

**The Siam Commercial Bank Public Company Limited  
and its Subsidiaries**

Interim financial statements  
and  
Review Report of Certified Public Accountant

For the three-month period ended  
31 March 2011

## **Review Report of Certified Public Accountant**

### **To the Board of Directors of The Siam Commercial Bank Public Company Limited**

I have reviewed the accompanying consolidated and the Bank's statements of financial position as at 31 March 2011, and the related statements of comprehensive income, changes in equity and cash flows for the three-month periods ended 31 March 2011 and 2010 (restated) of The Siam Commercial Bank Public Company Limited and its subsidiaries, and of The Siam Commercial Bank Public Company Limited, respectively. The Bank's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard on review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. I have not performed an audit and, accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

As explained in note 19 to the financial statements, the Bank and subsidiaries have applied with Thai Accounting Standard No. 19 "*Employee benefits*" in 2010. The consolidated and the Bank's financial statements for the three-month period ended 31 March 2010, which are included in the accompanying financial statements for comparative purposes, have been restated accordingly.

As explained in note 3 to the financial statements, with effect from 1 January 2011 the Bank and subsidiaries have adopted certain new and revised financial reporting standards. The consolidated and the Bank's financial statements for the three-month period ended 31 March 2010, which are included in the accompanying financial statements for comparative purposes, have been restated accordingly.

I have previously audited the consolidated and the Bank's financial statements for the year ended 31 December 2010 of The Siam Commercial Bank Public Company Limited and its subsidiaries, and of The Siam Commercial Bank Public Company Limited, respectively, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those financial statements in my report dated 22 February 2011. As explained in note 3 to the accompanying financial statements, those financial statements have been restated consequent to the adoption of certain new and revised financial reporting standards. I have audited the adjustments that were applied to the restatement of those financial statements and in my opinion those adjustments are appropriate and have been properly applied. Other than the audit of those adjustments, I have not performed any auditing procedures since that date. The consolidated and the Bank's statements of financial position as at 31 December 2010, which are included in the accompanying financial statements for comparative purposes, are components of those financial statements.

(Supot Singhasaneh)  
Certified Public Accountant  
Registration No. 2826

KPMG Phoomchai Audit Ltd.  
Bangkok  
13 May 2011

# The Siam Commercial Bank Public Company Limited and its Subsidiaries

## Statements of financial positions

As at 31 March 2011 and 31 December 2010

Assets	Note	Consolidated		The Bank	
		31 March 2011 (Unaudited)	31 December 2010 (Restated)	31 March 2011 (Unaudited)	31 December 2010 (Restated)
<i>(in thousand Baht)</i>					
Cash		25,074,663	33,273,010	24,914,205	33,171,784
Interbank and money market items, net		145,772,529	149,018,434	137,270,567	146,391,744
Derivative assets		28,041,375	31,589,205	28,041,375	31,589,205
Investments, net	6	214,674,946	148,495,443	148,922,654	145,424,811
Investments in subsidiaries and associates, net	7	1,965,923	5,250,817	26,356,985	17,990,809
Loans to customers and accrued interest receivables, net	8				
Loans to customers		1,137,597,285	1,067,159,207	1,119,715,424	1,050,236,154
Accrued interest receivables		2,080,857	1,824,400	1,974,440	1,797,442
Total loans to customers and accrued interest receivables		1,139,678,142	1,068,983,607	1,121,689,864	1,052,033,596
Less deferred revenue		(9,621,835)	(8,585,280)	(8,636,811)	(7,290,998)
Less allowance for doubtful accounts	8.2, 9	(41,675,376)	(41,000,179)	(39,565,507)	(38,867,757)
Less revaluation allowance for debt restructuring		(594,270)	(594,759)	(594,270)	(594,759)
Total loans to customers and accrued interest receivables, net		1,087,786,661	1,018,803,389	1,072,893,276	1,005,280,082
Customers' liabilities under acceptances		235,531	162,945	235,531	162,945
Properties for sale, net		12,399,038	12,683,713	12,243,264	12,551,756
Premises and equipment, net		34,004,956	28,534,779	32,574,808	27,324,796
Goodwill and other intangible assets, net		11,177,299	2,172,288	1,216,353	1,318,263
Receivables from selling of investments		16,226,697	29,578,247	16,226,690	29,578,241
Assets pending transfer		3,062,168	6,809,074	3,050,165	6,701,302
Other assets, net		12,641,558	10,363,605	7,284,123	8,434,693
<b>Total assets</b>		<b>1,593,063,344</b>	<b>1,476,734,949</b>	<b>1,511,229,996</b>	<b>1,465,920,431</b>

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

# The Siam Commercial Bank Public Company Limited and its Subsidiaries

## Statements of financial positions

As at 31 March 2011 and 31 December 2010

Liabilities and equity	Note	Consolidated		The Bank	
		31 March 2011 (Unaudited)	31 December 2010 (Restated)	31 March 2011 (Unaudited)	31 December 2010 (Restated)
<i>(in thousand Baht)</i>					
<b>Liabilities</b>					
Deposits		1,126,538,452	1,092,108,950	1,127,319,147	1,090,495,260
Interbank and money market items, net		47,116,785	48,039,272	49,473,090	49,911,581
Liabilities payable on demand		7,650,800	6,883,222	7,636,255	6,866,151
Derivative liabilities		25,576,039	29,135,232	25,576,039	29,135,232
Debt securities in issue and borrowings		79,451,172	62,609,368	79,451,172	62,789,368
Bank's liabilities under acceptances		235,531	162,945	235,531	162,945
Provisions		4,736,390	4,601,002	4,496,768	4,359,861
Liabilities under insurance contracts		64,663,691	1,640,490	-	-
Payable from purchases of investments		20,022,128	33,431,691	19,192,128	33,431,691
Liabilities pending transfer		7,936,531	13,202,177	7,813,717	13,083,204
Other liabilities		34,751,648	29,815,529	27,741,930	26,309,379
<b>Total liabilities</b>		<u>1,418,679,167</u>	<u>1,321,629,878</u>	<u>1,348,935,777</u>	<u>1,316,544,672</u>
<b>Equity</b>					
Share capital					
Authorised share capital					
3,586,155,790 preference shares of Baht 10 each		35,861,558	35,861,558	35,861,558	35,861,558
3,413,844,210 ordinary shares of Baht 10 each		<u>34,138,442</u>	<u>34,138,442</u>	<u>34,138,442</u>	<u>34,138,442</u>
Issued and fully paid-up share capital					
6,463,892 preference shares of Baht 10 each		64,639	65,719	64,639	65,719
3,392,728,306 ordinary shares of Baht 10 each		33,927,283	33,926,203	33,927,283	33,926,203
Premium on share capital					
Premium on preference share		25,277	25,699	25,277	25,699
Premium on ordinary share		11,098,914	11,098,492	11,098,914	11,098,492
Other reserves		21,484,306	15,754,413	21,171,675	15,344,324
Retained earnings					
Appropriated					
Legal reserve	11	7,000,000	7,000,000	7,000,000	7,000,000
Unappropriated		99,597,560	86,445,116	89,006,431	81,915,322
Total shareholders' equity		<u>173,197,979</u>	<u>154,315,642</u>	<u>162,294,219</u>	<u>149,375,759</u>
Non-controlling interest		1,186,198	789,429	-	-
<b>Total equity</b>		<u>174,384,177</u>	<u>155,105,071</u>	<u>162,294,219</u>	<u>149,375,759</u>
<b>Total liabilities and equity</b>		<u>1,593,063,344</u>	<u>1,476,734,949</u>	<u>1,511,229,996</u>	<u>1,465,920,431</u>

(Mrs. Kannikar Chalitaporn)

President

(Dr. Vichit Suraphongchai)

Chairman of the Executive Committee

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

## The Siam Commercial Bank Public Company Limited and its Subsidiaries

### Statements of comprehensive income

For the three-month periods ended 31 March 2011 and 2010 (Unaudited)

	Note	Consolidated		The Bank	
		2011	2010 (Restated)	2011	2010 (Restated)
<i>(in thousand Baht)</i>					
Interest income		15,628,111	12,641,908	15,073,921	12,040,854
Interest expense		4,646,262	3,045,579	4,657,422	2,941,212
Net interest income		10,981,849	9,596,329	10,416,499	9,099,642
Fees and service income		6,257,057	5,227,497	6,427,100	5,038,170
Fees and service expense		973,945	852,532	905,621	805,682
Net fees and service income		5,283,112	4,374,965	5,521,479	4,232,488
Net trading income		1,731,282	1,041,780	1,726,221	1,039,160
Gain on investments		5,086,577	195,577	40,067	216,943
Share of profit of associates		161,769	252,530	-	-
Dividend income		377,678	385,980	376,255	375,990
Net earned insurance premiums		4,025,775	598,156	-	-
Other operating income		253,330	294,904	97,257	136,682
Total operating income		27,901,372	16,740,221	18,177,778	15,100,905
Net insurance claims		2,854,752	282,638	-	-
Net operating income		25,046,620	16,457,583	18,177,778	15,100,905
Other operating expenses					
Staff costs		4,154,386	3,308,158	3,734,189	3,017,913
Directors' remuneration		7,988	7,777	6,851	6,720
Premises and equipment expenses		2,022,854	1,910,463	1,871,215	1,753,336
Taxes and duties		593,128	483,998	582,312	480,957
Others		1,456,218	1,098,996	1,571,655	1,195,429
Total operating expenses		8,234,574	6,809,392	7,766,222	6,454,355
Impairment loss on loans and debt securities	9	850,471	1,118,948	899,950	1,176,052
Loss on debt restructuring	8.5	50	23,948	50	23,948
Profit before tax		15,961,525	8,505,295	9,511,556	7,446,550
Income tax expense		2,856,727	2,093,529	2,520,663	1,879,765
Net profit		13,104,798	6,411,766	6,990,893	5,566,785

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

# The Siam Commercial Bank Public Company Limited and its Subsidiaries

## Statements of comprehensive income

For the three-month periods ended 31 March 2011 and 2010 (Unaudited)

	Note	Consolidated		The Bank	
		2011	2010 (Restated)	2011	2010 (Restated)
<i>(in thousand Baht)</i>					
Other comprehensive income					
Change in revaluation surplus		5,496,739	(41,072)	5,499,996	(40,078)
Gain on remeasuring available-for-sale investment		231,444	1,059,431	327,355	1,033,306
Foreign currency translation differences		2,819	-52,023	-	-
Share of other comprehensive income of associates		-970	-	-	-
Total other comprehensive income		5,730,032	966,336	5,827,351	993,228
Total comprehensive income for the period		18,834,830	7,378,102	12,818,244	6,560,013
Net profit attributable					
Shareholders' of the parent company		13,051,296	6,374,712	6,990,893	5,566,785
Non-controlling interest		53,502	37,054	-	-
Total comprehensive income attributable					
Shareholders' of the parent company		18,781,188	7,340,158	12,818,244	6,560,013
Non-controlling interest		53,642	37,944	-	-
Earnings per share of the parent company	12				
Basic earnings per share <i>(in Baht)</i>		3.84	1.88	2.06	1.64
Diluted earnings per share <i>(in Baht)</i>		3.84	1.88	2.06	1.64

(Mrs. Kannikar Chalitaporn)

President

(Dr. Vichit Suraphongchai)

Chairman of the Executive Committee

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

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**

**Statements of changes in equity**

**For the three-month periods ended 31 March 2011 and 2010 (Unaudited)**

	<b>Consolidated</b>													
							<u>Other components of equity</u>							
							Change in revaluation surplus	Gain on remeasuring available-for-sale investment	Foreign currency translation differences	Share of other comprehensive income of associates	Total other components of equity	Total shareholders' equity	Non- controlling interest	Total equity
	Issued and fully paid-up share capital	Premium on share capital		Retained earnings										
Preference shares	Ordinary shares	Preference shares	Ordinary shares	Legal reserve	Unappropriated									
<i>(in thousand Baht)</i>														
<b>Balance at 1 January 2010</b>	<b>71,644</b>	<b>33,920,278</b>	<b>28,016</b>	<b>11,096,175</b>	<b>6,034,294</b>	<b>74,936,163</b>	<b>11,203,614</b>	<b>3,034,834</b>	<b>(245,652)</b>	<b>60,454</b>	<b>14,053,250</b>	<b>140,139,820</b>	<b>781,655</b>	<b>140,921,475</b>
Profit for the period	-	-	-	-	-	6,374,712	-	-	-	-	-	6,374,712	37,054	6,411,766
Other comprehensive income	-	-	-	-	-	40,751	(40,908)	1,058,376	(52,023)	-	965,445	1,006,196	1,126	1,007,322
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,415,463</b>	<b>(40,908)</b>	<b>1,058,376</b>	<b>(52,023)</b>	<b>-</b>	<b>965,445</b>	<b>7,380,908</b>	<b>38,180</b>	<b>7,419,088</b>
Conversion of preference shares to ordinary shares	(1,330)	1,330	(520)	520	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2010</b>	<b>70,314</b>	<b>33,921,608</b>	<b>27,496</b>	<b>11,096,695</b>	<b>6,034,294</b>	<b>81,351,626</b>	<b>11,162,706</b>	<b>4,093,210</b>	<b>(297,675)</b>	<b>60,454</b>	<b>15,018,695</b>	<b>147,520,728</b>	<b>819,835</b>	<b>148,340,563</b>
<b>Balance at 1 January 2011</b>	<b>65,719</b>	<b>33,926,203</b>	<b>25,699</b>	<b>11,098,492</b>	<b>7,000,000</b>	<b>86,445,116</b>	<b>11,038,160</b>	<b>5,068,928</b>	<b>(413,129)</b>	<b>60,454</b>	<b>15,754,413</b>	<b>154,315,642</b>	<b>789,429</b>	<b>155,105,071</b>
Profit for the period	-	-	-	-	-	13,051,296	-	-	-	-	-	13,051,296	53,502	13,104,798
Other comprehensive income	-	-	-	-	-	101,148	5,496,904	231,140	2,819	(970)	5,729,893	5,831,041	140	5,831,181
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,152,444</b>	<b>5,496,904</b>	<b>231,140</b>	<b>2,819</b>	<b>(970)</b>	<b>5,729,893</b>	<b>18,882,337</b>	<b>53,642</b>	<b>18,935,979</b>
Conversion of preference shares to ordinary shares	(1,080)	1,080	(422)	422	-	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	-	-	-	343,127	343,127
<b>Balance at 31 March 2011</b>	<b>64,639</b>	<b>33,927,283</b>	<b>25,277</b>	<b>11,098,914</b>	<b>7,000,000</b>	<b>99,597,560</b>	<b>16,535,064</b>	<b>5,300,068</b>	<b>(410,310)</b>	<b>59,484</b>	<b>21,484,306</b>	<b>173,197,979</b>	<b>1,186,198</b>	<b>174,384,177</b>

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

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**

**Statements of changes in equity**

**For the three-month periods ended 31 March 2011 and 2010 (Unaudited)**

	<b>The Bank</b>						<u>Other components of equity</u>			Total equity
	Issued and fully paid-up share capital		Premium on share capital		Retained earnings		Change in	Gain on	Total	
	Preference shares	Ordinary shares	Preference shares	Ordinary shares	Legal reserve	Unappropriated	revaluation surplus	remeasuring available-for-sale investment	other components of equity	
	<i>(in thousand Baht)</i>									
<b>Balance at 1 January 2010</b>	<b>71,644</b>	<b>33,920,278</b>	<b>28,016</b>	<b>11,096,175</b>	<b>6,034,294</b>	<b>71,437,715</b>	<b>10,810,433</b>	<b>2,716,984</b>	<b>13,527,417</b>	<b>136,115,539</b>
Profit for the period	-	-	-	-	-	5,566,785	-	-	-	5,566,785
Other comprehensive income	-	-	-	-	-	39,820	(40,079)	1,033,306	993,227	1,033,047
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,606,605</b>	<b>(40,079)</b>	<b>1,033,306</b>	<b>993,227</b>	<b>6,599,832</b>
Conversion of preference shares to ordinary shares	(1,330)	1,330	(520)	520	-	-	-	-	-	-
<b>Balance at 31 March 2010</b>	<b>70,314</b>	<b>33,921,608</b>	<b>27,496</b>	<b>11,096,695</b>	<b>6,034,294</b>	<b>77,044,320</b>	<b>10,770,354</b>	<b>3,750,290</b>	<b>14,520,644</b>	<b>142,715,371</b>
<b>Balance at 1 January 2011</b>	<b>65,719</b>	<b>33,926,203</b>	<b>25,699</b>	<b>11,098,492</b>	<b>7,000,000</b>	<b>81,915,322</b>	<b>10,648,329</b>	<b>4,695,995</b>	<b>15,344,324</b>	<b>149,375,759</b>
Profit for the period	-	-	-	-	-	6,990,893	-	-	-	6,990,893
Other comprehensive income	-	-	-	-	-	100,216	5,499,996	327,355	5,827,351	5,927,567
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,091,109</b>	<b>5,499,996</b>	<b>327,355</b>	<b>5,827,351</b>	<b>12,918,460</b>
Conversion of preference shares to ordinary shares	(1,080)	1,080	(422)	422	-	-	-	-	-	-
<b>Balance at 31 March 2011</b>	<b>64,639</b>	<b>33,927,283</b>	<b>25,277</b>	<b>11,098,914</b>	<b>7,000,000</b>	<b>89,006,431</b>	<b>16,148,325</b>	<b>5,023,350</b>	<b>21,171,675</b>	<b>162,294,219</b>

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

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**

**Statements of cash flows**

**For the three-month periods ended 31 March 2011 and 2010 (Unaudited)**

	Consolidated		The Bank	
	2011	2010 (Restated)	2011	2010 (Restated)
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit from operating before income tax expense	15,961,525	8,505,295	9,511,556	7,446,550
<i>Adjustments for</i>				
Depreciation and amortisation	755,475	643,119	697,901	589,589
Impairment loss on loans and debt securities	850,471	1,118,948	899,950	1,176,052
Loss on debt restructuring	50	23,948	50	23,948
Reversal of impairment of assets	(71,074)	-	(71,074)	-
(Reversal) loss of impairment of properties for sale	1,296	(2,718)	1,296	(2,718)
Gain on investments	(5,086,577)	(195,577)	(40,067)	(216,943)
Amortisation of discounts and premiums of investment in debt securities	104,672	23,922	117,755	23,922
(Gain) loss on sales of premises and equipment	(10,110)	(1,212)	(9,357)	2,221
Gain on sales of properties for sale	(64,572)	(89,353)	(53,276)	(69,793)
Net trading income	(1,731,282)	(1,041,780)	(1,726,221)	(1,039,160)
Share of profit of associates	(161,769)	(252,530)	-	-
	10,548,105	8,732,062	9,328,513	7,933,668
Net interest income	(10,981,849)	(9,596,329)	(10,416,499)	(9,099,642)
Dividend income	(377,678)	(385,980)	(376,255)	(375,990)
Proceeds from interest	15,433,486	12,717,015	14,811,796	12,111,937
Interest paid	(3,753,393)	(1,778,868)	(3,762,855)	(1,679,414)
Proceeds from dividend	378,342	410,862	376,919	376,753
Income tax paid	(162,304)	(151,000)	(129,528)	(105,864)
Income from operations before changes in operating assets and liabilities	11,084,709	9,947,762	9,832,091	9,161,448
<i>(Increase) decrease in operating assets</i>				
Interbank and money market items	10,490,425	(35,486,757)	9,133,327	(35,972,321)
Investment in securities for trading	(7,309,629)	(8,802,183)	(7,309,583)	(9,039,928)
Loans to customers and accrued interest receivables	(68,951,367)	(174,611)	(68,650,371)	(345,089)
Properties for sale	820,087	947,429	679,860	537,021
Other assets	22,666,840	2,410,165	23,605,478	2,522,258

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

# The Siam Commercial Bank Public Company Limited and its Subsidiaries

## Statements of cash flows

For the three-month periods ended 31 March 2011 and 2010 (Unaudited)

	Consolidated		The Bank	
	2011	2010 (Restated)	2011	2010 (Restated)
	<i>(in thousand Baht)</i>			
<b>Cash flows from operating activities</b>				
<i>Increase (decrease) in operating liabilities</i>				
Deposits	34,400,665	19,374,569	36,795,051	19,879,897
Interbank and money market items	(922,487)	(7,065,815)	(438,491)	(6,927,575)
Liabilities payable on demand	767,578	671,236	770,105	664,048
Short-term debt securities in issue and borrowings	15,857,920	(3,053,906)	15,677,920	(2,153,906)
Other liabilities	(21,369,801)	(2,053,340)	(24,912,212)	(2,138,611)
<b>Net cash used in operating activities</b>	<b>(2,465,060)</b>	<b>(23,285,451)</b>	<b>(4,816,825)</b>	<b>(23,812,758)</b>
<b>Cash flows from investing activities</b>				
Purchases of available-for-sale securities	(21,285,046)	(3,253,390)	(17,208,946)	(2,360,042)
Proceeds from sales of available-for-sale securities	22,112,754	18,502,678	20,131,618	17,922,671
Purchases of held-to-maturity securities	(1,306,681)	(974,428)	(825)	(1,022)
Proceeds from redemption of held-to-maturity securities	2,211,468	3,047,787	1,160,068	2,233,567
Purchases of general securities	(77)	(2,400)	-	(2,300)
Proceeds from sales of general securities	1,716	115,000	-	115,000
Purchases of investments in subsidiaries and/or associated companies	(8,383,319)	-	(8,400,000)	-
Proceeds from sales of investments in subsidiaries and/or associated companies	96,262	-	33,774	-
Purchases of premises and equipment	(179,000)	(361,277)	(150,922)	(359,862)
Proceeds from sales of premises and equipment	11,934	151,873	10,596	133,287
<b>Net cash provided by (used in) investing activities</b>	<b>(6,719,989)</b>	<b>17,225,843</b>	<b>(4,424,637)</b>	<b>17,681,299</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in long-term debt securities in issue and borrowings	983,883	(1,180,404)	983,883	(1,180,404)
<b>Net cash provided by (used in) financing activities</b>	<b>983,883</b>	<b>(1,180,404)</b>	<b>983,883</b>	<b>(1,180,404)</b>
Foreign currency translation differences	2,819	(52,023)	-	-
<b>Net decrease in cash and cash equivalents</b>	<b>(8,198,347)</b>	<b>(7,292,035)</b>	<b>(8,257,579)</b>	<b>(7,311,863)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>33,273,010</b>	<b>32,868,013</b>	<b>33,171,784</b>	<b>32,788,025</b>
<b>Cash and cash equivalents at 31 March</b>	<b>25,074,663</b>	<b>25,575,978</b>	<b>24,914,205</b>	<b>25,476,162</b>

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

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

<b>Note</b>	<b>Contents</b>	<b>Pages</b>
1	General information	12
2	Basis of preparation of the interim financial statements	12
3	Changes in accounting policies	15
4	Acquisitions of subsidiaries and non-controlling interests	16
5	Maintenance of capital fund	18
6	Investments, net	19
7	Investments in subsidiaries and associated companies, net	22
8	Loans to customers and accrued interest receivables, net	25
9	Allowance for doubtful accounts	31
10	Classified assets	32
11	Legal reserve	33
12	Earnings per share	34
13	Assets with contingencies and commitments	34
14	Contingencies	35
15	Related parties	36
16	Disclosure of the statements of cash flows of the asset management company	41
17	Segment information	42
18	Events after the reporting period	43
19	Adoption of Thai Accounting Standard 19 Employee Benefits	44
20	Thai Financial Reporting Standards (TFRS) not yet adopted	44
21	Reclassification of accounts	44

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

These notes form an integral part of the financial statements.

The interim financial statements were authorised for issue by the directors on 13 May 2011.

**1 General information**

The Siam Commercial Bank Public Company Limited, “the Bank”, is incorporated in Thailand and has its registered office at 9 Rutchadapisek Road, Jatujak, Bangkok.

The Bank was listed on the Stock Exchange of Thailand on 6 February 1976.

The principal business of the Bank is banking business through its branch network in Thailand and other countries.

Details of the Bank’s subsidiaries as at 31 March 2011, 31 December 2010 and 31 March 2010 were as follows:

	Name of the entity	Type of business	% shareholding of the Bank		
			31 March 2011	31 December 2010	31 March 2010
1	Chatuchak Assets Management Co., Ltd.*	Asset management	100.0	100.0	100.0
2	Rutchayothin Assets Management Co., Ltd.	Asset management	100.0	100.0	100.0
3	Cambodian Commercial Bank Ltd.	Banking	100.0	100.0	100.0
4	SCB Securities Co., Ltd.	Securities	100.0	100.0	100.0
5	The Siam Commercial Samaggi Insurance PCL	Insurance	59.1	59.1	59.1
6	SCB Training Centre Co., Ltd.	Training center	100.0	100.0	100.0
7	Siam Phitiwat Co., Ltd.	Appraisal services	100.0	100.0	99.9
8	Mahisorn Co., Ltd.	Property management	100.0	100.0	100.0
9	SCB Asset Management Co., Ltd.	Asset management	100.0	100.0	100.0
10	SCB Capital Service Co., Ltd.**	Asset management	-	100.0	100.0
11	Siam Commercial Leasing PCL	Leasing, hire-purchase and factoring	99.1	99.1	99.1
12	Siam Panich SPV1 Co., Ltd.	Securitisation	99.1	99.1	99.1
13	Siam Niti Law Office Co., Ltd.*	Legal consultant	100.0	100.0	100.0
14	SCB Plus Co., Ltd.	Collection company	100.0	100.0	-
15	SCB New York Life PCL***	Life insurance	94.7	47.3	47.3

\* Discontinued operations or in the process of dissolution

\*\* Dissolution in 2011

\*\*\* Acquisition in 2011, changed from associate to be a subsidiary

All subsidiaries were registered and operate in Thailand except Cambodian Commercial Bank Ltd., which was registered and operates in Cambodia.

**2 Basis of preparation of the interim financial statements**

(a) *Basis of compliance*

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standards (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission; and with generally accepted accounting principles in Thailand, and presented as prescribed by the Bank of Thailand (BoT) notification number Sor Nor Sor 11/2553, directive dated 3 December 2010, regarding “The preparation and announcement of the financial statements of commercial banks and holding companies which are parent company of group of companies offering financial services”.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2010. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Bank and its subsidiaries for the year ended 31 December 2010.

During 2010 and 2011, the FAP issued the following new and revised Thai Financial Reporting Standards (TFRS) relevant to the Bank and its subsidiaries’ operations and effective for accounting periods beginning on or after 1 January 2011:

TFRS	Topic
TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations

The adoption of these new and revised TFRS has resulted in changes in the Bank and its subsidiaries’ presentation and disclosures. The effects of these changes are disclosed in note 3 and 19. Except for these changes, accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2010.

In addition to the above new and revised TFRS, the FAP has issued during 2010 a number of other TFRS which are expected to be effective for financial statements beginning on or after 1 January 2013 and have not been adopted in the preparation of these interim financial statements. These new and revised TFRS are disclosed in note 20.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**(b) Presentation currency**

The interim financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest million unless otherwise stated.

**(c) Use of estimates and judgements**

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Bank and its subsidiaries' accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2010.

**(d) Basis of preparation of the consolidated financial statements**

The consolidated financial statements include the accounts of the Head Office, all domestic and overseas branches and the Bank's subsidiaries where more than 50% of the shares are owned by the Bank. Related-party transactions and balances have been eliminated.

The consolidated financial statements for the three-month periods ended 31 March 2011 and 2010 and for the year ended 31 December 2010 do not include certain companies which are in the process of being dissolved and do not include the companies in which the Bank and a subsidiary have more than 50% of paid-up capital as a result of debt restructuring because the Bank and the subsidiary intend to hold these investments temporarily. Such companies which are classified as "general investments" are as follows:

	% of the paid-up share capital		
	For the three-month periods ended		For the year ended
	31 March	31 March	31 December
	2011	2010	2010
<b>Companies which are owned through debt restructuring</b>			
Phoenix Land Development Co., Ltd.	97.6	97.6	97.6

The Company's assets, liabilities, equity, income, expense, and profit are relatively immaterial compared to the consolidated financial statements.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**3 Changes in accounting policies**

**(a) Presentation of financial statements**

From 1 January 2011, the Bank and its subsidiaries have applied TAS 1 Presentation of Financial Statements (Revised 2009). Under the revised standard, a set of financial statements comprises:

- Statement of financial position;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of cash flows; and
- Notes to the financial statements.

As a result, the Bank and its subsidiaries present all owner changes in equity in the statement of changes in equity and all non-owner changes in equity in the statement of comprehensive income. Previously, all such changes were included in the statement of changes in equity.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on reported profit or earnings per share.

**(b) Accounting for business combinations**

From 1 January 2011, the Bank has adopted TFRS 3 (revised 2009) *Business Combinations* and TAS 27 (revised 2009) *Consolidated and Separate Financial Statements* for all business combinations on or after 1 January 2011. The new policy for accounting for business combinations, together with information on the previous policy, is given below. The new policy has been applied prospectively from 1 January 2011 in accordance with the transitional provisions of the revised standards for business combinations during 2011 and, the adoption of these two revised standards has been disclosed in Note 4.

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Bank. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Bank takes into consideration potential voting rights that are currently exercisable.

*Acquisitions on or after 1 January 2011*

For acquisitions on or after 1 January 2011, the Bank measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus  
if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

*Acquisitions between 1 January 2008 and 31 December 2010*

For acquisitions between 1 January 2008 and 31 December 2010, goodwill represented the excess of the cost of the acquisition over the Bank's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

Transaction costs, other than those associated with the issue of debt or equity securities, that the Bank incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

*Acquisitions prior to 1 January 2008*

For acquisitions prior to 1 January 2008, goodwill was measured in the same way as described in the preceding paragraph. However, both positive and negative goodwill were amortised over their estimated useful life of 20 years. On 1 January 2008, on adoption of the former TAS 43 (revised 2007), the Bank discontinued amortising goodwill. Negative goodwill carried in the financial statements as at 31 December 2007 was derecognised by crediting unappropriated retained earnings on 1 January 2008.

**4 Acquisitions of subsidiaries and non-controlling interests**

On 17 March 2011, the Bank acquired the additional 31,475,017 ordinary shares or 47.33% of the common shares of Siam Commercial New York Life PCL (SCNYL) at Baht 8.4 billion resulting in the Bank holding of 94.66% of the issued and paid up capital of SCNYL (previously held 47.33%).

Under TFRS 3 (Revised 2009) *Business Combinations* (Effective in 2011), the investment in SCNYL is classified as step acquisitions which requires the Bank to remeasure the previously held equity interest in SCNYL (47.33%) at fair value and recognise the difference between fair value and carrying value to the statement of comprehensive income on the acquisition date as follows:

	Amount (in million Baht)
Fair value of previously held equity interest in SCNYL (47.33%)	8,400
Less: Carrying amount of investment in SCNYL	<u>(3,340)</u>
Gain on revaluation of previously interest in SCNYL	<u>5,060</u>

According to TFRS 3, the acquisition of SCNYL led to the recognition of Baht 8,865 million to goodwill, calculated as follows:

	Holding (%)	Amount (in million Baht)
Fair value of previously held equity interest in SCNYL	47.33	8,400
Fair value of additional equity interest in SCNYL	47.33	8,400
Non-controlling interest in SCNYL	5.34	<u>349</u>
Total fair value of common shares of SCNYL	<u>100.00</u>	17,149
Less: Fair value of net assets acquired		<u>8,284</u>
Goodwill		<u>8,865</u>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

The fair value and the book value of identifiable assets and liabilities assumed at acquisition date in SCNYL are as follows:

	Book Value	Fair Value
	<i>(in million Baht)</i>	
Interbank and money market items, net	7,209	7,209
Investments, net	58,554	60,290
Loans to customers and accrued interest receivables, net	1,089	1,089
Other assets, net	3,205	3,205
<b>Total assets</b>	<b>70,057</b>	<b>71,793</b>
Liabilities under insurance contracts	60,609	60,609
Other liabilities	2,900	2,900
<b>Total liabilities</b>	<b>63,509</b>	<b>63,509</b>
<b>Net assets acquired</b>	<b>6,548</b>	<b>8,284</b>

The revenue and net profit of SCNYL from the acquisition date to 31 March 2011 including in the consolidated statements of comprehensive income are Baht 3,638 million and Baht 770 million, respectively.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**5 Maintenance of capital fund**

The Bank and its subsidiaries, which are financial institutions, are subject to various capital and regulatory requirements of the BoT. Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank and its subsidiaries must satisfy specific capital guidelines that involve, among others, quantitative measures of the Bank's assets, liabilities and certain off-balance sheet items as calculated in accordance with regulatory accounting practices. The Bank's and its subsidiaries' capital amounts and classifications are also subject to qualitative judgments by the BoT as to components, risk weightings, and other factors. These capital and regulatory requirements are subject to change, as considered necessary by the BoT.

The Bank maintains its capital funds as a proportion of risk assets in accordance with the criteria, methodologies, and conditions prescribed by the Bank of Thailand. According to the Bank of Thailand's regulations, capital fund as at 31 December 2008 and thereafter must be calculated according to Basel II. As at 31 March 2011 and 31 December 2010, the Bank's total capital funds can be categorised as follows:

	<b>The Bank</b>	
	31 March 2011	31 December 2010
	<i>(in million Baht)</i>	
Tier 1 capital		
Issued and paid-up share capital	33,992	33,992
Premium on share capital	11,124	11,124
Legal reserve	6,034	6,034
Net gain after appropriations	71,512	71,512
Capital deduction item	(6)	-
Total Tier 1 capital	122,656	122,662
Tier 2 capital		
Revaluation surplus on land and premises appraisal	8,158	6,478
Revaluation surplus on investment in equity securities	1,359	1,359
Subordinated bonds	20,000	20,000
Allowance for classified assets of "normal" category and excess allowance	14,229	13,181
Total Tier 2 capital	43,746	41,018
<b>Total capital funds</b>	<b>166,402</b>	<b>163,680</b>
<b>Total risk assets</b>	<b>1,138,265</b>	<b>1,054,458</b>
Total capital / Total risk weighted assets (minimum 8.50%)	14.6%	15.5%
Total Tier 1 capital / Total risk weighted assets (minimum 4.25%)	10.8%	11.6%
Total Tier 2 capital / Total risk weighted assets	3.8%	3.9%

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**6 Investments, net**

6.1 Classification of investments in securities

As at 31 March 2011 and 31 December 2010, the Bank and its subsidiaries classify their investments in securities as follows:

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011 Fair value	31 December 2010 Fair value	31 March 2011 Fair value	31 December 2010 Fair value
	<i>(in million Baht)</i>			
<b>Securities for trading</b>				
Government and state enterprise securities	18,208	11,176	18,208	11,176
Corporate debt securities	1,436	1,465	1,436	1,465
Foreign debt securities	304	-	304	-
Other securities	27	27	-	-
<b>Total</b>	<b>19,975</b>	<b>12,668</b>	<b>19,948</b>	<b>12,641</b>

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011 Fair value	31 December 2010 Fair value	31 March 2011 Fair value	31 December 2010 Fair value
	<i>(in million Baht)</i>			
<b>Available-for-sale securities</b>				
Government and state enterprise securities	77,041	78,153	73,696	77,086
Corporate debt securities	1,201	1,111	1,000	1,000
Foreign debt securities	404	407	404	407
Domestic equity securities	16,305	15,652	15,536	15,522
Foreign equity securities	769	365	769	365
Other securities	1,751	1,624	1,074	756
<b>Total</b>	<b>97,471</b>	<b>97,312</b>	<b>92,479</b>	<b>95,136</b>

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011 Cost/ Amortised cost	31 December 2010 Cost/ Amortised cost	31 March 2011 Cost/ Amortised cost	31 December 2010 Cost/ Amortised cost
	<i>(in million Baht)</i>			
<b>Held-to-maturity securities</b>				
Government and state enterprise securities	89,914	37,197	34,093	35,165
Corporate debt securities	5,321	401	1,178	1,271
Foreign debt securities	2,075	1,762	1,774	1,762
Other securities	800	-	-	-
Total	98,110	39,360	37,045	38,198
Less allowance for impairment	(1,098)	(1,062)	(815)	(816)
<b>Total</b>	<b>97,012</b>	<b>38,298</b>	<b>36,230</b>	<b>37,382</b>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011 Cost	31 December 2010 Cost	31 March 2011 Cost	31 December 2010 Cost
	<i>(in million Baht)</i>			
<b>General investments</b>				
Domestic non-marketable equity securities	1,364	1,364	1,401	1,401
Foreign non-marketable equity securities	15	15	15	15
<b>Total</b>	<b>1,379</b>	<b>1,379</b>	<b>1,416</b>	<b>1,416</b>
<i>Less</i> allowance for impairment	<i>(1,162)</i>	<i>(1,162)</i>	<i>(1,150)</i>	<i>(1,150)</i>
<b>Total</b>	<b>217</b>	<b>217</b>	<b>266</b>	<b>266</b>
<b>Total investments, net</b>	<b>214,675</b>	<b>148,495</b>	<b>148,923</b>	<b>145,425</b>

As at 31 March 2011, the Bank and a subsidiary classified the promissory notes which were issued by the Thai Asset Management Corporation (TAMC) upon entering into the Asset Transfer Agreement for the transfer of sub-quality assets, as held-to-maturity debt securities - government and state enterprise securities of Baht 4,438 million in the consolidated financial statements and of Baht 4,297 million in the Bank's financial statements (31 December 2010: Baht 5,180 million and Baht 5,036 million, respectively) (see Notes 8.6 and 14).

6.2 Investments in companies with holding of 10% and upwards

As at 31 March 2011 and 31 December 2010, investments in mutual fund and companies other than subsidiaries and associated companies, of which the Bank and its subsidiaries hold 10% and upwards of the fund or the paid-up capital in each company, classified by industry, are as follows:

	Number of companies	<b>Consolidated</b>		<b>The Bank</b>	
		31 March 2011	31 December 2010	31 March 2011	31 December 2010
		<i>(in million Baht)</i>			
Mutual fund and financial services	3-5	11,855	11,668	11,854	11,666
Others	11-12	76	75	74	74
		<b>11,931</b>	<b>11,743</b>	<b>11,928</b>	<b>11,740</b>

6.3 Investments in companies with problems in their financial positions

As at 31 March 2011 and 31 December 2010, the Bank and its subsidiaries have investments in a number of securities issued by the companies with problems in their financial positions and operating results. The Bank and its subsidiaries have made a provision for diminution in the value of securities equal to the amount by which the aggregate cost exceeds the aggregate market value as follows:

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	Number of companies	<b>Consolidated</b>					
		31 March 2011			31 December 2010		
	Cost	Market value	Amount of provision	Cost	Market value	Amount of provision	
<i>(in million Baht)</i>							
<b>Finance companies ordered closed</b>							
Common shares	1	1	-	1	1	-	1
Bonds	2	-	-	-	-	-	-
<b>Listed companies identified for delisting</b>							
Common shares	3	27	7	27	27	-	27
Bonds	3	30	-	30	30	-	30
<b>Non-listed companies whose operating results in line with the listed companies identified for delisting and having going concern issue</b>							
Common shares/Preferred shares	13	563	4	559	563	6	559

	Number Of companies	<b>The Bank</b>					
		31 March 2011			31 December 2010		
	Cost	Market value	Amount of provision	Cost	Market value	Amount of provision	
<i>(in million Baht)</i>							
<b>Listed companies identified for delisting</b>							
Common shares	3	27	7	27	27	-	27
Bonds	2	30	-	30	30	-	30
<b>Non-listed companies whose operating results in line with the listed companies identified for delisting and having going concern issue</b>							
Common shares/Preferred shares	12	563	4	559	563	6	559



**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	Type of business	Type of share	The Bank			
			Direct shareholding		Investment value	
					Cost method	
			31 March 2011	31 December 2010	31 March 2011	31 December 2010
		(%)	(in million Baht)			
<b>Subsidiaries</b>						
<b>Finance &amp; Insurance</b>						
Cambodian Commercial Bank Ltd. (Cambodia)	Banking	Ordinary	100.0	100.0	634	634
Chatuchak Assets Management Co., Ltd.*	Asset management	Ordinary	100.0	100.0	850	850
Rutchayothin Assets Management Co., Ltd.	Asset management	Ordinary	100.0	100.0	25	25
SCB Securities Co., Ltd.	Securities	Ordinary	100.0	100.0	2,107	2,107
SCB Asset Management Co., Ltd.	Asset management	Ordinary	100.0	100.0	221	221
The Siam Commercial Samaggi Insurance PCL	Insurance	Ordinary	58.9	58.9	546	546
Siam Commercial Leasing PCL and affiliate	Leasing, hire-purchase and factoring	Ordinary	99.1	99.1	10,719	10,719
Siam Commercial New York Life Insurance PCL**	Life insurance	Ordinary	94.7	47.3	9,033	633
<b>Services</b>						
SCB Training Centre Co., Ltd.	Training center	Ordinary	100.0	100.0	390	390
Siam Phitiwat Co., Ltd.	Appraisal services	Ordinary	100.0	100.0	10	10
SCB Capital Service Co., Ltd.***	Asset management	Ordinary	-	100.0	-	48
Siam Niti Law Office Co., Ltd.*	Legal consultant	Ordinary	100.0	100.0	16	16
SCB Plus Co., Ltd.	Collection company	Ordinary	100.0	100.0	1	1
<b>Real estate</b>						
Mahisorn Co., Ltd.	Property management	Ordinary	100.0	100.0	2,142	2,142
<b>Associated companies</b>						
<b>Finance &amp; Insurance</b>						
VinaSiam Bank (Vietnam)	Banking	Ordinary	33.0	33.0	697	697
The Siam Industrial Credit PCL and affiliates	Finance and hire-purchase	Ordinary	38.6	38.6	1,250	1,250
SCB Leasing PCL	Leasing, hire-purchase and factoring	Ordinary	37.6	37.6	10	40
Total					28,651	20,329
Less allowance for impairment					(2,294)	(2,338)
<b>Total investments in subsidiaries and associated companies, net</b>					<b>26,357</b>	<b>17,991</b>

- \* Discontinued operations or in the process of dissolution  
\*\* Acquisition in 2011, changed from associate to be a subsidiary  
\*\*\* Dissolution in 2011

On 31 August 2010, the Bank entered into Agreement for the Sale of 230,883,188 ordinary shares in Siam Industrial Credit Public Company Limited (SICCO) to a company. However, such agreement has been terminated and the Bank will consider other appropriate alternatives for further action.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

Summaries of financial information of associated companies are as follows:

	31 March 2011 (Unaudited)			31 December 2010 (Unaudited)		
	Total assets	Total liabilities	Equity <i>(in million Baht)</i>	Total assets	Total liabilities	Equity
Finance & Insurance	<u>22,531</u>	<u>16,155</u>	<u>6,376</u>	<u>91,742</u>	<u>79,319</u>	<u>12,423</u>
	<b><u>22,531</u></b>	<b><u>16,155</u></b>	<b><u>6,376</u></b>	<b><u>91,742</u></b>	<b><u>79,319</u></b>	<b><u>12,423</u></b>

	For the three-month periods ended 31 March					
	2011 (Unaudited)			2010 (Unaudited)		
	Revenue	Expenses	Net income <i>(in million Baht)</i>	Revenue	Expenses	Net income
Finance & Insurance	<u>411</u>	<u>241</u>	<u>170</u>	<u>1,700</u>	<u>1,025</u>	<u>675</u>
	<b><u>411</u></b>	<b><u>241</u></b>	<b><u>170</u></b>	<b><u>1,700</u></b>	<b><u>1,025</u></b>	<b><u>675</u></b>

The equity interest in SCNYL has been reclassified as a subsidiary during the period ended 31 March 2011.

As at 31 March 2011 and 31 December 2010, the Bank and a subsidiary have equity securities in companies received as a result of troubled debt restructuring, which represent more than 20% of the paid-up capital of each company. The Bank did not record these securities as investments in subsidiaries and associated companies as it is the Bank's and subsidiary's intention to hold such investments temporarily. Such investments are as follows:

	Shareholding (%)	31 March 2011 (Unaudited)		Equity
		Total assets	Total liabilities <i>(in million Baht)</i>	
<b>General investments</b>				
Phoenix Land Development Co., Ltd.	97.6	166	169	(3)
Siam Media and Communication Co., Ltd.*	33.3	-	-	-
WTA (Thailand) Co., Ltd.	25.0	-	-	-
	Shareholding (%)	31 December 2010 (Unaudited)		Equity
		Total assets	Total liabilities <i>(in million Baht)</i>	
<b>General investments</b>				
Phoenix Land Development Co., Ltd.	97.6	162	169	(7)
Siam Media and Communication Co., Ltd.*	33.3	-	-	-
WTA (Thailand) Co., Ltd.	25.0	-	-	-

\* Discontinued operations or in the process of dissolution

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	For the three-month periods ended 31 March					
	2011 (Unaudited)			2010 (Unaudited)		
	Revenue	Expenses	Net income	Revenue	Expenses	Net loss
	<i>(in million Baht)</i>					
<b>General investments</b>						
Phoenix Land Development Co., Ltd.	6	-	6	2	3	(1)
Siam Media and Communication Co., Ltd.*	-	-	-	-	-	-
WTA (Thailand) Co., Ltd.	-	-	-	-	-	-

\* Discontinued operations or in the process of dissolution

## 8 Loans to customers and accrued interest receivables, net

### 8.1 Classified by business type and loan classification as at 31 March 2011 and 31 December 2010

	Consolidated											
	31 March 2011					31 December 2010						
	Normal	Special Mention	Sub- Standard	Doubtful	Loss	Total	Normal	Special Mention	Sub- Standard	Doubtful	Loss	Total
<i>(in million Baht)</i>												
Agriculture and mining	11,458	89	1	21	94	11,663	11,234	88	21	1	118	11,462
Manufacturing and commercial	415,337	4,866	4,087	2,416	14,383	441,089	368,677	15,700	4,687	2,179	13,719	404,962
Real estate and construction	71,854	661	138	38	3,286	75,977	70,502	2,080	153	38	3,420	76,193
Utilities and services	137,684	1,687	1,164	626	1,541	142,702	120,946	2,737	1,322	633	1,733	127,371
Housing loans	288,155	4,436	1,407	1,393	4,466	299,857	277,086	4,929	1,734	1,319	4,395	289,463
Others	150,333	3,186	803	385	1,980	156,687	142,179	3,732	895	346	1,971	149,123
Total	1,074,821	14,925	7,600	4,879	25,750	1,127,975	990,624	29,266	8,812	4,516	25,356	1,058,574
Accrued interest receivables	1,981	66	9	-	25	2,081	1,684	72	43	-	25	1,824
<b>Total</b>	<b>1,076,802</b>	<b>14,991</b>	<b>7,609</b>	<b>4,879</b>	<b>25,775</b>	<b>1,130,056</b>	<b>992,308</b>	<b>29,338</b>	<b>8,855</b>	<b>4,516</b>	<b>25,381</b>	<b>1,060,398</b>

  

	The Bank											
	31 March 2011					31 December 2010						
	Normal	Special Mention	Sub- Standard	Doubtful	Loss	Total	Normal	Special Mention	Sub- Standard	Doubtful	Loss	Total
<i>(in million Baht)</i>												
Agriculture and mining	11,458	89	1	21	94	11,663	11,234	88	21	1	118	11,462
Manufacturing and commercial	417,385	4,866	4,087	2,416	14,361	443,115	374,760	15,700	4,687	2,179	13,696	411,022
Real estate and construction	71,851	661	139	38	2,169	74,858	70,498	2,080	153	38	2,165	74,934
Utilities and services	137,246	1,687	1,164	626	1,541	142,264	120,537	2,737	1,322	632	1,733	126,961
Housing loans	288,151	4,436	1,407	1,393	4,417	299,804	277,082	4,929	1,734	1,319	4,346	289,410
Others	135,735	2,086	678	304	572	139,375	125,420	2,192	734	259	551	129,156
Total	1,061,826	13,825	7,476	4,798	23,154	1,111,079	979,531	27,726	8,651	4,428	22,609	1,042,945
Accrued interest receivables	1,899	66	9	-	-	1,974	1,683	73	42	-	-	1,798
<b>Total</b>	<b>1,063,725</b>	<b>13,891</b>	<b>7,485</b>	<b>4,798</b>	<b>23,154</b>	<b>1,113,053</b>	<b>981,214</b>	<b>27,799</b>	<b>8,693</b>	<b>4,428</b>	<b>22,609</b>	<b>1,044,743</b>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

8.2 Loan classification as at 31 March 2011 and 31 December 2010

	<b>Consolidated</b>					
	31 March 2011					
	Loan and accrued interest receivables <i>(in million Baht)</i>	Net amount used for set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts		
			Collateral / Cashflow approach	Collective approach	Total <i>(in million Baht)</i>	
Minimum allowance of BoT's regulation						
- Normal	1,076,802	1,042,272*	1	10,276	202	10,478
- Special Mention	14,991	14,940*	2	277	11	288
- Sub - Standard***	7,609	3,943**	100	3,819	19	3,838
- Doubtful	4,879	2,249**	100	2,168	50	2,218
- Doubtful Loss	25,775	12,337**	100	10,680	850	11,530
<b>Total</b>	<u>1,130,056</u>	<u>1,075,741</u>		<u>27,220</u>	<u>1,132</u>	<u>28,352</u>
Allowance established in excess						<u>13,323</u>
<b>Total</b>						<u><b>41,675</b></u>

	<b>Consolidated</b>					
	31 December 2010					
	Loan and accrued interest receivables <i>(in million Baht)</i>	Net amount used for set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts		
			Collateral / Cashflow approach	Collective approach	Total <i>(in million Baht)</i>	
Minimum allowance of BoT's regulation						
- Normal	992,308	963,358*	1	9,466	13	9,479
- Special Mention	29,338	29,218*	2	554	13	567
- Sub - Standard***	8,855	4,360**	100	4,198	35	4,233
- Doubtful	4,516	2,187**	100	2,100	235	2,335
- Doubtful Loss	25,381	12,189**	100	10,384	855	11,239
<b>Total</b>	<u>1,060,398</u>	<u>1,011,312</u>		<u>26,702</u>	<u>1,151</u>	<u>27,853</u>
Allowance established in excess						<u>13,147</u>
<b>Total</b>						<u><b>41,000</b></u>

\* Net of cash and near cash collateral

\*\* Net of PV cashflow from loan receivables or selling collateral

\*\*\* Excluding allowance for troubled debt restructuring, the allowance of which was included in revaluation allowance for debt restructuring

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

<b>The Bank</b>				
31 March 2011				
	Loan and accrued interest <i>(in million Baht)</i>	Net amount used for set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts <i>(in million Baht)</i>
Minimum allowance of BoT's regulation				
- Normal	1,063,725	1,029,195*	1	10,292
- Special Mention	13,891	13,840*	2	277
- Sub - Standard***	7,485	3,819**	100	3,819
- Doubtful	4,798	2,168**	100	2,168
- Doubtful Loss	23,154	9,717**	100	9,717
Total	<u>1,113,053</u>	<u>1,058,739</u>		<u>26,273</u>
Allowance established in excess				<u>13,293</u>
<b>Total</b>				<b><u>39,566</u></b>

<b>The Bank</b>				
31 December 2010				
	Loan and accrued interest <i>(in million Baht)</i>	Net amount used for set the allowance for doubtful accounts	% used for setting the allowance	Allowance for doubtful accounts <i>(in million Baht)</i>
Minimum allowance of BoT's regulation				
- Normal	981,214	952,264*	1	9,523
- Special Mention	27,799	27,679*	2	554
- Sub - Standard***	8,693	4,198**	100	4,198
- Doubtful	4,428	2,100**	100	2,100
- Doubtful Loss	22,609	9,417**	100	9,417
Total	<u>1,044,743</u>	<u>995,658</u>		<u>25,792</u>
Allowance established in excess				<u>13,076</u>
<b>Total</b>				<b><u>38,868</u></b>

\* Net of cash and near cash collateral

\*\* Net of PV cashflow from loan receivables or selling collateral

\*\*\* Excluding allowance for troubled debt restructuring, the allowance of which was included in revaluation allowance for debt restructuring

Based on management's assessment of the ultimate collectability of the Bank's loan portfolio, the Bank believes that the allowance established was adequate as at 31 March 2011 and 31 December 2010 and in compliance with the BoT's guidelines.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

8.3 Loans to listed companies identified for delisting

As at 31 March 2011 and 31 December 2010, the Bank and its subsidiaries have loans and accrued interest receivables with borrowers who have problems with their financial positions and operating results, causing their loans to become classified assets. The Bank and its subsidiaries have made provisions for loan losses as follows:

	<b>Consolidated</b>							
	31 March 2011				31 December 2010			
	No. of companies	Loans and accrued interest receivables*	Collateral	Amount of provision	No. of companies	Loans and accrued interest receivables*	Collateral	Amount of provision
Listed companies identified for delisting	5	895	242	669	4	721	211	524

	<b>The Bank</b>							
	31 March 2011				31 December 2010			
	No. of companies	Loans and accrued interest receivables*	Collateral	Amount of Provision	No. of companies	Loans and accrued interest receivables*	Collateral	Amount of provision
Listed companies identified for delisting	5	895	242	669	4	721	211	524

\* Including loans to financial institutions

8.4 Non-Performing Loans

As at 31 March 2011 and 31 December 2010, the Bank used the guidelines specified in the BoT's notification dated 3 August 2008 in determining Non-Performing Loans which consist of loans classified as sub-standard, doubtful, doubtful loss and loss under the BoT's guideline. The amounts are as follows:

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Non-Performing Loans (net of allowance for doubtful accounts)	18,241	18,827	16,655	17,066
% of Non-Performing Loans to total loans (net)	1.5	1.6	1.4	1.5
Non-Performing Loans (gross)	38,229	38,684	35,428	35,688
% of Non-Performing Loans to total loans	3.1	3.3	2.9	3.0

As at 31 March 2011, Rutchayothin Assets Management Co., Ltd. which is a subsidiary, has Non-Performing Loans of Baht 556 million (31 December 2010: Baht 686 million). Had Non-Performing Loans been based on principal of loan purchased from the group as at 31 March 2011, the amount would be Baht 1,223 million (31 December 2010: Baht 1,361million).

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

8.5 Troubled debt restructuring

The financial statements for the three-month periods ended 31 March 2011 and 2010, include the result of various types of troubled debt restructuring including transfers of assets and equity securities, changes in repayment conditions, and mixed types as follows:

Types of debt restructuring	No. of accounts		Consolidated Outstanding debts				Transferred assets		
			Before debt restructuring		After debt restructuring		Types	Fair value	
	2011	2010	2011	2010	2011	2010		2011	2010
								<i>(in million Baht)</i>	
Transfers of assets	1	3	3	15	3	12	Immovable properties	3	16
Debt restructuring in various forms	135	321	377	997	377	997	Immovable properties	-	-
Changes of repayment conditions	500	433	969	999	969	999			
<b>Total</b>	<b>636</b>	<b>757</b>	<b>1,349</b>	<b>2,011</b>	<b>1,349</b>	<b>2,008</b>			

Types of debt restructuring	No. of accounts		The Bank Outstanding debts				Transferred assets		
			Before debt restructuring		After debt restructuring		Types	Fair value	
	2011	2010	2011	2010	2011	2010		2011	2010
								<i>(in million Baht)</i>	
Transfers of assets	1	3	3	15	3	12	Immovable properties	3	16
Debt restructuring in various forms	135	321	377	997	377	997	Immovable properties	-	-
Changes of repayment conditions	500	433	969	999	969	999			
<b>Total</b>	<b>636</b>	<b>757</b>	<b>1,349</b>	<b>2,011</b>	<b>1,349</b>	<b>2,008</b>			

As at 31 March 2011 and 2010, troubled debt restructuring compared with total loans including loans to financial institutions are as follows:

	Consolidated			
	2011		2010	
	No. of accounts	The outstanding debts <i>(in million Baht)</i>	No. of accounts	The outstanding debts <i>(in million Baht)</i>
Troubled debt restructuring during the period	636	1,349	757	2,011
Total loans including loans to financial institutions	694,662	1,254,386	423,747	1,057,193

	The Bank			
	2011		2010	
	No. of accounts	The outstanding debts <i>(in million Baht)</i>	No. of accounts	The outstanding debts <i>(in million Baht)</i>
Troubled debt restructuring during the period	636	1,349	757	2,011
Total loans including loans to financial institutions	393,605	1,232,064	270,283	1,026,230

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

As at 31 March 2011 and 31 December 2010, the Bank and its subsidiaries have balance of restructured loans as follows:

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in million Baht)</i>			
Restructured loans which are classified as NPL	11,805	11,817	11,805	11,817
Restructured loans which are not classified as NPL	23,638	24,238	23,638	24,238
<b>Total</b>	<b>35,443</b>	<b>36,055</b>	<b>35,443</b>	<b>36,055</b>

The average term of troubled debt restructuring as of 31 March 2011 is 9.2 years (*31 March 2010: 8.6 years*).

Supplementary information relating to restructuring debtors for the three-month periods ended 31 March 2011 and 2010 are as follows:

	<b>Consolidated</b>		<b>The Bank</b>	
	2011	2010	2011	2010
	<i>(in million Baht)</i>			
Interest income recognised in the statements of comprehensive income	465	534	465	534
Loss on debt restructuring recognised in the statements of comprehensive income	-	24	-	24
Cash collection	2,961	3,919	2,961	3,919

**8.6 Sales of loan receivables to the Thai Asset Management Corporation (“TAMC”)**

The information regarding the transfer of a portion of sub-quality assets to TAMC according to the Asset Transfer Agreement of the Bank and a subsidiary since 2001 are as follows: (see Notes 6.1 and 14)

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011****	31 December 2010***	31 March 2011**	31 December 2010*
	<i>(in million Baht)</i>			
Total net amount of sub-quality assets transferred to TAMC since 2001	9,895	9,953	9,691	9,749
Promissory notes received	9,895	9,953	9,691	9,749

- \* Net of adjustment of selling price of loans sold to TAMC of Baht 739 million
- \*\* Net of adjustment of selling price of loans sold to TAMC of Baht 796 million
- \*\*\* Net of adjustment of selling price of loans sold to TAMC of Baht 985 million
- \*\*\*\* Net of adjustment of selling price of loans sold to TAMC of Baht 1,042 million

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**9 Allowance for doubtful accounts**

As at 31 March 2011 and 31 December 2010, allowance for doubtful accounts consists of the following:

<b>Consolidated</b>							
31 March 2011							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
Beginning balance	9,479	567	4,233	2,335	11,239	13,147	41,000
Bad debt and doubtful accounts*	999	(279)	(395)	(117)	879	14	1,101
Bad debt written off	-	-	-	-	(588)	-	(588)
Others	-	-	-	-	-	162	162
<b>Ending balance</b>	<b>10,478</b>	<b>288</b>	<b>3,838</b>	<b>2,218</b>	<b>11,530</b>	<b>13,323</b>	<b>41,675</b>

\* Before deducting bad debt recovered of Baht 251 million

<b>Consolidated</b>							
31 December 2010							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
Beginning balance	8,244	623	2,503	2,884	14,374	13,514	42,142
Bad debt and doubtful accounts*	1,234	(56)	1,730	(549)	3,478	(260)	5,577
Bad debt written off	3	-	-	-	(6,642)	-	(6,639)
Others	(2)	-	-	-	29	(107)	(80)
<b>Ending balance</b>	<b>9,479</b>	<b>567</b>	<b>4,233</b>	<b>2,335</b>	<b>11,239</b>	<b>13,147</b>	<b>41,000</b>

\* Before deducting bad debt recovered of Baht 1,064 million

<b>The Bank</b>							
31 March 2011							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
<i>(in million Baht)</i>							
Beginning balance	9,523	554	4,198	2,100	9,417	13,076	38,868
Bad debt and doubtful accounts*	769	(277)	(379)	68	859	55	1,095
Bad debt written off	-	-	-	-	(559)	-	(559)
Others	-	-	-	-	-	162	162
<b>Ending balance</b>	<b>10,292</b>	<b>277</b>	<b>3,819</b>	<b>2,168</b>	<b>9,717</b>	<b>13,293</b>	<b>39,566</b>

\* Before deducting bad debt recovered of Baht 195 million

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

<b>The Bank</b>							
31 December 2010							
	Normal	Special Mention	Sub - Standard	Doubtful	Doubtful Loss	Allowance established in excess of BoT regulations	Total
	<i>(in million Baht)</i>						
Beginning balance	8,322	579	2,436	2,621	12,068	13,402	39,428
Bad debt and doubtful accounts*	1,201	(25)	1,762	(521)	3,289	(221)	5,485
Bad debt written off	-	-	-	-	(5,940)	-	(5,940)
Others	-	-	-	-	-	(105)	(105)
<b>Ending balance</b>	<b><u>9,523</u></b>	<b><u>554</u></b>	<b><u>4,198</u></b>	<b><u>2,100</u></b>	<b><u>9,417</u></b>	<b><u>13,076</u></b>	<b><u>38,868</u></b>

\* Before deducting bad debt recovered of Baht 834 million

## 10 Classified assets

The Bank and its subsidiaries have classified assets according to the guidelines of the BoT as at 31 March 2011 and 31 December 2010 as follows:

<b>Consolidated</b>						
31 March 2011						
	Loans and accrued interest receivables	Loans to financial institutions and accrued interest receivables	Investments	Properties foreclosed	Other assets	Total
	<i>(in million Baht)</i>					
Normal	1,076,802	124,330	-	-	13	1,201,145
Special Mention	14,991	-	-	-	1	14,992
Sub-Standard	7,609	-	-	-	-	7,609
Doubtful	4,879	-	-	-	3	4,882
Doubtful Loss	25,775	-	3,366	557	780	30,478
	<b><u>1,130,056</u></b>	<b><u>124,330</u></b>	<b><u>3,366</u></b>	<b><u>557</u></b>	<b><u>797</u></b>	<b><u>1,259,106</u></b>

<b>Consolidated</b>						
31 December 2010						
	Loans and accrued interest receivables	Loans to financial institutions and accrued interest receivables	Investments	Properties foreclosed	Other assets	Total
	<i>(in million Baht)</i>					
Normal	992,308	130,433	-	-	15	1,122,756
Special Mention	29,338	-	-	-	1	29,339
Sub-Standard	8,855	-	-	-	2	8,857
Doubtful	4,516	-	-	-	1	4,517
Doubtful Loss	25,381	-	3,277	592	854	30,104
	<b><u>1,060,398</u></b>	<b><u>130,433</u></b>	<b><u>3,277</u></b>	<b><u>592</u></b>	<b><u>873</u></b>	<b><u>1,195,573</u></b>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

<b>The Bank</b>						
31 March 2011						
	Loans and accrued interest receivables	Loans to financial institutions and accrued interest receivables	Investments	Properties foreclosed	Other assets	Total
	<i>(in million Baht)</i>					
Normal	1,063,725	119,011	-	-	13	1,182,749
Special Mention	13,891	-	-	-	1	13,892
Sub-Standard	7,485	-	-	-	-	7,485
Doubtful	4,798	-	-	-	3	4,801
Doubtful Loss	23,154	-	5,059	547	779	29,539
	<b><u>1,113,053</u></b>	<b><u>119,011</u></b>	<b><u>5,059</u></b>	<b><u>547</u></b>	<b><u>796</u></b>	<b><u>1,238,466</u></b>

<b>The Bank</b>						
31 December 2010						
	Loans and accrued interest receivables	Loans to financial institutions and accrued interest receivables	Investments	Properties foreclosed	Other assets	Total
	<i>(in million Baht)</i>					
Normal	981,214	130,433	-	-	15	1,111,662
Special Mention	27,799	-	-	-	1	27,800
Sub-Standard	8,693	-	-	-	2	8,695
Doubtful	4,428	-	-	-	1	4,429
Doubtful Loss	22,609	-	5,069	573	854	29,105
	<b><u>1,044,743</u></b>	<b><u>130,433</u></b>	<b><u>5,069</u></b>	<b><u>573</u></b>	<b><u>873</u></b>	<b><u>1,181,691</u></b>

## 11 Legal reserve

Under the Public Companies Act, the Bank and its subsidiaries, which are public companies are required to set aside as a legal reserve at least 5% of their net income, net of accumulated deficit brought forward (if any), until the reserve is not less than 10% of the registered capital.

According to the Civil and Commercial Code, subsidiaries which are private companies must appropriate to a reserve fund at each distribution of dividend at least 5% of the profit arising from the business of the Company until the reserve fund reaches 10% of the capital of the Company. Such reserve fund is not available for distribution as dividend.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**12 Earnings per share**

Earnings per share in the consolidated and the Bank's financial statements for the three-month periods ended 31 March 2011 and 2010 are calculated as follows:

	Net income		Consolidated Weighted average number of ordinary shares		Earnings per share	
	2011	2010	2011	2010	2011	2010
	<i>(in million Baht)</i>		<i>(in million shares)</i>		<i>(in Baht)</i>	
Basic earnings per share						
Net income	13,051	6,375	3,399	3,399	3.84	1.88
Diluted earnings per share*	13,051	6,375	3,399	3,399	3.84	1.88

	Net income		The Bank Weighted average number of ordinary shares		Earnings per share	
	2011	2010	2011	2010	2011	2010
	<i>(in million Baht)</i>		<i>(in million shares)</i>		<i>(in Baht)</i>	
Basic earnings per share						
Net income	6,991	5,567	3,399	3,399	2.06	1.64
Diluted earnings per share*	6,991	5,567	3,399	3,399	2.06	1.64

\* Income available to ordinary shareholders plus assumed conversions of convertible preferred shares

The preference of the preferred shares expired in 2009, therefore, their rights are equivalent to ordinary shares. Basic earnings per share of 2011 and 2010 are calculated from net profit divided by the total number of ordinary and preferred shares.

**13 Assets with contingencies and commitments**

As at 31 March 2011 and 31 December 2010, assets with contingencies and commitments are as follows:

	Consolidated		The Bank	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
Deposits	151	175	-	-
Investments				
Securities purchased under resale agreements	108,110	128,114	108,110	128,114
Others	14,478	182	48	48
	<b>122,739</b>	<b>128,471</b>	<b>108,158</b>	<b>128,162</b>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**14 Contingencies**

As at 31 March 2011 and 31 December 2010, contingencies of the Bank and its subsidiaries are as follows:

	<b>Consolidated</b>		<b>The Bank</b>	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	<i>(in million Baht)</i>			
Avals to bills	3,161	3,030	3,069	3,030
Guarantees of loans	406	413	406	320
Liability under unmaturing import bills	6,226	5,778	6,139	5,778
Letter of credit	16,541	13,878	16,541	13,755
Other contingencies				
- Other guarantees	94,238	102,749	94,287	102,797
- Amount of unused bank overdraft	92,639	88,617	92,292	88,256
- Others	702	202	-	-
<b>Total</b>	<b>213,913</b>	<b>214,667</b>	<b>212,734</b>	<b>213,936</b>

As at 31 March 2011, the Bank has commitments of Baht 3 million, in connection with finance companies whose operations were closed down permanently by the Ministry of Finance on 8 December 1997 (*31 December 2010: Baht 3 million*).

On 12 October 2001, the Bank entered into an Asset Transfer Agreement with the Thai Asset Management Corporation (“TAMC”). Under the agreement, the Bank transferred sub-quality assets including the right over the collateral to TAMC at terms and conditions specified in the agreement. The price of transferred loans was equal the value of the collateral, which did not exceed the book value of such loans. The Bank and TAMC reserved the right to request for reappraisal under specified terms. Once TAMC and the Bank agreed with the price, the Bank received a non-negotiable promissory note from TAMC. The note matures in 10 years from the issuing date with the interest rate calculated based on the average rate of deposits. The note is availed by Financial Institution Development Fund (see Notes 6.1 and 8.6).

The Bank and TAMC agreed to recognise any profits or losses from the management of the sub-quality assets at the end of the fifth and the tenth year starting from 1 July 2001. The profits or losses shall be calculated based on all accumulated asset recoveries on a cash basis up to the date of calculation of such profits or losses less the transfer costs and other operating expenses incurred by TAMC including all interest paid by TAMC to the Bank. In addition, pursuant to the TAMC Decree B.E. 2544, in case when the profits are realised, the first portion of the profits, not exceeding 20% of the transfer price of sub-quality assets transferred to TAMC, will be allocated between TAMC and the Bank. The second portion of the profits will be given to the Bank. The two portions of the profits combined together shall not exceed the difference between the book value of sub-quality assets and the transfer price of sub-quality assets transferred to TAMC. All residual amount of profit will be given to TAMC. In the case of losses it will be shared between TAMC and the Bank. The Bank will take the first portion of losses, not exceeding 20% of the transfer price of sub-quality assets transferred to TAMC. The residual amount of the first portion of losses, not exceeding 20% of the transfer price of sub-quality assets transferred to TAMC, will be shared between TAMC and the Bank. All residual amount of the loss will be absorbed by TAMC. As at 31 March 2011, the Bank’s provision for possible loss amounted to Baht 904 million, which was presented in provisions on the balance sheet (*31 December 2010: Baht 904 million*).

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**15 Related parties**

The Bank has business transactions with related parties or persons. Interest rate for staff loans under the staff welfare scheme is charged in accordance with the Bank's regulations for such loans. Interest rate and other pricing for other related parties are at the same rate as in the normal course of business with the same business condition as general customers. The transactions with related parties or persons are as follows:

**15.1 Loans, deposits, borrowings and contingencies**

Loans, deposits, borrowings and contingencies to related parties or persons as at 31 March 2011 and 31 December 2010 are as follows:

	<b>Consolidated</b>							
	31 March 2011			31 December 2010				
	Loans*	Deposits	Borrow- ings	Contin- gencies	Loans*	Deposits	Borrow- ings	Contin- gencies
	<i>(in million Baht)</i>							
<b>Associated companies</b>								
<b>Finance &amp; Insurance</b>								
The Siam Industrial Credit PCL and affiliates	-	47	-	1	-	64	-	1
Siam Commercial New York Life Insurance PCL**	-	-	-	-	-	1,118	-	396
SCB Leasing PCL	-	40	-	-	-	115	-	-
VinaSiam Bank (Vietnam)	-	19	-	-	-	1	-	-
<b>Total associated companies</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1,298</b>	<b>-</b>	<b>397</b>
<b>Related companies (Shareholding through debt restructuring process)</b>								
Phoenix Land Development Co., Ltd.	-	64	-	32	-	54	-	32
<b>Total related companies (Shareholding through debt restructuring process)</b>	<b>-</b>	<b>64</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>32</b>
<b>Related companies (Shareholding through other companies' debt restructuring process)</b>								
Siam Media and Communication Co., Ltd. and affiliate***	-	-	-	1	-	-	-	1
<b>Total related companies (Shareholding through other companies' debt restructuring process)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Major shareholder (more than 10% ownership)</b>								
The Crown Property Bureau	-	1,561	500	-	-	1,603	-	-
<b>Total major shareholder (more than 10% ownership)</b>	<b>-</b>	<b>1,561</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>1,603</b>	<b>-</b>	<b>-</b>
<b>Entity in which the directors, management or close members of their families have significant influence</b>								
	-	194	-	3	-	194	-	4
<b>Directors and key executive officers</b>	<b>87</b>	<b>603</b>	<b>5</b>	<b>-</b>	<b>87</b>	<b>579</b>	<b>5</b>	<b>-</b>
<b>Total</b>	<b>87</b>	<b>2,528</b>	<b>505</b>	<b>37</b>	<b>87</b>	<b>3,728</b>	<b>5</b>	<b>434</b>

\* Net of specific provision (1%) required by the Bank of Thailand

\*\* Acquisition in 2011, changed from associate to be a subsidiary

\*\*\* Discontinued operations or in the process of dissolution

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	<b>The Bank</b>							
	31 March 2011			31 December 2010				
	Loans*	Deposits	Borrow- ings	Contin- gencies	Loans*	Deposits	Borrow- ings	Contin- gencies
	<i>(in million Baht)</i>							
<b>Subsidiaries</b>								
<b>Finance &amp; Insurance</b>								
Chatuchak Assets Management Co., Ltd.**	-	61	-	-	-	61	-	-
Rutchayothin Assets Management Co., Ltd.	-	228	-	-	-	90	-	-
Cambodian Commercial Bank Ltd. (Cambodia)	-	50	-	-	-	77	-	-
SCB Securities Co., Ltd.	-	43	1,717	-	-	98	1,465	-
The Siam Commercial Samaggi Insurance PCL and affiliates	-	53	-	47	-	41	-	47
SCB Asset Management Co., Ltd.	-	318	-	-	-	233	-	381
Siam Commercial Leasing PCL and affiliate	2,718	81	-	-	6,658	202	-	-
Siam Commercial New York Life Insurance PCL***	-	2,072	-	398	-	1,118	-	396
<b>Services</b>								
SCB Training Centre Co., Ltd.	-	3	-	1	-	2	-	-
Siam Phitiwat Co., Ltd.	-	26	-	-	-	11	-	-
SCB Capital Service Co., Ltd.****	-	-	-	-	-	6	-	-
Siam Niti Law Office Co., Ltd.**	-	7	-	-	-	7	-	-
SCB Plus Co., Ltd.	-	79	-	-	-	83	-	-
<b>Real estate</b>								
Mahisorn Co., Ltd.	-	1,140	-	-	-	48	180	-
<b>Total subsidiaries</b>	<b>2,718</b>	<b>4,161</b>	<b>1,717</b>	<b>446</b>	<b>6,658</b>	<b>2,077</b>	<b>1,645</b>	<b>824</b>
<b>Associated companies</b>								
<b>Finance &amp; Insurance</b>								
The Siam Industrial Credit PCL and affiliates	-	47	-	1	-	64	-	1
SCB Leasing PCL	-	40	-	-	-	115	-	-
VinaSiam Bank (Vietnam)	-	19	-	-	-	1	-	-
<b>Total associated companies</b>	<b>-</b>	<b>106</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>1</b>

\* Net of specific provision (1%) required by the Bank of Thailand

\*\* Discontinued operations or in the process of dissolution

\*\*\* Acquisition in 2011, changed from associate to be a subsidiary

\*\*\*\* Dissolution in 2011

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

	<b>The Bank</b>							
	31 March 2011			31 December 2010				
	Loans*	Deposits	Borrow- ings	Contin- gencies	Loans*	Deposits	Borrow- ings	Contin- gencies
	<i>(in million Baht)</i>							
<b>Related companies (Shareholding through debt restructuring process)</b>								
Phoenix Land Development Co., Ltd.	-	64	-	32	-	54	-	32
<b>Total related companies (Shareholding through debt restructuring process)</b>	<b>-</b>	<b>64</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>32</b>
<b>Related companies (Shareholding through other companies' debt restructuring process)</b>								
Siam Media and Communication Co., Ltd. and affiliate**	-	-	-	1	-	-	-	1
<b>Total related companies (Shareholding through other companies' debt restructuring process)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Major shareholder (more than 10% ownership)</b>								
The Crown Property Bureau	-	1,561	500	-	-	1,603	-	-
<b>Total major shareholder (more than 10% ownership)</b>	<b>-</b>	<b>1,561</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>1,603</b>	<b>-</b>	<b>-</b>
<b>Entity in which the directors, management or close members of their families have significant influence</b>	<b>-</b>	<b>194</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>194</b>	<b>-</b>	<b>4</b>
<b>Directors and key executive officers</b>	<b>87</b>	<b>603</b>	<b>5</b>	<b>-</b>	<b>87</b>	<b>579</b>	<b>5</b>	<b>-</b>
<b>Total</b>	<b>2,805</b>	<b>6,689</b>	<b>2,222</b>	<b>483</b>	<b>6,745</b>	<b>4,687</b>	<b>1,650</b>	<b>862</b>

\* Net of specific provision (1%) required by the Bank of Thailand

\*\* Discontinued operations or in the process of dissolution

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

15.2 Investments

Investments in subsidiaries and associated companies as at 31 March 2011 and 31 December 2010 are described in Note 7.

Investments in related companies in which the Bank and its subsidiaries are the shareholders and/or management are directors as at 31 March 2011 and 31 December 2010 are as follows:

Company	Type of business	Paid-up capital (in million Baht)	31 March 2011			
			Consolidated		The Bank	
			Share holding (%)	Net investment (in million Baht)	Share holding (%)	Net investment (in million Baht)
<b>Shareholding through debt restructuring process</b>						
Phoenix Land Development Co., Ltd.	Real estate	500	97.6	-	97.6	-
<b>Shareholding through other companies' debt restructuring process</b>						
WTA (Thailand) Co., Ltd.	Others	-	25.0	-	25.0	-
Siam Media & Communication Co., Ltd.*	Holding	700	33.3	-	33.3	-

  

Company	Type of business	Paid-up capital (in million Baht)	31 December 2010			
			Consolidated		The Bank	
			Share holding (%)	Net investment (in million Baht)	Share holding (%)	Net investment (in million Baht)
<b>Shareholding through debt restructuring process</b>						
Phoenix Land Development Co., Ltd.	Real estate	500	97.6	-	97.6	-
<b>Shareholding through other companies' debt restructuring process</b>						
WTA (Thailand) Co., Ltd.	Others	-	25.0	-	25.0	-
Siam Media & Communication Co., Ltd.*	Holding	700	33.3	-	33.3	-

\* Discontinued operations or in the process of dissolution

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

15.3 Income and expenses

Income and expenses between the Bank and its subsidiaries, associated companies and related companies for the three-month periods ended 31 March 2011 and 2010 are as follows:

	<b>Consolidated</b>							
	2011				2010			
	Income		Expenses		Income		Expenses	
	Interest and dividend	Others	Interest	Others	Interest and dividend	Others	Interest	Others
	<i>(in million Baht)</i>							
Associated companies	2	528	1	251	-	817	-	91
Major shareholder	-	-	4	4	-	-	2	4

	<b>The Bank</b>							
	2011				2010			
	Income		Expenses		Income		Expenses	
	Interest and dividend	Others	Interest	Others	Interest and dividend	Others	Interest	Others
	<i>(in million Baht)</i>							
Subsidiaries	35	1,240	14	254	35	692	5	256
Associated companies	-	527	1	243	-	816	-	90
Major shareholder	-	-	4	4	-	-	2	4

15.4 Key management personnel compensation

	<b>Consolidated</b>		<b>The Bank</b>	
	2011	2010	2011	2010
	<i>(in million Baht)</i>			
Short-term employee benefits	427	356	333	286
Post-employment benefits	1	4	-	2
Other long-term benefits	-	-	-	-
<b>Total</b>	<b>428</b>	<b>360</b>	<b>333</b>	<b>288</b>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**16 Disclosure of the statements of cash flows of the asset management company**

In accordance with the BoT's letter number Sor Nor Sor (01) Wor 3258/2543 dated 27 November 2000, relating to the regulations of the asset management company ("AMC"), the Bank is required to disclose the statements of cash flows of the AMC in the notes to the financial statements. The statements of cash flows of Rutchayothin Assets Management Co., Ltd. are as follows:

**Rutchayothin Assets Management Co., Ltd.**  
**Statement of cash flows**  
**For the three-month periods ended 31 March 2011 and 2010**  
**(Unaudited)**

	2011	2010
	<i>(in million Baht)</i>	
<b>Cash flows from operating activities</b>		
Loss before income tax expense	(4)	-
<i>Adjustments for</i>		
Reversal of bad debt and doubtful accounts	(4)	-
Loss from adjustment of selling price of loans sold to TAMC	1	1
	<u>(7)</u>	<u>1</u>
Net interest income	(1)	(8)
Proceeds from interest	-	7
	<u>-</u>	<u>7</u>
Loss from operations before changes in operating assets and liabilities	(8)	-
<i>Operating assets decrease</i>		
Investment in receivables	139	-
Properties for sale	-	8
Other assets	97	-
<i>Operating liabilities increase (decrease)</i>		
Short-term debt securities in issue and borrowings	(93)	7
Other liabilities	(2)	-
Net cash provided by operating activities	<u>133</u>	<u>15</u>
<b>Cash flows from investing activities</b>		
Proceeds from redemption of held-to-maturity securities	4	-
Net cash provided by investing activities	<u>4</u>	<u>-</u>
Net increase in cash and cash equivalents	137	15
Cash and cash equivalents at 1 January	90	246
<b>Cash and cash equivalents at 31 March</b>	<u><u>227</u></u>	<u><u>261</u></u>

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**17 Segment information**

The significant financial position and the results of operations classified into domestic and foreign operations are shown below.

17.1 As at 31 March 2011 and 31 December 2010, the financial position classified by domestic and foreign operations are as follows:

	<b>Consolidated</b>					
	31 March 2011			31 December 2010		
	Domestic operations	Foreign operations	Total	Domestic operations	Foreign operations	Total
	<i>(in million Baht)</i>					
Total assets	1,562,447	30,616	1,593,063	1,455,396	21,339	1,476,735
Interbank and money market items, net (Assets)	142,326	3,447	145,773	145,808	3,210	149,018
Investments, net	212,824	1,851	214,675	146,642	1,853	148,495
Investments in subsidiaries and associates, net	1,966	-	1,966	5,251	-	5,251
Loans to customers and accrued interest receivables, net	1,055,869	31,918	1,087,787	987,795	31,008	1,018,803
Deposits	1,119,633	6,905	1,126,538	1,085,216	6,893	1,092,109
Interbank and money market items, net (Liabilities)	34,713	12,404	47,117	46,537	1,502	48,039
Debt issued and borrowings	79,451	-	79,451	62,609	-	62,609

	<b>The Bank</b>					
	31 March 2011			31 December 2010		
	Domestic operations	Foreign operations	Total	Domestic operations	Foreign operations	Total
	<i>(in million Baht)</i>					
Total assets	1,484,311	26,919	1,511,230	1,447,679	18,241	1,465,920
Interbank and money market items, net (Assets)	136,172	1,099	137,271	144,999	1,393	146,392
Investments, net	147,072	1,851	148,923	143,572	1,853	145,425
Investments in subsidiaries and associates, net	26,357	-	26,357	17,991	-	17,991
Loans to customers and accrued interest receivables, net	1,042,106	30,787	1,072,893	975,318	29,962	1,005,280
Deposits	1,123,155	4,164	1,127,319	1,085,767	4,728	1,090,495
Interbank and money market items, net (Liabilities)	37,069	12,404	49,473	48,410	1,502	49,912
Debt issued and borrowings	79,451	-	79,451	62,789	-	62,789

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

17.2 The results of operations classified by domestic and foreign operations for the three-month periods ended 31 March 2011 and 2010 are as follows:

	<b>Consolidated</b>								
	2011							2010	
	Domestic operations	Foreign operations	Elimination	Total	Domestic operations	Foreign operations	Elimination	Total	
	<i>(in million Baht)</i>								
Interest income	15,476	304	(152)	15,628	12,530	138	(26)	12,642	
Interest expenses	(4,648)	(150)	152	(4,646)	(3,043)	(29)	26	(3,046)	
Net interest income	10,828	154	-	10,982	9,487	109	-	9,596	
Net fees and service income	5,271	12	-	5,283	4,332	43	-	4,375	
Other operating income	8,781	1	-	8,782	2,494	(8)	-	2,486	
Other operating expenses	(9,047)	(38)	-	(9,085)	(7,907)	(45)	-	(7,952)	
Profit from operating before income tax expense	<u>15,833</u>	<u>129</u>	<u>-</u>	<u>15,962</u>	<u>8,406</u>	<u>99</u>	<u>-</u>	<u>8,505</u>	

  

	<b>The Bank</b>								
	2011							2010	
	Domestic operations	Foreign operations	Elimination	Total	Domestic operations	Foreign operations	Elimination	Total	
	<i>(in million Baht)</i>								
Interest income	14,938	288	(152)	15,074	11,948	119	(26)	12,041	
Interest expenses	(4,660)	(149)	152	(4,657)	(2,940)	(27)	26	(2,941)	
Net interest income	10,278	139	-	10,417	9,008	92	-	9,100	
Net fees and service income	5,520	1	-	5,521	4,199	33	-	4,232	
Other operating income	2,241	(1)	-	2,240	1,779	(10)	-	1,769	
Other operating expenses	(8,641)	(25)	-	(8,666)	(7,624)	(30)	-	(7,654)	
Profit from operating before income tax expense	<u>9,398</u>	<u>114</u>	<u>-</u>	<u>9,512</u>	<u>7,362</u>	<u>85</u>	<u>-</u>	<u>7,447</u>	

## 18 Events after the reporting period

131,685 preferred shares have been converted into 131,685 ordinary shares. The Bank registered the conversion of preferred shares with the Ministry of Commerce on 11 April 2011.

The shareholders' meeting passed a resolution on 5 April 2011 to pay dividends to both preferred and ordinary shareholders at the rate of Baht 2.00 per share each. The dividends of Baht 6,798 million were paid on 4 May 2011.

The shareholders' meeting passed a resolution to on 5 April 2011 amend the Bank's Memorandum of Association to comply with the conversion of preferred shares to ordinary shares in 2010 by amending the Bank's authorised share capital from previously consisting of 3,586,155,790 preferred shares and 3,413,844,210 ordinary shares to 3,585,588,249 preferred shares and 3,414,411,751 ordinary shares. The Bank registered such amendment in authorised share capital with the Department of Business Development, The Ministry of Commerce on 12 April 2011.

**The Siam Commercial Bank Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2011 (Unaudited)**

**19 Adoption of Thai Accounting Standard 19 Employee Benefits**

During 2010, the Bank early adopted TAS 19 Employee benefits which was to become effective for accounting period beginning on 1 January 2011. Management considers that this policy provides reliable information of employee benefit obligation of the Bank. The adoption of the accounting standard was applied retrospectively for the three-month period ended 31 March 2010.

**20 Thai Financial Reporting Standards (TFRS) not yet adopted**

The Bank and its subsidiaries have not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 12	Income Taxes	2013
TAS 20	Accounting for Government Grants and Disclosures of Government Assistance	2013
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates	2013

Management is presently considering the potential impact of adopting and the initial application of these new and revised TFRS on the consolidated and the Bank's financial statements.

**21 Reclassification of accounts**

Certain accounts in the statement of financial position as at 31 December 2010 and the statement of comprehensive income for the three-month period ended 31 March 2010, which are included in the 2011 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2011 interim financial statements. These reclassifications have principally been made according to the Bank of Thailand (BoT) notification number Sor Nor Sor 11/2553, regarding "The preparation and announcement of the financial statements of commercial banks and holding companies which are parent company of group of companies offering financial services".