

TCAP elated by strong 2019 profit which rises 38%**reveals 2020 investment plan to achieve ROE of at least 12%**

Thanachart Capital Public Company Limited (TCAP) posted strong profit in 2019. Net profit based on the consolidated financial statements was 16,760 million baht, up 6% compared to last year. In this connection, net profit attributable to the Company was 10,807 million baht, up 38% compared to prior year. TCAP also disclosed its 2020 investment plan which was aimed at achieving return on equity (ROE) of at least 12%.

Mr. Somjate Moosirilert, Chief Executive Officer of Thanachart Capital Public Company Limited, said, "Net profit of TCAP and its subsidiaries in 2019 was 16,760 million baht, up 6% compared to last year. In this connection, net profit attributable to the Company was 10,807 million baht, representing an increase of 38% compared to last year. This was mainly due to not only the increase in the performance of TBANK and its subsidiaries but also the gains on sale of TBANK to TMB, in which TCAP holds 20.11 percent. As a result, TMB is considered as investments in associated company and TCAP recognizes the income earned by TMB through share of profit from investments accounted for under equity method item."

"The change in TCAP shareholding to TMB which acquired TBANK and doubled its asset size as a result represents a shift in our strategy. A bigger bank will have higher competitiveness potential and greater strengths. This augurs well for the future of TCAP. Moreover, the fact that TCAP directly holds shares of subsidiaries helps improve the diversification of its income sources. Moreover, TCAP continues to place emphasis on its auto hire purchase business which covers all aspects through its indirect investments in TBANK who has been an industry leader in the auto hire purchase sector by holding through TMB, and its direct investment in Ratchthani Leasing Public Company Limited (THANI) who has extensive expertise in truck loans," said Mr. Somjate.

"As a result of the strategy shift, TCAP had excess cash of about 14 billion baht. In this regard, the Board of Directors approved a method for managing the excess cash. On one hand, an amount no greater than 6 billion baht was set aside for repurchasing shares. On the other hand, a special dividend of 4.00 baht per share for TCAP shareholders was approved. In fact, the dividend payments were already made on 16 January 2020. In addition, we plan to make additional investments in those businesses in which we have expertise. Among others, these include financial services business and management of non-performing assets. All the above-

mentioned developments are expected that TCAP's ROE will remain at a satisfactory level and will be at least 12%," said Mr. Somjate.
