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

***Interim Financial Statements***

***Three-month and nine-month period ended  
September 30, 2017***

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

### TO THE BOARD OF DIRECTORS

### BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at September 30, 2017, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2017, and changes in shareholders' equity, and cash flows for the nine-month period ended September 30, 2017, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of Review

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

### Conclusion

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

### Other Matter

The consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at December 31, 2016, presented herein as comparative information, were audited by another auditor, whose report thereon dated February 23, 2017 expressed an unmodified opinion with emphasis of matters regarding the reclassified transactions in accordance with the new format of financial statements as specified in the Notification of the Office of Insurance Commission dated March 4, 2016 which effective on January 1, 2016 onward and the adoption of the revised and new financial reporting standards issued by the Federation of Accounting Professions.

The consolidated and the separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2016, changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2016, presented herein as comparative information, were reviewed by another auditor, whose report thereon dated November 9, 2016, concluded that nothing had come to their attention that caused her to believe that the aforementioned interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting" with emphasis of matters regarding the reclassified transactions in accordance with the new format of financial statements as specified in the Notification of the Office of Insurance Commission dated March 4, 2016 which effective on January 1, 2016 onward and the adoption of the revised and new financial reporting standards issued by the Federation of Accounting Professions.



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

BANGKOK  
November 9, 2017

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2017

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<b>ASSETS</b>					
Cash and cash equivalents	4, 26	8,246,631	13,109,072	8,177,343	13,020,689
Premium receivables	5	1,986,660	2,199,553	1,986,660	2,199,553
Accrued investment income		2,978,842	2,053,258	2,978,842	2,053,258
Reinsurance assets	6, 16	525,465	374,219	525,465	374,219
Amount due from reinsurances	7	1,033,960	649,427	1,033,960	649,427
Derivative assets	8, 26	246,516	21,849	246,516	21,849
Investment assets					
Investments in securities					
Held-for-trading investments	9	106,225	155,100	106,225	155,100
Available-for-sale investments	9, 26	71,501,652	65,314,232	71,501,652	65,314,232
Held-to-maturity investments	9, 26, 27, 28	204,388,936	185,817,494	204,388,936	185,817,494
General investments	9, 26	29,588	29,588	29,588	29,588
Investments in subsidiaries	10	-	-	132,530	132,530
Loans	11, 26	9,572,527	7,912,166	9,572,527	7,912,166
Investment property	12	19,083	19,882	19,083	19,882
Property, plant and equipment	13	1,314,958	1,157,564	1,311,884	1,153,523
Goodwill		4,955	4,955	-	-
Intangible assets		13,070	19,557	12,626	18,950
Deferred tax assets	14	2,182,618	2,818,598	2,182,618	2,818,598
Other assets	15, 26	366,161	699,638	335,842	667,651
<b>TOTAL ASSETS</b>		<b>304,517,847</b>	<b>282,356,152</b>	<b>304,542,297</b>	<b>282,358,709</b>

See the condensed notes to the interim financial statements

## BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2017

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<b>LIABILITIES AND EQUITY</b>					
Insurance contract liabilities	16	263,655,284	243,098,663	263,655,274	243,098,663
Amount due to reinsurances	17, 26	1,198,532	592,515	1,198,532	592,515
Derivative liabilities	8, 26	1,132,488	2,775,409	1,132,488	2,775,409
Income tax payable		-	403,632	-	403,632
Employee benefit obligations	18	218,105	201,806	216,492	200,415
Other liabilities	19, 26	2,281,767	1,955,052	2,274,106	1,947,235
<b>Total liabilities</b>		<b>268,486,176</b>	<b>249,027,077</b>	<b>268,476,892</b>	<b>249,017,869</b>
<b>Equity</b>					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of					
Baht 1 each					
		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up share capital					
1,707,566,000 ordinary shares of					
Baht 1 each, fully paid-up					
		1,707,566	-	1,707,566	-
1,705,953,060 ordinary shares of					
Baht 1 each, fully paid-up					
		-	1,705,953	-	1,705,953
Premium on share capital	20	3,360,993	3,309,857	3,360,993	3,309,857
Capital reserve on share-based payments	20	-	11,323	-	11,323
Subscriptions received in advance from exercise of warrants	21	-	20,300	-	20,300
Retained earnings					
Appropriated					
Legal reserve					
		170,800	170,800	170,800	170,800
General reserve					
		400,000	400,000	400,000	400,000
Unappropriated					
		22,096,380	21,482,015	22,125,303	21,502,219
Other component of equity					
Revaluation surplus on available-for-sale investments - net of income taxes					
		8,300,743	6,220,388	8,300,743	6,220,388
Exchange differences on translation of financial statements in foreign currency					
		(3,349)	299	-	-
Equity attributable to equity holders of the Company		<u>36,033,133</u>	<u>33,320,935</u>	<u>36,065,405</u>	<u>33,340,840</u>
Non-controlling interests of the subsidiaries		(1,462)	8,140	-	-
<b>Total equity</b>		<b>36,031,671</b>	<b>33,329,075</b>	<b>36,065,405</b>	<b>33,340,840</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>304,517,847</b>	<b>282,356,152</b>	<b>304,542,297</b>	<b>282,358,709</b>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
 “UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2017	2016	2017	2016
<b>Revenues</b>					
Gross written premium	22, 26	12,074,756	9,165,604	12,074,784	9,165,604
<u>Less</u> Premium ceded to reinsurers	22, 26	(211,530)	(168,662)	(211,530)	(168,662)
Net premium written		11,863,226	8,996,942	11,863,254	8,996,942
<u>Add</u> Unearned premium reserves					
decreased form prior period	22	37,731	4,038	37,731	4,038
Net earned premium		11,900,957	9,000,980	11,900,985	9,000,980
Fee and commission income	22	65,227	62,049	65,227	62,049
Net investment income	26	2,991,284	2,796,829	2,991,282	2,796,829
Gain on investment	9	352,620	809,940	352,620	809,940
Fair value loss	24, 26	(24,939)	(51,487)	(24,939)	(51,487)
Other income	26	32,867	23,876	29,762	20,402
<b>Total revenues</b>		<u>15,318,016</u>	<u>12,642,187</u>	<u>15,314,937</u>	<u>12,638,713</u>
<b>Expenses</b>					
Life policy reserves increased (decreased)					
from prior period	22	9,136,861	6,935,641	9,136,867	6,935,641
Gross benefit and claims paid	22, 26	5,228,194	3,967,621	5,228,194	3,967,621
<u>Less</u> Benefit and claims paid recovered from reinsurers	22	(221,747)	(186,608)	(221,747)	(186,608)
Commissions and brokerages	22, 26	943,454	728,246	941,576	726,776
Other underwriting expenses	22	189,164	110,501	191,488	110,379
Operating expenses	23	481,442	433,198	478,876	425,756
<b>Total expenses</b>		<u>15,757,368</u>	<u>11,988,599</u>	<u>15,755,254</u>	<u>11,979,565</u>
<b>Profit (loss) before income tax expense</b>		<u>(439,352)</u>	<u>653,588</u>	<u>(440,317)</u>	<u>659,148</u>
Income tax (expense) revenue	14	179,511	(44,629)	179,511	(44,629)
<b>Profit (loss) for the periods</b>		<u>(259,841)</u>	<u>608,959</u>	<u>(260,806)</u>	<u>614,519</u>
<b>Profit (loss) for the periods attributable to</b>					
Equity holders of the Company		(260,590)	611,773	(260,806)	614,519
Non-controlling interests of the subsidiaries		749	(2,814)		
		<u>(259,841)</u>	<u>608,959</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**  
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
 “UNAUDITED BUT REVIEWED”

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
<b>Profit (loss) for the periods</b>		<u>(259,841)</u>	<u>608,959</u>	<u>(260,806)</u>	<u>614,519</u>
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains (losses) on remeasuring available-for-sale investments		2,690,216	(528,434)	2,690,216	(528,434)
Reversal of (gains) losses realised on the disposal of available-for-sale investments		(444,827)	11,943	(444,827)	11,943
Exchange differences on translation of financial statements in foreign currency		(6,510)	(1,279)	-	-
Income taxes relating to other comprehensive income		<u>(449,077)</u>	<u>105,259</u>	<u>(449,077)</u>	<u>105,259</u>
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		<u>1,789,802</u>	<u>(412,511)</u>	<u>1,796,312</u>	<u>(411,232)</u>
<b>Other comprehensive income (loss) for the periods - net of income taxes</b>		<u>1,789,802</u>	<u>(412,511)</u>	<u>1,796,312</u>	<u>(411,232)</u>
<b>Total comprehensive income for the periods</b>		<u>1,529,961</u>	<u>196,448</u>	<u>1,535,506</u>	<u>203,287</u>
<b>Total comprehensive income for the periods attributable to</b>					
Equity holders of the Company		1,532,336	199,875	<u>1,535,506</u>	<u>203,287</u>
Non-controlling interests of the subsidiaries		<u>(2,375)</u>	<u>(3,427)</u>		
		<u>1,529,961</u>	<u>196,448</u>		
				<b>(Unit: Baht)</b>	
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	29				
Profit (loss) for the periods		<u>(0.15)</u>	<u>0.36</u>	<u>(0.15)</u>	<u>0.36</u>
Diluted earnings (loss) per share					
Profit (loss) for the periods		<u>(0.15)</u>	<u>0.36</u>	<u>(0.15)</u>	<u>0.36</u>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**  
**“UNAUDITED BUT REVIEWED”**

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2017	2016	2017	2016
<b>Revenues</b>					
Gross written premium	22, 26	33,328,690	30,207,839	33,328,555	30,207,901
<u>Less</u> Premium ceded to reinsurers	22, 26	(919,979)	(827,009)	(919,979)	(827,009)
Net premium written		32,408,711	29,380,830	32,408,576	29,380,892
<u>Less</u> Unearned premium reserves					
increased form prior period	22	(46,907)	(90,764)	(46,907)	(90,764)
Net earned premium		32,361,804	29,290,066	32,361,669	29,290,128
Fee and commission income	22	252,009	229,314	252,009	229,314
Net investment income	26	8,651,018	8,013,319	8,650,988	8,013,319
Gain on investment	9	1,043,812	2,683,544	1,043,812	2,683,544
Fair value loss	24, 26	(176,351)	(163,377)	(176,351)	(163,377)
Other income	26	93,841	57,476	84,484	48,404
<b>Total revenues</b>		<u>42,226,133</u>	<u>40,110,342</u>	<u>42,216,611</u>	<u>40,101,332</u>
<b>Expenses</b>					
Life policy reserves increased from prior year	22	20,396,459	18,747,531	20,396,448	18,747,531
Gross benefit and claims paid	22, 26	15,919,448	14,209,230	15,919,448	14,209,230
<u>Less</u> Benefit and claims paid recovered from reinsurers	22	(494,446)	(563,693)	(494,446)	(563,693)
Commissions and brokerages	22, 26	2,511,619	2,350,451	2,505,997	2,345,888
Other underwriting expenses	22	501,920	437,993	498,389	437,388
Operating expenses	23	1,338,071	1,292,647	1,322,758	1,270,310
<b>Total expenses</b>		<u>40,173,071</u>	<u>36,474,159</u>	<u>40,148,594</u>	<u>36,446,654</u>
<b>Profit before income tax expense</b>		<u>2,053,062</u>	<u>3,636,183</u>	<u>2,068,017</u>	<u>3,654,678</u>
Income tax expense	14	(171,461)	(528,965)	(171,461)	(528,965)
<b>Profit for the periods</b>		<u>1,881,601</u>	<u>3,107,218</u>	<u>1,896,556</u>	<u>3,125,713</u>
<b>Profit for the periods attributable to</b>					
Equity holders of the Company		1,887,837	3,115,777	1,896,556	3,125,713
Non-controlling interests of the subsidiaries		(6,236)	(8,559)		
		<u>1,881,601</u>	<u>3,107,218</u>		



BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**  
**“UNAUDITED BUT REVIEWED”**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2017	2016	2017	2016
		<b>(Unit: Thousand Baht)</b>			
<b>Profit for the periods</b>		<u>1,881,601</u>	<u>3,107,218</u>	<u>1,896,556</u>	<u>3,125,713</u>
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gain on remeasuring available-for-sale investments		3,683,204	864,757	3,683,204	864,757
Reversal of gain realised on the disposal of available-for-sale investments		(1,082,761)	(237,797)	(1,082,761)	(237,797)
Gain on reclassify investment		-	3,224,354	-	3,224,354
Exchange differences on translation of financial statements in foreign currency		(7,014)	(2,495)	-	-
Income taxes relating to other comprehensive income		(520,088)	(770,263)	(520,088)	(770,263)
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		<u>2,073,341</u>	<u>3,078,556</u>	<u>2,080,355</u>	<u>3,081,051</u>
<b>Other comprehensive income for the periods - net of income taxes</b>		<u>2,073,341</u>	<u>3,078,556</u>	<u>2,080,355</u>	<u>3,081,051</u>
<b>Total comprehensive income for the periods</b>		<u>3,954,942</u>	<u>6,185,774</u>	<u>3,976,911</u>	<u>6,206,764</u>
<b>Total comprehensive income for the periods attributable to</b>					
Equity holders of the Company		3,964,544	6,195,530	<u>3,976,911</u>	<u>6,206,764</u>
Non-controlling interests of the subsidiaries		(9,602)	(9,756)		
		<u>3,954,942</u>	<u>6,185,774</u>		
				<b>(Unit: Baht)</b>	
<b>Earnings per share</b>					
Basic earnings per share	29				
Profit for the periods		<u>1.11</u>	<u>1.82</u>	<u>1.11</u>	<u>1.83</u>
Diluted earnings per share					
Profit for the periods		<u>1.11</u>	<u>1.82</u>	<u>1.11</u>	<u>1.83</u>

See the condensed notes to the interim financial statements

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

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**

**“UNAUDITED BUT REVIEWED”**

**(Unit : Thousand Baht)**

	Consolidated financial statement											
	Equity attributable to equity holders of the Company							Other component of equity			Equity attributable to non-controlling interests of the subsidiaries	Total
	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings		Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Total		
Notes	share capital	share capital	for share-based payment transactions	received in advance from exercise of warrants	Appropriated	General reserve	Unappropriated	in foreign currency	the Company	Total		
Balance as at January 1, 2016	1,703,811	3,219,926	38,834	10,626	170,800	400,000	17,460,248	-	26,990,211	26,990,369		
Share-based payments	-	-	9,033	-	-	-	-	-	9,033	9,033		
Increase in share capital as a result of warrant exercise	1,688	40,511	-	(10,626)	-	-	-	-	31,573	31,573		
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	25,919	(25,919)	-	-	-	-	-	-	-		
Subscriptions received in advance from exercises of warrants	-	-	-	11,358	-	-	-	-	11,358	11,358		
Dividend paid	-	-	-	-	-	-	(1,088,765)	-	(1,088,765)	(1,088,765)		
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	17,072		
Profit (loss) for the period	-	-	-	-	-	-	3,115,777	-	3,115,777	(8,559)		
Other comprehensive income	-	-	-	-	-	-	-	-	-	-		
Gain on remeasuring available-for-sale investments - net of income taxes	-	-	-	-	-	-	-	-	3,081,051	3,081,051		
Exchange differences on translation of financial statements in foreign currency	-	-	-	-	-	-	-	-	(1,298)	(1,197)		
Total comprehensive income (loss) for the period	-	-	-	-	-	-	3,115,777	-	6,195,530	(9,756)		
Balance as at September 30, 2016	1,705,499	3,286,356	21,948	11,358	170,800	400,000	19,487,260	7,067,017	32,148,940	32,156,414		

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Consolidated financial statement											
	Equity attributable to equity holders of the Company							Other component of equity			Total	
	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings	Unappropriated	Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries		
Notes				Appropriated	General reserve							
Balance as at January 1, 2017	1,705,953	3,309,857	11,323	20,300	170,800	400,000	21,482,015	6,220,388	299	33,320,935	8,140	33,329,075
Share-based payments	-	-	1,103	-	-	-	-	-	-	1,103	-	1,103
Increase in share capital as a result of warrant exercise	20	1,613	-	(20,300)	-	-	-	-	-	20,023	-	20,023
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	20	-	12,426	-	-	-	-	-	-	-	-	-
Dividend paid	30	-	-	-	-	-	(1,273,472)	-	-	(1,273,472)	-	(1,273,472)
Profit (loss) for the period	-	-	-	-	-	-	1,887,837	-	-	1,887,837	(6,236)	1,881,601
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Gain on remeasuring of available-for-sale investments - net of income taxes	-	-	-	-	-	-	-	2,080,355	-	2,080,355	-	2,080,355
Exchange differences on translation of financial statements in foreign currency	-	-	-	-	-	-	-	(3,648)	(3,648)	(3,648)	(3,366)	(7,014)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,887,837	2,080,355	(3,648)	3,964,544	(9,602)	3,954,942
Balance as at September 30, 2017	1,707,566	3,360,993	-	-	170,800	400,000	22,096,380	8,300,743	(3,349)	36,033,133	(1,462)	36,031,671

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Separate financial statements							Other component of equity	Total
	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings		Surplus on remeasuring available-for-sale investments - net of income taxes		
					Legal reserve	General reserve			
<b>Balance as at January 1, 2016</b>	1,703,811	3,219,926	38,834	10,626	170,800	400,000	17,468,357	3,985,966	26,998,320
Share-based payments	-	-	9,033	-	-	-	-	-	9,033
Increase in share capital as a result of warrant exercise	1,688	40,511	-	(10,626)	-	-	-	-	31,573
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	25,919	(25,919)	-	-	-	-	-	-
Subscriptions received in advance from exercises of warrants	-	-	-	11,358	-	-	-	-	11,358
Dividend paid	-	-	-	-	-	-	(1,088,765)	-	(1,088,765)
Profit for the period	-	-	-	-	-	-	3,125,713	-	3,125,713
Other comprehensive income	-	-	-	-	-	-	-	3,081,051	3,081,051
Gain on remeasuring available-for-sale investments - net of income taxes	-	-	-	-	-	-	-	3,081,051	3,081,051
Total comprehensive income for the period	-	-	-	-	-	-	3,125,713	3,081,051	6,206,764
<b>Balance as at September 30, 2016</b>	<b>1,705,499</b>	<b>3,286,356</b>	<b>21,948</b>	<b>11,358</b>	<b>170,800</b>	<b>400,000</b>	<b>19,505,305</b>	<b>7,067,017</b>	<b>32,168,283</b>

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See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	Separate financial statements							Other component of equity	Total
		Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings		Surplus on remeasuring available-for-sale investments - net of income taxes		
						Legal reserve	General reserve			
<b>Balance as at January 1, 2017</b>		1,705,953	3,309,857	11,323	20,300	170,800	400,000	21,502,219	6,220,388	33,340,840
Share-based payments	20	-	-	1,103	-	-	-	-	-	1,103
Increase in share capital as a result of warrant exercise	20	1,613	38,710	-	(20,300)	-	-	-	-	20,023
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	20	-	12,426	(12,426)	-	-	-	-	-	-
Dividend paid	30	-	-	-	-	-	-	(1,273,472)	-	(1,273,472)
Profit for the period		-	-	-	-	-	-	1,896,556	-	1,896,556
Other comprehensive income		-	-	-	-	-	-	-	2,080,355	2,080,355
Gain on remeasuring available-for-sale investments - net of income taxes		-	-	-	-	-	-	1,896,556	2,080,355	3,976,911
<b>Total comprehensive income for the period</b>		-	-	-	-	-	-	1,896,556	2,080,355	3,976,911
<b>Balance as at September 30, 2017</b>		1,707,566	3,360,993	-	-	170,800	400,000	22,125,303	8,300,743	36,065,405

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017**  
**“UNAUDITED BUT REVIEWED”**

(Unit: Thousand Baht)

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2017	2016	2017	2016
<b>Cash flows provided by (used in) operating activities</b>					
Gross premium		33,625,733	29,988,621	33,625,598	29,988,621
Cash payments from reinsurance		(142,949)	(348,701)	(142,949)	(348,701)
Interest income		6,401,659	6,811,247	6,401,628	6,811,247
Dividend income		1,313,806	1,221,349	1,313,806	1,221,349
Gain (loss) on investment		(767,290)	1,766,126	(767,290)	1,766,126
Other income		92,726	46,861	83,369	46,861
Benefit and claim on direct insurance		(15,744,242)	(13,888,932)	(15,744,242)	(13,888,932)
Commissions and brokerages on direct insurance		(2,523,264)	(2,309,419)	(2,517,603)	(2,309,419)
Other underwriting expenses		(389,647)	(401,770)	(389,647)	(401,770)
Operating expenses		(1,140,054)	(1,262,684)	(1,123,824)	(1,250,027)
Corporate income taxes		(477,441)	(2,079,638)	(477,441)	(2,079,638)
Investments in securities		(25,451,493)	(19,288,470)	(25,451,493)	(19,288,470)
Loans		(1,563,426)	(675,047)	(1,563,426)	(675,047)
Other investments		3,375,812	3,471,646	3,375,812	3,471,646
<b>Net cash provided by (used in) operating activities</b>		<b>(3,390,070)</b>	<b>3,051,189</b>	<b>(3,377,702)</b>	<b>3,063,846</b>
<b>Cash flows used in investing activities</b>					
Net cash flows for purchases and disposals					
of premises and equipment		(213,316)	(625,037)	(213,298)	(625,037)
Cash paid for purchase of investment in subsidiary		-	-	-	(108,770)
<b>Net cash used in investing activities</b>		<b>(213,316)</b>	<b>(625,037)</b>	<b>(213,298)</b>	<b>(733,807)</b>
<b>Cash flows provided by (used in) financing activities</b>					
Proceeds from share capital increase as a result					
of warrant exercise		20,023	40,606	20,023	40,606
Subscriptions received from exercise of warrants		1,103	11,358	1,103	11,358
Dividend paid		(1,273,472)	(544,456)	(1,273,472)	(544,456)
<b>Net cash used in financing activities</b>		<b>(1,252,346)</b>	<b>(492,492)</b>	<b>(1,252,346)</b>	<b>(492,492)</b>
Exchange differences on translation of financial statements					
in foreign currency		(6,709)	-	-	-
<b>Net increased (decreased) in cash and cash equivalents</b>		<b>(4,862,441)</b>	<b>1,933,660</b>	<b>(4,843,346)</b>	<b>1,837,547</b>
Cash and cash equivalents at beginning of periods		13,109,072	7,101,758	13,020,689	7,087,584
<b>Cash and cash equivalents at end of periods</b>	4	<b>8,246,631</b>	<b>9,035,418</b>	<b>8,177,343</b>	<b>8,925,131</b>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017  
“UNAUDITED”**

**1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS**

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

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

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

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

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

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

The consolidated and separate statements of financial position as at December 31, 2016, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2017 are not necessarily an indication nor anticipation of the operating results for the full year.

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

## 2.2 Basis for preparation of the consolidated interim financial statements

These consolidated interim financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2016, with no changes in the structure of shareholding in subsidiaries during the period.

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at	
			September 30, 2017 %	December 31, 2016 %
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Cambodia	52	52

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

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

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

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

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

## 2.3 Separate interim financial statements

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



#### 2.4 Significant accounting policies

The consolidated and separate interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2016.

### 3. NEW FINANCIAL REPORTING STANDARDS

#### 3.1 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period nine-month period ended September 30, 2017, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions, which became effective for fiscal years beginning on or after January 1, 2016. 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. Financial reporting standards with significant changes that are directly relevant to the Company are as follows:

##### **TAS 27 (revised 2016) "Separate Financial Statements"**

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (Revised 2016) "Investments in Associates and Joint Ventures." However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

However, the Company still chose the cost method for presentation of investment in subsidiaries in the separate financial statement.

#### 3.2 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding 56 Thai Financial Reporting Standards (TFRSs) that will be effective for the financial statements for the period beginning on or after January 1, 2018 onwards, which has been announced in the Royal Gazette on September 26, 2017. 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 Company's Group's management will adopt such TFRSs in the preparation of the Company's Group's financial statements when it becomes effective. The Company's Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Company Group in the period of initial application.

#### 4. CASH AND CASH EQUIVALENT

As at September 30, 2017 and December 31, 2016, the Company and subsidiaries have cash and cash equivalent as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Cash on hand	4,735	4,137	4,735	4,136
Deposits at banks with no fixed maturity date	2,019,082	1,577,932	1,949,794	1,489,550
Short-term investments in promissory notes	6,222,814	11,527,003	6,222,814	11,527,003
Cash and cash equivalents	<u>8,246,631</u>	<u>13,109,072</u>	<u>8,177,343</u>	<u>13,020,689</u>

As at September 30, 2017, interest rates on saving accounts and promissory notes are in the range of 0.38% - 1.25% per annum (as at December 31, 2016: 0.38% - 1.50% per annum).

#### 5. PREMIUM RECEIVABLES

As at September 30, 2017 and December 31, 2016, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	Due from direct insurance	
	September 30, 2017	December 31, 2016
Not yet due	1,899,073	2,170,440
Not over 30 days	77,263	15,522
Over 30 days to 60 days	1,399	8,580
Over 60 days to 90 days	373	3,663
Over 90 days	8,552	1,348
Total premium receivables	<u>1,986,660</u>	<u>2,199,553</u>

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

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

6. REINSURANCE ASSETS

As at September 30, 2017 and December 31, 2016, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2017	December 31, 2016
Reserves recoverable from reinsurances		
Claim reserves	142,474	115,188
Premium reserves		
Unearned premium reserves	382,991	259,031
Total reinsurance assets	<u>525,465</u>	<u>374,219</u>

7. AMOUNT DUE FROM REINSURANCE

As at September 30, 2017 and December 31, 2016, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2017	December 31, 2016
Amount due from reinsurers	1,033,960	649,427
Total amount due from reinsurance	<u>1,033,960</u>	<u>649,427</u>

8. DERIVATIVE ASSETS AND LIABILITIES

As at September 30, 2017 and December 31, 2016, derivatives classified by objective are as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities
Derivatives for hedging risks				
Cash flow hedge	234,747	420,110	11,221	2,106,821
Hedge of net investment in foreign entities	33,727	(1,455)	33,938	1,494
Total derivatives	<u>268,474</u>	<u>418,655</u>	<u>45,159</u>	<u>2,108,315</u>

As at September 30, 2017 and December 31, 2016, derivative assets and liabilities consisted of the following:

Contract type	Consolidated and separate financial statements		
	September 30, 2017		
	Notional amount (Thousand Unit)	Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	685,190	225,626	1,111,249
Forward exchange contracts			
Yen	1,112,910	13,937	-
US dollar	10,170	4,258	996
Singapore dollar	29,389	2,357	6,612
Euro	16,860	338	13,631
Total derivatives	1,854,519	246,516	1,132,488

  

Contract type	Consolidated and separate financial statements		
	December 31, 2016		
	Notional amount (Thousand Unit)	Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	722,490	1,487	2,764,931
Forward exchange contracts			
Yen	1,112,900	2,548	2,338
US dollar	10,250	-	8,018
Singapore dollar	19,039	11,009	122
Euro	9,210	6,805	-
Total derivatives	1,873,889	21,849	2,775,409

## 9. INVESTMENTS IN SECURITIES

### 9.1 Held-for-trading investments

As at September 30, 2017 and December 31, 2016, held-for-trading investments consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Cost	Fair value	Cost	Fair value
<b>Held-for-trading investments</b>				
Equity securities	103,929	106,225	135,389	155,100
Total	103,929	106,225	135,389	155,100
Add Unrealised gains	2,296	-	19,711	-
Total held-for-trading investments	106,225	106,225	155,100	155,100

## 9.2 Available-for-sale investments

As at September 30, 2017 and December 31, 2016, available-for-sales investments consisted of following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Available-for-sale investments</b>				
Government and state enterprise securities	4,311,498	5,229,599	4,290,449	4,900,370
Private enterprises debt securities	24,318,711	26,111,271	25,728,246	27,001,075
Equity securities	24,803,819	31,434,381	20,288,559	26,013,807
Foreign debt securities	2,737,994	2,612,361	2,740,950	2,730,273
Foreign equity securities	5,197,210	6,114,040	4,287,148	4,668,707
Total	61,369,232	71,501,652	57,335,352	65,314,232
<u>Add</u> Unrealised gains	10,132,420	-	7,978,880	-
Total available-for-sale investments	71,501,652	71,501,652	65,314,232	65,314,232

## 9.3 Held-to-maturity investments

As at September 30, 2017 and December 31, 2016, held-to-maturity investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2017	December 31, 2016
	Cost/ Amortised cost	Cost/ Amortised cost
<b>Held-to-maturity investments</b>		
Government and state enterprise securities	143,146,259	123,749,086
Private enterprises debt securities	51,398,073	41,664,521
Foreign debt securities	5,734,604	7,613,887
Deposits at financial institutions with an original maturity longer than 3 months	4,110,000	12,790,000
Total held-to-maturity investments	204,388,936	185,817,494

As at September 30, 2017 and December 31, 2016, the Company has investments in foreign securities as follows:

Foreign currency	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Notional amount (Million units)	Equivalent to Baht (Million Baht)	Notional amount (Million units)	Equivalent to Baht (Million Baht)
US dollar	695.4	22,435	732.7	23,612
Yen	1,112.9	348	1,112.9	351
Euro	16.9	656	9.2	360
Singapore dollar	29.4	726	19.0	488

The Company has entered into cross currency swap contracts and forward contracts in order to protect against fluctuations in currency risks in respect of these investments.

As at March 31, 2016, the Company reclassified the held-to-maturity debt securities to available-for-sale securities. The amortised cost of the securities is Baht 19,534 million with fair value of Baht 22,758 million at the date of reclassification for the purpose of supporting the interest rate environment fluctuation.

#### 9.4 General investments

As at September 30, 2017 and December 31, 2016, general investments consisted of the following:

General investments	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2017	December 31, 2016
	Cost	Cost
Equity securities	29,588	29,588
Total general investments	29,588	29,588

#### 9.5 Investments in structured notes

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

- As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 600 million and Baht 600 million, respectively, in promissory notes and bills of exchange, which were issued by local banks and branches of foreign commercial banks, having remaining lives of 3 - 11 years and 3 - 12 years, respectively, and containing conditions whereby the issuer has call option or has rights to call for additional deposits.
- As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 2,600 million and Baht 2,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 3 - 5 years and 3 - 6 years, respectively, and bearing interest rate referring to the yield rate on government bond (CMT Index).

- (c) As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 3,417 million and Baht 3,356 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 3 - 11 years and 3 - 12 years, respectively, and the notes and the bills contain conditions whereby the redemption of the notes and the bills is based on the credit event of the notes and the reference assets.
- (d) As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 874 million and Baht 841 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity periods of 16 years and 17 years, respectively. The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 426 million and Baht 413 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity periods of 14 years and 15 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.
- (f) As at September 30, 2017 and December 31, 2016, the Company has investments of Baht 1,623 million and Baht 676 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity periods of 8 - 9 years and 10 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

#### 9.6 Investments subject to restriction

As at September 30, 2017 and December 31, 2016, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 58,146 million and Baht 49,032 million, respectively, with the Registrar as securities and reserves as described in Notes 27 and 28.

#### 9.7 Gains on investments

Gains on investments for the three-month and nine-month periods ended September 30, 2017 and 2016 consisted of the following:

	(Unit : Thousand Baht)			
	<b>Consolidated and separate financial statements</b>			
	<b>For the three-month periods</b>		<b>For the nine-month periods</b>	
	<b>ended September 30,</b>		<b>ended September 30,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Gains on sales of trading investments	430	28,627	2,527	30,348
Gains on sales of available-for-sale investments	345,614	781,313	1,042,523	2,444,301
Gains (losses) on sales of held-to-maturity investments	6,576	-	(1,238)	208,895
<b>Total gains on investments</b>	<b>352,620</b>	<b>809,940</b>	<b>1,043,812</b>	<b>2,683,544</b>

## 10. INVESTMENTS IN SUBSIDIARIES

As at September 30, 2017 and December 31, 2016, detail of investments in subsidiaries, as presented in the separate interim financial statements, is as follows:

(Unit : Thousand Baht)

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			September 30,	December 31,	September 30,	December 31,	September 30,	December 31,
			2017	2016	2017	2016	2017	2016
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Cambodia	124,950	124,950	52 <sup>(1)</sup>	52 <sup>(1)</sup>	108,770	108,770
<b>Total investments in subsidiaries</b>			<b>148,950</b>	<b>148,950</b>			<b>132,530</b>	<b>132,530</b>

<sup>(1)</sup> As stated in "Memorandum and Article of Company"

## 11. LOANS AND ACCRUED INTEREST RECEIVABLES

As at September 30, 2017 and December 31, 2016, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit : Thousand Baht)

Overdue periods	Consolidated and separate financial statements								
	September 30, 2017								
	Loans								
	Policy loans		Mortgage loans		Other loans		Total		
Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Total	
Not yet due	6,872,714	677,146	2,606,563	1,417	9,122	8	9,488,399	678,571	10,166,970
Overdue:									
Less than 3 months	-	-	66,062	368	-	-	66,062	368	66,430
3 - 6 months	-	-	2,003	10	-	-	2,003	10	2,013
6 - 12 months	-	-	-	-	-	-	-	-	-
Over 12 months	-	-	16,570	943	53	2	16,623	945	17,568
<b>Total</b>	<b>6,872,714</b>	<b>677,146</b>	<b>2,691,198</b>	<b>2,738</b>	<b>9,175</b>	<b>10</b>	<b>9,573,087</b>	<b>679,894</b>	<b>10,252,981</b>
<b>Less</b> Allowance for doubtful accounts	-	-	(560)	(79)	-	-	(560)	(79)	(639)
<b>Loans and accrued interest receivables</b>	<b>6,872,714</b>	<b>677,146</b>	<b>2,690,638</b>	<b>2,659</b>	<b>9,175</b>	<b>10</b>	<b>9,572,527</b>	<b>679,815</b>	<b>10,252,342</b>

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



(Unit : Thousand Baht)

Consolidated and separate financial statements									
December 31, 2016									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Principal	Accrued interest <sup>(1)</sup>	Total
Not yet due	6,291,190	569,387	1,537,174	868	15,816	-	7,844,180	570,255	8,414,435
Overdue:									
Less than 3 months	-	-	37,312	76	-	-	37,312	76	37,388
3 - 6 months	-	-	15,301	63	-	-	15,301	63	15,364
6 - 12 months	-	-	11,113	139	-	-	11,113	139	11,252
Over 12 months	-	-	4,690	305	130	2	4,820	307	5,127
Total	6,291,190	569,387	1,605,590	1,451	15,946	2	7,912,726	570,840	8,483,566
Less Allowance for doubtful accounts	-	-	(560)	(79)	-	-	(560)	(79)	(639)
Loans and accrued interest receivables	6,291,190	569,387	1,605,030	1,372	15,946	2	7,912,166	570,761	8,482,927

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

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

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.1 million for personal guarantee loans. The interest rate charged is at the rates of 6.00% per annum. As at September 30, 2017 and December 31, 2016, loans to employees amounted to Baht 9 million and Baht 16 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.00% per annum. As at September 30, 2017 and December 31, 2016, loans to employees under the mortgage loans amounted to Baht 45 million and Baht 50 million, respectively.

## 12. INVESTMENT PROPERTY

Net carrying values of investment property as at September 30, 2017 and December 31, 2016, are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	For the nine-month period ended September 30, 2017	For the year ended December 31, 2016
Net carrying value - beginning of the period/year	19,882	20,947
Depreciation for period/year	(799)	(1,065)
Net carrying value - end of the period/year	19,083	19,882

### 13. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipment for the nine-month period ended September 30, 2017 are as follows:

(Unit : Thousand Baht)

Consolidated financial statements								
For the nine-month period ended September 30, 2017								
	Buildings and buildings			Office furniture, fixture and		Motor vehicles	Construction in progress	Total
	Land	improvements	Condominium	equipment	equipment			
Net carrying value as at January 1, 2017	794,249	120,642	12,515	103,728	8,431	117,999	1,157,564	
Additions - at cost	-	6,653	-	21,887	-	186,063	214,603	
Disposals - net carrying value	-	-	-	(97)	-	-	(97)	
Transfer in (out)/adjusted	(3)	133,250	-	15,490	-	(148,813)	(76)	
Exchange differences on translation of financial statements in foreign currency	-	(182)	-	(123)	-	-	(305)	
Depreciation charges for the period	-	(21,132)	(1,373)	(31,246)	(2,980)	-	(56,731)	
Net carrying value as at September 30, 2017	794,246	239,231	11,142	109,639	5,451	155,249	1,314,958	

(Unit : Thousand Baht)

Separate financial statements								
For the nine-month period ended September 30, 2017								
	Buildings and buildings			Office furniture, fixture and		Motor vehicles	Construction in progress	Total
	Land	improvements	Condominium	equipment	equipment			
Net carrying value as at January 1, 2017	794,249	118,025	12,515	102,304	8,431	117,999	1,153,523	
Additions - at cost	-	6,653	-	21,869	-	186,063	214,585	
Disposals - net carrying value	-	-	-	(97)	-	-	(97)	
Transfer in (out)/adjusted	(3)	133,250	-	15,490	-	(148,813)	(76)	
Depreciation charges for the period	-	(20,881)	(1,373)	(30,817)	(2,980)	-	(56,051)	
Net carrying value as at September 30, 2017	794,246	237,047	11,142	108,749	5,451	155,249	1,311,884	

## 14. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

### 14.1 Deferred tax assets/liabilities

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
			Change in deferred tax assets/liabilities reported profit or loss in the for the three-month periods ended September 30,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended September 30,	
	September 30, 2017	December 31, 2016	2017	2016	2017	2016
<b>Deferred tax assets</b>						
Reserves for long-term insurance contracts	3,394,245	3,323,959	335,640	262,498	-	-
Claim reserves and outstanding claims	16,921	11,896	5,076	4,994	-	-
Provisions for long-term employee benefits	43,298	40,083	1,473	2,254	-	-
Others	648	644	-	261	-	-
<b>Total deferred tax assets</b>	<u>3,455,112</u>	<u>3,376,582</u>	<u>342,189</u>	<u>270,007</u>	<u>-</u>	<u>-</u>
<b>Deferred tax liabilities</b>						
Available-for-sale investments	1,269,140	553,337	65,082	134,684	449,077	(105,259)
Others	3,354	4,647	237	1,740	-	-
<b>Total deferred tax liabilities</b>	<u>1,272,494</u>	<u>557,984</u>	<u>65,319</u>	<u>136,424</u>	<u>449,077</u>	<u>(105,259)</u>
<b>Deferred tax assets/liabilities - net</b>	<u>2,182,618</u>	<u>2,818,598</u>	<u>276,870</u>	<u>133,583</u>	<u>(449,077)</u>	<u>105,259</u>

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
			Change in deferred tax assets/liabilities reported profit or loss in the for the nine-month periods ended September 30,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the nine-month periods ended September 30,	
	September 30, 2017	December 31, 2016	2017	2016	2017	2016
<b>Deferred tax assets</b>						
Reserves for long-term insurance contracts	3,394,245	3,323,959	70,286	125,152	-	-
Claim reserves and outstanding claims	16,921	11,896	5,025	3,400	-	-
Provisions for long-term employee benefits	43,298	40,083	3,215	5,502	-	-
Others	648	644	4	291	-	-
<b>Total deferred tax assets</b>	<u>3,455,112</u>	<u>3,376,582</u>	<u>78,530</u>	<u>134,345</u>	<u>-</u>	<u>-</u>
<b>Deferred tax liabilities</b>						
Available-for-sale investments	1,269,140	553,337	195,714	(1,037,202)	520,088	770,263
Others	3,354	4,647	(1,293)	6,048	-	-
<b>Total deferred tax liabilities</b>	<u>1,272,494</u>	<u>557,984</u>	<u>194,421</u>	<u>(1,031,154)</u>	<u>520,088</u>	<u>770,263</u>
<b>Deferred tax assets/liabilities - net</b>	<u>2,182,618</u>	<u>2,818,598</u>	<u>(115,891)</u>	<u>1,165,499</u>	<u>(520,088)</u>	<u>(770,263)</u>

## 14.2 Income tax expenses

Income tax expenses for the three-month and nine-month periods ended September 30, 2017 and 2016 are made up as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
<b>Current income tax:</b>				
Interim corporate income tax charge	97,359	178,212	50,081	1,687,129
Adjustment in respect of income tax of previous year	-	-	5,489	7,335
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(276,870)	(133,583)	115,891	(1,165,499)
Income tax expenses (income) reported in profits or losses	(179,511)	44,629	171,461	528,965

Reconciliation between accounting profits and income tax expense for the three-month and nine-month periods ended September 30, 2017 and 2016 are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Accounting profit before income tax expenses	(439,352)	653,588	2,053,062	3,636,183
Applicable corporate income tax rates	15% 20%	15% 20%	15% 20%	15% 20%
Income tax expenses at the applicable tax rates	(84,880)	130,717	413,603	727,236
Adjustment in respect of income tax of previous year	-	-	5,489	7,335
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(94,631)	(86,088)	(247,631)	(205,606)
Income tax expenses (income) recognised in profits or losses	(179,511)	44,629	171,461	528,965

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Accounting profit before income tax expenses	(440,317)	659,148	2,068,017	3,654,678
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	(84,880)	131,830	413,603	730,936
Adjustment in respect of income tax of previous year	-	-	5,489	7,335
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(94,631)	(87,201)	(247,631)	(209,306)
Income tax expenses (income) recognised in profits or losses	(179,511)	44,629	171,461	528,965

## 15. OTHER ASSETS

As at September 30, 2017 and December 31, 2016, other assets consisted of the follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Derivative collateral	97,000	264,500	97,000	264,500
Prepaid income tax	18,239	-	18,239	-
Prepaid rental expenses	37,359	46,204	37,359	46,204
Deposits	45,224	45,909	21,348	20,037
Receivable from sales of investments	83,609	272,304	83,609	272,304
Prepaid expenses	16,888	14,142	16,748	14,142
Others	67,842	56,579	61,539	50,464
<b>Total other assets</b>	<b>366,161</b>	<b>699,638</b>	<b>335,842</b>	<b>667,651</b>

## 16. INSURANCE CONTRACT LIABILITIES

As at September 30, 2017 and December 31, 2016, insurance contract liabilities consisted of the follows:

	(Unit : Thousand Baht)					
	Consolidated financial statements					
	September 30, 2017			December 31, 2016		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	253,808,751	-	253,808,751	233,412,294	-	233,412,294
Claim reserves						
Reserves for reported claims	245,133	(142,474)	102,659	174,258	(115,188)	59,070
Reserves for claims incurred but not yet reported	84,607	-	84,607	59,482	-	59,482
Premium reserves						
Unearned premium reserves	1,305,086	(382,991)	922,095	1,134,217	(259,031)	875,186
Unpaid policy benefits	170,346	-	170,346	137,008	-	137,008
Other insurance liabilities	8,041,361	-	8,041,361	8,181,404	-	8,181,404
<b>Total insurance contract liabilities</b>	<b>263,655,284</b>	<b>(525,465)</b>	<b>263,129,819</b>	<b>243,098,663</b>	<b>(374,219)</b>	<b>242,724,444</b>

	(Unit : Thousand Baht)					
	Separate financial statements					
	September 30, 2017			December 31, 2016		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	253,808,741	-	253,808,741	233,412,294	-	233,412,294
Claim reserves						
Reserves for reported claims	245,133	(142,474)	102,659	174,258	(115,188)	59,070
Reserves for claims incurred but not yet reported	84,607	-	84,607	59,482	-	59,482
Premium reserves						
Unearned premium reserves	1,305,086	(382,991)	922,095	1,134,217	(259,031)	875,186
Unpaid policy benefits	170,346	-	170,346	137,008	-	137,008
Other insurance liabilities	8,041,361	-	8,041,361	8,181,404	-	8,181,404
<b>Total insurance contract liabilities</b>	<b>263,655,274</b>	<b>(525,465)</b>	<b>263,129,809</b>	<b>243,098,663</b>	<b>(374,219)</b>	<b>242,724,444</b>

16.1 Reserves for long-term insurance contracts

As at September 30, 2017 and December 31, 2016, reserves for long-term insurance contracts of the follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	For the nine-month period ended September 30, 2017	For the year ended December 31, 2016	For the nine-month period ended September 30, 2017	For the year ended December 31, 2016
Balances - beginning of the period/year	233,412,294	207,308,208	233,412,294	207,308,208
Reserved increased for new businesses and inforce policies	24,494,354	33,615,370	24,494,344	33,615,370
Reserve decreased for death, maturities, benefits, claims, lapses and surrender	(5,782,688)	(7,166,254)	(5,782,688)	(7,166,254)
Reserve decreased (increase) for testing the adequacy of liabilities	1,684,791	(345,030)	1,684,791	(345,030)
Balances - end of the period/year	<u>253,808,751</u>	<u>233,412,294</u>	<u>253,808,741</u>	<u>233,412,294</u>

16.2 Claim reserves

As at September 30, 2017 and December 31, 2016, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2017	For the year ended December 31, 2016
Balances - beginning of the period/year	233,740	320,356
Claims incurred in the current period/year	1,498,391	1,911,247
Claims paid during the period/year	(1,402,391)	(1,997,863)
Balances - end of the period/year	<u>329,740</u>	<u>233,740</u>

16.3 Unearned premium reserves

As at September 30, 2017 and December 31, 2016, unearned premium reserves consisted of the following:

	<b>(Unit : Thousand Baht)</b>	
	<b>Consolidated and separate financial statements</b>	
	<b>For the nine-month period ended September 30, 2017</b>	<b>For the year ended December 31, 2016</b>
Balances - beginning of the period/year	1,134,217	1,074,854
Premium written for the period/year	2,630,956	3,124,596
Premium earned for the period/year	(2,460,087)	(3,065,233)
Balances - end of the period/year	<u>1,305,086</u>	<u>1,134,217</u>

16.4 Unpaid policy benefits

As at September 30, 2017 and December 31, 2016, unpaid policy benefits consisted of the following:

	<b>(Unit : Thousand Baht)</b>	
	<b>Consolidated and separate financial statements</b>	
	<b>September 30, 2017</b>	<b>December 31, 2016</b>
Death benefit	117,618	100,209
Maturity payment	44,753	29,110
Benefit payment under policies	5,686	4,856
Surrender	2,289	2,833
Total unpaid policy benefits	<u>170,346</u>	<u>137,008</u>

16.5 Other insurance liabilities

As at September 30, 2017 and December 31, 2016, other insurance liabilities consisted of the following:

	<b>(Unit : Thousand Baht)</b>	
	<b>Consolidated and separate financial statements</b>	
	<b>September 30, 2017</b>	<b>December 31, 2016</b>
Deposits from insurance contracts	7,339,060	7,456,815
Premiums received in advance	623,115	634,337
Payable to policyholders on exempted premiums	79,186	90,252
Total other insurance liabilities	<u>8,041,361</u>	<u>8,181,404</u>

### 17. AMOUNT DUE TO REINSURANCE

As at September 30, 2017 and December 31, 2016, amount due to reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2017	December 31, 2016
Amount due to reinsurers	1,198,532	592,515
Total amount due to reinsurance	<u>1,198,532</u>	<u>592,515</u>

### 18. EMPLOYEE BENEFIT OBLIGATIONS

As at September 30, 2017 and December 31, 2016, employee benefit obligations consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Provisions for long-term employee benefits	218,105	201,806	216,492	200,415
Total employee benefit obligations	<u>218,105</u>	<u>201,806</u>	<u>216,492</u>	<u>200,415</u>

### 19. OTHER LIABILITIES

As at September 30, 2017 and December 31, 2016, other liabilities consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Accrued commission expenses	670,717	682,353	670,174	681,780
Accrued expenses	430,694	396,966	430,558	397,133
Premium received for policies not yet approved	413,574	304,632	413,574	304,632
Amounts received awaiting for transfer	210,508	116,079	210,508	116,079
Specific Business Tax payable	108,272	118,241	108,272	118,241
Payable from purchases of investments	166,087	88,082	166,087	88,082
Withholding tax payable	65,419	40,920	65,273	40,801
Short-term employee benefit payables	158,050	157,857	156,943	156,924
Others	58,446	49,922	52,717	43,563
Total other liabilities	<u>2,281,767</u>	<u>1,955,052</u>	<u>2,274,106</u>	<u>1,947,235</u>



## 20. ISSUED AND PAID-UP SHARE CAPITAL AND PREMIUM ON SHARE CAPITAL

Reconciliation for the nine-month period ended September 30, 2017 is as follows:

	Consolidated and separate financial statements			Capital reserve on share-based payments
	Issued and paid-up share capital		Premium on share capital	
	Number of shares (Thousand shares)	Thousand Baht	Thousand Baht	
Balances - beginning of the period	1,705,953	1,705,953	3,309,857	11,323
Expenses in respect of share-based payments (Note 21)	1,613	1,613	38,710	1,103
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	-	12,426	(12,426)
Balances - end of the period	1,707,566	1,707,566	3,360,993	-

## 21. SHARE-BASED PAYMENTS - WARRANTS

On November 23, 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 April 26, 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/or managements and the grant date is stipulated to be April 1, 2012.

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

Approved by the Executive Board of Directors of the Company	(Unit : Thousand Baht)		
	Separate financial statement		
	Warrant No. 1	Warrant No. 2	Total
on May 29, 2008	11,500	-	11,500
on August 11, 2009	1,350	-	1,350
on February 22, 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 August 8, 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 January 1, 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 stock 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 nine-month period ended September 30, 2017 amounting to Baht 1.1 million (for the three-month period ended September 30, 2017 : Nil and for the three-month and nine-month periods ended September 30, 2016: Baht 2.0 million and Baht 9.0 million, respectively.)

Movements of warrants during the nine-month period ended September 30, 2017 are summarised below.

	<b>(Unit : Thousand units)</b> <b>For the nine-month</b> <b>period ended September 30,</b> <b>2017</b>
	<b>Warrant No. 2</b>
Number of unexercised warrants as at January 1, 2017	612
Exercised during the period	(572)
Warrants expire	(40)
Number of unexercised warrants as at September 30, 2017	-

During the year ended December 31, 2016, the Warrant No. 2 holders exercised rights 1.8 million units of warrants at an exercise price of Baht 25.00 each, or for a total of Baht 63.2 million.

During the nine-month period ended September 30, 2017, the Company transferred subscriptions received in advance from the eighth exercise of warrants No. 2 amounting to Baht 20.30 million to issued and paid-up share capital and share premium. In addition, the holders of warrant No. 2 exercised the ninth right of 0.57 million units of warrants at an exercise price of Baht 25.00 each, amounting to Baht 20.02 million. Details of movement are summarised as follows:

(Unit : Thousand Baht)

Consolidated and separate financial statements								
For the nine-month period ended September 30, 2017								
	Units of warrants (Thousand units)	Exercise price per share (Baht)	Proceeds from exercise (Thousand Baht)	Issued and paid-up share capital (Thousand Baht)	Share premium (Thousand Baht)	Subscriptions received in advance from exercises of warrants (Thousand Baht)	Share capital increase registration date	Listing date
Warrant No. 2								
Beginning balance								
the eighth	580	25.00	20,300	-	-	20,300		
Transactions during the period								
The eighth								
Transfer during the period	-	-	-	812	19,488	(20,300)	January 19, 2017	January 26, 2017
The ninth								
Exercise and transfer during the period	572	25.00	20,023	801	19,222	-	April 24, 2017	April 10, 2017
Total				1,613	38,710	-		

## 22. OPERATING SEGMENT

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

Underwriting information classified by insurance categories for the three-month and nine-month periods ended September 30, 2017 and 2016 is as follows:

(Unit : Thousand Baht)

Consolidated financial statements					
For the three-month period ended September 30, 2017					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
<b>Underwriting income</b>					
Premium written	11,815,857	248,843	10,056	-	12,074,756
Less Premium ceded	(211,530)	-	-	-	(211,530)
Net premium written	11,604,327	248,843	10,056		11,863,226
Add Unearned premium reserve decreased from prior period	37,681	-	50	-	37,731
Net earned premium	11,642,008	248,843	10,106	-	11,900,957
Fee and commission income	65,227	-	-	-	65,227
<b>Total underwriting income</b>	11,707,235	248,843	10,106	-	11,966,184
<b>Underwriting expenses</b>					
Life policy reserves increased from prior period	8,966,531	170,330	-	-	9,136,861
Benefit payments under life policies and claims net refundable from reinsurance	4,999,207	6,111	1,129	-	5,006,447
Commissions and brokerage expenses	916,346	25,023	200	1,885	943,454
Other underwriting expenses	185,004	3,996	163	1	189,164
<b>Total underwriting expenses</b>	15,067,088	205,460	1,492	1,886	15,275,926

(Unit : Thousand Baht)

Consolidated financial statements					
For the three-month period ended September 30, 2016					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
<b>Underwriting income</b>					
Premium written	8,979,498	175,872	10,234	-	9,165,604
Less Premium ceded	(168,662)	-	-	-	(168,662)
Net premium written	8,810,836	175,872	10,234	-	8,996,942
Add (less) Unearned premium reserve (increased) decreased from prior period	5,036	-	(998)	-	4,038
Net earned premium	8,815,872	175,872	9,236	-	9,000,980
Fee and commission income	62,049	-	-	-	62,049
<b>Total underwriting income</b>	8,877,921	175,872	9,236	-	9,063,029
<b>Underwriting expenses</b>					
Life policy reserves increased from prior period	6,764,293	171,348	-	-	6,935,641
Benefit payments under life policies and claims net refundable from reinsurance	3,772,218	7,960	835	-	3,781,013
Commissions and brokerage expenses	694,887	31,665	224	1,470	728,246
Other underwriting expenses	107,920	2,346	113	122	110,501
<b>Total underwriting expenses</b>	11,339,318	213,319	1,172	1,592	11,555,401

(Unit : Thousand Baht)

Consolidated financial statements					
For the nine-month period ended September 30, 2017					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
<b>Underwriting income</b>					
Premium written	32,574,253	724,036	30,401	-	33,328,690
Less Premium ceded	(919,979)	-	-	-	(919,979)
Net premium written	31,654,274	724,036	30,401	-	32,408,711
Less Unearned premium reserve increased from prior year	(46,222)	-	(685)	-	(46,907)
Net earned premium	31,608,052	724,036	29,716	-	32,361,804
Fee and commission income	252,009	-	-	-	252,009
<b>Total underwriting income</b>	<b>31,860,061</b>	<b>724,036</b>	<b>29,716</b>	<b>-</b>	<b>32,613,813</b>
<b>Underwriting expenses</b>					
Life policy reserves increased from prior year	19,984,351	412,108	-	-	20,396,459
Benefit payments under life policies and claims net refundable from reinsurance	15,389,093	32,076	3,833	-	15,425,002
Commissions and brokerage expenses	2,443,459	61,970	604	5,586	2,511,619
Other underwriting expenses	490,326	11,055	454	85	501,920
<b>Total underwriting expenses</b>	<b>38,307,229</b>	<b>517,209</b>	<b>4,891</b>	<b>5,671</b>	<b>38,835,000</b>

(Unit : Thousand Baht)

Consolidated financial statements					
For the nine-month period ended September 30, 2016					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
<b>Underwriting income</b>					
Premium written	29,802,114	377,380	28,345	-	30,207,839
Less Premium ceded	(827,009)	-	-	-	(827,009)
Net premium written	28,975,105	377,380	28,345	-	29,380,830
(Less) Unearned premium reserve increased from prior year	(89,884)	-	(880)	-	(90,764)
Net earned premium	28,885,221	377,380	27,465	-	29,290,066
Fee and commission income	229,314	-	-	-	229,314
<b>Total underwriting income</b>	<b>29,114,535</b>	<b>377,380</b>	<b>27,465</b>	<b>-</b>	<b>29,519,380</b>
<b>Underwriting expenses</b>					
Life policy reserves increased from prior year	18,375,805	371,726	-	-	18,747,531
Benefit payments under life policies and claims net refundable from reinsurance	13,620,993	19,844	4,700	-	13,645,537
Commissions and brokerage expenses	2,281,334	63,890	664	4,563	2,350,451
Other underwriting expenses	431,416	5,567	405	605	437,993
<b>Total underwriting expenses</b>	<b>34,709,548</b>	<b>461,027</b>	<b>5,769</b>	<b>5,168</b>	<b>35,181,512</b>

## 23. OPERATING EXPENSES

For the three-month and nine-month periods ended September 30, 2017 and 2016, operating expenses consisted of the following:

(Unit : Thousand Baht)

	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Personnel expenses	238,794	239,636	707,648	696,838
Property, plant and equipment expenses	41,414	46,778	126,811	136,666
Taxes and duties	1,216	742	5,349	5,049
Other operating expenses	200,018	146,042	498,263	454,094
Total operating expenses	<u>481,442</u>	<u>433,198</u>	<u>1,338,071</u>	<u>1,292,647</u>

(Unit : Thousand Baht)

	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Personnel expenses	236,671	237,840	698,265	692,073
Property, plant and equipment expenses	40,975	43,069	123,282	132,645
Taxes and duties	1,242	742	4,965	5,049
Other operating expenses	199,988	144,105	496,246	440,543
Total operating expenses	<u>478,876</u>	<u>425,756</u>	<u>1,322,758</u>	<u>1,270,310</u>

## 24. FAIR VALUE LOSS

For the three-month and nine-month periods ended September 30, 2017 and 2016, fair value loss consisted of the following:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Unrealised gain (loss) on remeasuring held-for-trading securities	3,080	8,183	(6,957)	30,970
Unrealised gains (loss) on foreign exchange forward contracts	24,621	8,084	33,044	(33,454)
Loss on foreign exchange rate	(52,640)	(67,754)	(202,438)	(160,893)
Total fair value loss	<u>(24,939)</u>	<u>(51,487)</u>	<u>(176,351)</u>	<u>(163,377)</u>

## 25. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

### Fair value hierarchy

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

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

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

As at September 30, 2017 and December 31, 2016, the Company and subsidiaries had the following assets that were measured at fair value using different fair value hierarchy as follows:

	(Unit : Thousand Baht)		
	<b>Consolidated and separate financial statements</b>		
	<b>September 30, 2017</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>			
Held-for-trading investments			
Equity instruments	106,225	-	106,225
Available-for-sale investments			
Equity instruments	33,662,414	5,087,663	38,750,077
Debt instruments	-	32,751,575	32,751,575

	(Unit : Thousand Baht)		
	<b>Consolidated and separate financial statements</b>		
	<b>December 31, 2016</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>			
Held-for-trading investments			
Equity instruments	155,100	-	155,100
Available-for-sale investments			
Equity instruments	27,654,841	3,851,501	31,506,342
Debt instruments	-	33,807,890	33,807,890

### Valuation techniques and inputs to Level 2 valuations

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

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

## 26. RELATED PARTY TRANSACTIONS

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

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

Name of related parties	Type of business	Relationship with the Company
Bangkok Bank Pcl.	Banking	Related by way of common shareholders
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Sorachai Vivatn Co., Ltd.	Property development	Related by way of common shareholders
Thaire Life Assurance Pcl.	Life assurance	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	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 shareholders
Tris Corporation Ltd.	Services	Related by way of common directors
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Charoen Pokphand Foods Pcl. <sup>(2)</sup>	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 Ventures 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. (1)	Asset management	Shareholding and related by way of common directors
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
Asia Insurance Company Limited <sup>(1)</sup>	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 shareholders
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common shareholders
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
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Subsidiary

<sup>(1)</sup> It had been considered a related party until November 29, 2016 because the Company and its subsidiaries have no common directors with BBL Asset Management Co., Ltd. and Asia Insurance Company Limited since then and have common directors since March 23, 2017 BBL Asset Management Co., Ltd. since then.

<sup>(2)</sup> It had been considered a related party until April 25, 2017 because the Company and its subsidiaries have no common directors with Charoen Pokphand Foods Pcl. since then.



During the three-month and nine-month periods ended September 30, 2017 and 2016, the Company and subsidiaries had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements				Pricing policy
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,		
	2017	2016	2017	2016	
<b>Related parties</b>					
Premium written	57	153	4,752	4,731	Normal commercial terms for underwriting
Premium ceded to reinsurers	50,356	-	223,955	-	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	112,766	122,853	351,334	394,375	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,363	1,742	4,328	5,457	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	133,981	133,455	308,603	361,005	The declared amount
Rental and service income	3,233	13,290	9,484	18,838	Rate on agreements those charged by rental and service fees per square meter per month
Brokerage income from securities trading	49,565	11,469	49,565	27,319	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	22,424	38,921	234,341	166,393	Normal commercial terms on contracts
Commission and brokerage	537,637	288,019	1,274,223	1,038,987	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	73,856	-	164,274	-	Normal commercial terms for underwriting
Claim payment and diagnose charge	14,143	24,100	47,859	42,914	Normal commercial terms for underwriting
Bank charges	37,658	26,481	103,303	79,717	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	344	728	1,583	2,138	Normal commercial terms for underwriting
Building space rental and services	14,319	18,555	49,013	53,186	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month
Other services	1,017	973	1,659	2,283	Normal commercial terms for services

(Unit : Thousand Baht)

	Separate financial statements				Pricing policy
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,		
	2017	2016	2017	2016	
<b>Subsidiaries (continued)</b>					
Written premium	-	-	54	-	Normal commercial terms for underwriting
Rental and service income	131	128	423	427	Rate on agreements as those charged by rental and service fees per square meter per month
<b>Related parties</b>					
Written premium	57	153	4,752	4,731	Normal commercial terms for underwriting
Premium ceded to reinsurers	50,356	-	223,955	-	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	112,766	122,853	351,319	394,353	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,363	1,742	4,328	5,457	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	133,981	133,455	308,603	361,005	The declared amount
Brokerage income from securities trading	49,565	11,469	49,565	27,319	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	22,424	38,921	234,341	166,393	Normal commercial terms on contracts
Commission and brokerage	537,637	288,019	1,274,223	1,038,987	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	73,856	-	164,274	-	Normal commercial terms for underwriting
Claim payment and diagnose charge	14,143	24,100	47,859	42,914	Normal commercial terms for underwriting
Bank charges	37,622	26,456	103,215	79,646	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	345	728	1,577	2,136	Normal commercial terms for underwriting
Building space rental and services	14,319	18,555	49,013	53,186	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, and Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month.
Other services	1,017	973	1,659	2,283	Normal commercial terms for services

For the three-month and nine-month periods ended September 30, 2017, the premium generated from the Bancassurance distribution channel represented approximately 69.55% and 66.59% of total net premium written, respectively. (September 30, 2016, approximately 61.33% and 64.22% of total net premium written, respectively)

As at September 30, 2017 and December 31, 2016, the balance of the accounts between the Company and those related companies are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<b>Subsidiaries</b>				
Other liabilities				
Accrued expense	-	-	-	659
Others	-	-	66	66
Total other liabilities	-	-	66	725
<b>Related parties</b>				
Deposit at financial institution (included in cash and cash equivalents)	1,655,537	1,930,536	1,645,841	1,919,132
Investments in securities				
Available-for-sale investments - cost				
Domestic equity securities	1,891,100	2,024,654	1,891,100	2,024,654
Domestic investment unit	3,337,446	3,558,734	3,337,446	3,558,734
Total available-for-sale investment - cost	5,228,546	5,583,388	5,228,546	5,583,388
Add Unrealised gains	1,774,704	1,710,711	1,774,704	1,710,711
Total available-for-sale investments - fair value	7,003,250	7,294,099	7,003,250	7,294,099
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	1,945,000	3,955,000	1,945,000	3,955,000
Foreign debt securities	6,319,135	6,327,666	6,319,135	6,327,666
Total held-to-maturity investment - cost/amortised cost	8,264,135	10,282,666	8,264,135	10,282,666
General investments - foreign equity securities	11,167	1,167	11,167	1,167
Loans	79,146	96,868	79,146	96,868
Total investments assets	15,357,698	17,674,800	15,357,698	17,674,800
Amount due from reinsurance	251,007	175,965	251,007	175,965
Forward and swap foreign exchange contract receivable	4,354,012	4,585,297	4,354,012	4,585,297
Other assets				
Accrued income	-	3,176	-	-
Prepaid rental expenses	37,359	46,204	37,359	46,204
Prepaid expense	20	201	20	201
Total other assets	37,379	49,581	37,379	46,405
Amount due to reinsurance	266,435	123,055	266,435	123,055
Outstanding claims	2,093	1,873	2,093	1,873
Forward and swap foreign exchange contract payable	4,421,380	4,899,075	4,421,380	4,899,075
Other liabilities				
Accrued commission	374,638	279,202	374,638	279,202
Accrued Premium	-	6,360	-	-
Accrued rental and service expense	174	1,766	174	1,766
Total other liabilities	374,812	287,328	374,812	280,968

### Directors and management's benefits

During the three-month and nine-month periods ended September 30, 2017 and 2016, the Company and subsidiaries had employee benefit expenses payable to their directors and management as follows:

	(Unit : Million Baht)			
	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Short-term employee benefits	11.0	8.8	31.7	27.4
Long-term employee benefits	0.1	0.5	1.4	1.5
Share-based payment transactions (Note 21)	-	0.6	0.4	2.6
<b>Total directors and management's benefits</b>	<b>11.1</b>	<b>9.9</b>	<b>33.5</b>	<b>31.5</b>

	Unit : Million Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2017	2016	2017	2016
Short-term employee benefits	11.0	8.8	31.7	27.4
Long-term employee benefits	0.1	0.5	1.4	1.5
Share-based payment transactions (Note 21)	-	0.6	0.4	2.6
<b>Total directors and management's benefits</b>	<b>11.1</b>	<b>9.9</b>	<b>33.5</b>	<b>31.5</b>

The details of the warrants which allocated to the Company's employees are presented in Note 21.

### 27. ASSETS PLACED WITH THE REGISTRAR

As at September 30, 2017 and December 31, 2016, the following securities have been placed with the Registrar in accordance with the Life Insurance Act.

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	23,217	25,476	20,000	24,434

## 28. ASSETS RESERVED WITH THE REGISTRAR

As at September 30, 2017 and December 31, 2016, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2017		December 31, 2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	52,423,301	61,240,810	42,811,914	48,139,566
State enterprise bonds	5,699,908	6,424,443	6,199,704	6,902,127
<b>Total</b>	<b>58,123,209</b>	<b>67,665,253</b>	<b>49,011,618</b>	<b>55,041,693</b>

## 29. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the period.

Diluted earnings (loss) per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the period 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 three-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated financial statements					
	Profit (loss) for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings (loss) per share (Baht)	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to ordinary shareholders of the Company	(260,590)	611,773	1,707,566	1,705,499	(0.15)	0.36
<b>Effect of dilutive potential ordinary shares</b>						
Warrant No. 2	-	-	-	797		
<b>Diluted earnings (loss) per share</b>	<b>(260,590)</b>	<b>611,773</b>	<b>1,707,566</b>	<b>1,706,296</b>	<b>(0.15)</b>	<b>0.36</b>

	Separate financial statements					
	Profit (loss) for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings (loss) per share (Baht)	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings (loss) per share</b>						
Profit (loss) attributable to ordinary shareholders of the Company	(260,806)	614,519	1,707,566	1,705,499	(0.15)	0.36
<b>Effect of dilutive potential ordinary shares</b>						
Warrant No. 2	-	-	-	797		
<b>Diluted earnings (loss) per share</b>	(260,806)	614,519	1,707,566	1,706,296	(0.15)	0.36

Basic and diluted earnings per share for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated financial statements					
	Profit for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings per share (Baht)	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings per share</b>						
Profit attributable to ordinary shareholders of the Company	1,887,837	3,115,577	1,707,154	1,704,791	1.11	1.82
<b>Effect of dilutive potential ordinary shares</b>						
Warrant No. 2	-	-	-	766		
<b>Diluted earnings per share</b>	1,887,837	3,115,577	1,707,154	1,705,557	1.11	1.82

	Separate financial statements					
	Profit for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings per share (Baht)	
	2017	2016	2017	2016	2017	2016
<b>Basic earnings per share</b>						
Profit attributable to ordinary shareholders of the Company	1,896,556	3,125,713	1,707,154	1,704,791	1.11	1.83
<b>Effect of dilutive potential ordinary shares</b>						
Warrant No. 2	-	-	-	766		
<b>Diluted earnings tper share</b>	1,896,556	3,125,713	1,707,154	1,705,557	1.11	1.83

### 30. DIVIDENDS PAID

Dividends declared during the nine-month periods ended September 30, 2017 and 2016 consisted of the following:

	<u>Approved by</u>	<u>Total dividend (Million Baht)</u>	<u>Dividend per share (Baht)</u>
Annual dividend for 2016	Annual General Meeting of the Shareholders on April 27, 2017 and the OIC on May 8, 2017	730	0.43
Interim dividend from operations for six-month period ended 30 June 2017	Meeting of Board of Directors on 10 August 2017 and the OIC on 13 September, 2017	543	0.32
<b>Total dividend for the period 2017</b>		<u>1,273</u>	<u>0.75</u>
Annual dividend for 2015	Annual General Meeting of the Shareholders on April 26, 2016 and the OIC on April 29, 2016	544	0.32
Interim dividend from operations for six-month period ended 30 June 2016	Meeting of Board of Directors on 9 August 2015 and the OIC on 30 September 2015	545	0.32
<b>Total dividend for the period 2016</b>		<u>1,089</u>	<u>0.64</u>

### 31. COMMITMENTS

31.1 The Company and subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years for leases of building space and are generally between 1 and 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at September 30, 2017 and December 31, 2016, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	<u>Consolidated financial statements</u>		
	<u>September 30, 2017</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements	61.64	58.57	120.21
Service agreements	3.68	0.03	3.71
<b>Total</b>	<u>65.32</u>	<u>58.60</u>	<u>123.92</u>
	(Unit : Million Baht)		
	<u>Consolidated financial statements</u>		
	<u>December 31, 2016</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements	65.07	63.15	128.22
Service agreements	13.36	0.05	13.41
<b>Total</b>	<u>78.43</u>	<u>63.20</u>	<u>141.63</u>

	Unit : Million Baht)		
	Separate financial statements		
	September 30, 2017		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	61.49	58.31	119.80
Service agreements	3.67	-	3.67
Total	65.16	58.31	123.47

	(Unit : Million Baht)		
	Separate financial statements		
	December 31, 2016		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	64.91	62.77	127.68
Service agreements	13.34	-	13.34
Total	78.25	62.77	141.02

The Company recognized rental expense derived from the operating leases for the three-month and nine-month periods ended September 30, 2017 amounting to Baht 11.9 million and Baht 23.7 million, respectively. (September 30, 2016, amounting to Baht 11.9 million and Baht 23.7 million, respectively)

- 31.2 As at September 30, 2017 and December 31, 2016, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 9.5 (a) and Note 9.5 (b), as summarised below.

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
Payable within	September 30, 2017	December 31, 2016
1 year	1,200,000	1,200,000
2 - 5 years	300,000	600,000

### 32. LITIGATION

As at September 30, 2017 and December 31, 2016, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 17 million and Baht 48 million, respectively, for being the insurer and the cases have not yet been finalised. The Company has not yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

### 33. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These consolidation and separate interim financial statements were authorised for issue by the Board of Directors on November 9, 2017.