



**TISCO**

**TISCO Financial Group Public Co., Ltd.**

**Analyst Meeting 2Q/2014**

**July 15, 2014**





## 2Q/2014 Financial Results



# Consolidated Income Statements

Unit: Million Baht	2Q13	1Q14	2Q14	%QoQ	%YoY	1H13	1H14	%YoY
Interest income	4,766	4,998	4,858	(2.8)	1.9	9,233	9,856	6.7
Interest expense	(2,537)	(2,692)	(2,435)	(9.6)	(4.0)	(4,901)	(5,127)	4.6
<b>Net interest income</b>	<b>2,229</b>	<b>2,306</b>	<b>2,423</b>	<b>5.1</b>	<b>8.7</b>	<b>4,332</b>	<b>4,729</b>	<b>9.2</b>
Fee and service income	1,268	1,284	1,294	0.8	2.0	2,907	2,578	(11.3)
Fee and service expenses	(59)	(48)	(48)	(1.4)	(18.5)	(125)	(96)	(22.9)
Other operating income *	246	134	168	24.9	(32.0)	435	302	(30.6)
<b>Total non-interest income</b>	<b>1,456</b>	<b>1,369</b>	<b>1,414</b>	<b>3.2</b>	<b>(2.9)</b>	<b>3,217</b>	<b>2,783</b>	<b>(13.5)</b>
<b>Total income</b>	<b>3,685</b>	<b>3,675</b>	<b>3,837</b>	<b>4.4</b>	<b>4.1</b>	<b>7,550</b>	<b>7,512</b>	<b>(0.5)</b>
Operating expenses *	(1,385)	(1,305)	(1,363)	4.4	(1.6)	(2,834)	(2,669)	(5.8)
<b>PPOP</b>	<b>2,300</b>	<b>2,370</b>	<b>2,474</b>	<b>4.4</b>	<b>7.6</b>	<b>4,716</b>	<b>4,844</b>	<b>2.7</b>
Provisions	(810)	(1,176)	(1,225)	4.2	51.2	(1,750)	(2,401)	37.2
<b>Pre-tax profit</b>	<b>1,490</b>	<b>1,194</b>	<b>1,249</b>	<b>4.6</b>	<b>(16.2)</b>	<b>2,966</b>	<b>2,443</b>	<b>(17.6)</b>
Income tax	(303)	(237)	(246)	3.7	(18.9)	(588)	(483)	(17.8)
<b>Net profit</b>	<b>1,159</b>	<b>935</b>	<b>992</b>	<b>6.1</b>	<b>(14.4)</b>	<b>2,313</b>	<b>1,926</b>	<b>(16.7)</b>
EPS (Baht)	1.59	1.17	1.24			3.17	2.41	
ROAE (%)	23.5	15.9	16.7			24.1	16.6	

Remark: \* Net of income and expense from business promotion relating to HP business

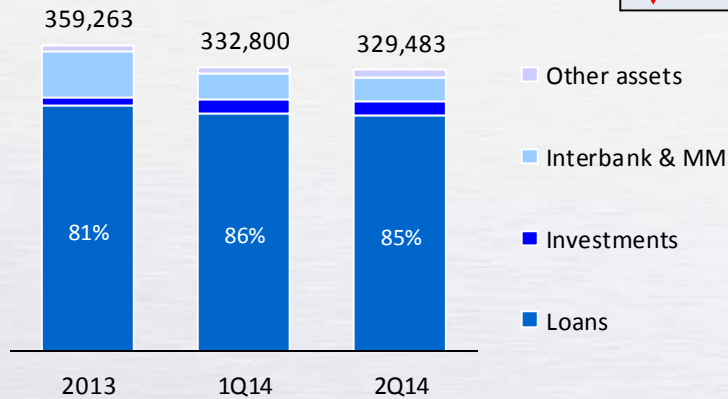


# Assets and Liabilities

## Assets

Unit: Million Baht

▼ 1.0% QoQ  
▼ 8.3% YTD

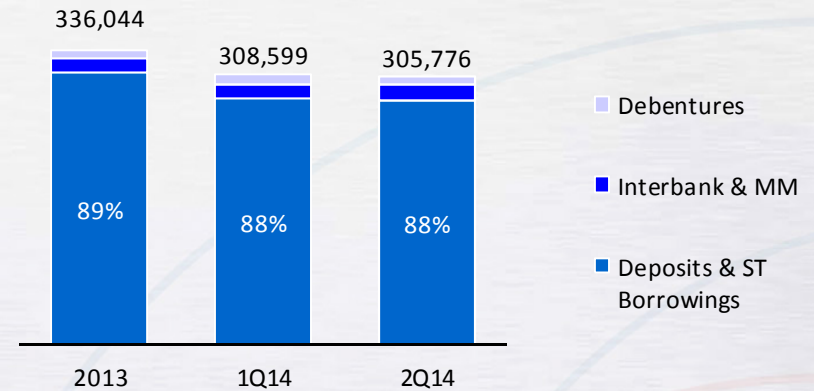


Unit: Million Baht	2013	1Q14	2Q14	%QoQ	%YTD
Loans – net	292,151	284,655	280,276	(1.5)	(4.1)
Allowance	(6,354)	(6,482)	(6,702)	3.4	5.5
Investments	11,490	16,354	17,605	7.6	53.2
Interbank & MM	53,242	29,554	29,445	(0.4)	(44.7)
Other assets	8,735	8,718	8,859	1.6	1.4
<b>Total Assets</b>	<b>359,263</b>	<b>332,800</b>	<b>329,483</b>	<b>(1.0)</b>	<b>(8.3)</b>

## Liabilities

Unit: Million Baht

▼ 0.9% QoQ  
▼ 9.0% YTD



Unit: Million Baht	2013	1Q14	2Q14	%QoQ	%YTD
Deposits & ST Borrowings	299,481	270,594	268,546	(0.8)	(10.3)
Interbank & MM	16,703	16,419	19,367	18.0	16.0
Debentures	9,243	11,643	7,643	(34.4)	(17.3)
Other liabilities	10,617	9,943	10,220	2.8	(3.7)
<b>Total Liabilities</b>	<b>336,044</b>	<b>308,599</b>	<b>305,776</b>	<b>(0.9)</b>	<b>(9.0)</b>
Retained earnings	12,392	13,329	12,759	(4.3)	3.0
<b>Total Equity</b>	<b>23,218</b>	<b>24,201</b>	<b>23,707</b>	<b>(2.0)</b>	<b>2.1</b>

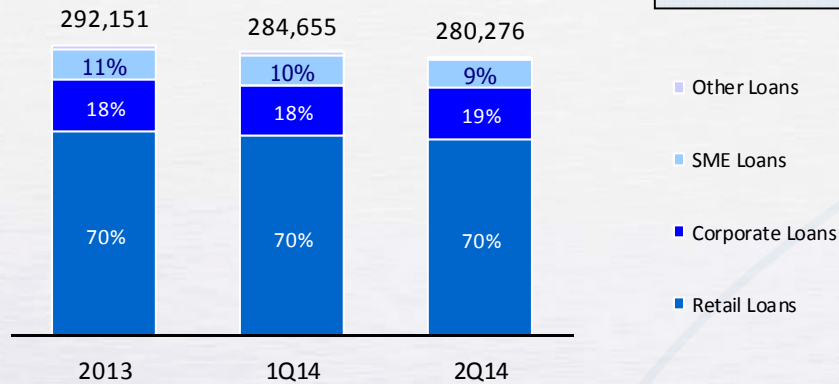


# Loan Portfolio

## Total Loan Portfolio

Unit: Million Baht

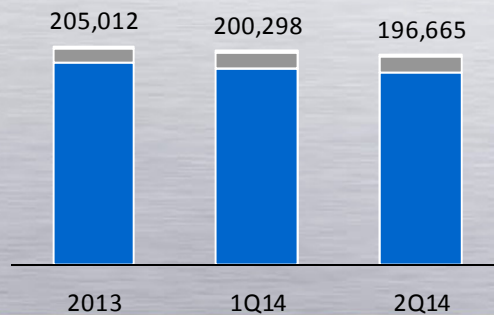
▼ 1.5% QoQ  
▼ 4.1% YTD



## Retail Loans

Unit: Million Baht

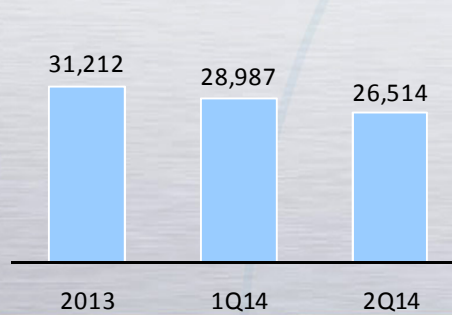
▼ 1.8% QoQ  
▼ 4.1% YTD



## SME Loans

Unit: Million Baht

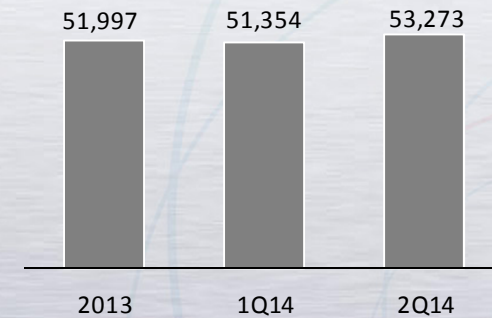
▼ 8.5% QoQ  
▼ 15.1% YTD



## Corporate Loans

Unit: Million Baht

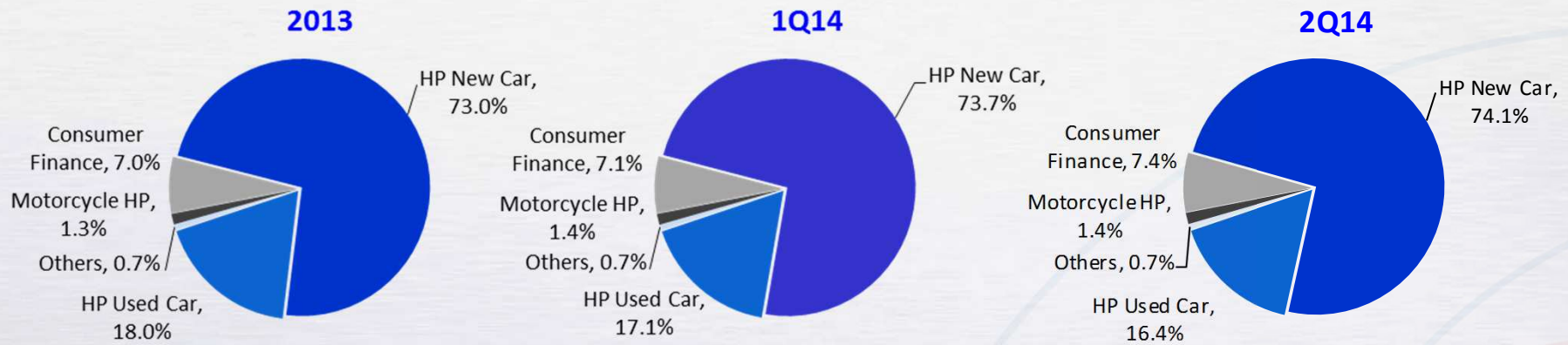
▲ 3.7% QoQ  
▲ 2.5% YTD





# Retail Loan Portfolio

## Retail Loan Breakdown

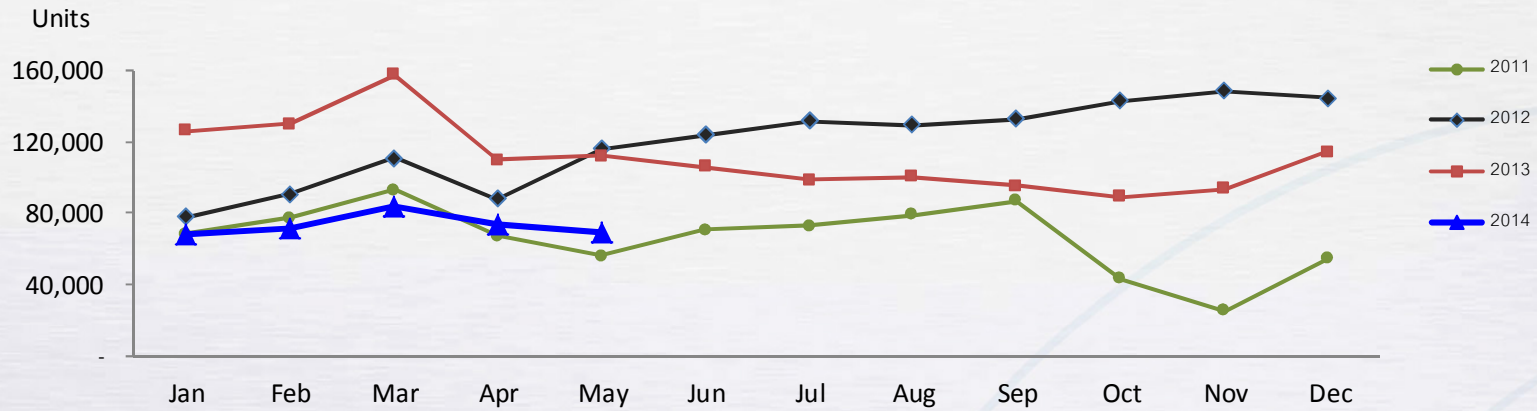




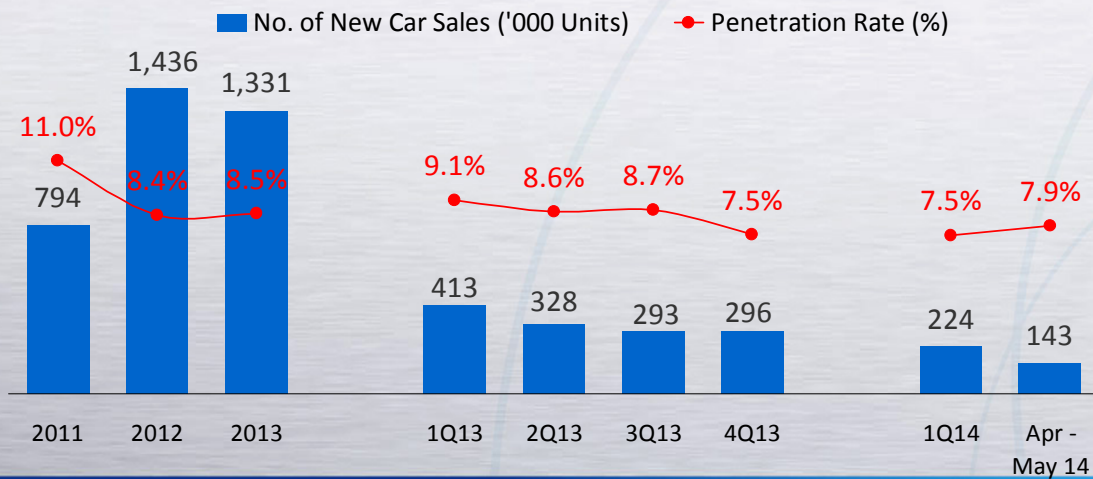


# Industry Car Sales and Penetration Rate

## Industry New Car Sales



## TISCO Auto HP Penetration Rate





# Loan Spread and Net Interest Margin

## Yield on Loans and Cost of Funds



Remark: Cost of funds include contributions to FIDF and DPA

## Loan Spread and Net Interest Margin



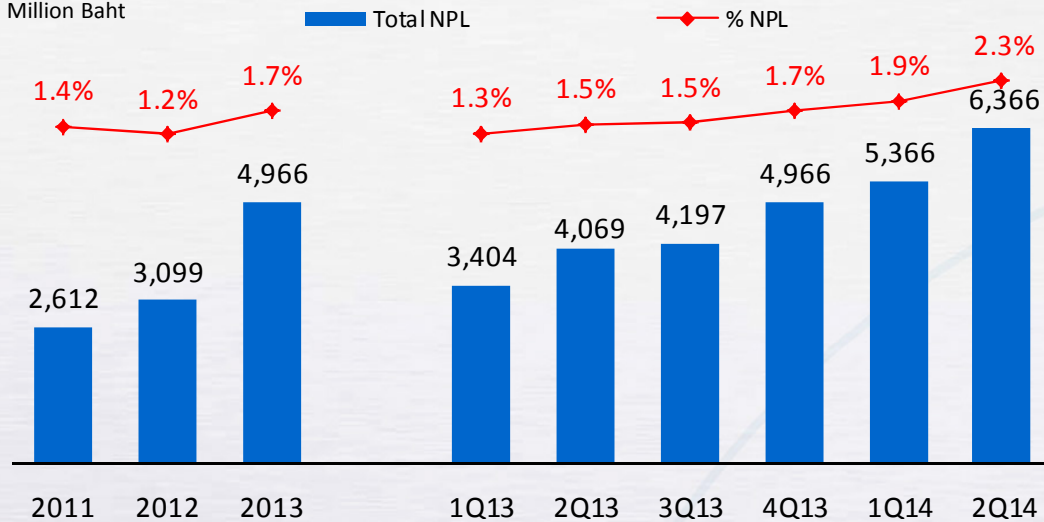




# Asset Quality

## NPL and NPL Ratio

Unit: Million Baht

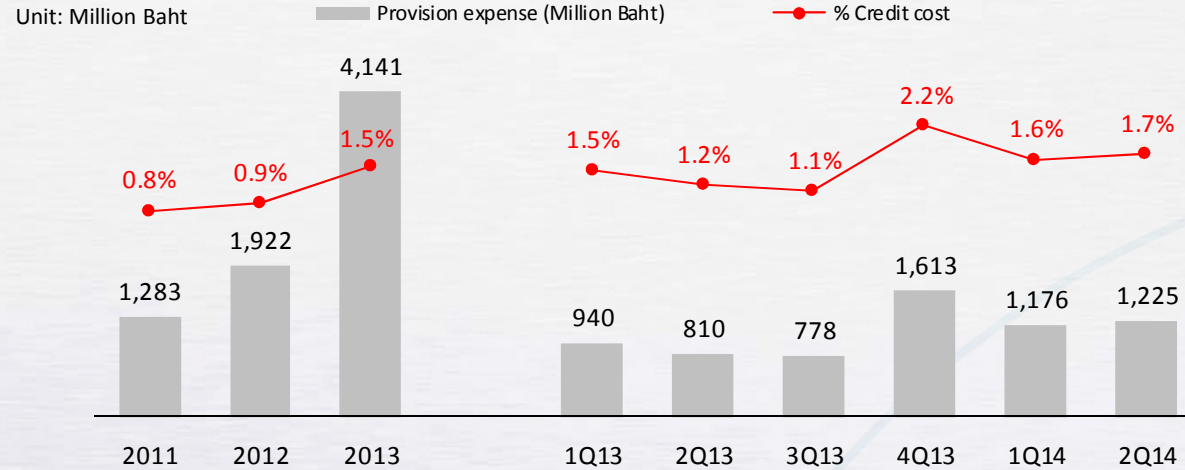


NPL by Loan Type	2013		1Q14		2Q14	
	(Million Baht)	(%)	(Million Baht)	(%)	(Million Baht)	(%)
Corporate	298	0.6	319	0.6	360	0.7
SME	152	0.5	249	0.8	271	1.0
Hire Purchase	4,156	2.2	4,389	2.4	5,228	2.9
Mortgage	69	4.8	78	5.6	75	5.4
Others	291	1.6	330	1.8	431	2.3
<b>Total NPL</b>	<b>4,966</b>	<b>1.7</b>	<b>5,366</b>	<b>1.9</b>	<b>6,366</b>	<b>2.3</b>

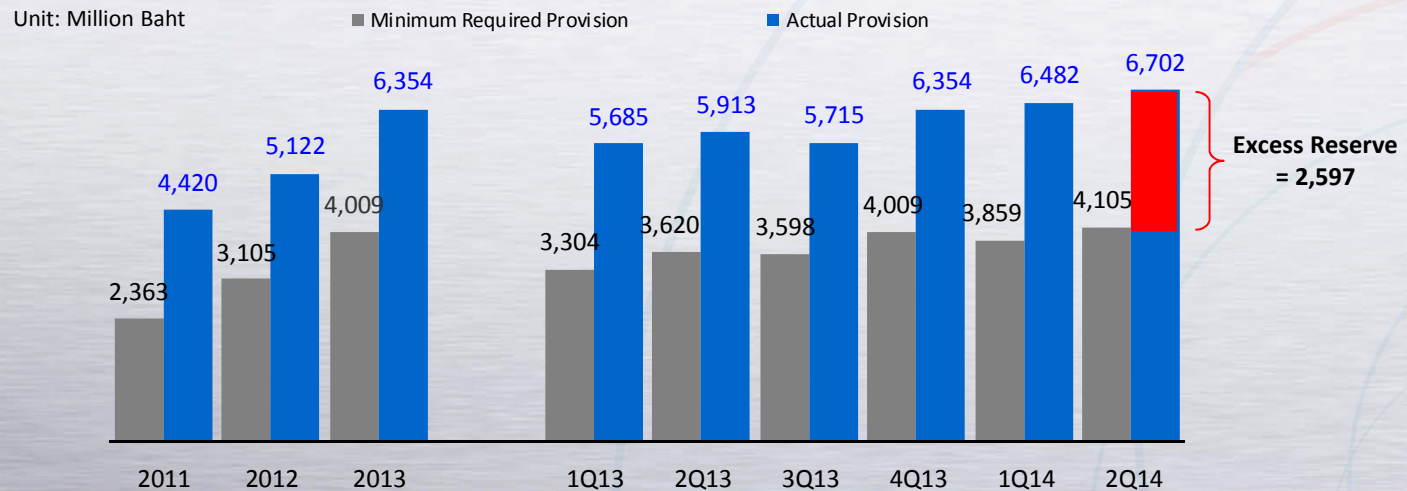


# Provisions

## Provision Expense and Credit Cost



## Minimum Required Provision vs Actual Provision

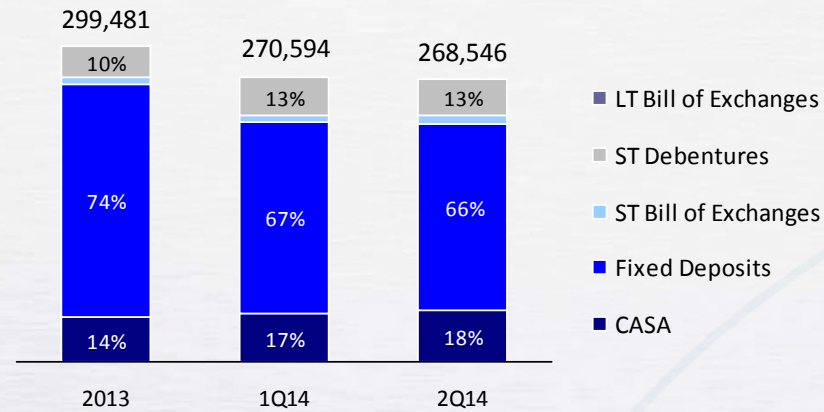




# Deposits

## Total Deposits & Bill of Exchanges

Unit: Million Baht



▼ 0.8% QoQ  
▼ 10.3% YTD

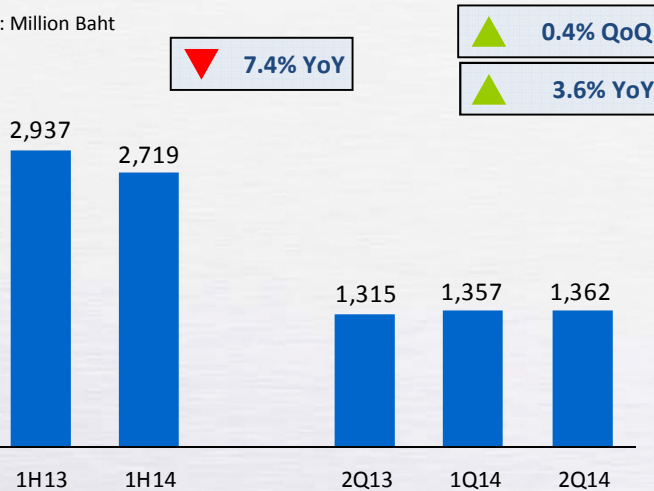
Unit: Million Baht	2013	1Q14	2Q14	%QoQ	%YTD
Current	2,481	3,118	3,055	(2.0)	23.2
Savings	40,751	42,715	46,036	7.8	13.0
Fixed Deposits	221,408	181,778	177,645	(2.3)	(19.8)
Short-term Bill of Exchanges	6,275	6,701	7,920	18.2	26.2
Short-term Debentures	28,566	36,282	33,889	(6.6)	18.6
<b>Total Deposits &amp; ST Borrowings</b>	<b>299,481</b>	<b>270,594</b>	<b>268,546</b>	<b>(0.8)</b>	<b>(10.3)</b>
Debentures	9,243	11,643	7,643		
% LDR to Total Deposits & Bill of Exchanges	97.6	105.2	104.4		



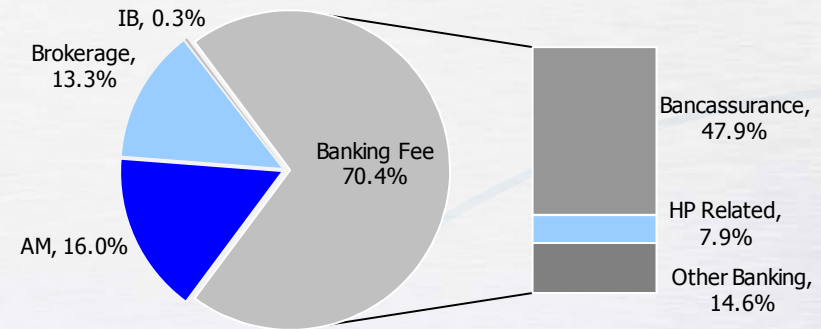
# Non-Interest Income

## Non-Interest Income from Core Businesses

Unit: Million Baht



## Non-Interest Income Breakdown



Unit: Million Baht	2Q13	1Q14	2Q14	%QoQ	%YoY	1H13	1H14	%YoY
Banking fee*	802	976	938	(3.9)	17.0	1,831	1,914	4.5
Asset Management fee	206	211	225	6.5	9.2	429	436	1.5
Brokerage fee	305	166	196	18.0	(35.8)	668	362	(45.8)
Investment Banking fee	1	4	3	(14.1)	132.2	8	7	(9.0)
<b>Non-interest income from core businesses</b>	<b>1,315</b>	<b>1,357</b>	<b>1,362</b>	<b>0.4</b>	<b>3.6</b>	<b>2,937</b>	<b>2,719</b>	<b>(7.4)</b>
Trading income & Incentive	155	27	56	102.8	(64.2)	327	83	(74.6)
Dividend income	45	34	44	31.1	(1.5)	79	77	(1.8)
<b>Total non-interest income</b>	<b>1,514</b>	<b>1,418</b>	<b>1,462</b>	<b>3.1</b>	<b>(3.5)</b>	<b>3,342</b>	<b>2,880</b>	<b>(13.8)</b>

Remark: \* Net of income and expense from business promotion relating to HP business

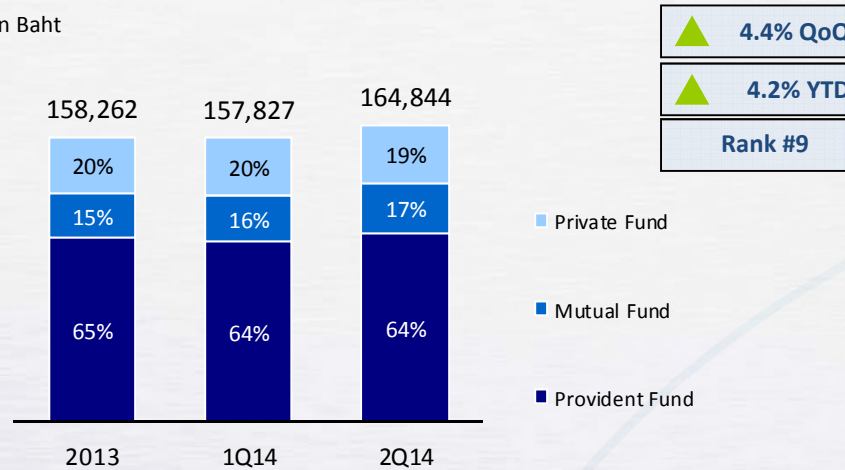




# Asset Management Business

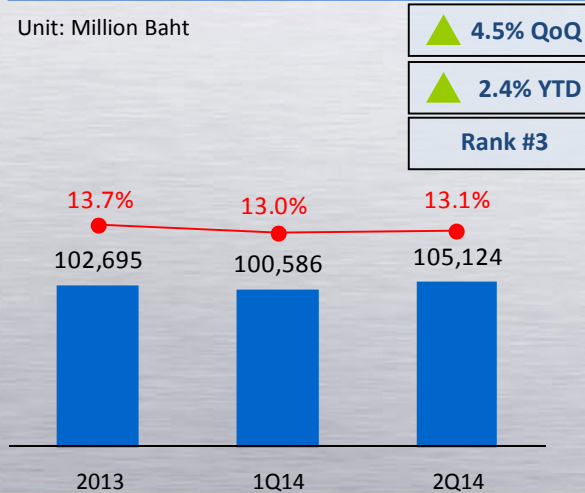
## TISCO Asset under Management

Unit: Million Baht



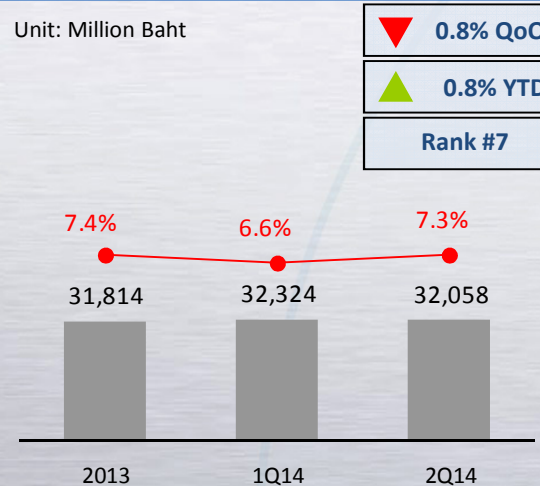
## Provident Fund

Unit: Million Baht



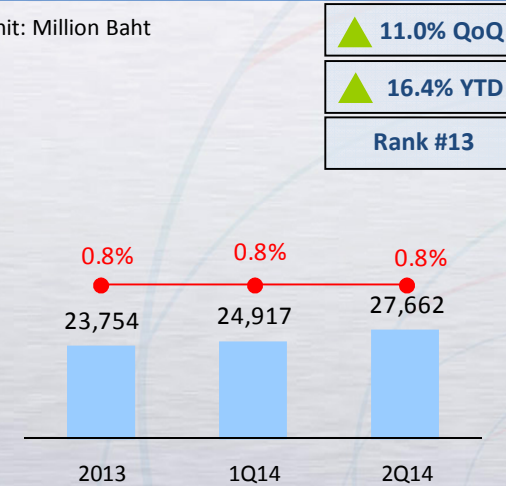
## Private Fund

Unit: Million Baht



## Mutual Fund

Unit: Million Baht



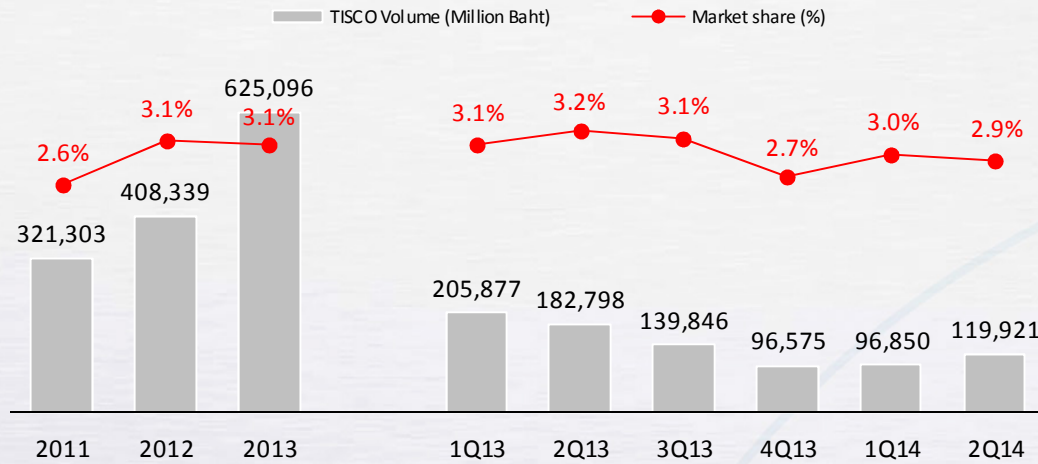
\*Rankings & Market Share as of May 2014



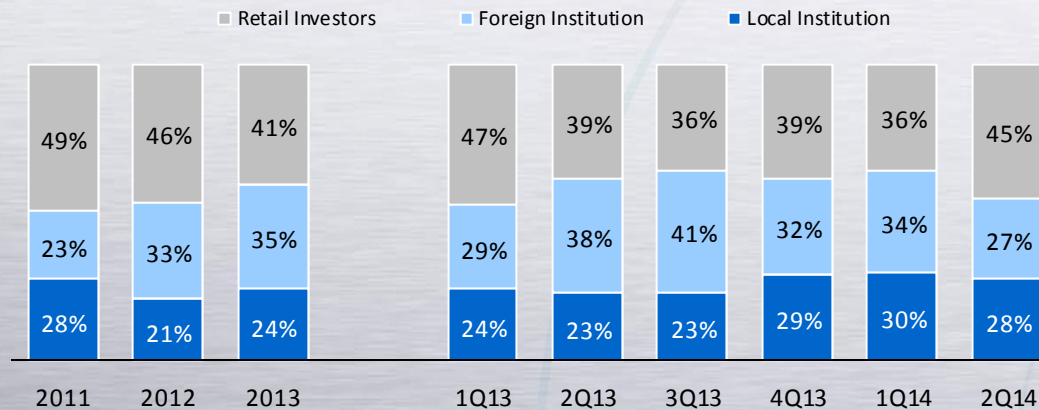


# Brokerage Business

## TISCO Trading Volume and Market Share



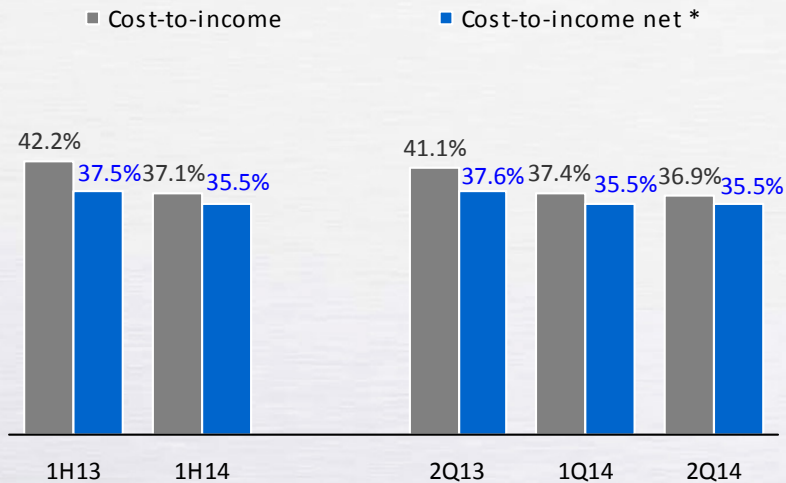
## TISCO Trading Volume by Customer



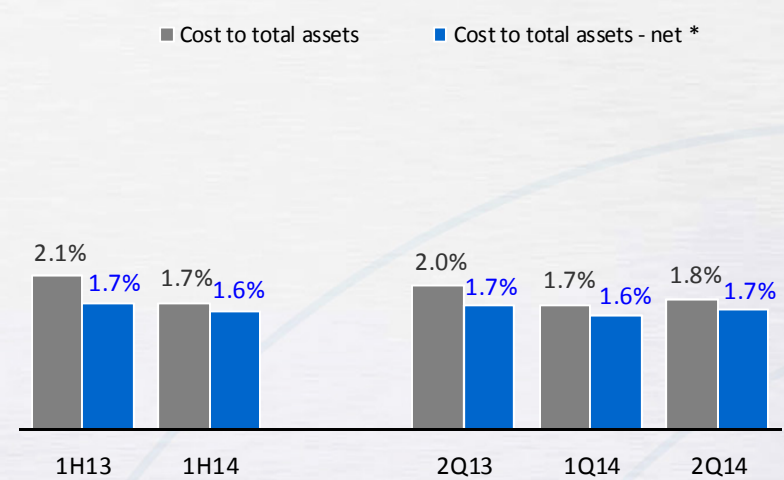


# Operating Expenses

## Cost to Income Ratio



## Cost to Total Assets Ratio



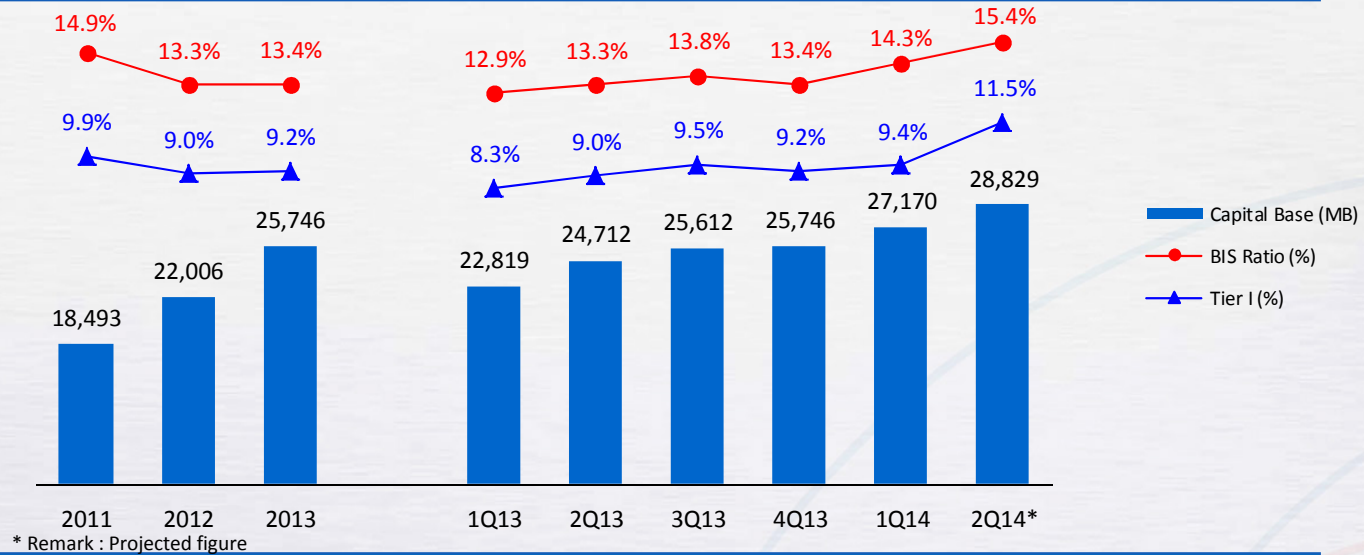
Unit: Million Baht	2Q13	1Q14	2Q14	%QoQ	%YoY	1H13	1H14	%YoY
Employee's expenses	946	818	844	3.2	(10.8)	1,943	1,662	(14.4)
Premises & equipment expenses	224	221	238	7.5	6.5	452	460	1.6
Taxes & duties	55	54	58	6.0	4.7	104	112	7.5
Other expenses *	160	212	223	5.3	39.3	334	435	30.1
<b>Total</b>	<b>1,385</b>	<b>1,305</b>	<b>1,363</b>	<b>4.4</b>	<b>(1.6)</b>	<b>2,834</b>	<b>2,669</b>	<b>(5.8)</b>

Remark: \* Excluded expense from business promotion relating to HP business

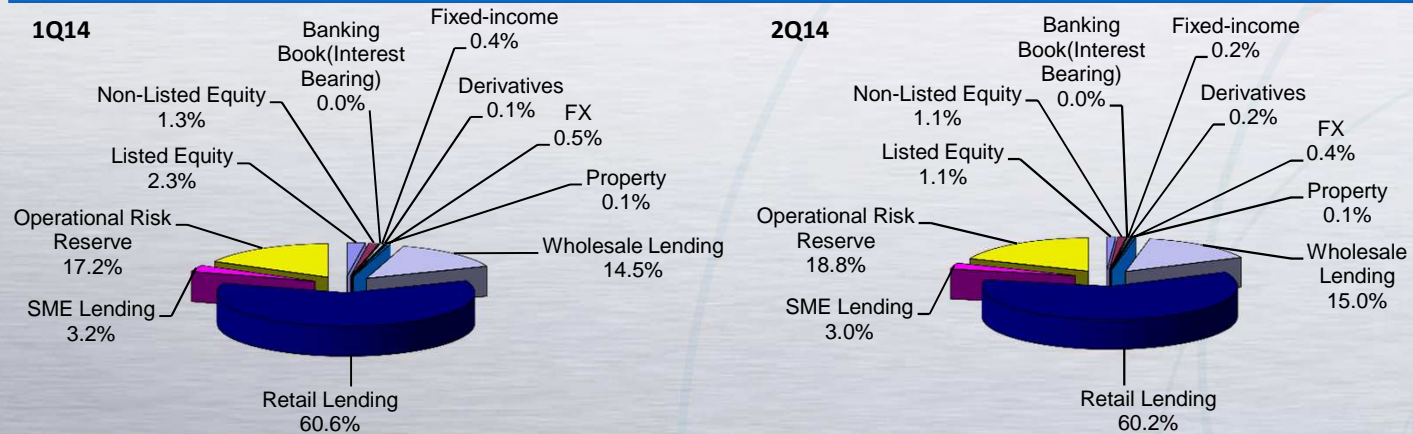


# Capital Adequacy

## Capital Adequacy Ratio of TISCO Bank



## Risk-Based Capital Exposure

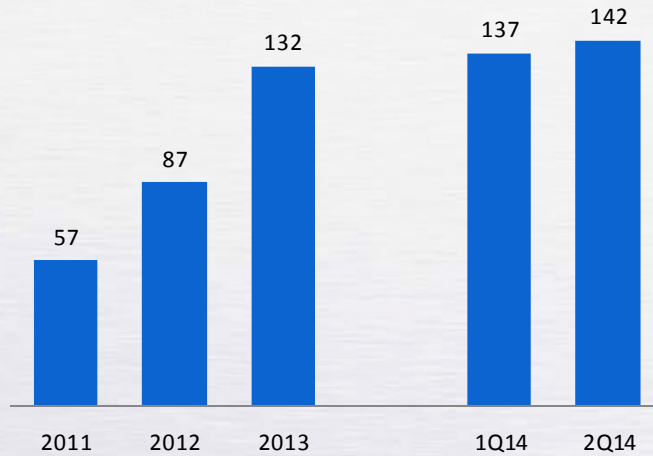




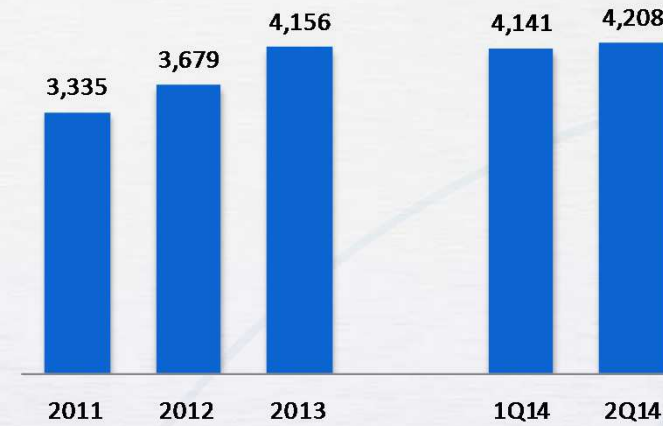


# Employee and Branch Network

■ Total Branch Network



■ No. of Employee





# Disclaimer

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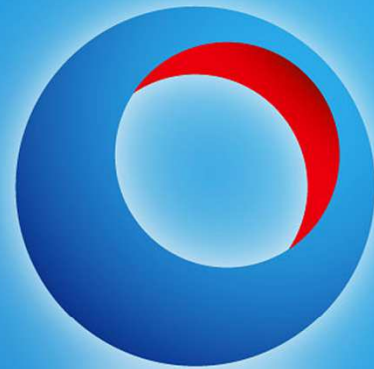
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**TISCO**

WEALTH OF POSSIBILITIES