

รายงานประจำปี 2558

Annual Report 2015





Vision and Mission

Vision

Our Vision is that Thai people can realise the benefits of life insurance and choose the appropriate coverage based on their financial situation and value of life.



Mission

We are dedicated to lead creation of financial security for people by extending effective protection for their value of life together with financial planning advice and service excellence provided by our sincere and highly competent agents, partners and employees.



Moving Forward

A Reflection of Sustainability

We believe . . .
every step forward is reflected
in sustainable success.

Bangkok Life Assurance is committed to ongoing development so as to become one of the financial institutions trusted by the general public while also advancing forward with highest brand value among SET-listed insurance companies. In 2015 the Company received such recognition with a “Thailand’s Top Corporate Brands 2015” award, which based on research assessing brand values from the financial, accounting and marketing aspects.

We focus on competency improvement as well as quality service development, while practicing business with ethics and in accord with good corporate governance. This has resulted in many achievements include the 2014 Prime Minister’s Insurance Award from the Office of Insurance Commission (OIC) for Outstanding Management, a Consumer Protection Board (CPB) award in 2015 for two consecutive years, an “Excellence” “4-stars” rating for Good Corporate Governance among Listed Companies (CG rating) by the Thai Institute of Directors Association (IOD) for three consecutive years, A perfect 100-point score at the level of “Excellent and Exemplary” at the 2015 Annual General Meeting of Shareholders (AGM), by the Thai Investors Association, Level 4 Anti-Corruption Certification by the Thaipat Institute, ISO certified by Management System Certification Institute (Thailand), and many more.





These achievements reflect recognition for our dedication, and we will continue to move forward in establishing financial security for people, so they can achieve their life goals sustainably.

Focus on Goals

Aim for achievement

Our primary objective as a leader in financial planning lies in our vision to encouraging the Thai people to realise the benefits of life insurance and choose the appropriate coverage through financial planning based on their financial situation and value of life.

In 2015, we communicated this belief through a campaign “Every Change in Life Always Bring a Good Opportunity”, which stressed the importance of integrated financial planning that enabled people to be ready to handle any change in every stage of life without worries and able to see opportunities in those changes.

In accordance with our mission to provide financial security to the Thai people through life insurance and financial planning, we launched various new products and services in collaboration with our strong business partners, BBL Asset Management Co., Ltd. and Bangkok Insurance PCL in order to offer a wide variety of products that meet people’s financial needs such as innovative retirement plans to respond to the aging trend in Thai society, or products that provide more comprehensive coverage.





It is our commitment that is bound by trust, will drive people towards their goals for stability and security achievement together with us.

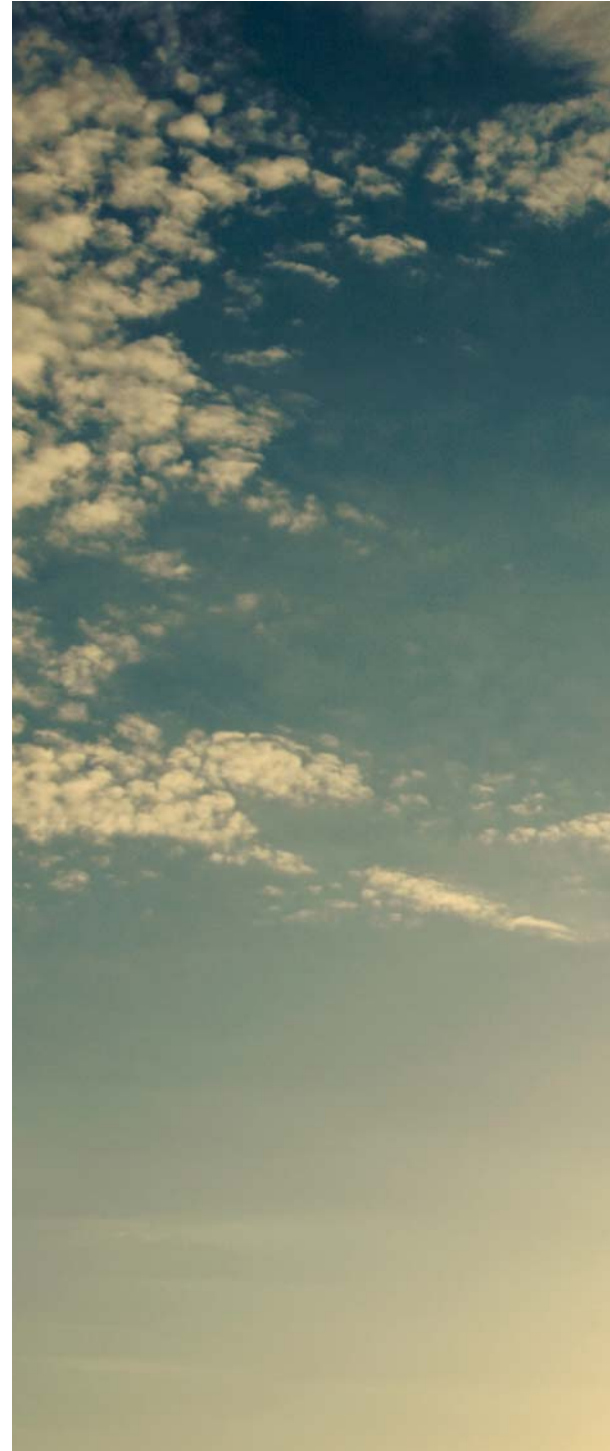
Happy Spirit

Putting a heart into work

With the aim to create more
value and trust to the public.

All personnel include executives, employees, life insurance agents, and financial advisors are committed to improving their competencies. Beginning with instilling the value of self-improvement in the organisation, encouraging staff to focus on goals and be initiative while continually developing themselves for own benefits as well as the public's. In 2015, over 248 training courses were established to provide knowledge development for employees as well as life insurance agents and financial advisors to enhance their skills and quality services up to professional standard.

We also provide a foundation for developing higher levels of knowledge, working with both domestic and international business allies to offer scholarships for both domestic and international study; numbers of employees had joined this program in 2015. There also an continuously increase in numbers of financial advisors who have passed the CFP® and AFPT™ certification, achieved quality awards, and single-license certified.





This is proof of the value of our staff team members, who put their hearts into their work and whose success gives pride to the organisation.

Growing Together

Moving toward sustainable growth with social responsibility in mind

It is our belief and commitment to create positive impacts for our society by improving quality of life for people of all ages.

From internal to external. Along with our employees, sale agents, financial advisors, as well as our business partners, we continue to bring joy and give back to society through 6 corporate social responsibility programmes aimed at sharing financial planning knowledge, healthy living, environmental awareness, Thai Cultural heritage conservation, educations and learning, and elderly caring.

Such efforts resulted in our receiving the “ESG 100” quality award from Thaipat Institute as an organisation with outstanding sustainability performance in terms of environment, social and governance. This honor is recognised worldwide, and served as a source of business-sustainability information on listed companies, answering to the need of investors who are keen to invest in socially and environmental responsible firms.





And so, we continue to conduct business responsibly,
and bring Thai people towards lives of greater happiness.

Message of the Chairman

Mr. Choedchu Sophonpanich

Chairman



2015 is another year that Bangkok Life Assurance continued to pursue our vision and mission in a challenging economic environment, globally and domestically. Throughout the past 64 years, our Company has always emphasized the importance of life insurance and the establishment of financial security for people. We have continuously improved our products and services to better serve the needs of customers from all sectors of society.



Our Company achieved various awards this year that is a result of our continued focus in building brand awareness, reputation and trust from our customers and business partners. We received “Thailand’s Top Corporate Brands 2015” from Faculty of Commerce and Accountancy of Chulalongkorn University and “Thailand Top Company Awards 2015” from Business+ Magazine in which our Company is recognised as the leading brand in the insurance sector. Moreover, we also received third prize of Life Insurers with Best Management 2015 at Prime Minister’s Insurance Award 2015 in recognition of our excellence in management and the quality of services to our customers.

In terms of business performance, our Company continued to deliver satisfactory results, creating value to our shareholders and policyholders. Our Company ended the year with total premiums of Baht 44,840 million, which is 13% less than the previous year, while net income increased by 55% to Baht 4,113 million. Total assets increased by 16% to Baht 249,577 million, which reflected a continuous expansion of our Company.

We continue to give back to society through numerous corporate social responsibility programmes aimed at the promotion of health awareness, environmental sustainability, caring for the elderly, preservation of culture and importance of education. Our “Share for Change” campaign raised funds from sales of corporate souvenirs and various channels to contribute to the Foundation for the Blind in Thailand under the Royal Patronage of Her Majesty the Queen. It is our heartfelt belief that the role of our Company is not only providing life insurance but also caring for people’s overall well-being.

Moving forward, we aim to create more value and trust to our policyholders, shareholders and business partners by continuously improving our corporate governance, environmental sustainability and the support of anti-corruption and anti-money laundering efforts. We will continue to lay the foundation of improvements to ensure that our Company becomes the preferred choice among customers and business partners.

On behalf of the Company and Board of Directors, I would like to take this opportunity to express my sincere appreciation and gratitude to our customers, shareholders, business partners, private and public enterprises that supported us. Also, I would like to thank the Company executives, agents and staff for their dedication and contribution throughout the year. I hope the Company will continue to receive your support and collaboration as well as earn your trust into the future.

Message of the President

Mr. Chone Sophonpanich

President



In 2015, Thailand's economy grew at a slow pace under an environment of high household debt, export contraction and depressed private investment. Such conditions impacted the Thai life insurance industry such that total premium growth came in below 10 percent for the first time in five years; capital markets were also affected, as bond yields dove and equities fell. Amidst this challenging environment, Bangkok Life Assurance remained alert, flexible and prudent in our business management, focusing on balancing customer growth, profit creation and risk management, in accordance with our mission to provide financial security to the Thai people through life insurance and financial planning.



In accordance with our plan to expand the protection business, we were successful in increasing the sales of health insurance and other protection riders. Various new products were launched such as “BLA Health Plus” which provides high and comprehensive health insurance, “BLA Protect 2 Plus” which provides life, accident and total permanent disability insurance for individuals at a life stage facing high financial responsibility, and “Soongwai Berk Dai” which helps to reduce out-patient health expenses for senior citizens. In addition, “BLA Unit Pension” - an innovative product launched at the end 2014 - gained in popularity and recorded high sales level in 2015.

We continued to build our corporate brand through a new campaign “Opportunity Beckons at Every Twist and Turn in Life” based on our belief that one who has followed a comprehensive financial plan is well-suited to capitalise on

opportunities which arise as life changes. The campaign created a positive mindset towards change and stressed the importance of financial planning for a happy and fulfilling life.

In the areas of social responsibility, we carried out activities and collaborated with our partners to further promote personal financial planning as a way to ensure social security; supporting the needy to have better quality education; promoting a healthy lifestyle as well as taking care of those less fortunate; raising awareness and taking actions to care for the environment; and preserving our local culture. Such efforts earned us the rating of “ESG 100” by Thaipat Institute indicating that our company is among the one hundred listed companies having outstanding sustainability performance in terms of environment, social and governance. Moreover, we were awarded “Outstanding Enterprise” by Social Security Office for our consistent and outstanding contribution to the social security fund. These awards are as a testament to our dedication to be a responsible and constructive corporate citizen.

In terms of operating performance, our company earned first year premiums of 13,627 million baht, a 28 percent decrease from previous year, and achieved net investment income of 10,171 million baht, a 15 percent increase from previous year. Moreover, our company ended the year with net profit of 4,113 million baht, a 55 percent increase from previous year, and achieved a capital adequacy ratio of 310%, which is higher than minimum of 140% as required by regulation.

External factors continued to affect our business. The low interest rate environment and volatile equity markets adversely affected the future expected return of our investment assets and introduced sharp volatility to our financial statements. Regulatory changes – both enacted and expected - also significantly and directly impacted our business. In response, where possible we made plans and implemented measures to ensure that our business continued to operate effectively.

Moving forward, our company will focus on achieving balanced and sustainable growth based on the pillars of financial strength, customer growth, product excellence, distribution effectiveness, quality service and fruitful investments – and supported by the foundation of human capital, efficient work processes and innovative technologies under an effective and integrated risk management framework.

On behalf of the company and management, I would like to thank our customers, business partners and agents for their trust and continued support. I would like to thank our employees for their diligence and dedication. I look forward to our continued collaboration and success in the coming years.

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Financial Overview

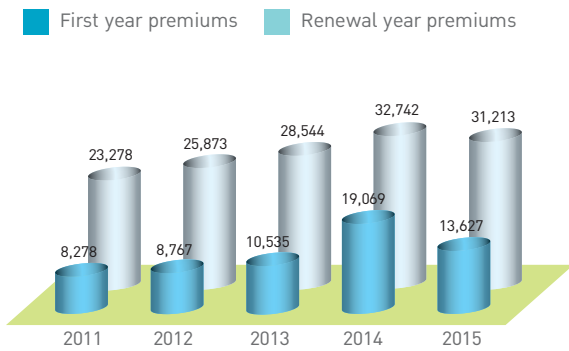
Five-Year Financial Review	Consolidated financial statements		Separate financial statements					
	2015	2014 ^{/2}	2015	2014 ^{/2}	2013 ^{/2}	2012 ^{/1,2}	2011 ^{/1,2}	
Statements of financial	(million baht)							
Total assets	249,576	215,590	249,577	215,588	171,795	142,769	112,800	
Investment assets	240,813	208,680	240,813	208,680	165,983	138,494	107,932	
Total liabilities	222,585	190,013	222,579	190,009	149,532	123,304	99,523	
Insurance contract liabilities	216,758	186,566	216,758	186,566	145,459	120,092	96,740	
Total owners' equity	26,990	25,576	26,998	25,579	22,264	19,465	13,277	
Statements of income	(million baht)							
Gross written premiums less cancel and refund	44,840	51,810	44,840	51,810	39,079	34,640	31,556	
- First year premiums less cancel and refund	13,627	19,069	13,627	19,069	10,535	8,767	8,278	
- Renewal year premiums less cancel and refund	31,213	32,742	31,213	32,742	28,544	25,873	23,278	
Investment income	10,171	8,812	10,171	8,812	7,056	5,704	4,698	
Life policy reserves increase from previous year	29,874	40,818	29,874	40,818	25,357	22,873	20,197	
Net income	4,108	2,650	4,113	2,653	4,378	3,732	3,725	
Share capital or share capital information								
Share capital - issued and fully paid-up	(million share)	1,704	1,698	1,704	1,698	1,212	1,205	1,200
Price per book value	(baht)	15.84	15.06	15.85	15.07	18.37	16.16	11.06
Earnings per share	(baht)	2.41	1.56	2.42	1.57	2.59	2.21	2.03
Dividend per share ^{/3}	(baht)	0.64	0.91	0.64	0.91	0.91	0.72	0.72
Dividend payout	(%)	26.56	58.33	26.45	57.96	35.14	32.58	35.47
Stock price at period end	(baht)	55.50	46.00	55.50	46.00	68.00	62.25	46.25

Remarks ^{/1} The Company recognised the effect as a result of such change in accounting policy "Deferred tax" by restating its prior years' financial statements, presented as comparative information, as if it had always adopted deferred tax accounting.

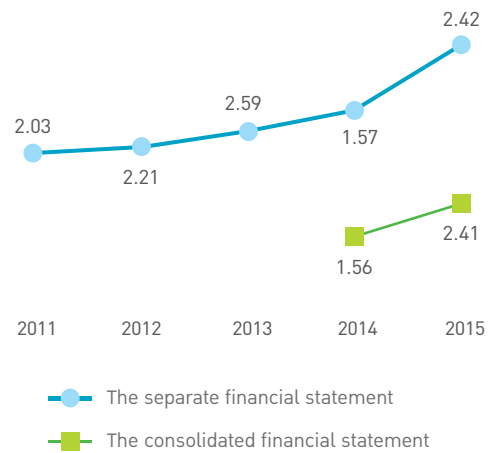
^{/2} The Company recognised the effect as a result of such change in accounting policy "Employee benefits" by restating its prior years' financial statements, presented as comparative information, as if it had always adopted deferred tax accounting.

^{/3} The Company paid stock dividend at the rate of 5 existing shares to 2 new shares in during the year

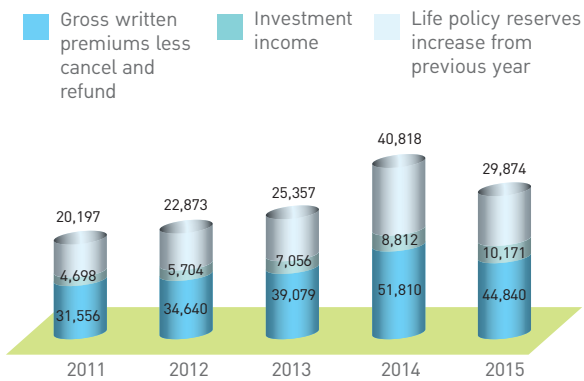
Gross Written Premiums^{/2} (Million Baht)



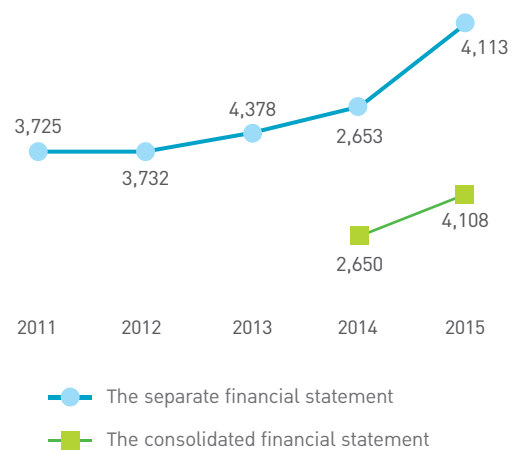
Earnings Per Share (Baht)



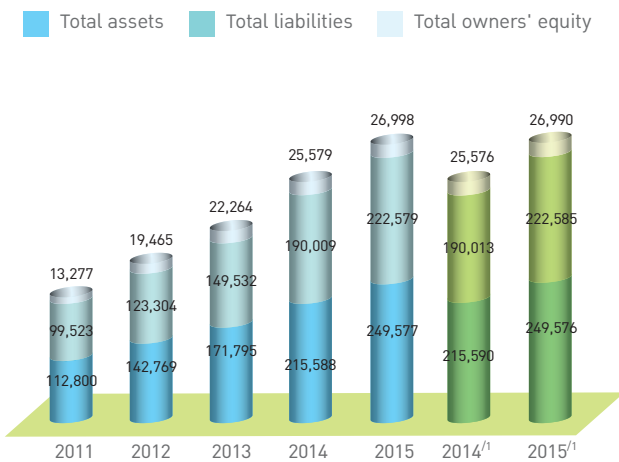
Statements of Income^{/2} (Million Baht)



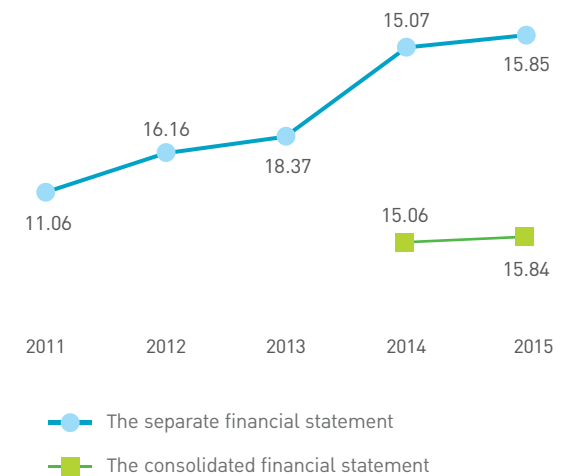
Net Income (Million Baht)



Statements of Financial Position (Million Baht)



Price Per Book Value (Baht)



Remarks : /1 The consolidated financial statement

/2 The amount equal both The separate financial statement and the consolidated financial statement

Financial Overview

Financial ratios	Consolidated financial statements		Separate financial statements					
		2015	2014 ^{/2}	2015	2014 ^{/2}	2013 ^{/2}	2012 ^{/1, 2}	2011 ^{/1, 2}
Liquidity ratio								
Current ratio	(times)	5.05	4.73	5.05	4.72	3.06	2.25	2.84
Premium receivable turnover	(days)	14.01	12.56	14.01	12.56	16.12	20.68	20.95
Profitability ratio								
Profit on underwriting to net premium written	(%)	8.39	3.40	8.41	3.41	12.45	12.88	14.79
Underwriting expenses to premium written	(%)	11.99	9.73	11.97	9.72	12.31	13.25	12.79
Investment yield	(%)	5.06	5.41	5.06	5.41	4.98	5.10	5.29
Net profit margin	(%)	7.56	4.42	7.57	4.42	9.55	9.37	10.42
Return on equity	(%)	15.63	11.08	15.65	11.09	20.98	22.80	31.36
Efficiency ratio								
Return on total asset	(%)	1.77	1.37	1.77	1.37	2.78	2.92	3.70
Asset turnover	(times)	0.23	0.31	0.23	0.31	0.29	0.31	0.35
Financial ratio								
Debt per equity	(times)	8.25	7.43	8.24	7.43	6.72	6.33	7.50
Policy reserve to capital fund	(times)	7.73	6.99	7.73	6.99	6.20	5.79	6.76
Insurance contract liabilities to investment asset	(times)	0.90	0.89	0.90	0.89	0.88	0.87	0.90
Growth rate								
Gross written premiums	(%)	(13.45)	32.58	(13.45)	32.58	12.81	9.77	19.75
First year premiums	(%)	(28.54)	81.01	(28.54)	81.01	20.16	5.91	(9.11)
Total assets	(%)	15.76	25.49	15.77	25.49	20.33	26.57	27.05
Net income	(%)	55.04	(39.47)	55.06	(39.41)	17.31	0.17	31.92
Capital adequacy ratio (RBC)	(%)			309	255	244	268	222

Remarks /1 The Company recognised the effect as a result of such change in accounting policy "Deferred tax" by restating its prior years' financial statements, presented as comparative information, as if it had always adopted deferred tax accounting.

/2 The Company recognised the effect as a result of such change in accounting policy "Employee benefits" by restating its prior years' financial statements, presented as comparative information, as if it had always adopted deferred tax accounting.





Hall of Fame

Awards and Recognitions

2015 Awards and Recognitions

Life Insurance Company with the Most Outstanding Management for 2014

From the Office of Insurance Commission (OIC)



Bangkok Life Assurance received an award for “Life Insurance with the Most Outstanding Management for 2014” or Prime Minister’s Insurance Awards from The Office of Insurance Commission (OIC). This prestigious award was given to honor life assurance companies and life assurance professionals to promote the role of insurance industry in order to increase confidence, trust, and acceptance by the public. It also showed the stability and potential of Bangkok Life Assurance both in work management and personnel management in the capacity of leader in creating financial stability to people from all walks of life.

Thailand’s Top Corporate Brands Award 2015

Company with the highest corporate brand value in the category of life insurance



The Company received “Thailand’s Top Corporate Brands 2015” award which was presented to 19 organisations from 19 business industrial segments in Thailand registered in the Stock Exchange of Thailand with the highest corporate brand values. This award was presented to create awareness of corporate brand value, which is an important factor in driving business towards sustainability. Bangkok Life Assurance is a company registered under insurance and life assurance business segment with the highest corporate brand value of 56,117 million Baht according to research on “The Evaluation and Ranking of Thailand’s Corporate Brands”. This research work received research excellence award from the National Research Council of Thailand (NRCT) in 2014.



Thailand Top Company Awards 2015,
For Insurance Category, organised by
Business+ Magazine in cooperation with the
University of the Thai Chamber of Commerce



In 2015, Bangkok Life Assurance was one of the selected winner to receive Thailand Top Company Awards 2015 in Insurance category. The Company was recognised as one of the most successful organisations in the nation, and demonstrated its commitment in accordance with its vision of encouraging the Thai people to realise the benefits of life insurance and choose the appropriate coverage based on their financial situation and value of life. The awards were presented by the University of the Thai Chamber of Commerce and Business+ Magazine to organisations in each business groups with excellent operations and meet quantitative and qualitative criteria with transparency and propriety, and not in conflict with ethical or legal principles.

ESG100 Quality Award

Towards the sustainability for listed companies
with outstanding results in work for the
environmental, social, and governance.



Bangkok Life Assurance received the ESG 100 Company Award from the Thaipat Institute for one of the one hundred registered companies with outstanding results in its work for environmental, social, and governance (ESG). This is a prestigious award for the 100 companies that receive it. Upon receiving this worldwide recognition award, it has become a new dimension to drive the sustainable investments in Thailand, enabling investors' decisions with reliability, transparency which is the fundamental, and focusing on responsibility towards the social and environments.



2015 Call Center Award

From the Office of the Consumer Protection Board (OCPB)



The Company received high honor for the year 2015 from the Office of the Consumer Protection Board for its customer call center providing effective and high-quality service in finding solutions for problems encountered by the Company's consumers.

The prestigious award attests to the efficiency and quality of service given by the Company's customer service center in receiving and finding solutions for problems. Bangkok Life Assurance emphasises the importance of providing excellent service both in receiving complaints and finding solutions with sincerity and integrity to all without any discrimination. The Company also focuses on personnel effectiveness management and information technology systems development. Currently the Company has a variety of communication channels for the convenience of its customers, including Call Center, Customer Service Center (CSC) at the Headquarter office, Branches nationwide, and also Online channel such as Company website and Facebook page.

ISO 9001:2008 Standard

with high-quality service nationwide

For more than 10 years Bangkok Life Assurance has been committed to management systems compliant with international standards, which earn reliability and trust by the public. The Company developed its services for ordinary life insurance policies, group life insurance policies, and branches to increase the efficiency of service and expand it to all regions under the ISO 9001 standard and its regulations. All employees were obligated to comply with the quality system requirements, which were continuously updated in an accurate, complete, and in timely manner. Between the year 2000 and 2014, 46 branches of Bangkok Life Assurance were certified under the ISO 9001 standard, and they have continually expanded their high-quality services until all 75 branches nationwide received ISO 9001:2008 certification in 2015. This truly reflects the availability and quality of the company's fully integrated service to people across the country.

2015 Outstanding Enterprise Award from the Social Security Office



The Social Security Office presented an honorary Outstanding Enterprise plaque to Bangkok Life Assurance in recognition of the Company's outstanding discipline and responsibility in the payment of provident fund in strict compliance with the prescribed time and conditions.

Bangkok Life Assurance received ISO/IEC 27001:2013

Certification for its information security management systems.



Bangkok Life Assurance was awarded a certification of compliance with the ISO/IEC 27001:2013 standard, a certification for information management systems (ISMS), by Bureau Veritas Services Future Applications (Thailand). ISO/IEC 27001:2013 is a universal standard focusing on security for enterprise data management systems, especially for important data as well as indicated as a benchmark for extensively strengthen the information systems of organisations so that businesses can operate without interruption.

Consequently, Bangkok Life Assurance PCL has been certified as ISO/IEC 27001:2013 compliant under the framework of information security management systems for data center infrastructure, Facilities management and operation controls, excluding software, Application design and development.

A 4-stars rating for Good Corporate Governance among Listed Companies (CG rating)

by the Thai Institute of Directors Association (IOD).

A perfect 100-point score at the level of “Excellent and Exemplary” at the 2015 Annual General Meeting of Shareholders (AGM)

by the Thai Investors Association.

A level 4 Anti-Corruption Certification

by the Thaipat Institute which represented that the Company has a complete and adequate implementation of its anti-corruption policy with the Audit Committee taking an oversight of an internal audit process.

Awards of Distinctions for insurance agents and financial advisors:

Thailand National Quality Awards (TNQA) presented to 521 agents.



Quality Agent Awards presented to 2 agents.

under criteria of the Office of Insurance Commission (OIC).



International Quality Awards (IQA) presented to 513 agents.

under criteria of Limra International.

Million Dollar Round Table (MDRT) Awards presented to 38 agents.

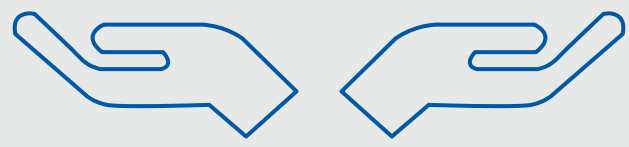
according to MDRT criteria.

Financial Advisor (FA) certification given to 933 people.

under criteria established by the Securities and Exchange Commission (SEC).

Single License Investment Advisor certification given to 933 people.

under criteria of the Securities and Exchange Commission (SEC).





Values

01 Faith

Happily providing life insurance and willing to help people understand the benefits and values of life insurance.

02 Responsibility

Focusing on accomplishing goals and objectives in due time. Being professional, ethical, and respect the rights of others.

03 Sincerity

Being trustworthy to customers and suppliers, being open in communication and providing service that exceed expectation.

04 Self-development

Having a strong mind, clear vision, creativity and hunger for new knowledge that can contribute to continuous self-development and ultimate success in the profession.

5 Teamwork

Being proactive at work and efficient in coordination and communication to attain desired results, being cheerful and doing one's best to get along with colleagues.

Company History

Bangkok Life Assurance PCL operates with relentless commitment to development and to gaining the trust of people of all types and classes while improving the efficacy and quality of services, so as to strengthen organisational confidence with efforts from employees, Insurance agents, and financial advisors as the driving force. In 2015, Bangkok Life Assurance received recognition from the Nation's leading institutions as the listed company on the Stock Exchange which had the most corporate brand values among all insurance and life assurance industry. The Company also received recognition from the Consumer Protection Bureau and the ISO (International Organisation for Standardisation), which sets international standards.

Similarly, to improve the quality of life for all, the Company participates in returning happiness to society with social responsible policies, including providing financial planning knowledge, promoting healthy living, building environmental awareness, conserving Thai cultural heritage, supporting education and learning, and caring for the elderly. For all this, the Company received an ESG 100 award from Thaipat Institute for outstanding results in working for the environment, society, and good governance. This ESG (Environmental, Social, and Governance) award is recognised worldwide, proving itself by such prestigious awards is part of the driving force behind the Company's onward development.



Being a visionary, Mr. Chin Sophonpanich saw that it was the right time for the Company to earnestly conduct life insurance business, and so commissioned the international consulting firm IFCCA through Mr. Vai Vathanakul along with Mr. K.V. Claridge, F.I.A., a Swiss ReInsurance Company's actuarial science specialist, to implement a new organisational structure and new systems.



1951

• **March 23:**

Major General Kuang Aphaiwongse, Phraya Sriwisarnwacha, and Mr. Chin Sophonpanich registered the Company with the name "Suksawasdi Life Assurance Company Limited."

• **April 10:**

The Company was renamed "Krungsiam Assurance Company Limited."

• **June 1:**

The Company began operations under the name of Krungsiam Assurance Company Limited, with its office at 732 Charoenkrung Road, Samyak Pranakorn, Bangkok. Its logo was an elephant within a circle and the Company name inscribed in Thai, Chinese, and English.

1976



1979

• **January 1:**
Krungsiam Assurance Company Limited changed its name to Bangkok Life Assurance, Ltd. to strengthen the Company's affiliation with Bangkok Bank PCL, which has been the major shareholder and supported the Company ever since.



**1987
– 1989**

In April 1987, Bangkok Life Assurance Ltd. moved from Charoenkrung Road to the Bangkok Insurance Building on Silom Road. During this period the Company grew rapidly. Over the three years its average yearly growth rate rose to a high of 90 percent, propelling the Company into midsize companies of the country.

• **June 18, 1997:**

The Company's registered capital increased to Baht 1,000 million.

• **December 5, 2000:**

The Company was awarded an ISO 9002:1994 Standards Certificate from International Certifications Ltd., Auckland, New Zealand (ICL), for its work with of ordinary life insurance.

1997

- 2005



• **December 1, 2003:**

The Company was awarded an ISO 9001:2000 standards certificate from International Certifications Ltd., Auckland, New Zealand (ICL), for its work with ordinary life insurance and services rendered to customers. The Company was the first life insurance company in Thailand to receive ISO 9001 Certification.

The Company received an Outstanding Management Award in 2004 from the Office of Insurance Commission.

2004



Company History

2005

The Company received third place award from the Office of Insurance Commission (OIC) for outstanding management in 2005.

• **December 17:**

Bangkok Life Assurance was registered as a public company (PCL) in order to build transparency in management and accountability and to increase work efficiency so as to provide better service to the public.

2007



The Company received second place award from the Office of Insurance Commission (OIC) in 2007 as a life insurance company providing excellent service.



2008

The Company receive 2008 Outstanding Life Insurance Management Award from the Office of Insurance Commission. (OIC.)

2009



The Company became the first life insurance company to become certified compliant with ISO 9001:2008 standards by International Certifications Ltd., Auckland, New Zealand (ICL) for its ordinary insurance policy and group insurance operations.



2011

- The Annual General Meeting of Company shareholders (AGM) for the year 2011 was rated "excellent" by the Thai Investors Association, Thai Listed Companies Association, and the Securities and Exchange Commission (SEC).
- The Company earned an "excellent" rating in a Corporate Governance Survey performed by the Thai Institute of Directors, the Stock Exchange of Thailand, and the Securities and Exchange Commission (SEC).

- September 3: at the Queen Sirikit National Convention Center the Company was honored by the Office of Insurance Commission (OIC) with second place award as a life insurance company with outstanding management.
- For the second time, the Annual General Meeting of Company shareholders (AGM) was rated "excellent" by the Thai Investors Association, Thai Listed Companies Association, and the Securities and Exchange Commission (SEC).

2012



- Bangkok Life Assurance PCL, BBL Asset Management Company Limited, and Bangkok Insurance PCL, formed an alliance in a new mission, announcing the availability of integrated financial planning services to all groups of people, forming a team of financial advisors to offer advice on how to ensure life protection in parallel with wealth creation.



2013

- The Company won Thailand's Corporate Brand Rising Star 2013 Award as a listed company with the highest rate of growth in corporate brand value in the category of finance. This award was given by Chulalongkorn University's project for Research and Ranking of Thai Corporate Brands.

Company History

- The Company was certified by the Thai Institute of Directors (IOD) as a member of the Private Sector Collective Action Coalition Against Corruption.

2014

- At the 2013 NACC Integrity 4th Annual Awards, the Company received an award from the National Anti-Corruption Commission in recognition of its good governance, transparency and ethical conduct in business.



- The Company received high honors from ISO Thailand and the Office of the Consumer Protection Board (OCPB), from its consistently excellent service in handling customer complaints and resolving problems.

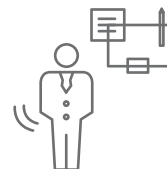
- The Company has expanded branch offices which have been certified by International Certification Ltd., Auckland, New Zealand (ICL) as up to the quality management system standard ISO 9001:2008. Certification covers policy operations for an additional 4 branch offices, as follows: Sriboonruang, Mahasarakham, Chaiyaphum, and Loei. Adding these to the previous number gives a total of 46 branches certified to the ISO standard.

- The Office of Insurance Commission (OIC) presented the Company with third prize as "Life Insurance Company with the Most Outstanding Management for 2014" and the award for the "Overall Most Outstanding Insurance" at the 2015 Prime Minister's Insurance Awards.

2015

- **October 30, 2014:**

the Company's registered capital reached a total of Baht 1,708 million.





- The Company was awarded "Thailand's Top Corporate Brands 2015" award, which was given to the 19 companies listed on the stock exchange of Thailand which had the highest corporate brand value rating, selected from 19 sectors of industry. The ratings came from a research project entitled "Valuation and Rating of Corporate Brands in Thailand," which itself won an award for outstanding research from the National Research Council of Thailand (NRCT) in 2014.

- The Company received an award as one of the most successful businesses in Thailand at Thailand Top Company Awards 2015, sponsored by the University of the Thai Chamber of Commerce (UTCC) together with "Business+ Magazine." This is given to companies with the highest performance from different types of business areas, chosen by quantitative and qualitative criteria with operational transparency and good corporate governance practices.



- The Company received an award from the Thaipat Institute for being an organisation with outstanding results in its work for the environment, society, and good governance (ESG). This is a prestigious award for the 100 companies that receive it, and it is recognised worldwide.



- The Company received high honors for the year 2015 from the Office of the Consumer Protection Board (OCPB) for its customer call center providing effective and high-quality service in finding solutions for problems encountered by the Company's consumers.



- The Company received certification ISO/IEC 27001:2013 from Bureau Veritas Services Future Applications (Thailand) for maintaining its information security management systems (ISMS) up to ISO standards.



- The Company was honored as an "outstanding enterprise" with an award from the Thai Social Security Office in 2015 recognising its taking responsibility for remitting required contributions within the period prescribed by law, and being a business with no outstanding debt which regularly and without fail remits the proper amounts.



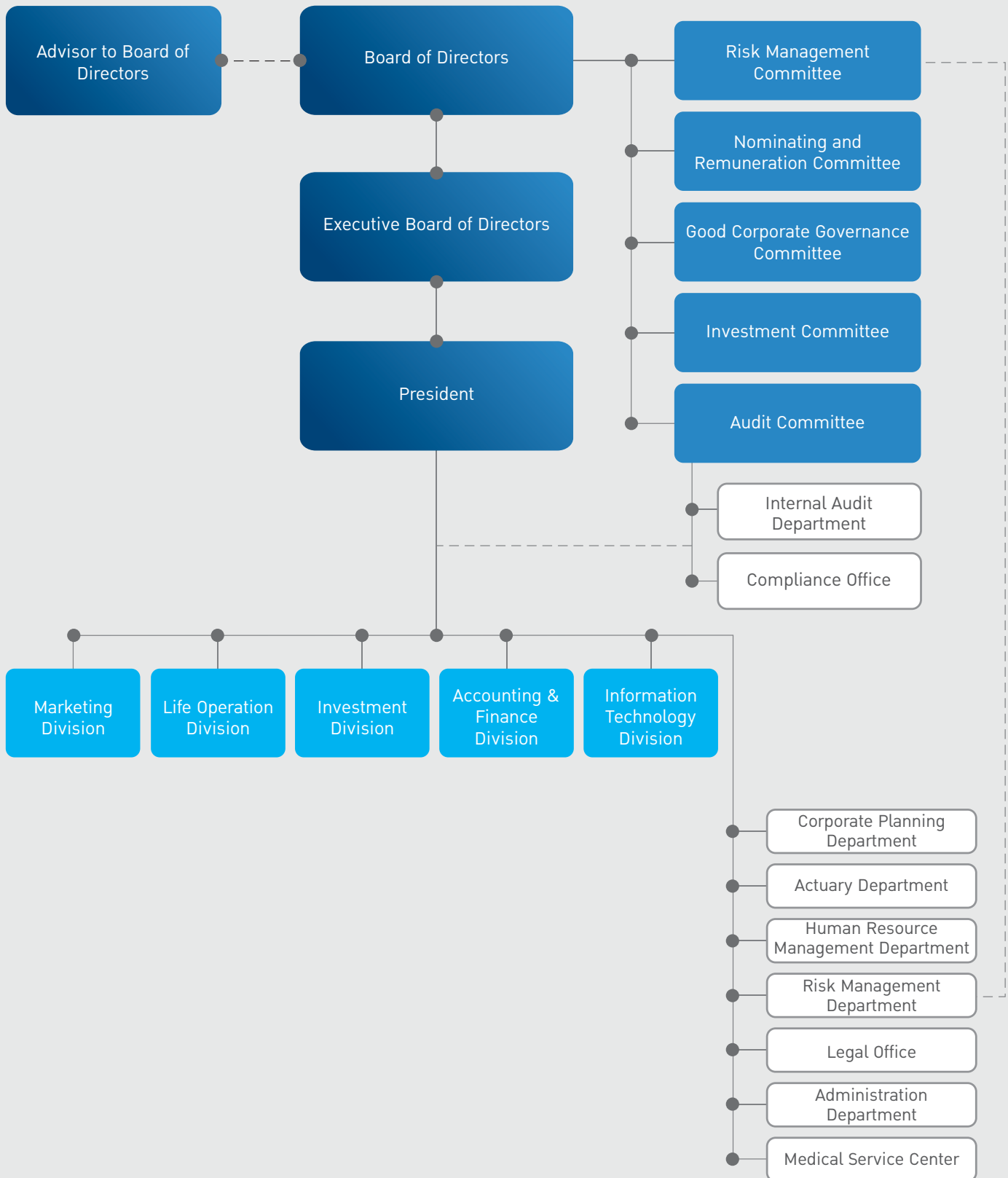
- All branches of Bangkok Life Assurance meet the quality system standard ISO 9001: 2008, as certified by International Certification Ltd., in Auckland, New Zealand (ICL). All 75 Company branches, which issue ordinary life insurance policies, are covered by this certification.

- The Company received a perfect 100-point score at the level of "Excellent and Exemplary" at the 2015 Annual General Meeting of Shareholders (AGM), by the Thai Investors Association, Thai Listed Companies Association, and the Securities and Exchange Commission.

- The Company was graded a level 4-stars rating for Good Corporate Governance among Listed Companies (CG rating) by the Thai Institute of Directors Association (IOD).

- The Company was graded a level 4 Anti-Corruption Certification by the Thaipat Institute which represented that the Company has a complete and adequate implementation of its anti-corruption policy with the Audit Committee taking an oversight of an internal audit process.

Organisation Chart





Board of Directors



1. Mr. Choedchu Sophonpanich

- Chairman
- Chairman of the Executive Board of Directors
- Chairman of the Investment Committee

2. Mr. Sunthorn Arunanondchai

- Director (Independent Director)
- Chairman of Audit Committee

3. Dr. Siri Ganjarndeek

- Director (Independent Director)
- Chairman of the Nominating and Remuneration Committee
- Executive Director
- Member of the Investment Committee

4. Mrs. Savitri Ramyarupa

- Director
- Executive Director

5. Mr. Chai Sophonpanich

- Director
- Member of the Nominating and Remuneration Committee

6. Mr. Yuichi Honda

- Director

7. Mr. Kazuhide Toda

- Director

8. Mrs. Ruchanee Nopmuang

- Director
- Member of the Nominating and Remuneration Committee

9. Mr. Takeshi Fukuda

- Director
- Executive Director
- Member of the Risk Management Committee
- Member of the Nominating and Remuneration Committee
- Member of the Good Corporate Governance Committee



10. Ms.Pochanee Kongkalai

- Director

11. Mrs.Komkai Thusaranon

- Director (Independent Director)
- Chairman of the Good Corporate Governance Committee
- Member of the Risk Management Committee
- Member of the Audit Committee

12. Assoc.Prof. Damrong Thawesaengskulthai

- Director (Independent Director)
- Member of the Audit Committee
- Member of the Good Corporate Governance Committee

13. Mr.Praphant Asava-aree

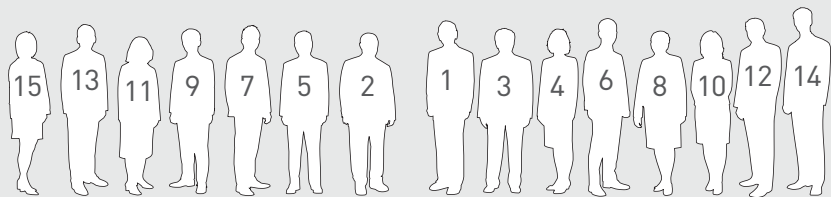
- Director (Independent Director)
- Chairman of the Risk Management Committee
- Member of the Investment Committee

14. Mr.Chone Sophonpanich

- Director
- Executive Director
- Member of the Investment Committee
- President

15. Mrs. Prapaivan Limsong

- Director



Board of Directors

Mr. Choedchu Sophonpanich (69 years old)

Chairman
Chairman of the Executive Board of Directors
Chairman of the Investment Committee

Education / Training

B.Sc., Economics, The London School of Economics and Political Science (LSE), University of London

Work Experience

SET Listed Companies

- 2013 - Present : Chairman of the Investment Committee, Bangkok Life Assurance Public Company Limited
- 2009 - Present : Chairman, Bangkok Life Assurance Public Company Limited
- 2003 - Present : Chairman of the Executive Board of Directors, Bangkok Life Assurance Public Company Limited
- 2001 - Present : Director, Krungdhep Sophon Public Company Limited
- 1980 - Present : Director, Bangkok Life Assurance Public Company Limited
- 1976 - 1980 : Executive Director, Bangkok Bank Public Company Limited

Other Organisations

- 2004 - Present : Chairman, Aioi Bangkok Insurance Public Company Limited
- 2002 - Present : Chairman, BBL Asset Management Company Limited

Shareholdings in the Company

45,854,014 shares, equivalent to 2.691 percent of all shares with voting rights. None indirect shareholding (as of 30th October 2015). An increase of 150,000 shares from the date of 30th December 2014

Mr. Sunthorn Arunanondchai (73 Years old)

Director (Independent Director)
Chairman of the Audit Committee

Education / Training

- Honorary Doctor of Business Administration, Khon Kaen University, Thailand
- MBA, University of Arkansas, USA
- Bachelor degree, Southern Arkansas University, USA
- Certificate of National Defense Diploma (Batch 366), National Defense College of Thailand
- Diploma, Politics and Governance in Democratic Regimes Program for Executives (Batch 5), King Prajadhipok's Institute
- Certificate of Executive Program (Batch 6), Capital Market Academy
- Certificate of Directors Certificate Program (DCP), Class of 98/2008, Thai Institute of Directors Association
- Certificate of Directors Accreditation Program (DAP) CP, Class of 4/2005, Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2007 - Present : Chairman of the Audit Committee, Bangkok Life Assurance Public Company Limited
- 1976 - Present : Independent Director, Bangkok Life Assurance Public Company Limited
- 2004 - Present : Director, Charoen Pokphand Foods Public Company Limited

Other Organisations

- 2004 - Present : Vice Chairman, Charoen Pokphand Group Company Limited
- 1998 - Present : Chairman, Ek-Chai Distribution System Company Limited
- 1988 - Present : President, CP Land Public Company Limited
- 1985 - Present : Chairman, Rajburi Sugar Company Limited

Shareholdings in the Company

579,200 shares, equivalent to 0.035 percent of all shares with voting rights. None indirect shareholding (as of 30th October 2015). A decrease of 20,000 shares from the date of 30th December 2014

Dr. Siri Ganjarerndee (67 Years old)

Director (Independent Director)
Chairman of the Nominating and
Remuneration Committee
Executive Director
Member of the Investment Committee

Education / Training

- Ph.D., Monetary Economics and Econometrics & Operations Research, Monash University, Australia
- M.Ec., Economic Statistics and Monetary Economics, University of Sydney, Australia
- B.Ec. (Hons.), Economic Statistics, University of Sydney, Australia
- Certificate of Executive Program, Capital Market Academy, Class of 5/2007
- Certificate of Advanced Management Program, Class 113/1995, Harvard Business School
- Certificate of Audit Committee Program (ACP), Class of 6/2005, Thai Institute of Directors Association
- Certificate of Directors Certification Program (DCP), Class of 60/2005, Thai Institute of Directors Association
- Certificate of Directors Accreditation Program (DAP), Class of 4/2003, Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2014 - Present : Chairman, Risk Management Committee, Raimon Land Public Company Limited
- 2013 - Present : Member of the Investment Committee, Bangkok Life Assurance Public Company Limited
- 2010 - Present : Chairman of the Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
- 2003 - Present : Executive Director, Bangkok Life Assurance Public Company Limited
- 1999 - Present : Independent Director, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Independent Director, Member of the Audit Committee, Raimon Land Public Company Limited
- 2014 - Present : Independent Director, Member of the Audit Committee, Samitivaj Public Company Limited
- 2010 - Present : Independent Director, Member of Nominating and Remuneration Committee and Corporate Governance Committee, Indorama Ventures Public Company Limited
- 2004 - Present : Independent Director and Member of the Audit Committee, Indorama Polymers Public Company Limited
- 2000 - Present : Independent Director and Chairman of the Audit Committee, Member of Nominating and Remuneration Committee, Post Publishing Public Company Limited
- 2000 - Present : Vice President and Chairman of the Audit Committee, Thai Vegetable Oil Public Company Limited

Other Organisations

- 2011 - Present : Chairman of the Risk Management Committee, Bank of Thailand
- 2010 - Present : Member of the Public Sector Development Sub-Commission in Public Finance and Budgeting System Improvement, Bank of Thailand
- 2009 - Present : Expert Director, Bank of Thailand
- 2003 - Present : Member of the subcommittee for agreement drafting and evaluating state enterprises, State Enterprise Policy Office, Ministry of Finance
- 2003 - Present : Director, Member of the Audit Committee and Remuneration Committee, Chairman of the Board of Investments, TRIS Corporation Ltd.

Shareholdings in the Company

None

Mr. Praphant Asava-aree (59 Years old)

Director (Independent Director)
Chairman of the Risk Management Committee
Member of the Investment Committee

Education / Training

- Bachelor's Degree Liberal Arts (Political Science), Faculty of Political Science, Ramkhamhaeng University
- Certificate of Directors Certification Program (DCP) Class of 101/2008, Thai Institute of Directors Association
- Certificate of Audit Certification Program (ACP) Class of 21/2007, Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2014 - Present : Member of the Investment Committee, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Chairman of the Risk Management Committee, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Independent Director, Bangkok Life Assurance Public Company Limited
- 2007 - April 2014 : Director, Eastern Water Resources Development and Management Plc.

Other Organisations

- 2015 - Present : Director, RFC Propco Limited
- 2014 - Present : Director, BC Andaman Ltd.
- 2014 - Present : Director, BC Golf Resort Management Co., Ltd.
- 2014 - Present : Director, Blue Canyon Holding (Thailand) Ltd.
- 2014 - Present : Director, Blue Canyon Property Corp., Ltd.
- 2014 - Present : Director, Blue Canyon Development Co., Ltd.
- 2014 - Present : Director, Canyon Capital Ltd.
- 2014 - Present : Director, Legacy Resources (Thailand) Ltd.
- 2014 - Present : Director, Murex Co., Ltd.
- 2014 - Present : Director, Pluakdaeng Eastern Estate Co., Ltd.
- 2009 - April 2014 : Director, Member of The Executive and Investment Committee and Member of the Competitiveness Committee, Thai Listed Companies Association
- 2007 - May 2014 : Director, Universal Utilities Company Limited

Shareholdings in the Company

None

Mr. Chai Sophonpanich (72 Years old)

Director
Member of the Nominating
and Remuneration Committee

Education / Training

- B.A., Business Administration, University of Colorado, USA.
- The Joint State-Private Sectors Program (Batch 6), The National Defense College of Thailand
- Advanced Management Program, Wharton School, University of Pennsylvania, USA.
- Certificate of Chairman 2000 Program, Class of 10/2004, Thai Institute of Directors Association
- Certificate of Directors Certification Program (DCP), Class of 16/2002, Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2010 - Present : Member of Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
- 1968 - Present : Director, Bangkok Life Assurance Public Company Limited
- 1978 - Present : Chairman, Bangkok Insurance Public Company Limited
- 2010 - 2015 : Chairman and Chief Executive Officer, Bangkok Insurance Public Company Limited
- 1978 - 2009 : Chairman and President, Bangkok Insurance Public Company Limited
- 1988 - Present : Chairman, Furukawa Metal (Thailand) Public Company Limited
- 1986 - Present : Chairman, Charoong Thai Wire & Cable Public Company Limited
- 1979 - Present : Chairman, Bumrungrad Hospital Public Company Limited
- 1991 - Present : Vice Chairman, Thai Reinsurance Public Company Limited

Other Organisations

- 2015 - Present : Chairman, Asia Insurance (Philippines) Corp.
- 1997 - 2014 : Director, Asia Insurance (Philippines) Corp.
- 1996 - Present : Chairman, Asia Insurance (Cambodia) Public Company Limited
- 2009 - 2015 : Director, International Insurance Society, Inc., New York, USA.
- 2012 - 2016 : Director, Association of Insurers and Reinsurers of Developing Countries
- 2006 - 2008 : Chairman, Federation of Thai Insurance Organizations
- 1984 - 1986, 2004 - 2006 : President, The East Asian Insurance Congress
- 1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007 : President, The General Insurance Association
- 1988 - 1992 : Chairman, Asean Reinsurance Corp., Ltd., Singapore
- 1986 - 1988 : Chairman, ASEAN Insurance Council, Jakarta, Indonesia

Shareholdings in the Company

26,654,828 shares, equivalent to 1.564 percent of all shares with voting rights. Indirect shareholding equivalent to 0.299 percent (as of 30th October 2015). A decrease of 11,980,000 shares from the date of 30th December 2014

Mrs. Savitri Ramyarupa (55 Years old)

Director
Executive Director

Education / Training

- MBA in Finance, Sasin Graduate Institute of Business Administration
- Bachelor in Economics, Barnard College, Columbia University, USA.
- Currently enrolled in the Top Executive Program, Capital Market Academy, Batch 17
- Certificate of Directors Certification Program (DCP), Class of 176/2013, Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2003 - Present : Executive Director, Bangkok Life Assurance Public Company Limited
- 1999 - Present : Director, Bangkok Life Assurance Public Company Limited

Other Organisations

- 2007 - Present : Managing Director, Riverside Garden Marina Company Limited
- 2000 - Present : Managing Director, Sukhumvit City Company Limited
- 2009 - Present : Director, City Realty Company Limited
- 2009 - Present : Director, Asia Industrial Park Company Limited
- 2005 - Present : Director, Chatrian Holding Company Limited
- 1999 - Present : Director, Asia Sermkij Company Limited

Shareholdings in the Company

None. Indirect shareholding equivalent to 0.014 percent (as of 30th October 2015)

Mrs. Ruchanee Nopmuang (62 Years old)

Director
Member of the Nominating and
Remuneration Committee

Education / Training

- Master of Accounting, Thammasat University.
- Bachelor (Second Class Honors), Accounting (Banking and Finance), Chulalongkorn University
- Certificate of Executive Program, Capital Market Academy, Class 2
- Advanced Management Program, Harvard Business School

Work Experience

SET Listed Companies

- 2010 - Present : Member of Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
- 2001 - Present : Director, Bangkok Life Assurance Public Company Limited
- 2015 - Present : Senior Executive Vice President, in charge of Management and Human Resources Division, Bangkok Bank Public Company Limited
- 2014 - 2015 : Senior Executive Vice President & Manager, Human Resources Division, Bangkok Bank Public Company Limited
- 2010 - 2014 : Executive Vice President & Manager, Human Resources Division, Bangkok Bank Public Company Limited
- 2001 - 2010 : Executive Vice President and Head of Metropolitan Consumer Banking, Bangkok Bank Public Company Limited
- 2000 - 2001 : Executive Vice President, Metropolitan Retail Banking, Bangkok Bank Public Company Limited
- 1999 - 2000 : SVP., Metropolitan Retail Banking, Bangkok Bank Public Company Limited
- 1997 - 1999 : SVP., Office of the Chairman, Metropolitan Banking, Bangkok Bank Public Company Limited
- 1995 - 1997 : SVP. and Manager, Region 2, Metropolitan Banking, Bangkok Bank Public Company Limited
- 1986 - 1995 : Branch Manager, Bangkok Bank Public Company Limited

Other Organisations

- 2014 - Present : Advisor, The Condominium Association
- 2012 - Present : Director, Thai Financial Planners Association
- 2011 - Present : Vice President, Housing Finance Association
- 2003 - 2011 : Director, Housing Finance Association

Shareholdings in the Company

None

Mrs. Komkai Thusaranon (64 Years old)

Director (Independent Director)
Chairman of the Good Corporate
Governance Committee
Member of the Risk Management Committee
Member of the Audit Committee

Education / Training

- Bachelor of Business Administration, Chulalongkorn University
- Master of Development Economics, National Institute of Development Administration
- Certificate of Directors Certification Program (DCP) Class of 26/2003, Thai Institute of Directors Association
- Certificate of National Defense Course, National Defense College, Class of 17/2003
- Top Executive Program, Class of 34, Civil Service Development Institute
- Certificate of Executive Program, Capital Market Academy, Class of 7
- OIC Advance Insurance Program, Class of 1/2011, OIC Advanced Insurance Institute

Work Experience

SET Listed Companies

- 2014 - Present : Member of the Audit Committee, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Member of the Risk Management Committee, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Chairman of the Good Corporate Governance Committee, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Independent Director, Bangkok Life Assurance Public Company Limited

Other Organisations

- 2008 - 2011 : Deputy Secretary General, Office of Insurance Commission (OIC)
- 2003 - 2008 : Deputy Director General, Department of Insurance, Ministry of Commerce
- 1996 - 2000 : Director, Division of Policy and Information, Department of Insurance, Ministry of Commerce
- 1995 - 1996 : Director, Office of the Protection for Motor Vehicle Accident Victims, Department of Insurance, Ministry of Commerce
- 1993 - 1995 : Director, Office of the Secretarial, Department of Insurance, Ministry of Commerce

Shareholdings in the Company

None

Assoc.Prof. Damrong Thawesaengskulthai (64 Years old)

Director (Independent Director)
Member of the Audit Committee
Member of the Good Corporate Governance Committee

Education / Training

- Bachelor of Engineering in Industrial Engineering, Faculty of Engineering, Chulalongkorn University
- Master of Engineering in Industrial Engineering, Asian Institute of Technology (A.I.T) 1975

Work Experience

SET Listed Companies

- 2014 - Present : Member of the Good Corporate Governance Committee, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Member of the Audit Committee, Bangkok Life Assurance Public Company Limited
- 2014 - Present : Independent Director, Bangkok Life Assurance Public Company Limited

Other Organisations

- 2013 - Present : Chair Professor of Innovation Management of Chulalongkorn University
- 2015 - Present : Executive Committee of Council of Engineers (Thailand)
- 2012 - Present : AUN-QA Expert for ASEAN University Network (AUN)

Shareholdings in the Company

None

Mr. Kazuhide Toda (52 years old)

Director

Education/ Training

- Bachelor of Economics, Sophia University, Japan

Work Experience

SET Listed Companies

- April 2014 - Present : Director, Bangkok Life Assurance Public Company Limited
- 2011 : Director, Bangkok Life Assurance Public Company Limited

Other Organisations

- March 2015 - Present : Executive Officer for Asia Pacific, Nippon Life Insurance Company
- December 2014 - Present : Member of Investment Committee, PT Asuransi Jiwa Sequis Life (Indonesia)
- August 2014 - Present : Director, Nippon Life Global Investors Singapore Ltd. (Singapore)
- April 2014 - Present : Director, Reliance Life Insurance Co., Ltd. (India)
- March 2014 - Present : Director and Chairman, Nippon Life Asia Pacific (Regional HQ) Pte. Ltd.
- 2014 - March 2015 : General Manager for Asia Pacific, Nippon Life Insurance Company
- 2012 - 2014 : General Manager, 1st Corporate Finance Department, Nippon Life Insurance Company
- 2009 - 2012 : General Manager, International Planning & Operations Department, Nippon Life Insurance Company
- 2007 -2009 : General Manager, Credit & Alternative Investment Department, Nippon Life Insurance Company
- 2006 -2007 : General Manager, Corporate Planning & Administrative Department, Nissay Asset Management Corporation
- 1986 : Joined Nippon Life Insurance Company

Shareholdings in the Company

None

Mr. Takeshi Fukuda (46 years old)

Director
Executive Director
Member of the Risk Management Committee
Member of the Nominating and
Remuneration Committee
Member of the Good Corporate
Governance Committee

Education / Training

B.A. in Economics, Keio University, Japan

Work Experience

SET Listed Companies

- 2013 - Present : Member of the Good Corporate Governance Committee, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Director, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Executive Director, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Member of the Risk Management Committee, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Member of Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited

Other Organisations

- 2012 - 2013 : Deputy General Manager, International Planning & Operations Department, Nippon Life Insurance Company, Tokyo
- 2008 - 2012 : Vice President, Nippon Life Benefits, Atlanta, USA
- 2006 - 2008 : Senior Manager, Nippon Life NY Representative Office, NY, USA
- 2003 - 2006 : Manager, International Finance Group, Nippon Life Insurance Company, Tokyo
- 1998 - 2003 : Director, NLI International PLC, London, UK
- 1997 - 1998 : Manager, Security Operations Department, Nippon Life Insurance Company, Tokyo
- 1995 - 1997 : Assistant Manager, International Investment Department, Nippon Life Insurance Company
- 1992 - 1995 : Joined Nippon Life Insurance Company

Shareholdings in the Company

None

Mrs. Prapaivan Limsong (48 Years old)

Director

Education / Training

- MBA, Sasin Graduate Institute of Business Administration
- Bachelor of Commerce and Accountancy, Chulalongkorn University
- Certificate of Directors Certification Program (DCP), Class of 80/2006 Thai Institute of Directors Association

Work Experience

SET Listed Companies

- 2005 - Present : Director, Bangkok Life Assurance Public Company Limited

Other Organisations

- 2007 - Present : Director, Green Spot Company Limited
- 2004 - Present : Director, NL Asset Company Limited
- 1991 - Present : Director, NL Residence Company Limited

Shareholdings in the Company

36,000,000 shares, equivalent to 2.113 percent of all shares with voting rights. None indirect shareholding (as of 30th October 2015). An increase of 888,200 shares from the date of 30th December 2014

Ms. Pochanee Kongkalai (59 Years old)

Director

Education / Training

- MBA, Ramkhamhaeng University
- B.A. Arts in English Language and Literature, Srinakharinwirot University
- Certificate of Directors Certification Program (DCP), Class of 198/2014, Thai Institute of Directors Association
- Certificate of Capital Market Academy 19 (CMA 19)

Work Experience

SET Listed Companies

- 2013 - Present : Director, Bangkok Life Assurance Public Company Limited
- 2012 - Present : EVP, Relationship and Sales Management, Consumer Banking, Bangkok Bank PCL
- 2010 - 2012 : SVP, Relationship and Sales Management, Consumer Banking, Bangkok Bank PCL
- 2008 - 2010 : VP, Regional Manager 5, Metropolitan Consumer Banking, Bangkok Bank PCL
- 2007 - 2008 : VP, Regional Manager 3, Metropolitan Consumer Banking, Bangkok Bank PCL
- 2005 - 2007 : VP Insurance & Brokerage Project, Product Development-Product and Distribution Department, Bangkok Bank PCL
- 2001 - 2005 : Director Insurance Product, Bank of Asia
- 2000 - 2001 : Assistant Director Consumer Business (Insurance), Bank of Asia
- 1998 - 2000 : First Vice President-Provincial Consumer, Bank of Ayudhya PCL.
- 1994 - 1998 : Assistant Vice President-Provincial Consumer, Bank of Ayudhya PCL.
- 1982 - 1994 : Branch Development Officer-Section Chief, Bank of Ayudhya PCL.

Shareholdings in the Company

28,000 shares, equivalent to 0.002 percent of all shares with voting rights. None indirect shareholding (as of 30th October 2015). No number of share changes from the date of 30th December 2014

Mr. Chone Sophonpanich (41 Years old)

Director
Executive Director
Member of the Investment Committee
President

Education / Training

- Master of Economics and International Relations, Johns Hopkins University, USA.
- Bachelor of Economics (Upper Second Class Honours), University College London, England
- Directors Certification Program (DCP), Class 142/2011, Thai Institute of Directors

Work Experience

SET Listed Companies

- 2013 - Present : Member of the Investment Committee Bangkok Life Assurance PCL.
- 2011 - Present : Director and Executive Director Bangkok Life Assurance PCL.
- 2011 - Present : President, Bangkok Life Assurance PCL.
Aug 2010 - Dec 2010 : Executive Vice President, Bangkok Life Assurance PCL.
- Sep 2008 - Aug 2010 : Senior Vice President, Financial Institutions Marketing Department, Bangkok Life Assurance PCL.
- 1998 - 2000 : Senior Dealer, Foreign Exchange Department, Bangkok Bank PCL.

Other Organisations

- 2011 - Present : Director and Executive Director, The Thai Life Assurance Association
- 2012 - Present : Director, BBL Asset Management Co., Ltd.
- 2012 - Present : Director, Thai Financial Planners Association
- 2013 - Present : Director, Veyla Cha-am Residences Co., Ltd.
- 2008 - Present : Director, Ideas 1606 Co., Ltd.
- 2002 - Present : Director, Watana Choedchu Co., Ltd.
- 2002 - Present : Director, Tree K Co., Ltd.
- 1996 - Present : Director, Pleasure of Living Co., Ltd.
2012 - 20 Mar 2015 : Director, Cambodia Life Insurance Company Plc.
- 2000 - 2008 : Director, International Business, Green Spot Co., Ltd.
- 1997 - 1998 : Financial Analyst, Corporate Finance, Morgan Stanley, New York

Shareholdings in the Company

42,000 shares, equivalent to 0.002 percent of all shares with voting rights. None indirect shareholding (as of 30th October 2015). No number of share changes from the date of 30th December 2014

Mr. Yuichi Honda (45 years old)

Director

Education / Training

B.A. in Commerce, Doshisha University, Japan

Work Experience

SET Listed Companies

April 2015 - Present : Director, Bangkok Life Assurance
Public Company Limited

Other Organisations

March 2015 - Present : CEO, Nippon Life Asia Pacific
(Regional HQ) Pte. Ltd.

2009 - March 2015 : Deputy General Manager, International
Business and Chief Portfolio Manager,
Nissay Asset Management Corp., Tokyo

2006 : Dispatched to Bangkok Life Assurance
PCL., Thailand

2003 : Nippon Life Insurance Company
Manager, International Planning &
Operations Dept., Tokyo

2002 : Nippon Life Insurance Company
Manager, China Dept., Tokyo

1998 : Nippon Life Insurance Company
Corporate Sales Planning & Product
Development Office, Tokyo

1996 : Nippon Life Insurance Company
Metropolitan Area Headquarter, Tokyo

1994 : Joined Nippon Life Insurance Company
Kishiwada Branch, Osaka

Shareholdings in the Company

None

Board of Advisors

▶
Mr. Chatri Sophonpanich
Chairman of the Board of Advisors



▶
Mr. Chartsiri Sophonpanich
Advisor



Mr. Suvarn Thansathit
Advisor
▼



▲
Mr. Piti Sithi-Amnuai
Advisor



▲
Mr. Deja Tulananda
Advisor

▶
Mr. Pansak Pruksakit
Advisor



Executive Officers



1. Mr.Chone Sophonpanich

- Director
- Executive Director
- Member of the Investment Committee
- President

2. Mr.Ruangsak Panyabodegun

- Senior Executive Vice President, Marketing Division
- Member of the Risk Management Committee
- Member of the Good Corporate Governance Committee

3. Mr.Sanor Thampipattanakul

- Senior Executive Vice President, Investment Division
- Company Secretary
- Member of the Investment Committee
- Member of the Risk Management Committee
- Member of the Good Corporate Governance Committee

4. Mrs.Oranuch Samranrit

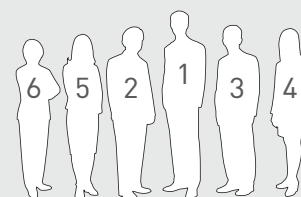
- Vice President, Life Operation Division

5. Ms.Jaruwan Limkhunthammo

- Senior Vice President, Accounting and Finance Division
- Member of the Risk Management Committee

6. Ms.Suchinda Leartkiatmongkol

- Senior Vice President, Information Technology Division



Executive Officers

Mr. Ruangsak Panyabodegun (52 years old)

Senior Executive Vice President,
Marketing Division
Member of the Risk Management Committee
Member of the Good Corporate Governance
Committee

Education / Training

- Master of Science (Operations Research), National Institute of Development Administration
- Bachelor of Science, in Mathematics, Kasetsart University
- Certified Financial Planner (CFP), Financial Planning Standard Board, USA
- Certified Investment Planner license, Office of Securities and Exchange Commission
- Certificate of Marketing Strategies, Limra International Inc.
- Certificate of Actuarial Courses 1991, Singapore Actuarial Society and Singapore Insurance Institute

Work Experience

- 2013 - Present : Member of the Good Corporate Governance Committee, Bangkok Life Assurance Public Company Limited
- 2013 - Present : Director, BLA Insurance Broker Company Limited
- 2013 - Present : Senior Executive Vice President, Marketing Division
- 2009 - Present : Member of the Risk Management Committee, Bangkok Life Assurance Public Company Limited
- 2007 - 2012 : Executive Vice President, Marketing Division, Bangkok Life Assurance Public Company Limited
- 2003 - 2007 : Senior Vice President, Marketing Division, Bangkok Life Assurance Company Limited

Shareholdings in the Company:

200,000 shares, equivalent to 0.012 percent of all shares with voting rights. None indirect shareholding (as of October 30th, 2015). An increase of 200,000 shares from the date of 30th December 2014

Mr. Sanor Thampipattanakul (52 years old)

Senior Executive Vice President, Investment
Division
Company Secretary
Member of the Investment Committee
Member of the Risk Management Committee
Member of the Good Corporate Governance
Committee

Education / Training

- Master of Economics, Western Michigan University, USA
- Bachelor of Business Administration, Kasetsart University
- Chartered Financial Analyst (CFA), Association of Investment management and Research, USA
- Certified Financial Planner (CFP), Financial Planning Standard Board, USA
- Fellow, Life Management Institute (FLMI), Life Office Management Association, USA
- Certificate of Directors Certification Program (DCP), Class of 198/2014, Thai Institute of Directors Association
- Certificate of Audit Committee Program (ACP), Class of 19/2006, Thai Institute of Directors Association
- Certificate of Directors Accreditation Program (DCP), Class of 64/2006, Thai Institute of Directors Association
- Certificate of Effective Minutes Taking Program (EMT), Class of 4/2005, Thai Institute of Directors Association

Work Experience

- 2013 - Present : Senior Executive Vice President, Investment Division, Bangkok Life Assurance Public Company Limited
- 2007- 2012 : Executive Vice President, Investment Division, Bangkok Life Assurance Public Company Limited
- 2003- 2006 : Senior Vice President, Investment Division, Bangkok Life Assurance Public Company Limited

Shareholdings in the Company:

280,000 shares, equivalent to 0.016 percent of all shares with voting rights. Indirect shareholding equivalent to 0.001 percent (as of 30th October 2015). An increase of 280,000 shares from the date of 30th December 2014

Mrs. Oranuch Samranrit (50 years old)

Vice President, Life Operation Division

Education / Training

- Master of Business Administration, Ramkhamhaeng University
- Bachelor of Business Administration (B.B.A.), Public Relation, Ramkhamhaeng University
- Fellow, Life Management Institute (FLMI), Life Office Management Association, USA
- Certificate of course Underwriting Life and Health Insurance, LOMA
- Associate, Customer Service, LOMA

Work Experience

- 2013 - Present : Vice President, Life Operation Division,
Bangkok Life Assurance Public Company Limited
- 2012 - 2013 : Vice President, Policy Owner Service
Department, Bangkok Life Assurance Public
Company Limited
- 2006 - 2011 : Assistant Vice President, Bancassurance
Policy Section, Bangkok Life Assurance Public
Company Limited

Shareholdings in the Company

None

Miss Jaruwat Limkhunthammo (36 years old)

Senior Vice President, Accounting and
Finance Division

Education/Training

- Master of Business Administration, Thammasat University
- Bachelor of Accounting (First Class Honors), Thammasat University
- Bachelor of Economics, Ramkhamhaeng University
- Certified Public Accountant
- Fellow, Life Management Institute (FLMI), Life Office Management Association, USA
- Associate Financial Planning (Thailand), AFPT™
- OIC Advance Insurance Program, Class of 4/2014, OIC Advanced Insurance Institute

Work Experience

- 2012 - Present : Senior Vice President, Accounting and
Finance Division, Bangkok Life Assurance
Public Co., Ltd.
- 2012 - Present : Director, BLA Insurance Broker Co., Ltd.
- 2002 - 2012 : Audit Manager, EY Office Limited

Shareholdings in the Company

None

Executive Officers

Ms. Suchinda Leartkiatmongkol (56 years old)

Senior Vice President, Information Technology
Division

Education/Training

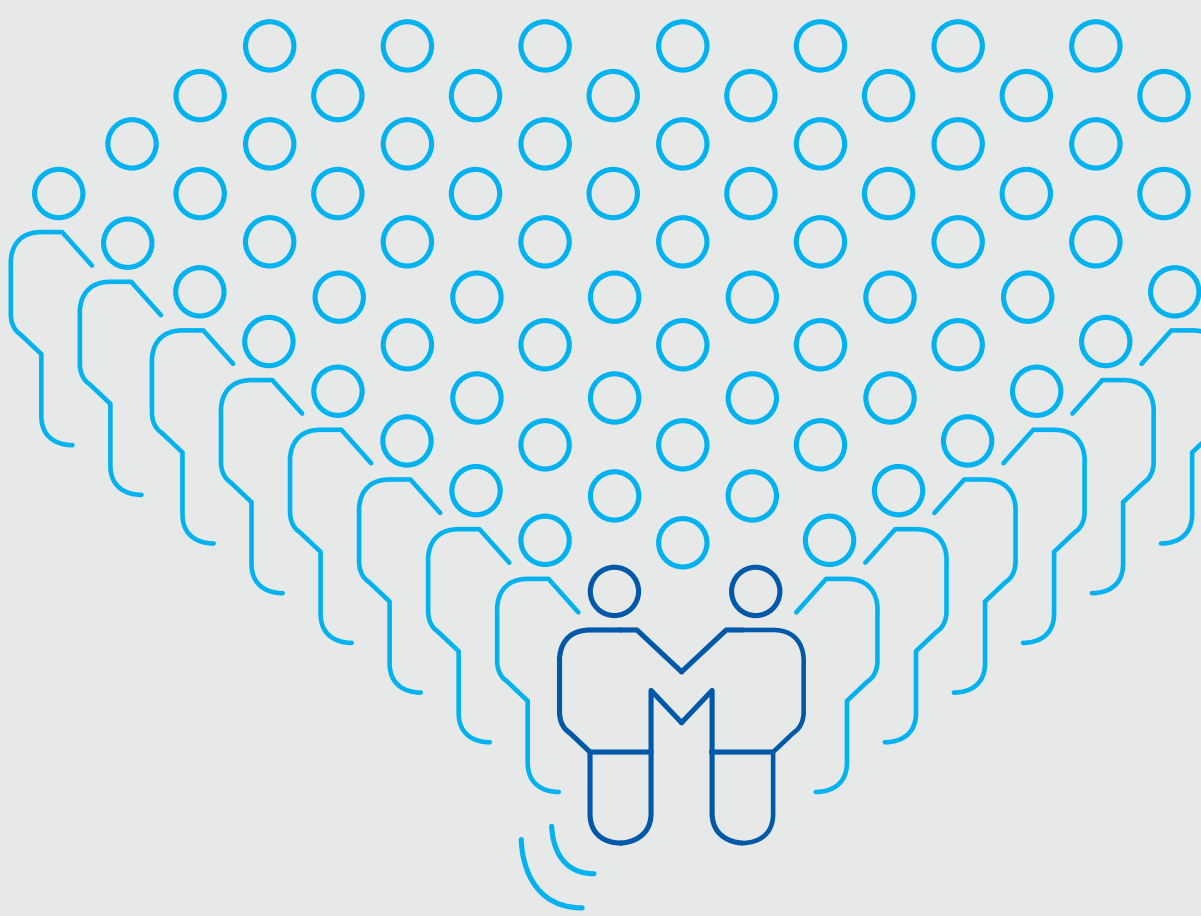
- Master of Science - Computer Information System, (MS CIS), Assumption University
- Bachelor of Accountancy (B.Acc-Accounting), Ramkhamhaeng University

Work Experience

- 2013 - Present : Senior Vice President - IT, Bangkok Life Assurance Public Company Limited
- 2012 - 2013 : Senior Vice President - IT, Thai Cardif Life Assurance Public Company Limited
- 2009 - 2011 : Senior Vice President - Special Project, Thai Reinsurance Public Company Limited
- 2007 - 2008 : IT Director, CIGNA Insurance Public Company Limited

Shareholdings in the Company

None



The Ability
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More

Shareholder and Management Structure

Shareholder and Management Structure

The 10 largest shareholders of Bangkok Life Assurance PCL as of 30 October, 2015 are as follows:

No.	Name	Proportion of shares held (%)
1	STATE STREET BANK AND TRUST COMPANY*	24.27
2	Wattanasophonpanich Co., Ltd.	13.09
3	Bangkok Bank PCL	7.63
4	Bangkok Insurance PCL	4.61
5	Mr. Chatri Sophonpanich	3.75
6	Jatubhut Holding Co., Ltd.	3.70
7	MSI Holding (Thailand) Co., Ltd.	3.36
8	Bualuang Long-Term Mutual Fund	2.99
9	Mr. Choedchu Sophonpanich	2.69
10	Mstr. Kongpop Limsong	2.41

*Nippon Life Insurance Limited holds the shares for Bangkok Life Assurance PCL. through STATE STREET BANK AND TRUST COMPANY.

Management Structure

The Company comprises a Board of Directors and six Subcommittees, as follows: Executive Board of Directors, Investment Committee, Audit Committee, Risk Management Committee, Nominating and Remuneration Committee, and Good Corporate Governance Committee, all Subcommittees members of which are appointed by the Board of Directors to supervise and assign important work as necessary, with details as noted below:

Board of Directors and Subcommittees

1. Board of Directors

According to the Company's Articles of Association the Board of Directors shall consist of not less than five directors, no less than one-half of whom must be residents of the Kingdom of Thailand. At each Annual General Meeting of Shareholders (AGM), one-third of the directors shall retire from office. If the number of directors to retire is not a multiple of three, then the number nearest to one-third will be the operative number of retirees. Directors must always act in accordance with the law and the objectives and mandatory regulations of the Company itself, including conducting the AGM with honesty and integrity, taking into account the best interests of the Company. It may also make appointments to committees and/or a President with power to act as working representative of the Company as necessary.

The current Board of Directors consists of 15 directors, including two Executive officers and 13 non-administrative officers, 5 of whom are independent directors and 12 of whom – more than the required half – are resident in the Kingdom.

No.	Director	Position
1	Mr. Choedchu Sophonpanich	Chairman of the Board
2	Dr. Siri Ganjarerndee	Independent Director
3	Mr. Sunthorn Arunanondchai	Independent Director
4	Mrs. Komkai Thusaranon	Independent Director
5	Assoc.Prof. Damrong Thawesaengskulthai	Independent Director
6	Mr. Phraphant Asava-aree	Independent Director
7	Mr. Chai Sophonpanich	Director
8	Mrs. Ruchanee Nopmuang	Director
9	Ms. Pochanee Kongkalai	Director
10	Mrs. Savitri Ramyarupa	Director
11	Mrs. Prapaiwan Limsong	Director
12	Mr. Kazuhide Toda	Director
13	Mr. Yuichi Honda	Director
14	Mr. Takeshi Fukuda	Director
15	Mr. Chone Sophonpanich	Director

Mr. Sanor Thampipattanakul, Senior Executive Vice President of Investment Division, acts as Secretary to the Board.

Directors with Binding Authority

Directors with authority to sign binding agreements for the Company are Mr. Choedchu Sophonpanich, Mr. Chai Sophonpanich, Mr. Chone Sophonpanich, Mr. Siri Ganjarerndee, Mrs. Savitri Ramyarupa, and Mr. Takeshi Fukuda; however any signatory must have one co-signer.

Roles and responsibilities of the Board of Directors

1. Manage Company business in compliance with the law, the Company's own binding regulations and objectives, and any resolutions adopted by the General Meeting of Shareholders. Directors must act in good faith and honestly, and take care to protect the interests of the Company.
2. Set the Company's objectives, guidelines, policies, business plans, and budget. Oversee the Company's management of the Company to ensure adherence to the policies that have been established.
3. Determine management structure, establish administrative committees, and appoint their chief executives and assistant chief executives.

Deliberate on and amend the list of Directors who act as the Company's authorised signatories and/or have the authority to sign on legal documents on behalf of the Company and also amending rules and regulations governing director's use of their signatory power.

Board of Directors Meeting

The Company Board of Directors must prepare meeting schedules in advance so that Directors may be able to set aside time to attend all meetings, and there may be additional special meetings added as appropriate. For each of these, the Secretary of the Board will send notice, and an agenda, to each Director for perusal seven days in advance of the meeting. Accordingly, each Director may suggest a subject to place on the meeting agenda, after first informing the Secretary of the Board of Directors

Shareholder and Management Structure

In 2015 The Board held six meetings. Attendance details were as follows:

No.	Company Director	Position	Meetings Attended	Term of Office
1	Mr. Choedchu Sophonpanich	Chairman of the Board	6/6	29 April 2015 - April 2018
2	Dr. Siri Ganjarende	Independent Director	6/6	26 April 2013 - April 2016
3	Mr. Sunthorn Arunanondchai	Independent Director	6/6	30 April 2014 - April 2017
4	Mrs. Komkai Thusaranon	Independent Director	6/6	26 April 2013 - April 2016
5	Assoc.Prof. Damrong Thawesaengskulthai	Independent Director	5/6	30 April 2014 - April 2017
6	Mr. Praphant Asava-aree	Independent Director	4/6	30 April 2014 - April 2017
7	Mr. Chai Sophonpanich	Director	5/6	26 April 2013 - April 2016
8	Mrs. Ruchanee Nopmuang	Director	6/6	29 April 2015 - April 2018
9	Ms. Pochanee Kongkalai	Director	5/6	26 April 2013 - April 2016
10	Mrs. Savitri Ramyarupa	Director	6/6	29 April 2015 - April 2018
11	Mrs. Prapaivan Limsong	Director	4/6	30 April 2014 - April 2017
12	Mr. Kazuhide Toda	Director	6/6	29 April 2015 - April 2018
13	Mr. Yuichi Honda*	Director	4/6	29 April 2015 - April 2018
14	Mr. Takeshi Fukuda	Director	6/6	26 April 2013 - April 2016
15	Mr. Chone Sophonpanich	Director	6/6	30 April 2014 - April 2017

Remarks: * Mr. Yuichi Honda was elected as Director to replace Mr. Naoki Ban, whose term ended on 29 April 2015.

Performing Obligations of the Company Board of Directors Over the Previous Year

In the past year, for effective management the Company Board of Directors established strategic directions, policies, business plans, and goals and mission of the Company, including continuous monitoring of work performance and budget to ensure that management goals were achieved effectively with transparent administration according to principles of good governance, including appropriate risk management under the law, and following the policies set out at the AGM. The Board ensured that business was conducted honestly and with integrity, and with careful consideration of the Company's highest benefits while maintaining responsibility toward shareholders and stakeholders.

Evaluating the Performance of the Board

To follow principles of good corporate governance, once a year the Company Board of Directors utilises a work performance self-assessment form for all Directors and committees conduct personal self-assessments of each Director and also to self-assess the performance of the Board itself and each committee as a unit. The Chairman of the Nominating and Remuneration Committee and each committee chairman analyse and complete the assessment for use in making suggestions on how to improve in the coming year.

Company Director Development

The Company encourages directors to regularly study and attend training courses to enhance their knowledge in various fields relating to his/her duties in the position of director and/or committee member. In 2015 Board Members attending

in-service training courses run by the Thai Institute of Director (IOD) included Mrs. Komkai Thusaranon, who completed the Director Certification Program Update (DCPU) in March. Directors and Company Executives were also encouraged to participate in seminars organised by various agencies. Among these were the seminar on Board Management of Internal Controls organised by the Stock Exchange of Thailand and the Association of Internal Auditors of Thailand and a seminar on Building a Better Board through Effective Independent Directors held by IOD. The Company also provides specialists to deliver lectures and share their experience with the Board at least once a year. In 2015 the Company was honoured to host Executives of Nippon Life Insurance Ltd., who shared their experiences around the effects of low interest rates in Japan and the strategy that Nippon Life Insurance's used to weather those hardships. nine of the fifteen Company Directors have taken the training course held by IOD on a Company director's role. Attendance for each Director has been as follows:

Name	Position	Course				
		DCP*	DAP*	ACP*	RCP*	DCPU*
Dr. Siri Ganjarende	Independent Director	Class 60/2005	Class 4/2003	Class 6/2005	-	-
Mr. Sunthorn Arunanondchai	Independent Director	Class 98/2008	Class 4/2005	-	-	-
Mrs. Komkai Thusaranon	Independent Director	Class 26/2003	-	-	-	Class 3/2015
Mr. Praphant Asava-aree	Independent Director	Class 101/2008	-	Class 21/2007	-	-
Mr. Chai Sophonpanich	Director	Class 16/2002	-	-	Class 10/2004	Class 10/2004
Ms. Pochanee Kongkalai	Director	Class 198/2014	-	-	-	-
Mrs. Savitri Ramyarupa	Director	Class 176/2013	-	-	-	-
Mrs. Prapaiwan Limsong	Director	Class 80/2006	-	-	-	-
Mr. Chone Sophonpanich	Director	Class 142/2011	-	-	-	-

*DCP : Director Certification Program

*DAP : Director Accreditation Program

*ACP : Audit Committee Program

*RCP : Role of the Chairman Program

*DCPU : Director Certification Program Update

Criteria for Nominating Directors

The Nominating and Remuneration Committee is responsible for recruiting suitable qualified candidates with experience in various professions in both government and business sectors, are fair-minded and moral, have a good attitude toward the Company, show good organisational maturity and professionalism, and who are able to devote sufficient time to the job. The Nominating and Remuneration Committee will present such candidates to the Board for consideration and/or approval at a shareholders' meeting, as prescribed in the Articles of Association.

2. Executive Board of Directors

The board consists of 5 Directors and meets at least once per year, and includes the following members:

Order	Name	Position
1	Mr. Choedchu Sophonpanich	Chairman of the Board
2	Dr. Siri Ganjarende	Directors
3	Mrs. Savitri Ramyarupa	Directors
4	Mr. Takeshi Fukuda	Directors
5	Mr. Chone Sophonpanich	Directors

Mr. Sanor Thampipattanakul, Senior Executive Vice President of Investment Division, acts as Executive Secretary

Shareholder and Management Structure

Scope of Authority and Responsibilities of the Executive Board of Directors

1. The Executive Board of Directors of the Company will comply with the objectives, regulations, resolutions of the AGM, and general policies which the Company Board has put in place. This includes the power to approve and/or consent to actions normal and necessary for the general administration of the Company under the authority of the Board. Additionally, the Executive Board of Directors has the obligation to consider various issues which may be presented to the Board for approval. Accordingly, as prescribed in regulations or orders by the Board of Directors, including implementation of additional orders from the Board case by case.
2. The Executive Board of Directors will appoint Subcommittees and/or working groups or other persons to analyse tasks proposed to the Executive Board of Directors, or to perform any work beneficial to the performance of its duties or to take action representing the Executive Board of Directors in any way assigned within the scope of its own authority.

Duties Performed by the Executive Board of Directors over the Past Year

In 2015 the Executive Board of Directors convened 12 times to supervise and track the Company's performance on a number of fronts, including considering approval of transactions delegated to it by the Board as relevant and important. The Committee also gave assistance in consideration and analysis of various issues focusing on work strategies, budget preparation, and various assets to be presented to the Board.

3. Audit Committee

The Audit Committee consists of 3 Directors, and meets at least 4 times per year.

- | | |
|--|--|
| 1. Mr. Sunthorn Arunanondchai | Chairman of Audit Committee |
| 2. Mrs. Komkai Thusaranon | Committee Member/Company Financial Auditing Expert |
| 3. Assoc.Prof. Damrong Thawesaengkulthai | Committee Member |

Mr. Prathan Khachitviwat, Vice President of Internal Audit Department, serving as Committee Secretary.

Scope of Authority and Responsibilities of the Audit Committee

1. To review and ensure that the Company's financial reporting is accurate and adequate.
2. To review the Company's internal control and monitoring systems to ensure they are appropriate and effective; to check and ensure the independence of internal audit; to consider appointment, termination, or departure of the Chief Internal Auditor, and similarly for any other agency responsible for internal auditing.
3. To review the Company's compliance with Securities and Exchange Commission law, Stock Market orders, and laws relating to the Company's business.
4. To nominate persons to serve as Independent Company Auditors, and suggest remuneration for them. To meet at least once a year with Auditors without the presence of Executive management.
5. To review transactions or items with potential for conflict of interest according to Stock Exchange of Thailand laws and regulations, in order to be confident that such transactions are reasonable, proper, and in the best interests of the Company.
6. To prepare the report of the Audit Committee for disclosure in the annual report of the Company, which report must be signed by the Audit Committee Chair.
7. Perform other duties assigned by the Board of Directors.

4. Risk Management Committee

The Risk Management Committee consists of 5 Directors, and holds meetings throughout the year.

1. Mr. Praphant Asava-aree	Chairman of Risk Management Committee
2. Mrs. Komkai Thusaranon	Committee Member
3. Mr. Takeshi Fukuda	Committee Member
4. Mr. Sanor Thampipattanakul	Committee Member
5. Mr. Ruangsak Panyabodegun	Committee Member
6. Ms. Jaruwat Limkhunthammo	Committee Member

Mrs. Sasitorn Thitipakaikaew, Vice President of Risk Management Department, serves as Committee Secretary.

Scope of Authority and Responsibilities of the Risk Management Committee

1. Determine a risk management policy framework and strategy which can identify, assess, track, and comprehensively control risks. Guarantee compliance with laws, notices, orders, guidelines, and the latest standards for the public sector.
2. Review the adequacy of current risk management policy and risk management, the efficiency and effectiveness of compliance, and make regular recommendations to the Board.

Duties Performed by the Risk Management Committee over the Past Year

The Board recognises the importance of risk management in its ability to enable the business to continue uninterrupted by identifying strategic risks, where external factors have important effects. Risk management should identify opportunities to achieve competitive advantage.

The Risk Management Committee consists of an Independent director and 5 Directors from primary related fields of competence. It is responsible for risk management policy, planning, and administration, assessment of the Company's business risks, and taking measures to prevent and resolve risk, as well as constantly monitoring the situation. In 2015 the Risk Management Committee performed its duties as assigned by the Board of Directors. The Committee held four meetings to consider important matters, as summarised below.

1. Evaluation and monitoring of the Company's primary risks by assessing risk factors and their impact on the business plan, to enable the Risk Management Department to assess what risks will affect the Company's core strategy and prepare a management plan which will reduce the likelihood and impact of such effects to an acceptable level of risk, and to prepare a report and summary of its work results, risk management following up on potential primary risk factors. Reports are made regularly.
2. Assign to the Risk Management Department itself the completion of risk self-assessment forms, considering both adequacy of capital at hand (ORSA: Own Risk & Solvency Assessment) and the operating structure of the organisation in order to determine the impact of strategic risk, taking into account external factors which will negatively impact the level of capital adequacy and the business plan.
3. To monitor and review the implementation of management plans under the policies and risk management framework already in place so as to ensure the Company is managing risk systematically and effectively. Require an Internal Audit, monitoring and checking the risk management of the Company so it will achieve the objectives it has set out for itself.

After receiving the required reports from the Risk Management Committee, the Board of Directors has assessed its risk management systems and concluded that these systems are sufficient and appropriate, with adequate personnel to maintain these systems effectively according to its business plan.

Shareholder and Management Structure

5. Nominating and Remuneration Committee

The Nominating and Remuneration Committee consists of 4 Directors, and holds meetings at least once per year.

- | | |
|--------------------------|---|
| 1. Dr. Siri Ganjarerndee | Chairman of Nominating and Remuneration Committee |
| 2. Mr. Chai Sophonpanich | Committee Member |
| 3. Mr. Takeshi Fukuda | Committee Member |
| 4. Mr. Ruchanee Nopmuang | Committee Member |

Mrs. Usanee Soontarotok, Vice President of Human Resource Department, served as Committee Secretary.

Scope of Authority and Responsibilities of the Nominating and Remuneration Committee

1. To recruit and nominate qualified candidates to replace Directors who resign, have completed their term, or for any other reason cease to be Directors. The Committee must search out the right person to serve in the position. The Committee makes recommendations to the Board of Directors and/or to shareholders at a meeting, depending on circumstances.
2. Consideration and selection of qualified candidates to replace the President and Vice President in case of term completion, resignation or some other reason. Nominating proper candidates to serve in the position and presenting them to the Board of Directors for approval.
3. Consider and specify properly revised remuneration and other benefits for Board of Directors and Senior Executives comparable to the position of Vice President, appropriate to organisational responsibilities and duties. Submit these recommendations to the Board of Directors and/or to shareholders at a meeting, depending on circumstances and Company regulations.
4. Perform other tasks as assigned by the Board of Directors

Please see more details in Nominating and Remuneration Committee Report on page 116

6. Investment Committee

The Investment Committee consists of 5 Directors, and holds meetings at least 12 times per year.

- | | |
|-------------------------------|----------------------------------|
| 1. Mr. Choedchu Sophonpanich | Chairman of Investment Committee |
| 2. Dr. Siri Ganjarerndee | Committee Member |
| 3. Mr. Praphant Asava-aree | Committee Member |
| 4. Mr. Chone Sophonpanich | Committee Member |
| 5. Mr. Sanor Thampipattanakul | Committee Member |

Ms. Chollada Sophonpanich, Vice President of Equity Investment Department, served as Committee Secretary.

Scope of Authority and Responsibilities of the Investment Committee

1. To determine investment policy, policies of general risk management and appropriate risk management procedures which arise from investment.
2. Give consideration to approving investment plans
3. Monitor investment earnings and arrange for appropriate internal control systems.
4. Maintain supervision of the Company's investments and procedures and methods regarding investment.

5. Provide supervision and oversight of good governance, transparency, and protection against conflicts of interest.
6. Provide regular reports on investment to the Board of Directors.
7. Regulate Company's other related business according to the policy framework and regularly report the operating result to the Committee.

Performance over the Previous Year

Over the previous year the Investment Committee established investment policies and guidelines for risk management and procedures arising from the Company's investments. The Committee took into account various important factors both at home and abroad which might affect investment, and both defined and modified investment strategies to properly adjust to changing market conditions. The Committee is also charged with consideration and/or offering opinions on policies important for organisational strategy, business directions, investment plans, budget, and resource allocation, and makes recommendations about them to the Board of Directors. To this end, the Investment Committee monitors and oversees, and exerts control over work performance in order to achieve the goals of the business plan, according to policies approved by the Board of Directors.

7. The Good Corporate Governance Committee

The Committee consists of 4 Directors, and holds meetings at least 4 times per year

- | | |
|---|---|
| 1. Mrs. Komkai Thusaranon | Chairman of Good Corporate Governance Committee |
| 2. Assoc.Prof. Damrong Thawesaengskulthai | Committee Member |
| 3. Mr. Takeshi Fukuda | Committee Member |
| 4. Mr. Ruangsak Panyabodegun | Committee Member |
| 5. Mr. Sanor Thampipattanakul | Committee Member |

Ms. Supaporn Tipfun, Vice President of Compliance Office, served as Committee Secretary.

Scope of Authority and Responsibilities of the Good Corporate Governance Committee

1. To propose policy and advice recommendations and guideline on good corporate governance to the Board of Directors.
2. Establish guidelines to enable monitoring and Company performance oversight in accordance with the principles of Good Governance of concerned agencies and institutions. Report on progress and performance to the Board of Directors after meeting regularly.
3. Perform regular reviews of the Company's principles of good corporate governance for compliance with international standards and the recommendations of concerned agencies.
4. Promote and spread the culture of good corporate governance so it becomes understood and is put into practice at all levels and effective conduct.
5. Establish a Subcommittee with the task of supporting good corporate governance where appropriate.

Performance over the Previous Year

Please see more details in the Good Corporate Governance Committee report on page 93

Company Secretary

At the second Board of Directors Meeting of 2008 (held on April 8, 2008) Mr. Sanor Thampipattanakul was appointed Company Secretary, with duties as denoted in the Securities Act (No. 4) BE 2008: to organise the AGM, following up and coordinating adherence of the meeting to AGM resolutions, and also ensuring that Company data, reports, and information are disclosed according to government regulations, and ensuring that shareholders are advised of their rights. The Committee assures adherence to the principles of good corporate governance and also supervises activities and training of the Board. There is a short history with more details in the Board's biographies.

Shareholder and Management Structure

Executive Officers

On January 1, 2015, The Executive Officer had six members, as listed below:

No.	Name	Position
1	Mr. Chone Sophonpanich	President
2	Mr. Ruangsak Panyabodegun	Senior Executive Vice President, Marketing Division
3	Mr. Sanor Thampipattanakul	Senior Executive Vice President, Investment Division
4	Mrs. Oranuch Samranrit	Vice President, Life Operation Division
5	Ms. Suchinda Learkiatmongkol	Senior Vice President, Information Technology Division
6	Ms. Jaruwan Limkhunthammo	Senior Vice President, Accounting and Finance Division

Scope of Authority and Responsibilities of the President

1. The President has the authority to manage the affairs of the Company, in accord with objectives, rules, meeting resolutions, policies, or orders set forth by the Board of Directors.
2. The President has the power to approve and/or give authority to perform any action generally necessary for the Company's normal business operations, within the designated scope of authority.
3. The President has authority in recruitment, appointment, promotion or demotion and/or removal from a position, and determines wage rates, including cutting or reducing wages. In consideration of the quality of work he may take disciplinary action, give awards, allocate compensation / bonuses in remuneration for work or excellence, or dismiss an employee from the level of Executive Assistant on down, including all sales positions.
4. The President has the power to procure, lease, or rent a property. Donations to charities fall under the authority of the President, when approved by the Board.
5. The President must report the following data to the Executive Board of Directors:
 - The Company's quarterly and annual financial reports. Comparison of results with the Company's goals.
 - Results of the Company's operations in the area of investment, including evaluation on a monthly basis.
 - Results of any other action deemed appropriate by the Executive Board of Directors.
6. The President gives approval to proceed with operations, including transactions. This must not be done in a way such that proceeding with work gives the appearance that the President, or those receiving power from the President, may be seen as themselves benefitting from approving an operation where they may have a conflict of interest with the Company. In such cases approval for transactions must be obtained from the Board of Directors and/or a Shareholders' Meeting. This is a mandatory Company regulation and in accord with its Articles of Association and the Securities and Exchange Commission (SEC) and/or Stock Exchange of Thailand.

Selection of Executive Officers

The Company has assigned officials to recruit Executives of all levels as follows:

1. Nominating and Remuneration Committee is assigned to recruit Executives for the positions of President and Vice President, and forward these nominations to the Board of Directors for consideration.
2. The President recruits administrators for positions of Executive Vice President and Senior Executive Vice President and presents them to the Board of Directors for consideration.

3. Secondary level positions are recruited by the President and presented to the Executive Board of Directors for consideration as appropriate.

Company officials undertake to recruit and choose personnel from both within the organisation and outside it. Recruits must be educated, competent, experienced, meritorious, fair, and ethical, and have a level of professionalism appropriate to the position they seek to fill, in order to perform their duties and help the Company achieve its stated goals and objectives.

List of Persons in Attendance at Meetings in 2015:

Name	Board of Directors	Investment Committee	Audit Committee	Risk Management Committee	Nominating and Remuneration Committee	Good Corporate Governance Committee
Mr. Choedchu Sophonpanich	12/12	12/12	-	-	-	-
Dr. Siri Ganjarerndee	12/12	12/12	-	-	2/2	-
Mr. Sunthorn Arunanondchai	-	-	5/5	-	-	-
Mrs. Komkai Thusaranon	-	-	5/5	3/4	-	4/4
Assoc.Prof. Damrong Thawesaengskulthai	-	-	5/5	-	-	4/4
Mr. Praphant Asava-aree	-	7/12	-	4/4	-	-
Mr. Chai Sophonpanich	-	-	-	-	1/2	-
Mrs. Ruchanee Nopmuang	-	-	-	-	2/2	-
Mrs. Savitri Ramyarupa	8/12	-	-	-	-	-
Mr. Takeshi Fukuda	12/12	-	-	4/4	2/2	4/4
Mr. Chone Sophonpanich	12/12	12/12	-	-	-	-
Mr. Ruangsak Panyabodegun	-	-	-	3/4	-	3/4
Mr. Sanor Thampipattanakul	-	12/12	-	3/4	-	4/4
Ms. Jaruwan Limkhunthammo	-	-	-	3/4	-	-

1. Remuneration of Directors and Executives

1.1 Remuneration for Directors

Remuneration for Directors consists of meeting attendance fees and pension cost, commensurate with duties and responsibilities undertaken and on a par with those of leading companies in the same business category. The AGM on April 29th, 2015 approved remuneration to Directors not to exceed 16.70 million baht. Remuneration of Directors during the year 2015 totaled 15.14 million baht, with details as follows:

Directorial Compensation, 2015

No.	Name	Board of Directors Pension Cost	Board of Directors Allowance	EXCOM Allowance	Investment Committee Allowance	Audit Committee Allowance	Risk Management Committee Allowance	Nominating and Remuneration Committee Allowance			Total
								Good Corporate Governance Committee Allowance	Remuneration Committee Allowance	Good Corporate Governance Committee Allowance	
1	Mr. Choedchu Sophonpanich	900,000	480,000	960,000	960,000	-	-	-	-	-	3,300,000
2	Dr. Siri Ganjaremdee	450,000	240,000	480,000	480,000	-	-	160,000	-	-	1,810,000
3	Mr. Sunthorn Arunanondchai	450,000	240,000	-	-	400,000	-	-	-	-	1,090,000
4	Mrs. Komkai Thusaranon	450,000	240,000	-	-	200,000	120,000	-	320,000	-	1,330,000
5	Assoc.Prof. Damrong Thawesaengkulthai	450,000	240,000	-	-	200,000	-	-	160,000	-	1,050,000
6	Mr. Praphant Asava-aree	450,000	240,000	-	280,000	-	320,000	-	-	-	1,290,000
7	Mr. Chai Sophonpanich	450,000	240,000	-	-	-	-	40,000	-	-	730,000
8	Mrs. Ruchanee Nopmuang	450,000	240,000	-	-	-	-	80,000	-	-	770,000
9	Ms. Pochanee Kongkalai	450,000	240,000	-	-	-	-	-	-	-	690,000
10	Mrs. Savitri Ramyarupa	450,000	240,000	320,000	-	-	-	-	-	-	1,010,000
11	Mrs. Prapaiwan Limsong	450,000	240,000	-	-	-	-	-	-	-	690,000
12	Mr. Kazuhide Toda	450,000	240,000	-	-	-	-	-	-	-	690,000
13	Mr. Yuichi Honda*	-	160,000	-	-	-	-	-	-	-	160,000
14	Mr. Naoki Ban*	450,000	80,000	-	-	-	-	-	-	-	530,000
15	Mr. Takeshi Fukuda	-	-	-	-	-	-	-	-	-	-
16	Mr. Chone Sophonpanich	-	-	-	-	-	-	-	-	-	-
Grand Total		6,300,000	3,360,000	1,760,000	1,720,000	800,000	440,000	280,000	480,000	-	15,140,000

Remarks: * Mr. Yuichi Honda was elected as Director to replace Mr. Naoki Ban, whose term ended on 29 April 2015

1.2 Executive Compensation

Remuneration for Executive Officers consists of salaries and annual bonuses depending on work performance and are comparable to those of companies in the same business category, in proportion to growth in profitability and business value. Remuneration has been satisfactory in taking care of executive officers and inspiring them to performance levels which achieve their goals. Remuneration paid out to 6 executive officers in 2015 amounted to 42,804,290 baht.

2. Other Remunerations

2.1 Stock Options

The Company provides legal documents granting its employees the right to buy ordinary shares according to seniority, position and responsibility. The proportion of stock options distributed to Executive officers amounted to 15 percent of all stock option documents.

2.2 Pension Fund

(Please see details in the Notes to Financial Statements on page 143)

3. Dividend Policy

Company policy is to pay a dividend of no less than 25 percent of the total net profit after tax, but there may be no deficit. Board of Directors may pay interim dividends to the shareholders when it appears that the Company is reasonably profitable enough to do so, and to be reported to the meeting of shareholders in the following meeting.

Remarks: Under the Life Insurance Act B.E.2535 (Revision no.2, Year 2008), payment of Company dividends must be approved by the Office of Insurance Commission (OIC).

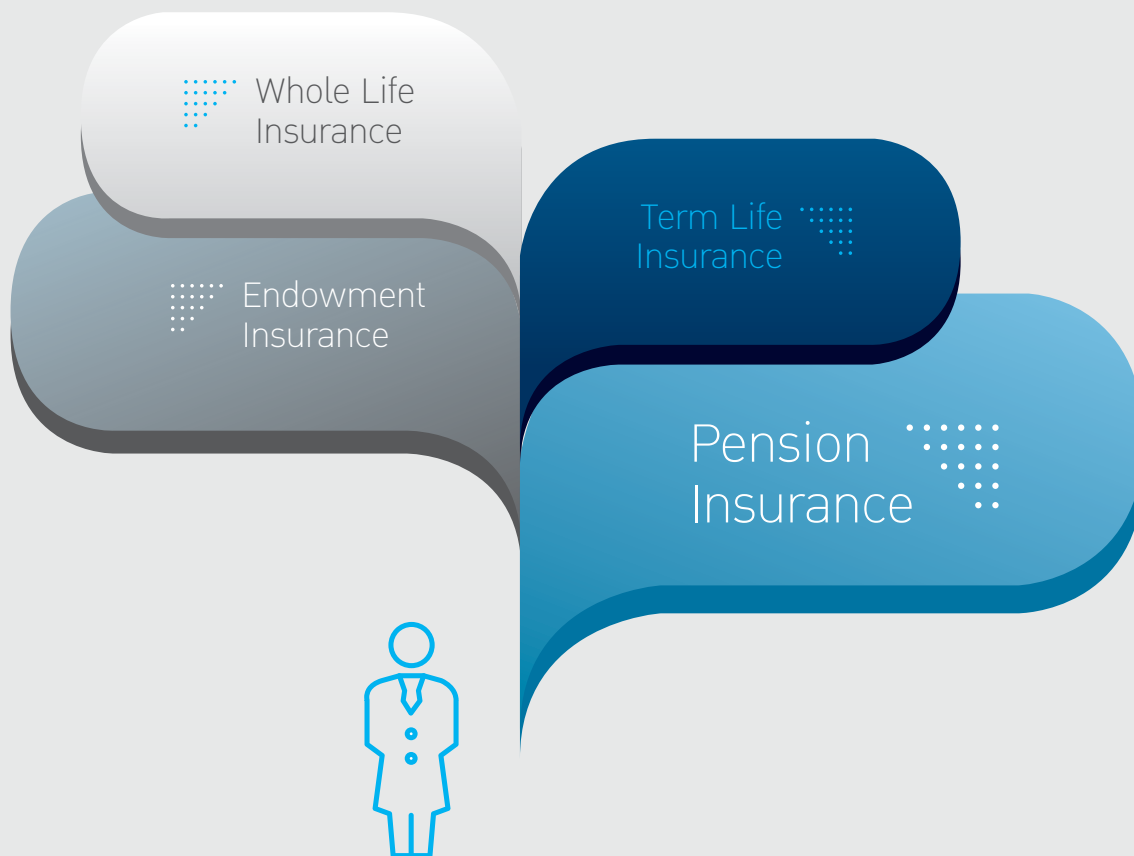
Products and Services

Products

Bangkok Life Assurance develops products which provide integrated financial planning solutions for the public, covering all aspects of financial planning to meet consumers' financial needs and life values. These products are developed to help people making financial plan to comfortably cope with changes that come with each stage of life even when unexpected events to arise.

In 2015 the Company developed the new product "BLA Unit Pension" an innovative solution for retirement planning which enables people to cope with an aging society or spend retirement years as they want. This includes

products developed to care for family's income providers or business owners to ensure that the family or business can continue even when they faced with a total permanent disability and unable to earn a living, as well as products which helps to lessen the burden of the people's health care costs, with assurance that these products meet people's needs in both the short and long term, allowing them to live happy lives and maintain stability in business operations.



Service

The Company focuses on quality of service to customers and partners through a variety of channels; bancassurance, agents, and direct sales, to provide consumers knowledge and understanding about financial planning. The Company worked to develop these channels in order to reach out and be able to give effective service to every consumer group, which received a recognition award for two consecutive years from the Consumer Protection Board (CPB).

In 2015 the “BLA Best Service” service strategy was established to giving the highest satisfaction to policyholders with great service mind. More customer service channels were developed, including the internet, smart device applications, and SMS. Also, in 2015 more branch offices became ISO certified, as the Company received certification for compliance with ISO 9001: 2008 standards for all 75 branch offices across the nation.

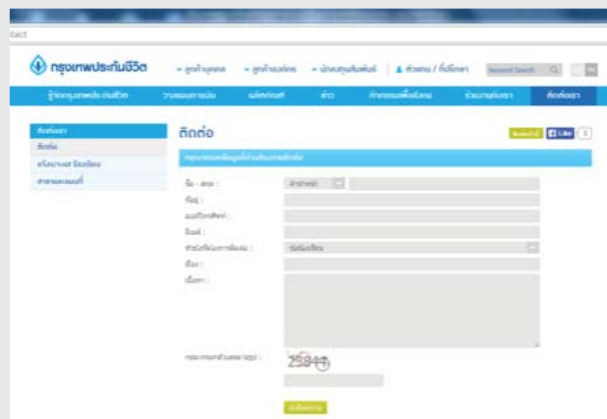
The Company increased the number of customer service center and improve the standards to make services more convenient, establishing divisions responsible for providing information, handle issues, and solve problems for customers as follows:

- 1. A Call Center** which operates by well-informed staff that ready to provide information on life insurance and financial planning. Service hour is every day except holidays from 8:30 A.M. to 7:00 P.M. at phone number 0-2777-8888.
- 2. A Customer Service Center (CSC)** to provide one-stop services for walk-in customers at the Company headquarters, and also other channels such as by phone, corporate website, facebook, e-mail, or by post. Service hours for both CSC and the Complaint Unit is Monday through Friday from 8:30 A.M. to 5:30 P.M.
- 3. The Company’s 75 branch offices** are open from Monday to Friday from 8:30 A.M. to 4:30 P.M. and Saturday from 8:30 A.M. to 12:00 A.M.



Pictures of the Customer Service Center and customers' complaints handling and resolving issues counter service.

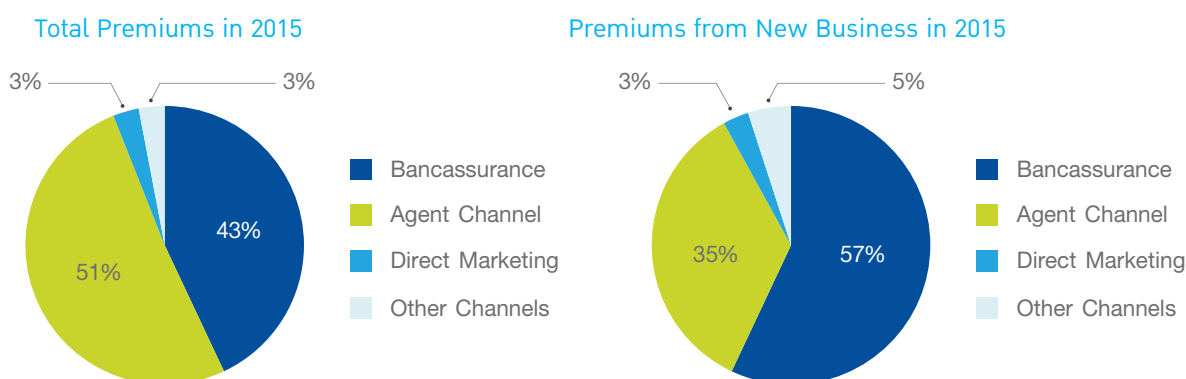
The "Contact Us" page on corporate website, www.bangkoklife.com which provides a channel to report issues and submit a complaint via online and postal.



2015 Life Insurance Business Overview

The life insurance business exhibited steady growth throughout 2015. Total premium income totaled 537,509 million baht, an increase of 7 percent from the same period last year, with premiums from new business accounted for 171,420 million baht, a 0.4 percent increase from the previous year, and renewal premiums was 366,089 million baht, up 10 percent over last year.

Proportion of Premium Income by Sales Channel



Source: The Thai Life Assurance Association

In 2015 more than 51 percent of total premium, or 274,717 million baht, derived from agent channel, which was the main sales channel. The total amount represented a 6 percent increase from the previous year, followed by bancassurance, with premiums earning 228,550 million baht, at 43 percent; here there was an 8 percent increase in income. Direct marketing accounted for 3 percent, or a total 15,741 million baht, up 3 percent from the previous year, and premiums from other channels accounted for 3 percent or 18,501 million baht, up 5 percent over 2014.

Looking at new business the Company generated, 57 percent of these premiums came from bancassurance, accounted for 97,390 million baht, down 3 percent from last year. Followed by agent channel which generated 60,655 million baht, or 35 percent, with an 8 percent increase from the previous year. Direct marketing brought in 4,896 million baht, or 3 percent of the total, down 8 percent from the previous year. Other channels accounted for 8,479 million baht, or 5 percent of the total, but represented a 6 percent decrease from 2014.

The top 7 life insurance companies with the highest total premium in 2015 are ranked as follows:

Market Share of Total Premium			Market Share of New Business Premium		
Ranked	Company	Market Share	Ranked	Company	Market Share
1	AIA Co., Ltd.	22.2%	1	Muang Thai Life Assurance PCL	22.1%
2	Muang Thai Life Assurance PCL	16.4%	2	AIA Co., Ltd.	15.3%
3	Thai Life Insurance PCL	12.7%	3	Krungthai AXA Life Insurance PCL	10.8%
4	Krungthai AXA Life Insurance PCL	10.2%	4	Thai Life Insurance PCL	10.3%
5	SCB Life Assurance PCL	9.9%	5	SCB Life Assurance PCL	10.2%
6	Bangkok Life Assurance PCL	8.3%	6	Bangkok Life Assurance PCL	8.0%
7	Allianz Ayudhya Assurance PCL	5.4%	7	Prudential Life Assurance PCL	4.8%

Source: The Thai Life Assurance Association

This year written premium growth in the industry was not as high as in 2014. This was due to most companies having rather strongly reduced sales of short-term single premium endowment plans, so as to fit in with the state of the economy and people's purchasing power. However, the renewal premiums collection rate remained firm at 83 percent, as people increasingly saw the importance and necessity of life insurance. Over the last year the increase in business, besides receiving support from the government with tax deductions on premiums, was propelled by other factors, as listed below.

Factors Supporting Business Growth in 2015

1. Continual development of new market products to stimulate business growth, most especially health coverage products and coverage plans for the elderly, since these are increasingly in demand, following trends in Thailand towards an increasingly aging population and rising medical costs. Added to this is the fact that with medical advances, people live longer, and benefits provided by the government will no longer be enough to cover living expenses in retirement years. Most of the population is aware of the need to build security to ease concerns over health care costs, and make a savings plan for post-retirement purposes so as not to burden their offspring. Here the life insurance industry can step in to play even more important roles: besides providing a significant national repository for savings, it can provide not only relief for the public sector but also another way to bolster the security of Thai families.
2. Development of the quality agents, which helps enhance the image and raise the professionalism of agents, resulting in more customer confidence and trust in the business.
3. Increased development of sales channels, creating more opportunities to reach out widely into various customer groups. At present, besides bancassurance and the agent channel, there are telemarketing, direct response TV marketing, online sales, and sales through brokers. All this enables the public easy access to life insurance and gives them a wide variety of choices along with much more convenience.
4. Extension of insurable age for renewal policies to offer a longer-term coverage for customers.
5. Development of technology to help provide efficient support for sales and customer service. This may come in the form of applications agents can use as sales tools, development of support services, or development of corporate website to help encourage customers to follow up on information and products that meet their needs more easily.
6. Development of the "customer counter-service" channel, with contact service spots within shopping malls to facilitate premium payments, paying out claims, and other services.

2015 Company Marketing Performance

In 2015, the Company continued its commitment in helping Thai people understand the value of life insurance and providing the right insurance plans that suitable with their finances and life value. In this regard, the Company continued development of systems and personnel along with implementing core marketing strategies over the past year as follows:

1. Continuous development of new products

So that customers will have more options to manage risks and comply with their needs at each stage of life, the Company has done continuous customer research and never ceased to develop new products that provide utmost benefits and meet the needs of customers with a wide variety of coverage plans including tax planning, income protection plan, endowment and investment plan, education plan, pension plan, health and accident plan, insurance planning, and mutual fund. Products newly introduced in the past year include the following:

- The group health insurance plan “Health 1st,” with eight plans to choose from, insurable age of 18 to 59 years old, offering daily compensation for IPD, and medical fees for both IPD and OPD.
- The “BLA Protect 2 Plus” term life insurance plan provides total permanent disability and life coverage, insurable age up to 75 years old.
- The rider plan “BLA Health Plus” offers full 365-day healthcare and insurable age of 6 months to 65 years old (maximum coverage period up to 80 years old). This plan provides outpatient coverage after leaving the hospital, outpatient care for kidney dialysis, chemotherapy, and radiation therapy are also covered.

2. Agent Development

In addition to setting up developmental training courses in life insurance for insurance agents and department heads, the Company has also organised Securities Investment Consultants training courses for agents to become registered Securities Investment Consultants continuously. The Company currently has nearly 1,000 professional financial advisors who have been trained by leading institutions and licensed by the Securities and Exchange Commission (SEC).

The Company also encourages agents to escalate their professional qualifications and become Certified Financial Planners (CFP) or consultants (Associate Financial Planner Thailand, AFPT), raising the professionalism of Company representation. The CFP[®] can provide customers with comprehensive financial and investment planning services regarding life insurance, income tax, estate and inheritance tax planning, and retirement. Both consultation and every aspect of planning are offered to help clients achieve their desired financial goals and have happy post-retirement years. An AFPT[™] certified consultant who is professionally qualified to prepare plans and offer financial advice in two areas: investment and life protection.

3. Expanding Sales Channels

Besides through bancassurance, sale agents, direct response television (DRTV) and telemarketing channels, which are continually evolving, the Company is currently improving an online channel, in order to increase opportunities to reach a wider variety of potential customers.

4. Developing Technologies to Support Sale Agents

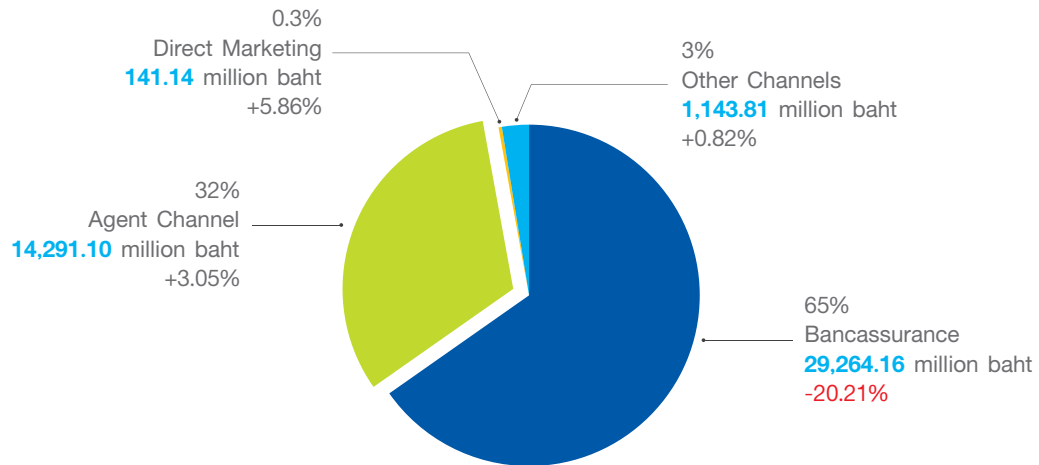
The Company has developed a “Smart Application” for sale representatives to use for arriving at quotations, following up on data requests, including information on clients currently under the agent’s care. The system will help with convenience and speed of service and increase competitiveness. The customer can use it as a way to verify policy information more quickly and conveniently.

5. Marketing Communications

In 2015 the Company utilised a complete array of marketing communications, including mass media, public relation, advertising, and greater expansion of its customer base through online communications. This was done to strengthen the Company's image, building awareness and brand recognition of Bangkok Life Assurance. It involved communicating the Company's vision through the brand campaign "Every Change In Life Always Brings A Good Opportunity." which communicated to and encouraged awareness in the public of the importance of financial planning for every stage of life. With the right preparation, each change that comes will be an opportunity for each of us to enjoy new things, with no need to worry.

The overview of this year marketing performance, the Company had a total premium income of 44,840.22 million baht, down 13.45 percent from the previous year. Premium income from new business totaled 13,627.20 million baht, a decrease of 28.54 percent. Renewal premiums accounted for 31,213.02 million baht, down 4.67 percent from last year's figure. The following diagram shows the proportion of premium income by sales channel:

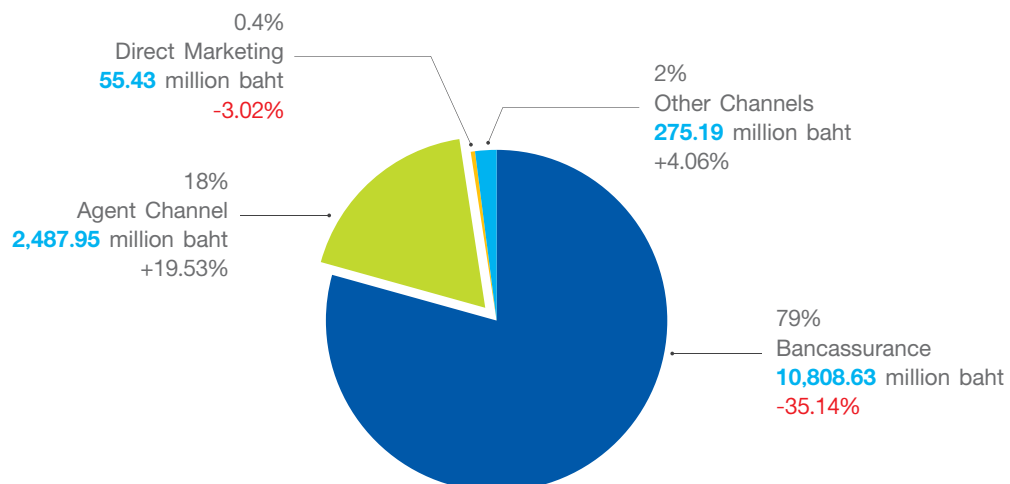
Chart of total premiums by sales channel in 2015



65 percent of total premium income derived from bancassurance followed by agent channel at 32 percent. An additional 0.3 percent and 3 percent of the total premiums are accounted for by direct sales and other channels, respectively.

For new markets expansion, the proportion of premium income by sales channel as shown here:

Premium income from new business by sales channel in 2015



2015 Company Marketing Performance

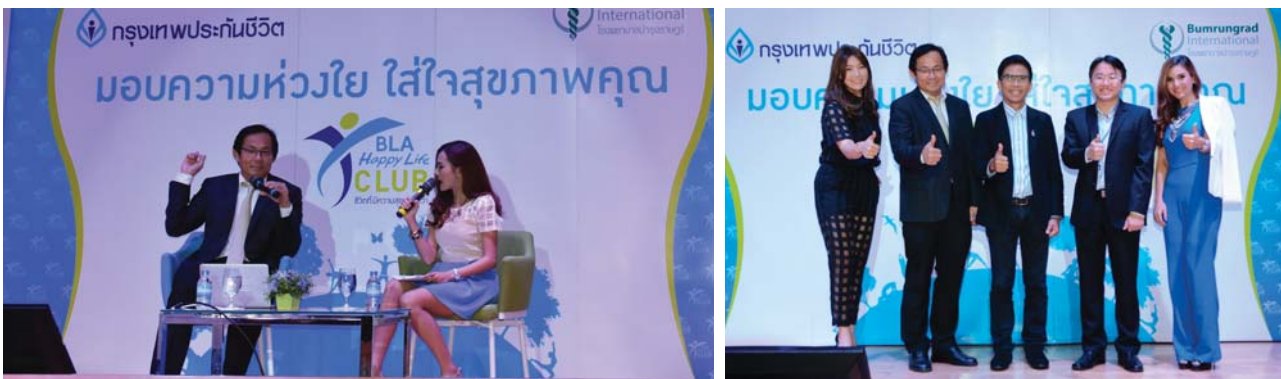
79 percent of the new business premium income derived from bancassurance. The core products were endowment plan and credit life. Over the past year the growth of this channel decreased, resulted from reducing sales of single premium policy. Proportion of premium income from new business through agent channel was 18 percent, an increase of 19.53 percent from the previous year. High growth products including BLA Unit Pension, a pension policy, which launched from the end of the year 2014 and BLA Health Plus the health rider launched in 2015. Direct sales channels accounted for 0.4 percent of premium income, slightly decrease from the previous year, and another 2 percent derived from other channels.

Overall, there was lower premium growth in 2015 due to the Company's adjusting sales administration policy, reducing sales of short-term single premium product, in order to spread the risk of seeking returns on investment, and to fit in with the state of the economy, consumer purchasing power, and market situation, where there is a trend toward expansion in a single direction, with the Company focusing more this year on promoting products for the elderly and those in need of extensive health coverage.

6. CRM-Customer Relationship Management

In 2014, Bangkok Life Assurance established BLA Happy Life Club in order to thank and deliver more value to its customers and their families who put their trust in the company as a comprehensive financial planning advisor. The aim is to enhance customers' happiness through a variety of privileges including store discounts from leading product and service providers nationwide and activities that organised to meet customers' needs and interests such as healthcare, entertainment, learning activities, and so on. The Company also focuses on improving customer database and keeping information current in order to offer efficiency service and maintain customer satisfaction.

- Happy Health: Enabling healthy living with "Obesity-Free Lifestyle" activity.



- Happy Song: Spend a memorable evening with "Wonderful Blue Party", a thank you party dinner cruise along the Chao Phraya River.



- Happy Cooking: Enjoy BLA happy cooking class with delicious and practical recipes.



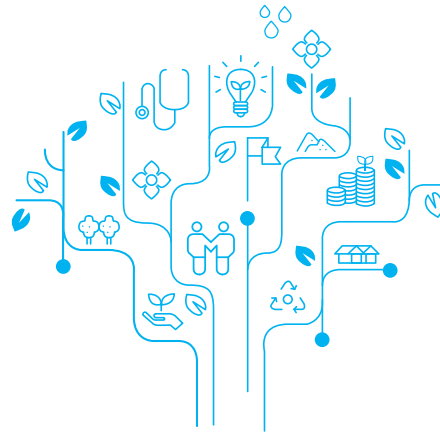
- Happy Learning: Experience a traditional “Simple Living” lifestyle and enjoy learning activities for families and youth.



BLA Happy Life Club membership reward giveaway to lucky customers.



Corporate Social Responsibility



Starting point for Sustainability

Bangkok Life Assurance aims to build security for the Thai people, operating the business with morality in accordance with the good corporate governance principles and managing the rights and benefits of those involved with transparency, ethical integrity, and accountability at the same time as creating value for all concerned parties. The Company gives importance not only to the economic side or for financial return, but also to society and the environment. This reflects the organisation's vision, values, and corporate social responsibility policies, which provide a framework of sustainable development to which it always adheres.

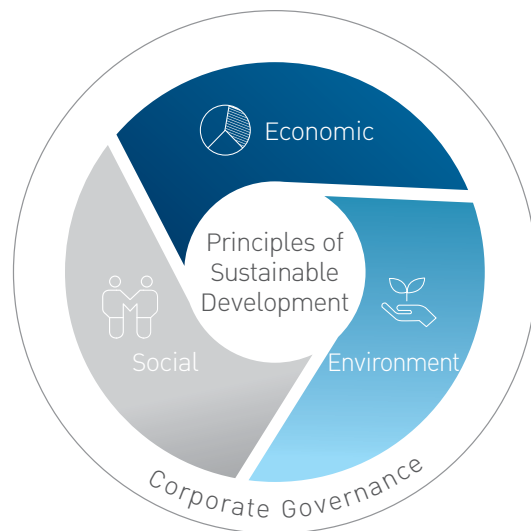
The Company continues to operate with a view to elevate the economy, creating environmental awareness and enhancing social value. This resulted in its 2015 selection by the Thaipat Institute to receive the "ESG 100" as one of the 100 SET listed companies outstanding for sustainable business development operations in the areas of environment, society, and governance. This is an important starting point and a driving force for the Company to move forward to creating shared value for business and society.

Commitment to Stability and Sustainability

As a starting point on the road to sustainability, the Company encourages happiness within the organisation includes employees, sale agents, financial advisors, and reaches out to our partners, business allies, public and private sectors, and the general public.

This begins by encouraging employees to create a happy work-life balance through "Happy BLA Home" program under a concept of Happy Workplace. This includes a variety of activities in 8 aspects, "Happy Body", "Happy Heart", "Happy Relax", "Happy Brain", "Happy Soul", "Happy Money", "Happy Family", and "Happy Social". This marks the third consecutive year of continued activities according to the "Happy" principles.

Accordingly, the Company has firmly established business operations under a framework of sustainable development through creating stability in the lives of people of all ages, to bring about sustainable happiness for all. The Company also carried out activities and collaborated with our partners and general public in caring for the environment and natural resources continually. In order to help building stability in people's lives, the Company has established guidelines for corporate activities according to the following two aspects:



“Live as You Design”

With the aim to provide integrated financial planning knowledge for people of all age groups. This is done through consultation and sharing of knowledge about financial products to support their financial needs. These activities will enable people to attain fundamental knowledge and be able to make financial plans suitable for their situations and life values, resulting in stable lives.



“Happier Life”

Focuses on creating happiness and enhancing the quality of life for people in society as well as the organisation’s staff. Various corporate social responsibility activities has stemmed from this idea include educations and learning, healthy living, Thai Cultural heritage conservation, elderly caring, and environmental awareness.



Operational sustainability Plan



CSR implementation plan for employees' sustainable happiness

Happy Social

BHAPPY³ Project

Bangkok Life Assurance PCL, Bangkok Insurance PCL, and Bumrungrad Hospital joined force to create activities under B HAPPY³ Project in order to develop conservation mindset and environmental awareness as well as enhance relationship among the executives and employees. 2015 activities are as follows: "Protecting Thai Marine", a conservation activity includes fish releasing and coral planting at Toey Ngam Beach, Royal Thai Marine Corps in Sattahip, Chonburi. "Growing Happiness", an organic farming activity with "sufficiency" methods, giving the participants an opportunity to practice a chemical-free rice cultivation and planting organic vegetables as well as growing vertical plants using waste materials. The activity was in coordination with Singburi College of Agriculture and Technology.



Happy Money

BLA Happy Market

An annual event established to encourage employees to manage money wisely by buying and selling handmade or quality second-hand goods at BLA Happy Market during lunch break.

BLA Unit Pension Welfare program

As Thailand is stepping into an aging society, the Company has motivated and encouraged employees to prepare for a comfortable life in retirement. The welfare program was designed to provide a retirement plan and support system to cultivate money-saving habits for employees.



Happy Family

“Mother” Essay

This activity is to promote family’s bonds and encourage remembrance of the mother’s love on Mother’s Day by holding an essay competition on the topic “mother.” Employees submit compositions expressing their heartfelt impressions to their mothers which gave the fellow employees and judges a tremendous appreciation.

Happy Soul

Spa jai (Mental Healing) Activity

The program was held 4 times a year to promote wellness, peace of mind and tranquility as well as enhance relationships among executives and employees of Bangkok Life Assurance PCL, Bangkok Insurance PCL, and Bumrungrad Hospital through meditation and dharma practice at the Sang Dham Song Che Vit dharma retreat in Nakhon Ratchasima.

Happy Body

Provides annual health check-up for all employees.

Happy Brain

Internal and external training sessions for employees: a total of 248 courses were held in 2015 Corporate knowledge management through the KM (Knowledge Management) Project.

Happy Heart

Sharing happiness through social contribution activities :

Tuk Serm Term Boon Activity “Sai Yai Ai Un” (“the tie that warmly binds”)

The program started from 2014 with the aim to bring happiness to cancer patients in National Cancer Institute. The employees who join the activity have made hand-knitted hats and scarves for cancer patients, the equipment costs were also supported by the Company. In 2015, 129 hand-knitted presents were delivered to the patients.

Blood Donation Activity on National Life Insurance Day

Blood donation is a simple act of kindness that can helps save millions of lives, therefore, the Company held a blood donation activity regularly, 4 times a year and also on special occasions such as National Life Insurance Day to donate blood for the Thai Red Cross Society.



Happy Relax

Life Insurance Sports Event (2nd year)

To bring people together in tandem, The Office of Insurance Commission (OIC), the Thai Life Assurance Association, and life insurance companies have joined force to organise a sport event to strengthen relationships among people in the insurance business include executives, employees, and their families. The event featured sports competitions, parades, cheerleading, and recreational games and held at the Indoor Stadium at Hua Mark.

Employees Birthday

The Company delivers presents and cards to all employees on their birthdays, along with SMS messages to their mobile phones wishing them well.



CSR activities under the concepts “Live as You Design” and “Happier Life”:

Happiness . . . in helping the Thai people with integrated financial planning

Bangkok Life Assurance is happy to share knowledge and provide counseling service on integrated financial planning to all. The Company believe that financial planning is a fundamental and important factor to create stability in life, and advice people to make financial plans that meet their needs and life values by ensuring life protection and wealth creation for themselves and their loved ones.

In 2015, the Company focused on personnel development training to improve personal skills and also for the benefit of the general public as follows:

- **Employees, life insurance agents, and financial advisors skills development trainings**

1. Internal and external training courses and scholarship programs for Employees. A total of 248 training courses were held in 2015.
2. Together with partners such as BBL Asset Management Co., Ltd, Bangkok Insurance PCL, and Bangkok Bank PCL, the Company provides knowledge development for life insurance agents to improve their expertise in financial planning and encourage them to become professional financial advisors, so they can support people’s financial planning needs comprehensively.

- **Developing products that will answer the public’s need for financial planning.**

1. As Thailand is stepping into ageing society in the next decade, the Company has developed “BLA Unit Pension”, an innovative retirement pension plan to help people financially prepare and able to enjoy good quality of life in their retirement years.
2. To support the need for further protection, “BLA Protect 2 Plus” a life, accident and total permanent disability insurance plan was designed for individuals at a life stage facing high financial responsibility such as breadwinners and business owners. This is to ensure that even when they faced with an unexpected event and unable to earn a living, their loved ones will be secured without worry.

- **Providing financial knowledge and counseling service on financial planning that suitable with people’s lives value in accord with the Company’s mission.**

The Company held financial knowledge sharing seminars and financial planning activities by life insurance agents and financial advisors throughout the year, nationwide. The events include Money Expo in Chonburi, Had Yai, Bangkok, and Chiangmai, The National Life Insurance Day, SET in the City, and Thailand Smart Money.



Happiness . . . in supporting good health for Thai people

Good health is fundamental element for a happier life. Bangkok Life Assurance, therefore supporting good health for the public through a wide variety of activities, including support the athletes who enhance the nation's reputation and serve as examples to encourage people to take better care of their health.

• Bangkok Life Assurance Half Marathon 2015

Bangkok Life Assurance PCL, together with Bangkok Metropolitan Administration and the Department of Health, Ministry of Public Health announced the “2nd Bangkok Life Assurance Charity Half Marathon ,” celebrating the Company entering its 65th year by reaffirming its intention to provide happiness through good health for the Thai people. All proceeds went to support the “BLA Healthy Parks” project, which providing exercise equipment as well as proper usage instructions in public parks across the country



• BLA Healthy Park

This project derives from the Company's corporate social responsibility policies. It promotes good health by providing the public across nation with places and equipment to exercise, along with instructions for proper use with cooperation and guidance from the Department of Health, Ministry of Public Health in obtaining equipment and providing exercise methods for people of all ages and genders in community. The first location for this project was at The 80th Anniversary His Majesty King Bhumibol Adulyadej Park in Phitsanulok Province, which accommodates large numbers of visitors on daily basis.



- **BLA Happy Life Thai Boxing Aerobics**

To promote awareness of the importance of exercise, Bangkok Life Assurance, together with the Department of Health's Division of Physical Activity and Health, Ministry of Public Health organised Thai boxing aerobics activities to promote fitness for the third consecutive year. In 2015, the Company joined force with the Department of Health and 12 health centers across nation launched "BLA Happy Life Thai Boxing Aerobics" instructing people in communities the right ways to exercise. The instructors were recruited from the project during 2013 – 2014 and also certified by the Department of Health. There were more than five events, and participated by over 1,500 people at more than 30 locations nationwide.

- **Support Thai Athletes in Readiness Preparations for 28th SEA Games Singapore 2015**

Bangkok Life Assurance provided life insurance policies to give support and encouragement to Thai athletes, coaches, and staff in the 28th SEA Games, Singapore, with total sum assured of 133 million baht. This was meant to contribute to their fullness of preparation and confidence in training in order to bring victory to Thailand. Additionally, to promote awareness among the Thai people of the importance of physical exercise as well as bringing Thai sports up to a world-class level.

- **Support the Long-Boat Racing team "Khelang Nakhon Bangkok Life Assurance" Under 40-paddles Category**

Provided accident and life insurance with total sum assured of 5 million baht to the racing team to build confidence in training and competing throughout the year.

- **Cycling Events in Honour of Her Royal Highness Princess Maha Chakri Sirindhorn**

The Department of Health organised cycling events in 12 health centers, 77 provinces in honour of Her Royal Highness Princess Maha Chakri Sirindhorn's birthday. The events took place from March 29 to May 3, 2015 with the aim to encourage the general public to adopt cycling for their exercise routine. Employees and life insurance agents from Bangkok Life Assurance along with more than 15,000 people participated in the events.

Happiness . . . in providing educational necessities for the youth

Bangkok Life Assurance believes in the importance of providing a healthy, safe, and supportive learning environment for children. Such an environment reinforces and enhances children's well being and shapes their development to become a driving force for our community, society, and nation in the future. Therefore, the Company created projects such as "A Brighter Future for Children" (9th year) to facilitate children's learning environment in schools, and the "Clean Drinking Water for a Happy Life" to install water filters and hygienic water storage systems for good health the youth. These projects also create good and supportive relationships among employees, agents, financial advisors, schools and the communities.

In 2015, Water Filters Were Installed

In **14** Locations

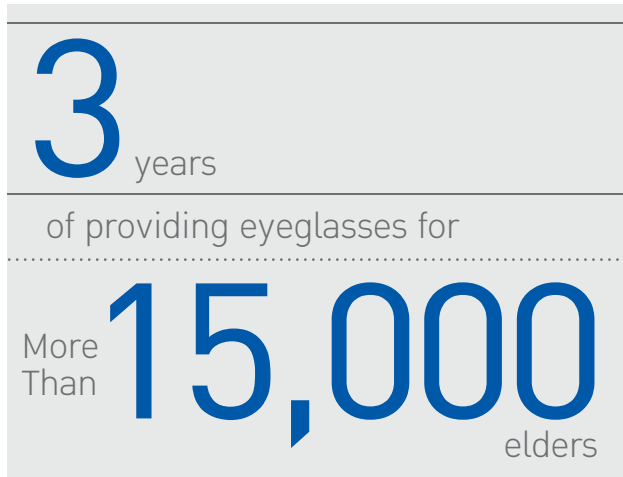
Provided Clean Drinking Water to

More Than **3,500** Students



Happiness . . . in bringing joy to the elderly

As we are facing with demographic change, aging population has emerged as a major trend. Bangkok Life Assurance has foreseen the need to prepare for the old age and promote a good quality of life for the elderly through “Bangkok Life Assurance Brightened Up the Elders’ Vision” Project.



For over three years, Bangkok Life Assurance held activities to provide eyeglasses as well as health check-ups for elderly, caring for more than 15,000 senior citizens nationwide. The Company has continued the activities annually as we believe that having a clear vision will enhance happiness and bring enjoyment in the elders’ life greatly.

Happiness . . . in preserving the cultural heritage of Thailand

Thai culture and traditions are values that the Thais must preserve and passed on to future generations. These are our national identity, a powerful unity, and the common happiness of people in societies. The Company therefore, encourages and carries on cultural traditions so that they can transmitted from generation to generation and enrich people’s lives. In 2015, Bangkok Life Assurance’s executives, employees, and life insurance agents joined their communities in continuing traditions across nation, taking part the celebration of Chinese New Year 2015 at Pak Nam Pho, Nakhonsawan, under the title of “99 years Power of Faith, Pak Nam Pho Guardian Spirits Tradition Heritage Festival”, Candle Festival on Buddhist Lent, an event with a long history for over 100 years in Ubon Ratchathani Province, the Long Boat Races in Phichit Province, and the Vegetarian Festival in Phuket Province.



Happiness . . . in giving back to the nature and environment

Bangkok Life Assurance is aware of environmental destructions and pollutions that human's activities cause. Consequently, the Company works to build consciousness and make positive changes in the environment as the ways to give back to the nature. This includes conservation of irreplaceable natural resources, forest and water supply restoration, and improving environmental conditions in communities. 2015 marked the third year of "BLA Happy Life Go Green" project that Bangkok Life Assurance, in cooperation with the Foundation for Environmental Education for Sustainable Development (Thailand), also known as "FEED" in implementing the Company policies on society and the environment. The purpose of this continued project is to create a sense of responsibility for the environment in the youth, who are the future of the nation, instilling an awareness of the value of nature and the environment, reduce waste, reuse and recycle for a sustainable future.



- **4th BLA Happy Life Go Green Project**

For the fourth "BLA Happy Life Go Green" event, the Company led a team of young volunteers to Salakpra Wildlife Sanctuary, which is an important wildlife refuge in Thailand to learn about the lives of wild animals, so as to build true consciousness of nature in the youth's. Activities required participants to use all 5 senses, including seeing animal footprints, hearing animal sounds, experiencing scents, truly touching nature, tasting various naturally-growing plants, building weirs for water control, repairing fire trails, and exchanging thoughts and experiences in discussions led by rangers of the Salakpra Wildlife Sanctuary. This process was designed to create bonds with the nature.

● **5th BLA Happy Life Go Green Project**

The project's fifth event was significantly demonstrating to its young participants the problematic danger of critical drought and flooding. The "BLA Happy Life Go Green" project brought 60 young nature lovers from ten universities to join in to "headwaters forest restoration, a sustainable way to prevent droughts and floods". Participants experienced and learned about the forest ecosystem at Khlong Lan National Park in Kamphaeng Phet Province, acquiring knowledge about causes of drought and floods, as well as participating in restoration and care of the local ecology so as to restore the environment to its former condition. The event location, Khlong Lan National Park is considered a world heritage forest and part of the western forest complex, with the some of the greatest diversity and abundance of life forms to be found in Southeast Asia. Its forest watershed contains many streams, such as Khlong Khlung, Khlong Suan Mak, Khlong Lan, and Khlong Nam Lai, which flow into the Ping river. It is an excellent place to learn about headwaters forest.

Over the past three years, Bangkok Life Assurance has created numbers of novice conservationists ("Ton Kla Nak Anurak") to society, includes 300 participants from more than 35 universities nationwide and over 100 employees from the Company. These conservationists then spread the environmental preservation mindset into communities and universities through their own projects, which are funded by "BLA Happy Life Go Green" program. They are the driving force encouraging wider society of responsibility toward the nature and environmental protection.



Activities of the students who have participated in those programs have been implemented and brought fruitful results to their communities and universities. Here are the examples:

- **The 3R-Junior Waste Reduction Project from Pathumthani University**

The project aims to raise awareness and provide information for children of how to reduce the amount of trash they produce daily by adopting the 3R waste reduction guidelines: Reduce, Reuse, and Recycle. Different containers for different types of waste were provided for schools in Pathumthani Province, as well as various types of media in schools to inform how to separate the trash. They also organised fun and educational activity for elementary schoolers to learn the 3R concept through game.



- **Electricity Consumption Saving Project from Southeast Asia University**

The project aims to tackle global warming issue by promoting comprehensive knowledge about the connection between global warming and electricity production. It includes guidelines for how to use less electricity in daily life and maximise its benefits. Instruction is offered to young people from 10 to 12 years of age, school staff, and general publics so they will be able to share and implement the electricity saving knowledge in daily life.

The “BLA Happy Life Go Green” Internal Project

In accord with corporate response to sustainable development, the Company gives importance in nature and environmental caring, promoting the wise use of resources, being economical, reducing waste, and reusing things with action plans including the following:

- **Energy Saving Program** by switching to the use of T5 electric bulbs in its buildings, which can reduce electrical power by four times for each bulb, and to turn lights off when not in use for example, during daylight hours when personnel is away at meetings, or after working hours.
- **Waste Reduction Program** through training sessions and corporate manuals as well as an informational campaign about conserving the company’s resources. For work operation, requesting cooperation in filing documents electronically rather than in paper format, and reuse of paper. The Company also collected and donated 1,120 unused items to a total of 22 government agencies, schools, temples, and local governmental organisations in 2015.
- **Community Safety Campaigns in various aspects include health, property, and life:**
 - **Waste Separation Campaign** to separate waste into 3 types for different bins: general waste, garbage, and recyclable, with the aim to caring for the environment, employees’ health, recycling, and avoiding the use of pollution-causing materials.
 - **Installation of CCTV cameras** inside and outside office buildings for safety to life and property, reducing risk and protecting against theft for the employees and neighboring communities.
 - **Road Safety Campaign** in coordination with the Ministry of Labour, the Company promote the use of helmet and seat belt while driving as well as putting up caution signage at various points to increase awareness and reduce carelessness in commuting.

With its CSR activities in six aspects, Bangkok Life Assurance is willing and proud to be a part of social contribution. We will continue our activities in sharing joy as well as creating sustainable happiness for all, as we believe that good quality of life will enable people to “Live a Happier Life.”

Company Investment Performance

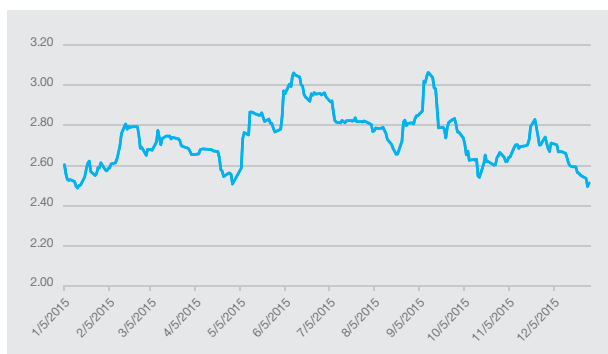
Investment

In 2015, the global economy slowed from the previous year. The United States, in particular, underwent a continued expansion, with a steadily declining unemployment rate which had a good effect on domestic consumption, while the real estate sector was recovering well from a low interest rates policy, resulting in improved consumer and business confidence. The Fed's response was to end the quantitative easing measures, in December 2015 raising interest rates from 0 - 0.25 percent to 0 - 0.5 percent, the first interest rate hike since 2009. In European countries there was an improvement from 2014, but the recovery remained slow, with the European unemployment rate declining but remaining at high level, causing the European Central Bank, or ECB, to further ease monetary policy. Asian countries were negatively affected by the slowdown of the global economy, especially China, where the growth rate fell considerably to below 7 percent, resulting in a continuing and sizeable slowdown of Asian exports. Thailand was negatively impacted by the slowdown of the global economy, particularly China and the Asian, causing exports, which are primary factor driving the Thai economy, to shrink for the third consecutive year. This was coupled with weak domestic consumption, as declining prices of agricultural products in line with falling oil prices, was negatively impact the purchasing power of the agricultural households. This resulted in the Bank of Thailand's Monetary Policy Committee (MPC) to cut policy rate twice, once in March and once in April, from 2 percent to 1.75 percent and 1.5 percent, respectively, to stimulate the economy.

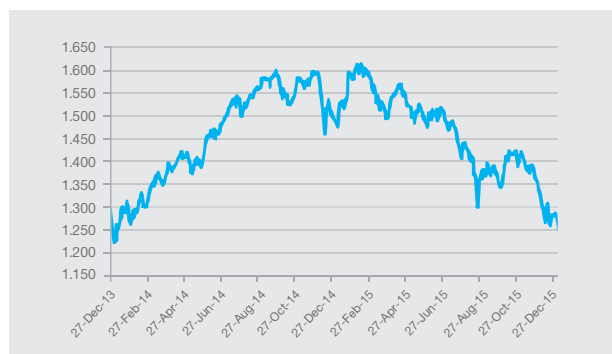
Investment was quite volatile in 2015. On the bond market, Government bond yields fell sharply in March and April because of the Bank of Thailand's interest rate reduction, which was beyond investors' expectation. Then in May to mid-June, bond yields rose on the back of strong sales of foreign investors and a sharp increase in bond yields on offshore markets, especially in the United States. Since then, the bond yield dropped and alternately rose until late November before going down and ending the year with the yield on 10-year bonds standing at 2.51 percent, 0.32 percent less than the 2.83 percent at the end of 2014.

Regarding stock market investment, the SET index was affected by internal and external factors. Early in the year the index rose to reach 1,600 points in mid-February 2015 before embarking on a continuous decline due to concerns that Thailand's economic recovery was less robust than forecast, a drop in exports, and external factors such as concerns over a slowdown in the Chinese economy, a rising trend in United States interest rates, and the drop in oil prices caused by rising production. These factors put pressure on foreign investors to continuously sell Thai stocks. In summary, by the end of 2015 the SET Index closed at 1,288 points, down 14 percent from year-end 2014.

Yield on 10-Year Bonds



SET Index



At year end 2015, the Company's investment assets totaled 240,565 million baht, up from 208,680 million baht in 2014, or an increase of 15.28 percent. Most of these assets, or approximately 77.17 percent, were invested in Government bonds, Bank of Thailand bonds, State Owned Enterprises (SOEs) bonds and high quality corporate bonds. Investments in equities and unit trusts accounted for 6.23 percent, while property funds, infrastructure funds, REITs, and fixed income funds totaled 4.47 percent. The rest are bank deposits and short-term investments which accounted for 5.37 percent and 4.19 percent, respectively.

In 2015, the Company recorded net investment income before gains/losses on foreign exchange of 11,384 million baht, an increase of 1,058 million baht, or 10.25 percent, from the previous year. This was mainly due to the increase in income from interest and discounts which grew in line with investment assets. Likewise, dividend income increased as the Company increased investment in the Property Funds, Infrastructure Funds, and REITs, which all yield favorable returns. In conclusion, the Company recorded the return on investment of 5.03 percent, compared to 5.41 percent in 2014.

Details of investment assets at year-end

	2015		2014	
	Million Baht	Percent	Million Baht	Percent
Cash and cash equivalents	5,314	2.21	5,703	2.73
Promissory notes	29,864	12.40	15,407	7.38
Bonds and Treasury bills	120,127	49.88	114,824	55.02
Debentures	53,710	22.30	46,672	22.37
Unit trusts	13,063	5.42	7,752	3.71
Listed stocks	12,526	5.20	13,536	6.49
Policy loans	5,481	2.28	4,251	2.04
Other loans	658	0.27	484	0.23
Others	70	0.03	51	0.02
Total Investment assets	240,813	100.00	208,680	100.00

Company Performance and Financial Review

Significant Event

Investment in Subsidiary Company (BLA Insurance Broker)

In 2015, the Company acquired additional 1.98 million ordinary shares in BLA Insurance Broker Co., Ltd. at par value of 10 baht per share, total of 19.80 million baht. The subsidiary increased its share capital by 20.00 million baht, resulting in an increase in its registered capital from 4 million baht to 24 million baht. The Company's shareholding equals 99% of the subsidiary's registered and paid up capital.

Operating Result Summary

The Separate Financial Statement

The operating result in 2015, The Company had total net premium written of 44.18 billion baht decreasing by 14 percent from 51.17 billion baht in 2014, as a result of decreasing in net premium receive from bancassurance channel. The growth rate of total net premium written in 2013-2015 were 13.68%, 31.90% and 13.67%, respectively.

In 2015, the growth rate of first year premiums decreased by 35%, with first year premiums amounting to 13.63 billion baht, a decrease from 19.07 billion baht in 2014. This was because in the first quarter of 2014, the Company earned a large volume of single premiums from bancassurance channel, while in 2015 the focus was put on long-term protection plans under which the premium paying period lasts for many years. As a result, first year premiums decreased when compared with 2014.

Net premiums written of 2015 were 44.84 billion baht, a 13% decrease. Total premiums from bancassurance channel to total premiums earned from all channels in 2015 were 65%, while that of agent channel was 32%. When compared year-on-year, the proportion of bancassurance premiums to total premiums declined because of a considerably high growth rate of 2014 first year premiums through bancassurance. In 2014, the proportion of bancassurance premiums to total premiums from all channels was 71%, while that of agent channel was 27%.

In 2015, net investment income totaled 10.17 billion baht. Gains on investments were 1.16 billion baht and gains on revaluation were 80 million baht. They altogether increased by 11% over the previous year. Such increase resulted from a 15% increase in net investment income and a 211% increase in gains on revaluation, and a 23% decrease in gains on investments. Such increase in net investment income was mainly because of an increase in investment assets during the current year.

Underwriting expenses consists of life policy reserves, benefit payments under life policies and benefit adjustment expenses, claims and losses adjustment expenses, commissions and brokerages expenses, sales promotional expenses, other underwriting expenses and operating expenses. In 2015, underwriting expenses was 50.63 billion baht compared with 2014 of 58.24 billion baht. It decreased by 7.61 billion baht or 13%.

Profits before income tax expenses increased by 1.80 billion baht or 58%. Profits before income tax expenses in 2015 and 2014 was 5.02 billion baht and 3.23 billion baht, respectively. Even though first year premiums had negative growth of 29%

which contributed to a 14% fall in net premiums, gains on investments rose 11%. These resulted in a 9% fall in the Company's total income. However, underwriting expenses decreased by 14%. Life policy reserve in particular declined as much as 27%. Thus, profit for the year of 2015 increased. Income tax expenses in 2015 was 0.78 billion baht, increasing by 0.34 billion baht from 2014 which income tax expenses of 0.44 million baht as a result of profits before income tax expenses increasing. After deducted tax expenses, profit for the year at 4.11 billion baht increased by 1.46 billion baht or 55% from 2014 of 2.65 billion baht. Basic earnings per share is Baht 2.42 comparing to 2014 of Baht 1.57.

The Consolidated Financial Statement

The consolidated financial statement for the fourth quarter of 2015 posted a profit of 2.29 billion baht. It increased from the 2.27 billion baht profit posted for the fourth quarter of 2014 by 19 million baht or 1%, as explained in the separate financial statement part. The consolidated profit included a 1.5 million baht loss posted for the fourth quarter of 2015 by BLA Insurance Broker Co., Ltd. ("BLAIB") of which the Company holds a 99% stake.

The profit reported in the consolidated financial statement for year of 2015 was 5.2 million baht lower than what was posted in the separate financial statement as it included a loss incurred by BLAIB during the year.

Financial Position Summary

The Separate Financial Statement

Statements of financial position as at December 31, 2015, the Company had total asset of 249.58 billion baht or increasing 16% from 215.59 billion baht in 2014 which consisted of the investment assets were at Baht 233.70 billion baht accounted for 94% of the total asset.

For liabilities and owners' equity, the Company had total liabilities of 222.58 billion baht increased by 32.57 billion baht or 17% from 2014. The significant increasing is from insurance contract liabilities which recorded at 216.76 billion baht or 97% of total liabilities in 2015. It increased from 2014 at 30.19 billion baht as a result from growth of the Company's performance from life insurance which required the Company to reserve more life policy reserve.

As at December 31, 2015, the Company recorded owners' equity of 27.00 billion baht increasing from 2014 by 6% from 25.58 billion baht. The main reasons were from the increasing of other components of shareholders' equity increased due to retained earnings – unappropriated by 2.79 billion baht or 19% ,the increasing of revaluation surplus of available-for-sale investments – net by 0.23 billion baht or 8% and an decrease in gain from fair value of available-for-sale securities after tax by 1.55 billion baht or 28%.

The Consolidated Financial Statement

As of December 31, 2015, assets slightly decreased 2 million baht and liabilities increased 6 million baht. Owners' equity in the Group's consolidated financial statements was lower than Owners' equity in the separated financial statements amount 8 million baht that equal to loss for the period of BLAIB on mentioned above.

Financial Ratios

Liquidity Ratio

Premium receivable turnovers in 2013-2015 were 16.12 days 12.56 days and 14.01 days, respectively. Premium receivable turnovers were lower than company's policy that have 30-60 days. Premium receivable turnovers closed in each year that mean the effectiveness of the Company's premium receivable and capacity of maintaining in the persistency ratio.

Company Performance and Financial Review

Profitability Ratio

Returns on investments in 2013-2015 were 4.98%, 5.41%, and 5.06%, respectively. The Company had return on investments averaged at 5% in 2558 because gain on investments was lower than the prior year due to the stock market was not satisfactory.

Net profit margins in 2013-2015 were 9.55%, 4.42%, and 7.57%, respectively. Net profit margins were increasing in this year as result as the decreasing in life policy reserves.

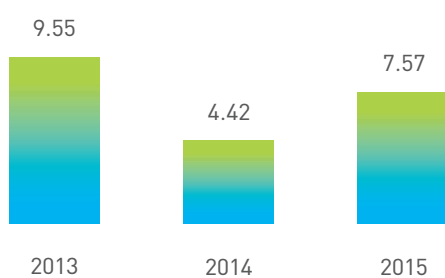
Efficiency Ratio

Return on total assets in 2013-2015 were 2.78%, 1.37%, and 1.77%, respectively. Return on total asset was increasing in this year as result as the increasing in profit for the year.

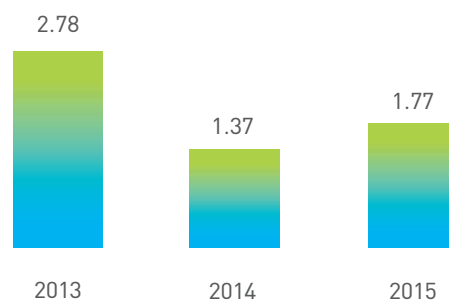
Financial Ratio

Policy reserve to capital funds in 2013-2015 were 80.35, 82.99, and 83.68, respectively. Insurance contract liabilities to investment assets were 0.88, 0.89, and 0.96, respectively. The Company had adequate capacity to repay the obligation to be incurred in the future of the insured.

Net Profit Margin



Return On Total Asset



Trends in Life Insurance for 2016

The Thai economic forecast for 2016 shows the beginning of a trend towards recovery. The 2015 performance of the insurance business suggests that in 2016 the insurance business is likely to continue growing. Since most current Thai policyholders are in Bangkok, the insurance business has great opportunities for growth in the provinces. Added to this is the establishment of the ASEAN Economic Community (AEC), which will result in opportunities for the insurance business to expand even further. Other factors potentially contributing to the growth of the life insurance business are listed below.

1. Revision of the tax structure: Tax decreases will stimulate the public to see the advantages of buying insurance and provide motivation to buy more, especially pension and retirement pension policies. Also, the government promotional effects are helping Thais aware of the importance of health insurance as well as life insurance. Because Thai society is aging rapidly, the Government is looking to focus on such issues as health and life insurance as ways to ease the cost of health needs that may occur in the future.
2. Changing lifestyles: The term “urbanisation” denotes the transition to city life from rural society. As per capita income in Thailand increases, people are spending more. Consumer habits are changing. People in the provinces are spending close to as much as city-dwellers, creating an opportunity for the insurance business to do much more in the provincial markets.
3. Aging population: The percentage of elderly people is steadily increasing, causing most people to think more about retirement planning.
4. Health insurance: Medical costs are rising steadily. Since government benefits are not enough, people are turning to ways of creating their own medical expense benefits.
5. Personal financial planning: This is beginning to be better received by people, especially retirement and tax planning.
6. Bancassurance: Banking provides a good opportunity for business expansion because of its effectiveness and its large customer base, nationwide offices, and because it has earned popular trust, especially in the urban market. This has resulted in continually increasing growth rates through banking channels.
7. New products: The urban market is experiencing high demand for short and medium-term mixed assets. There is competition for new products to suit people’s specific needs.
8. Increased ease of use: This includes customer service both before and after sales that is friendly to different ways of life or current lifestyles, such as expansion of customer service centers into shopping centers and increased customer relations activities. These provide a strategy for maintenance and future expansion of the customer base.
9. Social media: The widespread current use of online media and social media enables quick targeting and wide dissemination of communications, especially to young people of working age, who represent a primary target.
10. Technology: Use of technology to support sales helps in areas from customer retention to recruiting new policyholders, and makes notification of approval and claims services more convenient for many customers.

The multiple factors mentioned above affect the insurance business as follows:

1. **Products:** There is a trend in insurance design towards long-term or retirement savings focused on meeting the needs of customers in the age group 30 and above, and insurance products appropriate for expanding the future customer base for AEC (Additional Extended Coverage). Additionally, types of insurance focused on short-term savings with high yields are attracting market attention because of continuing low interest rates.
2. **The Agent Channel:** The “agent” distribution channel is being developed with technology enabling customers living in our current digital age - therefore likely to be connected to the internet at all times and in all places - to make convenient and rapid business transactions and communications. This also will facilitate agents’ ability consult and

advise clients on financial planning at the same time as banks are freed up to focus more attention on detail and customer service after sales, creating a good understanding of insurance types, and reducing the number of complaints.

3. **Service:** This is beginning to evolve more and more into “one-stop service,” where clients can have all their business needs addressed at a single time, developing applications with various functionalities for smartphones, tablets, etc., giving customers even more speed and convenience literally “right at their fingertips.”
4. **Management:** Insurance companies are preparing for a digital society and, not many years from now, a society of older people. The Company must have up-to-date awareness of its clients’ needs, and design products and services to suit their lifestyles. In addition, many companies are focusing on implementation of responsible social policies for sustainable development, and these will be the foundation for the Company's own stability and sustainable growth as well.
5. **Regulations:** Hand-in-hand with the expansion of the insurance business, all insurance systems must be improved and developed, in accordance with policies and regulations. The Life Insurance Association of Thailand has prescribed policies which will increase the ability to compete on all distribution channels, and promote development of the life insurance business so it will grow steadily and sustainably. The aim for 2015 was for policyholders to make up 40% of the population nationwide. At the same time, the Association has been working with the OIC to revise some regulations which have presented obstacles.

Good Corporate Governance Report for 2015

Dear Shareholders,

Bangkok Life Assurance Public Company Limited conducts its business in a responsible, transparent, and fair manner by upholding its vision in building a strong foundation for all people and towards a sustainable development within the ethical framework and good management. The Board of Directors (“the Board”) believes that strong corporate governance is essential, and therefore has put in place the Company’s business ethics and good corporate governance as the Company’s main policy. The Board entrusts the Good Corporate Governance Committee with the duty to oversee the Company’s conducts which includes imposing policies, guidelines, and assessment measures and ensuring that such guidelines are appropriate and in line with the business sustainability principles, with the overall goal to build confidence among shareholders, investors, and all stakeholders.

In 2015, the Good Corporate Governance Committee adjusted the Company’s corporate governance practices, corresponding to the current business operations and management structure, the Stock Exchange of Thailand’s guidelines, and the ASEAN CG Scorecard’s standards which is the Thai Institute of Directors’ CGR project. The major developments are as follows:

1. Proposed policies and imposed regulations according to the good corporate governance principles.
2. Reviewed the following Company’s good corporate governance guidelines to be in line with global practices and suggestions of the concerned institutions or agencies:
 - 2.1 Reviewed and improved the policy on information security and the regulation on handling inside information and insider trading.
 - 2.2 Reviewed the policy on good corporate governance and the good corporate governance handbook.
 - 2.3 Reviewed and improved the agent code of ethics.
3. Monitored the Company’s practices to ensure that they are in compliance with the corporate governance principles imposed by the regulatory bodies and reported the result to the Board of Directors.

As a result of the Company’s adherence to its ethics and corporate governance standards, and its continual participation in social and environmental responsibility, the Company was granted the following awards and recognitions:

1. Prime Minister’s Insurance Awards 2014 for Excellence in Management, third place, by Office of Insurance Commission.
2. Rated “very good” or “4 stars” under the Thai Institute of Directors’ (IOD) corporate governance rating.
3. Thaipat Institute’s assessment of sustainability development level,
 - 3.1 Rated “level 4 or certified” for anti-corruption practices which represented that the Company has a complete and adequate implementation of its anti-corruption policy with the Audit Committee taking an oversight of an internal audit process.
 - 3.2 Received “ESG 100” certificate which is granted to 100 listed companies outstanding in environmental, social, and governance (ESG) areas for the purpose of assisting investors who take into account companies’ creditworthiness, transparency, and social and environmental responsibility in making investment decisions.



Mrs. Komkai Thusaranon

Chairman of the Corporate Governance Committee

Good Corporate Governance

The Company stresses the importance of following the internationally recognised principles of good corporate governance by committing itself to conduct business with integrity, transparency, accountability, and responsibility to society at large. This helps build trust and confidence among shareholders and stakeholders as well as other involved parties. To this end, the Company has established the policy in Good Corporate Governance, Code of Ethical Conduct and Business Practices which is in line with the “Principles of Good Governance for Listed Companies B.E. 2555 (2012)” promulgated by the Stock Exchange of Thailand, as well as the best practices of the ASEAN Corporate Governance (CG) Scorecard, advised by the Institute of Directors of Thailand (IOD) as a practiced guidance for Directors, Executives, and Employees adhere. Details are as follows:

Policy on Good Corporate Governance, Code of Ethical Conduct and Business Practices

The Board of Directors, Executives, and all Company employees must adhere to these six principles of good governance, which are

1. **Accountability:** Being responsible for one’s own decisions and actions and able to explain or justify the decisions taken.
2. **Responsibility:** Performing the assigned duties with utmost knowledge, expertise and diligence as well as taking into account the regulatory requirements and the highest interests of the organisation.
3. **Equality:** Treating all stakeholders equitably and fairly in a justifiable manner.
4. **Transparency:** Ensuring transparency through examinable business operations and fair disclosure to all concerned parties.
5. **Ethics:** Upholding moral standards and professional ethics when conducting business under the regulatory requirements, the highest interests of the organisation and observing codes of conduct that promote honesty, friendliness and fairness.
6. **Corporate Social Responsibility:** Taking responsibility to address society’s area of concerns.

This policy covers the following six sections:

Section 1: Rights of Shareholders

The Company’s Board of Directors recognises and stresses the importance of its shareholders’ rights through policies of protecting those rights from actions which might discriminate or infringe upon them and encouraging shareholders to make use of their fundamental rights, as listed below:

1. Basic rights of shareholders under the law

- Basic rights of shareholders under the law include the right to receive equal distribution of dividends, amend the Articles of Association, vote, appoint and designate compensation for Directors and auditors, and the right to attend shareholder meetings, etc. Besides these, shareholders have the right to know the current business news, including business performance of the Company.

2. Rights of the shareholder in the Shareholders’ Meeting

Before the Shareholders’ Meeting

- For the 2015 Annual General Meeting of Shareholders (AGM) on April 29, 2015, the Company distributed the meeting notifications in both Thai and English languages twenty-one (21) days in advance, along with attachments which included minutes of the previous shareholders’ meeting, annual report, guidelines for the meeting, and the appointment of shareholder proxies and voting. This was to give shareholders time to study the information beforehand. Additionally, the Company posted the notice of the meeting in the newspaper and on its website (www.bangkoklife.com). No additional agenda was introduced for approval during the meeting other than those specified in the meeting notification.

- The Company granted shareholders the right to submit questions on the information of each meeting agenda before the shareholders meeting date.
- The Company prepared the meeting notification clearly itemising the meeting agenda for shareholders, with stated objectives, reasons, and opinions of the Board for each agenda. For instance,
 1. For a consideration of director appointments, names and curricula vitae of all nominees were provided.
 2. For a consideration of auditor appointment, name of auditor, name of the audit company, level of auditor's experience along with their independence and their service fees were provided.
 3. For an authorisation of dividend distribution, the dividend distribution policy, the amount and percentage proposed to be distributed along with reasons and supporting information were provided.

Shareholders' Meeting Day

- The Company made it convenient to shareholders to exercise their rights and voice opinion by holding the meeting at an easily accessible location. For those shareholders who were unable to attend the meeting, could assign proxy rights to Independent Director or others to cast votes representing them at the meeting.
- During the meeting, the Company allowed adequate amount of time for shareholders to express opinions or ask questions. The Company used a computer system that used barcode technology to register shareholders and to count the votes. With the technology, the vote counting was conducted accurately and quickly to allow prompt announcements to the shareholders of the vote results. In addition, there is a monitoring conducted by independent observers to ensure the meeting was conducted correctly.
- The Company Secretary clearly explained the shareholders of the voting and the vote counting methods. For example, for an election of Directors, the Chairman of the Board would provide ballots for each nominee, one by one, and at which time the shareholders would be given opportunities to enquire and voice their opinions before casting the vote. After all votes were counted, the Chairman of the Board disclosed the vote results of that particular agenda in the meeting room immediately.
- The Company allowed shareholders to exercise their right in electing Directors, individually.
- The Board of Directors and Executives believes attending to meetings is essential, unless there were other important engagements that caused the attendance impossible. At the 2015 Annual General Meeting of shareholders on Wednesday, 29th April, 2015, 14 Directors were present and 1 Director was unable to attend. The President and Executives provided explanations, answered enquiries and listened to suggestions made by shareholders. Besides this, the Company invited Khun Chanchai Sakunkeutsin, an external auditor from KPMG Phumchai Audit Ltd. to the meeting to answer queries that might arise during the shareholders' consideration of authorising the financial statements for the year ending December 31, 2014. The Company also invited Khun Lertsak Suthamporn, an independent legal advisor from Khanung & Partners Law Firm, to take ensure that the meeting was transparent and compliant with the laws and Company's internal regulations.

After the Shareholders' Meeting

- The Company clearly disclosed voting results, by classifying between approvals, disapprovals, and abstentions, after the meeting took place using the "SET Portal" system of the Stock Exchange of Thailand, and published the information on its website on the next business day, as the latest.
- Fourteen (14) days after the meeting date, the Company published a minute of the Shareholders' Meeting on the Company's website. The minute detailed an explanation of the voting method and the vote tabulation procedures which occurred before the meeting began, questions and answers, voting results of each agenda, and a list the Board members who attended and missed the meeting.

Section 2: Equitable treatment of shareholders

The Company treats all shareholders with equality and fairness, including executive or non-executive shareholders, foreign shareholders, institutional shareholders, or minority shareholders. It is important that shareholders be able to trust that the Board of Directors and Executives will utilise their funds in maximising the long-term benefits of all shareholders appropriately. The Board of Directors ensures that all shareholders' rights are protected and that they all get fair treatment. In doing so, the Board of Directors had undertaken the following actions:

Good Corporate Governance

1. Providing Information before Shareholders' Meetings

- The Company directed a provision of information and meeting regulations that are clear and adequate to shareholders before the meeting, at least twenty-one (21) days in advance. In addition, the Company had to publish a complete set of the meeting invitation in both Thai and English on its website for at least thirty (30) days in advance.
- The Board of Directors ensured that the Company informing shareholders of the meeting's rules, voting procedure, and voting rights whereby one share counts as one vote.
- For the shareholders' meeting, the attendees must be informed of a presence of Directors' conflicting interest in any agenda so that the Director would be excluded from the consideration process of such agenda.

2. Protection of minority shareholders

- The Company provided an opportunity for individual or multiple shareholders that in aggregation is no less than 5% of all Company's votes to propose meeting agendas for the shareholders' meeting and to nominate candidates for the directorship role in advance, at least three months prior to the end of the fiscal period. Nominating methods and procedures were published on the Company's website. For the 2015 Annual General Meeting of shareholders, the Company provided the opportunity for minority shareholders to nominate persons for the directorship role during the period from September 29 - December 31, 2014 via www.bangkoklife.com and the Securities Exchange of Thailand's news system.

3. Use of Internal Data and Securities Trading

The Board of Directors has established written rules to prevent a use of internal information and insider trading and has acknowledged the concerned individuals with details summarised below.

1) Preserving Secrecy, and Use of Internal Information

- The Company's internal data always remains confidential by ensuring it is stored in secure places or in the Company's computers under the protection of IT security systems which prevent access to the data by outside parties.
- It is forbidden for an individual to take internal data outside for the purpose of personal gain or to the advantage of an external party.

2) Securities Trading by Board, Executives, and Employees, and Reporting Securities Holdings

- It is forbidden for Directors, Executives, Investor Relations, Head of Accounting and Actuarial Department, or any their related parties to engage in trading or transfer of Company securities or within a 30-days period before and one day after the publication of a financial statements or internal information to the public, as the Company's securities trading during a time when sensitive information is being disclosed could affect the price of those securities.
- Directors, Executives, and their related parties must report to the Securities and Exchange Commission any changes in their securities holdings within three (3) business days after such change.

4. Conflicts of Interest by Directors

The Board of Directors takes great care to protect against possible future conflicts of interest. To this end, it has established policies and methods for ensuring that Executives and their related persons do not use the Company's internal information for personal gain.

1) Possible Conflicts of Interest

Transactions in this category will require approval of the Company's Board of Directors, and the Audit Committee must agree to the transaction. The approval process takes into account the primary benefits to the business as well as how fair and appropriate the transactions are, along with market price. To the extent that any Boards or Executive might benefit from items under consideration, such parties may not participate in these meetings, and are prohibited from casting votes. And to be as fair as possible and in the best interests of the Company, the Company complies with all regulations, notifications, orders, specifications or rules of the Stock Exchange of Thailand.

2) Report on Conflict of Interest of Boards, Executives and their Related Parties

The Company requires Boards and Executives to report their conflict of interest as well as those of other relevant parties, including recently appointed Boards and Executives. All Conflict of Interests must be reported to the Company Secretary within fourteen (14) days of his appointment as a director or executive, and when that data changes, the parties in question are again required to notify the Secretary within fourteen (14) days, and within seven (7) days of that report to provide the Secretary copies with which to inform the Chairman and the Chairman of the Audit Committee.

Section 3: Right of Stakeholders

The Company understands its responsibility and care towards stakeholders, by sharing benefits appropriately so they are appropriately protected and well-treated. There are guidelines which must be followed in order to fulfill the needs of each group of stakeholders. These are set down clearly in "Code of Ethical Conduct and Business Practices," published and promoted for Board of Directors, Executives, and all employees, and it is a primary obligation for everyone to follow these guidelines in their work. Recognising the importance of good relations and cooperation with its stakeholders, the Company has a number of additional policies to help enable the sustainable business growth.

1. The company has guidelines and practices to the stakeholders as follow:

Shareholders

Act treated fairly and take into account the rights of shareholders. Make accurate, complete, and up-to-date disclosure of business news.

- Shareholders can get data and Company reports such as annual financial statements, business cost valuation (Embedded Value), organisational data, product information, and adequate valuable news and reports of Company activities on the primary database, with an easy access to this data.

Clients/Policy Holders

Provide services and benefit maintenance for clients/policyholders

- The Company intends to develop long-term sustainable business growth by introducing products that answer the needs of all customers. Clients are advised about products that have value and are suitable for them, with customer service of professional quality both for life insurance and policy benefit payments.
- The Company is determined to create financial security for its customers by providing advice on comprehensive financial planning for customers to lead a balanced life with financial stability and living quality through financial advisors, life insurance advisors, business partners and sincere employees.
- The Company insists that its employees, insurance agents and financial advisors must provide consistently good service and safeguard the interests of clients/policyholders, especially in regards to maintaining customer confidentiality.
- The Company is committed to maintaining trustworthy management, taking responsibility to ensure clients receive correct coverage and benefits under their policies, with a system in place to deal fairly with complains, and measures for protecting the claimant. Additionally there is a customer service centre which assist clients with any problems and meet the needs of customers to their highest satisfaction.

Employees and Executives

Encourage employees to continue their education through academic programs such as Loma, CFA, CFP and Fellow of the Society of Actuaries (FSA), etc. There are club activities, contribute scholarship money for continuing education, including the

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going to temple to practice Buddhist teaching, giving food offerings to a Buddhist monk and making merit projects.

- The Company treats all employees equally, and does not discriminate according race, nationality, gender, age, religion, disability, or academy.
- The Company has its own staff development programs; for instance, scholarships, special training, and seminars, providing employees with the knowledge and abilities to work effectively and contribute to the Company's stability and sustainability. Additionally, the Company has established appropriate compensation and benefits to encourage employees in their work.
- It is the Company's policy to create awareness among Executives and employees of all levels so that they will think about the importance of engaging in practices of continuing benefit to both society and the environment.
- The Company recognises the importance of employee safety, and has regularly scheduled training courses safety in the workplace for employees and Executives. Moreover, the three branches in the South of Thailand (Pattani, Yala, and Betong branches) will be closed 30 minutes earlier than other branches, and they will also be closed on Saturday.
- So as to ensure a hygienic environment, the Company provides clean drinking water for employees, adequate sanitation facilities and a medical station staffed with nurses and doctor, and arranges for office cleaning.
- In 2015, the Company provided both internal and outside trainings for employees via online systems, including sending them to seminars/observing work abroad. A total of 248 courses were offered, for an average of 32.29 hours per person, or 5.38 days per year (6-hours of training equals one day) which cost the Company over Baht 11,610,101

Additionally, the Company also takes into consideration the development of sustainable enterprises, improving knowledge management by supporting various procedures whereby administrators and workers take part in passing on and exchanging their own knowledge and experience. This is done with a view to developing a future learning organisation

Insurance Agents/Financial Advisors

Improve the abilities of insurance agents and financial consultants by means of training and development, stressing adherence to the Code of Ethics in performance of their duties as insurance agents.

- The Company promotes the development of insurance agents and financial advisors, who are critical to business growth and confidence in their profession. Also, insurance agents and financial advisors are offered potential for continuing development, including the appropriate financial compensation. The Company has a variety of products given to insurance agents and financial advisors which enable them to give comprehensive advice to clients.

Partners/Business Allies

Promote development of abilities and knowledge of partners and business allies so that they are able to transact business more efficiently.

- The Company gives equal attention to all its partners, with no discrimination as to size whether they are large or small. Good relationships are continually being built.
- The Company cares for its business allies in giving them good returns, developing their abilities, providing education, and helping with ways to increase mutual benefit, for the good of all the businesses.
- In 2015, the Company held training seminars on sales skills and product knowledge, and also promoted activities to build good relationships among partners and business allies as follows:
 - Training seminars on various subjects
 - Money Expo trade fairs across the country
 - Annual National Life Insurance Day trade fair
 - SET in the City trade fair
 - Thailand Smart Money Expo

Competitors

Compete fairly and honestly

- The Company never engages in false advertising or provides information to the media which distorts the truth, defamatory, or either directly or indirectly attacks competitors.
- The Company does not engage in dishonestly seeking out information or trade secrets from competitors.
- The Company promotes fair competition and adheres strictly to applicable rules and regulations.
- The Company makes no deals with competitors or persons which have the effect of restricting or reducing competition.

Society, Community, and the Environment

Support activities which create financial stability, a high quality of life, and protect the environment.

- As part of its business plan, the Company has established policies to create continuous and continuing benefit for the environment and participate in social assistance programs.
- The Company has a firm commitment to assist the community with continuing education by the participation of its employees in various activities.
- The Company works to improve, maintain, and preserve the Thailand good traditions and culture. To this end, it cooperates in supporting both governmental and private policies and activities for the benefit of society as a whole.
- The Company provide education in various fields which are of continuing benefit to the public in achieving sustainable development.
- The Company is concerned with using natural resources to good benefit, with the least possible negative impact on society and the environment.
- The Company supports reducing the use of energy and natural resources and to creating employee awareness of the need to reduce energy consumption. In 2015 the Company generated many activities to promote sustainable business. More information on this can be found under the subject heading “Activities for Society” in the Annual Report.

2. Whistle Blowing

The Board of Directors provides the opportunity for internal and external stakeholders to whistle blowing in cases where law or the code of ethics is being violated, or if a financial report is misstated, or if internal oversight is deficient. Such cases should be reported to the Audit Committee for investigation whether they are true, and whether administrative measures should be taken, and the whistleblower should be protected.

Channels for Informing or Making Complaints

Regarding	Send to	Contact Information
Service, insurance products, or insurance agents	Customer Service Center	Bangkok Life Assurance, PCL 23/115-121 Soi Soonvijai, Rama 9 Rd., Huaykwang, Bangkok 10310 Tel. 0-2777-8888, press 6; or csc@bangkoklife.com
Fraud, corruption, or suspicion of overstepping rules or breaking the law or mandatory regulations, including false financial reporting or deficient internal oversight	Audit Committee	Audit Department Bangkok Life Assurance, PCL 23/115-121 Soi Soonvijai, Rama 9 Rd., Huaykwang, Bangkok 10310 Tel. 0-2777-8230, or audit_committee@bangkoklife.com
Actions transgressing principles of Good Corporate Governance, or the Code of Ethics and Business Practices	Good Governance Committee	Compliance Office Bangkok Life Assurance, PCL 23/115-121 Soi Soonvijai, Rama 9 Rd., Huaykwang, Bangkok 10310 Tel. 0-2777-8861, or supaporn.tip@bangkoklife.com

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The whistleblowers or complainants should provide clear information, complainant's name, address, phone number, date, time, place, and details of the event(s), along with phone number or e-mail (optionally) where the complainant maybe contacted so as to get additional information and proceed with the investigation. For the year 2015, there were no complaints of these types.

Measures to Protect Whistleblowers or Complainants

As protection for whistleblowers, complainants, or persons coming forward with information with honest intentions, the Company shall withhold their names, addresses, and any data which might identify the complainant or informer, keeping all such information confidential, limiting its use to the investigation of the case at hand.

3. Anti-Corruption

- The Company has pledged to participate in the Collective Action Coalition.
- As an award and recognition for ethics, honesty, and integrity, the Company has been certified by the National Anti-Corruption Commission (NACC) as a "Member of the Private Sector Collective Action Coalition Against Corruption," and received an assessment of its sustainable development in the anti-corruption category by the Thaipat Institute as Certified Level 4, showing its complete and adequate implementation of policy through an oversight of the Audit Committee.
- The Board of Directors approved anti-corruption policy which reads as follows: "The Company agrees not to give or receive gifts or any other benefits intended to influence its actions in unlawful ways." Additionally, The Company has established protocols and regulations for Anti-corruption, including setting up communication by training. This is all published on the Company website. Directors, Management, and employees at all levels are expected a strict compliant.
- Currently, the Company requires all departments to identify and assess operational risk so that the Risk Management Department could establish risk management protocols, continuously monitoring and evaluating effectiveness of controls.

The Company's Risk Management Department is responsible for establishing monitoring mechanism to ensure compliance with policies, assessing risks that could bring about corruption, and ensuring that the overall level of risk is within the risk appetite level. In the event of suspicious incidents and exposure to corruption, it also collects preliminary facts for the Audit Department. Additionally, the Company offers educational training in fraud prevention and anti-money laundering and counter-terrorism financing.

The Audit Department is responsible for ensuring adequacy of the internal control system and assessing the risk of fraud through appropriate assessments and audits.

Section 4: Disclosure and transparency

The Company is committed to accurate, complete and timely disclosure of important financial and non-financial information of the Company. This disclosure is conducted through easily accessible channels in an equitable and reliable manner and in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. In addition, the Company's Investor Relations Unit, which is responsible for communicating with outsiders, follows the practice guidelines of information disclosure. These practices show that the Company's operations are transparent and help enhance stakeholders' confidence in the Company.

1. Communication Channels and Information Disclosure

- 1) The Stock Exchange of Thailand's electronic media (SET Community Portal)

The Company formally discloses important information required by the Stock Exchange of Thailand primarily through

this channel in both Thai and English in order to enable every group of investors and stakeholders to easily and equitably access Company information.

2) Annual Report and Form 56-1

The Board of Directors publishes the Company's Annual Report and Form 56-1 with information that is accurate, clear, and meets the requirements of the Stock Exchange of Thailand, in order to pass on to shareholders and the various stakeholders useful information on the past year's business conduct and results.

3) The Company's website: www.bangkoklife.com

With the Company website, the Board of Directors has established a channel of communication and dissemination of up-to-date information of the Company in both Thai and English language. Improvements have been made to the website so it stays current and easy to use, and offers comprehensive, complete, and useful information to shareholders and stakeholders.

4) Channels for Investors:

The Board has set up Investor Relations Unit with a duty of offering services and distributing to all interested parties news and data that maybe of use regarding changes in the Company. This would benefits all group including minority, institutional, and general investors, securities analysts, domestic and international fund managers, through question answering via phone and e-mail or through other activities. Investor Relations Unit also takes care of organising highly important meetings of the Company, such as, meetings of the Board of Directors, Executive Board, and the Annual General Meetings of Shareholders, etc.

2. Disclosure of Financial Statements and Quality of Financial Reporting.

The Board of Directors is responsible for the Company's financial statements and information appearing in the Annual Report. These statements are prepared in accordance with generally accepted accounting standards together with the application of appropriate accounting policies consistently and the use of sound judgements to arrives at the best estimates. In addition, the Board also ensures that important information is adequately disclosed in the note to the financial statements.

To provide an assurance on the fair presentation of the financial reports, the Board entrusts the Audit Committee a review duty to ensure that the financial reports are prepared correctly in conformity with the generally accepted accounting standards and that adequate internal controls are in place. The Audit Committee's opinion about these matters are presented in the report of the Audit Committee which appears in the Annual Report.

Section 5: Responsibilities of the Board of Directors

The Board of Directors realises their duties and understands the Company's business operations. The Board of Directors independently provides their opinions, continually develop themselves and honestly perform their duties with prudence and utmost care. They take into account the best interests of the Company and fair treatments to all shareholders. The Board of Directors does not serve as Directors of other companies where a conflict of interest could arise. The President is professional and holds this position at the Company only to ensure he has sufficient time is to manage the Company's business effectively.

5.1 Structure of the Board of Directors

- 1) The Company sets the Board of Directors' structure to consist of Directors with various qualifications, in term of skills, experience and expertise and is in an appropriate size for the business. The Company also has Independent Directors who can freely give opinions on management's performance.
- 2) The Company sets procedures for selecting Independent Directors. The Nominating and Remuneration Committee selects Independent Directors based on their qualifications to make certain that those Independent Directors can truly give their opinions independently.
- 3) The Company appointed the Company Secretary to give advice on regulations to the Board of Directors, to take care of Directors' activities and to coordinate with other functions in order to put the resolutions of the Board of Directors into practice.
- 4) The Directors are appointed on a transparent basis. The Nominating and Remuneration Committee proposes director candidates for the Board of Directors to consider and/or for the shareholders to vote. The Company also discloses Directors' profiles and stipulates that Directors must not be more than 75 years old.

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5.2 Roles, Duties and Responsibilities of the Board of Directors and Sub-Committees

Roles, duty and responsibilities of the Board of Directors and Sub-Committees are disclosed in this Annual Report (For more information, please see the topic “Shareholder Structure and Management” on Page 54 of the Annual Report.)

5.3 Meetings of the Board

- 1) The Board of Directors sets the meetings schedule and agendas in advance so that Directors are able to arrange their schedule to attend the meetings. The Board of Directors’ meetings are convened 6 times per year, and Directors are required to be present at no less than 75% of the total number of the meetings held.
- 2) For votes on Board agenda items, the meeting must have a quorum of at least 2/3 of total membership in attendance.
- 3) Documents to be used in the meeting must be sent to the Board of Directors at least seven (7) working days in advance of the meeting.
- 4) The Board of Directors allocates sufficient time for consideration of its business, and encourages the President to invite Senior Executives to join in at Board meetings to get firsthand additional information and details about problems that concern them.
- 5) The Board of Directors has access to all necessary additional information from the President, Company Secretary, Executives, or from other assigned individuals within specified areas.
- 6) The Board of Directors has set a policy allowing non-executive Directors to participate in meetings as needed without management present for discussion of various management issues and to inform the President of the results of such meetings.

5.4 Self-assessment of the Board of Directors

(For more information, please see the topic “Evaluation of the performance of the Board of Directors” on Page 56 of the Annual Report.)

5.5 Remuneration

The Company designates the Nominating and Remuneration Committee to consider criteria and forms of Directors’ and president’s remuneration. The Committee considers their capability, responsibilities, business growth, the Company’s operation result and profit growth and passes its opinions to the Board of Directors and/or to the shareholders’ meeting for approval. (For more information, please see the topic “Remuneration” on Page 65 of the Annual Report.)

1) Remuneration for Directors

The Nominating and Remuneration Committee will consider guidelines for pay and remuneration for the types of abilities and knowledge in relation to candidates’ duties and responsibilities as Directors. This will take into account business expansion, and profit growth, and considered in comparison with remuneration for Directors of leading corporations in the Stock Exchange and within the same industry. Suggestions will be made to the Board of Directors, which will then make proposals to be approved at the Annual General Meeting of Shareholders.

2) Remuneration for Senior Executives

The Nominating and Remuneration Committee will consider the performance of Senior Executives whose position is ranked higher or relative to the Executive Vice President in raising remuneration. Remuneration is determined by considering various factors, such as duties and responsibilities, results of the Company’s business operations, proceedings according to policies mandated by the Board of Directors, administration under the economic and social circumstances, ability in business development, and improved of operational efficiency each year. All these are brought to the Board’s attention for approval, and the Chairman will communicate decisions to the President.

5.6 Development of the Directors and Executives

- 1) The Board of Directors encourages potential development of Directors and Executives by providing new Directors with knowledge about roles of Directors and business nature. The Board also gives support to Executives and persons who involve with the corporate governance. This includes encouraging them to participate in various training courses organised by the Thai Institute of Directors (IOD). For more information on the topic “Executive Development,” see page 56 of the Company Annual Report.
- 2) When new Directors are appointed, management supplies them with documents and useful information concerning their duties and introduces them to the nature and operations of the business.
- 3) The Board of Directors assigns the Nominating and Remuneration Committee together with management to create a succession plan for the President position and top Executives. The qualifications required for these positions are set, and the suitability of Executives who are prepared for the positions is determined and reported to the Board of Directors.

Section 6: Ethics and the Code of Conduct

Ethics and the Code of Conduct serves as a behavioural standard and work operations guideline for Directors, Executives and employees. They should comply this Code of Conduct which helps develop public confidence in the Company’s operations.

Ethical and the Code of Conduct

1. Respects for the Law

The Company’s operations are in compliance with the applicable laws and carried out in a manner that maintains good relations between the Company and the regulatory agencies. It is crucial that all employees perform their duties in conformity with the laws in order to maintain public peace and order.

2. Respects for Individual Rights and Equitable Treatment

The Company encourages all employees to uphold people’s rights, freedom and carry out their constitutional duty as citizens of the country. Employees must also show their respects and equitable treatments for both internal and external individuals. They must not conduct any acts which may violate, bully, intimidate or sexually harass others.

3. Political Participation

The Company supports the system of democracy with the King is the Head of State. It is a politically neutral organisation, and respects the right and freedom of its employees to express political opinions. Choices to get involved politically by devoting their own personal time or working part-time outside office hours are personal matters which are the concern of only the employees themselves.

4. Conflicts of Interest and Stakeholding

Employees must perform their work correctly, thinking first of its benefit to the Company and not seeking any personal gains at odds with the Company’s welfare. In performance of their duties, they must avoid any personal conflict of interest. They must not allow any personal reasons, or the influence of anyone in their families, to cause them to deviate from this principle.

5. Retention and Use of the Company’s Information

It is all employees’ duty to maintain confidentiality of the Company’s business. Employees must not disclose, either verbally or in writing, the Company’s confidentiality and non-publicly disclosed information which may seriously harm the Company if disclosed to others. Confidential information also includes employees’ personal information.

6. Trade Competition

The Company conducts business with consideration for equality, ethics and honesty, supports fair competition, and does not use any method involving incorrect treatment of trade competitors.

7. Clients/Policyholders

The Company is committed to creating financial security for clients by protecting their quality of life. It gives comprehensive financial planning advice, recommending high-quality products to clients and their families. This is done with the impressive

Good Corporate Governance

service of financial advisors, insurance agents, trading partners, and staff, so that clients will be guaranteed of improving their positions and making possible a sustainable happy lifestyle for each of them.

8. Social and Environmental Responsibilities

The Company is determined to take part in social development and environmental conservation activities as well as to elevate the quality of life for people in the community. These activities are in line with the sustainable development principle that enables people to live happily together, embeds environmental and social awareness among people and reduces the use of energy. Employees are well aware of their duty to contribute to the social development activities on a continual basis.

9. Employees

The employees as human resources are of the highest value and importance to business operations. The Company must treat all employees equitably and with respect for their status as employees. The Company pays its employees excellent and appropriate compensation and benefits, and additionally provides opportunities for self-development and education for moving ahead in their working duties. In return, employees are always expected to perform their duties to the best of their ability, with diligence and enthusiasm.

10. Receiving or Giving Gifts

The Company is committed to building good, sustainable relationships with its clients, trading partners, and business associates. A good image naturally helps form a good basis for building such relationships. Receiving or giving valuables or other things as gifts in traditional ways maybe done, but care should be taken that there is no inappropriate giving or receiving of gifts, it might influence business decisions of the Company's staff. In any case, the Company does not allow employees to receive a gift of any value which might cause the appearance of exchanging mutual support or commitment or might be construed as a payoff.

11. Safety and Hygiene

The Company gives high and continuing importance to the safety and health of its employees and society, raising awareness of this by providing workplace fire prevention and operable fire-fighting equipment, proper storage of flammable and explosive material, installing lightning protection and fire alarm systems, requiring fire drills, with safety experts supervising.

12. Intellectual Property

It is the Company's policy and practice that intellectual property rights are not to be violated. Installation, bringing or use of pirated computer programs within the Company is prohibited, and it is forbidden to bring in software pirated by someone else for use in Company work.

13. Communication

The Company's communications, whether through the press, radio, TV, internet or other channels, must be truthful, clear and easily understood. There maybe no information given which is false, could cause misunderstanding, provides distorted information to the public, or directly or indirectly slanders a competitor.

Audit Committee Report

To Bangkok Life Assurance (PCL) shareholders:

The Audit Committee consists of three independent directors appointed by the Company Board of Directors. All are fully qualified under the requirements of the Stock Exchange of Thailand, have excellent financial accounting expertise or experience, and perform their assigned duties and responsibilities knowledgeably, skillfully, and diligently. They act with sufficient independence, are under no restrictions in obtaining information from management, staff, or stakeholders, and may express opinions and give advice for the benefit of all groups of stakeholders.

In 2015, the Audit Committee convened five times, with all members in attendance for each session. There were joint meetings with management, internal auditors, and external auditors to share information, consult, and exchange views on relevant agenda items. The following summarises the actions taken. The Audit Committee has:

1. Reviewed quarterly and annual financial statements which had been reviewed/certified by the external auditors and reported on them, giving independent opinions. Executives and external auditors involved were invited to meetings to consider important accounting policies along with the accuracy and thoroughness of the financial statements and factors with significantly impact on finances. There was also a single Audit Committee meeting with the external auditors without management in attendance so that there could be free and open discussion of important information on the preparation of financial statements. The Audit Committee's conclusion was that the Company's financial statements are complete and accurate, and in accordance with generally accepted accounting principles.

2. Reviewed internal control systems, and discussed with Internal Audit Department about observations in reports made by Internal Audit Department, and discussed with the external auditors about the internal control and risks of the Company which fell under the purview of the external auditors. Considered the assessments of the adequacy of internal controls and risk management done according to the rules of the Securities and Exchange Commission (SEC), and concluded that the Company has adequate internal controls and risk management which assists the company to achieve its objectives effectively and efficiently.

3. In considering and authorising an audit plan by the Internal Audit Department, reviewed the Company's internal audit systems to determine whether they were effective and appropriate. Monitored the Internal Audit Department's performance to get reports showing whether the recommendations of the auditing reports were being implemented, and found that the Company's internal audit system is sufficiently independent, annual auditing plan is consistent with the company's risks and objectives, and auditing performance is developing steadily in accord with international standards for the professional practice of internal auditors.

4. Reviewed the Company's compliance with the law in connection with the Securities and Exchange Commission, Stock Exchange regulations, and laws related to the Company's business operations. Considered and approved work plans and received reports on the performance of the Compliance Office, which is independent and reports directly to the Audit Committee. Monitored and coordinated with various departments within the Company to ensure strict compliance with ethics rules, regulations, and related systems. Thus far, the Company has appropriately operated in accordance to related laws and regulations.

5. With an independent assessment, considered and nominated appointments of and suggested remuneration for external auditors in the year 2015 and presented to the Board of Directors for approval at the shareholders' meeting. Made independent assessments of quality and results of audits, ability, and experience in the life insurance business. Additionally, the Committee considered appropriate comparisons of financial auditing costs as an important point, and in summary found that the EY Office Limited, which was chosen as the Company's external auditor, is independent and has world-class expertise and experience in auditing.

6. Reviewed and commented on related transactions and transactions involving potential conflicts of interest as specified in notices and rules relating to the Company transactions. Transactions were found to be in compliance with regulatory guidelines of the Stock Exchange of Thailand, fair, to the benefit of the Company, and with pricing at reasonable levels, exactly as for outside third parties. Disclosures made were adequate, accurate and complete.

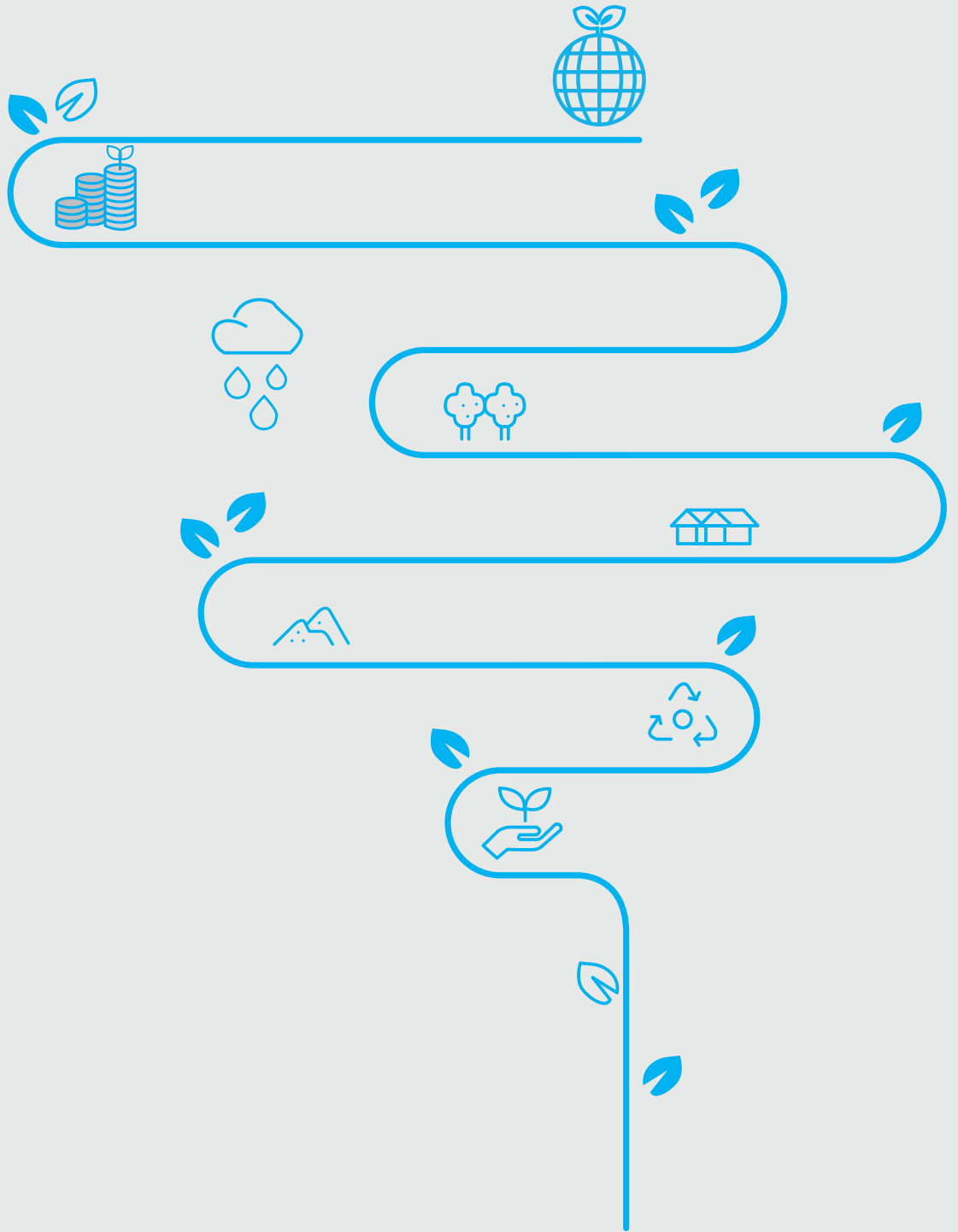
The Audit Committee has performed a self-evaluation regarding performance of its 2015 duties by thoroughly reviewing the suitability of its structure, scope, and composition, and has concluded that its own performance has met the overall criteria and best practices guidelines laid down by the Stock Exchange of Thailand.

Stakeholders may contact the Audit Committee directly through its e-mail address, which is posted on the Company's website, on any matter touching on issues of illegality or unethical behaviour regarding financial reports and internal control systems. This will help ensure operational transparency and quick resolution of such issues.

In summary, the Committee has concluded that the Company has produced accurate financial reports and offered complete disclosure of important information, and that there have been adequate and timely internal controls, with tight security. The Company governance has followed the law relating to appropriate business practices, and dealt with related transactions and potential conflicts of interest in ways that put the Company's interests first. This good governance has extended to risk management and operations systems that are effective, transparent, and trustworthy.



Mr.Sunthorn Arunanondchai
Chairman of the Audit Committee
February 23, 2016



Internal Control and Internal Audit

Internal Control.

The Board of Directors recognises the importance of an appropriately airtight, up-to-date, and efficient system of internal controls. Such a system ensures proper confidence that the Company can achieve its goals and targets at each level: strategic, performance, reporting, and compliance with policy, law, order, and various practices, including anticorruption measures assigned to the Audit Committee. The Audit Committee is composed of Independent Directors whose duty is to review the Company's appropriate internal control and internal audit systems, and is effective in regularly reporting to the Board of Directors for considerations.

The Audit Committee reviews the adequacy of the internal control systems, which are based on an internal control framework advanced by The Committee of Sponsoring Organisations of the Treadway Commission (COSO). The framework covers five components: control environment, risk assessment, management of data and communications, and monitoring and evaluating whether the Company is efficiently and effectively achieving its objectives, as detailed below:

1. Control Environment

- 1.1 Bangkok Life Assurance PCL, along with its Board and all levels of management, strives to create a rarified atmosphere ("Tone at the Top") both within the Company itself and its subsidiaries, an atmosphere which demonstrates the importance of honesty and morality in conducting the insurance business. There must be a business environment and structure which empowers systems of internal control to operate as the Company intended, in clear and tangible ways. There is a policy and a manual on good corporate governance, known as the Code of Conduct, about which the Board of Directors, management, and all employees must equally be knowledgeable and to whose guidelines they must equally adhere. If the guidelines are breached, there will be the Company investigation as to the facts, and there are disciplinary penalties which may be assessed in consideration of injured parties, the level of harm done, and any impact on the Company.
- 1.2 It is the duty of the Board of Directors to consider and approve such important matters relating to the operations of the Company and its subsidiaries as policy, vision, mission, strategies, goals, risks, business plans, and budgets. This is intended to enable all departments to conduct operations and move in a common direction along with a common philosophy and providing customers with the same benefits. The committees and administrators have specified roles under the Company's Articles of Association. The Nomination and Remuneration Committee is assigned the task of recruiting qualified directoral candidates, considering their abilities, experience, and utility to the Company of their expertise, with one-third of the Directors to be Independent Directors.
- 1.3 The Company has established a reporting and command structure where lines of responsibility are clear, appropriate, and in accord with relevant business and legal conditions. This supports business operations and the efficacy and efficiency of internal control. The Board of Directors and management are entrusted with authority and responsibility and use procedures and the proper technology to delegate authority and separate necessary Company tasks such as overseeing important decisions, giving instructions, advising, and supervising. This helps administrators and relevant staff understand and comply with internal control responsibilities.
- 1.4 The Company is committed to providing, developing, and caring for personnel who have special knowledge and abilities. Personnel policies and procedures are clear, including implementation of regular reviews of effectiveness in working according to policy implementation. There is an emphasis on employee development in accordance with the Company's "Self-Development" principle that encourage employees to constantly learning and improving

their skills. The Company has a system in place to assess performance relating to being considered for bonuses, salary increases, and career advancement. Also, to encourage communication between supervisors and employees, employees are required to sign their names to acknowledge having read their own performance assessments. To prepare against a possible personnel shortage, the Company has recruitment procedures and succession plans for filling important positions. Scholarships in various fields are provided for both domestic and foreign study towards undergraduate and master's degrees. These are offered to both employees and outsiders in order to guard against a shortage of personnel, especially in the primary professions needed by the Company.

- 1.5 Recognising the importance of an efficient system of internal control, the Company has established internal control policies with employee practices clearly stated to in the operations manual: this is a key element in maintaining corporate governance, evaluating performance, and creating motivation. Rewards are given as appropriate from consideration of basic work performance indicators measured according to the "Key Performance Indicator" (KPI). As noted, the Company's internal controls are a part of all normal tasks and at all levels and all departments are required to have appropriate internal controls to enhance the efficiency of business operations.

2. Risk Assessment

- 2.1 The Company's risk management policies are approved in writing by the Board of Directors. The Risk Management Committee reviews proposals to determine their scope of risk management, policies are communicated to everyone in the organisation through a manual containing guidelines for work procedures, and there is mandatory staff training to create a clear understanding of risks the Company may incur. Reports on both financial and non-financial data are made according to generally accepted standards, by the Accounting Department and the departments which prepare the business plan. The data is analysed and then presented to the Executive Board on a monthly basis.
- 2.2 The Company prepares plans for primary risks. Groups are assigned to work with relevant departments and those in similar lines of work, including sections, departments and divisions to determine the scope and acceptability of such risks include investment fund management and establishing an acceptable level of risk and ad hoc meetings to plan operations in conjunction with risk management plans. Risk assessment is done using a scoring system using international standards (COSO) as a guide.
- 2.3 Assessment covers potential corruption in continuing processes of all sorts, by both internal and external organisations. Examples of potential corruption include loss of assets, preparation of false financial reports, and many other situations. The Company has established a variety of channels to report corruption: by mail, electronic mail, phone, company website, and notification of management or staff, to create a data repository for assessment of opportunity for and possibility of corruption, where the Company records risks and losses that have occurred in order to take preventative measures and assess the likelihood of future occurrences.
- 2.4 The Company makes appropriate identification and evaluation of significant changes that may affect internal control systems, taking into consideration laws and regulations, the economy, and environmental problems. When changes in risk factors cause the Company performance to miss targets, departments or work teams are immediately and clearly called into action, reports are made on measures taken and the results of performance risk management, and the situation is closely monitored.

3. Operational Control

- 3.1 The Company's internal control policies are published on its website and internal network (Intranet). The Company's internal controls are considered an integral part of normal work operations for all levels of work functions. This is especially true for financial activities and primary activities such as product development, premium rates calculation, underwriting, claims management, reinsurance, and business investment: monetary receipt and payment must have adequately effective internal control procedures and be consistent with the Company's acceptable level of risk.
- 3.2 The Company has specified technology control measures for orderly conduct to ensure that its information technological systems are available for use at all times and safe from intrusion by unauthorised persons, and supports achievement of this goal as follows:

Internal Control and Internal Audit

- Maintaining control and management of technology infrastructure such as network and wireless network system equipment, the Company's main server and backup systems, extending to "Change Management" system designed to manage and control changes in computer and information technological systems.
 - Controlling and managing security, blocking unauthorised access to systems and data from either outside parties or from within the Company through such measures as firewall intrusion protection, systems to verify user identity, use of ID cards or passwords, granting of rights to access and modify data, and prohibiting illegal publication of data or data not authorised by the Company: such measures enabled the Company to receive ISO/IEC 27001:2013 certification in Information Security Management Systems (ISMS) for 2015.
 - Supervising procedures of acquisition, development, and maintenance of technology systems, as by a committee responsible for purchasing, procuring, and specifying work development procedure. This would cover such topics as approval and setting the duration of systems development, systems testing, and, if needed, administration and management of third party system developer hiring (Outsourcing).
- 3.3 The Company has the Compliance Office, which reports directly to the Audit Committee, giving advice and supervision on compliance with the laws, regulations, and mandatory systems. Also, an Internal Audit Department to reviews the Company's management for internal control evaluation to ensure compliance with law and regulations and giving consultation on improvements and corrections. There is a legal office which ensures that contracts and agreements correctly follow regulations and legal requirements. The operational Code of Conduct and policy will be reviewed on a yearly basis. Great importance is placed on development of a business Continuity Plan which implements drills of emergency procedures and testing of the Company's Disaster Recovery Site to ensure that the back-up systems will work as planned.

4. Information and Communications

- 4.1 The Company has information and communications systems which are used to make appropriately accurate and timely decisions and prepare meeting agenda, announcements, and documents with vital information for Board of Directors' consideration before meetings. Such information is provided at least seven days in advance as required by law. The details of Board of Directors meetings are reported fully and accurately and may be used as audit evidence at a later date. This might occur, for instance, in case of comments, suggestions, observations, questions, or disagreements with reasons offered at meetings. The Company's accounting policies are in accordance with generally accepted accounting principles, with External Auditors who review and certify the Company's financial statements. The Company stores important accounting and financial documents in a room especially dedicated for this matter, and backup accounting data is stored offsite on a regular basis. Additionally, the Company has a disclosure policy and Code of Conduct to ensure that the use of inside information for sales and purchasing of assets or securities trading is prohibited from use for personal gain by Directors, Executives, or employees. There are severe penalties assessed against anyone found to use inside information for personal gain or published without permission.
- 4.2 For internal communication, the Company has an electronic mail (E-mail) system, an enterprise network (Intranet) for publication of policies, commands, and operations manuals, as well as various news items regarding work practices, or for information review. For external communications, The Company has an internet system, and its own website, www.bangkoklife.com, disseminates up-to-date information about the Company and providing a channel to register complaints, reports, and operational problems. Stakeholders can make appeals via the Company's website or send them by mail to the Customer Service Center. The Company also has divisions that coordinate with the Office of Insurance Commission (OIC.), such as the Complaint Unit and the Compliance Office.

- 4.3 The Company has an exclusive communication channel, the “Whistle-blower Hotline,” for departments or individuals within the Company, include agencies or third-party persons, to report acts of embezzlement, corruption, violations or failure to comply with laws or regulations, or false financial reports. Reports may be made to the Audit Committee, through direct electronic mail (E-mail) or by post. As posted on the Company’s website under “Submit a Complaint” topic, the Company has procedures in place to maintain the confidentiality of any complainant.

5. Monitoring System

- 5.1 The Company prepares regular business operations reports comparing performance with predefined goals, and these are submitted to the Executive Board and the Board of Directors. Also in place are monitoring procedures in accord with generally accepted organisational standards, whether for reporting irregularities to persons in charge, for review by assigned persons with power of attorney or the Compliance Office, an evaluation and monitoring from internal auditor, to ensure that the five elements of the Company’s internal control system are operating effectively.
- 5.2 If operational outcomes differ from operating targets, management will meet monthly to determine the causes, and take corrective action in a timely manner. Internal Audit Department provides the Audit Committee with quarterly reports evaluating the state of internal control, offering recommendations on important matters, and reporting on performance improvement and correction of defects; such reports are also made by the Compliance Office, which assesses policy and operational framework, regulatory and legal compliance risk management, assessment of weak points, shortcomings and improvement, as well as report on its progress. The Company’s Risk Management Department has systems for monitoring and assessment of risk management with danger warnings in place so as to have the ability to manage risk effectively, with quarterly reports made to the Risk Management Committee as well.

At the Board of Directors Meeting No. 1/2016, held on February 26, 2016, the Board of Directors reviewed the adequacy and suitability of internal controls for the year 2015. The annual assessment report was reviewed by the Audit Committee, who found the internal controls to be adequate and appropriate, as the Company had provided for sufficient staff to efficiently implement the system, with capability to protect assets from being utilised wrongfully or without authorisation, or by persons who have or may have a conflict of interest, or persons connected with the business operations of other companies, so that there could be no conflicts of interest.

Internal Audit

To assess the adequacy and effectiveness of internal controls and the risk management system, and to monitor compliance with relevant policies, good corporate governance, and the Company’s Business Code of Conduct in accordance with the annual audit plan, the Company established an independent Internal Audit Department which reports directly to the Audit Committee. This came about in consideration of the goals, objectives, strategies, and risk factors relevant to important control points which could affect the Company’s achievement of its goals. The audit plan was approved by the Audit Committee. Additionally, The Internal Audit Department has a charter outlining its vision, mission, goals, objectives, duties, and responsibilities, including the right to perform its audits with clarity. It has an audit manual which can be used as a standard for auditors in improving the efficiency of operations and complying with international standards for the professional practice of internal auditing.

According to the Charter of the Audit Committee, which was approved by the Board of Directors, appointment, transfer, or dismissal of the chief auditing executive must be approved by the Audit Committee, which has this authority and responsibility.

Related Transactions

Nature of Related Transactions

The Company and its subsidiaries have business transactions involving related parties from shareholding or undertaking by some shareholders and/or Directors. In considering related parties relationship, attention is directed to the substance of the relationship, not merely the legal form or obligated by contract. Most of these transactions come about in the ordinary course of business, with prices at the standard rates. These are disclosed in the Notes to Financial Statements for 2015.

Necessity and Reasonableness of Related Transactions

Related transactions help support the Company's operation as in maintaining and expanding the customer base, building a steady growth for the Company's business. The transactions are verified by the Audit Committee so as to ensure compliance with the law and related regulations, and are in the best interests of the Company in just the same way as are reasonably priced transactions with third parties, and undergo full, accurate, and complete disclosure.

Approval of Related Transactions Procedures

The Company has a multi-level internal control system, organised by type of transaction, to verify compliance with law, regulations, and business operation policies which the Company applies to all transactions in general. To avoid conflict of interest in related transactions, the Board of Directors has established authorisation policies which first and foremost take into account the best interests of the Company, viewing related transactions as if made with outside persons with no vested interests. In this way, authorisation proceeds under governing principles giving management the authority to enter into transactions in general, following the normal steps toward approval, whereby transactions strictly adhere to the orders, regulations and guidelines issued by the Stock Exchange of Thailand for disclosure in related transactions by listed companies. The Audit Committee then reviews the suitability and reasonableness of such transactions, and includes summary information in its quarterly reports to the Board of Directors.

Policy for Future Related Transactions

Future related transactions undertaken by the Company will be necessary and reasonable as outlined above, and include detailed evaluation by the Audit Committee. The Company will comply with Securities and Exchange regulations, notifications, and orders or requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission regarding these matters.

In all cases, the Company is committed to conducting its business with transparency and fairness to customers, partners, and shareholders, while always following the best interests of the Company.

Risk Management Committee Report for 2015

Dear Shareholders,

The year 2015 was another year in which the Life Insurance Industry in Thailand had faced an economic downturn along with intense competition for market share which made the business confront with changing environment amidst the various risk factors including both domestic and global economic volatility. In order to achieve the business objectives and goals in the current environment, the Company had placed an importance in risk management to make an operational process in line with set targets through risk assessment, risk acceptance, risk reduction or risk control and risk avoidance which were measures to manage both internal and external risks, based on and integrated with Enterprise Risk Management coupled with strategic planning process and operation support in compliance with good corporate governance. The Risk Management Committee has set risk management policy, framework and scope of operation approved by the Board of Directors as well as monitoring on the appropriateness and adequacy of policies on a regular basis and considered the important risk factors which can be summarised as follows:

1. Regular assessment and monitoring of major risks that may affect the Company's risk appetite, which the relevant departments have been assigned to make the summary reports on performance and risk management to the Risk Management Committee as follows:
 - 1.1 Reporting on regulatory capital adequacy with the ORSA (Own Risk & Solvency Assessment) and stress test.
 - 1.2 Asset and Liability Management, analysis of capital adequacy and efficiency, cash flow matching, and duration matching of assets and liabilities.
 - 1.3 Investment analysis with Value at Risk (VaR) assessment, analysis of interest rates sensitivity and stock prices sensitivity.
 - 1.4 Evaluation on financial ratios used in Early Warning System.
2. The Risk Management Department has been assigned to assess and create the self assessment template for overall business unit to consider their yearly risk management plan by means of risk assessment, risk prioritising, identifying their impact and defying risk management to ensure that it is in line with risk appetite or its likelihood of occurrence will be reduced.
3. Monitoring and review the implementation of risk management policies and framework to ensure that the Company has effective and systematic risk management so that it can achieve its set objectives.
4. Information Technology Risk Management, database Management, backup system and application development for operation support.
5. Business Continuity Management, preparation of the Computer Center and the 2nd Alternate Emergency Operation Center in Chonburi province, testing Business Continuity Plan and preparing Contingency Plan to reassess the sufficiency, suitability of personnel.
6. A yearly assessment of Corporate risk in its core business together with the development of the Company's operational processes.
7. Encouraging knowledge and establishing risk culture by providing the risk self assessment template to each business unit in order to recognise risks that could occur in the future.

All above, the Company has continuously performed throughout the year and considered the scope of risk management to cover risk factors in all aspects. The Risk Management Committee is confident that the Company has the continuously effective risk management which enables it to achieve the Company's utmost objectives and goals, bringing proper benefits to shareholders and stakeholders alike.



Mr.Praphant Asava-aree

Chairman of Risk Management Committee

Risk Management and Risk Factors in 2015

In 2015 there were risk factors from both domestic and global that changing level and direction significantly affected the Industry and Company in both positive and negative ways. The Company had defined the risk management framework and policy which cover the Company's core businesses and major risk categories appropriately to minimise any negative impact on its strategy and goals. The Company closely monitored following situations:

- The state and outlook of the world economy and politics, as well as ASEAN and Thailand.
- The competition tendency of life insurance Industry and BLA's partners.
- New rules and regulations from regulators.

The changes mentioned above had effects on the Company's performance in several risk levels varied by risk factors. The Company had determined the assessment and monitoring processes of risk factors on a regular basis as follow:

Market Risk, may occur from the volatility in money and capital market. Interest rate risk occurs when interest rates stay in low level or trend to decrease, which leads to the change in value of investment assets and liabilities, having impact on competitive capacity, investment ability, and the profitability. All of which can have effects on capital adequacy. The Company has risk management approach in effective use of capital, considering both in terms of capital adequacy and the rate of return from investment as follows:

- The Company had allocated investment assets suitably with the market situation and current contractual obligations by investment more risky assets to maintain the level of return on investment in accordance with the business plan, investment policy and Asset and Liability management (ALM) to maintain capital adequacy within an acceptable level.
- The Company has conducted trend monitoring for changes in major risk factors regularly such as interest rate in order to assess impact on capital adequacy. All this is closely monitored and sensitivity test including stress tests and all assumptions analysis were made while there were significant changes.

Operational Risk, To reduce risks and losses that may have an impact on the Company's financial situation, income, image, reputation and capital, affecting competitive capacity, the Company established guidelines for the management of operational risk as follow:

- **Human Resource** : Employees are required to undergo an intensive recruitment process and attend risk management training courses on a regular basis.
- **Procedures**, especially basic operational procedures. Work manual have to be prepared pursuant to the good corporate governance and there is an annual review of sufficiency whereby all employees are kept informed.
- **Technology** : The Company has updated and improved information technology systems and working procedures to encourage accurate and rapid performance under the information security management standards ISO/IEC 27001:2013 for with the Company was certified in 2015 for protecting the customer information and managing it more systematically including the backup system and the Alternate Emergency Operations Center that effectively manage the continuity of the Company's operation in case of emergency to ensure that the Company can carry out its core activities without interruption, especially in customer service.

Nominating and Remuneration Committee Report

Dear Shareholders,

The Board of Directors of Bangkok Life Assurance PCL has appointed the Nominating and Remuneration Committee consisting of four Directors, including an Independent Director as Chairman of the Committee and one Executive officer as a committee member. The term of office for each committee member is equal to his/her term as Company's Director.

In 2015, the Nominating and Remuneration Committee performed its obligations and duties in accordance with the Charter of the Nominating and Remuneration Committee and as assigned by the Board of Directors. Two meetings were held to determine important matters under the responsibility of the Committee which can be summarised as follows:

1. Recruited Directors: The Nominating and Remuneration Committee considered qualified candidates who meet the required criteria prescribed by the Board of Directors and the regulatory bodies. In order to ensure that the Committee's members can contribute useful opinions on the business for the benefit of all stakeholders, the Committee has taken into account candidates' experience in various businesses, history of moral conduct and ethics, positive attitude towards the organisation, maturity, professionalism, and ability to devote sufficient time to the Company.
2. Considered qualified candidates to replace the five Directors whose term was about to expire: Following the aforementioned recruitment methods and guidelines, the Committee deemed it appropriate to appoint four of the retiring directors to resume their post for another term and to propose Mr. Yuichi Honda as a replacement for Mr. Naoki Ban whose term would also expire. Such proposals were presented to the Board of Directors for consent and subsequently to the 2015 Annual General Meeting of Shareholders for approval.
3. Promoted and supported the corporate governance policy: On its website and on the news system of the Stock Exchange of Thailand, the Company had given minority shareholders the opportunity to propose persons qualified to be Directors between 1 October and 31 December, 2014. However, by the end of the given period, no shareholders proposed any candidates for the posts.
4. Determined the remuneration of Directors and the President: The Nominating and Remuneration Committee conducted the evaluation process in a transparent and clear manner, taking into account their work history, duties, assigned responsibilities, and performance. The Committee ensures that the determined remuneration of Directors and the President reflects their roles and responsibilities and is comparable to that of other leading companies listed on the Stock Exchange of Thailand and those in the same industry. In addition, the remuneration is sufficiently attractive for the Directors and the President to achieve the goals set by the Board and to yield long-term benefits for the Company and its shareholders. The details of the remuneration of the Directors and the top Executive officers are given in the topic "Directorial Compensation, 2015" in this Annual Report.
5. Arranged a self-evaluation: A self-evaluation of the Directors' and Sub-Committees' members was done for the year 2015, both on an entire committee and each individual member basis in order to review the past year's performance in three categories: the structure and qualifications of the Board; meeting performance; and the Board's roles, duties, and responsibilities. The results of the evaluation were taken as guidelines on enhancing the Board's and the Sub-Committees' efficiency, in line with the principles of good governance.
6. The Nominating and Remuneration Committee also determined the remuneration for both the Board of Directors and the Sub-Committees. Such remuneration consists of allowances and bonuses in accordance with the

aforementioned guidelines. The Committee proposed a remuneration budget for the Board of Directors in a sum of not exceeding 16.70 million baht, an 11.33 percent increase over that of 2014. This proposal was presented to the Board and subsequently to the 2015 Annual General Meeting of Shareholders for approval.

The Nominating and Remuneration Committee performed its duties with diligence and independence in order to ensure that Company operates according to the principles of good governance and, in particular, the human resources-related policy. The Committee also adheres to the principles of fairness and transparency for the best interests of the Company, its shareholders, stakeholders, and employees.



Dr. Siri Ganjarendee

Chairman of Nominating and Remuneration Committee

Board of Directors' Responsibility for Financial Report

Dear Shareholders,

The Board of Directors of Bangkok Life Assurance Public Company Limited is responsible for the financial statements of the Company and its subsidiary as well as of financial information presented in the annual reports. The financial statements of the Company and its subsidiary for the year ended December 31st, 2015 have been prepared in accordance with Thai Financial Reporting Standards. It has chosen appropriate accounting policies and exercised carefully judgment in adequate disclosure of essential information in Notes to the Financial Statements that free from material misstatement. The Certified Public Accountant from EY Office Limited has audited the financial statements who expressed an unqualified opinions in the report of the auditor.

The Board of Directors has also put in place and maintained internal control, strict risk management system in providing correctness and completeness of trustable financial information, attaining adequacy in asset retention, protecting against corruption, fraud, and preventing significant irregular actions. The Board of Directors has appointed an Audit Committee comprised of Independent Directors, who are responsible for reviewing financial reports, internal control systems, risk management, compliance function, internal audit and related transactions disclosure to ensure they are adequate and appropriate, which have been presented in the annual report.

The Board of Directors is of the opinion that the overall internal control systems of the Group and the Company are adequate, appropriate, and give rise to the reasonable confidence that the financial statements of Bangkok Life Assurance Public Company Limited and its subsidiary as at December 31st, 2015 are fairly presented financial position, financial performance and cash flows, in all material respects, and in accordance with Thai Financial Reporting Standards.



Mr. Choedchu Sophonpanich
Chairman



Mr. Chone Sophonpanich
President

Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Bangkok Life Assurance Public Company Limited,

I have audited the accompanying consolidated financial statements of Bangkok Life Assurance Public Company Limited and its subsidiary, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Bangkok Life Assurance Public Company Limited for the same year.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Life Assurance Public Company Limited and its subsidiary and of Bangkok Life Assurance Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Other Matter

The consolidated financial statements of Bangkok Life Assurance Public Company Limited and its subsidiary and the separate financial statements of Bangkok Life Assurance Public Company Limited for the year ended 31 December 2014, presented herein as comparative information, were audited by another auditor, who expressed an unqualified opinion on those statements, under his report dated 25 February 2015.

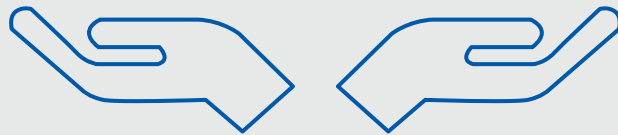
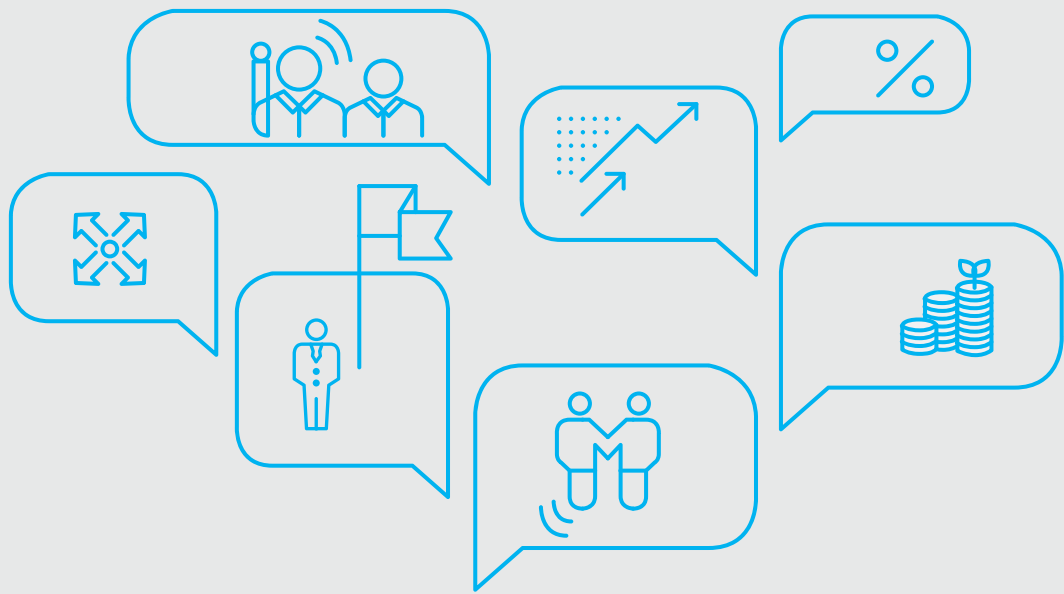


Nonglak Pumnoi

Certified Public Accountant (Thailand) No. 4172

EY Office Limited

Bangkok: 26 February 2016



Statements of Financial Position

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Assets					
Cash and cash equivalents	7, 35	7,101,757,706	5,707,563,957	7,087,583,921	5,703,471,620
Accrued investment income - net	12	2,627,977,881	2,344,008,443	2,627,977,881	2,344,008,443
Premium receivables	8	1,717,113,202	1,725,232,732	1,717,113,202	1,725,232,732
Reinsurance assets	9, 35	899,176,498	763,784,679	899,176,498	763,784,679
Investment assets					
Investments in securities	35				
Trading investments	10	116,219,570	17,070,295	116,219,570	17,070,295
Available-for-sale investments	10	25,988,922,416	22,012,881,057	25,988,922,416	22,012,881,057
Held-to-maturity investments	10, 36, 37	201,411,262,441	176,161,022,628	201,411,262,441	176,161,022,628
General investments	10	46,662,230	46,662,230	46,662,230	46,662,230
Investment in a subsidiary	11	-	-	23,760,000	3,960,000
Loans - net	12	6,138,902,395	4,735,056,801	6,138,902,395	4,735,056,801
Investment property	15	20,947,065	-	20,947,065	-
Premises and equipment - net	13	547,209,820	389,242,663	546,985,967	389,200,127
Goodwill		4,955,491	4,955,491	-	-
Intangible assets - net	14	24,113,267	12,819,227	24,036,068	12,819,227
Deferred tax assets	16.1	2,382,918,693	1,482,422,298	2,382,918,693	1,482,422,298
Other assets	17	547,472,090	186,867,026	544,798,355	190,501,644
Total assets		249,575,610,765	215,589,589,527	249,577,266,702	215,588,093,781

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

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Liabilities and owners' equity					
Liabilities					
Income tax payable		542,471,250	499,591,781	542,471,250	499,591,781
Amounts due to reinsurers	18, 35	459,315,372	379,721,980	459,315,372	379,721,980
Insurance contract liabilities					
Life policy reserves	19	207,308,207,963	177,434,670,858	207,308,207,963	177,434,670,858
Unpaid policy benefits	20	150,089,280	117,066,846	150,089,280	117,066,846
Loss reserves and outstanding claims	21, 35	320,355,948	315,052,056	320,355,948	315,052,056
Premium reserves	22	1,074,853,819	1,056,888,385	1,074,853,819	1,056,888,385
Other insurance liabilities		7,904,478,483	7,642,205,834	7,904,478,483	7,642,205,834
Employee benefit payables	23	356,617,387	329,414,333	354,506,825	327,718,356
Other liabilities	24, 35	4,468,852,104	2,238,701,928	4,464,668,306	2,235,949,029
Total liabilities		222,585,241,606	190,013,314,001	222,578,947,246	190,008,865,125

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

Statements of Financial Position

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Owners' equity					
Share capital					
Registered 1,708,000,000 ordinary shares of Baht 1 each		1,708,000,000	1,708,000,000	1,708,000,000	1,708,000,000
Issued and paid-up 1,703,810,780 ordinary shares of Baht 1 each (31 December 2014: 1,697,850,000 ordinary shares of Baht 1 each	25	1,703,810,780	1,697,850,000	1,703,810,780	1,697,850,000
Premium on share capital	25	3,219,925,822	2,987,540,018	3,219,925,822	2,987,540,018
Capital reserve on share-based payments	25, 26	38,833,826	103,822,366	38,833,826	103,822,366
Subscriptions received in advance from exercise of warrants	26	10,626,000	-	10,626,000	-
Retained earnings					
Appropriated					
Statutory reserve		170,800,000	170,800,000	170,800,000	170,800,000
General reserve		400,000,000	400,000,000	400,000,000	400,000,000
Unappropriated		17,460,248,487	14,677,674,816	17,468,357,189	14,680,638,015
Other component of owners' equity					
Revaluation surplus on available-for-sale investments - net of income taxes	10.9	3,985,965,839	5,538,578,257	3,985,965,839	5,538,578,257
Equity attributable to equity holders of the Company		26,990,210,754	25,576,265,457	26,998,319,456	25,579,228,656
Non-controlling interests of the subsidiary		158,405	10,069	-	-
Total owners' equity		26,990,369,159	25,576,275,526	26,998,319,456	25,579,228,656
Total liabilities and owners' equity		249,575,610,765	215,589,589,527	249,577,266,702	215,588,093,781

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

Statements of Income

(Unit: Baht)

	Consolidated financial statements			Separate financial statements	
	Note	2015	2014 (Restated)	2015	2014 (Restated)
Revenue					
Net premium written	29, 35	44,174,985,061	51,172,063,955	44,174,985,061	51,172,063,955
Net investment income		10,171,049,557	8,811,629,513	10,171,049,557	8,811,629,513
Total income		54,346,034,618	59,983,693,468	54,346,034,618	59,983,693,468
Expenses					
Underwriting					
Life policy reserves increased from prior years	29	29,873,537,105	40,818,249,854	29,873,537,105	40,818,249,854
Benefit payments under life policies and benefit adjustment expenses	29	14,149,709,046	11,096,607,972	14,149,709,046	11,096,607,972
Claims and losses adjustment expenses	29, 35	1,240,476,750	1,287,791,017	1,240,476,750	1,287,791,017
Commissions and brokerages expenses	29, 35	2,855,005,381	2,806,976,538	2,849,846,750	2,805,343,254
Sales promotional expenses	29	435,928,363	310,571,097	435,720,787	310,527,799
Other underwriting expenses	29, 35	32,597,406	28,641,899	32,597,406	28,641,899
Operating expenses	31	2,053,508,816	1,895,631,960	2,047,587,527	1,892,605,730
Total underwriting expenses		50,640,762,867	58,244,470,337	50,629,475,371	58,239,767,525
Profits from underwriting		3,705,271,751	1,739,223,131	3,716,559,247	1,743,925,943
Gains on investments	10.8	1,163,125,512	1,514,736,332	1,163,125,512	1,514,736,332
Gains (losses) on revaluation	30	79,885,874	(71,684,020)	79,885,874	(71,684,020)
Other income		64,242,148	48,052,445	58,121,048	46,342,763
Profits from operations		5,012,525,285	3,230,327,888	5,017,691,681	3,233,321,018
Contribution to the Office of Insurance Commission		80,885,393	85,256,740	80,885,393	85,256,740
Contribution to the Life Insurance Fund	42	44,840,215	51,810,128	44,840,215	51,810,128
Profits before income tax expense		4,886,799,677	3,093,261,020	4,891,966,073	3,096,254,150
Income tax expense	16.2	778,648,237	443,469,914	778,648,237	443,469,914
Profits for the years		4,108,151,440	2,649,791,106	4,113,317,836	2,652,784,236
Profits for the years attributable to:					
Equity holders of the Company		4,108,203,104	2,649,821,037	4,113,317,836	2,652,784,236
Non-controlling interests of the subsidiary		(51,664)	(29,931)		
		4,108,151,440	2,649,791,106		
Earnings per share	34				
Basic earnings per share					
Profits attributable to equity holders of the Company		2.41	1.56	2.42	1.57
Diluted earnings per share					
Profits attributable to equity holders of the Company		2.41	1.56	2.41	1.56

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

Statements of Comprehensive Income

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2015	2014 (Restated)	2015	2014 (Restated)
Profits for the years		4,108,151,440	2,649,791,106	4,113,317,836	2,652,784,236
Other comprehensive income (loss)					
Other comprehensive income to reclassified to profit or loss in subsequent years:					
Gains (losses) on valuation of available-for-sale investments		(1,940,765,522)	1,434,150,869	(1,940,765,522)	1,434,150,869
Add (less): Income taxes	16.2	388,153,104	(286,830,174)	388,153,104	(286,830,174)
Other comprehensive income (loss) to reclassified to profit or loss in subsequent years - net of income tax		(1,552,612,418)	1,147,320,695	(1,552,612,418)	1,147,320,695
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial gain (loss)		(1,185,657)	14,914,959	(1,154,886)	14,914,959
Add (less): Income taxes	16.2	230,977	(2,982,992)	230,977	(2,982,992)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(954,680)	11,931,967	(923,909)	11,931,967
Other comprehensive income (loss) for the years - net of income taxes		(1,553,567,098)	1,159,252,662	(1,553,536,327)	1,159,252,662
Total comprehensive income for the years		2,554,584,342	3,809,043,768	2,559,781,509	3,812,036,898
Total comprehensive income for the periods attributable to:					
Equity holders of the Company		2,554,636,006	3,809,073,699	2,559,781,509	3,812,036,898
Non-controlling interests of the subsidiary		(51,664)	(29,931)		
		2,554,584,342	3,809,043,768		

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

Statements of Changes in Owners' Equity

	Note	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions
Balance as at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779
Share-based payments	26	-	-	37,753,587
Increase in share capital as a result of warrant exercise		1,035,650	12,945,625	-
Transfer to legal reserve		-	-	-
Subscriptions received in advance from exercises of warrants	26	482,324,638	-	-
Issue of ordinary shares by private placement		2,775,000	128,343,750	-
Issue of ordinary shares to employee provident fund		362	-	-
Dividend paid	27	-	-	-
Acquisition of non-controlling interests without a change in control		-	-	-
Profits (losses) for the year		-	-	-
Other comprehensive income for the years				
Gains on valuation of available-for-sale investments				
- net of income taxes		-	-	-
Actuarial gain - net of income taxes		-	-	-
Total comprehensive income for the year		-	-	-
Balance as at 31 December 2014		1,697,850,000	2,987,540,018	103,822,366

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

[Unit: Baht]

Consolidated financial statement

Equity attributable to equity holders of the Company

Subscriptions received in advance from exercise of warrants	Retained earnings			Other component of owners' equity		Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiary	Total
	Appropriated		Unappropriated	Revaluation surplus on available-for-sale investments - net of income taxes				
	Statutory reserve	General reserve						
1,246,050	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639	-	22,263,656,639	
-	-	-	-	-	37,753,587	-	37,753,587	
(1,246,050)	-	-	-	-	12,735,225	-	12,735,225	
-	48,800,000	-	(48,800,000)	-	-	-	-	
-	-	-	(482,324,638)	-	-	-	-	
-	-	-	-	-	131,118,750	-	131,118,750	
-	-	-	-	-	362	-	362	
-	-	-	(678,072,805)	-	(678,072,805)	-	(678,072,805)	
-	-	-	-	-	-	40,000	40,000	
-	-	-	2,649,821,037	-	2,649,821,037	(29,931)	2,649,791,106	
-	-	-	-	1,147,320,695	1,147,320,695	-	1,147,320,695	
-	-	-	11,931,967	-	11,931,967	-	11,931,967	
-	-	-	2,661,753,004	1,147,320,695	3,809,073,699	(29,931)	3,809,043,768	
-	170,800,000	400,000,000	14,677,674,816	5,538,578,257	25,576,265,457	10,069	25,576,275,526	

Statements of Changes in Owners' Equity

	Note	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions
Balance as at 1 January 2015		1,697,850,000	2,987,540,018	103,822,366
Share-based payments	25, 26	-	-	24,338,544
Increase in share capital as a result of warrant exercise	25	5,960,780	143,058,720	-
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No.2 exercise	25	-	89,327,084	(89,327,084)
Subscriptions received in advance from exercises of warrants	26	-	-	-
Dividend paid	27	-	-	-
Acquisition of non-controlling interests without a change in control		-	-	-
Profits (losses) for the year		-	-	-
Other comprehensive income for the year				
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-
Actuarial loss - net of income taxes		-	-	-
Total comprehensive income (loss) for the year		-	-	-
Balance as at 31 December 2015		1,703,810,780	3,219,925,822	38,833,826

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

[Unit: Baht]

Consolidated financial statement

Equity attributable to equity holders of the Company

	Subscriptions received in advance from exercise of warrants	Retained earnings			Other component of owners' equity		Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiary	Total
		Appropriated		Unappropriated	Revaluation surplus on available-for-sale investments - net of income taxes				
		Statutory reserve	General reserve						
	-	170,800,000	400,000,000	14,677,674,816	5,538,578,257	25,576,265,457	10,069	25,576,275,526	
	-	-	-	-	-	24,338,544	-	24,338,544	
	-	-	-	-	-	149,019,500	-	149,019,500	
	-	-	-	-	-	-	-	-	
	10,626,000	-	-	-	-	10,626,000	-	10,626,000	
	-	-	-	(1,324,674,753)	-	(1,324,674,753)	-	(1,324,674,753)	
	-	-	-	-	-	-	200,000	200,000	
	-	-	-	4,108,203,104	-	4,108,203,104	(51,664)	4,108,151,440	
	-	-	-	-	1,552,612,418	1,552,612,418	-	1,552,612,418	
	-	-	-	(954,680)	-	(954,680)	-	(954,680)	
	-	-	-	4,107,248,424	(1,552,612,418)	2,554,636,006	(51,664)	2,554,584,342	
	10,626,000	170,800,000	400,000,000	17,460,248,487	3,985,965,839	26,990,210,754	158,405	26,990,369,159	

Statements of Changes in Owners' Equity

	Note	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions
Balance as at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779
Share-based payments	26	-	-	37,753,587
Increase in share capital as a result of warrant exercise		1,035,650	12,945,625	-
Transfer to legal reserve		-	-	-
Subscriptions received in advance from exercises of warrant	26	482,324,638	-	-
Issue of ordinary shares by private placement		2,775,000	128,343,750	-
Issue of ordinary shares to employee provident fund		362	-	-
Dividend paid	27	-	-	-
Profits for the year		-	-	-
Other comprehensive income for the year				
Gains on valuation of available-for-sale investments				
- net of income taxes		-	-	-
Actuarial gain - net of income taxes		-	-	-
Total comprehensive income for the year		-	-	-
Balance as at 31 December 2014		1,697,850,000	2,987,540,018	103,822,366

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

[Unit: Baht]

Separate financial statements

	Subscriptions received in advance from exercise of warrants	Retained earnings			Other component of owners' equity Revaluation surplus on available- for-sale investments - net of income taxes	Total
		Appropriated		Unappropriated		
		Statutory reserve	General reserve			
	1,246,050	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639
	-	-	-	-	-	37,753,587
	(1,246,050)	-	-	-	-	12,735,225
	-	48,800,000	-	(48,800,000)	-	-
	-	-	-	(482,324,638)	-	-
	-	-	-	-	-	131,118,750
	-	-	-	-	-	362
	-	-	-	(678,072,805)	-	(678,072,805)
	-	-	-	2,652,784,236	-	2,652,784,236
	-	-	-	-	1,147,320,695	1,147,320,695
	-	-	-	11,931,967	-	11,931,967
	-	-	-	2,664,716,203	1,147,320,695	3,812,036,898
	-	170,800,000	400,000,000	14,680,638,015	5,538,578,257	25,579,228,656

Statements of Changes in Owners' Equity

	Note	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions
Balance as at 1 January 2015		1,697,850,000	2,987,540,018	103,822,366
Share-based payments	25, 26	-	-	24,338,544
Increase in share capital as a result of warrant exercise	25	5,960,780	143,058,720	-
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No.2 exercise	25	-	89,327,084	(89,327,084)
Subscriptions received in advance from exercises of warrants	26	-	-	-
Dividend paid	27	-	-	-
Profits for the year		-	-	-
Other comprehensive income for the year				
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-
Actuarial gain - net of income taxes		-	-	-
Total comprehensive income (loss) for the year		-	-	-
Balance as at 31 December 2015		1,703,810,780	3,219,925,822	38,833,826

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

[Unit: Baht]

Separate financial statements

	Subscriptions received in advance from exercise of warrants	Retained earnings			Other component of owners' equity	
		Appropriated			Revaluation surplus on available- for-sale investments - net of income taxes	Total
		Statutory reserve	General reserve	Unappropriated		
	-	170,800,000	400,000,000	14,680,638,015	5,538,578,257	25,579,228,656
	-	-	-	-	-	24,338,544
	-	-	-	-	-	149,019,500
	-	-	-	-	-	-
	10,626,000	-	-	-	-	10,626,000
	-	-	-	(1,324,674,753)	-	(1,324,674,753)
	-	-	-	4,113,317,836	-	4,113,317,836
	-	-	-	-	(1,552,612,418)	(1,552,612,418)
	-	-	-	(923,909)	-	(923,909)
	-	-	-	4,112,393,927	(1,552,612,418)	2,559,781,509
	10,626,000	170,800,000	400,000,000	17,468,357,189	3,985,965,839	26,998,319,456

Statements of Cash Flows

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Net premium written	43,900,198,357	50,651,531,427	43,900,198,357	50,651,531,427
Interest income	8,772,717,817	7,367,636,058	8,772,717,817	7,367,636,058
Dividend income	1,114,362,302	962,510,779	1,114,362,302	962,510,779
Other investment income	2,986,791,664	2,275,022,192	2,986,791,664	2,275,022,192
Other income	55,369,354	42,803,671	55,369,354	42,803,671
Benefit payments under life policies during the years	(15,023,217,913)	(11,951,485,531)	(15,023,217,913)	(11,951,485,531)
Commissions and brokerages	(2,842,199,218)	(2,816,684,021)	(2,842,199,218)	(2,816,684,021)
Other underwriting expenses	(391,682,722)	(408,774,526)	(391,682,722)	(408,774,526)
Operating expenses	(2,251,936,345)	(1,595,383,679)	(2,262,017,793)	(1,595,383,679)
Other expenses	(106,460,923)	(132,023,166)	(106,460,923)	(139,775,503)
Corporate income taxes	(1,247,881,082)	(2,005,116,745)	(1,247,881,082)	(2,005,116,745)
Net cash provided by operating activities	34,966,061,291	42,390,036,459	34,955,979,843	42,382,284,122
Cash flows from investing activities				
Cash flows from				
Investments in securities	13,419,235,508	8,074,184,637	13,419,235,508	8,074,184,637
Loans	1,654,919,162	1,049,312,471	1,654,919,162	1,049,312,471
Deposits at financial institutions	6,131,050,900	4,244,000,000	6,131,050,900	4,244,000,000
Premises and equipment	5,867,390	6,159,857	5,867,390	6,159,857
Cash from investing activities	21,211,072,960	13,373,656,965	21,211,072,960	13,373,656,965
Cash flows used in				
Investments in securities	(36,334,651,769)	(42,822,278,778)	(36,334,651,769)	(42,822,278,778)
Loans	(2,688,230,661)	(1,896,037,957)	(2,688,230,661)	(1,896,037,957)
Deposits at financial institutions	(14,347,606,616)	(5,055,050,900)	(14,347,606,616)	(5,055,050,900)
Premises and equipment	(247,422,204)	(126,074,317)	(247,422,204)	(126,074,317)
Net cash outflow on acquisition of subsidiary	-	(3,660,000)	-	-
Cash used in investing activities	(53,617,911,250)	(49,903,101,952)	(53,617,911,250)	(49,899,441,952)
Net cash used in investing activities	(32,406,838,290)	(36,529,444,987)	(32,406,838,290)	(36,525,784,987)

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

(หน่วย: บาท)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from financing activities				
Proceeds from share capital increase as a result of warrant exercise	159,645,500	131,118,750	159,645,500	131,118,750
Subscriptions received from employee provident fund	-	362	-	362
Subscriptions received from exercise of warrants	-	12,735,225	-	12,735,225
Payment from securities bought under repurchase agreements	-	(950,000,000)	-	(950,000,000)
Dividend paid	(1,324,674,752)	(678,072,805)	(1,324,674,752)	(678,072,805)
Net cash used in financing activities	(1,165,029,252)	(1,484,218,468)	(1,165,029,252)	(1,484,218,468)
Net increase in cash and cash equivalents	1,394,193,749	4,376,373,004	1,384,112,301	4,372,280,667
Cash and cash equivalents at beginning of years	5,707,563,957	1,331,190,953	5,703,471,620	1,331,190,953
Cash and cash equivalents at ending of years	7,101,757,706	5,707,563,957	7,087,583,921	5,703,471,620
Supplemental cash flows information				
Non-cash items				
Increase (decrease) in available-for-sale investments as a result of valuation	(1,940,765,522)	1,434,150,869	(1,940,765,522)	1,434,150,869
Increase in capital reserve on share-based payments	24,338,544	37,753,587	24,338,544	37,753,587
Receivables on sales of investments	51,555,539	1,250,000	51,555,539	1,250,000
Payables on purchases of investments	-	3,171,954	-	3,171,954

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

Notes to Financial Statements

Notes to financial statements

For the years ended 31 December 2015 and 2014

1. Corporate information

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

2. Basis of preparation of financial statements

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and in accordance with Thai accounting practices related to life insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission (“OIC”). The presentation of the financial statements has been made in compliance with the Declaration of the Insurance Commission dated 27 May 2010.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statements regarding a summary of significant accounting policies.

2.2 Basis of consolidation

(a) The consolidated financial statements include the financial statements of Bangkok Life Assurance Public Company Limited and the following subsidiary:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at 31 December	
			2015	2014
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99

(b) 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.

(c) Subsidiary is fully consolidated, being the date on the Company obtains control, and continued to be consolidated until the date when such control ceases.

(d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.

(e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

(f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.

2.3 The separate financial statements

The separate financial statements present investment in a subsidiary under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognises actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiary have changed the recognition of actuarial gains and losses in the current year from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current year's transactions and restated the prior year's financial statements, presented as comparative information, as if the Company had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee 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, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgment when reviewing whether the Company and its subsidiary have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on financial statements of the Company and its subsidiary.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiary.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

Notes to Financial Statements

This standard does not have any significant impact on the financial statements of the Company and its subsidiary.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards will not have any significant impact on the financial statements when it is initially applied, except the following standard.

TFRS 4 Insurance Contracts

The objective of TFRS 4 is to specify the financial reporting for insurance contracts issued by any entity until the second phase of its project on insurance contracts is completed. In particular, this TFRS requires disclosure that identifies and explains the amounts in an insurer's financial statements arising from insurance contracts and prohibits provisions for possible claims under contracts that are not in existence at the end of the reporting period. In addition, it requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. This TFRS temporarily exempts an insurer from some requirements of other TFRSs, including the requirement to consider the framework in selecting accounting policies for insurance contracts.

The Company's management is still evaluating the first-year impact of TFRS 4 to the financial statements for the year in which TFRS 4 will be adopted.

4. Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiary have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards.

The amounts of adjustments affecting the statements of income and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	For the year ended 31 December 2014
	Consolidated and separate financial statements
Statements of income	
Profit or loss:	
Decrease in actuarial gains	14,915
Decrease in profit for the year	11,932
Statements of comprehensive income	
Other comprehensive income:	
Increase in actuarial gains	14,915
Increase in other comprehensive income	11,932
Earnings per share (Baht):	
Decrease in basic earnings per share	0.007
Decrease in diluted earnings per share	0.007

5. Summary significant accounting policies

5.1 Revenue recognition

(a) Premium income

For the first year policies, premium written after net of premium ceded and refund, is recognised as revenue on the effective date of the insurance policies. For renewal policies, it is recognised as revenue when due and only on the policy that is still in force at the end of reporting period.

(b) Interest and dividend income on investments

Interest income is recognised as revenue on an accrual basis based on the effective interest rate. Dividends are recognised as revenue when the right to receive the dividend is established.

(c) Interest income on loans

Interest income is recognised as revenue over the term of the loans based on the amount of principal outstanding, except for interest income portion that has been past due over six months, it is recognised on a cash basis.

(d) Gains (losses) on investments

Gains (losses) on investments are recognised as revenues or expenses when incurred.

5.2 Expenses recognition

(a) Ceded premium

Ceded premium is recognised as expense when the insurance risk is transferred to another reinsurer.

(b) Commissions and brokerages

Commission and brokerage fees are expensed when incurred.

(c) Claims and losses adjustment expenses

Claims and losses adjustment expenses consist of claims and losses adjustment expenses of insurance, and include the amounts of the claims, related expenses, and loss adjustments of the current and prior period incurred during the year, and less claims refundable from reinsurers.

Claims and losses adjustment expenses of insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimated is not to exceed the sum-insured under the relevant policy.

(d) Benefit payments under life policies

Benefit payments under life policies are recorded when notices of claims have been received or when benefits are due as conditions in policies.

(e) Other underwriting and operating expenses

Other underwriting and operating expenses are recognised in profit or loss as expenses on an accrual basis.

5.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.4 Premium receivables and allowance for doubtful accounts

Premium receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of premium receivables. The allowance is generally based on collection experiences and a review of current status of the premium receivables as at the end of reporting period.

Notes to Financial Statements

For individual policies whose cash value is greater than the amount of premium receivable and that is overdue longer than the grace period granted by the Company, the premium receivables will be settled by granting automatic premium loans.

5.5 Reinsurance assets and due to reinsurers

(a) Reinsurance assets

Reinsurance assets are stated at the outstanding balance of amounts due from reinsurers and insurance reserves refundable from reinsurers.

Amounts due from reinsurers consist of accrued commission and brokerage income, claims and various other items receivable from reinsurers, excluding reinsurance premium receivables, less allowance for doubtful accounts. The Company records allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting period.

Insurance reserves refundable from reinsurers are estimated, based on the related reinsurance contracts, on premium reserve, loss reserve and outstanding claims in accordance with the regulations regarding insurance reserves calculations.

(b) Due to reinsurers

Due to reinsurers are stated at the outstanding balance payable to reinsurers, which consist of reinsurance premiums and other items payable to reinsurers, excluding claims.

The Company presents net of reinsurance to the same entity (reinsurance assets or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The Company has a legal right to offset amounts presented in the statements of financial position, and
- (2) The Company intends to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

5.6 Investments in securities

The Company measures investments in securities according to classification of investments as follows:

- (a) Trading investments are stated at fair value. Changes in the fair value of these investments are recorded in profit or loss.
- (b) Available-for-sale investments are stated at fair value. Changes in the fair value of these investments are recorded in other comprehensive income, and will be transferred to be recognised in profit or loss when investments are sold.
- (c) Investments in held-to-maturity debt securities are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income. The investments in debt securities are classified as held-to-maturity debt securities when the Company has the positive intention and ability to hold them to maturity.
- (e) Investments in non-marketable equity securities are classified as general investments, and are stated at cost net of allowance for loss on impairment (if any).
- (d) Investment in a subsidiary is accounted for in the separate financial statements using the cost method.

The fair value of marketable security is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand. The fair value of debt instrument is determined based on the yield rate quoted by the Thai Bond Market Association. The fair value of unit trust is determined from its net asset value.

Purchases and sales of investments are recorded on the trading dates.

On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised as revenue or expense in profit or loss. The weighted average method is used for computation of the cost of investments.

5.7 Loans and allowance for doubtful accounts

Loans are stated at net realisable value. The Company set up an allowance for doubtful accounts based on the estimated loss that may be incurred in collection of receivables, on the basis of collection experiences, analysis of debt aging and the appraisal value of the collateral of each debt.

5.8 Premises and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment are calculated by reference to their costs on a straight-line basis over the following estimated useful lives, or the period of the lease.

Buildings	20 years
Condominium units	20 years
Building improvements	5 years
Leasehold improvements	Period of lease
Furniture and fixtures and office equipment	3 years and 5 years
Motor vehicles	5 years

Depreciation is included in profit or loss.

No depreciation is provided for land and construction in progress.

An item of property, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated for impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

An impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

5.10 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over their economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation amount is charged as expenses to profit or loss.

Notes to Financial Statements

The useful lives of intangible assets with finite useful lives which are computer software are expected to generate economic benefit within 3 years, 5 years and 10 years.

5.11 Investment property

Investment property is initially recorded at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 20 years. Depreciation of the investment property is charged as expense to profit or loss.

On disposal of investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

5.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiary perform impairment reviews in respect of property, buildings and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

5.13 Life policy reserves

Life policy reserves represent the accumulated total liabilities for policies in force as at the end of the reporting period. Such reserves are set aside for estimated future claims and benefits payment under all life insurance policies in force. The Company calculates reserve under long-term policies with reference to net level premium reserve ("NPV"), which is an actuarial method, plus Provision for Adverse Deviation (PAD), which is 4% of NPV. The main assumptions used relating to mortality rate, morbidity rate, longevity and discount rates.

At the end of the reporting period, the Company performs a liability adequacy assessment by comparing the carrying amount of the life policy reserve against the present value of estimated future cash flows using current assumptions. Any adjustment is recognised in profit or loss.

5.14 Unpaid policy benefits

Unpaid policy benefits are recorded when notices of the claims are received or when conditions in the policy are met.

5.15 Loss reserves and outstanding claims

Outstanding claims are recorded for the estimated cost of all claims notified but not settled at end of the reporting period, using the information available at the time. In addition, a loss reserve is also made for the cost of claims incurred but not reported (IBNR) as at end of the reporting period, which is based on actuarial estimates. The maximum value of claims estimated is not, however, to exceed the sum-insured under the relevant policy.

The Company also sets up additional reserves on claim for loss that already incurred but no yet reported (IBNR) to the Company using the actuarial methods as prescribed by the OIC's Notification regarding determination of types of capital, together with the guidelines, procedures and conditions for calculating capital of life insurance companies.

5.16 Premium reserves

Premium reserves consist of unearned premium reserves and unexpired risks reserves.

(a) Unearned premium reserves

At the end of the reporting period, the Company records unearned premium reserves for short-term riders and group insurance, based on the amount calculated on net premium written for the year, using the monthly average basis (the one-twenty fourth basis).

(b) Unexpired risk reserves

Unexpired risk reserves are the amounts set aside for claims, which may occur in the future, of the in-force policies. Unexpired risk reserves are determined using an actuarial method. The reserves are determined using the best estimates of the claims, which are expected to occur during the remaining coverage period, with reference to its historical claim data.

As at the end of reporting period, the Company compares the amounts of unexpired risk reserves with unearned premium reserves, and if unexpired risk reserves are higher than unearned premium reserves, the difference is recognised as unexpired risk reserves in the financial statements.

5.17 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Company and its subsidiary and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiary. The fund's assets are held in a separate trust fund and the contributions of the Company and its subsidiary are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiary have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiary provide also other long-term employee benefit plans, namely long service awards.

The obligations under the defined benefit plan and other long-term employee benefit plans are determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss

Share-based payment transactions

The scheme to issue warrants to employee of the Company will be recognised since the grant date based on the fair value of the issued securities as at the grant date. The Company will recognise them as expenses in profit or loss over the vesting period with a corresponding increase in "Capital reserve on share-based payments" in owners' equity. The Company will transfer "Capital reserve on share-based payments" to be recognised as "Share premium" proportionately based on the number of warrants exercised when there is an exercise of warrant.

5.18 Provisions

Provisions are recognised when the Company and its subsidiary have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Notes to Financial Statements

5.19 Long-term leases

Leases of property, buildings or equipment, which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The asset acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.20 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the functional currency of the Company and its subsidiary. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.21 Income tax

Income tax expenses

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting periods.

The Company and its subsidiary recognise deferred tax liabilities for all taxable temporary differences while the recognised deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiary review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiary record deferred income taxes directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

5.22 Derivatives

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are included in profit or loss. Premium or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

Cross currency swap contracts

Payables and receivables arising from cross currency swap contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss.

5.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5.24 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiary, whether directly or indirectly, or which are under common control with the Company and its subsidiary.

They also include individuals which directly or indirectly own a voting interest in the Company and its subsidiary that gives them significant influence over the Company and its subsidiary, key management personnel, directors and officers with authority in the planning and direction of the operations of the Company and its subsidiary.

6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Notes to Financial Statements

6.1 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

6.2 Allowance for doubtful accounts on receivables/loans/premium receivables

In determining an allowance for doubtful accounts on receivables, loans and premium receivables the management judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

6.3 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (the Company and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6.4 Impairment of investments in equity securities

The Company and its subsidiary treat available-for-sale investments and general investments as impaired when impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

6.5 Premises and equipment/Depreciation

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the buildings and equipment and to reviews estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, buildings and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

6.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset and to choose a suitable discount rate in order to calculate the present value of those cash flows.

6.7 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6.8 Life policy reserves

Life policy reserves are calculated using the actuarial method, based on the current assumptions or on assumptions established at inception of the contract which reflect the best estimate at the time increased with a margin for risk and adverse deviation. The main assumptions used relate to mortality, morbidity, longevity, and discount rates. Estimating the reserve requires the management to exercise judgment, with reference to the best estimates available at the time.

6.9 Loss reserves and outstanding claims

At each reporting period, the Company has to estimate loss reserves and outstanding claims taking into account two parts. These are the claims incurred and reported at the reporting date, and the claims incurred but not yet reported (IBNR) at the reporting date. The key assumptions underlying these actuarial techniques relate to historical experiences, including the development of claims estimates, paid and incurred losses, average costs per claim and claim numbers, etc. Nevertheless, such estimates are forecasts of future outcomes, and therefore actual results could differ.

6.10 Unexpired risk reserves

Unexpired risk reserves are calculated using an actuarial method, based on a best estimate of the claims expected to be paid over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

6.11 Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligations under the defined benefit plan and other long-term employee benefit plan are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6.12 Litigation

The Company and its subsidiary have contingent liabilities as a result of litigation. The management of the Company and its subsidiary has used judgment to assess of the results of the litigation and believes that losses incurred will not exceed the recorded amounts as at the end of reporting period.

6.13 Cost of share-based payment transactions

Estimating the cost of share-based payment transactions requires the determination of the fair value of the options granted under the transactions which involves appropriate assumptions, including but not limited to the expected life of the share options, share price volatility, dividend yield, etc.

Notes to Financial Statements

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Cash on hand	6,007	4,224	6,006	4,223
Deposits at banks with no fixed maturity date	953,358	874,391	939,185	870,300
Deposits at banks with fixed maturity date	16,480,000	6,950,000	16,480,000	6,950,000
Total cash and deposits at financial institutions	17,439,365	7,828,615	17,425,191	7,824,523
Add: Investments in securities with original maturity period of less than 3 months	5,942,393	3,138,949	5,942,393	3,138,949
Less: Deposits at banks and financial institutions with an original maturity period of longer than 3 months	(16,280,000)	(5,260,000)	(16,280,000)	(5,260,000)
Cash and cash equivalents	7,101,758	5,707,564	7,087,584	5,703,472

As at 31 December 2015, interest rates on saving accounts, fixed deposits and notes are in the range of 0.38% - 1.75% per annum (31 December 2014: 0.38% - 3.00% per annum).

8. Premium receivables

As at 31 December 2015 and 2014, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates under the stipulated credit terms, are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December 2015		
	Due from insured	Due from agents and brokers	Total
Not yet due	1,620,699	54,984	1,675,683
Overdue			
Not over 30 days	4,676	4,456	9,132
Over 30 days to 60 days	22	18,334	18,356
Over 60 days to 90 days	28	6,055	6,083
Over 90 days to 1 year	163	6,630	6,793
Over 1 year	640	426	1,066
Total premium receivables	1,626,228	90,885	1,717,113

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December 2014		
	Due from insured	Due from agents and brokers	Total
Not yet due	1,643,589	36,847	1,680,436
Overdue			
Not over 30 days	3,018	23,354	26,372
Over 30 days to 60 days	271	14,121	14,392
Over 60 days to 90 days	23	1,271	1,294
Over 90 days to 1 year	428	1,521	1,949
Over 1 year	331	459	790
Total premium receivables	1,647,660	77,573	1,725,233

For premium receivables due from agents and brokers, the Company has determined criteria in collections from those debtors in order to be in compliance with the stipulated credit terms. 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 policy loan where the policy has a cash surrender value.

9. Reinsurance assets

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
	Insurance reserve refundable from reinsurers	372,054
Amounts due from reinsurers	527,122	445,314
Reinsurance assets	899,176	763,785

As at 31 December 2015 and 2014, the outstanding balances of amounts due from reinsurers, classified by overdue period, are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
	Not yet due	527,122
Total amounts due from reinsurers	527,122	445,314

Notes to Financial Statements

10. Investments in securities

10.1 Trading investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2015				
	Cost	Unrealised gains	Unrealised losses	Fair value	Percentage of total assets
Private sector securities					
Equity securities	82,755	14,478	-	97,233	0.04
Unit trusts	17,016	1,971	-	18,987	0.01
Total	99,771	16,449	-	116,220	0.05
Total trading investments	99,771	16,449	-	116,220	0.05

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2014				
	Cost	Unrealised gains	Unrealised losses	Fair value	Percentage of total assets
Private sector securities					
Unit trusts	17,045	25	-	17,070	0.01
Total	17,045	25	-	17,070	0.01
Total trading investments	17,045	25	-	17,070	0.01

10.2 Available-for-sale investments

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2015					
	Cost	Unrealised gains	Unrealised losses	Fair value	Percentage of total assets
Government and state enterprise securities					
Equity securities	455,440	271,032	(16,208)	710,264	0.28
Thai government bonds	478,370	37,896	-	516,266	0.21
Total	933,810	308,928	(16,208)	1,226,530	0.49
Private debt securities					
Equity securities	7,702,019	4,655,504	(744,998)	11,612,525	4.65
Unit trusts	10,215,576	518,529	(74,788)	10,659,317	4.27
Total	17,917,595	5,174,033	(819,786)	22,271,842	8.92
Foreign securities					
Equity securities	127,812	-	(21,882)	105,930	0.04
Unit trusts	1,783,848	621,340	(20,568)	2,384,620	0.96
Total	1,911,660	621,340	(42,450)	2,490,550	1.00
Total available-for-sale investments	20,763,065	6,104,301	(878,444)	25,988,922	10.41

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2014					
	Cost	Unrealised gains	Unrealised losses	Fair value	Percentage of total assets
Government and state enterprise securities					
Equity securities	394,263	241,306	-	635,569	0.29
Thai government bonds	691,616	50,567	-	742,183	0.34
Total	1,085,879	291,873	-	1,377,752	0.63
Private debt securities					
Equity securities	6,858,733	6,229,110	(187,828)	12,900,015	5.98
Unit trusts	5,734,721	183,479	(77,769)	5,840,431	2.71
Total	12,593,454	6,412,589	(265,597)	18,740,446	8.69
Foreign securities					
Unit trusts	1,320,628	574,055	-	1,894,683	0.88
Total	1,320,628	574,055	-	1,894,683	0.88
Total available-for-sale investments	14,999,961	7,278,517	(265,597)	22,012,881	10.21

Notes to Financial Statements

10.3 Held-to-maturity investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2015		31 December 2014	
	Cost/ Amortised cost	Percentage of total assets	Cost/ Amortised cost	Percentage of total assets
Government and state enterprise securities				
Thai government bonds	99,348,277	39.80	91,572,879	42.48
State enterprise bonds	15,166,357	6.08	17,055,842	7.91
Debentures	7,038,652	2.82	5,839,817	2.71
Promissory notes	2,500,000	1.00	2,500,000	1.16
Total	124,053,286	49.70	116,968,538	54.26
Private enterprise debt securities				
Promissory notes/bills of exchange	10,167,122	4.07	9,891,752	4.59
Debentures	43,859,088	17.57	38,706,797	17.95
Total	54,026,210	21.64	48,598,549	22.54
Foreign debt securities				
Bonds	3,522,923	1.41	2,553,909	1.18
Debentures	2,812,253	1.13	2,125,546	0.99
Bill of exchanges	716,590	0.29	654,481	0.30
Total	7,051,766	2.83	5,333,936	2.47
Deposits at financial institutions with maturity period of longer than 3 months				
Deposit at banks	5,380,000	2.16	4,960,000	2.30
Certificates of deposit	10,900,000	4.37	300,000	0.14
Total	16,280,000	6.53	5,260,000	2.44
Total held-to-maturity investments	201,411,262	80.70	176,161,023	81.71

10.4 General investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2015		31 December 2014	
	Cost	Percentage of total asset	Cost	Percentage of total asset
Investments in non-marketable securities				
Domestic	29,588	0.01	29,588	0.01
Overseas	17,074	0.01	17,074	0.01
Total general investments	46,662	0.02	46,662	0.02

10.5 Remaining periods to maturity of debt securities

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2015			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investment				
Government and state enterprise securities				
Thai government bonds	-	323,399	154,971	478,370
Add: Unrealised gains	-	24,233	13,663	37,896
Total available-for-sale investments	-	347,632	168,634	516,266
Held-to-maturity investment				
Government and state enterprise securities				
Thai government bonds	59,768	4,544,797	94,743,712	99,348,277
State enterprise bonds	59,944	3,086,440	12,019,973	15,166,357
Debentures	-	1,962,239	5,076,413	7,038,652
Promissory notes	-	-	2,500,000	2,500,000
Total	119,712	9,593,476	114,340,098	124,053,286
Private enterprises securities				
Promissory notes/bills of exchange	2,290,000	1,300,000	6,577,122	10,167,122
Debentures	1,296,479	5,000,183	37,562,426	43,859,088
Total	3,586,479	6,300,183	44,139,548	54,026,210
Foreign investments				
Bonds	358,187	1,088,139	2,076,597	3,522,923
Debentures	210,000	652,662	1,949,591	2,812,253
Bill of exchanges	-	-	716,590	716,590
Total	568,187	1,740,801	4,742,778	7,051,766
Deposit at financial institutions with maturity period of longer than 3 months				
Deposit at banks	3,980,000	1,400,000	-	5,380,000
Certificates of deposit	4,600,000	6,300,000	-	10,900,000
Total	8,580,000	7,700,000	-	16,280,000
Total held-to-maturity investments	12,854,378	25,334,460	163,222,424	201,411,262

Notes to Financial Statements

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2014			
	Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investment				
Government and state enterprise securities				
Thai government bonds	-	536,046	155,570	691,616
Add: Unrealised gains	-	38,481	12,086	50,567
Total available-for-sale investments	-	574,527	167,656	742,183
Held-to-maturity investment				
Government and state enterprise securities				
Thai government bonds	-	5,899,995	85,672,884	91,572,879
State enterprise bonds	1,841,552	2,444,346	12,769,944	17,055,842
Debentures	519,835	1,333,410	3,986,572	5,839,817
Promissory notes	-	-	2,500,000	2,500,000
Total	2,361,387	9,677,751	104,929,400	116,968,538
Private enterprises securities				
Promissory notes/bills of exchange	78,662	2,050,000	7,763,090	9,891,752
Debentures	915,769	3,036,217	34,754,811	38,706,797
Total	994,431	5,086,217	42,517,901	48,598,549
Foreign investments				
Bonds	163,771	983,993	1,406,145	2,553,909
Debentures	-	651,332	1,474,214	2,125,546
Bill of exchanges	-	-	654,481	654,481
Total	163,771	1,635,325	3,534,840	5,333,936
Deposit at financial institutions with maturity period of longer than 3 months				
Deposit at banks	3,560,000	1,400,000	-	4,960,000
Certificates of deposit	300,000	-	-	300,000
Total	3,860,000	1,400,000	-	5,260,000
Total held-to-maturity investments	7,379,589	17,799,293	150,982,141	176,161,023

10.6 Investments in structured notes

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

- (a) As at 31 December 2015 and 2014, 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, have remaining maturity periods of 4 - 13 years and 5 - 14 years, respectively, and contain conditions whereby the issuer has call option or has rights to call for additional deposits.

- (b) As at 31 December 2015 and 2014, the Company has investments of Baht 2,290 million and Baht 2,050 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity period of 1 years and 2 years, respectively, and contain conditions whereby the issuer has a call option and additional amounts can be deposited on a monthly basis and settlement of principal and interest is to be received on the maturity date per the agreement.
- (c) As at 31 December 2015 and 2014, the Company has investments of Baht 3,600 million and Baht 3,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 4 - 7 years and 5 - 8 years, respectively, and bear interest that is reference to the yield rate on government bond (CMT Index).
- (d) As at 31 December 2015 and 2014, the Company has investments of Baht 2,879 million and Baht 2,805 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 4 - 13 years and 6 - 14 years, respectively, and contain conditions whereby redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at 31 December 2015 and 2014, the Company has investments of Baht 798 million and Baht 758 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining lives of 18 years and 19 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 issues contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.

The above promissory notes and bills of exchange contain embedded derivatives that are not closely related to the host contracts, except for investments in (b) above.

10.7 Investments subject to restriction

As at 31 December 2015 and 2014, the Company has placed government and state enterprise bonds of Baht 48,190 million and Baht 41,461 million, respectively with the Registrar as securities and reserves as described in Notes 36 and 37 to the financial statements.

10.8 Gains on investments

Gains on investments for the years ended 31 December 2015 and 2014 consisted of:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Gains on sales of investments		
Trading investments	4,131	5,607
Available-for-sale investments	999,946	1,500,034
Held-to-maturity investments	159,049	9,095
Total	1,163,126	1,514,736

Notes to Financial Statements

10.9 Revaluation surplus on available-for-sale investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Revaluation surplus on available-for-sale investments - beginning of the years	6,923,223	5,489,072
Gains (losses) on revaluation of available-for-sale investments	(1,047,192)	2,290,467
Gains on sales of available-for-sale investments during the years transferred to be recognised in profit or loss	(893,574)	(856,316)
Revaluation surplus on available-for-sale investments - end of the years	4,982,457	6,923,223
Less: Income taxes	(996,491)	(1,384,645)
Revaluation surplus on available-for-sale investments - net of taxes	3,985,966	5,538,578

11. Investment in a subsidiary

As at 31 December 2015 and 2014, detail of investment in a subsidiary, as presented in the separate financial statements, is as follows:

(Unit: Thousand Baht)

Company's name	Issued and paid-up capital		Shareholding percentage		Cost	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014	31 December 2015	31 December 2014
			%	%		
BLA Insurance Broker Company Limited	24,000	4,000	99	99	23,760	3,960

12. Loans and accrued interest

As at 31 December 2015 and 2014, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit: Thousand Baht)

Consolidated and separate financial statements									
31 December 2015									
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	5,480,866	424,031	618,924	945	16,044	-	6,115,834	424,976	6,540,810
Overdue:									
Less than 6 months	-	-	22,336	107	61	-	22,397	107	22,504
Over 12 months	-	-	1,101	79	130	2	1,231	81	1,312
Total	5,480,866	424,031	642,361	1,131	16,235	2	6,139,462	425,164	6,564,626
Less: Allowance for doubtful accounts	-	-	(560)	(79)	-	-	(560)	(79)	(639)
Loans and accrued interest receivables - net	5,480,866	424,031	641,801	1,052	16,235	2	6,138,902	425,085	6,563,987

⁽¹⁾ This amount included as a part of “Accrued investment income - net” in statements of financial position.

(Unit: Thousand Baht)

Consolidated and separate financial statements									
31 December 2014									
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	4,250,986	299,022	444,824	820	15,605	-	4,711,415	299,842	5,011,257
Overdue:									
Less than 6 months	-	-	22,295	97	-	-	22,295	97	22,392
6 - 12 months	-	-	211	-	-	-	211	-	211
Over 12 months	-	-	1,149	79	53	2	1,202	81	1,283
Total	4,250,986	299,022	468,479	996	15,658	2	4,735,123	300,020	5,035,143
Less: Allowance for doubtful accounts	-	-	(66)	(80)	-	-	(66)	(80)	(146)
Loans and accrued interest receivables - net	4,250,986	299,022	468,413	916	15,658	2	4,735,057	299,940	5,034,997

⁽¹⁾ This amount included as a part of “Accrued investment income - net” in 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 at not more than 4.50% - 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 rates charged are at the rates of 6.00% per annum. As at 31 December 2015 and 2014, loans to employees amounted to Baht 16 million and Baht 16 million, respectively.

Notes to Financial Statements

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 31 December 2015 and 2014, loans to employees under the mortgage loans amounted to Baht 54 million and Baht 53 million, respectively.

13. Premises and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Properties foreclosed	Construction In progress	
Cost:								
1 January 2014	118,612	344,259	36,633	476,362	31,067	6,685	11,519	1,025,137
Additions	48,199	6,611	-	27,584	4,666	-	39,049	126,109
Disposals	-	-	-	(9,309)	(9,758)	(2,285)	-	(21,352)
Transfer in (out)	-	8,022	-	-	-	-	(8,022)	-
31 December 2014	166,811	358,892	36,633	494,637	25,975	4,400	42,546	1,129,894
Additions	83,416	44,327	-	63,500	2,434	-	32,683	226,360
Disposals	-	-	-	(19,227)	(1,293)	(4,400)	-	(24,920)
Transfer in (out)	-	34,637	-	7,423	-	-	(42,060)	-
31 December 2015	250,227	437,856	36,633	546,333	27,116	-	33,169	1,331,334
Accumulated depreciation:								
1 January 2014	-	260,060	18,623	398,714	19,287	1,765	-	698,449
Depreciation on disposals	-	-	-	(9,261)	(9,758)	-	-	(19,019)
Depreciation for the year	-	15,337	1,831	40,551	3,432	70	-	61,221
31 December 2014	-	275,397	20,454	430,004	12,961	1,835	-	740,651
Depreciation on disposals	-	-	-	(19,135)	(869)	(1,835)	-	(21,839)
Depreciation for the year	-	23,682	1,832	36,222	3,576	-	-	65,312
31 December 2015	-	299,079	22,286	447,091	15,668	-	-	784,124
Net book value:								
31 December 2014	166,811	83,495	16,179	64,633	13,014	2,565	42,546	389,243
31 December 2015	250,227	138,777	14,347	99,242	11,448	-	33,169	547,210
Depreciation for the year								
2014								61,221
2015								65,312

(Unit: Thousand Baht)

Separate financial statements								
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Properties foreclosed	Construction In progress	Total
Cost:								
1 January 2014	118,612	344,259	36,633	476,264	31,067	6,685	11,519	1,025,039
Additions	48,199	6,611	-	27,584	4,666	-	39,049	126,109
Disposals	-	-	-	(9,309)	(9,758)	(2,285)	-	(21,352)
Transfer in (out)	-	8,022	-	-	-	-	(8,022)	-
31 December 2014	166,811	358,892	36,633	494,539	25,975	4,400	42,546	1,129,796
Additions	83,416	44,173	-	63,412	2,434	-	32,683	226,118
Disposals	-	-	-	(19,227)	(1,293)	(4,400)	-	(24,920)
Transfer in (out)	-	34,637	-	7,423	-	-	(42,060)	-
31 December 2015	250,227	437,702	36,633	546,147	27,116	-	33,169	1,330,994
Accumulated depreciation:								
1 January 2014	-	260,060	18,623	398,690	19,287	1,765	-	698,425
Depreciation on disposals	-	-	-	(9,261)	(9,758)	-	-	(19,019)
Depreciation for the year	-	15,337	1,831	40,520	3,432	70	-	61,190
31 December 2014	-	275,397	20,454	429,949	12,961	1,835	-	740,596
Depreciation on disposals	-	-	-	(19,135)	(869)	(1,835)	-	(21,839)
Depreciation for the year	-	23,659	1,832	36,184	3,576	-	-	65,251
31 December 2015	-	299,056	22,286	446,998	15,668	-	-	784,008
Net book value:								
31 December 2014	166,811	83,495	16,179	64,590	13,014	2,565	42,546	389,200
31 December 2015	250,227	138,646	14,347	99,149	11,448	-	33,169	546,986
Depreciation for the year								
2014								61,190
2015								65,251

As at 31 December 2015 and 2014, certain items of buildings and equipment of the Company have been fully depreciated but are still in use. The cost before deducting accumulated depreciation of those assets amounted to Baht 501 million and Baht 475 million, respectively.

Notes to Financial Statements

14. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Computer Software under development	Total
Cost:			
1 January 2014	78,455	278	78,733
Increase	3,350	1,418	4,768
Transfer out	-	(1,119)	(1,119)
31 December 2014	81,805	577	82,382
Increase	20,624	959	21,583
Transfer out	-	(1,100)	(1,100)
31 December 2015	102,429	436	102,865
Accumulated amortisation:			
1 January 2014	59,286	-	59,286
Amortisation for the year	10,277	-	10,277
31 December 2014	69,563	-	69,563
Amortisation for the year	9,189	-	9,189
31 December 2015	78,752	-	78,752
Net book value			
31 December 2014	12,242	577	12,819
31 December 2015	23,677	436	24,113
Amortisation for the year			
2014			10,277
2015			9,189

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer Software under development	Total
Cost:			
1 January 2014	78,455	278	78,733
Increase	3,350	1,418	4,768
Transfer out	-	(1,119)	(1,119)
31 December 2014	81,805	577	82,382
Increase	20,543	959	21,502
Transfer out	-	(1,100)	(1,100)
31 December 2015	102,348	436	102,784
Accumulated amortisation:			
1 January 2014	59,286	-	59,286
Amortisation for the year	10,277	-	10,277
31 December 2014	69,563	-	69,563
Amortisation for the year	9,185	-	9,185
31 December 2015	78,748	-	78,748
Net book value			
31 December 2014	12,242	577	12,819
31 December 2015	23,600	436	24,036
Amortisation for the year			
2014			10,277
2015			9,185

As at 31 December 2015 and 2014, certain computer software items were fully amortised but are still in use. The original costs, before deducting accumulated amortisation, of those assets amounted to approximately Baht 56 million and Baht 50 million, respectively (The Company only: Baht 56 million and Baht 50 million, respectively).

Notes to Financial Statements

15. Investment property

The net book value of investment property as at 31 December 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
	Office building for rent
31 December 2015	
Cost	21,303
Less: Accumulated depreciation	(356)
Net book value	20,947

A reconciliation of the net book value of investment property for the year ended 31 December 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
	For the year ended 31 December 2015
Net book value at beginning of year	
Acquisition of assets	21,303
Depreciation charged	(356)
Net book value at end of year	20,947

The fair value of the investment property as at 31 December 2015 stated below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements
	31 December 2015
Office building for rent	17,497

The fair value of the above investment property has been determined based on valuation performed by an independent valuer. The fair value of the office building held for rent has been determined using the cost approach. The approach was estimated current replacement cost less accumulated depreciation and add with fair value of land.

16. Deferred tax assets/liabilities and income tax expenses

16.1 Deferred tax assets/liabilities

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

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December		Change in deferred tax assets/liabilities for the years ended 31 December	
	31 December		31 December	
	2015	2014	2015	2014
Deferred tax assets				
Life policy reserves	3,333,531	2,814,190	519,341 ⁽¹⁾	1,795,185 ⁽¹⁾
Loss reserves and outstanding claims	13,335	19,309	(5,974) ⁽¹⁾	3,824 ⁽¹⁾
Provisions for long-term employee benefits	35,710	33,548	2,162 ⁽³⁾	2,006 ⁽³⁾
Others	353	255	98 ⁽¹⁾	-
Total deferred tax assets	3,382,929	2,867,302	515,627	1,801,015
Deferred tax liabilities				
Trading investments	3,519	235	3,284 ⁽¹⁾	(1) ⁽¹⁾
Available-for-sale investments	996,491	1,384,645	(388,154) ⁽²⁾	(286,831) ⁽²⁾
Total deferred tax liabilities	1,000,010	1,384,880	(384,870)	(286,832)
Deferred tax assets - net	2,382,919	1,482,422		

⁽¹⁾ Reported in profit or loss

⁽²⁾ Reported in other comprehensive income (loss)

⁽³⁾ Reported in profit or loss and other comprehensive income (loss) of Baht 1,931 thousand and Baht 231 thousand, respectively. (2014: Reported in profit or loss and other comprehensive income (loss) of Baht 4,989 thousand and Baht (2,983) thousand, respectively.)

Notes to Financial Statements

16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
		(Restated)
Current income taxes:		
Corporate income tax charge	1,286,285	2,245,926
Adjustment in respect of income tax of previous year	4,475	1,541
Deferred income taxes:		
Relating to origination and reversal of temporary differences	(512,112)	(1,803,997)
Income tax expenses recognised in profit or loss	778,648	443,470

Reconciliations between accounting profits and income tax expense are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
		(Restated)		(Restated)
Accounting profits before				
income tax expenses	4,886,728	3,093,261	4,891,966	3,096,254
Applicable corporate				
income tax rates	15%, 20%	15%, 20%	20%	20%
Income taxes at the applicable				
corporate income tax rates	977,346	618,652	978,393	619,251
Net tax effect on income or expenses				
that are not taxable or not				
deductible in determining				
taxable profits	(203,173)	(176,723)	(204,220)	(177,322)
Adjustment in respect of income tax				
of previous year	4,475	1,541	4,475	1,541
Income tax expenses recognised in				
profit or loss	778,648	443,470	778,648	443,470

The amounts of income taxes relating to each component of other comprehensive income (loss) for the years ended 31 December 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014 (Restated)
Income taxes relating to:		
(Gains) losses on revaluation of available-for-sale investments	566,868	(108,567)
Gains (losses) on sales of available-for-sale investment transferred to be recognised in profit or loss	(178,715)	(178,263)
Actuarial (gain) loss	231	(2,983)
Income taxes (revenues) expenses as reported in statements of comprehensive income	388,384	(289,813)

17. Other assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Deposits from derivative	336,000	-	336,000	-
Prepaid rental expenses	58,030	69,824	58,030	69,824
Deposits	48,138	62,705	48,072	62,705
Forward and swap exchange contracts receivables	231	24,963	231	24,963
Receivable from sales of investments	69,705	10,344	69,705	10,344
Prepaid expenses	12,567	9,768	12,567	9,768
Others	22,801	9,263	20,193	12,898
Total other assets	547,472	186,867	544,798	190,502

18. Due to reinsurers

As at 31 December 2015 and 2014, the Company has amounts due to reinsurers classified by type of liabilities as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Outward premium payable	495,315	379,722
Total due to reinsurers	495,315	379,722

Notes to Financial Statements

19. Life policy reserves

The Company has movements in life policy reserves as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Balances - beginning of the years	177,434,671	136,616,421
Life policy reserves for premium received during the period and reserves for enforced policy benefits and other claims	43,689,750	51,630,019
Benefit paid for death, maturity, surrender, benefits and other claims	(13,816,213)	(10,811,769)
Balances - end of the years	207,308,208	177,434,671

20. Unpaid policy benefits

As at 31 December 2015 and 2014, the Company has unpaid policy benefits as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
Death benefit	103,180	100,173
Maturity payment	43,085	13,665
Surrender	3,824	3,229
Total unpaid policy benefits	150,089	117,067

21. Loss reserves and outstanding claims

The Company has movements in loss reserves and outstanding claims as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Balances - beginning of the years	315,052	299,680
Claims and losses adjustment expenses for the years	1,734,751	1,770,506
Claims and losses adjustment expenses paid during the years	(1,729,447)	(1,755,134)
Balances - end of the years	320,356	315,052

22. Premium reserve

22.1 Unearned premium reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Beginning - beginning of the years	1,056,888	1,021,135
Premium written for the years	2,954,373	2,897,001
Premium earned during the years	(2,936,407)	(2,861,248)
Balances - end of the years	1,074,854	1,056,888

22.2 Unexpired risk reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2015	2014
Balances - beginning of the years	711,715	640,707
Estimated claims for the years	1,970,603	2,064,991
Risk expired during the years	(1,999,392)	(1,993,983)
Balances - end of the years	682,926	711,715

As at 31 December 2015 and 2014, no additional reserve for unexpired risk had been established by the Company as the unexpired risk reserve was lower than the unearned premium reserve.

23. Employee benefit payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Short-term employee benefits payables	176,971	160,794	175,957	159,984
Provisions for long-term employee benefits	179,646	168,620	178,550	167,734
Total employee benefit payables	356,617	329,414	354,507	327,718

Notes to Financial Statements

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, and other long-term benefits for the years ended 31 December 2015 and 2014 were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
Provision for long-term employee benefits				
at beginning of years	168,620	157,711	167,734	157,711
Included in profit or loss:				
Current service cost	19,356	26,886	19,138	26,733
Interest cost	6,323	6,587	6,290	6,557
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(8,390)	(18,511)	(8,340)	(18,511)
Financial assumptions changes	6,651	2,775	6,602	2,775
Experience adjustments	(2,717)	(40)	(2,749)	(40)
Benefits paid during the years	(10,125)	(7,491)	(10,125)	(7,491)
Increase in shareholding percentage in the subsidiary	-	703	-	-
Provision for long-term employee benefits at end of years	179,718	168,620	178,550	167,734

The Company and its subsidiary expect to pay Baht 3.5 million of long-term employee benefits during the next year (Separate financial statements: Baht 3.5 million) (2014: Baht 10.0 million, separate financial statements: Baht 10.0 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 23 years (Separate financial statements: 23 years) (2014: 24 years, separate financial statements: 24 years).

Significant actuarial assumptions are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate for defined benefit plan	3.75%	4.25%	3.75%	4.25%
Discount rate for other long-term employee benefits	3.75%	3.75%	3.75%	3.75%
Inflation rate for gold price	3.00%	3.00%	3.00%	3.00%
Salary increase rate	6.00%	6.00%	6.00%	6.00%
Turnover rate				
(dependent on age of employee)	3.20%, 9.30%	2.80%, 7.75%	3.20%, 9.30%	2.80%, 7.75%
Gold per weight of 1 Baht (Baht)	19,000	19,000	19,000	19,000

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Assumptions increase (decrease)	Assumptions increase (decrease)	Assumptions increase (decrease)	Assumptions increase (decrease)
	[% per annum]			
Discount rate	0.25%	(4,889)	(4,861)	
	(0.25%)	5,089	5,058	
Inflation rate of gold price	0.25%	482	481	
	(0.25%)	(471)	(470)	
Salary increase rate	0.25%	4,407	4,380	
	(0.25%)	(4,256)	(4,229)	
Turnover rate	10.00%	(7,011)	(6,971)	
	(10.00%)	6,705	6,668	
Gold per weight of 1 Baht	10.00%	3,063	3,052	
	(10.00%)	(2,784)	(2,774)	

Notes to Financial Statements

24. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Forward and swap exchange contracts payables	2,912,292	1,024,799	2,912,292	1,024,799
Accrued commission expenses	468,619	460,839	468,199	460,551
Accrued expenses	387,177	316,853	386,076	316,020
Premium received for policies not yet approved	301,943	101,961	301,943	101,961
Amounts received awaiting transfer	64,634	80,763	64,634	80,763
Specific Business Tax payable	135,416	117,728	135,416	117,728
Payable to policyholders on exempted premiums	93,047	93,757	93,047	93,757
Payable from purchases of investments	51,123	6,183	51,123	6,183
Withholding tax payable	30,248	23,263	30,248	23,263
Others	24,353	12,556	21,690	10,924
Total other liabilities	4,468,852	2,238,702	4,464,668	2,235,949

25. Issued and paid-up share capital/Share premium

Reconciliations for the years ended 31 December 2015 are as follows:

	Consolidated and separate financial statements			
	Issued and paid-up share capital		Share premium	Capital reserve on share-based payments
	Number of shares (Thousand shares)	Thousand Baht	Thousand Baht	Thousand Baht
Balances - beginning of the year	1,697,850	1,697,850	2,987,540	103,822
Expenses in respect of share-based payments (Note 26)	5,961	5,961	143,059	24,339
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	-	89,327	(89,327)
Balances - end of the year	1,703,811	1,703,811	3,219,926	38,834

26. Share-based payments - warrants

On 23 November 2007, the Extraordinary General Meeting No. 2 of the Company's shareholders passed a resolution approving the issuance of 20 million units of registered and non-transferrable warrants (Warrant No. 1) to be allotted to employees. The Company already allocated 12.85 million units of Warrant No. 1 to employees, leaving 7.15 million units unallocated. On 26 April 2011, the Annual General Meeting of shareholders of the Company passed a resolution approving the cancellation of the unallocated 7.15 million units of Warrant No. 1 and the issuance of 7.15 million units of registered and non-transferrable warrants (Warrant No. 2) in place of the cancelled Warrant No. 1, which were already allocated to employee and the grant date is stipulated to be 1 April 2012.

The allocations of warrants to employees can be summarised as follows:

(Unit: Thousand units)

Approved by the Executive Board of Directors of the Company	Number of units of warrants		
	Warrant No. 1	Warrant No. 2	Total
On 29 May 2008	11,500	-	11,500
On 11 August 2009	1,350	-	1,350
On 22 February 2012	-	7,150	7,150
Total	12,850	7,150	20,000

These warrants expire the earlier of 5 years from the issue date and the termination date of employment. The exercise ratio is 1 unit of warrant to 1 new ordinary share and the exercise price is equal to Baht 13.50 per share for Warrant No. 1 and Baht 35.00 per share for Warrant No. 2. The first exercise date is 3 years from the grant date.

The Company's Board of Director's meeting No.5/2014, held on 8 August 2014, passed a resolution to revise the exercise ratios of the warrants allotted to employees, as a result of the grant of a stock dividend. The exercise ratios were revised from 1 unit of warrant to 1 new ordinary share to 1 unit of warrant to 1.40 new ordinary shares and the exercise prices were adjusted from Baht 13.50 per share and Baht 35.00 per share to Baht 9.6429 per share and Baht 25.00 per share, for Warrant No. 1 and Warrant No. 2, respectively.

The issue of Warrant No. 2 was approved by the Annual General Meeting of shareholders held after 1 January 2011, during which Thai Financial Reporting Standard No. 2 "Share-Based Payment" (TFRS 2) became effective. The Company therefore calculated the average fair value of the warrants at the grant date, which is Baht 20.45 per unit, in order to record expenses in respect of share-based payments in accordance with such accounting standard.

The following information is used to determine fair value of the warrants.

Expected dividend yield	- 1.5%
Expected stock price volatility	- 39.9% (estimated with reference to historical price information of the Company)
Risk-free interest rate	- 3.51% - 3.64%
Expected life of warrants	- Not more than 5 years from the date of issuance or upon termination of an employee
Model used	- Black Schole - continuous model

Employee expenses in respect of share-based payments (Warrant No. 2) recognised for the years ended 31 December 2015 amounting to Baht 24.3 million (31 December 2014: Baht 37.8 million).

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Movements of warrants during the year ended 31 December 2015 are summarised below.

(Unit: Thousand units)

For the year ended 31 December 2015	
Warrant No. 2	
Number of unexercised warrants as at 1 January 2015	7,150
Exercised right terminated by employee's resignation and death	(170)
Exercised during the period	(4,561)
Number of unexercised warrants as at 31 December 2015	2,419

During the year ended 31 December 2014, the Warrant No. 1 holders exercised 0.9 million warrants at an exercise price of Baht 13.50 each, totally Baht 12.7 million.

During the years ended 31 December 2015, the Warrant No. 2 holders exercised rights 4.6 million units of warrants at an exercise price of Baht 25.00 each, or for a total of Baht 160 million. The Company recorded such amount received from the exercise of warrants under the caption of "Subscriptions received in advance from exercise of warrants", in the owners' equity. The details are summarised as below.

(Unit: Thousand Baht)

For the year ended 31 December 2015								
Exercise	Units of warrants	Exercise price per share	Proceeds from exercise	Issued and paid up share capital	Share Premium	Subscriptions received in advance from exercises of warrants	Share capital registration date	Listing date
	(Thousand units)	(Baht)						
Warrant No. 2								
The first exercise	3,008	25.00	105,266	4,211	101,055	-	10 April 2015	22 April 2015
The second exercise	589	25.00	20,616	825	19,794	-	13 July 2015	17 July 2015
The third exercise	661	25.00	23,135	925	22,210	-	15 October 2015	20 October 2015
The fourth exercise	303	25.00	10,626	-	-	10,626	26 January 2016	2 February 2016
Total	4,561		159,643	5,961	143,059	10,626		

27. Dividends paid

Dividends declared during the years ended 31 December 2015 and 2014 consisted of the following:

	Approved by	Type	Total dividend (Million Baht)	Dividend per share (Baht)
Final dividend for 2014	Annual General Meeting of the Shareholders on 29 April 2015 and the OIC on 24 April 2015	Cash	781	0.46
Interim dividend from operations for six-month period ended 30 June 2015	Meeting of Board of Directors on 11 August 2015 and the OIC on 3 September 2015	Cash	544	0.32
Total dividend for the period 2015			1,325	0.78
Final dividend for 2013	Annual General Meeting of the Shareholders on 30 April 2014 and the OIC on 8 April 2014	Cash	618	0.51
Interim dividend from operations for six-month period ended 30 June 2014	Meeting of Board of Directors on 8 August 2014	Cash	60	0.05
	Meeting of The Extra Ordinary Shareholder on 25 September 2014 and the OIC on 12 September 2014	Stock dividend (at the rate of 5 existing shares to 2 new shares)	482	0.40
Total dividend for the period 2014			1,160	0.96

28. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

29. 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

Notes to Financial Statements

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.

The Company is operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable. In 2015 and 2014, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

Underwriting information classified by insurance categories for the years ended 31 December 2015 and 2014 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	For the year ended 31 December 2015				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	44,019,795	783,605	36,815	-	44,840,215
Less: Premium ceded	(677,574)	-	-	-	(677,574)
Net premium written	43,342,221	783,605	36,815	-	44,162,641
Add: Unearned premium reserve	11,393	-	951	-	12,344
Total underwriting income	43,353,614	783,605	37,766	-	44,174,985
Underwriting expenses					
Life policy reserves increased from prior year	29,114,795	758,742	-	-	29,873,537
Benefit payments under life policies and benefit adjustment expenses	14,137,467	12,242	-	-	14,149,709
Losses and losses adjustment expenses	1,238,091	-	2,386	-	1,240,477
Commissions and brokerage expenses	2,795,356	53,549	942	5,158	2,855,005
Sales promotional expenses	427,622	7,727	372	207	435,928
Other underwriting expenses	31,991	578	28	-	32,597
Total underwriting expenses	47,745,322	832,838	3,728	5,365	48,587,253

(Unit: Thousand Baht)

Consolidated financial statements					
For the year ended 31 December 2014					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	51,503,050	268,146	38,932	-	51,810,128
Less: Premium ceded	(619,925)	-	-	-	(619,925)
Net premium written	50,883,125	268,146	38,932	-	51,190,203
Add (less): Unearned premium reserve	(19,172)	-	1,033	-	(18,139)
Total underwriting income	50,863,953	268,146	39,965	-	51,172,064
Underwriting expenses					
Life policy reserves increased from prior year	40,559,784	258,466	-	-	40,818,250
Benefit payments under life policies and benefit adjustment expenses	11,091,886	4,722	-	-	11,096,608
Losses and losses adjustment expenses	1,281,404	-	6,387	-	1,287,791
Commissions and brokerage expenses	2,782,905	21,331	1,107	1,633	2,806,976
Sales promotional expenses	308,658	1,627	243	43	310,571
Other underwriting expenses	28,470	150	22	-	28,642
Total underwriting expenses	56,053,107	286,296	7,759	1,676	56,348,838

Notes to Financial Statements

(Unit: Thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2015			
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Total
Underwriting income				
Premium written	44,019,795	783,605	36,815	44,840,215
Less: Premium ceded	(677,574)	-	-	(677,574)
Net premium written	43,342,221	783,605	36,815	44,162,641
Add: Unearned premium reserve	11,393	-	951	12,344
Total underwriting income	43,353,614	783,605	37,766	44,174,985
Underwriting expenses				
Life policy reserves increased from prior year	29,114,795	758,742	-	29,873,537
Benefit payments under life policies and benefit adjustment expenses	14,137,467	12,242	-	14,149,709
Losses and losses adjustment expenses	1,238,091	-	2,386	1,240,477
Commissions and brokerage expenses	2,795,356	53,549	942	2,849,847
Sales promotional expenses	427,622	7,727	372	435,721
Other underwriting expenses	31,991	578	28	32,597
Total underwriting expenses	47,745,322	832,838	3,728	48,581,888

(Unit: Thousand Baht)

Separate financial statements				
For the year ended 31 December 2014				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Total
Underwriting income				
Premium written	51,503,050	268,146	38,932	51,810,128
Less: Premium ceded	(619,925)	-	-	(619,925)
Net premium written	50,883,125	268,146	38,932	51,190,203
Add (less): Unearned premium reserve	(19,172)	-	1,033	(18,139)
Total underwriting income	50,863,953	268,146	39,965	51,172,064
Underwriting expenses				
Life policy reserves increased from prior year	40,559,784	258,466	-	40,818,250
Benefit payments under life policies and benefit adjustment expenses	11,091,886	4,722	-	11,096,608
Losses and losses adjustment expenses	1,281,404	-	6,387	1,287,791
Commissions and brokerage expenses	2,782,905	21,331	1,107	2,805,343
Sales promotional expenses	308,658	1,627	243	310,528
Other underwriting expenses	28,470	150	22	28,642
Total underwriting expenses	56,053,107	286,296	7,759	56,347,162

30. Fair value gains (losses)

(Unit: Thousand Baht)

Consolidated and separate financial statements		
For the years ended 31 December		
	2015	2014
Unrealised gains from trading investments	16,903	25
Unrealised gains (losses) on foreign exchange contracts	(72,468)	7,167
Gains (losses) on exchange	135,451	(78,876)
Total fair value gains (losses)	79,886	(71,684)

Notes to Financial Statements

31. Operating expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014 [Restated]	2015	2014 [Restated]
Personnel expenses, which are not				
expenses for underwriting and claims	931,870	889,611	926,692	886,992
Premises and equipment expenses, which are				
not expenses for underwriting	162,424	154,534	161,966	154,454
Taxes and duties	263,690	222,340	263,690	222,340
Other operating expenses	695,525	629,147	695,240	628,820
Total operating expenses	2,053,509	1,895,632	2,047,588	1,892,606

32. Employee expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
Salary and wages	858,731	785,343	854,044	783,709
Social security fund	14,124	13,299	14,076	13,284
Contribution to defined employee benefit	36,838	33,336	36,614	33,252
Other benefits	69,327	84,544	69,108	83,658
Total employee expenses	979,020	916,522	973,842	913,903

33. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent to 10 percent of basic salary. The fund, which is managed by a license fund manager, will be paid to employees upon termination in accordance with the fund rules. During the years 2015 and 2014, the Company and its subsidiary contributed Baht 37 million and Baht 33 million, respectively (The Company only: Baht 37 million and Baht 33 million, respectively) to the fund.

34. Earnings per share

Basic earnings per share is calculated by dividing profits for the years (as presented in statements of income) by the weighted average number of ordinary shares in issue during the years.

Diluted earnings per share is calculated by dividing profits for the years (as presented in statements of income) by the weighted average number of ordinary shares in issue during the years plus the weighted average number of ordinary shares

which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

Basic and diluted earnings per share for the years ended 31 December 2015 and 2014 are as follows:

	Consolidated financial statements					
	Profits for the years		Weighted average number of shares		Earnings per share	
	(Thousand Baht)		(Thousand shares)		(Baht)	
	2015	2014	2015	2014	2015	2014
	(Restated)				(Restated)	
Basic earnings per share						
Profits for the years	4,108,203	2,649,821	1,701,676	1,212,857		
Effect of stock dividend	-	-	-	482,325		
Profits attributable to ordinary shareholders of the Company	4,108,203	2,649,821	1,701,676	1,695,182	2.41	1.56
Effect of dilutive potential ordinary shares						
Warrant No. 1	-	-	-	296		
Warrant No. 2	-	-	4,745	2,972		
Diluted earnings per share						
Profits of ordinary shareholder assuming the conversion of warrants to ordinary shares	4,108,203	2,649,821	1,706,421	1,698,450	2.41	1.56

	Separate financial statements					
	Profits for the years		Weighted average number of shares		Earnings per share	
	(Thousand Baht)		(Thousand shares)		(Baht)	
	2015	2014	2015	2014	2015	2014
	(Restated)				(Restated)	
Basic earnings per share						
Profits for the year	4,113,318	2,652,784	1,701,676	1,212,857		
Effect of stock dividends	-	-	-	482,325		
Profits attributable to ordinary shareholders of the Company	4,113,318	2,652,784	1,701,676	1,695,182	2.42	1.57
Effect of dilutive potential ordinary shares						
Warrant No. 1	-	-	-	296		
Warrant No. 2	-	-	4,745	2,972		
Diluted earnings per share						
Profits of ordinary shareholder assuming the conversion of warrants to ordinary shares	4,113,318	2,652,784	1,706,421	1,698,450	2.41	1.56

⁽¹⁾ No calculation of dilutive potential ordinary shares on Warrant No. 2 since the sum of the exercise price and fair value of employee services provided to the Company in the future per unit is higher than the average market price.

Notes to Financial Statements

35. 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.

Name of related parties	Type of business	Relationship with the Company
Bangkok Bank Pcl.	Banking	Shareholding and related by way of common directors
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Thai Reinsurance Pcl.	Insurance	Related by way of common directors
Sorachai Vivatn Co., Ltd.	Property development	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common directors and shareholders
The Phyathai 1 Hospital Co., Ltd. ⁽¹⁾	Health care services	Related by way of common directors
The Phyathai 2 Hospital Co., Ltd. ⁽¹⁾	Health care services	Related by way of common directors
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Holding 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 directors and shareholders
Tris Corporation Ltd.	Services	Related by way of common directors and shareholders
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Charoen Pokphand Foods Pcl.	Agriculture	Related by way of common directors
TICON Industrial Connection Pcl.	Property development	Holding by an individual related to the major shareholder of the Company
Indorama Polymers Pcl.	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Holding 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.	Asset management	Related by way of common directors and shareholders
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
Asia Insurance Company Limited	Insurance	Related by way of common directors
BLA Insurance Broker Co., Ltd	Insurance broker	Subsidiary
Bangpain Golf Co., Ltd	Services	Related by way of common directors
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common directors
Samitivij Pcl.	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

⁽¹⁾ It had been considered a related party until 7 May 2014 because the Company and its subsidiary have no common directors with the Phyathai 1 Hospital Co., Ltd. and Phyathai 2 Hospital Co., Ltd. since then.

During the years ended 31 December 2015 and 2014, the Company and its subsidiary had significant business transactions with its 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:

(Unit: Thousand Baht)

	Consolidated financial statements		Pricing policy
	For the years ended 31 December		
	2015	2014	
Related parties			
Premium written	6,670	6,771	Normal commercial terms for underwriting
Claim recoverable from reinsurer	-	17	At a mutually agreed percentage of reinsurance premium
Interest income - deposits at banks, promissory notes and debentures	643,487	555,016	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	8,482	9,798	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	304,952	244,824	The declared amount
Rental and service income	6,267	4,083	Rate on agreements those charged by rental and service fees per square meter per month
Brokerage income from securities trading	30,902	19,887	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	364,224	117,138	Normal commercial terms on contracts
Premium ceded	-	83	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Commission and brokerage	1,200,940	1,204,078	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	46,453	105,147	Normal commercial terms for underwriting
Bank charges	103,769	90,349	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	2,774	1,894	Normal commercial terms for underwriting
Building space rental and services	71,122	67,458	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, Baht 138 per square meter per month and service fees approximately Baht 91, 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	710	558	Normal commercial terms for services

Notes to Financial Statements

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the years ended 31 December		
	2015	2014	
Transactions with related companies			
Subsidiary			
Rental and service income	459	164	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties			
Premium written	6,670	6,771	Normal commercial terms for underwriting
Claim recoverable from reinsurer	-	17	At a mutually agreed percentage of reinsurance premium
Interest income - deposits at banks, promissory notes and debentures	643,476	555,016	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	8,482	9,798	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	304,952	244,824	The declared amount
Rental and service income	-	227	Rate on agreements as those charged by rental and service fees per square meter per month
Brokerage income from securities trading	30,902	19,887	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	364,224	117,138	Normal commercial terms on contracts
Premium ceded	-	83	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Commission and brokerage	1,200,940	1,204,078	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	46,453	105,147	Normal commercial terms for underwriting
Bank charges	103,696	90,303	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	2,774	1,894	Normal commercial terms for underwriting

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the years ended 31 December		
	2015	2014	
Building space rental and services	71,122	67,458	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, Baht 138 per square meter per month and service fees approximately Baht 91, 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	710	558	Normal commercial terms for services

For the years ended 31 December 2015 and 2014, the premium generated from the Bancassurance distribution channel represented approximately 65.33% and 70.85% of total net premium written, respectively.

Notes to Financial Statements

As at 31 December 2015 and 2014, the balance of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Deposit at financial institution				
(included in cash and cash equivalents)	4,127,677	4,187,212	4,113,889	4,183,121
Reinsurance assets	-	107	-	107
Investments in securities				
Trading investments - cost				
Domestic investment units	17,016	-	17,016	-
Total trading investment - cost	17,016	-	17,016	-
Add: Unrealised gains	1,971	-	1,971	-
Total trading investments - fair value	18,987	-	18,987	-
Available-for-sale investments - cost				
Domestic equity securities	2,102,720	1,592,841	2,102,720	1,592,841
Domestic investment unit	3,159,930	1,944,408	3,159,930	1,944,408
Total available-for-sale investment - cost	5,262,650	3,537,249	5,262,650	3,537,249
Add: Unrealised gains	2,216,690	1,777,529	2,216,690	1,777,529
Total available-for-sale investments - fair value	7,479,340	5,314,778	7,479,340	5,314,778
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	4,105,000	4,105,000	4,105,000	4,105,000
Foreign debt securities	5,898,909	5,841,640	5,898,909	5,841,640
Total held-to-maturity investment - cost/amortised cost	10,003,909	9,946,640	10,003,909	9,946,640
General investments - foreign equity securities	11,167	11,167	11,167	11,167
Total investments in securities	17,513,403	15,272,585	17,513,403	15,272,585
Loans	119,162	140,077	119,162	140,077
Forward and swap foreign exchange contract receivable	3,329,930	4,120,176	3,329,930	4,120,176
Other assets				
Prepaid rental expense	-	465	-	465
Prepaid expense	58,471	70,924	58,471	70,505
Total other assets	58,471	71,389	58,471	70,970

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Outstanding claims	6,837	9,280	6,837	9,280
Forward and swap foreign exchange contract payable	3,732,423	4,253,699	3,732,423	4,253,699
Other liabilities				
Accrued commission	191,756	135,181	191,756	135,181
Accrued rental and service expense	4,725	2,640	234	224
Total other liabilities	196,481	137,821	191,990	135,405

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014
Short-term employee benefits	44,668	41,690	44,668	41,690
Long-term employee benefits	2,369	2,830	2,011	2,830
Share-based payment transactions (Note 26)	6,046	12,408	6,046	12,408
Total directors and management's benefits	53,083	56,928	52,725	56,928

The details of the warrants which allocated to the Company's employees are presented in Note 26 to the financial statements.

36. Assets placed with the Registrar

As at 31 December 2015 and 2014, the following assets have been placed as securities with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2015		31 December 2014	
	Cost/Amortised cost	Fair value	Cost/Amortised cost	Fair value
State enterprise bonds	20,000	23,928	20,000	20,626

37. Assets reserved with the Registrar

As at 31 December 2015 and 2014, the following assets have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2015		31 December 2015	
	Cost/Amortised cost	Fair value	Cost/Amortised cost	Fair value
Government bonds	41,970,820	46,960,565	35,241,617	38,323,342
State enterprise bonds	6,199,413	7,053,062	6,199,138	7,035,686
Total	48,170,233	54,013,627	41,440,755	45,359,028

Notes to Financial Statements

38. Commitments

38.1 The Company and its subsidiary 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 3 and 25 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 31 December 2015 and 2014, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	31 December 2015			
	Pay within			
	1 year	1 - 5 years	Over 5 years	Total
Operating lease agreements	88.2	72.0	-	160.8
Service agreements	13.5	-	-	13.5
Total	102.3	72.0	-	174.3

(Unit: Million Baht)

	Consolidated financial statements			
	31 December 2014			
	Pay within			
	1 year	1 - 5 years	Over 5 years	Total
Operating lease agreements	74.0	110.0	5.3	189.3
Service agreements	0.4	-	-	0.4
Total	74.4	110.0	5.3	189.7

(Unit: Million Baht)

	Separate financial statements			
	31 December 2015			
	Pay within			
	1 year	1 - 5 years	Over 5 years	Total
Operating lease agreements	88.6	71.5	-	160.1
Service agreements	13.5	-	-	13.5
Total	102.1	71.5	-	173.6

(Unit: Million Baht)

	Separate financial statements			
	31 December 2014			
	Pay within			
	1 year	1 - 5 year	Over 5 years	Total
Operating lease agreements	74.0	110.0	5.3	189.3
Service agreements	0.4	-	-	0.4
Total	74.4	110.0	5.3	189.7

38.2 As at 31 December 2015 and 2014, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 10.6 (a) and Note 10.6 (b) to the financial statements, as summarised below.

(Unit: Thousand Baht)

Payable within	Consolidated and separate financial statements	
	31 December 2015	31 December 2014
1 year	1,010,000	1,140,000
2 - 5 year	900,000	1,010,000

39. Litigation

As at 31 December 2015 and 2014, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 48 million and Baht 47 million, respectively, for being the insurer and the cases have yet been finalised. The Company has yet provided for any provision for loss on such cases since there are still uncertainty with respect to the outcome of the cases.

40. Fair value hierarchy

As at 31 December 2015, the Company and its subsidiary had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated and separated financial statements			
	31 December 2015			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Trading investments				
Equity instruments	97,233	18,987	-	116,220
Available-for-sale investments				
Equity instruments	12,428,719	13,043,937	-	25,472,656
Debt instruments	-	516,266	-	516,266
Assets for which fair value are disclosed				
Held-to-maturity investments				
Debt instruments	-	220,444,294	-	220,444,294
Derivatives				
Cross currency swap contracts	-	19,850	-	19,850
Forward exchange contracts	-	676	-	676
Loans				
Policy loans	-	-	6,467,176	6,467,176
Investment property	-	-	17,497	17,497
Liabilities for which fair value are disclosed				
Derivatives				
Cross currency swap contracts	-	2,358,711	-	2,358,711
Forward exchange contracts	-	3,375	-	3,375

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

Notes to Financial Statements

41. Financial instruments

41.1 Financial risk management

The Company's and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, premiums receivable, reinsurance assets/liabilities, loans, and investments. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

Concentrations of the credit risk with respect to loans and premium receivables are expected to be low due to the large number of customers and borrowers and their dispersion across different industries and geographic regions in Thailand. The maximum exposure to credit risk is the carrying value of such assets as presented in statement of financial position.

There is insignificant risk from policy loans since the sum that the Company has lent to insured parties is less than cash value of their policies with the Company. The maximum value of the risk arising from secured loans is the amount of the loan less the value which the Company is able to derive from the assets placed as collateral.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its deposits at financial institutions, investments in securities and loans.

As at 31 December 2015 and 2014, financial assets classified by type of interest rate are summarised in the table below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	31 December 2015		
	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	349,841	426,479	6,325,438
Investments in securities			
Government and state enterprise securities	-	-	124,569,552
Private enterprise debt securities	-	3,600,000	50,426,210
Foreign debt securities	-	-	7,051,766
Deposit at financial institutions with maturity period of longer than 3 months	-	-	16,280,000
Loans			
Policy loans	-	-	5,480,866
Mortgage loans	-	54,396	587,405
Other loans	-	-	16,235
Total	349,841	4,080,875	210,737,472

[Unit: Thousand Baht]

Consolidated financial statements			
31 December 2014			
	No interest	Floating interest rate	Fixed interest rate
Cash equivalent	311,837	566,778	4,828,949
Investments in securities			
Government and state enterprise securities	-	-	117,710,720
Private enterprise debt securities	-	3,600,000	44,998,549
Foreign debt securities	-	-	5,333,937
Deposit at financial institutions which amounts maturing in over 3 months	-	-	5,260,000
Loans			
Policy loans	-	-	4,250,986
Mortgage loans	-	54,239	414,174
Other loans	101	-	15,557
Total	311,938	4,221,017	182,812,872

[Unit: Thousand Baht]

Separate financial statements			
31 December 2015			
	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	347,866	414,280	6,325,438
Investments in securities			
Government and state enterprise securities	-	-	124,569,552
Private enterprise debt securities	-	3,600,000	50,426,210
Foreign debt securities	-	-	7,051,766
Deposit at financial institutions with maturity period of longer than 3 months	-	-	16,280,000
Loans			
Policy loans	-	-	5,480,866
Mortgage loans	-	54,396	587,405
Other loans	-	-	16,235
Total	347,866	4,068,676	210,737,472

Notes to Financial Statements

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2014		
	No interest	Floating interest rate	Fixed interest rate
Cash equivalent	307,745	566,778	4,828,949
Investments in securities			
Government and state enterprise securities	-	-	117,710,720
Private enterprise debt securities	-	3,600,000	44,998,549
Foreign debt securities	-	-	5,333,937
Deposit at financial institutions which amounts maturing in over 3 months	-	-	5,260,000
Loans			
Policy loans	-	-	4,250,986
Mortgage loans	-	54,239	414,174
Other loans	101	-	15,557
Total	307,846	4,221,017	182,812,872

As at 31 December 2015 and 2014, the financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2014				
	Within 1 year	1 - 5 years	Over 5 years	Total	Average interest rate [% p.a.]
Investments in securities					
Government and state enterprise securities	119,712	9,941,107	114,508,733	124,569,552	4.31
Private enterprises debt securities	3,586,479	5,700,183	41,139,548	50,426,210	5.10
Foreign debt securities	568,187	1,740,801	4,742,778	7,051,766	5.20
Deposit at financial institutions which amounts maturing in over 3 months	8,580,000	7,700,000	-	16,280,000	2.96
Loans					
Mortgage loans	92,339	191,741	303,325	587,405	6.84
Other loans	16,105	77	53	16,235	6.00
Total	12,962,822	25,273,909	160,694,437	198,931,168	

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2014				
	Within 1 year	1 - 5 years	Over 5 years	Total	Average interest rate (% p.a.)
Investments in securities					
Government and state enterprise securities	2,361,386	10,252,277	105,097,057	117,710,720	4.36
Private enterprises debt securities	994,431	5,086,217	38,917,900	44,998,548	5.19
Foreign debt securities	163,770	1,635,325	3,534,842	5,333,937	4.70
Deposit at financial institutions which amounts maturing in over 3 months	3,860,000	1,400,000	-	5,260,000	3.36
Loans					
Mortgage loans	-	122,277	291,897	414,174	4.50 - 8.00
Other loans	1,410	14,093	54	15,557	6.00
Total	7,380,997	18,510,189	147,841,750	173,732,936	

Liquidity risk

Liquidity risk is the risk that the Company and its subsidiary will be unable to liquidate financial assets and/or procure sufficient funds to discharge obligations in a timely manner, resulting in a financial loss. The Company and its subsidiary manage liquidity risk by maintaining a level of cash and cash equivalents appropriate to their operations to reduce the effects of fluctuations in cash flows.

Foreign currency risk

The Company's significant exposure to foreign currency risk is in respect of its investments in bonds and unit trusts which are denominated in foreign currencies. The Company utilises forward exchange and cross currency swap contracts to manage the risk.

As at 31 December 2015 and 2014, the balances of financial assets denominated in foreign currencies are summarised below.

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	2015	2014	2015	2014	2015	2014
	(Million units)		(Million units)		(Baht per 1 foreign currency unit)	
US dollar	664.9	648.9	622.5	641.6	36.25	33.11
Yen	350.0	-	999.9	652.1	0.30	0.28
Euro	4.5	-	1.6	-	39.80	-
LAK	29,509.3	-	-	-	0.0044	-

Notes to Financial Statements

Foreign exchange contracts outstanding at 31 December 2015 and 2014 are summarised below.

Foreign currency	Long position as at		Contractual exchange rates		Maturity date	
	2015	2014	2015	2014	2015	2014
	(Million units)		(Baht per 1 foreign currency unit)			
US dollar	622.5	641.6	29.25 - 36.30	29.25 - 34.38	October 2016 - July 2025	January 2015 - December 2024
Yen	999.9	652.1	0.2989 - 0.3029	0.2817	December 2016	December 2015
Euro	1.6	-	38.06	-	March 2016	-

41.2 Fair value of financial instruments

The estimated fair value of significant financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2015		As at 31 December 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value				
Cash and cash equivalents	7,101,758	7,101,758	5,707,564	5,707,564
Investments in securities				
Trading investments	116,220	116,220	17,070	17,070
Available-for-sale investments	25,988,922	25,988,922	22,012,881	22,012,881
Assets for which fair value are disclosed				
Investments in securities				
Held-to-maturity investments	201,411,262	220,444,294	176,161,023	189,681,128
Derivative				
Cross currency swap contracts	231	19,850	24,963	51,995
Forward exchange contracts	-	676	-	4,665
Loans				
Policy loans	5,480,866	6,467,176	4,250,986	4,936,563
Liabilities for which fair value are disclosed				
Derivative				
Cross currency swap contracts	2,901,914	2,358,711	1,007,018	475,481
Forward exchange contracts	10,378	3,375	17,781	7,159

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2015		As at 31 December 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at fair value				
Cash and cash equivalents	7,087,584	7,087,584	5,703,472	5,703,472
Investments in securities				
Trading investments	116,220	116,220	17,070	17,070
Available-for-sale investments	25,988,922	25,988,922	22,012,881	22,012,881
Assets for which fair value are disclosed				
Investments in securities				
Held-to-maturity investments	201,411,262	220,444,294	176,161,023	189,681,128
Derivative				
Cross currency swap contracts	231	19,850	24,963	51,995
Forward exchange contracts	-	676	-	4,665
Loans				
Policy loans	5,480,866	6,467,176	4,250,986	4,936,563
Liabilities for which fair value are disclosed				
Derivative				
Cross currency swap contracts	2,901,914	2,358,711	1,007,018	475,481
Forward exchange contracts	10,378	3,375	17,781	7,159

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, their carrying amounts in the statement of financial position approximate their fair value.
- b) For debts securities, their fair value is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- c) For equity securities, their fair value is generally derived from quoted market prices.
- d) For policy loans, their fair value is estimated by discounting expected future cash flow by the interest-free bonds.
- e) For mortgage loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions. Thus, book value presented in financial statements is closely to fair value.
- f) For derivatives, their fair values have been determined by using fair values obtained from its counterparties, who are banks.

Notes to Financial Statements

42. Contribution to Life Guarantee Fund

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the year ended 31 December	
	2015	2014
Life guarantee fund at the beginning of the years	211,616	159,806
Contribution during the years	44,840	51,810
Life guarantee fund at the end of the years	256,456	211,616

43. Capital management

The primary objective of the Company's capital management are to ensure that it has an appropriate financial structure, to preserves the Company's ability to continue its business as a going concern and to maintain capital reserve in accordance with Declarations of the OIC.

44. Event after the reporting period

At the Company's Board of Directors' meeting held on 26 February 2016, the Board of Directors passed a resolution to approve a dividend payment of Baht 0.32 per share. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company and the Office of Insurance Commission.

45. Approval of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 26 February 2016.

