

**TISCO**

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

**Analyst Meeting 3Q2017**

October 12, 2017



# Consolidated Income Statements

Unit : Million Baht	3Q16	2Q17	3Q17	% QoQ	% YoY	9M2016	9M2017	% YoY
Interest Income	3,975	3,928	3,981	1.3	0.1	12,033	11,834	(1.7)
Interest Expenses	(1,218)	(1,167)	(1,208)	3.5	(0.8)	(3,893)	(3,537)	(9.1)
<b>Net Interest Income</b>	<b>2,758</b>	<b>2,761</b>	<b>2,772</b>	<b>0.4</b>	<b>0.5</b>	<b>8,140</b>	<b>8,297</b>	<b>1.9</b>
Fee & Service Income	1,463	1,350	1,536	13.8	5.0	4,039	4,398	8.9
Fee & Service Expenses	(56)	(54)	(55)	2.5	(2.2)	(167)	(169)	1.5
Other Operating Income*	155	172	225	30.9	45.2	449	581	29.6
<b>Total Non-Interest Income</b>	<b>1,561</b>	<b>1,468</b>	<b>1,706</b>	<b>16.2</b>	<b>9.2</b>	<b>4,321</b>	<b>4,810</b>	<b>11.3</b>
<b>Total Income</b>	<b>4,319</b>	<b>4,229</b>	<b>4,478</b>	<b>5.9</b>	<b>3.7</b>	<b>12,462</b>	<b>13,107</b>	<b>5.2</b>
Operating Expenses*	(1,652)	(1,808)	(1,918)	6.1	16.1	(4,823)	(5,524)	14.5
<b>PPOP</b>	<b>2,668</b>	<b>2,420</b>	<b>2,560</b>	<b>5.8</b>	<b>(4.0)</b>	<b>7,639</b>	<b>7,582</b>	<b>(0.7)</b>
Provisions	(1,092)	(542)	(611)	12.8	(44.0)	(2,999)	(1,906)	(36.4)
<b>Pre-tax Profit</b>	<b>1,576</b>	<b>1,878</b>	<b>1,948</b>	<b>3.7</b>	<b>23.6</b>	<b>4,640</b>	<b>5,676</b>	<b>22.3</b>
Income Tax	(317)	(370)	(372)	0.6	17.4	(915)	(1,093)	19.4
<b>Net Profit</b>	<b>1,250</b>	<b>1,505</b>	<b>1,572</b>	<b>4.5</b>	<b>25.8</b>	<b>3,713</b>	<b>4,568</b>	<b>23.0</b>
<i>EPS (Baht)</i>	<i>1.56</i>	<i>1.88</i>	<i>1.96</i>			<i>4.64</i>	<i>5.71</i>	
<i>ROAE (%)</i>	<i>17.1</i>	<i>18.8</i>	<i>19.5</i>			<i>17.1</i>	<i>19.0</i>	

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

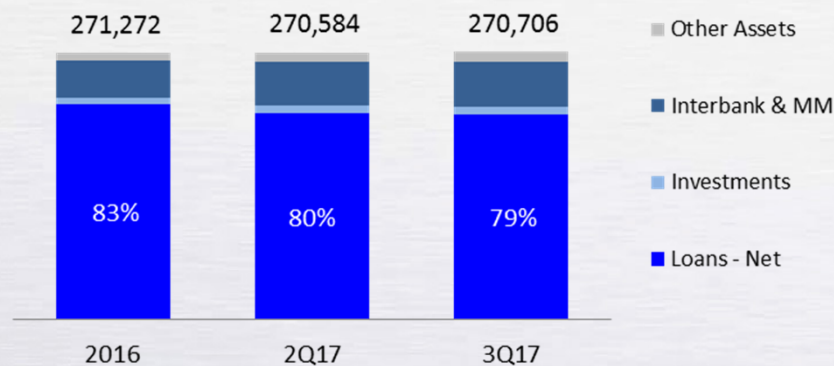


# Assets and Liabilities

## Assets

Unit: Million Baht

▲ 0.0% QoQ  
▼ 0.2% YTD

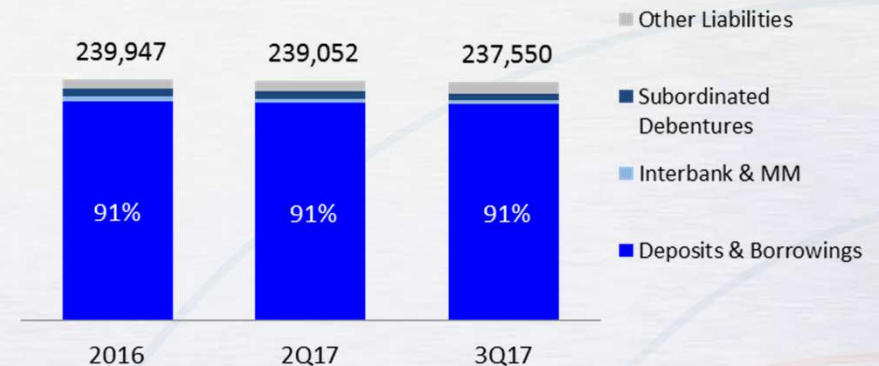


Unit : Million Baht	2016	2Q17	3Q17	% QoQ	% YTD
Loans - Net	224,934	216,149	215,038	(0.5)	(4.4)
Allowance	(7,984)	(8,963)	(9,363)	4.5	17.3
Investments	7,632	7,865	8,237	4.7	7.9
Interbank & MM	38,067	46,118	46,796	1.5	22.9
Other Assets	8,623	9,415	9,998	6.2	15.9
<b>Total Assets</b>	<b>271,272</b>	<b>270,584</b>	<b>270,706</b>	<b>0.0</b>	<b>(0.2)</b>

## Liabilities

Unit: Million Baht

▼ 0.6% QoQ  
▼ 1.0% YTD



Unit : Million Baht	2016	2Q17	3Q17	% QoQ	% YTD
Deposits & Borrowings	218,073	216,670	215,198	(0.7)	(1.3)
Interbank & MM	5,197	3,918	3,825	(2.4)	(26.4)
Subordinated Debentures	7,323	7,323	7,323	-	-
Other Liabilities	9,354	11,141	11,203	0.6	19.8
<b>Total Liabilities</b>	<b>239,947</b>	<b>239,052</b>	<b>237,550</b>	<b>(0.6)</b>	<b>(1.0)</b>
Retained Earnings	20,753	20,847	22,421	7.6	8.0
<b>Total Equities</b>	<b>31,326</b>	<b>31,532</b>	<b>33,156</b>	<b>5.1</b>	<b>5.8</b>

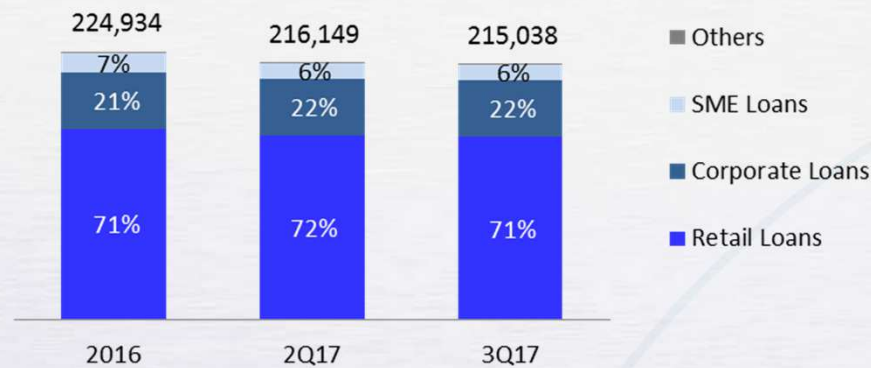


# Loan Portfolio

## Total Loan Portfolio

Unit: Million Baht

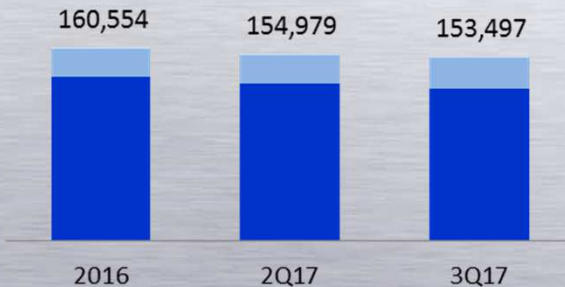
▼ 0.5% QoQ  
▼ 4.4% YTD



## Retail Loans

Unit: Million Baht

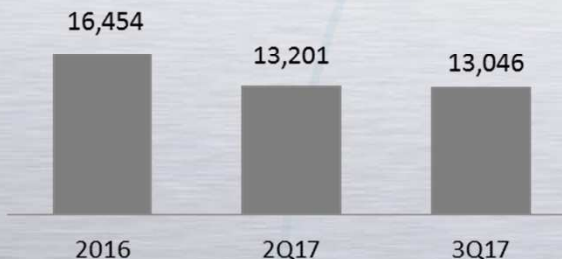
▼ 1.0% QoQ  
▼ 4.4% YTD



## SME Loans

Unit: Million Baht

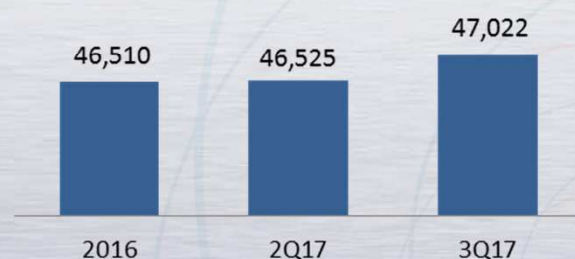
▼ 1.2% QoQ  
▼ 20.7% YTD



## Corporate Loans

Unit: Million Baht

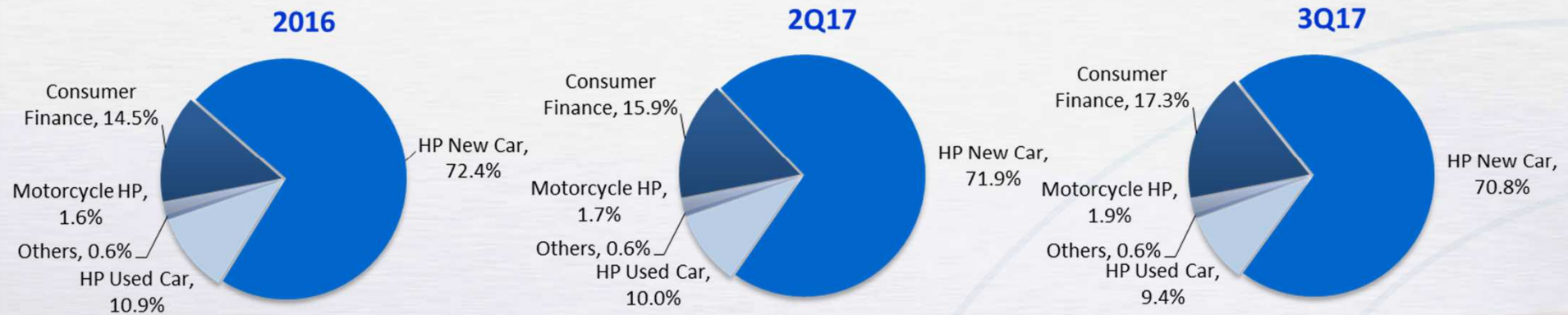
▲ 1.1% QoQ  
▲ 1.1% YTD





# Retail Loan Portfolio

## Retail Loan Breakdown



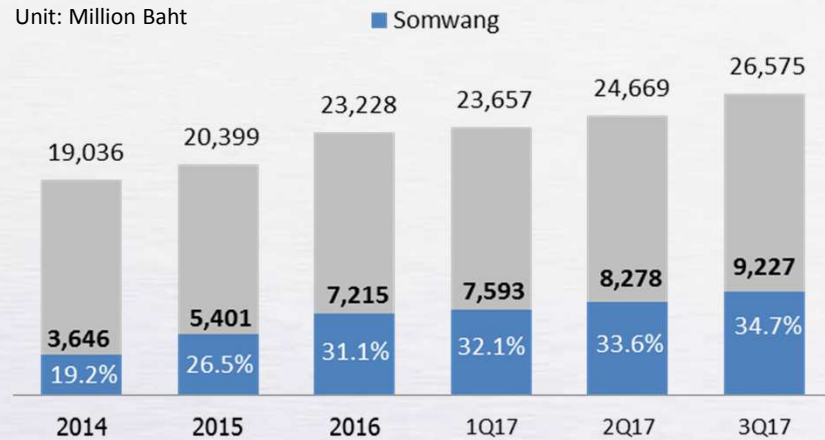




# Consumer Finance Loan

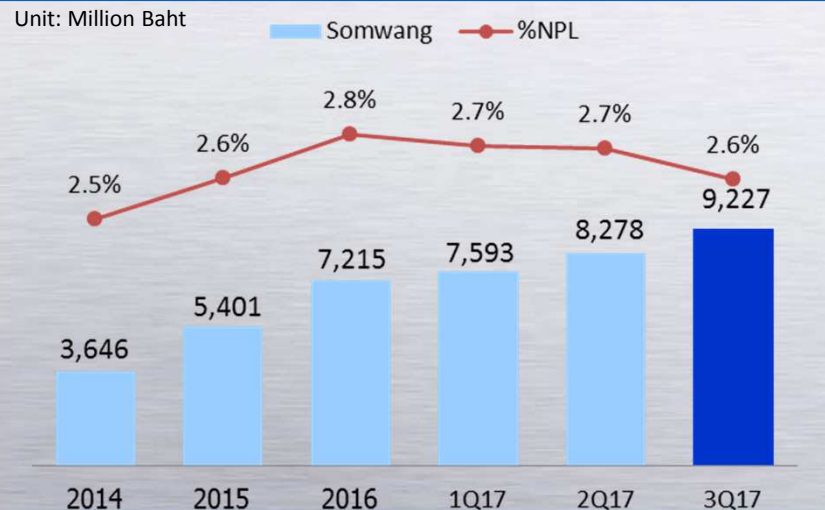
## Consumer Finance Loan Outstanding

Unit: Million Baht



## Somwang Loan Outstanding

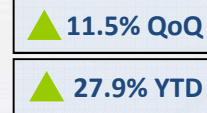
Unit: Million Baht



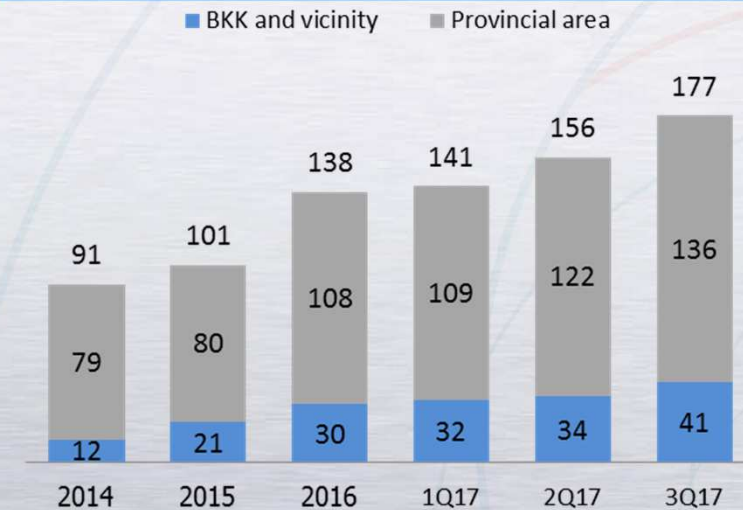
## Consumer Finance



## Somwang



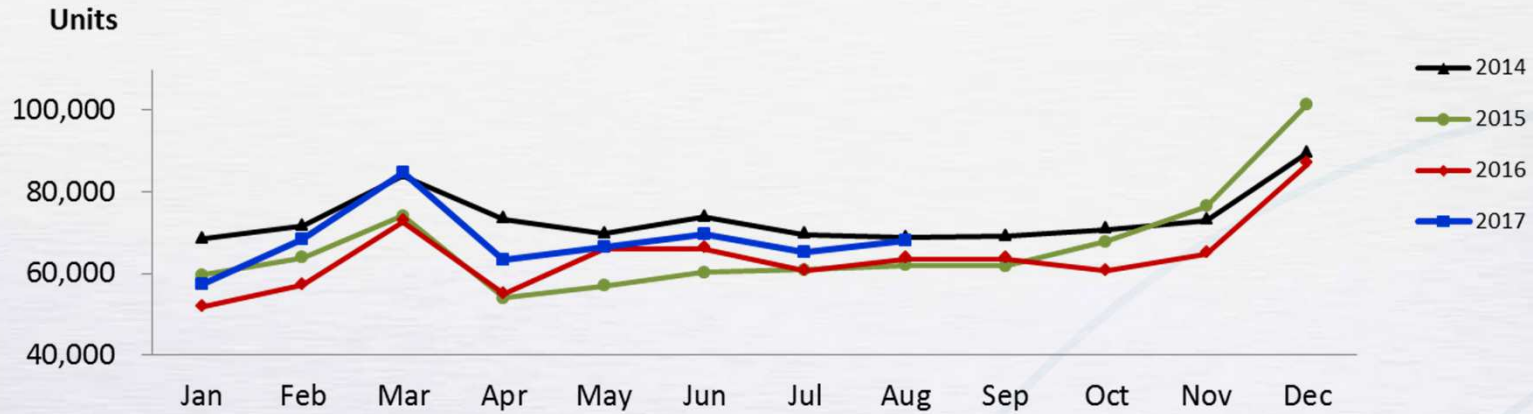
## Somwang Branches



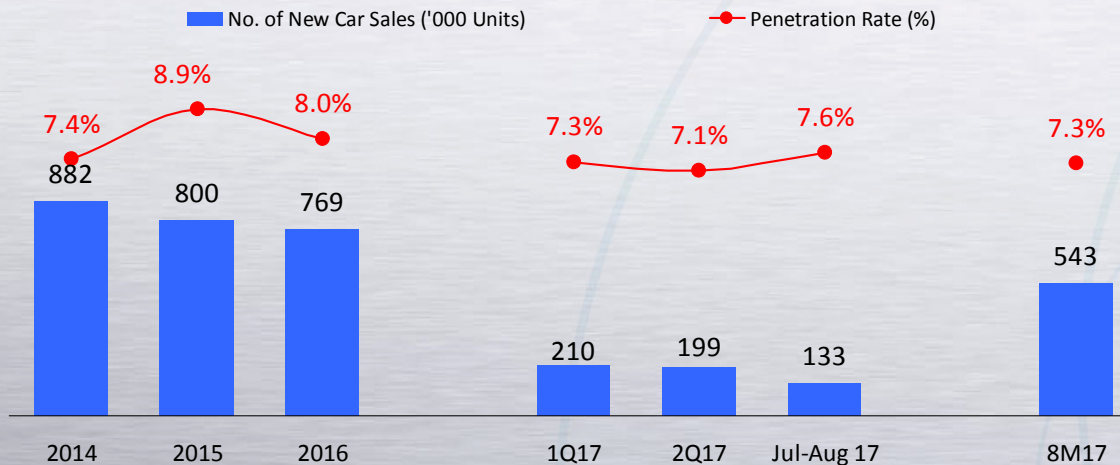


# Industry Car Sales and Penetration Rate

## Industry New Car Sales



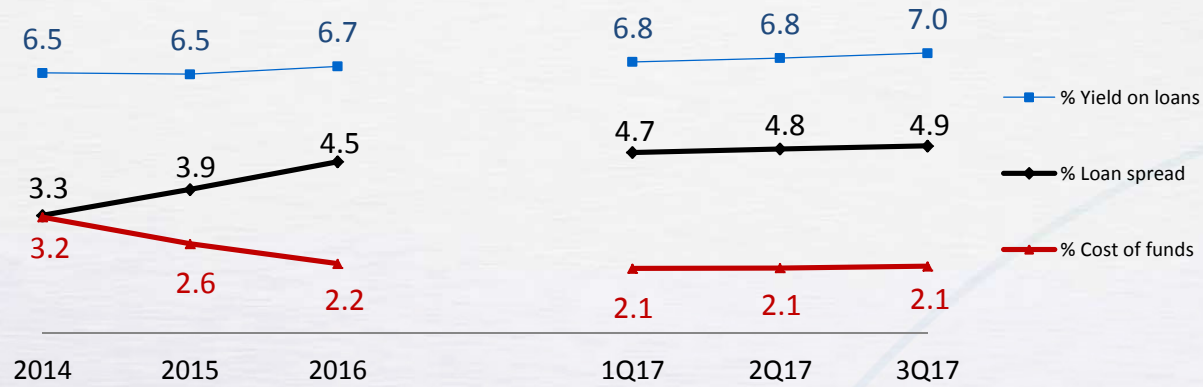
## TISCO Auto HP Penetration Rate





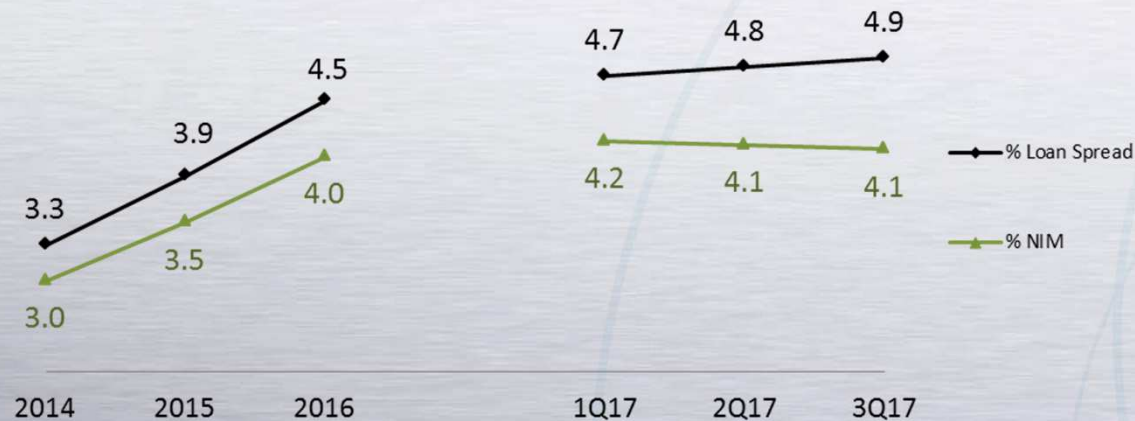
# Loan Spread and Net Interest Margin

## Yield on Loans and Cost of Funds



Remark: Cost of funds include contributions to FIDF and DPA

## Loan Spread and Net Interest Margin



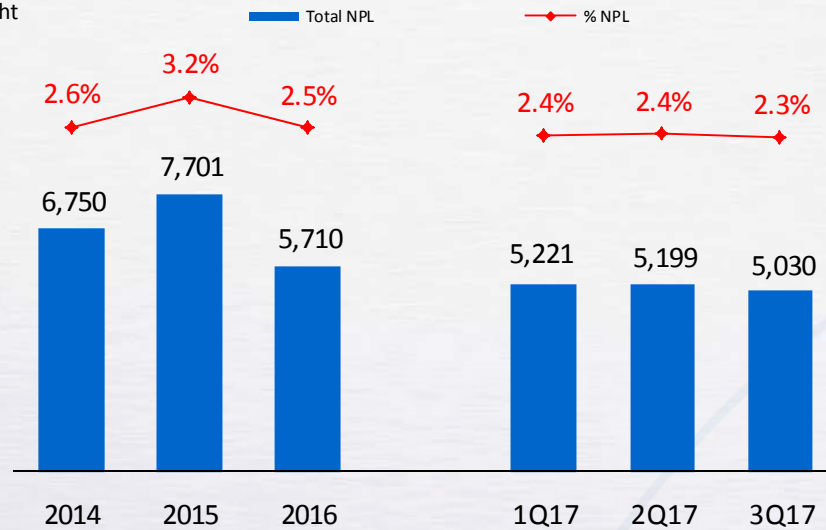




# Asset Quality

## NPL and NPL Ratio

Unit: Million Baht



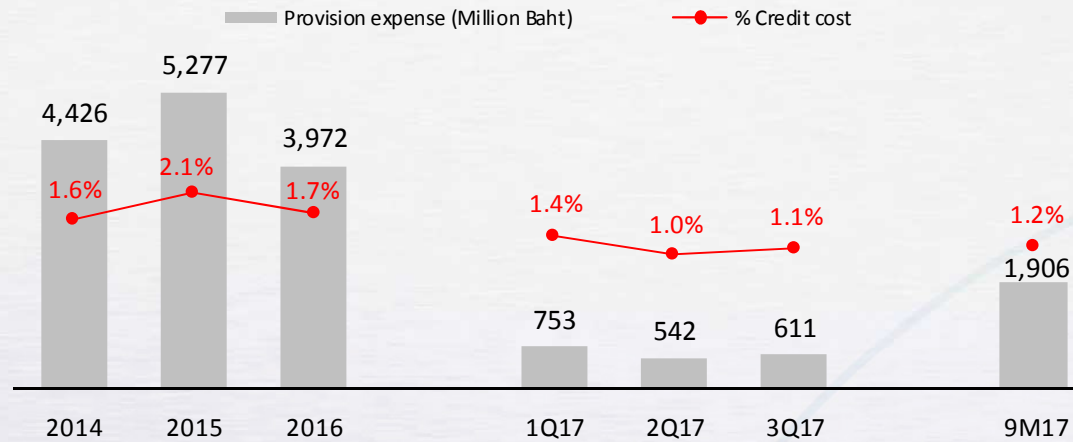
NPL by Loan Type	2016		2Q17		3Q17	
	Million Baht	%	Million Baht	%	Million Baht	%
Corporate	412	0.9	382	0.8	412	0.9
SME	595	3.6	522	4.0	460	3.5
Hire Purchase	4,043	3.0	3,618	2.8	3,452	2.7
Mortgage	91	9.3	87	9.4	91	10.1
Others	569	2.3	592	2.3	614	2.2
<b>Total NPL</b>	<b>5,710</b>	<b>2.54</b>	<b>5,199</b>	<b>2.41</b>	<b>5,030</b>	<b>2.34</b>



# Provisions

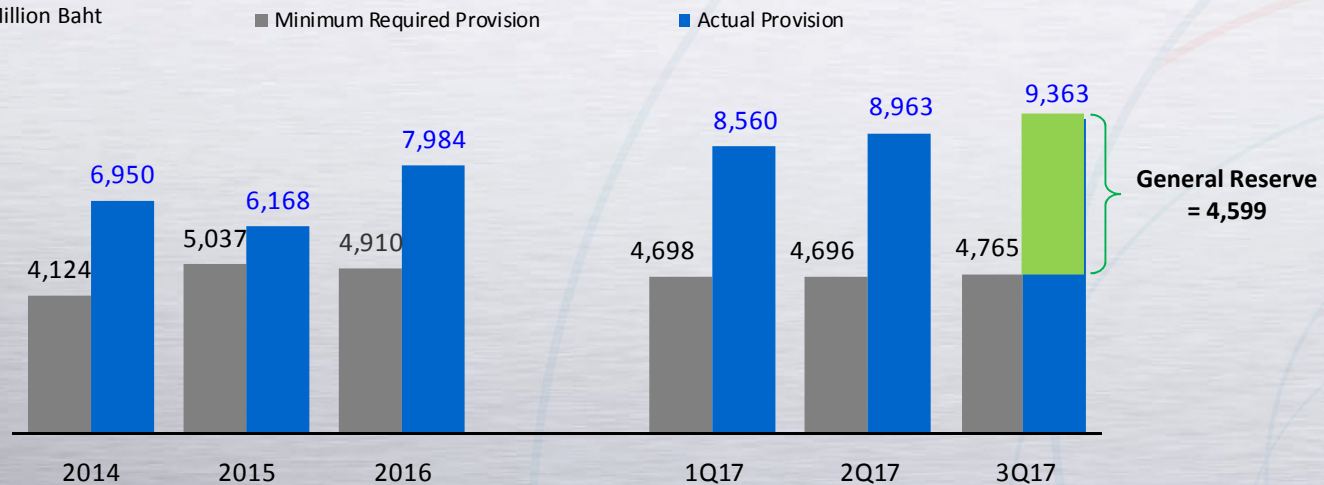
## Provision Expense and Credit Cost

Unit: Million Baht



## Minimum Required Provision vs Actual Provision

Unit: Million Baht





# Deposits

## Total Deposits & Bill of Exchanges

Unit: Million Baht

▼ 0.7% QoQ  
▼ 1.3% YTD



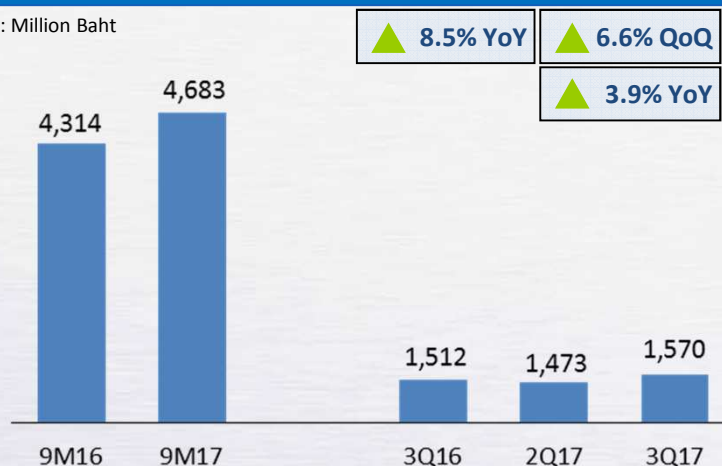
Unit : Million Baht	2016	2Q17	3Q17	% QoQ	% YTD
Current	3,691	2,587	3,381	30.7	(8.4)
Savings	51,928	52,787	53,018	0.4	2.1
Fixed Deposits	99,449	100,489	98,567	(1.9)	(0.9)
Short-Term Bill of Exchanges	5,967	5,537	8,312	50.1	39.3
Senior Debentures	57,039	55,271	51,921	(6.1)	(9.0)
<b>Total Deposits &amp; Borrowings</b>	<b>218,073</b>	<b>216,670</b>	<b>215,198</b>	<b>(0.7)</b>	<b>(1.3)</b>
Subordinated Debentures	7,323	7,323	7,323		
% LDR to Total Deposits & Borrowings	103.1	99.8	99.9		



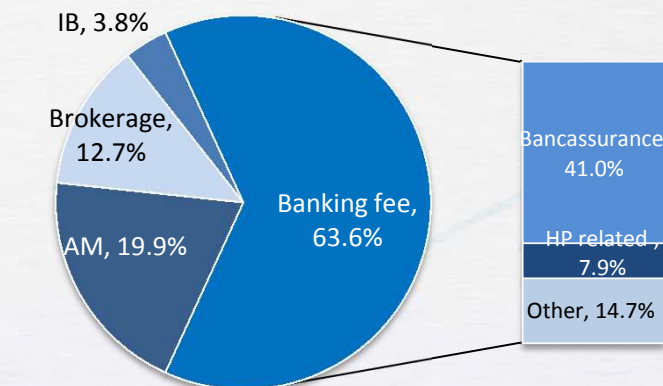
# Non-Interest Income

## Non-Interest Income from Core Businesses

Unit: Million Baht



## Non-Interest Income Breakdown



\*Data as of 9M2017

Unit : Million Baht	3Q16	2Q17	3Q17	% QoQ	% YoY	9M2016	9M2017	% YoY
Banking Fee*	931	971	1,004	3.4	7.8	2,804	2,980	6.3
Asset Management Basic Fee	273	304	325	6.9	19.2	783	930	18.7
Brokerage Fee	246	180	203	12.3	(17.6)	626	596	(4.8)
Investment Banking Fee	62	18	39	120.4	(37.5)	100	176	76.8
<b>Non-Interest Income from Core Businesses</b>	<b>1,512</b>	<b>1,473</b>	<b>1,570</b>	<b>6.6</b>	<b>3.9</b>	<b>4,314</b>	<b>4,683</b>	<b>8.5</b>
Trading Income & Incentive	60	6	57	873.9	(4.7)	34	61	80.2
Share of Profit from Investment in Subsidiaries	22	36	35	(3.1)	58.8	61	98	59.3
Dividend Income	25	7	99	1,258.1	302.7	79	138	75.0
<b>Total Non-Interest Income</b>	<b>1,618</b>	<b>1,522</b>	<b>1,761</b>	<b>15.7</b>	<b>8.8</b>	<b>4,488</b>	<b>4,979</b>	<b>10.9</b>

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



# Asset Management Business

## TISCO Asset under Management

Unit: Million Baht

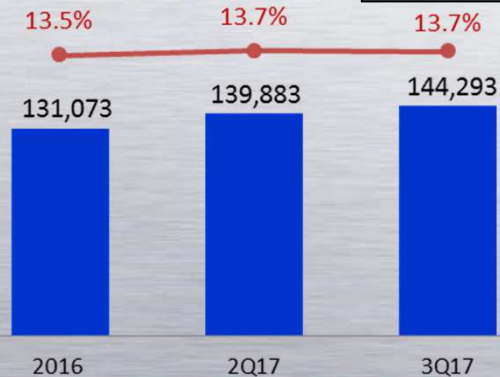
Rank #9  
 ▲ 2.9% QoQ  
 ▲ 16.9% YTD



### Provident Fund

Unit: Million Baht

Rank #3  
 ▲ 3.2% QoQ  
 ▲ 10.1% YTD



### Mutual Fund

Unit: Million Baht

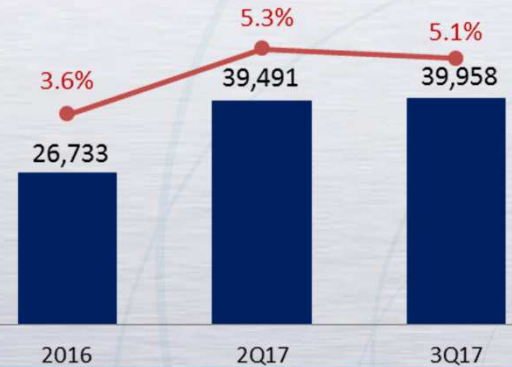
Rank #15  
 ▲ 3.6% QoQ  
 ▲ 17.4% YTD



### Private Fund

Unit: Million Baht

Rank #5  
 ▲ 1.2% QoQ  
 ▲ 49.5% YTD



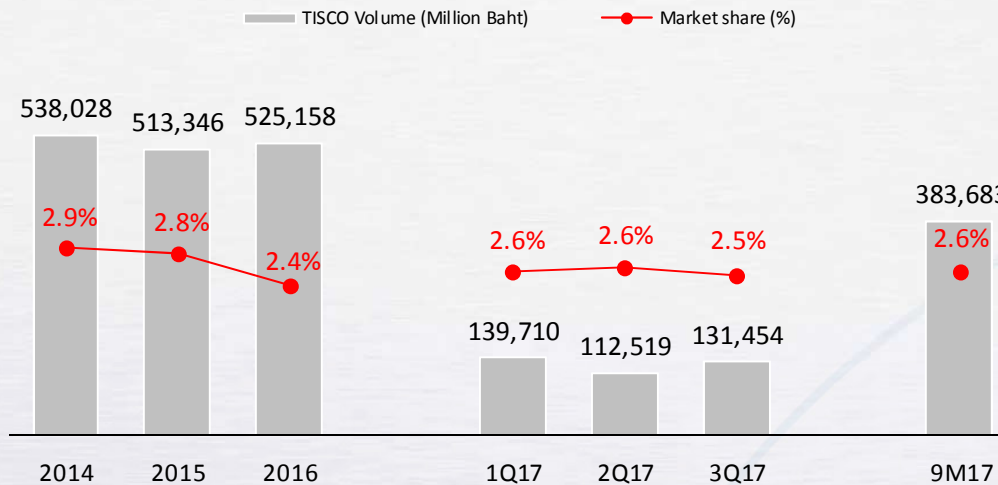
\*Remark: Market Share and Rankings as of August 2017



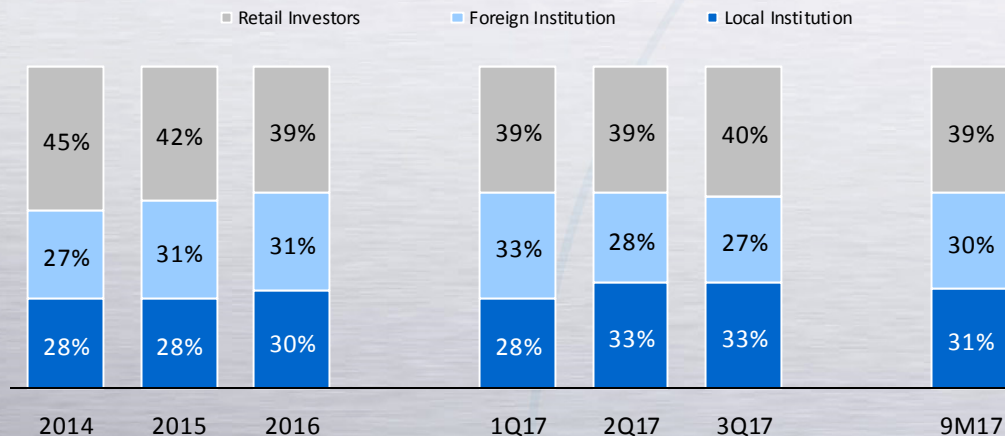


# Brokerage Business

## TISCO Trading Volume and Market Share



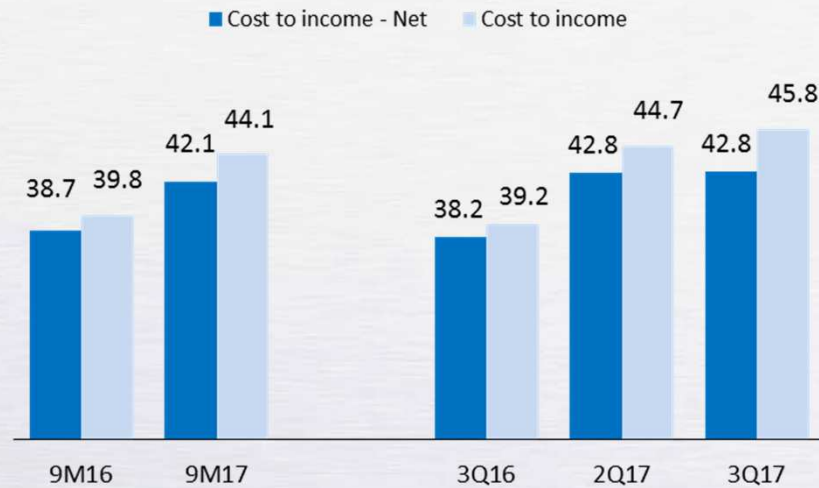
## TISCO Trading Volume by Customer





# Operating Expenses

### Cost to Income Ratio



### Cost to Total Assets Ratio



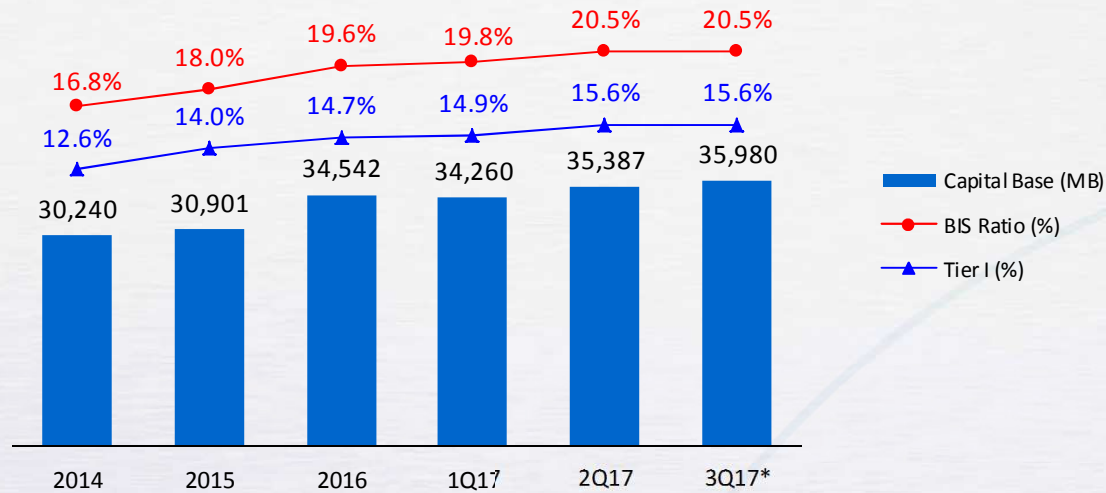
Unit : Million Baht	3Q16	2Q17	3Q17	% QoQ	% YoY	9M2016	9M2017	% YoY
Employees' Expenses	1,076	1,234	1,318	6.8	22.5	3,202	3,800	18.7
Premises & Equipment Expenses	236	268	277	3.4	17.4	694	795	14.4
Taxes & Duties	52	55	57	3.3	10.7	155	168	8.4
Other Expenses*	288	250	266	6.0	(7.7)	771	762	(1.2)
<b>Total Operating Expenses</b>	<b>1,652</b>	<b>1,808</b>	<b>1,918</b>	<b>6.1</b>	<b>16.1</b>	<b>4,823</b>	<b>5,524</b>	<b>14.5</b>

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



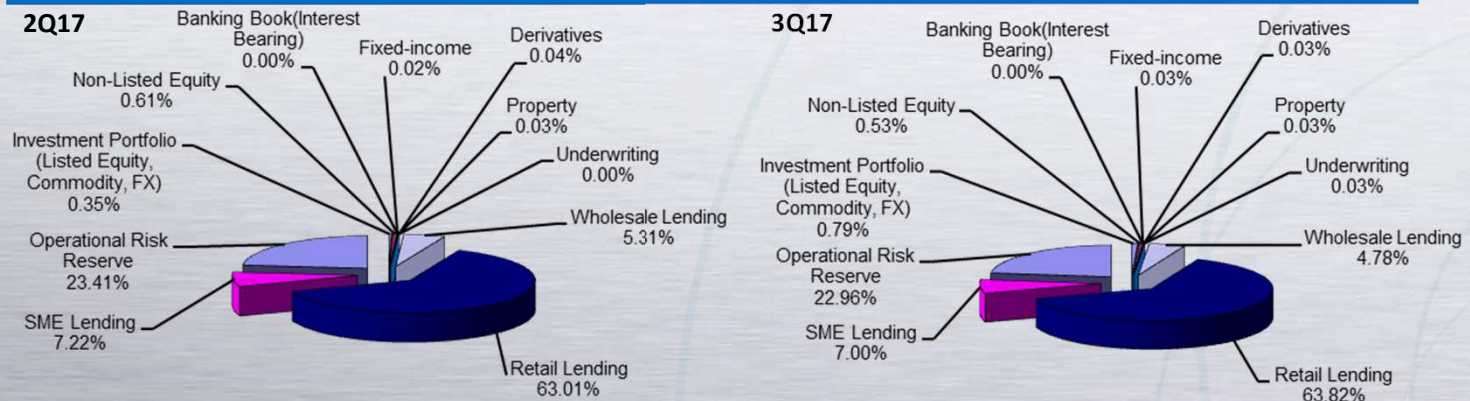
# Capital Adequacy

## Capital Adequacy Ratio of TISCO Bank



\*Remark: Projected Figures

## Risk-Based Capital Exposure



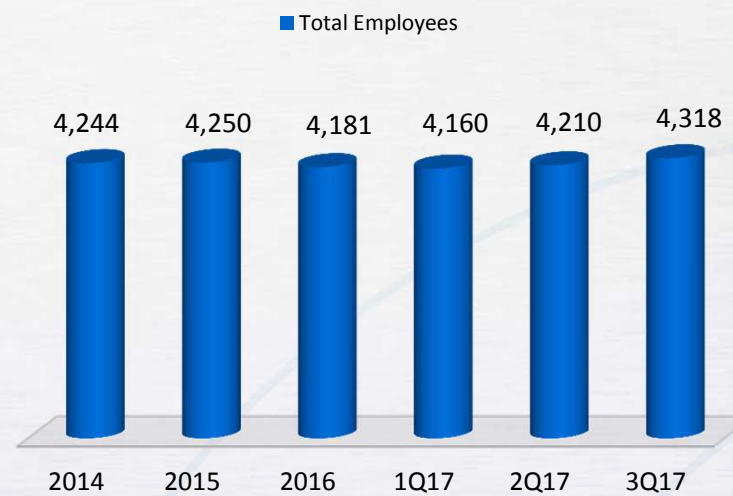


# Employees and Branch Network

Total Branch Network



Total TISCO Employees



\*Remark: Loan Office included Mobile Branches







# SCBT Portfolio Acquisition

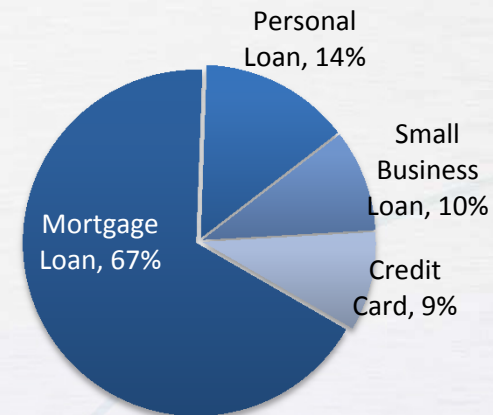
Transferred on October 1, 2017

## SCBT Loan Portfolio Breakdown

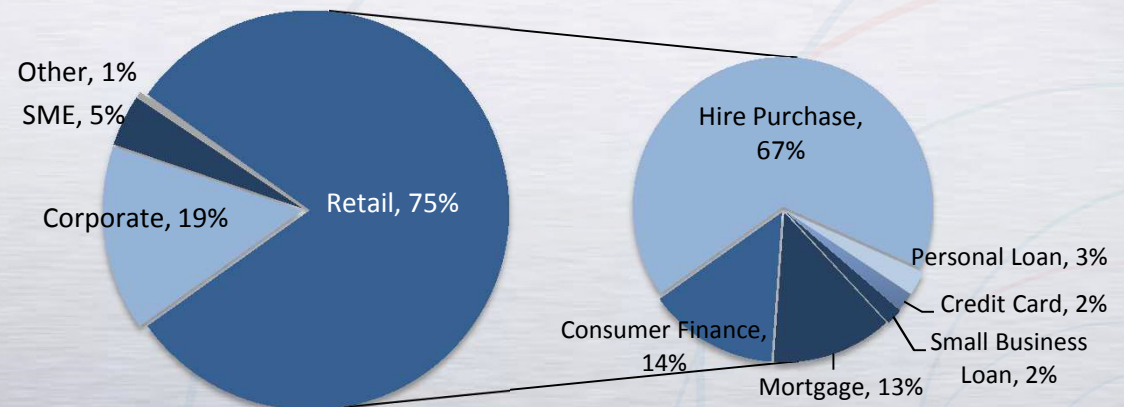
Unit: Million Baht	Approximate Data as of September 2017
Mortgage Loan	24,000
Personal Loan	5,000
Small Business Loan	3,400
Credit Card Loan	3,300
<b>Total Assets</b>	<b>36,000</b>

Number of Bank Branches	5
Number of Staff	300

## Portfolio Acquired from SCBT



## TISCO Loan Portfolio after the Acquisition







# Disclaimer

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# 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