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

Interim Financial Statements

Three-month period ended March 31, 2018

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

TO THE BOARD OF DIRECTORS

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at March 31, 2018, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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



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

BANGKOK
May 10, 2018

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2018

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
ASSETS					
Cash and cash equivalents	4, 26	6,585,003	3,975,792	6,490,169	3,877,092
Premium receivables	5	3,278,015	1,910,413	3,278,015	1,910,413
Accrued investment income		3,306,930	2,457,620	3,306,929	2,457,620
Reinsurance assets	6, 16	706,484	404,713	706,484	404,713
Amount due from reinsurances	7	1,109,963	928,466	1,109,963	928,466
Derivative assets	8	688,914	349,447	688,914	349,447
Investment assets					
Investments in securities					
Held-for-trading investments	9	81,555	87,957	81,555	87,957
Available-for-sale investments	9	78,163,939	77,121,935	78,163,939	77,121,935
Held-to-maturity investments	9, 27, 28	208,232,681	208,373,406	208,232,681	208,373,406
General investments	9	30,302	29,588	30,302	29,588
Investments in subsidiaries	10	-	-	151,117	151,117
Loans	11, 26	9,178,761	9,404,604	9,178,761	9,404,604
Investment property	12	18,550	18,817	18,550	18,817
Property, plant and equipment	13	1,317,057	1,314,554	1,314,609	1,311,776
Goodwill		4,955	4,955	-	-
Intangible assets		8,818	11,252	8,518	10,880
Deferred tax assets	14	1,537,099	1,511,620	1,537,099	1,511,620
Other assets	15	393,170	824,049	364,737	779,458
TOTAL ASSETS		314,642,196	308,729,188	314,662,342	308,728,909

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2018

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
LIABILITIES AND EQUITY					
Insurance contract liabilities	16	270,582,059	265,978,194	270,582,023	265,978,189
Amount due to reinsurances	17	1,377,025	1,003,195	1,377,025	1,003,195
Derivative liabilities	8	275,282	765,613	275,282	765,613
Income tax payable		84,262	-	84,262	-
Employee benefit obligations	18	233,483	228,827	231,323	227,097
Other liabilities	19	2,471,875	1,988,600	2,461,950	1,968,515
Total liabilities		<u>275,023,986</u>	<u>269,964,429</u>	<u>275,011,865</u>	<u>269,942,609</u>
Equity					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of					
Baht 1 each					
		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up share capital					
	20				
1,707,566,000 ordinary shares of					
Baht 1 each, fully paid-up					
		1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital	20	3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve					
		170,800	170,800	170,800	170,800
General reserve					
		400,000	400,000	400,000	400,000
Unappropriated					
		25,597,834	23,841,906	25,631,234	23,872,300
Other component of equity					
Revaluation surplus on available-for-sale					
investments - net of income taxes					
		8,379,884	9,274,641	8,379,884	9,274,641
Exchange rate differences on translation of					
financial statements in foreign currency					
		(6,984)	(4,441)	-	-
Equity attributable to equity holders of the Company		<u>39,610,093</u>	<u>38,751,465</u>	<u>39,650,477</u>	<u>38,786,300</u>
Non-controlling interests of the subsidiaries		8,117	13,294	-	-
Total equity		<u>39,618,210</u>	<u>38,764,759</u>	<u>39,650,477</u>	<u>38,786,300</u>
TOTAL LIABILITIES AND EQUITY		<u>314,642,196</u>	<u>308,729,188</u>	<u>314,662,342</u>	<u>308,728,909</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		2018	2017	2018	2017
Revenues					
Gross written premium	22, 26	13,305,535	13,147,778	13,305,599	13,147,761
<u>Less</u> Premium ceded to reinsurers	22, 26	(563,892)	(521,803)	(563,892)	(521,803)
Net premium written		12,741,643	12,625,975	12,741,707	12,625,958
<u>Less</u> Unearned premium reserves increased form prior period	22	(79,607)	(85,761)	(79,607)	(85,761)
Net earned premium		12,662,036	12,540,214	12,662,100	12,540,197
Fee and commission income	22	135,130	126,663	135,130	126,663
Net investment income	26	2,957,785	2,802,613	2,957,775	2,802,603
Gain on investment	9	374,605	204,447	374,605	204,447
Fair value gain (loss)	24	78,823	(92,149)	78,823	(92,149)
Other income	26	34,325	25,705	30,321	22,638
Total revenues		16,242,704	15,607,493	16,238,754	15,604,399
Expenses					
Life policy reserves increased from prior period	22	4,460,415	7,565,317	4,460,385	7,565,314
Gross benefit and claims paid	22, 26	8,076,037	5,671,861	8,076,038	5,671,861
<u>Less</u> Benefit and claims paid recovered from reinsurers	22, 26	(220,765)	(80,979)	(220,765)	(80,979)
Commissions and brokerages	22, 26	1,052,582	834,539	1,050,427	832,569
Other underwriting expenses	22, 33	378,481	186,687	378,320	184,214
Operating expenses	23, 26, 33	407,610	382,100	400,169	376,672
Total expenses		14,154,360	14,559,525	14,144,574	14,549,651
Profit before income tax expense		2,088,344	1,047,968	2,094,180	1,054,748
Income tax expenses	14	(335,246)	(126,323)	(335,246)	(126,323)
Profit for the periods		1,753,098	921,645	1,758,934	928,425
Profit for the periods attributable to					
Equity holders of the Company		1,755,928	924,462	1,758,934	928,425
Non-controlling interests of the subsidiaries		(2,830)	(2,817)		
		1,753,098	921,645		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)					
		CONSOLIDATED		SEPARATE	
	Notes	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Profit for the periods		1,753,098	921,645	1,758,934	928,425
Other comprehensive income					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Gains (losses) on remeasuring available-for-sale investments		(765,167)	822,867	(765,167)	822,867
Reversal of gain (losses) on remeasuring available-for-sale investments		(353,236)	(154,780)	(353,236)	(154,780)
Exchange rate differences on translation of financial statements in foreign currency		(4,890)	(4,083)	-	-
Income taxes relating to other comprehensive income		223,646	(133,617)	223,646	(133,617)
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(899,647)	530,387	(894,757)	534,470
Other comprehensive income for the periods - net of income taxes		(899,647)	530,387	(894,757)	534,470
Total comprehensive income for the periods		853,451	1,452,032	864,177	1,462,895
Total comprehensive income for the periods attributable to					
Equity holders of the Company		858,628	1,456,810	864,177	1,462,895
Non-controlling interests of the subsidiaries		(5,177)	(4,778)		
		853,451	1,452,032		
					(Unit: Baht)
Earnings per share					
Basic earnings per share	29				
Profit for the periods		1.03	0.54	1.03	0.54
Diluted earnings per share					
Profit for the periods		1.03	0.54	1.03	0.54

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Consolidated financial statement											
	Equity attributable to equity holders of the Company							Other component of equity				Total
	Notes	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 rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	
	Legal reserve	Appropriated	General reserve	Unappropriated	Investments - net of income taxes	in foreign currency	the Company	the subsidiaries	Total			
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	21	-	1,103	-	-	-	-	-	-	1,103	-	1,103
Increase in share capital as a result of warrant exercise	21	812	19,488	-	(20,300)	-	-	-	-	-	-	-
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	21	-	12,426	-	-	-	-	-	-	-	-	-
Subscriptions received in advance from exercises of warrants	21	-	-	20,024	-	-	-	-	-	20,024	-	20,024
Profit (loss) for the period							924,462			924,462	(2,817)	921,645
Other comprehensive income								534,470		534,470	-	534,470
Gain on remeasuring of available-for-sale investments - net of income taxes								-	(2,122)	(2,122)	(1,961)	(4,083)
Exchange rate differences on translation of financial statements in foreign currency								-	(2,122)	(2,122)	(4,778)	1,452,032
Total comprehensive income (loss) for the period							924,462	534,470	(2,122)	1,456,810	(4,778)	1,452,032
Balance as at March 31, 2017	1,706,765	3,341,771	170,800	20,024	22,406,477	400,000	6,754,858	34,798,872	(1,823)	34,798,872	3,362	34,802,234

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

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

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	Separate financial statements							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		Other component of equity	
						Appropriated					Surplus on re-measuring available-for-sale investments - net of income taxes
						Legal reserve	General reserve				
Balance as at January 1, 2017		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	21	-	-	1,103	-	-	-	-	-	1,103	
Increase in share capital as a result of warrant exercise	21	812	19,488	-	(20,300)	-	-	-	-	-	
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	21	-	12,426	(12,426)	-	-	-	-	-	-	
Subscriptions received in advance from exercises of warrants	21	-	-	-	20,024	-	-	-	-	20,024	
Profit for the period		-	-	-	-	-	-	928,425	-	928,425	
Other comprehensive income		-	-	-	-	-	-	-	534,470	534,470	
Gain on re-measuring available-for-sale investments - net of income taxes		-	-	-	-	-	-	-	534,470	534,470	
Total comprehensive income for the period		-	-	-	-	-	-	928,425	534,470	1,462,895	
Balance as at March 31, 2017		1,706,765	3,341,771	-	20,024	170,800	400,000	22,430,644	6,754,858	34,824,862	

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

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

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Cash flows from (used in) operating activities					
Gross premium		12,391,293	12,367,059	12,391,293	12,367,039
Cash payments from reinsurance		(70,839)	(138,566)	(70,839)	(138,566)
Interest income		1,714,660	1,711,396	1,714,660	1,711,396
Dividend income		379,320	268,096	379,320	268,096
Other income on investment		374,605	204,447	374,605	204,447
Other income		30,274	25,730	30,274	22,663
Benefit and claim on direct insurance		(8,252,459)	(5,446,836)	(8,252,459)	(5,446,836)
Commissions and brokerages on direct insurance		(1,017,621)	(1,017,689)	(1,022,825)	(1,016,024)
Other underwriting expenses		(100,368)	(128,585)	(100,368)	(128,585)
Operating expenses		(547,355)	(467,339)	(545,968)	(463,576)
Corporate income taxes		(17,941)	(17,502)	(17,948)	(17,502)
Investments in securities		(4,824,789)	(16,328,466)	(4,824,789)	(16,323,689)
Loans		212,412	(199,793)	212,412	(199,793)
Other investments		2,370,903	10,936,826	2,370,903	10,936,826
Net cash provided by operating activities		<u>2,642,095</u>	<u>1,768,778</u>	<u>2,638,271</u>	<u>1,775,896</u>
Cash flows from (used in) investing activities					
Net cash flows for purchases and disposals of premises and equipment		<u>(25,194)</u>	<u>(80,627)</u>	<u>(25,194)</u>	<u>(80,627)</u>
Net cash used in investing activities		<u>(25,194)</u>	<u>(80,627)</u>	<u>(25,194)</u>	<u>(80,627)</u>
Cash flows from (used in) financing activities					
Proceeds from share capital increase as a result of warrant exercise		-	1,103	-	1,103
Subscriptions received from exercise of warrants		-	20,024	-	20,024
Net cash provided by financing activities		<u>-</u>	<u>21,127</u>	<u>-</u>	<u>21,127</u>
Exchange rate differences on translation of financial statements in foreign currency		<u>(7,690)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increased in cash and cash equivalents		<u>2,609,211</u>	<u>1,709,278</u>	<u>2,613,077</u>	<u>1,716,396</u>
Cash and cash equivalents at beginning of periods		3,975,792	13,109,072	3,877,092	13,020,689
Cash and cash equivalents at end of periods	4	<u><u>6,585,003</u></u>	<u><u>14,818,350</u></u>	<u><u>6,490,169</u></u>	<u><u>14,737,085</u></u>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

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

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

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

These consolidated and separate interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2017) “Interim Financial Reporting” and the additional disclosure in accordance with the Company choosing to present condensed interim financial statements. However, the Company has presented line items in the consolidated and separate statements of financial position, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in owners’ equity and statements of cash flows in the same format as that used in its preparation of the annual financial statements and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of life insurance companies dated March 4, 2017, which has been effective since January 1, 2017.

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, 2017, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

The unaudited results of operations presented in the three-month period ended March 31, 2018 are not necessarily an indication nor anticipation of the operating results for the full year.

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

2.2 Basis for preparation of the consolidated interim financial statements

These consolidated interim financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended December 31, 2017, with no changes in the structure of shareholding in subsidiaries during the period.

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			As at	
			March 31, 2018	December 31, 2017
			%	%
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, 2017.

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

The Federation of Accounting Professions has issued the Notification regarding 56 Thai Financial Reporting Standards (“TFRSs”) that have been 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 adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

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

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard No.15 “Revenue from Contracts with Customers” which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

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

4. CASH AND CASH EQUIVALENT

As at March 31, 2018 and December 31, 2017, the Company and subsidiaries have cash and cash equivalent as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Cash on hand	10,058	5,687	10,057	5,686
Deposits at banks with no fixed maturity date	1,995,385	1,701,448	1,900,552	1,602,748
Short-term investments in promissory notes	4,579,560	2,268,657	4,579,560	2,268,658
Cash and cash equivalents	<u>6,585,003</u>	<u>3,975,792</u>	<u>6,490,169</u>	<u>3,877,092</u>

As at March 31, 2018, interest rates on saving accounts and promissory notes are in the range of 0.38% - 1.25% per annum (December 31, 2017: 0.38% - 1.50% per annum).

5. PREMIUM RECEIVABLES

As at March 31, 2018 and December 31, 2017, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	Due from direct insurance	
	March 31, 2018	December 31, 2017
Not yet due	3,084,694	1,893,022
Not over 30 days	180,277	10,471
Over 30 days to 60 days	10,895	3,122
Over 60 days to 90 days	543	1,577
Over 90 days	1,606	2,221
Total premium receivables	<u>3,278,015</u>	<u>1,910,413</u>

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

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

6. REINSURANCE ASSETS

As at March 31, 2018 and December 31, 2017, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
Reserves recoverable from reinsurances		
Claim reserves	133,277	127,385
Premium reserves		
Unearned premium reserves	573,207	277,328
Total reinsurance assets	<u>706,484</u>	<u>404,713</u>

7. AMOUNT DUE FROM REINSURANCE

As at March 31, 2018 and December 31, 2017, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
Amount due from reinsurers	1,109,963	928,466
Total amount due from reinsurance	<u>1,109,963</u>	<u>928,466</u>

8. DERIVATIVE ASSETS AND LIABILITIES

As at March 31, 2018 and December 31, 2017, derivatives classified by objective are as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2018		December 31, 2017	
	Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities
Derivatives for hedging risks				
Cash flow hedge	1,615,035	34,925	701,820	132,206
Hedge of net investment in foreign currencies	97,782	1,354	36,670	937
Total derivatives	<u>1,712,817</u>	<u>36,279</u>	<u>738,490</u>	<u>133,143</u>

As at March 31, 2018 and December 31, 2017, derivative assets and liabilities consisted of the following:

Contract type	Consolidated and separate financial statements		
	March 31, 2018		
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	624,900	646,132	254,976
Forward exchange contracts			
Yen	1,240,910	1,512	4,267
US dollar	56,830	22,049	5,832
Singapore dollar	61,873	6,224	9,820
Euro	25,820	12,997	387
Total derivative	2,010,333	688,914	275,282

Contract type	Consolidated and separate financial statements		
	December 31, 2017		
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Cross currency swap contracts			
US dollar	670,190	341,168	738,011
Forward exchange contracts			
Yen	1,240,910	5,250	401
US dollar	36,353	1,587	9,031
Singapore dollar	38,711	38	11,980
Euro	23,820	1,404	6,190
Total derivative	2,009,984	349,447	765,613

9. INVESTMENTS IN SECURITIES

9.1 Held-for-trading investments

As at March 31, 2018 and December 31, 2017, held-for-trading investments consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2018		December 31, 2017	
	Cost	Fair value	Cost	Fair value
Held-for-trading investments				
Equity securities	101,684	81,555	93,945	87,957
Total	101,684	81,555	93,945	87,957
Less Unrealised losses	(20,129)	-	(5,988)	-
Total held-for- trading investments	81,555	81,555	87,957	87,957

9.2 Available-for-sale investments

As at March 31, 2018 and December 31, 2017, available-for-sales investments consisted of following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	March 31, 2018		December 31, 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments				
Government and state enterprise securities	1,973,676	2,556,090	4,535,380	5,474,506
Private enterprises debt securities	26,570,006	28,776,446	24,317,183	26,159,147
Equity securities	29,353,505	36,587,447	27,271,423	35,035,436
Foreign debt securities	1,930,216	1,654,678	2,736,998	2,533,144
Foreign equity securities	7,935,342	8,589,278	6,726,696	7,919,702
Total	67,762,745	78,163,939	65,587,680	77,121,935
Add Unrealised gains	10,401,194	-	11,534,255	-
Total available-for-sale investments	78,163,939	78,163,939	77,121,935	77,121,935

9.3 Held-to-maturity investments

As at March 31, 2018 and December 31, 2017, held-to-maturity investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
	Cost/ Amortised cost	Cost/ Amortised cost
Held-to-maturity investments		
Government and state enterprise securities	136,744,951	142,116,574
Private enterprises debt securities	61,050,823	56,171,062
Foreign debt securities	6,686,907	6,275,770
Deposits at financial institutions with an original maturity longer than 3 months	3,750,000	3,810,000
Total held-to-maturity investments	208,232,681	208,373,406

9.4 General investments

As at March 31, 2018 and December 31, 2017, general investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
	Cost	Cost
General investments		
Equity securities	30,302	29,588
Total general investments	30,302	29,588

9.5 Investments in structured notes

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

- (a) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 600 million and Baht 600 million, respectively, in promissory notes and bills of exchange, which were issued by local banks and branches of foreign commercial banks, having remaining lives of 2 - 11 years and 2 - 11 years, respectively, and containing conditions whereby the issuer has call option or has rights to call for additional deposits and bearing interest rate referring to the yield rate on government bond (CMT Index).
- (b) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 2,600 million and Baht 2,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 1 - 4 years and 2 - 5 years, respectively, and bearing interest rate referring to the yield rate on government bond (CMT Index).
- (c) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 3,459 million and Baht 3,438 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 2 - 10 years and 2 - 11 years, respectively, and the notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.

- (d) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 897 million and Baht 886 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 16 years and 16 years, respectively. The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 434 million and Baht 430 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 13 years and 14 years, respectively. The bills contain conditions whereby the banks have the right to early redemption and the redemption of the bills is based on the credit event of the reference assets.
- (f) As at March 31, 2018 and December 31, 2017, the Company has investments of Baht 1,518 million and Baht 1,589 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 7 - 9 years and 8 - 9 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

9.6 Investments subject to restriction

As at March 31, 2018 and December 31, 2017, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 60,452 million and Baht 58,124 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 periods ended March 31, 2018 and 2017 consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2018	2017
Gains on sales of held-for-trading investments	3,704	2,097
Gains on sales of available-for-sale investments	370,901	161,049
Gains on sales of held-to-maturity investments	-	41,301
Total gains on investments	<u>374,605</u>	<u>204,447</u>

10. INVESTMENTS IN SUBSIDIARIES

As at March 31, 2018 and December 31, 2017, detail of investments in subsidiaries, as presented in the separate interim financial statements, is as follows:

(Unit : Thousand Baht)

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
					%	%		
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Cambodia	153,598	153,598	52 ⁽¹⁾	52 ⁽¹⁾	127,357	127,357
Total investments in subsidiaries			177,598	177,598			151,117	151,117

⁽¹⁾ As stated in "Memorandum and Article of Company"

11. LOANS AND ACCRUED INTEREST RECEIVABLES

As at March 31, 2018 and December 31, 2017, 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								
	March 31, 2018								
	Loans								
	Policy loans		Mortgage loans		Other loans		Total		
	Accrued		Accrued		Accrued		Accrued		
	Principal	interest ⁽¹⁾	Principal	interest ⁽¹⁾	Principal	interest ⁽¹⁾	Principal	interest ⁽¹⁾	Total
Not yet due	7,189,961	733,234	1,942,447	1,293	5,076	6	9,137,484	734,533	9,872,017
Overdue:									
Less than 3 months	-	-	25,457	86	-	-	25,457	86	25,543
3 - 6 months	-	-	6,381	292	-	-	6,381	292	6,673
6 - 12 months	-	-	648	22	-	-	648	22	670
Over 12 months	-	-	14,046	467	53	2	14,099	469	14,568
Total	7,189,961	733,234	1,988,979	2,160	5,129	8	9,184,069	735,402	9,919,471
<u>Less</u> Allowance for doubtful accounts	-	-	(5,308)	(586)	-	-	(5,308)	(586)	(5,894)
Loans and accrued interest receivables	7,189,961	733,234	1,983,671	1,574	5,129	8	9,178,761	734,816	9,913,577

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

(Unit : Thousand Baht)

Consolidated and separate financial statements									
December 31, 2017									
Overdue periods	Loans								
	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Total
Not yet due	7,104,797	710,107	2,249,943	1,720	6,911	8	9,361,651	711,835	10,073,486
Overdue:									
Less than 3 months	-	-	29,107	208	-	-	29,107	208	29,315
3 - 6 months	-	-	2,948	59	-	-	2,948	59	3,007
6 - 12 months	-	-	-	-	-	-	-	-	-
Over 12 months	-	-	15,477	545	53	2	15,530	547	16,077
Total	7,104,797	710,107	2,297,475	2,532	6,964	10	9,409,236	712,649	10,121,885
Less Allowance for doubtful accounts	-	-	(4,632)	(507)	-	-	(4,632)	(507)	(5,139)
Loans and accrued interest receivables - net	7,104,797	710,107	2,292,843	2,025	6,964	10	9,404,604	712,142	10,116,746

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

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

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.1 million for personal guarantee loans. The interest rate is charged at the rates of 6.00% per annum. As at March 31, 2018 and December 31, 2017, loans to employees amounted to Baht 5 million and Baht 7 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.00% per annum. As at March 31, 2018 and December 31, 2017, loans to employees under the mortgage loans amounted to Baht 39 million and Baht 44 million, respectively.

12. INVESTMENT PROPERTY

As at March 31, 2018 and December 31, 2017, the Company has movement in the investment property as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	For the three-month period ended March 31, 2018	For the year ended December 31, 2017
Net carrying value - beginning of the period/year	18,817	19,882
Depreciation for period/year	(267)	(1,065)
Net carrying value - end of the period/year	18,550	18,817

13. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipment for the three-month period ended March 31, 2018 are as follows:

(Unit : Thousand Baht)

Consolidated financial statements							
For the three-month period ended March 31, 2018							
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at							
January 1, 2018	794,246	353,279	10,683	142,054	4,484	9,808	1,314,554
Additions - at cost	-	-	-	6,243	-	19,002	25,245
Disposals - net carrying value	-	-	-	(4)	-	-	(4)
Exchange rate differences on translation of financial statements in foreign currency	-	(112)	-	(59)	-	-	(171)
Depreciation charges for the period	-	(8,315)	(457)	(12,947)	(848)	-	(22,567)
Net carrying value as at March 31, 2018	794,246	344,852	10,226	135,287	3,636	28,810	1,317,057

(Unit : Thousand Baht)

Separate financial statements							
For the three-month period ended March 31, 2018							
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at							
January 1, 2018	794,246	351,421	10,683	141,134	4,484	9,808	1,311,776
Additions - at cost	-	-	-	6,243	-	19,002	25,245
Disposals - net carrying value	-	-	-	(4)	-	-	(4)
Depreciation charges for the period	-	(8,224)	(457)	(12,879)	(848)	-	(22,408)
Net carrying value as at March 31, 2018	794,246	343,197	10,226	134,494	3,636	28,810	1,314,609

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 March 31,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended March 31,	
	March 31, 2018	December 31, 2017	2018	2017	2018	2017
Deferred tax assets						
Reserves for long-term insurance contracts	2,962,282	3,051,790	(89,508)	(36,809)	-	-
Claim reserves	13,780	18,273	(4,493)	(1,211)	-	-
Provisions for long-term employee benefits	46,322	45,419	903	1,232	-	-
Others	2,940	1,554	1,386	-	-	-
Total deferred tax assets	<u>3,025,324</u>	<u>3,117,036</u>	<u>(91,712)</u>	<u>(36,788)</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities						
Available-for-sale investments	1,485,689	1,602,880	106,456	28,982	(223,647)	133,617
Others	2,536	2,536	-	(1,023)	-	-
Total deferred tax liabilities	<u>1,488,225</u>	<u>1,605,416</u>	<u>106,456</u>	<u>27,959</u>	<u>(223,647)</u>	<u>133,617</u>
Deferred tax assets/liabilities - net	<u>1,537,099</u>	<u>1,511,620</u>	<u>(198,168)</u>	<u>(64,747)</u>	<u>223,647</u>	<u>(133,617)</u>

14.2 Income tax expenses

Income tax expenses for the three-month periods ended March 31, 2018 and 2017 are made up as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2018	2017
Current income tax:		
Interim corporate income tax	137,078	61,576
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	198,168	64,747
Income tax expense reported in profits or losses	<u>335,246</u>	<u>126,323</u>

Reconciliation between accounting profits and income tax expense for the three-month periods ended March 31, 2018 and 2017 are as follows:

	(Unit : Thousand Baht)	
	Consolidated	
	financial statements	
	For the three-month periods ended March 31,	
	2018	2017
Accounting profit before income tax expenses	2,088,344	1,047,968
Applicable corporate income tax rates	15%, 20%	15%, 20%
Income tax expense at the applicable tax rates	418,836	210,950
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(83,590)	(84,627)
Income tax expense recognised in profits or losses	335,246	126,323

	(Unit : Thousand Baht)	
	Separate	
	financial statements	
	For the three-month periods ended March 31,	
	2018	2017
Accounting profit before income tax expenses	2,094,180	1,054,748
Applicable corporate income tax rates	20%	20%
Income tax expense at the applicable tax rates	418,836	210,950
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(83,590)	(84,627)
Income tax expense recognised in profits or losses	335,246	126,323

15. OTHER ASSETS

As at March 31, 2018 and December 31, 2017, other assets consisted of the follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Derivative collateral	-	45,000	-	45,000
Prepaid income tax	100,911	135,785	100,917	135,785
Prepaid rental expenses	31,462	34,411	31,462	34,411
Deposits	44,921	45,130	22,543	21,776
Receivable from sales of investments	116,200	473,018	116,200	473,018
Prepaid expenses	11,738	11,621	11,593	11,443
Others	87,938	79,084	82,022	58,025
Total other assets	393,170	824,049	364,737	779,458

16. INSURANCE CONTRACT LIABILITIES

As at March 31, 2018 and December 31, 2017, insurance contract liabilities consisted of the follows:

(Unit : Thousand Baht)

	Consolidated financial statements					
	March 31, 2018			December 31, 2017		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	261,055,468	-	261,055,468	256,595,053	-	256,595,053
Claim reserves						
Reserves for reported claims	290,201	(133,277)	156,924	276,597	(127,385)	149,212
Reserves for claims incurred but not yet reported	68,901	-	68,901	91,365	-	91,365
Premium reserves						
Unearned premium reserves	1,555,579	(573,207)	982,372	1,180,093	(277,328)	902,765
Unpaid policy benefits	152,081	-	152,081	168,390	-	168,390
Other insurance liabilities	7,459,829	-	7,459,829	7,666,696	-	7,666,696
Total insurance contract liabilities	270,582,059	(706,484)	269,875,575	265,978,194	(404,713)	265,573,481

(Unit : Thousand Baht)

	Separate financial statements					
	March 31, 2018			December 31, 2017		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	261,055,432	-	261,055,432	256,595,048	-	256,595,048
Claims reserves						
Reserves for reported claims	290,201	(133,277)	156,924	276,597	(127,385)	149,212
Reserves for claims incurred but not yet reported	68,901	-	68,901	91,365	-	91,365
Premium reserves						
Unearned premium reserves	1,555,579	(573,207)	982,372	1,180,093	(277,328)	902,765
Unpaid policy benefits	152,081	-	152,081	168,390	-	168,390
Other insurance liabilities	7,459,829	-	7,459,829	7,666,696	-	7,666,696
Total insurance contract liabilities	270,582,023	(706,484)	269,875,539	265,978,189	(404,713)	265,573,476

16.1 Reserves for long-term insurance contracts

As at March 31, 2018 and December 31, 2017, reserves for long-term insurance contracts of the follows:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	For the three-month period ended March 31, 2018	For the year ended December 31, 2017	For the three-month period ended March 31, 2018	For the year ended December 31, 2017
Balances - beginning of the period/year	256,595,053	233,412,294	256,595,048	233,412,294
Reserved increased for new businesses and inforce policies	7,162,053	30,075,220	7,162,022	30,075,215
Reserve decreased for benefits payment lapses and surrender, etc.	(2,041,986)	(7,552,113)	(2,041,986)	(7,552,113)
Reserve decreased for testing the adequacy of liabilities	(659,652)	659,652	(659,652)	659,652
Balances - end of the period/year	<u>261,055,468</u>	<u>256,595,053</u>	<u>261,055,432</u>	<u>256,595,048</u>

16.2 Claim reserves

As at March 31, 2018 and December 31, 2017, claim reserves consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	For the three-month period ended March 31, 2018	For the year ended December 31, 2017
Balances - beginning of the period/year	367,962	233,740
Claims incurred in the current period/year	(558,279)	2,080,116
Claims paid during the period/year	549,419	(1,945,894)
Balances - end of the period/year	<u>359,102</u>	<u>367,962</u>

16.3 Unearned premium reserves

As at March 31, 2018 and December 31, 2017, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	For the three-month period ended March 31, 2018	For the year ended December 31, 2017
Balances - beginning of the period/year	1,180,093	1,134,217
Premium written for the period/year	1,220,614	3,331,744
Premium earned for the period/year	(845,128)	(3,285,868)
Balances - end of the period/year	<u>1,555,579</u>	<u>1,180,093</u>

16.4 Unpaid policy benefits

As at March 31, 2018 and December 31, 2017, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
Death benefit	107,696	125,662
Maturity payment	42,121	40,444
Surrender	2,264	2,284
Total unpaid policy benefits	<u>152,081</u>	<u>168,390</u>

16.5 Other insurance liabilities

As at March 31, 2018 and December 31, 2017, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
Deposits from insurance contracts	6,926,279	7,126,814
Premiums received in advance	454,849	462,377
Payable to policyholders on exempted remiums	78,701	77,505
Total other insurance liabilities	<u>7,459,829</u>	<u>7,666,696</u>

17. AMOUNT DUE TO REINSURANCE

As at March 31, 2018 and December 31, 2017, amount due to reinsurance consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
Amount due to reinsurers	1,377,025	1,003,195
Total amount due to reinsurance	<u>1,377,025</u>	<u>1,003,195</u>

18. EMPLOYEE BENEFIT OBLIGATIONS

As at March 31, 2018 and December 31, 2017, employee benefit obligations consisted of the following:

	Consolidated		(Unit : Thousand Baht) Separate	
	financial statements		financial statements	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Post-employment benefit obligations for severance pay	197,054	193,385	195,365	191,781
Other employment benefit obligation for long service awards	36,429	35,442	35,958	35,316
Total employee benefit obligations	<u>233,483</u>	<u>228,827</u>	<u>231,323</u>	<u>227,097</u>

19. OTHER LIABILITIES

As at March 31, 2018 and December 31, 2017, other liabilities consisted of the following:

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Accrued commission expenses	786,302	753,494	779,149	751,547
Accrued expenses	554,200	409,977	551,919	409,497
Premium received for policies not yet approved	421,599	159,514	421,599	159,514
Amounts received awaiting transfer	273,193	89,083	273,193	89,083
Specific Business Tax payable	116,313	130,798	116,313	130,798
Payable from purchases of investments	126,189	171,926	126,189	171,926
Withholding tax payable	42,664	59,730	42,451	59,550
Short-term employee benefit payables	59,262	141,699	58,921	140,566
Collateral under derivatives agreements	31,500	-	31,500	-
Others	60,653	72,379	60,716	56,034
Total other liabilities	<u>2,471,875</u>	<u>1,988,600</u>	<u>2,461,950</u>	<u>1,968,515</u>

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

Reconciliation for the three-month periods ended March 31, 2018 and 2017 is as follows:

	For the three-month period ended March 31, 2018			
	Consolidated and separate financial statements			
	Issued and paid-up share capital		Premium on share capital	Capital reserve on share-based payments
	Number of shares (Thousand shares)	Thousand Baht	Thousand Baht	Thousand Baht
Balances - beginning of the period	1,707,566	1,707,566	3,360,993	-
Balances - end of the period	1,707,566	1,707,566	3,360,993	-

	For the three-month period ended March 31, 2017			
	Consolidated and separate financial statements			
	Issued and paid-up share capital		Premium on share capital	Capital reserve on share-based payments
	Number of shares (Thousand shares)	Thousand Baht	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)	812	812	19,488	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	1,706,765	1,706,765	3,341,771	-

21. SHARE-BASED PAYMENT - 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)		
	Number of units of warrants		
	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 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 three-month period ended March 31, 2016, amounting to Baht 1.1 million.

Movements of warrants during the three-month period ended March 31, 2017 are summarised below:

	(Unit : Thousand units)
	For the three-month period ended March 31, 2017
	Warrant No. 2
Number of unexercised warrants as at January 1, 2017	612
Exercised during the period	(572)
Number of unexercised warrants as at March 31, 2017	40

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 three-month period ended March 31, 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)								
For the three-month period ended March 31, 2017								
	Units of warrants (Thousand units)	Exercise price per share (Baht)	Proceeds from exercise (Thousand Baht)	Issued and paid-up share capital	Share premium (Thousand Baht)	Subscriptions received in advance from exercises of warrants	Share capital increase registration date	Listing date
Warrant No. 2								
The ninth exercise	572	25.00	-	-	-	20,024	April 24, 2017	April 10, 2017
Total			-	-	-	20,024		

22. OPERATING SEGMENT

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

Underwriting information classified by insurance categories for the three-month periods ended March 31, 2018 and 2017 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	For the three-month period ended March 31, 2018				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Gross written premium	12,975,356	320,378	9,801	-	13,305,535
Less: Premium ceded	(563,892)	-	-	-	(563,892)
Net premium written	12,411,464	320,378	9,801	-	12,741,643
Add (less): Unearned premium reserve decreased (increased) from prior period	(79,982)	-	375	-	(79,607)
Net earned premium	12,331,482	320,378	10,176	-	12,662,036
Fee and commission income	135,130	-	-	-	135,130
Total underwriting income	12,466,612	320,378	10,176	-	12,797,166
Underwriting expenses					
Life policy reserves increased from prior period	4,233,838	226,577	-	-	4,460,415
Benefit payments under life and claims net refundable from reinsurance	7,843,706	10,824	742	-	7,855,272
Commissions and brokerage	1,018,106	32,149	179	2,148	1,052,582
Other underwriting expenses	370,452	7,776	247	6	378,481
Total underwriting expenses	13,466,102	277,326	1,168	2,154	13,746,750

(Unit : Thousand Baht)

	Consolidated financial statements				
	For the three-month period ended March 31, 2017				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	12,799,620	338,355	9,803	-	13,147,778
Less: Premium ceded	(521,803)	-	-	-	(521,803)
Net premium written	12,277,817	338,355	9,803	-	12,625,975
Less Unearned premium reserve					
Increased from prior period	(85,620)	-	(141)	-	(85,761)
Net earned premium	12,192,197	338,355	9,662	-	12,540,214
Fee and commission income	126,663	-	-	-	126,663
Total underwriting income	12,318,860	338,355	9,662	-	12,666,877
Underwriting expenses					
Life policy reserves increased from prior period	7,431,684	133,633	-	-	7,565,317
Benefit payments under life policies and claims net refundable from reinsurance	5,572,592	17,349	941	-	5,590,882
Commissions and brokerage expenses	811,126	21,253	206	1,954	834,539
Other underwriting expenses	182,150	4,411	126	-	186,687
Total underwriting expenses	13,997,552	176,646	1,273	1,954	14,177,425

23. OPERATING EXPENSES

For the three-month periods ended March 31, 2018 and 2017 operating expenses consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2018	2017	2018	2017
Personnel expenses	241,943	224,431	238,368	221,153
Property, plant and equipment expenses	45,779	41,085	44,645	40,407
Taxes and duties	1,478	1,032	1,313	868
Other operating expenses	118,410	115,552	115,843	114,244
Total operating expenses	407,610	382,100	400,169	376,672

24. FAIR VALUE GAIN (LOSS)

For the three-month periods ended March 31, 2018 and 2017 fair value gain (loss) consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month periods ended March 31,	
	2018	2017
Unrealised loss on remeasuring held-for-trading securities	(14,141)	(2,850)
Unrealised gain on foreign exchange forward contracts	88,130	25,618
Gain (loss) on foreign exchange rate	4,834	(114,917)
Total fair value gain (loss)	78,823	(92,149)

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Fair value hierarchy

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

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

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

As at March 31, 2018 and December 31, 2017, the Company and subsidiaries had the following assets that were measured at fair value using different fair value hierarchy as follows:

(Unit: Thousand Baht)			
Consolidated and separate financial statements			
As at March 31, 2018			
	Level 1	Level 2	Total
Financial assets measured at fair value			
Held-for-trading investments	81,555	-	81,555
Equity instruments			
Available-for-sale investments			
Equity instruments	40,196,262	6,377,458	46,573,720
Debt instruments	-	31,590,219	31,590,219

(Unit: Thousand Baht)			
Consolidated and separate financial statements			
As at December 31, 2017			
	Level 1	Level 2	Total
Financial assets measured at fair value			
Held-for-trading investments			
Equity instruments	87,957	-	87,957
Available-for-sale investments			
Equity instruments	38,200,799	6,226,402	44,427,201
Debt instruments	-	32,694,734	32,694,734

Valuation techniques and inputs to Level 2 valuations

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

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

26. RELATED PARTY TRANSACTIONS

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

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

<u>Name of related parties</u>	<u>Type of business</u>	<u>Relationship with the Company</u>
Bangkok Bank Pcl.	Banking	Related by way of common shareholders
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Sorachai Vivat Co., Ltd.	Property development	Related by way of common shareholders
Thaire Life Assurance Pcl.	Life assurance	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Shareholding by an individual related to the major shareholder of the Company
Bangkok Business Building (1987) Co., Ltd.	Rental of assets	Related by way of common shareholders
Tris Corporation Ltd.	Services	Related by way of common directors
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Charoen Pokphand Foods Pcl. ⁽²⁾	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 Public Company Limited	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Shareholding by the major shareholder of the Company
Ek-Chai Distribution System Co., Ltd.	Commercial	Related by way of common directors
BBL Asset Management Co., Ltd. ⁽¹⁾	Asset management	Related by way of common shareholders and common directors
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
Asia Insurance Company Limited ⁽¹⁾	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

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

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

During the three-month periods ended March 31, 2018 and 2017, the Company and subsidiaries had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

	Consolidated financial statements		(Unit: Thousand Baht)
	For the three-month periods ended March 31,		Pricing policy
	2018	2017	
Related parties			
Premium written	2,728	2,214	Normal commercial terms for underwriting
Premium ceded to reinsurers	142,553	130,926	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	106,520	127,433	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,112	1,522	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	104,110	71,139	The declared amount
Rental and service income	2,581	3,220	Rates as agreed in the agreement
Brokerage income from securities trading	20,447	-	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(7,219)	151,255	Normal commercial terms on contracts
Commission and brokerage	528,643	396,069	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	76,311	27,117	Normal commercial terms for underwriting
Claim payment and diagnose charge	7,423	13,520	Normal commercial terms for underwriting
Bank charges	43,393	24,837	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,101	936	Normal commercial terms for underwriting

(Unit: Thousand Baht)

	Consolidated financial statements		Pricing policy
	For the three-month periods ended March 31,		
	2018	2017	
Related parties (continued)			
Building space rental and services	14,415	17,055	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	3,528	178	Rate as agreed in the agreement which is price offered to general member

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the three-month periods ended March 31,		
	2018	2017	
Subsidiaries			
Written premium	-	49	Normal commercial terms for underwriting
Rental and service income	245	152	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties			
Written premium	2,728	2,214	Normal commercial terms for underwriting
Premium ceded to reinsurers	142,553	130,926	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	106,520	127,433	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,112	1,522	Same rates as the Company charged to general borrowers who mortgage assets as collateral

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the three-month periods ended March 31,		
	2018	2017	
Related parties (Continued)			
Dividend income	104,110	71,139	The declared amount
Brokerage income from securities trading	20,447	-	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(7,219)	151,255	Normal commercial terms on contracts
Commission and brokerage	528,643	396,069	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	76,311	27,117	Normal commercial terms for underwriting
Claim payment and diagnose charge	7,423	13,520	Normal commercial terms for underwriting
Bank charges	43,357	24,810	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,095	936	Normal commercial terms for underwriting
Building space rental and services	14,415	17,055	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	2,263	178	Rate as agreed in the agreement which is price offered to general member

For the three-month periods ended March 31, 2018 and 2017, the premium generated from the Bancassurance distribution channel represented approximately 69% and 68% of total net premium written, respectively.

As at March 31, 2018 and December 31, 2017, the balance of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Subsidiaries				
Other liabilities				
Accrued expense	-	-	-	-
Others	-	-	-	66
Total other liabilities	-	-	-	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	1,158,737	1,051,281	1,147,031	1,043,223
Investments in securities				
Available-for-sale investments - cost				
Domestic equity securities	2,615,732	2,221,635	2,615,732	2,221,635
Domestic investment unit	3,548,330	3,337,446	3,548,330	3,337,446
Total available-for-sale investment - cost	6,164,062	5,559,081	6,164,062	5,559,081
Add Unrealised gains	1,499,504	2,030,324	1,499,504	2,030,324
Total available-for-sale investments - fair value	7,663,566	7,589,405	7,663,566	7,589,405
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	2,545,000	2,745,000	2,545,000	2,745,000
Foreign debt securities	6,028,728	6,316,261	6,028,728	6,316,261
Total held-to-maturity investment - cost/amortised cost	8,573,728	9,061,261	8,573,728	9,061,261
General investments - foreign equity securities	11,167	11,167	11,167	11,167
Loans	66,822	73,060	66,822	73,060
Total investments assets	16,315,283	16,734,893	16,315,283	16,734,893

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Related parties (continued)				
Amount due from reinsurance	264,229	230,784	264,229	230,784
Forward and swap foreign exchange contract receivable	6,820,858	5,585,475	6,820,858	5,585,475
Other assets				
Accrued income	1,872	6,641	-	-
Prepaid rental expenses	31,462	34,411	31,462	34,411
Prepaid expense	771	208	771	208
Total other assets	<u>34,105</u>	<u>41,260</u>	<u>32,233</u>	<u>34,619</u>
Amount due to reinsurance	296,660	187,294	296,660	187,294
Outstanding claims	3,922	10,468	3,922	10,468
Forward and swap foreign exchange contract payable	6,720,509	5,622,022	6,720,509	5,622,022
Other liabilities				
Accrued commission	408,316	366,786	408,316	366,786
Accrued Premium	6,328	16,410	-	-
Accrued rental and service expense	84	128	84	128
Total other liabilities	<u>414,728</u>	<u>383,324</u>	<u>408,400</u>	<u>366,914</u>

Directors and key management's benefits

During the three-month periods ended March 31, 2018 and 2017, the Company and subsidiaries had employee benefit expenses payable to their directors and key management as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2018	2017	2018	2017
Short-term employee benefits	12.4	9.8	12.4	9.8
Long-term employee benefits	1.1	0.6	1.1	0.6
Share-based payment transactions (Note 21)	-	0.4	-	0.4
Total directors and key management's benefits	<u>13.5</u>	<u>10.8</u>	<u>13.5</u>	<u>10.8</u>

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 March 31, 2018 and December 31, 2017, the following securities have been placed securities with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	March 31, 2018		December 31, 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	23,182	24,983	23,200	25,605

28. ASSETS RESERVED WITH THE REGISTRAR

As at March 31, 2018 and December 31, 2017, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	March 31, 2018		December 31, 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	55,528,515	63,571,355	52,400,828	61,274,166
State enterprise bonds	4,899,950	5,531,289	5,699,921	6,375,488
Total	60,428,465	69,102,644	58,100,749	67,649,654

29. EARNINGS PER SHARE

Basic earnings 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 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 March 31, 2018 and 2017 are as follows:

Consolidated financial statements						
	Profit for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings per share (Baht)	
	2018	2017	2018	2017	2018	2017
Basic earnings per share						
Profit attributable to ordinary shareholders of the Company	1,755,928	924,462	1,707,566	1,706,754	1.03	0.54
Effect of dilutive potential ordinary shares						
Warrant No. 2	-	-	-	388		
Diluted earnings per share	<u>1,755,928</u>	<u>924,462</u>	<u>1,707,566</u>	<u>1,707,142</u>	<u>1.03</u>	<u>0.54</u>
Separate financial statements						
	Profit for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings per share (Baht)	
	2018	2017	2018	2017	2018	2017
Basic earnings per share						
Profit attributable to ordinary shareholders of the Company	1,758,934	928,425	1,707,566	1,706,754	1.03	0.54
Effect of dilutive potential ordinary shares						
Warrant No. 2	-	-	-	388		
Diluted earnings per share	<u>1,758,934</u>	<u>928,425</u>	<u>1,707,566</u>	<u>1,707,142</u>	<u>1.03</u>	<u>0.54</u>

30. COMMITMENTS

- 30.1 As at March 31, 2018 and December 31, 2017 the Company entered into construction building agreement with local companies totaling of Baht 65.76 million and Baht 228.06 million, respectively. The Company has commitments according to the agreements amounting to Baht 43.95 million and Baht 44.73 million, respectively.
- 30.2 The Company and subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years for leases of building space and are generally between 1 and 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at March 31, 2018 and December 31, 2017, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

Consolidated financial statements			
March 31, 2018			
Pay within			
	1 year	1 - 5 years	Total
Operating lease agreements	51.67	44.17	95.84
Service agreements	11.00	0.03	11.03
Total	62.67	44.20	106.87

(Unit: Million Baht)

Consolidated financial statements			
December 31, 2017			
Pay within			
	1 year	1 - 5 years	Total
Operating lease agreements	49.69	47.17	96.86
Service agreements	0.23	0.03	0.26
Total	49.92	47.20	97.12

(Unit: Million Baht)

Separate financial statements			
March 31, 2018			
Pay within			
	1 year	1 - 5 years	Total
Operating lease agreements	51.52	43.99	95.51
Service agreements	10.99	-	10.99
Total	62.51	43.99	106.50

(Unit: Million Baht)

	Separate financial statements		
	December 31, 2017		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	49.53	46.95	96.48
Service agreements	0.21	-	0.21
Total	49.74	46.95	96.69

The Company and subsidiaries recognized rental expense derived from the operating leases for the three-month periods ended March 31, 2018 and 2017 amounting to Baht 17.05 million and Baht 36.17 million, respectively.

- 30.3 As at March 31, 2018 and December 31, 2017, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 9.5 (a), as summarised below.

(Unit: Thousand Baht)

Payable within	Consolidated and separate financial statements	
	March 31, 2018	December 31, 2017
1 year	1,200,000	1,200,000
2 - 5 years	600,000	600,000

31. LITIGATION

As at March 31, 2018 and December 31, 2017, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 17 million and Baht 18 million, respectively, for being the insurer and the cases have yet been finalised. The Company has not yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

32. EVENT AFTER THE REPORTING PERIOD

On April 27, 2018, the Annual General Meeting of shareholders approved the payment of dividend of Baht 0.22 per share to the Company's shareholders. The payment of dividend were approved by the Office of Insurance Commission on April 18, 2018.

33. RECLASSIFICATION

Reclassification has been made to the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2017 to conform to the classification used in the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2018 as follow:

Transactions	Thousand Baht	Previous presentation	Current presentation
Other underwriting expenses	18,962	Operating expense	Other underwriting expenses

34. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These consolidation and separate interim financial statements were authorised for issue by the Board of Directors on May 10, 2018.