

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT 31 DECEMBER 2004 AND 2003

(Unit: Baht)

	<u>Note</u>	<u>2004</u>	<u>2003</u>
ASSETS			
Investments in securities			
Bonds		35,370,010	36,095,630
Notes		30,000,000	70,000,000
Stocks		166,217,445	175,649,384
Debentures		24,765,091	4,828,491
Units trusts		489,655,527	478,348,598
Other securities		-	436,893
Total investments in securities	3,4,18	746,008,073	765,358,996
Loans			
Mortgage loans		14,262,797	20,219,512
Other loans		870,959	1,439,042
Total loans	5	15,133,756	21,658,554
Cash and deposits at financial institutions	6	304,290,924	301,705,388
Premises and equipment - net	7	221,489,262	217,263,914
Due from reinsurers		9,135,406	3,443,054
Premium due and uncollected - net	8	245,123,967	189,646,019
Accrued investment income		4,225,139	3,008,138
Other assets			
Commemorative bank notes and coins		13,136,400	13,136,400
Computer software - net		4,984,446	6,642,665
Prepaid income tax		6,084,003	10,121,673
Receivables from trading stocks		-	25,614,198
Others		13,102,156	12,725,962
Total other assets	9	37,307,005	68,240,898
TOTAL ASSETS		1,582,713,532	1,570,324,961

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2004 AND 2003

(Unit: Baht)

	<u>Note</u>	<u>2004</u>	<u>2003</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Unearned premium reserve		499,165,878	424,111,135
Loss reserve and outstanding claims	10	297,743,258	249,369,865
Amount withheld on reinsurance treaties		14,740,115	12,276,440
Due to reinsurers	4	8,992,898	10,281,328
Bank overdrafts	11	5,096,061	940,517
Other liabilities			
Corporate income tax payable		-	2,389,022
Accrued commission		41,808,455	34,464,464
Premium received in advance		23,102,144	22,857,339
Accrued operating expenses		23,227,777	27,355,010
Others		17,032,008	14,752,102
Total other liabilities		105,170,384	101,817,937
TOTAL LIABILITIES		930,908,594	798,797,222
SHAREHOLDERS' EQUITY			
Share capital			
Authorised			
126,250,000 ordinary shares of Baht 1 each	12	126,250,000	126,250,000
Issued and paid-up			
126,250,000 ordinary shares of Baht 1 each		126,250,000	126,250,000
Premium on share capital		163,800,000	163,800,000
Surplus on revaluation of investments		19,132,693	91,974,078
Retained earnings			
Appropriated - statutory reserve	13	20,000,000	20,000,000
Unappropriated		322,622,245	369,503,661
TOTAL SHAREHOLDERS' EQUITY		651,804,938	771,527,739
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,582,713,532	1,570,324,961
		0	0

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2004 AND 2003

	(Unit: Baht)	
	<u>2004</u>	<u>2003</u>
Cash flows from (used in) operating activities		
Direct premium written	972,044,529	880,502,053
Cash paid to reinsurance	(36,546,928)	(55,365,525)
Losses incurred on direct insurance	(553,958,363)	(444,422,445)
Loss adjustment expenses on direct insurance	(10,465,507)	(12,564,336)
Commissions and brokerages on direct insurance	(191,674,744)	(160,773,633)
Net investment income	57,457,852	75,253,359
Other income	4,517,845	4,296,477
Operating expenses	(146,698,168)	(182,341,607)
Corporate income tax	(237,548)	(7,424,365)
Net cash from operating activities	<u>94,438,968</u>	<u>97,159,978</u>
Cash flows from (used in) investing activities		
<u>Cash flows from</u>		
Investments in securities	520,326,926	578,820,839
Loans	9,799,525	10,443,574
Deposits at financial institutions	26,399,999	999,988
Premises and equipment	107,320	796,354
Total cash from investing activities	<u>556,633,770</u>	<u>591,060,755</u>
<u>Cash flows used in</u>		
Investments in securities	(550,591,553)	(650,319,231)
Loans	(3,274,727)	(4,499,905)
Deposits at financial institutions	(25)	(1,440,099)
Premises and equipment	(21,876,467)	(14,516,418)
Total cash used in investing activities	<u>(575,742,772)</u>	<u>(670,775,653)</u>
Net cash used in investing activities	<u>(19,109,002)</u>	<u>(79,714,898)</u>

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED 31 DECEMBER 2004 AND 2003

(Unit: Baht)

	<u>2004</u>	<u>2003</u>
Cash flows from (used in) financing activities		
Increase (decrease) in bank overdrafts	4,155,544	(4,461,795)
Dividend paid to shareholders	(50,500,000)	(9,468,750)
Net cash used in financing activities	<u>(46,344,456)</u>	<u>(13,930,545)</u>
Net increase in cash and cash equivalents	28,985,510	3,514,535
Cash and cash equivalents at beginning of year	<u>129,192,222</u>	<u>125,677,687</u>
Cash and cash equivalents at end of year (Note 6)	<u><u>158,177,732</u></u>	<u><u>129,192,222</u></u>
 Supplemental cash flows information: -		
Cash paid during the year for: -		
Corporate income tax	12,584,620	3,457,337
 Non-cash item consist of: -		
Surplus (deficit) on revaluation of investments	(72,841,385)	79,415,349

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF EARNINGS
FOR THE YEARS ENDED 31 DECEMBER 2004 AND 2003

(Unit: Baht)

	2004					2003
	Fire	Marine	Motor	Miscellaneous	Total	Total
Underwriting income						
Premium written	165,281,466	6,179,528	846,953,574	42,398,108	1,060,812,676	937,848,692
Less: Premium ceded	(76,170,913)	(898,210)	(11,811,649)	(22,049,539)	(110,930,311)	(119,235,151)
Net premium written	89,110,553	5,281,318	835,141,925	20,348,569	949,882,365	818,613,541
Less: Unearned premium reserves increase						
from previous year	(3,550,264)	(276,817)	(68,144,076)	(3,083,585)	(75,054,742)	(59,917,066)
Earned premium written	85,560,289	5,004,501	766,997,849	17,264,984	874,827,623	758,696,475
Underwriting expenses						
Losses incurred during the year	15,182,305	249,139	557,120,339	15,755,239	588,307,022	493,781,561
Loss adjustment expenses	211,230	57,472	8,860,454	954,781	10,083,937	8,916,067
Commissions and brokerages	15,997,156	665,779	143,962,999	394,923	161,020,857	140,657,362
Total underwriting expenses	31,390,691	972,390	709,943,792	17,104,943	759,411,816	643,354,990
Earnings on underwriting	54,169,598	4,032,111	57,054,057	160,041	115,415,807	115,341,485
Net investment income					58,674,853	74,493,811
Gain on investments in securities					23,225,836	61,849,837
Other income						
Rental income					2,589,476	2,556,286
Others					1,928,369	1,740,191
					86,418,534	140,640,125
Operating expenses						
Personnel expenses (Note 15)					117,712,584	115,481,394
Premises and equipment expenses					45,287,297	45,230,256
Taxes and duties					1,619,320	1,011,312
Bad debt and doubtful accounts					(2,204,046)	951,290
Directors' remuneration (Note 16)					2,250,000	2,159,000
Other operating expenses						
Promotion expenses					10,874,762	13,382,825
Others					9,102,447	9,400,055
Total operating expenses					184,642,364	187,616,132
Other expenses						
Income tax and surcharges (Note 17)					13,573,393	198,351
Earnings before income tax					3,618,584	68,167,127
Corporate income tax (Note 17)					-	(5,846,358)
Net earnings for the year					3,618,584	62,320,769
Basic earnings per share						
Net earnings					0.03	0.49

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2004 AND 2003

(Unit: Baht)

	Issued and paid-up	Premium on	Surplus on	Retained earnings		
	share capital	share capital	of investments	Appropriated -	Unappropriated	Total
				statutory reserve		
Balance as at 31 December 2002	126,250,000	163,800,000	12,558,729	20,000,000	316,651,643	639,260,372
Surplus on revaluation of investments	-	-	79,415,349	-	-	79,415,349
Unrealised transactions in statements of earnings	-	-	79,415,349	-	-	79,415,349
Net earnings for the year 2003	-	-	-	-	62,320,769	62,320,769
Dividend paid (Note 14)	-	-	-	-	(9,468,751)	(9,468,751)
Balance as at 31 December 2003	126,250,000	163,800,000	91,974,078	20,000,000	369,503,661	771,527,739
Deficit on revaluation of investments	-	-	(72,841,385)	-	-	(72,841,385)
Unrealised transactions in statements of earnings	-	-	(72,841,385)	-	-	(72,841,385)
Net earnings for the year 2004	-	-	-	-	3,618,584	3,618,584
Dividend paid (Note 14)	-	-	-	-	(50,500,000)	(50,500,000)
Balance as at 31 December 2004	126,250,000	163,800,000	19,132,693	20,000,000	322,622,245	651,804,938

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