

***BANGKOK LIFE ASSURANCE PUBLIC
COMPANY LIMITED AND SUBSIDIARIES***

Interim Financial Statements

Three-month period ended March 31, 2019

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS
BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at March 31, 2019, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".



Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301

BANGKOK
May 14, 2019

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2019

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
ASSETS					
Cash and cash equivalents	4	6,737,363	9,825,592	6,656,283	9,745,784
Premium receivables	5	3,241,589	1,910,397	3,241,589	1,910,397
Accrued investment income		3,572,932	2,690,939	3,572,932	2,690,939
Reinsurance assets	6, 17	695,710	539,180	695,710	539,180
Amount due from reinsurances	7	1,053,140	703,965	1,053,140	703,965
Derivative assets	8	447,740	274,887	447,740	274,887
Investment assets					
Investments in securities					
Held-for-trading investments	9	31,958	33,497	31,958	33,497
Available-for-sale investments	9	78,998,912	75,171,941	78,998,912	75,171,941
Held-to-maturity investments	9, 27, 28	213,562,259	217,424,076	213,562,259	217,424,076
General investments	9	30,302	30,302	30,302	30,302
Investments in subsidiaries	10	-	-	98,437	98,437
Loans	12	11,206,425	11,561,541	11,206,425	11,561,541
Investment property	13	17,485	17,752	17,485	17,752
Property, plant and equipment	14	1,318,672	1,333,668	1,318,257	1,331,795
Goodwill		4,955	4,955	-	-
Intangible assets		2,982	3,745	2,982	3,615
Deferred tax assets	15	1,309,555	2,154,027	1,309,555	2,154,027
Other assets	16	423,808	897,385	392,619	861,097
TOTAL ASSETS		<u>322,655,787</u>	<u>324,577,849</u>	<u>322,636,585</u>	<u>324,553,232</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2019

(Unit: Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		(Unaudited but reviewed) March 31, 2019	(Audited) December 31, 2018	(Unaudited but reviewed) March 31, 2019	(Audited) December 31, 2018
LIABILITIES AND EQUITY					
Liabilities					
Insurance contract liabilities	17, 33	277,388,593	283,281,023	277,388,458	283,280,931
Amount due to reinsurances	18	964,477	585,436	964,477	585,436
Derivative liabilities	8	430,716	644,294	430,716	644,294
Income tax payable		7,537	7,537	7,537	7,537
Employee benefit obligations	19	186,535	178,637	184,918	177,112
Other liabilities	20, 33	1,404,395	1,372,766	1,394,711	1,362,192
Total liabilities		<u>280,382,253</u>	<u>286,069,693</u>	<u>280,370,817</u>	<u>286,057,502</u>
Equity					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of Baht 1 each		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up share capital					
1,707,566,000 ordinary shares of Baht 1 each, fully paid-up	21	1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital	21	3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve		170,800	170,800	170,800	170,800
General reserve		400,000	400,000	400,000	400,000
Unappropriated		29,193,849	27,908,092	29,180,448	27,894,514
Other component of equity					
Revaluation surplus on available-for-sale investments - net of income taxes		7,445,961	4,961,857	7,445,961	4,961,857
Exchange rate differences on translation of financial statements in foreign currency		(6,617)	(4,700)	-	-
Equity attributable to equity holders of the Company		<u>42,272,552</u>	<u>38,504,608</u>	<u>42,265,768</u>	<u>38,495,730</u>
Non-controlling interests of the subsidiaries		982	3,548	-	-
Total equity		<u>42,273,534</u>	<u>38,508,156</u>	<u>42,265,768</u>	<u>38,495,730</u>
TOTAL LIABILITIES AND EQUITY		<u>322,655,787</u>	<u>324,577,849</u>	<u>322,636,585</u>	<u>324,553,232</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		2019	2018	2019	2018
Continuing operations					
Revenues					
Gross written premium	22, 26	10,514,704	13,305,500	10,514,760	13,305,599
<u>Less</u> Premium ceded to reinsurers	22, 26	(467,777)	(563,892)	(467,777)	(563,892)
Net premium written		10,046,927	12,741,608	10,046,983	12,741,707
<u>Less</u> Unearned premium reserves increased form prior period	22	(235,416)	(79,607)	(235,416)	(79,607)
Net earned premium	33	9,811,511	12,662,001	9,811,567	12,662,100
Fee and commission income	22	118,051	135,130	118,051	135,130
Net investment income	26, 33	3,075,872	2,951,779	3,075,872	2,951,779
Gain (loss) on investment	9	(78,165)	374,605	(78,165)	374,605
Fair value gain	24	125,047	78,823	125,047	78,823
Other income	26, 33	51,723	34,328	47,116	30,321
Total revenues		<u>13,104,039</u>	<u>16,236,666</u>	<u>13,099,488</u>	<u>16,232,758</u>
Expenses					
Life policy reserves increased (decreased) from prior period	22, 33	(6,513,907)	4,460,385	(6,513,907)	4,460,385
Gross benefit and claims paid	22, 26	16,983,442	8,076,037	16,983,442	8,076,038
<u>Less</u> Benefit and claims paid recovered from reinsurers	22, 26	(313,289)	(220,765)	(313,289)	(220,765)
Commissions and brokerages	22, 26, 33	857,477	1,052,575	855,187	1,050,427
Other underwriting expenses	22, 33	209,370	378,326	209,363	378,320
Operating expenses	23, 26, 33	370,866	395,868	369,312	394,173
Total expenses		<u>11,593,959</u>	<u>14,142,426</u>	<u>11,590,108</u>	<u>14,138,578</u>
Profit before income tax expense		<u>1,510,080</u>	<u>2,094,240</u>	<u>1,509,380</u>	<u>2,094,180</u>
Income tax expenses	15	(223,446)	(335,246)	(223,446)	(335,246)
Profit for the periods from continuing operations		<u>1,286,634</u>	<u>1,758,994</u>	<u>1,285,934</u>	<u>1,758,934</u>
Discontinued operation					
Loss for the periods from discontinued operation - net of tax income	11	(1,673)	(5,896)	-	-
Profit for the periods		<u>1,284,961</u>	<u>1,753,098</u>	<u>1,285,934</u>	<u>1,758,934</u>
Profit for the periods attributable to					
Equity holders of the Company					
From continuing operations		1,286,627	1,758,993	1,285,934	1,758,934
From discontinued operation		(870)	(3,065)		
		<u>1,285,757</u>	<u>1,755,928</u>		
Non-controlling interests of the subsidiaries					
From continuing operations		7	1		
From discontinued operation		(803)	(2,831)		
		<u>(796)</u>	<u>(2,830)</u>		
		<u>1,284,961</u>	<u>1,753,098</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2019	2018	2019	2018
Profit for the periods		<u>1,284,961</u>	<u>1,753,098</u>	<u>1,285,934</u>	<u>1,758,934</u>
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains (losses) on remeasuring available-for-sale investments		3,075,665	(765,167)	3,075,665	(765,167)
Reversal of (gains) losses on remeasuring available-for-sale investments		29,465	(353,236)	29,465	(353,236)
Exchange rate differences on translation of financial statements in foreign currency		(3,687)	(4,890)	-	-
Income taxes relating to other comprehensive income	15	<u>(621,026)</u>	<u>223,646</u>	<u>(621,026)</u>	<u>223,646</u>
Total other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods - net of income taxes		<u>2,480,417</u>	<u>(899,647)</u>	<u>2,484,104</u>	<u>(894,757)</u>
Other comprehensive income for the periods - net of income taxes		<u>2,480,417</u>	<u>(899,647)</u>	<u>2,484,104</u>	<u>(894,757)</u>
Total comprehensive income for the periods		<u>3,765,378</u>	<u>853,451</u>	<u>3,770,038</u>	<u>864,177</u>
Total comprehensive income for the periods attributable to					
Equity holders of the Company		3,767,944	858,628	<u>3,770,038</u>	<u>864,177</u>
Non-controlling interests of the subsidiaries		<u>(2,566)</u>	<u>(5,177)</u>		
		<u>3,765,378</u>	<u>853,451</u>		
					(Unit: Baht)
Earnings (losses) per share	29				
Basic earnings (losses) per share					
From continuing operations		0.753	1.030		
From discontinued operation	11	<u>(0.001)</u>	<u>(0.002)</u>		
Basic earnings per share		<u>0.752</u>	<u>1.028</u>	<u>0.753</u>	<u>1.030</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Consolidated financial statement										
	Equity attributable to equity holders of the Company					Other component of equity					
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total		
			Appropriated	General reserve						Unappropriated	reserve
Legal reserve	reserve	General reserve	reserve	Investments	in foreign currency	Total equity	Total equity	Total	Total	Total	
Balance as at January 1, 2018	1,707,566	3,360,993	170,800	400,000	23,841,906	9,274,641	(4,441)	38,751,465	13,294	38,764,759	1,753,098
Profit (loss) for the period	-	-	-	-	1,755,928	-	-	1,755,928	(2,830)	1,753,098	-
Other comprehensive income	-	-	-	-	-	(894,757)	-	(894,757)	-	(894,757)	(894,757)
Loss on remeasuring of available-for-sale investments - net of income taxes	-	-	-	-	-	-	-	-	-	-	-
Exchange rate differences on translation of financial statements in foreign currency	-	-	-	-	-	-	(2,543)	(2,543)	(2,347)	(4,890)	-
Total comprehensive income (loss) for the period	-	-	-	-	1,755,928	(894,757)	(2,543)	858,628	(5,177)	853,451	-
Balance as at March 31, 2018	1,707,566	3,360,993	170,800	400,000	25,597,834	8,379,884	(6,984)	39,610,093	8,117	39,618,210	853,451

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Consolidated financial statement									
	Equity attributable to equity holders of the Company					Other component of equity				
	Issued and paid-up share capital	Retained earnings		Premium on share capital	Appropriated	Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
Legal reserve		General reserve	Unappropriated							
Balance as at January 1, 2019	1,707,566	3,360,993	170,800	400,000	27,908,092	4,961,857	(4,700)	38,504,608	3,548	38,508,156
Profit (loss) for the period	-	-	-	-	1,285,757	-	-	1,285,757	(796)	1,284,961
Other comprehensive income	-	-	-	-	-	2,484,104	-	2,484,104	-	2,484,104
Gain on remeasuring of available-for-sale investments - net of income taxes	-	-	-	-	-	-	(1,917)	(1,917)	(1,770)	(3,687)
Exchange rate differences on translation of financial statements in foreign currency	-	-	-	-	-	-	(1,917)	(1,917)	(2,566)	(3,765,378)
Total comprehensive income (loss) for the period	1,707,566	3,360,993	170,800	400,000	1,285,757	2,484,104	(6,617)	42,272,552	982	42,273,534
Balance as at March 31, 2019	-	-	-	-	-	-	-	-	-	-

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Separate financial statements						Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Unappropriated	Other component of equity	
			Legal reserve	Appropriated			
Balance as at January 1, 2018	1,707,566	3,360,993	170,800	400,000	23,872,300	9,274,641	38,786,300
Profit for the period	-	-	-	-	1,758,934	-	1,758,934
Other comprehensive income	-	-	-	-	-	-	-
Loss on reinsurance available-for-sale investments - net of income taxes	-	-	-	-	-	(894,757)	(894,757)
Total comprehensive income (loss) for the period	-	-	-	-	1,758,934	(894,757)	864,177
Balance as at March 31, 2018	1,707,566	3,360,993	170,800	400,000	25,631,234	8,379,884	39,650,477

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Separate financial statements						Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Unappropriated	Other component of equity	
			Legal reserve	Appropriated			
Balance as at January 1, 2019	1,707,566	3,360,993	170,800	400,000	27,894,514	4,961,857	38,495,730
Profit for the period	-	-	-	-	1,285,934	-	1,285,934
Other comprehensive income	-	-	-	-	-	2,484,104	2,484,104
Gain on reinsurance available-for-sale investments - net of income taxes	-	-	-	-	-	2,484,104	2,484,104
Total comprehensive income for the period	-	-	-	-	1,285,934	2,484,104	3,770,038
Balance as at March 31, 2019	1,707,566	3,360,993	170,800	400,000	29,180,448	7,445,961	42,265,768

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
Cash flows from (used in) operating activities					
Gross premium		9,196,350	12,391,293	9,196,406	12,391,293
Cash payments from reinsurance		-	(70,839)	-	(70,839)
Interest income		1,892,151	1,714,660	1,892,140	1,714,660
Dividend income		283,659	379,320	283,659	379,320
Other income on investment		414,852	368,609	414,852	368,609
Other income		56,685	38,395	47,114	30,274
Benefit and claim on direct insurance		(16,800,676)	(8,246,703)	(16,800,676)	(8,246,703)
Commissions and brokerages on direct insurance		(919,223)	(1,017,621)	(916,623)	(1,022,825)
Other underwriting expenses		(142,927)	(100,368)	(142,919)	(100,368)
Operating expenses		(271,242)	(555,236)	(270,044)	(545,728)
Corporate income taxes		(23,549)	(17,941)	(23,549)	(17,948)
Investments in securities		111,419	(4,764,789)	111,419	(4,764,789)
Loans		337,817	212,412	337,817	212,412
Other investments		2,788,926	2,310,903	2,788,926	2,310,903
Net cash provided by (used in) operating activities		<u>(3,075,758)</u>	<u>2,642,095</u>	<u>(3,081,478)</u>	<u>2,638,271</u>
Cash flows from (used in) investing activities					
Net cash flows for purchases and disposals of premises and equipment		<u>(8,023)</u>	<u>(25,194)</u>	<u>(8,023)</u>	<u>(25,194)</u>
Net cash used in investing activities		<u>(8,023)</u>	<u>(25,194)</u>	<u>(8,023)</u>	<u>(25,194)</u>
Exchange rate differences on translation of financial statements in foreign currency		<u>(4,448)</u>	<u>(7,690)</u>	<u>-</u>	<u>-</u>
Net increased (decreased) in cash and cash equivalents		<u>(3,088,229)</u>	<u>2,609,211</u>	<u>(3,089,501)</u>	<u>2,613,077</u>
Cash and cash equivalents at beginning of periods		<u>9,825,592</u>	<u>3,975,792</u>	<u>9,745,784</u>	<u>3,877,092</u>
Cash and cash equivalents at end of periods	4	<u><u>6,737,363</u></u>	<u><u>6,585,003</u></u>	<u><u>6,656,283</u></u>	<u><u>6,490,169</u></u>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

Bangkok Life Assurance Public Company Limited (the “Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Nippon Life Insurance Company, which was incorporated in Japan. The Company is principally engaged provision of life insurance services. The registered office of the Company is at No. 23/115-121, Soi Sun Wichai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok.

2. BASIS FOR PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation and presentation of consolidated and separate interim financial statements

These consolidated and separate interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2018) “Interim Financial Reporting” and the additional disclosure in accordance with the Company choosing to present condensed interim financial statements. However, the Company has presented line items in the consolidated and separate statements of financial position, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in owners’ equity and statements of cash flows in the same format as that used in its preparation of the annual financial statements and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of life insurance companies dated March 4, 2016, which has been effective since January 1, 2016.

These consolidated and separate interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These consolidated and separate interim financial statements should therefore be read in conjunction with the latest annual financial statements.

These consolidated and separate interim financial statements in Thai language are the official statutory financial statements of the Company. The consolidated and separate interim financial statements in English language have been translated from the consolidated and separate interim financial statements in Thai language.

The consolidated and separate statements of financial position as at December 31, 2018, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

The unaudited results of operations presented in the three-month period ended March 31, 2019 are not necessarily an indication nor anticipation of the operating results for the full year.

The preparation of consolidated and separate interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

2.2 Basis for preparation of the consolidated interim financial statements

These consolidated interim financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2018, with no changes in the structure of shareholding in subsidiaries during the period.

The consolidated interim financial statements include the interim financial statements of Bangkok Life Assurance Public Company Limited and the following subsidiaries:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			As at	
			March 31, 2019	December 31, 2018
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99
Bangkok Life Assurance (Cambodia) Public Limited Company ⁽¹⁾	Life Insurance	Cambodia	52	52

⁽¹⁾ On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Company Limited which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation (see Note 11).

The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

Subsidiaries' interim financial statements are fully consolidated in the consolidated interim financial statements, being the date on the Company obtains control, and continued to be consolidated until the date when such control ceases.

The interim financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated interim financial statements.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statements of financial position.

2.3 Separate interim financial statements

The separate interim financial statements, which present investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

2.4 Significant accounting policies

The consolidated and separate interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2018.

2.5 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements.

During the period, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

Thai Financial Reporting Standard No. 4 (Revised 2018) "Insurance Contracts" determines the option for insurance industry to temporarily exempt from applying Thai Financial Reporting Standard No. 9 "Financial Instruments". An entity can elect to exempt from Thai Financial Reporting Standard No. 9 until annual periods beginning before January 1, 2023 or before Thai Financial Reporting Standard No. 17 "Insurance Contracts" is effective.

3. THAI FINANCIAL REPORTING STANDARDS ANNOUNCED IN THE ROYAL GAZETTE BUT NOT YET EFFECTIVE

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follows:

Group of Financial Instruments Standards

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company’s business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

The accounting guidelines for financial instruments and disclosures on insurance business

On January 16, 2019, the Federation of Accounting Professions has issued the accounting guidelines for financial instruments and disclosures on insurance business, which has been announced in the Royal Gazette is effective on March 11, 2019 onwards.

This accounting guidelines is an accounting option for financial instruments for the financial statements beginning on or after January 1, 2020 onwards which allowed the adoption on this accounting guidelines prior to the effective date for the financial statements beginning on or after January 1, 2019 onwards only. If an entity adopts this accounting guidelines prior to the effective date, the entity is required to disclose such adoption. However, the Company’s management does not adopt such accounting guidelines for financial instruments and disclosures on insurance business prior to the effective date.

Thai Financial Reporting Standards No. 16 “Leases”

This financial reporting standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the entity. An entity shall consider the terms and conditions of contracts and all relevant facts and circumstances when applying this Standard. An entity shall apply this Standard consistently to contracts with similar characteristics and in similar circumstances.

The Company’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Company’s management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

4. CASH AND CASH EQUIVALENT

As at March 31, 2019 and December 31, 2018, the Company and subsidiaries have cash and cash equivalent as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Cash on hand	8,918	11,044	8,917	11,043
Deposits at banks with no fixed maturity date	2,302,441	2,599,619	2,221,362	2,519,812
Short-term investments in promissory notes	4,426,004	7,214,929	4,426,004	7,214,929
Cash and cash equivalents	<u>6,737,363</u>	<u>9,825,592</u>	<u>6,656,283</u>	<u>9,745,784</u>

As at March 31, 2019, interest rates on saving accounts and promissory notes are in the range of 0.38% - 1.63% per annum (December 31, 2018: 0.38% - 1.63% per annum).

5. PREMIUM RECEIVABLES

As at March 31, 2019 and December 31, 2018, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	Due from direct insurance	
	March 31, 2019	December 31, 2018
Not yet due	3,048,481	1,864,857
Not over 30 days	160,724	22,305
Over 30 days to 60 days	28,303	18,701
Over 60 days to 90 days	1,425	2,347
Over 90 days	2,656	2,187
Total premium receivables	<u>3,241,589</u>	<u>1,910,397</u>

For premium receivables due from agents and brokers, the Company has determined criteria in collections from those debtors. For overdue premium receivables, the Company has taken legal process with agents and brokers on a case by case basis.

For individual policies which have cash value and premium receivables over the grace period, the premium receivables will be settled by granting an automatic premium loan where the policy has a cash surrender value.

6. REINSURANCE ASSETS

As at March 31, 2019 and December 31, 2018, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
Reserves recoverable from reinsurances		
Claim reserves	146,851	153,422
Unearned premium reserves	548,859	385,758
Total reinsurance assets	<u>695,710</u>	<u>539,180</u>

7. AMOUNT DUE FROM REINSURANCE

As at March 31, 2019 and December 31, 2018, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
Amount due from reinsurers	1,053,140	703,965
Total amount due from reinsurance	<u>1,053,140</u>	<u>703,965</u>

8. DERIVATIVE ASSETS AND LIABILITIES

As at March 31, 2019 and December 31, 2018, derivatives classified by objective are as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2019		December 31, 2018	
	Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities
Derivatives for hedging risks				
Cash flow hedge	791,732	94,310	551,362	143,304
Hedge of net investment in foreign currencies	113,099	1,636	125,015	713
Total derivatives	<u>904,831</u>	<u>95,946</u>	<u>676,377</u>	<u>144,017</u>

As at March 31, 2019 and December 31, 2018, derivative assets and liabilities consisted of the following:

Contract type	Consolidated and separate financial statements		
	March 31, 2019		
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	593,800	366,538	395,710
Euro	10,000	22,072	-
Forward exchange contracts			
Yen	1,340,910	6,975	-
US dollar	45,200	7,068	15,030
Singapore dollar	94,756	7,051	19,976
Euro	29,110	38,036	-
Total derivative	2,113,776	447,740	430,716

Contract type	Consolidated and separate financial statements		
	December 31, 2018		
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	593,800	223,363	630,372
Euro	10,000	7,816	-
Forward exchange contracts			
Yen	1,340,910	1,140	2,980
US dollar	92,200	6,948	1,362
Singapore dollar	83,256	4,682	9,580
Euro	29,110	30,938	-
Total derivative	2,149,276	274,887	644,294

9. INVESTMENTS IN SECURITIES

9.1 Held-for-trading investments

As at March 31, 2019 and December 31, 2018, held-for-trading investments consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2019		December 31, 2018	
	Cost	Fair value	Cost	Fair value
Held-for-trading investments				
Equity securities	61,327	31,958	63,593	33,497
Total	61,327	31,958	63,593	33,497
Less Unrealised losses	(29,369)	-	(30,096)	-
Total held-for-trading investments	31,958	31,958	33,497	33,497

9.2 Available-for-sale investments

As at March 31, 2019 and December 31, 2018, available-for-sales investments consisted of following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2019		December 31, 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments				
Government and state enterprise securities	2,207,236	2,532,855	2,000,869	2,298,545
Private enterprises debt securities	25,590,336	27,121,101	25,591,351	27,181,186
Equity securities	31,544,339	38,454,816	31,143,932	35,841,798
Foreign debt securities	1,402,569	1,250,869	1,403,323	1,251,495
Foreign equity securities	8,921,049	9,639,271	8,777,100	8,598,917
Total	69,665,529	78,998,912	68,916,575	75,171,941
Add Unrealised gains	9,333,383	-	6,255,366	-
Total available-for-sale investments	78,998,912	78,998,912	75,171,941	75,171,941

9.3 Held-to-maturity investments

As at March 31, 2019 and December 31, 2018, held-to-maturity investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
	Cost/ Amortised cost	Cost/ Amortised cost
Held-to-maturity investments		
Government and state enterprise securities	136,150,910	139,536,444
Private enterprises debt securities	69,190,438	67,767,742
Foreign debt securities	6,820,911	6,719,890
Deposits at financial institutions with an original maturity longer than 3 months	1,400,000	3,400,000
Total held-to-maturity investments	213,562,259	217,424,076

9.4 General investments

As at March 31, 2019 and December 31, 2018, general investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019 Cost	December 31, 2018 Cost
General investments		
Equity securities	30,302	30,302
Total general investments	<u>30,302</u>	<u>30,302</u>

9.5 Investments in structured notes

Investments in structured notes, which are classified as held-to-maturity investments, consisted of the following:

- (a) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 600 million and Baht 600 million, respectively, in promissory notes and bills of exchange, which were issued by local banks and branches of foreign commercial banks, having remaining lives of 2 - 10 years and 2 - 10 years, respectively, and containing conditions whereby the issuer has call option or has rights to call for additional deposits and bearing interest rate referring to the yield rate on government bond (CMT Index).
- (b) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 2,600 million and Baht 2,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 1 - 3 years and 2 - 4 years, respectively, and bearing interest rate referring to the yield rate on government bond (CMT Index).
- (c) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 3,546 million and Baht 3,524 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 2 - 9 years and 2 - 10 years, respectively, and the notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.

- (d) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 945 million and Baht 933 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 15 years and 15 years, respectively. The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 452 million and Baht 448 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 12 years and 13 years, respectively. The bills contain conditions whereby the banks have the right to early redemption and the redemption of the bills is based on the credit event of the reference assets.
- (f) As at March 31, 2019 and December 31, 2018, the Company has investments of Baht 1,546 million and Baht 1,577 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 7 - 8 years and 7 - 8 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

9.6 Investments subject to restriction

As at March 31, 2019 and December 31, 2018, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 64,203 million and Baht 63,357 million, respectively, with the Registrar as securities and reserves as described in Notes 27 and 28.

9.7 Gains (losses) on investments

Gains (losses) on investments for the three-month periods ended March 31, 2019 and 2018 consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2019	2018
Gains (losses) on sales of held-for-trading investments	(94)	3,704
Gains (losses) on sales of available-for-sale investments	(78,076)	370,901
Gains on sales of held-to-maturity investments	5	-
Total gains (losses) on investments	<u>(78,165)</u>	<u>374,605</u>

10. INVESTMENTS IN SUBSIDIARIES

As at March 31, 2019 and December 31, 2018, detail of investments in subsidiaries, as presented in the separate interim financial statements, is as follows:

(Unit : Thousand Baht)									
Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost		
			March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	
					%	%			
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760	
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Cambodia	153,598	153,598	52 ⁽²⁾	52 ⁽²⁾	127,357	127,357	
<u>Less</u> Allowance for doubtful accounts ⁽¹⁾							<u>(52,680)</u>	<u>(52,680)</u>	
Total investments in subsidiaries							<u>98,437</u>	<u>98,437</u>	

⁽¹⁾ On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Limited Company which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation (see Note 11).

⁽²⁾ As stated in "Memorandum and Article of Company"

11. DISCONTINUED OPERATION

On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Limited Company which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation. The Company classified net loss from Bangkok Life Assurance (Cambodia) Public Limited Company as net loss from discontinued operation.

The consolidated statement of financial position as at March 31, 2019 and December 31, 2018 include assets from discontinued operation in total amount of Baht 91 million and Baht 97 million, respectively, in which most of balances are cash and cash equivalents and deposit.

The consolidated statements of profit or loss and other comprehensive income for the three-month periods ended March 31, 2019 and 2018 for discontinued operations are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
For the three-month periods ended March 31,	2019	2018
Discontinued operation		
Revenue	10	42
Expenses	(1,683)	(5,938)
Loss before income tax expense	(1,673)	(5,896)
Income tax expense	-	-
Loss for the period from discontinued operation, net of income tax	(1,673)	(5,896)
Loss earning per share*		
Basic loss earning per share (Baht)	(0.001)	(0.002)

* Earnings losses per share from discontinued operation for equity holders of the Company

12. LOANS AND ACCRUED INTEREST INCOME

As at March 31, 2019 and December 31, 2018, the balances of loans and accrued interest income, classified by overdue periods, are as follows:

(Unit: Thousand Baht)

Consolidated and separate financial statements									
March 31, 2019									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Total
Not yet due	7,925,796	875,041	3,148,940	2,100	816	1	11,075,552	877,142	11,952,694
Overdue:									
Less than 3 months	-	-	95,796	542	-	-	95,796	542	96,338
3 - 6 months	-	-	14,632	261	-	-	14,632	261	14,893
6 - 12 months	-	-	11,775	438	-	-	11,775	438	12,213
Over 12 months	-	-	20,709	951	53	2	20,762	953	21,715
Total	7,925,796	875,041	3,291,852	4,292	869	3	11,218,517	879,336	12,097,853
Less Allowance for doubtful accounts	-	-	(12,092)	(1,541)	-	-	(12,092)	(1,541)	(13,633)
Loans and accrued interest receivables	7,925,796	875,041	3,279,760	2,751	869	3	11,206,425	877,795	12,084,220

(1) This amount included as a part of "Accrued investment income in statements of financial position".

(Unit : Thousand Baht)

Consolidated and separate financial statements									
December 31, 2018									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Total
Not yet due	7,798,115	856,740	3,666,960	4,938	1,425	1	11,466,500	861,679	12,328,179
Overdue:									
Less than 3 months	-	-	56,496	342	-	-	56,496	342	56,838
3 - 6 months	-	-	21,850	224	-	-	21,850	224	22,074
6 - 12 months	-	-	5,792	296	-	-	5,792	296	6,088
Over 12 months	-	-	19,290	713	53	2	19,343	715	20,058
Total	7,798,115	856,740	3,770,388	6,513	1,478	3	11,569,981	863,256	12,433,237
Less Allowance for doubtful accounts	-	-	(8,440)	(1,071)	-	-	(8,440)	(1,071)	(9,511)
Loans and accrued interest receivables	7,798,115	856,740	3,761,948	5,442	1,478	3	11,561,541	862,185	12,423,726

(1) This amount included as a part of "Accrued investment income" in the statements of financial position.

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest rate at 4.00% - 8.00% per annum, as approved by the Office of Insurance Commission.

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.1 million for personal guarantee loans. The interest rate is charged at the rates of 6.00% per annum. As at March 31, 2019 and December 31, 2018, loans to employees amounted to Baht 0.8 million and Baht 1.50 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.00% per annum. As at March 31, 2019 and December 31, 2018, loans to employees under the mortgage loans amounted to Baht 24 million and Baht 27 million, respectively.

13. INVESTMENT PROPERTY

As at March 31, 2019 and December 31, 2018, the Company has movement in the investment property as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	For the three-month period ended March 31, 2019	For the year ended December 31, 2018
Net carrying value - beginning of the period/year	17,752	18,817
Depreciation for period/year	(267)	(1,065)
Net carrying value - end of the period/year	17,485	17,752

14. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipment for the three-month period ended March 31, 2019 are as follows:

	(Unit : Thousand Baht)						
	Consolidated financial statements						
	For the three-month period ended March 31, 2019						
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at							
January 1, 2019	794,246	366,569	8,852	121,029	20,976	21,996	1,333,668
Additions - at cost	-	63	-	2,566	3,090	2,307	8,026
Disposals/Write-off - net carrying value	-	(1,286)	-	(46)	-	-	(1,332)
Exchange rate differences on translation of financial statements in foreign currency	-	(30)	-	(12)	-	-	(42)
Depreciation charges for the period	-	(7,522)	(458)	(12,129)	(1,539)	-	(21,648)
Net carrying value as at March 31, 2019	794,246	357,794	8,394	111,408	22,527	24,303	1,318,672

(Unit : Thousand Baht)

Separate financial statements							
For the three-month period ended March 31, 2019							
	Buildings and buildings	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total	
	Land	improvements					
Net carrying value as at							
January 1, 2019	794,246	365,254	8,850	120,474	20,975	21,996	1,331,795
Additions - at cost	-	63	-	2,566	3,090	2,307	8,026
Disposals - net carrying value	-	-	-	(1)	-	-	(1)
Depreciation charges for the period	-	(7,522)	(458)	(12,043)	(1,540)	-	(21,563)
Net carrying value as at							
March 31, 2019	794,246	357,795	8,392	110,996	22,525	24,303	1,318,257

15. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

15.1 Deferred tax assets/liabilities

Deferred tax assets and liabilities consisted of tax effects as shown below.

Consolidated and separate financial statements						
	March 31,	December 31,	Change in deferred tax assets/liabilities reported profit or loss in the for the three-month periods ended March 31,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended March 31,	
	2019	2018	2019	2018	2019	2018
Deferred tax assets						
Reserves for long-term insurance contracts	2,591,995	2,757,470	(165,475)	(89,508)	-	-
Claim reserves	17,653	18,633	(980)	(4,493)	-	-
Provisions for long-term employee benefits	29,785	28,224	1,561	903	-	-
Others	32,402	15,853	16,549	1,386	-	-
Total deferred tax assets	2,671,835	2,820,180	(148,345)	(91,712)	-	-
Deferred tax liabilities						
Available-for-sale investments	1,362,280	666,153	75,101	106,456	621,026	(223,646)
Total deferred tax liabilities	1,362,280	666,153	75,101	106,456	621,026	(223,646)
Deferred tax assets/liabilities - net	1,309,555	2,154,027	(223,446)	(198,168)	(621,026)	223,646

15.2 Income tax expenses

Income tax expenses for the three-month periods ended March 31, 2019 and 2018 are made up as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2019	2018
Current income tax:		
Interim corporate income tax charge	-	137,078
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	223,446	198,168
Income tax expense reported in profits or losses	223,446	335,246

Reconciliation between accounting profits and income tax expense for the three-month periods ended March 31, 2019 and 2018 are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	For the three-month periods ended March 31,	
	2019	2018
Accounting profit before income tax expenses	1,510,080	2,094,240
Applicable corporate income tax rates	20%	20%
Income tax expense at the applicable tax rates	301,876	418,836
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(78,430)	(83,590)
Income tax expense recognised in profits or losses	223,446	335,246

	(Unit : Thousand Baht)	
	Separate financial statements	
	For the three-month periods ended March 31,	
	2019	2018
Accounting profit before income tax expenses	1,509,380	2,094,180
Applicable corporate income tax rates	20%	20%
Income tax expense at the applicable tax rates	301,876	418,836
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(78,430)	(83,590)
Income tax expense recognised in profits or losses	223,446	335,246

16. OTHER ASSETS

As at March 31, 2019 and December 31, 2018, other assets consisted of the follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Derivative collateral	18,500	49,500	18,500	49,500
Prepaid income tax	124,466	100,917	124,466	100,917
Prepaid rental expenses	19,669	22,617	19,669	22,617
Deposits	52,236	51,099	29,488	27,822
Receivable from sales of investments	45,129	555,220	45,129	555,220
<u>Less</u> Allowance for doubtful accounts - receivable from sales of investments	-	(17,074)	-	(17,074)
Prepaid expenses	17,686	18,585	17,615	18,503
Others	146,122	116,521	137,752	103,592
Total other assets	<u>423,808</u>	<u>897,385</u>	<u>392,619</u>	<u>861,097</u>

17. INSURANCE CONTRACT LIABILITIES

As at March 31, 2019 and December 31, 2018, insurance contract liabilities consisted of the follows:

	(Unit : Thousand Baht)					
	Consolidated financial statements					
	March 31, 2019			December 31, 2018		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	267,394,331	-	267,394,331	273,908,194	-	273,908,194
Claim reserves						
Reserves for reported claims	160,049	(146,851)	13,198	172,489	(153,422)	19,067
Reserves for claims incurred but not yet reported	88,263	-	88,263	93,163	-	93,163
Premium reserves						
Unearned premium reserves	1,721,278	(548,859)	1,172,419	1,322,760	(385,758)	937,002
Unpaid policy benefits	376,627	-	376,627	231,318	-	231,318
Other insurance liabilities	7,648,045	-	7,648,045	7,553,099	-	7,553,099
Total insurance contract liabilities	<u>277,388,593</u>	<u>(695,710)</u>	<u>276,692,883</u>	<u>283,281,023</u>	<u>(539,180)</u>	<u>282,741,843</u>

	(Unit : Thousand Baht)					
	Separate financial statements					
	March 31, 2019			December 31, 2018		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	267,394,196	-	267,394,196	273,908,102	-	273,908,102
Claims reserves						
Reserves for reported claims	160,049	(146,851)	13,198	172,489	(153,422)	19,067
Reserves for claims incurred but not yet reported	88,263	-	88,263	93,163	-	93,163
Premium reserves						
Unearned premium reserves	1,721,278	(548,859)	1,172,419	1,322,760	(385,758)	937,002
Unpaid policy benefits	376,627	-	376,627	231,318	-	231,318
Other insurance liabilities	7,648,045	-	7,648,045	7,553,099	-	7,553,099
Total insurance contract liabilities	<u>277,388,458</u>	<u>(695,710)</u>	<u>276,692,748</u>	<u>283,280,931</u>	<u>(539,180)</u>	<u>282,741,751</u>

17.1 Reserves for long-term insurance contracts

As at March 31, 2019 and December 31, 2018, reserves for long-term insurance contracts of the follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	For the	For the year	For the	For the year
	three-month	ended	three-month	ended
	period ended	December	period ended	December
	March 31,	31,	March 31,	31,
	2019	2018	2019	2018
Balances - beginning of the period/year	273,908,194	256,595,053	273,908,102	256,595,048
Reserve increased for new businesses and inforce policies	7,848,441	34,307,093	7,848,398	34,307,006
Reserve decreased for benefits payment lapses and surrender, etc.	(14,362,304)	(16,334,300)	(14,362,304)	(16,334,300)
Reserve decreased for testing the adequacy of liabilities	-	(659,652)	-	(659,652)
Balances - end of the period/year	<u>267,394,331</u>	<u>273,908,194</u>	<u>267,394,196</u>	<u>273,908,102</u>

17.2 Claim reserves

As at March 31, 2019 and December 31, 2018, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	For the three-month	For the year
	period ended	ended
	March 31,	December 31,
	2019	2018
Balances - beginning of the period/year	265,652	367,962
Claims incurred in the current period/year	562,187	2,061,319
Claims paid during the period/year	(579,527)	(2,163,629)
Balances - end of the period/year	<u>248,312</u>	<u>265,652</u>

17.3 Unearned premium reserves

As at March 31, 2019 and December 31, 2018, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month period ended March 31, 2019	For the year ended December 31, 2018
Balances - beginning of the period/year	1,322,760	1,180,093
Premium written for the period/year	1,305,566	3,592,546
Premium earned for the period/year	(907,048)	(3,449,879)
Balances - end of the period/year	<u>1,721,278</u>	<u>1,322,760</u>

17.4 Unpaid policy benefits

As at March 31, 2019 and December 31, 2018, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
Death benefit	69,373	136,552
Maturity payment	283,333	70,633
Benefit payment	21,990	22,171
Surrender	1,931	1,962
Total unpaid policy benefits	<u>376,627</u>	<u>231,318</u>

17.5 Other insurance liabilities

As at March 31, 2019 and December 31, 2018, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
Deposits from insurance contracts	7,108,173	7,053,376
Premiums received in advance	461,434	421,000
Payable to policyholders on exempted premiums	78,438	78,723
Total other insurance liabilities	<u>7,648,045</u>	<u>7,553,099</u>

18. AMOUNT DUE TO REINSURANCE

As at March 31, 2019 and December 31, 2018, amount due to reinsurance consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
Amount due to reinsurers	964,477	585,436
Total amount due to reinsurance	964,477	585,436

19. EMPLOYEE BENEFIT OBLIGATIONS

As at March 31, 2019 and December 31, 2018, employee benefit obligations consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Post-employment benefits obligations	161,992	155,259	160,446	153,803
Other long-term employee benefits obligation	24,543	23,378	24,472	23,309
Total employee benefit obligations	186,535	178,637	184,918	177,112

20. OTHER LIABILITIES

As at March 31, 2019 and December 31, 2018, other liabilities consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Accrued commission expenses	579,077	640,822	578,224	639,660
Accrued expenses	286,281	234,006	285,758	233,148
Premium received for policies not yet approved	13,137	93,021	13,137	93,021
Amounts received awaiting transfer	109,619	74,345	109,619	74,345
Specific Business Tax payable	122,214	140,295	122,214	140,295
Payable from purchases of investments	59,342	40,702	59,342	40,702
Withholding tax payable	22,571	63,673	22,422	63,559
Short-term employee benefit payables	98,831	61,753	98,831	61,753
Others	113,323	24,149	105,164	15,709
Total other liabilities	1,404,395	1,372,766	1,394,711	1,362,192

21. ISSUED AND PAID-UP SHARE CAPITAL AND PREMIUM ON SHARE CAPITAL

As at March 31, 2019 and December 31, 2018, issued and paid-up share capital and premium on share capital consisted of the following:

Consolidated and separate financial statements			
March 31, 2019			
Issued and paid-up share capital			Premium on share capital
Number of shares (Thousand shares)	Thousand Baht		
			Thousand Baht
Balances - beginning of the period	1,707,566	1,707,566	3,360,993
Balances - end of the period	1,707,566	1,707,566	3,360,993

Consolidated and separate financial statements			
December 31, 2018			
Issued and paid-up share capital			Premium on share capital
Number of shares (Thousand shares)	Thousand Baht		
			Thousand Baht
Balances - beginning of the period	1,707,566	1,707,566	3,360,993
Balances - end of the period	1,707,566	1,707,566	3,360,993

22. OPERATING SEGMENT

The Company presented operating segment information in the same manner as that reported to the Office of Insurance Commission (“OIC”) on the report of underwriting information reported by insurance categories since the management considered that the Company is operating its core business in a single segment (i.e. life insurance business) and in a single geographic area (i.e. Thailand) and has measured segment performance based on operating profit or loss on a basis consistent with that is used to prepare the report of underwriting information reported by insurance categories as reported to the OIC. Hence, all items as presented in this segment information are consistent to the Company’s internal reports that are regularly reviewed by the chief operating decision maker in order to make decision about allocation of resources to the segment and evaluate its performance. The chief operating decision maker has been identified as the Chief Executive Officer.

Underwriting information classified by insurance categories for the three-month periods ended March 31, 2019 and 2018 is as follows:

(Unit: Thousand Baht)

Consolidated financial statements

For the three-month period ended March 31, 2019

	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Gross written premium	10,271,439	232,519	10,746	-	10,514,704
<u>Less</u> Premium ceded	(467,777)	-	-	-	(467,777)
Net premium written	9,803,662	232,519	10,746	-	10,046,927
<u>Less</u> Unearned premium reserve increased from prior period	(235,083)	-	(333)	-	(235,416)
Net earned premium	9,568,579	232,519	10,413	-	9,811,511
Fee and commission income	118,051	-	-	-	118,051
Total underwriting income	9,686,630	232,519	10,413	-	9,929,562
Underwriting expenses					
Life policy reserves increased (decreased) from prior period	(6,621,675)	107,768	-	-	(6,513,907)
Benefit payments under life and claims net refundable from reinsurance	16,651,904	16,075	2,174	-	16,670,153
Commissions and brokerage	843,810	11,091	286	2,290	857,477
Other underwriting expenses	205,181	4,002	179	8	209,370
Total underwriting expenses	11,079,220	138,936	2,639	2,298	11,223,093

(Unit : Thousand Baht)

Consolidated financial statements

For the three-month period ended March 31, 2018

	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	12,975,321	320,378	9,801	-	13,305,500
<u>Less</u> Premium ceded	(563,892)	-	-	-	(563,892)
Net premium written	12,411,429	320,378	9,801	-	12,741,608
<u>Add (Less)</u> Unearned premium reserve (increased) decreased from prior period	(79,982)	-	375	-	(79,607)
Net earned premium	12,331,447	320,378	10,176	-	12,662,001
Fee and commission income	135,130	-	-	-	135,130
Total underwriting income	12,466,577	320,378	10,176	-	12,797,131
Underwriting expenses					
Life policy reserves increased from prior period	4,233,808	226,577	-	-	4,460,385
Benefit payments under life policies and claims net refundable from reinsurance	7,843,706	10,824	742	-	7,855,272
Commissions and brokerage expenses	1,018,099	32,149	179	2,148	1,052,575
Other underwriting expenses	370,297	7,776	247	6	378,326
Total underwriting expenses	13,465,910	277,326	1,168	2,154	13,746,558

23. OPERATING EXPENSES

For the three-month periods ended March 31, 2019 and 2018, operating expenses consisted of the following:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2019	2018	2019	2018
Personnel expenses	216,295	239,986	214,804	238,368
Property, plant and equipment expenses	44,225	44,759	44,120	44,645
Taxes and duties	759	1,313	759	1,313
Other operating expenses	109,587	109,810	109,629	109,847
Total operating expenses	<u>370,866</u>	<u>395,868</u>	<u>369,312</u>	<u>394,173</u>

24. FAIR VALUE GAIN

For the three-month periods ended March 31, 2019 and 2018, fair value gain consisted of the following:

	(Unit: Thousand Baht) Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2019	2018
Unrealised gain (loss) on remeasuring held-for-trading securities	542	(14,141)
Unrealised gain on foreign exchange forward contracts	128,550	88,130
Gain (loss) on foreign exchange rate	(4,045)	4,834
Total fair value gain	<u>125,047</u>	<u>78,823</u>

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company and subsidiaries use the market approach to measure their assets that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or the income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible.

TFRS 13 “Fair Value Measurement” establishes a fair value hierarchy categorising such inputs into three levels as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets
- Level 2 - Use of other observable inputs for such assets whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

As at March 31, 2019 and December 31, 2018, the Company and subsidiaries had the following assets that were measured at fair value using different fair value hierarchy as follows:

	(Unit: Thousand Baht)		
	Consolidated and separate financial statements		
	As at March 31, 2019		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Held-for-trading investments			
Equity instruments	31,958	-	31,958
Available-for-sale investments			
Equity instruments	42,867,332	6,641,732	49,509,064
Debt instruments	-	29,489,848	29,489,848

	(Unit: Thousand Baht)		
	Consolidated and separate financial statements		
	As at December 31, 2018		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Held-for-trading investments			
Equity instruments	33,497	-	33,497
Available-for-sale investments			
Equity instruments	39,533,401	6,083,698	45,617,099
Debt instruments	-	29,554,842	29,554,842

Valuation techniques and inputs to Level 2 valuations

- a) The fair value of investments in debt instruments has been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- b) The fair value of investments in equity securities which are unit trusts are determined using the net asset value per unit as announced by the fund managers.

During the current period, there were no transfers within the fair value hierarchy.

26. RELATED PARTY TRANSACTIONS

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationship between the Company and its related parties are summarised below.

<u>Name of related parties</u>	<u>Type of business</u>	<u>Relationship with the Company</u>
Bangkok Bank Pcl.	Banking	Related by way of common shareholders
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Sorachai Vivat Co., Ltd.	Property development	Related by way of common shareholders
Thaire Life Assurance Pcl.	Life assurance	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Shareholding by an individual related to the major shareholder of the Company
Bangkok Business Building (1987) Co., Ltd.	Rental of assets	Related by way of common shareholders
Tris Corporation Ltd.	Services	Related by way of common directors
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
TICON Industrial Connection Pcl.	Property development	Holding by an individual related to the major shareholder of the Company
Indorama Ventures Public Company Limited	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Shareholding by the major shareholder of the Company
Ek-Chai Distribution System Co., Ltd.	Commercial	Related by way of common directors
BBL Asset Management Co., Ltd. ⁽¹⁾	Asset management	Related by way of common shareholders and common directors
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
BLA Insurance Broker Co., Ltd.	Insurance broker	Subsidiary
Bangpain Golf Co., Ltd.	Services	Related by way of common shareholders
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common shareholders
Samitivij Pcl. ⁽²⁾	Health care service	Related by way of common directors
TM Design Co., Ltd.	Services	Holding by an individual related to the major shareholder of the Company
I-Direct Insurance Broker Co., Ltd.	Life insurance broker	Related by way of common shareholders
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Subsidiary

⁽¹⁾ It had been considered a related party until November 29, 2016 because the Company and its subsidiaries have no common directors with BBL Asset Management Co., Ltd. since then and have common directors once again with BBL Asset Management Co., Ltd. since March 23, 2017 and had been considered a related party until May 5, 2018 because the Company and its subsidiaries have no common directors with BBL Asset Management Co., Ltd. since then. However, since November 2, 2018, the Company and its subsidiaries have common directors once again with BBL Asset Management Co., Ltd.

⁽²⁾ It had been considered a related party unit May 1, 2018 because the Company and its subsidiaries have no common directors with Samitivij Pcl. since then.

During the three-month periods ended March 31, 2019 and 2018, the Company and subsidiaries had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)
	For the three-month periods ended March 31,		Pricing policy
	2019	2018	
Related parties			
Premium written	2,928	2,728	Normal commercial terms for underwriting
Premium ceded to reinsurers	139,836	142,553	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	102,417	106,520	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	738	1,112	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	125,857	104,110	The declared amount
Rental and service income	3,273	2,581	Rates as agreed in the agreement
Brokerage income from securities trading	17,502	20,447	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	96,232	(7,219)	Normal commercial terms on contracts
Commission and brokerage	410,510	528,643	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	110,561	76,311	Normal commercial terms for underwriting
Claim payment and diagnose charge	11,180	7,423	Normal commercial terms for underwriting
Bank charges	40,401	43,393	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	502	1,101	Normal commercial terms for underwriting

(Unit: Thousand Baht)

	Consolidated financial statements		Pricing policy
	For the three-month periods ended March 31,		
	2019	2018	
Related parties (continued)			
Building space rental and services	18,227	14,415	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month.
Other services	1,759	3,528	Rate as agreed in the agreement which is price offered to general member

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the three-month periods ended March 31,		
	2019	2018	
Subsidiaries			
Written premium	56	-	Normal commercial terms for underwriting
Rental and service income	145	245	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties			
Written premium	2,928	2,728	Normal commercial terms for underwriting
Premium ceded to reinsurers	139,836	142,553	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	102,417	106,520	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	738	1,112	Same rates as the Company charged to general borrowers who mortgage assets as collateral

	Separate financial statements		(Unit: Thousand Baht)
	For the three-month periods ended March 31,		
	2019	2018	Pricing policy
Related parties (Continued)			
Dividend income	125,857	104,110	The declared amount
Brokerage income from securities trading	17,502	20,447	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	96,232	(7,219)	Normal commercial terms on contracts
Commission and brokerage	410,510	528,643	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	110,561	76,311	Normal commercial terms for underwriting
Claim payment and diagnose charge	11,180	7,423	Normal commercial terms for underwriting
Bank charges	40,382	43,357	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	509	1,095	Normal commercial terms for underwriting
Building space rental and services	18,227	14,415	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, and Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month.
Other services	283	2,263	Rate as agreed in the agreement which is price offered to general member

For the three-month periods ended March 31, 2019 and 2018, the premium generated from the Bancassurance distribution channel represented approximately 61% and 69% of total net premium written, respectively.

As at March 31, 2019 and December 31, 2018, the balance of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Subsidiaries				
Other liabilities				
Deposits	-	-	66	66
Accrued expenses	-	-	1,110	-
Total other liabilities	-	-	1,176	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)				
	911,050	578,555	898,372	570,847
Investments assets				
Available-for-sale investments - cost				
Domestic equity securities	2,469,687	2,185,247	2,469,687	2,185,247
Domestic units trust	3,468,027	3,462,177	3,468,027	3,462,177
Total available-for-sale investment - cost	5,937,714	5,647,424	5,937,714	5,647,424
Add Unrealised gains	2,445,262	2,007,586	2,445,262	2,007,586
Total available-for-sale investments - fair value	8,382,976	7,655,010	8,382,976	7,655,010
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	2,945,000	2,945,000	2,945,000	2,945,000
Foreign debt securities	5,875,374	5,729,391	5,875,374	5,729,391
Total held-to-maturity investment - cost/amortised cost	8,820,374	8,674,391	8,820,374	8,674,391
General investments - foreign equity securities				
	11,167	11,167	11,167	11,167
Loans	41,002	47,614	41,002	47,614
Total investments assets	17,255,519	16,388,182	17,255,519	16,388,182

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Related parties (continued)				
Amount due from reinsurance	332,936	222,375	332,936	222,375
Forward and swap foreign exchange contract receivable	6,776,580	8,139,953	6,776,580	8,139,953
Other assets				
Accrued income	2,224	5,867	-	-
Prepaid rental expenses	10,824	22,617	10,824	22,617
Prepaid expense	1,525	15	1,525	15
Total other assets	14,573	28,499	12,349	22,632
Amount due to reinsurance	283,964	145,082	283,964	145,082
Outstanding claims	595	1,626	595	1,626
Forward and swap foreign exchange contract payable	6,765,568	8,155,733	6,765,568	8,155,733
Other liabilities				
Accrued commission	285,097	268,975	285,097	268,975
Accrued Premium	7,798	8,439	-	-
Accrued rental and service expense	80	60	80	60
Total other liabilities	292,975	277,474	285,177	269,035

Directors and key management's benefits

During the three-month periods ended March 31, 2019 and 2018, employee benefit expenses to directors and key management are as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2019	2018	2019	2018
Short-term employee benefits	19.01	12.38	19.01	12.38
Long-term employee benefits	0.39	1.06	0.38	1.06
Total directors and key management's benefits	19.40	13.44	19.39	13.44

27. ASSETS PLACED WITH THE REGISTRAR

As at March 31, 2019 and December 31, 2018, the following securities have been placed securities with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	March 31, 2019		December 31, 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	23,108	24,988	23,127	24,881

28. ASSETS RESERVED WITH THE REGISTRAR

As at March 31, 2019 and December 31, 2018, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	March 31, 2019		December 31, 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	59,579,959	67,422,116	58,433,626	65,717,481
State enterprise bonds	4,599,979	5,036,794	4,899,967	5,359,018
Total	64,179,938	72,458,910	63,333,593	71,076,499

29. EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended March 31, 2019 and 2018 were as follows:

	Consolidated financial statement					
	For the three-month period ended March 31,					
	Continuing operations		Discontinued operation		Total	
	2019	2018	2019	2018	2019	2018
Net profits (losses) (Thousand Baht)	1,286,627	1,758,993	(870)	(3,065)	1,285,757	1,755,928
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings (losses) per share (Thousand Baht)	0.753	1.030	(0.001)	(0.002)	0.752	1.028

	Separate financial statement	
	For the three-month period ended March 31,	
	2019	2018
Net profits (Thousand Baht)	1,285,934	1,758,934
Number of share capital (Thousand shares)	1,707,566	1,707,566
Basic earnings per share (Thousand Baht)	0.753	1.030

30. COMMITMENTS

- 30.1 As at March 31, 2019 and December 31, 2018, the Company has construction building agreement with local companies totaling of Baht 58.25 million and Baht 55.47 million, respectively. The Company has commitments to be paid according to the agreements amounting to Baht 38.34 million and Baht 34.40 million, respectively.
- 30.2 The Company and subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years for leases of building space and are generally between 1 and 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at March 31, 2019 and December 31, 2018, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit: Million Baht)		
	Consolidated financial statements		
	March 31, 2019		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements			
- Related parties	12.17	2.87	15.04
Operating lease agreements			
- Other parties	19.25	15.08	34.33
Service agreements	27.86	3.60	31.46
Total	59.28	21.55	80.83

	(Unit: Million Baht)		
	Consolidated financial statements		
	December 31, 2018		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements			
- Related parties	26.92	9.69	36.61
Operating lease agreements			
- Other parties	17.67	15.02	32.69
Service agreements	0.23	0.02	0.25
Total	44.82	24.73	69.55

(Unit: Million Baht)

	Separate financial statements		
	March 31, 2019		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements			
- Related parties	12.17	2.87	15.04
Operating lease agreements			
- Other parties	19.09	15.05	34.14
Service agreements	27.86	3.60	31.46
Total	59.12	21.52	80.64

(Unit: Million Baht)

	Separate financial statements		
	December 31, 2018		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements			
- Related parties	26.92	9.69	36.61
Operating lease agreements			
- Other parties	17.52	14.96	32.48
Service agreements	0.21	-	0.21
Total	44.65	24.65	69.30

The Company and subsidiaries recognized rental expense derived from the operating leases for the three-month periods ended March 31, 2019 and 2018 amounting to Baht 11.00 million and Baht 17.05 million, respectively.

- 30.3 As at March 31, 2019 and December 31, 2018, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 9.5 (a), as summarised below.

(Unit: Thousand Baht)

Payable within	Consolidated and separate financial statements	
	March 31, 2019	December 31, 2018
1 year	1,200,000	1,200,000

- 30.4 As at March 31, 2019 and December 31, 2018, the Company had bank guarantee issued by banks Baht 2.2 million and Baht 2.2 million, respectively.

31. LITIGATION

As at March 31, 2019 and December 31, 2018, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 12 million and Baht 12 million, respectively, for being the insurer and the cases have yet been finalised. The Company has not yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

32. EVENT AFTER THE REPORTING PERIOD

On April 26, 2019, the Annual General Meeting of shareholders approved the payment of dividend of Baht 0.40 per share to the Company's shareholders. The payment of dividend were approved by the Office of Insurance Commission on April 18, 2019.

33. RECLASSIFICATIONS

33.1 The reclassification to conform to the presentation in the interim financial statements for the current periods

The statements of financial position as at December 31, 2018 and the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2018 have been reclassified to conform to the classification used in the current year's financial statements but there is no effect to previously reported net profit or shareholders' equity. The reclassifications are as follows:

Items	Previous presentation	Current presentation	Consolidated Financial Statements (Thousand Baht)	Separate Financial Statements (Thousand Baht)
Statement of financial position as at December 31, 2018				
Unpaid policy benefits	Other liabilities	Insurance contract liabilities	43,256	43,256
Statement of profit or loss and other comprehensive income for the year period December 31, 2018				
Investment expenses	Operating expense	Net investment income	5,996	5,996
Statement of cash flow as at December 31, 2018				
Investment expenses	Operating expense	Other income on investment	5,996	5,996
Benefit payment expense	Operating expense	Benefit and claim on direct insurance	5,756	5,756
Other income	Operating expense	Other income	8,121	-
Deposits at financial institutions with an original maturity longer than 3 months	Other investments	Investment in securities	60,000	60,000

33.2 The reclassifications to conform to presentation of discontinued operation

(Unit : Thousand Baht)

Consolidated financial statements
For the three-month period ended March 31, 2018

	Before reclassifications	Reclassifications as Note 33.1	Reclassifications for discontinued operation	After reclassifications
PROFIT AND LOSS				
Net earned premium	12,662,036	-	35	12,662,001
Net investment income	2,957,785	5,996	10	2,951,779
Other income	34,325	-	(3)	34,328
Total revenues	15,654,146	5,996	42	15,648,108
Life policy reserves increased from prior period	4,460,415	-	30	4,460,385
Commissions and brokerages	1,052,582	-	7	1,052,575
Other underwriting expenses	378,481	-	155	378,326
Operating expenses	407,610	5,996	5,746	395,868
Total expenses	6,299,088	5,996	5,938	6,287,154
Profit (loss) before income tax income	2,088,344	-	(5,896)	2,082,448
Income tax expense	(335,246)	-	-	(335,246)
Profit (loss) for the periods	1,753,098	-	(5,896)	1,747,202

34. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These consolidation and separate interim financial statements were authorised for issue by the Board of Directors on May 14, 2019.