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

Interim Financial Statements

***Three-month and nine-month period ended
September 30, 2018***



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

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

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at September 30, 2018, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018, changes in shareholders' equity, and cash flows for the nine-month period ended September 30, 2018, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 11, on June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Limited Company which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation. The Company classified net profit (loss) from Bangkok Life Assurance (Cambodia) Public Limited Company as net profit (loss) from discontinued operation in the consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018 and 2017.



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

BANGKOK
November 8, 2018

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited but reviewed) September 30, 2018	(Audited) December 31, 2017	(Unaudited but reviewed) September 30, 2018	(Audited) December 31, 2017
ASSETS					
Cash and cash equivalents	4	4,295,968	3,975,792	4,212,293	3,877,092
Premium receivables	5	3,438,973	1,910,413	3,438,973	1,910,413
Accrued investment income		3,340,059	2,457,620	3,340,059	2,457,620
Reinsurance assets	6, 17	667,341	404,713	667,341	404,713
Amount due from reinsurances	7	835,863	928,466	835,863	928,466
Derivative assets	8	286,421	349,447	286,421	349,447
Investment assets					
Investments in securities					
Held-for-trading investments	9	61,333	87,957	61,333	87,957
Available-for-sale investments	9	80,273,293	77,121,935	80,273,293	77,121,935
Held-to-maturity investments	9, 28, 29	216,766,546	208,373,406	216,766,546	208,373,406
General investments	9	30,302	29,588	30,302	29,588
Investments in subsidiaries	10	-	-	98,437	151,117
Loans	12	11,579,737	9,404,604	11,579,737	9,404,604
Investment property	13	18,018	18,817	18,018	18,817
Property, plant and equipment	14	1,339,079	1,314,554	1,336,989	1,311,776
Goodwill		4,955	4,955	-	-
Intangible assets		4,503	11,252	4,316	10,880
Deferred tax assets	15	1,505,626	1,511,620	1,505,626	1,511,620
Other assets	16	437,467	824,049	406,647	779,458
TOTAL ASSETS		324,885,484	308,729,188	324,862,194	308,728,909

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		(Unaudited but reviewed) September 30, 2018	(Audited) December 31, 2017	(Unaudited but reviewed) September 30, 2018	(Audited) December 31, 2017
LIABILITIES AND EQUITY					
Liabilities					
Insurance contract liabilities	17	280,581,679	265,978,194	280,581,584	265,978,189
Amount due to reinsurances	18	854,482	1,003,195	854,482	1,003,195
Derivative liabilities	8	629,258	765,613	629,258	765,613
Employee benefit obligations	19	186,038	228,827	184,036	227,097
Other liabilities	20	2,207,911	1,988,600	2,199,562	1,968,515
Total liabilities		<u>284,459,368</u>	<u>269,964,429</u>	<u>284,448,922</u>	<u>269,942,609</u>
Equity					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of Baht 1 each		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up share capital					
1,707,566,000 ordinary shares of Baht 1 each, fully paid-up	21	1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital	21	3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve		170,800	170,800	170,800	170,800
General reserve		400,000	400,000	400,000	400,000
Unappropriated		26,903,537	23,841,906	26,890,390	23,872,300
Other component of equity					
Revaluation surplus on available-for-sale investments - net of income taxes		7,883,523	9,274,641	7,883,523	9,274,641
Exchange rate differences on translation of financial statements in foreign currency		(4,984)	(4,441)	-	-
Equity attributable to equity holders of the Company		<u>40,421,435</u>	<u>38,751,465</u>	<u>40,413,272</u>	<u>38,786,300</u>
Non-controlling interests of the subsidiaries		4,681	13,294	-	-
Total equity		<u>40,426,116</u>	<u>38,764,759</u>	<u>40,413,272</u>	<u>38,786,300</u>
TOTAL LIABILITIES AND EQUITY		<u>324,885,484</u>	<u>308,729,188</u>	<u>324,862,194</u>	<u>308,728,909</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2018	2017 (Revised)	2018	2017 (Revised)
Continuing Operations					
Revenues					
Gross written premium	23, 27	11,748,900	12,074,784	11,748,900	12,074,784
<u>Less</u> Premium ceded to reinsurers	23, 27	(243,025)	(211,530)	(243,025)	(211,530)
Net premium written		11,505,875	11,863,254	11,505,875	11,863,254
<u>Add (Less)</u> Unearned premium reserves (increased) decreased from prior period	23	(10,894)	37,731	(10,894)	37,731
Net earned premium	34	11,494,981	11,900,985	11,494,981	11,900,985
Fee and commission income	23	101,118	65,227	101,118	65,227
Net investment income	27, 34	3,271,423	2,986,940	3,271,423	2,986,940
Gain on investment	9	207,923	352,620	207,923	352,620
Fair value gain (loss)	25	90,774	(24,939)	90,774	(24,939)
Other income	27, 34	33,120	32,865	29,241	29,762
Total revenues		<u>15,199,339</u>	<u>15,313,698</u>	<u>15,195,460</u>	<u>15,310,595</u>
Expenses					
Life policy reserves increased from prior period	23, 34	6,941,950	9,136,867	6,941,950	9,136,867
Gross benefit and claims paid	23, 27	5,833,207	5,228,194	5,833,207	5,228,194
<u>Less</u> Benefit and claims paid recovered from reinsurers	23, 27	(232,455)	(221,747)	(232,455)	(221,747)
Commissions and brokerages	23, 27, 34	836,040	943,461	833,895	941,576
Other underwriting expenses	23, 34	162,826	244,058	162,814	244,058
Operating expenses	24, 27, 34	548,252	423,795	546,564	421,964
Total expenses		<u>14,089,820</u>	<u>15,754,628</u>	<u>14,085,975</u>	<u>15,750,912</u>
Profit (loss) before income tax expense		<u>1,109,519</u>	<u>(440,930)</u>	<u>1,109,485</u>	<u>(440,317)</u>
Income tax (expenses) incomes	15	(111,642)	179,511	(111,642)	179,511
Profit (loss) for the periods from continuing operations		<u>997,877</u>	<u>(261,419)</u>	<u>997,843</u>	<u>(260,806)</u>
Discontinued operation					
Profit (loss) for the periods from discontinued operation - net of tax income	11	(3,611)	1,578	-	-
Profit (loss) for the periods		<u>994,266</u>	<u>(259,841)</u>	<u>997,843</u>	<u>(260,806)</u>
Profit (loss) for the periods attributable to					
Equity holders of the Company					
From continuing operations		997,877	(261,412)	997,843	(260,806)
From discontinued operation		(1,878)	822		
		<u>995,999</u>	<u>(260,590)</u>		
Non-controlling interests of the subsidiaries					
From continuing operations		-	(7)		
From discontinued operation		(1,733)	756		
		<u>(1,733)</u>	<u>749</u>		
		<u>994,266</u>	<u>(259,841)</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2018	2017	2018	2017
Profit (loss) for the periods		994,266	(259,841)	997,843	(260,806)
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains on remeasuring available-for-sale investments		2,405,089	2,690,216	2,405,089	2,690,216
Reversal of gains from sale of available-for-sale investments on remeasuring available-for-sale investments		(255,436)	(444,827)	(255,436)	(444,827)
Exchange rate differences on translation of financial statements in foreign currency		(2,519)	(6,510)	-	-
Income taxes relating to other comprehensive income		(429,931)	(449,077)	(429,931)	(449,077)
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		1,717,203	1,789,802	1,719,722	1,796,312
Other comprehensive income for the periods - net of income taxes		1,717,203	1,789,802	1,719,722	1,796,312
Total comprehensive income for the periods		2,711,469	1,529,961	2,717,565	1,535,506
Total comprehensive income for the periods attributable to					
Equity holders of the Company		2,714,411	1,532,336	2,717,565	1,535,506
Non-controlling interests of the subsidiaries		(2,942)	(2,375)		
		2,711,469	1,529,961		
					(Unit: Baht)
Earnings (losses) per share					
Basic earnings (losses) per share	30				
From continuing operations		0.584	(0.153)		
From discontinued operation	11	(0.001)	0.001		
Profit (loss) for the periods		0.583	(0.152)	0.584	(0.153)
Diluted earnings (losses) per share					
From continuing operations		0.584	(0.153)		
From discontinued operation		(0.001)	0.001		
Profit (loss) for the periods		0.583	(0.152)	0.584	(0.153)

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2018	2017	2018	2017
			(Revised)		(Revised)
Continuing Operations					
Revenues					
Gross written premium	23, 27	32,879,670	33,328,501	32,879,769	33,328,555
<u>Less</u> Premium ceded to reinsurers	23, 27	(1,093,249)	(919,979)	(1,093,249)	(919,979)
Net premium written		31,786,421	32,408,522	31,786,520	32,408,576
<u>Add (Less)</u> Unearned premium reserves					
(increased) decreased from prior year	23	8,796	(46,907)	8,796	(46,907)
Net earned premium	34	31,795,217	32,361,615	31,795,316	32,361,669
Fee and commission income	23	335,480	252,009	335,480	252,009
Net investment income	27, 34	9,288,513	8,636,318	9,235,833	8,636,318
Gains on investment	9	1,040,806	1,043,812	1,040,806	1,043,812
Fair value gain (loss)	25	77,242	(176,351)	77,242	(176,351)
Other income	27, 34	100,708	93,843	88,461	84,484
Total revenues		<u>42,637,966</u>	<u>42,211,246</u>	<u>42,573,138</u>	<u>42,201,941</u>
Expenses					
Life policy reserves increased from prior year	23, 34	14,640,926	20,396,448	14,640,926	20,396,448
Gross benefit and claims paid	23, 27	19,209,435	15,919,448	19,209,435	15,919,448
<u>Less</u> Benefit and claims paid recovered from reinsurers	23, 27	(669,265)	(494,446)	(669,265)	(494,446)
Commissions and brokerages	23, 27, 34	2,709,917	2,511,583	2,702,959	2,505,997
Other underwriting expenses	23, 34	746,873	593,492	746,855	593,408
Operating expenses	24, 27, 34	1,376,982	1,218,714	1,371,451	1,213,069
Total expenses		<u>38,014,868</u>	<u>40,145,239</u>	<u>38,002,361</u>	<u>40,133,924</u>
Profit before income tax expense		<u>4,623,098</u>	<u>2,066,007</u>	<u>4,570,777</u>	<u>2,068,017</u>
Income tax expenses	15	(632,134)	(171,461)	(632,134)	(171,461)
Profit for the periods from continuing operations		<u>3,990,964</u>	<u>1,894,546</u>	<u>3,938,643</u>	<u>1,896,556</u>
Discontinued operation					
Loss for the periods from discontinued operation - net of tax income	11	(16,892)	(12,945)	-	-
Profit for the periods		<u>3,974,072</u>	<u>1,881,601</u>	<u>3,938,643</u>	<u>1,896,556</u>
Profit for the periods attributable to					
Equity holders of the Company					
From continuing operations		3,990,968	1,894,567	3,938,643	1,896,556
From discontinued operation		(8,784)	(6,730)		
		<u>3,982,184</u>	<u>1,887,837</u>		
Non-controlling interests of the subsidiaries					
From continuing operations		(4)	(21)		
From discontinued operation		(8,108)	(6,215)		
		<u>(8,112)</u>	<u>(6,236)</u>		
		<u>3,974,072</u>	<u>1,881,601</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
 “UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Profit for the periods		<u>3,974,072</u>	<u>1,881,601</u>	<u>3,938,643</u>	<u>1,896,556</u>
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains (losses) on remeasuring available-for-sale investments		(449,037)	3,683,204	(449,037)	3,683,204
Reversal of gain from sale of available-for-sale investments on remeasuring available-for-sale investments		(1,289,860)	(1,082,761)	(1,289,860)	(1,082,761)
Exchange rate differences on translation of financial statements in foreign currency		(1,044)	(7,014)	-	-
Income taxes relating to other comprehensive income		347,779	(520,088)	347,779	(520,088)
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		<u>(1,392,162)</u>	<u>2,073,341</u>	<u>(1,391,118)</u>	<u>2,080,355</u>
Other comprehensive income (loss) for the periods - net of income taxes		<u>(1,392,162)</u>	<u>2,073,341</u>	<u>(1,391,118)</u>	<u>2,080,355</u>
Total comprehensive income for the periods		<u>2,581,910</u>	<u>3,954,942</u>	<u>2,547,525</u>	<u>3,976,911</u>
Total comprehensive income for the periods attributable to					
Equity holders of the Company		2,590,523	3,964,544	2,547,525	3,976,911
Non-controlling interests of the subsidiaries		(8,613)	(9,602)		
		<u>2,581,910</u>	<u>3,954,942</u>		
					(Unit: Baht)
Earnings (loses) per share					
Basic earnings (losses) per share	30				
From continuing operations		2.337	1.110		
From discontinued operation	11	(0.005)	(0.004)		
Profit for the periods		<u>2.332</u>	<u>1.106</u>	<u>2.307</u>	<u>1.111</u>
Diluted earnings (losses) per share					
From continuing operations		2.337	1.110		
From discontinued operation		(0.005)	(0.004)		
Profit for the periods		<u>2.332</u>	<u>1.106</u>	<u>2.307</u>	<u>1.111</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Consolidated financial statement										
	Equity attributable to equity holders of the Company						Other component of equity				
	Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings		Surplus on remeasuring investments - net of income taxes	Exchange rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
Notes	paid-up share capital	Premium on share capital	for share-based payment transactions	received in advance from exercise of warrants	Appropriated	Unappropriated	investments - net of income taxes	in foreign currency	the Company	interests of the subsidiaries	Total
	1,705,953	3,309,857	11,323	20,300	Legal reserve	General reserve	6,220,388	299	33,320,935	8,140	33,329,075
Share-based payments	22	-	1,103	-	-	-	-	-	1,103	-	1,103
Increase in share capital as a result of warrant exercise	22	1,613	38,710	(20,300)	-	-	-	-	20,023	-	20,023
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	22	-	12,426	(12,426)	-	-	-	-	-	-	-
Dividend paid	31	-	-	-	-	-	-	-	(1,273,472)	-	(1,273,472)
Profit (loss) for the period	-	-	-	-	-	-	-	-	1,887,837	-	1,881,601
Other comprehensive income	-	-	-	-	-	-	-	-	-	(6,236)	(6,236)
Gain on remeasuring of available-for-sale investments - net of income taxes	-	-	-	-	-	-	2,080,355	-	2,080,355	-	2,080,355
Exchange rate differences on translation of financial statements in foreign currency	-	-	-	-	-	-	-	(3,648)	(3,648)	(3,366)	(7,014)
Total comprehensive income (loss) for the period	-	-	-	-	1,887,837	-	2,080,355	(3,648)	3,964,544	(9,602)	3,954,942
Balance as at September 30, 2017	1,707,566	3,360,993	-	-	170,800	400,000	8,300,743	(3,349)	36,033,133	(1,462)	36,031,671

See the condensed notes to the interim financial statements

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

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Consolidated financial statement										
	Equity attributable to equity holders of the Company					Other component of equity					
	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	
Legal reserve				General reserve							
Balance as at January 1, 2018		1,707,566	3,360,993	170,800	400,000	23,841,906	9,274,641	(4,441)	38,751,465	13,294	38,764,759
Dividend paid		-	-	-	-	(920,553)	-	-	(920,553)	-	(920,553)
Profit (loss) for the period	31	-	-	-	-	3,982,184	-	-	3,982,184	(8,112)	3,974,072
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Loss on remeasuring of available-for-sale investments - net of income taxes		-	-	-	-	(1,391,118)	-	-	(1,391,118)	-	(1,391,118)
Exchange rate differences on translation of financial statements in foreign currency		-	-	-	-	-	-	(543)	(543)	(501)	(1,044)
Total comprehensive income (loss) for the period		-	-	-	-	3,982,184	(1,391,118)	(543)	2,590,523	(8,613)	2,581,910
Balance as at September 30, 2018		1,707,566	3,360,993	170,800	400,000	26,903,537	7,883,523	(4,984)	40,421,435	4,681	40,426,116

See the condensed notes to the interim financial statements

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

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Notes	Separate financial statements							Total	
		Issued and paid-up share capital	Premium on share capital	Capital reserve for share-based payment transactions	Subscriptions received in advance from exercise of warrants	Retained earnings		Unappropriated		Other component of equity
						Legal reserve	General reserve			
Balance as at January 1, 2017		1,705,953	3,309,857	11,323	20,300	170,800	400,000	21,502,219	6,220,388	33,340,840
Share-based payments	22	-	-	1,103	-	-	-	-	-	1,103
Increase in share capital as a result of warrant exercise	22	1,613	38,710	-	(20,300)	-	-	-	-	20,023
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	22	-	12,426	(12,426)	-	-	-	-	-	-
Dividend paid	31	-	-	-	-	-	-	(1,273,472)	-	(1,273,472)
Profit for the period		-	-	-	-	-	-	1,896,556	-	1,896,556
Other comprehensive income		-	-	-	-	-	-	-	-	-
Gain on remeasuring available-for-sale investments - net of income taxes		-	-	-	-	-	-	-	2,080,355	2,080,355
Total comprehensive income for the period		-	-	-	-	-	-	1,896,556	2,080,355	3,976,911
Balance as at September 30, 2017		1,707,566	3,360,993	-	-	170,800	400,000	22,125,303	8,300,743	36,065,405

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

	Separate financial statements						Total	
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Unappropriated		Other component of equity
				Legal reserve	General reserve			
Balance as at January 1, 2018		1,707,566	3,360,993	170,800	400,000	23,872,300	38,786,300	
Dividend paid	31	-	-	-	-	(920,553)	-	
Profit for the period		-	-	-	-	3,938,643	-	
Other comprehensive income		-	-	-	-	-	-	
Loss on re-measuring available-for-sale investments - net of income taxes		-	-	-	-	-	(1,391,118)	
Total comprehensive income (loss) for the period		-	-	-	-	3,938,643	(1,391,118)	
Balance as at September 30, 2018		<u>1,707,566</u>	<u>3,360,993</u>	<u>170,800</u>	<u>400,000</u>	<u>26,890,390</u>	<u>40,413,272</u>	

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
"UNAUDITED BUT REVIEWED"

(Unit : Thousand Baht)

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Cash flows provided by (used in) operating activities					
Gross premium		31,123,317	33,625,733	31,123,381	33,625,598
Cash payments from reinsurance		(968,010)	(142,949)	(968,010)	(142,949)
Interest income		6,699,955	6,401,659	6,647,244	6,401,628
Dividend income		1,695,082	1,313,806	1,695,082	1,313,806
Other income on investment		1,040,806	1,043,812	1,110,560	1,043,812
Other income		100,425	92,726	88,173	83,369
Benefit and claim on direct insurance		(18,621,988)	(15,744,242)	(18,621,988)	(15,744,242)
Commissions and brokerages on direct insurance		(2,656,976)	(2,523,264)	(2,655,717)	(2,517,603)
Other underwriting expenses		(417,048)	(389,647)	(417,048)	(389,647)
Operating expenses		(1,492,983)	(1,140,054)	(1,476,128)	(1,123,824)
Corporate income taxes		(278,360)	(477,441)	(278,360)	(477,441)
Investments in securities		(12,947,141)	(27,262,595)	(12,964,215)	(27,262,595)
Loans		(2,076,191)	(1,563,426)	(2,076,191)	(1,563,426)
Other investments		141,022	3,375,812	141,022	3,375,812
Net cash provided by (used in) operating activities		<u>1,341,910</u>	<u>(3,390,070)</u>	<u>1,347,805</u>	<u>(3,377,702)</u>
Cash flows used in investing activities					
Net cash flows for purchases and disposals					
of property plant and equipment		(92,060)	(213,316)	(92,051)	(213,298)
Net cash used in investing activities		<u>(92,060)</u>	<u>(213,316)</u>	<u>(92,051)</u>	<u>(213,298)</u>
Cash flows provided by (used in) financing activities					
Proceeds from share capital increase as a result					
of warrant exercise		-	20,023	-	20,023
Subscriptions received from exercise of warrants		-	1,103	-	1,103
Dividend paid		(920,553)	(1,273,472)	(920,553)	(1,273,472)
Net cash used in financing activities		<u>(920,553)</u>	<u>(1,252,346)</u>	<u>(920,553)</u>	<u>(1,252,346)</u>
Exchange rate differences on translation of					
financial statements in foreign currency		(9,121)	(6,709)	-	-
Net increased (decreased) in cash and cash equivalents		<u>320,176</u>	<u>(4,862,441)</u>	<u>335,201</u>	<u>(4,843,346)</u>
Cash and cash equivalents at beginning of periods		3,975,792	13,109,072	3,877,092	13,020,689
Cash and cash equivalents at end of periods	4	<u>4,295,968</u>	<u>8,246,631</u>	<u>4,212,293</u>	<u>8,177,343</u>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

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

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

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

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

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

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

The consolidated and separate statements of financial position as at December 31, 2017, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2018 are not necessarily an indication nor anticipation of the operating results for the full year.

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

2.2 Basis for preparation of the consolidated interim financial statements

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

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			As at	
			September 30, 2018	December 31, 2017
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99
Bangkok Life Assurance (Cambodia) Public Limited Company	Life Insurance	Cambodia	52	52

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

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

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

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

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

2.3 Separate interim financial statements

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

2.4 Significant accounting policies

The consolidated and separate interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2017 except for the accounting policy for discontinued operation which the Company classifies profit or loss, net of tax from discontinued operation in the separate line in the statements of profit or loss and other comprehensive income.

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

During the period, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

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

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

On September 21, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards that are relevant to financial instruments, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follow:

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

4. CASH AND CASH EQUIVALENTS

As at September 30, 2018 and December 31, 2017, the Company and subsidiaries have cash and cash equivalents as follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Cash on hand	7,854	5,687	7,853	5,686
Deposits at banks with no fixed maturity date	1,938,434	1,701,448	1,854,760	1,602,748
Short-term investments in promissory notes	2,349,680	2,268,657	2,349,680	2,268,658
Cash and cash equivalents	4,295,968	3,975,792	4,212,293	3,877,092

As at September 30, 2018, interest rates on saving accounts and promissory notes are in the range of 0.38% - 1.25% per annum (December 31, 2017: 0.38% - 1.50% per annum).

5. PREMIUM RECEIVABLES

As at September 30, 2018 and December 31, 2017, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	Due from direct insurance	
	September 30, 2018	December 31, 2017
Not yet due	3,338,055	1,893,022
Not over 30 days	73,738	10,471
Over 30 days to 60 days	1,473	3,122
Over 60 days to 90 days	22,675	1,577
Over 90 days	3,032	2,221
Total premium receivables	<u>3,438,973</u>	<u>1,910,413</u>

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

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

6. REINSURANCE ASSETS

As at September 30, 2018 and December 31, 2017, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Reserves recoverable from reinsurances		
Claim reserves	172,423	127,385
Premium reserves		
Unearned premium reserves	494,918	277,328
Total reinsurance assets	<u>667,341</u>	<u>404,713</u>

7. AMOUNT DUE FROM REINSURANCE

As at September 30, 2018 and December 31, 2017, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Amount due from reinsurers	835,863	928,466
Total amount due from reinsurance	<u>835,863</u>	<u>928,466</u>

8. DERIVATIVE ASSETS AND LIABILITIES

As at September 30, 2018 and December 31, 2017, derivatives classified by objective are as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2018		December 31, 2017	
	Fair value		Fair value	
	Assets	Liabilities	Assets	Liabilities
Derivatives for hedging risks				
Cash flow hedge	733,303	109,078	701,820	132,206
Hedge of net investment in foreign currencies	106,865	1,486	36,670	937
Total derivatives	<u>840,168</u>	<u>110,564</u>	<u>738,490</u>	<u>133,143</u>

As at September 30, 2018 and December 31, 2017, derivative assets and liabilities consisted of the following:

Contract type	Consolidated and separate financial statements		
	September 30, 2018		
	Notional amount (Thousand Unit)	Fair value amount	
Assets (Thousand Baht)		Liabilities (Thousand Baht)	
Cross currency swap contracts			
US dollar	597,900	240,094	613,313
Euro	10,000	1,792	-
Forward exchange contracts			
Yen	1,240,910	6,764	-
US dollar	27,850	6,131	5,100
Singapore dollar	82,016	5,913	10,678
Euro	26,420	25,727	167
Total derivative	<u>1,985,096</u>	<u>286,421</u>	<u>629,258</u>

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

9. INVESTMENTS IN SECURITIES

9.1 Held-for-trading investments

As at September 30, 2018 and December 31, 2017, held-for-trading investments consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2018		December 31, 2017	
	Cost	Fair value	Cost	Fair value
Held-for-trading investments				
Equity securities	89,391	61,333	93,945	87,957
Total	89,391	61,333	93,945	87,957
Less Unrealised losses	(28,058)	-	(5,988)	-
Total held-for-trading investments	61,333	61,333	87,957	87,957

9.2 Available-for-sale investments

As at September 30, 2018 and December 31, 2017, available-for-sales investments consisted of following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2018		December 31, 2017	
	Cost/ Amortised cost		Cost/ Amortised cost	
	Fair value	Fair value	Fair value	Fair value
Available-for-sale investments				
Government and state enterprise securities	2,005,533	2,493,940	4,535,380	5,474,506
Private enterprises debt securities	26,037,074	27,523,470	24,317,183	26,159,147
Equity securities	31,919,408	39,300,052	27,271,423	35,035,436
Foreign debt securities	1,404,063	1,232,674	2,736,998	2,533,144
Foreign equity securities	9,013,184	9,723,157	6,726,696	7,919,702
Total	70,379,262	80,273,293	65,587,680	77,121,935
Add Unrealised gains	9,894,031	-	11,534,255	-
Total available-for-sale investments	80,273,293	80,273,293	77,121,935	77,121,935

9.3 Held-to-maturity investments

As at September 30, 2018 and December 31, 2017, held-to-maturity investments consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
	Cost/ Amortised cost	Cost/ Amortised cost
Held-to-maturity investments		
Government and state enterprise securities	139,813,617	142,116,574
Private enterprises debt securities	66,477,261	56,171,062
Foreign debt securities	6,725,668	6,275,770
Deposits at financial institutions with an original maturity longer than 3 months	3,750,000	3,810,000
Total held-to-maturity investments	216,766,546	208,373,406

9.4 General investments

As at September 30, 2018 and December 31, 2017, general investments consisted of the following:

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

9.5 Investments in structured notes

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

- (a) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 600 million and Baht 600 million, respectively, in promissory notes and bills of exchange, which were issued by local banks and branches of foreign commercial banks, having remaining lives of 2 - 10 years and 2 - 11 years, respectively, and containing conditions whereby the issuer has call option or has rights to call for additional deposits and bearing interest rate referring to the yield rate on government bond (CMT Index).

- (b) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 2,600 million and Baht 2,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 2 - 4 years and 2 - 5 years, respectively, and bearing interest rate referring to the yield rate on government bond (CMT Index).
- (c) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 3,502 million and Baht 3,438 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 2 - 10 years and 2 - 11 years, respectively, and the notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (d) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 921 million and Baht 886 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 15 years and 16 years, respectively. The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 443 million and Baht 430 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 13 years and 14 years, respectively. The bills contain conditions whereby the banks have the right to early redemption and the redemption of the bills is based on the credit event of the reference assets.
- (f) As at September 30, 2018 and December 31, 2017, the Company has investments of Baht 1,575 million and Baht 1,589 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 7 - 8 years and 8 - 9 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

9.6 Investments subject to restriction

As at September 30, 2018 and December 31, 2017, the Company has placed government and state enterprise bonds with cost or amortized cost of Baht 63,382 million and Baht 58,124 million, respectively, with the Registrar as securities and reserves as described in Notes 28 and 29.

9.7 Gains on investments

Gains on investments for the three-month and nine-month periods ended September 30, 2018 and 2017 consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Gains on sales of trading investments	-	430	3,090	2,527
Gains on sales of available-for-sale investments	207,923	345,614	1,037,716	1,042,523
Gains (losses) on sales of held-to-maturity investments	-	6,576	-	(1,238)
Total gains on investments	207,923	352,620	1,040,806	1,043,812

10. INVESTMENTS IN SUBSIDIARIES

As at September 30, 2018 and December 31, 2017, detail of investments in subsidiaries, as presented in the separate interim financial statements, is as follows:

Company's name	Type of business	Country of incorporation	(Unit : Thousand Baht)					
			Issued and paid-up capital		Shareholding percentage		Cost	
			September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
					%	%		
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Cambodia	153,598	153,598	52 ⁽²⁾	52 ⁽²⁾	127,357	127,357
<u>Less</u> Allowance for doubtful accounts ⁽¹⁾			-	-			(52,680)	-
Total investments in subsidiaries			177,598	177,598			98,437	151,117

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

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

11. DISCONTINUED OPERATION

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

The consolidated statement of financial position as at September 30, 2018 includes assets from discontinued operation in total amount of Baht 99 million in which most of balances are cash and cash equivalents and deposit.

The consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018 and 2017 for discontinued operations are as follows:

	(Unit : Thousand Baht)	
	Consolidated	
	financial statements	
	2018	2017
For the three-month periods ended September 30,		
Discontinued operation		
Revenue	18	(24)
Expenses	(3,629)	1,602
(Loss) profit before income tax expense	(3,611)	1,578
Income tax expense	-	-
(Loss) profit for the period from discontinued operation, net of income tax	(3,611)	1,578
(Loss) Earning per share*		
Basic (loss) earning per share (Baht)	(0.001)	0.001

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

	(Unit : Thousand Baht)	
	Consolidated	
	financial statements	
	2018	2017
For the nine-month periods ended September 30,		
Discontinued operation		
Revenue	72	217
Expenses	(16,964)	(13,162)
Loss before income tax expense	(16,892)	(12,945)
Income tax expense	-	-
Loss for the period from discontinued operation, net of income tax	(16,892)	(12,945)
Losses per share*		
Basic losses per share (Baht)	(0.005)	(0.004)

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

12. LOANS AND ACCRUED INTEREST RECEIVABLES

As at September 30, 2018 and December 31, 2017, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit : Thousand Baht)

Consolidated and separate financial statements									
September 30, 2018									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		Total
	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	Principal	Accrued interest ⁽¹⁾	
Not yet due	7,630,624	818,389	3,850,795	6,751	2,388	2	11,483,807	825,142	12,308,949
Overdue:									
Less than 3 months	-	-	73,254	395	-	-	73,254	395	73,649
3 - 6 months	-	-	8,115	125	-	-	8,115	125	8,240
6 - 12 months	-	-	6,753	349	-	-	6,753	349	7,102
Over 12 months	-	-	14,641	484	53	2	14,694	486	15,180
Total	7,630,624	818,389	3,953,558	8,104	2,441	4	11,586,623	826,497	12,413,120
Less Allowance for doubtful accounts	-	-	(6,886)	(865)	-	-	(6,886)	(865)	(7,751)
Loans and accrued interest receivables	7,630,624	818,389	3,946,672	7,239	2,441	4	11,579,737	825,632	12,405,369

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

(Unit : Thousand Baht)

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

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

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

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.1 million for personal guarantee loans. The interest rate is charged at the rates of 6.00% per annum. As at September 30, 2018 and December 31, 2017, loans to employees amounted to Baht 2 million and Baht 7 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.00% per annum. As at September 30, 2018 and December 31, 2017, loans to employees under the mortgage loans amounted to Baht 34 million and Baht 44 million, respectively.

13. INVESTMENT PROPERTY

As at September 30, 2018 and December 31, 2017, the Company has movement of carrying value of the investment property as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2018	For the year ended December 31, 2017
Net carrying value - beginning of the period/year	18,817	19,882
Depreciation for period/year	(799)	(1,065)
Net carrying value - end of the period/year	<u>18,018</u>	<u>18,817</u>

14. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipment for the nine-month period ended September 30, 2018 are as follows:

	(Unit : Thousand Baht)						
	Consolidated financial statements						
	For the nine-month period ended September 30, 2018						
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at							
January 1, 2018	794,246	353,279	10,683	142,054	4,484	9,808	1,314,554
Additions - at cost	-	647	-	19,063	17,777	54,936	92,423
Disposals - net carrying value	-	-	-	(74)	-	-	(74)
Transfer in (out)	-	44,795	-	-	-	(44,795)	-
Exchange rate differences on translation of financial statements in foreign currency	-	(22)	-	(12)	-	-	(34)
Depreciation charges for the period	-	(24,412)	(1,373)	(39,050)	(2,955)	-	(67,790)
Net carrying value as at September 30, 2018	<u>794,246</u>	<u>374,287</u>	<u>9,310</u>	<u>121,981</u>	<u>19,306</u>	<u>19,949</u>	<u>1,339,079</u>

(Unit : Thousand Baht)

Separate financial statements						
For the nine-month period ended September 30, 2018						
	Buildings and buildings		Office furniture, fixture and equipment		Construction	Total
	Land	improvements	Condominium	Motor vehicles	in progress	
Net carrying value as at						
January 1, 2018	794,246	351,421	10,683	141,134	9,808	1,311,776
Additions - at cost	-	647	-	19,053	54,936	92,413
Disposals - net carrying value	-	-	-	(74)	-	(74)
Transfer in (out)	-	44,795	-	-	(44,795)	-
Depreciation charges for the period	-	(24,026)	(1,374)	(38,771)	(2,955)	(67,126)
Net carrying value as at						
September 30, 2018	794,246	372,837	9,309	121,342	19,949	1,336,989

15. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

15.1 Deferred tax assets/liabilities

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

Consolidated and separate financial statements						
	September 30,		Change in deferred tax assets/liabilities reported profit or loss in the for the three-month periods ended September 30,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended September 30,	
	2018	December 31, 2017	2018	2017	2018	2017
Deferred tax assets						
Reserves for long-term insurance contracts	2,827,027	3,051,790	(62,070)	335,640	-	-
Claim reserves	16,533	18,273	2,252	5,076	-	-
Provisions for long-term employee benefits	36,807	45,419	(10,418)	1,473	-	-
Others	17,728	1,554	662	-	-	-
Total deferred tax assets	2,898,095	3,117,036	(69,574)	342,189	-	-
Deferred tax liabilities						
Available-for-sale investments	1,390,242	1,602,880	74,376	65,082	429,931	449,077
Others	2,227	2,536	-	237	-	-
Total deferred tax liabilities	1,392,469	1,605,416	74,376	65,319	429,931	449,077
Deferred tax assets/liabilities - net	1,505,626	1,511,620	(143,950)	276,870	(429,931)	(449,077)

(Unit : Thousand Baht)

Consolidated and separate financial statements						
	September 30,		Change in deferred tax assets/liabilities reported profit or loss in the for the nine-month periods ended September 30,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the nine-month periods ended September 30,	
	2018	December 31, 2017	2018	2017	2018	2017
Deferred tax assets						
Reserves for long-term insurance contracts	2,827,027	3,051,790	(224,763)	70,286	-	-
Claim reserves	16,533	18,273	(1,740)	5,025	-	-
Provisions for long-term employee benefits	36,807	45,419	(8,612)	3,215	-	-
Others	17,728	1,554	16,174	4	-	-
Total deferred tax assets	<u>2,898,095</u>	<u>3,117,036</u>	<u>(218,941)</u>	<u>78,530</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities						
Available-for-sale investments	1,390,242	1,602,880	135,141	195,714	(347,779)	520,088
Others	2,227	2,536	(309)	(1,293)	-	-
Total deferred tax liabilities	<u>1,392,469</u>	<u>1,605,416</u>	<u>134,832</u>	<u>194,421</u>	<u>(347,779)</u>	<u>520,088</u>
Deferred tax assets/liabilities - net	<u>1,505,626</u>	<u>1,511,620</u>	<u>(353,773)</u>	<u>(115,891)</u>	<u>347,779</u>	<u>(520,088)</u>

15.2 Income tax expenses (incomes)

Income tax expenses (incomes) for the three-month and nine-month periods ended September 30, 2018 and 2017 are made up as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	(32,308)	97,359	276,903	50,081
Adjustment in respect of income tax of previous year	-	-	1,458	5,489
Deferred tax:				
Relating to origination and reversal of temporary differences	143,950	(276,870)	353,773	115,891
Income tax expenses (incomes) reported in profits or losses	<u>111,642</u>	<u>(179,511)</u>	<u>632,134</u>	<u>171,461</u>

Reconciliation between accounting profits and income tax expense for the three-month and nine-month periods ended September 30, 2018 and 2017 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
	2018	2017	2018	2017
Accounting profit (loss) before income tax expenses	1,109,519	(440,930)	4,623,098	2,066,007
Applicable corporate income tax rates	15% 20%	15% 20%	15% 20%	15% 20%
Income tax expenses at the applicable tax rates	221,896	(84,880)	914,155	413,603
Adjustment in respect of income tax of previous year	-	-	1,458	5,489
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(110,254)	(94,631)	(283,479)	(247,631)
Income tax expenses (income) recognised in profits or losses	111,642	(179,511)	632,134	171,461

(Unit : Thousand Baht)

	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
	2018	2017	2018	2017
Accounting profit (loss) before income tax expenses	1,109,485	(440,317)	4,570,777	2,068,017
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	221,896	(84,880)	914,155	413,603
Adjustment in respect of income tax of previous year	-	-	1,458	5,489
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(110,254)	(94,631)	(283,479)	(247,631)
Income tax expenses (income) recognised in profits or losses	111,642	(179,511)	632,134	171,461

16. OTHER ASSETS

As at September 30, 2018 and December 31, 2017, other assets consisted of the follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Derivative collateral	28,500	45,000	28,500	45,000
Prepaid income tax	156,555	135,785	156,555	135,785
Prepaid rental expenses	25,566	34,411	25,566	34,411
Deposits	47,164	45,130	24,020	21,776
Receivable from sales of Investments	62,301	473,018	62,301	473,018
<u>Less</u> Allowance for doubtful accounts - receivable from sales of investment	(17,074)	-	(17,074)	-
Prepaid expenses	16,020	11,621	15,918	11,443
Others	118,435	79,084	110,861	58,025
Total other assets	<u>437,467</u>	<u>824,049</u>	<u>406,647</u>	<u>779,458</u>

17. INSURANCE CONTRACT LIABILITIES

As at September 30, 2018 and December 31, 2017, insurance contract liabilities consisted of the follows:

	(Unit : Thousand Baht)					
	Consolidated financial statements					
	September 30, 2018			December 31, 2017		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	271,236,069	-	271,236,069	256,595,053	-	256,595,053
Claim reserves						
Reserves for reported claims	277,212	(172,423)	104,789	276,597	(127,385)	149,212
Reserves for claims incurred but not yet reported	82,665	-	82,665	91,365	-	91,365
Premium reserves						
Unearned premium reserves	1,388,887	(494,918)	893,969	1,180,093	(277,328)	902,765
Unpaid policy benefits	166,061	-	166,061	168,390	-	168,390
Other insurance liabilities	7,430,785	-	7,430,785	7,666,696	-	7,666,696
Total insurance contract liabilities	<u>280,581,679</u>	<u>(667,341)</u>	<u>279,914,338</u>	<u>265,978,194</u>	<u>(404,713)</u>	<u>265,573,481</u>

(Unit : Thousand Baht)

	Separate financial statements					
	September 30, 2018			December 31, 2017		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	271,235,974	-	271,235,974	256,595,048	-	256,595,048
Claims reserves						
Reserves for reported claims	277,212	(172,423)	104,789	276,597	(127,385)	149,212
Reserves for claims incurred but not yet reported	82,665	-	82,665	91,365	-	91,365
Premium reserves						
Unearned premium reserves	1,388,887	(494,918)	893,969	1,180,093	(277,328)	902,765
Unpaid policy benefits	166,061	-	166,061	168,390	-	168,390
Other insurance liabilities	7,430,785	-	7,430,785	7,666,696	-	7,666,696
Total insurance contract liabilities	280,581,584	(667,341)	279,914,243	265,978,189	(404,713)	265,573,476

17.1 Reserves for long-term insurance contracts

As at September 30, 2018 and December 31, 2017, reserves for long-term insurance contracts of the follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Balances - beginning of the period/year	256,595,053	233,412,294	256,595,048	233,412,294
Reserve increased for new businesses and inforce policies	21,466,721	30,075,220	21,466,631	30,075,215
Reserve decreased for benefits payment lapses and surrender, etc.	(6,166,053)	(7,552,113)	(6,166,053)	(7,552,113)
Reserve increase (decrease) for testing the adequacy of liabilities	(659,652)	659,652	(659,652)	659,652
Balances - end of the period/year	271,236,069	256,595,053	271,235,974	256,595,048

17.2 Claim reserves

As at September 30, 2018 and December 31, 2017, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Balances - beginning of the period/year	367,962	233,740
Claims incurred in the current period/year	1,600,468	2,080,116
Claims paid during the period/year	(1,608,553)	(1,945,894)
Balances - end of the period/year	359,877	367,962

17.3 Unearned premium reserves

As at September 30, 2018 and December 31, 2017, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Balances - beginning of the period/year	1,180,093	1,134,217
Premium written for the period/year	2,793,188	3,331,744
Premium earned for the period/year	(2,584,394)	(3,285,868)
Balances - end of the period/year	<u>1,388,887</u>	<u>1,180,093</u>

17.4 Unpaid policy benefits

As at September 30, 2018 and December 31, 2017, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Death benefit	119,165	125,662
Maturity payment	44,682	40,444
Surrender	2,214	2,284
Total unpaid policy benefits	<u>166,061</u>	<u>168,390</u>

17.5 Other insurance liabilities

As at September 30, 2018 and December 31, 2017, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Deposits from insurance contracts	6,946,318	7,126,814
Premiums received in advance	406,392	462,377
Payable to policyholders on exempted premiums	78,075	77,505
Total other insurance liabilities	<u>7,430,785</u>	<u>7,666,696</u>

18. AMOUNT DUE TO REINSURANCE

As at September 30, 2018 and December 31, 2017, amount due to reinsurance consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
Amount due to reinsurers	854,482	1,003,195
Total amount due to reinsurance	<u>854,482</u>	<u>1,003,195</u>

19. EMPLOYEE BENEFIT OBLIGATIONS

As at September 30, 2018 and December 31, 2017, employee benefit obligations consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Post-employment benefit obligations for severance pay	150,331	193,385	148,470	191,781
Other employment benefit obligation for long service awards	35,707	35,442	35,566	35,316
Total employee benefit obligations	<u>186,038</u>	<u>228,827</u>	<u>184,036</u>	<u>227,097</u>

20. OTHER LIABILITIES

As at September 30, 2018 and December 31, 2017, other liabilities consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Accrued commission expenses	799,554	753,494	798,789	751,547
Accrued expenses	442,023	409,977	441,465	409,497
Premium received for policies not yet approved	133,583	159,514	133,583	159,514
Amounts received awaiting transfer	41,541	89,083	41,541	89,083
Specific Business Tax payable	119,731	130,798	119,731	130,798
Payable from purchases of investments	191,588	171,926	191,588	171,926
Withholding tax payable	60,553	59,730	60,445	59,550
Short-term employee benefit payables	352,409	141,699	351,400	140,566
Others	66,929	72,379	61,020	56,034
Total other liabilities	<u>2,207,911</u>	<u>1,988,600</u>	<u>2,199,562</u>	<u>1,968,515</u>

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

Reconciliation for the nine-month periods ended September 30, 2018 and 2017 is as follows:

	For the nine-month period ended September 30, 2018			
	Consolidated and separate financial statements			
	Issued and paid-up share capital		Premium on share capital	Capital reserve on share-based payments
	Number of shares (Thousand shares)	Thousand Baht	Thousand Baht	Thousand Baht
Balances - beginning of the period	1,707,566	1,707,566	3,360,993	-
Balances - end of the period	1,707,566	1,707,566	3,360,993	-

	For the nine-month period ended September 30, 2017			
	Consolidated and separate financial statements			
	Issued and paid-up share capital		Premium on share capital	Capital reserve on share-based payments
	Number of shares (Thousand shares)	Thousand Baht	Thousand Baht	Thousand Baht
Balances - beginning of the period	1,705,953	1,705,953	3,309,857	11,323
Expenses in respect of share-based payments (Note 22)	1,613	1,613	38,710	1,103
Transfer of capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	-	12,426	(12,426)
Balances - end of the period	1,707,566	1,707,566	3,360,993	-

22. SHARE-BASED PAYMENT - WARRANTS

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

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

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

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

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

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

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

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

Employee expenses in respect of share-based payments (Warrant No. 2) recognized for the nine-month period ended September 30, 2017, amounting to Baht 1.10 million.

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

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

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

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

(Unit : Thousand Baht)

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

23. OPERATING SEGMENT

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

For the three-month and nine-month periods ended September 30, 2018 and 2017, the Company has no gross written premium from a single external customer in the amount over 10% of total gross written premium.

The financial information of the Company for the three-month and nine-month periods ended September 30, 2018 and 2017 were presented by business segment as follows:

(Unit : Thousand Baht)

	Consolidated financial statements				
	For the three-month period ended September 30, 2018				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	11,618,327	119,738	10,835	-	11,748,900
Less Premium ceded	(243,025)	-	-	-	(243,025)
Net premium written	11,375,302	119,738	10,835	-	11,505,875
Less Unearned premium reserve					
Increased from prior period	(10,281)	-	(613)	-	(10,894)
Net earned premium	11,365,021	119,738	10,222	-	11,494,981
Fee and commission income	101,118	-	-	-	101,118
Total underwriting income	11,466,139	119,738	10,222	-	11,596,099
Underwriting expenses					
Life policy reserves increased from prior period	6,864,468	77,482	-	-	6,941,950
Benefit payments under life policies and claims net refundable from reinsurance	5,554,758	39,652	6,342	-	5,600,752
Commissions and brokerage expenses	813,239	20,527	130	2,144	836,040
Other underwriting expenses	162,600	109	104	13	162,826
Total underwriting expenses	13,395,065	137,770	6,576	2,157	13,541,568

(Unit : Thousand Baht)

Consolidated financial statements					
For the three-month period ended September 30, 2017					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	11,815,885	248,843	10,056	-	12,074,784
<u>Less</u> Premium ceded	(211,530)	-	-	-	(211,530)
Net premium written	11,604,355	248,843	10,056	-	11,863,254
<u>Add</u> Unearned premium reserve decreased from prior period	37,681	-	50	-	37,731
Net earned premium	11,642,036	248,843	10,106	-	11,900,985
Fee and commission income	65,227	-	-	-	65,227
Total underwriting income	11,707,263	248,843	10,106	-	11,966,212
Underwriting expenses					
Life policy reserves increased from prior period	8,966,537	170,330	-	-	9,136,867
Benefit payments under life policies and claims net refundable from reinsurance	4,999,207	6,111	1,129	-	5,006,447
Commissions and brokerage expenses	916,353	25,023	200	1,885	943,461
Other underwriting expenses	239,898	3,996	163	1	244,058
Total underwriting expenses	15,121,995	205,460	1,492	1,886	15,330,833

(Unit : Thousand Baht)

Consolidated financial statements					
For the nine-month period ended September 30, 2018					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	32,220,749	627,879	31,042	-	32,879,670
<u>Less</u> Premium ceded	(1,093,249)	-	-	-	(1,093,249)
Net premium written	31,127,500	627,879	31,042	-	31,786,421
<u>Add (Less)</u> Unearned premium reserve (increased) decreased from prior year	9,316	-	(520)	-	8,796
Net earned premium	31,136,816	627,879	30,522	-	31,795,217
Fee and commission income	335,480	-	-	-	335,480
Total underwriting income	31,472,296	627,879	30,522	-	32,130,697
Underwriting expenses					
Life policy reserves increased from prior year	14,202,276	438,650	-	-	14,640,926
Benefit payments under life policies and claims net refundable from reinsurance	18,468,138	63,191	8,841	-	18,540,170
Commissions and brokerage expenses	2,634,656	67,778	526	6,957	2,709,917
Other underwriting expenses	734,727	11,565	562	19	746,873
Total underwriting expenses	36,039,797	581,184	9,929	6,976	36,637,886

(Unit : Thousand Baht)

Consolidated financial statements

For the nine-month period ended September 30, 2017

	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	32,574,064	724,036	30,401	-	33,328,501
Less Premium ceded	(919,979)	-	-	-	(919,979)
Net premium written	31,654,085	724,036	30,401	-	32,408,522
Less Unearned premium reserve increased from prior year	(46,222)	-	(685)	-	(46,907)
Net earned premium	31,607,863	724,036	29,716	-	32,361,615
Fee and commission income	252,009	-	-	-	252,009
Total underwriting income	31,859,872	724,036	29,716	-	32,613,624
Underwriting expenses					
Life policy reserves increased from prior year	19,984,340	412,108	-	-	20,396,448
Benefit payments under life policies and claims net refundable from reinsurance	15,389,093	32,076	3,833	-	15,425,002
Commissions and brokerage expenses	2,443,423	61,970	604	5,586	2,511,583
Other underwriting expenses	581,898	11,055	454	85	593,492
Total underwriting expenses	38,398,754	517,209	4,891	5,671	38,926,525

24. OPERATING EXPENSES

For the three-month and nine-month periods ended September 30, 2018 and 2017, operating expenses consisted of the following:

(Unit : Thousand Baht)

Consolidated financial statements

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Personnel expenses	375,147	238,794	869,325	707,648
Property, plant and equipment expenses	45,704	41,414	133,756	126,811
Taxes and duties	699	1,216	4,764	5,349
Other operating expenses	126,702	142,371	369,137	378,906
Total operating expenses	548,252	423,795	1,376,982	1,218,714

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Personnel expenses	373,722	236,671	864,684	698,265
Property, plant and equipment expenses	45,591	40,975	133,414	123,282
Taxes and duties	698	1,242	4,764	4,965
Other operating expenses	126,553	143,076	368,589	386,557
Total operating expenses	<u>546,564</u>	<u>421,964</u>	<u>1,371,451</u>	<u>1,213,069</u>

25. FAIR VALUE GAIN (LOSS)

For the three-month and nine-month periods ended September 30, 2018 and 2017 fair value gain (loss) consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Unrealised gains (loss) on remeasuring held-for-trading securities	1,550	3,080	(20,523)	(6,957)
Unrealised gains on foreign exchange forward contracts	101,502	24,621	50,926	33,044
Gain (loss) on foreign exchange rate	(12,278)	(52,640)	46,839	(202,438)
Total fair value gain (loss)	<u>90,774</u>	<u>(24,939)</u>	<u>77,242</u>	<u>(176,351)</u>

26. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Fair value hierarchy

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

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

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

As at September 30, 2018 and December 31, 2017, the Company and subsidiaries had the following assets that were measured at fair value using different fair value hierarchy as follows:

(Unit : Thousand Baht)		
Consolidated and separate financial statements		
As at September 30, 2018		
Level 1	Level 2	Total
Financial assets measured at fair value		
Held-for-trading investments		
Equity instruments	61,333	-
		61,333
Available-for-sale investments		
Equity instruments	43,761,443	6,629,797
Debt instruments	-	29,882,053
		50,391,240
		29,882,053

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

Valuation techniques and inputs to Level 2 valuations

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

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

27. RELATED PARTY TRANSACTIONS

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

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

<u>Name of related parties</u>	<u>Type of business</u>	<u>Relationship with the Company</u>
Bangkok Bank Pcl.	Banking	Related by way of common shareholders
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Sorachai Vivat Co., Ltd.	Property development	Related by way of common shareholders
Thaire Life Assurance Pcl.	Life assurance	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Shareholding by an individual related to the major shareholder of the Company
Bangkok Business Building (1987) Co., Ltd.	Rental of assets	Related by way of common shareholders
Tris Corporation Ltd.	Services	Related by way of common directors
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Charoen Pokphand Foods Pcl. ⁽²⁾	Agriculture	Related by way of common directors
TICON Industrial Connection Pcl.	Property development	Holding by an individual related to the major shareholder of the Company
Indorama Ventures Public Company Limited	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Shareholding by the major shareholder of the Company
Ek-Chai Distribution System Co., Ltd.	Commercial	Related by way of common directors
BBL Asset Management Co., Ltd. ⁽¹⁾	Asset management	Related by way of common shareholders and common directors
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
Asia Insurance Company Limited ⁽¹⁾	Insurance	Related by way of common directors
BLA Insurance Broker Co., Ltd.	Insurance broker	Subsidiary
Bangpain Golf Co., Ltd.	Services	Related by way of common shareholders
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common shareholders
Samitivij Pcl. ⁽³⁾	Health care service	Related by way of common directors
TM Design Co., Ltd.	Services	Holding by an individual related to the major shareholder of the Company
I-Direct Insurance Broker Co., Ltd.	Life Insurance broker	Related by way of common shareholders
Bangkok Life Assurance (Cambodia) Public Limited Company	Life insurance	Subsidiary

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

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

⁽³⁾ It had been considered a related party unit May 1, 2018 because the Company and its subsidiaries have no common directors with Samitivij Pcl. since then.

During the three-month and nine-month periods ended September 30, 2018 and 2017, the Company and subsidiaries had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements				Pricing policy
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,		
	2018	2017	2018	2017	
Related parties					
Premium written	203	57	4,528	4,752	Normal commercial terms for underwriting
Premium ceded to reinsurers	61,925	50,356	265,104	223,955	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	110,916	112,766	320,677	351,334	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	948	1,363	3,110	4,328	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	62,553	133,981	228,183	308,603	The declared amount
Rental and service income	2,741	3,233	8,441	9,484	Rate on agreements those charged by rental and service fees per square meter per month
Brokerage income from securities trading	-	49,565	26,766	49,565	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	86,351	22,424	79,082	234,341	Normal commercial terms on contracts
Commission and brokerage	416,098	537,637	1,385,488	1,274,223	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	80,029	73,856	226,880	164,274	Normal commercial terms for underwriting
Claim payment and diagnose charge	4,196	14,143	15,127	47,859	Normal commercial terms for underwriting
Bank charges	37,575	37,658	113,575	103,303	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	458	344	2,064	1,583	Normal commercial terms for underwriting
Building space rental and services	18,171	14,319	53,844	49,013	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month
Other services	1,521	1,017	7,276	1,659	Normal commercial terms for services

(Unit : Thousand Baht)

	Separate financial statements				Pricing policy
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,		
	2018	2017	2018	2017	
Subsidiaries					
Written premium	-	-	-	54	Normal commercial terms for underwriting
Rental and service income	142	131	428	423	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties					
Written premium	203	57	4,528	4,752	Normal commercial terms for underwriting
Premium ceded to reinsurers	61,925	50,356	265,104	223,955	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	110,906	112,766	320,667	351,319	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	948	1,363	3,110	4,328	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	62,553	133,981	228,183	308,603	The declared amount
Brokerage income from securities trading	-	49,565	26,766	49,565	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	86,351	22,424	79,082	234,341	Normal commercial terms on contracts
Commission and brokerage	416,098	537,637	1,385,488	1,274,223	At a mutually agreed percentage of premium written
Claim refundable from reinsurance	80,029	73,856	226,880	164,274	Normal commercial terms for underwriting
Claim payment and diagnose charge	4,196	14,143	15,127	47,859	Normal commercial terms for underwriting
Bank charges	37,520	37,622	113,501	103,215	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	463	345	2,063	1,577	Normal commercial terms for underwriting
Building space rental and services	18,171	14,319	53,844	49,013	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month.
Other services	245	1,017	3,363	1,659	Normal commercial terms for services

For the three-month and nine-month periods ended September 30, 2018, the premium generated from the Bancassurance distribution channel represented approximately 68.37% and 65.96% of total net premium written, respectively (September 30, 2017, approximately 69.55% and 66.59% of total net premium written, respectively).

As at September 30, 2018 and December 31, 2017, the balance of the accounts between the Company and those related companies are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Subsidiaries				
Other liabilities				
Advance received	-	-	66	66
Total other liabilities	-	-	66	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	854,585	1,051,281	844,542	1,043,223
Investments in securities				
Available-for-sale investments - cost				
Domestic equity securities	2,337,230	2,221,635	2,337,230	2,221,635
Domestic investment unit	3,462,177	3,337,446	3,462,177	3,337,446
Total available-for-sale investment - cost	5,799,407	5,559,081	5,799,407	5,559,081
Add Unrealised gains	2,298,336	2,030,324	2,298,336	2,030,324
Total available-for-sale investments - fair value	8,097,743	7,589,405	8,097,743	7,589,405
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	3,245,000	2,745,000	3,245,000	2,745,000
Foreign debt securities	6,023,968	6,316,261	6,023,968	6,316,261
Total held-to-maturity investment - cost/amortised cost	9,268,968	9,061,261	9,268,968	9,061,261
General investments - foreign equity securities	1,167	11,167	1,167	11,167
Loans	54,120	73,060	54,120	73,060
Total investments assets	17,421,998	16,734,893	17,421,998	16,734,893

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Related parties (continued)				
Amount due from reinsurance	212,466	230,784	212,466	230,784
Forward and swap foreign exchange contract receivable	5,885,834	5,585,475	5,885,834	5,585,475
Other assets				
Accrued income	3,397	6,641	-	-
Prepaid rental expenses	25,566	34,411	25,566	34,411
Prepaid expense	443	208	443	208
Total other assets	<u>29,406</u>	<u>41,260</u>	<u>26,009</u>	<u>34,619</u>
Amount due to reinsurance	146,564	187,294	146,564	187,294
Unpaid policy benefits	1,714	10,468	1,714	10,468
Forward and swap foreign exchange contract payable	5,900,865	5,622,022	5,900,865	5,622,022
Other liabilities				
Accrued commission	491,095	366,786	491,095	366,786
Accrued premium	6,890	16,410	-	-
Accrued rental and service expense	126	128	126	128
Total other liabilities	<u>498,111</u>	<u>383,324</u>	<u>491,221</u>	<u>366,914</u>

Directors and key management's benefits

During the three-month and nine-month periods ended September 30, 2018 and 2017, the Company and subsidiaries had employee benefit expenses payable to their directors and key management as follows:

	(Unit : Million Baht)			
	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Short-term employee benefits	19.4	11.0	41.9	31.7
Long-term employee benefits	0.8	0.1	2.3	1.4
Share-based payment transactions (Note 22)	-	-	-	0.4
Total directors and management's benefits	<u>20.2</u>	<u>11.1</u>	<u>44.2</u>	<u>33.5</u>

	(Unit : Million Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Short-term employee benefits	19.4	11.0	41.9	31.7
Long-term employee benefits	0.7	0.1	2.0	1.4
Share-based payment transactions (Note 22)	-	-	-	0.4
Total directors and management's benefits	<u>20.1</u>	<u>11.1</u>	<u>43.9</u>	<u>33.5</u>

The details of the warrants which allocated to the Company's employees are presented in Note 22.

28. ASSETS PLACED WITH THE REGISTRAR

As at September 30, 2018 and December 31, 2017, the following securities have been placed securities with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2018		December 31, 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	23,145	24,260	23,200	25,605

29. ASSETS RESERVED WITH THE REGISTRAR

As at September 30, 2018 and December 31, 2017, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2018		December 31, 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	58,458,672	64,499,368	52,400,828	61,274,166
State enterprise bonds	4,899,961	5,352,714	5,699,921	6,375,488
Total	63,358,633	69,852,082	58,100,749	67,649,654

30. EARNINGS PER SHARE

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

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

Basic and diluted earnings (losses) per share for the three-month periods ended September 30, 2018 and 2017 are as follows:

	Consolidated financial statements					
	Profit		Weighted average		Earnings per share	
	for the period		number of shares		(Baht)	
	(Thousand Baht)		(Thousand shares)			
	2018	2017	2018	2017	2018	2017
Basic earnings (losses) per share						
Profit (loss) attributable to ordinary shareholders of the Company						
- From continuing operations	997,877	(261,412)			0.584	(0.153)
- From discontinued operation	(1,878)	822			(0.001)	0.001
Profit (loss) attributable to ordinary shareholders of the Company	995,999	(260,590)	1,707,566	1,707,566	0.583	(0.152)
Diluted earnings (losses) per share	995,999	(260,590)	1,707,566	1,707,566	0.583	(0.152)

	Separate financial statements					
	Profit		Weighted average		Earnings per share	
	for the period		number of shares		(Baht)	
	(Thousand Baht)		(Thousand shares)			
	2018	2017	2018	2017	2018	2017
Basic earnings (losses) per share						
Profit (loss) attributable to ordinary shareholders of the Company	997,843	(260,806)	1,707,566	1,707,566	0.584	(0.153)
Diluted earnings (losses) per share	997,843	(260,806)	1,707,566	1,707,566	0.584	(0.153)

Basic and diluted earnings per share for the nine-month periods ended September 30, 2018 and 2017 are as follows:

	Consolidated financial statements					
	Profit		Weighted average		Earnings per share	
	for the period		number of shares		(Baht)	
	(Thousand Baht)		(Thousand shares)			
	2018	2017	2018	2017	2018	2017
Basic earnings per share						
Profit (loss) attributable to ordinary shareholders of the Company						
- From continuing operations	3,990,968	1,894,567			2.337	1.110
- From discontinued operation	(8,784)	(6,730)			(0.005)	(0.004)
Profit attributable to ordinary shareholders of the Company	3,982,184	1,887,837	1,707,566	1,707,154	2.332	1.106
Diluted earnings per share	3,982,184	1,887,837	1,707,566	1,707,154	2.332	1.106

	Separate financial statements					
	Profit for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings per share (Baht)	
	2018	2017	2018	2017	2018	2017
Basic earnings per share						
Profit attributable to ordinary shareholders of the Company	3,939,643	1,896,556	1,707,566	1,707,154	2.307	1.111
Diluted earnings per share	3,939,643	1,896,556	1,707,566	1,707,154	2.307	1.111

31. DIVIDENDS PAID

Dividends declared during the nine-month periods ended September 30, 2018 and 2017, consisted of the following:

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Annual dividend for 2017	Annual General Meeting of the Shareholders on April 27, 2018 and the OIC on April 18, 2018	375	0.22
Interim dividend from operations for six-month period ended June 30, 2018	Meeting of Board of Directors on August 9, 2018 and the OIC on September 5, 2018	546	0.32
Total dividend for the period 2018		921	0.54
Annual dividend for 2016	Annual General Meeting of the Shareholders on April 27, 2017 and the OIC on May 8, 2017	730	0.43
Interim dividend from operations for six-month period ended June 30, 2017	Meeting of Board of Directors on August 10, 2017 and the OIC on September 13, 2017	543	0.32
Total dividend for the period 2017		1,273	0.75

32. COMMITMENTS

32.1 As at September 30, 2018 and December 31, 2017, the Company entered into construction building agreement with local companies totaling of Baht 120.44 million and Baht 228.06 million, respectively. The Company has commitments to be paid according to the agreements amounting to Baht 69.06 million and Baht 44.73 million, respectively.

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

As at September 30, 2018 and December 31, 2017, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	Consolidated financial statements		
	September 30, 2018		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	28.59	13.42	42.01
Operating lease agreements - Other parties	21.41	15.06	36.47
Service agreements	4.20	0.02	4.22
Total	54.20	28.50	82.70

	(Unit : Million Baht)		
	Consolidated financial statements		
	December 31, 2017		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	27.61	28.91	56.52
Operating lease agreements - Other parties	22.07	18.26	40.33
Service agreements	0.23	0.03	0.26
Total	49.91	47.20	97.11

(Unit : Million Baht)

Separate financial statements			
September 30, 2018			
Pay within			
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	28.58	13.42	42.00
Operating lease agreements - Other parties	21.26	14.96	36.22
Service agreements	4.19	-	4.19
Total	54.03	28.38	82.41

Unit : Million Baht)

Separate financial statements			
December 31, 2017			
Pay within			
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	27.61	28.91	56.52
Operating lease agreements - Other parties	21.92	18.04	39.96
Service agreements	0.21	-	0.21
Total	49.74	46.95	96.69

The Company and subsidiaries recognized rental expense derived from the operating leases for the three-month and nine-month periods ended September 30, 2018 amounting to Baht 14.27 million and Baht 38.11 million, respectively. (September 30, 2017 amounting to Baht 11.9 million and Baht 23.7 million, respectively)

- 32.3 As at September 30, 2018 and December 31, 2017, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 9.5 (a), as summarized below:

(Unit : Thousand Baht)

Payable within	Consolidated and separate financial statements	
	September 30, 2018	December 31, 2017
1 year	1,200,000	1,200,000
2 - 5 years	-	300,000

33. LITIGATION

As at September 30, 2018 and December 31, 2017, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 16 million and Baht 18 million, respectively, for being the insurer and the cases have not yet been finalized. The Company has not yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

34. RECLASSIFICATIONS

34.1 The reclassifications to conform to the presentation in the interim financial statements for the current periods

Reclassifications have been made to the statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2017 to conform to the classification used in the statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018 as follow:

Transactions	(Unit : Thousand Baht)					Previous classification	Current classification
	For the three-month period ended September 30, 2017		For the nine-month period ended September 30, 2017				
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements			
Other underwriting expenses	52,570	52,570	95,019	95,019	Operating expenses	Other underwriting expenses	
Investment expenses	4,342	4,342	14,670	14,670	Operating expenses	Net with net investment income	

The consolidated and separate statements of cash flows for the nine-month period ended September 30, 2017 have been reclassified to conform to the above reclassifications.

34.2 The reclassifications to conform to presentation of discontinued operation

	(Unit : Thousand Baht)			
	Consolidated financial statements			
	For the three-month period ended September 30, 2017			
	Reclassifications			
	Before reclassifications	Reclassifications as Note 34.1	for discontinued operation	After reclassifications
PROFIT AND LOSS				
Net earned premium	11,900,957	-	(28)	11,900,985
Net investment income	2,991,284	4,342	2	2,986,940
Other income	32,867	-	2	32,865
Total revenues	14,925,108	4,342	(24)	14,920,790
Life policy reserves increased from prior period	9,136,861	-	(6)	9,136,867
Commissions and brokerages	943,454	-	(7)	943,461
Other underwriting expenses	189,164	(52,570)	(2,324)	244,058
Operating expenses	481,442	56,912	735	423,795
Total expenses	10,750,921	4,342	(1,602)	10,748,181
Profit (loss) before income tax income	(439,352)	-	1,578	(440,930)
Income tax income	179,511	-	-	179,511
Profit (loss) for the periods	(259,841)	-	1,578	(261,419)

(Unit : Thousand Baht)

Consolidated financial statements
For the nine-month period ended September 30, 2017

	Before reclassifications	Reclassifications as Note 34.1	Reclassifications for discontinued operation	After reclassifications
PROFIT AND LOSS				
Net earned premium	32,361,804	-	189	32,361,615
Net investment income	8,651,018	14,670	30	8,636,318
Other income	93,841	-	(2)	93,843
Total revenues	41,106,663	14,670	217	41,091,776
Life policy reserves increased from prior year	20,396,459	-	11	20,396,448
Commissions and brokerages	2,511,619	-	36	2,511,583
Other underwriting expenses	501,920	(95,019)	3,447	593,492
Operating expenses	1,338,071	109,689	9,668	1,218,714
Total expenses	24,748,069	14,670	13,162	24,720,237
Profit (loss) before income tax expense	2,053,062	-	(12,945)	2,066,007
Income tax expense	(171,461)	-	-	(171,461)
Profit (loss) for the periods	1,881,601	-	(12,945)	1,894,546

35. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These consolidation and separate interim financial statements were authorized for issue by the Board of Directors on November 8, 2018.