the picture)

EXECUTIVE OFFICERS

Mr. Damrong	Ridhisilpa	<i>Senior Executive Vice President, Accounting Group, Foreign Group, Support Group</i>
Mr. Thavisakdi	Kuruchittham	<i>Executive Vice President, Management Group</i>
Mr. Prasarn	Katanyutanon	<i>Executive Vice President, Corporate Banking Group, Investment Banking Group</i>
Mrs. Indhira	Wattanakasaem	<i>Executive Vice President, Policy Group, Human Resources Group</i>
Mr. Vallobh	Setasuvanna	<i>Senior Vice President, Credit Administrative Support Group</i>
Mr. Manusan	Sirasudhi	<i>Senior Vice President, Audit Group</i>
Mrs. Anchalee	Siriwadhana	<i>Senior Vice President, Accounting Group</i>
Mr. Pongsak	Banpotjitt	<i>Senior Vice President, Foreign Group, Support Group</i>
Dr. Kalayanee	Koonmee	<i>Vice President, Human Resources Group</i>
Mrs. Vuntanee	Loyprasert	<i>Vice President, Bangkok Branch Banking Department 1</i>
Mrs. Srichan	Changwatchai	<i>Vice President, Technology Group</i>
Miss Oraphan	Phadhanaanake	<i>Vice President, Corporate Banking Department 1</i>
Mrs. Duangjai	Sobsatrasorn	<i>Vice President, Loans & Securities Department</i>
Mr. Ekapol	Chutsestee	<i>Vice President, General Services Department</i>
Mr. Seri	Sukhabut	<i>Vice President, Electronic Banking Department</i>
Mrs. Soavalux	Anotharrom	<i>Vice President, Corporate Banking Department 2</i>
Miss Arpaporn	Palungvitatana	<i>Vice President, Corporate Banking Department 3</i>
Mr. Chaiwat	Pongpasura	<i>Vice President, Sathorn Office</i>
Mr. Montri	Karanasophonphun	<i>Vice President, Corporate Banking Department 4</i>
Mr. Choompong	Hutananda	<i>Vice President, Upcountry Branch Banking Department</i>
Mr. Sutee	Losoponkul	<i>Vice President, Treasury Office</i>
Mr. Somsak	Chaiyadej	<i>Vice President, Investment Banking Department</i>
Mr. Pichit	Pakjamsai	<i>Vice President, Accounting Department</i>
Mrs. Phiansiri	Phuaphan	<i>Vice President, Human Resources Development Department</i>
Miss Wanna	Mahanavanont	<i>Vice President, Corporate Banking Department 5</i>
Mr. Suwat	Tasanakulpan	<i>Vice President, Bangkok Metropolitan Branch Banking Department 2</i>
Mrs. Arporn	Siwayabrahm	<i>Assistant Vice President, Human Resources Management Department</i>
Mrs. Komkai	Tangtrongkid	<i>Assistant Vice President, Operation Department</i>
Mr. Chusak	Wanglavan	<i>Assistant Vice President, International Trade Department</i>
Mr. Ittipon	Srivichai	<i>Assistant Vice President, Upcountry Branch Banking, Region 1</i>
Mr. Santana	Ruanjaichon	<i>Assistant Vice President, Bangkok Branch Banking 1, Region 1</i>
Mr. Rangsan	Petcharoen	<i>Assistant Vice President, Upcountry Branch Banking, Region 2</i>
Mrs. Soontaree	Sukkasaem	<i>Assistant Vice President, Budget & Planning Office</i>
Mr. Boonlert	Sutidechanai	<i>Assistant Vice President, Bangkok Branch Banking 1, Region 2</i>
Mr. Naowarat	Boonsorn	<i>Assistant Vice President, Upcountry Branch Banking, Region 4</i>
Mr. Petch	Wanglee	<i>Assistant Vice President, Treasury Office</i>
Miss Nonglak	Patchana	<i>Assistant Vice President, International Banking Office</i>
Mr. Panumas	Poopongphunkul	<i>Assistant Vice President, Upcountry Branch Banking, Region 3</i>
Mr. Phongpan	Leksakul	<i>Assistant Vice President, Corporate Banking Department 6</i>



NTB PHONE BANKING



Banking by telephone - a supplementary service
with unlimited potential to deliver quick satisfaction.

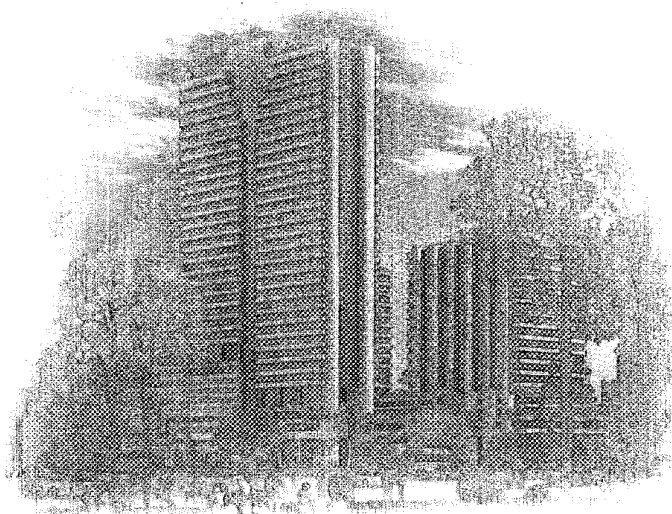
NTB Phone Banking surpasses the boundaries of fast service
by meeting the needs of business professionals
to obtain various financial information which can be delivered electronically.

Every banking day from 6 a.m. to 10 p.m.

Just dial 636-8000 for immediate results.

BOARD OF DIRECTORS' REPORT

SATHORN NAKORN TOWER



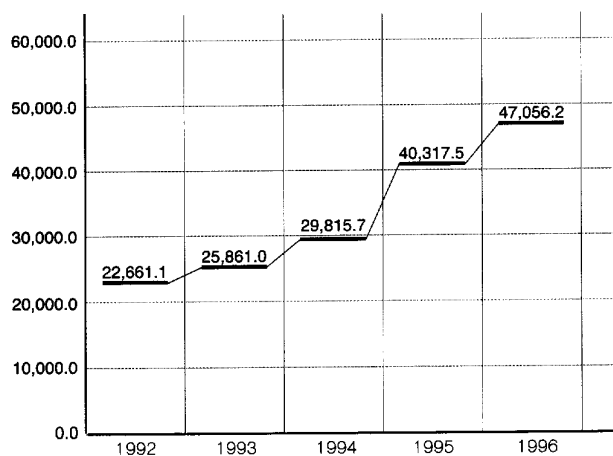
The reflection of a pride earned through success
Embodied in a state-of-the-art modern building
Fully-equipped to consistently satisfy every demand
The Nakornthon tradition refreshed and re-invigorated
Providing a powerful but steady boost
Promoting new services from the central business district throughout

To shareholders; → Compared with 1995, the Thai economy slowed down sharply in 1996. GDP growth slipped from the previous year's 8.7 percent to as low as 6.7 percent, accompanied by a steep fall in exports growth, from an average of 20 percent over the previous several years, to minus 0.1 percent. Economic conditions were further weakened by a deterioration in the current account deficit of 8.2 percent of GDP, while annual inflation persisted at the rate of 5.8 percent. → Financial conditions were generally favorable in the first half of 1996 due to the steady inflows of short-term funds from overseas taking advantage of high interest rate differentials. As a result, commercial banks gradually reduced their lending and deposit interest rates. Deposit rates were cut from 9.75–13.00 percent to 9.00–12.75 percent, the Minimum Lending Rate (MLR) from 14.00 percent to 13.75 percent, and Minimum Retail Rates (MRR) from 14.00–14.75 percent to 13.75–14.50 percent. However, in the second half of the year the calm gave way to volatility as Thailand's key economic indicators showed signs of weakening amid persistent rumors of an imminent baht devaluation. This resulted in tighter liquidity, punctuated by short periods of improvement immediately following attempts to correct the problem through the bond market. Nevertheless, a steep fall in credit, again prompted commercial banks to cut their lending and deposit rates, with the latter falling to 8.50–12.00 percent, the MLR to 13.25 percent and the MRR to 13.00–13.50 percent respectively. → These larger than anticipated cuts in interest rates resulted in lower than forecast growth in deposits and

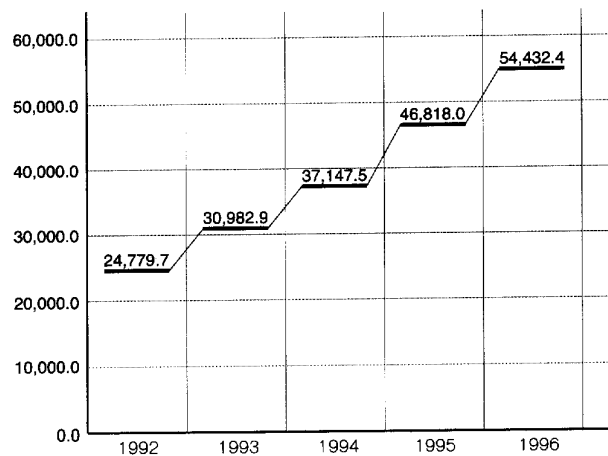
credit for commercial banks. The final rates of growth for deposits and credit for 1996 were 13 percent and 14 percent, respectively, down substantially from 18 percent and 24 percent, respectively, in 1995. → In light of the economic downturn and volatility in financial markets, Nakornthon Bank Public Company Limited conducted its financial and business affairs

capital by 726.09 million baht in September and converted the warrants to common shares value at 66.72 million baht. Furthermore, the Bank paid dividend for the first-half of the year totalling 180.63 million baht and for the second-half totalling 246.27 million baht. Total Assets → As at December 31, 1996 NTB reported the total assets of

Deposits

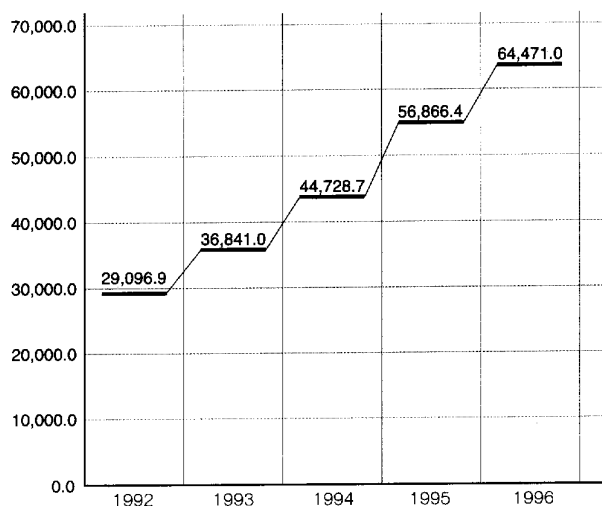


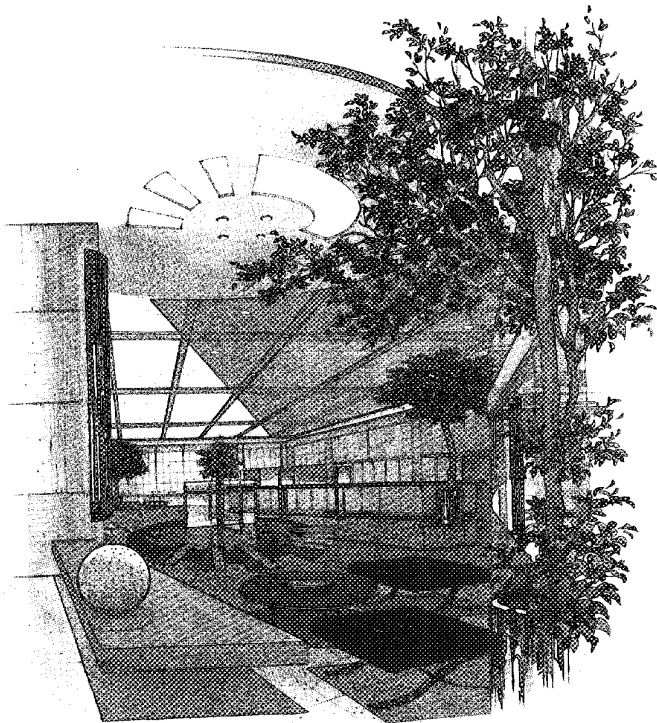
Loans



with extra prudence in 1996, continued to grow satisfactorily, and can be summarized as follows : Deposits → As at December 31, 1996 the bank had a deposit balance of 47,056 million baht, up by 6,739 million baht or 17 percent from 1995. Loans → Outstanding loans stood at 55,047 million baht, up by 7,730 million baht or 16 percent, with a loans to deposits ratio of 117 percent. Shareholders' equity → Shareholders' equity at 1996 year-end was 4,824 million baht, up by 1,051 million baht from 1995 year-end. Of the increase which comprised of net profit of 701.57 million baht, the Bank increased its registered

Total assets

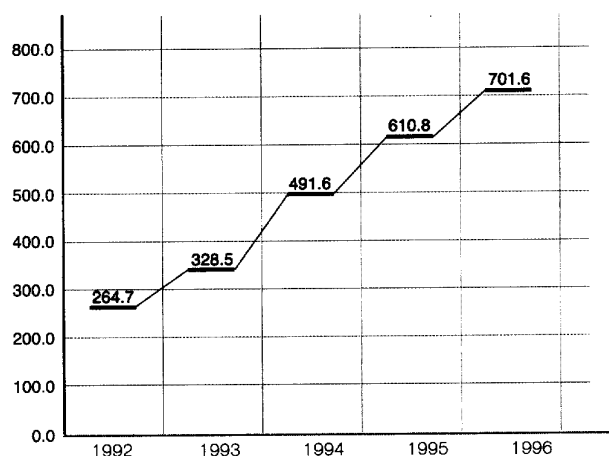




BANKING HALL

64,471 million baht, up by 7,605 million baht or 13 percent from year-end 1995. Loans accounted for 85 percent of the assets, while cash and investments accounted for 8 percent. For liabilities, deposits and borrowed funds accounted for 73 percent and 8 percent respectively. While the rests were subordinated term debt of 3 percent and shareholders' equity of 7 percent. **O p e r a t i n g I n c o m e** → The net operating income after deduction of provision for loan loss was 2,115.13 million baht, up by 302.79 million baht or 17 percent from 1995. This operating income comprised of net interest income of 1,571.16 million baht and noninterest income of 661.97 million baht. **O p e r a t i n g E x p e n s e s** → Operating expenses totalled 1,158.77 million baht up by 19 percent from the previous year, comprising staff expenses of 574.91 million baht, building related expenses of 108.76 million baht, equipment expenses of 85.15 million baht, service and commission charges of 45.60 million baht, taxes of 211.45 million baht and other expenses of 132.89 million baht. **N e t P r o f i t** → The bank recorded earnings before income tax of 956.36 million baht and net profit of 701.57 million baht ; up by 90.78 million baht, or 15 percent from previous year, leaving earnings per share of 5.63 baht. **B r a n c h N e t w o r k E x p a n s i o n** → In 1996, the Bank hired Datapro Co., Ltd. to study ways to improve efficiency in its branches, both in terms of Front Office customer service procedures and Back Office administrative procedures. As for branch network expansion in 1996, one new branch was opened in Kanchanaburi, bringing

Net Profit

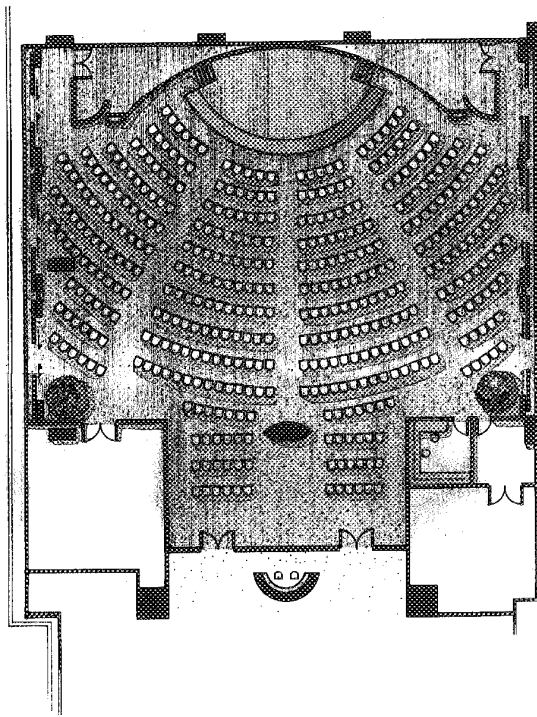


the total to 62 branches, of which 42 are in Bangkok and 20 are in provincial towns and one overseas branch. Between 1997–1999 the Bank plans to continue steadily expanding its branch network targeting for 100 branches, with the objective of enhancing its competitiveness to cope with a new era of financial liberalization. The target for 1997 is to open 10 new branches in the following locations : Samut Prakarn, Pattanakarn–Sri Nakarin, Gudchap, Kham Thalesor, Ramindra, Rama II, Rama III, Om Yai, Nakon Sawan and Surat Thani. With the conversion of the Future Park Rangsit sub–branch to full branch status, the Bank will have a total network of 73 branches, in operation by year end.

H u m a n R e s o u r c e s → In 1996, Nakornthon Bank's total staff increased by 184, or 9.07 percent, to 2,028 people. These can be divided into 925 people or 46 percent employed in branches, and 1,103 people or 54 percent in head office. In terms of

welfare, → Nakornthon Bank appreciates the importance of human resources and has therefore introduced new benefits and enhanced existing ones in order to improve employment conditions as follows : → 1. Expanded hospital care to include dental and treatment up to 2,000 baht. → 2. Revised welfare regulations governing loans to allow personnel to borrow for more than one purpose with repayment installments of up to one third of the individual's monthly salary. Additionally, the maximum amount that can be borrowed was increased considerably by including cost of living expenses in the income base calculation as well as salary. Furthermore, the amount that can be borrowed to buy a new car was increased by including bonuses in the income base. Overall, the amount of money staff can borrow for a variety of purposes was increased significantly, thus benefiting them immensely. As for staff mortgages, the main criteria is the individual's ability to make installment payments based on his or her income. The maximum repayment is one third of income base at an interest rate of 7 percent. In summation, staff's ability to borrow has considerably enhanced to meet growing cost of living expenses in time of need. → In 1996 the Bank had also increased cost of living allowance by another baht 300. Bringing the total to baht 1,300 per month. Bank is committed to the welfare of its human resources to ensure that they have a long and happy career with the Bank while enjoying to the fullest the welfare benefits available to them.

H u m a n R e s o u r c e s D e v e l o p m e n t → Human resources are the heart of the Nakornthon Bank organization and the catalyst for its



AUDITORIUM HALL

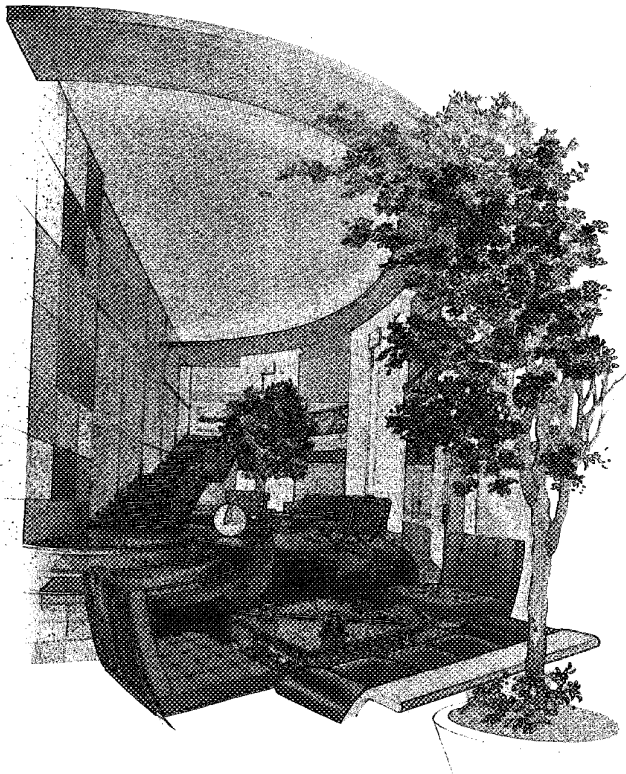
growth, development and prosperity. In order to increase the knowledge and expertise of staff, the Bank continually implements a variety of job-related trainings that provide opportunities for personnel to advance along career paths. Specifically, in 1996 the bank promoted career path development by providing 44 in-house training courses and 4 special lectures. Additionally, staff attended external in-country training courses and seminars totalling 111 occasions and 9 overseas. Furthermore, 3 scholarships were provided for banking studies (primary level), 2 scholarships for banking and financial institution management development studies, 2 scholarships to attend seminars on bank and financial institution management, 5 MINI-MBA/MMP scholarships and 1 scholarship for a Master's Degree. → These training initiatives steadily improve the skills of personnel, helping to raise the level of expertise and efficiency of NTB so that it can continue to grow.

Technological Development → In 1996, NTB upgraded and improved the efficiency of its computer systems to provide faster, more convenient services. This involved the implementation of ICBS (INTERNATIONAL COMPREHENSIVE BANKING SYSTEMS) and streamlining work procedures, including upgrading of computer HARDWARE and SOFTWARE. Regarding HARDWARE, NTB or the upgraded its principal computer system by replacing its existing AS/400 MODEL ADVANCED SERIES for collecting data with POWER PC technology installed on AS/400 MODEL 510 POWER PCs, thus enabling the bank to considerably expand its adaptation and application of advanced technologies. NTB

also adopted the ICBS system to bring its work processes into line with the demands of modern business and comply with Bank of Thailand measures to develop a bank clearing system, including joining the BAHTNET fund transfer system and the FULL ECS CHEQUE CLEARING system. The main impact of these technologies is evidenced by the considerable improvement in customer satisfaction. → Nakornthon Bank last year also upgraded its work systems to support its on-going policy of expanding RETAIL BANKING. Particular emphasis has been placed on FRONT OFFICE operations which deal directly with customer services, such as public utility bill payment, and deposit withdrawal facilities. To this end, the bank's ATM screens for deposits and withdrawals have been upgraded to reflect an increased emphasis on customer self-service, while the access period has been extended to 24 hours, and the maximum withdrawal limit was raised. In addition, a number of new services have been added including NTB PHONE BANKING, whereby customers can obtain account statements and perform various transactions in real time over the telephone. → In terms of technology to support WHOLESAL

BANKING strategies, the bank has established an international business center to provide TRADE FINANCE. The business center uses the ONLINE computer system to speeding up the international business services. Furthermore, the Bank has a policy to strengthen its CORPORATE BANKING services by making business information available throughout the organization via INTERNET and INTRANET systems. → As for the application of technology to support internal work

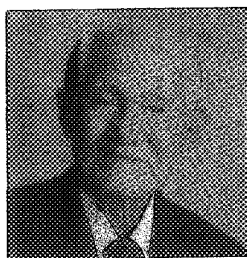
systems, especially in terms of reducing operating costs and using technology to increase convenience and speed, the bank continued to develop its OFFICE AUTOMATION SYSTEM (OAS) in 1996. This involved upgrading the data transmission and reception NETWORK ; the Bank's computer system was used to send data between head office and branches and vice versa. As a result of using computers for both external and internal communications, considerable savings were achieved in reducing the costs of telephone and fax, paper and printing, and at the same time improving communications speed and convenience. In 1997, Nakornthon Bank plans to expand the boundaries of its OAS system to cover more branches, using the expanded network to facilitate more effective data communications between departments. The Bank also plans to install a computer system for verifying customer signatures, the MAESTRO debit card and ATM CIRRUS systems, and a full scale emergency back-up network. These measures are collectively intended to improve the efficiency of all Nakornthon Bank's activities while promoting a more modern image to reflect its bright prospects. E c o n o m i c a n d S o c i a l D e v e l o p m e n t S u p p o r t → The Bank never loses sight of its essential responsibilities to society. As such, several commitments are made which have constructive impacts on various aspects of society, including the following : art and culture, preservation of natural resources, charities education and religious affairs, More specifically, efforts to consistently improve the quality of life for the benefit of Thai society are directed toward the following activities among a



LOBBY ROOM

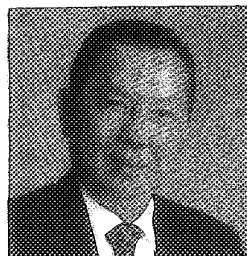
series of others : P u b l i c M e r i t M a k i n g A c -
t i v i t i e s → The Bank consistently assists and donates
money to help various charities, such as blood donations from
staff and other volunteers, financial contributions to the Princess
Ubol Rattana Foundation Under Patronage Of The Queen and
the Thailand Association For Retarded Children, and donations
to the Royal Permanent Reforestation Project, The River House
Spirit Project, the Green Earth Foundation, the Fund For
Rehabilitation Of The Disabled, Partially Sighted and Blind,
The Saeng Hetrakul Foundation, the Baan Bangkhae Foundation
and others. T h e N a k o r n t h o n S o c i e t y
P r o j e c t (T - B I R D) → For 8 years NTB has
provided assistance to rural societies with the important objective
of helping to develop the quality of life and raise the standard
of living of the underprivileged citizens. The first village
development project ran from late 1990 to 1994, at Community
of Moobaan Hua Krork, village of Ponnayern, district of
Paakchong, Nakon Rachasima province, and succeeded in
achieving the targeted goals. A feasibility study for a second
project at Aang Hin, Tambon Ponnayern, Amphoe Paakchong,
Jangwat Nakon Rachasima, was undertaken in 1995.
Implementation commenced in 1996 and will continue until
the year 2000. M i d d a y M e a l s P r o j e c t → The
Bank is a private enterprise with a serious concern for the
importance of Thai children and a strong commitment to the
Midday Meal Project initiated by HRH Princess Sirindhorn in
conjunction with the National Primary School Bureau (Sor Por
Chor). The bank's contribution to the project involves providing

revolving funds for agricultural projects that grow food exclusively for midday meals in schools for the needy and the undernourished children. It has supported the project since 1987 and has every intention of continuing to do so. Thus far, the Bank's contributions have assisted some 952 schools from funding of about 9 million baht. → In 1996, the bank provided assistance to 234 schools at a cost of 2,340,000 baht, which was presented at a special ceremony held on 13 September 1996 at Pansorkmuangkonku School, District of Paanfang, the province Khon Kaen. NTB sincerely hopes that the 10,000 baht each school receives will both give immediate relief and provide continued assistance in the form of revolving funds for agricultural projects to produce adequate nutrition for every lunchtime, so that all school children grow up to be strong to meet the future needs of their nation.



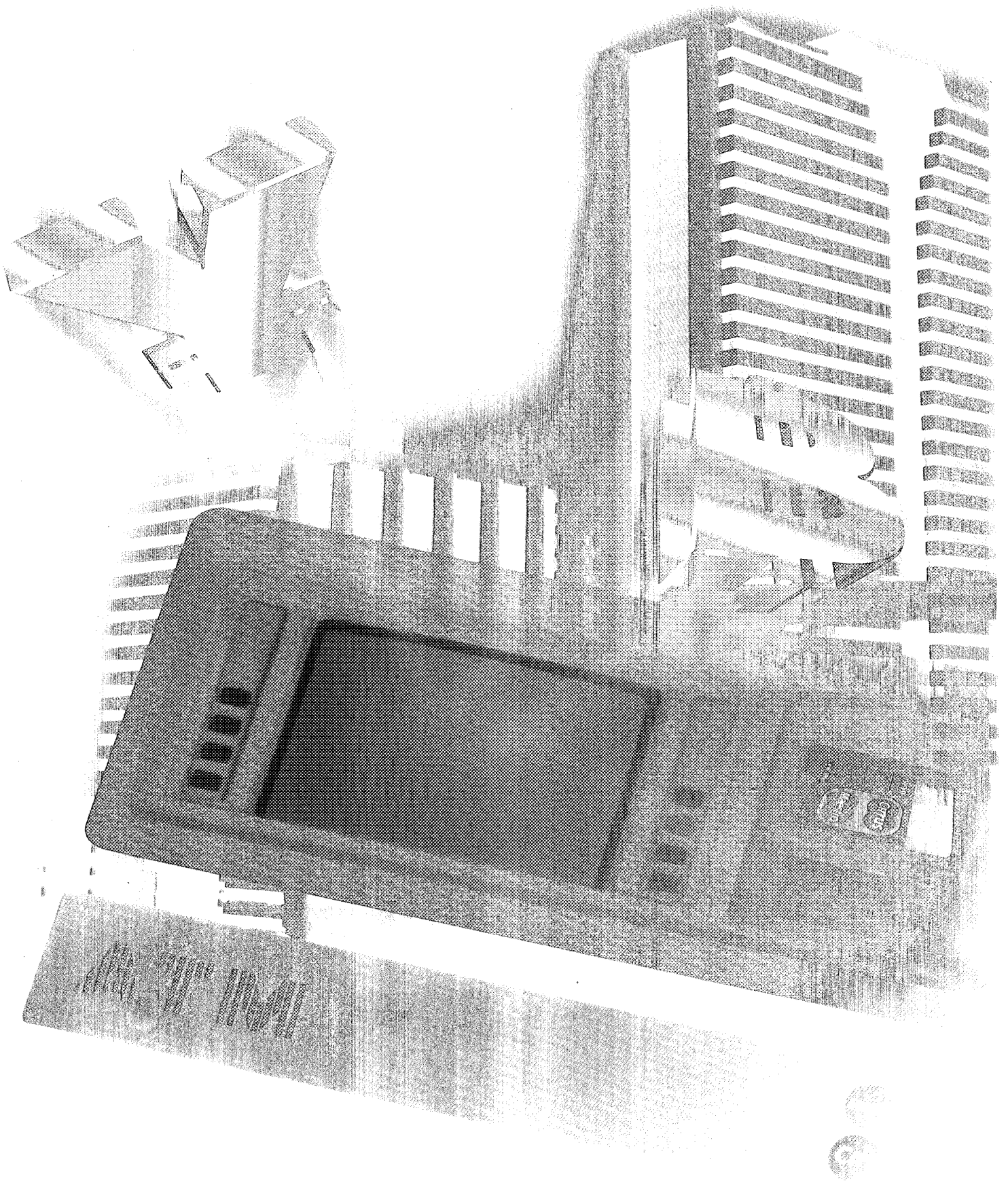
A handwritten signature in cursive script, appearing to read "Sunthorn Hongladarom".

(Mr. Sunthorn Hongladarom)
Chairman

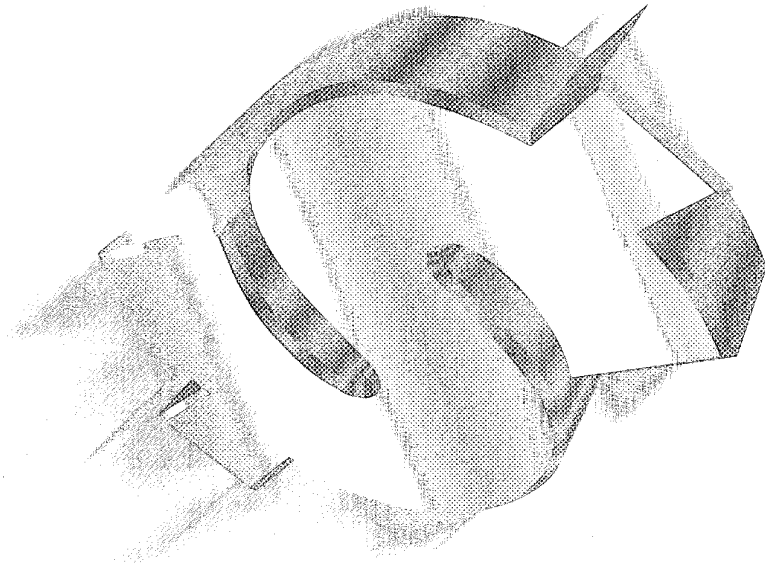


A handwritten signature in cursive script, appearing to read "Vorawee Wanglee".

(Mr. Vorawee Wanglee)
Chief Executive Officer



DEBIT CARD



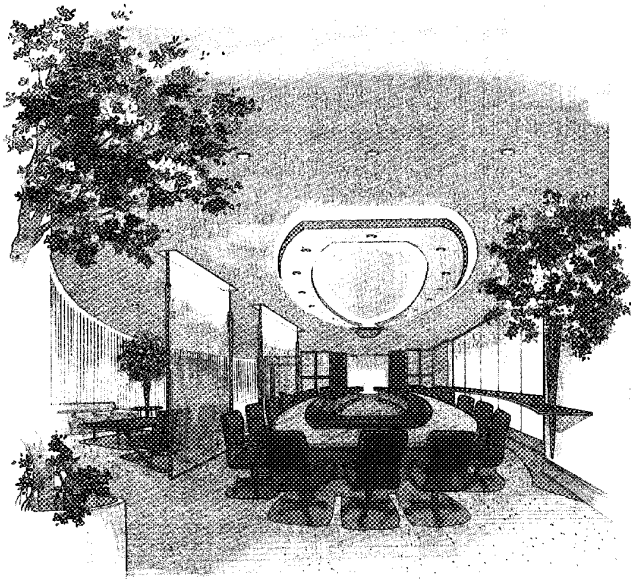
THE NEW STRONG WAVE

**Redefining payment efficiency
with convenience and total security.**

NTB is the first Thai Bank to issue the multi-function global debit card providing greater convenience and security never before available to local debit card holders.

While the Maestro system authorizes purchase payments by electronically debiting cardholders' bank accounts, the Cirrus system gives Thai travellers the freedom to withdraw cash from any ATM Pool and Master Card network anywhere, anytime, in any currency worldwide.

THE THAI ECONOMY IN 1996 AND FORECAST FOR 1997

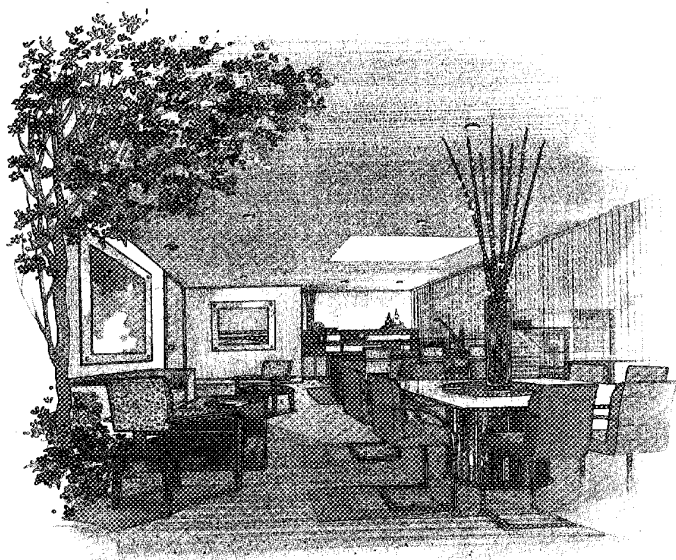


BOARD MEETING ROOM

The Thai Economy in 1996 → The Thai economy suffered a slowdown in 1996, with economic growth falling below the forecast to 6.7 percent, compared with 8.7 percent in 1995. This was partly due to a steep fall in exports growth to minus 0.1 percent, also well below the forecast. There were more problems for the Thai economy as the capital account deficit shot up to 384,000 million baht, accounting for 8.2 percent of GDP, annual inflation persisted at 5.8 percent and private consumption growth fell to 6.5 percent against 8.3 percent in 1995. At the same time, private investment growth index also slipped to just 6.5 percent, compared with 12.4 percent in 1995, which was largely due to recessions in the construction and real estate sectors. As for tourism, there were only 7.3 million arrivals in 1996 compared to an initial forecast of 7.6 million, constituting one of the major reasons for the higher current account deficit. → Among the best performing production sectors in 1996 was agricultural produce, especially the major crops of rice, maize, sugar cane and tapioca. However, livestock and fisheries output both declined. Meanwhile, there were clear signs that higher production costs were eroding the competitiveness of Thai industries. This was especially noticeable in the poor export performances of small and medium sized manufacturers of low end, low technology, low cost labor dependent products. The Thai industries whose competitive advantages have been most seriously eroded include garments, shoes and toys. In addition, construction activity and investment also fell sharply in 1996, especially in the real estate sector which was seriously hit by the impact of sustained oversupply combined with economic recession and a policy of maintaining high interest rates coupled with lower purchase power of consumers. As a result, total sales of various types of residential properties including home offices declined significantly, especially towards the end of 1996.

Several real estate companies encountered liquidity problems, therefore forcing financial institutions to increase their reserves for bad debts. → As for investment in 1996, approximately 1,000 projects received Board of Investment (BOI) approvals, for a total investment capital of 540,000 million baht, compared to 1,200 projects worth 580,000 million baht in 1995. BOI investment approvals fell in 1996 both in terms of the number of projects (-1.7 percent) and total value (-6.9 percent). Sectors which received the most approvals were public utilities and services, with a combined investment capital of 170,000 million baht, followed by the chemicals, paper and plastics sectors with 110,000 million baht, and labor-intensive light industries with 6,000 million baht. Out of the projects that were granted investment privileges in 1996, over 60 percent were situated in BOI Zone 3, and approximately a quarter of them chose Rayong province. Joint ventures between Thai and foreign partners accounted for 140 of the approved projects, with combined investment capital of 70,000 million baht. Japan maintained its status as the largest foreign investor, followed by the United States, Europe, Taiwan and Singapore. In terms of trends, in contrast to the traditional concentration of investment in light industries, most of the approvals in 1996 targeted heavy industries, especially steel, electricity electronics, chemicals, plastics and paper. → Exports declined 0.1 percent in 1996 from the previous year, with labor intensive sectors recording the steepest falls, especially with ready made garments, artificial flowers and foliage, toys, transportation equipment and shoes. The fisheries sector, including fresh fish, shrimp and squid, also declined mainly due to the depletion of Thailand's fisheries resources and the impact of new trade barriers imposed by some importing countries. Meanwhile, Thailand's imports grew 3.3 percent in 1996, which was lower than the previous year, with imports of raw materials and

intermediate products falling in line with the economic slowdown and lower exports. This left a trade deficit of 434,000 million baht in 1996 and a current account deficit of 384,000 million baht, which equaled to 8.2 percent of GDP. → With regard to the treasury position in 1996, the government recorded a budget surplus of 104,300 million baht, or 2.2 percent of GDP, down from 2.7 percent of GDP in the previous year. This not only reflected lower economic activity and higher government expenses but also a lowering of import tariffs due to restructuring. → In terms of financial conditions in 1996, liquidity intensified between January and July due to large inflows of short term investment funds from overseas to take advantage of high interest rate differentials. Between late January and March, overseas capital inflows into non-resident baht accounts amounted to 95,400 million baht, despite the fact that tensions across the Straits of Taiwan caused a temporary but still serious interruption of flows of Taiwanese investment. Faced with this surplus liquidity, the interbank rate fell from 18 percent at the end of 1995 to 5 percent. The Bank of Thailand responded by introducing measures to control short-term overseas capital inflows, including requiring commercial banks, finance companies, and finance & securities companies to raise their cash reserves against non-resident baht deposits with a maturity of less than 1 year to 7 percent. The central bank also issued a total of 30,000 million baht's worth of new government bonds in addition to the existing 10,000 million baht and required Thai commercial banks to increase their capital fund reserves to voting shares ratio from 8 percent to 8.5 percent. Meanwhile, foreign investors started to speculate on the prospect of Thailand amending its exchange rate policy to allow the baht to move within a band of 4 satang a day, compared to the existing daily band of 2 satang. As a result of these measures and sentiments, short term foreign capital



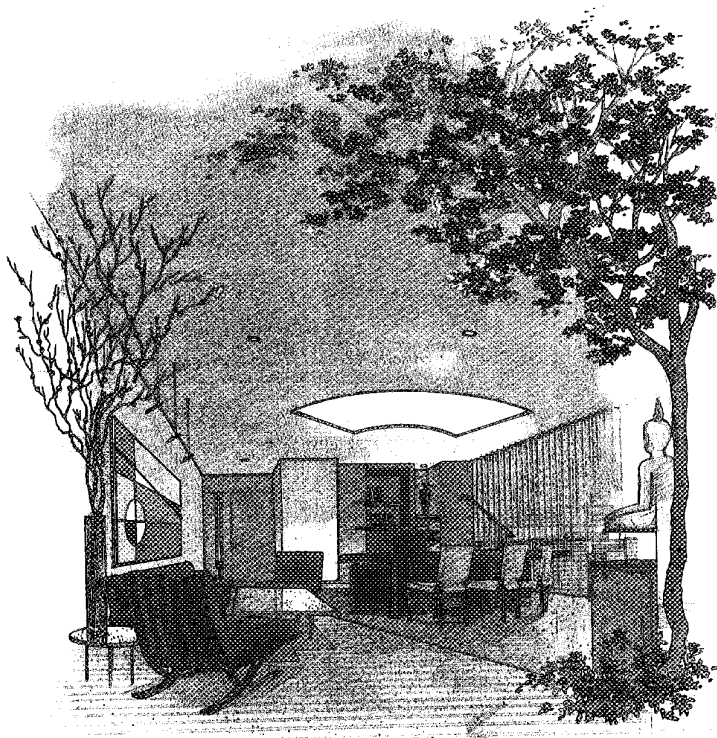
EXECUTIVE'S OFFICE 1

inflows fell sharply, prompting the interbank lending rate to shoot up to 11.5 percent mid-year. However, liquidity became more volatile again between August and the end of the year. At the same time, several economic indicators were released confirming that the Thai economy was slowing down. While exports recorded negative growth month to month and the current account surged to 8.1 percent of GDP, rumors were abound that the baht was about to be devalued. In early August, liquidity was so tight that the interbank lending rate shot up to 30 percent and the Bank of Thailand was forced to intervene in the foreign exchange markets in Singapore and Hong Kong in a bid to correct the problem and to halt the rumors. At the same time, the central bank eased liquidity by repurchasing government bonds to the tune of 10,000 million baht and the liquidity situation subsequently normalized. Nevertheless, in late 1996, Moody's credit rating agency downgraded its rating on Thailand's short term debt from Prime 1 to Prime 2, resulting in short term interest rates in Thailand repeatedly hitting their 10 percent daily ceiling. → With regards to the movement of commercial bank lending and deposit interest rates in 1996, the general trend was for rates to come down, especially during the first half of the year. Excess liquidity caused by high foreign capital inflows prompted commercial banks to steadily lower both their deposit and lending rates. Large banks cut their deposit rates from 9.75–13.00 percent to 9.00–12.75 percent, while the Minimum Lending Rate (MLR) was cut from 14 percent to 13.75 percent and the Minimum Retail Rate (MRR) was cut from 14–14.75 percent to 13.75–14.50 percent. Towards the end of the year, liquidity became more volatile affecting the lending fund positions of various commercial banks in different ways, thereby forcing them to adopt different interest rate strategies. While large commercial banks continued to lower

their interest rates, medium sized banks were forced to raise theirs. Deposit rates at large banks in the second half of the year ranged from 8.50–9.75 percent, while the MLR was 13.25 percent and the MRR 13–13.50 percent.

Economic Trends for 1997 → The Thai economy is expected to gradually improve in 1997, with GDP growth rising to 7.1 percent as a result of the measures the government of General Chavalit Yongchaiyudh declared by that it will speedily reverse the fall in visible exports and the high current account deficit, it will relieve inflationary pressures, correct the problems in the poor performing real estate sector and with the Bangkok Bank of Commerce. Furthermore, the government will in 1997 adjust fiscal and monetary policies relating to investment, commerce and exports in ways intended to improve the country's competitiveness. Meanwhile, economic stability will be maintained by containing inflation within an appropriate level deemed to be no more than 5 percent. → Regarding production and investment, provided the government proceeds with its measures to correct the country's short–and long–term economic problems, including lowering domestic interest rates by 0.75–1 percent, and thereby manages to improve business conditions and stimulate economic activity, the performance of the industrial sector is expected to improve in 1997. The government will continue to pursue effective policies and strategies in negotiations to remove trade barriers while supporting efforts to penetrate new export markets, speed up tax refunds, relax export credit restrictions and stimulate investment. Three product groups have been identified with varying export performance expectations in 1997. The first group comprises of products with high export growth targets, which include, computers, electronic circuit boards, electrical equipment, semi–precious gems and jewelry, canned fruits, chemicals, ball bearings and cement. The second group selects

products with moderate export growth targets, namely cloth fabrics and vehicle components. The third group lists products with lower export targets, which include ready–made garments, fresh and frozen shrimps, shoes and parts, cotton thread, synthetic thread, health products, floor tiles and ceramics. Furthermore, the investment outlook is brighter for 1997. Industries anticipating investment increase in vehicle components, will benefit from the recent decision among major auto companies to set up production bases in Thailand and try to in turn, convince their component suppliers to also build factories. Investment in the electronics industry is also expected to continue to rise, banking on Thailand's achievement for being the world's 2nd largest producer of HARD DISK DRIVES. → Exports are forecast to reach 1,486 million baht in 1997, representing a growth of 7 percent over 1996, with the electronics, computers, semi–precious gems and jewelry and food product sectors leading the way. New products that are expected to do particularly well include rice products, compressors, air conditioners, chemicals, bleach metal and glass dining tableware. However, textiles, toys and shoes sectors will have to accelerate quality and design improvements if they are to become more globally competitive. As Thailand's textile sector continues to lose its competitive edge, manufacturers will increasingly be forced to relocate their factories to countries such as Pakistan and Sri Lanka, where lower raw material and labor costs will help them remain competitive in prices and products. As for the food and fruit industries, exports are expected to continue to be strong in 1997. Thailand's most important export markets for this sector are the United States, Japan and the European Union, with frozen shrimps and squid, frozen chicken and other food products being the principle categories. However, following the European Union's decision to cut Thailand's GSP trade



EXECUTIVE'S OFFICE 2

privileges effective 1 January 1997, Thai Exports of these products to the EU are taxed at 8 percent, up from 4.2 percent previously. As a result, Thai exporters will have to quickly concentrate on improving the quality in order to remain competitive in this market against rivals from Indonesia, Malaysia, India and elsewhere. → As for the treasury position, the government approved a budget of 980,000 million baht for fiscal year 1997, up by 16.7 percent from fiscal 1996. Government expenditure will rise steeply due to the necessity of continuing to invest in large public utility development projects, to upgrade human resources, to develop provincial and rural economies and to improve the efficiency and capability of the country's economy. As a result, the Bank of Thailand forecasts that actual government revenues in 1997 will total 962,500 million baht, up by 13.2 percent from 1996. → Volatility in bond market interest rates, compounded by the periodic rumors about a devaluation of the baht and how serious consequences this would have on the economy, coupled with speculation by currency traders, will ensure that liquidity continues to be tight in Thailand in 1997. Against a background of continued baht exchange rate instability and devaluation rumors, liquidity forecasts are therefore quite low. As such, commercial bank deposit and lending interest rates are expected to remain high in 1997, due to pressure on the Bank of Thailand to maintain high short term lending rates to defend the baht against speculators. This will result in higher capital costs for commercial banks, forcing them to raise both their lending and deposit interest rates. However, the central bank is fully aware of the adverse consequences of keeping interest rates high for too long and will do everything it can to ease liquidity so that further increases can be averted as much as possible.

THAI ECONOMIC INDICATORS

ECONOMIC PART	1995	1996 ^P	1997 ^E
1. Economic Growth (%)	8.7	6.7	7.1
1.1 Agriculture Production	3.1	3.1	3.0
– Agricultural Products	3.6	5.9	2.9
1.2 Non–Agriculture Production	9.4	7.1	7.5
– Industry	12.4	8.0	8.5
– Construction	9.6	9.1	9.7
– Trading	7.8	6.9	7.1
– Others	7.4	5.9	6.4
1.3 Consumption	7.4	6.2	6.5
– Private	8.3	6.5	7.0
1.4 Investment	13.3	8.4	10.2
– Private	12.4	6.5	7.4
– Public	17.1	16.3	20.7
2. Inflation Rate	5.8	5.8	4.8
– Food	8.1	8.9	6.3
– Non–Food	4.2	3.7	3.7
3. International Trade (Billion Baht)			
3.1 Exports	1,381.6	1,380.0	1,486.0
% Growth	(23.6)	(–0.1)	(7.7)
3.2 Imports	1,755.4	1,814.0	1,960.0
% Growth	(30.5)	(3.3)	(8.0)
3.3 Trade Balance	–373.8	–434.0	–474.0
3.4 Current Account Balance	–337.6	–384.0	–415.0
(% of GDP)	(–8.1)	(–8.2)	(–7.9)
3.5 Balance of payment	179.5	73.8 ¹	45.0
4. Financial (% Growth)			
– Deposit in Commercial Bank	18.2	13.0	15.5
– Private Credit	24.2	14.0	16.0

Source : *Bank of Thailand*

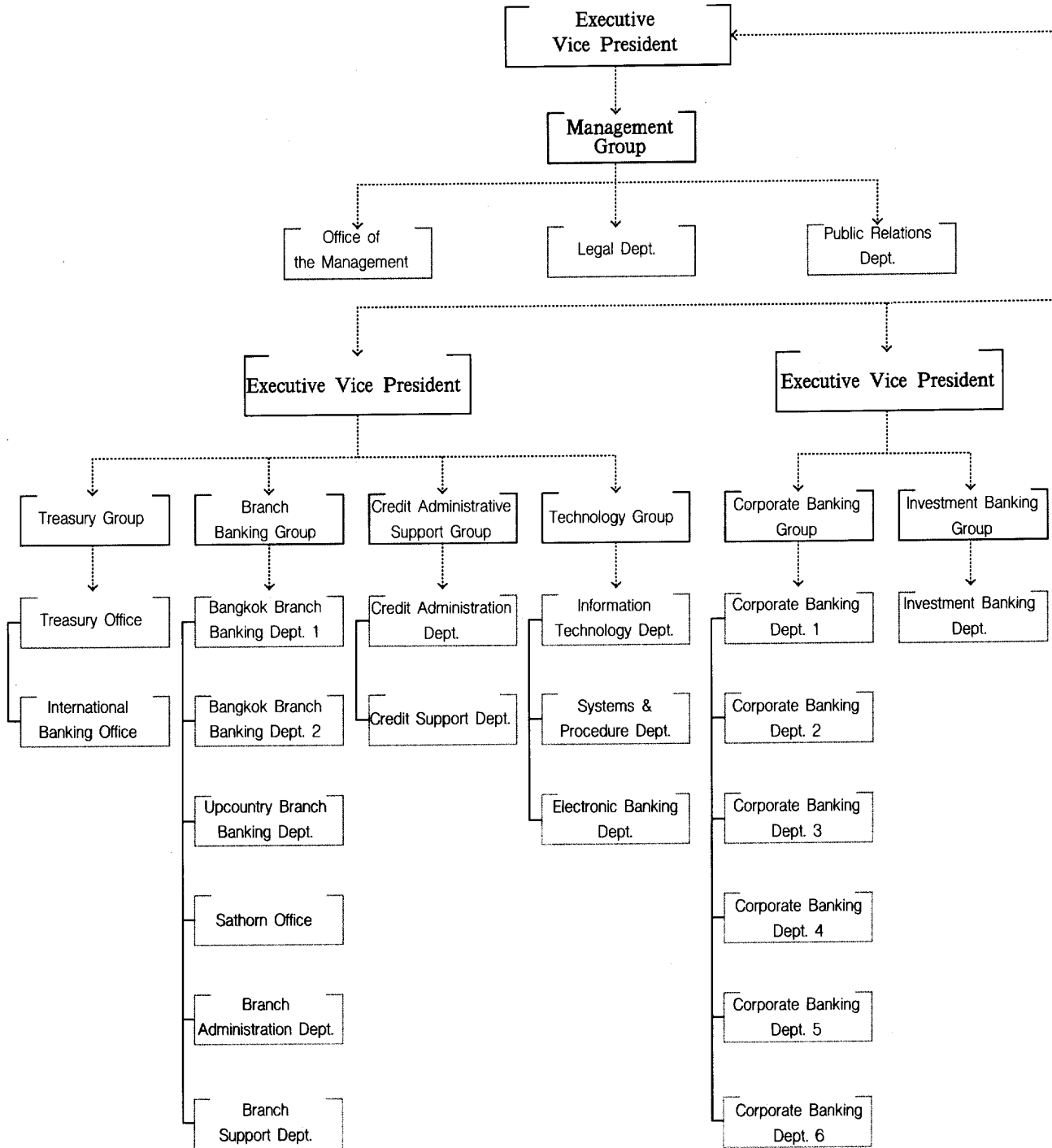
Note : *P = Projected*

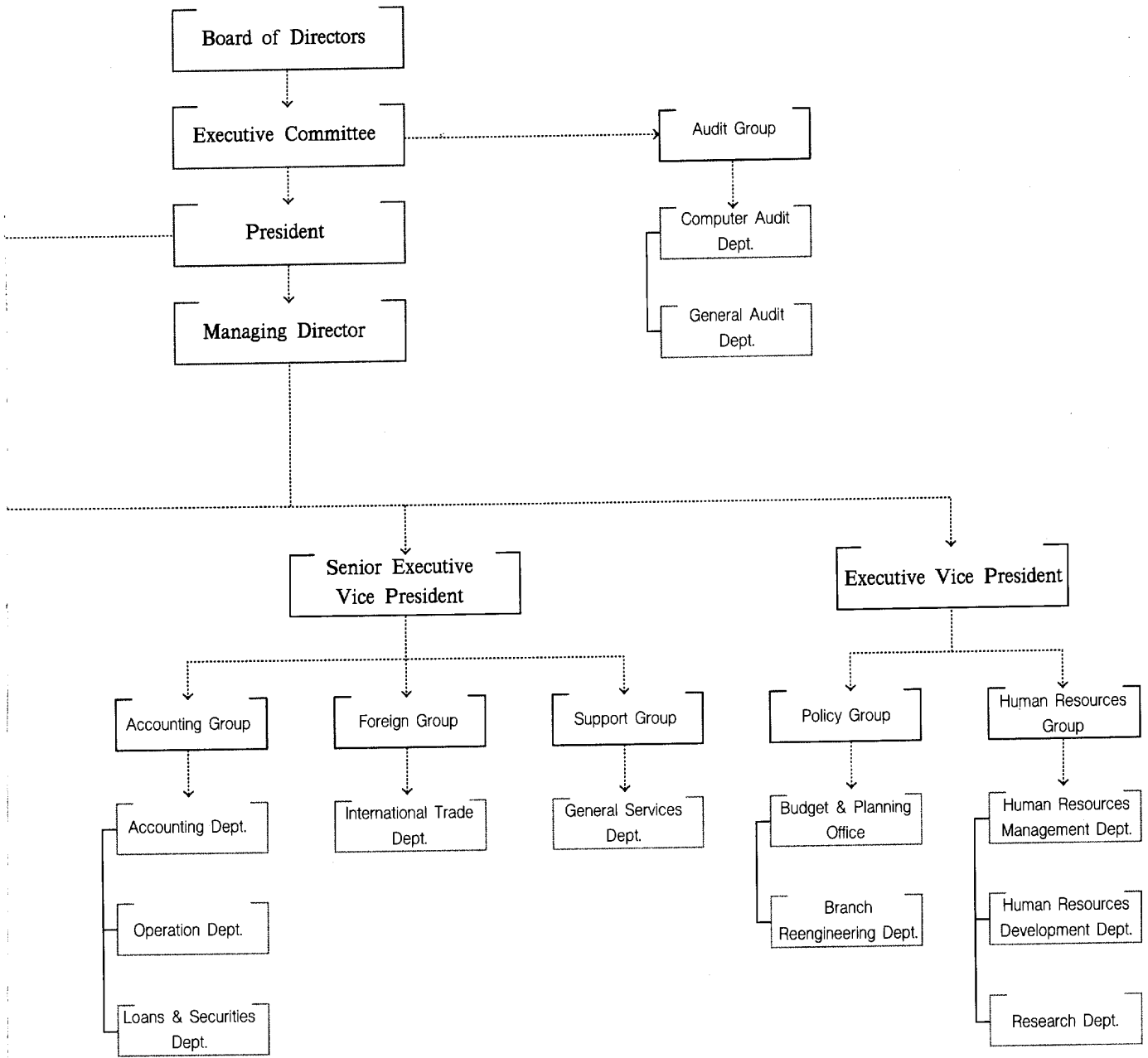
E = Estimated

1 = Jan. – Nov.

ORGANIZATION CHART

NAKORNTHON BANK PUBLIC COMPANY LIMITED



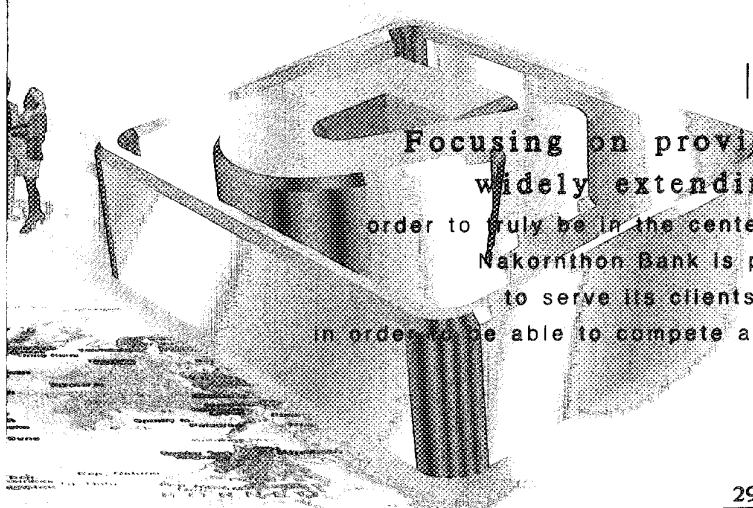






DISTRIBUTION

THE NEW STRONG WAVE



Focusing on providing services by
widely extending the branch network.
In order to truly be in the center of providing convenient services,
Nakornthon Bank is preparing to expand branches
to serve its clients closely countrywide
in order to be able to compete and to grow with efficiency.

Auditor's Report and Financial Statements

To the Shareholders of Nakornthon Bank Public Company Limited :

We have examined the balance sheets of Nakornthon Bank Public Company Limited as at December 31, 1996 and 1995, and the related statements of profit and loss, changes in shareholders' equity and cash flows for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Nakornthon Bank Public Company Limited at December 31, 1996 and 1995, and the results of its operations, the changes in its shareholders' equity and its cash flows for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.



(Dr. Payom Singhasaneh)
Certified Public Accountant

Peat Marwick Suthee Limited
Bangkok, February 10, 1997

BALANCE SHEETS

AS AT DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
ASSETS		
Cash and deposits at banks		
Cash and deposits at banks in Thailand	1,397,004,168	1,804,440,455
Cash and deposits at bank outside Thailand	87,418,916	238,532,566
Total Cash and Deposits at Banks	1,484,423,084	2,042,973,021
Due from banks – interest bearing	872,465,000	1,026,925,000
Investment in securities (Note 2.5)		
Government securities and securities guaranteed by the Government (Notes 4 & 5)	2,157,697,314	2,213,320,000
Listed securities (Note 3) (Market value Baht 383.95 million in 1996 and Baht 662.97 million in 1995)	339,499,934	311,912,293
Other securities (Note 3)	1,112,619,764	1,097,844,192
Total Investment in Securities	3,609,817,012	3,623,076,485
Loans (Notes 2.3 & 7)	55,047,128,276	47,317,129,022
Accrued interest receivable	724,743,073	572,883,629
Total Loans and Accrued Interest Receivable	55,771,871,349	47,890,012,651
Less Allowance for possible loan losses (Notes 2.4 & 7)	(614,737,524)	(499,133,141)
Loans and Accrued Interest Receivable – net	55,157,133,825	47,390,879,510
Customers' liability under acceptances	641,008,425	543,794,437
Premises and equipment – net (Notes 2.7 & 8)	2,232,558,106	1,891,330,546
Other assets (Notes 2.8 & 9)	473,608,661	347,376,525
Total Assets	64,471,014,113	56,866,355,524
Customers' liability under unmatured bills issued under letters of credit	2,398,406,904	2,154,012,880
Total	66,869,421,017	59,020,368,404

See notes to financial statements

BALANCE SHEETS

AS AT DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits		
Domestic – interest bearing	41,057,011,081	34,865,044,871
– non-interest bearing	1,079,039,005	1,084,329,516
Foreign – interest bearing	4,920,165,000	4,368,085,231
Total Deposits	47,056,215,086	40,317,459,618
Due to banks – interest bearing	2,728,075,000	2,903,900,000
Demand liabilities	156,573,835	116,395,555
Securities sold under repurchase agreements	720,000,000	940,000,000
Borrowings		
Short-term – domestic	1,203,752,200	542,013,900
– foreign	1,507,951,668	2,069,506,883
Long-term – domestic (Note 12)	700,000,000	700,000,000
– foreign (Note 12)	3,867,865,000	3,930,420,000
Total Borrowings	7,279,568,868	7,241,940,783
Bank's liability under acceptances	641,008,425	543,794,437
Other liabilities	1,065,447,170	1,030,262,062
Total Liabilities	59,646,888,384	53,093,752,455
Shareholders' Equity		
Share capital (Note 13)		
Authorized Ordinary shares 240,000,000 shares, Baht 10 per value	2,400,000,000	2,400,000,000
Issued and fully paid		
Ordinary shares 133,932,534 shares in 1996 and 120,419,244 shares in 1995	1,339,325,340	1,204,192,440
Warrants (Note 14)	170,003,299	180,550,157
Premium on share capital (Notes 2.11)	1,828,432,731	1,160,200,922
Surplus on fixed assets revaluation – net (Note 20)	329,114,984	335,871,968
Retained earnings		
Appropriated – Legal reserve (Note 15)	174,747,337	139,669,031
– Other reserve (Note 16)	150,000,000	150,000,000
Unappropriated	841,710,340	602,118,551
Loss on valuation of securities	(9,208,302)	–
Total Shareholders' Equity	4,824,125,729	3,772,603,069
Total Liabilities and Shareholders' Equity	64,471,014,113	56,866,355,524
Bank's liability under unmatured bills issued under letters of credit	2,398,406,904	2,154,012,880
Total	66,869,421,017	59,020,368,404
Commitments and Contingent Liabilities		
Aval to bills and guarantees of loans	2,105,787,938	1,977,424,636
Letters of credit	2,313,700,767	3,839,160,324

See notes to financial statements

STATEMENTS OF PROFIT AND LOSS

FOR THE YEARS ENDED DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
Interest and dividend income (Note 2.1)		
Loans and deposits	6,181,593,641	5,185,642,804
Government securities and securities guaranteed by the Government	165,640,582	121,400,949
Other securities	90,731,570	90,990,128
Total Interest and Dividend Income	6,437,965,793	5,398,033,881
Interest expenses (Note 2.2)		
Deposits	4,107,455,488	3,196,237,208
Short-term borrowings	341,517,563	371,984,406
Long-term borrowings	417,831,498	479,681,159
Total Interest Expenses	4,866,804,549	4,047,902,773
Net Interest Income	1,571,161,244	1,350,131,108
Provision for possible loan losses (Note 2.4)	(118,000,000)	(138,000,000)
Net Interest Income after Provision for Possible Loan Losses	1,453,161,244	1,212,131,108
Non-interest income (Note 2.1)		
Fees and service income	421,768,492	376,872,323
Gain on exchanges	169,380,828	145,081,363
Gain on sales of government bonds and securities	43,035,291	19,032,893
Other income	27,785,141	59,217,937
Total Non-Interest Income	661,969,752	600,204,516
Non-interest expenses (Note 2.2)		
Personnel expenses	574,906,852	474,500,818
Premises expenses	108,760,975	95,828,983
Equipment expenses	85,152,254	69,918,025
Taxes and duties	211,459,005	175,862,460
Fees and service expenses	45,601,783	31,001,356
Other expenses	132,887,536	128,950,765
Total Non-Interest Expenses	1,158,768,405	976,062,407
Profit before income tax	956,362,591	836,273,217
Income tax (Note 2.8)	254,796,483	225,484,792
Net profit	701,566,108	610,788,425
Earnings per share (Note 2.13)	5.63	5.45

See notes to financial statements

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
Share capital		
Ordinary shares (Note 13)		
Beginning balance	1,204,192,440	1,091,296,030
New shares issued	135,132,900	112,896,410
Ending balance	1,339,325,340	1,204,192,440
Warrants		
Beginning balance	180,550,157	183,311,544
Conversion of warrants	(10,546,858)	(2,761,387)
Ending balance	170,003,299	180,550,157
Premium on share capital (Note 2.11)		
Beginning balance	1,160,200,922	705,992,156
Premium on new shares issued	668,231,809	454,208,766
Ending balance	1,828,432,731	1,160,200,922
Surplus on fixed assets revaluation (Note 20)		
Beginning balance	356,144,000	356,144,000
Accumulated depreciation	(27,029,016)	(20,272,032)
Ending balance	329,114,984	335,871,968
Legal reserve (Note 15)		
Beginning balance	139,669,031	109,129,610
Proposed appropriation during the year	35,078,306	30,539,421
Ending balance	174,747,337	139,669,031
Other reserve (Note 16)		
Beginning balance	150,000,000	150,000,000
Proposed appropriation during the year	-	-
Ending balance	150,000,000	150,000,000
Unappropriated retained earnings		
Beginning balance	602,118,551	408,212,927
Net profit	701,566,108	610,788,425
Proposed appropriation during the year		
Legal reserve (Note 14)	(35,078,306)	(30,539,421)
Interim dividend (Note 17)	(426,896,013)	(386,343,380)
Ending balance	841,710,340	602,118,551
Loss on valuation of securities		
Beginning balance	-	-
Increase during year	(9,208,302)	-
Ending balance	(9,208,302)	-
Total Shareholders' Equity	4,824,125,729	3,772,603,069

See notes to financial statements

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
CASH FLOWS OPERATING ACTIVITIES		
Net income	701,566,108	610,788,425
Add Adjustment to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	105,398,263	88,760,763
Bad debts and allowance for doubtful accounts	118,000,000	138,000,000
Deferred income tax- written off	757,515	12,042,295
Loss (Gain) on sale of fixed assets	145,913	(5,326,088)
Unrealized loss (gain) on exchange rate	8,047,433	(127,564,944)
Loss on valuation of securities	1,961,908	-
Increase in accrued interest and dividend receivable	(151,859,444)	(391,940,669)
Decrease in other income receivable	68,263	10,862
Increase in accrued interest payable	94,448,152	183,828,251
Increase in other accrued expenses	15,152,810	25,540,427
Net income before changing in operating assets and liabilities	893,686,921	534,139,322
Changes in operating assets (increase) decrease		
Due from bank interest bearing (assets)	154,460,000	24,702,000
Negotiable certificates of deposit (assets)	(5,000,000)	295,000,000
Loans	(7,732,394,871)	(9,808,548,779)
Cash received from sales of properties foreclosed	-	62,109,792
Other assets	(135,105,347)	172,630,054
Changes in operating liabilities increase (decrease)		
Deposits	5,927,090,468	10,743,675,587
Negotiable certificates of deposit (liabilities)	811,665,000	(241,907,657)
Due to bank - interest bearing (liabilities)	(175,825,000)	217,677,100
Demand liabilities	40,178,280	(34,088,040)
Securities sold under repurchase agreements	(220,000,000)	715,000,000
Borrowings	(730,821,915)	(48,723,260)
Other liabilities	(74,415,854)	(127,405,052)
Net cash in operating activities	(1,246,482,318)	2,504,261,067

See notes to financial statements

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 1996 AND 1995

	1996 Baht	1995 Baht
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Increase in investment in securities	7,089,263	(1,373,902,703)
Purchase of premises and equipment	(459,095,760)	(368,774,303)
Cash received from sales of premises and equipment	5,567,040	3,868,496
Net cash used in investment activities	(446,439,457)	(1,738,808,510)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from issuing ordinary shares	726,094,800	547,049,050
Cash received from issuing long term debts	768,450,000	-
Cash received from issuing ordinary shares due to conversion of warrants	66,723,051	17,294,739
Payment of dividend	(426,896,013)	(386,343,380)
Net cash used in financing activities	1,134,371,838	178,000,409
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(558,549,937)	943,452,966
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 2.12)	2,042,973,021	1,099,520,055
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 2.12)	1,484,423,084	2,042,973,021

See notes to financial statements

Auditor's Report and
Financial Statements (Part 2)

To the Shareholders of Nakornthon Bank Public Company Limited

We have examined the balance sheets of Nakornthon Bank Public Company Limited as at December 31, 1996, profit and loss statements, statements of changes in shareholders' equity and cash flow statements for the year then ended in accordance with generally accepted auditing standards. We have presented our opinion, as at February 10, 1997, that the statements thus examined present a true reflection of the financial statements of Nakornthon Bank Public Company Limited as at December 31, 1996, results of operations, changes in shareholders' equity and cash flow as at the year then ended in accordance with certified accounting principles as conducted last year.

The above-mentioned balance sheets and profit and loss statements of Nakornthon Bank Public Company Limited were included in such financial statements as we have examined and reported under the definitions announced by the Bank of Thailand.



(Dr. Payom Singhasaneh)

Certified Public Accountant

Peat Marwick Suthee Limited

92 North Sathorn Rd., Bangkok 10500

February 10, 1997

BALANCE SHEETS

AS AT DECEMBER 31, 1996

ASSETS	Baht
Cash and deposits at banks	1,484,423,084
Due from banks – interest bearing	872,465,000
Investment in securities	
Government securities and securities guaranteed by the Government	2,157,697,314
Listed securities	339,499,934
Other securities	1,112,619,764
Total Investment in Securities	3,609,817,012
Loans and Accrued Interest Receivable – net (Note of provision for possible loan losses)	55,157,133,825
Customers' liability under acceptances	641,008,425
Premises and equipment – net	2,232,558,106
Other assets	473,608,661
Total Assets	64,471,014,113
Customer's liability under unmatured bills issued under letters of credit	2,398,406,904
Total	66,869,421,017

See notes to financial statements

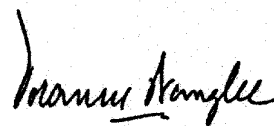
BALANCE SHEETS

AS AT DECEMBER 31, 1996

LIABILITIES AND SHAREHOLDERS' EQUITY	Baht
Deposits	47,056,215,086
Due to banks – interest bearing	2,728,075,000
Demand liabilities	156,573,835
Securities sold under re-purchase agreements	720,000,000
Borrowings	7,279,568,868
Bank's liability under acceptances	641,008,425
Other liabilities	1,065,447,170
Liabilities	59,646,888,384
Shareholders' Equity	
Paid up share capital	1,339,325,340
Warrants	170,003,299
Premium on share capital and reserves	2,153,180,068
Surplus on fixed assets revaluation – net	329,114,984
Unappropriated	841,710,340
Loss on revaluation in securities	(9,208,302)
Total Shareholders' Equity	4,824,125,729
Total Liabilities and Shareholders' Equity	64,471,014,113
Bank's liability under unmatured bills under letters of credit	2,398,406,904
Total	66,869,421,017
Commitments and Contingent Liabilities	
Aval to bills and guarantees of loans	2,105,787,938
Letters of credit	2,313,700,767



(Mr. Thamnu Wanglee)
President



(Mr. Vorawee Wanglee)
Chief Executive Officer

See notes to financial statements

STATEMENTS OF PROFIT AND LOSS

FOR THE YEARS ENDED DECEMBER 31, 1996

	Baht
Interest and Dividend Income	6,437,965,793
Interest Expenses	4,866,804,549
Net Interest Income	1,571,161,244
Provision for possible loan losses	(118,000,000)
Net Interest Income after Provision for Possible Loan Losses	1,453,161,244
Total Non-interest Income	661,969,752
Non - interest Expenses	1,158,768,405
Income before income tax	956,362,591
Income tax	254,796,483
Net profit	701,566,108
Earnings per share	5.63

See notes to financial statements

NAKORNTHON BANK PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1996 AND 1995

1. BASIS OF FINANCIAL STATEMENTS PRESENTATION

The financial statements are prepared to include the accounts of all branches. All intercompany transactions have been eliminated. The financial statements include the accounts of BIBF which was approved by the Ministry of Finance on March 2, 1993 and started its business on April 1, 1993. The financial statements are prepared in compliance with the forms specified by the Bank of Thailand.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Recognition of Income

Interest income on loans, discount on loans and other income are recognized on the accrual basis, except interest income on unmoved and long overdue receivables which is recognized on the cash basis.

2.2 Recognition of Expenses

Interest expense on interest-bearing deposits and borrowings and other expenses are recognized on the accrual basis.

2.3 Loans

Loans are shown at the outstanding principal amount except bank overdrafts which include accrued interest receivable. Unearned discount on loans received in advance at the end of the year is shown under "other liabilities".

2.4 Allowance for Possible Loan Losses

The Bank provides for allowance for possible loan losses by the amount expected to be uncollectible which is based on previous collection experience and the analysis of the clients' present financial position. Receivables and allowance for possible loan losses are written off when the management believes that those receivables would be uncollectible. Bad debt recovered afterwards is credited to allowance for possible loan losses.

2.5 Investment in Securities

In 1996, investment in Government securities and securities guaranteed by the Government are stated at cost net of premium or discount and net of allowance for decline in value of securities.

In 1995, investment in Government securities and securities guaranteed by Government are stated at cost. Premium (discount) on bonds is written off to interest income by the straight-line method over the remaining life of the bond.

Listed securities are stated at lower of aggregate cost or market.

Other securities are stated at cost net of allowance for decline in value of securities.

The market price of debt instruments is calculated using the closing price on the last date of the month, or average offering and closing price, at the last date of the month, or latest closing price of the month plus accrued interest income. In case there is no market price for debt instruments the market price is calculated using the formula prescribed in the circular No. 1086/2538 of The Bank of Thailand regarding price calculation for trading Government securities in secondary market dated May 22, 1995, using the Yield Curve of interest rates from the monthly auction of The Bank of Thailand bonds, Government bonds, state enterprise bonds guaranteed by Government, or interest rate of unguaranteed bonds minus risk premium.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996 AND 1995

In the case of other domestic debt instruments, the return rate is calculated using the Yield Curve governmental debt instruments plus the risk premium suitable for those debt instruments or market price determined by underwriter or reliable institutions, if The Bank of Thailand's formula cannot be used.

Investment in associated company is shown at cost rather than at equity method as prescribed by the Stock Exchange of Thailand, because the Bank of Thailand's letter No. BOT.N.V (V) 370/2538 dated February 15, 1995 allowed the Bank to present the investment at cost and disclose the net effects to financial statements in notes to financial statement if the investment in associated company was stated at equity method.

2.6 Foreign Currencies Transactions

Foreign currencies transactions are recorded when transactions occurred at the rates prevailing as at those dates. Assets and liabilities in foreign currencies and forward exchange contracts at the balance sheet date are translated into Baht at the Bank's average rates of exchange as at that date. Gain or loss on translation of such assets and liabilities is shown in the statement of profit and loss.

Customers' liability and Bank's liability under unmatured bills issued under the letters of credit and future commitments in foreign currencies are translated into Baht at the average rate of exchange prevailing on the transaction dates.

2.7 Depreciation and Amortization of Lease

Land is stated at revalued cost.

Building is stated at revalued cost net of depreciation.

Equipment is stated at cost net of depreciation.

Surplus on fixed asset revaluation is shown under shareholders' equity.

Depreciation on increased portion of building value is computed by the straight-line method at the rates based on the remaining useful lives of 50 years as assessed by the appraisal company and approved by the Bank of Thailand. The depreciation on increased portion of building value is deducted from surplus on fixed assets revaluation, which is shown under shareholders' equity.

Depreciation of premises and equipment are computed by the straight-line method at the rates based on the estimated useful lives of assets of 5 – 30 years.

2.8 Deferred Income Tax

The Bank adopts the practice of recognizing the income tax effects of the transactions in the period in which they enter into the determination of net profit, regardless of when they are recognized for tax purposes. Accordingly, the income tax applicable to expenses which are not currently deductible for income tax purposes was set up as deferred income tax in the balance sheet. This will be allocated to future periods when the expenses provided for are actually incurred and deductible for income tax purposes.

2.9 Registered Provident Fund

The Bank set up a provident fund under the Provident Fund Act B.E. 2530 and registered the Fund with the Ministry of Finance on June 27, 1990.

NAKORNTHON BANK PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1996 AND 1995

According to the Fund's regulations, every employee passing the probation period is entitled to apply for membership. The Bank and employees contribute equally to the Fund at the rate of 5% of employees' basic salary. The employees are entitled to the benefits upon death or retirement. The Bank's contributions to the Fund for the years ended December 31, 1996 and 1995 amount to Baht 16.82 million and Baht 13.67 million respectively.

- 2.10 Retirement Benefits
 Staff members are entitled to retirement pay upon termination of employment based on prescribed conditions and length of service. It is the management policy to recognize retirement pay in the period when payments are made.
- 2.11 Underwriter Fees
 Underwriter fees on ordinary shares issued under capital increase are shown as deduction from premium on share capital in the balance sheet.
- 2.12 Cash and Cash Equivalents
 Cash and cash equivalents are cash in hand, all type of bank accounts and cash in transit.
- 2.13 Earnings per Share
 Earnings per share is computed by dividing net income by the weighted average number of shares outstanding during the year. Fully diluted earnings per share is not shown as the difference is not over ten percent.

3. INVESTMENT IN SECURITIES

Investment in listed securities and other securities at December 31, consisted of :

	Amounts : Thousand Baht	
	1996	1995
Banking and financial institutions	233,550	150,509
Hotel	104,204	104,604
Manufacturing	303,751	306,291
Commerce	2,313	1,299
Insurance	53,370	52,866
Others	754,931	794,187
Total	1,452,119	1,409,756

4. INVESTMENT IN ASSOCIATED COMPANY

Investment in associated company is shown under other securities at December 31, 1996, consisted of :

	% hold	Amounts : Thousand Baht
Nakornthon Schroder Asset Management Limited	25%	25,000

On December 31, 1996, investment in associated company which is other securities, is stated at cost. If the bank presented this investment at equity method, the effect to the financial statements would be the followings :

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996 AND 1995

Amounts : Thousand Baht

Increase in net income	1.10
Increase in retained earnings – beginning of year	–
Increase in shareholders' equity	1.10
Increase in investment in securities	1.10

5. GOVERNMENT SECURITIES AND SECURITIES GUARANTEED BY THE GOVERNMENT

At December 31, Government securities and securities guaranteed by the Government consisted of :

Amounts : Thousand Baht

	1996	1995
Securities deposited with the Bank of Thailand :		
As collaterals for borrowings	156,000	156,000
For sales under repurchase agreements	1,161,296	940,000
Securities deposited as collaterals against electricity use	–	24
Securities free of commitments	851,572	1,117,296
Less Allowance for decline in value of securities	(11,170)	–
Total	2,157,698	2,213,320

6. INVESTMENT IN DEBT INSTRUMENTS

Investment in debt instruments at December 31, 1996, is shown under investment in securities, consisted of :

(Amounts : Million Baht)

	Securities of sales		Securities for investment		Total	
	Cost	Market	Cost	Market	Cost	Market
Debt instruments						
– Government	173.86	172.49	1,995.01	1,971.70	2,168.87	2,144.19
– Domestic	39.87	39.27	522.75	536.86	562.62	576.13
Total	213.73	211.76	2,517.76	2,508.56	2,731.49	2,720.32

7. LOANS AND ALLOWANCE FOR POSSIBLE LOAN LOSSES

At December 31, 1996 and 1995 loans include clients' notes receivable discounted with the Bank of Thailand amounting to Baht 124.58 million and Baht 94.25 million respectively. Related liabilities are shown under borrowings. Changes in allowance for possible loan losses during the year are as follows :

Amounts : Thousand Baht

	1996	1995
Balance at beginning of year	499,133	440,234
Provision during year	118,000	138,000
Bad debt recovered	17	102
Bad debt written off	(2,413)	(79,203)
Balance at end of year	614,737	499,133

NAKORNTHON BANK PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1996 AND 1995

8. PREMISES AND EQUIPMENT

Premises and equipment at December 31, consisted of :

	Amounts : Thousand Baht	
	1996	1995
Land	285,432	283,974
Buildings	1,124,034	1,119,347
Building improvements	168,802	146,649
Equipment	571,688	474,949
Work in progress	643,124	327,792
	2,793,080	2,352,711
Less Accumulated depreciation	(560,522)	(461,380)
Premises and Equipment – net	2,232,558	1,891,331

At December 31, 1996 and 1995, land included the additional value of Baht 66.62 million resulting from land appraisal using government appraisal prices, and buildings included the additional value of Baht 289.52 million resulting from building appraisal. The land and building revaluation were approved by the Bank of Thailand on March 16, 1993 and November 2, 1994 respectively.

The additional value of land and building is shown as surplus on fixed asset revaluation, as described in Note 20.

9. OTHER ASSETS

Other assets at December 31, consisted of :

	Amounts : Thousand Baht	
	1996	1995
Prepaid expenses	113,124	172,235
Deferred income tax	48,237	48,994
Accrued interest receivable	75,688	85,248
Other receivable	147,283	9,854
Others	89,277	31,046
Total	473,609	347,377

10. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities and commitments at December 31, consisted of the followings :

10.1 Contingent Liabilities and Commitments

	Amounts : Thousand Baht	
	1996	1995
Letters of credit	2,313,701	3,838,410
Aval to bills	869,739	1,477,284
Guarantees of loans	1,236,049	500,141
Guarantees of others	11,495,334	1,291,297
Forward exchange purchase contracts	10,207,987	9,597,182
Forward exchange sale contracts	13,269,181	10,956,279
Total	39,391,991	27,660,593

NAKORNTHON BANK PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 1996 AND 1995

10.2 Litigation

The Bank had a pending litigation with one of its customers under which the Bank is a defendant against claims for a repayment of issuing the bank guarantee of Baht 5 million. At present, the case is pending for decision in the civil court. The ultimate outcome of the litigation could not presently be determined. However, the management does not anticipate any loss under this litigation.

11. RELATED PARTY TRANSACTIONS

Loans and commitments made to employees from the rank of department manager upward, and to enterprises the shares of which are held by the Bank, directors or employees from the rank of department manager upward totalling over 10% of their paid up capital, are summarized as follows :

	(Amounts : Thousand Baht)			
	December 31		End of Month Average	
	1996	1995	1996	1995
Loans	1,168,557	1,777,826	1,795,681	1,502,463
Commitments	188,026	9,580	85,181	13,082

12. LONG-TERM BORROWINGS

Long-term borrowings – Domestic

A special resolution was passed by the Extraordinary General Meetings of Shareholders on November 19, 1992 and December 17, 1992 authorizing the issue of subordinated term debt in the type of non specific name bonds which can not be redeemed before maturity for the amount of Baht 700 million dividing into 70,000 shares of Baht 10,000 par value. The new bonds were sold on December 21, 1992 at Baht 10,000 per share at the floating interest rate with guaranteed minimum interest rate at 11.85% per annum. The redeemed period of bonds is 5 years and 3 months.

Long-term borrowings – Foreign

Maturity year of contract	Currency	Amount (Million Baht)	Interest rate
less than 1 year	US\$	2,331	LIBOR+0.6% – LIBOR+0.75%
1–8 years	US\$	769	year 1–5 LIBOR+1.5%
			year 6–10 LIBOR+3%
9–10 years	US\$	768	year 1–5 LIBOR+1.4%
			year 6–10 LIBOR+3%
		3,868	

On October 3, 1994 the Bank issued the US\$ long-term subordinated floating rate notes which can be redeemed before maturity in the amount of US\$ 30 million for the period of 10 years. The interest rate for years 1 to 5 is around 6 months USD LIBOR + 1.50% per annum and for years 6 to 10 around 6 months USD LIBOR + 3% per annum, payable semi-annually.

On June 4, 1996 the Bank issued the US\$ long-term subordinated floating rate notes in the amount of US\$ 30 million for the period of 10 years which all can be redeemed after 5 years with permission from Bank of Thailand. The interest rate for years 1–5 is around LIBOR + 1.40% per annum and for years 6–10 around LIBOR + 3% per annum, payable semi-annually.

NAKORNTHON BANK PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1996 AND 1995

13. SHARE CAPITAL

A resolution was passed by the Extraordinary General Meeting of shareholders on September 28, 1993 authorizing the increase in share capital of 36.075 million shares, of which 12.025 million shares were issued to existing shareholders at the rate of 8 existing shares for 1 new share and 2 warrants at Baht 38, and 24.05 million shares reserved for conversion of warrants. One warrant can be converted to 1 new share at the conversion price of Baht 50. The conversion period is 4 years. The conversion price and the number of warrants required for conversion are subject to adjustment under section 6.4 of the prospectus.

On June 29, 1995, the Bank registered the increase in share capital from Baht 1,091.29 million to Baht 1,094.09 million dividing into 109,409,817 shares of Baht 10 par value resulting from conversion of warrants to 280,214 common shares.

On October 2, 1995, the Bank registered the increase in share capital from Baht 1,094.09 million to Baht 1,203.50 million dividing into 120,350,798 shares of Baht 10 par value.

On December 22, 1995, the Bank registered the increase in share capital from Baht 1,203.50 million to Baht 1,204.19 million dividing into 120,419,244 shares of Baht 10 par value resulting from conversion of warrants to 68,446 common shares.

A resolution was passed by the Ordinary General Meeting of Shareholders on April 25, 1996 authorizing the additional issuance of share capital of 964,120 shares reserved for conversion of warrants.

On June 25, 1996, the Bank registered the increase in share capital from Baht 1,204.19 million to Baht 1,210.16 million dividing into 121,015,797 shares of Baht 10 par value resulting from conversion of warrants to 596,553 common shares.

On September 3, 1996, the Bank registered the increase in share capital from Baht 1,210.16 million to Baht 1,331.17 million dividing into 133,117,377 shares of Baht 10 par value.

On December 23, 1996, the Bank registered the increase in share capital from Baht 1,331.17 million to Baht 1,339.33 million dividing into 133,932,534 shares of Baht 10 par value resulting from conversion of warrants to 815,157 shares.

14. WARRANTS

On December 31, 1996 and 1995, the warrants remained unconverted in the amount of 21,465,063 units and 22,799,493 units respectively.

15. LEGAL RESERVE

According to the Public Company Act, the Bank is required to appropriate at least 5% of net profit for the year less deficit (if any) to legal reserve until the amount of such reserve is equal to 10% of the registered share capital. In 1996 and 1995, the Bank appropriated legal reserve in the amount of Baht 35.08 million and Baht 30.54 million respectively.

The above appropriation is shown in the accompanying financial statements and is to be presented for approval by the shareholders in the following Ordinary General Meeting.

16. OTHER RESERVES

According to the Notice of the Bank of Thailand dated April 3, 1987, periodic payment of Bank's dividend is permitted after a reserve has been provided for equal to the balance of deferred income tax. On December 31,

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996 AND 1995

1996 and 1995, a reserve for deferred income tax of approximately Baht 48.24 million and Baht 48.99 million respectively was covered under other reserves.

17. PROPOSED DIVIDENDS

A resolution was passed by the Board of Directors' Meeting held on November 28, 1996 authorized an interim dividend payment of Baht 1.85 per share.

A resolution was passed by the Board of Directors' Meeting held on May 23, 1996 authorized an interim dividend payment of Baht 1.50 per share.

A resolution was passed by the Board of Directors' Meeting held on November 23, 1995 authorized an interim dividend payment of Baht 1.85 per share.

A resolution was passed by the Board of Directors' Meeting held on June 22, 1995 authorized an interim dividend payment of Baht 1.50 per share.

18. LONG-TERM LEASE

The Bank has entered into lease agreements for its 24 branches covering periods between 1 to 30 years expiring within 1997 – 2023. Under the terms of the leases, the Bank is committed to pay to the lessors deposits of approximately Baht 9.13 million in 1996 and Baht 8.97 million in 1995. The annual rentals are approximately Baht 14.46 million in 1996 and Baht 13.41 million in 1995. Certain lease agreements are renewable by written confirmation to the lessor at least one to three months before the termination of the agreements.

19. FUND FOR REHABILITATION AND DEVELOPMENT OF FINANCIAL INSTITUTIONS

By virtue of regulation issued by the Fund for the Rehabilitation and Development of Financial Institutions dated October 16, 1992 under the Bank of Thailand Act and notice issued by the Fund for the Rehabilitation and Development of Financial Institutions dated November 15, 1993, the Bank is required to contribute on the last working day of June and December, an amount equal to 0.1% of its total outstanding balance of deposits as at December 31 of the balance sheet of the preceding year (excluding deposits of foreign branches and due to commercial banks – interest bearing and deposits of BIBF activities and deposits from Fund for Rehabilitation and Development of Financial Institutions) to the Fund for Rehabilitation and Development of Financial Institutions.

The Bank's contributions to the Fund for 1996 and 1995 amounted to approximately Baht 35.9 million and Baht 27.9 million, respectively.

20. SURPLUS ON FIXED ASSETS REVALUATION

Surplus on fixed assets revaluation at December 31 consisted of :

	1996 Baht	1995 Baht
Surplus on land revaluation	66,621,000	66,621,000
Surplus on building revaluation	289,523,000	289,523,000
	356,144,000	356,144,000
<u>Less</u> Accumulated depreciation	(27,029,016)	(20,272,032)
Surplus on fixed assets revaluation – net	329,114,984	335,871,968

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996 AND 1995

Surplus on land revaluation is based on government appraisal prices and surplus on building revaluation is based on appraisal company's price. The land and building revaluation are approved by the Bank of Thailand on March 16, 1993 and November 2, 1994 respectively.

21. FINANCIAL INFORMATION BY SEGMENT

A. Financial position by geographical segment

(Amounts : Million Baht)

	At December 31, 1996				
	Inside Thailand Activities	Outside Thailand Activities	Total	Eliminated Entry	Total
Total Assets	85,363	10,485	95,848	(31,377)	64,471
Loans	54,937	110	55,047	-	55,047
Investment	3,610	-	3,610	-	3,610
Deposits	42,173	4,920	47,093	(37)	47,056
Borrowings	11,892	5,328	17,220	(9,940)	7,280
Commitments	-	-	-	-	-

(Amounts : Million Baht)

	At December 31, 1995				
	Inside Thailand Activities	Outside Thailand Activities	Total	Eliminated Entry	Total
Total Assets	63,797	10,569	74,366	(17,500)	56,866
Loans	54,063	400	54,463	(7,146)	47,317
Investment	3,825	-	3,825	(202)	3,623
Deposits	43,983	4,368	48,351	(8,034)	40,317
Borrowings	19,161	5,581	24,742	(17,500)	7,242
Commitments	-	-	27,661	-	27,661

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1996 AND 1995

B. Results of operations by geographical segment

(Amounts : Million Baht)

	For the year ended December 31, 1996				
	Inside	Outside	Total	Eliminated Entry	Total
	Thailand Activities	Thailand Activities			
Interest and dividend income	6,185	585	6,770	(332)	6,438
Interest expense	4,469	730	5,199	(332)	4,867
Provision for possible loan losses	118	-	118	-	118
Net interest income after provision for possible loan losses	1,598	(145)	1,453	-	1,453
Non-interest income	653	9	662	-	662
Non-interest expense	1,145	14	1,159	-	1,159
Income before income tax	1,107	(150)	957	-	957
Income tax	255	-	255	-	255
Net profit	852	(150)	702	-	702

(Amounts : Million Baht)

	For the year ended December 31, 1995				
	Inside	Outside	Total	Eliminated Entry	Total
	Thailand Activities	Thailand Activities			
Interest and dividend income	5,330	461	5,791	(393)	5,398
Interest expense	3,753	688	4,441	(393)	4,048
Provision for possible loan losses	138	-	138	-	138
Net interest income after provision for possible loan losses	1,439	(227)	1,212	-	1,212
Non-interest income	603	3	606	(6)	600
Non-interest expense	956	26	982	(6)	976
Income before income tax	1,086	(250)	836	-	836
Income tax	225	-	225	-	225
Net profit	861	(250)	611	-	611

OTHERS INFORMATION

1. DIRECTORS OF NAKORNTHON BANK PUBLIC COMPANY LIMITED.
Board of Directors of Nakornthon Bank public company Limited.

CHAIRMAN

Mr. Sunthorn Hongladarom

DIRECTORS

Mr. Vorawee Wanglee

Mr. Thamnu Wanglee

Khunying Chanut Piyaoui

Mr. Suchin Wanglee

Mr. Santi Bhirom-bhakdi

Mr. Thamnoon Wanglee

Mr. Kitti Patpongpibul

Mr. Prasit Cholvanich

Mr. Suphot Wanglee

Mr. Poomchai Lamsam

Mr. Isara Vongkusolkit

Mr. Panya Sawasdichevin

Prof. Dr. Athasit Vejjajiva

SECRETARY TO THE BOARD

Mr. Thavisakdi Kuruchittham

AUDITOR

Dr. Payom Singhasaneh

2. INVESTMENT OF NAKORNTHON BANK PUBLIC COMPANY LIMITED ON COMPANIES.
 December 31, 1996 Bank investment in other companies by holding at least 10%
 of share of sold shares of the company.

NAME	LOCATE	BUSINESS
1. Nakornthon Schroder Asset Management Limited	Bangkok	Financial Institution
2. United Industry Development Co., Ltd.	Bangkok	Real Estate Rental
3. Chao Phaya Resort Limited.	Bangkok	Hotel
4. Thai Aliphatics Co., Ltd.	Bangkok	Chemical Products
5. Thai Realty Complex Co., Ltd.	Bangkok	Real Estate Development
6. Singkee Co., Ltd.	Bangkok	Construction
7. Saraburi Cement Co., Ltd.	Bangkok	Cement Products
8. Padungsin Co., Ltd.	Bangkok	Investment in Real Estate
9. Nakornthon Leasing Co., Ltd.	Bangkok	Leasing

TYPE OF SHARES	NO. OF SHARE ALREADY SOLD	NO. OF HOLDING SHARES	RATE OF HOLDING	AMOUNT OF MONEY (BAHT)
Common	10,000,000	2,500,000	25.00	25,000,000.00
Prefered	100,000	10,000	10.00	1,000,000.00
Common	8,000,000	800,000	10.00	80,000,000.00
Prefered	400,000	40,000	10.00	4,000,000.00
Common	2,000,000	200,000	10.00	20,000,000.00
Common	300,000	30,000	10.00	3,000,000.00
Common	6,000,000	600,000	10.00	60,000,000.00
Common	50,000	5,000	10.00	500,000.00
Common	8,000,000	800,000	10.00	8,000,000.00

3. HOLDING SHARES OF BANK AND COMPANIES ENDED DECEMBER 31, 1995
AND BENEFIT TO THE BOARD IN 1995 A/C

1. Mr. Sunthorn Hongladarom – earning from position Board 826,684 Baht. Hold NTB shares 33,125 shares, Increase in A/C year 8,351 shares. The conversion of warrants – units.
2. Mr. Vorawee Wanglee – earning from position Board 413,332 Baht. Hold NTB shares 1,138,033 shares, Increase in A/C year 103,457 shares. The conversion of warrants – units.
3. Mr. Thamnu Wanglee – earning from position Board 413,332 Baht. Hold NTB shares 736,583 shares, Increase in A/C year 66,962 shares. The conversion of warrants – 134,354 units.
4. Mr. Thamnoon Wanglee – earning from position Board 413,332 Baht. Hold NTB shares 369,210 shares, Increase in A/C year 33,564 shares. The conversion of warrants – units.
5. Mr. Prasit Cholvanich – earning from position Board 413,332 Baht. Hold NTB shares 49,793 shares, Increase in A/C year 4,526 shares. The conversion of warrants – 9,144 units.
6. Mr. Seri Osathanugrah – earning from position Board 309,999 Baht. Hold NTB shares 433,502 shares, Increase in A/C year 39,409 shares. The conversion of warrants – 79,614 units. (Resigned from position of the Board)
7. Mr. Santi Bhirom–bhakdi – earning from position Board 413,332 Baht. Hold NTB shares 375,596 shares, Increase in A/C year 34,145 shares. The conversion of warrants – 68,980 units.
8. Khunying Chanut Piyaoui – earning from position Board 413,332 Baht. Not holding NTB shares The conversion of warrants – 167,604 units.
9. Mr. Kitti Patpongpibul – earning from position Board 413,332 Baht. Not holding NTB shares.
10. Mr. Suchin Wanglee – earning from position Board 413,332 Baht. Hold NTB shares 543,282 shares, Increase in A/C year 146,732 shares. The conversion of warrants – 81,000 units.
11. Mr. Suphot Wanglee – earning from position Board 413,332 Baht. Hold NTB shares 6,969 shares, Increase in A/C year 633 shares. The conversion of warrants – units.
12. Mr. Poomchai Lamsam – earning from position Board 413,332 Baht. Not holding NTB shares.
13. Mr. Isara Vongkusolkkit – earning from position Board 413,332 Baht. Not holding NTB shares.
14. Mr. Panya Sawasdichevin – earning from position Board 413,332 Baht. Not holding NTB shares.
15. Prof. Dr. Athasit Vejjajiva – earning from position Board 103,333 Baht. Not holding NTB shares. (Substitution to Mr. Seri Osathanugrah)

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Bangkok Branches 48
(Including 6 Branches Opened in 1997)
Upcountry Branches 24
(Including 4 Branches Opened in 1997)
Foreign Branch 1

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Mrs. Wanwipa Yamapai
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- Bangkok Branch Banking 1, Region 2

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BANGKOK

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- Bangkok Branch Banking 2, Region 1

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Rama II Road	Open in 1997
Rama III Road	Open in 1997
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