

Thaivivat Insurance Public Company Limited

Balance sheets

As at 31 December 2008 and 2007

(Unit: Baht)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Assets			
Investments in securities			
Bonds		46,604,046	92,515,064
Notes		150,000,000	70,000,000
Stocks		216,966,765	252,683,463
Debentures		49,562,291	34,519,991
Unit trusts		256,795,817	478,530,888
Total investments in securities - net	6, 21	719,928,919	928,249,406
Loans			
Mortgage loans		19,723,434	18,257,752
Others		1,980,229	1,669,458
Total loans - net	7	21,703,663	19,927,210
Other investments		16,738,157	15,257,895
Cash and deposits at financial institutions	9	406,309,127	342,837,614
Premises and equipment - net	10	247,749,473	225,172,416
Due from reinsurers		421,649	2,542,671
Premium due and uncollected - net	11	400,538,502	358,639,029
Accrued investment income		4,517,489	5,915,792
Other assets			
Intangible asset - net	12	6,002,092	5,616,678
Prepaid commissions		10,132,122	9,192,541
Deposits		3,032,613	11,535,342
Others		29,286,726	5,324,286
Total other assets		48,453,553	31,668,847
Total assets		1,866,360,532	1,930,210,880

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

Thaivivat Insurance Public Company Limited

Balance sheets (continued)

As at 31 December 2008 and 2007

(Unit: Baht)

	<u>Note</u>	<u>2008</u>	<u>2007</u>
Liabilities and shareholders' equity			
Liabilities			
Unearned premium reserves	13	741,310,374	649,981,138
Loss reserves and outstanding claims		354,915,509	371,226,304
Amounts withheld on reinsurance treaties		25,081,181	22,040,185
Due to reinsurers	8	33,973,189	32,368,885
Other liabilities			
Corporate income tax payable		-	7,572,799
Accrued commissions		76,772,013	69,075,519
Premium received in advance		45,700,660	40,782,582
Accrued operating expenses		28,448,739	40,834,086
Others		27,218,703	31,528,039
Total other liabilities		178,140,115	189,793,025
Total liabilities		1,333,420,368	1,265,409,537
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
Unrealised gains (losses)			
Revaluation surplus (deficit) on changes in value of investments		(76,230,929)	4,091,816
Retained earnings			
Appropriated - statutory reserve	14	20,000,000	20,000,000
Unappropriated	13	273,871,086	325,409,520
Total shareholders' equity		532,940,164	664,801,343
Total liabilities and shareholders' equity		1,866,360,532	1,930,210,880
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The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited

Cash flow statements

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Direct premium written	1,501,791,704	1,326,040,914
Reinsurance paid	(58,382,114)	(60,066,733)
Losses incurred on direct insurance	(729,965,463)	(731,968,911)
Losses adjustment expenses on direct insurance	(18,836,058)	(15,192,881)
Commissions and brokerages on direct insurance	(262,825,792)	(236,770,713)
Other underwriting expenses	(12,777,070)	(10,846,922)
Net investment income	41,627,595	58,208,331
Other income	4,689,360	4,797,367
Operating expenses	(369,913,383)	(194,000,644)
Corporate income tax	(14,759,260)	713,169
Net cash flows from operating activities	<u>80,649,519</u>	<u>140,912,977</u>
Cash flows from investing activities		
Cash flows from		
Investments in securities	1,869,852,727	1,221,552,724
Loans	39,866,179	6,652,473
Deposits at financial institutions	10,000,000	50,440,455
Premises and equipment	2,014,912	8,254,207
Cash flows from investing activities	<u>1,921,733,818</u>	<u>1,286,899,859</u>
Cash flows used in		
Investments in securities	(1,705,844,461)	(1,394,354,855)
Loans	(41,567,806)	(7,025,452)
Other investment	-	(100,000)
Deposits at financial institutions	(10,884,292)	(10,112,719)
Premises and equipment	(53,319,558)	(32,560,936)
Cash flows used in investing activities	<u>(1,811,616,117)</u>	<u>(1,444,153,962)</u>
Net cash flows from (used in) investing activities	<u>110,117,701</u>	<u>(157,254,103)</u>

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

Thaivivat Insurance Public Company Limited

Cash flow statements (continued)

For the years ended 31 December 2008 and 2007

(Unit: Baht)

	<u>2008</u>	<u>2007</u>
Cash flows from financing activities		
Dividend paid	(18,180,000)	(21,205,436)
Net cash flows used in financing activities	<u>(18,180,000)</u>	<u>(21,205,436)</u>
Net increase (decrease) in cash and cash equivalents	172,587,220	(37,546,562)
Cash and cash equivalents at beginning of year	162,789,179	200,335,741
Cash and cash equivalents at end of year (Note 9)	<u><u>335,376,399</u></u>	<u><u>162,789,179</u></u>

Supplemental cash flows information

Non-cash item consist of

Revaluation surplus (deficit) on changes in value of investments	(80,322,745)	8,492,512
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The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited
Income statements
For the years ended 31 December 2008 and 2007

(Unit: Baht)

	2008					2007
	<u>Fire</u>	<u>Marine and transportation</u>	<u>Motor</u>	<u>Miscellaneous</u>	<u>Total</u>	<u>Total</u>
Underwriting income						
Premium written	148,781,214	6,493,378	1,242,498,425	177,921,679	1,575,694,696	1,402,851,903
Less: Premium ceded	(53,000,351)	(661,991)	(11,032,340)	(89,418,267)	(154,112,949)	(162,680,238)
Net premium written	95,780,863	5,831,387	1,231,466,085	88,503,412	1,421,581,747	1,240,171,665
Unearned premium reserves						
(increase) decrease from previous year	3,124,726	(48,886)	(69,511,990)	(24,893,086)	(91,329,236)	(93,402,878)
Total underwriting income	98,905,589	5,782,501	1,161,954,095	63,610,326	1,330,252,511	1,146,768,787
Underwriting expenses						
Losses incurred during the year	16,403,574	963,713	658,021,310	31,517,161	706,905,758	699,992,904
Losses adjustment expenses	207,778	112,898	17,104,684	(224,995)	17,200,365	15,664,881
Commissions and brokerages	11,699,039	753,506	213,667,808	6,337,814	232,458,167	203,756,288
Other underwriting expenses	1,108,243	60,656	6,769,861	4,838,310	12,777,070	10,846,922
Total underwriting expenses	29,418,634	1,890,773	895,563,663	42,468,290	969,341,360	930,260,995
Income on underwriting	69,486,955	3,891,728	266,390,432	21,142,036	360,911,151	216,507,792
Net investment income					40,229,293	57,514,384
Gains (losses) on investments in securities					(131,730,693)	40,309,107
Other income					4,689,360	4,797,367
					(86,812,040)	102,620,858
Operating expenses						
Personnel expenses					162,931,342	161,279,458
Premises and equipment expenses					73,354,564	57,880,880
Taxes and duties					1,340,029	1,621,158
Bad debt and doubtful accounts (reversal)					(5,262,361)	4,498,036
Directors' remuneration (Note 15)					2,360,000	2,880,000
Other service fees					20,835,857	8,649,224
Other operating expenses						
Promotion expenses					26,440,212	15,588,374
Others					21,958,715	15,145,963
Total operating expenses					303,958,358	267,543,093
Income (loss) before corporate income tax					(29,859,247)	51,585,557
Corporate income tax (Note 16)					(3,499,187)	(20,204,941)
Net income (loss) for the year					(33,358,434)	31,380,616
Basic earnings (loss) per share (Note 17)						
Net income (loss)					(0.22)	0.21

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 2008 and 2007

(Unit: Baht)

			Revaluation surplus (deficit)	Retained earnings		
	Issued and paid-up share capital	Premium on share capital	on changes in value of investments	Appropriated - statutory reserve	Unappropriated	Total
Balance as at 1 January 2007	151,500,000	163,800,007	(4,400,696)	20,000,000	315,234,340	646,133,651
Income recognised directly in equity						
Investments in available-for-sale securities						
Gains recognised in shareholders' equity and transferred to income statements on disposals	-	-	8,492,512	-	-	8,492,512
Net income recognised directly in equity	-	-	8,492,512	-	-	8,492,512
Net income for the year	-	-	-	-	31,380,616	31,380,616
Total income for the year	-	-	8,492,512	-	31,380,616	39,873,128
Dividend paid (Note 19)	-	-	-	-	(21,205,436)	(21,205,436)
Balance as at 31 December 2007	<u>151,500,000</u>	<u>163,800,007</u>	<u>4,091,816</u>	<u>20,000,000</u>	<u>325,409,520</u>	<u>664,801,343</u>
Balance as at 1 January 2008	151,500,000	163,800,007	4,091,816	20,000,000	325,409,520	664,801,343
Income and expenses recognised directly in equity						
Investments in available-for-sale securities						
Gains (losses) recognised in shareholders' equity and transferred to income statements on disposals	-	-	(80,322,745)	-	-	(80,322,745)
Net income and expenses recognised directly in equity	-	-	(80,322,745)	-	-	(80,322,745)
Net loss for the year	-	-	-	-	(33,358,434)	(33,358,434)
Total expenses for the year	-	-	(80,322,745)	-	(33,358,434)	(113,681,179)
Dividend paid (Note 19)	-	-	-	-	(18,180,000)	(18,180,000)
Balance as at 31 December 2008	<u>151,500,000</u>	<u>163,800,007</u>	<u>(76,230,929)</u>	<u>20,000,000</u>	<u>273,871,086</u>	<u>532,940,164</u>

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