



บริษัท กรุงเทพประกันชีวิต จำกัด (มหาชน)
BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED

รายงานประจำปี 2557

Annual Report 2014

Life
As you
Design



Vision

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



Mission

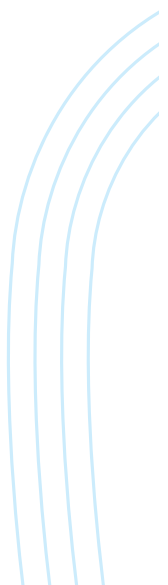
We are dedicated to lead creation of financial security for people by extending effective protection for their value of life together with financial planning advice and service excellence provided by our sincere and highly competent agents, partners and employees.



Live As You Design

To live as you design is to create happiness by applying an integrated financial planning for protections and wealth in responding to your needs from all life stages. Enabling you to advance forward with confidence and achieve your goals promptly.

In 2014, Bangkok Life Assurance PCL. had developed new products as well as improved and enhanced policies coverage for existing products to fulfill people's life plans in all aspects. We strongly support and enhance the happiness of social communities with Corporate Social Responsibility to uplift the quality of life for people of all ages. These aspects comprise financial knowledge sharing, healthy living, environment, Thai cultural heritage conservation, education and learning, and lastly elderly caring. We passionately believe that our aforementioned commitments will truly bring real joy and happiness to all.



Live as you design ...
by designing
a sustainable happiness
for your future



Message from the Chairman

Our company ended the year with 33 percent growth in total premium at Baht 51,810 million, the largest amount that our company has ever achieved. We are also able to achieve a net profit after tax of Baht 2,665 million through our effective management in the environment of economic slowdown and low market returns.

During the year, our company had improved in many areas that created more value to our customers, business partners and stakeholders. Our efforts to deliver the best customer service continued through the renovation of customer service centre that create improved experience for customers that come to use our services. Our branches will receive a new look and atmosphere to create more comfort to our policyholders and agents. Moreover, strengthening relationship and improving collaboration with our distribution channels have always been our priority, and during the year we have continued to provide channels with more support through rigorous training and knowledge sharing programs. We also uplifted the skills of our staff to ensure that our customers receive the best experience whenever interacted with us. We continued to adopt prudent risk management practices and to improve our solvency, resulting in a significant increase in our capital adequacy. Our company also emphasizes the importance of adopting technology to assist in operations, product development and customer services especially the technology that will help improve the capabilities of our staff, agents and business partners to better compete in the industry.

Caring and contributions to the country and society have always been close to our hearts and during the year we invested more time and effort in social responsibilities. Established in 2013, the corporate governance committee has continued to drive the development of good governance in our company through rigorous review of company policies and operational procedures. Such efforts helped our company to achieve the NACC Integrity awards for outstanding corporate governance standards and transparency. Moreover, our company also received four stars for Corporate Governance Rating by the Institute of Directors (IOD) for the second year, which solidifies our strong practices in governance.

Moving forward, our company will continue to put efforts and energy to achieve our long-term goals and become the life insurer of choice. Our efforts in the previous years and this year in improving customer service, developing product that meet customer needs, improving operational efficiency, expanding distribution channels, growing customer base and adopting new technology laid the foundation for the future that will maximize the value to our customers, business partners and stakeholders.

On behalf of the company and Board of Directors, I would like to express my sincere gratitude to our customers, shareholders, business partners, private and public enterprises which have continued to support us throughout the past years. Also, I would like to thank our executive management, agents and staff for the effort and dedication throughout the year that help our company moving closer to our mission to improve the lives of the people. Our company will continue to provide confidence by adhering to good corporate governance to deliver efficiency, stability and satisfaction to our customers as well as creating value to our shareholders.



Choedchu

Mr. Choedchu Sophonpanich

Chairman

Message from the President

Year 2014 was a challenging one for Bangkok Life Assurance as well as for Thailand, with the global economy still to fully recover, amidst a volatile political landscape and a slowdown in the Thai economy, especially in areas of exports and consumer spending. Supported by structural factors, the Thai life insurance industry still achieved a strong growth of 13%.

As for the company's performance, total premiums grew by 33% at Baht 51,810 million. We achieved first year premiums of Baht 19,069 million, an 81% growth from previous year. However, the sharp decrease in bond yields combined with our prudent risk management policy led to an increase in life reserves of 63% from the previous year, resulting in a net profit after tax of 2,665 million.

However, our company managed to improve our capital adequacy to be significantly stronger, which has helped increase the confidence of our policyholders, agents and business partners. We closed the year with Baht 208,676 million of investment assets, Baht 25,579 million of equity and achieved a capital adequacy ratio of 410%, a substantial increase from 244% at the beginning of the year. We also earned a net investment income of Baht 10,255 million, a 35% increase from last year.

In parallel with improving our financial stability, we also raised the standard of our operations throughout the year, which translated into a better service experience for our policyholders, agents and business partners. Our call centre received the award for "Best Complaints Handling and Resolution Centre" from the Office of the Consumer Protection Board. We also launched several initiatives that focus on improving process efficiency through adoption of technologies that will help policyholders to receive faster and more on-demand services.

In the areas of marketing, we continued to accord high priority to expanding and improving our distribution channels to better serve existing and potential customers to meet their insurance and financial needs. Our financial adviser network continued to grow at a rate of more than 50% from the previous year. We continued to provide rigorous training to our bank channel and supported our partners to provide a better service experience to customers. At the same time, we continuously improved our product offering, launching new products which target specific needs and customer segments such as the 'Unit Pension' that provides flexibility in planning for post-retirement income and 'BLA Super Senior' that answers the health needs of the senior segment in our ageing society. These products helped us to expand our customer base and better support the development of our distribution channels.

In addition, we continued to lay the foundations for future competitiveness through several initiatives in the area of actuarial, risk management, operations, technology and people. We improved our product development capabilities by investing in research to help us better meet the needs of consumers. Enterprise risk management continued to be followed which should further strengthen our stability. We continued to adopt the latest and proven technologies, especially mobile and electronic device innovation, to improve our customer experience as well as the efficiency of our operations. Lastly, we continued our steadfast emphasis improving the capabilities of our staff, agents and distributors by enhancing our training programmes and tools to make sure that our staff can best serve our customers and deliver the excellent integrated financial plans to people.

On behalf of the company and the management, I thank our customers, business partners and agents for their trust and support. I also thank our employees for their effort, dedication and commitment throughout the year. I look forward to another remarkable year of 2015.



Jan

Mr. Chone Sophonpanich

President

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Branches

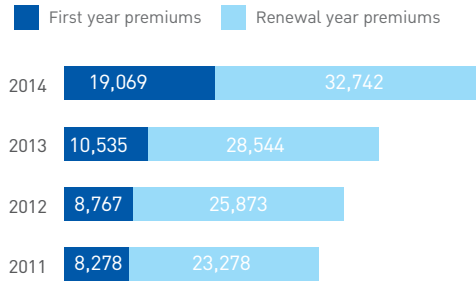
Financial Overview

Four - Year Financial Review	Consolidated financial statements		Separate financial statements			
		2014	2014	2013	2012 ^{/1}	2011 ^{/1}
Statements of financial	(million baht)					
Total assets		215,589	215,588	171,795	142,769	112,800
Investment assets		208,680	208,676	165,983	138,494	107,932
Total liabilities		190,013	190,009	149,532	123,304	99,523
Insurance contract liabilities		186,566	186,566	145,459	120,092	96,740
Total owners' equity		25,576	25,579	22,264	19,465	13,277
Statements of income	(million baht)					
Gross written premiums less cancel and refund		51,810	51,810	39,079	34,640	31,556
- First year premiums less cancel and refund		19,069	19,069	10,535	8,767	8,278
- Renewal year premiums less cancel and refund		32,742	32,742	28,544	25,873	23,278
Net Investment income		8,812	8,812	7,056	5,704	4,698
Life policy reserves increase from previous year		40,818	40,818	25,357	22,873	20,197
Net income		2,662	2,665	4,381	3,724	3,723
Share capital or share capital information						
Share capital - issued and fully paid-up	(million share)	1,698	1,698	1,212	1,205	1,200
Price per book value	(baht)	15.06	15.07	18.37	16.16	11.06
Earnings per share	(baht)	1.57	1.57	2.59	2.21	2.03
Dividend per share ^{/2}	(baht)	0.91	0.91	0.91	0.72	0.72
Dividend payout	(%)	57.96	57.96	35.14	32.58	35.47
Stock price at period end	(baht)	46.00	46.00	68.00	62.25	46.25

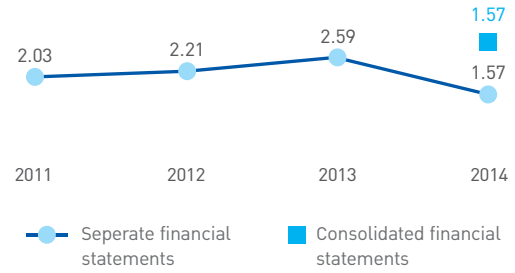
Remarks ^{/1} The Company recognised the effect as a result of such change in accounting policy "Deferred tax" by restating its prior years' financial statements, presented as comparative information, as if it had always adopted deferred tax accounting.

^{/2} The Company paid Interim dividend 0.45 per share (Cash 0.05 Baht and stock dividend 0.40 baht). At the Company's board of directors' meeting 1/2015 held on 25 February 2015, the board of directors passed a resolution to approve a dividend payment of Baht 0.46 per share. Total dividends from the operating performance was 0.91 baht for 2014. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company and the Office of Insurance Commission.

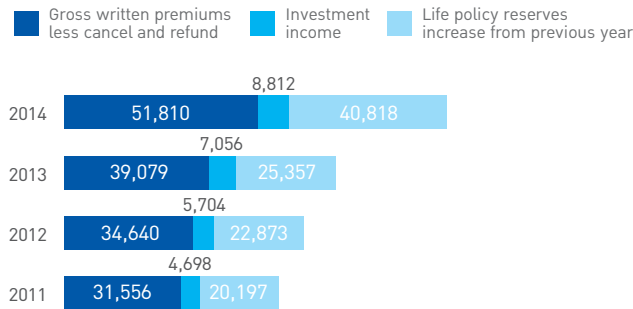
Gross written premiums (Million Baht)



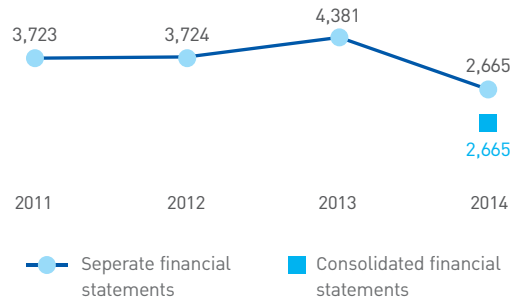
Earnings per share (Baht)



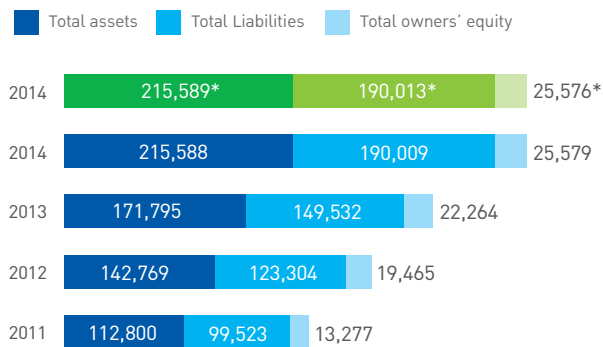
Statements of income (Million Baht)



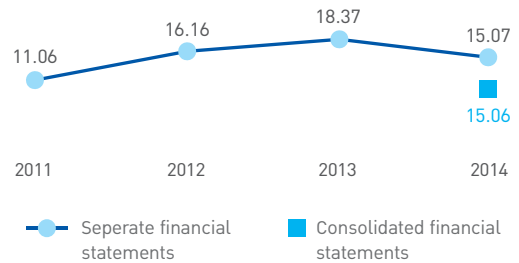
Net income (Million Baht)



Statements of financial position (Million Baht)



Price per book value (Baht)



*The consolidated financial statements

Financial Overview

Financial ratios		Consolidated financial statements	Separate financial statements			
		2014	2014	2013 ^{/2}	2012 ^{/1,2}	2011 ^{/1}
Liquidity ratio						
Current ratio	(times)	4.73	4.72	3.06	2.25	2.84
Premium receivable turnover	(days)	12.56	12.56	16.12	20.68	20.95
Profitability ratio						
Profit on underwriting to net premium written	(%)	3.43	3.44	12.46	12.85	14.77
Underwriting expenses to premium written	(%)	9.70	9.69	12.30	13.28	12.80
Investment yield	(%)	5.41	5.41	4.98	5.10	5.29
Net profit margin	(%)	4.44	4.44	9.55	9.35	10.41
Return on equity	(%)	11.13	11.14	21.00	22.75	31.34
Efficiency ratio						
Return on total asset	(%)	1.37	1.38	2.79	2.91	3.69
Asset turnover	(times)	0.31	0.31	0.29	0.31	0.35
Financial leverage ratio						
Debt per equity	(times)	7.43	7.43	6.72	6.33	7.50
Policy reserve to capital fund	(times)	6.99	6.99	6.20	5.79	6.76
Insurance contract liabilities to investment asset	(times)	0.89	0.89	0.88	0.87	0.90
Growth rate						
Gross written premiums	(%)	32.58	32.58	12.81	9.77	19.75
First year premium	(%)	81.01	81.01	20.16	5.91	(9.11)
Total asset	(%)	25.49	25.49	20.33	26.57	27.05
Capital adequacy ratio (RBC)	(%)		281 ^{/3}	244	268	222

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

^{/2} Restated

^{/3} Data as of September 30, 2014



/01 Faith

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



/02 Responsibility

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



/03 Sincerity

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



/04 Self-development

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



/05 Teamwork

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

Corporate Milestones

64 years with the aim of creating wealth and financial stability through a comprehensive financial plan to give happiness to the public and the people. Bangkok Life Assurance Public Company Limited is not only a financial institution that strongly committed to the principles of good corporate governance strictly but also serves as a partner in the design of life for people of all ages, to achieve their goals with solid confidence.

With the proof of confidence, we shifted toward in becoming a public company listed on the Stock Exchange of Thailand since 2008, as the first insurance company to be certified Quality Management System ISO 9001: 2008 by International Certifications Ltd., Auckland, New Zealand (ICL) in implementation of insurance policies and group life insurance. As the Company has grown steadily and its total assets continuously increased every year, which represents stability and maintaining the public's confidence for people at all levels, the Company has the ability to maintain and build financial security enduringly.

January 1st,

The Company's name was changed from KrungSiam Life Assurance Company Limited to Bangkok Life Assurance Company Limited to strengthen the company's affiliation with Bangkok Bank Public Company Limited, a major shareholder and supporter of the Company.

1979

1951

March 23rd,

Major General Kuang Aphaiwongse, Phraya Sriwisarnwacha, and Mr.Chin Sophonpanich set up a company named "Suksawasdi Life Assurance Company Limited".

April 10th,

the Company's name changed to "Siam Life Assurance Company Limited".

June 1st,

KrungSiam Life Assurance Company Limited started its business at office no.732, Charoenkrung Road, Samyak Pranakorn, with a logo of an elephant in a radiant circle and the name written in Thai, Chinese and English.

1976

Mr.Chin Sophonpanich, being a visionary, saw that it was the right time for the Company to earnestly conduct life insurance business. He, therefore assigned IFCCA through Mr.Vai Vathanakul, along with Mr.K. V.Claridge F.I.A., Swiss Re-Insurance Company's actuarial science specialist, to restructure and reorganise the Company.



1987 - 1989

April 1987, the Company relocated from Charoenkrung Road to the Bangkok Insurance Building on Silom Road. During this time, the Company grew rapidly. The growth rate of its performance in average of these three years was as high as 90%, propelling the Company into medium-sized business companies of the country.



● June 18th, 1997

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

● December 5th, 2000

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

● December 1st, 2013

The Company was awarded an ISO 9001: 2000 certified from International Certifications Ltd., Auckland, New Zealand (ICL), for its operation of ordinary life insurance and its services rendered to customers. The Company was the first life insurance company in Thailand to receive this privilege, ISO 9001.

● 2004

The Company was awarded an honour for its excellent management in 2004 from Office of Insurance Commission.

● 2005

The Company was awarded third place for its excellent management in 2005 from Office of Insurance Commission.

1997-2005



2007

● December 17th,

Bangkok Life Assurance Company Limited had registered into a Public Limited Company. This was intended primarily to enhance transparency in its management, audit and enquiry, and to improve work efficiency and services.

● The Company received an award for being the second best quality life insurance company in terms of management in 2007 from the Office of Insurance Commission.



2008

● The Company received a commendation award for life insurance company management in 2008 from the Office of Insurance Commission.



Corporate Milestones

The Company became the first life insurance company in Thailand to be awarded the ISO 9001: 2008 certification of International Certification Ltd. (ICL), Auckland, New Zealand, for best operation of common policies and group life insurance.

2009

Management of Annual General Meeting (AGM) evaluated and rated "Excellence" by Thai Investors Association, Thai Listed Companies Association and Securities and Exchange Commission (SEC).

The Company earned an "excellence" score in the Corporate Governance Survey conducted by Thai Institute of Directors, Stock Exchange of Thailand and Securities and Exchange Commission (SEC).

2011

The Company was awarded Thailand's Corporate Brand Rising Star 2013, a listed company with the highest growth rate of corporate brand value and Finance Category, from the Research Project of the Corporate Brand Value and Thai Brand Ranking, Chulalongkorn University.

2013

2012

The Company was honoured an award of Life Assurance Company with Excellence in Management, 2nd place, by the Office of Insurance Commission (OIC) In September 3rd, 2012 at Sirikit National Convention Center.

Received an evaluation of "Excellence" for management at the 2012 Annual General Meeting: (AGM) for the second time, as evaluated by the Thai Investors Association, Thai Listed Companies Association and Securities and Exchange Commission.

Bangkok Life Assurance PCL, BBL Asset Management Company Limited and Bangkok Insurance Public Co., Ltd., formed an alliance for a new mission, announcing the availability of comprehensive financial planning services to all groups of people by providing a financial advisors team to provide information to ensure financial securities in parallel with the growing social status.



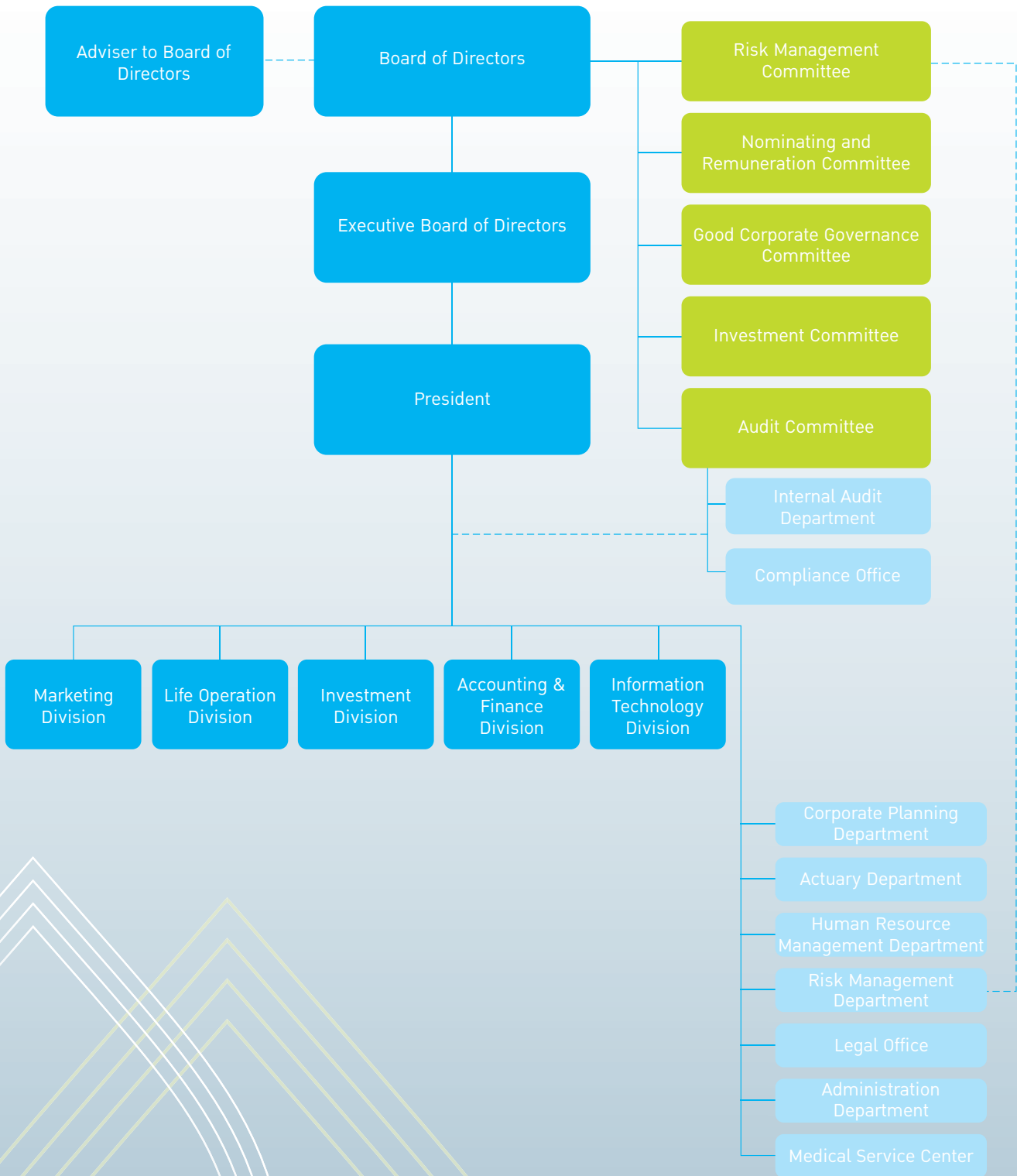


2014

- The Company has been certified as a member of private practice alignment in anti-corruption, by the Institute of Directors of Thailand (IOD).
- The Company received 4th recognition award for transparency organisation for 2014 (NACC Integrity Awards 2013), in an honour of ethics and honesty by Office of the National Anti-Corruption Commission.
- The Company received the award for “Best Complaints Handling and Resolution Centre” from Office of The Consumer Protection Board and Management System Certification Institution (THAILAND) as the Company has been in long services for finding solutions for customers in complaints and troubleshooting.
- The Company has expanded 4 more branches, which are ISO 9001:2008 certified by International Certification Ltd., Auckland, New Zealand (ICL) for common policies operation. The branches are Sriboonrueng, Mahasarakam, Chaiyapoom and Loei. When combined with existing certified branches, there are 46 branches in total.
- **October 30th,**
The Company’s registered capital was increased to Baht 1,708 million.



Organisation Chart



Board of Directors



1. Mr. Choedchu Sophonpanich

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

2. Mr. Sunthorn Arunanondchai

- Director (Independent Director)
- Chairman of Audit Committee

3. Mrs. Savitri Ramyarupa

- Director
- Executive Director

4. Dr. Siri Ganjarende

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

5. Mr. Chai Sophonpanich

- Director
- Member of the Nominating and Remuneration Committee

6. Assoc. Prof. Damrong Thawesaengskulthai

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

7. Mr. Chone Sophonpanich

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





8. Mr. Praphant Asava-aree

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

9. Ms. Pochanee Kongkalai

- Director

10. Mrs. Komkai Thusaranon

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

11. Mr. Kazuhide Toda

- Director

12. Mr. Takeshi Fukuda

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

13. Mrs. Ruchanee Nopmuang

- Director
- Member of the Nominating and Remuneration Committee

14. Mr. Naoki Ban

- Director

15. Mrs. Prapaivan Limsong

- Director



Board of Directors

Mr. Choedchu Sophonpanich (68 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

45,704,014 Shares (as of 30 December 2014),
Equivalent to 2.692 Percent of all Shares with Voting Rights.

Mr. Sunthorn Arunanondchai (72 years old)

Director (Independent Director),
Chairman of Audit Committee

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

599,200 Shares (as of 30 December 2014),
Equivalent to 0.035 Percent of all Shares with Voting Rights.

Mrs.Savitri Ramyarupa (54 years old)

Director,
Executive Director

Education / Training:

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

Work Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

None.

Mr.Chai Sophonpanich (71 years old)

Director,
Member of the Nominating and
Remuneration Committee

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

- 2009 - Present Director, International Insurance Society, Inc., New York, USA
- 1997 - Present Director, Asia Insurance (Philippines) Corp.
- 1996 - Present Chairman, Asia Insurance (Cambodia) Public Company Limited
- 2012 - 2013 Director, Association of Insurers and Reinsurers of Developing Countries
- 2006 - 2008 Chairman, Federation of Thai Insurance Organisations
- 1988 - 1992 Chairman, Asean Reinsurance Corp., Ltd., Singapore
- 1986 - 1988 Chairman, ASEAN Insurance Council, Jakarta, Indonesia
- 1984 - 1986, 2004 - 2006 President, The East Asian Insurance Congress
- 1984 - 1986, 1989 - 1991, 1997 - 2001, 2005 - 2007 President, The General Insurance Association

Shareholdings in the Company:

38,634,828 Shares (as of 30 December 2014),
Equivalent to 2.276 Percent of all Shares with Voting Rights.

Dr.Siri Ganjarndee (66 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

- 2014 - Present Independent Director, Member of Audit Committee, Raimon Land Public Company Limited
- 2014 - Present Independent Director, Member of Audit Committee, Samitivaj Public Company Limited
- 2013 - Present Member of Investment Committee, Bangkok Life Assurance Public Company Limited
- 2010 - Present Chairman of Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
- 2010 - Present Independent Director, Member of Nominating and Remuneration Committee and Corporate Governance Committee, Indorama Ventures Public Company Limited
- 2004 - Present Independent Director and Member of Audit Committee, Indorama Polymers Public Company Limited
- 2003 - Present Executive Director, Bangkok Life Assurance Public Company Limited
- 2000 - Present Independent Director and Chairman of Audit Committee, Member of Nominating and Remuneration Committee, Post Publishing Public Company Limited

- 2000 - Present Vice President and Chairman of Audit Committee, Thai Vegetable Oil Public Company Limited
- 1999 - Present Independent Director, Bangkok Life Assurance Public Company Limited

Other Organisations:

- 2011 - Present Chairman of Risk Management Committee, Bank of Thailand
- 2010 - Present Member of Public Sector Development Sub-Commission in Public Finance and Budgeting System Improvement, Bank of Thailand
- 2009 - Present Expert Director, Bank of Thailand
- 2009 - Present Member, Financial Institutions Policy Committee (FIPC), Bank of Thailand
- 2003 - Present Member of Subcommittee for Agreement Drafting and Evaluating State Enterprises, State Enterprise Policy Office, Ministry of Finance
- 2003 - Present Director, Member of Audit Committee and Remuneration Committee Chairman of Board of Investments, TRIS Corporation Ltd.

Shareholdings in the Company:

None.

Assoc.Prof. Damrong Thawesaengskulthai (63 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

- 2013 - Present Chair Professor of Innovation Management of Chulalongkorn University
- 2012 - Present Executive Director General of TPA (Thai-Japan)
- 2012 - Present AUN-QA Expert for ASEAN University Network (AUN)

Shareholdings in the Company:

None.

Mr.Chone Sophonpanich (40 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

42,000 Shares (as of 30 December 2014),
Equivalent to 0.002 Percent of all Shares with Voting Rights.

Mr.Praphant Asava-aree (58 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

None.

Ms.Pochanee Kongkalai (58 years old)

Director

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Shareholdings in the Company:

28,000 Shares (as of 30 December 2014),

Equivalent to 0.002 Percent of all Shares with Voting Rights.

Mrs. Komkai Thusaranon (63 years old)

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

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

None.

Mr. Kazuhide Toda (51 years old)

Director

Education/ Training:

- Bachelor of Economics, Sophia University, Japan

Professional Experience:

Listed Companies in SET

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

Other Organisations:

December 2014 - Present	Member of Investment Committee, PT Asuransi Jiwa Sequis Life, (Indonesia)
August 2014 - Present	Director, Nippon Life Global Investors Singapore Ltd. (Singapore)
April 2014 - Present	Director, Reliance Life Insurance Co., Ltd., (India)
March 2014 - Present	Director and Chairman, NLI International Asia Ltd., (Singapore)
2014 - Present	General Manager for Asia Pacific, Nippon Life Insurance Company
2012 - 2014	General Manager, 1st Corporate Finance Department, Nippon Life Insurance Company
2009 - 2012	General Manager, International Planning & Operations Department, Nippon Life Insurance Company
2007 - 2009	General Manager, Credit & Alternative Investment Department, Nippon Life Insurance Company
2006 - 2007	General Manager, Corporate Planning & Administrative Department, Nissay Asset Management Corporation
2004 - 2006	Deputy General Manager, Corporate Planning & Administrative Department, Nissay Asset Management Corporation
2003 - 2004	Chief Manager, Public Communications Office/Corporate Planning & Administrative Department, Nissay Asset Management Corporation
1999 - 2003	Deputy General Manager, International Investment Department, Nippon Life Insurance Company
1995 - 1999	Manager, International Investment Department Nippon Life Insurance Company
1992 - 1995	Nippon Life (Deutschland), GmbH (Germany)
1990	Human Resource Development Office, Sent to Ludwig Maximilians University (Germany)
1990	Human Resource Development Office, Sent to Goethe-Institut (Germany)
1986 - 1990	Associate, International Investment Department
1986	Joined Nippon Life Insurance Company

Shareholdings in the Company:

None.

Mr. Takeshi Fukuda (45 years old)

Director

Executive Director

Member of the Risk Management Committee

Member of the Nominating and Remuneration Committee

Member of the Good Corporate Governance Committee

Education / Training:

- B.A. in Economics, Keio University, Tokyo, Japan

Professional Experience:

Listed Companies in SET

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

Other Organisations:

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

Shareholdings in the Company:

None.

Mrs. Ruchanee Nopmuang (61 years old)

Director,

Member of the Nominating and Remuneration Committee

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

Other Organisations:

2011 - Present	Vice President, Housing Finance Association
2003 - 2011	Director, Housing Finance Association
2012 - Present	Director, Thai Financial Planners Association

Shareholdings in the Company:

None.

Mr. Naoki Ban (46 years old)

Director

Education / Training:

- Master of Business Administration, University of Southern California, USA
- Bachelor of Laws, Kyoto University, Japan

Professional Experience:

Listed Companies in SET

2008 - Present	Director, Bangkok Life Assurance Public Company Limited
2010 - 2013	Member of Nominating and Remuneration Committee, Bangkok Life Assurance Public Company Limited
2009 - 2013	Member of Risk Management Committee, Bangkok Life Assurance Public Company Limited
2008 - 2013	Executive Director, Bangkok Life Assurance Public Company Limited

Other Organisations:

2013 - Present	Director and Chief Executive Officer, NLI International Asia Pte. Ltd.
2006 - 2008	Chief Manager, Operations Oversight Committee Secretariat, Nippon Life Insurance Company
2005 - 2006	Chief Manager, Corporate Planning Department, Nissay Asset Management Corporation
2003 - 2005	Chief Manager, Public & IR Department, Nippon Life Insurance Company
1997 - 2001	Manager, International Real Estate Investment Group, Nippon Life Insurance Company
1994 - 1997	Associate, Secretarial Department, Nippon Life Insurance Company
1992 - 1994	Associate, Kumamoto Branch, Nippon Life Insurance Company
1992	Joined Nippon Life Insurance Company

Shareholdings in the Company:

None.

Mrs. Prapaivan Limsong (47 years old)

Director

Education / Training:

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

Professional Experience:

Listed Companies in SET

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

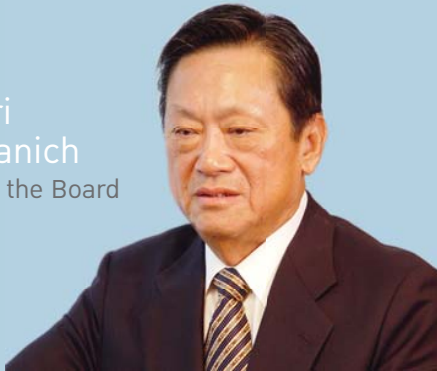
2007 - Present	Director, Green Spot Company Limited
2004 - Present	Director, NL Asset Company Limited
1991 - Present	Director, NL Residence Company Limited

Shareholdings in the Company:

35,111,800 Shares (as of 30 December 2014),
Equivalent to 2.068 Percent of all Shares with Voting Rights.

Board of Advisors

Mr. Chatri
Sophonpanich
Chairman of the Board
of Advisors



Mr. Chartsiri
Sophonpanich
Advisor



Mr. Piti
Sithi-Amnuai
Advisor



Mr. Deja
Tulananda
Advisor



Mr. Suvarn
Thansathit
Advisor



Mr. Pansak
Pruksakit
Advisor



Executive Officers



1. Mr.Chone Sophonpanich

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

2. Mr.Ruangsak Panyabodegun

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

3. Mr.Sanor Thampipattanakul

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

4. Mrs.Oranuch Samranrit

- Vice President, Life Operation Division

5. Ms.Jaruwan Limkhunthammo

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

6. Ms.Suchinda Leartkiatmongkol

- Senior Vice President, Information Technology Division



Executive Officers

Mr. Ruangsak Panyabodegun (51 years old)

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

Education / Training:

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

Professional Experience:

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

Shareholdings in the Company:

None.

Mr. Sanor Thampipattanakul (51 years old)

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

Education / Training:

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

Professional Experience:

2013 - Present	Senior Executive Vice President, Investment Division, Bangkok Life Assurance Public Company Limited
2008 - Present	Company Secretary, Bangkok Life Assurance Public Company Limited
2007 - 2012	Executive Vice President, Investment Division, Bangkok Life Assurance Public Company Limited

Shareholdings in the Company:

None.

Mrs.Oranuch Samranrit (50 years old)

Vice President, Life Operation Division

Education / Training:

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

Professional Experience:

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

Shareholdings in the Company:

None.

Ms. Jaruwan Limkhunthammo (35 years old)

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

Education / Training:

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

Professional Experience:

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

Shareholdings in the Company:

None.

Executive Officers

Ms.Suchinda Leartkiatmongkol (56 years old)

Senior Vice President,
Information Technology Division

Education / Training:

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

Professional Experience:

2013 - Present	Senior IT Director, Bangkok Life Assurance PCL
2012 - 2013	Senior Vice President - IT, Thai Cardif Life Assurance Public Company Limited
2009 - 2011	Assistant Vice President - Special Project, Thai Reinsurance Public Company Limited
2006 - 2008	IT Director, CIGNA Insurance Public Company Limited

Shareholdings in the Company:

None.



Shareholder and Management Structure

Shareholder and Management Structure

Shareholder Structure

The following are the ten largest shareholders of our stocks as of December 30th, 2014

No.	10 Largest Shareholders	Percentage of Shares (%)
1	MITSUBISHI UFJ GLOBAL CUSTODY S.A.*	24.35
2	Wattanasophonpanich Co., Ltd.	13.14
3	Bangkok Bank Public Co., Ltd.	7.66
4	Bangkok Insurance Public Co., Ltd.	4.63
5	Mr. Chatri Sophonpanich	3.77
6	Jatubhut Holding Co., Ltd.	3.71
7	MSI Holdings (Thailand) Co., Ltd.	3.37
8	Bualuang Long-term Mutual fund	2.73
9	Mr. Choedchu Sophonpanich	2.69
10	Kongpob LimSong	2.41

* Nippon Life Insurance Limited is the shareholder of Bangkok Life Assurance Public Co., Ltd. via MITSUBISHI UFJ GLOBAL CUSTODY S.A.

Management Structure

The management structure of Bangkok Life Assurance Public Co.,Ltd. comprises the Board of Directors and 6 subcommittees, namely Executive Board of Directors, Investment Committee, Audit Committee, Risk Management Committee, Nominating and Remuneration Committee, and Good Corporate Governance Committee. All subcommittee members are appointed by the Board of Directors to oversee important issues and other work delegated by the Board of Directors. Details of the Company's management structure are as follows;

Board of Directors and Committee

1. Board of Directors

By the regulations of the Company, the Committee shall consist at least 5 directors and not fewer than half of the total directors, must be residents in the Kingdom of Thailand. At each shareholder meeting, one-third of the directors shall retire. If the board cannot be divided equally into three parts, the directors must resign from the position in which considers from the number closest to one-third. Board of Directors have duties to manage the Company comply with law and regulations and Company's objectives, including resolutions of the shareholders' meeting with integrity and the best interests of the Company. Board of Directors shall assign the executive officers to operate the Company as authorisation, such as the president and subcommittees, etc.

At present, Board of Directors comprises 15 directors, one director with executive officer, who is the President, and 14 non-executive directors, which consist of 5 independent directors. The Board of Directors has 12 directors reside in the Kingdom of Thailand which is more than half of the total directors. Board of Directors is as follows;

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

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

Directors with Signing Authority

The Company's authorised signatories are any two of the following: Mr.Choedchu Sophonpanich, Mr.Chai Sophonpanich, Mr.Chone Sophonpanich, Mr.Siri Ganjarerndee, Mrs.Savitri Ramyarupa, and Mr.Takeshi Fukuda.

Authority, Duties and Responsibilities of the Board of Directors

1. Authority and responsibility in management of the Company complies with all applicable legislation, with the Company's objectives and regulations and with lawfully resolutions of the shareholders. Act with honesty and integrity, and always put the Company's interests first and foremost.
2. Set the Company's objectives, directions, policies and financial budgets. Monitor and control the Company's administration and management to comply with approved policies.
3. Review the Company's organisational structure and appoint as deemed appropriate Members of the Executive Board of Directors, Members of the Audit Committee, Members of the Risk Management Committee, Members of the Investment Committee, Members of the Nominating and Remuneration Committee, Member of the Good Corporate Governance Committee, the Company's President, and Members of other Committees.
4. Deliberate on and amend the list of directors who act as the Company's authorised signatories and / or have the authority to sign legal documents on behalf of the Company as well as amending rules and regulations governing directors' use of their signatory power.

Board of Directors' Meeting

The Board of Directors' meeting schedule has been set yearly in advance in order to allow all directors to arrange their schedule ahead and extra meetings can be added as necessity. The Board Secretary will send notices of meetings and agendas to each director at least 7 days prior to the meeting so that all directors have sufficient preparation time. However, each director may propose suggestions to the agenda of the meeting by sending notifications to the Secretary of the Board of Directors.

In 2014, the Board of Directors held a total of 8 regular meetings, 6 regular meetings and 2 extra meetings. The detail of attendance is as follows;

Shareholder and Management Structure

No.	Director	Position	Board of Directors Meeting	Tenure Period
1	Mr. Choedchu Sophonpanich	Chairman of the Board	8/8	27 April 2012 – April 2015
2	Dr. Siri Ganjarende	Independent Director	8/8	26 April 2013 – April 2016
3	Mr. Sunthorn Arunanondchai	Independent Director	7/8	30 April 2014 – April 2017
4	Mrs. Komkai Thusaranon	Independent Director	8/8	26 April 2013 – April 2016
5	Assoc.Prof. Damrong Thawesaengskulthai*	Independent Director	6/8	30 April 2014 – April 2017
6	Mr. Praphant Asava-aree*	Independent Director	5/8	30 April 2014 – April 2017
7	Mr. Chai Sophonpanich	Director	6/8	26 April 2013 – April 2016
8	Mrs. Ruchanee Nopmuang	Director	7/8	27 April 2012 – April 2015
9	Ms. Pochanee Kongkalai	Director	6/8	26 April 2013 – April 2016
10	Mrs. Savitri Ramyarupa	Director	8/8	27 April 2012 – April 2015
11	Mrs. Prapaivan Limsong	Director	8/8	30 April 2014 – April 2017
12	Mr. Kazuhide Toda	Director	6/8	27 April 2012 – April 2015
13	Mr. Naoki Ban	Director	8/8	27 April 2012 – April 2015
14	Mr. Takeshi Fukuda	Director	8/8	26 April 2013 – April 2016
15	Mr. Chone Sophonpanich	Director	8/8	30 April 2014 – April 2017

Remarks : * Assoc.Prof. Damrong Thawesaengskulthai is appointed as Independent director in replacement of Mr.Pramote Pasuwat (retired) on 30 April 2014.

* Mr.Praphant Asava-aree is appointed as Independent director in replacement of Mr.Pradit Rodloytuk (retired) on 30 April 2014.

* Mr.Kazuhide Toda is appointed as director in replacement of Mr.Yutaka Hidegushi (resigned) on 14 March 2014.

Performance from the past year

From the past year, Board of Directors had set and managed the strategies, direction, policies, operation plan, target and mission of the Company and also monitor and control the Company's administration according to Company's plans and financial budgets successively for the propose of Company. Their management complied with the related policies, rules and regulations including managing the Company's risk in appropriate level with honest, prudential, regarding to the best interest of Company and responsibility to shareholder and any other related person to achieve efficiency, effectiveness, transparency and accountability.

Performance Evaluation of Board of Directors

In order to adhere to the principles of Good Corporate Governance, Board of Directors has determined a yearly evaluation of the performance in the form of individualised assessment. The Chairman of the Nominating and Remuneration Committee has been appointed to evaluate the performance of the Board as a whole and would escalate the results of the analysis to implement suggestions for further improvement.

Director's Trainings

The Company encourages directors to gain skills and knowledge by training to increase the principles of Good Corporate Governance along with the role of director effectively and in ethical manner. In the year of 2014, Ms.Pochanee Kongkalai, the director who had completed in Director Certification Program (DCP) course of Institute of Directors, Thailand (IOD). At present, there are a total of 9 directors out of 15 who have completed the role and responsibility training courses for Directors. Training details can be summarised as follows;

Name	Position	Course / Training			
		DCP*	DAP*	ACP*	RCP*
Assoc.Prof. Damrong Thawesaengskulthai	Independent Director	Class of 60/2548	Class of 4/2546	Class of 6/2548	-
Mr. Sunthorn Arunanondchai	Independent Director	Class of 98/2551	Class of 4/2548	-	-
Mrs. Komkai Thusaranon	Independent Director	Class of 26/2546	-	-	-
Mr. Praphant Asava-aree	Independent Director	Class of 101/2551	-	Class of 21/2550	-
Mr. Chai Sophonpanich	Director	Class of 16/2545	-	-	Class of 10/2547
Ms. Pochanee Kongkalai	Director	Class of 198/2557	-	-	-
Mrs. Savitri Ramyarupa	Director	Class of 176/2556	-	-	-
Mrs. Prapaivan Limsong	Director	Class of 80/2549	-	-	-
Mr. Chone Sophonpanich	Director	Class of 142/2554	-	-	-

*DCP : Director Certification Program

*DAP : Director Accreditation Program

*ACP : Audit Committee Program

*RCP : Role of the Chairman Program

Independent Director Definition

The Company has 5 independent directors from the total of 15, which is 1 out of 3 of all members and is defined in accordance with good corporate governance principles of the Stock Exchange of Thailand and the requirements of the Capital Market Supervisory Board as the Notification of the Capital Market Supervisory Board No.4/2552, in replied to application of offer for Sale of Newly Issued Shares (Issue 2).

Criteria for Nomination of Directors

Nominating and Remuneration Committee has a responsibility to select capable candidates by considering experiences in various businesses, moral conduct and good attitude towards the organisation, matured and dedicated professionals who are willing to devote their time and knowhow for the progress of the Company. In order to make recommendations to the Board of Directors, and / or approved by the shareholders in accordance with the regulations.

2. Executive Board of Directors

The Board comprises 5 directors and holds at least 1 meeting per month. Members are as follows;

No.	Name	Position
1	Mr. Choedchu Sophonpanich	Chairman of the Board
2	Dr. Siri Ganjarerndee	Director
3	Mrs. Savitri Ramyarupa	Director
4	Mr. Takeshi Fukuda	Director
5	Mr. Chone Sophonpanich	Director

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

Shareholder and Management Structure

Authority, Duties and Responsibilities of Executive Board of Directors

1. Manage the Company's business in accordance to the objectives, regulations, resolution of the shareholders' meeting or any statement or policy defined by Board of Directors. Approve and/or endorse any activities necessary for general administration and management of the Company. In addition, Executive Board of Directors has a duty to scrutinise considerations to be presented to the Board for approval and/or consideration for approval as prescribed by the regulations, or orders of the Board of Directors, as well as the implementation of the orders of Board of Directors from case by case.
2. Appoint a subcommittee and/or a working team, and/or any person to act upon the matters presented to Board of Directors, or to carry out any work that is useful to perform the duties of the Committee. Or to perform any representation as assigned by the Board of Directors within the scope of authority of Executive Board of Directors.

Performances from the past year

In the year 2014, Executive Board of Directors had a total of 11 meetings in order to control and monitor the operations of the Company in various fields including approving important transactions assigned by Board of Directors. Besides, Executive Board of Directors also helped to scrutinise issues with implementation strategy, budget allocation and resources to be presented to the Board of Directors for approval.

3. The Audit Committee

The Committee consists of 3 independent directors who are qualified in accordance with the notification of the Capital Market Tor Chor. 28/2551, qualified with knowledge and experiences to be able to act as Directors. The Committee conducted at least 4 meetings per year.

No.	Name	Position
1	Mr. Sunthorn Arunanondchai	Chairman of the Committee
2	Mrs. Komkai Thusaranon	Director
3	Assoc.Prof. Damrong Thawesaengskulthai	Director

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

Authority, Duties and Responsibilities of Audit Committee

1. Ensure that the Company's financial reports are accurate and provide sufficient information.
2. Ensure that the Company has appropriate and effective internal control and auditing systems, and monitor the independence of the internal audit officers as well as approving the transfer, appointment and dismissal of managers of internal audit officers and other officers with internal auditing responsibility.
3. Ensure that the Company complies with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, all legislations pertaining to the life insurance industry and all other applicable legislation.
4. Consider, select and nominate the Company's external auditors, propose appropriate remuneration for external auditors and attend meeting at least once a year with the external auditors without members of the Company's management.
5. Review all related transactions and transactions with potential conflicts of interest to comply with the Securities and Exchange Act and regulations of the Stock Exchange of Thailand and ensure that all transactions are rational and in the best interests of the Company.
6. Prepare the Audit Committee's report, which will be signed by the Chairman of the Audit Committee and published in the Company Annual Report and perform any other tasks as assigned by the Company's Board of Directors and consented by Audit Committee.

4. Risk Management Committee

The Committee comprises 6 and holds at least 3 meetings per year.

No.	Name	Position
1	Mr. Praphant Asava-aree	Chairman of the Committee
2	Mrs. Komkai Thusaranon	Director
3	Mr. Takeshi Fukuda	Director
4	Mr. Ruangsak Panyabodegun	Director
5	Mr. Sanor Thampipattanakul	Director
6	Ms. Jaruan Limkhunthammo	Director

Mrs. Sasithorn Thitipakaikaw, Director of Risk Management, acts as Secretary.

Authority, Duties and Responsibilities of Risk Management Committee

1. Set policy framework and strategy for risk management. Evaluate, follow up, report and control the risk comply with all new legislations, orders, decrees, rules and standards issued by the public sector.
2. Review the adequacy of the Company's risk management policies and risk management systems, including efficiency and effectiveness of the system and compliance with set policies. Summarise and report to Board of Directors regularly.

Performances from the past year

The Board of Directors recognises the importance of risk management which enables possible continuous operation. Therefore, Risk Management Committee has been assigned and is comprises of 6 members, which are Independent Directors and Executive Officers from concerned divisions. The role of committee is to set the risk management policy, risk management plan and risk assessment of the company's business. And also responsibility to establish measures to prevent, resolve and monitor the risks regularly. Risk Management Committee has conducted duties as assigned by the Board of Directors. In 2014, the Committee had 3 meetings to discuss important topics. Detail as follows;

1. Evaluation and monitor of main risks that may affect the acceptable level risk of Company regularly by requiring the involved sections that is responsible for the preparation of the report, and summarised results of operations of risk management to Risk Management Committee.
2. Assigned Risk Management Department to take responsibility to assess the risk and inform the risk assessment in accordance to the organisation structure. And also consider the risk management yearly plan of all departments that includes risk assessment, prioritisation of risks and impact, determine to manage those risks in an acceptable level or reduce the occurrence of risk.
3. Monitor and review the implementation of the risk management plan according to the risk policy and framework. To be ensured that the Company has the systematic and effective risk management, the Company authorises the internal audit to monitor and review the risk management to achieve its objectives.

The results must be reported to the Risk Management Committee and the Board of Directors for assess that the risk management system of the Company that are adequate and appropriate. In which the Company has provided adequate officers to implement the system effectively.

5. Nominating and Remuneration Committee

The Committee comprises 4 directors and holds 1 meeting at least once a year.

Shareholder and Management Structure

No.	Name	Position
1	Dr. Siri Ganjarerndee	Chairman of the Committee
2	Mr. Chai Sophonpanich	Director
3	Mr. Takeshi Fukuda	Director
4	Mrs. Ruchanee Nopmuang	Director

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

Authority, Duties and Responsibilities of the Nominating and Remuneration Committee

1. Recruit and select capable candidates to replace Directors, who have completed their term, resigned or have been discharged and propose for the approval of the Board of Directors and/or in a shareholders' meeting as stipulated in the Company's regulation
2. Recruit and select capable candidates to replace President and Deputy Executive Officers, who have completed their terms, resigned or have been discharged and propose for the approval of the Board of Directors.
3. Determine the criteria for compensation and other benefits of Directors and others executive positions or the equivalent of Deputy Executive Officers for the approval of Board of Directors and/or in a shareholders' meeting as stipulated in the Company's regulations.
4. Undertake any other tasks assigned by Board of Directors.

6. Investment Committee

The Committee comprises 5 directors and executive officers who are qualified in all of the Notification of the Insurance Commission Subject "The Other Business Investment of Life Insurance Corporation B.E. 2556" with knowledge, specialised and experienced in investment management, risk management or analyse securities for no less than 3 years as a member of investment directors. The Committee arranged meetings regularly on a monthly basis.

No.	Name	Position
1	Mr. Choedchu Sophonpanich	Chairman of the Committee
2	Dr. Siri Ganjarerndee	Director
3	Mr. Praphant Asava-aree	Director
4	Mr. Chone Sophonpanich	Director
5	Mr. Sanor Thampipattanakul	Director

Mrs. Chollada Sophonpanich, Vice President of Equity Investment Department, acts as Secretary.

Authority, Duties and Responsibilities of the Investment Committee

1. Set investment policy for overall risk management policy, and appropriate risk management process resulting from the investment.
2. Approve the investment plans.
3. Monitoring the investment and provide appropriate internal control systems.
4. Manage the investment of the Company, procedures on investment oversight and governance.
5. Manage the good corporate governance, business transparency, and prevent conflicts of interests.
6. To address the investment's results to the Board of Directors regularly.
7. Acknowledged results of the investment of the Commission regularly and supervise other businesses of the Company according to its policy.

Performances from the past year

In the year 2014, Investment Committee has set the policies and guidelines of the Company's investment, the risk management policies and the processes of risk management from the Company's investment by considering various important factors both domestic and international which may adversely affect any investments. As well as, define and modify the investment strategies consistent and appropriate to the changing market conditions. Investment Committee has approved of important policies to corporate strategy, business plan, investment plan, budgets and resource allocation prior to propose to the Board of Directors for consideration. Investment Committee also monitors and controls the operations to achieve the goals in accordance with the policy framework that has been approved by the Board of Directors.

7. Good Corporate Governance Committee

The Committee comprises 5 members and holds at least 4 meetings per year.

No.	Name	Position
1	Mrs. Komkai Thusaranon	Chairman of the Committee
2	Mr. Takeshi Fukuda	Director
3	Assoc.Prof. Damrong Thawesaengskulthai	Director
4	Mr. Ruangsak Panyabodegun	Director
5	Mr. Sanor Thampipattanakul	Director

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

Authority, Duties and Responsibilities of the Good Corporate Governance Committee

1. Proposes policy, advice, recommendations and guidelines on good corporate governance to the Board of Directors.
2. Provide guidelines for monitoring the performance of the Company in accordance with the good governance principles of institution or agency. And also propose the reports on the progress and performance to the Board of Directors after a meeting regularly.
3. Review the Company principles of good corporate governance regularly for consistency with international conduct of institutions or agencies.
4. Promote a culture of good corporate governance to be understood across all levels and effective conduct.
5. Establish a sub group to support good corporate governance as appropriate.

Performances from the past year

In the year 2014, Good Corporate Governance Committee has prepared a guideline to good governance, ethics and Code of Business Conduct (Code of Conduct) and defines standards of conduct for all staff of the Company. The directors, executive officers and all staff must respectfully abide.

Company Secretary

According to the Board of Directors Meeting No. 2/2551 held on April 8th, 2008, Mr. Sanor Thampipattanakul was appointed the Company Secretary by duties as defined in the Securities and Exchange Act (Issue.4) B.E.2551. Including organising The Annual General Meeting of Shareholders and the meeting of committees, by operating and follow up the Company's direction as in compliance with the board resolutions and Shareholder's meeting resolutions. And also ensure disclosure of the Company's information behalf, by the rules and regulations of the Government to communicate with the rights of other shareholders are to be informed. In order to comply with good corporate governance principles, the supervision and trainings of the board with a brief history which details appeared in Board's biographies.

Shareholder and Management Structure

Executive Officers

As of January 1st, 2014, the Committee comprises 6 Executive officers are as follows;

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

Authority, Duties and Responsibilities of the President

1. Administer and manage the Company's operations in accordance with objectives, regulations, resolutions of meetings or any policies or orders approved by the Board of Directors.
2. Approve and/or endorse any activities required for general administration and management of the Company in accordance with the authority entrusted to the President.
3. Employ, appoint, remove or transfer an employee; promote or demote the rank and/or position of an employee, reduce employee salaries, deliberate on good behavior and breaches of code of conduct, award prizes and bonuses, and dismiss any employee holding the rank and/or position which is the same as or lower than Assistant Vice President, including an sales agent of any rank and/or position.
4. Approve contracts for procurement, employment, rent of the Company's assets to others, rent of assets from others, and charitable donations in accordance with the authority of the President as approved by Board of Directors.
5. Report the following information to the Executive Board of Directors:
 - The Company's quarterly and annual operating results compared with the Company set objectives;
 - The Company's investment results, including a monthly evaluation; and
 - Other operating results approved by the Executive Board of Directors.
6. Approval to proceed as well as assigned by the President to take action to enter into a transaction which must not be taken to enter into a transaction that made the President or an authorised personnel by the President to approve the transaction of own potential conflict of interest, stakeholders or to the Company. The approval to operate in such transactions will be submitted to the Board of Directors and/or shareholders for approval (In accordance with the Company's and according to the Securities and Exchange Commission (SEC) and/or SET).

Selection of Executive Officers

The Company has assigned a nominating authority to seeks for the Executive position as follows:

1. Nominating and Remuneration Committee seeks President and Vice President for the Board of Directors consideration.
2. President seeks Executive Vice President and Senior Executive Vice President for the Board of Directors consideration.
3. For secondary level positions, President seeks and present to the Board of Directors for consideration as appropriate.

The recruitment is precise both from within and outside the organisation, based on the candidates who have knowledge, ability, experience, integrity and ethics, as well as the right professional for the position.

Meeting Reports of sub-committees are summarized as follows

Directors	Board of Directors	Investment Committee	Audit Committee	Risk Management Committee	Nominating and Remuneration Committee	Good Corporate Governance Committee
Mr. Choedchu Sophonpanich	11/11	11/11	-	-	-	-
Dr. Siri Ganjarendee	11/11	11/11	-	-	2/2	-
Mr. Sunthorn Arunanondchai	-	-	6/6	-	-	-
Mrs. Komkai Thusaranon	-	-	4/6	2/3	-	8/8
Assoc.Prof Damrong Thawesaengskulthai	-	-	4/6	-	-	5/8
Mr. Praphant Asava-aree*	-	6/11	-	2/3	-	-
Mr. Chai Sophonpanich	-	-	-	-	2/2	-
Mrs. Ruchanee Nopmuang	-	-	-	-	2/2	-
Mrs. Savitri Ramyarupa	7/11	-	-	-	-	-
Mr. Takeshi Fukuda	11/11	-	-	3/3	2/2	-
Mr. Chone Sophonpanich	11/11	10/11	-	-	-	-

Remarks : * Mr. Praphant Asava-aree was appointed in replacement of Mr. Pradit Rodloytuk (retired) on April 30th, 2014.

* Assoc.Prof. Damrong Thawesaengskulthai was appointed in replacement of Mr. Pramote Pasuwat (retired) on April 30th, 2014.

1. Remuneration for Directors and Executives

1.1 Remuneration for Directors

The Remuneration for Directors comprises meeting attendance fees, bonuses commensurate with duties and responsibilities undertaken and on par with those of leading companies and in the same business category. The common shareholders' meeting no. 1/2557 on April 30th, 2014 approved remuneration to Directors not exceeding 15 million Baht. A total of remuneration paid to Directors in 2014 amounted to 14,940,000 Baht. Detail is as follows;

1.2 Remuneration for Executive Officers

The Remuneration for Executive Officers comprises salaries and annual bonuses which correspond with work performance and are comparable to those of companies in the same business category, in proportion with growth in profitability and business value, which have been satisfactory in inspiring Executive Officers to perform and achieve their goals. The remuneration paid out to 6 executive officers in 2014 amounted to 39,991,342 Baht.

Shareholder and Management Structure

Remuneration for Directors in 2014

Name	Board of Directors Allowance	Board of Directors Allowance	EXCOM Allowance	Investment Committee Allowance	Audit Committee Allowance	Risk Management Allowance	Nominating and Remuneration Allowance	Good Corporate Governance Allowance	Total
1 Mr. Choedchu Sophonpanich	900,000.00	480,000.00	800,000.00	800,000.00	-	-	-	-	2,980,000.00
2 Dr. Siri Ganjarindee	450,000.00	280,000.00	400,000.00	400,000.00	-	-	80,000.00	-	1,610,000.00
3 Mr. Sunthorn Arunanondchai	450,000.00	280,000.00	-	-	480,000.00	-	-	-	1,210,000.00
4 Mrs. Komkai Thusaranon	450,000.00	200,000.00	-	-	160,000.00	80,000.00	-	400,000.00	1,290,000.00
5 Assoc.Prof. Damrong Thawesaengskulthai	-	200,000.00	-	-	160,000.00	-	-	200,000.00	560,000.00
6 Mr. Praphant Asava-aree	-	200,000.00	-	200,000.00	-	160,000.00	-	-	560,000.00
7 Mr. Chai Sophonpanich	450,000.00	280,000.00	-	-	-	-	40,000.00	-	770,000.00
8 Mrs. Ruchanee Nopmuang	450,000.00	280,000.00	-	-	-	-	40,000.00	-	770,000.00
9 Ms. Pochanee Kongkalai	450,000.00	280,000.00	-	-	-	-	-	-	730,000.00
10 Mrs. Savitri Ramyarupa	450,000.00	280,000.00	240,000.00	-	-	-	-	-	970,000.00
11 Mrs. Prapaiwan Limsong	450,000.00	280,000.00	-	-	-	-	-	-	730,000.00
12 Mr. Kazuhide Toda	-	200,000.00	-	-	-	-	-	-	200,000.00
13 Mr. Naoki Ban	450,000.00	280,000.00	-	-	-	-	-	-	730,000.00
14 Mr. Takeshi Fukuda	-	-	-	-	-	-	-	-	0.00
15 Mr. Chone Sophonpanich	-	-	-	-	-	-	-	-	0.00
16 Mr. Pramote Pasuwat*	450,000.00	80,000.00	-	-	80,000.00	80,000.00	-	-	690,000.00
17 Mr. Pradit Rodloytuk*	450,000.00	80,000.00	-	-	80,000.00	-	-	-	610,000.00
18 Mr. Yutaka Hideyushi*	450,000.00	80,000.00	-	-	-	-	-	-	530,000.00
Total	6,300,000.00	3,760,000.00	1,440,000.00	1,400,000.00	960,000.00	320,000.00	160,000.00	600,000.00	14,940,000.00

Remarks : * Mr. Pramote Pasuwat and Mr. Pradit Rodloytuk retired on April 30th, 2014 and Assoc.Prof. Damrong Thawesaengskulthai and Mr. Praphant Asava-aree were appointed in replacement.

* Mr. Yutaka Hideyushi resigned on March 14th, 2014 and Mr. Kazuhide Toda was appointed in replacement.

2. Other Remunerations

2.1 Stock Options

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

2.2 Pension Fund

(See details in the Notes to Financial Statements on page 166)

3. Dividend Policy

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

Under the Life Insurance Act B.E.2535 (Revision no.2), Year 2008, the payment of dividend of the Company must receive an approval from Office of Insurance Commission (OIC).

Products and Services

Products

The Company is engaged in developing a wide range of savings and protection products to meet people's needs of financial planning continuously which include health care product for elderly, retirement savings products to support post retirement expenses, and also mortgage and credit life products that have been developed in terms of protection and premium payment period to match with people's liabilities by exploiting the right financial planning without being overburdened.

As for short-term savings product development and distribution policy, we will take into account the needs of customers and the Company's ability to make a good return during different periods. In the light of this, all new product developments are required to both answer customers' needs and to be sustainable for the business in the long run.

Services

The Company's services focused on customers and partners in each channel such as Bancassurance, Agents, and Direct marketing, particularly in increasing the number and quality of staff to be accessible effectively to all people. By improving the quality of financial advisor team whom has been licensed by the Securities and Exchange Commission (SEC) to be adequate in numbers and becoming of Certified Financial Planners (CFP) from the Financial Planning Association of Thailand, in order to provide personal financial planning services to customers in a variety of solutions.

As for Agent channel, the Company continues to constantly build and develop proficiency of life insurance agents in customer services and encourage to reaching an outstanding standard of Thailand National Quality Awards (TNQA).

In the Direct marketing channel, the Company focuses on enhancing the competence business partners in products knowledge which enables information to support customers in purchasing.



2014 Life Insurance Industry Overview

An overview of premiums and market share

The 2014 overview of the life assurance business premiums totaled Baht 503,849.67 million, increased from the same period last year by 13.77 percent which is 12 percent higher than the Thai Life Assurance Association had expected at the beginning of the year. The new business premiums totaled Baht 170,664.31 million, increased by 15.05 percent, and renewal premiums was Baht 333,185.36 million at 13.12 percent increase.

Top 10 Companies with highest total premiums are as follows:

Table of Top 10 companies with highest total premiums

(Unit : Million Baht)

No.	Company	Premium	Market Share	%+/-
1	AIA Co., Ltd.	114,784.01	22.78%	3.81%
2	Muang Thai Life Assurance PCL.	75,233.75	14.93%	24.87%
3	Thai Life Insurance PCL.	63,060.00	12.52%	14.59%
4	Bangkok Life Assurance PCL.	51,810.13	10.28%	32.58%
5	Krungthai AXA Life Insurance PCL.	48,877.50	9.70%	29.55%
6	SCB Life Assurance PCL.	48,621.29	9.65%	6.87%
7	Allianz Ayudhya Assurance PCL.	26,957.90	5.35%	7.44%
8	Prudential Life Assurance (Thailand) PCL.	17,714.01	3.52%	72.38%
9	Ocean Life Insurance PCL.	14,670.78	2.91%	7.49%
10	FWD Life Insurance PCL.	14,114.99	2.80%	8.59%

Source : The Thai Life Assurance Association

Table of top 10 companies with highest new business premiums

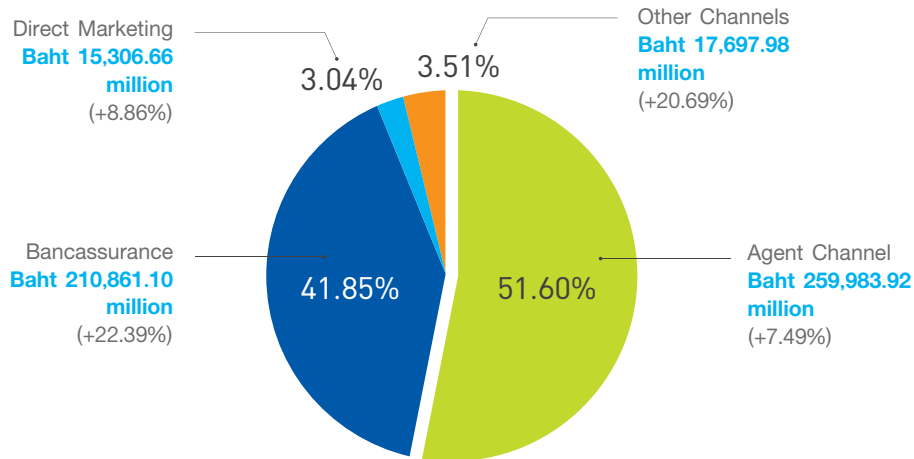
(Unit : Million Baht)

No.	Company	Premium	Market Share	%+/-
1	Muang Thai Life Assurance PCL.	35,275.36	20.67%	27.75%
2	AIA Co., Ltd.	26,187.31	15.34%	-2.55%
3	Krungthai AXA Life Insurance PCL.	19,475.97	11.41%	33.30%
4	Bangkok Life Assurance PCL.	19,068.52	11.17%	81.01%
5	SCB Life Assurance PCL.	18,329.34	10.74%	0.53%
6	Thai Life Insurance PCL.	14,936.06	8.75%	1.13%
7	Prudential Life Assurance (Thailand) PCL.	8,866.22	5.20%	48.25%
8	Allianz Ayudhya Assurance PCL.	6,047.91	3.54%	2.55%
9	FWD Life Insurance PCL.	4,376.16	2.56%	12.94%
10	Ocean Life Insurance PCL.	4,018.99	2.35%	11.18%

Source : The Thai Life Assurance Association

Total premiums by distribution channels are as follows ;

Chart of total premiums by distribution channels 2014



Source : The Thai Life Assurance Association

Total premiums in the market of Baht 503,849.67 million is from the following channels :

- Agent channel accounted for 51.60 percent, the growth rate of total premiums increased by 7.49 percent from the previous year.
- Bancassurance channel accounted for 41.85 percent, a growth rate of 22.39 percent.
- Direct Marketing channel accounted for 3.04 percent, a growth rate of 8.86 percent.
- Other channels accounted for 3.51 percent, a growth rate of 20.69 percent.

Top 10 companies with highest premiums from Agents and Bancassurance channels, are as follows:

2014 Life Insurance Industry Trend

Table of Top 10 companies with highest total premiums from Agent Channel

(Unit : Million Baht)

No.	Company	Premium	Market Share	%+/-
1	AIA Co., Ltd.	105,547.10	40.60%	5.12%
2	Thai Life Insurance PCL.	53,201.90	20.46%	12.68%
3	Muang Thai Life Assurance PCL.	19,468.90	7.49%	14.06%
4	Krungthai AXA Life Insurance PCL.	18,268.29	7.03%	20.64%
5	Allianz Ayudhya Assurance PCL.	14,214.91	5.47%	1.05%
6	Bangkok Life Assurance PCL.	13,868.06	5.33%	4.78%
7	Ocean Life Insurance PCL.	12,820.61	4.93%	-2.04%
8	FWD Life Insurance PCL.	5,025.06	1.93%	-5.36%
9	SCB Life Assurance PCL.	4,019.55	1.55%	10.14%
10	Southeast Life Insurance PCL.	3,947.27	1.52%	-1.06%

Source : The Thai Life Assurance Association

Table of Top 10 companies with highest total premiums from Bancassurance

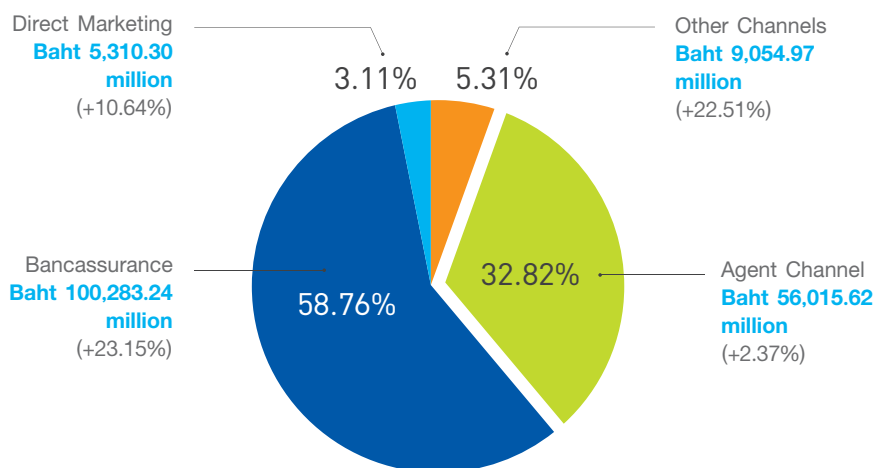
(Unit : Million Baht)

No.	Company	Premium	Market Share	%+/-
1	Muang Thai Life Assurance PCL.	52,927.39	25.10%	29.41%
2	SCB Life Assurance PCL.	41,969.26	19.90%	6.72%
3	Bangkok Life Assurance PCL.	36,674.26	17.39%	48.56%
4	Krungthai AXA Life Insurance PCL.	29,021.28	13.76%	34.35%
5	Prudential Life Assurance (Thailand) PCL.	15,124.14	7.17%	85.94%
6	Thai Life Insurance PCL.	9,131.95	4.33%	27.78%
7	FWD Life Insurance PCL.	8,177.38	3.88%	21.83%
8	Allianz Ayudhya Assurance PCL.	7,187.80	3.41%	14.10%
9	AIA Co., Ltd.	3,805.66	1.80%	-18.73%
10	Dhipaya Life Assurance PCL.	2,451.33	1.16%	-2.09%

Source : The Thai Life Assurance Association

New business premiums or First Year Premiums including Single Premium through distribution channels, as follows ;

Chart of new business premiums by distribution channels 2014



Source : The Thai Life Assurance Association

Total premiums from new business of Baht 170,664.31 million is from the following channels ;

- Bancassurance channel from new business accounted for 58.76 percent, a growth rate of 23.15 percent from previous year.
- Agent channel accounted for 32.82 percent, a growth rate of 2.37 percent from previous year.
- Direct marketing channel accounted for 3.11 percent, a growth rate of 10.64 percent from previous year.
- Other channels accounted for 5.31 percent, a growth rate of 22.51 percent from previous year.

Market Conditions and Competitiveness

From the past year, the insurance business has adapted for an improvement in products development, sales channels, agents development to financial advisors, new and emerging technology applicable to management. Including corporate brand building and reach more customers through marketing activities. These have resulted in an overall high market growth and are likely to maintain its growth continuously.

The competitive market includes the following areas;

Products

In 2014, insurance companies focused on developing products to segmented markets, especially for people in middle and upper classes. These products include products to support the cost of healthcare, long-term savings products for retirement that comply with aging population trend and constantly rising in medical expenses, short-term savings products which are sold extensively for high returns, and tax refund benefits, and bundle products for healthcare, deadly disease, and life protection coverage that enable customers to purchase life insurance more conveniently.

2014 Life Insurance Industry Trend

Channels

- **Agent Channel**

Focused on increasing the number of Financial Advisors and encourage expertise development to become professional financial planners.

- **Bancassurance**

Focusing on improving the efficiency of services to accommodate the increasing number of customers. This includes the development of new products to meet the needs of segmented group of customers, in accordance with bank policies.

- **Other Channels**

Focused on expanding market opportunity by utilising new sales channels include Direct TV, e-commerce, counter service, and payment kiosks at department stores nationwide.

Customer Services and Agents

Utilising technologies to facilitate promptness of services for customers and agents, from the sale presentations to E-Application enrollment, as well as premium payments via credit cards.

Marketing Communication

Utilising integrated marketing communications activities continuously to build brand awareness, brand image and brand recognition while communicating the Company's vision and mission. Organising promotional events and marketing campaigns to raise awareness of products and services in order to support customers' acquisition and retention. Initiating corporate social responsibility activities (CSR) to build trust and contribute to society which also impact on the growth of life insurance business as a whole.



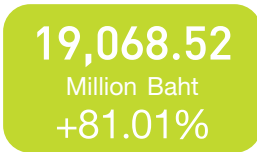
2014 Company Performance (Marketing)

Marketing performance at the end of 2014, Bangkok Life Assurance PCL had a total of 195,790 new policies, increased from the same period in the previous year by 13.63 percent, total premium income of Baht 51,810.13 million, an increase of 32.58 percent in total, which includes a new business premium income of Baht 19,068.52 million, at 81.01 percent growth rate. The growth was relatively high due to portfolio rebalancing in sales of single premium products through bancassurance channel and renewal premium of Baht 32,741.61 million, an increase of 14.70 percent.

• Number of New Policies Issued



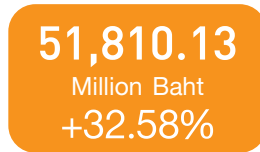
• New Business Premiums



• Renewal Premiums



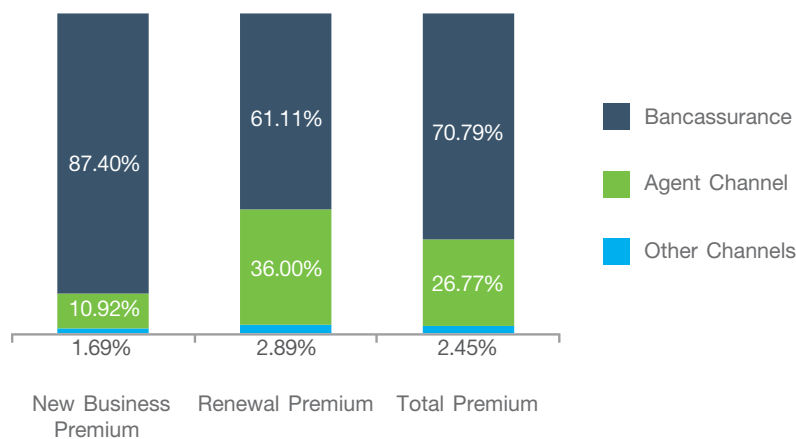
• Total Premiums



Total premiums accounted in 2014 is Baht 51,810.13 million, 70.79 percent sales through bancassurance, 26.77 percent from agent channel, and 2.45 percent from other channels. As for the proliferation of new business this year, 87.40 percent come from bancassurance, 10.92 percent from agent channel and 1.69 percent from other channels. For renewal premiums, 61.11 percent from bancassurance, 36.00 percent from agent channel, and 2.89 percent from other channels.

Overall, this year's total premiums of the Company is mostly from business expansion at 36.80 percent and 63.20 percent is from renewal premiums.

Proportion of premium by distribution channels in 2014



In addition to new markets expansion which continuously increases customer base, the Company continued to focus on maintaining a persistency rate to drive sales from existing customers. As seen from premium collection rate in the past which is at a fairly high rate, accounted for bancassurance at 94.13 percent and agent channel at 91.17 percent, which is continually good every year.

Detail on each channel and premium income growth rate is as follows;

Premiums by distribution channels in 2014

(unit : million Baht)

Channels	New Business Premiums		Renewal Premiums		Total Premiums	
	Amount	%+/-	Amount	%+/-	Amount	%+/-
Bancassurance	16,665.49	101.53%	20,008.77	21.88%	36,674.26	48.56%
Agent Channel	2,081.43	4.79%	11,786.63	4.78%	13,868.06	4.78%
Other Channels	321.60	15.38%	946.20	7.62%	1,267.80	9.49%
Grand Total	19,068.52	81.01%	32,741.61	14.70%	51,810.13	32.58%

Premium incomes from new business and total premium in all channels have been growing continuously this year. The Company's key marketing strategies are as follows;

1. Products

The Company has developed its products continuously in order to meet customer needs in terms of ensuring life protection and wealth building through the Company's life insurance products, and endowment products in terms of mutual funds through strategic business partners including BBL Asset Management Company Limited, and also insurance products from Bangkok Insurance PCL.

For the main products of Bangkok Life Assurance, besides short-term savings products which generates substantial amount of sales, the Company is also promoting products for the elderly and long-term savings product for retirement plans, as well as tax deductible products, as follows;

- Short-term savings products with single premium payment including "Gain First 116" through Bancassurance and "BLA Premier Gain 10/1 Plan A" through agent channel.
- "BLA Super Senior" which was launched in the beginning of 2014 through agent channel and Whole Life First Senior through Bancassurance in responding to aging customers who needs deadly disease coverage, which is currently increase in popularity in the market.
- In November 2014, the Company has launched new and innovative products to outstand from competitors, which are Pension product named "BLA Unit Pension". These new products enable customers to live a confidence and worry-free life after retirement, with selling points of no requirement for health check-up and purchasing flexibility in units, as well as tax deductible benefits.
- Offering special campaigns for "Bangkok 115 Plus", a package of 15 years coverage with 10 years premium payments, bundled up with life insurance term which is an ideal package for those who want to save more but also with loads of financial responsibility.

In addition, the Company also develops products for the Telemarketing channel which includes "Worry-free Daily Cash Benefit", a product that provides life insurance and income compensation for hospital admission and "Happy Income" which benefits income compensation, life insurance and savings.

2014 Company Performance (Marketing)

2. Sales channels

Bancassurance

The Company is in partnership with Bangkok Bank PCL in product development, targeting and together launching financial products and services through branches and business bureau of the Bank, available in over 1,000 locations nationwide, in both the deposit and loan customers. Also provide after-sales service and relationships with customers.

Agent Channel

In the past year, the Company focused on improving the quality of agents to enhance the competitiveness in different aspects as follows;

- Enhancing agents' professional proficiency continuously with training courses, basic knowledge about financial markets and investment in securities in order to register the sale of securities (Single License). By the end of 2014, the Company has 730 professional financial advisors who have been trained by leading institutions and have been licensed by the Securities and Exchange Commission (SEC).
- Promoting quality agents; in 2014, the Company has 514 agents who won the Thailand national quality awards.
- Creating and developing team of insurance advisors with training courses for agents and executives nationwide.

Other Channels

In Telemarketing, the Company is expanding the customer base from cross-selling between channels, as well as increasing the numbers of brokers.

3. Business Partners

In addition of working with major partners includes Bangkok Bank PCL, BBL Asset Management, and Bangkok Insurance PCL, in financial products development, the Company also plans to expand its partnership with reinsurers and other companies in products and distribution channels development in the future.

4. Marketing Communications

In 2014, the Company focused on implementation of integrated marketing communications to enhance brand image, create awareness and brand recognition through mass media communications, as well as expanding customer base through online communication channels. We initiated financial knowledge sharing and improved customers' understandings of insurance business and the benefits of life insurance. And also organised various events supported by agents and financial advisors to raise awareness of products and services which are designed for protections, and wealth in responds to public needs. With our commitment and determination throughout the year, the Company has gained public trust in form of many awards which is a reward that keeps the Company ambitiously follows our mission continuously.

2014 Bangkok Life Assurance Awards and Recognition



1. Corporate Transparency Award 2013

Bangkok Life Assurance PCL was awarded a consolation prize for Transparency at the 4th Annual NACC Integrity Awards 2013, as the only insurance company to be honoured with this award. The selection criterias include corporate policies and good governance operations, transparency, ethics and morale in the business practice. The Company aims to serve and strengthen financial services to the public and organisation, building protection and wealth as well as enhancing happiness of society in different areas.

2. Call Centre and Consumer Solutions Award

Bangkok Life Assurance PCL has stepped up to the service excellence and awarded with Outstanding Call Centre and Consumer Solutions of 2014, for “Best complaints Handling and Resolution Centre” under the project of Call Centre solutions and Consumer services development from the Consumer Protection Board (CPB) and Certification Institute, DSO, on the occasion that Bangkok Life Assurance PCL is an organisation that continuously meet the needs of people in terms of customers’ complaints handling and resolving issues. This emphasises that the Company’s management standards and quality of service is truly at its excellent.



3. Thailand Alignment Private Practice in Anti-Corruption Member Award (IOD)

Bangkok Life Assurance PCL is a certified member of the Alignment Private Practice, Thailand, in the anti-corruption policy by the Institute of Directors, Thailand.

2014 Company Performance (Marketing)

4. Quality Agents Award

Bangkok Life Assurance PCL committed to the importance of promoting quality and the ability of insurance agents and financial advisors to professionalism of integrated financial planning with impressive services. Also encourage agents to develop their expertise in becoming financial advisors with CFP and AFTP certifications. In addition, the Company also has investment planners with IP License which is a testament to the quality of work of employees to the development of life insurance agents and financial advisors with international standards. This is the true pride of the organisation.

In the year 2014, agents and financial advisors of the Company have passed the criteria set in the award-winning quality of the followings;

- 514 agents awarded Thailand National Quality Awards (TNQA).
- 565 agents awarded International Quality Awards (IQA), under Life Insurance and Market Research Association (LIMRA International) criteria.
- 25 agents awarded Million Dollar Round Table Awards (MDRT), under MDRT Organisation criteria.
- 730 Financial Advisors (FA), under The Securities and Exchange Commission (SEC) criteria.
- 1 agent awarded Outstanding Insurance Agent, under Office of Insurance Commission (OIC) criteria.
- 730 agents certified Single License and 72 agents certified Investment Planner.



31st Thailand National Quality Award, 2014
Thailand National Quality Awards – TNQA

Corporate Social Responsibility

With our strong commitment to operate the business under social awareness, we support and strengthen financial stabilities for all people which eventually bring lifetime stability and true happiness, as well as recognising the importance of the environment for sustainable social and economic development of the country.

To fulfill the Company's corporate social responsibility policies, we continuously run many social activities under the concepts of 'Live as You Design' and 'Happier Life' to, encourage employees, agents and their families to realise responsibilities towards the society, whether in educations and learning, healthy living, Thai cultural heritage conservation, elderly caring and environmental awareness.

The Company also focuses on enhancing environmental sustainability internally among employees and their families, partners, agents and alliances, with the recognition of invaluable resources, recycling, reducing waste and raising environmental awareness in many aspects, especially to the youngsters, for the better sustainability in the long run.

Corporate Social Responsibility Activities in 2014 under the established concept

1. "Live as You Design" with integrated financial planning

A Financial Planning project that gives financial education and advises to the public, as well as building protection and wealth. This is to strengthen and prepare the people to handle unexpected risks that may occur anytime.

"Live as You Design" Seminar on Guidance and Financial Planning

On October 26th, 2014, Bangkok Life Assurance PCL., partnered with BBL Asset Management Co., Ltd., conducted a seminar at the Stock Exchange of Thailand (SET) under the title "Live as You Design with Integrated Financial Planning" which provides guidelines of suitable protection and wealth plans for different age ranges.



Corporate Social Responsibility

Financial Expo

Throughout 2014, the Company arranged a troop of professional Financial Advisors for free consultations by providing advices for protection and wealth with a range of financial products to the public.

- Money Expo : Hatyai, March 7th - 9th, 2014 at The 60th Anniversary of His Majesty the King's Accession to the Throne International Convention Center, Songkla University.
- Money Expo : Bangkok, May 8th - 11th, 2014 at Impact Challenger Hall 3, Muang Thong Thani.
- The 15th National Life Insurance Day, July 26th - 27th, 2014 at Activity Hall, G Floor, Future Park Rangsit.
- Post Today Expo 2014, July 31st - August 2nd, 2014 at Sirkit Convention Centre.
- Money Expo : Chiang Mai, November 7th - 9th, 2014 at Chiang Mai Hall, Central Plaza, Chiang Mai.
- SET in the City, Bangkok, November 20th - 23rd, 2014 at Paragon Hall, 5th Floor, Siam Paragon Department Store



2. “BLA Happy Life” is a project of Living a Happier Lives, running under the concept of generating more happiness and enhancing quality of life in 5 aspects of educations and learning, healthy living, Thai cultural heritage conservation, environment and elderly caring.

2.1. Educations and Learning

The 8th “A Brighter Future for Children”

The Company focuses to support educations for children in remote areas where the Government has not been in full support. The Company helped in expanding learning opportunities which paved the educational foundation to the children in need and to contribute for the better future.

In 2014, the Company continued to carry on with the project in its 8th year by the Management, Financial Advisors, agents and staffs, to lend a hand in education opportunities to Wat HuangHin School, Bankhai, Rayong. By supporting in constructing a new building, consisting of a study room and a workshop training room, providing stationary, to the adjustments of surrounding ambience, a local agricultural plots to grow farm-fresh ingredients for school lunches, providing playground equipments, sports equipments, learning materials and 64 scholarships. The team also prepared lunch and recreation activities to enhance relationships for the local teachers, students and parents.

B happy – dreams and smile for the young ones

March 29th, 2014, The Executive team and the staffs of Bangkok Life Assurance PCL and Bangkok Insurance PCL., together with Bamrungrad Hospital, had held an event “B Happy - dreams and smile for the young ones” to help developing BanNong-PhaiKaew School in Panusnikhom district, Chonburi, providing education funding and stationary to the local students for their better opportunities and future.



Clean Water for Better Lives Project

We are well aware of the lacking of living quality and health of the young ones, especially in rural or schools in remote areas where clean water are scarce. Therefore the Company started ‘Clean Water for Better Lives’ project by providing strainers and clean water storage system, such as drinking water tanks and / or water pumps, to the local schools and border patrol police, according to the needs in each area. This contribution started with the first 7 locations in 2014.

Corporate Social Responsibility



Furthermore, we partnered with Department of Health, Ministry of Public Health to provide fundamental knowledge of health lifestyles and exercising to the local students. The Company's agents and Financial Advisors also willingly gave advices on money saving with activities for better understandings, and also hosted lunch for the local students. In 2014, the Company has continued to operate the policy continuously to 8 schools in remote areas as follows;

- April 29th, 2014 at Bantalingsoong School, Huoykod, Uthaithani.
- May 21st, 2014 at Nayorpattana School, Muang, Sakolnakhon.
- June 17th, 2014 at Bannongphai School, Muang, Srisaket.
- July 31st, 2014 at Wat Nanongbun School, Namorbun, Nakhonsrithammarat.
- August 4th, 2014 at Bannongjik School, Nongphai, Krabi.
- November 12th, 2014 at Banteebtai School, Nongphai, Phetchabun.
- November 17th, 2014 at Banpa Sangnue School, Weingchiengroong, Chiangrai
- December 23rd, 2014 at Banklangnoi Laomangaew School, Banphue, Udonthani

2.2.Culture Heritage Conservation

“Building Happiness - Carry on the Thai Tradition”

A project that Bangkok Life Assurance bonded with cultural awareness and folk traditions in many provinces to maintain culture heritage which continue until today.

- **Chinese Lunar New Year at Paknampho, Nakhonsawan**

January 24th - February 4th, 2014, the tradition has been passing along from generation to generation for more than 98 years, starting from the Chinese ancestors of Paknampho who organised parades summoning gods and goddesses around the city for the people's prosperities and business expansion. The Company was in the sponsorship of the Beijing lion parade which is very well known in the province for its beauty during both day and night.

- **Songkran Festival, Chiangmai**

April 13th - 15th, 2014, carrying on with the tradition of Songkran Festival at Chiangmai, staffs and agents had morning offering to the monks, building sand stupas, as well as providing free health checkup service for the locals and free insurance policies for the winners of miss and mister Songkran.

- **Candle Festival on Buddhist Lent, Ubonratchathani**

July 11th - 12th, 2014, the team helped in building the Thai traditional Holy Candle carriage to take part in the competition on Buddhist Lent in Ubonratchathani.

- **Long-boat Race, Pichit**

September 6th - 7th, 2014, the Company sponsored Kae-Lang nakhon Bangkok Life Assurance Long-Boat Racing team under 40 paddles category and had won again for their second consecutive years, from Phromprathan Long-Boat and Pornmethee Long-Boat racing competitions.

- **Sart-Thai, Gluay Kai Muang Khampang Traditional Celebration**

September 23rd, 2014, "Sart-Thai Kluay Khai" is the annual event of Khampangphet, a city famous for Kluay Khai (a long and small banana), which has been celebrating for more than 30 years. This traditional celebration helps to promote the local marketing of Kluay Khai plantations to be known to the rest of the country.

- **Vegetarian Festival, Phuket**

September 24th, - October 2nd, 2014, the agent team and Financial Advisors joined 'Phuket Vegetarian Festival' which is the biggest vegetarian festival of the year. The team joined in with the parade of vegetables, troop, and a salutation for his Majesty the King Bhumibol Adulyadej. As well as setting up a service booth for free drinks and giveaway hand-fan at the festival.



Corporate Social Responsibility

2.3 Healthy Living

Supporting Thai Athletes in Asian Game 2014

September 2nd, 2014, Novotel Siam Square, Bangkok Bangkok Life Assurance sponsored Thai athlete team with insurance policies with protections of 1,000,000.00 Baht, total premiums of 81,000,000.00 Baht. In order to build up encouragement to the Asian Game 2014 Thai athlete team before heading to the biggest sporting event in Asia in South Korea during September 19th - October 4th, 2014.



“BLA Happy Life Thai Boxing Aerobic” Project

Bangkok Life Assurance partnered with the Department of Health, Ministry of Public Health, launched “BLA Happy Life Thai Boxing Aerobic” Project. The objective of the project is to promote the importance of exercising correctly from improvising Thai traditional martial art and dancing to the beat of music so that it is more fun to exercise, responding to young people who are health conscious and also bring out the culture heritage seamlessly.

BLA Happy Life Thai Boxing Aerobic consists of many activities to reach every range of people as follows:

- “Training the Trainers”

September 12th -14th, 2014, at Baiyoke Sky Hotel, a training program for dance instructors from the local communities to set up a network of transferring the right knowledge of Thai Boxing Aerobic. The Department of Health, Ministry of Public Health was invited as a consultant of the curriculum.



- **Thai Boxing Aerobic Troop**

To promote the project of exercising correctly with Thai Boxing Aerobic nationwide, Bangkok Life Assurance set up the troop activities to share knowledge and demonstrate Thai Boxing Aerobic as well as basic exercise methods.

April 9th, 2014 at Udonthani

October 17th, 2014 at Kanchanaburi

October 20th, 2014 at Rayong

October 28th, 2014 at Phitsanulok

November 4th, 2014 at Nongkhai

December 1st, 2014 at Chiangmai

- **“BLA Happy Life Thai Boxing Aerobic...Dancing Competition**

December 11th, 2014, in order to reach out to the new generation, the project had composed and produced a MV of the song ‘Luk-Su’ (Get up and fight) to introduce the dance moves and people can use it for free. There were more than 40 dancing clips sending in for the competition nationwide and 5 were chosen for the finalists to perform at the Atrium 2, Siam Centre. The winner team was ‘Luk Phyanak’ from HuaKyoKongHug School, Nongkhai.

Bangkok Life Assurance Fun-Run Charity Mini Marathon

Bangkok Life Assurance PCL with the Department of Health, Ministry of Public Health, together had organised the first fun-run mini marathon for charity at Suanluang Rama 9 Park, with more than 2,000 participants of Thai and foreigners. All proceeds are to contribute to the “Clean Water for Better Lives” project to supply strainers, tanks and pumps for schools in remote areas.



Corporate Social Responsibility

2.4 Environments

BLA Happy Life Go Green Project

Bangkok Life Assurance PCL and Foundation for Environmental Education for Sustainable Development (Thailand) or FEED have joined up to start a project to raise awareness on environmental sustainability for their second consecutive year, with the activities associated with the description of the environment on a daily basis and in practical.

- **The 2nd BLA Happy Life Go Green Project**

March 28th - 30th, 2015, an outing on environmental awareness to facilitate the forest fire prevention at the Huai Kha Khaeng wildlife sanctuary, Uthaitхани. Along with a team consists of 10 Institutions, joined up for the project "Forest Fire Prevention" to preserve the wildlife habitat free from forest fire risk, maintain the enrichment of surrounding environment and reduce global warming, along with that, the activities were full with learning activities and focusing on the essence of natural ecosystems. The student projects were approved for funding in developing environmental projects within their communities in order to continuously to promote the sustainable awareness.



- **The BLA Happy Life Go Green Project (Agents and Employees)**

April 26th, 2014, Bangpu Nature Education Centre, Bangkok Life Assurance got together and conducted an environmental awareness event of re-foresting the mangrove. Together with the Environment Club, the executives and more than 100 of sale representatives had volunteered to restore the environment at Bangpu Nature Education Centre, Samutprakarn.



- **The 3rd BLA Happy Life Go Green Project**

October 31st – November 1st, 2014, Environmental Artificial Salt Conservations Activity at the Wildlife Conservation Park, Khao Ang Reu Nai, Chachoengsoa Teams of students from 9 universities together had created awareness on environmental preservation of natural classroom activities through education activities and nature conservation by building artificial salt to restore the environment and ecosystems and enhancing minerals for a better food source for wildlife. With the workshops that encourage the participants to see the importance of the environment and building practical hands on real experience in the natural environment. The university student projects were approved for funding in developing environmental projects within their communities in order to continue to promote the sustainable awareness.



B happy Project

November 22nd, 2014, Release Crabs, Forest Restoration at The Sirindhorn International Environmental Park, Cha-am, Petchburi. The executives and staffs of Bangkok Life Assurance PCL and Bangkok Insurance PCL, together with Bamrungrad Hospital have joined in for this sustainable environmental activity.



Corporate Social Responsibility

2.5 Elderly Caring

Bangkok Life Assurance organised events to help the elders to be able to see better by providing eyesight check-up and giving away free glasses, and also free health check-ups by the professional practitioners. In 2014, we have contributed more than 4,000 eyeglasses to 13 provinces nationwide to help the elders to live easier and happier.



- | | |
|-----------------------------------|------------------------------------------------------------------------------|
| January 19 th , 2014 | at Seka Hospital, Seka, Bungkan. |
| February 16 th , 2014 | at Bungkan School, Bungkan. |
| March 25 th , 2014 | at Taluang School, Phimai, Nakhonratchasima |
| April 14 th , 2014 | at Raisom Sub-district Administrative Organisation Office, Muang Petchaburi. |
| April 25 th , 2014 | at Srabot Prep School, Samkok, Lopburi |
| May 2 nd , 2014 | at Amohur Pachee Municipality, Pachee, Ayutthaya |
| May 24 th , 2014 | at Sritatpittayakon School, Sritat, Udonthani |
| June 12 th , 2014 | at Pomnakkarajswattayanont School, Samukprakhan |
| June 27 th , 2014 | at Sawankalok Municipality Meeting Hall, Sukhothai |
| July 29 th , 2014 | at Wat Turae School, Hatyai, Songkla |
| August 2 nd , 2014 | at Hat Sompan Office of Sub-district Administrative Organisation, Ranong |
| September 16 th , 2014 | at Education Centre, Srakaew, Latyao, Nokornsawan |
| November 14 th , 2014 | at Phayao province |

Customer Relations

Bangkok Life Assurance PCL. aims at implementing the mission to build financial stability to our customers and to all people, enabling people to be well equipped and ready by ensuring protection and wealth, which eventually leads to a happier life.

In 2014, the Company focused on building relationships among customers, partners, agents, and employees by providing advice on integrated financial planning, delivering products that strengthen stabilities, as well as organising privilege events to customers and also their families to enhance the relationships., Hence, the Company provides up-to-date news and useful information for financial planning guidance in forms of quarterly newsletter and e-magazine application “Happy Life”. Each issue introduced diverse financial plans, such as education plans for kids, retirement plans, investment knowledge and written by Bangkok Life Assurance PCL’s Certified Financial Planner (CFP) and Financial Advisors.



Furthermore, the Company had organised many events to bring joy and strengthen relationships with customers, especially focusing on creating real experiences so customers can participate in a variety of lifestyles events, such as an annual health check-up, a Fun-Run mini marathon, concerts and many more of happiness affairs, reinforces younger customers and families with real-life learning experiences.



“BLA Mini Marathon” a healthy fun-run charity event.



Free concert, The Mor-Lum poetry performance of E-sarn from the North-East region of Thailand.



Events of Happiness, to enhance great experiences through learning for younger customers and families.

2014 Company Performance (Investment)

Investment

In 2014, the global economy was continuing to expand and slightly influenced by growth of most Asian particularly China and positive impact of US growth, which was recovered by manufacturing-service and employment section while the rest of the world mostly remained subdued particularly in Europe, which many countries were still suffering debt burden, high unemployment, the geopolitical risk between Ukraine and Russia and the latest problem ; deflation that caused households and businesses to expect inflation to stay depressed for a long period enough to postpone spending and investment, triggering a downward spiral damaging economy. In term of Japan, the increase in consumption tax rate from 5 percent to 8 percent resulted in fluctuate growth and ultimately the causal effect of recession. For China, bigger economic value base, government policy to curb speculation in property section and global economic slowdown were combined to weigh on rising growth. Regarding above negative factors, the global growth projection for 2014 was marked down from 3.4-3.6 percent to 3.3 percent compared to 3.0 percent in 2013. Impact of global slowdown put pressure on Thai economy in term of exports. Furthermore it was hit by the domestic political unrest during first half of year which lowered international tourists, less confidence of both private households and businesses and less than expected government investment

Table 1 / GDP based on current prices

Unit : USD Bn

	2012	2013	2014E
US	16,163	16,768	17,416
China	8,387	9,469	10,355
Japan	5,938	4,899	4,770
Germany	3,428	3,636	3,821
France	2,688	2,807	2,902
UK	2,471	2,523	2,848
Brazil	2,248	2,246	2,244
Italy	2,014	2,072	2,129
Russia	2,018	2,097	2,057
India	1,859	1,877	2,048
Thailand	366	387	381

IMF World Economic Outlook, Oct 2014

Table 1 / GDP based on PPP valuation

Unit : Current International Dollar (Bn)

	2012	2013	2014E
China	14,774	16,149	17,632
US	16,163	16,768	17,416
India	6,358	6,776	7,277
Japan	4,530	4,668	4,788
Germany	3,443	3,513	3,621
Russia	3,396	3,492	3,559
Brazil	2,897	3,013	3,073
France	2,490	2,535	2,587
Indonesia	2,225	2,389	2,554
UK	2,247	2,320	2,435
Thailand	924	965	990

IMF World Economic Outlook, Oct 2014

Table 1 / GDP growth based on fixed prices

Unit : %YoY

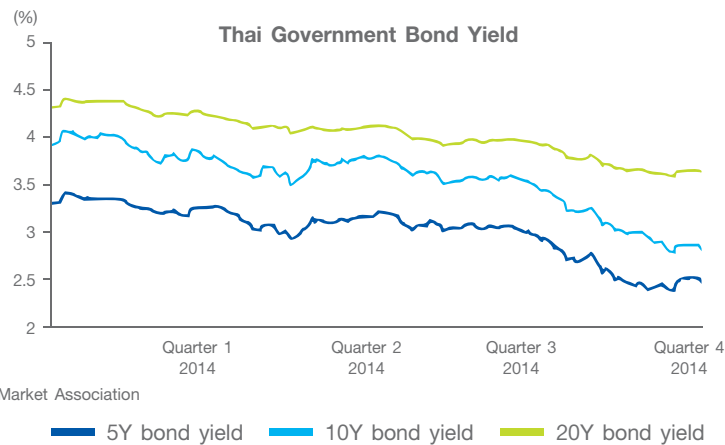
	2012	2013	2014E
US	2.3	2.2	2.2
China	7.7	7.7	7.4
Japan	1.5	1.5	0.9
Germany	0.9	0.5	1.4
France	0.3	0.3	0.4
UK	0.3	1.7	3.2
Brazil	1.0	2.5	0.3
Italy	(2.4)	(1.9)	(0.2)
Russia	3.4	1.3	0.2
India	4.7	5.0	5.6
Thailand	6.5	2.9	1.0

IMF World Economic Outlook, Oct 2014

According to uptrend movement of bond yield till the end of 2013, Thai bond market in 2014 was hugely affected by the downward movement of yield throughout the year as the result of Thailand's sluggish economic growth and surplus liquidity in money market coincide with uncertain global growth outlook, the risk of deflation especially in Europe and the collapse in oil and other commodities in second half of the year which hurt the prospects for economic growth in energy-exporting countries. As concern about negative effects on above factors, Monetary Policy Committee of the Bank of Thailand (MPC) cut its policy rate by 0.25 percent, resulting at 2.00 percent on March 12, 2014.



Source : Bank of Thailand



Source : The Thai Bond Market Association

According to downtrend index movement of SET index till closing at 1230.77 due to Thai political turmoil in 2013, Thai stock market in 2014 had a particularly strong uplift over the year mostly by regional surplus liquidity from quantitative easing programme by the Bank of Japan, furthermore Thai coup on May 22 that capped months of political unrest, nevertheless SET index closed softly from the peak of 1600.10 on September 26 to 1497.67 at the end of 2014, amid the expected earnings miss of the energy companies due to the 55 percent oil price slump in the second half of the year.



Source : The Stock Exchange of Thailand

2014 Company Performance (Investment)

At the end of 2014, the Company had total investment assets of Baht 208,680.12 million, an increase from Baht 165,982.55 million in 2013, representing an increase of 25.72 percent. Core investment assets comprised of fixed income securities which were mainly government bonds, state enterprise bonds and high credit-rating private debenture totaled 84.77 percent of total investment assets, while investment in common stocks and unit trusts representing 6.49 percent and 3.71 percent respectively. Unit trusts comprised of foreign equity funds and domestic property and infrastructure funds. In 2014, due to the low level of government bond yield, the Company had to switch investment to private debentures in both local and offshore market, totaled 62 percent of new investment proceeds, and still invested in government bonds totaled 25 percent of new investment proceeds. Besides, the Company had additional investment portion in domestic property and infrastructure funds which generated recurring dividend income from rent and service income of these funds. Regarding overall investment in 2014, although the Company had limitation for finding high-yield return in the bond market but the uptrend momentum in the stock market could help make higher capital gain throughout the year.

In 2014, the Company had net investment income of Baht 10,326.37 million, an increase of 35 percent from last year. Net investment income increased by both realized capital gain with Baht 1,514.74 million and rising interest and dividend income which expanded in line with the company's investment assets and net profit of the listed companies. The Company's return on investment averaged 5.41 percent compared to 4.98 percent in 2013.

Investment Assets Breakdown at Year-End

	2014		2013	
	Million Baht	%	Million Baht	%
Cash and cash equivalent	5,703.47	2.73	1,331.19	0.80
Promissory notes	15,407.28	7.38	13,979.38	8.42
Bonds and treasury bills	114,823.76	55.02	104,857.44	63.17
Debentures	46,672.16	22.37	23,875.76	14.38
Unit trusts	7,752.18	3.71	5,474.71	3.30
Listed stocks	13,535.59	6.49	12,891.42	7.77
Policy loans	4,250.99	2.04	3,163.87	1.91
Other loans	484.07	0.23	361.83	0.22
Others	50.62	0.02	46.96	0.03
Total Investment Assets	208,680.12	100.00	165,982.55	100.00



Company Performance and Financial Review

Company Performance and Financial Review

Significant Events

Increase of Registered Capital

The Company registered capital increased from Baht 1.22 billion to Baht 1.71 billion by issuing 488 million shares at par value of 1 Baht per share, total of Baht 488 million. Such registered capital increase was for a stock dividend payment of 482 million shares, the remaining shares from stock dividend of 2.77 million shares for sale at the price of Baht 47.25 per share, and for the Company Employee Provident Fund in total of 362 shares at 1 Baht per share. The total amount received from issued and paid up shares was Baht 2.8 million and share premium was Baht 128.3 million, a total of Baht 131.1 million. In addition, the remaining 2.9 million shares were reserved for future warrant exercises.

Investment in Subsidiary Company (BLA Insurance Broker)

In 2014, the Company obtained control of BLA Insurance Broker Company Limited (“Subsidiary”), acquiring from 15 percent to 99 percent from the registered and paid capital at the amount of Baht 3.98 million.

Significant Company Performance

Consolidated Financial Statement

The operating result in 2014, The Company had total net premium written of Baht 51,172 million, increased by 32 percent from Baht 38,795 million from 2013, as a result of growth in net premium received from Bancassurance channel. In 2013, the Company had the ratio of premium from Bancassurance channel to net premium written at 48 percent increased from the year 2013 and 2012 at 15 percent and 10 percent, respectively.

The growth rate of the first year premiums was 81 percent, with first year premiums amounting to Baht 19,069 million due to the first quarter of 2014, the Company received a large volume of premiums from Bancassurance channel. As a result, first year premiums from Bancassurance increased by 101 percent, whereas the first year premium from agent channel had a satisfactory growth rate at 5 percent in 2014.

Total premiums from Bancassurance channel to total premiums earned from all channels were 71 percent, which 27 percent was accounted from the ratio of total agent premiums to total premiums from all channels. When comparing to the same period from the previous year, the ratio of Bancassurance premiums to total premiums increased because of considerably high growth in first year premiums, which accounted in ratio of Bancassurance premiums and agent channel at 63 percent and 34 percent respectively.

The total investment income of Baht 8,812 million and an investment profit was at Baht 1,515 million, a 35 percent increase over the previous year. It resulted from an increase of the investment income by 25 percent and an increase of gain on investment by 155 percent. The main reason for increasing in the investment income and profit was from an increase of the investment assets by 24 percent over the same period of 2013 and the improvement of stock market circumstance this year subsequently.

Insurance coverage expenses include insurance reserves, benefits paid under the policy and the cost of benefits management, compensations and claims payment and handling expenses, commissions and gratuities, promotional expenses, other underwriting expenses and operation cost. Total insurance expense of 2014 is Baht 58,225 million compared with 2013 at Baht 41,017 million, an increase of Baht 17,208 million or 42 percent.

Profits before income tax expenses had decreased by Baht 2,200 million or 41 percent, resulted from the increasing in life policy reserves. Profits before income tax expenses in 2014 and 2013 were Baht 3,111 million and Baht 5,311 million, respectively.

For income tax expenses in 2014 was Baht 447 million, decreasing by Baht 483 million from 2013, which was Baht 930 million as a result of a decrease in profits before income tax expenses as well as an increase in from dividend paid which was tax-exempt. After tax expenses deduction, profits for the year was at 2,665 million Baht, decreased by Baht 1,716 million or 39 percent from 2013 of Baht 4,381 million which basic earnings per share is Baht 1.57 comparing to 2013 of 2.59 Baht.

Consolidated Financial Statement

The Company profit for the last quarter of 2014 was Baht 2,278 million and the profit for the year 2014 at Baht 2,662 million, which is lower than the profit for the period in the consolidated financial statements since the third quarter of 2014, the Company acquired B&A Insurance Broker Company Limited ("BLAIB"), holding a stake of 99 percent and consolidated profit of BLAIB recorded in the consolidated financial statements in the quarter, which shown the net loss about Baht 1.3 million and Baht 3.0 million for 3 months and for the year, respectively.

Significant Financial Review

Statements of financial position as of 31 December 2014, the Company had total asset of Baht 215,588 million or increased bying 25 percent from Baht 171,795 million in 2013, which consisted of investment assets at Baht 202,973 million accounted for 97 percent of the total asset. The rise in the volume of assets resulted from the increasing cash flows in the Company operations.

For liabilities and owners' equity, the Company had total liabilities of Baht 190,009 million increased by Baht 40,477 million or 27 percent from 2013. The significant increasing is from insurance contract liabilities which recorded at Baht 186,566 million or 98 percent of total liabilities in 2014, increased from 2013 at Baht 41,107 million as a result from growth of the Company's performance from life insurance which required more life policy reserves.

As of 31 December 2014, the Company recorded owners' equity of 25,579 million Baht increasing by 15 percent from Baht 22,264 million of 2013. The main reasons were from the increasing of other components of shareholders' equity increased due to an increase in gain from fair value of available-for-sale securities after tax by Baht 1,147 million or 26 percent, retained earnings - unallocated, at Baht 1,456 million or 11 percent, and the increasing of revaluation surplus of available-for-sale investments net by Baht 141 million or 5 percent.

Financial Ratio

Liquidity Ratio

Premium receivable turnovers in 2012 - 2014 were at 20.68 days, 16.12 days and 12.56 days, respectively. Premium receivable turnovers were lower than Company's policy that provide extensive payment period of 30 - 60 days. Premium receivable turnovers were decreasing in each year which means the effectiveness of the Company's premium receivable and capacity of maintaining in the persistency ratio.

Profitability ratio

Net profit margins in 2012-2014 were 9.35 percent, 9.55 percent, and 4.44 percent, respectively. The ratio decreased in 2014 compared to 2012 and 2013 due to the cost of insurance reserves had increased.

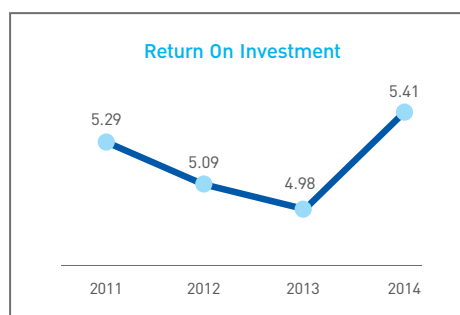
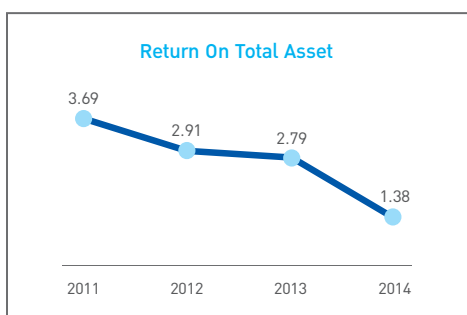
Company Performance and Financial Review

Efficiency Ratio

Returns on total assets in 2012 - 2014 were 2.91 percent, 2.79 percent and 1.38 percent, respectively, due to the decreasing profit of the year. The returns in the invested assets in 2012 - 2014 are at 5.09 percent, 4.98 percent and 5.41 percent respectively. Return on total asset was decreasing in each year, mainly also from the decreasing in profit for the year.

Financial Ratio Analysis

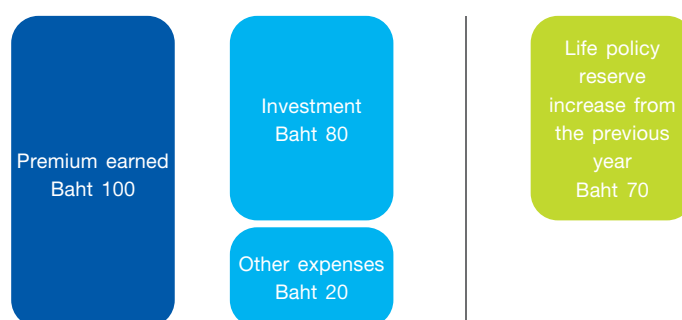
Policy reserves in 2012 - 2014 were 78.99, 80.35, and 82.99 times as much as capital funds, respectively and insurance contract liabilities were 0.87, 0.88, and 0.89 times as much as investment assets, respectively. Considering the above, the Company had adequate capacity to repay the obligation to be incurred in the future of the insured.



Key accounting policy

The Company operates life insurance business which receives premiums from policyholders for insurance protections. Premium received recorded as premium earned in Statement of income. After deducted with related expenses, exceeding amount will be invested. The return on investment will be spent on administration cost and benefit payments to the policyholders which are recorded as Life policy reserve. This is the liability that the Company entitled to compensate policyholders and is due when the obligation of the policy expires. The Life policy reserve that increased during the year is recorded as expenses in Statement of income and calculated by actuarial methodology in which the assumption used in estimation are mortality rate, expected return on investment ratio and expected expense ratio, etc.

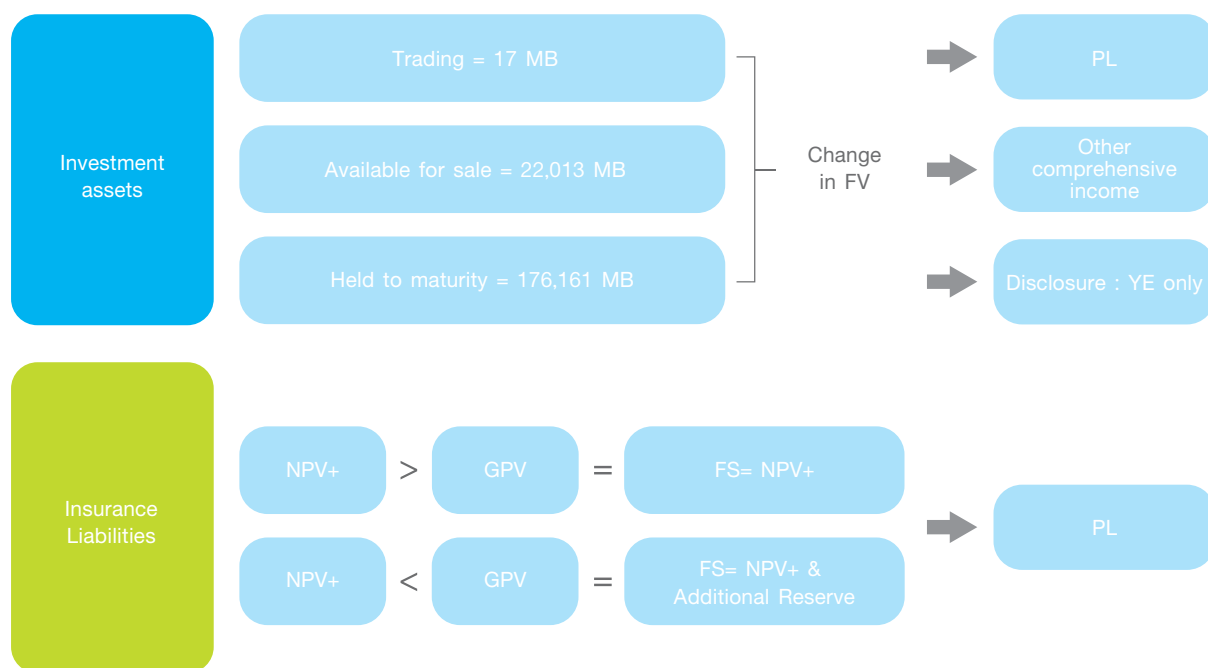
For this reason, the major items to be displayed in the Company's Statement of income consist of premium earned and return on investment less life policy reserve, benefit payments and expenses. These items resulted in the Company's profit before income tax, while investments and life policy reserve are major items in Statement of financial position.



Investment in securities is classified into 3 types of trading securities, available-for-sale securities and held-to-maturity securities. Life policy reserve methods with reference to Net Premium Valuation (NPV) which calculated based on international calculation method derived from historical assumption as of the products issued date.

At the end of reporting period, investment will be calculated with fair value. Any resultant gain or loss from trading investment securities will be recognised in Statement of income. Available-for-sale investments are recognised in other comprehensive income which directly recognise to equity. While the change in fair value against book value of held-to-maturity investments are disclosed in note to Statement of financial.

For life policy reserve at the end of reporting period, we will compare life policy reserve under Gross Premium Valuation (GPV) method which is calculated based on up-to-date assumption and also follow OIC regulation. In calculating Risk based capital (RBC) and Life policy reserve by NPV method, if NPV is higher than GPV, the result will be recorded as NPV. On contrary, if NPV is lower than GPV, the result will be recorded in NPV plus the additional reserve, as in the following diagram;



For these reasons, under this interest rate in fluctuated condition and when it decreases, the fair value of the Company's investment will increase. Most of the Company's investments are hold-to-maturity investments that will not affect the Statement of financial. Whereas, from the GPV, Life policy reserve will increase and the Company will recognise the difference from the Statement of financial. With this method, the Statement of financial only recorded the effect of the changes in interest rate. Therefore, in terms of financial solvency, the OIC requires the fair value to be calculated by investments and Life policy reserve, in which the result will be used in calculating risk based capital. Consequently, the effect of the changes in interest rate will be recognised in terms of assets and liabilities unlike the recognition in Statement of financial.

Company Performance and Financial Review

Embedded Value (EV)

EV as at 31 December 2013 (Million Baht)

Risk discount rate	9%	10%	11%
Adjusted net asset value (NAV)	22,448.5	22,448.5	22,448.5
Value of in-force business (after release of capital)	11,295.3	10,192.3	9,175.1
Embedded value (EV)	33,743.8	32,640.8	31,623.6

*For the EV as at 31 December 2014 please refer to our homepage <http://www.bangkoklife.com>

“Embedded value” (EV) is a financial measurement basis applied primarily to long-duration insurance business value that shareholders own in an insurance enterprise, comprised of the excess of market value of assets over statutory liabilities usually called “Adjusted Net Asset Value” (NAV) and the discounted value of distributable earnings from In-Force business after release of capital usually called “Value of In-force Business” (VIF).

The disclosure of an EV is standard practice for listed life insurance companies globally. The Statutory financial statements alone do not provide sufficient information on a life insurer's performance. In particular, they do not include future profit of in-force business, can be volatile and often includes prudence in the reserving basis.

For integrated business process, the EV can be an important tool to better understanding the drivers of value, product profitability and quality of assumptions which, consequently, feeds into product strategy, pricing, assumption setting, and risk management.

Capital Adequacy Ratio (CAR ratio)

CAR as at 31 December 2013 (Million Baht)

	2013
Total Capital Available (TCA)	23,512.95
Total Capital Required (TCR)	9,654.10
Capital Adequacy Ratio (CAR)	243.55

*For the CAR as at 31 December 2014 please refer to our homepage <http://www.bangkoklife.com>

A life insurance company is responsible for administration and management of various types of risk, such as Insurance risk, Interest rate risk and Credit risk.

Therefore, the Company obliged to maintain minimum amount of capital required by the Office of Insurance Commission (OIC). The OIC requires that the Company must maintain minimum Risk based capital (RBC) at 140% CAR ratio. Thus can be calculated from the ratio of the Company's capital and the minimum capital requirement under risk. In simpler meaning, the higher value of CAR reflects the higher Company's capital (shareholders' equity) than the value of risk that the Company has.



2015 Life Insurance Industry Trend

The overview of the insurance business in 2014 and the assessment of Thai economy in 2015 implies that the insurance business would continue a steady growth trend in 2015. The Thai Life Assurance Association expects 13-14 percent growth due to low rate of life insurance policy ownership compared to the developed countries in ASEAN. The majority of policyholders are in Bangkok and the metropolitan areas so there are still more opportunities to expand to the provincial areas. Nowadays, people in the provincial areas have more knowledge and understanding about life insurance which is the opportunity for more penetration in these regions. In addition to the overall business opportunities in 2015, there are other factors to support the growth of the life insurance business as follows:

1. More people acknowledged and realised the value of life insurance.
2. The revision of tax structure and the preparation of Thai government for the aging society increase the trend to promote savings through financial instruments. Life insurance is one of the effective instruments to promote savings and prepare for retirement.
3. The change of population structure and consumer behaviors in Thailand implies an increase in the ratio of aging citizen in the future. The result of population change together with the promotion policy from the government leads to the growth of life insurance policies to response to the needs of the consumers. It is expected that there will be higher market demand in policies for retirement and health.
4. New technological improvement moves the society to the digital age through the rapid development of smart devices that lead to new opportunities for products and services to reach target customers. Also, Big Data technology allows a better analysis of behaviors and interests of the customers in order to promote the products to satisfy customer's needs.
5. The recovery of the real estate business should influence home loans to increase in 2015 which leads to the opportunity for credit protection life insurance products.
6. The expansion of business in ASEAN region is expected to grow further following the recovery of world economy and clear trade policy by the government. It is expected that the border economy will grow rapidly which creates opportunity to expand life insurance market in border provinces and neighboring countries. Customers in neighboring countries should have interest in various life insurance products of Thailand as the life insurance industry in their country is still in the early stage.

The aforementioned factors influence the trend of life insurance business in the following five areas:

1. **Products** : There is a trend of focusing on long-term savings or saving for retirement for customers above 30 years of age. It is also expected that the government would promote retirement savings especially for those with low or medium incomes in order to reduce the burden of caring for the elderly in the future. Moreover, the types of health policies will be more diverse or sold as packages with life insurance to be easily understood by potential customers, especially via telephone or bank counters.
2. **Channels** : Agency channels will develop to be more of financial advisors especially for the life insurance companies with the support from banks because there are many other complementary financial products to propose to customers. The sales through the representative channels will expect to expand more to the provincial areas especially to the big regional provinces. The bank channel will likely emphasize more on the sales and after-sale services to support the increase of customers and to reduce customers' complaints. Furthermore, the new technology will introduce more distribution channels such as the online channel.
3. **Services** : Technology development leads to emerging new services that can be adopted to life insurance business. Therefore, the cooperation between life insurance companies and other businesses such as hospitals, fitness centres,

healthy food providers to promote the wellness program will likely increase. In addition, the life insurance companies also have the technological development to increase efficiency quality of services by offering 24-hour service mobile applications. Moreover, the customer can contact life insurance companies via emails, web chat, automatic call centres, which are more efficient channels than the traditional ones. The expectation in services will set many challenges since the customers are able to swiftly share influential information in the online community.

4. **Management** : Life insurance companies will emphasize more on customers and become more customer-centric to increase customer loyalty to the brand and to respond to the changing behavior. At present, Thai people have more knowledge about financial planning and life insurance, and request more information on products and services before making their decisions. Therefore, customers tend to consume information and use services through multiple channels. The Company must prepare to integrate services and information so that all service points have uniform and consistent service quality.
5. **Regulations** : There are system developments and improvement on all aspects to comply with the standard regulations, which will be more stringent, especially related to the financial stability of the Company, in order to sustain the rising competition from the opening of ASEAN, together with the increasing business expansion according to the government policies.

Corporate Governance

Good Corporate Governance

The Board of Directors upholds and recognises the importance of good corporate governance as it signifies management effectiveness, transparency and auditability. This ensures trust and confidence of shareholders and stakeholders, as well as enhances business value and sustainability. For these reasons, the Company stands firm on the good corporate governance principles as follows:

1. Rights of Shareholders

The Company realises the shareholders' fundamental rights and places great importance on refraining from acting in any way that would infringe upon or reduce the rights of shareholders and also encourages shareholders to exercise their rights. The shareholders' fundamental rights consist of buying, selling or transferring of shares, receiving equitable share of profits, having sufficient access to the Company's information, appointing or dismissing directors, approving directors' remunerations, appointing auditors, and approving special transactions, such as increasing of share capital.

On the Annual General Meeting of Shareholders for the year 2014, April 30th, 2014, the notification of meeting in Thai and English was distributed to shareholders at least 21 days prior to the actual meeting date, along with attachments to the agenda, such as previous year's minute of meeting, annual report, rules concerning meeting attendance and procedures, proxy and voting procedures, so that the shareholders would have sufficient time to study information prior to the meeting. Moreover, the notification was published in the local newspapers as well as on the Company's website (www.bangkoklife.com). There was no introduction of unspecified agendas to be approved by shareholders. In 2014, there were 2 shareholders' extraordinary general meetings which were held on September 25th, 2014 and December 12th, 2014 to approve special transactions.

On the meeting days, the Company had assigned personnel to facilitate the shareholders' registration, voting, and vote counting process using the barcode system to ensure correctness, accuracy, and timeliness.

The Board of Directors and Executives place great importance in attending the meetings, unless having irrefutable engagement elsewhere. At the 2014 Annual General Meeting, 14 directors were present and 1 director was unable to attend. The President and Executives provided explanations, answered enquiries and listened to suggestions made by shareholders. Furthermore, the Company invited Khun Ratchada Yongsawadvanish, an external auditor from EY Company Limited (Ernst & Young), to the meeting to answer queries under the agenda of approving the Statements of Position and the Statements of Comprehensive Income for year ending December 31st 2013. The Company also invited Khun Lertsak Suthamporn, an independent legal advisor from Khanung & Partner Law Firm, to oversee the meeting. This is to ensure transparency and compliance with laws and the Company's Articles of Association.

At the Annual General Meeting, the Company's secretary clearly informed the shareholders about voting and vote counting procedures. For example, under the directors' appointment agenda, the Chairman had proposed names of nominated directors to the shareholders for voting on an individual basis. The shareholders were given opportunities to raise queries and to express additional opinions prior to voting on each agenda. After the shareholders' voting, the Chairman immediately revealed the voting results in the meeting room.

2. Equitable Treatment of Shareholder

The Company treats all shareholders with equality and fairness, including executive or non-executive shareholders, foreign

shareholders, institutional shareholders, or minority shareholders. The Board of Directors ensures appropriate usage of shareholders' capital based on a belief that it is an important factor to increase their confidence in the Company. In addition, the Board of Director also had undertaken the followings:

- 2.1 The Board of Directors provided an opportunity for minority shareholders to propose meeting agendas for the 2014 Annual General Meeting and to nominate candidates for the directorship role in advance during October 1st, 2013 – December 31st, 2013. The shareholders had been informed via the Securities Exchange of Thailand's news system.
- 2.2 The Company provided an opportunity for shareholders who are unable to attend the meeting to confer their voting rights through a proxy, whereby shareholders could dictate the direction of the votes. A lawful proxy who had already filed the proxy documents had the right to attend and vote as a shareholder in all aspects. The Company also facilitated the shareholders who opt to sign a proxy for an independent director of the Company to attend the meeting on their behalf and proposed that the proxy be made out to Khun Soonthorn Arunanonchai, Chairman of the Audit Committee, who is an independent director, to vote on their behalf. A proxy and related documents as well as a resume of the Chairman can be found in attachments of the notification of 2014 Annual General Meeting.
- 2.3 The Company's Board of Directors encourages shareholders to use voting ballots for every agenda. Staff are provided to help collect voting ballots in the meeting room. Ballots will be collected in case shareholders disagree with or refrain from voting with the exception of the director appointment agenda where the shareholders would cast individual votes. Ballots will be collected for all cases of "agreed", "disagreed" or "no vote".
- 2.4 The Company has policy and procedures relating to information disclosure, use of internal information and securities trading in accordance with the rules and regulations of the Securities Exchange of Thailand and the good corporate governance principles.
- 2.5 The Company insists on all directors and executives, including newly appointed directors and executives, and their related parties to declare their stake holdings in the Company, in the format approved by the Board of Directors, to the Company's Secretary within 14 days from the date of appointment. In case of any information changes, they are to inform the Company's Secretary within 14 days from the date of the change. The Secretary of the Company is required to send the copy of stake holding report and / or report of said changes to the Chairman of the Board and Chairman of the Audit Committee within 7 days from the date of notification.

3. Stakeholders' Interest

The Company understands its responsibility and care towards stakeholders, such as shareholders, customers, employees, insurance agents and financial advisors, business partners as well as the society. The Company is determined to maintain a balance among all interests to ensure all stakeholders are protected and well treated, and hence, leading to full cooperation between the Company and its stakeholders. This is believed to be a critical factor in supporting the Company's sustainable growth. The Company has published a code of conduct for each stakeholder group, "Good Corporate Governance Guide - Moral and ethic in business practice" for the directors, executives along with employees at all levels so that they can study and use it as a guide with the following key contents:

Corporate Governance

3.1 The Company has established a guideline and rules of conduct for various stakeholders as follows:

Shareholders

The Company aims to develop sustainable growth of business by offering products that meet the customer needs, encouraging new innovations and increasing operational efficiency so that appropriate level of investment returns can be maintained for all investor groups.

Customers

The Company is determined to create financial security for its customers by providing advice on comprehensive financial planning for customers to lead a balanced life with financial stability and living quality through financial advisors, life insurance advisors, business partners and sincere employees.

Employees

The Company is determined to seek experienced professional from external source to pursue a world-class management which includes recruitment and retention of qualified employees by offering remunerations that are linked to the Company's performance and at a relative level offered by the same industry. The Company is pushing forward a learning culture and developing an environment where the employee are dedicated to their works and engaged to work together toward the Company's growth.

In 2014, the Company has organised training programs for employees within and outside the firm, including seminars attending and site visiting aboard. There were 169 courses in total and the average training hours per employee was at 29.14 hours.

Life Insurance Agents and Financial Advisors

The Company strives to improve efficacy of its life insurance agents and financial advisors to be specialised in financial planning for the public, able to offer quality and effective services. This is proven by the presentation to the Company of the following awards:

- Thailand National Quality Awards: TNQA
- International Quality Awards: IQA
- Million Dollar Round Table: MDRT

Partners

The Company has been focusing on strengthening relationships with its business partners continuously. Also, its service through bancaassurance, a long-time business partner, has been well received by customers.

Competitors

The Company treats its competitors with fairness and does not seek for their information dishonestly or unfairly.

Society, Community and Environment

The Company expresses its desire to be responsible for society, community and environment by continuously engaging in social activities in various areas such as education, sports, medical, public health and environmental preservation. The detailed activities have been disclosed within this report (for more information, see "Corporate Social Responsibility", page 63).

In addition, the Company has a policy in forging social awareness mentality in its executive officers and all levels of staff to realise the importance of acting for the benefit of society. This includes building a cooperative network of organisations to help accomplish the objective of supporting projects effectively and expansively. Furthermore, the Company encourages its employees on Resource Efficiency with the intention that they would form a habit that can be useful in their daily life.

3.2 Anti-Corruption

In 2014, the Company has been certified as a member “Thailand’s Private Sector Collective Action Coalition against Corruption” (CAC) and presented with the NACC Integrity Awards 2013 from the Office of the National Anti-Corruption Commission to honor the Company’s moral conduct, ethic and integrity.

4. Information disclosure and transparency

The Board of Directors has established a policy relating to a disclosure of financial and non-financial information in an accurate, complete, timely and transparent manner and in accordance to the laws through easy-to-access channels such as the Company’s website and Securities Exchange of Thailand’s news system, etc. This is to enable shareholders and investors to have access to information in a timely manner with the most valuable information.

Moreover, the Board of Directors has appointed an Investor Relations Unit, responsible for providing service and distributing news and information relating to the Company’s activities that would be beneficial to all concerned parties, being minority investors, institutional investors, general investors, securities analysts, local and overseas fund managers. Information is also provided by phone, by e-mail and through various activities.

Investor Relations Unit’s Contact Information

Khun Mathu-on Teeranunmongkol Telephone: 0 2777 8681

Khun Jindawan Na Rach Telephone: 0 2777 8672

Fax No. 0 2777 8680 or via E-mail : ir@bangkoklife.com

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

The Company has disclosed the Structure of the Board of Directors within this report (for more information, see “Shareholder and Management Structure”, page 38).

Terms of office of Board of Directors

The Company limits 3 years terms of office for each director. On every Annual General Meeting of Shareholders, one-third of the board must resign. If the number of directors on board could not be divided by three, the number of directors resigned shall be nearest to the number of one-third of the board though the resigned directors can be re-elected back to the board.

Terms of Office of Chairman and President

The Chairman and the President of the Company is not the same person. Though the Chairman is bloodline related to the President, the Board of Directors, in which one-third of the board is independent and expert directors, is committed and capable of effectively direct and balances the operating power and decision making of the management.

5.2 Role, Duty and Responsibility of the Board of Directors and Committees

The Company has disclosed the role, duty and responsibility of the Board of Directors within this report (for more information, see “Shareholder and Management Structure”, page 38).

5.3 Self Evaluation by the Board of Directors

The Company facilitates an assessment of the Board of Directors’ performance annually with evaluation criteria being as follows:

- Board of Directors Structure and Qualification
- Role, Duty and Responsibility of the Board of Directors
- Board of Directors Meetings
- Directors Performances
- Relationship with Management
- Directors self-development and development of executives

5.4 Compensations

5.4.1 Directors’ Fees

The Nominating and Remuneration Committee shall consider payment regulations and terms of payment of Directors’ fees according to the qualifications, abilities, suitability and responsibility of the Directors, together with the Company’s business expansion, operating performance and growth in profits along with comparing Directors’ fees with Directors’ fees paid by leading companies on the Securities Exchange of Thailand in the same industry. The Committee shall submit its proposals to the Board of Directors, who shall in turn submit the matter for approval at the Ordinary General Meeting.

5.4.2 Executive officers’ Compensations

The Nominating and Remuneration Committee shall consider the performance of Executive Officers at a level higher than or equivalent to the Executive Vice President in determining compensation. The Committee considers various factors of responsibility, the Company’s operating performance, undertaking of business operations in accordance with the Board policy, performance under business and social conditions, business development skills as well as ability to increase efficiency in the annual business operations cycle. The Committee submits its proposal to the Board of Directors for approval then the Chairman of the Board shall convey the Board’s decision to the President.

5.5 Director and Executive Development

The Company’s Board of Directors encourages the development of Directors and Executives by arranging new directors to attend training courses relating to the role of directors and the Company’s business nature. The Company also encourages the Executives and all personnel who are involved with the Company’s corporate governance system to attend training courses and various seminars that are organised by the Thai Institute of Directors, The Securities Exchange of Thailand and others organisations.

Internal Control and Internal Audit

Internal Control and Internal Audit

Recognising the importance of internal control and internal audit, the management of the Bangkok of Directors ensures the effectiveness in business operation and providing stability needed to achieve the Company's objectives and goals in every aspect – strategic planning, operation and reporting as well as compliance with policies, legislations, regulations, guidelines and Anti-corruption measurements.

The Company has appointed an Audit Committee - comprising independent directors to review the appropriateness and effectiveness of Internal Audit and control system with high-performances and regularly report to the Board for considerations.

The Committee reviews the adequacy of internal controls covering 5 components, Internal Control, Risk Assessment, Operational Control, Information Systems and Data Communications. The tracking system evaluated that the Company's internal controls are adequate and supported the implementation of objectives effectively. Detail are as follows:

1. Internal Control

- 1.1 The Company is committed to conducting insurance business with the principle of honesty and sincerity. Policy holders and stakeholders are upon the principles of justice, fairness and equal treatment, without discriminations and we maintain on confidentialities and security of the holders. The Company organises a structure that supports the administration effectively. A Guide to Corporate Governance (Code of Conduct) to the Board of Directors, management and employees in the same way as a general guidance. The violation of guidelines will be investigated, punishments to be conducted regardless of the violators' statuses, damage level and any impact to the Company.
- 1.2 The Board of Directors is responsible for considerations and approvals of significant matters that are related to the implementation of a 5-year business plan (2013-2017) to keep all sectors heading in the same direction, based on the philosophy, mission and customers benefits. Board of Directors and Management roles are defined under the laws and regulations of the Company's charter, assigning the Nominating and Remuneration Committee, selecting Directors and Specialists with regard to the knowledge, experience and expertise that are beneficial to the Company. In which, the proportion of independent directors must be in accordance with good governance.
- 1.3 The Board of Directors has established the Internal Audit Department, which report directly to the Audit Committee in order to access the effectiveness of internal control, system effectively, organise an organisational structure and define reporting line. Establishing roles and responsibilities between the Board of Directors, management and employees at each level in writings is to enable an adequate and effective internal control.
- 1.4 The Company has policies and programs facilitate the continuing development of staffs that based on the mission and values of the organisation and building up a good relationship with the educational institutions by taking part in the institutional activities, inclusive of the creation of a standardised test in screening for suitable candidates who are appropriate for the Company. This screening procedure proceeds without discrimination of development of employees. The Company has policies to focus on 'self development' which is defined by performance evaluation system to enforce all employees to develop selves no less than 6 days per year and providing courses and trainings in distinct levels. The fundamental course that all employees must follow all tasks and corporate values, such as Financial planning, services, team work, including professional qualification supports such as LOMA (Life Office Management Association), SOA (Society of Actuaries), CFP (Certified Financial Planner), CFA (Certified Financial Analyst) and CISA (Certified Investment and Securities Analyst).

Internal Control and Internal Audit

The Company has Happy Work Place policy to encourage employees to achieve work life balance and be happy with family, worklife and society.

The Company has performance evaluation in relation to the consideration of incentive bonuses, salary increase and progress in career path by encouraging communication between supervisors and employees, and signed acknowledgment of the evaluation by employees.

The Company is in preparation for a lack of personnel by providing scholarships in various fields, especially in professions for both undergraduate and graduate locally and abroad, for all employees and ostensibly to prevent staff shortage of the Company's core profession.

1.5 The Company recognises the importance of having an effective internal control, therefore conducting internal control policies which is a key component of good corporate governance for the evaluation of performances, motivation and rewarding the right to be considered from a measurement of core operations, or KPI (Key Performance Indicator). The Company's internal control is a part of the operational performance within among normal operations in all levels and requiring all sectors to have the right internal controls to enhance the efficiency in working operations.

2. Risk Assessment

2.1 The Company has written risk management policies which considered, set framework and limitation by the Risk Management Committee and then approved by the Board of Directors. These policies are communicated throughout the organisation along with a Risk Management guideline publication for practical instructions and employees trainings to understand the risks involved the Company internally. With financial report information and non-financial public sector standards set determined by analysis and reports prepared by the accounting and business planning to be presented to the Board of Directors and Board of Executives on a monthly basis.

2.2 The Company has a risk management plan that works with the relevant authorities to determine the scope and risk, such as the Funding Management. Establishing an acceptable level of risk and Risk Limit of each task and set up staff and line segments together in a related field, to plan operations alongside with risk management plan using the principles of risk assessment scoring system in accordance to the international standard (COSO) as a guideline.

2.3 The Company provides various channels for reporting corruption such as postcard, e-mail, phonecall Company's website and reporting directly to Company's managements or employees. These reports are used as data source to estimate opportunity/possibility of fraud. The Company keeps records of risk and damage occurred to determine preventive measure and probability of re-occurrence that may occur in the future.

2.4 The Company has identified and assessed the changes that may cause a significant impact to the internal control system appropriately, based on the laws and regulations, economic and environmental issues.

3. Operational Control

3.1 The Company's internal control policies and is disclosed on the Company's websites and networks within the organisation (Intranet). The Company's internal control, as a part of the latent performance with regular practice in all functions and levels, particularly in financial and its core activities such as product development, determining premium rates, underwriting, compensation management, reinsurance, business investment, receipt and payment under the Internal Control procedures, must be clearly linked and significant enough and consisting with the level of risk accepted by the Company.

- 3.2 The Company has implemented measures of orderly conduct to control access to information of the Company, and announced that management and employees have been acknowledged accordingly. This includes the determination of the right to access and correct information, prohibition of publishing information that would violate the law and has not been authorised by the Company. These information and procedures are reviewed and analysed regularly.
- 3.3 The Company has a strict policy to prohibit Directors, Executive Officers and employees to provide insider information for their own benefits, this includes selling securities. The Company has a strict policy and maintains procedures that protect the use of insider information by its Directors, Executive Officers and employees for their own benefits. This includes unauthorised buying and selling of securities. Severe punitive measures are imposed if it was found that confidential information of the Company has been used for their own personal gains, or making unauthorised disclosure of confidential information. The Company has Compliance Office, which report directly to the Audit Committee to help co-ordinate and to ensure that business undertakings are conducted in compliance with the required rules of the law as well as setting up the Internal Audit Department to evaluate the Company's operations to be in conformity with law and regulations. There is the Legal Office to ensure that transactions, contracts and agreements are accurate and in compliance with the law. The operational code of conduct and policy will be reviewed once a year. Furthermore, The Company places great importance in its Business Continuity Plan by providing emergency tests and testing of its data back-up facilities to ensure that various back-up systems are operable according to plan.

4. Information Technology and Communication System

- 4.1 The Company has an information technology and communications system that is accurate, adequate and timely for use in its decision-making process. The information will be used to assist the Board of Directors' decision-making process, preparing invitation letters for the Board's and committees' meetings as well as meeting agenda and attachments which specify crucial, necessary and sufficient information to study prior to attendance. The information will be submitted to meeting attendees earlier than minimum time prescribe by law. The detail information of meeting report is sufficient, auditable and can be used as audit evidence in the future. For example, there are records of committee's query on level of assured funding reserve or disagreement on new form of insurance policy. The Company has chosen appropriate accounting policies, in compliance with the Financial Reporting standards, has external auditors to express their opinions and approve the Company's financial statements. The Company stores importance accounting & financial documents in special room dedicated for sensitive files and backup accounting data off-site on regular basis.
- 4.2 The Company uses internal communication channels such as Email and Intranet, to keep its employees well informed of policies, regulations, operation manual as well as news that is relevant to operate tasks or reviewing transactions. As for external communication channels, the Company's website is used to keep the stake holders well informed of news and movements as well as for stake holders to file complaints, report fraud or operational issues. They can also send postal mail to Customer Service Center. Moreover, The Company has established work units to facilitate coordination with Office of Insurance Commission (OIC), namely, Complain Unit and Compliance office.
- 4.3 The Company has Whistle-blower hotline for work units or personals, from both inside and outside the Company, to report corruption, fraud, and unlawful acts, violation of rules or regulations and inaccurate items in financial reports, via Email or send postal mail directly to Audit Committee. The Company has operating procedures to keep confidentiality of the information.

Internal Control and Internal Audit

5. Monitoring System

- 5.1 The Company has prepared report regarding business undertakings for comparison with operating targets and presented it to Executive Board and Board of Directors to review on regular basis. The Company's Monitoring System is reliable and in compliance with general standard the organisation should have, whether to be reporting of unusual activities to the director, a review from attorney, a review from compliance office, an evaluation and monitoring from internal auditor.
- 5.2 If overall operation outcome is different from operating target, Managing Department will track down the causes and take corrective action in timely manner. The Internal Audit department is required to push forward evaluation reports as well as corrective adjustment progress reports to the Audit Committee and ready to report on the progress of any defect improvement to the Audit Committee on a quarterly basis.

Office of Compliance and evaluation of policy and operational framework, Risk Management, the regulatory and legal compliance are ready to report weaknesses and vulnerability assessment solution with the report on progress in improving risk to the management and the Audit Committee. Risk Management Division has a tracking system and management evaluation and risk. Alarms are set to manage risk effectively with results reported to the Risk Management Committee, on a quarterly basis likewise.

The Board of Directors' meeting No. 1/2558, held on February 25th, 2015, the Board of Directors has reviewed the adequacy of internal controls for the year 2014. The findings of the report have been reviewed by the Audit Committee and concluded that Internal controls are adequate and appropriate. The Company will provide adequate personnel to be implemented effectively, to prevent assets of adoption wrongfully or without authorisations, as well as transactions with persons who may have a conflict and persons associated, under rightful laws, regulations and policies, in the same way with the implementation of another general to avoid conflicts of interest.

Internal Audit

The Company has established the Internal Audit Department, which is independent in operation and report directly to the Audit Committee in order to assess the adequacy and effectiveness of internal controls, risk management system, monitoring compliance with the relevant policies, good corporate governance and the Company's code of business conduct in accordance of the annual audit plan, based on goals, objectives, strategies and risk factors related to the control point that will affect the achievement of the Company. The audit plan has passed and approved by the Audit Committee. Moreover, the Internal Audit Department also has a charter of its vision, mission, goals, objectives, responsibilities, including the right to perform the activity audit clearly and the audit manual that could be used as an auditing standard for auditors in order to improve the efficiency of operations and compliance with the international standards for the professional practice of Internal Auditing.

In addition to the appointment, transfer and dismissal of the chief Audit Executive must be approved by the Audit Committee which is based on authority and responsibility under the charter of the Audit Committee, in which were approved by the Board of Directors.

Related Transactions

Nature of Related Transactions

The Company has some related party transactions with related undertakings or shareholding and/or of directors. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form oblige by contract. Most of said transactions are entered into the ordinary courses of business, the price and the conditions of the transactions would be the same as for other normal business transactions. Details of the transactions are disclosed in Notes to Financial Statements of the year 2014.

Necessity and Reasonableness of Related Transactions

The Related Transactions support the Company's operation as in maintaining and expanding customer base, business development to be progress on a path of stable and sustainable disclosed by auditor in Note to Financial Statement. This business undertaking is in accordance of the terms and regulations, related terms, with fairness in regard to the best interests of the Company, as well as to do with outsiders with reasonable price. This also includes the disclosure of accuracy and sufficient information.

Procedures for Approval of Related Transactions

The Company has multi-level internal control system with verification, in compliance to law, regulations and operation policy, the business undertaking with other party in general, in order to prevent conflict of interest in Relating Transactions, the Company ensures that such transactions comply with the orders, regulations and guidelines issued by the Stock Exchange of Thailand. By disclosing of transactions according to the account given by the Federation of Accounting Professions, in which the Audit Committee has considered and reviewed the prospectus and the reasonableness of the transactions. The summary is to be reported to the Board of Directors on a quarterly basis.

Policy for Future Related Transactions

The Related Transactions that the Company would undertake in the future are in accordance to necessity and reasonableness defined above, along with evaluation of reasonableness from the Audit Committee. The Company will comply with the Securities and Exchange Act as well as regulations, announcements and orders of the Stock Exchange of Thailand.

However, the Company is intending to conduct the business in a clear, transparency and ethical manner to its customers, partners and shareholders as well as holding the Company interests first and foremost.

Risk Management Committee Report

Dear Shareholders,

The Company focused on risk management which is considered as an important mechanism and a management tool to help achieve corporate objectives and goals by setting up risk management policy and action plans including risk assessment, measures of risk prevention and mitigation, as well as regular monitoring to ensure that the Company will achieve business objectives and goals. The Company aimed at development of comprehensive risk management system consistent with Enterprise Risk Management Integrated Framework which was carried out systematically and continuously corresponding with strategic planning and operation under Good Corporate Governance practices.

The Risk Management Committee has been assigned to carry out its mandated duties and responsibilities by the Board of Directors. In the year 2014, the Risk Management Committee convened 3 times to discuss significant issues which can be summarised as follows:

1. On a regular basis, assess and monitor the Company's key risks that may affect the level of risk appetite, by requiring related work units to be responsible for preparation of the report on performance outcome and risk management to the Risk Management Committee as shown below:
 - 1.1. Report on Risk-based Capital under regulatory requirements evaluation on Capital Adequacy Ratio and Stress Test.
 - 1.2. Asset and Liability Management, Risk-based Capital Efficiency Analysis, Cash Flow Matching and Duration Management
 - 1.3. Analysis of investment portfolio based on Value at Risk (VaR), Analysis of interest rate sensitivity and Analysis of stock price sensitivity.
 - 1.4. Assessment of financial ratio applied in Early Warning System.
2. In relation to the Company's structure, assign the Risk Management Department in producing Risk Self Assessment Template to consider annual risk management plans from those all work units evaluate and prioritise risks, including identifying risk impact and defining solution to keep the risk at tolerable level or to decrease its occurrence.
3. Monitor and review the operation under determined risk management policy and framework to ensure that the Company has effective and systematic risk management by authorising the internal audit to monitor and review the Company's risk management in order to achieve set objectives.
4. IT risk management, Data center management, Information backup system, Development of operation support application.
5. Business Continuity Management, preparation of data center and disaster recovery site, Business Continuity plan testing and Contingency Plan.
6. Encouraging and cultivation on risk management culture by creating risk awareness using risk assessment survey on all work units.

Having performed the above tasks, the Risk Management Committee has confidence that the risk management of the Company is continuing and effectively implemented in accordance with the principles of Good Corporate Governance and also having adequate internal controls, accurately and fully in compliance with laws and regulations related to the business.



Mr. Prapan Atsawa-aree

Chairman of the Risk Management Committee

Key Risk Factors and Risk Management

As a result of global economic downturn and uncertainty, particularly around yearend as well as political situation throughout the year 2014, business sectors have had to adapt themselves in an intensely competitive market. In the meantime, many of government's policies are in the session of draft presentation for the private sectors' opinion before promulgated into laws.

Some policies expected to be enacted in a few years, such as Maintaining Capital Fund according to Risk Based Capital Phase II that intensified capital reserve requirement, including defining investment policies and investment in other businesses in order to be well prepared for current situation and continuously responsive to the customers' needs.

Having realised potential risk factors, the Company determined its strategies to increase effectiveness of risk management covering key risks to prevent significant impact on the Company's operation and goal achievement as well as maintaining competitive capacity and profit opportunities by considering the short term and long term management measures and approaches from the Company's key risk factors as follows:

Key risk factors and risk management approaches:

1. Market and Investment Risks

These risks arose from global economic uncertainty which derived from residual effects of the Euro financial crisis, Japan and China economy, demand shortage causing economic slowdown, market instability leading to interest rate volatility. These factors, in turn, affect the valuation of asset and liability, capital requirement and fluctuation of capital market and consequently impact the Company directly and indirectly, hence the Company has implemented the following major risk management plans:

1.1 Sale Income Risk

The market instability has brought about lack of confidence in saving through life insurance, business competition and operational risk inconsistent with targeted goals which affect the income and profit of the Company.

However, the Company is confident in expansion and focus strategies on both new and existing customers through proper distribution channels, coupled with marketing plan and efficient cost management, creation of company image and trust, together with developing and expanding branch service with quality standard.

1.2 Investment Income Risk:

The Company has to manage the investment in proper asset to generate adequate return on investment that matches with obligations and costs by considering an increase in investment portfolio in other asset classes than government bond while simultaneously taking into account the risk and risk-based capital requirement.

Furthermore, the Company has considered other businesses than life insurance in order to gain more return, with regards to capability, operation system, personnel, and corporate resources. The Company has already defined investment policies and plans, which strictly complied with the regulation of the Office of Insurance Commission (OIC).

2. Interest Rate Risk

The risk from interest rates that are always changing and tend to decrease over time affects the valuation of the Company's asset and liability. The Company has evaluated to address interest rate risk adequately to ensure smooth and effective operation by considering the return on investment in the allocation of capital fund as follows:

Key Risk Factors and Risk Management

1. Closely monitor the interest rate change on regular basis to assess the impact on Capital Adequacy Ratio (CAR Ratio) and intensify focus in case of significant changes.
2. To maximise Cash Flow Matching and reduce Interest Rate Risk Charge, the Company managed its investment with duration matching between asset and liability thus reducing Liquidity Risk in the future.

3. Operational Risk

This risk comes up from staff performance, operation process, IT implementation and other external factors. The Company then formulates preventive and corrective measures as well as encourages risk management on many aspects as follows:

1. Personnel

The Company promotes self development among its employees to be knowledgeable and skillful in what they do as well as sufficient and adequate recruitment and providing the right tool for the job.

2. Work process

The Company continues to improve thus increase effectiveness of various work processes as well as produces work manuals for key functions, such as product design and development process, claim payment process and finance & accounting process, including risk assessment in each process to set proper risk management plan to get ready for risk event that may occur.

3. IT

Continuous IT development and appropriate procurement have been made, especially database technology and related operational systems.

4. Business Continuity Management (BCM)

The Company places priority to prompt service for customers so as to be ready for swift solution to make services available in case of emergency situation. The Company has developed and improved the business continuity plan (BCP) continuously, and also conducted emergency drills and testing of disaster recovery site to ensure that all work systems can effectively operate as planned. In this regard, the Company keeps the risk tolerance from system downtime at low level to ensure ongoing service for customer satisfaction.

Nominating and Remuneration Committee Report

Dear Shareholders,

Appointed by the Board of Directors, the Nominating and Remuneration Committee is comprised of 4 directors including an Independent Director as Chairman of the Committee and one Executive Officer as a committee member. The term of office for each committee member is equal to his/her term as Company Director.

During the year 2014, the Committee has performed its duties in accordance with the charter of the Nominating and Remuneration Committee to recruit new directors in replacement of those retired by rotation, to consider directors' remuneration as well as to appraise and remunerate the President.

In recruiting new directors, the Committee has selected qualified candidates in accordance with the guidelines given by the Board of Directors and the regulatory requirements. Thus, the nominated directors can properly provide insightful opinions on business operations in the best interest of stakeholders. The candidates were selected among honourable and experienced experts in various professions - both in private and government sectors. The Committee has taken into account their history of moral conduct and ethics, positive attitude towards the organisation, maturity, professionalism, and ability to devote sufficient time to the Company.

In determining the remuneration of the Directors and the President, the Committee has developed an appraisal system, taking their suitability for the job, assigned responsibilities and performance into consideration. The Committee has conducted the process in a transparent and clear manner to ensure that the remuneration reflects roles and responsibilities of the Directors and the President are comparable with those of other leading listed companies on the Stock Exchange of Thailand and those in the same industry. The remuneration is sufficiently attractive to motivate the Directors and the President to fulfill their duties stipulated by the Board of Directors and yield long-term benefits for the Company and its shareholders.

The detailed account of remuneration for the Directors and Executive Officers is given in the topic "Directors and Executive Officers' Remuneration" in this Annual Report.



Dr.Siri Ganjarende

Chairman of the Nominating and Remuneration Committee

Audit Committee Report

Dear Shareholders of Bangkok Life Assurance PCL.,

The Audit Committee, whose members were appointed by the Company's Board of Directors, comprises 3 Independent Directors. All the members of the Audit Committee possess substantial knowledge, well expertise and/or experienced in accounting & finance, meet the requirements and regulation of the Stock Exchange of Thailand. The Audit Committee are skilfully, knowledgeably and conscientiously carried out its mandated duties and responsibilities with sufficient independence and access to unlimited information from executive officers, employees and all relevant parties. The Audit Committee has provided comments and suggestions for the benefits of all stakeholders without prejudice.

In 2014, the Audit Committee convened 6 times with all its members attended at meetings. The meetings allowed the Committee to meet with executive officers, members of the Internal Audit Department and external auditors, to exchange information and opinions on relevant matters. The Committee's findings can be summarised as follows:

1. The Committee reviewed the quarterly and annual financial statements which have been certified by the external auditor. The Committee invited all executive officers concerned and the external auditors to attend the meeting to ensure thorough correctness of financial statements and significant transactions and the external auditors reported opinions without any financial statement conditions. Moreover, the Audit Committee convened one meeting with the external auditors without the presence of the Company's management for an independent discussion on data and financial statement preparation issues, whereby the Audit Committee deemed the Company's financial report to be correct and in accordance of Generally Accepted Accounting Principle (GAAP).
2. The Committee reviewed the internal control system by discussing with the Internal Audit Department regarding on observations in auditing reports, and discussed with the external auditors regarding the internal control and risks of the Company under the work scope of the external auditors. The Committee also considered the assessment on sufficiency of the Company's internal control system and risk management according to the regulations set forth by the Office of the Securities and Exchange Commission (SEC). In addition, the Committee reviewed the self-assessment regarding measures against corruption, and according to this matter, the Company has been certified by the Private Sector Collective Action Coalition Against Corruption Council (CAC). The Committee has found the Company's internal control to be sufficient and risk management is circumspect and appropriate to sustain the fulfillment of the Company's aims and objectives effectively and efficiently.
3. The Committee reviewed the Company's internal auditing system to ensure that it is appropriate and efficient by analysing and approved the audit plans of the Internal Audit Department as well as followed up on the implementation. The Committee received information on the results thus executed suggestions made on the internal audit reports. The Committee found the Company's internal auditing system to be sufficiently independent. Annual auditing plans are in accordance with the Company's objectives and risks. Auditing operations are continuously developed in compliance with international standards for the professional practice of Internal Auditor.
4. The Committee reviewed the Company's operations to comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and all legislations pertaining to the Company's business operations. The Company has Compliance work unit which operates independently and reports directly to the Audit Committee, to ensure all units within the Company to be strictly abided by the relevant law, rules, regulations and ethics. Thus far, the Company has appropriately operated in accordance to related laws and regulations.

5. The Committee discussed, selected and proposed the Company's external auditors and the auditors' remunerations for the year 2014 to the Board of Directors pending the approval from the shareholders' meeting. Selection is based on the auditor's independence, quality, auditing experience, capability and experience in auditing assurance business. Moreover, auditor's remuneration was carefully considered and compared. KPMG Phoomchai Audit Ltd. has been found to be independent, with the standard knowledge and experience in international auditing.
6. The Committee reviewed and provided its opinions on connected transactions and transactions with potential conflicts of interests to ensure that such transactions comply with the orders, regulations and guidelines issued by the Stock Exchange of Thailand. In addition, the Committee ensured that the transactions are carried out with fairness and for the best interests of the Company and common commercial terms at fair prices and that information is sufficiently, accurately and fully disclosed.

The Audit Committee has evaluated itself on the duties and responsibilities undertaken in 2014 by thoroughly reviewing propriety of the structure, composition and scope of responsibility. The Committee came to the conclusion that its performance has met the requirements and guidelines laid down by the Stock Exchange of Thailand.

Moreover, stakeholders have direct access to the Audit Committee via the E-mail address posted on the Company's website in order to raise any issue concerning violation of law or ethics, financial reports and internal control systems in the interest of transparency in the business operation and timely resolution of the issues.

For an overall conclusion, the Audit Committee is of the opinion that the financial report of the Company is correctly and completely presented. The disclosure of information is adequate, timely and relevant, with appropriate and concise internal control, and monitored its operations to comply with relevant laws of its business, connected transactions and conflicts of interest that are of significance and benefit for the Company, together with appropriate risk management and allocate much importance to operate business with efficiency, transparency and sound corporate governance.



Mr. Sunthorn Arunanondchai

Chairman of the Audit Committee

February 23rd, 2015

Board of Directors' Responsibility for Financial Report

Dear Shareholders,

The Board of directors is responsible for the consolidated financial statement and the separate financial statement as well as of financial information presented in the annual reports. The consolidated financial statement and the separate financial statement for the year ended December 31st, 2014 have been prepared in accordance with Thai Financial Reporting standards. It has chosen appropriate accounting policies and exercised carefully judgment in adequate disclosure of essential information in notes to the financial statements. The Certified Public Accountant from KPMG Phoomchai Audit Ltd has audited the financial statements who expressed an unqualified opinions in the report of the auditor.

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

The Board of Directors is of the opinion that the overall internal control systems of the Group and the Company are adequate, appropriate, and give rise to the reasonable confidence that the consolidated financial statement and the separate financial statement as at December 31st, 2014 are fairly presented financial position, financial performance and cash flows, in all material respects, and in accordance with Thai Financial Reporting standards.



Mr. Choedchu Sophonpanich
Chairman



Mr. Chone Sophonpanich
President

Independent Auditor's Report

To the Shareholder of Bangkok Life Assurance Public Company Limited

I have audited the accompanying consolidated and separate statements of financial position of Bangkok Life Assurance Public Company Limited and its Subsidiary (the "Group"), and of Bangkok Life Assurance Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014; the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and cash flows for the year ended, and notes, comprising a summary of significant accounting policies and other explanatory informations.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Other Matter

The financial statements of the Company for the year ended 31 December 2013, were audited by another auditor who expressed an unmodified opinion on those statements on 19 February 2014.



Chanchai Sakulkoedsin

Certified Public Accountant Registration No. 6827
KPMG Phoomchai Audit Ltd.
Bangkok : 25 February 2015

Statements of Financial Position

(in Baht)

Assets	Note	Consolidated financial statements		Separate financial statements		
		31 December		31 December		1 January
		2014	2014	2013	2013	2013
				(Restate)	(Restate)	
Cash and cash equivalents	5, 35	5,707,563,957	5,703,471,620	1,331,190,953	865,845,947	
Accrued investment income		2,344,008,443	2,344,008,443	1,862,525,767	1,500,076,847	
Premiums due and uncollected	6	1,725,232,732	1,725,232,732	1,839,665,535	1,612,729,639	
Reinsurance receivables and assets	7, 35	763,784,679	763,784,679	790,087,943	510,012,812	
Investments						
Investments in securities	8, 35, 37, 38					
Trading securities		17,070,295	17,070,295	100,057,865	477,236,368	
Available-for-sale securities		22,012,881,057	22,012,881,057	20,187,669,759	18,395,331,360	
Held-to-maturity securities		176,161,022,628	176,161,022,628	141,302,778,338	115,723,500,812	
General investments		46,662,230	46,662,230	46,962,230	46,962,230	
Loans	9, 35	4,735,056,801	4,735,056,801	3,525,693,845	2,649,100,421	
Investment in subsidiary	4, 10	-	3,960,000	-	-	
Premises and equipment	11	389,242,663	389,200,127	326,614,377	304,954,930	
Goodwill	4, 12	4,955,491	-	-	-	
Intangible assets	13	12,819,227	12,819,227	19,447,445	17,202,032	
Deferred tax assets	14	1,482,422,298	1,482,422,298	-	-	
Other assets	15, 35	186,867,026	190,501,644	462,620,007	665,580,153	
Total assets		215,589,589,527	215,588,093,781	171,795,314,064	142,768,533,551	

(in Baht)

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements		
		31 December		31 December		1 January
		2014	2014	2013	2013	(Restate)
Liabilities						
Securities sold under repurchase agreements		-	-	950,000,000	200,000,000	
Income tax payable		499,591,781	499,591,781	257,241,894	581,526,761	
Due to reinsurers	16, 35	379,721,980	379,721,980	450,008,758	400,098,875	
Insurance contract liabilities						
Life policy reserves	17	177,434,670,858	177,434,670,858	136,616,421,004	111,259,206,400	
Unpaid policy benefits	18	117,066,846	117,066,846	106,522,690	95,851,579	
Loss reserves and						
outstanding claims	19, 35	315,052,056	315,052,056	299,680,012	343,086,954	
Premium reserves	20	1,056,888,385	1,056,888,385	1,021,135,062	1,078,120,949	
Other insurance liabilities	21	7,642,205,834	7,642,205,834	7,415,002,200	7,315,711,342	
Employee benefit obligations	22	329,414,333	327,718,356	299,382,694	266,958,660	
Deferred tax liabilities	14	-	-	31,761,253	508,303,081	
Other liabilities	23, 35	2,238,701,928	2,235,949,029	2,084,501,858	1,254,899,881	
Total liabilities		190,013,314,001	190,008,865,125	149,531,657,425	123,303,764,482	

Statements of Financial Position

(in Baht)

Equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		1 January	
		2014	2014	2013	2013
				(Restate)	(Restate)
Equity					
Share capital	24				
Authorised share capital					
1,708,000,000 ordinary shares of Baht 1 each (31 December 2013)					
: 1,220,000,000 ordinary		1,708,000,000	1,708,000,000	1,220,000,000	1,220,000,000
Issued and paid-up share capital					
1,697,850,000 ordinary shares of Baht 1 each (31 December 2013)					
: 1,211,714,350 ordinary shares of Baht 1 each)		1,697,850,000	1,697,850,000	1,211,714,350	1,204,771,855
Share premium	24	2,987,540,018	2,987,540,018	2,846,250,643	2,759,469,456
Capital reserve on share - based payments	24, 26	103,822,366	103,822,366	66,068,779	28,315,191
Subscriptions received in advance					
from exercise of warrants	24, 26	-	-	1,246,050	35,477,257
Retained earnings					
Appropriated					
Legal reserve	25	170,800,000	170,800,000	122,000,000	122,000,000
General reserve	25	400,000,000	400,000,000	400,000,000	400,000,000
Unappropriated		14,677,674,816	14,680,638,015	13,225,119,255	9,761,362,477
Other components of equity					
Net fair value change in available-for-sale securities, net of income tax	8	5,538,578,257	5,538,578,257	4,391,257,562	5,153,372,833
Equity attributable to shareholders					
of the Company		25,576,265,457	25,579,228,656	22,263,656,639	19,464,769,069
Non-controlling interests		10,069	-	-	-
Total equity		25,576,275,526	25,579,228,656	22,263,656,639	19,464,769,069
Total liabilities and equity		215,589,589,527	215,588,093,781	171,795,314,064	142,768,533,551

(in Baht)

	Note	Consolidated financial statements for the year ended 31 December	Separate financial statements for the year ended 31 December	
		2014	2014	2013
Revenues	35			
Net premiums earned	28	51,172,063,955	51,172,063,955	38,795,181,586
Net investment income	29	8,811,629,513	8,811,629,513	7,055,872,646
Total revenues		59,983,693,468	59,983,693,468	45,851,054,232
Expenses	35			
Underwriting expenses	28			
Life policy reserve increase				
from the previous year		40,818,249,854	40,818,249,854	25,357,214,604
Benefits payments to life policyholders		11,096,607,972	11,096,607,972	9,599,304,983
Insurance claims and loss				
adjustment expenses		1,287,791,017	1,287,791,017	1,251,922,002
Commissions and brokerages		2,806,976,538	2,805,343,254	2,705,207,319
Sales promotional expenses		310,571,097	310,527,799	351,602,258
Other underwriting expenses		28,641,899	28,641,899	31,013,149
Operating expenses	30, 31	1,880,717,001	1,877,690,771	1,720,361,682
Total underwriting expenses		58,229,555,378	58,224,852,566	41,016,625,997
Profit from underwriting		1,754,138,090	1,758,840,902	4,834,428,235
Gain on investments		1,514,736,332	1,514,736,332	592,982,350
Loss on fair value changes		(71,684,020)	(71,684,020)	(47,808,690)
Other income		48,052,445	46,342,763	39,199,458
Profit from operation		3,245,242,847	3,248,235,977	5,418,801,353
Contribution to Office of				
Insurance Commission		85,256,740	85,256,740	68,845,833
Contribution to Life Guarantee Fund	39	51,810,128	51,810,128	39,079,187
Profit before income tax expense		3,108,175,979	3,111,169,109	5,310,876,333
Income tax expense	32	446,452,906	446,452,906	930,372,218
Profit for the year		2,661,723,073	2,664,716,203	4,380,504,115

Statement of income

(in Baht)

	Note	Consolidated financial statements for the year ended 31 December	Separate financial statements for the year ended 31 December	
		2014	2014	2013
Profit attributable to				
Shareholders of the Company	33	2,661,753,004	2,664,716,203	4,380,504,115
Non-controlling interest		(29,931)	-	-
Profit for the year		2,661,723,073	2,664,716,203	4,380,504,115
Earnings per share	33			(Restated)
Basic earnings per share		1.57	1.57	2.59
Diluted earnings per share		1.57	1.57	2.58

Statement of comprehensive income

(in Baht)

	Note	Consolidated financial	Separate financial	
		statements For	statements For	
		the year ended 31 December	the year ended 31 December	
		2014	2014	2013
Profit for the year		2,661,723,073	2,664,716,203	4,380,504,115
Other comprehensive income	32			
Net change in fair value of available-for-sale securities		1,434,150,869	1,434,150,869	(952,644,089)
Income tax on other comprehensive income	14	(286,830,174)	(286,830,174)	190,528,818
Other comprehensive income for the year, net of income tax		1,147,320,695	1,147,320,695	(762,115,271)
Total comprehensive income for the year		3,809,043,768	3,812,036,898	3,618,388,844
Total comprehensive income attributable to				
Shareholders of the Company		3,809,073,699	3,812,036,898	3,618,388,844
Non-controlling interests		(29,931)	-	-
Total comprehensive income for the year		3,809,043,768	3,812,036,898	3,618,388,844

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments
For the year ended 31 December 2014				
Balance at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779
Transactions with shareholders, recorded directly in equity				
Contributions by and distributions to shareholders of the Company				
Share-based payments	24	-	-	37,753,587
Share capital increase as result of warrant exercises	24, 26	1,035,650	12,945,625	-
Transfer to legal reserve		-	-	-
Issue of ordinary shares for stock dividend	24, 34	482,324,638	-	-
Issue of ordinary shares by private placement	24	2,775,000	128,343,750	-
Issue of ordinary shares to employee provident fund	24	362	-	-
Dividend to shareholders of the Company	34	-	-	-
Total contributions by and distributions to shareholders of the Company		486,135,650	141,289,375	37,753,587
Changes in ownership interests in subsidiary				
Acquisition of non-controlling interests without a change in control	4, 10	-	-	-
Total changes in ownership interests in subsidiary		-	-	-
Total transactions with owners, recorded directly in equity		486,135,650	141,289,375	37,753,587
Comprehensive income for the year				
Profit		-	-	-
Other comprehensive income				
Net change in fair value of available-for-sale securities, net of income tax		-	-	-
Total comprehensive income for the year		-	-	-
Balance at 31 December 2014		1,697,850,000	2,987,540,018	103,822,366

(in Baht)

Consolidated financial statements

Subscriptions received in advance from exercise of warrants	Retained earnings			Other components of equity		Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Legal reserve	General reserve	Unappropriated	Net fair value change in available-for-sale securities				
1,246,050	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639	-	22,263,656,639	
-	-	-	-	-	37,753,587	-	37,753,587	
(1,246,050)	-	-	-	-	12,735,225	-	12,735,225	
-	48,800,000	-	(48,800,000)	-	-	-	-	
-	-	-	(482,324,638)	-	-	-	-	
-	-	-	-	-	131,118,750	-	131,118,750	
-	-	-	-	-	362	-	362	
-	-	-	(678,072,805)	-	(678,072,805)	-	(678,072,805)	
(1,246,050)	48,800,000	-	(1,209,197,443)	-	(496,464,881)	-	(496,464,881)	
-	-	-	-	-	-	40,000	40,000	
-	-	-	-	-	-	40,000	40,000	
(1,246,050)	48,800,000	-	(1,209,197,443)	-	(496,464,881)	40,000	(496,424,881)	
-	-	-	2,661,753,004	-	2,661,753,004	(29,931)	2,661,723,073	
-	-	-	-	1,147,320,695	1,147,320,695	-	1,147,320,695	
-	-	-	2,661,753,004	1,147,320,695	3,809,073,699	(29,931)	3,809,043,768	
-	170,800,000	400,000,000	14,677,674,816	5,538,578,257	25,576,265,457	10,069	25,576,275,526	

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments
For the year ended 31 December 2013				
Balance at 1 January 2013		1,204,771,855	2,759,469,456	28,315,191
Transactions with shareholders, recorded directly in equity				
Contributions by and distributions to shareholders of the Company				
Share-based payments	24	-	-	37,753,588
Share capital increase as result of warrant exercise	24, 26	6,942,495	86,781,187	-
Subscriptions received in advance from exercise of warrants	24, 26	-	-	-
Dividend to shareholders of the Company	34	-	-	-
Total contributions by and distributions to shareholders of the Company		6,942,495	86,781,187	37,753,588
Comprehensive income for the year				
Profit		-	-	-
Other comprehensive income				
Net change in fair value of available-for-sale securities, net of income tax		-	-	-
Total comprehensive income for the year		-	-	-
Balance at 31 December 2013		1,211,714,350	2,846,250,643	66,068,779

(in Baht)

Separate financial statements

Subscriptions received in advance from exercise of warrants	Retained earnings			Other components of equity	Total equity
	Legal reserve	General reserve	Unappropriated	Net fair value change in available-for-sale securities	
35,477,257	122,000,000	400,000,000	9,761,362,477	5,153,372,833	19,464,769,069
-	-	-	-	-	37,753,588
(35,477,257)	-	-	-	-	58,246,425
1,246,050	-	-	-	-	1,246,050
-	-	-	(916,747,337)	-	(916,747,337)
(34,231,207)	-	-	(916,747,337)	-	(819,501,274)
-	-	-	4,380,504,115	-	4,380,504,115
-	-	-	-	(762,115,271)	(762,115,271)
-	-	-	4,380,504,115	(762,115,271)	3,618,388,844
1,246,050	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments
For the year ended 31 December 2014				
Balance at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779
Transactions with shareholders, recorded directly in equity Contributions by and distributions to shareholders of the Company				
Share-based payments	24	-	-	37,753,587
Share capital increase as result of warrant exercises	24, 26	1,035,650	12,945,625	-
Transferred to legal reserve		-	-	-
Issue of ordinary shares for stock dividend	24, 34	482,324,638	-	-
Issue of ordinary shares by private placement	24	2,775,000	128,343,750	-
Issue of ordinary shares to employee provident fund	24	362	-	-
Dividend to shareholders of the Company	34	-	-	-
Total contributions by and distributions to shareholders of the Company		486,135,650	141,289,375	37,753,587
Comprehensive income for the year				
Profit		-	-	-
Other comprehensive income				
Net change in fair value of available-for-sale securities, net of income tax		-	-	-
Total comprehensive income for the year		-	-	-
Balance at 31 December 2014		1,697,850,000	2,987,540,018	103,822,366

(in Baht)

Separate financial statements

Subscriptions received in advance from exercise of warrants	Retained earnings			Other components of equity	Total equity
	Legal reserve	General reserve	Unappropriated	Net fair value change in available-for-sale securities	
1,246,050	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639
-	-	-	-	-	37,753,587
(1,246,050)	-	-	-	-	12,735,225
-	48,800,000	-	(48,800,000)	-	-
-	-	-	(482,324,638)	-	-
-	-	-	-	-	131,118,750
-	-	-	-	-	362
-	-	-	(678,072,805)	-	(678,072,805)
(1,246,050)	48,800,000	-	(1,209,197,443)	-	(496,464,881)
-	-	-	2,664,716,203	-	2,664,716,203
-	-	-	-	1,147,320,695	1,147,320,695
-	-	-	2,664,716,203	1,147,320,695	3,812,036,898
-	170,800,000	400,000,000	14,680,638,015	5,538,578,257	25,579,228,656

Statements of cash flows

(in Baht)

	Consolidated financial statements for the year ended 31 December		Separate financial statements for the year ended 31 December	
	2014	2014	2014	2013
Cash flows from operating activities				
Net premiums written	50,651,531,427	50,651,531,427	50,651,531,427	37,811,475,731
Interest received	7,367,636,058	7,367,636,058	7,367,636,058	5,956,251,081
Dividends received	962,510,779	962,510,779	962,510,779	737,172,646
Other investment income	2,275,022,192	2,275,022,192	2,275,022,192	582,189,930
Other income	42,803,671	42,803,671	42,803,671	39,719,192
Benefits payments to life policyholders and insurance claims and loss adjustment expenses	(11,951,485,531)	(11,951,485,531)	(11,951,485,531)	(10,664,281,119)
Commissions and brokerages	(2,816,684,021)	(2,816,684,021)	(2,816,684,021)	(2,708,306,946)
Other underwriting expenses	(408,774,526)	(408,774,526)	(408,774,526)	(364,815,276)
Operating expenses	(1,595,383,679)	(1,595,383,679)	(1,595,383,679)	(1,653,837,561)
Other expenses	(132,023,166)	(139,775,503)	(139,775,503)	(107,723,171)
Income tax paid	(2,005,116,745)	(2,005,116,745)	(2,005,116,745)	(1,540,670,095)
Net cash provided by operating activities	42,390,036,459	42,382,284,122	42,382,284,122	28,087,174,412
Cash flows from investing activities				
Cash flows provided by:				
Investments in securities	8,074,184,637	8,074,184,637	8,074,184,637	29,649,954,369
Loans	1,049,312,471	1,049,312,471	1,049,312,471	726,549,806
Deposit in financial institution	4,244,000,000	4,244,000,000	4,244,000,000	110,000,000
Premises and equipment	6,159,857	6,159,857	6,159,857	62,493
Cash from investing activities	13,373,656,965	13,373,656,965	13,373,656,965	30,486,566,668

(in Baht)

Cash flows from operating activities	Note	Consolidated financial statements for the year ended 31 December	Separate financial statements for the year ended 31 December	
		2014	2014	2013
Cash flow used in:				
Investments in securities		(42,822,278,778)	(42,822,278,778)	(56,034,543,669)
Loans		(1,896,037,957)	(1,896,037,957)	(1,208,911,747)
Deposit in financial institution		(5,055,050,900)	(5,055,050,900)	(670,000,000)
Premises and equipment		(126,074,317)	(126,074,317)	(87,685,796)
Net cash outflow on acquisition of subsidiary	10	(3,660,000)	-	-
Cash used in investing activities		(49,903,101,952)	(49,899,441,952)	(58,001,141,212)
Net cash used in investing activities		(36,529,444,987)	(36,525,784,987)	(27,514,574,544)
Cash flows from financing activities				
Proceeds from share capital increase as a result of issue of ordinary shares by private placement	24	131,118,750	131,118,750	-
Proceeds from share capital increase as a result of issue of ordinary shares to employee provident fund	24	362	362	-
Proceeds from share capital increase as a result of warrant exercises	26	12,735,225	12,735,225	59,492,475
Proceeds (pay) from securities sold under repurchase agreements		(950,000,000)	(950,000,000)	750,000,000
Dividend paid to shareholders of the Company	34	(678,072,805)	(678,072,805)	(916,747,337)
Net cash used in by financing activities		(1,484,218,468)	(1,484,218,468)	(107,254,862)
Net increase in cash and cash equivalents		4,376,373,004	4,372,280,667	465,345,006
Cash and cash equivalents at 1 January		1,331,190,953	1,331,190,953	865,845,947
Cash and cash equivalents at 31 December	5	5,707,563,957	5,703,471,620	1,331,190,953
Supplemental cash flows information				
Non-cash items				
Net fair value change in available-for-sale securities		1,434,150,869	1,434,150,869	(952,644,089)
Capital reserve increase from share-based payments		37,753,587	37,753,587	37,753,588
Decreased in receivables on sale of investments		1,250,000	1,250,000	134,192,070
Decreased in payables on purchase of investments		3,171,954	3,171,954	20,762,630

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These notes form an integral part of the financial statements.

The financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language interim financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 February 2015.

1. General information

Bangkok Life Assurance Public Company Limited, “the Company”, is incorporated in Thailand and has its registered at No. 23/115-121, Royal City Avenue, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 25 September 2009.

The Company’s major shareholders during the financial year was Nippon Life Insurance Company (24.4% shareholding) (31 December 2013: 24.4% shareholding) which was incorporated in Japan, and Wattanasophonpanich Co., Ltd. (13.2% shareholding) (31 December 2013: 13.2% shareholding), which was incorporated in Thailand.

The principal business of the Company is life assurance. The principle business of the Subsidiary is non-life insurance broker. Detail of the Company’s subsidiary as at 31 December 2014 are given in note 10 and 35.

2. Basis of preparation of the financial statements

The 1st time to preparation and presentation of the consolidation of financial statements in 2014 according to acquired subsidiary (see note 4).

When the Group reclassifies items in its financial statements, it shall present, as a minimum, three statements of financial position, and the minimum two of the related notes. The Group presents statements of financial position as at 31 December 2014, 31 December 2013 and 1 January 2013.

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standard (“TFRS”) and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Thai Securities and Exchange Commission. In addition the financial statements are prepared in accordance with the Notification of the Office of Insurance Commission regarding “Rules, Procedures, Conditions and Timing for the Preparation and Submission of the Financial Statements and Reporting the Operations of Life Insurance Companies” No. 4 B.E. 2556 dated 31 July 2013, which allows to use the format of the previous notification dated 27 May 2010.

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for annual accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue

Notes to Financial Statements

TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 13	Customer Loyalty Programmes
TIC 32	Intangible Assets-Web Site Costs

The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 43.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position which are valued at fair value.

- trading securities
- available-for-sale securities

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, 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 estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 8	Investments in securities
Note 9	Loans
Note 17	Life policy reserves
Note 19	Loss reserves and outstanding claims
Note 20	Premium reserves
Note 22	Employee benefit obligations
Note 26	Share - based payments - warrant
Note 36	Financial instruments
Note 41	Contingent liabilities

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”).

Business combinations

The Group applies the acquisition method for all business combinations.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Notes to Financial Statements

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiary included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currencies of Group entities at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currencies of Group entities at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss)

(c) Financial instruments

Derivatives

Derivative financial instruments comprise of cross currency swaps and forwards contracts. They are used to manage exposure to foreign exchange. Derivative financial instruments are not used for trading purposes.

Receivables and payables arising from the notional amount of cross currency swap and forward contracts are initially recorded at the spot rate on the date of transaction in other assets or other liabilities. At the reporting date the receivables and payables are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balance, deposits held at call with banks and short-term highly liquid investments, with maturities of three months or less from the date of acquisition and not subject to withdrawal restrictions.

(e) Premiums due and uncollected

Premiums due and uncollected are carried at anticipated realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience, future expectations of customer payments, and a review of the current status of the premium due and uncollected as at the end of reporting period. Bad debts are written off during the year when they are identified.

(f) Investments in securities

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Notes to Financial Statements

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of debt securities is calculated by referencing to the price quoted by the Thai Bond Market Association.

The fair value of marketable equity securities is determined as the last bid price from the Stock Exchange of Thailand (SET) at the reporting date. For unit trusts which are non - listed, fair value is estimated using net asset value at reporting date.

The Company has recorded investment securities based on trade date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

In the event the Group reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The differences between the carrying amount of the investments and their fair value on the date of reclassification is recorded in profit or loss from operation or recorded as revaluation surplus (deficit) on investments in equity, depending on the type of investment that is reclassified.

(g) Loans

Loans are stated at net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience, analysis of debt aging and the appraisal value of the collateral of each debt.

Bad debts are written off when incurred.

(h) Premises and equipment

Recognition and measurement

Owned assets

Land is stated at cost. Premises and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of building and equipment have different useful lives, they are accounted for as separate items (major components) of building and equipment.

Gains and losses on disposal of an item of premises and equipment are determined by comparing the proceeds from disposal with the carrying amount of premises and equipment, and are recognised net within other income, in profit or loss.

Subsequent costs

The cost of replacing a part of an item of premises and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of premises and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of premises and equipment. The estimated useful lives are as follows:

Buildings	20 years
Condominium	20 years
Building improvements	5 years
Leasehold improvements	over period of lease
Furniture and fixtures and office equipment	3 years and 5 years
Vehicles	5 years

Notes to Financial Statements

No depreciation is provided on land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate by management.

(i) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3 (a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Computer softwares

Computer softwares are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated over the cost of the intangible asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are 3 years, 5 years and 10 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Impairment

The carrying amounts of the Group assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in the profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to Financial Statements

(k) Reinsurance transactions

Reinsurance transactions are recorded based on estimates of the amounts to be received from or paid to reinsurers.

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

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

Insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of loss reserve and outstanding claims in accordance with the law regarding life insurance reserve calculation.

Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding claims.

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

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

(l) Life policy reserves

Life policy reserves represent the accumulated total liability for the life insurance policies in force on the reporting date. Such reserves are established to meet the estimated future obligations of all the long term life insurance policies in force using generally accepted actuarial principles and methods with reference to Net level premium reserve (NPV) plus Provision for Adverse Deviation (PAD) (4% of NPV). The assumptions used in the calculation include mortality rate, discount interest rate and other terms that are established at the time the contract is issued.

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

(m) Unpaid policy benefits

Unpaid policy benefits represent claims and benefits payable to policyholders in relation to deaths, surrenders, maturities and other payables.

(n) Loss reserves and outstanding claims

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

(o) Premium reserves

The premium reserves comprise of the unearned premium reserve and unexpired risk reserve.

Unearned premium reserve

The unearned premium reserve is for group insurance and short-term riders which is calculated on a pro-rata basis of the premium based on the outstanding duration of each policy.

Unexpired risk reserve

At the reporting date, the Group performs a liability adequacy assessment by comparing the unearned premium reserve to the unexpired risk reserve which is determined by best estimating the claims and related costs which are expected to occur over the outstanding duration of the policies in-force with reference to its historical claim data based on actuarial method.

Where the unexpired risk reserve exceeds the unearned premium reserve, the excess is recognised as unexpired risk reserve in profit or loss.

(p) Employee benefits obligation

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Short-term employee benefits comprises of salaries, wages, bonuses, and contributions to the social security fund.

A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Post-employment benefits

The Group provides post-employment benefits to eligible employees under the following arrangement:

Defined contribution plan

Notes to Financial Statements

A defined contribution plan is a post-employment benefit plan where the Group pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans and all expenses related to defined benefit plans in personnel expenses in profit or loss.

Other long-term employee benefits

The Group provides also other long-term employees benefit plan namely long service awards.

The Group net obligation in respect of long-term employee benefits is the amount of future benefits that the eligible employees have earned in return for their service in the current and prior periods before retirement. In the statements of financial position, the obligations represent the present value of the other long-term employee benefits. The obligations for employee are calculated on the same basis as the defined benefit plan.

Share-based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity. The Group will recognise them as “Capital reserve on share-based payments” in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met. The Group will transfer “Capital reserve on share-based payments” to be recognised as “Share premium” proportionately based on the number of warrants exercised when there is an exercise of warrant.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects

current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenues

Premium income

First year premium income after deducting premiums ceded and cancelled, is recognised as revenue on the effective date of the insurance policies and when premium is received. For renewal insurance policies, premium income is recognised as revenue when premium is due and the policy is still in force at the end of the reporting date.

Advanced premiums are recognised as premium income based on their due date.

Ceded premiums

Ceded premiums are recognised when the risks are transferred to the reinsurer.

Rental and service income

Rental and service is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Net investment income

Net investment income comprises dividend and interest income from investments, loans, and bank deposits, net of investment expenses.

Dividend income

Dividend income is recognised in profit or loss on the date the Group right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

Interest income on loans is recognised over the term of the loans based on the amount of principal outstanding. No accrual is made for loans with interest default over six consecutive months or based on cash basis.

(s) Expenses

Benefit payments to life policyholders

Benefit payments to life policyholders are set up when notices of claims have been received or when policies reach

Notes to Financial Statements

maturity under condition on insurance policies.

Commissions and brokerage

Commissions and brokerage are recognised as expenses when incurred.

Claims and loss adjustment expenses

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

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

Reinsurance expenses, cost of underwriting and investment expenses

Reinsurance expenses, cost of underwriting and investment expenses are recognised in profit or loss as expenses on an accrual basis.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(t) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(v) Segment reporting

Segment results that are reported to the Chief Executive Officer (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Notes to Financial Statements

4. Acquisition of business

On 7 July 2014, the Group obtained control of BLA Insurance Broker Company Limited (“Subsidiary”), a non-life insurance broker, by acquiring 84% of the shares and voting interests in the Company. As a result, the Group equity interest in BLA Insurance Broker Company Limited increased from 15% to 99%. (see note 10)

The subsidiary’ net assets and liabilities at the acquisition date comprised the following:

	Amount (in thousand Baht)
Cash and cash equivalents	2,020
Trade and other receivables	1,328
Other assets	589
Trade and other payables	(6,666)
Other liabilities	(276)
Carrying/fair value amounts of net identifiable assets and liabilities	(3,005)
Less non-controlling interest	(30)
Recognised value of net assets acquired	(2,975)
Goodwill	4,955
Total consideration transferred	1,980

The assets and liabilities since acquisition date of the Company have been included in the Group’s consolidated financial statements for the year ended 31 December 2014. Since acquisition, the subsidiary contributed total revenue of Baht 1.8 million and loss of Baht 3.0 million to the Group’s operating results. If the acquisition had occurred on 1 January 2014, management estimates that consolidated revenue would have been Baht 3.9 million and consolidated loss Baht 5.6 million for the year ended 31 December 2014

5. Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements
	2014	2014	2013
Cash on hand	4,224	4,223	10,818
Deposits at banks - call deposits	874,391	870,300	1,320,373
Deposits at banks - time deposits	6,950,000	6,950,000	1,310,000
Total cash and deposits at financial institutions	7,828,615	7,824,523	2,641,191
Less deposits at banks with original maturities over 3 months	(5,260,000)	(5,260,000)	(1,310,000)
Add investments in securities with original maturities less than 3 months	3,138,949	3,138,949	-
Cash and cash equivalents	5,707,564	5,703,472	1,331,191

Cash and cash equivalents as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

As at 31 December 2014, the Group had overdraft facilities with banks amounting to Baht 21 million (2013: Baht 21 million) that are undrawn at the end of the year.

6. Premiums due and uncollected

As at 31 December 2014 and 2013, premiums due and uncollected are classified by aging as follows:

(in thousand Baht)

	Consolidated / Separate financial statements			Separate financial statements		
	2014			2013		
	Insured	Agents and brokers	Total	Insured	Agents and brokers	Total
Not yet overdue	1,643,589	36,847	1,680,436	1,779,023	28,355	1,807,378
Overdue						
less than 30 days	3,018	23,354	26,372	1	13,276	13,277
30 - 60 days	271	14,121	14,392	14,696	2,067	16,763
60 - 90 days	23	1,271	1,294	-	1,029	1,029
90 days - 1 year	428	1,521	1,949	135	365	500
Over 1 year	331	459	790	326	393	719
Total premiums due and uncollected	1,647,660	77,573	1,725,233	1,794,181	45,485	1,839,666

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

7. Reinsurance receivables and assets

(in thousand Baht)

	Consolidated / Separate financial statements	Separate financial statements
	2014	2013
Due from reinsurers	445,314	499,187
Reinsurers' share of insurance contract liabilities	318,471	290,901
Reinsurance receivables and assets	763,785	790,088

As at 31 December 2014 and 2013, amounts due from reinsurers were classified by aging as follows:

(in thousand Baht)

	Consolidated / Separate financial statements	Separate financial statements
	2014	2013
Within credit terms	445,314	499,187
Due from reinsurers	445,314	499,187

Notes to Financial Statements

8. Investment in securities

8.1 Investment in securities types

Private enterprise securities

8.1.1 Trading investments comprises of :

(in thousand Baht)

	Consolidated / Separate financial statements					Separate financial statements				
	2014					2013				
	Cost / Amortised cost	Unrealised gains	Unrealised losses	Fair Value	Percentage of total assets	Cost / Amortised cost	Unrealised gains	Unrealised losses	Fair Value	Percentage of total assets
Government and state enterprise securities										
Thai government bonds	-	-	-	-	-	100,057	20	(19)	100,058	0.06
Private enterprise securities										
Unit trusts	17,045	25	-	17,070	0.01	-	-	-	-	-
Total trading investments	17,045	25	-	17,070	0.01	100,057	20	(19)	100,058	0.06

8.1.2 Available-for-sale investments comprises of :

(in thousand Baht)

	Consolidated / Separate financial statements					Separate financial statements				
	2014					2013				
	Cost / Amortised cost	Unrealised gains	Unrealised losses	Fair Value	Percentage of total assets	Cost / Amortised cost	Unrealised gains	Unrealised losses	Fair Value	Percentage of total assets
Government and state enterprise securities										
Thai government bonds	691,616	50,567	-	742,183	0.34	1,789,646	37,803	(5,912)	1,821,537	1.06
Total	691,616	50,567	-	742,183	0.34	1,789,646	37,803	(5,912)	1,821,537	1.06
Private debt securities										
Equity securities	7,252,996	6,470,416	(187,828)	13,535,584	6.28	7,609,881	5,371,621	(90,083)	12,891,419	7.50
Unit trusts	5,734,721	183,479	(77,769)	5,840,431	2.71	4,009,663	122,781	(325,051)	3,807,393	2.22
Total	12,987,717	6,653,895	(265,597)	19,376,015	8.99	11,619,544	5,494,402	(415,134)	16,698,812	9.72
Foreign securities										
Unit trusts	1,320,628	574,055	-	1,894,683	0.88	1,213,438	453,883	-	1,667,321	0.97
Total	1,320,628	574,055	-	1,894,683	0.88	1,213,438	453,883	-	1,667,321	0.97
Total available - for sale investments	14,999,961	7,278,517	(265,597)	22,012,881	10.21	14,622,628	5,986,088	(421,046)	20,187,670	11.75

8.1.3 Held-to-maturity investments comprises of :

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2014	
	Cost / Amortised cost	Percentage of total assets	Cost / Amortised cost	Percentage of total assets
Government and state enterprise securities				
Thai government bonds	91,572,879	42.48	83,649,675	48.69
State enterprise bonds	17,055,842	7.91	16,601,882	9.66
Debentures	5,443,244	2.52	2,794,134	1.63
Promissory notes	2,500,000	1.16	2,500,000	1.46
Total	116,571,965	54.07	105,545,691	61.44
Private enterprise debt securities				
Promissory notes and bills of exchange	9,891,752	4.59	10,981,685	6.39
Debentures	22,668,311	10.51	10,169,377	5.92
Total	32,560,063	15.10	21,151,062	12.31
Foreign debt securities				
Bonds	2,553,909	1.18	2,608,107	1.52
Debentures	18,560,605	8.61	10,687,918	6.22
Bill of exchanges	654,481	0.31	-	-
Total	21,768,995	10.09	13,296,025	7.74
Deposits at financial institutions with original maturities over 3 months				
Deposit at banks	4,960,000	2.30	1,010,000	0.59
Certificates of deposit	300,000	0.14	300,000	0.17
Total	5,260,000	2.44	1,310,000	0.76
Total held-to-maturity investments	176,161,023	81.70	141,302,778	82.25

8.1.4 General investments comprises of :

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
	Cost	Percentage of total asset	Cost	Percentage of total asset
Investments in non-marketable securities				
Domestic	29,588	0.01	29,888	0.02
Foreign	17,074	0.01	17,074	0.01
Total general investments	46,662	0.02	46,962	0.03

Notes to Financial Statements

8.2 Remaining period of debt securities

As at 31 December 2014 and 2013, investments in debt securities which were classified as trading, available-for-sale and held-to-maturity investments were aged by the remaining period to maturity as follows:

(in thousand Baht)

	Consolidated / Separate financial statements			
	2014			
	Maturity			
	1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investments				
Government and state enterprise debt securities	-	536,046	155,570	691,616
Add unrealised surpluses from fair value changes on securities	-	38,481	12,086	50,567
Total available-for-sale investments	-	574,527	167,656	742,183
Held-to-maturity investments				
Government and state enterprise debt securities	2,361,386	9,677,751	104,532,828	116,571,965
Private debt securities	178,662	4,097,000	28,284,401	32,560,063
Foreign debt securities	979,540	2,624,542	18,164,913	21,768,995
Deposit at banks with original maturities over 3 months	3,860,000	1,400,000	-	5,260,000
Total held-to-maturity investments	7,379,588	17,799,293	150,982,142	176,161,023
Total debt securities	7,379,588	18,373,820	151,149,798	176,903,206

(in thousand Baht)

	Separate financial statements			
	2013			
	Maturity			
	1 year	1 - 5 years	Over 5 years	Total
Trading investments				
Government and state enterprise debt securities	-	-	100,057	100,057
Add unrealised surpluses from fair value changes on securities	-	-	1	1
Total trading investments	-	-	100,058	100,058
Available-for-sale investments				
Government and state enterprise debt securities	-	491,341	1,298,305	1,789,646
Add unrealised surpluses from fair value changes on securities	-	9,459	22,432	31,891
Total available-for-sale investments	-	500,800	1,320,737	1,821,537
Held-to-maturity investments				
Government and state enterprise debt securities	932,679	8,663,799	95,949,213	105,545,691
Private debt securities	1,335,000	3,975,000	15,841,062	21,151,062
Foreign debt securities	490,175	3,332,505	9,473,345	13,296,025
Deposit at banks with original maturities over 3 months	1,010,000	300,000	-	1,310,000
Total held-to-maturity investments	3,767,854	16,271,304	121,263,620	141,302,778
Total debt securities	3,767,854	16,772,104	122,684,415	143,224,373

As at 31 December 2014, the Group has investments in foreign securities amounting to USD 640 million or equivalent to Baht 20,200 million and YEN 652 million or equivalent to Baht 184 million (2013: USD 407 million or equivalent to Baht 12,719 million). The Group has entered into cross currency swap contracts and forward contracts in order to protect against fluctuations in currency risks in respect of these investments.

Notes to Financial Statements

8.3 Net fair value change in available-for-sale investments

(in thousand Baht)

	Consolidated / Separate financial statements	
	2014	2013
At 1 January 2014 / 2013	5,489,072	6,441,716
Net fair value change on equity	2,290,467	(583,550)
Net fair value change transferred to profit or loss	(856,316)	(369,094)
At 31 December 2014 / 2013	6,923,223	5,489,072
Less deferred tax	(1,384,645)	(1,097,814)
Net fair value change in available-for-sale investments, net of income tax	5,538,578	4,391,258

8.4 Investments in structured notes

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

- (a) As at 31 December 2014, the Group has investments of Baht 600 million (2013: Baht 900 million), in promissory notes and bills of exchange, which were issued by local commercial banks and branches of foreign commercial banks, have remaining maturity periods of 5-14 years (2013 : 6 - 15 years), and contain conditions whereby the issuer has call option or has rights to call for additional deposits.
- (b) As at 31 December 2014, the Group has investments of Baht 2,050 million (2013: Baht 1,810 million), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 2 years (2013 : 3 years), and contain conditions whereby the issuer has call option and additional amounts can be deposited on a monthly basis and settlement of principal and interest is to be received on the maturity date per the agreement.
- (c) As at 31 December 2014, the Group has investments of Baht 3,600 million (2013 : Baht 3,600 million), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 5 - 8 years (2013 : 6 - 9 years), and bear interest that is referenced to the yield rate on government bond (CMT Index).
- (d) As at 31 December 2014, the Group has investments of Baht 2,805 million (2013 : Baht 2,340 million), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 6 - 14 years (2013 : 6 - 15 years), and contain conditions whereby redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at 31 December 2014, the Group has investments of Baht 758 million (2013 : Baht 720 million), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 19 years (2013: 20 years). The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such issues contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.

8.5 Movements of investments

Movements during the year ended 31 December 2014 and 2013 of trading, available for sale, held to maturity investments and general investments were as follows :

	(in thousand Baht)	
	Consolidated / Separate financial statements	Separate financial statements
	Note	2013
Trading investments		
At 1 January	100,058	477,236
Purchases during the year	62,663	2,259,274
Sales during the year	(145,675)	(2,635,699)
Valuation and amortisation adjustments	24	(753)
At 31 December	17,070	100,058
Available for sale investments		
At 1 January	20,187,670	18,395,331
Purchases during the year	3,537,753	4,912,928
Sales during the year	(3,138,274)	(2,246,226)
Capital reduction	(16,211)	(15,415)
Valuation and amortisation adjustments	1,441,943	(858,948)
At 31 December	22,012,881	20,187,670
Held to maturity investments		
At 1 January	141,302,778	115,723,501
Purchases during the year	39,221,863	41,209,071
Redemptions during the year	(5,161,952)	(2,883,923)
Sales during the year	(270,096)	(3,815,938)
Valuation and amortisation adjustments	1,068,430	(8,929,933)
At 31 December	176,161,023	141,302,778
General investments		
At 1 January	46,962	46,962
Purchases during the year	10 3,660	-
Reclassify	10 (3,960)	-
At 31 December	46,662	46,962

Notes to Financial Statements

9. Loans and accrued interest

As at 1 December 2014 and 2013, loans and accrued interest were classified by aging as follows :

(in thousand Baht)

Consolidated / Separate financial statements									
2014									
Loans and accrued interest									
Period	Policy loans		Mortgage loans		Others loans		Total		Total
	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	
Not yet overdue	4,250,986	299,022	444,824	820	15,605	-	4,711,415	299,842	5,011,257
Overdue :									
Less than 3 months	-	-	22,295	97	-	-	22,295	97	22,392
6 - 12 months	-	-	211	-	-	-	211	-	211
Over than 12 months	-	-	1,149	79	53	2	1,202	81	1,283
Total	4,250,986	299,022	468,479	996	15,658	2	4,735,123	300,020	5,035,143
Less allowance for doubtful accounts	-	-	(66)	(80)	-	-	(66)	(80)	(146)
Total loans and accrued interest, net	4,250,986	299,022	468,413	916	15,658	2	4,735,057	299,940	5,034,997

* Presented as accrued investment income in the statement of financial position.

(in thousand Baht)

Separate financial statements									
2013									
Loans and accrued interest									
Period	Policy loans		Mortgage loans		Others loans		Total		Total
	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	
Not yet overdue	3,163,866	225,984	344,316	230	15,968	-	3,524,150	226,214	3,750,364
Overdue :									
6 - 12 months	-	-	303	3	-	-	303	3	306
Over than 12 months	-	-	1,187	79	120	2	1,307	81	1,388
Total	3,163,866	225,984	345,806	312	16,088	2	3,525,760	226,298	3,752,058
Less allowance for doubtful accounts	-	-	(66)	(80)	-	-	(66)	(80)	(146)
Total loans and accrued interest, net	3,163,866	225,984	345,740	232	16,088	2	3,525,694	226,218	3,751,912

* Presented as accrued investment income in the statement of financial position

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest at not more than 4.5% - 8.0% per annum (2013 : 4.5% - 8.0% per annum), as approved by the Office of Insurance Commission.

Loans to employees which are guaranteed by person, are limited to Baht 0.1 million (2013 : Baht 0.1 million). The loans carry interest of 6% per annum (2013 : 6.0% per annum). As at 31 December 2014, loans to employees amounted to Baht 16 million (2013 : Baht 16 million).

Loans to employees under the mortgage loans are limited to 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.25% per annum (2013 : 5.00% - 6.25% per annum). As at 31 December 2014, loans to employees under the mortgage loans amounted to Baht 53 million. (2013: Baht 57 million).

10. Investment in subsidiary

	(in thousand Baht)
	<u>Separate financial statements</u>
	<u>2014</u>
At 1 January 2014 (General investment)	300
Acquisition	3,660
Allowance for impairment	-
At 31 December 2014	3,960

Acquisitions

On 15 May 2014, the Company was approved by the Office of Insurance Commission to increase investment holding in BLA Insurance Broker Company Limited from 15% to 99% of the authorised and paid up share capital.

On 7 July 2014, the Company has purchased ordinary shares from the former shareholders of 168,000 shares at par Baht 10 per share, amounting to Baht 1.68 million bringing the Company's total interest in BLA Insurance Broker Company Limited increased from 15% to 99%.

On 28 July 2014, BLA Insurance Broker Company Limited has increased share capital from Baht 2.0 million to Baht 4.0 million and the Company has purchased 198,000 additional ordinary shares at par Baht 10 per share, amounting to Baht 1.98 million.

On 8 August 2014, BLA Insurance Broker Company Limited has registered the increase of the authorised share capital with the Ministry of Commerce.

Investments in subsidiary as at 31 December 2014 and 2013, and dividend income from those investments for the year ended 31 December 2014 and 2013 were as follows :

Notes to Financial Statements

(in thousand Baht)

Name of subsidiary	Type of business	Ownership		Paid-up capital		Cost		Dividend income	
		2014	2013	2014	2013	2014	2013	2014	2013
Direct subsidiary									
BLA Insurance Broker Company Limited	Non-life insurance broker	99	15*	4,000	2,000*	3,960	300*	-	-
Total						3,960	300	-	-

Subsidiary is incorporated in Thailand.

* As at 31 December 2013, investments were classified as general investment and have been transferred to investments in subsidiary on 7 July 2014.

11. Premises and equipment

(in thousand Baht)

Consolidated financial statements								
	Land	Buildings and improvements	Condo minium	Office furniture, fixture and equipment	Vehicles	Non-operating assets	Assets under construction	Total
Cost								
At 1 January 2013	97,241	329,866	36,633	449,986	20,710	6,685	6,440	947,561
Additions	21,371	10,788	-	35,214	10,357	-	9,956	87,686
Disposals and written-offs	-	(1,272)	-	(8,936)	-	-	-	(10,208)
Transfer in (out)	-	4,877	-	-	-	-	(4,877)	-
At 31 December 2013								
and 1 January 2014	118,612	344,259	36,633	476,264	31,067	6,685	11,519	1,025,039
Additions	48,199	6,611	-	27,584	4,666	-	39,049	126,109
Disposals	-	-	-	(9,309)	(9,758)	(2,285)	-	(21,352)
Acquisition	-	-	-	98	-	-	-	98
Transfer in (out)	-	8,022	-	-	-	-	(8,022)	-
At 31 December 2014	166,811	358,892	36,633	494,637	25,975	4,400	42,546	1,129,894
Accumulated depreciation								
At 1 January 2013	-	246,744	16,791	361,108	16,288	1,675	-	642,606
Depreciation for the year	-	14,588	1,832	46,496	2,999	90	-	66,005
Disposals and written-off	-	(1,272)	-	(8,914)	-	-	-	(10,186)
At 31 December 2013								
and 1 January 2014	-	260,060	18,623	398,690	19,287	1,765	-	698,425
Depreciation for the year	-	15,337	1,831	40,520	3,432	70	-	61,190
Acquisition	-	-	-	55	-	-	-	55
Disposals and written-off	-	-	-	(9,261)	(9,758)	-	-	(19,019)
At 31 December 2014	-	275,397	20,454	430,004	12,961	1,835	-	740,651
Net book value								
At 1 January 2013	97,241	83,122	19,842	88,878	4,422	5,010	6,440	304,955
At 31 December 2013								
and 1 January 2014	118,612	84,199	18,010	77,574	11,780	4,920	11,519	326,614
At 31 December 2014	166,811	83,495	16,179	64,633	13,014	2,565	42,546	389,243

The gross amount of the Group's fully depreciated buildings and equipment that were still in use as at 31 December 2014 amounted to Baht 475 million (2013 : Baht 432 million).

Notes to Financial Statements

(in thousand Baht)

	Separate financial statements							Total
	Land	Buildings and improvements	Condo minium	Office furniture, fixture and equipment	Vehicles	Non-operating assets	Assets under construction	
Cost								
At 1 January 2013	97,241	329,866	36,633	449,986	20,710	6,685	6,440	947,561
Additions	21,371	10,788	-	35,214	10,357	-	9,956	87,686
Disposals and written-offs	-	(1,272)	-	(8,936)	-	-	-	(10,208)
Transfer in (out)	-	4,877	-	-	-	-	(4,877)	-
At 31 December 2013								
and 1 January 2014	118,612	344,259	36,633	476,264	31,067	6,685	11,519	1,025,039
Additions	48,199	6,611	-	27,584	4,666	-	39,049	126,109
Disposals	-	-	-	(9,309)	(9,758)	(2,285)	-	(21,352)
Transfer in (out)	-	8,022	-	-	-	-	(8,022)	-
At 31 December 2014	166,811	358,892	36,633	494,539	25,975	4,400	42,546	1,129,796
Accumulated depreciation								
At 1 January 2013	-	246,744	16,791	361,108	16,288	1,675	-	642,606
Depreciation for the year	-	14,588	1,832	46,496	2,999	90	-	66,005
Disposals and written-offs	-	(1,272)	-	(8,914)	-	-	-	(10,186)
At 31 December 2013								
and 1 January 2014	-	260,060	18,623	398,690	19,287	1,765	-	698,425
Depreciation for the year	-	15,337	1,831	40,520	3,432	70	-	61,190
Disposals and written-offs	-	-	-	(9,261)	(9,758)	-	-	(19,019)
At 31 December 2014	-	275,397	20,454	429,949	12,961	1,835	-	740,596
Net book value								
At 1 January 2013	97,241	83,122	19,842	88,878	4,422	5,010	6,440	304,955
At 31 December 2013								
and 1 January 2014	118,612	84,199	18,010	77,574	11,780	4,920	11,519	326,614
At 31 December 2014	166,811	83,495	16,179	64,590	13,014	2,565	42,546	389,200

The gross amount of the Company's fully depreciated buildings and equipment that were still in use as at 31 December 2014 amounted to Bath 475 million (2013 : Baht 432 million).

12. Goodwill

(in thousand Baht)

		<u>Consolidated financial statements</u>
	Note	2014
Cost		
At 1 January		-
Acquired through business combinations	4	4,955
At 31 December		4,955
Net book value		
At 1 January		-
At 31 December		4,955

Notes to Financial Statements

13. Intangible assets

(in thousand Baht)

	Consolidated / Separate financial statements		
	Software computer	Software computer under development	Total
Cost			
At 1 January 2013	66,347	161	66,508
Additions	9,551	2,674	12,225
Transfers in (out)	2,557	(2,557)	-
At 31 December 2013 and 1 January 2014	78,455	278	78,733
Additions	3,350	1,418	4,768
Transfers out	-	(1,119)	(1,119)
At 31 December 2014	81,805	577	82,382
Accumulated amortisation			
At 1 January 2013	49,306	-	49,306
Amortisation for the year	9,980	-	9,980
At 31 December 2013 and 1 January 2014	59,286	-	59,286
Amortisation for the year	10,277	-	10,277
At 31 December 2014	69,563	-	69,563
Net book value			
At 1 January 2013	17,041	161	17,202
At 31 December 2013 and 1 January 2014	19,169	278	19,447
At 31 December 2014	12,242	577	12,819

The gross carrying amount of the Group and the Company's fully amortised intangible assets that were still in use as at 31 December 2014 amounted to Baht 50 million (2013 : Baht 38 million).

14. Deferred tax

Deferred tax assets and liabilities as at 31 December 2014 and 2013 were as follows :

	(in thousand Baht)		
	Consolidated / Separate financial statements	Separate financial statements	Separate financial statements
	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)
Deferred tax assets	2,867,302	1,066,287	780,102
Deferred tax liabilities	(1,384,880)	(1,098,048)	(1,288,405)
Net deferred tax assets (liabilities)	1,482,422	(31,761)	(508,303)

Movements in deferred tax assets and liabilities during the year ended 31 December 2014 and 2013 were as follows :

	(in thousand Baht)			
	Consolidated/ Separate financial statements (Charged) / credited to :			
	At 1 January 2014	Profit or loss (Note 32)	Other comprehensive income	At 31 December 2014
Deferred tax assets				
Life policy reserves	1,019,005	1,795,185	-	2,814,190
Loss reserves and outstanding claims	15,485	3,824	-	19,309
Employee benefit obligations	31,542	2,006	-	33,548
Others	255	-	-	255
Total	1,066,287	1,801,015	-	2,867,302
Deferred tax liabilities				
Trading investments	234	1	-	235
Net fair value change in available-for-sale investments	1,097,814	-	286,831	1,384,645
Total	1,098,048	1	286,831	1,384,880
Net	(31,761)	1,801,014	(286,831)	1,482,422

Notes to Financial Statements

(in thousand Baht)

	Separate financial statements (Charged) / credited to:			
	At 1 January 2013 (Restate)	Profit or loss (Note 32)	Other comprehensive income	At 31 December 2013 (Restate)
Deferred tax assets				
Life policy reserves	732,915	286,090	-	1,019,005
Loss reserves and outstanding claims	16,106	(621)	-	15,485
Employee benefit obligations	31,052	490	-	31,542
Others	29	226	-	255
Total	780,102	286,185	-	1,066,287
Deferred tax liabilities				
Trading investments	62	172	-	234
Net fair value change in available-for-sale investments	1,288,343	-	(190,529)	1,097,814
Total	1,288,405	172	(190,529)	1,098,048
Net	(508,303)	286,013	190,529	(31,761)

15. Other assets

(in thousand Baht)

	Consolidated statements		Separate financial statements	
	31 December 2014	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)
Prepaid rental expenses	69,824	69,824	81,617	93,410
Deposits	62,705	62,705	23,404	19,160
Forward and swap exchange contracts receivables	24,963	24,963	115,305	317,601
Receivable from sales of investments	10,344	10,344	138,612	193,288
Prepaid expenses	9,768	9,768	91,970	24,460
Others	9,263	12,898	11,712	17,661
Total	186,867	190,502	462,620	665,580

16. Due to reinsurers

(in thousand Baht)

	Consolidated / Separate	Separate
	financial statements	financial statements
	2014	2013
Premium ceded payables	379,722	450,009

17. Life policy reserves

(in thousand Baht)

	Consolidated / Separate	Separate
	financial statements	financial statements
	2014	2013
At 1 January 2014 / 2013	136,616,421	111,259,206
Life policy reserve for premium written during the year and increase reserve for in-force policy benefits	51,630,019	34,778,277
Benefits paid for death, maturity, surrender and other claims and benefits	(10,811,769)	(9,421,062)
At 31 December 2014 / 2013	177,434,671	136,616,421

18. Unpaid policy benefits

(in thousand Baht)

	Consolidated / Separate	Separate	
	financial statements	financial statements	financial statements
	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)
Death	100,173	92,452	87,751
Maturity	13,665	11,061	709
Surrender	3,229	3,010	7,392
Total	117,067	106,523	95,852

Notes to Financial Statements

19. Loss reserves and outstanding claims

(in thousand Baht)

	Consolidated / Separate financial statements	Separate financial statements	
	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)
At 1 January 2014 / 2013 / 2012	299,680	343,087	333,830
Insurance claims and loss adjustment expense during the year	1,770,506	1,659,760	2,035,839
Paid insurance claims and loss adjustment expense during the year	(1,755,134)	(1,703,167)	(2,026,582)
At 31 December 2014 / 2013, 1 January 2013	315,052	299,680	343,087

20. Premium reserves

20.1 Unearned premium reserve

(in thousand Baht)

	Consolidated / Separate financial statements	Separate financial statements
	2014	2013
At 1 January 2014 / 2013	1,021,135	1,078,121
Premium written during the year	2,897,001	2,786,817
Earned premium during the year	(2,861,248)	(2,843,803)
At 31 December 2014 / 2013	1,056,888	1,021,135

20.2 Unexpired risk reserve

As at 31 December 2014, no additional reserve for unexpired risk has been established by the Group as the unexpired risk reserve estimated of Baht 712 million (2013 : Baht 641 million) is lower than the unearned premium reserve.

21. Other insurance liabilities

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)	
Deposits form insurance contracts	6,918,339	6,545,061	6,303,569	
Advanced premium	723,867	869,941	1,012,142	
Total	7,642,206	7,415,002	7,315,711	

22. Employee benefit obligations

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2014	2013	
Statement of financial position				
obligations for :				
Short-term employee benefits	160,794	159,984	141,672	
Post-employment benefits	138,344	137,552	128,651	
Other long -term employee benefits	30,276	30,182	29,060	
Total	329,414	327,718	299,383	

(in thousand Baht)

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	Note	2014	2014	2013
Statement of income				
Recognised as in profit or loss				
Short-term employee benefits		872,277	870,628	814,225
Defined contribution plan		33,336	33,252	28,420
Post-employment benefits		9,693	8,900	9,827
Other long -term employee benefits		1,216	1,123	(7,373)
Total	31	916,522	913,903	845,099

Notes to Financial Statements

Post-employee benefits

The Company operates a number of employee benefit plans including post-employment benefit plans, and other long-term service award plan. All defined benefit plans are unfunded.

The defined benefit plan is based on the requirement of the Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The statement of financial position was determined as follows :

	(in thousand Baht)		
	Consolidated financial statements	Separate financial statement	
	2014	2014	2013
Present value of unfunded obligations			
Post-employment benefits	138,344	137,552	128,651
Other long-term employee benefits	30,276	30,182	29,060
Statement of financial position obligation	168,620	167,734	157,711

Movement in the present value of the defined benefit obligations

	(in thousand Baht)		
	Consolidated financial statements	Separate financial statement	
	2014	2014	2013
Defined benefit obligations at 1 January	157,711	157,711	155,257
Current service cost	27,589	26,733	18,823
Interest cost	6,587	6,557	6,416
Benefits paid	(7,491)	(7,491)	(10,025)
Actuarial gain recognise in profit or loss	(15,776)	(15,776)	(12,760)
Defined benefit obligations at 31 December	168,620	167,734	157,711

Expense recognised in profit or loss :

	(in thousand Baht)		
For the year ended 31 December	Consolidated financial statements	Separate financial statement	
	2014	2014	2013
Current service cost	27,589	26,733	18,823
Interest cost	6,587	6,557	6,416
Actuarial gain recognise in profit or loss	(15,776)	(15,776)	(12,760)
Total	18,400	17,514	12,479

The expense is recognised in the following line items in the statement of income :

(in thousand Baht)

For the year ended 31 December	Consolidated financial statements		Separate financial statement	
	2014	2014	2014	2013
Other underwriting expenses	682	682	682	486
Insurance claim and loss adjustment expenses	429	429	429	306
Operating expenses	17,289	16,403	16,403	11,687
Total	18,400	17,514	17,514	12,479

The principal actuarial assumptions used to calculate the obligations under the defined benefit plans at 31 December 2014 and 2013 are as follows :

(%)

	2014	2013
Financial assumptions		
Discount rate	4.25, 3.75	4.25, 3.75
Price inflation	3.00	3.00
Future salary increase rate	6.00	5.75
Staff turnover rates	Monthly 2.80 - 7.75	Monthly 1 - 8
(depending on age of employee)	Daily 2.80 - 7.75	Daily 3 - 9
Gold per weight of 1 Baht (Baht)	19,000	20,000

Assumptions regarding future mortality are based on published statistics and mortality tables.

Notes to Financial Statements

23. Other liabilities

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2014	31 December 2014	31 December 2013 (Restate)	1 January 2013 (Restate)
Forward and swap exchange				
contracts payables	1,024,799	1,024,799	798,974	35,678
Accrued commission expenses	460,839	460,551	471,892	474,992
Accrued expenses	316,853	316,020	310,852	279,245
Specific Business Tax payable	117,728	117,728	93,982	73,544
Premiums received for policies				
not yet approved	101,961	101,961	161,133	102,989
Payable to policyholders on				
exempted premiums	93,757	93,757	93,382	95,834
Amounts received awaiting transfer	80,763	80,763	94,693	81,627
Withholding tax payable	23,263	23,263	25,541	57,780
Others	18,739	17,107	34,053	53,211
Total	2,238,702	2,235,949	2,084,502	1,254,900

24. Share capital and reserve

(in thousand shares / in thousand Baht)

	Consolidated / Separate financial statements				
	2014			2013	
	Par value per share (in Baht)	Number	Amount	Number	Amount
Authorised					
At 1 January					
- ordinary shares	1	1,220,000	1,220,000	1,220,000	1,220,000
Increase of new shares ¹	1	488,000	488,000	-	-
At 31 December					
- ordinary shares	1	1,708,000	1,708,000	1,220,000	1,220,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Group.

Issue of ordinary shares

At the Extraordinary Shareholders' Meeting on 25 September 2014, the shareholders approved to increase the Company's

authorises share capital from amounting Baht 1,220 million at par value of Baht 1 per share, amounting to Baht 488 million for the purposes of stock dividend payment, and warrant exercises. The Company's has registered the increment of the share capital with the Ministry of Commerce on 30 October 2014.

At the Extraordinary Shareholders' Meeting on 12 December 2014, the shareholders approved the remaining stock dividend payment 2,775,000 shares are offered through private placement, at the price Baht 47.25 per share, and 362 shares are offered to Bangkok Life Assurance Public Company Limited Employee Provident Fund at Baht 1 per share. The Group received Baht 2.8 million for issue and paid-up share capital Baht 128.3 million for share premium, totally amount is Baht 131.1 million. There is all issue and paid-up share capital amounting Baht 485.1 million, and Baht 128.3 million for share premium.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Consolidated / Separate financial statements

Reconciliations for the year ended 31 December 2014 and 2013

	(in thousand Baht)				
	Issued and paid-up share capital		Share premium	Capital reserve on share-based payments	Subscriptions received in advance from exercises of warrants
	Number of shares (in thousand share)	Amount	Amount	Amount	Amount
Balances at 1 January 2014	1,211,714	1,211,714	2,846,251	66,069	1,246
Issuance of ordinary shares as a result of exercise of warrant No. 1 (Note 26)	1,036	1,036	12,945	-	(1,246)
Expenses in respect of share-based payments - warrant No. 2 (Note 26)	-	-	-	37,753	-
Issue of ordinary shares for stock dividend	482,325	482,325	-	-	-
Issue of ordinary shares by private placement and employee provident fund	2,775	2,775	128,344	-	-
Balances at 31 December 2014	1,697,850	1,697,850	2,987,540	103,822	-

Notes to Financial Statements

(in thousand Baht)

	Issued and paid-up share capital		Share premium Amount	Capital reserve on share-based payments Amount	Subscriptions received in advance from exercises of warrants Amount
	Number of shares (in thousand share)	Amount			
Balances at 1 January 2013	1,204,772	1,204,772	2,759,470	28,315	35,477
Issuance of ordinary shares as a result of exercise of warrant No. 1	6,942	6,942	86,781	-	(35,477)
Subscription received in advance from exercises of warrants (Note 26)	-	-	-	-	1,246
Expenses in respect of share-based payments - warrant No. 2 (Note 26)	-	-	-	37,754	-
Balances at 31 December 2013	1,211,714	1,211,714	2,846,251	66,069	1,246

25. Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

As at 31 December 2014, the Company has legal reserve of Baht 170.8 million (2013: 122.0 million).

Other reserve

As at 31 December 2014 and 2013, other reserves amounting to Baht 400 million were established without having any specific purpose.

Other components of equity

Fair value changes in available-for-sale securities

The fair value changes in available-for-sale securities account within equity comprise the cumulative net change in the fair value of available-for-sale securities until the investments are derecognised or impaired.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity

26. Share-based payments - warrants

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

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

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

These warrants expire the earlier of 5 years from the issue date and the termination date of employment. The exercise ratio is 1 unit of warrant to 1 new ordinary share and the exercise price is equal to Baht 13.50 per share for Warrant No. 1 and Baht 35 per share for Warrant No.2. The first exercise date is 3 years from the grant date.

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

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

Expected dividend yield	- 1.5%
Expected stock price volatility	- 39.9% (estimated with reference to historical 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 Scholes - continuous model

Notes to Financial Statements

Employee expenses in respect of share-based payments (Warrant No. 2) recognised for the year ended 31 December 2014 amounted to Baht 38 million (2013: Baht 38 million).

Movements units of warrants during the year ended 31 December 2014 and 2013 are summarised below.

(in thousand units)

	31 December 2014		
	Number of warrants		
	Warrants No. 1	Warrants No. 2	Total
Number of unexercised warrants at 1 January 2014	943	7,150	8,093
Exercised during the year	(943)	-	(943)
Number of unexercised warrants at 31 December 2014	-	7,150	7,150

(in thousand units)

	31 December 2013		
	Number of warrants		
	Warrants No. 1	Warrants No. 2	Total
Number of unexercised warrants at 1 January 2013	5,350	7,150	12,500
Exercised during the year	(4,407)	-	(4,407)
Number of unexercised warrants at 31 December 2013	943	7,150	8,093

During the year ended 31 December 2014, the Warrant No. 1 holders exercised 0.9 million units (2013 : 4.4 million units) at an exercise price of Baht 13.5 each (2013 : Baht 13.5 each), or for a total of Baht 12.7 million (2013 : Baht 59.5 million). Details are summarised as below.

Exercise	Units of warrants (in thousand units)	Exercise price per share (Baht)	Proceeds from exercise (in thousand Baht)	Issued and paid up share capital (in thousand Baht)	Share Premium (in thousand Baht)	Subscriptions received in advance from exercises of warrants (in thousand Baht)	Share capital registration date	Listing date
The seventh exercise	508	13.5	6,863	508	6,355	-	22 April 2014	28 April 2014
The eight exercise	333	13.5	4,495	333	4,162	-	25 July 2014	30 July 2014
The ninth exercise	102	13.5	1,377	102	1,275	-	8 October 2014	10 October 2014
Total 2014	943		12,735	943	11,792	-		

Exercise	Units of warrants (in thousand units)	Exercise price per share (Baht)	Proceeds from exercise (in thousand Baht)	Issued and paid up share capital (in thousand Baht)	Share Premium (in thousand Baht)	Subscriptions received in advance from exercises of warrants (in thousand Baht)	Share capital registration date	Listing date
The third exercise	3,402	13.5	45,920	3,402	42,518	-	25 April 2013	26 April 2013
The fourth exercise	799	13.5	10,787	799	9,988	-	16 July 2013	17 July 2013
The fifth exercise	114	13.5	1,539	114	1,425	-	18 October 2013	22 October 2013
The sixth exercise	92	13.5	1,246	-	-	1,246	20 January 2014	21 January 2014
Total 2013	4,407		59,492	4,315	53,931	1,246		

27. Operating segments

Management considers that the Group is operating its core business in a single segment in life insurance business and in a single geographic area in Thailand. The information presented in these financial statements is consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker. The Chief Operating Decision Maker has been identified as the Chief Executive Officer.

For the year ended 31 December 2014 and 2013, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

Notes to Financial Statements

28. Reporting information classified by type of underwriting

(in thousand Baht)

	Consolidated financial statements				
	For the year ended 31 December 2014				
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	Other	Total
Underwriting income					
Gross premium written	51,503,050	268,146	38,932	-	51,810,128
Less premium ceded	(619,925)	-	-	-	(619,925)
Net premiums written	50,883,125	268,146	38,932	-	51,190,203
Less (add) unearned premium reserves	(19,172)	-	1,033	-	(18,139)
Total underwriting income	50,863,953	268,146	39,965	-	51,172,064
Underwriting expenses					
Life policy reserve increase from the previous year	40,559,784	258,466	-	-	40,818,250
Benefits payments to life policyholders during the year	11,091,886	4,722	-	-	11,096,608
Insurance claims and loss adjustment expenses	1,281,404	-	6,387	-	1,287,791
Commissions and brokerages	2,782,905	21,331	1,107	1,633	2,806,976
Sale promotional expense	308,658	1,627	243	43	310,571
Other underwriting expenses	28,470	150	22	-	28,642
Total underwriting expenses	56,053,107	286,296	7,759	1,676	56,348,838

(in thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2014			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	Total
Underwriting income				
Gross premium written	51,503,050	268,146	38,932	51,810,128
Less premium ceded	(619,925)	-	-	(619,925)
Net premiums written	50,883,125	268,146	38,932	51,190,203
Less (add) unearned premium reserves	(19,172)	-	1,033	(18,139)
Total underwriting income	50,863,953	268,146	39,965	51,172,064
Underwriting expenses				
Life policy reserve increase from the previous year	40,559,784	258,466	-	40,818,250
Benefits payments to life policyholders during the year	11,091,886	4,722	-	11,096,608
Insurance claims and loss adjustment expenses	1,281,404	-	6,387	1,287,791
Commissions and brokerages	2,782,905	21,331	1,107	2,805,343
Sale promotional expenses	308,658	1,627	243	310,528
Other underwriting expenses	28,470	150	22	28,642
Total underwriting expenses	56,053,107	286,296	7,759	56,347,162

Notes to Financial Statements

(in thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2013			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	Total
Underwriting income				
Gross premium written	38,856,578	181,703	40,906	39,079,187
Less premium ceded	(565,701)	-	-	(565,701)
Net premiums written	38,290,877	181,703	40,906	38,513,486
Add (less) unearned premium reserves	284,411	-	(2,715)	281,696
Total underwriting income	38,575,288	181,703	38,191	38,795,182
Underwriting expenses				
Life policy reserve increase				
from the previous year	25,190,777	166,438	-	25,357,215
Benefits payments to life policyholders during the year	9,596,512	2,793	-	9,599,305
Insurance claims and loss adjustment expenses	1,243,615	-	8,307	1,251,922
Commissions and brokerages	2,685,276	18,960	971	2,705,207
Sale promotional expenses	349,609	1,647	346	351,602
Other underwriting expenses	30,838	145	30	31,013
Total underwriting expenses	39,096,627	189,983	9,654	39,296,264

29. Net investment income

(in thousand Baht)

For the year ended 31 December	Note	Consolidated / Separate	Separate
		financial statements	financial statements
		2014	2013
Dividend income			
Other related parties	35	244,824	161,122
Other parties		717,593	575,917
		962,417	737,039
Interest income			
Other related parties	35	564,814	345,587
Other parties		7,325,763	6,027,729
		7,890,577	6,373,316
Investment expense		(41,364)	(54,482)
Total		8,811,630	7,055,873

30. Operating expenses

(in thousand Baht)

	Note	Consolidated / Separate	Separate	
		financial statements	financial statements	
		2014	2014	2013
Personnel expense, not relating to				
underwriting and insurance claims	31	874,696	872,077	807,726
Premises and equipment expense, not				
relating to underwriting		154,534	154,454	150,446
Taxes and duties		222,340	222,340	183,178
Other operating expenses		629,147	628,820	579,012
Total		1,880,717	1,877,691	1,720,362

Notes to Financial Statements

31. Employee expenses

(in thousand Baht)

	Note	Consolidated / Separate	Separate	
		financial statements	financial statements	
		2014	2014	2013
Salary and wages		785,343	783,709	732,573
Social Security fund		13,299	13,284	10,023
Contribution to defined employee benefit		33,336	33,252	28,421
Other benefits		84,544	83,658	74,082
Total		916,522	913,903	845,099

Employee benefit expenses have

been allocated to:

Other underwriting expenses and insurance				
claim and loss adjustments expenses		41,826	41,826	37,373
Operating expenses	30	874,696	872,077	807,726
Total		916,522	913,903	845,099

Defined benefit plans

Details of the defined benefit plans are given in Note 22.

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

32. Income tax expense

Income tax recognised in profit or loss

(in thousand Baht)

	Note	Consolidated / Separate	Separate
		financial statements	financial statements
		2014	2013
Current tax expense			
Current year		2,245,926	1,216,385
Adjust prior year tax		1,541	-
Deferred tax expense			
Movements in temporary differences	14	(1,801,014)	(286,013)
Total		446,453	930,372

Income tax recognised in other comprehensive income

For the year ended 31 December 2014 and 2013

(หน่วย: พันบาท)

	Consolidated / Separate financial statements			Separate financial statements		
	2014			2013		
	Before tax	Tax expense	Net of income tax	Before tax	Tax benefit	Net of income tax
Net fair value change						
in available-for-sale securities	1,434,151	(286,830)	1,147,321	(952,644)	190,529	(762,115)

Notes to Financial Statements

Reconciliation of effective tax rate

(in thousand Baht)

	Consolidated financial statements	
	2014	
	Rate (%)	
Profit before income tax expense		3,108,176
Income tax using the Thai corporation tax rate	15, 20	621,635
Income not subject to tax		(185,067)
Expenses not subject to tax		8,344
Adjust prior year tax		1,541
Total	14	446,453

(in thousand Baht)

	Separate financial statements			
	2014		2013	
	Rate (%)		Rate (%)	
Profit before income tax expense		3,111,169		5,310,876
Income tax using the Thai corporation tax rate	20	622,234	20	1,062,175
Income not subject to tax		(185,067)		(140,138)
Expenses not subject to tax		7,745		8,335
Adjust prior year tax		1,541		-
Total	14	446,453	18	930,372

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Company has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

33. Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2014 and 2013 were calculated based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effect of the stock dividend. A stock dividend of approximately 482 million shares was approved at the Extraordinary Shareholders' Meeting on 25 September 2014, and has been included in the calculation of EPS at 31 December 2014. The EPS for the comparative year presented has been adjusted as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported. The calculation are as follows:

	(in thousand Baht/thousand shares)		
	Consolidated financial statements	Separate financial statements	
	2014	2014	2013 (Restated)
Profit attributable to ordinary shareholders of the Company (basic)	2,661,753	2,664,716	4,380,504
Number of ordinary shares outstanding at 1 January	1,211,807	1,211,807	1,207,400
Effect of exercises warrants and issued of ordinary shares	1,050	1,050	3,030
Effect of stock dividend	482,325	482,325	482,325
Weighted average number of ordinary shares outstanding (basic)	1,695,182	1,695,182	1,692,755
Earnings per share (basic) (in Baht)	1.57	1.57	2.59

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Company weighted average number of ordinary shares outstanding during the years (as adjusted for the effect of the stock dividend) after adjusting for the effects of all dilutive potential ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year on the date of potential ordinary shares were issued as follows:

	(in thousand Baht/thousand shares)		
	Consolidated financial statements	Separate financial statements	
	2014	2014	2013 (Restated)
Profit attributable to ordinary shareholders of the Company (basic)	2,661,753	2,664,716	4,380,504
Weighted average number of ordinary shares outstanding (basic)	1,695,182	1,695,182	1,692,755
Effect of warrant no. 1	296	296	1,852
Effect of warrant no. 2	2,972	2,972	2,111
Weighted average number of ordinary shares outstanding (diluted)	1,698,450	1,698,450	1,696,718
Earnings per share (diluted) (in Baht)	1.57	1.57	2.58

Notes to Financial Statements

34. Dividends

Dividends declared during the years ended 31 December 2014 and 2013 consisted of the following :

	Approved by	Type	Total Dividend (in Million Baht)	Dividend per share (in Baht)	Paid date to shareholder
a) Annual dividend for 2013	Annual General Meeting of the Shareholders on 30 April 2014 and approved by the OIC on 8 April 2014	Cash	618	0.51	May 2014
b) Interim dividend from the operating performance for the six-months period ended 30 June 2014	Meeting of Board of Directors on 8 August 2014, Meeting of The Extra Ordinary Shareholder on 25 September 2014 and approved by the OIC on 12 September 2014	Cash Stock dividend (at the rate of 5 existing shares to 2 new shares)	60 482	0.05 0.40	October 2014 December 2014
Total dividends paid in 2014			1,160	0.96	
a) Annual dividend for 2012	Annual General Meeting of the Shareholders on 26 April 2013 and approved by the OIC on 26 April 2013	Cash	434	0.36	May 2013
b) Interim dividend from the operating performance for the six-months period ended 30 June 2013	Meeting of Board of Directors on 9 August 2013 and approved by the OIC on 29 August 2013	Cash	483	0.40	September 2013
Total dividends paid in 2013			917	0.76	

35. Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiary is described in note 10.

Relationships with key management and related parties were as follows:

Name of entities/individuals	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group
Nippon Life Insurance Company	Japan	Major shareholder, 24.4% holding
Wattanasophonpanich Co., Ltd	Thailand	Major shareholder, 13.2% holding
BLA Insurance Broker Co., Ltd.	Thailand	The Group's Subsidiary since 7 July 2014, and related by way of common directors are the management of the Group
Bangkok Bank Pcl.	Thailand	Related by way of common shareholders
Bangkok Insurance Pcl.	Thailand	Shareholding and related by way of common directors
Bumrungrad Hospital Pcl.	Thailand	Related by way of common directors and shareholders
Bangkok Business Building (1987) Co., Ltd.	Thailand	Related by way of common directors and shareholders
Tris Corporation Ltd.	Thailand	Related by way of common directors and shareholders
BBL Asset Management Co., Ltd.	Thailand	Related by way of common directors and shareholders
Union Textile Industries Pcl.	Thailand	Related by way of common shareholders
Narai Ruamphiphat Co., Ltd.	Thailand	Holding by an individual related to the major shareholder of the Group
TICON Industrial Connection Pcl.	Thailand	Holding by an individual related to the major shareholder of the Group
Asia warehouse Co., Ltd.	Thailand	Holding by the major shareholder of the Group
TMD Design, LLC	Thailand	Holding by an individual related to the major shareholder of the Group
Bualuang Securities Pcl.	Thailand	Subsidiary of the major shareholder of the Group
Thaire Life Assurance Pcl. ⁽¹⁾	Thailand	Subsidiary of Thai Reinsurance Pcl.
Thai Reinsurance Pcl.	Thailand	Related by way of common directors
Sorachai Vivatn Co., Ltd.	Thailand	Related by way of common directors
Thai Phyathai 1 Hospital Co., Ltd. ⁽³⁾	Thailand	Related by way of common directors
Thai Phyathai 2 Hospital Co., Ltd. ⁽³⁾	Thailand	Related by way of common directors
Thai Phyathai 3 Hospital Co., Ltd. ⁽²⁾	Thailand	Related by way of common directors
Samitivej Pcl.	Thailand	Related by way of common directors
Rajburi Sugar Co., Ltd.	Thailand	Related by way of common directors
Charoen Pokphand Foods Pcl.	Thailand	Related by way of common directors
Indorama Ventures Pcl.	Thailand	Related by way of common directors
Ek-chai Distribution System Co., Ltd.	Thailand	Related by way of common directors
Asia Insurance Company Limited	Hongkong	Related by way of common directors
Bangpain Golf Co., Ltd.	Thailand	Related by way of common directors
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Thailand	Related by way of common directors
Raimonland Co., Ltd.	Thailand	Related by way of common directors

Notes to Financial Statements

(1) It had been considered a related party until 31 July 2013 because the Group has no common directors with Thaire Life Assurance Pcl. since then.

(2) It had been considered a related party until 8 May 2013 because the Group has no common directors with the Phyathai 3 Hospital Co., Ltd. since then.

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

The pricing policies for transactions with related parties are explained further below :

Transactions	Pricing policies
Premium written	Normal commercial terms for underwriting
Claim recoverable from reinsurer	At a mutually agreed percentage of reinsurance premium
Interest income - deposits at bank, promissory notes and debentures	Same rates as those charged by financial institutions and related companies to general customers
Interest income - mortgage loans	Same rates as the Company charges to general borrowers who mortgage assets as collateral
Dividend income	As declared
Rental and service income	Rate on agreements as those charged by rental and service fees per square meter per month
Brokerage income from securities trading	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap exchange contracts	Normal commercial terms on contracts
Premium ceded	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Commission and brokerages	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	Normal commercial terms for underwriting
Bank charges	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	Normal commercial terms for underwriting
Building space rental and services	Rate on agreements as those charged by rental and service fees per square meter per month
Other services fees	Rate on agreements as those charged to member with normal commercial terms for services

Significant transactions for the year ended 31 December 2014 and 2013 with key management and related parties were as follows :

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2014	2014	2013
Subsidiary				
Revenues				
Rental and service income	-	164	-	-
Other related parties				
Revenues				
Premium written	6,771	6,771	4,448	4,448
Claim recovery from reinsurance	17	17	59,859	59,859
Interest income - deposits at banks, promissory notes and debentures	555,016	555,016	334,623	334,623
Interest income - mortgage loans	9,798	9,798	10,964	10,964
Dividend income	244,824	244,824	161,122	161,122
Rental and service income	4,083	227	226	226
Brokerage income from securities trading	19,887	19,887	15,936	15,936
Gain on forward and swap foreign exchange contracts	117,138	117,138	108,175	108,175
Expenses				
Premium ceded	83	83	84,252	84,252
Commission and brokerage	1,204,078	1,204,078	1,211,717	1,211,717
Claim payments and diagnosis charges	105,147	105,147	50,426	50,426
Bank charges	90,349	90,303	85,755	85,755
Insurance premiums	1,894	1,894	2,038	2,038
Building space rental and service fees	67,458	67,458	65,206	65,206
Other service fees	558	558	617	617
Key management personnel and director compensation				
Short-term employment benefit	41,690	41,690	43,997	43,997
Post-employment benefit	2,830	2,830	1,645	1,645
Share-based payment transactions	12,408	12,408	12,408	12,408
Total	56,928	56,928	58,050	58,050

Notes to Financial Statements

Directors' remuneration

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries and related benefits payable to executive directors.

The premium generated from the Bancassurance distribution channel represented approximately 70.85% of total net premium written for the year ended 31 December 2014 (2013: 63.26%).

The details of the warrants allocated to the Group's employees are presented in note 26.

Significant balances as at 31 December 2014 and 2013 with related parties were as follows:

	(in thousand Baht)		
	Consolidated financial statements	Separate financial statements	
	2014	2014	2013
Subsidiary			
Rental and service receivables	-	526	-
Other receivables	-	4,446	-
Other related parties			
Deposit at financial institution	4,187,212	4,183,121	1,776,563
Reinsurance assets	107	107	949
Investments in securities			
Available-for-sale investments			
Equity securities	3,383,287	3,383,287	2,732,969
Unit trusts	1,931,491	1,931,491	1,453,642
Total available-for-sale investments	5,314,778	5,314,778	4,186,611
Held-to-maturity investments			
Private enterprise debt securities	4,105,000	4,105,000	4,105,000
Foreign debt securities	5,841,640	5,841,640	4,801,185
Total held-to-maturity investments	9,946,640	9,946,640	8,906,185
General investments - foreign equity securities	11,167	11,167	11,467
Loans	140,077	140,077	159,679
Forward and swap foreign exchange			
contract receivable	4,120,176	4,120,176	2,416,554
Other assets	71,389	70,970	83,475
Amounts due to reinsurers	-	-	908
Outstanding claims	9,280	9,280	6,866
Forward and swap foreign exchange			
contract payable	4,253,699	4,253,699	2,463,029
Other liabilities	137,821	135,405	198,443

a) Significant agreements with related parties

Agreements with related bank

The Company entered into various agreements and memorandum with a related bank particularly in the distribution of insurance products in return for commission and marketing support expenses.

Bank charge

The Company agreed to pay fees to a related bank in return for transactional activities of the Company's customers through the bank's branches, ATMs and other alternative channels.

Building rental and service agreements

On 21 May 2013, the Company (lessor) entered into the building rental agreement with BLA Insurance Broker Company Limited (lessee). The monthly fee for rental and service is Baht 32,250, and deposit on rental is Baht 64,500. The rental period covers 1 June 2013 until 31 May 2014. On 24 June 2014, the Company (lessor) entered into the building rental agreement with BLA Insurance Broker Company Limited (lessee). The monthly fee for rental and service is Baht 32,895, and deposit on rental is Baht 65,970. The rental period covers 1 June 2014 until 31 May 2017.

Office building rental and service agreements

On 1 August 2014, the Company (lessee) entered into the office building rental agreement with Narairuamphipat Company Limited (lessor). The monthly fee for rental is Baht 0.5 million, and deposit on rental is Baht 1.2 million. The rental period covers 1 August 2014 until 31 July 2017. On 1 August 2014, the Company (service buyer) entered into the office building service agreement with Narairuamphipat Company Limited (service provider). The monthly fee of service and maintenance is Baht 1.1 million, and deposit on service and maintenance is Baht 2.7 million. The service period covers 1 August 2014 until 31 July 2017.

(b) Commitments with related parties

As at 31 December 2014, the Company has existing lease and service agreements for offices buildings with related companies. The terms of the agreements are generally between 3 - 25 years (2013 : 3 -25 years) for leases of building space and between 3 years (2013 : 3 years) for motor vehicles and equipment. The Company has a monthly rental and service fee of Baht 3.9 million (excluding value added tax) (2013 : Baht 3.1 million).

Notes to Financial Statements

(in thousand Baht)

	Consolidated financial statements	Separate financial statements	
	2014	2014	2013
Within one year	45,950	45,950	19,768
After one year but within five years	85,052	85,052	29,867
After five years	5,359	5,359	8,074
Total	136,361	136,361	57,709

36. Financial instruments

Financial assets carried in the statements of financial position include investments, loans, cash and bank balances, reinsurance receivables and assets, premium due and uncollected, accrued income on investments, loans and certain balances of other assets. Financial liabilities carried in the statements of financial position include unpaid benefits to life policies, due to reinsurers, accrued expenses, and certain balances of other liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Group maintains its capital fund in accordance with the requirements of the notifications of the Office of Insurance Commission.

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern in order to protect policyholders and to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain as adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, and issue new shares.

(a) Interest rate risk

Interest rate risk is the risk that the future movement in market interest rates will affect the interest income from investments. Investments include both short-term and long-term investments that have fixed and floating interest rates.

The Group manages the risk by considering the risk of investments together with the return on such investments.

As at 31 December 2014 and 2013 significant financial assets classified by type of interest rates are as follows :

(in thousand Baht)

	Consolidated financial statements			
	2014			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	566,778	4,828,949	311,837	5,707,564
Investments in securities				
Government and state enterprise debt securities	-	117,314,148	-	117,314,148
Private debt securities	3,600,000	28,960,063	-	32,560,063
Foreign debt securities	-	21,768,995	-	21,768,995
Deposits at banks with original maturity over 3 months	-	5,260,000	-	5,260,000
Loans, net				
Policy loans	-	4,250,986	-	4,250,986
Mortgage loans	54,239	414,174	-	468,413
Other loans	-	15,557	101	15,658
Total	4,221,017	182,812,872	311,938	187,345,827

Notes to Financial Statements

(in thousand Baht)

	Separate financial statements			
	2014			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	566,778	4,828,949	307,745	5,703,472
Investments in securities				
Government and state enterprise				
debt securities	-	117,314,148	-	117,314,148
Private debt securities	3,600,000	28,960,063	-	32,560,063
Foreign debt securities	-	21,768,995	-	21,768,995
Deposits at banks with original				
maturity over 3 months	-	5,260,000	-	5,260,000
Loans, net				
Policy loans	-	4,250,986	-	4,250,986
Mortgage loans	54,239	414,174	-	468,413
Other loans	-	15,557	101	15,658
Total	4,221,017	182,812,872	307,846	187,341,735

(in thousand Baht)

	Separate financial statements			
	2013			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	1,018,948	-	312,243	1,331,191
Investments in securities				
Government and state enterprise				
debt securities	-	107,467,286	-	107,467,286
Private debt securities	-	21,151,062	-	21,151,062
Foreign debt securities	-	13,296,025	-	13,296,025
Deposits at banks with original				
maturity over 3 months	-	1,310,000	-	1,310,000
Loans, net				
Policy loans	-	3,163,866	-	3,163,866
Mortgage loans	57,665	288,075	-	345,740
Other loans	-	14,081	2,007	16,088
Total	1,076,613	146,690,395	314,250	148,081,258

Financial assets carrying interest at fixed rates as of 31 December 2014 and 2013 are classified below on the basis of the length of time from the reporting date to the next re-pricing date, or to the maturity date whichever is sooner.

(in thousand Baht)

	Consolidated financial statements					Average interest rate (% per annum)
	2014				Total	
	Within 1 year	After 1 year but within 5 years	Over 5 years			
Financial assets						
Cash and cash equivalents	4,828,949	-	-	4,828,949	1.50 - 6.10	
Investments in securities						
Government and state enterprise debt securities	2,361,386	10,252,277	104,700,485	117,314,148	4.37	
Private debt securities	178,663	4,097,000	24,684,400	28,960,063	5.19	
Foreign debt securities	979,540	2,624,542	18,164,913	21,768,995	5.07	
Deposits at banks with original maturity over 3 months	3,860,000	1,400,000	-	5,260,000	3.36	
Loans, net						
Mortgage loans	-	122,277	291,897	414,174	5.00 - 8.00	
Other loans	1,410	14,093	54	15,557	6.00	
Total	12,209,948	18,510,189	147,841,749	178,561,886		

(in thousand Baht)

	Separate financial statements					Average interest rate (% per annum)
	2014				Total	
	Within 1 year	After 1 year but within 5 years	Over 5 years			
Financial assets						
Cash and cash equivalents	4,828,949	-	-	4,828,949	1.50 - 6.10	
Investments in securities						
Government and state enterprise debt securities	2,361,386	10,252,277	104,700,485	117,314,148	4.37	
Private debt securities	178,663	4,097,000	24,684,400	28,960,063	5.19	
Foreign debt securities	979,540	2,624,542	18,164,913	21,768,995	5.07	
Deposits at banks with original maturity over 3 months	3,860,000	1,400,000	-	5,260,000	3.36	
Loans, net						
Mortgage loans	-	122,277	291,897	414,174	4.50 - 8.00	
Other loans	1,410	14,093	54	15,557	6.00	
Total	12,209,948	18,510,189	147,841,749	178,561,886		

Notes to Financial Statements

(in thousand Baht)

	Separate financial statements				Average interest rate (% per annum)
	2013				
	Within 1 year	After 1 year but within 5 years	Over 5 years	Total	
Financial assets					
Investments in securities Government and state enterprise debt securities	1,032,737	9,164,599	97,269,950	107,467,286	4.39
Private debt securities	1,335,000	3,975,000	15,841,062	21,151,062	5.23
Foreign debt securities	580,333	3,297,870	9,417,822	13,296,025	5.19
Deposits at banks with original maturity over 3 months	1,010,000	300,000	-	1,310,000	3.77
Loans, net					
Mortgage loans	-	19,213	268,862	288,075	5.00 - 7.00
Other loans	1,535	12,485	61	14,081	6.00
Total	3,959,605	16,769,167	122,797,757	143,526,529	

Policy loans are fully collateralized by the value of the underlying policy and carry interest rates which follow the regulations of the Office of Insurance Commission. The average rates of interest in the years ended 31 December 2014 and 2013 were 4.50-8.00%. The contractual maturity of these loans would generally follow the maturity profile of the underlying insurance policy with which they are associated. Policyholders may repay policy loans prior to maturity.

(b) Foreign currency risk

The Group is exposed to foreign currency risk relating to its investments which are denominated in foreign currencies. The Group primarily utilizes forward and cross currency swap contracts to hedge such financial assets denominated in foreign currencies.

At 31 December 2014 and 2013, the Group was exposed to foreign currency exchange risk in respect of financial assets and liabilities denominated in the following currencies :

	(in thousand Baht)	
	Consolidated / Separate financial statements	Separate financial statements
	2014	2013
Financial assets		
Bonds	2,553,909	2,608,107
Debentures	18,560,605	10,687,918
Unit trusts	1,894,683	1,667,321
Bill of exchanges	654,481	-
Gross financial position exposure	23,663,678	14,963,346
Financial liabilities		
Cross currency swap	20,093,088	12,388,974
Forward currency swap	1,339,737	1,243,902
Total	21,432,825	13,632,876
Net exposure	2,230,853	1,330,470

(c) Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Key areas that the Group is exposed to credit risk are cash positions, premium due and uncollected, policy loans, mortgage loans, vehicle hire-purchase receivables and investments in debt securities.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all policyholders, borrowers and debt securities on an ongoing basis and granting loans

Notes to Financial Statements

not exceeding the value of collateral, in accordance with Office Insurance Commission Notification on Investment Regulations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Concentrations of the credit risk with respect to premiums due and uncollected are insignificant due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand.

Concentrations of credit risk with respect to mortgage loans and other loans are insignificant since the borrowers and the insured are dispersed across different industries and geographic regions in Thailand. The maximum credit exposure arising from mortgage loans is the amount of the loan less the value of assets pledged as security.

Concentrations of credit risk with respect policy loans are insignificant since the borrowers and the insured are dispersed across different industries and geographic regions in Thailand and the amount lent to insured parties is less than the cash value of their policies with the Group.

(d) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The Group's financial assets mainly comprise of cash and deposits at financial institutions and investments in securities which are highly liquid and are able to be sold quickly at close to their fair value when the Group wishes to raise fund.

(e) Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amounts of the following financial assets and financial liabilities are considered to be approximate to their fair values: cash and cash equivalents, accrued income on investments and loans, premiums due and uncollected, reinsurance receivables and assets, other financial asset, due to reinsurers, other liabilities on insurance policies and other financial liabilities.

The fair value of investments in securities is determined based on methods as disclosed in Note 3(f) and it was shown in Note 8.

The fair value of investments in equity and debt securities, which are held for trading, held-to-maturity and available

for sale are determined by reference to their quoted bid price or Net Assets Value (“NAV”) at the reporting date. The fair value of held-to-maturity investments is determined for disclosure purposes only. For non-marketable debt securities, the fair value is determined by using the yield curve adjusted by an appropriate risk premium.

The fair value of derivatives is based on the market price from financial institutions which are derivative issuers.

The fair value of deposits at financial institutions which have remaining term to maturity of less than 90 days are based on carrying value. For those with remaining terms to maturity greater than 90 days, the fair values is estimated by using a discounted cash flow analysis based on current interest rates for the remaining period to maturity.

The fair value of mortgage loans and others loans which carrying floating interest rate and are fully collateralised is taken to approximate the carrying value. The fair value of fixed interest rate loans is estimated by using discounted cash flow analysis based on current interest rate for the remaining years to maturity.

The fair value of policy loans is taken to approximate the carrying value because the loans are granted to the insurer at an interest rate in accordance with the Regulations of the Office of Insurance Commission and collateralized by the cash values of the insurance policies.

As at 31 December 2014 and 2013, the aggregate carrying values of the Group’s financial instruments which are significantly different from their aggregate fair values can be defined as follows :

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
	Carrying value	Fair value	Carrying value	Fair value
Held-to-maturity investments				
Bonds	111,182,630	120,746,568	102,859,664	102,475,814
Debentures	46,672,160	49,663,097	23,651,429	24,349,012
Promissory notes and bill of exchanges	13,046,233	14,011,464	13,481,685	13,582,700

37. Securities and assets pledged with registrar

37.1 As at 31 December 2014 and 2013, investments in debt securities were pledged with the Registrar in accordance with Section 20 of the Life Assurance Act (No. 2) B.E. 2551 as follows :

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
	Book value	Face value	Book value	Face value
State enterprise bonds	20,000	20,000	20,000	20,000

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37.2 As at 31 December 2014 and 2013, investments in debt securities were pledged as life assurance policy reserve with the Registrar in accordance with Section 24 of the Life Assurance Act (No. 2) B.E. 2551 as follows :

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
	Book value	Face value	Book value	Face value
Government bonds	35,241,617	33,750,000	20,802,166	20,750,000
State enterprise bonds	6,199,138	6,927,140	7,430,455	7,924,140
Total	41,440,755	40,677,140	28,232,621	28,674,140

38. Restricted and collateral securities

As at 31 December 2014 and 2013, the Group has government bonds were pledged as collateral as follows:

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
	Book value	Face value	Book value	Face value
Government bonds				
Electricity usage	2,619	2,590	2,622	2,590
Court	-	-	695	652
Total	2,619	2,590	3,317	3,242

39. Contribution to Life Guarantee Fund

(in thousand Baht)

	Consolidated / Separate financial statements		Separate financial statements	
	2014		2013	
At 1 January		159,806		120,727
Contribution during the year		51,810		39,079
At 31 December		211,616		159,806

40. Commitments with non-related parties

40.1 Operating lease and service commitments

The Group has entered into several lease agreements in respect of the lease of motor vehicles and equipment. The terms of the agreements are generally between 1 - 3 years (2013 : 1 - 6 years) for leases of motor vehicles and equipment. Such agreements are non-cancellable.

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2014	2013	
Within one year	28,388	28,388	30,565	
After one year but within five years	24,924	24,924	24,742	
After five years	-	-	2,644	
Total	53,312	53,312	57,951	

40.2 Investment commitments

As at 31 December 2014 and 2013, the Group may need to deposit additional amounts in the future under the investment conditions as described in Note 8.4 (a) and (b) to the financial statements, as summarised below.

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2014	2013	
Within one year	1,140,000	1,140,000	1,140,000	
After one year but within five years	1,010,000	1,010,000	950,000	
After five years	-	-	300,000	
Total	2,150,000	2,150,000	2,390,000	

41. Contingent liabilities

As at 31 December 2014, lawsuits have been brought against the Group in relation to insurance claims in the normal course of business totaling approximately Baht 47 million (31 December 2013 : Baht 39 million). The Group's management believes that the recorded amount of life policy reserves, unpaid policy benefits and due to insured in the financial statements is adequate to meet the potential losses in respect of those claims.

42. Events after reporting period

At the Company's board of directors' meeting held on 25 February 2015, the board of directors passed a resolution to approve a dividend payment of Baht 0.46 per share. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company and the Office of Insurance Commission.

Notes to Financial Statements

43. Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TFRS 2 (revised 2014)	Share-based Payment	2015
TFRS 3 (revised 2014)	Business Combinations	2015
TFRS 4 (revised 2014)	Insurance Contracts	2016
TFRS 8 (revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 13	Fair Value Measurement	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015
TFRIC 13 (revised 2014)	Customer Loyalty Programmes	2015

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial applications, with the exception of TFRS 4 and TFRS 13 which management is in the process of assessing the impact.

44. Reclassification of accounts

Certain accounts in the statements of financial position as at 31 December 2013 and the statement of cash flows for the year ended 31 December 2013 which are included in the 2014 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2014 interim financial statements.

(in thousand Baht)

	2013		
	Separate financial statements		
	Before reclassification	Reclassification	After reclassification
Statement of financial position			
as at 31 December 2013			
Deferred tax assets	1,066,287	(1,066,287)	-
Deferred tax liabilities	(1,098,048)	1,066,287	(31,761)
		-	
Held-to-maturity securities	140,790,981	511,797	141,302,778
Other assets	347,315	115,305	462,620
Unpaid policy benefits	(102,106)	(4,417)	(106,523)
Loss reserves and outstanding claims	(297,504)	(2,176)	(299,680)
Other insurance liabilities	(7,379,617)	(35,385)	(7,415,002)
Other liabilities	(1,499,378)	(585,124)	(2,084,502)
		-	

(in thousand Baht)

	2013		
	Separate financial statements		
	Before reclassification	Reclassification	After reclassification
Statement of Cash flows for the year ended			
31 December 2013			
Cash flows from investing activities			
Cash flows provided by :			
Deposit in financial institution	19,950,000	(19,840,000)	110,000
Cash flow used in :			
Deposit in financial institution	(20,510,000)	19,840,000	(670,000)
		-	

Branches

Branch	Contact address	Telephone	Fax
Bangkok and nearby			
Pathumthani	380 Rangsit-Pathumthani Road, Prachathipatt subdistrict, Thanyaburi district, Pathumthani 12130 E-mail : pathumthani@bangkoklife.com	0-2567-1414	0-2567-4729
Srinakarin	209, 211 Srinakarin Road, Bangna subdistrict, Bangna district, Bangkok 10260 E-mail : srinakarin@bangkoklife.com	0-2383-4591	0-2758-8001
Silom	302 S&A Building, 6-7th Floor, Silom Road, Suriwong subdistrict, Bangrak district, Bangkok 10500 E-mail : silom@bangkoklife.com	0-2233-0099	0-2233-4114
Asoke	54 BB Building, 10-11th Floor, #1101-2, Sukhumvit 21 Road (Asoke) Klongtoey-Nue subdistrict, Wattana district, Bangkok 10110 E-mail : asoke@bangkoklife.com	0-2261-7766	0-2261-7755
Eakamai	23/66-73 Sorachai Building, 19-20 th Floor, Soi Sukhumvit 63, Sukhumvit Road, Klongton-Nue subdistrict, Wattana district, Bangkok 10110 E-mail : eakamai@bangkoklife.com	0-2726-9777	0-2726-9676
Central Region			
Kanchanaburi	28/1-3 Moo 9, Uthong Road, Pakpraek subdistrict, Muang district, Kanchanaburi 71000 E-mail : kanchanaburi@bangkoklife.com	0-3451-5574 0-3462-1616	0-34515-578
Chainat	88/33-34 Phahonyothin Road, Baankluay subdistrict, Muang district, Chainat 17000 E-mail : chainat@bangkoklife.com	0-5641-4646	0-5641-4647
Nakhonpathom	194 Moo 1, Songpol Road, Lumphyia subdistrict, Muang district, Nakhonpathom 73000 E-mail : nakhonpathom@bangkoklife.com	0-3421-8582	0-3421-8584
Banpong	114/32-33 Sang Chuto Road, Banpong subdistrict, Banpong district, Ratchaburi 70110 E-mail : banpong@bangkoklife.com	0-3234-4389	0-3220-1251
Prachuapkirikan	27/56 Soi Moobaan-Borfaai, Hua Hin subdistrict, Hua Hin district, Prachuapkirikan 77110 E-mail : prachuap@bangkoklife.com	0-3254-7355	0-3252-2805
Pranakorn Sri Ayuthaya	3/37-39 Moo 1, Dechawuth Road, Pratuchai subdistrict, Pranakorn Sri Ayuthaya district, Pranakorn Sri Ayuthaya 13000 E-mail : ayuthaya@bangkoklife.com	0-3532-2002	0-3532-2005
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