

Thaivivat Insurance Public Company Limited

Balance sheets

(Unit: Thousand Baht)

| | <u>Note</u> | <u>30 September 2009</u> | <u>31 December 2008</u> |
|---|-------------|-----------------------------|-------------------------|
| | | (Unaudited but reviewed) | (Audited) |
| Assets | | | |
| Investments in securities | 3 | | |
| Bonds | | 31,274 | 46,604 |
| Notes | 5 | 290,000 | 150,000 |
| Stocks | 2 | 278,248 | 216,967 |
| Debentures | | 169,960 | 49,562 |
| Unit trusts | | 323,054 | 256,796 |
| Total investments in securities - net | | 1,092,536 | 719,929 |
| Loans | 4 | | |
| Mortgage loans | | 19,007 | 19,723 |
| Others | | 2,074 | 1,980 |
| Total loans - net | | 21,081 | 21,703 |
| Other investments | | 18,811 | 16,738 |
| Cash and deposits at financial institutions | 5 | 404,774 | 406,309 |
| Premises and equipment - net | 6 | 244,934 | 247,749 |
| Due from reinsurers | | 104 | 422 |
| Premium due and uncollected - net | 7 | 286,435 | 400,539 |
| Accrued investment income | | 5,232 | 4,517 |
| Other assets | | | |
| Intangible asset - net | | 8,974 | 6,002 |
| Prepaid commissions | | 12,525 | 10,132 |
| Deposits | | 3,466 | 3,033 |
| Others | | 47,454 | 29,287 |
| Total other assets | | 72,419 | 48,454 |
| Total assets | | 2,146,326 | 1,866,360 |

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

Thaivivat Insurance Public Company Limited
Balance sheets (continued)

(Unit: Thousand Baht)

| | <u>Note</u> | <u>30 September 2009</u> | <u>31 December 2008</u> |
|---|-------------|-----------------------------|-------------------------|
| | | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | |
| Liabilities | | | |
| Unearned premium reserves | 8 | 804,155 | 741,310 |
| Loss reserves and outstanding claims | 9 | 401,584 | 354,916 |
| Amounts withheld on reinsurance treaties | | 31,346 | 25,081 |
| Due to reinsurers | 2 | 32,682 | 33,973 |
| Other liabilities | | | |
| Accrued commissions | | 56,879 | 76,772 |
| Premium received in advance | | 57,306 | 45,701 |
| Accrued operating expenses | 2 | 26,710 | 28,449 |
| Others | | 39,378 | 27,218 |
| Total other liabilities | | 180,273 | 178,140 |
| Total liabilities | | 1,450,040 | 1,333,420 |
| Shareholders' equity | | | |
| Share capital | | | |
| Registered | | | |
| 151,500,000 ordinary shares of Baht 1 each | | 151,500 | 151,500 |
| Issued and fully paid-up | | | |
| 151,500,000 ordinary shares of Baht 1 each | | 151,500 | 151,500 |
| Premium on share capital | | 163,800 | 163,800 |
| Unrealised gains (losses) | | | |
| Surplus (deficit) on changes in values of investments | 3 | 49,009 | (76,231) |
| Retained earnings | | | |
| Appropriated - statutory reserve | | 20,000 | 20,000 |
| Unappropriated | 8 | 311,977 | 273,871 |
| Total shareholders' equity | | 696,286 | 532,940 |
| Total liabilities and shareholders' equity | | 2,146,326 | 1,866,360 |
| | | 0 | 0 |

(Unit: Million Baht)

Off-balance sheet item - commitments

| | | | |
|-------------|----|-----|-----|
| Commitments | 14 | 1.6 | 2.7 |
|-------------|----|-----|-----|

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited

Cash flow statements

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| | <u>2009</u> | <u>2008</u> |
|--|--------------------|--------------------|
| Cash flows from operating activities | | |
| Direct premium written | 1,424,503 | 1,117,419 |
| Reinsurance paid | (61,654) | (40,751) |
| Losses incurred on direct insurance | (634,540) | (546,096) |
| Loss adjustment expenses on direct insurance | (13,938) | (13,228) |
| Commissions and brokerages on direct insurance | (252,105) | (194,792) |
| Other underwriting expenses | (14,496) | (8,485) |
| Net investment income | 37,506 | 31,953 |
| Other income | 4,293 | 2,720 |
| Operating expenses | (266,478) | (255,424) |
| Corporate income tax | (6,054) | (14,070) |
| Net cash flows from operating activities | <u>217,037</u> | <u>79,246</u> |
| Cash flows from investing activities | | |
| Cash flows from | | |
| Investments in securities | 882,551 | 1,305,854 |
| Loans | 4,892 | 8,903 |
| Other investments | 14,781 | - |
| Deposits at financial institutions | 24 | 10,000 |
| Premises and equipment | 1,726 | 1,675 |
| Cash flows from investing activities | <u>903,974</u> | <u>1,326,432</u> |
| Cash flows used in | | |
| Investments in securities | (1,115,053) | (1,322,752) |
| Loans | (4,270) | (11,188) |
| Other investments | (19,176) | - |
| Deposits at financial institutions | (21) | (10,099) |
| Premises and equipment | (24,022) | (34,809) |
| Cash flows used in investing activities | <u>(1,162,542)</u> | <u>(1,378,848)</u> |
| Net cash flows used in investing activities | <u>(258,568)</u> | <u>(52,416)</u> |

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited

Cash flow statements (continued)

For the nine-month periods ended 30 September 2009 and 2008

(Unit: Thousand Baht)

| | <u>2009</u> | <u>2008</u> |
|--|----------------|----------------|
| Cash flows from financing activities | | |
| Dividend paid | - | (18,180) |
| Net cash flows used in financing activities | - | (18,180) |
| Net increase (decrease) in cash and cash equivalents | (41,531) | 8,650 |
| Cash and cash equivalents at beginning of period | 335,376 | 162,789 |
| Cash and cash equivalents at end of period (Note 5) | <u>293,845</u> | <u>171,439</u> |
| Non-cash items | | |
| Receivable - sale of securities | 14,620 | 6,641 |
| Surplus (deficit) on changes in values of investments | 125,240 | (69,753) |

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited**Income statements****For the three-month periods ended 30 September 2009 and 2008**

(Unit: Thousand Baht)

| | 2009 | | | | 2008 | |
|--|-------------|---------------|--------------|----------------------|--------------|--------------|
| | <u>Fire</u> | <u>Marine</u> | <u>Motor</u> | <u>Miscellaneous</u> | <u>Total</u> | <u>Total</u> |
| Underwriting income | | | | | | |
| Premium written | 28,771 | 1,017 | 369,954 | 52,265 | 452,007 | 404,440 |
| Less: Premium ceded | (14,404) | (232) | (2,348) | (28,486) | (45,470) | (40,427) |
| Net premium written | 14,367 | 785 | 367,606 | 23,779 | 406,537 | 364,013 |
| Unearned premium reserves (increase) decrease from previous period | 8,586 | 115 | (29,896) | 1,541 | (19,654) | (27,301) |
| Earned premium written | 22,953 | 900 | 337,710 | 25,320 | 386,883 | 336,712 |
| Underwriting expenses | | | | | | |
| Losses incurred during the period | 3,713 | 2,151 | 223,262 | 10,816 | 239,942 | 142,448 |
| Loss adjustment expenses | 70 | 17 | 4,499 | 334 | 4,920 | 4,847 |
| Commissions and brokerages | 496 | 112 | 64,831 | 985 | 66,424 | 59,053 |
| Other underwriting expenses | 216 | 3 | 4,226 | 1,170 | 5,615 | 4,175 |
| Total underwriting expenses | 4,495 | 2,283 | 296,818 | 13,305 | 316,901 | 210,523 |
| Income (loss) on underwriting | 18,458 | (1,383) | 40,892 | 12,015 | 69,982 | 126,189 |
| Net investment income | | | | | 15,827 | 10,021 |
| Gains (losses) on investments in securities | | | | | 12,922 | (67,650) |
| Other income | | | | | 1,275 | 969 |
| | | | | | 100,006 | 69,529 |
| Operating expenses | | | | | | |
| Personnel expenses | | | | | 43,540 | 37,861 |
| Premises and equipment expenses | | | | | 19,391 | 17,989 |
| Taxes and duties | | | | | 539 | 291 |
| Bad debt and doubtful accounts (Reversal) | | | | | (30) | 1,661 |
| Directors' remuneration | | | | | 540 | 620 |
| Other service fees | | | | | 10,703 | 6,308 |
| Other operating expenses | | | | | 8,997 | 15,144 |
| Total operating expenses | | | | | 83,680 | 79,874 |
| Income (loss) before corporate income tax | | | | | 16,326 | (10,345) |
| Corporate income tax (Note 10) | | | | | - | 4,607 |
| Net income (loss) for the period | | | | | 16,326 | (5,738) |
| | | | | | | (Unit: Baht) |
| Basic earnings (loss) per share | | | | | | |
| Net income (loss) | | | | | 0.11 | (0.04) |

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited**Income statements****For the nine-month periods ended 30 September 2009 and 2008**

| | (Unit: Thousand Baht) | | | | | |
|--|-----------------------|---------------|--------------|----------------------|--------------|--------------|
| | 2009 | | | | 2008 | |
| | <u>Fire</u> | <u>Marine</u> | <u>Motor</u> | <u>Miscellaneous</u> | <u>Total</u> | <u>Total</u> |
| Underwriting income | | | | | | |
| Premium written | 111,246 | 4,107 | 1,046,655 | 152,684 | 1,314,692 | 1,142,990 |
| Less: Premium ceded | (42,818) | (562) | (7,807) | (79,632) | (130,819) | (110,170) |
| Net premium written | 68,428 | 3,545 | 1,038,848 | 73,052 | 1,183,873 | 1,032,820 |
| Unearned premium reserves (increase) decrease from previous period | 2,249 | 575 | (64,124) | (1,545) | (62,845) | (51,409) |
| Earned premium written | 70,677 | 4,120 | 974,724 | 71,507 | 1,121,028 | 981,411 |
| Underwriting expenses | | | | | | |
| Losses incurred during the period | 15,182 | 2,858 | 614,635 | 37,049 | 669,724 | 525,666 |
| Loss adjustment expenses | 152 | 14 | 13,108 | 715 | 13,989 | 11,732 |
| Commissions and brokerages | 7,991 | 466 | 182,666 | 1,626 | 192,749 | 170,322 |
| Other underwriting expenses | 1,750 | 13 | 10,207 | 2,862 | 14,832 | 8,484 |
| Total underwriting expenses | 25,075 | 3,351 | 820,616 | 42,252 | 891,294 | 716,204 |
| Income on underwriting | 45,602 | 769 | 154,108 | 29,255 | 229,734 | 265,207 |
| Net investment income | | | | | 38,043 | 32,989 |
| Gains (losses) on investments in securities | | | | | 22,389 | (78,195) |
| Other income | | | | | 4,294 | 2,720 |
| | | | | | 294,460 | 222,721 |
| Operating expenses | | | | | | |
| Personnel expenses | | | | | 130,855 | 116,490 |
| Premises and equipment expenses | | | | | 57,792 | 53,489 |
| Taxes and duties | | | | | 1,566 | 1,041 |
| Bad debt and doubtful accounts | | | | | 693 | 434 |
| Directors' remuneration | | | | | 1,820 | 1,820 |
| Other service fees | | | | | 24,150 | 12,537 |
| Other operating expenses | | | | | 32,914 | 33,791 |
| Total operating expenses | | | | | 249,790 | 219,602 |
| Income before corporate income tax | | | | | 44,670 | 3,119 |
| Corporate income tax (Note 10) | | | | | (6,564) | (624) |
| Net income for the period | | | | | 38,106 | 2,495 |
| | | | | | | (Unit: Baht) |
| Basic earnings per share | | | | | | |
| Net income | | | | | 0.25 | 0.02 |

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited**Statements of changes in shareholders' equity****For the nine-month periods ended 30 September 2009 and 2008**

| | Issued and paid-up share capital | Premium on share capital | Surplus (deficit) on changes in values of investments | (Unit: Thousand Baht) | | |
|--|-------------------------------------|-----------------------------|--|-----------------------|----------------|----------------|
| | | | | Retained earnings | | Total |
| | | | | Statutory reserve | Unappropriated | |
| Balance as at 1 January 2008 | 151,500 | 163,800 | 4,092 | 20,000 | 325,410 | 664,802 |
| Expenses recognised directly in equity | | | | | | |
| Investments in available-for-sale securities | | | | | | |
| Gains (losses) recognised in shareholders' equity and transferred to income statements on disposals | - | - | (69,753) | - | - | (69,753) |
| Net expenses recognised directly in equity | - | - | (69,753) | - | - | (69,753) |
| Net income for the period | - | - | - | - | 2,495 | 2,495 |
| Total income (expenses) for the period | - | - | (69,753) | - | 2,495 | (67,258) |
| Dividend paid (Note 11) | - | - | - | - | (18,180) | (18,180) |
| Balance as at 30 September 2008 | <u>151,500</u> | <u>163,800</u> | <u>(65,661)</u> | <u>20,000</u> | <u>309,725</u> | <u>579,364</u> |
| Balance as at 1 January 2009 | 151,500 | 163,800 | (76,231) | 20,000 | 273,871 | 532,940 |
| Income recognised directly in equity | | | | | | |
| Investments in available-for-sale securities | | | | | | |
| Gains recognised in shareholders' equity and transferred to income statements on disposals | - | - | 125,240 | - | - | 125,240 |
| Net income recognised directly in equity | - | - | 125,240 | - | - | 125,240 |
| Net income for the period | - | - | - | - | 38,106 | 38,106 |
| Total income for the period | - | - | 125,240 | - | 38,106 | 163,346 |
| Balance as at 30 September 2009 | <u>151,500</u> | <u>163,800</u> | <u>49,009</u> | <u>20,000</u> | <u>311,977</u> | <u>696,286</u> |
| | - | - | - | - | - | - |

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