



THANACHART GROUP

Company Overview

June 2007



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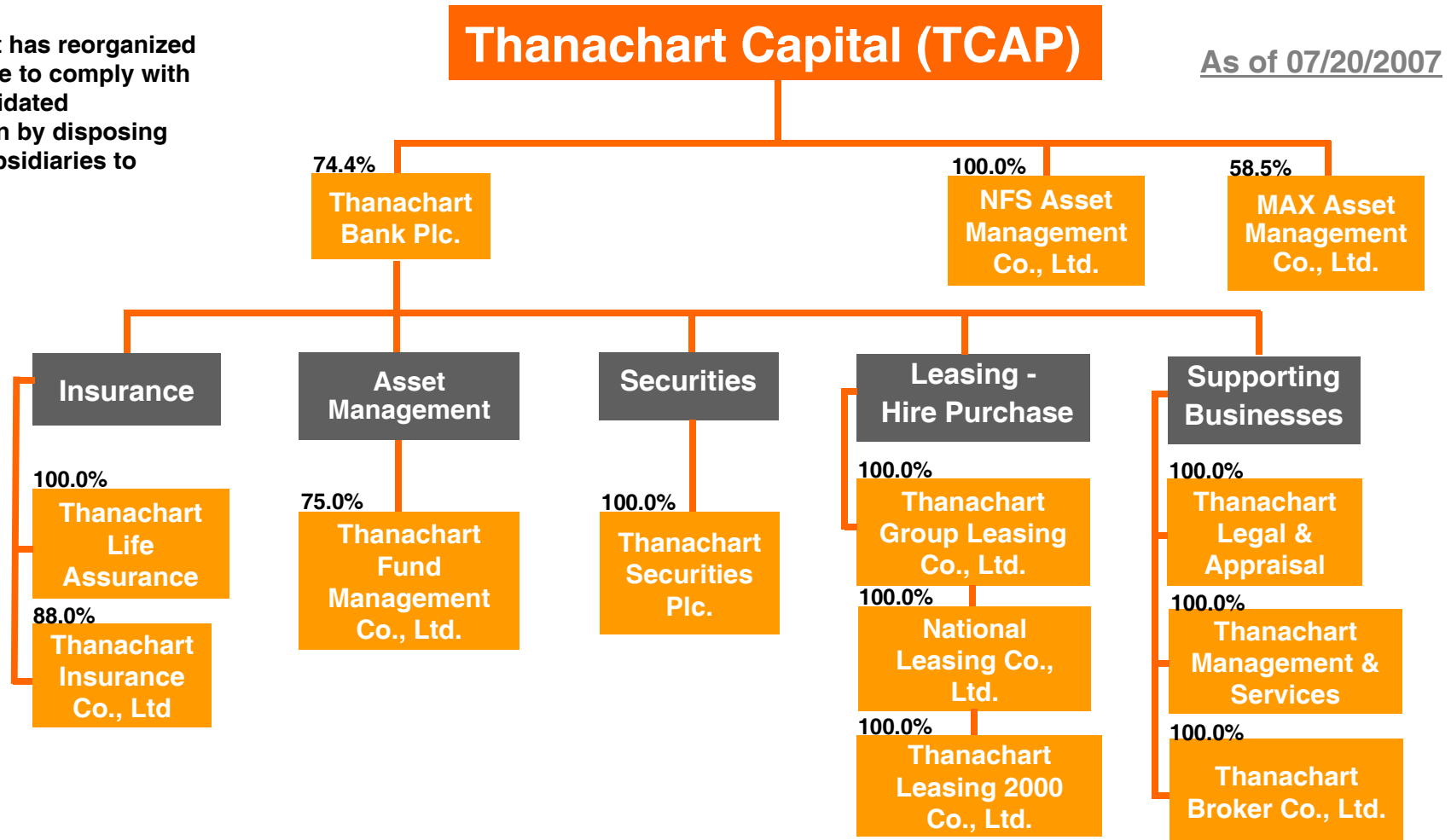


Section 1

Thanachart Group

TCAP the Holding Company

- Thanachart has reorganized its structure to comply with the Consolidated Supervision by disposing TCAP's subsidiaries to TBANK.



Thanachart Group Business Structure

Thanachart Capital



Holding Company

Full Licensed Bank, Automobile Hire Purchase, Corporate and Mortgage Loans, Trade Finance and Foreign Exchange, Deposits, and Financial Advisory Services.



Brokerage, Research, Underwriting, and Financial Advisory Services.



Mutual fund, Private Fund, and Provident Fund services.



Various types of non-life insurance such as motor insurance, fire and household insurance, marine and cargo insurance, etc..



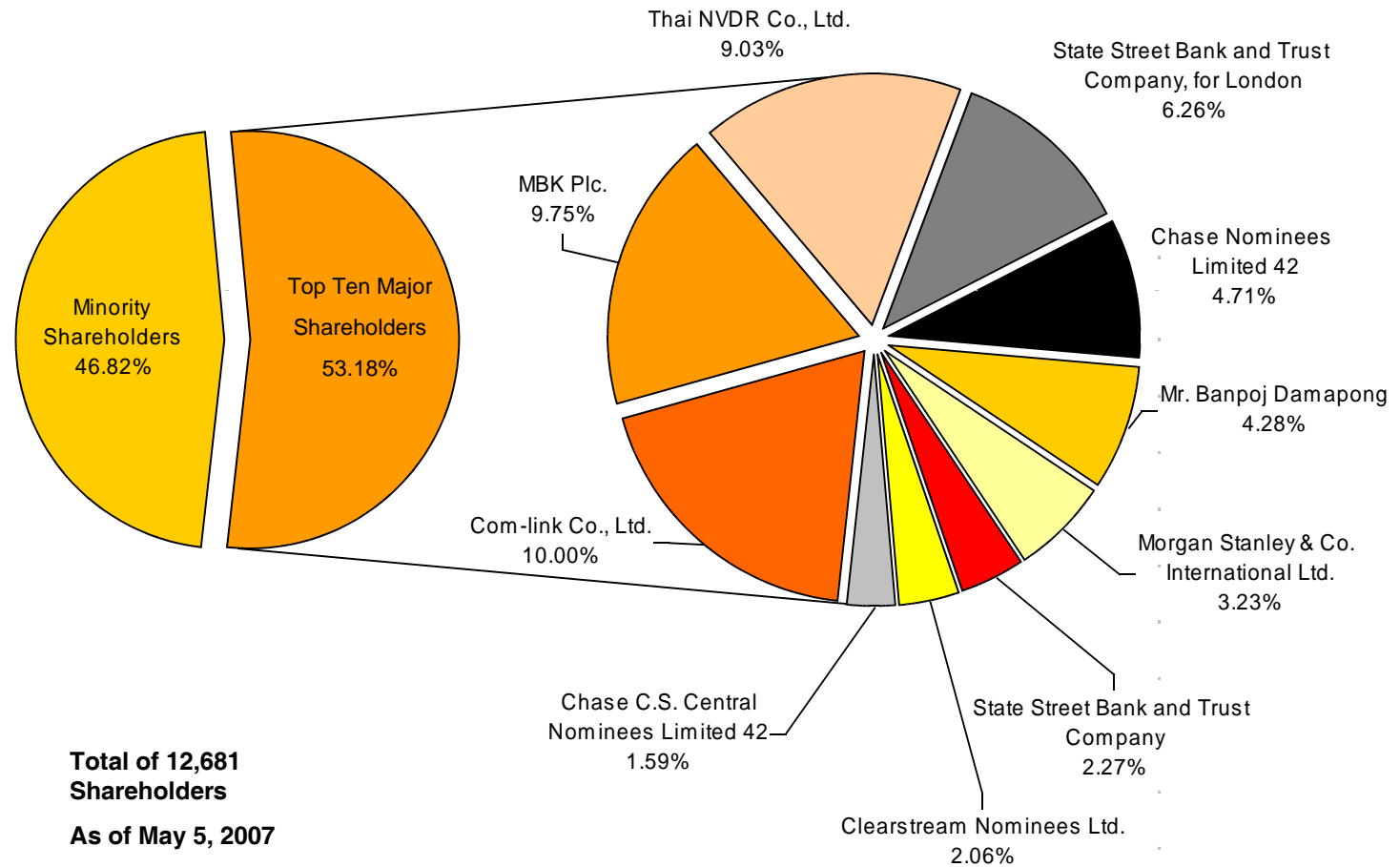
Various plans of life insurance such as Group Life Insurance, Endowment Plan, Whole Life Plan, etc..

Max Asset Management Co., Ltd.
NFS Asset Management Co., Ltd.

Purchase and management of distressed assets.

Shareholding Structure

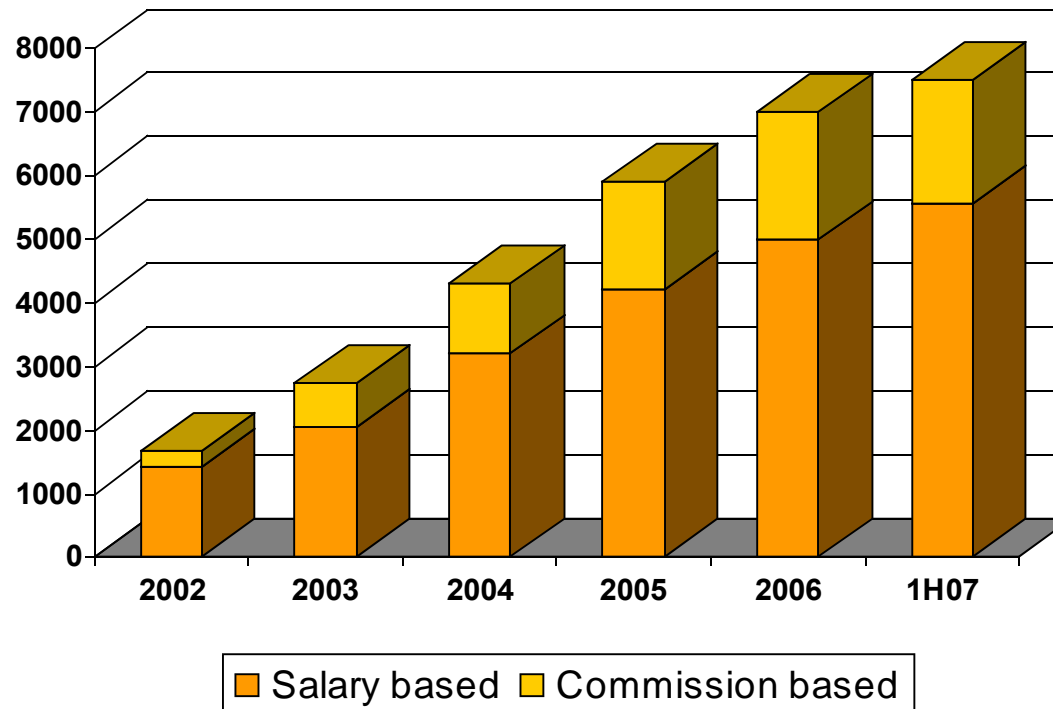
- Thanachart is owned by a diverse range of foreign investors, mostly institutional.
- Thanachart has been listed on the Stock Exchange of Thailand since 1982.



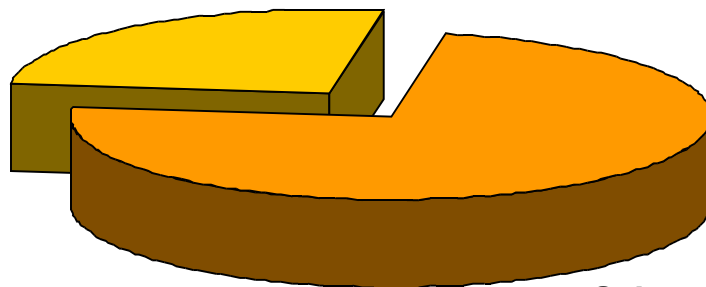
Thanachart Group Staff

- Thanachart Group is increasingly moving towards a commission based compensation scheme to reduce and control expenses, provide incentive to sell the group's products, and to create an active culture of salesmanship.

Thanachart Group Staff



Commission Based
27%



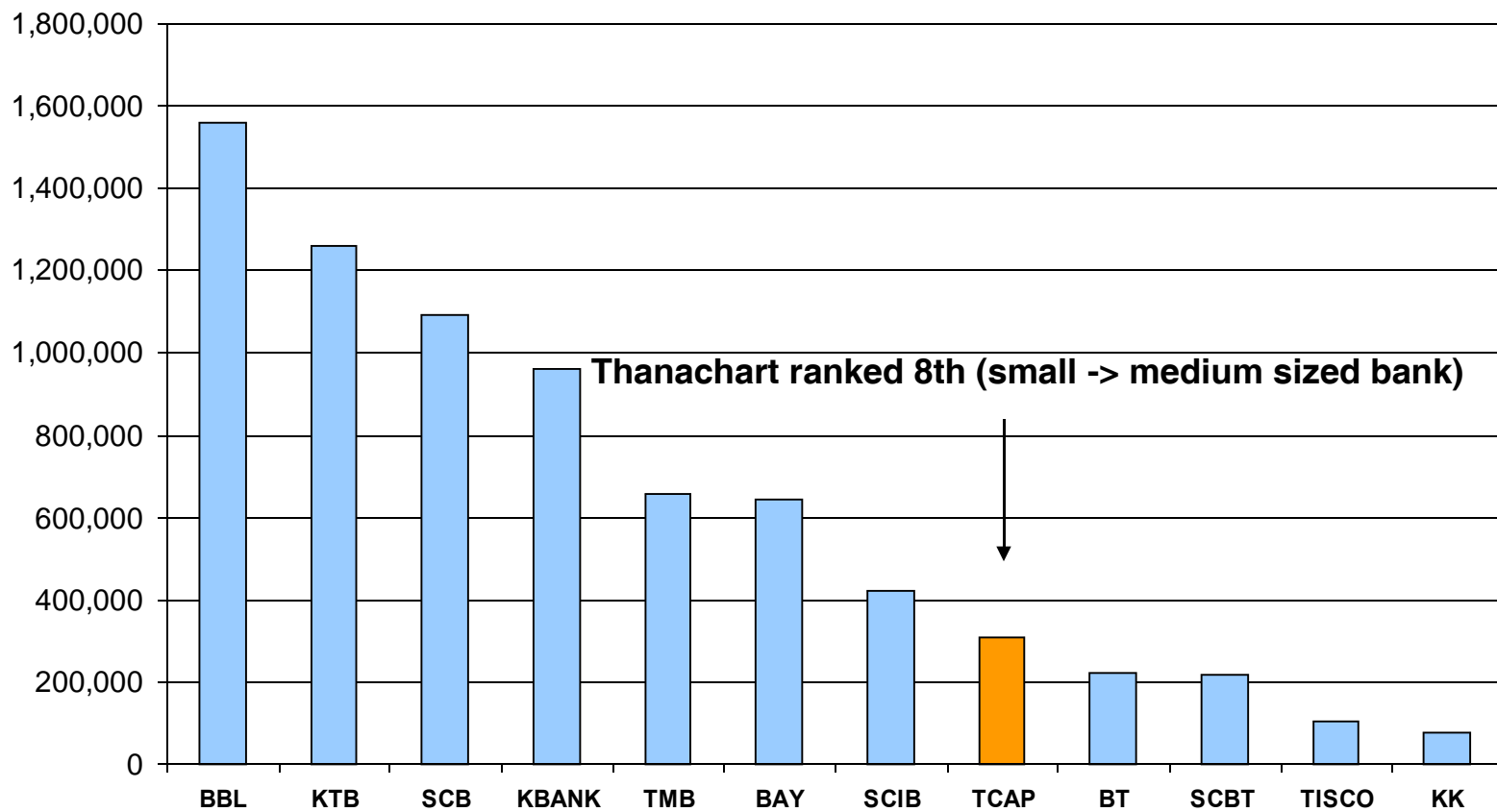
Salary Based
73%

Position in the Market

Assets Size (as of Jun, 30 2007)

- Thanachart is a small to medium sized bank with a niche in consumer finance and retail lending.

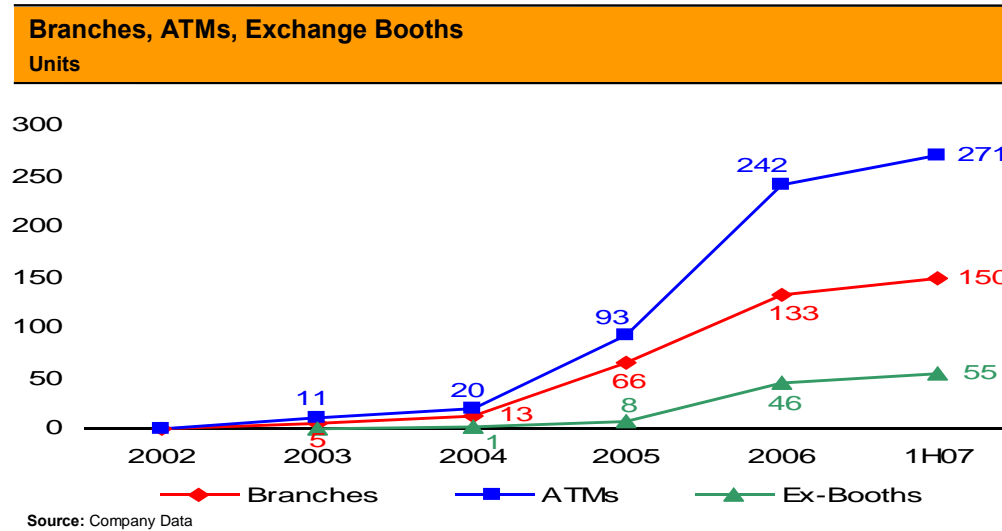
(Unit: Million Baht)



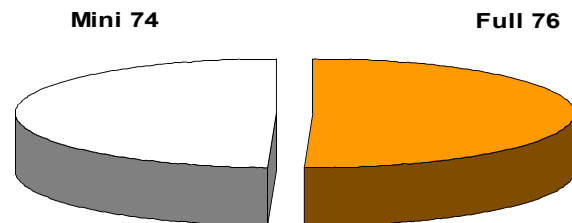
Source: SET

Channels of Distribution

- Thanachart Bank Plc. has agreed to join the ATM Connect with Krung Thai Bank Plc. (KTB) which enables our customers to use over 3,800 KTB's ATMs nationwide.

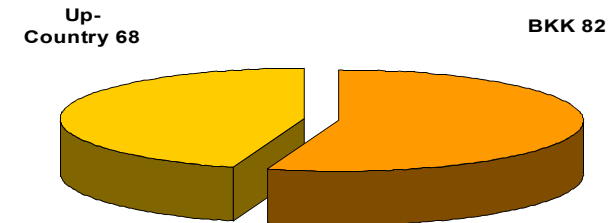


No. of Branches [Full vs Mini]



Source: Company Data

No. of Branches [BKK vs Up-Country]



Source: Company Data



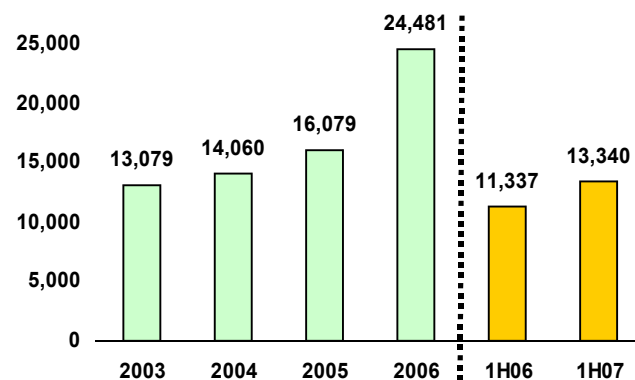
Section 2

Thanachart Group Financial Highlights

Performance

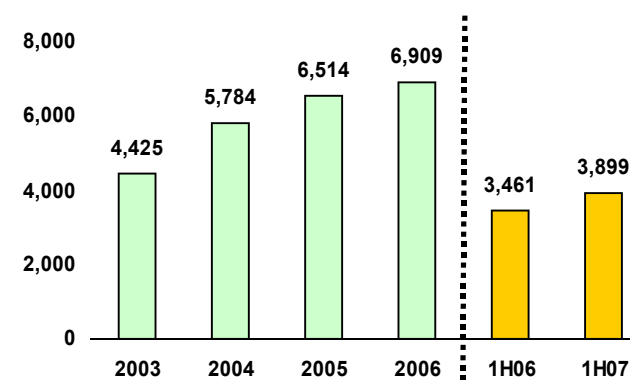
- Thanachart has been able to capitalize on the current operating environment to grow loans and income.

Total Income
THB MN



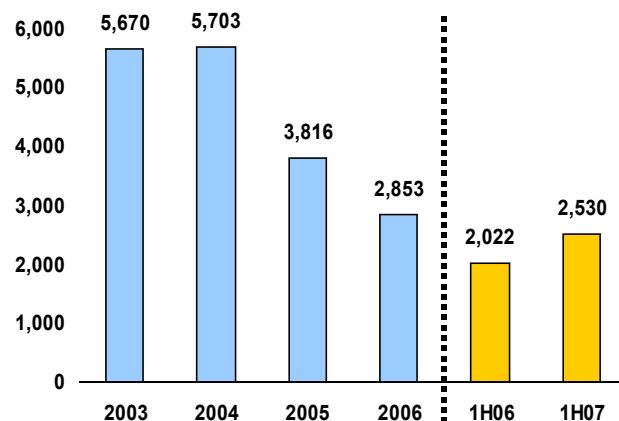
Source: Company Data

Net Interest Income
THB MN



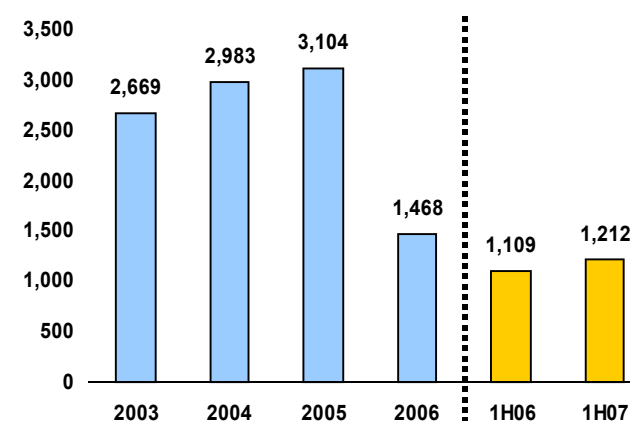
Source: Company Data

Pre-Provision Profit
THB MN



Source: Company Data

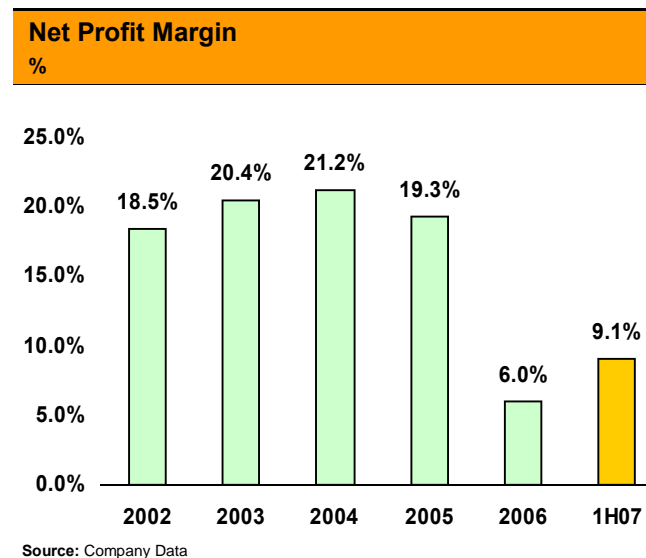
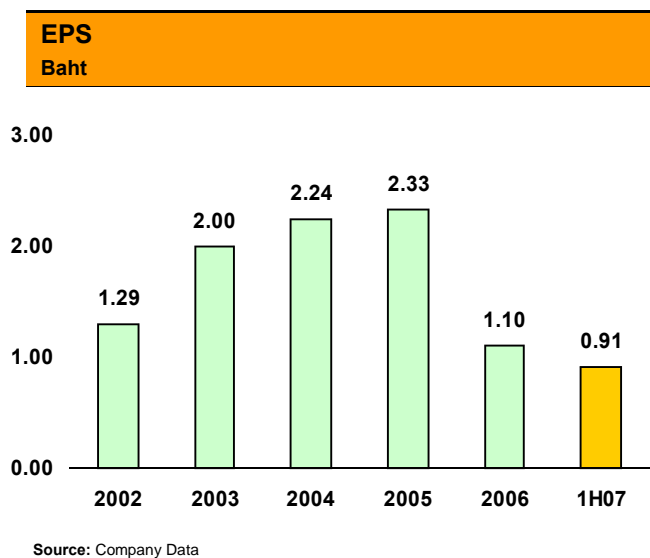
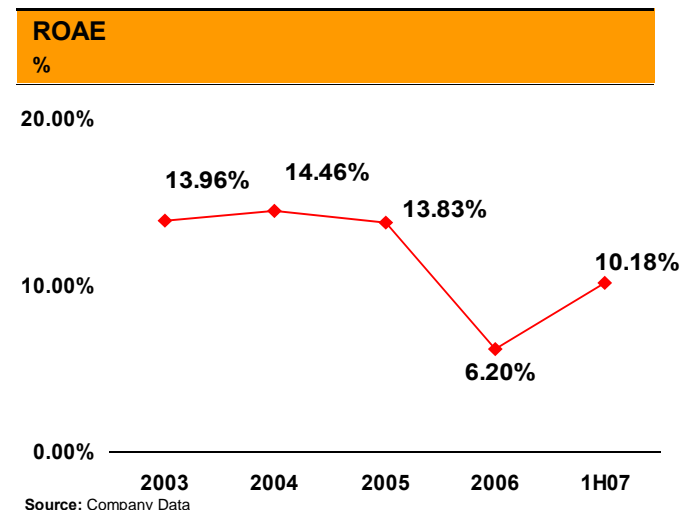
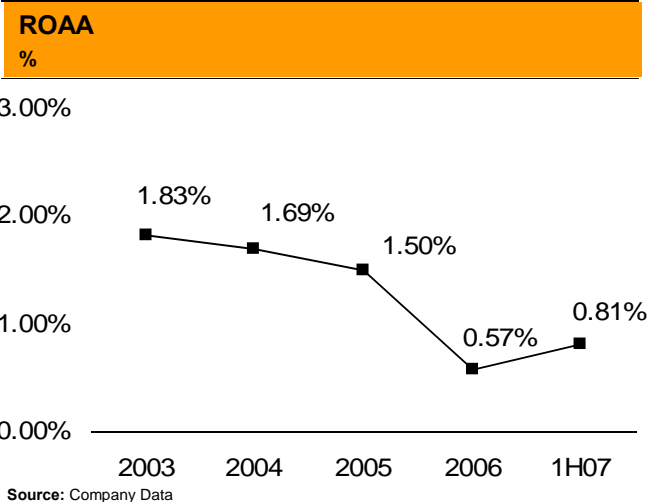
Net Profit
THB MN



Source: Company Data

Financial Ratios

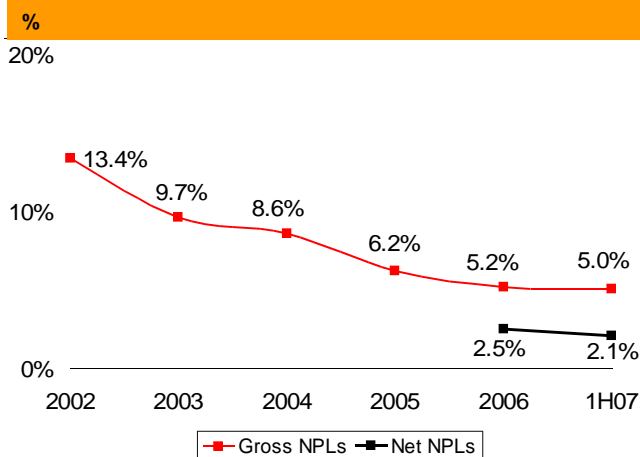
- Financial Ratios have improved from the beginning of this year due mainly to the increase in the interest and dividend income.



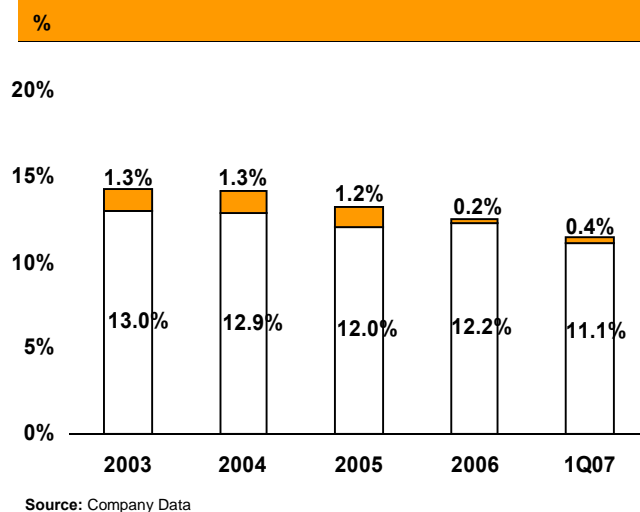
Strengthened Asset and Capital Profile

- Thanachart has also been able to strengthen its asset and capital profile.
- The Group's NPLs ratio has been significantly decreasing after the crisis.

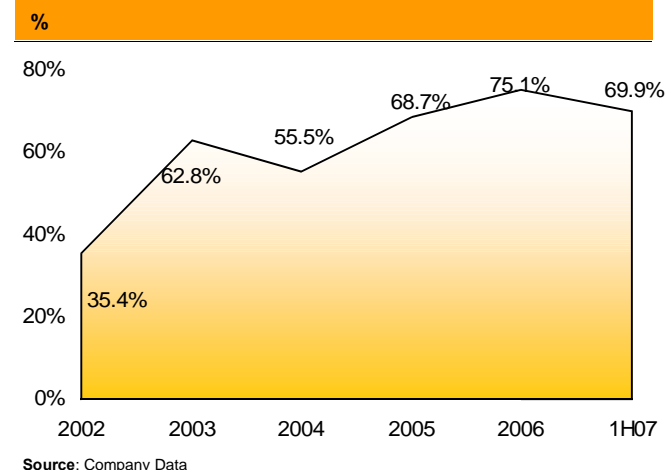
NPLs / Total Loans



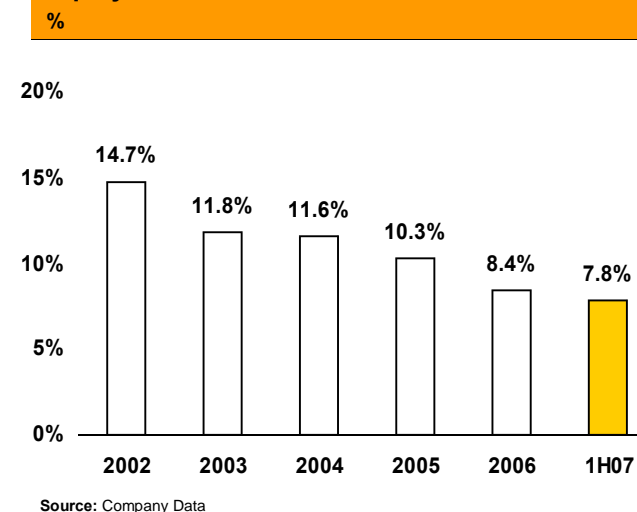
BIS Ratio



LLR / NPLs

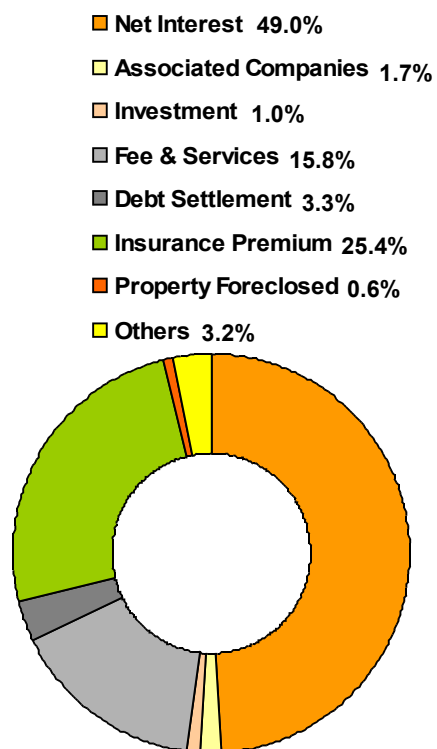


Equity / Asset



Revenue Breakdown

Revenue Breakdown 1H07



Source: Company Data

(Consolidated)

Million Baht	1Q07	2Q07	Δ%	1H06	1H07	Δ%
Net Interest Income	1,772	2,126	20.0	3,461	3,899	12.7
Share of Profits from Investments in						
Associated Companies Under Equity						
Method - Net	70	64	-8.6	120	134	11.7
Gains on Investment / Trading in Securities	-33	114	445.5	253	81	-68.0
Fees & Services	605	656	8.4	1,125	1,261	12.1
Gains on Debt Settlement	34	230	576.5	327	264	-19.3
Insurance Premium Income	1,004	1,021	1.7	1,216	2,025	66.5
Gains on Property Foreclosed	78	-33	-142.3	432	45	-89.6
Other Income	136	116	-14.7	173	252	45.7
Total	3,666	4,294	17.1	7,107	7,961	12.0

Fees & Services include Brokerage Fees and Discounted Income on Insurance Premium

Subsidiaries Performance

Unit: Million Baht

Million Baht	% of Holding	2Q06	1Q07	2Q07	1H06	1H07
Thanachart Bank Plc.	99.4%	143.1	128.8	164.4	193.5	293.2
Thanachart Securities Plc.	100.0%	44.2	-11.1	33.4	67.1	22.3
Thanachart Fund Management	75.0%	15.1	15.4	21.2	30.4	36.6
Thanachart Insurance	88.0%	27.6	-10.9	45.2	-5.1	34.3
Thanachart Life Assurance	100.0%	30.1	48.4	61.5	61.7	109.9
NFS-AMC	100.0%	58.0	-127.2	113.0	446.4	-14.2
MAX-AMC	58.5%	86.3	-4.3	20.9	146.4	16.6
Total		404.4	39.1	459.6	940.4	498.7

Thanachart Group Assets

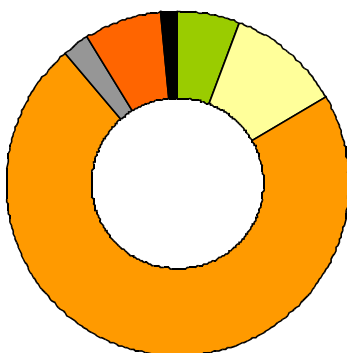
- Thanachart has steadily grown its assets since the financial crisis.
- HP Loans accounted for about 60% of the Group's total assets.

(Consolidated)

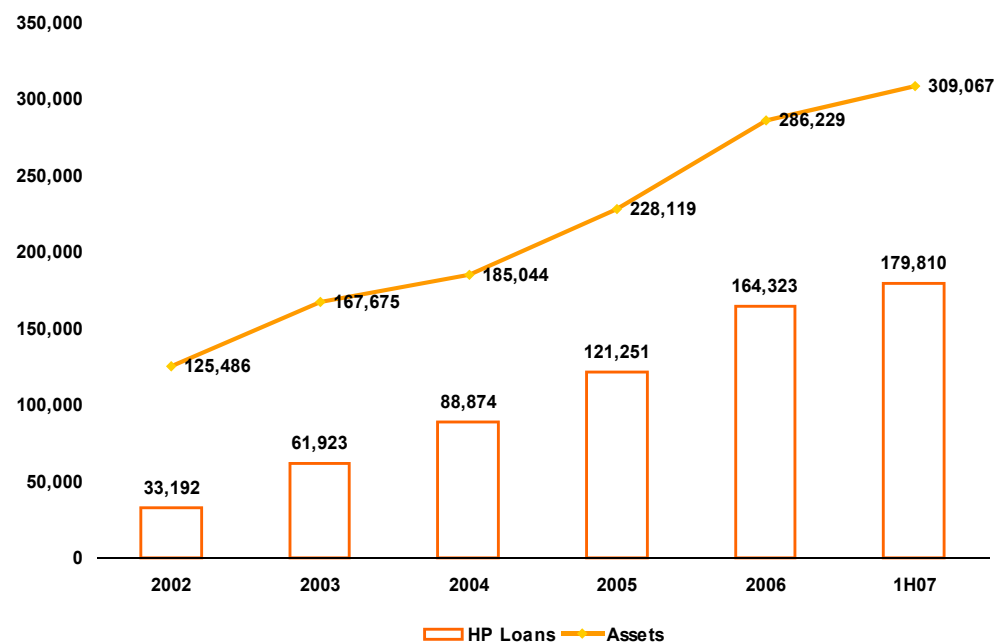
Million Baht	2002	2003	2004	2005	2006	1H07
Total assets	125,486	167,675	185,044	228,119	286,229	309,067
Growth	27%	34%	10%	23%	26%	8%

Assets Breakdown 1H07

- Interbank & MM 5.7%
- Investment 11.0%
- Loans 71.9%
- Property Foreclosed 2.6%
- Sec. Purchased under Resale Agreement 7.0%
- Others 1.8%



Source: Company Data

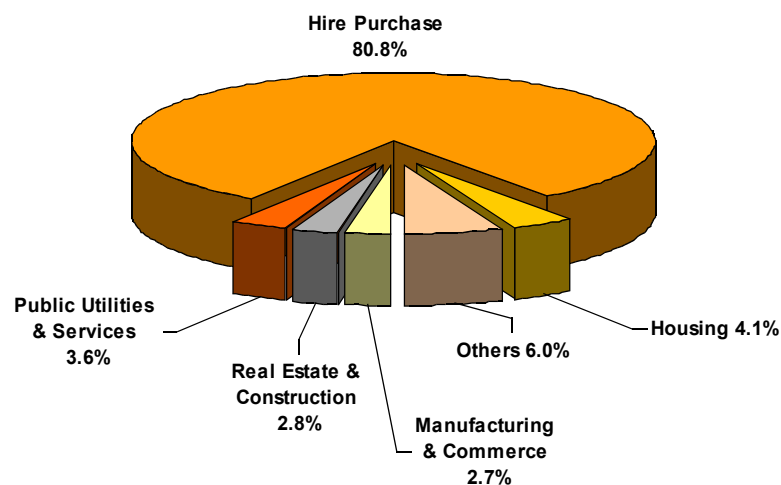


Source: Company Data

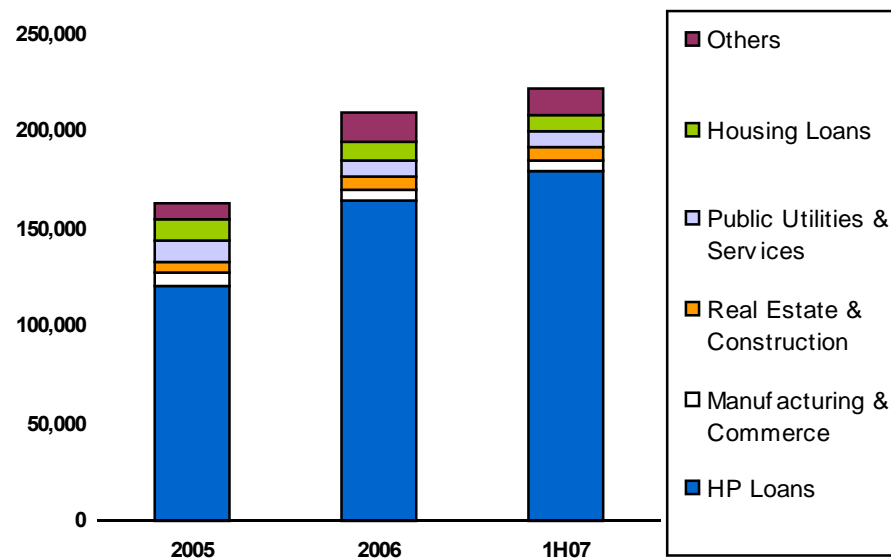
Loan Portfolio

- Hire Purchase Loans accounted for 80% of the Group loans.
- Thanachart has also steadily grown its loans since the crisis.

Million Baht	2005	%	2006	%	1H07	%
Manufacturing & Commerce	7,082	4.4	5,914	2.8	5,940	2.7
Real Estate & Construction	5,113	3.1	7,558	3.6	6,376	2.8
Public Utilities & Services	10,281	6.3	7,996	3.8	7,958	3.6
Hire Purchase	121,251	74.4	164,325	78.4	179,810	80.8
Housing Loans	11,120	6.8	9,793	4.7	9,042	4.1
Others	8,114	5.0	13,979	6.7	13,342	6.0
Total	162,961	100.0	209,565	100.0	222,468	100.0



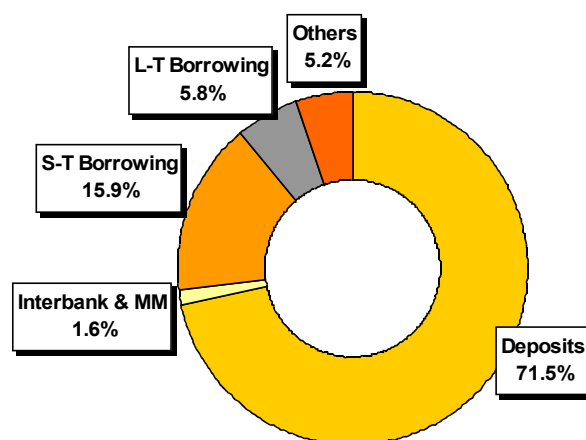
Source: Company Data



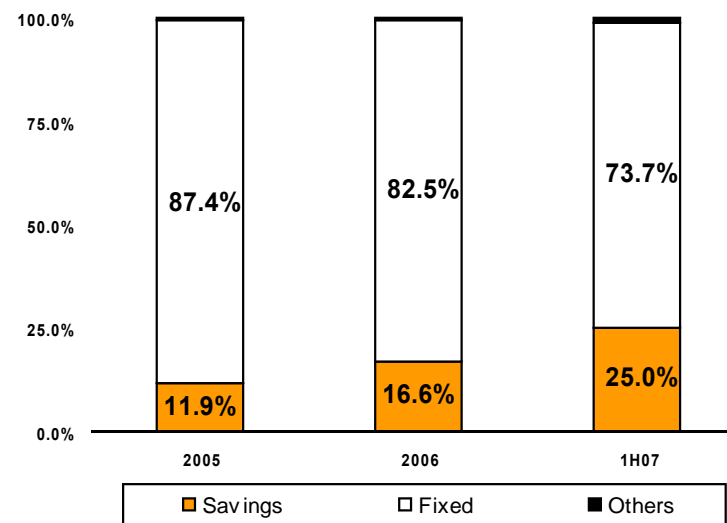
Source: Company Data

Borrowings and Deposits

- As banking branches expand, an increased portion of funding will originate from public savings deposits.
- Expansion of banking branches will lead to more fund raising, stability of deposits, and channels of distribution.
- Savings deposit which is the lowest cost of funds has been increasing substantially.

Liabilities Breakdown 1H07


Source: Company Data

Deposits Breakdown 1H07


Unit: Million Baht

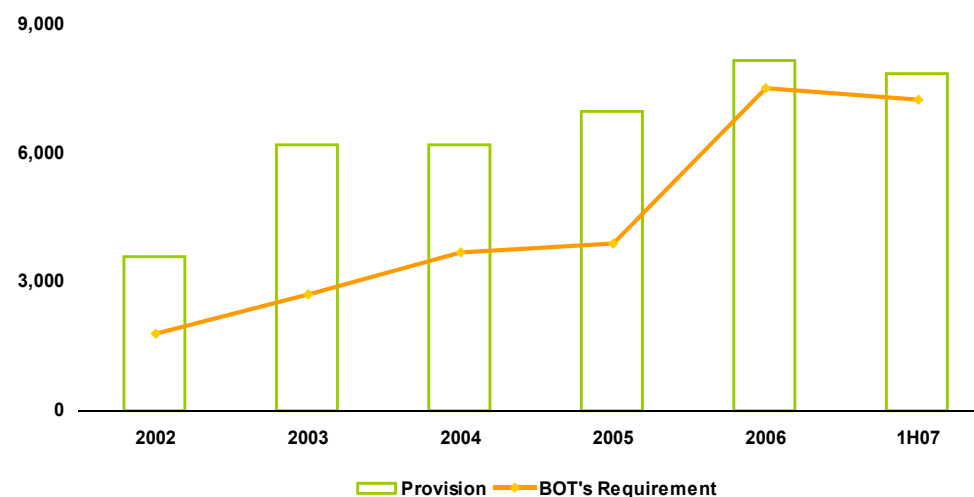
Borrowings & Deposits	2005	2006	1H07	%
Deposits + B/E from Public	148,371	203,341	226,268	83.7%
Interbank and Money Market Items	2,601	4,507	4,874	1.8%
Borrowings	41,950	40,221	39,288	14.5%
Debentures	7,521	7,087	6,925	2.6%
Promissory Notes	15,964	15,665	15,665	5.8%
B/E and Others	18,465	17,469	16,698	6.2%
Total	192,922	248,069	270,430	100.0%

Provisions

- Thanachart Group has consistently set aside conservative provisions.
- Actual LLR for Thanachart originated NPLs equals 92.2 %.

(Consolidated)

Million Baht	2002	2003	2004	2005	2006	1H07
Total Loans	75,273	106,243	129,944	162,961	209,565	222,468
Non-performing Loans (NPLs)	10,090	9,848	11,156	10,129	10,842	11,233
Provision for Possible Loan Losses	3,573	6,190	6,190	6,957	8,139	7,849
Bad Debts Written Off	9	1	0	39	74	729
BOT's and SEC's Requirement	1,787	2,709	3,702	3,885	7,503	7,235
Specific Reserve	1,948	4,628	6,394	6,137	7,503	7,235
General Reserve	1,625	1,562	1,250	820	636	614
Non-performing / Total Loans (%)	13.40%	9.27%	8.59%	6.22%	5.17%	5.05%
LLR / Total Loans (%)	4.75%	5.83%	4.76%	4.27%	3.88%	3.53%
LLR / Non-performing (%)	35.41%	62.86%	55.49%	68.68%	75.07%	69.87%
LLR / BOT's Requirement (%)	199.94%	228.50%	167.21%	179.07%	108.48%	108.49%
General Reserve / Total Loans	2.16%	1.47%	0.96%	0.50%	0.30%	0.28%



Source: Company Data

Outstanding Non-Performing Loans

- About 15% of Thanachart Group's NPLs are Purchased Loans with low carrying costs, collateral backed, and very low purchasing price.
- Actual NPLs that originated at Thanachart Group only accounted for about 4% of total loans.

NPLs - At Peak Figures

(Million Baht) _____

Company and subsidiaries loans	35,978
Loans purchased from Bank/Finance	9,178
Loans from credit foncier acquired	696

NPLs - Outstanding As of Jun 30, 2007

	(Million Baht)	%(approx)
Company and subsidiaries loans	9,573	4.3%
Loans purchased from Bank/Finance	1,453	0.6%
Loans from credit foncier acquired	207	0.1%
Total	11,233	5.0%



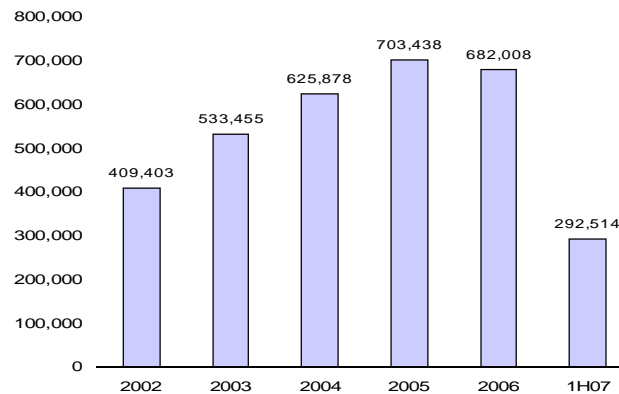
Section 3

Summary of Hire Purchase Business

Strong Positions in Growing Markets

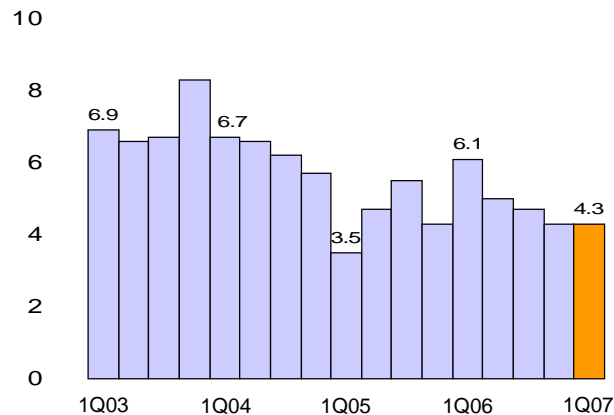
- Thanachart has maintained its market leading position in the auto hire purchase market and has been able to dictate a healthy rate in the market

New Automobile Sales in Thailand
Units



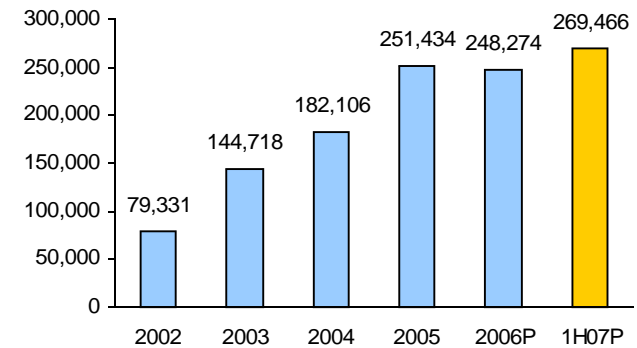
Source: Bank of Thailand; Company Data

Quarterly Gross Domestic Product
%



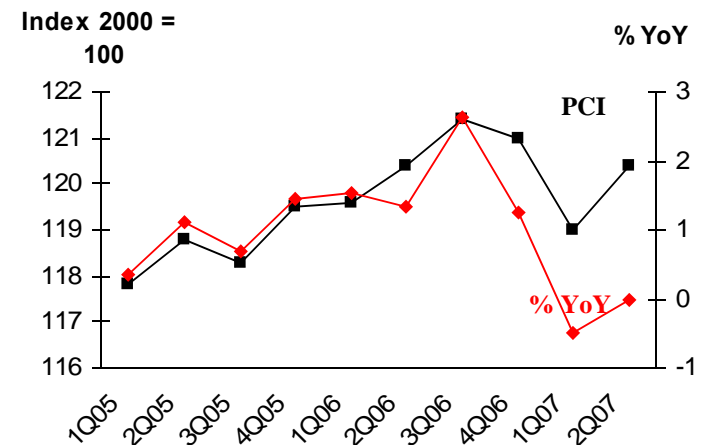
Source: NESDB

Outstanding HP Loans in Thailand
THB MN



Source: Bank of Thailand

Private Consumption Index



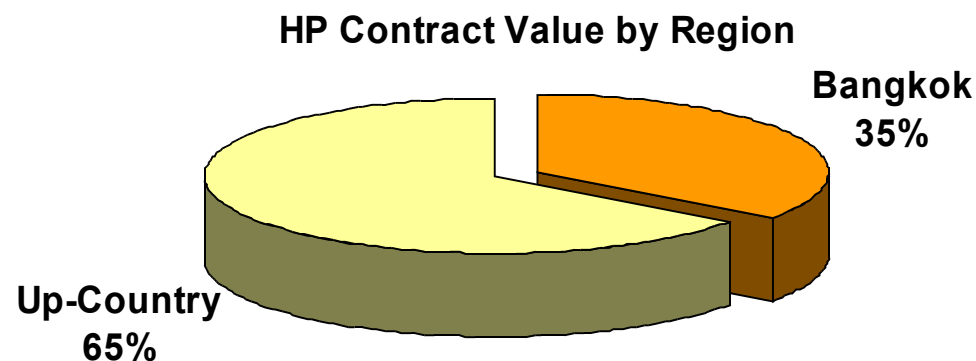
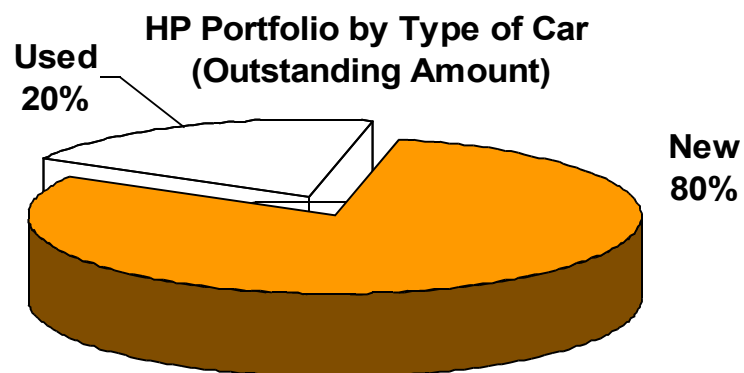
Source: Bank of Thailand

Hire Purchase Growth

- The Thanachart hire purchase loan portfolio has experienced high growth rate since the beginning up until now.

	2006	1H06	1H07	% Growth Y on Y
Domestic New Car Sales (Units)	682,008	334,619	292,514	-12.6%
Number of Thanachart Group HP Lease (Units)	217,318	112,174	104,229	-7.1%
Total Number of Thanachart Group HP Lease (Units)	584,252	514,978	652,110	26.6%
Amount of Thanachart Group HP Loans (Baht Million)	91,013	46,417	44,643	-3.8%
Total Outstanding Thanachart Group HP Loans (Baht Million)	163,259	144,727	179,782	24.2%

Source: Bank of Thailand; Company Data



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

1H07	New Cars		Used Cars		Car Fleet	Total
	Bangkok	Other Areas	Bangkok	Other Areas		
PL	49,664	88,527	9,841	23,045	1,438	172,515
	98.67%	98.68%	96.93%	98.21%	99.93%	98.53%
NPL	669	1,181	312	419	1	2,582
	1.33%	1.32%	3.07%	1.79%	0.07%	1.47%

Thanachart Capital and Thanachart Bank only



Section 4

Scotiabank

TBANK Partnership

About the deal with the Bank of Nova Scotia Asia Limited (BNSAL)

The share purchase agreement was signed on March 29, 2007. The purchase was divided into 2 stages, depending on the approval from the authority.

- Stage 1) 24.98% was completed on July 19, 2007
 - Bought 157 million shares from TCAP at 16.37 Baht per share
 - Bought 276 million new shares from TBANK at 16.37 Baht per share
- Stage 2) another 24.00%. This was divided into 2 periods

Obligation Period –Buy at 1.6x adjusted book value. This period will be expired by the end of 2007 but BNSAL has the right to extend the period before the end of September, 2007 which can be extended until the end of 2008.

Call Period –Valid for 4 years after the expiration of the obligation period. BNSAL must buy at 1.7x adjusted book value.

Board seats: BNSAL has 2 directors and 1 independent director participating in the Bank's BOD.

Management Team: They will send their senior team to cover 5 areas which are Risk Management, Treasury, Corporate Lending, Consumer Lending, and Operation. (will be No.1 in Risk Management but the rest will be No. 2)



Investor Relations

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