



**3Q09 and 9M09 Company Profile (Reviewed)**

**Thanachart Group**

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*"Being a business group, with cooperation from every department, that offers fully integrated financial services with focus given on providing excellent quality of services and product development to be able to respond to every financial need of its target customer groups".*

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## About Thanachart Group

*"Being a business group, with cooperation from every department, that offers fully integrated financial services with focus given on providing excellent quality of services and product development to be able to respond to every financial need of its target customer groups".*



# History

## Profile

Thanachart Group began its business operation in 1980 by establishing Thanachart Capital (formerly named as National Finance and Securities (NFS)) and gradually expanded into other financial businesses. The Group is now offering a fully integrated range of financial services.

## 1997-2002

- 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.

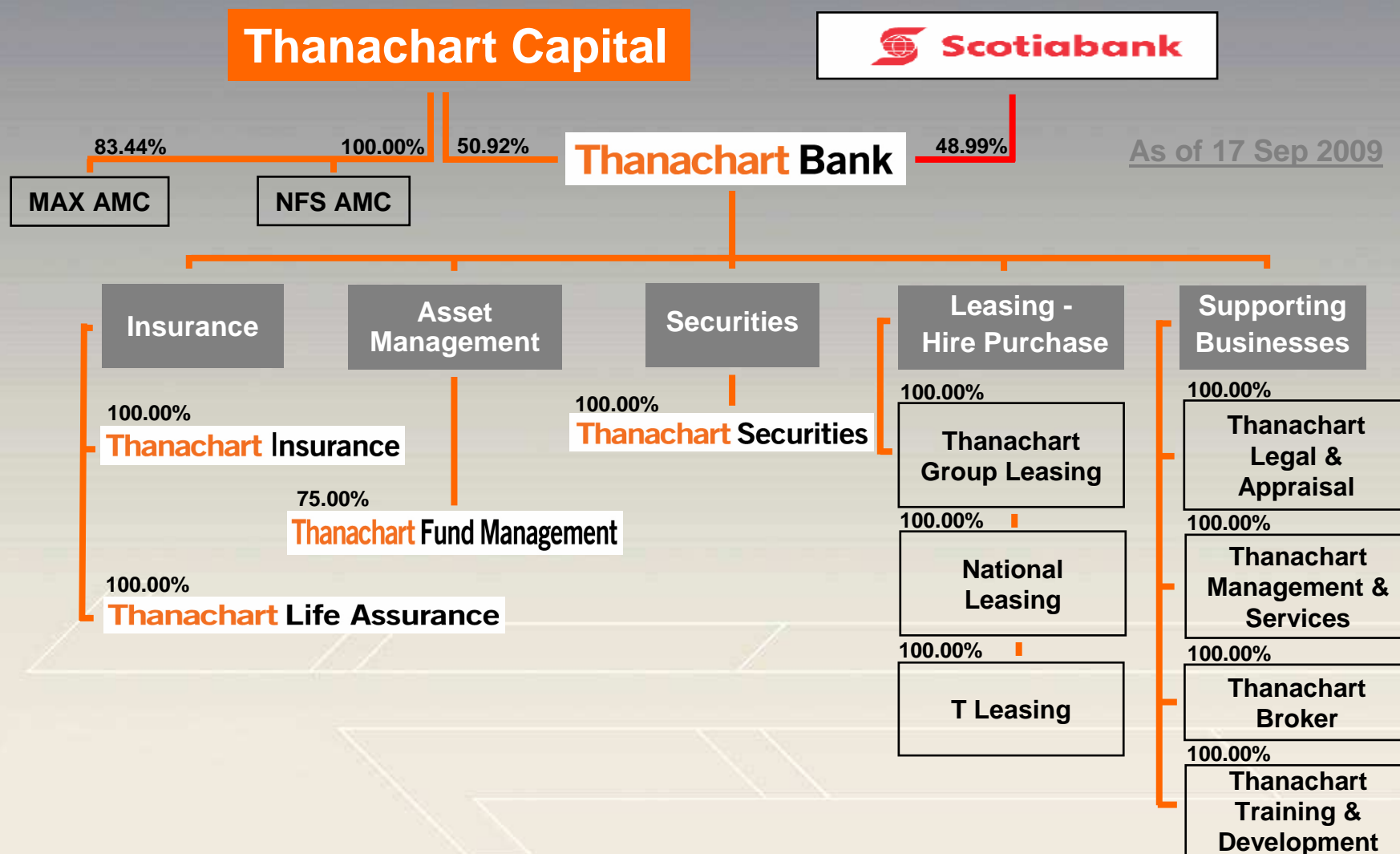
## 2005-2007

- Thanachart Securities co-operated with BNP Paribas Peregrine in investment banking, research, and equity trading in 2005.
- In March 2006, TCAP returned its Finance Business License, and became the holding company.
- Scotiabank became our strategic partner by holding 24.98% of TBANK's shares in 2007.

## 2008-2009

- Thanachart Bank, by its own request, was delisted from the SET in January 2008.
- The SET reclassified TCAP's business sector from "Finance and Securities" to "Banking" in 2008.
- In February 2009, Scotiabank completed the acquisition an additional 24% of TBANK raising Scotiabank's holding in TBANK to 49%.

# Company Structure



*"Being a business group, with cooperation from every department, that offers fully integrated financial services with focus given on providing excellent quality of services and product development to be able to respond to every financial need of its target customer groups".*

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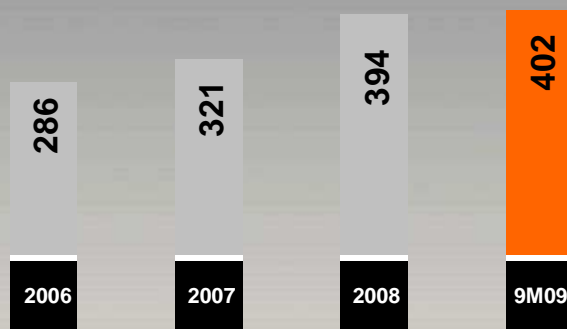
## Financial Highlights

*"Being a business group, with cooperation from every department, that offers fully integrated financial services with focus given on providing excellent quality of services and product development to be able to respond to every financial need of its target customer groups".*



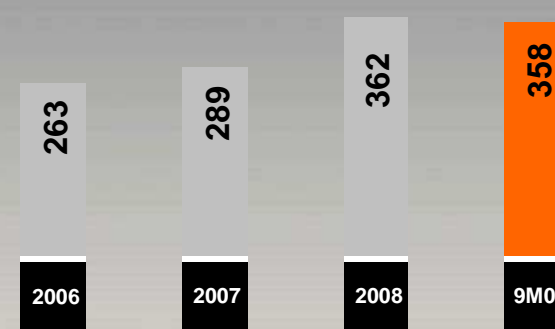
# Assets & Liabilities

## Assets (Billion Baht)



Source: Company Data

## Liabilities (Billion Baht)



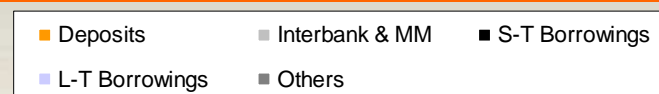
Source: Company Data

## Assets Breakdown (%)



Source: Company Data (As at 30 Sep 2009)

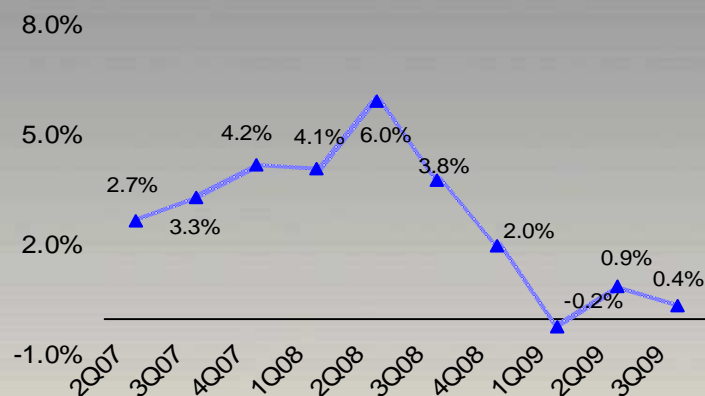
## Liabilities Breakdown (%)



Source: Company Data (As at 30 Sep 2009)

# Loans Portfolio

## Loan Growth (QoQ)



Source: Company Data

- Loans growth in 3Q09 and 9M09 still came mainly from Corporate.
- Corporate loans outstanding was THB47 bn at the end of Sep 09, accounted for 94% of this year target.
- TCAP has been able to maintain market share of new car financing at around 25%.
- 9M09, HP Loans declined due to the 20% contraction of the domestic new car sales.

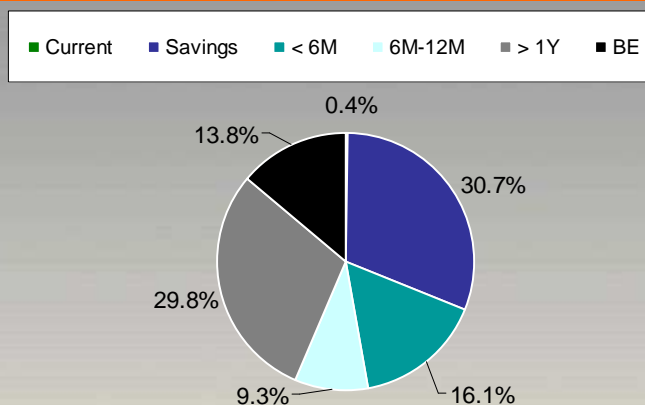
Unit: Million Baht

Loans and Accrued Interest	2006	%	2007	%	2008	%	9M09	%
Manufacturing & Commerce	5,914	2.8	7,717	3.2	13,404	4.8	13,623	4.8
Real Estate & Construction	7,558	3.6	7,258	3.0	15,596	5.6	15,934	5.6
Public Utilities & Services	7,996	3.8	9,129	3.8	13,829	4.9	15,181	5.4
Hire Purchase	164,325	78.4	191,025	79.8	211,828	75.7	208,766	73.8
Housing Loans	9,793	4.7	8,143	3.4	7,724	2.8	7,345	2.6
Personal Loans	7,792	3.7	8,519	3.6	8,556	3.1	8,577	3.0
Others	6,187	3.0	7,699	3.2	8,837	3.2	13,456	4.8
<b>Total</b>	<b>209,565</b>	<b>100.0</b>	<b>239,490</b>	<b>100.0</b>	<b>279,774</b>	<b>100.0</b>	<b>282,882</b>	<b>100.0</b>



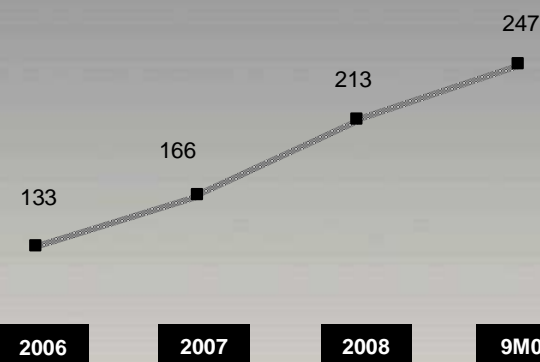
# Borrowings & Deposits

## Deposit Breakdown (%)



Source: Company Data (As at 30 Sep 2009)

## Branch Expansion



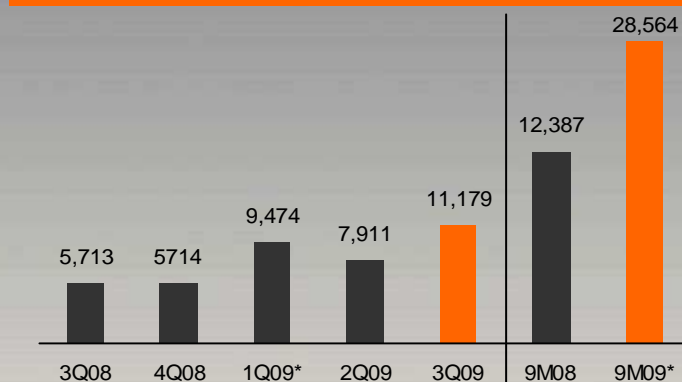
Source: Company Data

Unit: Million Baht

Borrowings & Deposits	2006	2007	2008	9M09	%
<b>Deposits + B/E from Public</b>	<b>203,341</b>	<b>239,525</b>	<b>314,065</b>	<b>291,422</b>	<b>88.4%</b>
Public Deposits	198,527	188,166	269,730	250,403	76.0%
B/E from Public	4,814	51,359	44,335	41,019	12.4%
<b>Interbank and Money Market Items</b>	<b>4,507</b>	<b>3,709</b>	<b>7,293</b>	<b>18,390</b>	<b>5.6%</b>
<b>Borrowings</b>	<b>40,221</b>	<b>28,606</b>	<b>21,128</b>	<b>19,702</b>	<b>6.0%</b>
Debentures	7,087	6,845	12,741	19,702	6.0%
Promissory Notes	15,665	7,730	500	-	0.0%
B/E and Others	17,469	14,031	7,887	-	0.0%
<b>Total</b>	<b>248,069</b>	<b>271,840</b>	<b>342,486</b>	<b>329,514</b>	<b>100.0%</b>

# Performance

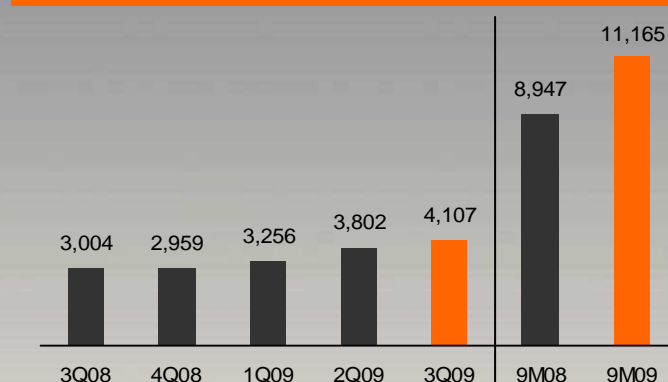
## Total Income (Million Baht)



Source: Company Data

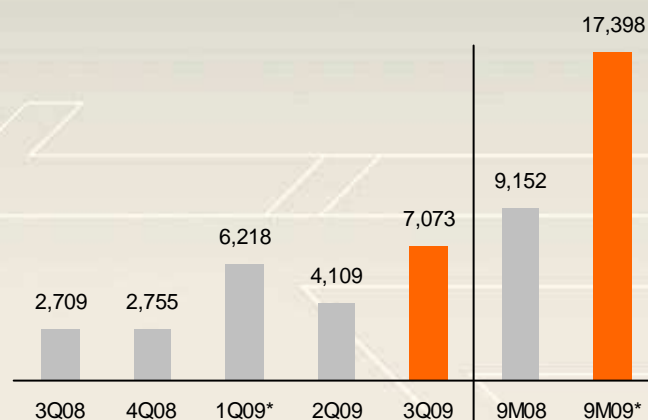
\*Gain on selling another 24% of TBANK in 1Q09 is included.

## Net Interest Income (Million Baht)



Source: Company Data

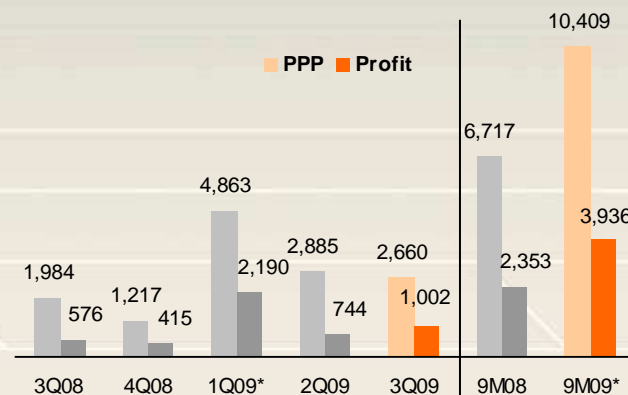
## Non-interest Income (Million Baht)



Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

## Pre-provision Profit & Net Income (Million Baht)



Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

# Financial Ratio

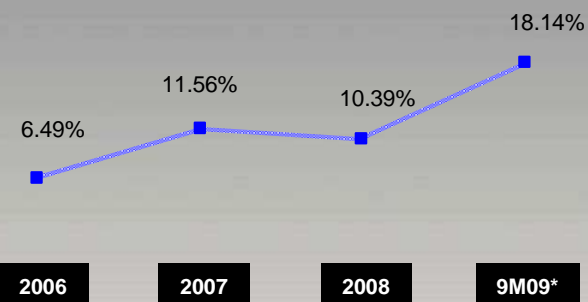
## ROAA (%)



Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

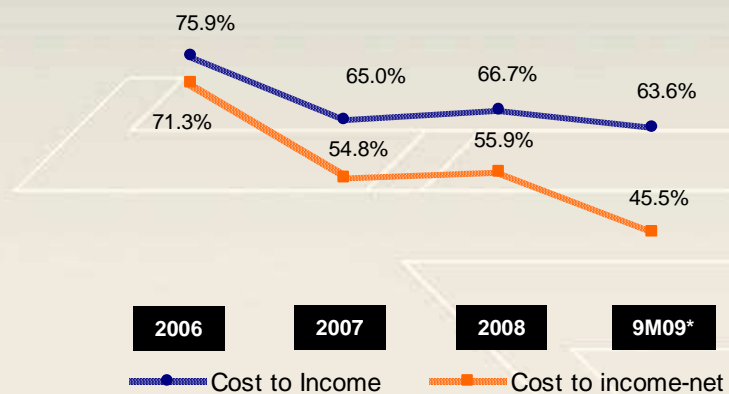
## ROAE (%)



Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

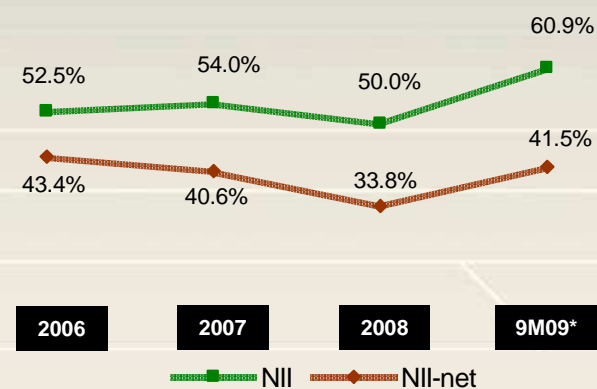
## Cost to Income Ratio (%)



Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

## Non-interest Income Ratio (%)

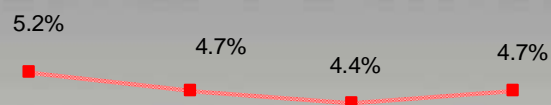


Source: Company Data

\*Gain on selling another 24% of TBANK in 1Q09 is included.

# Asset Quality & Capital Profile

## NPLs / Total Loans (%)



2006

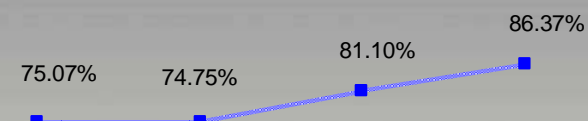
2007

2008

9M09

Source: Company Data

## LLR / NPLs (%)



2006

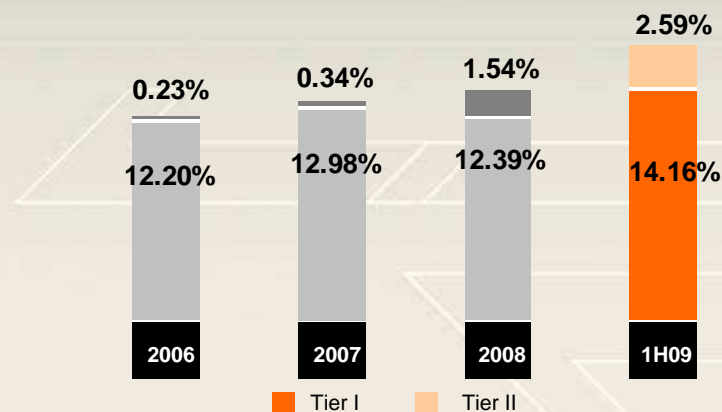
2007

2008

9M09

Source: Company Data

## Capital Adequacy Ratio (%) (Basel I)



2006

2007

2008

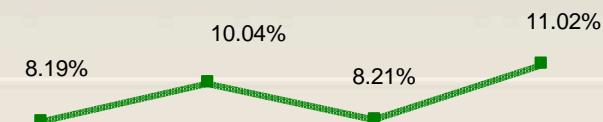
1H09

Tier I

Tier II

Source: Company Data

## Equity / Assets (%)



2006

2007

2008

9M09

Source: Company Data

# Subsidiaries Performance

Unit: Million Baht

Subsidiaries Performance (THB MN)	% of Holding	9M08	9M09	3Q08	3Q09
▪ Thanachart Bank (Bank Only)	50.9%	1,361	2,299	151	1,248
▪ Thanachart Securities	50.9%	143	207	14	114
▪ Thanachart Fund Management	38.2%	100	82	28	35
▪ Thanachart Insurance	50.9%	41	179	15	96
▪ Thanachart Life Assurance	50.9%	390	103	100	(82)
▪ NFS-AMC	100.0%	113	302	38	172
▪ MAX-AMC	83.4%	93	87	21	34

## TNS

- Market share in the 9M09 was 4.3%, ranked 7<sup>th</sup> in the industry.
- 9M09, clients were divided into 71% retails, 18% foreign, and 11% financial institutions.

Source: Company Data

## TFUND

- AUM amounted to Baht 93,486 million, an increase of 20% from the end of 2008.
- Mutual fund of TFUND ranked 5<sup>th</sup> in the industry with the market share of 5.39%.

Source: Company Data

## TLIFE

- Ranked 8<sup>th</sup> in the industry in 8M09 with the market share of 4.16%.
- Ranked 1<sup>st</sup> in Group Life in 8M09 with the market share of 26.66%.

Source: The Office of Insurance Commission (OIC)

## TINSURE

- Ranked 11<sup>th</sup> in the industry in 8M09 with the market share of 2.59%.
- Ranked 6<sup>th</sup> in Automobile Insurance in 8M09 with the market share of 3.72%.

Source: The Office of Insurance Commission (OIC)

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## Summary of HP Business

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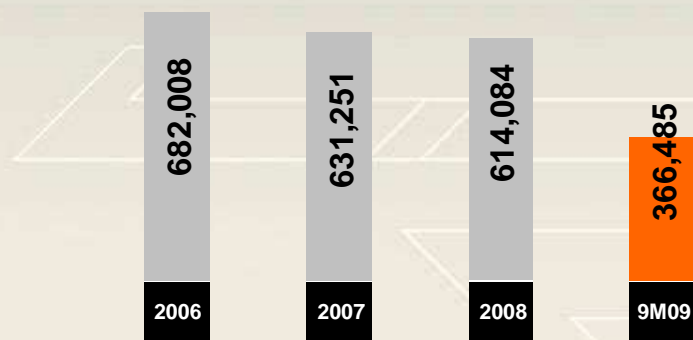


# Hire Purchase Growth

	2007	2008	9M08	9M09	% Growth YoY
Domestic New Car Sales (Units)	631,251	614,084	460,067	366,485	(20.34%)
Number of Thanachart Group HP Lease (Units)	207,624	213,561	162,082	141,729	(12.56%)
Total Number of Thanachart Group HP Lease (Units)	704,411	801,565	791,533	826,028	4.36%
Amount of Thanachart Group HP Loans (MB)	87,717	93,389	71,638	56,556	(21.05%)
Total Outstanding Thanachart Group HP Loans (MB)	191,025	211,828	209,096	208,766	(0.16%)

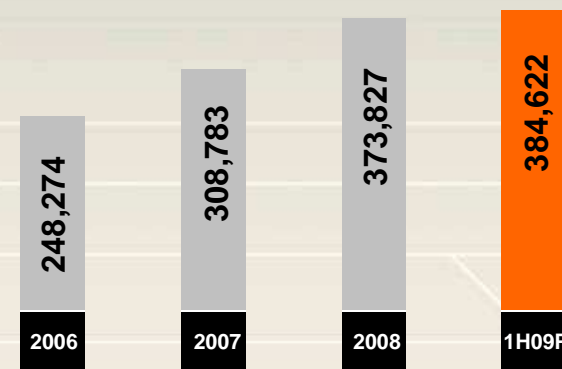
Source: BOT; Company Data

**New Car Sale in Thailand (Units)**



Source: BOT; Company Data

**Outstanding New Car Loans by FI (Million Baht)**



Source: BOT

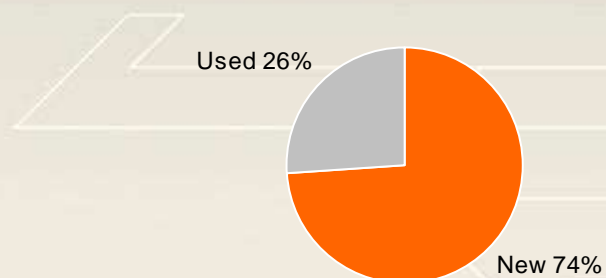
# Hire Purchase Asset Quality

Unit: Million Baht

30-Sep-09	New Cars		Used Cars		Car Fleet	Total
	Bangkok	Other Areas	Bangkok	Other Areas		
PL	49,353	93,833	15,315	35,304	1,143	194,948
	97.97%	97.72%	97.26%	97.26%	100.00%	97.67%
NPL	1,024	2,194	432	995	0	4,645
	2.03%	2.28%	2.74%	2.74%	0.00%	<b>2.33%</b>

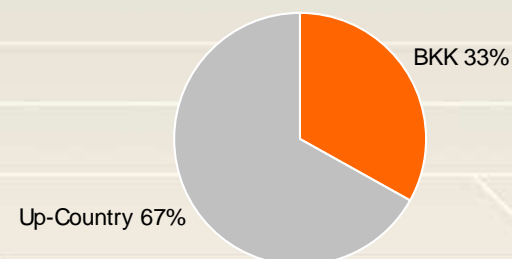
Thanachart Capital and Thanachart Bank only and excluding Cash Your Car loans

Amount of HP Portfolio by Type of Car (%)



Source: Company Data (As at 30 Sep 2009)

HP Contact Value by Region (%)



Source: Company Data (as at 30 Sep 2009)



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## Appendix

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# Financial Information

Unit: Million Baht

Unit: Million Baht

Balance Sheets	2007	2008	9M09	Income Statements	3Q08	2Q09	3Q09	9M09
Interbank and MM	40,461	65,790	63,251	Interest income	5,416	5,468	5,604	16,604
RP	2,500	-	-	Interest expense	2,412	1,666	1,498	5,439
Investments	28,874	39,385	48,846	Net interest income	3,003	3,802	4,107	11,165
Loans	239,307	277,554	279,393	Non-interest income	2,709	4,109	7,073	17,398
Others	12,113	11,407	10,608	Operating expenses	3,728	5,026	8,519	18,155
<b>Total Assets</b>	<b>321,256</b>	<b>394,136</b>	<b>402,098</b>	Pre-provision profit	1,985	2,885	2,660	10,409
Deposits	188,166	269,730	250,403	Provision	(1,156)	(1,362)	(201)	(2,821)
Borrowings				Income before tax	827	1,523	2,459	7,588
S-T Borrowings	65,848	46,653	47,347	Tax	(165)	(438)	(717)	(2,359)
L-T Borrowings	14,117	18,811	13,374	Minority interest	(86)	(341)	(740)	(1,293)
Interbank and MM	3,709	7,293	18,390	<b>Net income</b>	<b>576</b>	<b>744</b>	<b>1,002</b>	<b>3,936</b>
Others	17,154	19,288	28,292	EPS (Baht)	0.43	0.59	0.78	3.07
<b>Total Liabilities</b>	<b>288,994</b>	<b>361,775</b>	<b>357,806</b>	ROA	0.65%	0.75%	0.99%	1.32%
Company's Equity	26,208	26,592	31,154	ROE	8.66%	10.38%	13.06%	18.14%
Minority interest	6,054	5,769	13,138	Yield	6.30%	5.66%	5.71%	5.71%
<b>Total Equity</b>	<b>32,262</b>	<b>32,361</b>	<b>44,292</b>	Funding cost	3.21%	2.01%	1.79%	2.17%
NPLs	11,260	12,265	13,305	Interest spread	3.09%	3.65%	3.92%	3.54%
Loan loss reserve	8,417	9,947	11,491	NIM	3.49%	3.94%	4.18%	3.84%
Coverage Ratio	78.98%	82.76%	86.37%	Net profit margin	7.09%	7.77%	7.90%	11.58%
				Cost to income	65.27%	63.53%	76.20%	63.56%
				Cost to income net insurance	56.30%	49.47%	54.52%	45.46%

# Investor Relations

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**Website: <http://www.thanachart.co.th/ir.html>**

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