

Press Release

TCAP posts strong first half 2020 profit growth and declares interim dividend

Thanachart Capital Public Company Limited (TCAP) reports results for the second quarter and first half of 2020. As its net profit growth in the first half of 2020 remains robust, TCAP adopts a resolution to pay an interim dividend of 1.20 baht per share.

Mr. Somjate Moosirilert, Chief Executive Officer of Thanachart Capital Public Company Limited (TCAP), said, "Net profit according to the consolidated financial statements of TCAP and its subsidiaries for the second quarter of 2020 amounted to 1,351 million baht while net profit attributable to the Company amounted to 1,029 million baht. On the other hand, net profit according to the consolidated financial statements of TCAP and its subsidiaries for the first six-month period of 2020 amounted to 5,953 million baht, of which 4,612 million baht was from net profits of major subsidiaries and 1,626 million baht was from share of profit from investments in associated companies. As a result, net profit attributable to the Company for the first six-month period of 2020 amounted to 5,345 million baht, up 37% compared with the same period last year."

Mr. Somjate added that "In the second quarter, numerous businesses were hard hit by the COVID-19 pandemic. As a result, TCAP which operated as an investment company was also affected inevitably with the share of profit from its investments in associated companies decreasing. This was mainly due to the fact that the profit of the associated companies in which the Company invested decreased in line with the adverse impact of the pandemic and the stringent measures adopted by the government. However, the performance of the Company's major subsidiaries which included Thanachart Securities, Thanachart Insurance and Ratchthani Leasing remained relatively strong. In addition, the Company still has about 15 billion baht of excess cash. It has not yet used the money for any investment as the current situation poses a relatively high risk for any investment. As a result, the policy adopted by both the Board of Directors and the management focuses on strengthening the financial position of the Company's subsidiaries while other investments are put on hold. Only after the COVID-19 situation improves, the Company will start considering further appropriate investments"

"Moreover, in view of the excess cash, the Company's performance in the first half as well as financial forecasts for the second half, the Board of Directors remains confident of the Company's performance despite the fact that the economy is facing a recession caused by the COVID-19 pandemic. As a result, the Board of Directors has adopted a resolution to pay an interim dividend at the rate of 1.20 baht per share, which is equal to the rate paid last year. The interim dividend is scheduled to be paid on 27 August 2020," said Somjate.

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