

## **Management Discussion and Analysis For the Second Quarter ended June 30, 2009**

(This report discusses principal changes in the unreviewed consolidated financial statement for the 2nd quarter ended June 30, 2009)

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### **Major Events**

On 18 June 2009, TISCO Bank Public Company Limited, a subsidiary of TISCO Financial Group Public Company Limited, has signed an auto hire purchase portfolio sale agreement, amounting 1,750 million baht and approximately 10,000 retail accounts, with GMAC (Thailand) Limited, a captive leasing of General Motors (Thailand). GMAC provides wholesales auto financing services for car dealers of General Motors (Thailand) Limited and Chevrolet Sales (Thailand) Limited as well as retail auto financing services for Chevrolet's retail customers. The acquisition was in accordance with the group's loan growth strategy. The auto hire purchase portfolio of GMAC will be fully managed by TISCO Bank, commencing from July 1, 2009 onwards.

### **Movement of Money Market and Capital Market**

The SET index significantly improved from the last quarter ending at 597.48 points, increased by 165.98 points. In terms of the trading activity, the average daily turnover increased from 8,659.71 million baht to 21,317.51 million baht (QoQ) following the improvement of domestic and international capital market and an easing political turmoil.

In the second quarter of 2009, the Bank of Thailand (BOT), in attempt to stimulate domestic economy, lowered the policy rate (Repo 1-day) from 1.5% to 1.25% in early of April 2009. Meanwhile, average 3-Month fixed deposit rates of Top 5 commercial banks was stable at 0.7% QoQ, while the average minimum lending rate of Top 5 commercial banks decreased from 6.2 % at the end of last quarter to 5.9% of this quarter due to downward trend of interest rate in the market.

## Operating Results

**The Management Discussion and Analysis on operating results compares operating performance for the second quarter of 2009, TISCO Financial Group Public Company Limited as the parent company, with those of the second quarter of 2008, with TISCO Bank Public Company Limited as the parent company.**

TISCO Financial Group Public Company Limited had net profit from operations totaling 1,444.03 million baht mainly contributed by dividend income from subsidiary companies. As a holding company, TISCO Financial Group Public Company Limited operates as shareholder in other company and no other major business. Therefore, the analysis was based on the Company's consolidated operating performance and financial position which comprised of 2 main businesses: commercial banking business and securities business.

Despite the sluggish economy, TISCO group was able to maintain the net profit before minority interest at 506.33 million baht, increased by 5.04 million baht (1.0% YoY) contributed by an increase in net interest and dividend income of 37.4% following strong expansion in corporate and retail lending businesses of 16.2% together with an improvement in loan spread from 3.9% to 4.9%. Non-interest income was maintained at 717.76 million baht. However, non-interest income excluding gain from investment increased by 16.5% following growth in asset management fee from asset management business of 51.0%, which was mainly contributed by significant increase in variable performance and incentive fee following improvement in market condition. Non-interest income of banking business of 12.4% (YoY) following strong hire purchase loan growth. Net profit after minority interest for the second quarter of 2009 totaled 502.15 million baht.

As for performance of the first half of 2009, TISCO group reported a net profit of 956.12 million baht increased by 25.74 million baht or 2.8% compared with the net profit for the first half of 2008 amounting 930.37 million baht. Net interest and dividend income was increased by 28.5% following strong expansion in corporate and retail lending businesses together with an improvement in loan spread from 4.0% to 4.6%. In addition, non-interest income excluding gain from investment increased by 77.68 million baht (6.6% YoY) as contributed by an increase in fee income from asset management business of 60.43 million baht (24.4% YoY), mainly contributed by the significant increase in variable performance and incentive fee following the improvement in market condition. In addition, non interest income from banking business increased by 96.37 million baht (16.4% YoY). However, the gain from investment decreased by 127.01 million baht (102.8 YoY) and the brokerage fee income decreased by 69.82 million baht (23.6% YoY) following sluggish investment environment comparing to the same period in prior year. As a result, the overall non-interest income decreased by 49.34 million baht (3.8%YoY)

Diluted earnings per share for the second quarter and the first half of 2009 were 0.63 baht and 1.19 baht respectively compared with those in the same period in 2008 of 0.62 baht and 1.15 baht respectively. The average return on equity (ROAE) for the second quarter and the first half of 2009 were

17.3% and 16.7% respectively comparing with those in the same period in 2008 of 16.8% and 15.7% respectively.

### **Net Interest and Dividend Income**

Net interest and dividend income in this quarter was 1,484.07 million baht, increased by 404.11 million baht (37.4% YoY), interest and dividend income was 2,107.93 million baht, increased by 229.79 million baht (12.2% YoY). Meanwhile, interest expense decreased by 174.31 million baht (21.8% YoY), to 623.85 million baht, following the downward interest rate environment since the beginning of this year.

TISCO group was able to increase loan spread to 4.6%, compared to 3.9% (YoY) through its ability to manage asset and liabilities mix, as TISCO group has pursued the strategy to penetrate in high-yield loan segments under prudent risk management. Meanwhile, cost of fund significantly lowered following downward interest rate environment and strong growth in retail deposit base.

TISCO group reported net interest and dividend income after bad debts and doubtful account of 1,130.42 million baht, increased by 327.40 million baht (40.8% YoY). Bad debts and doubtful account was 353.65 million baht, which is considered as normal level in supporting future loan growth, compared to 276.94 million baht YoY.

### **Non-interest Income**

Non-interest income for the second quarter of 2009 was 717.76 million baht, decreased by 11.53 million baht (1.6% YoY), mainly as a result of a decrease by 112.76 million baht (98.5% YoY) in gain from investment following sluggish capital market comparing to the second quarter of 2008. However, the non-interest income excluding gain from investment increased by 101.23 million baht (16.5% YoY), following an increase in fee income from asset management business of 67.01 million baht (51.0% YoY), mainly contributed by significant increase asset under management and variable performance and incentive fee of 78.19 million baht. In addition, Non-interest income of banking business increased by 37.36 million baht (12.4% YoY), to 338.24 million baht as contributed by strong hire purchase loan growth. Meanwhile, brokerage income was maintained at 159.12 million baht.

### **Non-interest Expenses**

Non-interest expenses for this quarter were 1,122.58 million baht, increased by 262.88 million baht (30.6% YoY). The increase was due to additional reserve setup of foreclosed assets amounting 100.00 million baht. The group had outstanding foreclosed assets totaling 904.32 million baht mainly comprised of land and building. With current economic situation, the immediate force sale of these assets may cause the selling price to be undervalued. The Company therefore decided to postpone the sale of these assets. According to the BOT regulation, the holding of these assets required the Company to set up additional reserve to be 50% of total assets within year 2011. Consequently, the Company had sped up the reserve setup in this quarter under prudent and conservative provisioning policy. In addition, the increase in non-interest expenses was due to higher premises and equipment expenses from the investment in information

technology and infrastructure in supporting increased business volume and service coverage. Currently, the Bank has 38 branches comparing to 28 branches as at the end of the second quarter of 2009.

### **Corporate Income Tax**

In the second quarter of 2009, the corporate income tax was 219.27 million baht, equivalent to the effective tax rate of 30.2%, compared to 25.5% YoY.

## **Financial Status**

### **The Management Discussion and Analysis on operating results on financial status is a comparison between the financial positions as of June 30, 2009 and March 31, 2009.**

#### **Assets**

The TISCO group's total assets as of June 30, 2009 remained unchanged from last quarter at 130,323.85 million baht. The asset mainly comprised of loan which increased from 107,336.07 million baht to 110,688.00 million baht (3.1% QoQ). In addition, the interbank and money market items decreased from 10,094.26 million baht at the end of last quarter to 7,188.94 million baht (28.8% YoY), following the decrease in investment in short-term investment in the TISCO group's portfolio during this quarter.

#### **Liabilities**

Total liabilities as of June 30, 2009 were 118,976.10 million baht, increased by 406.52 million baht (0.3% QoQ) following an increase in deposit portfolio for 512.54 million baht (0.5% QoQ). The liabilities mix comprised of 86.7% total deposit including short-term borrowing, 4.7% interbank and money market items, 4.9% long-term borrowings, and 3.6% other liabilities. In addition, the bank issued additional subordinated debenture during this quarter amounting 2,000 million baht, with aggregate amount of 4,000 million baht, which will be counted as Tier II capital. The subordinated debenture will be matured in 2019.

#### **Shareholders' Equity**

Shareholder's equity as of June 30, 2009 were 11,347.75 million baht, decreased by 549.47 million baht (4.6% QoQ) as the company paid annual dividends at 2.00 baht per preferred share and 1.00 baht per common share in May 2009. Total dividend payment was 908.03 million baht with dividend payout ratio of 52.8 resulting in unappropriated retained earnings of 3,429.98 million baht decreasing from 4,289.75 million baht (20.0% QoQ). Book value per share (BVPS) as of June 30, 2009 was 15.66 baht, down from 16.42 baht (QoQ). In the second quarter of 2009, the company had paid-up shares amounting 724.61 million shares, comprising 541.18 million common shares and 183.43 million preference shares.

**Business Segment Performance****(1) Banking Business****Loans**

Total consolidated loans and receivables were 110,688.00 million baht, up by 3,351.93 million baht (3.1% QoQ), following growth in corporate and retail loan. The composition of loan portfolio was 74.9% of retail loans, 20.5% of corporate loans, and 4.6% of other loans.

**Retail lending** portfolio consisted of 98.2% car, motorcycle, and other hire purchase and 1.8% mortgage loans. The outstanding hire purchase loans equaled 81,379.65 million baht, rose by 2,512.68 million baht (3.2% QoQ). Car hire purchase new business volume amounted 10,457.26 million baht, decreased by 154.29 million baht (1.5% YoY), owing to the sluggish automobile industry. The domestic car sales in the first 5 months of 2009 reported at 188,027 units decreased from 270,175 units (30.4% YoY), resulting in car penetration rate of 13.4%, comparing with average penetration rate of 10.0% in 2008.

**Corporate lending** portfolio totaled 22,706.96 million baht, up by 434.62 million baht (2.0% QoQ), mainly due to an increase in loans to manufacturing and commerce.

**Deposit**

Total deposit totaled 103,153.49 million baht, increased by 512.54 million baht (0.5% QoQ). The portion of saving accounts and current accounts contributed to 23.6% of total deposits, increased from 15.8% (QoQ). Strong expansion in saving accounts and current accounts was resulted from the Bank's success in launching deposit products corresponded to client's needs.

**Non-Performing Loans (NPLs) and Loan Loss Provision**

TISCO Group has prudently managed non-performing loans (NPLs) and maintained the percentage of NPLs to total loans ratio with effective risk management tools and stringent practice of loan collection, debt restructuring and write-off process. In which, the percentage of total NPLs to total loans ratio was remain unchanged at 2.9% as of June 30, 2009, comparing to the last quarter. Additionally, the percentage of NPLs of retail loan and corporate loan was 2.4% and 3.0% respectively, with total NPLs of 3,196.18 million baht, increased by 5.3% or 159.54 million baht during the period. (NPLs of the Bank was 2,806.56 million baht and there was NPLs of 389.62 million baht from other subsidiaries)

TISCO group has applied Collective Approach for loan loss provisioning to the car hire-purchase portfolio following the Basel II framework. The loan loss reserve is to best estimate of expected credit losses from the portfolio over the next 12 months, based historical loss data incorporating with adjustment for the recent market situation. As of June 30, 2009, loan loss reserve of TISCO group was 1,936.66 million baht or 60.6% of NPLs. In which, the total loan loss reserve of the Bank was 1,553.73 million baht with

specific reserve for classified loan of 1,374.50 million baht and general reserve of 179.22 million baht. Total reserve was higher than the minimum loan loss reserve required by the Bank of Thailand at 1,320.54 million baht, reflecting the prudent provisioning policy to mitigate potential risk.

## **(2) Securities Business**

At the end of the second quarter, the SET index ended at 597.48 points, increased from 431.50 points at the end of the first quarter, with average daily turnover of 21,317.51 million baht, increased from 19,959.32 million baht (6.8%YoY) following more active investment climate as supported by retail investors and local institutional investors, the improvement in economic condition, and stable political situation.

Average daily turnover of TISCO Securities Co., Ltd. was 1,100.20 million baht, slightly decreased from 1,103.68 million baht (YoY). Average market share decreased from 2.7% to 2.6% (YoY), mainly due to the decreased in market share of local institutional sector since TISCO Securities Co., Ltd. did not have proprietary trading while several securities companies had done so in attempt to increase the revenue during sluggish capital market condition. The brokerage commission was maintained at 159.12 million baht during this quarter.

Comparing to the first quarter of 2009, the brokerage commission income increased by 91.74 million baht (136.2% QoQ) due to the increase in TISCO Securities' average market share from 2.4% to 2.6%, mainly contributed by the increase in market share of local and foreign institutional sectors. Meanwhile, TISCO brokerage volume in the second quarter of 2009 comprised of 23.8% of foreign institutions, 26.3% of local institutions, and 49.9% of retail customers.

Fee income from investment banking business was maintained at 20.24 million baht, while the fee income significantly increased by 107.5%, comparing to the first quarter of 2009, following the improvement in capital market.

## **(3) Asset Management Business**

In the second quarter of 2009, asset management industry improved by 125,746.28 million baht (6.0% QoQ) since the investment in funds provided an alternative investment during the downward trend of market interest rate. The assets under management at the end of June 2009 were 107,215.26 million baht, increased by 13,640.52 million baht (14.6% QoQ), following the newly acquired fund, Social Security Office with the net asset value of 5,697.06 million baht as at the end of this quarter.

Total market share of TISCO Asset Management Co., Ltd. as of May 31, 2009 was 4.7%, ranking 8th in the market. The market share of provident fund and private fund was 12.4% and 14.9%, ranking 5th and 3rd in the market respectively. For mutual fund, the market share was 1.1%, ranking 14th in the market.

Fee income from asset management totaled 198.44 million baht, increased by 67.01 million baht (51.0% YoY), and increased by 89.19 million baht (81.6% QoQ), with the significant increase in variable performance and incentive fee from 0.39 million baht to 77.83 million baht QoQ, due to an increase in asset under management and improvement of fund performance.

TISCO Asset Management has been well-known for exceptional fund performance, particularly equity funds i.e. TISCO Equity Growth Fund , TISCO Equity Dividend Fund and TCM Equity Fund, which had year-to-date fund performance ranked Top 3 among Top 10 Equity fund performance as of 31 May, 2009, respectively.

The composition of total asset under management was 58.2% of provident fund, 27.1% of private fund, and 14.7% of mutual fund. In addition, mutual fund business successfully launched variety of funds that corresponded to investor's needs in respond to the improvement of asset management industry such as TISCO Special Plus Fund#11 - #12, TISCO Gold Fund. TISCO Special Australia Bond Fund, TISCO Korea Fixed Income Fund, and TISCO Asia Pacific ex Japan Fund.

### **Risk Management**

Since TISCO Group has enhanced risk management system in order to align with the Basel II-IRB approach, as of June 30, 2009, TISCO Group's IRB capital stood at 13,223.97 million baht comprising of Tier-I, Tier-II capital and adjustment from reserve. The integrated risk capital decreased by 232.12 million baht from the previous quarter to 5,294.16 million baht due mainly to a decrease of market risk. In addition, the capital surplus was remarkably strong at 7,929.81 million baht or 59.9%, reflecting a continuously robust capital position to support future business expansion.

Compared to the first quarter of 2009, the market risk capital significantly decreased by 249.16 million baht from 1,862.85 million baht to 1,613.69 million baht, mainly resulted from a decrease of listed-equity risk capital by 305.92 million baht from 629.23 million baht to 323.31 million baht as recovery of investment position in listed equity corresponding to a rebound in stock market, and improving interest rate gap. Meanwhile, the credit risk capital slightly dropped by 5.27 million baht to 3,028.40 million baht mainly due to a decrease of wholesale credit risk from a repayment of wholesale lending business during the quarter. Nevertheless, retail lending business, the main business of the Group, expanded continuously during the quarter. The retail credit risk increased by 70.95 million baht or 3.1% to 2,356.16 million baht comparing with retail loan growth at 3.0%. The non-performing loan of retail lending portfolio slightly increased from 2.3% to 2.4%.

The interest rate risk decreased due to improving in interest rate gap as a result of the 2<sup>nd</sup> round 10-year subordinate debenture issuance at amount of 2,000 million baht. Together with a narrowing interest rate gap (BPV) from the previous quarter, the duration gap of assets and liabilities also decreased in range of approximately 9 months. However, the gap is still in the manageable level and benefits the Group under the downward interest rate environment.

In terms of regulatory capital requirement of the Bank and Securities Company, the positions are still in strong and sufficient levels to cushion for the expansion of asset in the future. The projected regulatory capital adequacy ratio (BIS ratio) based on Basel II SA stood at 14.37% remaining higher than the 8.50% required by the Bank of Thailand following a continuous expansion in loan position along with an increase in Tier-II capital from 2<sup>nd</sup> round 10-year subordinate debenture issuance. While Tier-I and Tier-II

projected capital adequacy ratio stood at 10.13% and 4.26%, respectively, Tier-I capital adequacy ratio also remained higher than the minimum requirement at 4.25%. Meanwhile, the net capital rule (NCR) of TISCO Securities Co., Ltd. remained strong at 116.87%, greatly higher than the minimum required ratio by the SEC of 7.0%.

**Table 1: Consolidated Revenue Structure**

Type of Revenue	2Q08		2Q09		Change
	Amount (Bt. million)	%	Amount (Bt. Million)	%	% YoY
Interest and dividend income					
Interest on loans	273.00	15.1	321.00	14.6	17.6
Interest on interbank and money market items.	82.96	4.6	33.94	1.5	(59.1)
Hire purchase and financial lease income	1,412.62	78.1	1,582.57	71.9	12.0
Investments	109.56	6.1	170.41	7.7	55.5
<b>Total interest and dividend income</b>	<b>1,878.13</b>	<b>103.8</b>	<b>2,107.93</b>	<b>95.7</b>	<b>12.2</b>
Interest expenses	(798.2)	(44.1)	(623.9)	(28.3)	(21.8)
<b>Net interest and dividend income</b>	<b>1,079.97</b>	<b>59.7</b>	<b>1,484.07</b>	<b>67.4</b>	<b>37.4</b>
Non-interest income					
Brokerage Fees	160.99	8.9	159.12	7.2	(1.2)
Gain on securities	114.48	6.3	1.7	0.1	(98.5)
Fees and services income	358.92	19.8	411.27	18.7	14.6
Others	94.91	5.2	145.65	6.6	53.5
<b>Total non-interest income</b>	<b>729.29</b>	<b>40.3</b>	<b>717.76</b>	<b>32.6</b>	<b>(1.6)</b>
<b>Total income before bad debts and doubtful accounts</b>	<b>1,809.26</b>	<b>100.0</b>	<b>2,201.84</b>	<b>100.0</b>	<b>21.7</b>
Bad debt and doubtful accounts	(276.94)		(353.65)		
Bad debt written back revenue	-		-		
<b>Total income – net of bad debts and doubtful accounts</b>	<b>1,532.31</b>		<b>1,848.18</b>		
Non-interest expenses	(859.70)		(1,122.58)		
<b>Profit before income tax and minority interest</b>	<b>672.61</b>		<b>725.60</b>		
Corporate income tax	(171.33)		(219.27)		
<b>Profit before minority interest</b>	<b>501.28</b>		<b>506.33</b>		
Minority interest in net earnings in subsidiary company	0.00		(4.18)		
<b>Net Profit</b>	<b>501.28</b>		<b>502.15</b>		

**Table2: Interest Spread**

%	2Q08	1Q09	2Q09	6M08	6M09
Yield on Loans	7.3	7.2	7.0	7.4	7.1
Cost of fund	3.4	3.0	2.1	3.4	2.5
<b>Loan spread</b>	<b>3.9</b>	<b>4.2</b>	<b>4.9</b>	<b>4.0</b>	<b>4.6</b>



**Table 3: Assets Breakdown**

Assets	March 31, 2009		June 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Cash	491.03	0.4	595.71	0.5	21.3
Interbank and Money Market Items	10,094.26	7.7	7,188.94	5.5	(28.8)
Securities purchased under resale agreements	0.00	0.0	0.00	0.0	0.0
Fixed income	1,760.15	1.3	1,698.23	1.3	(3.5)
Equity	7,135.25	5.5	6,463.34	5.0	(9.4)
Corporate Loans	22,272.34	17.1	22,706.96	17.4	2.0
Retail Loans	80,489.62	61.7	82,909.95	63.6	3.0
Other Loans	4,574.11	3.5	5,071.09	3.9	10.9
Allowance for doubtful accounts and for loss on debt restructuring	(1,852.70)	(1.4)	(1,936.66)	(1.5)	4.5
Other Assets	5,502.75	4.2	5,626.30	4.3	2.2
<b>Total – The Company and Subsidiaries</b>	<b>130,466.80</b>	<b>100.0</b>	<b>130,323.85</b>	<b>100.0</b>	<b>(0.1)</b>

**Table 4: Liabilities Breakdown by Area**

Type of Borrowings	March 31, 2009		June 30, 2009		Change %
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Total deposits	102,640.95	86.6	103,153.49	86.7	0.5
Interbank and money market items	5,717.12	4.8	5,625.25	4.7	(1.6)
Long-term borrowings	6,552.20	5.5	5,876.35	4.9	(10.3)
Others	3,659.31	3.1	4,321.01	3.6	18.1
<b>Total – The Company and Subsidiaries</b>	<b>118,569.58</b>	<b>100.0</b>	<b>118,976.10</b>	<b>100.0</b>	<b>0.3</b>

**Table 5: Loans and Receivables Breakdown**

Type of Business	March 31, 2009		June 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Manufacturing and commerce	10,054.02	9.4	11,256.31	10.2	12.0
Real estate and construction	8,658.74	8.1	8,520.18	7.7	(1.6)
Public utilities and services	3,436.27	3.2	2,806.81	2.5	(18.3)
Agriculture and mining	123.31	0.1	123.66	0.1	0.3
<b>Commercial Lending</b>	<b>22,272.34</b>	<b>20.8</b>	<b>22,706.96</b>	<b>20.5</b>	<b>2.0</b>
Hire purchase	78,866.97	73.5	81,379.65	73.5	3.2
Housing	1,622.65	1.5	1,530.29	1.4	(5.7)
<b>Retail Lending</b>	<b>80,489.62</b>	<b>75.0</b>	<b>82,909.95</b>	<b>74.9</b>	<b>3.0</b>
<b>Others</b>	<b>4,574.11</b>	<b>4.3</b>	<b>5,071.09</b>	<b>4.6</b>	<b>10.9</b>
<b>Total – The Company and Subsidiaries</b>	<b>107,336.07</b>	<b>100.0</b>	<b>110,688.00</b>	<b>100.0</b>	<b>3.1</b>

**Table 6: Deposits Structure**

Type of Deposits	March 31, 2009		June 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Current accounts	7,634.73	7.4	9,718.75	9.4	27.3
Saving accounts	8,586.23	8.4	14,672.38	14.2	70.9
Fixed accounts	3,264.05	3.2	2,811.31	2.7	(13.9)
Negotiate certificate deposit	44,326.22	43.2	34,752.57	33.7	(21.6)
Promissory notes and Bill of exchange	2.38	0.0	2.38	0.0	0.0
Short-term borrowings	38,827.34	37.8	41,196.11	39.9	6.1
<b>Total deposits</b>	<b>102,640.95</b>	<b>100.0</b>	<b>103,153.49</b>	<b>100.0</b>	<b>0.5</b>

**Table 7: NPL Breakdown by Area**

Type of Business	March 31, 2009			June 30, 2009			% Change
	% NPL	Amount (Bt. million)	%	% NPL	Amount (Bt. million)	%	
Manufacturing and commerce	1.4	140.67	4.6	1.3	151.39	4.7	7.6
Real estate and construction	5.1	437.43	14.4	5.3	453.40	14.2	3.7
Public utilities and services	2.8	94.77	3.1	3.0	83.31	2.6	(12.1)
Agriculture and mining	0.9	1.11	0.0	1.7	2.10	0.1	89.2
<b>Total NPL - Commercial Lending</b>	<b>3.0</b>	<b>673.98</b>	<b>22.2</b>	<b>3.0</b>	<b>690.20</b>	<b>21.6</b>	<b>2.4</b>
Hire purchase	2.1	1,692.52	55.7	2.2	1,822.68	57.0	7.7
Housing	11.8	192.16	6.3	12.9	197.02	6.2	2.5
<b>Total NPL - Retail Lending</b>	<b>2.3</b>	<b>1,884.68</b>	<b>62.1</b>	<b>2.4</b>	<b>2,019.71</b>	<b>63.2</b>	<b>7.2</b>
<b>Others</b>	<b>10.4</b>	<b>477.98</b>	<b>15.7</b>	<b>9.6</b>	<b>486.28</b>	<b>15.2</b>	<b>1.7</b>
<b>Total NPL – The Company and Subsidiaries</b>	<b>2.8</b>	<b>3,036.64</b>	<b>100.0</b>	<b>2.9</b>	<b>3,196.18</b>	<b>100.0</b>	<b>5.3</b>

**Table 8: Assets under Management Breakdown by Type of Fund**

Type of Fund	March 31, 2009		June 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Provident Fund	58,005.56	62.0	62,389.25	58.2	7.6
Private Fund	20,923.13	22.4	29,081.00	27.1	39.0
Mutual Fund	14,646.05	15.7	15,745.02	14.7	7.5
<b>Total</b>	<b>93,574.74</b>	<b>100.0</b>	<b>107,215.26</b>	<b>100.0</b>	<b>14.6</b>

**Table 9: Average Duration Mismatch of Assets and Liabilities and Its Impact**

Type of Fund	Duration (years)		1-Y Net interest income change to 1% interest rate	
	1Q09	2Q09	1Q09	2Q09
Assets	1.48	1.50	451.69	411.53
Liabilities	0.57	0.74	(689.71)	(642.99)
Net Gap	0.91	0.76	(238.02)	(231.46)

Note : \* Exclude saving and current account