



THANACHART GROUP

Company Overview

30 September 2008 (Reviewed Statement)



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Section 1

Thanachart Group

History

1974 - 1997

- Thanachart Capital was approved by the Ministry of Finance to operate finance and securities business in 1974.
- The Company has been a member number 16 of the Stock exchange of Thailand (SET) since 1979, and been a listed company of the SET on April 1, 1982.

1997-2004

- Finance and Securities businesses were separated in 1997.
- Thanachart Insurance and Thanachart Life Assurance were established in 1997.
- Thanachart Asset Management was established in 1998.
- Thanachart Bank was established in 2002.

2005-2006

- Thanachart Securities co-operated with BNP Paribas Peregrine in investment banking, research, and equity trading in 2005.
- In March 2006, Thanachart Capital returned its Finance Business License to the MOF.
- Thanachart Capital became the holding company of a fully integrated financial services group.

2007

- Thanachart Bank bought 8 subsidiaries from Thanachart Capital in order to comply with the group's reorganization plan.
- Scotiabank became a strategic partner of Thanachart Bank by holding 24.98% of Thanachart Bank's issued and paid-up shares.

2008

- Thanachart Bank, by its own request, was delisted from the Stock Exchange of Thailand in January.
- The SET reclassified TCAP's business sector from "Finance and Securities" sector to "Banking" sector on July 2, 2008.
- On November 13, 2008, the Bank of Thailand approved Scotiabank to hold 49% of TBANK.

Group Structure

- Thanachart Bank is majority held by Thanachart Capital holding **74.92%** and the Bank of Nova Scotia holding **24.98%**.

Thanachart Capital



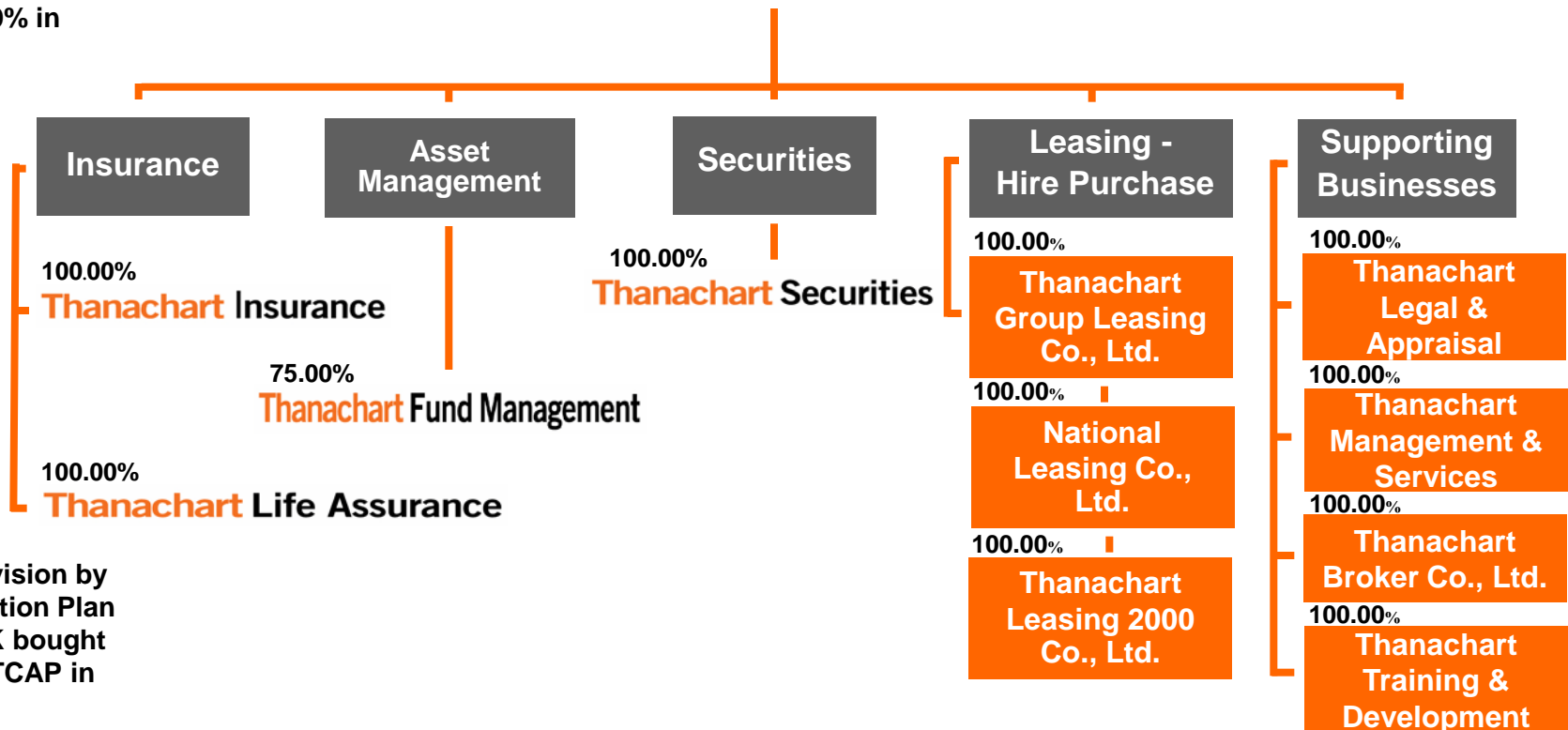
74.92%

Thanachart Bank

24.98%

As of 11 Jan 2008

- BOT approved Scotiabank to hold TBANK up to 49% in November 2008.



- To comply with the Consolidated Supervision by BOT and Reorganization Plan of the Group, TBANK bought 8 subsidiaries from TCAP in July 2007.

Fact Sheet

- Total of 13,213 shareholders as at 13 October 2008.
- Thanachart Capital is owned by a diverse range of foreign investors, mostly institutional.
- Thanachart Bank is a small to medium sized bank with a niche in consumer finance and retail lending
- Thanachart Bank is the 8th largest bank in Thailand according to assets size.

TCAP Shareholding Structure

Top Ten Shareholders	%
1. Com-link Co., Ltd.	10.00
2. Thai NVDR Co., Ltd.	10.00
3. MBK Plc.	9.75
4. Chase Nominees Limited 42	4.54
5. Mr. Banpoj Damapong	4.28
6. State Street Bank and Trust Company	3.10
7. The Southeast Life Insurance Co., Ltd.	2.08
8. Clearstream Nominees Ltd.	1.77
9. Somers (U.K.) Limited	1.60
10. Raffles Nominees (PTE) Ltd.	1.51
Total	48.63

Source: TSD (as at 13 October 2008)

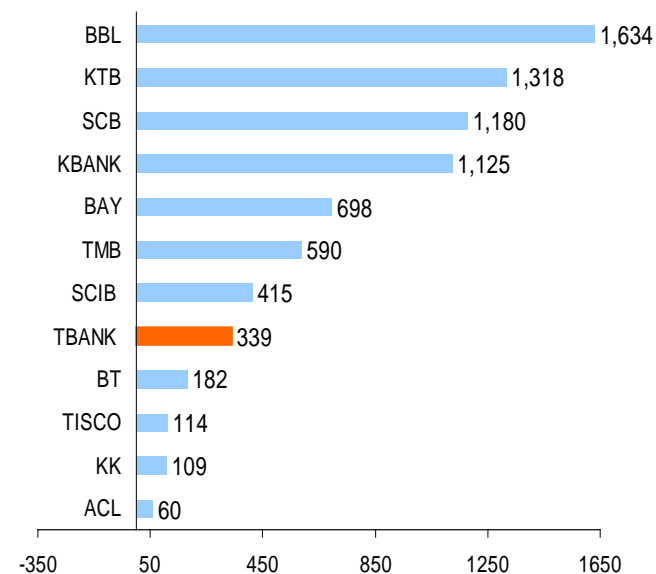
Thanachart Capital

• Paid-up Capital	13,332 MB
• Total Equity	32,398 MB

Source: Company Data (as at 30 Sep 2008)

ASSETS

Unit: Billion Baht



Source: SET (as at 30 Sep 2008)

Thanachart Bank Market Share

	Amount (MB)	Market Share (%)
Assets	339,090	4.4
Loans	263,371	4.6
Deposits*	288,354	4.6
# Branches	207	4.0

Source: BOT; SET; Company Data (as at 30 Sep 2008)

* Including short-term borrowings



Section 2

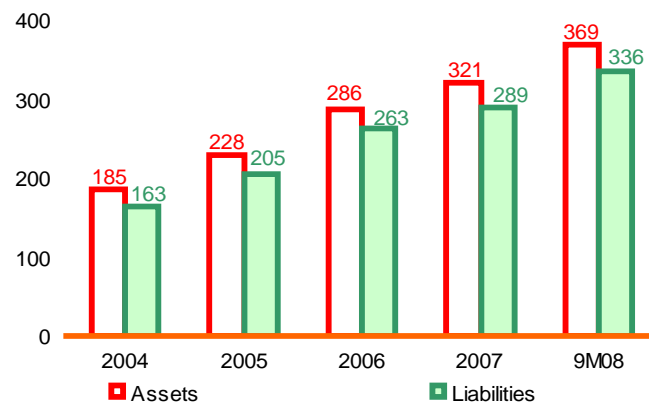
Thanachart Group Financial Highlights

Assets & Liabilities

- Thanachart Group has been able to grow its assets and loans.
- Loans CAGR since the end of 2004 to 9M08 is equal to 22%.

Assets vs Liabilities

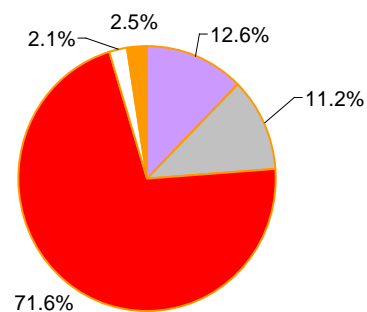
THB BN



Source: Company Data

Assets Breakdown

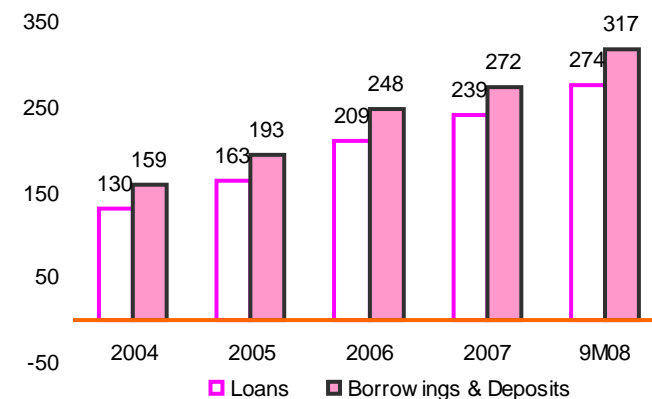
%



Source: Company Data (as at 30 Sep 2008)

Loans vs Borrowings & Deposits

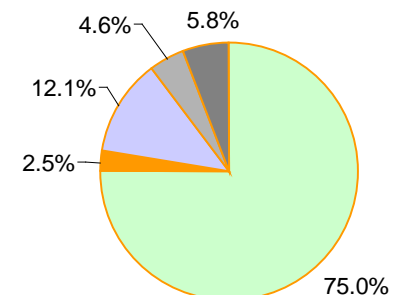
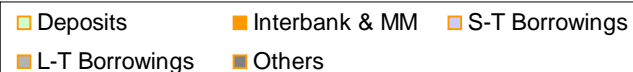
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Source: Company Data

Liabilities Breakdown

%



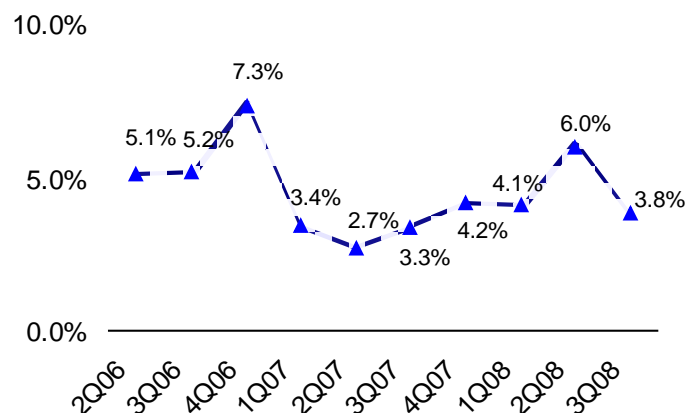
Source: Company Data (as at 30 Sep 2008)

Loans Portfolio

- Hire Purchase Loans accounted for 76.2% of total loans and accrued interest receivable and 56.7% of total assets.
- Total loans and HP loans grew 14.5% and 9.5% respectively from the end of last year.

Loans Growth (QoQ)

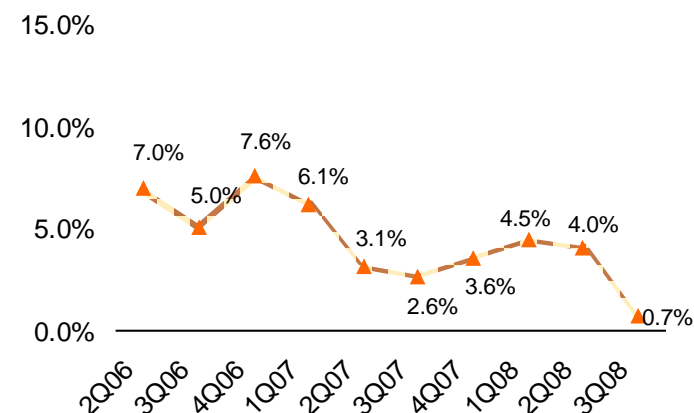
%



Source: Company Data

HP Loans Growth (QoQ)

%



Source: Company Data

Unit: Million Baht

Loans and Accrued Interest	2005	%	2006	%	2007	%	3Q08	%
Manufacturing & Commerce	7,082	4.3	5,914	2.8	7,717	3.2	11,086	4.0
Real Estate & Construction	5,113	3.1	7,558	3.6	7,258	3.0	13,618	5.0
Public Utilities & Services	10,281	6.3	7,996	3.8	9,129	3.8	14,132	5.2
Hire Purchase	121,251	74.4	164,325	78.4	191,025	79.8	209,096	76.2
Housing Loans	11,120	6.8	9,793	4.7	8,143	3.4	7,745	2.8
Personal Loans	3,251	2.0	7,792	3.7	8,519	3.6	8,367	3.1
Others	4,863	3.0	6,187	3.0	7,699	3.2	10,226	3.7
Total	162,961	100.0	209,565	100.0	239,490	100.0	274,270	100.0

Source: Company Data

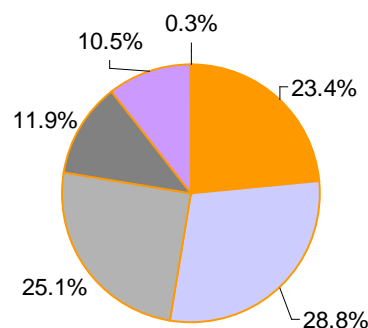
Borrowings & Deposits

- As banking branches expand, an increased portion of funding will originate from public savings deposits.
- In term of No. of branches, Mini vs Full branches 110 : 97 BKK vs Up-country 109 : 98.
- Expansion of banking branches will lead to more fund raising, stability of deposits, channels of distribution, and cost of funds reduction.

Deposits Breakdown

%

■ Current ■ Savings ■ < 6M ■ 6M-12M ■ > 1Y ■ BE



Source: Company Data (as at 30 Sep 2008)

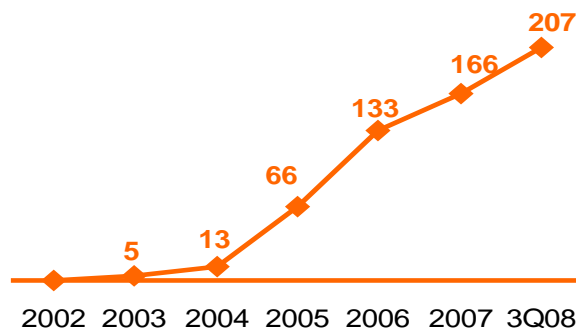
Branch Expansion

300

200

100

0



Source: Company Data

Unit: Million Baht

Borrowings & Deposits	2005	2006	2007	3Q08	%
Deposits + B/E from Public	148,371	203,341	239,525	281,914	89.1%
Public Deposits	148,371	198,527	188,166	252,228	79.7%
B/E from Public	-	4,814	51,359	29,686	9.4%
Interbank and Money Market Items	2,601	4,507	3,709	8,239	2.6%
Borrowings	41,950	40,221	28,606	26,401	8.3%
Debentures	7,521	7,087	6,845	10,808	3.4%
Promissory Notes	15,964	15,665	7,730	3,756	1.2%
B/E and Others	18,465	17,469	14,031	11,837	3.7%
Total	192,922	248,069	271,840	316,554	100.0%

Source: Company Data

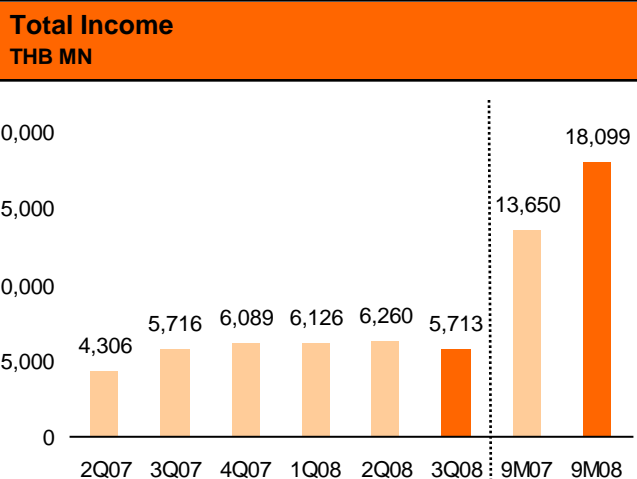
Performance

9M08 vs. 9M07

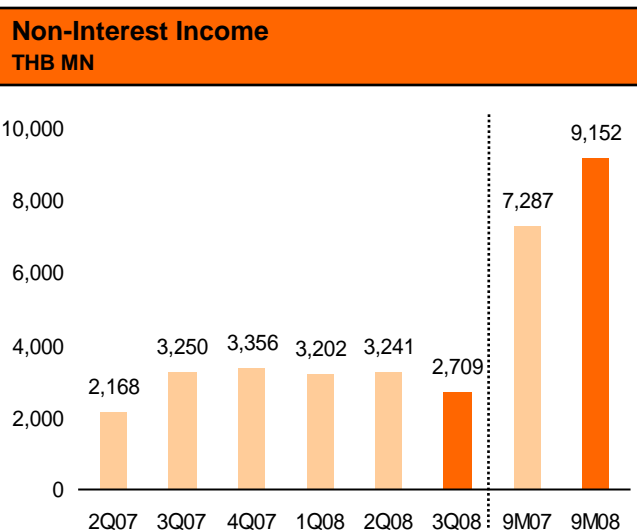
- Total Income up 32.6% from
+ NII up 40.6%.
- + Non-Interest Income up 25.6%,
mainly from fees and services
income and income from HP
related business (life/non-life
insurance).
- NII up 40.6% from
+ HP Interest Income up 13.3%.
- + Interest Expenses dropped by
12.9%.

3Q08 vs. 3Q07

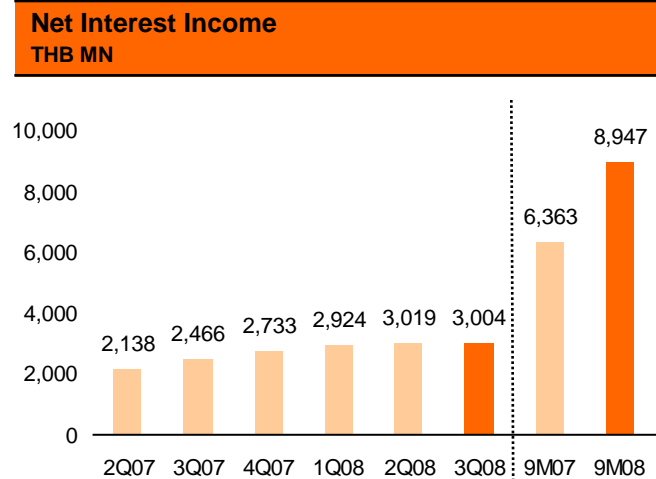
- Total Income dropped 0.1% from
+ NII up 21.8%.
- Non-Interest Income down
16.6%, mainly from loss on
investment of 40 MB compared
with extra gain on investment
of 885 MB from selling 24.98% of
TBANK to Scotiabank in 3Q07.
- Provision increased by 72.7% due
to the economy slowdown.



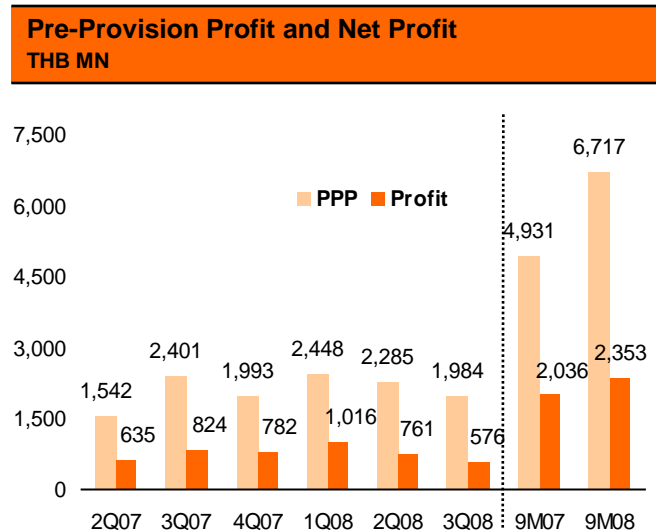
Source: Company Data



Source: Company Data



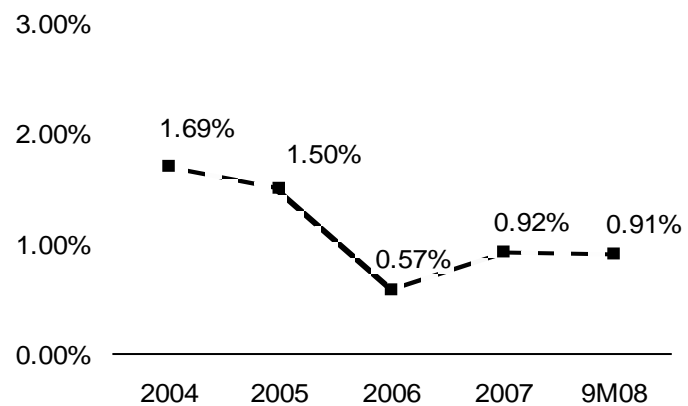
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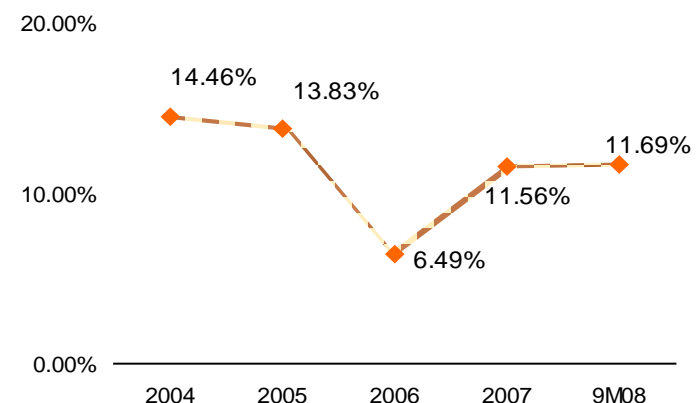
Financial Ratios

ROAA %



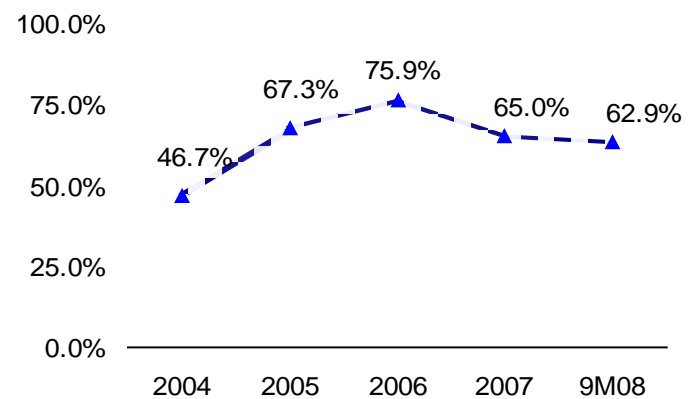
Source: Company Data

ROAE %



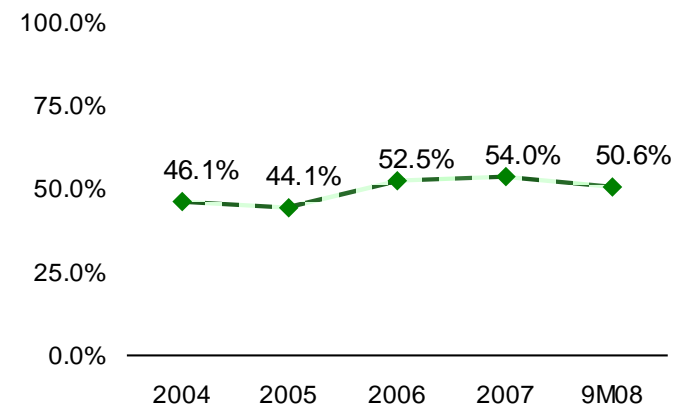
Source: Company Data

Cost to Income %



Source: Company Data

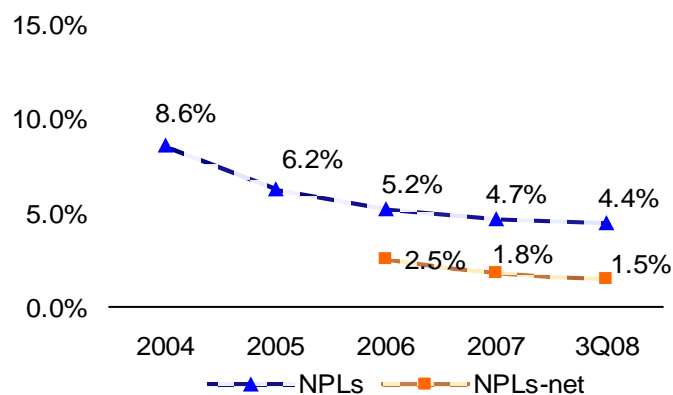
Non-Interest Income Ratio %



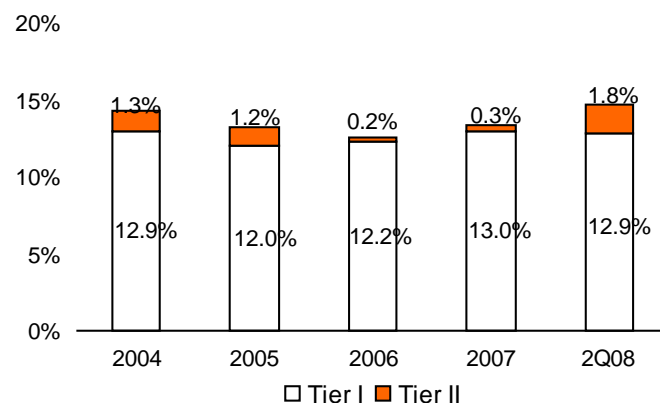
Source: Company Data

Strengthened Assets and Capital Profile

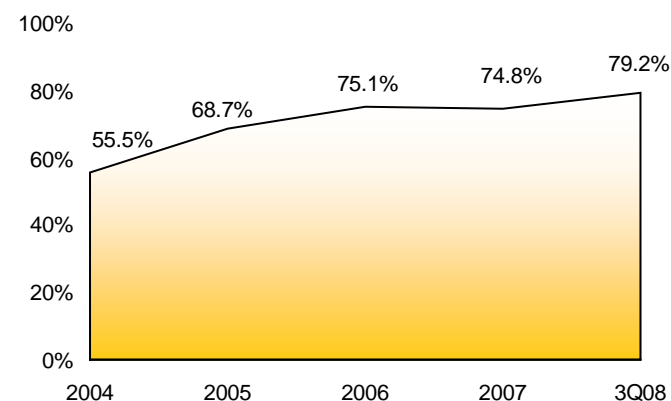
- Thanachart has also been able to strengthen its asset and capital profile.
- The Group's NPLs ratio has been significantly decreasing after the crisis.
- As at 30 September 2008, NPLs = 13,141 MB up from 11,260 MB at the end of 2007 while allowance for doubtful accounts = 10,414 MB up from 8,417 MB at the end of 2007.
- Thanachart has already set aside its provision in line with the new reserve requirement regulation imposed by the BOT since 1Q07.

NPLs / Total Loans
%


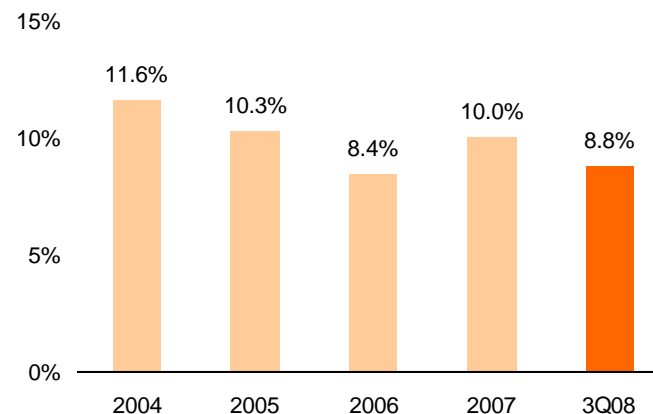
Source: Company Data

BIS Ratio
%


Source: Company Data
BIS Ratio of 3Q08 will be announced.

LLR / NPLs
%


Source: Company Data

Equity / Asset
%


Source: Company Data

Subsidiaries Performance

Unit: Million Baht

Net Profit	% of Holding Direct/Indirect	3Q07	3Q08	9M07	9M08
Thanachart Bank Plc. (the Bank only)	74.9%	423	151	716	1,361
Thanachart Securities Plc.	74.9%	180	14	202	143
Thanachart Fund Management	56.2%	30	28	67	100
Thanachart Insurance	74.9%	20	15	54	41
Thanachart Life Assurance	74.9%	37	100	147	390
NFS-AMC	100.0%	25	38	11	113
MAX-AMC	58.5%	37	21	54	93
Total		752	367	1,251	2,241

Source: Company Data



Section 3

Summary of Hire Purchase Business

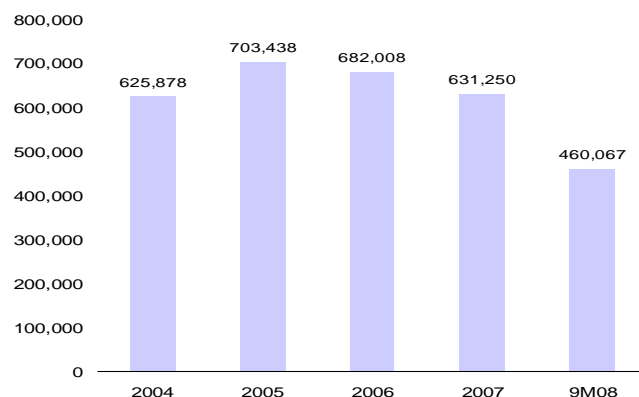
Hire Purchase Growth

- The Thanachart hire purchase loan portfolio has experienced high growth rate since the beginning up until now.
- Thanachart has maintained its market leading position in the auto hire purchase market and has been able to dictate a healthy rate in the market.

	2005	2006	2007	9M07	9M08	% Growth Y on Y
Domestic New Car Sales (Units)	703,438	682,008	631,250	451,325	460,067	1.9%
Number of Thanachart Group HP Lease (Units)	170,543	217,318	204,624	151,517	162,082	7.0%
Total Number of Thanachart Group HP Lease (Units)	431,565	584,252	704,411	679,808	791,533	16.4%
Amount of Thanachart Group HP Loans (Baht Million)	68,493	91,013	87,717	64,856	71,638	10.5%
Total Outstanding Thanachart Group HP Loans (Baht Million)	122,178	164,325	191,025	184,514	209,096	13.3%

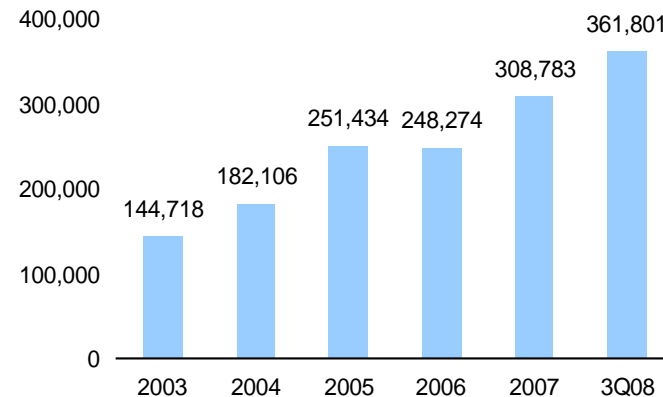
Source: Bank of Thailand; Company Data

New Automobile Sales in Thailand
Units



Source: Bank of Thailand; Company Data

Outstanding New Car Loans by Financial Institutions
THB MN



Source: Bank of Thailand

Hire Purchase Asset Quality

- The Thanachart hire purchase portfolio has very low levels of NPLs.
- In addition, the recovery rate on NPLs for auto hp average about 80%.

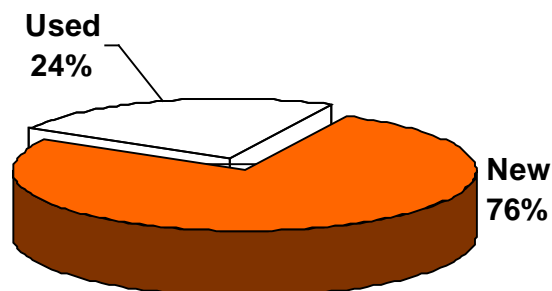
Unit: Million Baht

30-Sep-08	New Cars		Used Cars		Car Fleet	Total
	Bangkok	Other Areas	Bangkok	Other Areas		
PL	50,653	99,027	12,771	33,623	1,522	197,596
	98.26%	98.32%	97.17%	97.97%	99.28%	98.18%
NPL	896	1,695	372	698	11	3,672
	1.74%	1.68%	2.83%	2.03%	0.72%	1.82%

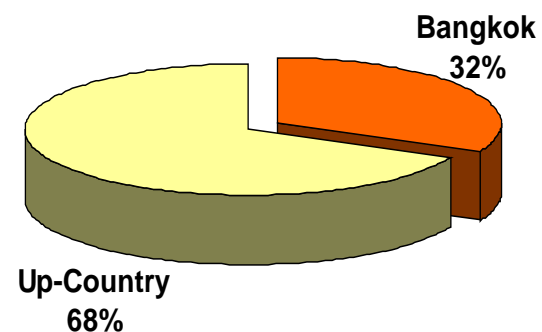
Thanachart Capital and Thanachart Bank only

HP Portfolio by Type of Car (Amount)

%


HP Contract Value by Region

%



Source: Company Data (as at 30 Sep 2008)

Source: Company Data (as at 30 Sep 2008)



Section 4

Appendix

TCAP Financial Information

Income Statements	2005	2006	2007	9M07	9M08	Variance (6M08/6M07)	
						Amount	%
HP Income	7,028	10,425	13,118	9,687	10,973	1,286	13.3%
Total Interest Income	10,935	16,951	18,799	14,088	15,675	1,587	11.3%
Interest Expenses	4,421	10,042	9,701	7,726	6,728	-998	-12.9%
Net Interest Income	6,514	6,909	9,098	6,363	8,947	2,584	40.6%
Non-Interest Income	5,144	7,643	10,671	7,287	9,152	1,865	25.6%
Operating Expenses	7,842	11,043	12,845	8,719	11,382	2,663	30.5%
Pre Provision Profit	3,816	3,509	6,924	4,931	6,717	1,786	36.2%
Provision	294	-924	-2,051	-1,050	-2,903	-1,853	176.5%
Income before Tax	4,108	2,585	4,874	3,881	3,814	-67	-1.7%
Tax	-972	-965	-1,705	-1,626	-926	700	-43.1%
Minority Interest	-33	-152	-351	-220	-535	-315	143.2%
Net Profit	3,104	1,468	2,818	2,036	2,353	317	15.6%

Balance Sheets	2005	2006	2007	3Q08	Variance (2Q08/2007)	
					Amount	%
MM	4,912	27,064	40,462	46,456	5,994	14.8%
RP	19,700	6,300	2,500	0	-2,500	-100.0%
Investment	33,203	34,766	28,874	41,121	12,247	42.4%
Loans	160,366	207,472	237,307	271,071	33,764	14.2%
Others	9,938	10,627	12,113	10,046	-2,067	-17.1%
Total Assets	228,119	286,229	321,256	368,694	47,438	14.8%
Deposits	148,371	198,527	188,166	252,228	64,062	34.0%
Borrowings						
-Short-term	1,254	18,460	65,848	40,636	-25,212	-38.3%
-Long-term	40,696	26,575	14,117	15,451	1,334	9.4%
MM	2,601	4,507	3,709	8,239	4,530	122.1%
Others	11,811	14,729	17,154	19,742	2,588	15.1%
Total Liabilities	204,733	262,798	288,994	336,296	47,302	16.4%
Equity	22,639	22,565	26,208	26,245	37	0.1%
MI	747	866	6,054	6,153	99	1.6%
Total Equity	23,386	23,431	32,262	32,398	136	0.4%

Key Financial Ratio	2005	2006	2007	3Q07	3Q08	9M08
ROA	1.50%	0.57%	0.92%	1.06%	0.65%	0.91%
ROE	14.31%	6.49%	11.56%	13.05%	8.66%	11.69%
Yield	5.50%	6.87%	6.42%	6.44%	6.30%	6.29%
Funding Cost	2.52%	4.55%	3.72%	3.57%	3.21%	3.09%
Loan Spread	3.98%	2.72%	3.54%	3.78%	3.86%	4.04%
Interest Spread	2.99%	2.31%	2.70%	2.87%	3.09%	3.20%
NIM	3.28%	2.80%	3.11%	3.30%	3.49%	3.59%
Non-interest Income Ratio	44.12%	52.52%	53.99%	56.86%	47.42%	50.57%
Cost to Income	67.27%	75.89%	64.98%	58.00%	65.25%	62.89%
Loans to Deposits	109.67%	102.92%	99.88%	105.89%	97.17%	-
Coverage Ratio	68.68%	75.07%	74.75%	71.71%	77.94%	-
NPLs Ratio	6.20%	5.18%	4.71%	5.02%	0.05	-
Net Profit Margin	19.30%	5.97%	9.56%	10.14%	7.09%	9.48%
EPS (Baht)	2.33	1.10	2.11	0.62	0.43	1.76
DPS (Baht)	0.80	0.80	0.90	-	-	0.30*


* Interim Dividend for half year performance of 2008

Quarterly Performance	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08
HP Income	3,269	3,349	3,431	3,582	3,666	3,725
Total Interest Income	4,770	4,810	4,711	5,095	5,162	5,416
Interest Expenses	2,632	2,343	1,979	2,171	2,143	2,412
Net Interest Income	2,138	2,466	2,733	2,924	3,019	3,004
Non-interest Income	2,168	3,250	3,356	3,202	3,241	2,709
Operating Expenses	2,764	3,315	4,095	3,678	3,976	3,728
Pre Provision Profit	1,542	2,401	1,993	2,448	2,285	1,984
Provision	-631	-667	-1,001	-726	-1,021	-1,157
Income before Tax	911	1,735	992	1,722	1,264	827
Tax	-257	-709	-79	-467	-294	-165
Minority Interest	-19	-202	-131	-239	-209	-86
Net Profit	635	824	782	1,016	761	576

Scotiabank Information

- Scotiabank is the most international bank and the third largest bank by assets in Canada.
- Scotiabank started its business operation in 1832 (176 years ago).
- Its core businesses include
 - Domestic Banking (Retail Banking)
 - International Banking
 - Scotia Capital (Wholesale banking)
- Scotiabank is the leader in automotive finance.
- Scotiabank has over 12.5 million customers in 50 countries worldwide.
- Scotiabank has no direct exposure to U.S. sub-prime mortgage.

Unit: Million \$

	2005	2006	2007	9M08 (Unaudited)
Net interest income	5,871	6,408	7,098	5,633
Total revenue	10,400	11,208	12,490	9,385
Provision for credit losses	230	216	270	423
Non-interest expenses	6,043	6,443	6,994	5,352
Provision for income taxes	847	872	1,063	689
Net income available to common shareholders	3,184	3,549	3,994	2,750
Basic earnings per share (\$)	3.19	3.59	4.04	2.79
Return on equity (%)	20.9	22.1	22.0	20.3
Net interest margin on total average assets (%)	2.00	1.95	1.89	1.78
Tier 1 capital ratio (%)	11.1	10.2	9.3	9.8
Total capital ratio (%)	13.2	11.7	10.5	11.5
Net impaired loans (\$ millions)	681	570	601	1,009
Dividends per share (\$)	1.32	1.50	1.74	1.43
Dividend yield (%)	3.3	3.3	3.4	4.0
Dividend payout ratio (%)	41.4	41.8	43.1	51.3
Market capitalization (\$ millions)	42,568	48,783	52,612	49,475
Employees	46,631	54,199	58,113	62,209
Branches and offices	1,959	2,191	2,331	2,557
Loans and acceptances	178,003	212,329	238,685	283,742
Total assets	314,025	379,006	411,510	462,407
Deposits	217,445	263,914	288,458	332,469
Preferred shares	600	600	1,635	2,560

Source: BNS 2007 Annual Report; www.scotiabank.com

Scotiabank Commitment to TBANK

Scotiabank has demonstrated a long term commitment to Thailand:

- Scotiabank has been in Thailand for over 27 years
- Scotiabank made a substantial investment in Thanachart Bank (closed post political disruption in 2007):
 - Acquired 24.98% in July 2007 for THB 7.1 Billion
 - Plan to increase to 49% in 2008, terms agreed
 - Seconded 6 experienced Scotiabankers to work with Thanachart Bank staff in Retail & SME, Risk Management, Corporate, Treasury, Operations, Financial Institution.
 - Our partnership is working well

Key Priorities:

- Corporate** – Accelerate growth via sales management
- Retail** – Sales & Service, Cross sell, Products (Cards, Mortgages)
- Treasury** – Reduce COF, increase returns on investment portfolios
- Operations** – Centralize to reduce costs & improve productivity
- Risk** – Efficiency and control, policies for cards and unsecured

Contributions from Scotiabank:

- Corporate** – Sales mgmt introduced, Trade Finance business quadrupled
- Retail** – Card project commenced, National Mortgage program under development, collections improved
- Treasury** – Improve on investment yield
- Risk** – Reorganization completed, credit approval process accelerated

Investor Relations

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Disclaimer Statement

PLEASE BE ADVISED THAT THIS PRESENTATION MAY CONTAIN EXPECTATIONS AND ASSUMPTIONS THAT ARE SUBJECT TO CHANGE AT ANY TIME. RESULTS AND FUTURE PERFORMANCE ARE NOT GUARANTEED AND MAY DIFFER FROM EXPECTATIONS.