



# TISCO Financial Group Public Co., Ltd.

## Analyst Presentation 1Q10

21 April 2010

**Shareholders**



**Clients**



**Staff**



**Society**



Disclaimer: This presentation material may contain forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward looking statements as a result of various factors. TISCO accepts no liability whatsoever with respect to the use of this document of its content.

# Agenda

## I. Financial Performance

## II. Operational Updates





# Consolidated Financial Summary

Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Interest income	2,075	2,162	2,255	4.3	8.7
Interest expense	(830)	(509)	(508)	(0.1)	(38.8)
Net interest income	1,245	1,653	1,747	5.7	40.3
Non-interest income	528	895	792	(11.5)	50.1
Operating expense	(840)	(1,235)	(1,230)	(0.4)	46.6
<b>PPOP</b>	<b>933</b>	<b>1,313</b>	<b>1,309</b>	<b>(0.3)</b>	<b>40.3</b>
Provisions	(293)	(584)	(312)	(46.5)	6.6
<b>Pre-tax profit</b>	<b>640</b>	<b>730</b>	<b>997</b>	<b>36.6</b>	<b>55.7</b>
Income tax	(182)	(206)	(281)	36.5	53.8
<b>Net profit</b>	<b>454</b>	<b>520</b>	<b>712</b>	<b>36.6</b>	<b>56.9</b>
Diluted EPS (Baht)	0.56	0.72	0.98	36.1	75.0



# Consolidated Financial Summary

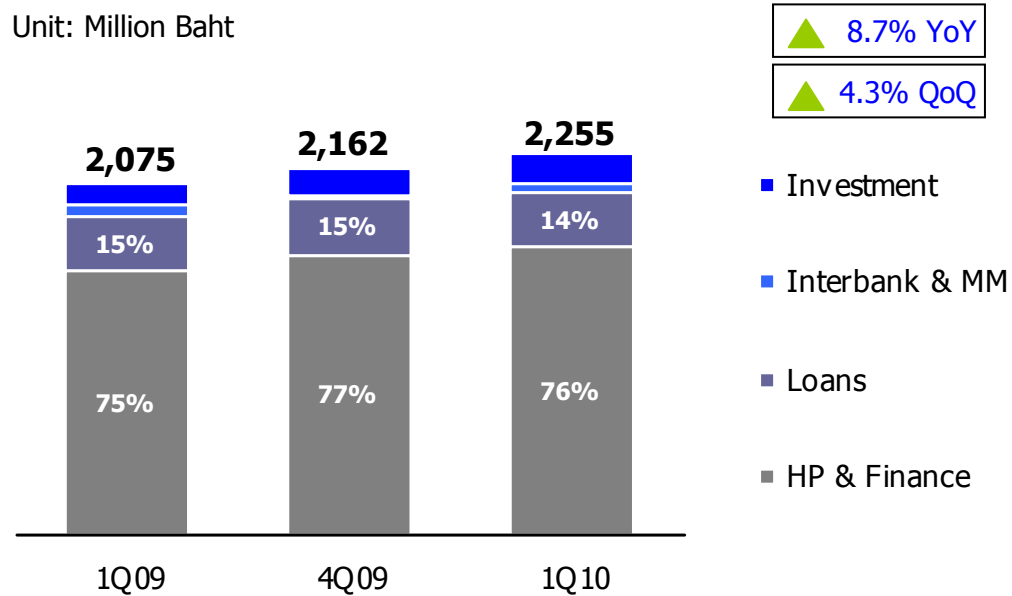
Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
<b>Interest income</b>	<b>2,075</b>	<b>2,162</b>	<b>2,255</b>	<b>4.3</b>	<b>8.7</b>
Interest expense	(830)	(509)	(508)	(0.1)	(38.8)
Net interest income	1,245	1,653	1,747	5.7	40.3
Non-interest income	528	895	792	(11.5)	50.1
Operating expense	(840)	(1,235)	(1,230)	(0.4)	46.6
<b>PPOP</b>	<b>933</b>	<b>1,313</b>	<b>1,309</b>	<b>(0.3)</b>	<b>40.3</b>
Provisions	(293)	(584)	(312)	(46.5)	6.6
<b>Pre-tax profit</b>	<b>640</b>	<b>730</b>	<b>997</b>	<b>36.6</b>	<b>55.7</b>
Income tax	(182)	(206)	(281)	36.5	53.8
<b>Net profit</b>	<b>454</b>	<b>520</b>	<b>712</b>	<b>36.6</b>	<b>56.9</b>
Diluted EPS (Baht)	0.56	0.72	0.98	36.1	75.0

# Interest and Dividend Income



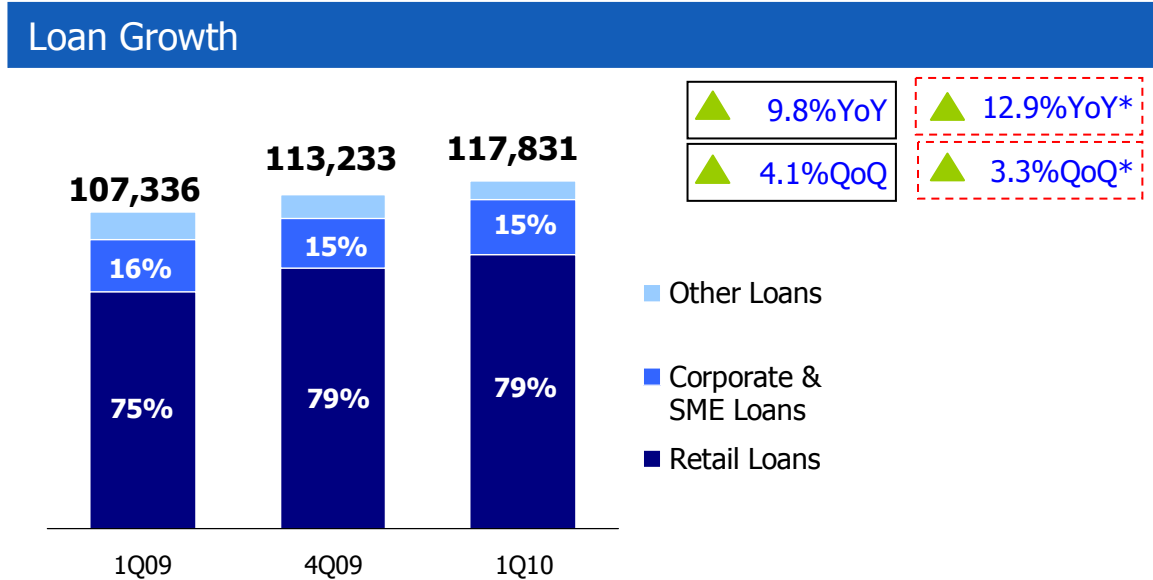
## Interest Income Performance

Unit: Million Baht

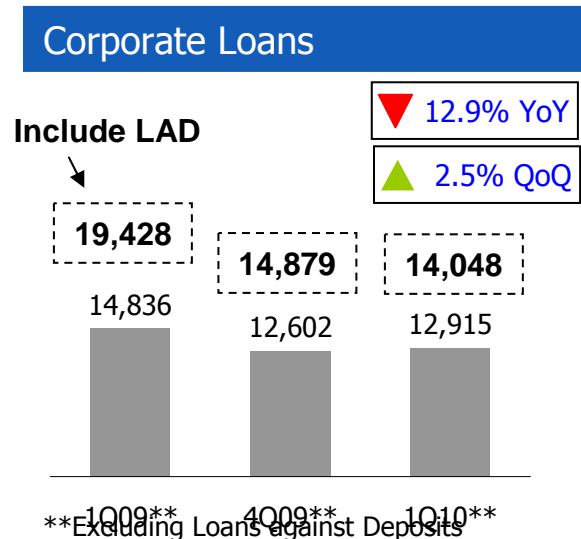
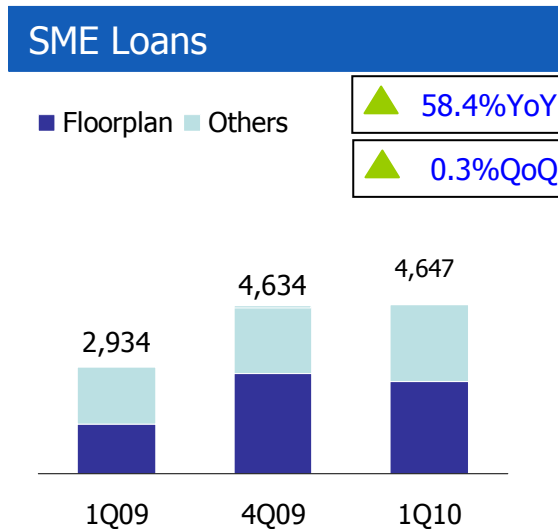
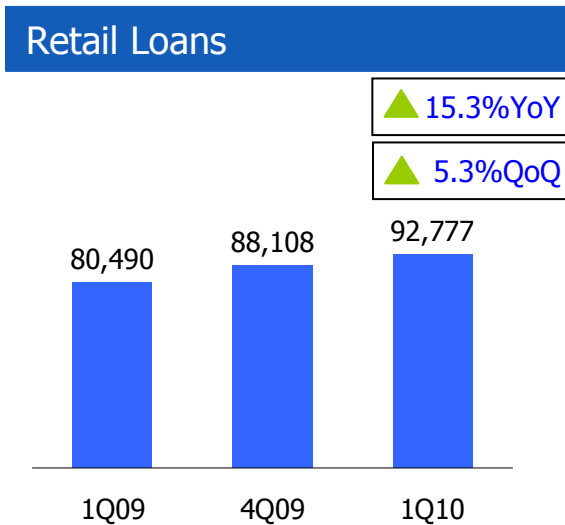


Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Hire purchase & fin lease interests	1,556	1,655	1,706	3.1	9.7
Loans interests	317	323	318	(1.7)	0.2
Interbank & MM interests	69	25	45	79.4	(34.0)
Investments	133	158	186	17.8	39.2
<b>Total interest income</b>	<b>2,075</b>	<b>2,162</b>	<b>2,255</b>	<b>4.3</b>	<b>8.7</b>

# Loans Portfolio



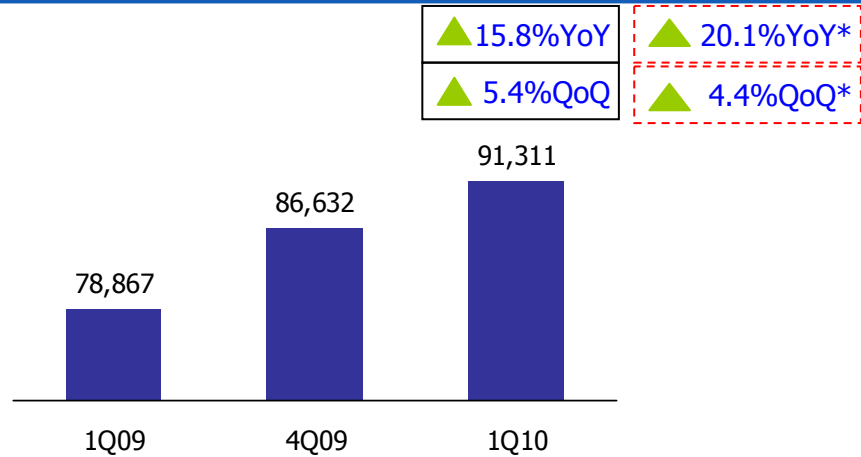
\*Include HP loan portfolio recorded as investments



# Hire Purchase Business

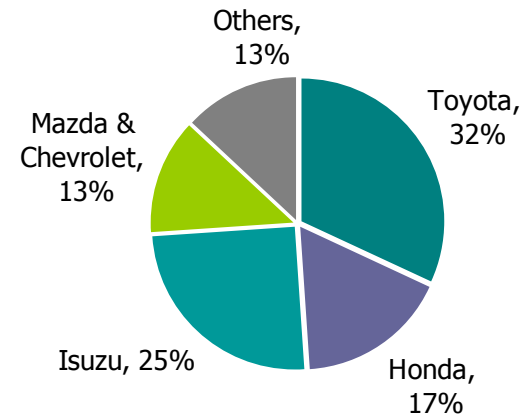


## Hire Purchase Loan Portfolio

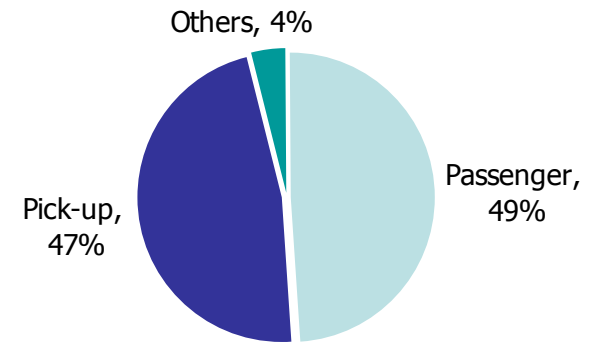
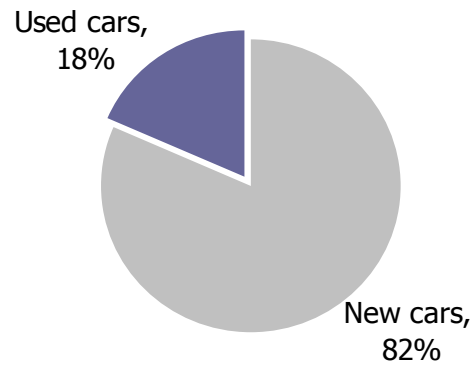


\*Include HP loan portfolio recorded as investments

## Breakdown by car brand



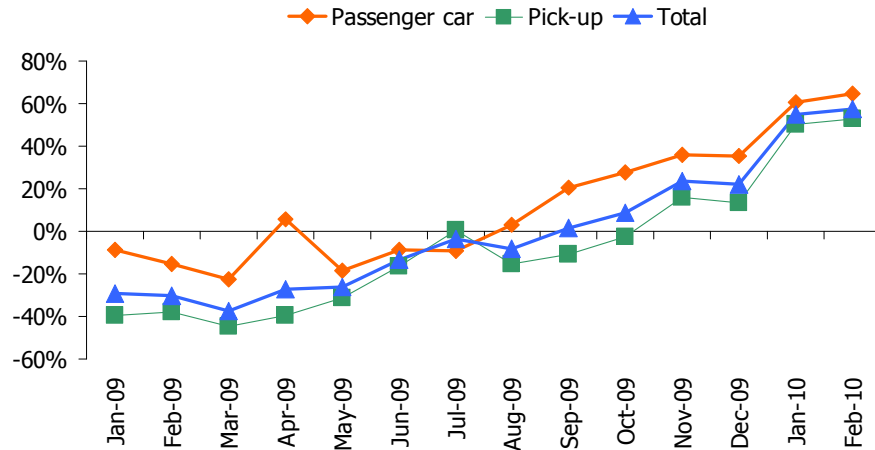
## HP Portfolio Breakdown



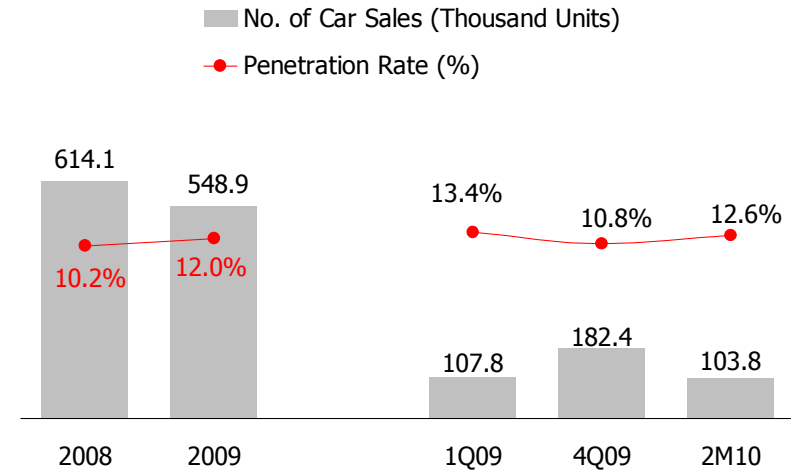
# Hire Purchase Business



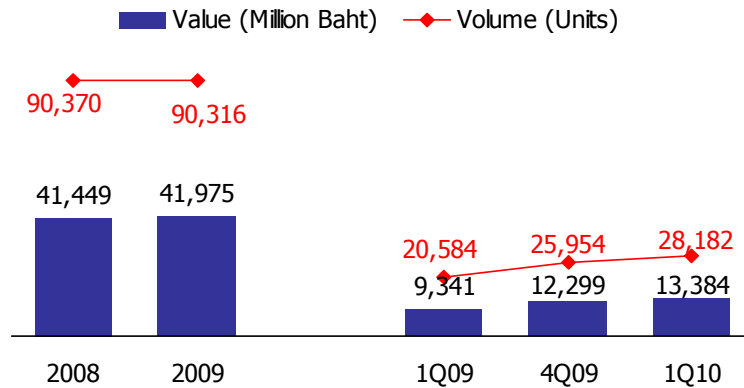
### Industry Car Sales Growth (YoY)



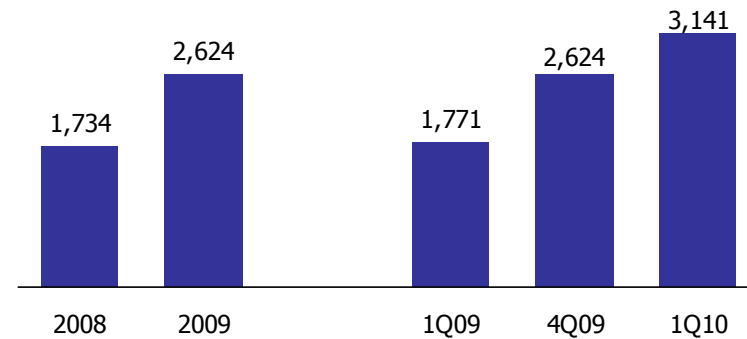
### Industry Car Sales and TISCO Penetration Rate



### TISCO New HP Business



### TISCO Auto Cash

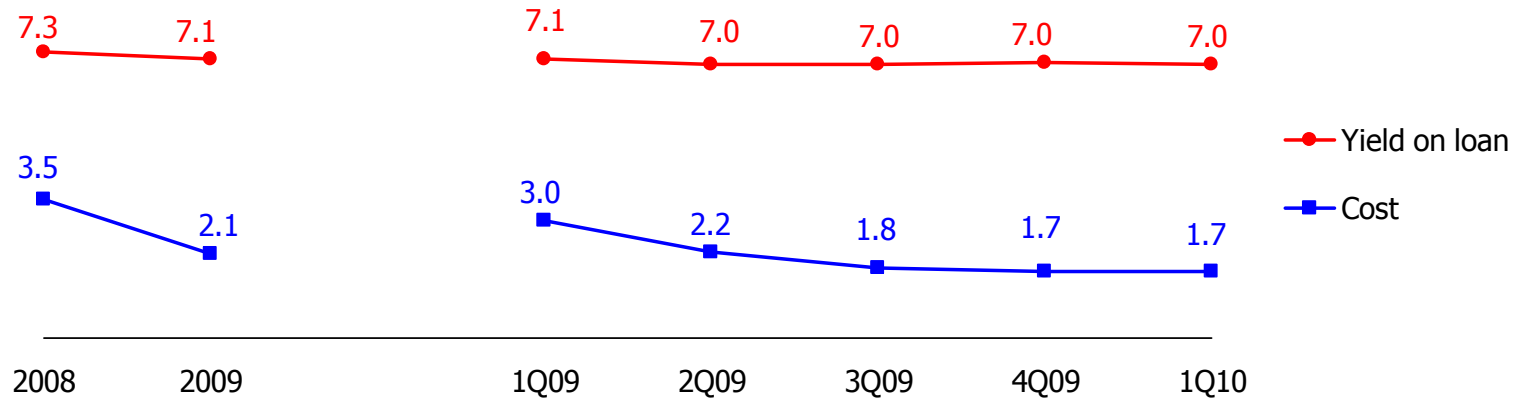




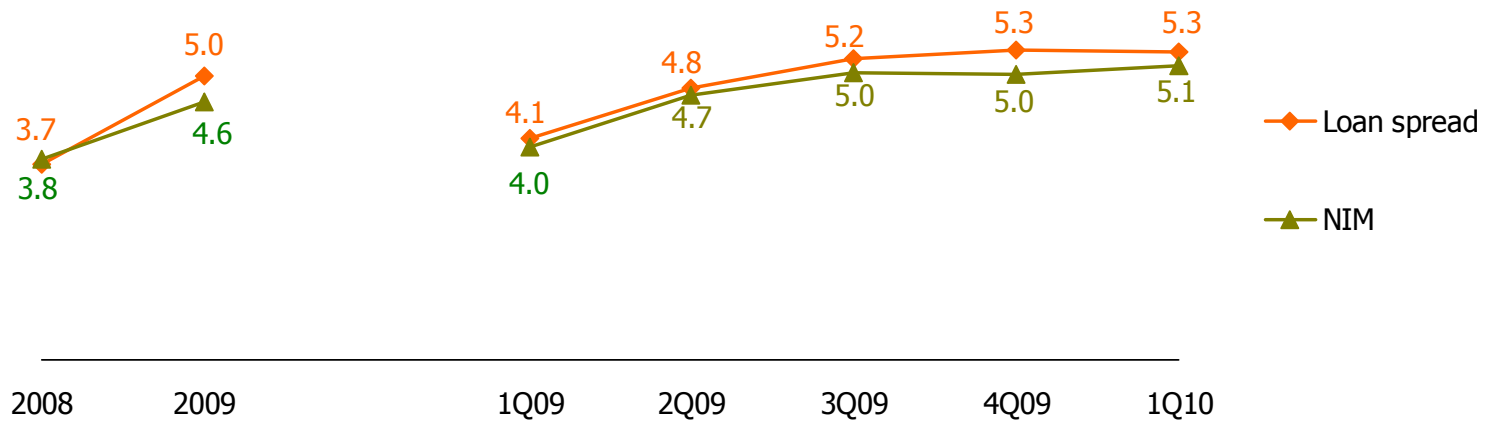
# Spread and Margin



## Yield on Loans and Cost of Funds



## Loan Spread and Net Interest Margin





# Consolidated Financial Summary

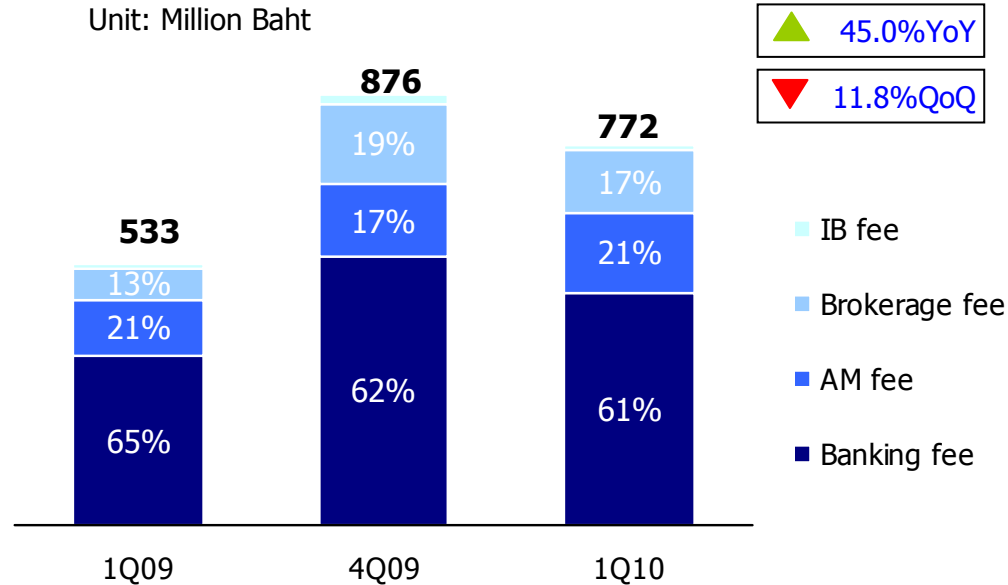
Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Interest income	2,075	2,162	2,255	4.3	8.7
Interest expense	(830)	(509)	(508)	(0.1)	(38.8)
Net interest income	1,245	1,653	1,747	5.7	40.3
Non-interest income	528	895	792	(11.5)	50.1
Operating expense	(840)	(1,235)	(1,230)	(0.4)	46.6
<b>PPOP</b>	<b>933</b>	<b>1,313</b>	<b>1,309</b>	<b>(0.3)</b>	<b>40.3</b>
Provisions	(293)	(584)	(312)	(46.5)	6.6
<b>Pre-tax profit</b>	<b>640</b>	<b>730</b>	<b>997</b>	<b>36.6</b>	<b>55.7</b>
Income tax	(182)	(206)	(281)	36.5	53.8
<b>Net profit</b>	<b>454</b>	<b>520</b>	<b>712</b>	<b>36.6</b>	<b>56.9</b>
Diluted EPS (Baht)	0.56	0.72	0.98	36.1	75.0



# Non-Interest Income

## Non-Interest Income from Core Business

Unit: Million Baht

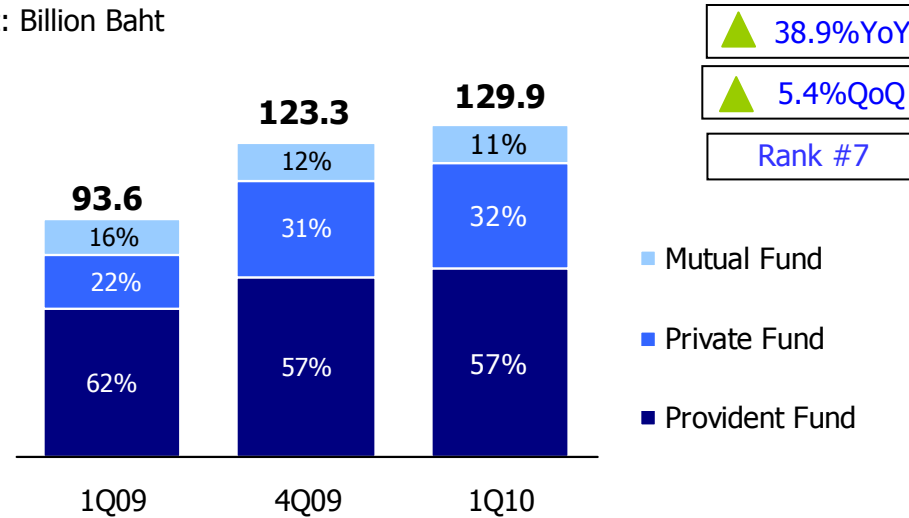


Unit: Million Baht	1Q09	4Q09	1Q10	% QoQ	%YoY
Banking fee & other income	343	546	474	(13.2)	38.4
AM fee	109	149	161	8.2	47.7
Brokerage fee	67	163	130	(20.3)	93.3
IB fee	14	17	7	(60.0)	(51.1)
<b>Total (excl trading)</b>	<b>533</b>	<b>876</b>	<b>772</b>	<b>(11.8)</b>	<b>44.8</b>
Trading income	(5)	20	20	(0.9)	n.a.
<b>Total</b>	<b>528</b>	<b>895</b>	<b>792</b>	<b>(11.5)</b>	<b>50.1</b>

# Asset Management Business

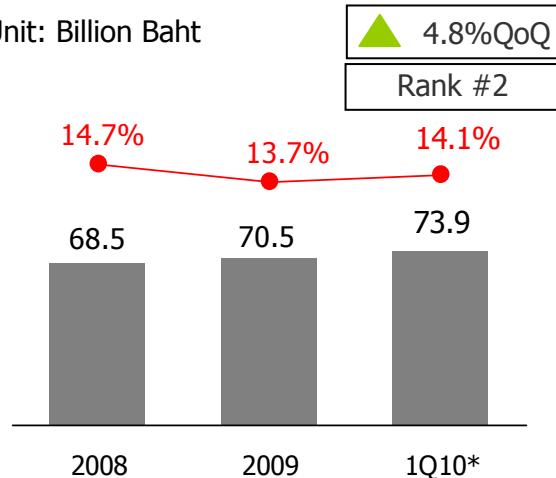
## TISCO Assets Under Management

Unit: Billion Baht



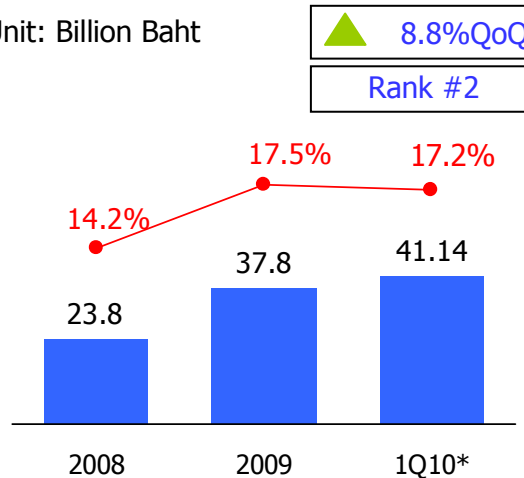
### Provident Fund

Unit: Billion Baht



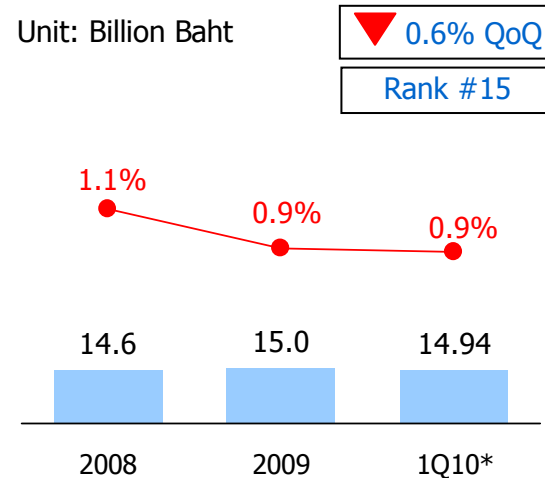
### Private Fund

Unit: Billion Baht



### Mutual Fund

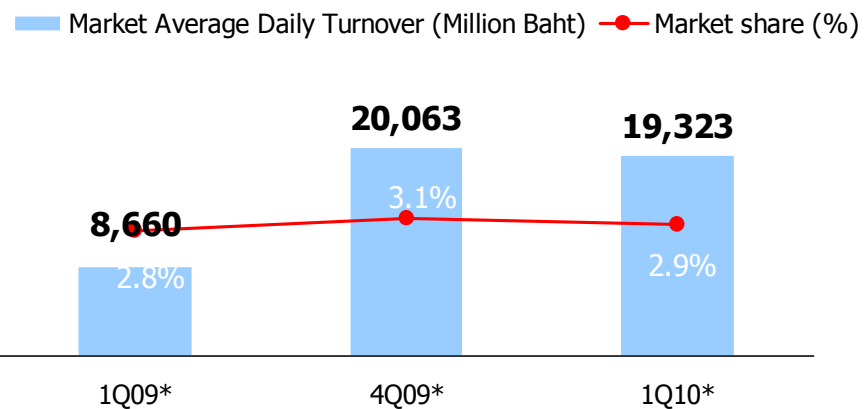
Unit: Billion Baht





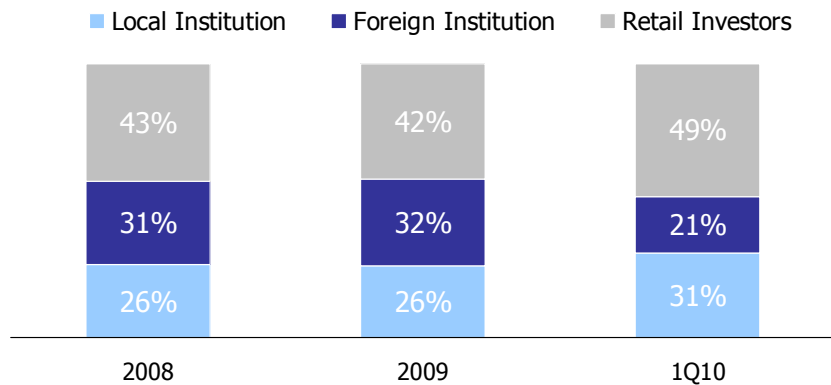
# Brokerage Business

## Market Average Daily Turnover and TISCO Market Share



Remark: \* Market share excluding brokers' proprietary trading

## TISCO Trading Volume by Customer





# Consolidated Financial Summary



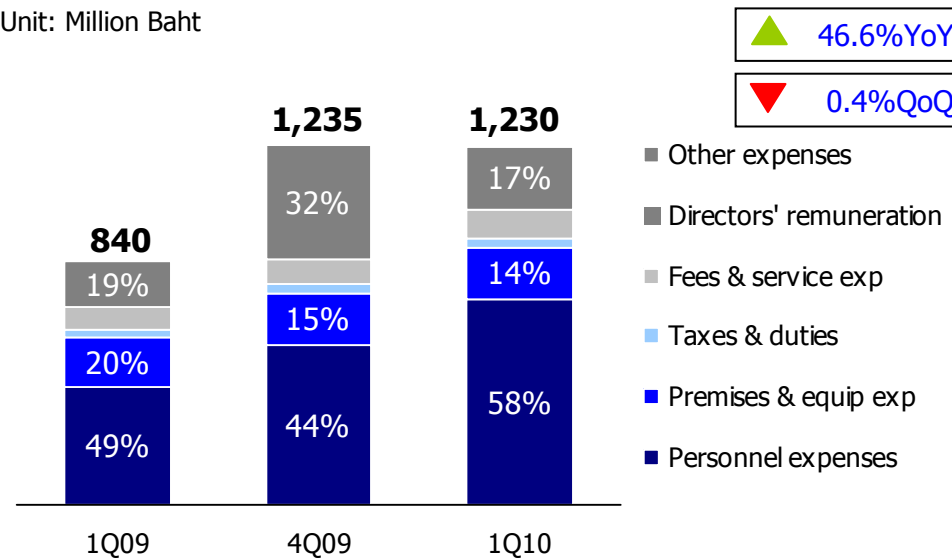
Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Interest income	2,075	2,162	2,255	4.3	8.7
<b>Interest expense</b>	<b>(830)</b>	<b>(509)</b>	<b>(508)</b>	<b>(0.1)</b>	<b>(38.8)</b>
Net interest income	1,245	1,653	1,747	5.7	40.3
Non-interest income	528	895	792	(11.5)	50.1
Operating expense	(840)	(1,235)	(1,230)	(0.4)	46.6
<b>PPOP</b>	<b>933</b>	<b>1,313</b>	<b>1,309</b>	<b>(0.3)</b>	<b>40.3</b>
Provisions	(293)	(584)	(312)	(46.5)	6.6
<b>Pre-tax profit</b>	<b>640</b>	<b>730</b>	<b>997</b>	<b>36.6</b>	<b>55.7</b>
Income tax	(182)	(206)	(281)	36.5	53.8
<b>Net profit</b>	<b>454</b>	<b>520</b>	<b>712</b>	<b>36.6</b>	<b>56.9</b>
Diluted EPS (Baht)	0.56	0.72	0.98	36.1	75.0

# Cost Structure



## Operating Expenses Structure

Unit: Million Baht



Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Personnel expenses	407	549	708	29.1	73.9
Premises & equipment exp	166	180	173	(3.5)	4.3
Taxes & duties	29	30	35	18.1	21.6
Fees & service expenses	78	84	97	14.6	23.8
Directors' remuneration	2	2	2	7.5	6.0
Other expenses	156	390	214	(45.2)	36.8
<b>Total</b>	<b>840</b>	<b>1,235</b>	<b>1,230</b>	<b>(0.4)</b>	<b>46.6</b>



# Consolidated Financial Summary

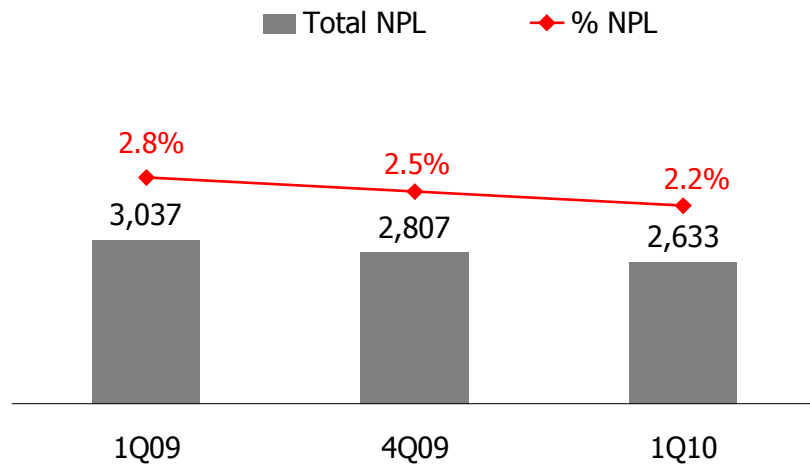
Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Interest income	2,075	2,162	2,255	4.3	8.7
<b>Interest expense</b>	<b>(830)</b>	<b>(509)</b>	<b>(508)</b>	<b>(0.1)</b>	<b>(38.8)</b>
Net interest income	1,245	1,653	1,747	5.7	40.3
Non-interest income	528	895	792	(11.5)	50.1
Operating expense	(840)	(1,235)	(1,230)	(0.4)	46.6
<b>PPOP</b>	<b>933</b>	<b>1,313</b>	<b>1,309</b>	<b>(0.3)</b>	<b>40.3</b>
Provisions	(293)	(584)	(312)	(46.5)	6.6
<b>Pre-tax profit</b>	<b>640</b>	<b>730</b>	<b>997</b>	<b>36.6</b>	<b>55.7</b>
Income tax	(182)	(206)	(281)	36.5	53.8
<b>Net profit</b>	<b>454</b>	<b>520</b>	<b>712</b>	<b>36.6</b>	<b>56.9</b>
Diluted EPS (Baht)	0.56	0.72	0.98	36.1	75.0



# Assets Quality

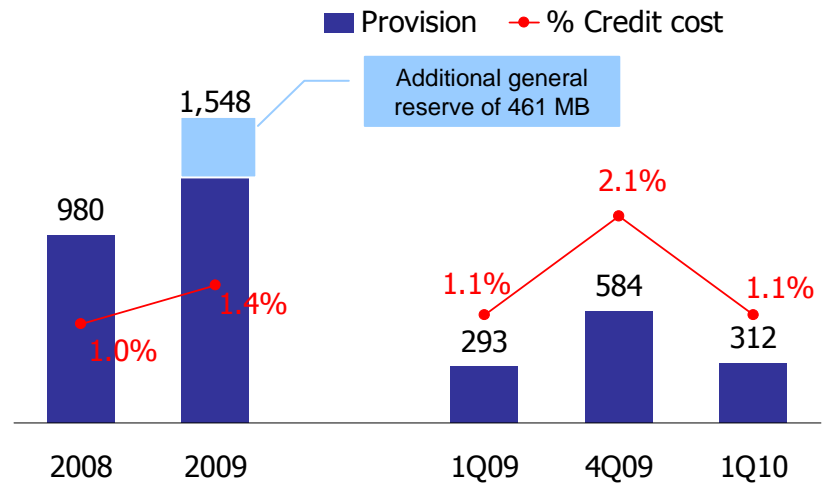
## NPL Ratio

Unit: Million Baht



## Provision Expenses

Unit: Million Baht



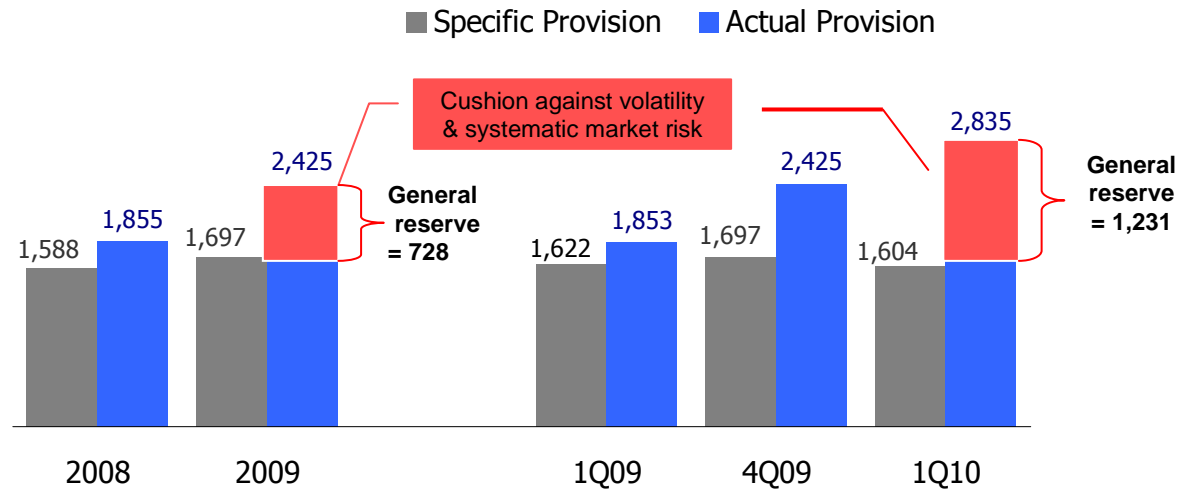
NPL by Loan Type (Million Baht)	1Q09	%NPL	4Q09	%NPL	1Q10	%NPL
Corporate	674	3.0	673	3.5	694	3.7
Hire Purchase	1,693	2.1	1,497	1.7	1,373	1.5
Mortgage	192	11.8	171	11.6	142	9.7
Others	478	10.4	466	6.9	423	5.6
<b>TOTAL NPL</b>	<b>3,037</b>	<b>2.8</b>	<b>2,807</b>	<b>2.5</b>	<b>2,633</b>	<b>2.2</b>



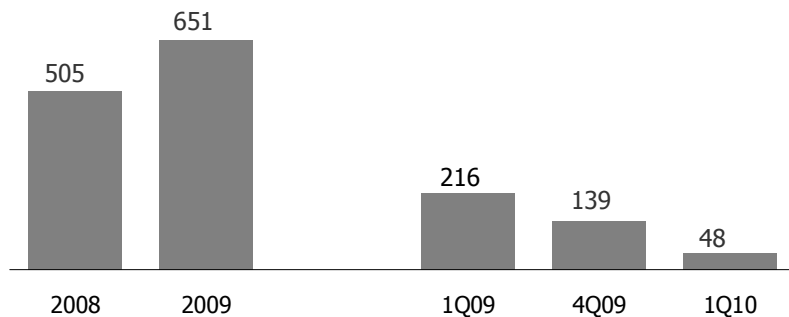
# Loan Loss Provision

## Specific vs Actual Provision

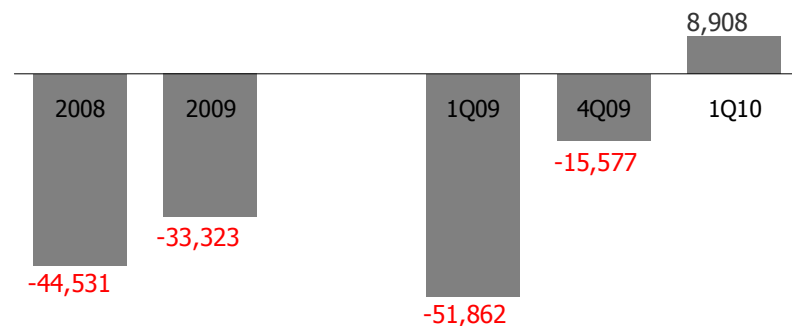
Unit: Million Baht



## Credit Loss net Recovery ( Million Baht)



## Average Loss per Unit (Baht)

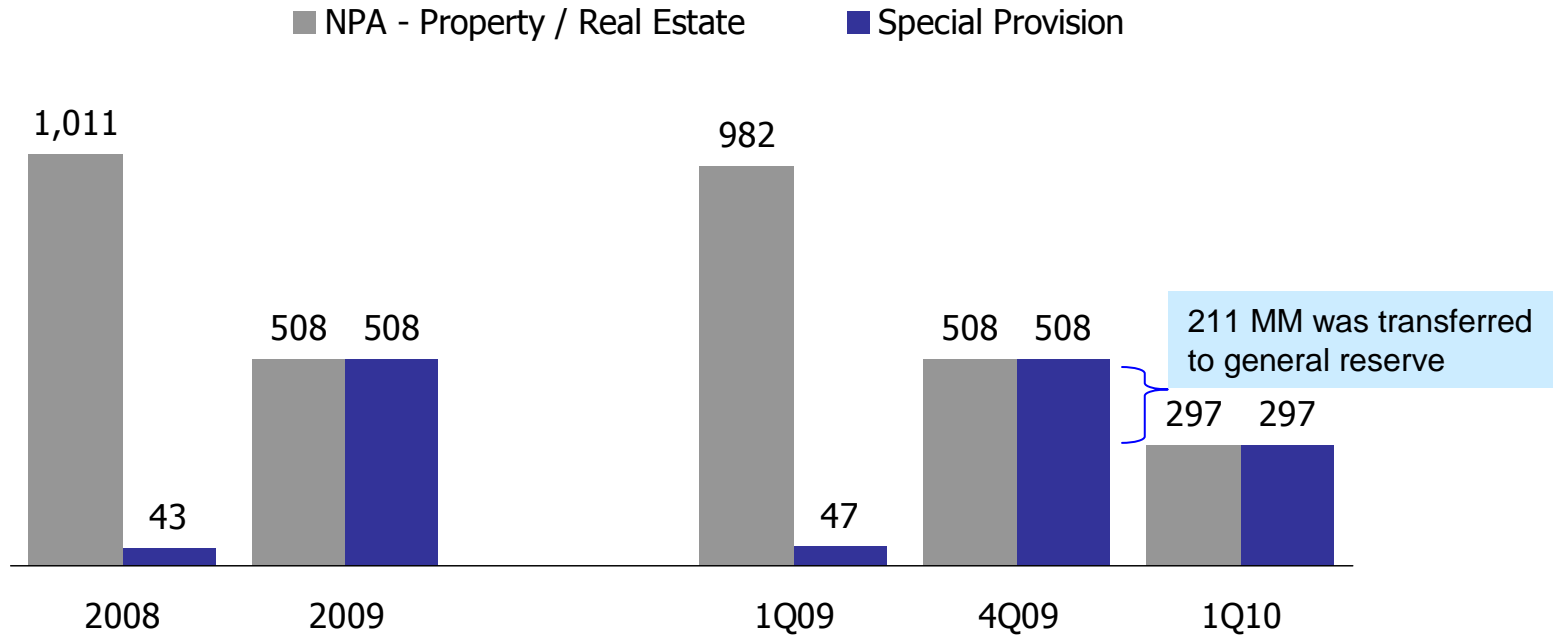




# NPA and Special Provision

## NPA and Special Provision for NPA

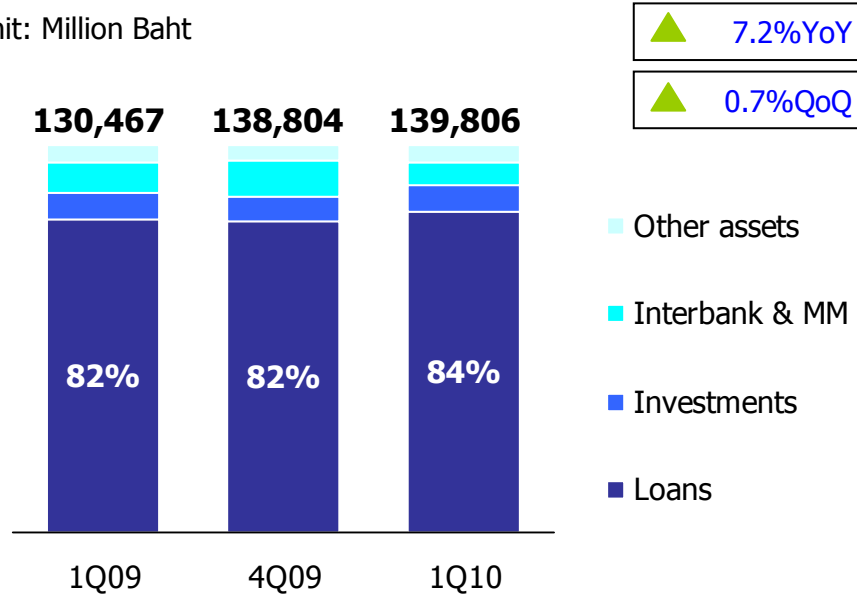
Unit: Million Baht



# Assets & Liabilities

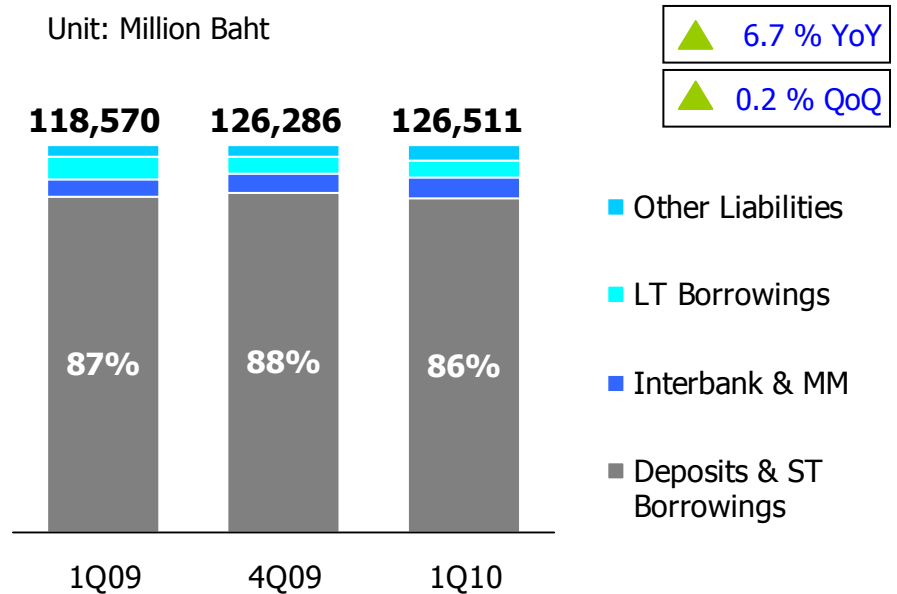
## Assets

Unit: Million Baht



## Liabilities

Unit: Million Baht



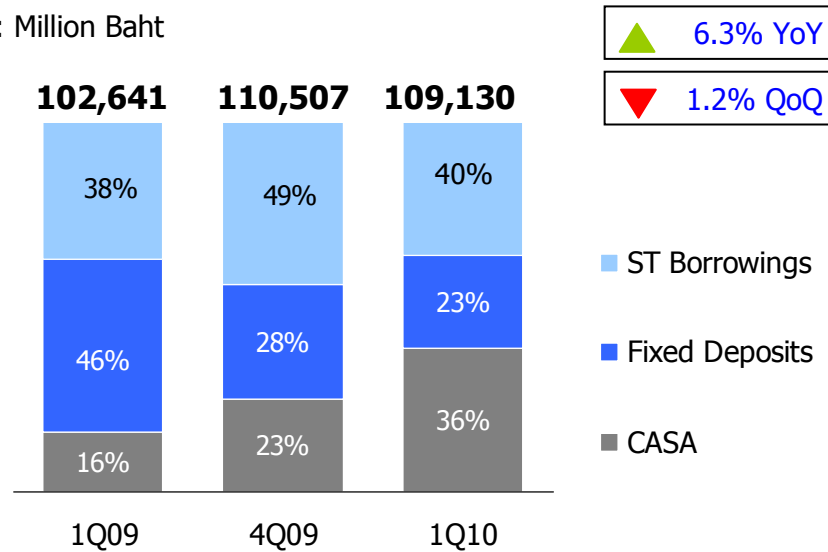
Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Loans	107,336	113,233	117,831	4.1	9.8
Allowance	(1,853)	(2,425)	(2,835)	16.9	53.0
Investments	8,895	9,438	8,937	(5.3)	0.5
Interbank & MM	10,094	12,708	9,833	(22.6)	(2.6)
Other assets	5,994	5,850	6,040	3.2	0.8
<b>Total Assets</b>	<b>130,467</b>	<b>138,804</b>	<b>139,806</b>	<b>0.7</b>	<b>7.2</b>

Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Deposits & ST borrowings	102,641	110,507	109,130	(1.2)	6.3
Interbank & MM	5,717	6,380	6,896	8.1	20.6
LT borrowings	6,552	5,430	5,407	(0.4)	(17.5)
Other liabilities	3,659	3,968	5,078	28.0	38.8
<b>Total Liabilities</b>	<b>118,570</b>	<b>126,286</b>	<b>126,511</b>	<b>0.2</b>	<b>6.7</b>
Revaluation	(461)	(38)	22	157.3	104.7
<b>Total Equity</b>	<b>11,897</b>	<b>12,519</b>	<b>13,296</b>	<b>6.2</b>	<b>11.8</b>

# Deposits and ST Borrowings

## Deposits & ST Borrowings

Unit: Million Baht

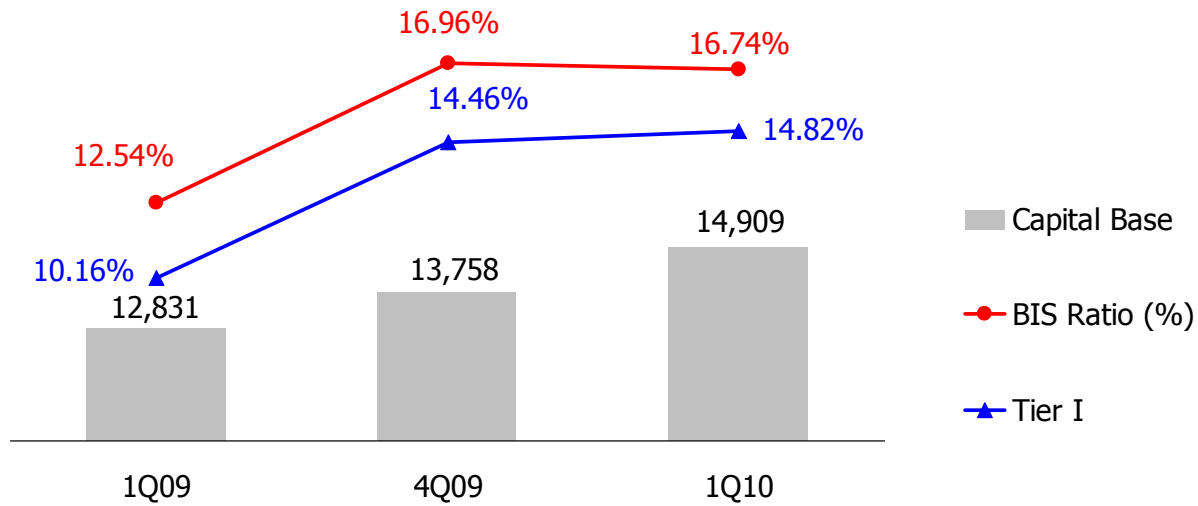


Unit: Million Baht	1Q09	4Q09	1Q10	%QoQ	%YoY
Current	7,635	7,431	7,602	2.3	(0.4)
Savings	8,536	17,920	31,870	77.8	271.2
Fixed Deposits	47,593	31,458	25,479	(19.0)	(46.5)
ST Borrowings	38,827	53,699	44,178	(17.7)	13.8
<b>TOTAL</b>	<b>102,641</b>	<b>110,507</b>	<b>109,130</b>	<b>(1.2)</b>	<b>6.3</b>
<b>LDR (%)</b>	<b>104.6</b>	<b>102.5</b>	<b>108.0</b>		

# Capital

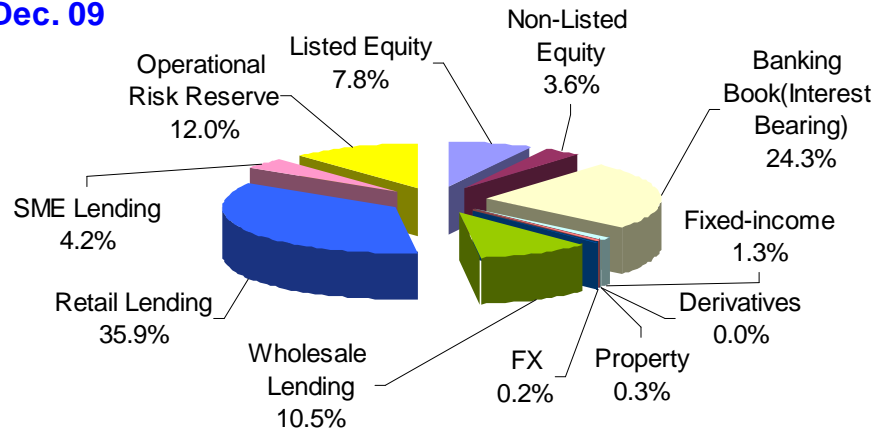
## Capital Adequacy Ratio

Unit: Million Baht

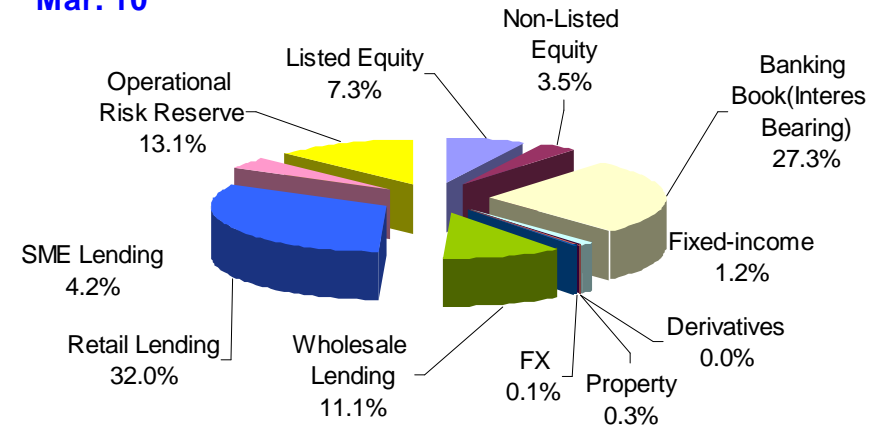


## Risk-Based Capital Breakdown

Dec. 09



Mar. 10

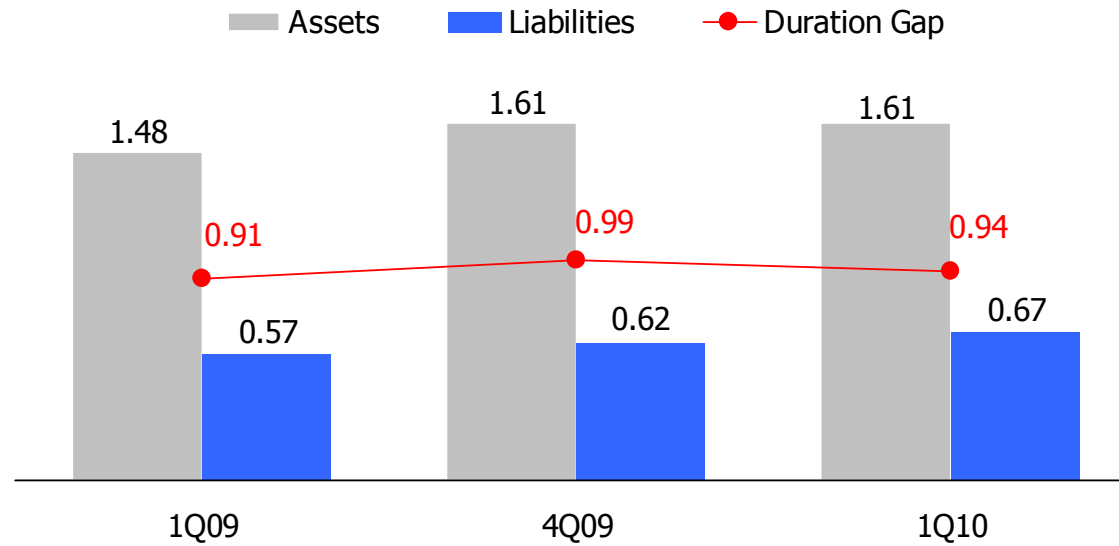




# Interest Rate Risk

## Duration of Assets and Liabilities

Unit: Years



# Agenda

I. 2009 Achievements

II. Financial Performance

**III. Operational Updates**





# Operational updates



## TISCO Bank

- Loan syndication facility of Baht 13.5 billion to GM Group.
- Loan syndication facility of Baht 2.3 billion to SC Group

## TISCO Asset Management

- TISCO Latin America Fund
- TISCO Korea Fixed Income Fund #7 - #8
- TISCO Balanced Growth Fund 80/20

## TISCO Securities

-

	2008	2009	1Q10
No. of Employee	2,662	2,904	2,905
No. of Branch	34	43	46
- Bangkok *	12	21	23
- Upcountry	22	22	23

Remark: \* Including Head Office branch

Branch #43 -  
"TESCO Lotus Korat"



Branch #44 -  
"The Mall Tha Pra"



Branch #45 -  
"Central Bangna"





## Investor Relations

### **TISCO Financial Group Public Company Limited**

48/2 TISCO Tower, North Sathorn Road  
Silom, Bangrak, Bangkok 10500  
Thailand

Tel: +66-2-633-6000

Fax: +66-2-633-6855

Email: [ir@tisco.co.th](mailto:ir@tisco.co.th)

Website: [www.tisco.co.th](http://www.tisco.co.th)

