

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS

AS AT 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	<u>Note</u>	<u>2007</u>	<u>2006</u>
ASSETS			
Investments in securities			
Bonds		92,515,064	41,923,877
Notes		70,000,000	50,000,000
Stocks		252,683,463	150,106,865
Debentures		34,519,991	24,589,291
Unit trusts		478,530,888	481,385,703
Total investments in securities - net	5, 21	928,249,406	748,005,736
Loans			
Mortgage loans		18,257,752	19,109,566
Other loans		1,669,458	1,202,565
Total loans - net	6	19,927,210	20,312,131
Other investment		15,257,895	12,671,053
Cash and deposits at financial institutions	8	342,837,614	420,711,912
Premises and equipment - net	9	225,172,416	223,968,878
Due from reinsurers		2,542,671	3,098,175
Premium due and uncollected - net	10	358,639,029	328,456,421
Accrued investment income		5,915,792	6,609,739
Other assets			
Receivable - sale of securities		-	16,206,531
Computer software - net	11	5,616,678	4,544,372
Prepaid income tax		-	5,652,288
Prepaid commission		9,192,541	8,738,691
Deposits		11,535,342	8,192,189
Others		5,324,286	6,637,374
Total other assets		31,668,847	49,971,445
TOTAL ASSETS		1,930,210,880	1,813,805,490

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED

BALANCE SHEETS (Continued)

AS AT 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	<u>Note</u>	<u>2007</u>	<u>2006</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Unearned premium reserve	12	649,981,138	556,578,260
Loss reserve and outstanding claims		371,226,304	382,445,966
Amount withheld on reinsurance treaties		22,040,185	26,400,761
Due to reinsurers	7	32,368,885	31,015,224
Other liabilities			
Corporate income tax payable		7,572,799	-
Accrued commission		69,075,519	63,802,055
Premium received in advance		40,782,582	38,458,612
Accrued operating expenses		40,834,086	47,525,141
Others		31,528,039	21,445,820
Total other liabilities		189,793,025	171,231,628
Total liabilities		1,265,409,537	1,167,671,839
Shareholders' equity			
Share capital			
Registered			
151,500,000 ordinary shares of Baht 1 each		151,500,000	151,500,000
Issued and fully paid-up			
151,500,000 ordinary shares of Baht 1 each		151,500,000	151,500,000
Premium on share capital		163,800,007	163,800,007
Surplus (deficit) on revaluation of investments		4,091,816	(4,400,696)
Retained earnings			
Appropriated - statutory reserve	13	20,000,000	20,000,000
Unappropriated		325,409,520	315,234,340
Total shareholders' equity		664,801,343	646,133,651
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,930,210,880	1,813,805,490
		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 2007 AND 2006

(Unit: Baht)

	<u>2007</u>	<u>2006</u>
Cash flows from (used in) operating activities		
Direct premium written	1,326,040,914	1,284,068,543
Cash paid to reinsurance	(60,066,733)	(72,745,040)
Loss incurred on direct insurance	(731,968,911)	(667,906,832)
Loss adjustment expenses on direct insurance	(15,192,881)	(13,997,031)
Commissions and brokerages on direct insurance	(236,770,713)	(226,509,848)
Other underwriting expenses	(10,846,922)	(9,386,844)
Net investment income	58,208,331	55,274,186
Other income	4,797,367	3,242,364
Operating expenses	(194,000,644)	(249,197,222)
Corporate income tax	713,169	(7,093,791)
Net cash from operating activities	<u>140,912,977</u>	<u>95,748,485</u>
Cash flows from (used in) investing activities		
<u>Cash flows from</u>		
Investments in securities	1,221,552,724	1,901,451,675
Loans	6,652,473	15,362,814
Deposits at financial institutions	50,440,455	21,527,557
Premises and equipment	8,254,207	1,485,698
Total cash from investing activities	<u>1,286,899,859</u>	<u>1,939,827,744</u>
<u>Cash flows used in</u>		
Investments in securities	(1,394,354,855)	(1,819,871,924)
Loans	(7,025,452)	(22,961,570)
Other investment	(100,000)	-
Deposits at financial institutions	(10,112,719)	(81,002,765)
Premises and equipment	(32,560,936)	(33,142,344)
Total cash used in investing activities	<u>(1,444,153,962)</u>	<u>(1,956,978,603)</u>
Net cash used in investing activities	<u>(157,254,103)</u>	<u>(17,150,859)</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 2007 AND 2006

(Unit: Baht)

	<u>2007</u>	<u>2006</u>
Cash flows from (used in) financing activities		
Decrease in bank overdrafts	-	(2,023,572)
Dividend paid	(21,205,436)	(22,725,000)
Net cash used in financing activities	<u>(21,205,436)</u>	<u>(24,748,572)</u>
Net increase (decrease) in cash and cash equivalents	(37,546,562)	53,849,054
Cash and cash equivalents at beginning of year	<u>200,335,741</u>	<u>146,486,687</u>
Cash and cash equivalents at end of year (Note 8)	<u><u>162,789,179</u></u>	<u><u>200,335,741</u></u>

Supplemental cash flows information

Non-cash item consist of

Surplus (deficit) on revaluation of investments	8,492,512	(18,132,751)
---	-----------	--------------

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

THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED
INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006

(Unit: Baht)

	2007					2006
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total
Underwriting income						
Premium written	179,959,439	5,987,819	1,096,223,092	120,681,553	1,402,851,903	1,293,433,793
Less: Premium ceded	(79,614,859)	(1,157,413)	(8,207,657)	(73,700,309)	(162,680,238)	(193,241,932)
Net premium written	100,344,580	4,830,406	1,088,015,435	46,981,244	1,240,171,665	1,100,191,861
Less: Unearned premium reserves (increase) decrease from previous year	(9,450,773)	603,407	(87,312,919)	2,757,407	(93,402,878)	5,066,075
Total underwriting income	90,893,807	5,433,813	1,000,702,516	49,738,651	1,146,768,787	1,105,257,936
Underwriting expenses						
Loss incurred during the year	16,979,998	1,101,552	666,277,940	15,633,414	699,992,904	683,377,289
Loss adjustment expenses	532,804	163,984	12,597,123	2,370,970	15,664,881	12,849,826
Commissions and brokerages	13,873,584	626,288	188,259,014	997,402	203,756,288	178,031,720
Other underwriting expenses	1,556,645	40,255	6,103,564	3,146,458	10,846,922	9,386,843
Total underwriting expenses	32,943,031	1,932,079	873,237,641	22,148,244	930,260,995	883,645,678
Income on underwriting	57,950,776	3,501,734	127,464,875	27,590,407	216,507,792	221,612,258
Net investment income					57,514,384	54,854,819
Gain on investments in securities					40,309,107	10,732,739
Other income					4,797,367	3,242,364
					102,620,858	68,829,922
Operating expenses						
Personnel expenses					161,279,458	147,241,420
Premises and equipment expenses					57,880,880	54,057,160
Taxes and duties					1,621,158	1,240,090
Bad debt and doubtful accounts					4,498,036	8,257,579
Directors' remuneration					2,880,000	1,440,000
Other service fees					8,649,224	4,580,660
Other operating expenses						
Promotion expenses					15,588,374	14,418,299
Others					15,145,963	11,818,233
Total operating expenses					267,543,093	243,053,441
Income before income tax					51,585,557	47,388,739
Corporate income tax (Note 14)					(20,204,941)	(9,924,742)
Net income for the year					31,380,616	37,463,997
Basic earnings per share (Note 15)						
Net income					0.21	0.25

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 2007 AND 2006

(Unit: Baht)

	Issued and paid-up	Premium on	Surplus (deficit)	Retained earnings		
	share capital	share capital	on revaluation	Appropriated	Unappropriated	Total
			of investments	statutory reserve		
Balance as at 1 January 2006	151,500,000	163,800,007	13,732,055	20,000,000	300,495,343	649,527,405
Deficit on revaluation of investments	-	-	(18,132,751)	-	-	(18,132,751)
Unrealised transactions in statements of income	-	-	(18,132,751)	-	-	(18,132,751)
Net income for the year	-	-	-	-	37,463,997	37,463,997
Dividend paid (Note 17)	-	-	-	-	(22,725,000)	(22,725,000)
Balance as at 31 December 2006	151,500,000	163,800,007	(4,400,696)	20,000,000	315,234,340	646,133,651
Increase on revaluation of investments	-	-	8,492,512	-	-	8,492,512
Unrealised transactions in statements of income	-	-	8,492,512	-	-	8,492,512
Net income for the year	-	-	-	-	31,380,616	31,380,616
Dividend paid (Note 17)	-	-	-	-	(21,205,436)	(21,205,436)
Balance as at 31 December 2007	151,500,000	163,800,007	4,091,816	20,000,000	325,409,520	664,801,343
	0	0	0	0	0	0
	0	0	0	0	0	0

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