

**TISCO**

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

**Analyst Meeting 3Q 2015**

October 14, 2015





## 3Q 2015 Financial Results



# Consolidated Income Statements

Unit : Million Baht	3Q14	2Q15	3Q15	% QoQ	% YoY	9M14	9M15	% YoY
Interest Income	4,670	4,263	4,176	(2.0)	(10.6)	14,360	12,813	(10.8)
Interest Expenses	(2,214)	(1,815)	(1,559)	(14.1)	(29.6)	(7,262)	(5,349)	(26.3)
<b>Net Interest Income</b>	<b>2,456</b>	<b>2,448</b>	<b>2,617</b>	<b>6.9</b>	<b>6.6</b>	<b>7,098</b>	<b>7,465</b>	<b>5.2</b>
Fee & Service Income	1,330	1,348	1,245	(7.6)	(6.4)	3,913	3,895	(0.5)
Fee & Service Expenses	(57)	(46)	(46)	0.6	(19.6)	(154)	(150)	(2.1)
Other Operating Income*	221	180	281	56.3	27.2	532	779	46.5
<b>Total Non-Interest Income</b>	<b>1,494</b>	<b>1,481</b>	<b>1,479</b>	<b>(0.1)</b>	<b>(0.9)</b>	<b>4,292</b>	<b>4,524</b>	<b>5.4</b>
<b>Total Income</b>	<b>3,949</b>	<b>3,930</b>	<b>4,096</b>	<b>4.2</b>	<b>3.7</b>	<b>11,389</b>	<b>11,988</b>	<b>5.3</b>
Operating Expenses*	(1,439)	(1,434)	(928)	(35.3)	(35.5)	(4,081)	(3,862)	(5.4)
<b>PPOP</b>	<b>2,510</b>	<b>2,496</b>	<b>3,168</b>	<b>26.9</b>	<b>26.2</b>	<b>7,308</b>	<b>8,126</b>	<b>11.2</b>
Provisions	(1,138)	(1,244)	(2,166)	74.1	90.4	(3,533)	(4,381)	24.0
<b>Pre-tax Profit</b>	<b>1,373</b>	<b>1,252</b>	<b>1,003</b>	<b>(19.9)</b>	<b>(27.0)</b>	<b>3,776</b>	<b>3,745</b>	<b>(0.8)</b>
Income Tax	(272)	(243)	(197)	(19.1)	(27.8)	(742)	(732)	(1.4)
<b>Net Profit</b>	<b>1,089</b>	<b>1,004</b>	<b>810</b>	<b>(19.3)</b>	<b>(25.6)</b>	<b>3,015</b>	<b>3,006</b>	<b>(0.3)</b>
EPS (Baht)	1.36	1.25	1.01			3.77	3.75	
ROAE (%)	18.1	15.1	12.2			16.9	15.2	

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



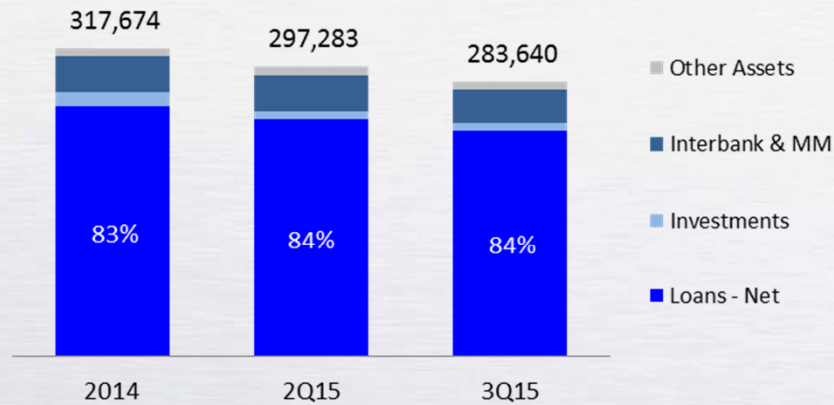
# Assets and Liabilities

## Assets

Unit: Million Baht

▼ 4.6% QoQ

▼ 10.7% YTD

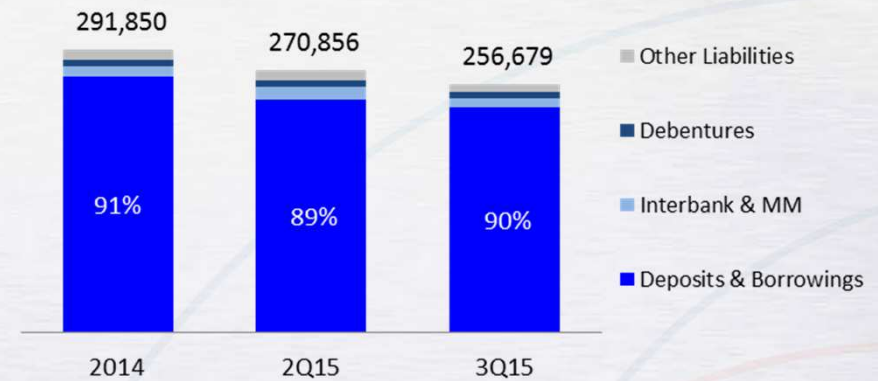


## Liabilities

Unit: Million Baht

▼ 5.2% QoQ

▼ 12.1% YTD



Unit : Million Baht	2014	2Q15	3Q15	% QoQ	% YTD
Loans - Net	262,784	249,341	237,260	(4.8)	(9.7)
Allowance	(6,950)	(7,650)	(5,813)	(24.0)	(16.4)
Investments	15,003	9,298	8,805	(5.3)	(41.3)
Interbank & MM	38,058	37,003	34,880	(5.7)	(8.3)
Other Assets	8,779	9,291	8,507	(8.4)	(3.1)
<b>Total Assets</b>	<b>317,674</b>	<b>297,283</b>	<b>283,640</b>	<b>(4.6)</b>	<b>(10.7)</b>

Unit : Million Baht	2014	2Q15	3Q15	% QoQ	% YTD
Deposits & Borrowings	264,147	240,444	231,900	(3.6)	(12.2)
Interbank & MM	10,897	12,917	9,207	(28.7)	(15.5)
Debentures	6,643	6,643	6,643	-	-
Other Liabilities	10,162	10,851	8,928	(17.7)	(12.1)
<b>Total Liabilities</b>	<b>291,850</b>	<b>270,856</b>	<b>256,679</b>	<b>(5.2)</b>	<b>(12.1)</b>
Retained Earnings	15,025	15,608	16,421	5.2	9.3
<b>Total Equities</b>	<b>25,824</b>	<b>26,427</b>	<b>26,960</b>	<b>2.0</b>	<b>4.4</b>

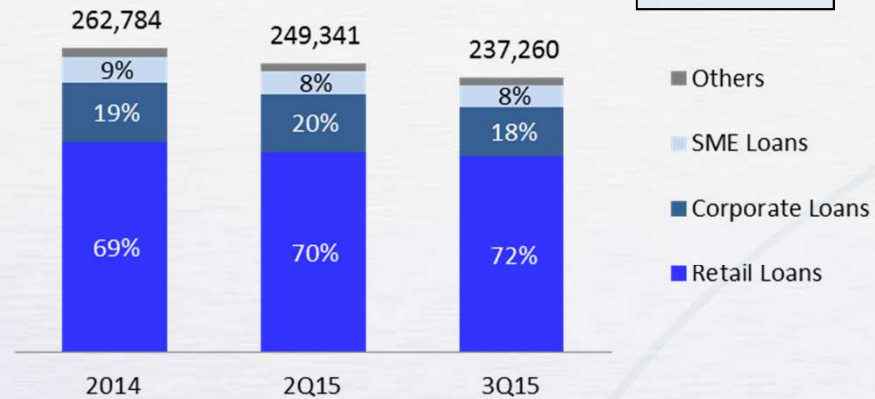


# Loan Portfolio

## Total Loan Portfolio

Unit: Million Baht

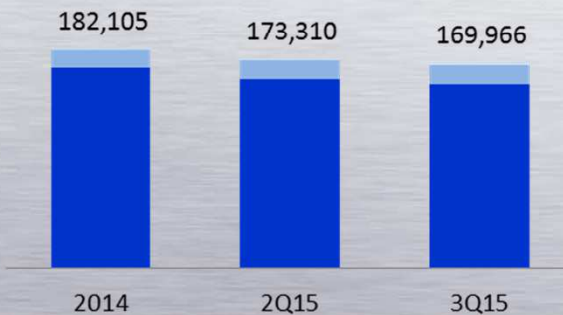
▼ 4.8% QoQ  
▼ 9.7% YTD



## Retail Loans

Unit: Million Baht

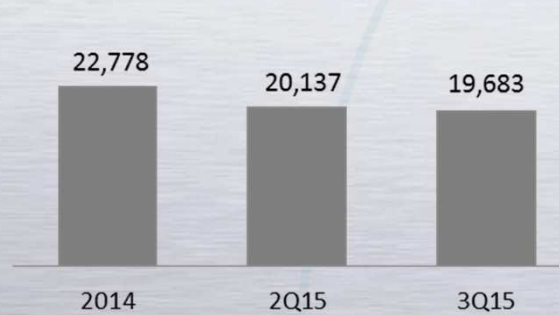
▼ 1.9% QoQ  
▼ 6.7% YTD



## SME Loans

Unit: Million Baht

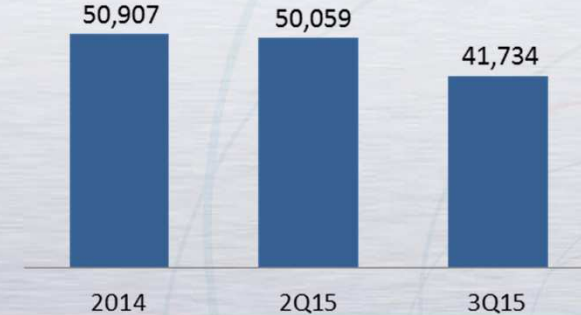
▼ 2.3% QoQ  
▼ 13.6% YTD



## Corporate Loans

Unit: Million Baht

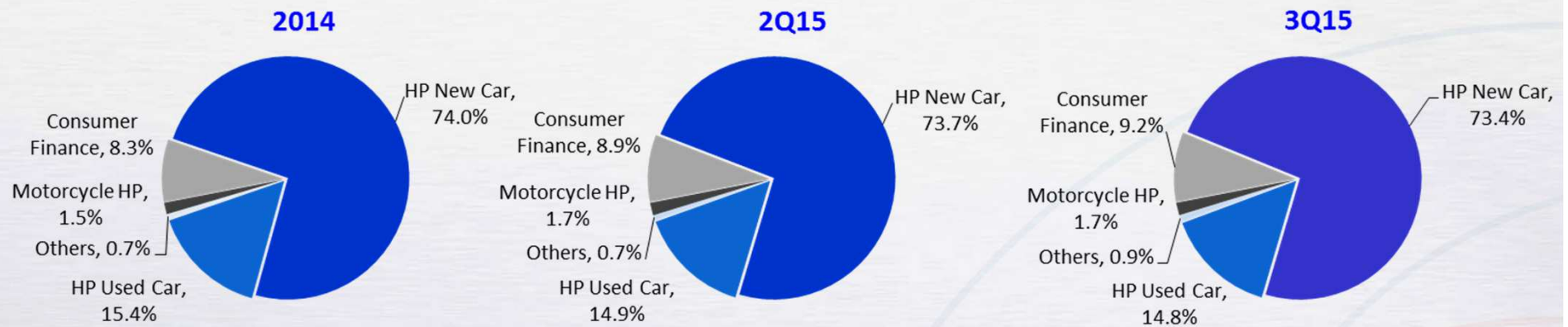
▼ 16.6% QoQ  
▼ 18.0% YTD





# Retail Loan Portfolio

## Retail Loan Breakdown

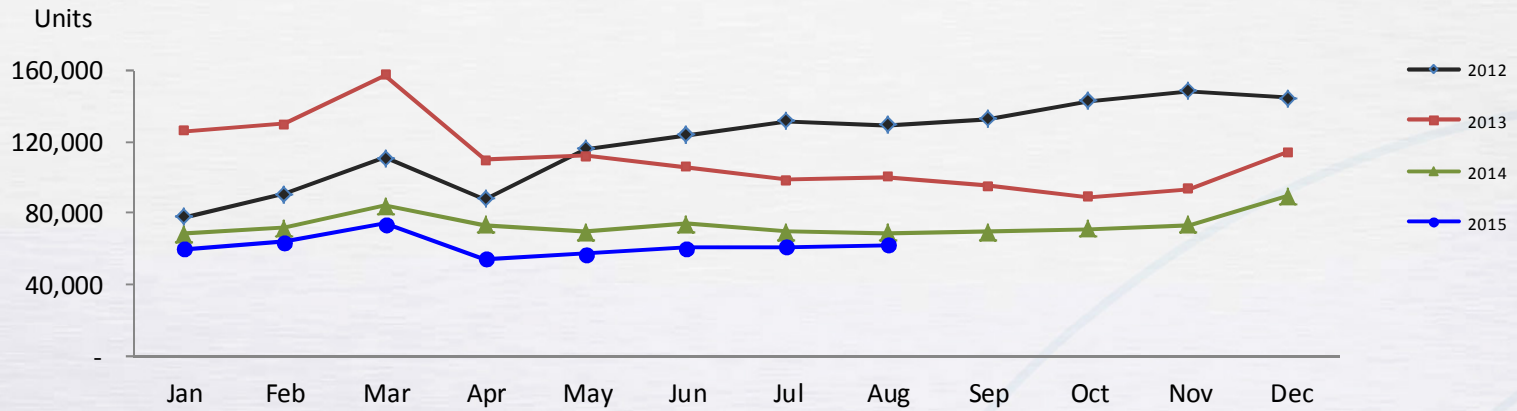




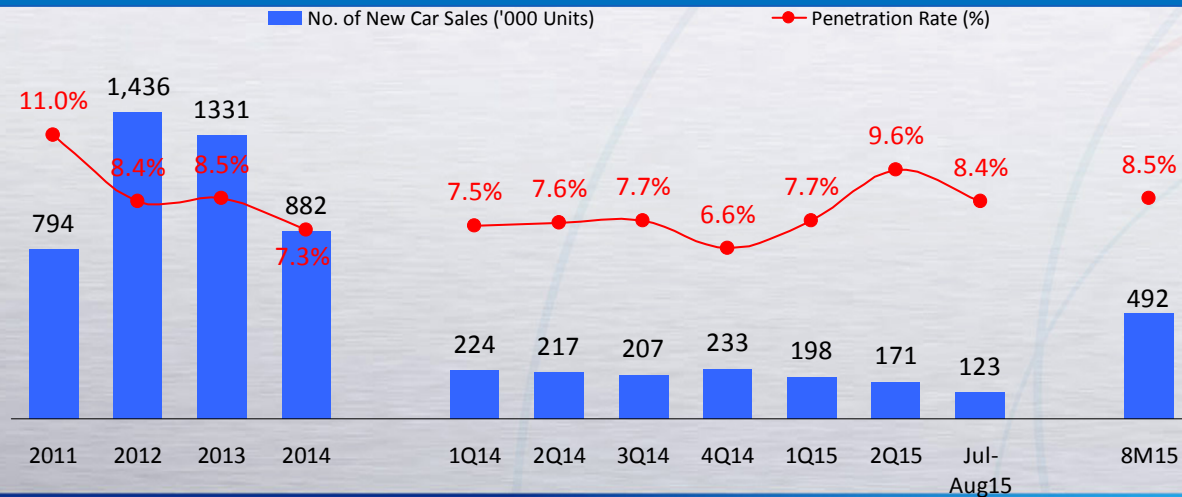


# Industry Car Sales and Penetration Rate

## Industry New Car Sales



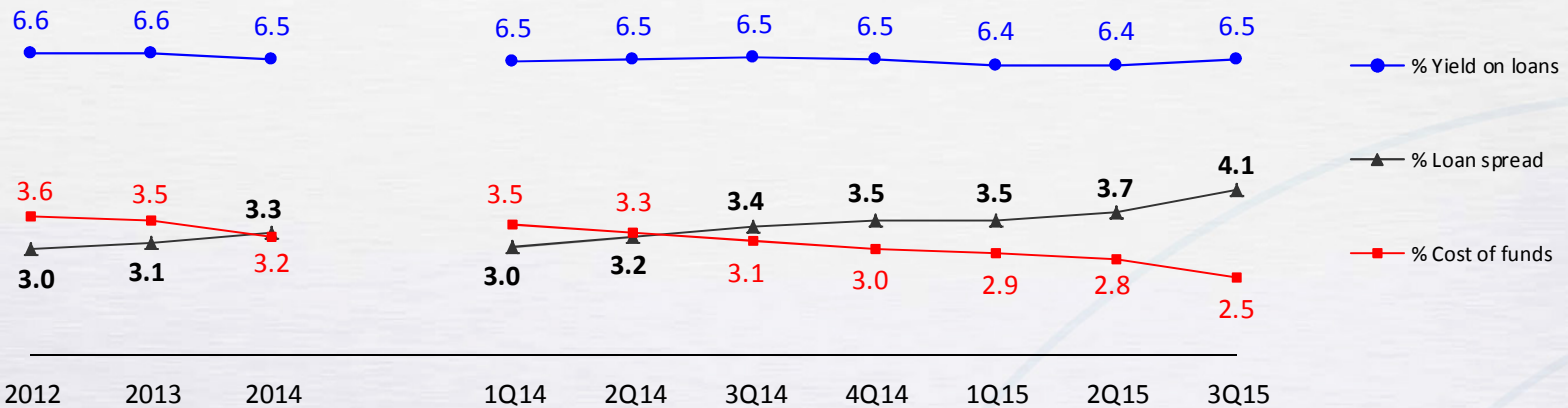
## TISCO Auto HP Penetration Rate





# 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



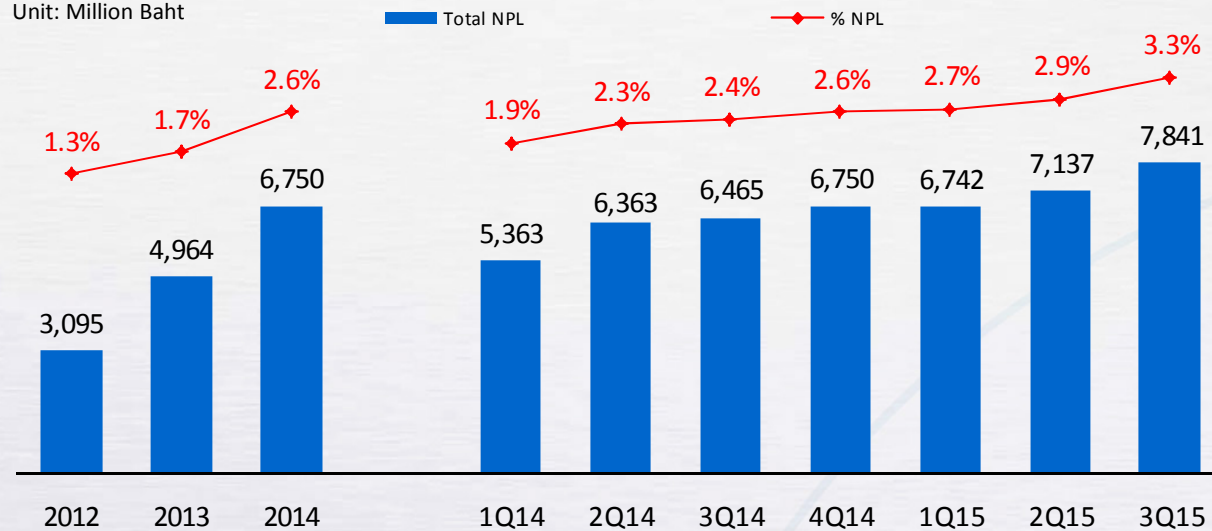




# Asset Quality

## NPL and NPL Ratio

Unit: Million Baht

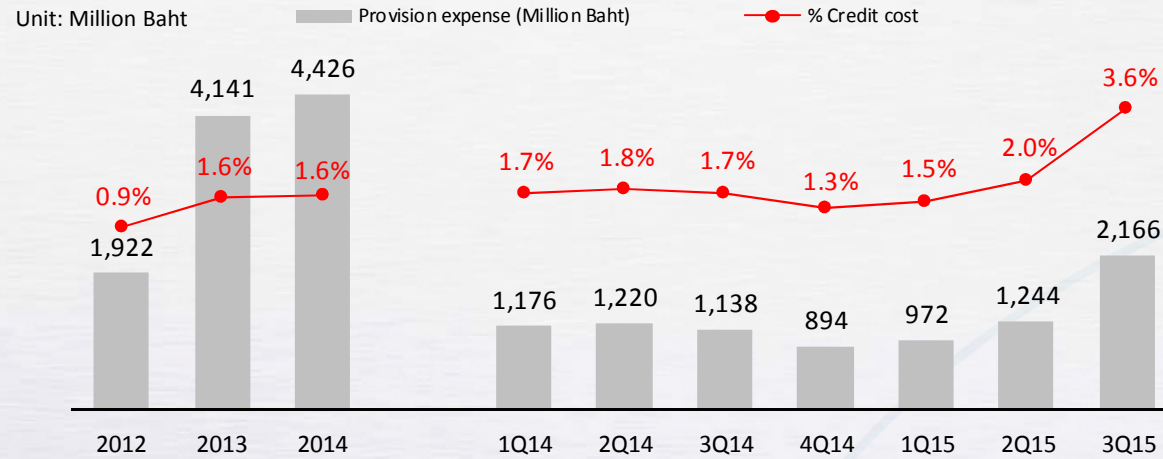


NPL by Loan Type	2014		2Q15		3Q15	
	Million Baht	%	Million Baht	%	Million Baht	%
Corporate	258	0.5	311	0.6	1,156	2.8
SME	239	1.1	414	2.1	354	1.8
Hire Purchase	5,522	3.3	5,644	3.6	5,585	3.7
Mortgage	96	7.3	97	7.6	87	5.5
Others	635	2.9	671	3.2	659	3.1
<b>Total NPL</b>	<b>6,750</b>	<b>2.57</b>	<b>7,137</b>	<b>2.86</b>	<b>7,841</b>	<b>3.30</b>

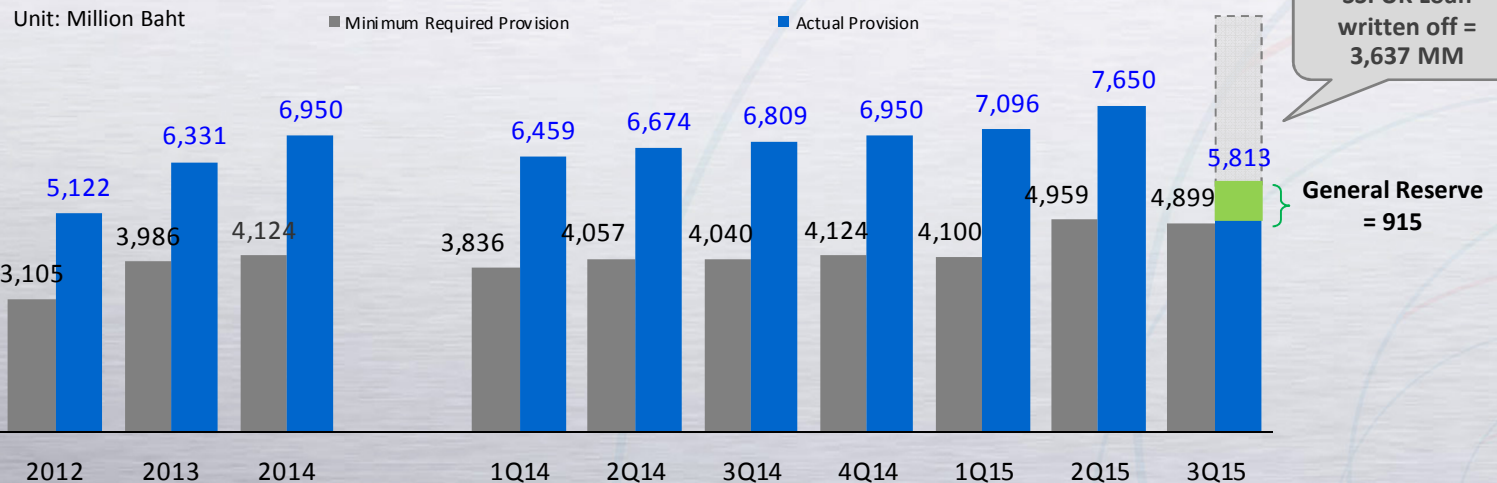


# Provisions

## Provision Expense and Credit Cost



## Minimum Required Provision vs Actual Provision





# Provisions

## Provisions Movement - QoQ

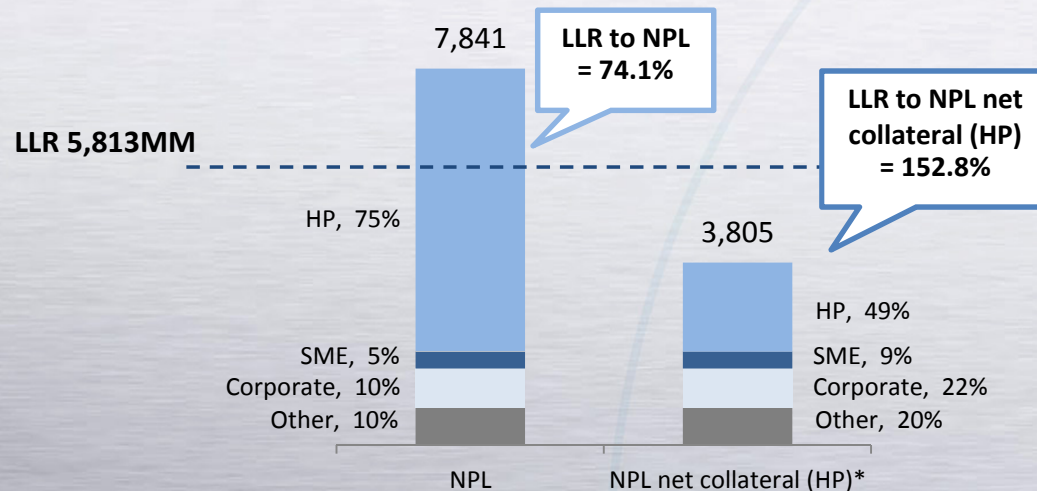
Unit: Million Baht

Specific Provision		General Provision	
Beginning Balance	4,959	Beginning Balance	2,691
<u>Less</u> SSI UK	(743)	Set up for the period	2,166
<u>Add</u> SSI Thailand	248	<u>Less</u> SSI UK	(2,894)
<u>Add</u> Other *	435	<u>Less</u> SSI Thailand	(248)
		<u>Less</u> Other Port.	(800)
<b>Ending Balance - Sep 15</b>	<b>4,899</b>	<b>Ending Balance - Sep 15</b>	<b>915</b>

\* Include effect from ever-default

## Loan Loss Reserve to NPL ratio

Unit: Million Baht



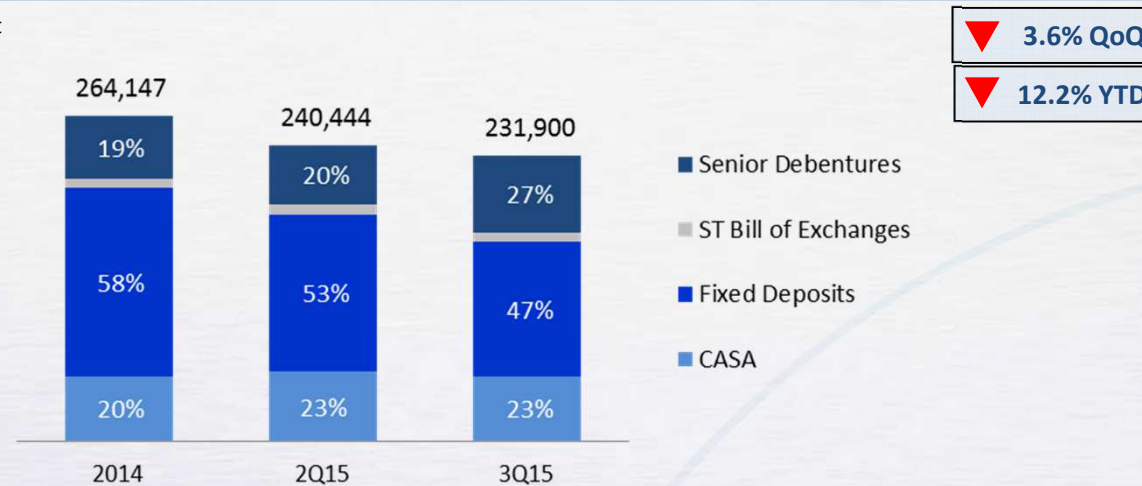
\*Remark: Collateral is defined by 1 – LGD (25%) applied only to HP portfolio



# Deposits

## Total Deposits & Bill of Exchanges

Unit: Million Baht



Unit : Million Baht	2014	2Q15	3Q15	% QoQ	% YTD
Current	2,917	3,392	3,204	(5.5)	9.8
Savings	49,606	52,907	49,052	(7.3)	(1.1)
Fixed Deposits	152,860	128,056	109,849	(14.2)	(28.1)
Short-Term Bill of Exchanges	7,706	7,395	7,297	(1.3)	(5.3)
Senior Debentures	51,057	48,695	62,498	28.3	22.4
<b>Total Deposits &amp; Borrowings</b>	<b>264,147</b>	<b>240,444</b>	<b>231,900</b>	<b>(3.6)</b>	<b>(12.2)</b>
Subordinated Debentures	6,643	6,643	6,643		
% LDR to Total Deposits & Borrowings	99.5	103.7	102.3		



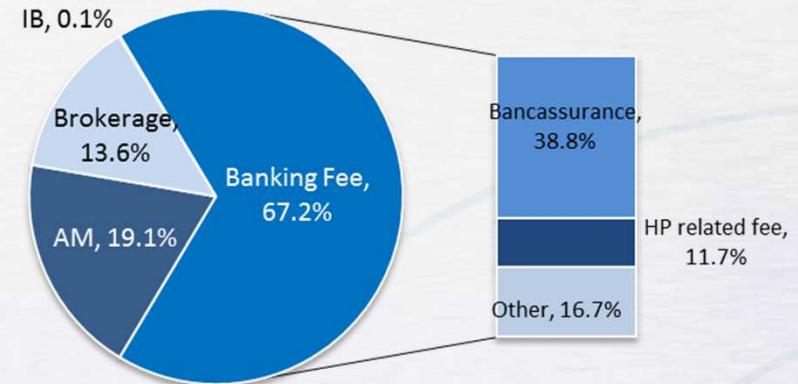
# Non-Interest Income

## Non-Interest Income from Core Businesses

Unit: Million Baht



## Non-Interest Income Breakdown



Unit : Million Baht	3Q14	2Q15	3Q15	% QoQ	% YoY	9M14	9M15	% YoY
Banking Fee*	827	872	947	8.6	14.4	2,725	2,700	(0.9)
Asset Management Fee	255	311	269	(13.7)	5.4	691	873	26.4
Brokerage Fee	269	194	192	(1.5)	(28.8)	637	636	(0.1)
Investment Banking Fee	1	47	1	(97.3)	26.2	8	52	545.8
<b>Non-Interest Income from Core Businesses</b>	<b>1,352</b>	<b>1,425</b>	<b>1,408</b>	<b>(1.2)</b>	<b>4.1</b>	<b>4,060</b>	<b>4,261</b>	<b>4.9</b>
Trading Income & Incentive	171	54	75	39.3	(56.0)	254	242	(4.7)
Share of Profit from Investment in Subsidiaries	9	35	23	(33.7)	173.8	35	79	129.2
Dividend Income	19	13	19	41.1	(1.3)	96	92	(4.2)
<b>Total Non-Interest Income</b>	<b>1,551</b>	<b>1,527</b>	<b>1,526</b>	<b>(0.1)</b>	<b>(1.6)</b>	<b>4,445</b>	<b>4,674</b>	<b>5.2</b>

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





# Asset Management Business

## TISCO Asset under Management

Unit: Million Baht

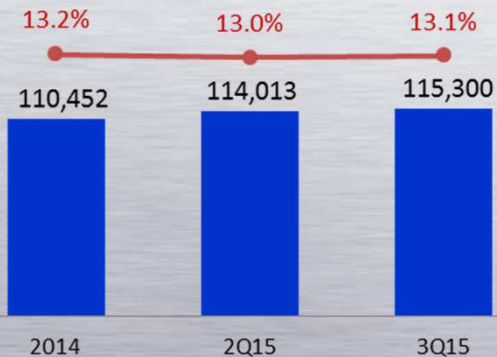
Rank #10  
 ▼ 2.0% QoQ  
 ▲ 2.3% YTD



### Provident Fund

Unit: Million Baht

Rank #4  
 ▲ 1.1% QoQ  
 ▲ 4.4% YTD



### Mutual Fund

Unit: Million Baht

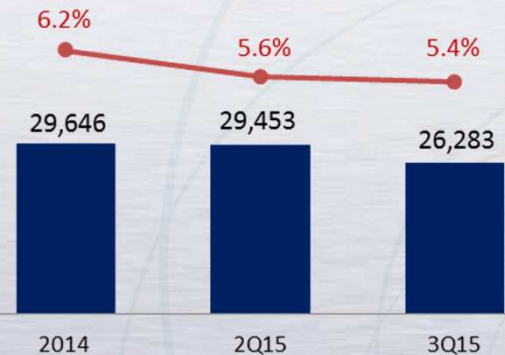
Rank #14  
 ▼ 4.9% QoQ  
 ▲ 7.9% YTD



### Private Fund

Unit: Million Baht

Rank #8  
 ▼ 10.8% QoQ  
 ▼ 11.3% YTD



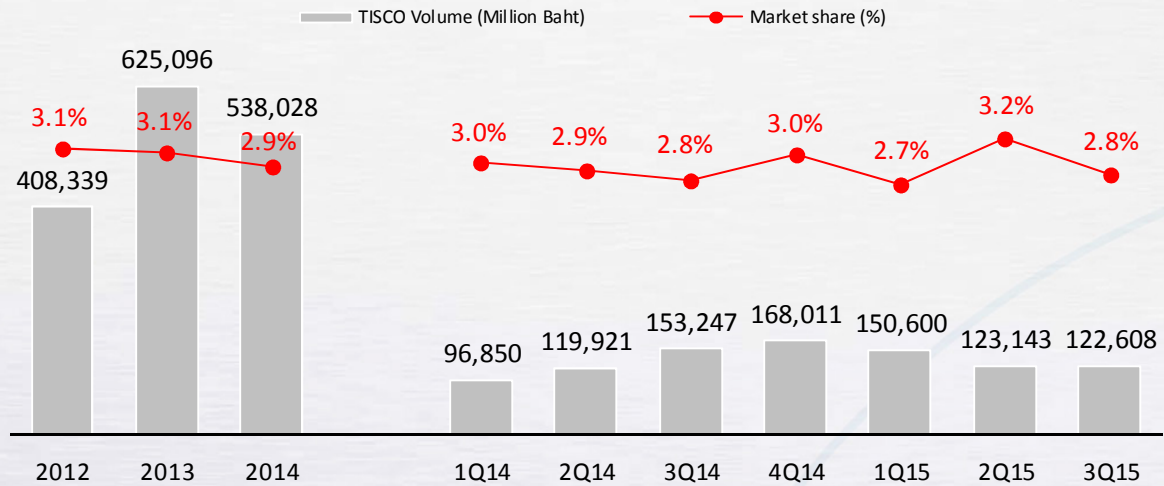
\*Rankings & Market Share as of August 2015



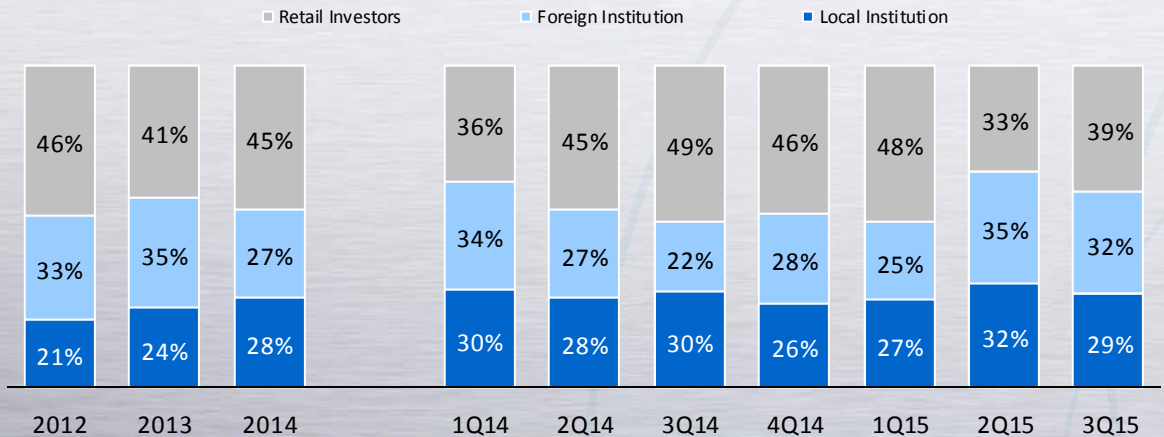


# Brokerage Business

## TISCO Trading Volume and Market Share



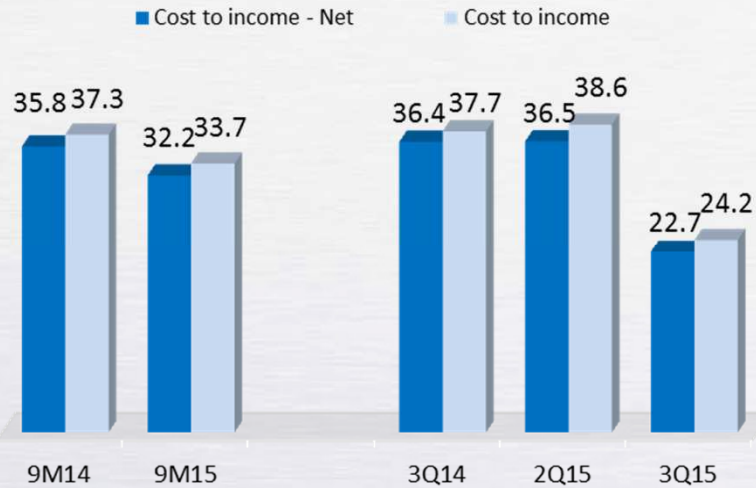
## TISCO Trading Volume by Customer



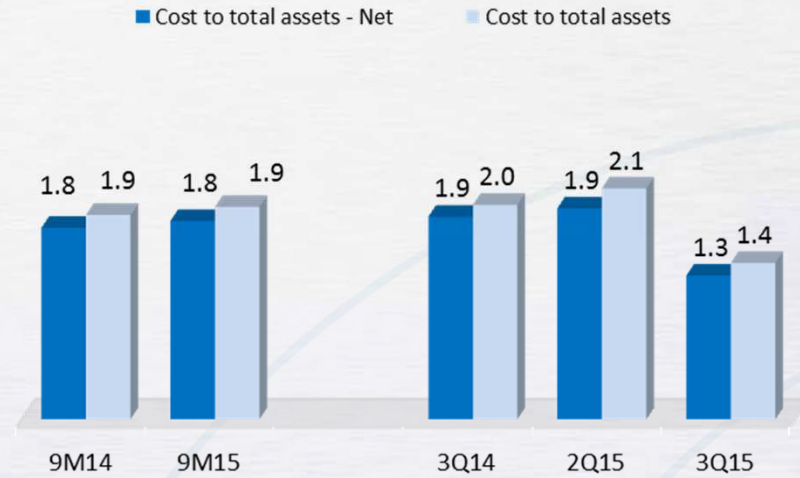


# Operating Expenses

### Cost to Income Ratio



### Cost to Total Assets Ratio



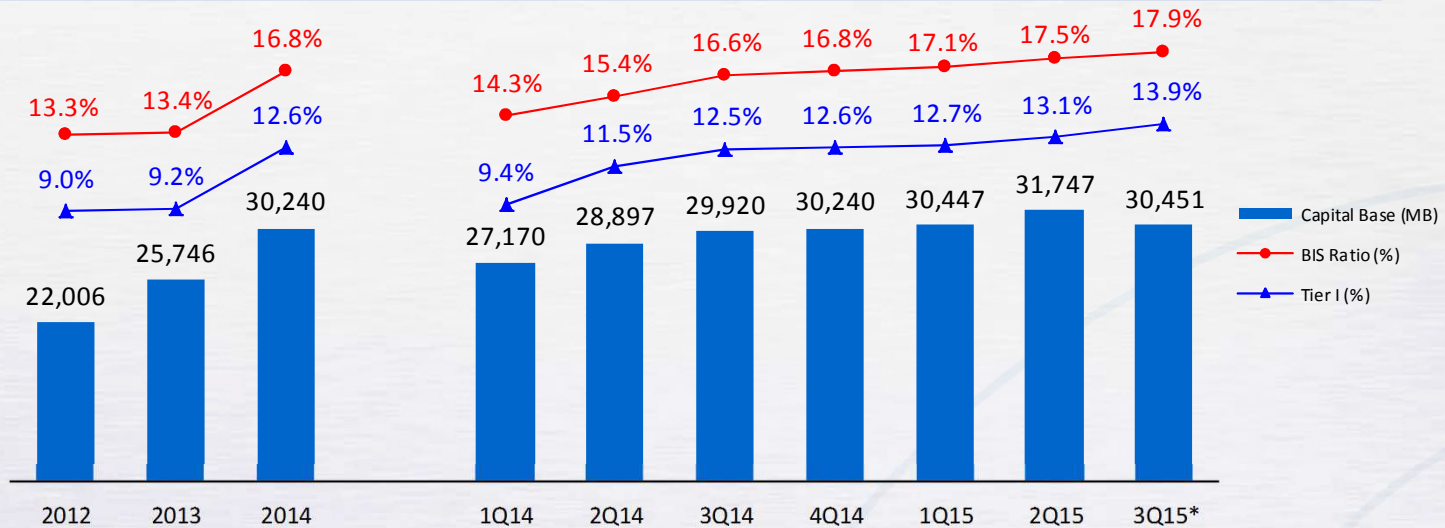
Unit : Million Baht	3Q14	2Q15	3Q15	% QoQ	% YoY	9M14	9M15	% YoY
Employees' Expenses	933	889	417	(53.1)	(55.3)	2,583	2,296	(11.1)
Premises & Equipment Expenses	226	237	230	(2.7)	2.0	670	698	4.2
Taxes & Duties	57	53	52	(2.9)	(8.7)	168	160	(4.8)
Other Expenses*	224	255	229	(10.1)	2.4	659	708	7.3
<b>Total Operating Expenses</b>	<b>1,439</b>	<b>1,434</b>	<b>928</b>	<b>(35.3)</b>	<b>(35.5)</b>	<b>4,081</b>	<b>3,862</b>	<b>(5.4)</b>

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



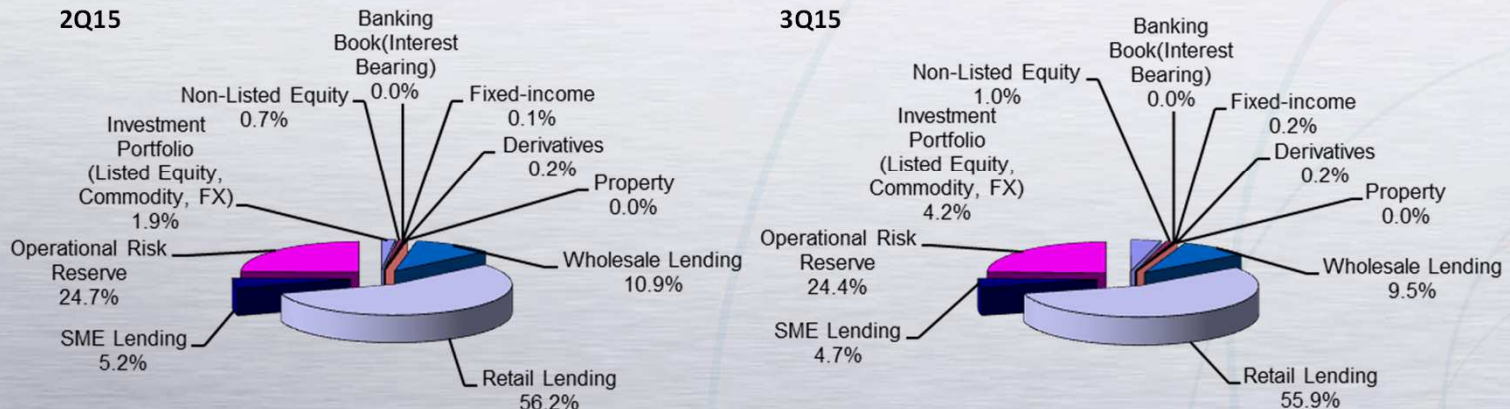
# Capital Adequacy

## Capital Adequacy Ratio of TISCO Bank



Remark: \* Projected Figure

## Risk-Based Capital Exposure





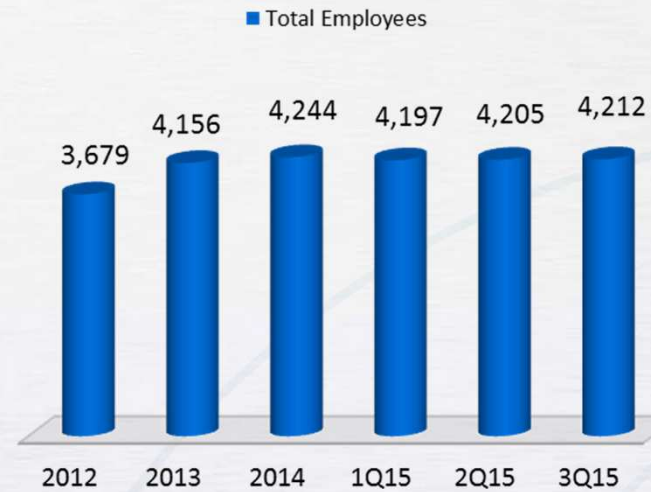


# Employees and Branch Network

Total Branch Network



Total TISCO Employees





# 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.



# Investor Relations

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

48/49 TISCO Tower, North Sathorn Road

Silom, Bangrak, Bangkok 10500

Thailand

Tel: +66-2-633-6868

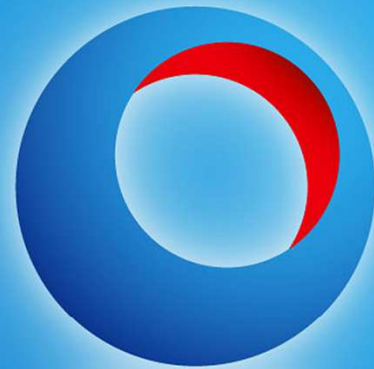
Fax: +66-2-633-6855

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

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







**TISCO**

WEALTH OF POSSIBILITIES