

TISCO Financial Group Public Company Limited  
and its subsidiary companies  
Report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2009

## **Review Report of Independent Auditor**

To the Shareholders of TISCO Financial Group Public Company Limited

I have reviewed the accompanying consolidated balance sheet of TISCO Financial Group Public Company Limited and its subsidiaries ("TISCO Group" after holding restructuring) as at 30 June 2009, the related consolidated statements of income for the three-month and six-month periods ended 30 June 2009, and changes in shareholders' equity, and cash flows for the six-month period ended 30 June 2009, and the separate financial statements of TISCO Financial Group Public Company Limited for the same period. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review.

I conducted my review in accordance with auditing standard applicable to review engagement. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated financial statements of TISCO Financial Group Public Company Limited and its subsidiaries for the year ended 31 December 2008 and the separate financial statements of TISCO Financial Group Public Company Limited for the period ended 31 December 2008 were audited in accordance with generally accepted auditing standards by another auditor of our firm who, under his report dated 6 February 2009, expressed an unqualified audit opinion on those statements and draw attention to the basis of preparation of the consolidated financial statements of TISCO Group after the completion of the shareholding restructuring plan. The balance sheet as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which have been audited and reported on by that auditor.

As mentioned in Note 1.2 to the financial statements, the Company has presented the consolidated financial statements of TISCO Bank Public Company Limited and its subsidiaries (“TISCO Group” before holding restructuring) to facilitate comparison by the financial statement users. The related consolidated statements of income for the three-month and six-month periods ended 30 June 2008, changes in shareholders’ equity and cash flows for the six-month period ended 30 June 2008, together with notes to the consolidated financial statements, as presented herein for comparative purposes, form a part of interim financial statements which were audited by the aforementioned auditor, whose report dated 8 August 2008 stated that nothing had come to his attention that caused him to believe that the financial statements were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Supachai Phanyawattano  
Certified Public Accountant (Thailand) No. 3930

Ernst & Young Office Limited  
Bangkok: 7 August 2009

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Balance sheets**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2009	31 December 2008	30 June 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash		595,713	595,570	50	-
Interbank and money market items	3.1				
Domestic					
Interest bearing		6,252,404	13,469,083	243,062	27,992
Non-interest bearing		861,372	44,196	-	-
Foreign					
Interest bearing		75,161	77,693	-	-
Non-interest bearing		-	-	-	-
Total interbank and money market items - net		7,188,937	13,590,972	243,062	27,992
Investments	3.2,3.3,3.6				
Current investment - net		1,626,349	2,706,175	-	-
Long-term investment - net		6,535,215	2,649,307	-	-
Investment in subsidiaries - net		-	-	15,451,136	15,297,196
Net investments		8,161,564	5,355,482	15,451,136	15,297,196
Receivable from clearing house		126,273	-	-	-
Loans, receivables and accrued interest receivable	3.4,3.6				
Loans and receivables		110,687,996	103,109,706	-	-
Securities and derivative business receivables		907,884	667,373	-	-
Total loans and receivables		111,595,880	103,777,079	-	-
Accrued interest receivable		124,926	136,704	-	-
Total loans, receivables and accrued interest receivable		111,720,806	103,913,783	-	-
Less: Allowance for doubtful accounts	3.5.1,3.5.2	(1,936,646)	(1,854,509)	-	-
Less: Allowance for loss on debt restructuring	3.5.3	(18)	(18)	-	-
Net loans, receivables and accrued interest receivable		109,784,142	102,059,256	-	-
Property foreclosed - net		904,322	1,005,709	-	-
Land, premises and equipment - net		1,632,562	1,658,578	746,315	772,831
Deferred tax assets	3.18	401,962	417,082	37,672	-
Other assets	3.7	1,528,370	1,490,488	493,676	14,126
<b>Total assets</b>		<b>130,323,845</b>	<b>126,173,137</b>	<b>16,971,911</b>	<b>16,112,145</b>

The accompanying notes are an integral part of the financial statements.

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Balance sheets (continued)**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2009	31 December 2008	30 June 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
Deposits in baht		61,957,384	58,822,618	-	-
Interbank and money market items					
Domestic - Interest bearing		5,625,254	5,727,883	2,700,000	2,600,000
Liability payable on demand		352,022	496,740	-	-
Borrowings	3.8				
Short-term borrowings		41,196,107	41,768,420	100,000	-
Long-term borrowings		5,876,345	4,899,302	-	-
Total borrowings		47,072,452	46,667,722	100,000	-
Payable to clearing house		75,327	339,141	-	-
Securities and derivative business payables		954,183	292,191	-	-
Accrued interest payable		495,270	878,536	1,326	-
Other liabilities	3.9	2,444,206	1,412,268	696,383	272,180
<b>Total liabilities</b>		<b>118,976,098</b>	<b>114,637,099</b>	<b>3,497,709</b>	<b>2,872,180</b>

The accompanying notes are an integral part of the financial statements.

TISCO Financial Group Public Company Limited and its subsidiaries

Balance sheets (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>30 June 2009</u>	<u>31 December 2008</u>	<u>30 June 2009</u>	<u>31 December 2008</u>
Note	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
<b>Share capital</b>				
Registered	11,002,000	11,002,010	11,002,000	11,002,010
Issued and fully paid-up - registered				
183,419,326 Preference shares of Baht 10 each	1,834,193	-	1,834,193	-
541,187,079 Ordinary shares of Baht 10 each				
(31 December 2008 : 1,000 ordinary shares of Baht 10 each)	5,411,871	10	5,411,871	10
	7,246,064	10	7,246,064	10
Issued and fully paid-up - awaiting to register				
31 December 2008 : 183,427,226 Preference shares of Baht 10 each	-	1,834,272	-	1,834,272
31 December 2008 : 541,179,179 Ordinary shares of Baht 10 each	-	5,411,792	-	5,411,792
	-	7,246,064	-	7,246,064
Share premium				
Share premium of preference shares	-	-	1,614,160	1,614,160
Share premium of ordinary shares	-	-	4,383,551	4,383,551
	-	-	5,997,711	5,997,711
	7,246,064	7,246,074	13,243,775	13,243,785
Adjustment from business combination of entities under common control under holding restructuring plan	656,755	656,755	-	-
Revaluation deficit on changes in the value of investment	(152,673)	(398,992)	-	-
Unrealised losses on cash flow hedges	(29,460)	-	-	-
Translation adjustment	75,948	78,102	-	-
Retained earnings (deficit) - unappropriated	3,429,970	3,835,779	230,427	(3,820)
Equity attributable to the company's shareholders	11,226,604	11,417,718	13,474,202	13,239,965
Non-controlling interest - equity attributable to minority shareholders of subsidiaries	121,143	118,320	-	-
<b>Total shareholders' equity</b>	<b>11,347,747</b>	<b>11,536,038</b>	<b>13,474,202</b>	<b>13,239,965</b>
<b>Total liabilities and shareholders' equity</b>	<b>130,323,845</b>	<b>126,173,137</b>	<b>16,971,911</b>	<b>16,112,145</b>
Off-balance sheet items - contingencies	-	-	-	-
Aval to bills and guarantees of loans	64,422	70,697	-	-
Other commitments	2,990,304	7,477,492	-	-

The accompanying notes are an integral part of the financial statements.

Mr. Pliu Mangkornkanok  
(Group Chief Executive Officer)

Mrs. Oranuch Apisaksirikul  
(President)

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Income statements**

For the three-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	After holding	Before holding	
	restructuring	restructuring	
	Consolidated	Consolidated	
	financial statements	financial statements	
	of TISCO Financial Group Plc.	of TISCO Bank Plc.	Separate
	and its subsidiaries	and its subsidiaries	financial statements
	2009	2008	of TISCO Financial Group Plc.
			2009
<b>Interest and dividend income</b>			
Loans	321,000	272,996	-
Interbank and money market items	33,944	82,957	1,386
Hire purchase and financial lease income	1,582,573	1,412,617	-
Investments	170,408	109,562	1,389,535
<b>Total interest and dividend income</b>	<b>2,107,925</b>	<b>1,878,132</b>	<b>1,390,921</b>
<b>Interest expenses</b>			
Deposits	287,308	458,133	-
Interbank and money market items	48,163	38,034	27,767
Short-term borrowings	216,355	257,972	2,312
Long-term borrowings	72,025	44,026	-
<b>Total interest expenses</b>	<b>623,851</b>	<b>798,165</b>	<b>30,079</b>
<b>Net interest and dividend income</b>	<b>1,484,074</b>	<b>1,079,967</b>	<b>1,360,842</b>
<b>Bad debt and doubtful accounts</b>	<b>(353,651)</b>	<b>(276,942)</b>	<b>-</b>
<b>Net interest and dividend income after bad debt and doubtful accounts</b>	<b>1,130,423</b>	<b>803,025</b>	<b>1,360,842</b>
<b>Non-interest income</b>			
Brokerage fees	159,117	160,986	-
Gain (loss) on investments	1,730	114,488	(31,582)
Loss on derivatives	(7)	(10)	-
Fees and service income			
Acceptances, aval and guarantees	2,145	2,349	-
Insurance services	139,510	158,460	-
Fund management	181,999	103,542	-
Others	87,619	94,568	301,864
Gain on exchange	761	17,973	-
Other income	144,885	76,934	15,599
<b>Total non-interest income</b>	<b>717,759</b>	<b>729,290</b>	<b>285,881</b>
<b>Total net income</b>	<b>1,848,182</b>	<b>1,532,315</b>	<b>1,646,723</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Income statements (continued)

For the three-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	After holding	Before holding	Separate
	restructuring	restructuring	
	Consolidated	Consolidated	financial statements
	of TISCO Financial Group Plc.	of TISCO Bank Plc.	of TISCO Financial Group Plc.
	and its subsidiaries	and its subsidiaries	of TISCO Financial Group Plc.
Note	2009	2008	2009
<b>Non-interest expenses</b>			
Personnel expenses	553,786	463,142	146,247
Premises and equipment expenses	176,990	140,358	26,894
Taxes and duties	31,281	27,940	1,151
Fees and service expenses	72,416	92,533	1,287
Directors' remuneration	1,845	1,960	1,845
Other expenses	286,265	133,768	7,169
<b>Total non-interest expenses</b>	<b>1,122,583</b>	<b>859,701</b>	<b>184,593</b>
<b>Income before income tax</b>	<b>725,599</b>	<b>672,614</b>	<b>1,462,130</b>
Corporate income tax	(219,274)	(171,330)	(18,099)
<b>Net income for the period</b>	<b>506,325</b>	<b>501,284</b>	<b>1,444,031</b>
<b>Net income attributable to</b>			
Equity holders of the parent	502,147	501,284	1,444,031
Non-controlling interest of the subsidiaries	4,178	-	
	<b>506,325</b>	<b>501,284</b>	
<b>Earnings per share</b>	3.19		
Basic earnings per share			
Net income attributable to equity holders of the parent	0.63	0.63	1.93
Diluted earnings per share			
Net income attributable to equity holders of the parent	0.63	0.62	1.93

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Income statements**

For the six-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	After holding	Before holding	Separate		
		restructuring	restructuring		financial statements of TISCO Financial Group Plc.	
		Consolidated	Consolidated			financial statements of TISCO Bank Plc.
		financial statements	financial statements			
and its subsidiaries	and its subsidiaries	and its subsidiaries				
2009	2008	2009				
<b>Interest and dividend income</b>						
Loans		638,215	541,741	-		
Interbank and money market items		102,623	147,693	1,600		
Hire purchase and financial lease income		3,138,229	2,794,256	-		
Investments		303,895	198,689	1,391,005		
<b>Total interest and dividend income</b>		<b>4,182,962</b>	<b>3,682,379</b>	<b>1,392,605</b>		
<b>Interest expenses</b>						
Deposits		694,259	907,870	-		
Interbank and money market items		100,193	75,170	59,007		
Short-term borrowings		518,366	468,540	3,299		
Long-term borrowings		140,972	106,902	-		
<b>Total interest expenses</b>		<b>1,453,790</b>	<b>1,558,482</b>	<b>62,306</b>		
<b>Net interest and dividend income</b>		<b>2,729,172</b>	<b>2,123,897</b>	<b>1,330,299</b>		
<b>Bad debt and doubtful accounts</b>		<b>(646,590)</b>	<b>(509,222)</b>	<b>-</b>		
<b>Net interest and dividend income after bad debt and doubtful accounts</b>		<b>2,082,582</b>	<b>1,614,675</b>	<b>1,330,299</b>		
<b>Non-interest income</b>						
Brokerage fees		226,493	296,310	-		
Gain (loss) on investments	3.14	(3,428)	127,717	(31,582)		
Loss on derivatives	3.15	(83)	(4,215)	-		
Fees and service income						
Acceptances, aval and guarantees		3,458	3,817	-		
Insurance services		297,924	319,740	-		
Fund management		279,005	203,834	-		
Others		161,444	172,097	603,535		
Gain on exchange		9,198	7,668	-		
Other income	3.16	271,428	167,807	28,975		
<b>Total non-interest income</b>		<b>1,245,439</b>	<b>1,294,775</b>	<b>600,928</b>		
<b>Total net income</b>		<b>3,328,021</b>	<b>2,909,450</b>	<b>1,931,227</b>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Income statements (continued)

For the six-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	After holding	Before holding	Separate	
		restructuring	restructuring		financial statements of TISCO Bank Plc. and its subsidiaries
		Consolidated	Consolidated		
		financial statements	financial statements		
of TISCO Financial Group Plc. and its subsidiaries	of TISCO Bank Plc. and its subsidiaries	financial statements of TISCO Financial Group Plc.			
		2009	2008	2009	
<b>Non-interest expenses</b>					
Personnel expenses		961,206	869,662	193,170	
Premises and equipment expenses		343,193	277,231	52,064	
Taxes and duties		60,434	53,189	1,672	
Fees and service expenses		150,616	184,008	6,254	
Directors' remuneration		3,940	4,165	3,940	
Other expenses	3.17	442,711	252,221	10,796	
<b>Total non-interest expenses</b>		<b>1,962,100</b>	<b>1,640,476</b>	<b>267,896</b>	
<b>Income before income tax</b>		<b>1,365,921</b>	<b>1,268,974</b>	<b>1,663,331</b>	
Corporate income tax	3.18	(401,694)	(338,602)	(67,160)	
<b>Net income for the period</b>		<b>964,227</b>	<b>930,372</b>	<b>1,596,171</b>	
<b>Net income attributable to</b>					
Equity holders of the parent		956,116	930,372	1,596,171	
Non-controlling interest of the subsidiaries		8,111	-	-	
		<b>964,227</b>	<b>930,372</b>		
<b>Earnings per share</b>					
Basic earnings per share	3.19				
Net income attributable to equity holders of the parent		1.19	1.15	2.08	
Diluted earnings per share					
Net income attributable to equity holders of the parent		1.19	1.15	2.08	

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Cash flow statements**

For the six-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht)

	After holding restructuring	Before holding restructuring	
	Consolidated financial statements of TISCO Financial Group Plc. and its subsidiaries	Consolidated financial statements of TISCO Bank Plc. and its subsidiaries	Separate financial statements of TISCO Financial Group Plc.
	<u>2009</u>	<u>2008</u>	<u>2009</u>
<b>Cash flows from operating activities</b>			
Income before corporate income tax	1,365,921	1,268,974	1,663,331
Adjustments to reconcile net income before corporate income tax to net cash provided by (paid from) operating activities			
Depreciation and amortisation	130,343	119,711	28,832
Bad debt and doubtful accounts	863,567	742,042	-
Allowance for impairment of investments (reversal)	11,187	(276)	31,582
Allowance for impairment of property foreclosed	102,857	6,667	-
Loss (gain) on disposal of investments	15,145	(57,885)	-
Unrealised gain on exchange rate	(9,198)	(7,668)	-
Loss (gain) on disposal of equipment	(4,404)	261	-
Unrealised gain on securities for trading	(2,746)	-	-
Gain on disposal of property foreclosed	(14,617)	(122)	-
Decrease (increase) in other accrued income	47,582	27,432	(471)
Increase in accrued expenses	118,464	168,315	102,180
Income from operating activities before changes in operating assets and liabilities	2,624,101	2,267,451	1,825,454
Decrease (increase) in operating assets			
Interbank and money market items	7,415,615	(4,099,805)	(215,070)
Securities purchased under resale agreements	-	2,400,000	-
Investment in securities for trading	-	27,720	-
Receivable from clearing house	(126,272)	29,423	-
Loans and receivables	(8,510,494)	(10,235,859)	-
Securities and derivative business receivables	(240,511)	530,144	-
Property foreclosed	1,029,121	751,056	-
Other assets	(73,268)	(133,097)	(53,121)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**TISCO Financial Group Public Company Limited and its subsidiaries****Cash flow statements (continued)**

For the six-month periods ended 30 June 2009 and 2008

(Unit: Thousand Baht)

	After holding restructuring	Before holding restructuring	
	Consolidated financial statements of TISCO Financial Group Plc. and its subsidiaries	Consolidated financial statements of TISCO Bank Plc. and its subsidiaries	Separate financial statements of TISCO Financial Group Plc.
	<u>2009</u>	<u>2008</u>	<u>2009</u>
Increase (decrease) in operating liabilities			
Deposits	3,134,766	981,721	-
Interbank and money market items	(98,494)	(715,264)	100,000
Liability payable on demand	(144,719)	40,339	-
Borrowings	(9,471,861)	12,151,190	100,000
Payable to clearing house	(263,814)	(459,095)	-
Securities and derivative business payables	661,992	(156,575)	-
Other liabilities	(377,471)	(75,133)	(181,185)
	(4,441,309)	3,304,216	1,576,078
Net interest and dividend income	(2,729,172)	(2,123,897)	(1,330,299)
Cash received from interest	4,356,635	3,731,864	1,564
Cash paid for interest	(1,784,236)	(1,569,141)	(60,980)
Cash paid for corporate income tax	(105,460)	(256,894)	(19,836)
<b>Net cash flows from (used in) operating activities</b>	<b>(4,703,542)</b>	<b>3,086,148</b>	<b>166,527</b>
<b>Cash flows from investing activities</b>			
Cash paid for purchase of investment in securities held for investment	(2,220,429)	(4,799,920)	-
Cash received from sales of investment in securities held for investment	5,071,645	3,122,045	-
Cash paid for purchase of equipment	(87,348)	(85,199)	(1,623)
Cash received from sales of equipment	16,532	3,419	-
Cash received from dividend of subsidiaries	58,002	106,906	928,741
Cash received from capital returned from subsidiary	-	1,370	-
Cash paid for decrease in ordinary shares	-	-	(10)
Cash paid for acquisition of a subsidiary (Note 4.3)	(890,321)	-	(890,321)
Cash received from share capital reduction of a subsidiary	-	-	704,800
<b>Net cash flows from (used) investing activities</b>	<b>1,948,081</b>	<b>(1,651,379)</b>	<b>741,587</b>
<b>Cash flows from financing activities</b>			
Dividend paid	(911,243)	(1,489,771)	(908,064)
Cash received from issue long-term debentures	4,000,000	-	-
Cash paid for redemption of long-term debentures	(331,000)	-	-
Cash received from exchange of warrants to purchase preference shares	-	16,623	-
<b>Net cash flows from (used in) financing activities</b>	<b>2,757,757</b>	<b>(1,473,148)</b>	<b>(908,064)</b>
<b>Translation adjustment</b>	<b>(2,153)</b>	<b>(1,704)</b>	<b>-</b>
<b>Net increase in cash</b>	<b>143</b>	<b>(40,083)</b>	<b>50</b>
Cash at beginning of the period	595,570	439,899	-
<b>Cash at end of the period</b>	<b>595,713</b>	<b>399,816</b>	<b>50</b>
	-	-	-
<b>Supplemental cash flows information</b>			
Non-cash transactions			
Conversion of preference shares to ordinary shares	79	-	79

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Statements of changes in shareholders' equity

For the six-month period ended 30 June 2008

(Unit: Thousand Baht)

Before holding restructuring - Consolidated financial statements of TISCO Bank Plc. and its subsidiaries											
Equity attributable to the parent's shareholders											
	Issued and fully paid-up share capital		Share premium		Revaluation surplus	Translation adjustment	Statutory reserve	Unappropriated retained earnings	Total equity attributable to the parent's shareholders	Non-controlling interest equity attributable to minority shareholders	Total
	Preference shares	Ordinary shares	Preference shares	Ordinary shares	on changes in value of investment				shareholders	of subsidiaries	
<b>Balance as at 31 December 2007</b>	1,827,754	5,446,171	84,925	36,500	751,139	73,873	486,800	3,666,443	12,373,605	-	12,373,605
<b>Incomes (expenses) recognised directly in equity</b>											
Decrease in fair value of investments	-	-	-	-	(708,996)	-	-	-	(708,996)	-	(708,996)
Decrease in translation adjustment	-	-	-	-	-	(1,704)	-	-	(1,704)	-	(1,704)
Deferred tax recognised in shareholder's equity	-	-	-	-	193,100	-	-	-	193,100	-	193,100
<b>Incomes (expenses) recognised directly in equity</b>	-	-	-	-	(515,896)	(1,704)	-	-	(517,600)	-	(517,600)
Net income for the period	-	-	-	-	-	-	-	930,372	930,372	-	930,372
<b>Total incomes (expenses) for the period</b>	-	-	-	-	(515,896)	(1,704)	-	930,372	412,772	-	412,772
Dividend paid (Note 4.2)	-	-	-	-	-	-	-	(1,489,771)	(1,489,771)	-	(1,489,771)
Income tax from unpaid dividend	-	-	-	-	-	-	-	(1,304)	(1,304)	-	(1,304)
Warrants converted to preference shares	7,597	-	9,026	-	-	-	-	-	16,623	-	16,623
<b>Balance as at 30 June 2008</b>	<u>1,835,351</u>	<u>5,446,171</u>	<u>93,951</u>	<u>36,500</u>	<u>235,243</u>	<u>72,169</u>	<u>486,800</u>	<u>3,105,740</u>	<u>11,311,925</u>	<u>-</u>	<u>11,311,925</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## TISCO Financial Group Public Company Limited and its subsidiaries

## Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2009

(Unit: Thousand Baht)

After holding restructuring - Consolidated financial statements of TISCO Financial Group Plc. and its subsidiaries

	Equity attributable to the parent's shareholders							Total equity attributable to the parent's shareholders	Non-controlling interest equity attributable to minority shareholders of subsidiaries	Total
	Issued and fully paid-up share capital (Consist of registered part and awaiting to be registered part)	Ordinary shares	Adjustment from business combination of entities under common control under holding restructuring plan	Revaluation deficit on changes in value of investment	Unrealised losses on cash flow hedges	Translation adjustment	Unappropriated retained earnings			
<b>Balance as at 31 December 2008</b>	1,834,272	5,411,802	656,755	(398,992)	-	78,102	3,835,779	11,417,718	118,320	11,536,038
<b>Incomes (expenses) recognised in equity</b>										
Increase in fair value of investments	-	-	-	335,813	-	-	-	335,813	-	335,813
Unrealised losses on cash flow hedges	-	-	-	-	(42,086)	-	-	(42,086)	-	(42,086)
Decrease in translation adjustment	-	-	-	-	-	(2,154)	-	(2,154)	-	(2,154)
Deferred tax recognised in shareholder's equity	-	-	-	(89,494)	12,626	-	-	(76,868)	-	(76,868)
<b>Incomes (expenses) recognised in equity</b>	-	-	-	246,319	(29,460)	(2,154)	-	214,705	-	214,705
Net income for the period	-	-	-	-	-	-	956,116	956,116	8,111	964,227
<b>Total incomes (expenses) for the period</b>	-	-	-	246,319	(29,460)	(2,154)	956,116	1,170,821	8,111	1,178,932
Dividend paid (Note 4.2)	-	-	-	-	-	-	(1,361,885)	(1,361,885)	-	(1,361,885)
Income tax from unpaid dividend	-	-	-	-	-	-	(40)	(40)	-	(40)
Preference shares converted to ordinary shares	(79)	79	-	-	-	-	-	-	-	-
Decrease ordinary shares	-	(10)	-	-	-	-	-	(10)	-	(10)
Decrease in non-controlling interest of the subsidiaries	-	-	-	-	-	-	-	-	(5,288)	(5,288)
<b>Balance as at 30 June 2009</b>	1,834,193	5,411,871	656,755	(152,673)	(29,460)	75,948	3,429,970	11,226,604	121,143	11,347,747

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TISCO Financial Group Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2009

(Unit: Thousand Baht)

	Separate financial statements							
	Issued and fully paid-up share capital - consist of registered		Issued and fully paid-up share capital awaiting for registered		Share premium		Unappropriated retained earnings	
	Preference shares	Ordinary shares	Preference shares	Ordinary shares	Preference shares	Ordinary shares	(deficit)	Total
<b>Balance as at 31 December 2008</b>	-	10	1,834,272	5,411,792	1,614,160	4,383,551	(3,820)	13,239,965
Decrease ordinary shares	-	(10)	-	-	-	-	-	(10)
Net income for the period	-	-	-	-	-	-	1,596,171	1,596,171
Dividend paid (Note 4.2)	-	-	-	-	-	-	(1,361,885)	(1,361,885)
Income tax from unpaid dividend	-	-	-	-	-	-	(39)	(39)
Preference shares converted to ordinary shares	(79)	79	-	-	-	-	-	-
Registered the issuance of preference shares and ordinary shares to the shareholders under holding restructuring under common control	<u>1,834,272</u>	<u>5,411,792</u>	<u>(1,834,272)</u>	<u>(5,411,792)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Balance as at 30 June 2009</b>	<u><u>1,834,193</u></u>	<u><u>5,411,871</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,614,160</u></u>	<u><u>4,383,551</u></u>	<u><u>230,427</u></u>	<u><u>13,474,202</u></u>

The accompanying notes are an integral part of the financial statements.

**TISCO Financial Group Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2009**

**1. Basis of preparation and presentation of financial statements and significant accounting policies**

**1.1 Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The Company did not present the separate statement of income for the three-month and six-month periods ended 30 June 2008, and change in shareholder's equity, and cash flows for the six-month period ended 30 June 2008 of TISCO Financial Group Public Company Limited for comparative purposes, because the Company was established on 22 August 2008.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

**1.2 Basis of preparation of consolidated financial statements**

- a) The basis of interim consolidation is the same as that for the consolidated financial statements for the year ended 31 December 2008. The change in the shareholding structure during the period is as follows:

On 2 March 2009, the Company acquired investments in Primus Leasing Company Limited and holds 100% of this company's equity. The Company therefore has management control over this company and considers it to be a subsidiary. The balance sheet of Primus Leasing Company Limited as at 30 June 2009 and the results of its operations for the period as from 2 March 2009 to 30 June 2009 are included in the consolidated interim financial statements.



- b) For comparative purposes and to facilitate comparison by the financial statement users, the Company has presented consolidated financial statements of TISCO Bank Public Company Limited and its subsidiaries (“TISCO Group” before holding restructuring), consisting of consolidated statements of income for the three-month and six-month periods ended 30 June 2008, and change in shareholder’s equity, and cash flows for the six-month period ended 30 June 2008 together with notes to the consolidated financial statements.

### **1.3 Adoption of new accounting standards**

In June 2009, the Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. Therefore the numbers of Thai Accounting Standards as used in these financial statements are corresponded to those per this notification.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

#### **1.3.1 Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year**

Framework for Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007)                      Impairment of Assets

IFRS 5 (revised 2007)                      Non-current Assets Held for Sale and  
Discontinued Operations

Accounting Treatment Guidance for Leasehold right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management of the Company and its subsidiaries has assessed the effect of these standards and believes that the new accounting standards, financial reporting standard and accounting treatment guidance will not have any significant impact on the financial statements for the current period.

**1.3.2 Accounting standards which are not effective for the current year**

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

However, TAS 24 (revised 2007) and TAS 40 allows early adoption by the entity before the effective date. The management of the Company and its subsidiaries has assessed the effect of these standards and believes that the new accounting standards will not have any significant impact on the financial statements for the year in which they are initially applied. TAS 20 is not relevant to the business of the Company and its subsidiaries.

**1.4 Significant accounting policies**

These interim financial statements are prepared by using the same accounting policies and methods of computation as were adopted for the financial statements for the year ended 31 December 2008.

**2. General information****2.1 The Company's information**

On 22 August 2008, TISCO Group Holding Public Company Limited was incorporated as a public company under Thai law and on 4 September 2008, the Company changed its name to TISCO Financial Group Public Company Limited ("the Company"). The Company's principal activity is a holding company. Upon completion of the holding company restructuring plan on 9 January 2009, the Company became the parent company of TISCO Group in place of TISCO Bank Public Company Limited ("TISCO Bank"). On 15 January 2009, the securities of the Company were listed on the Stock Exchange of Thailand in place of those of TISCO Bank.

Its registered address is 48/49 TISCO Tower, 21st Floor, North Sathorn Road, Silom, Bangrak, Bangkok.

## **2.2 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

The Company has significant business transactions with related parties. These transactions have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties, which are reference to the terms and price as charged to other customers.

The Company and its subsidiaries have neither granted credit, nor made any commitments to management-level employees (departmental managers upward), and have not granted credit to companies of which at least 10 percent of the common shares of paid up capital are held by the Company, the Company's directors or management-level employees, with the exception of loans to related party and loans to employees under the employee welfare scheme, as mentioned in Note 3.20 to the financial statements.

A subsidiary company operating banking business has neither provided any credit nor made any commitments to companies which have directors in common with such subsidiary in cases where such credit is unsecured or not fully collateralised and therefore would require approval from the Bank of Thailand.

The Company and its subsidiaries have no investments in related companies which are related by way of members of the management of the Company or of its subsidiaries being shareholders and/or authorised directors.

### 3. Details of financial statements

#### 3.1 Interbank and money market items (assets)

(Unit: Million Baht)

Interbank and money market items (assets) which are pledged	Consolidated financial statements as at		Type of pledge
	30 June 2009	31 December 2008	
Cash at banks of a local subsidiary	10	10	To secure facilities provided for bank overdraft

#### 3.2 Investments

(Unit: Thousand Baht)

	Consolidated financial statements as at			
	30 June 2009		31 December 2008	
	Cost / Book value	Fair value	Cost / Book value	Fair value
<b><u>Current investments</u></b>				
<b>Trading securities</b>				
Equity securities:				
Domestic marketable equity securities	3,752	6,498	35,393	37,651
Add (less): Allowance for changes in value	2,746		2,258	
Net equity securities	6,498		37,651	
<b>Total trading securities</b>	6,498		37,651	
<b>Available-for-sales securities</b>				
Debt securities:				
Government and state enterprise securities	908,342	907,599	416,953	418,305
Debt securities of private sector	682,069	692,121	201,617	200,109
Foreign debt securities	-	-	1,869,822	1,668,501
Total	1,590,411	1,599,720	2,488,392	2,286,915
Add (less): Allowance for changes in value	10,769		8,174	
Exchange difference	-		(208,191)	
Less: Allowance for impairment	(1,460)		(1,460)	
Debt securities - net	1,599,720		2,286,915	
Equity securities:				
Unit trust	20,000	20,129	60,000	45,747
Add (less): Allowance for changes in value	129		(14,253)	
Net equity securities	20,129		45,747	
<b>Total available-for-sales securities</b>	1,619,849		2,332,662	
<b>Held-to-maturity debt securities - due within 1 year</b>				
Debt securities:				
Government and state enterprise securities	-		335,860	
Debt securities of private sector	2		2	
<b>Total held-to-maturity debt securities - due within 1 year</b>	2		335,862	
<b>Net current investments</b>	1,626,349		2,706,175	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements as at			
	30 June 2009		31 December 2008	
	Cost / Book value	Fair value	Cost / Book value	Fair value
<b>Long-term investments</b>				
<b>Available-for-sales securities</b>				
Debt securities:				
Debt securities of private sector	23,200	22,990	100,000	99,895
Add (less): Allowance for changes in value	(210)		(105)	
Debt securities - net	22,990		99,895	
Equity securities:				
Domestic marketable equity securities	965,741	927,360	1,086,032	767,563
Unit trusts	9,157	6,863	9,157	5,511
Total	974,898	934,223	1,095,189	773,074
Add (less): Allowance for changes in value	(40,675)		(322,115)	
Net equity securities	934,223		773,074	
<b>Total available-for-sales securities</b>	<b>957,213</b>		<b>872,969</b>	
<b>Other investments</b>				
Equity securities:				
Domestic non-marketable equity securities	708,975		712,985	
Investments in receivables	4,950,392		1,133,545	
Total	5,659,367		1,846,530	
Less: Allowance for impairment	(81,365)		(70,192)	
<b>Total other investments</b>	<b>5,578,002</b>		<b>1,776,338</b>	
<b>Net long-term investments</b>	<b>6,535,215</b>		<b>2,649,307</b>	
<b>Net investments</b>	<b>8,161,564</b>		<b>5,355,482</b>	

### 3.2.1 Held-to-maturity debt securities with the Ministry of Finance under the Tier I and Tier II capital support scheme

(Unit: Million Baht)

	Consolidated financial statements		Remark
	as at		
	30 June 2009	31 December 2008	
Government bonds	-	331	These bonds are redeemable within a 10-year period, maturing in February 2009 and May 2009, and carry interest at rate of 4% and 5% per annum.

## 3.2.2 Investments subject to restriction

(Unit: Million Baht)

Type of investment	Consolidated financial statements		Type of restriction
	as at		
	30 June 2009	31 December 2008	
Government debt securities	1	6	Pledged for electricity usage

## 3.2.3 Investments in companies with weak financial positions and poor operating results of a subsidiary company operating banking business

(Unit: Thousand Baht)

	Consolidated financial statements		
	as at 30 June 2009		
	Cost	Fair value	Allowance for changes in Value <sup>(1)</sup>
Companies having problems with debt repayment or in default	7,060	-	7,060

<sup>(1)</sup> Allowance for changes in value of investment is calculated at cost less collateral value.

3.2.4 Investments which the subsidiary company holds not less than 20% of equity, but which are not recorded as investments in associated companies under the equity method in the consolidated financial statements, since the company does not have influence over the financial and operating policies of these funds, which are independently managed by the fund manager accorded to mutual fund management policy and operate under the supervision of the Office of Securities and Exchange Commission

(Unit: Thousand Baht)

Securities's name	As at					
	30 June 2009			31 December 2008		
	Book Value	Cost	Percentage of Holding	Book Value	Cost	Percentage of Holding
			%			%
The Krung Thai Capital Protection Fixed 6 months Fund 4	20,129	20,000	26.75	-	-	-

### 3.3 Investments in subsidiaries

(Unit: Million Baht)

		Separate financial statements							
Company's name	Nature of Business	Paid-up share capital				Percentage of shares held by the Company		Cost as at	Dividend received for the six-month period ended
		as at		as at		as at			
		30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008		
<b><u>Subsidiary companies directly held by the Company</u></b>									
TISCO Bank Public Company Limited	Banking	7,282	7,282	99.51	99.51	13,244	13,244	1,021	
TISCO Securities Co., Ltd.	Securities business	1,500	1,500	99.99	99.99	1,575	1,575	121	
TISCO Asset Management Co., Ltd.	Asset management	100	100	99.99	99.99	110	110	192	
Hi-Way Co., Ltd.	Hire purchase	100	100	99.99	99.99	273	273	55	
TISCO Information Technology Co., Ltd.	Services	20	20	99.99	99.99	22	22	-	
TISCO Tokyo Leasing Co., Ltd.	Leasing	60	60	49.00	49.00	73	73	1	
Primus Leasing Co., Ltd.	Hire purchase	47	-	100.00	-	185	-	-	
Less: Allowance for impairment						(31)	-	-	
						154	-	-	
Investments in subsidiaries - net						15,451	15,297	1,390	

During the current period, the Company acquired a holding in Primus Leasing Company Limited and received a return of capital from this company, as mentioned in Note 4.3 to the financial statements and Note 4.5.2 to the financial statements.

Details of the cost of the investment in Primus Leasing Company Limited, as presented in the separate financial statement, are as follows:

(Unit: Million Baht)

	Paid-up share capital	Cost
Acquisition of investment (Note 4.3)	752	890
Capital returns from the reduction of a subsidiary's share capital (Note 4.5.2)	(705)	(705)
Cost - net	47	185

**3.4 Loans, receivables and accrued interest receivable****3.4.1 Classified by type of loan and receivable**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	as at	
	30 June	31 December
	2009	2008
<b>Loans and receivables</b>		
Loans	21,565,811	18,200,354
Hire purchase and financial lease receivables		
Hire purchase and financial lease receivables	102,095,622	97,436,863
Add (less): Unearned income	(13,705,955)	(13,200,245)
: Deferred commissions and direct expenses		
incurred at the initiation of hire purchase	762,264	698,790
: Advances received from financial lease		
receivables	(29,746)	(26,056)
Net hire purchase and financial lease receivables	89,122,185	84,909,352
Total loans and receivables	110,687,996	103,109,706
Add: Accrued interest receivable	124,926	136,704
Less: Allowance for doubtful accounts	(1,935,021)	(1,852,875)
Less: Allowance for loss on debt restructuring	(18)	(18)
Net loans, receivables and accrued interest receivable	108,877,883	101,393,517
<b>Securities and derivatives business receivables</b>		
Securities business receivable:		
Customers' cash accounts	906,422	665,835
Other receivables		
Installment receivables	1,462	1,538
Total securities business receivables	907,884	667,373
Less: Allowance for doubtful accounts	(1,625)	(1,634)
Net securities business receivables	906,259	665,739
Net loans, receivables and accrued interest receivable	109,784,142	102,059,256



(Unaudited but reviewed)

### 3.4.2 Loans and receivables of subsidiary companies for which the recognition of interest income has ceased

(Unit: Million Baht)

TISCO Bank	Amounts calculated under BOT's guidelines <sup>(2)</sup>		Amounts calculated under TISCO Bank's policy	
	as at		as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Loans and receivables for which the recognition of interest income has ceased <sup>(1)</sup>	3,799	3,241	3,953 <sup>(3)</sup>	3,405 <sup>(3)</sup>

<sup>(1)</sup> These amounts are calculated on an account by account basis.

<sup>(2)</sup> Accrual of interest ceases when interest payments have been defaulted on for more than three months, counting from the due date.

<sup>(3)</sup> Loans and receivables totaling Baht 1,138 million (31 December 2008: Baht 1,396 million), for which a 100 percent allowance for doubtful debts has been provided against the unsecured portion. The above amounts are calculated on an account by account basis.

(Unit: Million Baht)

Other subsidiaries	As at	
	30 June 2009	31 December 2008
Securities business loans and receivables, hire purchase receivables, financial lease receivables and other loans and receivables for which the recognition of interest income has ceased	388 <sup>(1)</sup>	411 <sup>(1)</sup>

<sup>(1)</sup> Baht 29 million of such amounts being loans and receivables (31 December 2008: Baht 30 million), for which a 100 percent allowance for doubtful debts has been provided.

### 3.4.3 Unearned interest income which is presented as a deduction against loans and receivables of subsidiaries

(Unit: Million Baht)

	Consolidated financial statements as at	
	30 June 2009	31 December 2008
	Unearned interest income <sup>(1)</sup>	13,193

<sup>(1)</sup> These amounts included unearned interest income of hire purchase and finance lease contracts which is stated net of commissions and direct expenses incurred at the initiation of hire purchase.

(Unaudited but reviewed)

3.4.4 Outstanding balances (net of collateral) of restructured loans and receivables and receivables which are being restructured of a subsidiary company operating banking business

	(Unit: Million Baht)
	As at 30 June 2009
	<hr/>
Restructured loans and receivables <sup>(1)</sup>	308
Loans and receivables which are being restructured	33

<sup>(1)</sup> As a result of restructuring, the due date for the first repayment of these restructured loans and receivables has been rescheduled.

3.4.5 Troubled debt restructuring of a subsidiary company operating banking business

- Debt restructuring during the period

	For the six-month periods	
	ended 30 June	
	<hr/>	
	2009	2008
	<hr/>	
Debtors restructured during the period		
Number of debtors restructured by modification of terms (number)	15	16
Loan balances before restructuring (million Baht)	316	510
Loss on troubled debt restructuring (million Baht)	-	-
Interest income on restructured receivables (million Baht)	16	31
Receipt of principal and interest (million Baht)	112	224

- The balance of the restructured debts

	(Unit: Million Baht)	
	As at	
	<hr/>	
	30 June 2009	31 December 2008
	<hr/>	
The balance of the restructured debts	1,377	1,142

**3.5 Allowance for doubtful accounts / allowance for loss on debt restructuring**

(Unit: Million Baht)

Allowance for doubtful accounts / allowance for loss on debt restructuring	As at	
	30 June 2009	31 December 2008
Amount to be provided under BOT's guidelines	1,321	1,270
Amount already recorded by TISCO Bank	1,554 <sup>(1)</sup>	1,604 <sup>(1)</sup>
Amount in excess of the required amount under BOT's guidelines	233	334

<sup>(1)</sup> The allowance for doubtful debts consists of allowance for doubtful debts of Baht 458 million (31 December 2008: Baht 758 million) set aside for the unsecured portion of loans amounting to Baht 1,138 million (31 December 2008: Baht 1,396 million) at the rate of 100 percent (the difference is the secured portion) and other allowances for doubtful debts amounting to Baht 1,096 million (31 December 2008: Baht 846 million) set up for the other loans and receivables.

**3.5.1 Allowance for doubtful accounts - classified by the receivables classification**

(Unit: Thousand Baht)

	Consolidated financial statements as at 30 June 2009						Total
	Pass	Special mentioned	Sub standard	Doubtful	Doubtful of loss	General reserve	
Balance - beginning of period	411,506	37,822	245,648	195,792	697,002	266,739	1,854,509
Increase (decrease) in allowance for doubtful accounts during the period	250,463	90,541	386,504	311,676	(89,904)	(45,260)	904,020
Bad debt written-off	(409)	(25,864)	(309,417)	(369,640)	(74,483)	(42,070)	(821,883)
Balance - end of period	661,560	102,499	322,735	137,828	532,615	179,409	1,936,646

**3.5.2 Allowance for doubtful accounts - classified by loan loss provisioning method**

(Unit: Thousand Baht)

	Consolidated financial statements as at 30 June 2009			Total
	Individual impairment	Collective impairment	General reserve	
Balance - beginning of period	554,750	1,033,020	266,739	1,854,509
Increase (decrease) in allowance for doubtful accounts during the period	207,999	741,281	(45,260)	904,020
Bad debt written-off	(14,601)	(765,212)	(42,070)	(821,883)
Balance - end of period	748,148	1,009,089	179,409	1,936,646

(Unaudited but reviewed)

3.5.3 Allowance for loss on debt restructuring of a subsidiary company operating banking business

(Unit: Thousand Baht)

As at

	30 June 2009	31 December 2008
Balance - beginning of period	18	538
Increase during the period	-	18
Write off/transfer to general reserve	-	(538)
Balance - end of period	18	18

3.5.4 Non-performing loans and receivables of a subsidiary company operating banking business

(Unit: Million Baht)

As at

	30 June 2009	31 December 2008
Non-performing loans and receivables	2,806	2,566
Allowance for doubtful accounts	803	911

**3.6 Classification of assets**

3.6.1 Investments in companies with weak financial position and poor operating results of a subsidiary company operating banking business

(Unit: Million Baht)

	Cost		Fair value		Allowance for possible loss provided in the accounts <sup>(1)</sup>	
	as at		as at		as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Debt instruments - debentures <sup>(2)</sup>	1	1	-	-	1	1
Equity instruments - ordinary shares <sup>(3)</sup>	6	6	-	-	6	6

<sup>(1)</sup> Allowance for possible losses is determined based on the investment cost less collateral value.

<sup>(2)</sup> Investments in subordinated debentures issued by financial institutions which the Bank of Thailand ordered closed on 8 December 1997.

<sup>(3)</sup> Investments in securities of companies which are vulnerable to delisting, of companies of which the auditors have expressed opinions citing the going concern issue, or of companies which have defaulted on interest payment.

### 3.6.2 Classification of assets under the Bank of Thailand's guidelines of a subsidiary company operating banking business

(Unit: Million Baht)

	Debt balance		Debt balance after		Allowance for doubtful accounts			
	as at		net of collateral		Amounts to be provided under		Amounts already set up	
					BOT's guidelines		by TISCO Bank	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
2009	2008	2009	2008	2009	2008	2009	2008	
<b>Loans and receivables</b> <sup>(1)(2)(3)</sup>								
Pass	105,241	105,512	88,773	92,419	508	380	511	396
Special mentioned	7,074	6,563	7,000	6,489	61	30	61	30
Substandard	1,086	978	1,022	954	239	147	239	147
Doubtful	407	378	384	337	89	139	89	139
Doubtful of loss	1,313	1,210	670	588	424	575	475	625
Total	115,121	114,641	97,849	100,787	1,321	1,271	1,375	1,337
Loss on receivables under troubled debt restructuring	-	-	-	-	-	-	-	-
Total	115,121	114,641	97,849	100,787	1,321	1,271	1,375	1,337
General reserve							179	267
Total							1,554	1,604
<b>Investments in securities</b>								
Doubtful of loss								
Debt instruments	3	203	3	203	3	203	3	203
Equity instruments	68	67	68	67	68	67	68	67
Total	71	270	71	270	71	270	71	270
<b>Investments in receivables</b>								
Doubtful of loss	26	36	26	36	26	36	26	36
<b>Properties foreclosed</b>								
Doubtful of loss	145	43	145	43	145	43	145	43
Total classified assets	115,363	114,990	98,091	101,136	1,563	1,620	1,796	1,953

<sup>(1)</sup> Allowance for doubtful accounts for loans and receivables is determined based on debt balance less collateral value in accordance with the BOT's guidelines (except for hire purchase receivables, for which TISCO Bank does not deduct the collateral value from the outstanding loan balance).

<sup>(2)</sup> Interest receivables are not included in the pass and special mentioned debt balances.

<sup>(3)</sup> Loans and receivables include investment in debt securities under resale agreements of BOT and other commercial banks and loans to financial institutions (which presented as part of interbank and money market items (assets) in the balance sheet).

(Unaudited but reviewed)

### 3.6.3 Classification of assets under the Bank of Thailand's guidelines for hire purchase receivables on which a subsidiary company operating banking business sets aside provision using a collective approach

(Unit: Million Baht)

	Debt balance		Debt balance		Percentage of		Allowance for doubtful	
	as at		after net of collateral value		allowance for doubtful account		accounts	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2009	2008	2009	2008	2009	2008	2009	2008
<b>Hire purchase receivables<sup>(1)</sup></b>								
Pass	76,568	72,859	76,568	72,859	0.58	0.43	433	316
Special mentioned	6,863	6,375	6,863	6,375	0.58	0.43	58	27
Substandard	992	937	992	937	20.57	32.00	210	130
Doubtful	369	324	369	324	20.57	32.00	73	126
Doubtful of loss	304	236	304	236	20.57	32.00	59	223

<sup>(1)</sup> TISCO Bank does not deduct the collateral value from the outstanding loan balance for calculation allowance for doubtful accounts for hire purchase receivables.

<sup>(2)</sup> These percentages of allowance for doubtful accounts are average percentages used in setting up allowance for doubtful accounts.

### 3.6.4 Loans and receivables includes debts due from companies with weak financial position and operating results of a subsidiary company operating banking business

	Number of debtors		Debt balance		Collateral value		Allowance for doubtful	
	as at		as at		as at		accounts provided	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2009	2008	2009	2008	2009	2008	2009	2008
			Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
1. Listed companies vulnerable to delisting from the SET	-	-	-	-	-	-	-	-
2. Non-listed companies with similar operating results and financial positions to listed companies vulnerable to delisting from the SET	2	3	279	279	182	182	146	147
3. Listed companies whose shares have been suspended from trading	-	-	-	-	-	-	-	-
4. Listed companies under rehabilitation	2	2	86	92	12	12	75	81
5. Companies which have loan settlement problems or have defaulted on payment of debts	2	2	345	339	276	276	69	63
6. Companies whose auditor's report cited going concern issues	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6</b>	<b>7</b>	<b>710</b>	<b>710</b>	<b>470</b>	<b>470</b>	<b>290</b>	<b>291</b>

(Unaudited but reviewed)

3.6.5 Classification of assets of the securities business of a local subsidiary in accordance with the Notification of the Office of the Securities and Exchange Commission

(Unit: Million Baht)

	Securities business receivables and accrued interest as at		Allowance for doubtful accounts as required by SEC as at		Allowance for doubtful accounts provided in the accounts as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
	Doubtful	2	2	2	2	2

3.6.6 Hire purchase receivables/financial lease receivables and other loan receivables of the other subsidiaries classified by the due date of the contracts

(Unit: Million Baht)

	Debt balance as at		Allowance for doubtful account as at		Debt balance - net as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
	Current	2,962	3,026	118	11	2,844
Overdue						
1 month	301	325	33	3	268	322
2 - 3 months	376	411	42	8	334	403
4 - 6 months	187	197	83	99	104	98
7 - 12 months	110	114	49	57	61	57
Over 12 months	62	70	28	35	34	35
Debtors under litigation	28	35	28	35	-	-
Total	4,026	4,178	381	248	3,645	3,930

(Unaudited but reviewed)

**3.7 Other assets**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Value added tax - net	437,396	248,021	1,419	3,895
Accrued interest receivable	16,561	25,676	-	-
Fee and charges receivable	240,968	192,010	471	-
Prepaid income tax	140,130	124,883	-	-
Deferred computer system development cost - net	170,558	143,644	15,420	10,229
Deposits	27,348	25,865	4,020	-
Other receivables	250,570	368,940	608	-
Dividend receivable from subsidiaries	-	-	462,264	-
Financial derivatives assets	-	197,909	-	-
Other assets	244,839	163,540	9,474	2
<b>Total other assets</b>	<b>1,528,370</b>	<b>1,490,488</b>	<b>493,676</b>	<b>14,126</b>

**3.8 Borrowings**

(Unit: Thousand Baht)

	Consolidated		Separate
	financial statements		financial statements
	as at		as at
	30 June 2009	31 December 2008	30 June 2009
<u>Domestic borrowings</u>			
Subordinated unsecured debentures issued by the Ministry of Finance, in accordance with the conditions of the Tier II capital support scheme	-	331,000	-
Subordinated unsecured debentures	4,000,000	-	-
Unsubordinated unsecured debentures	4,000,000	4,000,000	-
Bills of exchange	39,072,452	42,299,118	-
Promissory note	-	37,604	-
Loan agreement (Note 4.4)	-	-	100,000
<b>Total</b>	<b>47,072,452</b>	<b>46,667,722</b>	<b>100,000</b>



## 3.8.1 Subordinated unsecured debentures

Year	Issuer	Type of debenture	Units		Face value per unit (Baht)	Balance in consolidated financial statements as at (Million Baht)		Maturity in the year	Interest rate
			30 June 2009	31 December 2008		30 June 2009	31 December 2008		
			2009	TISCO Bank		Subordinated and unsecured long-term debentures	2 million		
2009	TISCO Bank	Subordinated and unsecured long-term debentures	2 million	-	1,000	2,000	-	2019	5.0 percent per annum in the first to third years, 5.5 percent per annum in the forth to seventh years and 6.0 percent per annum in the eighth to tenth years.
Total						4,000	-		

## 3.8.2 Unsubordinated unsecured debentures

Year	Issuer	Type of debenture	Units		Face value per unit (Baht)	Balance in consolidated financial statements as at (Million Baht)		Maturity in the year	Interest rate
			30 June 2009	31 December 2008		30 June 2009	31 December 2008		
			2007	TISCO Bank		Unsubordinated and unsecured long-term debentures	3 million		
2007	TISCO Bank	Unsubordinated and unsecured long-term debentures	1 million	1 million	1,000	1,000	1,000	2012	4.04 percent per annum.
Total						4,000	4,000		

## 3.8.3 Bills of exchange

Bills of exchange bear fixed interest rates and float interest rates between 0.75 and 5.05 percent per annum and mature between 2009 and 2011.

The subsidiary companies operating banking business have entered into interest rate swap agreements to swap the floating interest rates on some bills of exchange amounting to Baht 380 million for fixed interest rates, as mentioned in Note 3.23.5 to the financial statements.

**3.9 Other liabilities**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	as at		as at	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Corporate income tax payable	417,530	42,247	85,035	-
Withholding tax and other tax payable	66,419	166,999	2,982	1
Accrued insurance premium	468,118	634,127	-	-
Deferred income	144,899	131,322	20,000	-
Accrued expenses	361,711	142,757	100,803	700
Dividend payable	455,242	-	453,859	-
Other liabilities	530,287	294,816	33,704	271,479
<b>Total other liabilities</b>	<b>2,444,206</b>	<b>1,412,268</b>	<b>696,383</b>	<b>272,180</b>

**3.10 Preference shares converted to ordinary shares**

As at 30 June 2009, there are 183,419,326 preference shares which are convertible to ordinary shares.

On 1 July 2009, 180,989,468 preference shares have been converted into ordinary shares, and such conversion has been registered with the Ministry of Commerce. There are therefore 2,429,858 preference shares which are yet to be converted to ordinary shares. However, since 30 June 2009, the rights and benefits of the preference shareholders are equal to those of the ordinary shareholders.

**3.11 Warrants**

Under the holding company restructuring plan, the Company received the transfer of 970,250 warrants to purchase preference shares from TISCO Bank. These warrants were allocated in the year 2004 and have an exercise price of Baht 21.88 per share, with the exercise period ending in August 2009.

### 3.12 Capital funds

The primary objectives of the Group's capital management are to maintain its ability to continue as a going concern and to maintain capital adequacy ratio in accordance with the regulations of Bank of Thailand.

Capital funds of the subsidiary company operating banking business are as follows:

	(Unit: Thousand Baht)	
	As at	
	30 June 2009	31 December 2008
<u>Tier I</u>		
Issued and fully paid up share capital	7,281,523	7,281,523
Premium on share capital	130,451	130,451
Statutory reserve	547,000	486,800
Retained earnings - unappropriated	2,527,613	2,491,136
<b>Total Tier I</b>	<b>10,486,587</b>	<b>10,389,910</b>
<u>Tier II</u>		
Subordinated long-term debentures	4,000,000	66,200
Reserve for loans classified as pass	377,805	380,640
<b>Total Tier II</b>	<b>4,377,805</b>	<b>446,840</b>
<b>Total capital fund</b>	<b>14,864,392</b>	<b>10,836,750</b>

Capital ratios	As at			
	30 June 2009		31 December 2008	
	TISCO Bank	Requirement	TISCO Bank	Requirement
Tier I capital to risk assets	10.09%	4.25%	11.23%	4.25%
Total capital to risk assets	14.30%	8.50%	11.71%	8.50%

### 3.13 Deficit on changes in the value of investments

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	as at	
	30 June 2009	31 December 2008
Balance - beginning of period	(496,329)	756,634
Increase (decrease) from changes in the value of securities during the period	335,813	(1,252,963)
	(160,516)	(496,329)
Add: The effect of deferred tax assets	7,843	97,337
<b>Balance - ending of period</b>	<b>(152,673)</b>	<b>(398,992)</b>

(Unaudited but reviewed)

### 3.14 Gain (loss) on investments

	(Unit: Thousand Baht)		
	Consolidated financial statements for the six-month periods ended 30 June		Separate financial statements for the six-month period ended 30 June
	2009	2008	2009
		(Before holding restructuring)	
Reversal allowance for impairment of investments (allowance)	(7,954)	276	(31,582)
Realised gain on investments	4,526	127,441	-
Total	<u>(3,428)</u>	<u>127,717</u>	<u>(31,582)</u>

### 3.15 Loss from trading derivatives

	(Unit: Thousand Baht)	
	Consolidated financial statements for the six-month periods ended 30 June	
	2009	2008
		(Before holding restructuring)
Realised loss on derivatives trading	(83)	(4,215)
Total	<u>(83)</u>	<u>(4,215)</u>

### 3.16 Other income

	(Unit: Thousand Baht)		
	Consolidated financial statements for the six-month periods ended 30 June		Separate financial statements for the six-month period ended 30 June
	2009	2008	2009
		(Before holding restructuring)	
Penalty fee income from loans	93,702	67,880	-
Gains on disposal of property foreclosed	14,617	122	-
Rental income	24,034	10,515	28,915
Others	139,075	89,290	60
Total	<u>271,428</u>	<u>167,807</u>	<u>28,975</u>

(Unaudited but reviewed)

### 3.17 Other expenses

	Consolidated		(Unit: Thousand Baht)
	financial statements		Separate
	for the six-month periods		financial statements
	ended 30 June		for the six-month period
			ended 30 June
	2009	2008	2009
		(Before holding restructuring)	
Contributions to the Financial Institutions			
Development Fund / Deposit Protection Agency	98,734	70,409	-
Allowance for impairment of property foreclosed	102,857	6,667	-
Mailing expenses	21,400	19,044	204
Loan losses from court - ordered executions	28,018	12,197	-
Transportation expenses	32,815	34,156	2,322
Advertising and promotion expenses	54,051	16,698	1,221
Others	104,836	93,050	7,049
Total	442,711	252,221	10,796

### 3.18 Corporate income tax

	Consolidated		(Unit: Thousand Baht)
	financial statements		Separate
	for the six-month periods		financial statements
	ended 30 June		for the six-month period
			ended 30 June
	2009	2008	2009
		(Before holding restructuring)	
Income tax payable on taxable profit for the period	471,444	290,276	104,871
Add (less): Net decrease (increase) in deferred tax on temporary differences	(69,523)	39,412	(37,672)
Adjustment in respect of current income tax of prior year	(227)	8,914	(39)
Income tax expenses - net	401,694	338,602	67,160

(Unaudited but reviewed)

The temporary differences giving rise to the deferred tax assets and deferred tax liabilities arose from the following.

	(Unit: Thousand Baht)		
	Consolidated		Separate
	financial statements		financial statements
	as at		as at
	30 June 2009	31 December 2008	30 June 2009
Allowance for doubtful accounts (general reserve)	551,255	509,268	-
Allowance for doubtful accounts for VAT receivables	-	4,047	-
Allowance for impairment of investments	204,656	218,824	31,582
Allowance for impairment of property foreclosed	145,353	43,499	-
Non-accrual of interest income	692,019	689,976	-
Depreciation of assets	98,533	117,636	14,262
Financial leases	(59,066)	4,587	-
Revaluation deficit on changes in the value of investments	26,144	325,994	-
Unrealised gain on derivatives	26	(866)	-
Unrealised losses on cash flow hedges	42,086	-	-
Deferred commissions and direct expenses of incurred at the initiation of hire purchase	(754,694)	(692,248)	-
Loss on disposal of property foreclosed	113,547	112,613	-
Deferred subsidised income	90,456	52,273	-
Reduction of a subsidiary's share capital	102,428	-	102,428
Loss carried forward	100,020	-	-
Others	9,447	4,669	(362)
	<u>1,362,210</u>	<u>1,390,272</u>	<u>147,910</u>
<b>Deferred tax assets</b>	<u>401,962</u>	<u>417,082</u>	<u>37,672</u>
Financial leases	-	91,183	-
Allowance for doubtful accounts	-	(3,060)	-
Loss carried forward	-	(81,390)	-
Allowance for impairment of other assets	-	(900)	-
	<u>-</u>	<u>5,833</u>	<u>-</u>
<b>Deferred tax liabilities</b>	<u>-</u>	<u>1,750</u>	<u>-</u>

### 3.19 Earnings per share

The computation of basic and diluted earnings per share is listed below.

Consolidated financial statements					
For the three-month periods ended 30 June					
Net income		Weighted average number of ordinary shares		Earnings per share	
2009	2008	2009	2008	2009	2008
(Before holding restructuring)		(Before holding restructuring)		(Before holding restructuring)	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent					
502,147	501,284				
Less: Dividend paid to preference shares in preference to the ordinary shares for the period					
(45,829)	(45,872)				
456,318	455,412	724,606	728,107	0.63	0.63
<b>Effect of dilutive potential ordinary shares</b>					
Warrants to purchase preference shares					
-	-	-	1,016		
<b>Diluted earnings per share</b>					
Net income of ordinary shareholders assuming the conversion to ordinary shares					
456,318	455,412	724,606	729,123	0.63	0.62

  

Consolidated financial statements					
For the six-month periods ended 30 June					
Net income		Weighted average number of ordinary shares		Earnings per share	
2009	2008	2009	2008	2009	2008
(Before holding restructuring)		(Before holding restructuring)		(Before holding restructuring)	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
<b>Basic earnings per share</b>					
Net income attributable to equity holders of the parent					
956,116	930,372				
Less: Dividend paid to preference shares in preference to the ordinary shares for the period					
(91,704)	(91,650)				
864,412	838,722	724,606	727,917	1.19	1.15
<b>Effect of dilutive potential ordinary shares</b>					
Warrants to purchase preference shares					
-	-	-	1,206		
<b>Diluted earnings per share</b>					
Net income of ordinary shareholders assuming the conversion to ordinary shares					
864,412	838,722	724,606	729,123	1.19	1.15





**3.20 Related party transactions**

(Unit: Thousand Baht)

	Balance - beginning of period	Increase	Decrease	Balance - end of period
<b>Outstanding balance as at 30 June 2009</b>				
(Eliminated in consolidated financial statements)				
<b>Subsidiary companies</b>				
Interbank and money market items (assets)				
TISCO Bank Public Company Limited	27,992	239,000	(23,930)	243,062
Interbank and money market items (liabilities)				
TISCO Bank Public Company Limited	2,600,000	570,000	(470,000)	2,700,000
Dividend receivable				
TISCO Bank Public Company Limited	-	1,021,485	(654,421)	367,064
TISCO Securities Co., Ltd.	-	121,500	(67,500)	54,000
TISCO Asset Management Co., Ltd.	-	191,619	(150,419)	41,200
Hi-Way Co., Ltd.	-	54,930	(54,930)	-
TISCO Tokyo Leasing Co., Ltd.	-	1,470	(1,470)	-
Other assets				
TISCO Securities Co., Ltd.	-	7,036	(7,036)	-
Hi-Way Co., Ltd.	-	4,500	(4,500)	-
TISCO Information Technology Co., Ltd.	-	15,992	(12,242)	3,750
Borrowings				
Primus Leasing Co., Ltd.	-	300,000	(200,000)	100,000
Interest payable				
Primus Leasing Co., Ltd.	-	1,326	-	1,326
Other liabilities				
TISCO Bank Public Company Limited	-	250,125	(250,125)	-
TISCO Securities Co., Ltd.	-	35,681	(7,964)	27,717
TISCO Asset Management Co., Ltd.	-	4,500	(4,500)	-
TISCO Information Technology Co., Ltd.	-	3,768	-	3,768
TISCO Leasing Co., Ltd.	270,464	-	(270,464)	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

<u>Separate financial statements</u>	<u>Terms and pricing policy</u>
--------------------------------------	---------------------------------

(For the period 2009)

**Transactions occurred during the three-month period ended 30 June 2009**

(Eliminated in consolidated financial statements)

**Subsidiary companies**

Risk and financial management fee income, human resources management fee income and office administration fee income	301,500	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Interest income	1,365	With reference to the terms and prices as offered to other customers
Rental income	11,520	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Computer system advisory services expenses	3,750	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Interest expenses	30,079	With reference to the terms and prices as offered to other customers (carrying interest at rate between 3.65 and 4.00 percent per annum)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	Terms and pricing policy
		(For the period 2009)
<b><u>Transactions occurred during the six-month period ended 30 June 2009</u></b>		
(Eliminated in consolidated financial statements)		
<b>Subsidiary companies</b>		
Risk and financial management fee income, human resources management fee income and office administration fee income	603,000	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Interest income	1,484	With reference to the terms and prices as offered to other customers
Rental income	22,309	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Computer system advisory service expenses	7,500	In accordance with the centralised policy for supporting activities of the Company and related companies, which was approved by the Bank of Thailand
Interest expenses	62,306	With reference to the terms and prices as offered to other customers (carrying interest at rates between 3.65 and 4.00 percent per annum)
Other expenses	3,000	With reference to the terms and prices as offered to other customers

Loans to management-level employees (departmental manager upward)

(Unit: Thousand Baht)

	Consolidated financial statements	
	as at	
	30 June 2009	31 December 2008
Loans	2,241	2,939

Besides the above transactions, the Company has additional related party transactions with its subsidiaries, which are presented in Note 4.4 to the financial statements.

### 3.21 Financial information by segment

#### 3.21.1 Financial information by business segment

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Bank		Securities				Elimination		Total	
	business/financial		business		Other business					
	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>
Net interest and dividend										
income after bad debt and										
doubtful accounts	1,145	787	6	16	1,361	-	(1,382)	-	1,130	803
Non-interest income	354	365	410	297	356	50	(402)	17	718	729
Non-interest expenses	(1,003)	(661)	(225)	(224)	(253)	(52)	358	77	(1,123)	(860)
Corporate income tax	(144)	(140)	(57)	(31)	(18)	-	-	-	(219)	(171)
Non-controlling interests of										
the subsidiaries	-	-	-	-	-	-	(4)	-	(4)	-
Net income for the period	<u>352</u>	<u>351</u>	<u>134</u>	<u>58</u>	<u>1,446</u>	<u>(2)</u>	<u>(1,430)</u>	<u>94</u>	<u>502</u>	<u>501</u>

<sup>(1)</sup> Before holding restructuring

(Unit: Million Baht)

	For the six-month periods ended 30 June									
	Bank		Securities				Elimination		Total	
	business/financial		business		Other business					
	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>	2009	2008 <sup>(1)</sup>
Net interest and dividend										
income after bad debt and										
doubtful accounts	2,022	2,262	24	35	1,331	-	(1,294)	(683)	2,083	1,614
Non-interest income	789	669	613	581	740	101	(897)	(56)	1,245	1,295
Non-interest expenses	(1,956)	(1,259)	(420)	(435)	(404)	(96)	818	150	(1,962)	(1,640)
Corporate income tax	(269)	(279)	(66)	(60)	(67)	-	-	-	(402)	(339)
Non-controlling interests of										
the subsidiaries	-	-	-	-	-	-	(8)	-	(8)	-
Net income for the period	<u>586</u>	<u>1,393</u>	<u>151</u>	<u>121</u>	<u>1,600</u>	<u>5</u>	<u>(1,381)</u>	<u>(589)</u>	<u>956</u>	<u>930</u>

<sup>(1)</sup> Before holding restructuring

## (Unaudited but reviewed)

(Unit: Million Baht)

	As at									
	Bank business/financial									
	service business		Securities business		Other business		Elimination		Total	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Investments	7,141	4,506	1,125	1,002	15,451	15,298	(15,555)	(15,451)	8,162	5,355
Loans, receivables and accrued interest										
receivable - net	111,679	103,997	906	666	-	-	(2,801)	(2,604)	109,784	102,059
Other assets	10,681	17,683	1,128	1,003	1,636	857	(1,067)	(784)	12,378	18,759
Total assets	129,501	126,186	3,159	2,671	17,087	16,155	(19,423)	(18,839)	130,324	126,173

## 3.21.2 Significant operating results by domestic and foreign activities

(Unit: Million Baht)

	For the three-month periods ended 30 June							
	2009				2008			
	(Before holding restructuring)							
	Domestic	Foreign	Elimination	Total	Domestic	Foreign	Elimination	Total
Net interest and dividend income after bad debt and doubtful accounts	2,512	-	(1,382)	1,130	803	-	-	803
Non-interest income	1,120	-	(402)	718	711	1	17	729
Non-interest expenses	(1,479)	(2)	358	(1,123)	(918)	(19)	77	(860)
Corporate income tax	(219)	-	-	(219)	(171)	-	-	(171)
Non-controlling interests of the subsidiaries	-	-	(4)	(4)	-	-	-	-
Net income for the period	1,934	(2)	(1,430)	502	425	(18)	94	501

(Unit: Million Baht)

	For the six-month periods ended 30 June							
	2009				2008			
	(Before holding restructuring)							
	Domestic	Foreign	Elimination	Total	Domestic	Foreign	Elimination	Total
Net interest and dividend income after bad debt and doubtful accounts	3,377	-	(1,294)	2,083	2,296	1	(683)	1,614
Non-interest income	2,142	-	(897)	1,245	1,350	1	(56)	1,295
Non-interest expenses	(2,777)	(3)	818	(1,962)	(1,767)	(23)	150	(1,640)
Corporate income tax	(402)	-	-	(402)	(339)	-	-	(339)
Non-controlling interests of the subsidiaries	-	-	(8)	(8)	-	-	-	-
Net income for the period	2,340	(3)	(1,381)	956	1,540	(21)	(589)	930

**3.22 Commitments and contingent liabilities**

## 3.22.1 Avals, guarantees and commitments

(Unit: Thousand Baht)

Consolidated financial statements  
as at

	30 June 2009	31 December 2008
Avals	64,422	70,697
Guarantees of loans	1,038,650	984,125
Obligations covering principal under interest rate swap agreements (Note 3.23.5)	1,945,865	2,297,717
Obligations covering principal under a call option agreement	-	15,960
Obligations for cross currency swap agreements	-	4,179,690
Undrawn client overdraft facilities	5,789	-
	<u>3,054,726</u>	<u>7,548,189</u>

## 3.22.2 Litigation

As at 30 June 2009, the subsidiary has been sued for compensation totaling approximately Baht 148 million. Final judgments have not yet been reached in respect of these cases.

In December 2005, a foreign subsidiary received a letter from the solicitor of one of its clients, requesting payment of damages amounting to HKD 46.6 million (equivalent to Baht 205 million as at 30 June 2009). During the current period, this case is currently under consideration of the court.

The management of the Company and its subsidiaries believe that no material losses to the consolidated financial statements will be incurred as a result of the above mentioned lawsuits and damage claims.

### 3.22.3 Other commitments

- a) The subsidiary company operating banking business has commitments in relation to computer service agreements, whereby it is to pay both fixed fees and service fees which vary according to the quantity and type of services, as stipulated in the agreements.
- b) The subsidiary companies have entered into several lease agreements in respect of the lease of office building and branch office. The terms of the agreements are generally between 3 and 10 years.

As at 30 June 2009, future minimum lease payments required under these non-cancellable operating leases contracts were as follows:

	<u>Million Baht</u>
Payable within:	
Less than 1 year	63
1 to 5 years	76
More than 5 years	13

### 3.23 Financial instruments

There have been no significant changes in the risk management policy of TISCO Group during the current period.

#### 3.23.1 Credit risk

TISCO Group is exposed to credit risk primarily with respect to loans, receivables and guarantees of loans and others. The maximum exposure to credit risk is limited to the carrying amount of loans and receivables as stated in the balance sheets.

Quality of risk from provision of hire purchase receivables by a subsidiary operating banking business, which comprises the largest portion of credit granted by the Group, is as detailed below.

The risk of hire purchase credit that is not overdue of the subsidiary operating banking business can be classified into three groups, based on quality of risk in respect of expected losses within one year. These are "Very High Grade", "High Grade" and "Medium Grade", with "Very High Grade" credit defined as credit from which expected losses over the next year are less than or equal to 0.2% of the balance; "High Grade" as credit from which losses within one year are expected to be between 0.2% and 2.0% and "Medium Grade" as credit from which losses within one year are expected to exceed 2% of the balance.

(Unaudited but reviewed)

Credit risk of hire purchase receivables classified by quality of credit is as follows:

(Unit: Million Baht)

	As at	
	30 June 2009	31 December 2008
Neither past due nor impaired		
Very high grade	58,246	53,755
High grade	14,227	16,642
Medium grade	4,095	2,462
Sub total	76,568	72,859
Hire purchase receivables - overdue 31 - 90 days	6,863	6,375
Hire purchase receivables - overdue more than 90 days	1,665	1,497
Total	85,096	80,731

### 3.23.2 Market risk

#### 3.23.2.1 Market risk - Marketable portfolio

The following table shows the VaR calculation for marketable portfolio position at the balance sheet date. The VaR that the Group measures is an estimate, using a confidence level of 99%, of TISCO potential loss that is not expected to be exceeded if the current marketable portfolio position were to be held unchanged for one year.

(Unit: Million Baht)

	Market risk	
	as at	
	30 June 2009	31 December 2008
Marketable financial assets		
Equity securities	323	581
Debts securities	56	6
Foreign currencies	13	18



## 3.23.2.2 Market risk sensitivity - Interest bearing assets and liabilities

The market risk sensitivity of interest bearing assets and liabilities is measured by assessing the effect of changes in interest rates on the net interest income over a period of one year, based on the fixed interest bearing asset and liability positions held by the Group at the balance sheet date. In making such assessment, changes in interest rates are applied prospectively and normal increases in assets and liabilities are not taken into account as presented below.

	(Unit: Million Baht)	
	Increase (decrease) in sensitivity of net interest income as at	
	30 June 2009	31 December 2008
Change in interest rate		
Increase 1 percent	(231.34)	(241.15)
Decrease 1 percent	231.34	241.15

However, to better reflect a realistic business environment, the sensitivity to interest rate risk is adjusted taking into account that business growth and interest rate shift are actually gradual. The net interest rate sensitivity incurred would be less than those effected in net interest income as illustrated in the analysis. This market risk sensitivity of interest bearing assets and liabilities are not included in marketable debt securities, which presented in the market risk - marketable portfolio.

## 3.23.2.3 Interest rate risk

The Company and its subsidiaries have the following significant exposures to interest rate risk, relating to financial instruments.

(Unit: Million Baht)

Consolidated financial statements as at 30 June 2009				
Outstanding balances of financial instruments				
<u>Transactions</u>	Floating interest rate	Fixed interest rate	Without interest	Total
<b><u>Financial assets</u></b>				
Cash	-	-	596	596
Interbank and money market items	128	6,199	862	7,189
Investments - net	39	6,517	1,606	8,162
Receivable from clearing house	-	-	126	126
Loans and receivables	9,949	100,355	1,417	111,721
	<u>10,116</u>	<u>113,071</u>	<u>4,607</u>	<u>127,794</u>
<b><u>Financial liabilities</u></b>				
Deposits	23,847	37,566	544	61,957
Interbank and money market items	1,209	4,416	-	5,625
Liabilities payable on demand	-	-	352	352
Borrowings	-	47,072	-	47,072
Payable to clearing house	-	-	75	75
Securities and derivative business payables	3	-	951	954
	<u>25,059</u>	<u>89,054</u>	<u>1,922</u>	<u>116,035</u>

(Unit: Million Baht)

Separate financial statements as at 30 June 2009				
Outstanding balances of financial instruments				
<u>Transactions</u>	Floating interest rate	Fixed interest rate	Without interest	Total
<b><u>Financial assets</u></b>				
Interbank and money market items	4	239	-	243
Investments - net	-	-	15,451	15,451
	<u>4</u>	<u>239</u>	<u>15,451</u>	<u>15,694</u>
<b><u>Financial liabilities</u></b>				
Interbank and money market items	-	2,700	-	2,700
Borrowings	-	100	-	100
	<u>-</u>	<u>2,800</u>	<u>-</u>	<u>2,800</u>

(Unaudited but reviewed)

Financial instruments which bear interest rate at fixed rates are classified below by the period from the balance sheet date to the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements as at 30 June 2009							
<u>Transactions</u>	Repricing or maturity date					Total	Interest rates (%)
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
<b>Financial assets</b>							
Interbank and money market items	-	6,199	-	-	-	6,199	1.1346
Investments - net	84	352	1,406	4,379	296	6,517	5.7694
Loans and receivables	1,313	13,062	22,563	62,042	1,375	100,355	7.8001
	<u>1,397</u>	<u>19,613</u>	<u>23,969</u>	<u>66,421</u>	<u>1,671</u>	<u>113,071</u>	
<b>Financial liabilities</b>							
Deposits	2,592	21,750	12,227	997	-	37,566	3.3823
Interbank and money market items	800	1,777	1,078	761	-	4,416	2.7974
Borrowings	5,028	27,966	8,202	1,876	4,000	47,072	2.2736
	<u>8,420</u>	<u>51,493</u>	<u>21,507</u>	<u>3,634</u>	<u>4,000</u>	<u>89,054</u>	

(Unit: Million Baht)

Separate financial statements as at 30 June 2009							
<u>Transactions</u>	Repricing or maturity date					Total	Interest rates (%)
	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years		
<b>Financial assets</b>							
Interbank and money market items	239	-	-	-	-	239	1.0000
	<u>239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>239</u>	
<b>Financial liabilities</b>							
Interbank and money market items	2,700	-	-	-	-	2,700	3.6500
Borrowings	-	-	100	-	-	100	4.0000
	<u>2,700</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>2,800</u>	

The balances of loans and receivables (including those on which interest recognition has been ceased) shown in the above table are presented before deducting allowance for doubtful accounts.

## 3.23.3 Liquidity risk

Counting from the balance sheet date, as at 30 June 2009, the periods to the maturity dates of financial instruments are as follows:

(Unit: Million Baht)

Consolidated financial statements as at 30 June 2009								
<u>Transactions</u>	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Non performing loans	Total
<b>Financial assets</b>								
Cash	596	-	-	-	-	-	-	596
Interbank and money market items	990	6,199	-	-	-	-	-	7,189
Investments - net	669	401	1,406	4,418	296	972	-	8,162
Receivable from clearing house	-	126	-	-	-	-	-	126
Loans and receivables	1,098	12,970	23,631	67,213	2,622	-	4,187	111,721
	<u>3,353</u>	<u>19,696</u>	<u>25,037</u>	<u>71,631</u>	<u>2,918</u>	<u>972</u>	<u>4,187</u>	<u>127,794</u>
<b>Financial liabilities</b>								
Deposits	26,983	21,750	12,227	997	-	-	-	61,957
Interbank and money market items	814	2,001	1,548	1,262	-	-	-	5,625
Liabilities payable on demand	352	-	-	-	-	-	-	352
Borrowings	5,028	27,966	8,202	1,876	4,000	-	-	47,072
Payable to clearing house	-	75	-	-	-	-	-	75
Securities and derivative business payables	3	951	-	-	-	-	-	954
	<u>33,180</u>	<u>52,743</u>	<u>21,977</u>	<u>4,135</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>116,035</u>
<b>Off-balance sheet items</b>								
Aval to bills and guarantees of loans	-	52	-	12	-	-	-	64
Other commitments	-	634	990	861	-	505	-	2,990

(Unit: Million Baht)

Separate financial statements as at 30 June 2009								
<u>Transactions</u>	At call	0 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Unspecified	Non performing loans	Total
<b>Financial assets</b>								
Interbank and money market items	243	-	-	-	-	-	-	243
Investments - net	-	-	-	-	-	15,451	-	15,451
	<u>243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,451</u>	<u>-</u>	<u>15,694</u>
<b>Financial liabilities</b>								
Interbank and money market items	2,700	-	-	-	-	-	-	2,700
Borrowings	-	-	100	-	-	-	-	100
	<u>2,700</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,800</u>

### 3.23.4 Foreign exchange risk

As at 30 June 2009, the Company and its subsidiaries had the following significant financial instruments in foreign currencies.

- a) Investment in the subsidiaries indirectly owned by the Company amounting to HKD 28 million (under the cost method equivalent to Baht 101 million).
- b) Cash at bank of the subsidiaries indirectly owned by the Company amounting to HKD 17 million (equivalent to Baht 75 million).

### 3.23.5 Derivatives

The subsidiaries have a policy to enter into transactions involving financial derivative instruments, for trading and hedging risks.

As at 30 June 2009, the subsidiaries have the following financial derivative instruments.

- a) Financial derivative instruments classified as derivatives held for trading

The subsidiary operating banking business entered into interest rate swap agreements to manage the risk associated with its interest-bearing financial liabilities. The subsidiary has signed contracts to pay interest at a fixed rate and receive interest at a floating rate, as follow:

(Unit: Million Baht)		
Maturity	Notional amount	Fair value gain (loss)
2010	380	(10)
2012	300	9

- b) Financial derivative instruments classified as derivatives for cash flow hedges

The subsidiary operating leasing business entered into interest rate swap agreements to manage the risk associated with its interest-bearing financial liabilities. Such subsidiary has signed contracts to pay interest at a fixed rate and receive interest at a floating rate, as follow:

(Unit: Million Baht)		
Maturity	Notional amount	Fair value gain (loss)
2013	1,266	(42)

(Unaudited but reviewed)

The hedged cash flows are expected to occur and when they are expected to affect income statements are in the periods as follows:

	(Unit: Million Baht)	
	Less than 1 year	1 - 4 years
Interest expenses	22	13

The net loss on cash flow hedges transferred from shareholders' equity to the income statement for the six-month period ended 30 June 2009, and arose from interest payment under interest rate swap contracts used to hedge cash flows as follows:

	(Unit: Million Baht)
	For the six-month period ended 30 June 2009
Interest expenses	14

### 3.23.6 Fair value of financial instruments

The fair value of significant financial instruments of the Company and its subsidiaries are presented below.

	(Unit: Million Baht)			
	As at			
	30 June 2009		31 December 2008	
<u>Transactions</u>	<u>Book value</u>	<u>Fair value</u>	<u>Book value</u>	<u>Fair value</u>
<b><u>Financial assets</u></b>				
Interbank and money market items	7,189	7,189	13,591	13,591
Investments - net	8,162	8,162	5,355	5,355
Loans and receivables	109,784	111,825	102,059	102,806
<b><u>Financial liabilities</u></b>				
Deposits	61,957	61,957	58,823	58,823
Interbank and money market items	5,625	5,625	5,728	5,728
Liabilities payable on demand	352	352	497	497
Borrowings	47,072	47,065	46,668	46,642
Payable to clearing house	75	75	339	339
Securities and derivative business payables	954	954	292	292

In estimating the fair value of financial instruments, an allowance for doubtful debt is deducted based on the relative risk. The book values of financial instruments are the values net of the full amount of such allowance for doubtful debt.

#### **4. Significant events during the period and other information**

##### **4.1 Holding restructuring**

The Company has performed in accordance with the shareholding restructuring plan. On 9 January 2009, the Company reported that it held 541,179,179 ordinary shares, 183,427,226 preference shares and 970,250 warrants to purchase preference shares, representing a 99.51% shareholding, in TISCO Bank.

Upon completion of the shareholding restructuring, the Company became the parent company of TISCO Group, holding 99.51% of TISCO Bank's paid up shares, and acquiring shareholdings in other subsidiary companies equal to those previously held by TISCO Bank (except those companies in the process of dissolution or liquidation). In accordance with the holding restructuring plan, the Company has already recorded assets transferred from its subsidiary companies, together with the purchase of a 49% holding in TISCO Tokyo Leasing Company Limited.

On 13 January 2009, the Company registered a paid-up share capital of Baht 7,246,064,050 (541,179,179 ordinary shares and 183,427,226 preference shares, both with a par value of Baht 10 each) with the Ministry of Commerce. In addition, on 16 January 2009 the Company registered the decrease in its initial capital of Baht 10,000 (1,000 ordinary shares with a par value of Baht 10 each) with the Ministry of Commerce in order to prevent crossholding after the completion of the shareholding restructuring of TISCO Group.

On 15 January 2009, TISCO Bank delisted its shares from the Stock Exchange of Thailand in accordance with the Group shareholding restructuring plan, and the shares of TISCO Financial Group Public Company Limited were listed on the Stock Exchange of Thailand in place of those of TISCO Bank.

On 24 April 2009, the 2009 Annual General Meeting of Shareholders of the Company passed a resolution to acquire the remaining 0.49% of shares in TISCO Bank from the minority shareholders after the completion of the shareholding restructuring of TISCO Group. The shareholders delegated authority to the Company's Board of Directors to implement the share swap process, as they consider appropriate. However, the swap price or the cash purchase price are not to exceed the book value of TISCO Bank as at the transaction date and are not to exceed the previous swap price.

## 4.2 Dividend Payment

	Approved by	Dividend per share		Amounts of	Dividend
		Preference	Ordinary	dividend paid	payment period
		share	share		
		Baht per	Baht per	Million Baht	
		share	share		
<b>Dividend declared by TISCO Bank Public Company Limited -</b>					
<b>Before holding restructuring</b>					
Final dividends for 2007	The 2008 Annual General Meeting of the Shareholders on 25 April 2008	2.80	1.80	1,490	May 2008
Total				<u>1,490</u>	
<b>Dividend declared by TISCO Financial Group Public Company Limited -</b>					
<b>After holding restructuring</b>					
Final dividends for 2008	The 2009 Annual General Meeting of the Shareholders on 24 April 2009	2.00	1.00	908	May 2009
Interim dividends for 2009	The 2009 Annual General Meeting of the Shareholders on 24 April 2009	1.00	0.50	454	July 2009
Total				<u>1,362</u>	

## 4.3 Acquisition of subsidiary

On 2 March 2009, the Company acquired a 100% stake in Primus Leasing Company Limited from its former shareholders. As a result, the Company has management control over this company and considers it to be a subsidiary. The transaction was approved by the Company's Extraordinary General Meeting of the Shareholders No.2/2008 on 23 December 2008 and by the Bank of Thailand on 27 February 2009. In accordance with the conditions in the share purchase agreement, the purchase price depends on the audited financial statements. The Company has received the audited net asset value of Primus Leasing Company Limited as at 28 February 2009. The audited net asset value totals approximately Baht 783 million, while the net fair value of assets and liabilities of Primus Leasing Company Limited totals approximately Baht 861 million. The excess of the fair value and the net asset value is mainly due to hire purchase receivables and financial lease receivables.



The Company paid approximately Baht 890 million for its acquisition of Primus Leasing Company Limited. The difference between the purchase price and the net fair value of assets and liabilities of Primus Leasing Company Limited is considered as goodwill resulted from the acquisition. However, the management of the Company has considered that the amount of goodwill is not materially significant. In addition, the factors used in the assessment of the value of goodwill are uncertain. The Company therefore wrote-off the goodwill and recorded it as other expense in the consolidated income statement.

Fair values of net assets of Primus Leasing Company Limited as at the acquisition date (2 March 2009) are as follows:

	(Unit: Million Baht)	
	The adjusted net asset value after receipt of the audit results	
	Fair value	Book value (Audited)
Interbank and money market items (assets) - deposits	1,014	1,014
Hire purchase and finance leases receivables - net	5,134	5,032
Property foreclosed	10	10
Other debtors	1,250	1,250
Other assets	69	86
Total asset	7,477	7,392
Borrowings	6,200	6,200
Other liabilities	416	409
Total liabilities	6,616	6,609
Net assets	861	783

On 2 March 2009, TISCO Bank entered into an assignment agreement to acquire rights of claim over hire purchase receivables, lease receivables and property foreclosed of Primus Leasing Company Limited for a total consideration of approximately Baht 5,144 million, which was at fair value. The fair value of receivables was calculated by discounting cash flow projections under the hire purchase and lease contracts. The discount rate applied was the current new business (new car) rate of TISCO Bank. The fair value of property foreclosed was reference from market price. The purchase price was paid to that company on 24 April 2009. Primus Leasing Company Limited recorded a gain from the sale of Baht 102 million.

#### **4.4 Related party transactions**

Besides the related party transactions as described in Note 3.20 to the financial statements, during the six-month period ended 30 June 2009, there are related party transactions with its related companies under TISCO Group, as presented below. Gain or loss occurred from the related party transactions of TISCO Group was eliminated from the consolidated financial statements.

As at 30 June 2009, the Company had an outstanding borrowing totaling Baht 100 million from Primus Leasing Company Limited under a loan agreement, subject to interest at a fixed rate of 4.00% per annum. The loan matures within 2010. The Company recorded this borrowing under “Short-term borrowings” in the balance sheet in the separate financial statements.

As at 30 June 2009, the Company had an outstanding borrowing totaling Baht 2,700 million from TISCO Bank under a call promissory note, carrying interest at a fixed rate of 3.65% per annum and maturing within 2009. The Company recorded this borrowing under “Interbank and money market items (liabilities)” in the balance sheet in the separate financial statements.

#### **4.5 Significant events of subsidiaries**

##### **4.5.1 Capital returns from a subsidiary**

In January 2009, TISCO Bank received the return of capital from the reduction of registered share capital of TISCO Leasing Company Limited amounting to Baht 168 million.

##### **4.5.2 Reduction of a subsidiary’s registered share capital**

A resolution passed by the Annual General Meeting of the Shareholders of Primus Leasing Company Limited, on 27 March 2009, approved a decrease in that company’s registered share capital from Baht 752 million (7,518,000 ordinary shares of Baht 100 each) to Baht 188 million (1,879,500 ordinary shares of Baht 100 each). On 4 May 2009, the company registered the decrease in its registered share capital with the Ministry of Commerce.

A resolution passed by the Extraordinary General Meeting of the Shareholders of Primus Leasing Company Limited No.3/2009, on 21 May 2009, approved a decrease in that company’s registered share capital from Baht 188 million (1,879,500 ordinary shares of Baht 100 each) to Baht 47 million (470,000 ordinary shares of Baht 100 each). On 23 June 2009, the company registered the decrease in its registered share capital with the Ministry of Commerce.

#### **4.6 Economic crisis**

The financial crisis experienced by the United States over the past year has had far reaching adverse effect on the global economy and may effect economic and operating results of Thailand enterprises. Despite efforts made by governments of many countries to contain the crisis, it remains uncertain as to when the global economy will return to its normalcy. These financial statements have been prepared on the bases of facts currently known to the Company and its subsidiaries, and on estimates and assumptions currently considered appropriate, which may change due to future uncertainties.

#### **5. Subsequent event**

On 2 July 2009, TISCO Bank entered into an assignment agreement to acquire rights of claim over hire purchase receivables of a company for a total consideration of approximately Baht 1,537 million. The purchase price was paid to that company on 14 July 2009. The above transaction was ratified by the Board of Directors Meeting of TISCO Bank No.3/2009 on 19 June 2009.

#### **6. Approval of interim financial statements**

These interim financial statements were approved by the Company's Audit Committee on 7 August 2009.