

**The Navakij Insurance Public Company Limited**

**Balance sheets**

(Unit: Thousand Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied	
		31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
<b>Assets</b>					
Investments in securities					
Bonds		643,743	639,539	643,743	639,539
Notes		149,364	99,965	149,364	99,965
Stocks		577,921	532,829	577,921	532,829
Debentures		729,500	725,015	729,500	725,015
Unit trusts		413,658	419,244	413,658	419,244
Total investments in securities - net	2, 3	2,514,186	2,416,592	2,514,186	2,416,592
Loans					
Security guaranteed loans		2,095	1,993	2,095	1,993
Others		195	292	195	292
Total loans		2,290	2,285	2,290	2,285
Investment in associate	4	95,326	87,461	34,176	34,176
Other investments		10,000	10,000	10,000	10,000
Cash and deposits at financial institutions	5	187,476	184,611	187,476	184,611
Premises and equipment - net	6	202,380	209,541	202,380	209,541
Amounts deposit on reinsurance treaties		6,053	7,365	6,053	7,365
Due from reinsurers	3	50,856	68,560	50,856	68,560
Premium due and uncollected - net	3, 7	279,996	341,201	279,996	341,201
Accrued investment income	3	24,693	13,774	24,693	13,774
Other assets					
Claims receivable - net	8	60,556	55,390	60,556	55,390
Deferred tax assets	9	133,177	127,160	133,177	127,160
Intangible asset - net	10	11,675	12,621	11,675	12,621
Others		80,604	56,829	80,604	56,829
Total other assets		286,012	252,000	286,012	252,000
<b>Total assets</b>		<b>3,659,268</b>	<b>3,593,390</b>	<b>3,598,118</b>	<b>3,540,105</b>

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

**The Navakij Insurance Public Company Limited**  
**Balance sheets (continued)**

(Unit: Thousand Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied	
		31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)	31 March 2010 (Unaudited but reviewed)	31 December 2009 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Liabilities</b>					
Unearned premium reserve	11	666,876	708,419	666,876	708,419
Loss reserve and outstanding claims	12	461,019	459,369	461,019	459,369
Amounts withheld on reinsurance treaties	3	165,216	163,223	165,216	163,223
Due to reinsurers	3	28,424	23,717	28,424	23,717
Other liabilities					
Accrued commissions	3	56,507	70,817	56,507	70,817
Premium received in advance		27,988	29,498	27,988	29,498
Corporate income tax payable		21,983	8,418	21,983	8,418
Liabilities under finance lease agreements		3,746	4,143	3,746	4,143
Accrued expenses		48,330	44,306	48,330	44,306
Deferred tax liabilities	9	34,717	21,642	34,717	21,642
Others		39,984	39,430	39,984	39,430
Total other liabilities		233,255	218,254	233,255	218,254
<b>Total liabilities</b>		<b>1,554,790</b>	<b>1,572,982</b>	<b>1,554,790</b>	<b>1,572,982</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
30,000,000 ordinary shares of Baht 10 each		300,000	300,000	300,000	300,000
Issued and paid-up					
30,000,000 ordinary shares of Baht 10 each		300,000	300,000	300,000	300,000
Premium on share capital		647,186	647,186	647,186	647,186
Unrealised gains					
Revaluation surplus on changes in values of investments	2	104,152	64,925	104,152	64,925
Revaluation surplus on changes in values of investment in associate		6,393	1,697	-	-
Revaluation surplus on changes in interest in equity of associate		1,569	1,569	-	-
Retained earnings					
Appropriated					
Statutory reserve		30,000	30,000	30,000	30,000
General reserve		20,000	20,000	20,000	20,000
Unappropriated		995,178	955,031	941,990	905,012
<b>Total shareholders' equity</b>		<b>2,104,478</b>	<b>2,020,408</b>	<b>2,043,328</b>	<b>1,967,123</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,659,268</b>	<b>3,593,390</b>	<b>3,598,118</b>	<b>3,540,105</b>
		-	-	-	-
<b>Off-balance sheet item - commitments</b>					
(Unit: Million Baht)					
Commitments	16	17.2	17.1	17.2	17.1

Directors

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited****Income statements****For the three-month periods ended 31 March 2010 and 2009****(Unit: Thousand Baht)**

	<b>Financial statement in which the equity method is applied</b>					<b>2009</b>
	<b>2010</b>					
	<b>Fire</b>	<b>Marine and transportation</b>	<b>Motor</b>	<b>Miscellaneous</b>	<b>Total</b>	
<b>Underwriting income</b>						
Gross premium written	107,593	31,520	264,210	23,103	426,426	507,942
Less: Premium ceded	(66,212)	(19,690)	(3,547)	(12,891)	(102,340)	(75,903)
<b>Net premium written</b>	41,381	11,830	260,663	10,212	324,086	432,039
Unearned premium reserves (increase) decrease from previous period	1,301	2,679	35,316	2,247	41,543	(49,865)
<b>Earned premium written</b>	42,682	14,509	295,979	12,459	365,629	382,174
<b>Underwriting expenses</b>						
Losses incurred during the period	8,632	3,536	195,467	6,720	214,355	210,335
Losses adjustment expenses	262	373	5,707	115	6,457	5,416
Commissions and brokerages	4,658	184	45,109	(968)	48,983	67,519
Other underwriting expenses	759	90	7,890	255	8,994	12,545
<b>Total underwriting expenses</b>	14,311	4,183	254,173	6,122	278,789	295,815
<b>Income on underwriting</b>	28,371	10,326	41,806	6,337	86,840	86,359
Net investments income					28,208	24,322
Gains on investments in securities					7,224	4,976
Share of income of investment in associated company (Note 4)					3,169	2,383
Other income					978	7,223
					126,419	125,263
<b>Operating expenses</b>						
Personnel expenses					42,419	39,744
Premises and equipment expenses					23,093	22,921
Taxes and duties					848	966
Bad debt and doubtful accounts (reversal)					429	(1,261)
Directors' remuneration					4,340	4,300
Finance cost					248	132
Selling expenses					1,805	1,035
Other operating expenses					5,542	4,932
<b>Total operating expenses</b>					78,724	72,769
<b>Income before corporate income tax</b>					47,695	52,494
Corporate income tax (Note 9)					(7,548)	(9,618)
<b>Net income for the period</b>					40,147	42,876
						(Unit: Baht)
<b>Basic earnings per share</b>						
Net income					1.34	1.43

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited****Income statements (continued)**

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

	Separate financial statements in which the cost method is applied					2009
	2010					
	Fire	Marine and transportation	Motor	Miscellaneous	Total	
<b>Underwriting income</b>						
Gross premium written	107,593	31,520	264,210	23,103	426,426	507,942
Less: Premium ceded	(66,212)	(19,690)	(3,547)	(12,891)	(102,340)	(75,903)
<b>Net premium written</b>	41,381	11,830	260,663	10,212	324,086	432,039
Unearned premium reserves (increase) decrease from previous period	1,301	2,679	35,316	2,247	41,543	(49,865)
<b>Earned premium written</b>	42,682	14,509	295,979	12,459	365,629	382,174
<b>Underwriting expenses</b>						
Losses incurred during the period	8,632	3,536	195,467	6,720	214,355	210,335
Losses adjustment expenses	262	373	5,707	115	6,457	5,416
Commissions and brokerages	4,658	184	45,109	(968)	48,983	67,519
Other underwriting expenses	759	90	7,890	255	8,994	12,545
<b>Total underwriting expenses</b>	14,311	4,183	254,173	6,122	278,789	295,815
<b>Income on underwriting</b>	28,371	10,326	41,806	6,337	86,840	86,359
Net investments income					28,208	24,322
Gains on investments in securities					7,224	4,976
Other income					978	7,223
					123,250	122,880
<b>Operating expenses</b>						
Personnel expenses					42,419	39,744
Premises and equipment expenses					23,093	22,921
Taxes and duties					848	966
Bad debt and doubtful accounts (reversal)					429	(1,261)
Directors' remuneration					4,340	4,300
Finance cost					248	132
Selling expenses					1,805	1,035
Other operating expenses					5,542	4,932
<b>Total operating expenses</b>					78,724	72,769
<b>Income before corporate income tax</b>					44,526	50,111
Corporate income tax (Note 9)					(7,548)	(9,618)
<b>Net income for the period</b>					36,978	40,493
						(Unit: Baht)
<b>Basic earnings per share</b>						
Net income					1.23	1.35

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**

**Cash flow statements**

**For the three-month periods ended 31 March 2010 and 2009**

**(Unit: Thousand Baht)**

	<b>Financial statements in which the equity method is applied / Separate financial statements in which the cost method is applied</b>	
	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities</b>		
Direct premium written	472,085	459,073
Reinsurance paid	(1,079)	(4,325)
Losses incurred on direct insurance	(244,119)	(203,854)
Losses adjustment expenses on direct insurance	(11,392)	(7,142)
Commissions and brokerages on direct insurance	(91,885)	(81,815)
Other underwriting expenses	(8,994)	(12,485)
Net investment income	19,819	11,700
Other income	1,122	7,425
Operating expenses	(90,620)	(80,075)
<b>Net cash flows from operating activities</b>	<u>44,937</u>	<u>88,502</u>
<b>Cash flows from investing activities</b>		
Cash flows from		
Investments in securities	535,993	689,539
Loans	338	134
Premises and equipment, and intangible asset	1,107	1,066
Total cash from investing activities	<u>537,438</u>	<u>690,739</u>
Cash flows used in		
Investments in securities	(576,591)	(780,910)
Loans	(343)	(50)
Deposits at financial institutions	(10,000)	(254)
Premises and equipment, and intangible asset	(2,122)	(1,202)
Total cash used in investing activities	<u>(589,056)</u>	<u>(782,416)</u>
<b>Net cash flows used in investing activities</b>	<u>(51,618)</u>	<u>(91,677)</u>

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**

**Cash flow statements (continued)**

**For the three-month periods ended 31 March 2010 and 2009**

**(Unit: Thousand Baht)**

**Financial statements in which  
the equity method is applied /  
Separate financial statements  
in which the cost method is applied**

	<u>2010</u>	<u>2009</u>
<b>Cash flows from financing activities</b>		
Repayment of liabilities under finance lease agreements	(454)	(646)
<b>Net cash flows used in financing activities</b>	<u>(454)</u>	<u>(646)</u>
Net decrease in cash and cash equivalents	(7,135)	(3,821)
Cash and cash equivalents at beginning of period	44,451	35,654
Cash and cash equivalents at end of period (Note 13)	<u><u>37,316</u></u>	<u><u>31,833</u></u>
<b>Non-cash items</b>		
Undue installments for acquisition of investments	12,444	-
Vehicles under finance lease agreements	-	1,959
Surplus (deficit) on changes in values of investments - net of income tax	39,227	(18,148)

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

(Unaudited but reviewed)

The Navakij Insurance Public Company Limited

Statements of changes in shareholders' equity

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

	Issued and paid-up		Surplus (deficit) on changes in values of investments	Deficit on changes in values of investment in associate	Surplus on changes in interests in equity of associate	Retained earnings			Total
	share capital	Share premium				Statutory reserve	Appropriated		
			General reserve						
<b>Balance as at 1 January 2009</b>	300,000	647,186	(105,811)	(6,261)	1,569	30,000	20,000	901,472	1,788,155
<b>Income and expenses recognised directly in equity</b>									
Investments in available-for-sale securities									
Losses recognised in shareholders' equity	-	-	(23,323)	(2,229)	-	-	-	-	(25,552)
Transferred to profit or loss due to disposals	-	-	(874)	-	-	-	-	-	(874)
Deferred tax recognised/transferred out	-	-	6,049	-	-	-	-	-	6,049
<b>Net expenses recognised directly in equity</b>	-	-	(18,148)	(2,229)	-	-	-	-	(20,377)
Net income for the period	-	-	-	-	-	-	-	42,876	42,876
<b>Total income and expenses for the period</b>	-	-	(18,148)	(2,229)	-	-	-	42,876	22,499
<b>Balance as at 31 March 2009</b>	300,000	647,186	(123,959)	(8,490)	1,569	30,000	20,000	944,348	1,810,654
	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

The Navakij Insurance Public Company Limited

Statements of changes in shareholders' equity (continued)

For the three-month periods ended 31 March 2010 and 2009

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

	Issued and paid-up		Surplus (deficit) on changes in values of investments	Surplus on	Surplus on changes	Retained earnings			Total
	share capital	Share premium		of investment in associate	changes in values of investment in equity of associate	Appropriated		Unappropriated	
						Statutory reserve	General reserve		
<b>Balance as at 1 January 2010</b>	300,000	647,186	64,925	1,697	1,569	30,000	20,000	955,031	2,020,408
<b>Income recognised directly in equity</b>									
Investments in available-for-sale securities									
Gains recognised in shareholders' equity	-	-	45,083	4,696	-	-	-	-	49,779
Transferred to profit or loss due to disposals	-	-	7,219	-	-	-	-	-	7,219
Deferred tax recognised/transferred out	-	-	(13,075)	-	-	-	-	-	(13,075)
<b>Net income recognised directly in equity</b>	-	-	39,227	4,696	-	-	-	-	43,923
Net income for the period	-	-	-	-	-	-	-	40,147	40,147
<b>Total income for the period</b>	-	-	39,227	4,696	-	-	-	40,147	84,070
<b>Balance as at 31 March 2010</b>	300,000	647,186	104,152	6,393	1,569	30,000	20,000	995,178	2,104,478
	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**  
**Statements of changes in shareholders' equity (continued)**  
**For the three-month periods ended 31 March 2010 and 2009**

(Unit: Thousand Baht)

	<b>Separate financial statements in which the cost method is applied</b>						
	Issued and paid-up		Surplus (deficit) on changes in values	Retained earnings			Total
				Appropriated		Unappropriated	
share capital	Share premium	of investments	Statutory reserve	General reserve			
<b>Balance as at 1 January 2009</b>	300,000	647,186	(105,811)	30,000	20,000	861,309	1,752,684
<b>Income and expenses recognised directly in equity</b>							
Investments in available-for-sale securities							
Losses recognised in shareholders' equity	-	-	(23,323)	-	-	-	(23,323)
Transferred to profit or loss due to disposals	-	-	(874)	-	-	-	(874)
Deferred tax recognised/transferred out	-	-	6,049	-	-	-	6,049
<b>Net expenses recognised directly in equity</b>	-	-	(18,148)	-	-	-	(18,148)
Net income for the period	-	-	-	-	-	40,493	40,493
<b>Total income and expenses for the period</b>	-	-	(18,148)	-	-	40,493	22,345
<b>Balance as at 31 March 2009</b>	300,000	647,186	(123,959)	30,000	20,000	901,802	1,775,029
	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**  
**Statements of changes in shareholders' equity (continued)**  
**For the three-month periods ended 31 March 2010 and 2009**

(Unit: Thousand Baht)

**Separate financial statements in which the cost method is applied**

	Issued and paid-up		Surplus (deficit) on changes in values of investments	Retained earnings			Total
	share capital	Share premium		Appropriated		Unappropriated	
			Statutory reserve	General reserve			
<b>Balance as at 1 January 2010</b>	300,000	647,186	64,925	30,000	20,000	905,012	1,967,123
<b>Income and expenses recognised directly in equity</b>							
Investments in available-for-sale securities							
Gains recognised in shareholders' equity	-	-	45,083	-	-	-	45,083
Transferred to profit or loss due to disposals	-	-	7,219	-	-	-	7,219
Deferred tax recognised/transferred out	-	-	(13,075)	-	-	-	(13,075)
<b>Net income recognised directly in equity</b>	-	-	39,227	-	-	-	39,227
Net income for the period	-	-	-	-	-	36,978	36,978
<b>Total income for the period</b>	-	-	39,227	-	-	36,978	76,205
<b>Balance as at 31 March 2010</b>	300,000	647,186	104,152	30,000	20,000	941,990	2,043,328
	-	-	-	-	-	-	-

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