



กรุงเทพประกันชีวิต  
BANGKOK LIFE ASSURANCE

# Analyst Meeting

***“2Q2017 Results Update”***

11 Aug 2017

# Analyst Meeting – 2Q2017 results

## Topics:

### 1. Results overview

*K. Narin, SVP – Marketing Division*

*K. Sanor, SEVP – Investment Division*

*K. Jaruan, SVP – Finance & Acct Division*

### 2. Business Direction + Q & A

*President*

# MARKETING

**K. NARIN EKWONGVIRIYA**  
**SVP – MARKETING DIVISION**



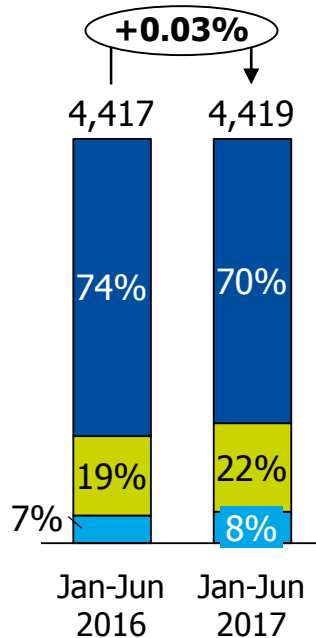
# New Business and Total Premium Jan-Jun 2017

FYP Growth in 1<sup>st</sup> half of year 2017 came from agent channel. As the result, agent channel represented 22%, comparing to 19% in 2016. The performance of bancassurance and agent channel were resulted from the continued focus on long term protection and healthcare products.

■ Bancassurance ■ Agent Channel ■ Others

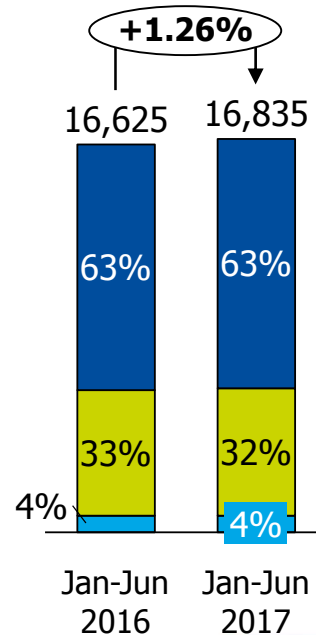
## New Business Premium

Unit : Million Baht



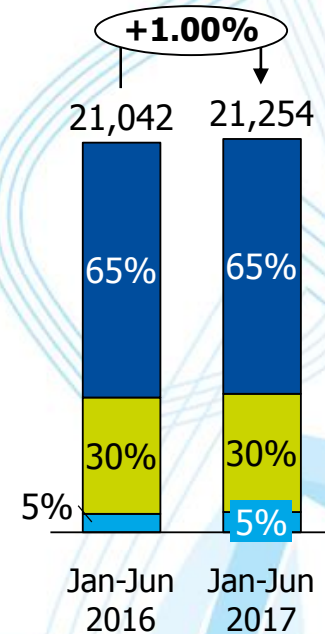
## Renewal Premium

Unit : Million Baht



## Total Premium

Unit : Million Baht

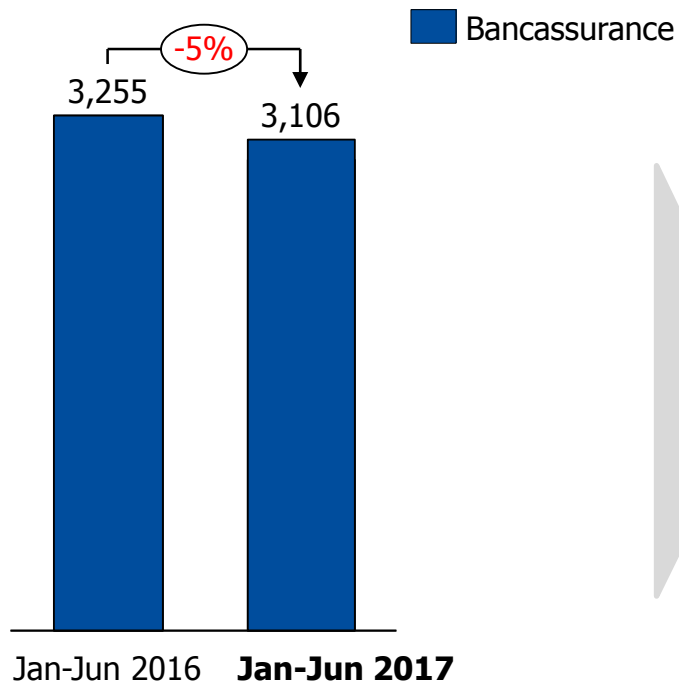


# Product Mixed : Bancassurance Channel

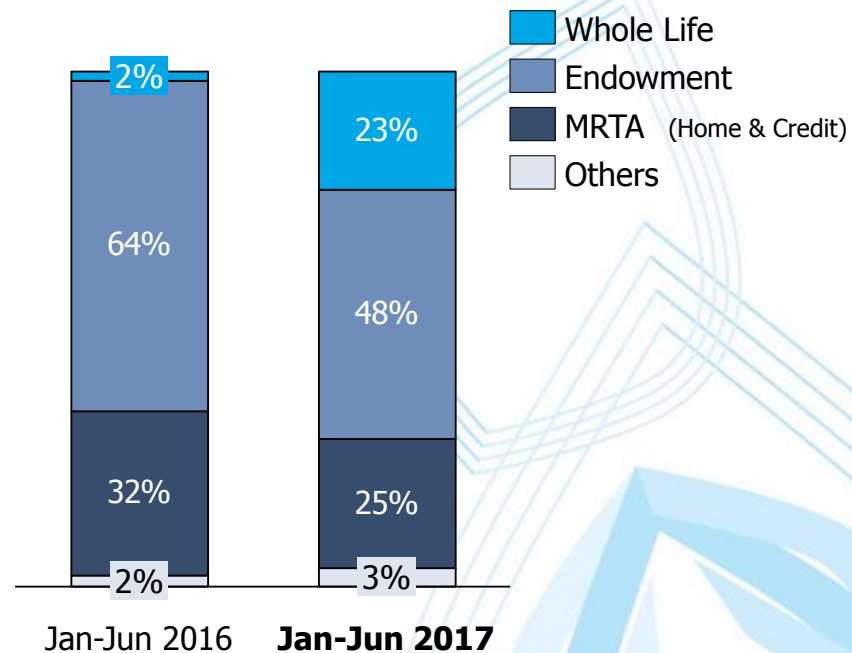
Overall FYP from Bancassurance dropped -5% from last year, due to reduction in Filler and MRTA products. But BLA were able to drive growth of whole life products with +1,048% growth.

## New Business Premium All Types

Unit : Million Baht

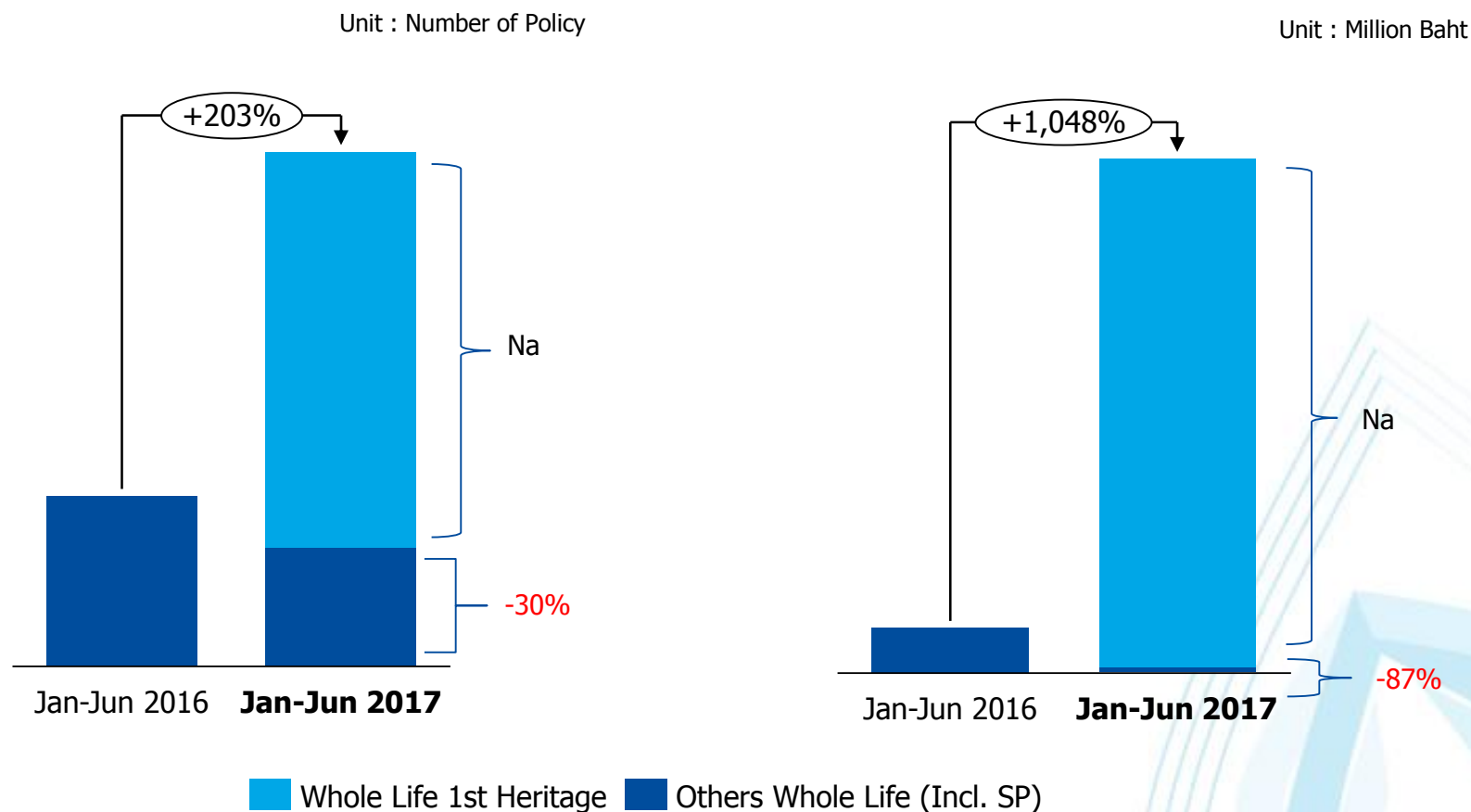


## Proportion (%)



# Whole Life Products of Bancassurance : Key Performance

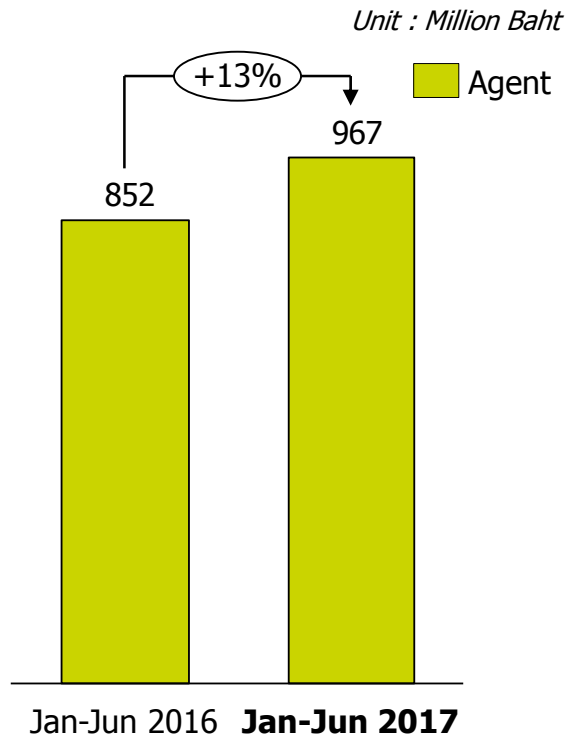
Number of policies increased +203% growth and +1,048% growth in FYP from previous year .  
Whole Life 1<sup>st</sup> Heritage has been the main product of the protection group since the end of last year.



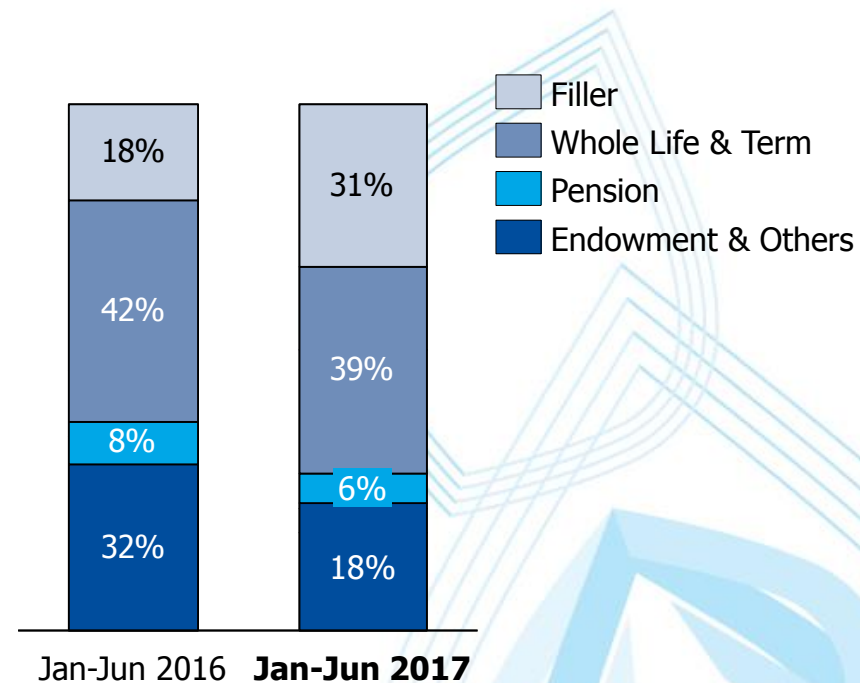
# Product Mixed 2016 : Agent Channel

Agent channel grew +13% in overall. Slightly grew up in whole life and term products. Increased FYP with filler products to maintain market share.

## New Business Premium All Types



## Proportion (%)





# INVESTMENT

**K. SANOR THAMPIPATTANAKUL**  
**SEVP – INVESTMENT DIVISION**

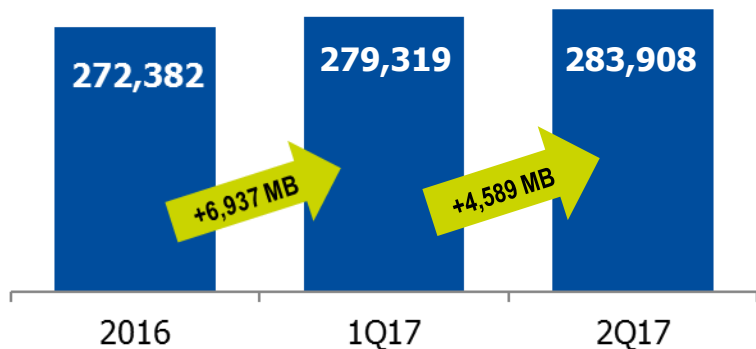




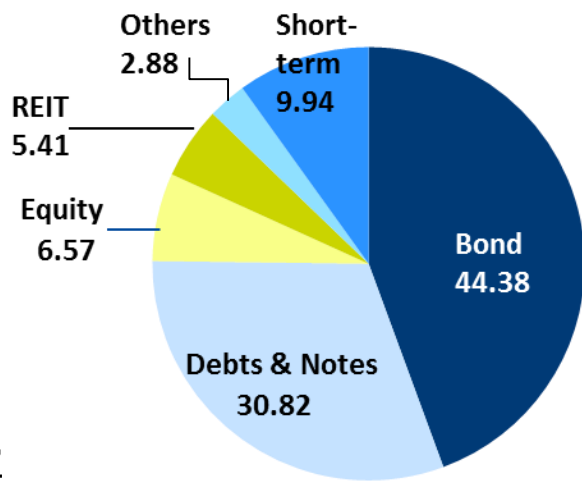
# Investment Assets = 283,908 MB at June 2017

+4,589 MB during 2Q17 and +11,526 MB YTD

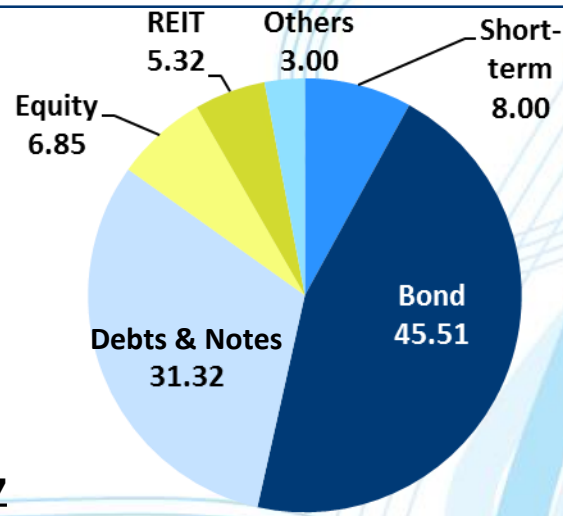
## Investment Assets



- Investment assets increases 11,526 MB YTD and + 4,589 MB in 2Q17
- Short term fund declines QoQ but remains high relative to experience
- Equity allocation remains at the low end approx. 6.85%



**1Q17**



**2Q17**

# Profile of Investment Assets – 30 June 2017

## Duration

- Asset = 7.6
- Liabilities = 8.6

## Fixed Income Securities by Credit Rating

<b>Debenture</b> (Avg. Life 6.34 years)	<b>% Total</b>
<i>Local Currency Rating</i>	<b>70.03%</b>
AAA	7.62%
AA <sup>-</sup> to AA <sup>+</sup>	12.72%
A <sup>-</sup> to A <sup>+</sup>	40.87%
BBB <sup>+</sup>	8.82%
<i>International Rating</i>	<b>29.97%</b>
A <sup>-</sup> to A <sup>+</sup>	8.80%
BBB to BBB <sup>+</sup>	21.17%

## Investment Assets by Currency

<b>Currency</b>	<b>% Total</b>
Thai Baht Investment	90.08%
US\$ Investment	9.92%
- Fixed income	7.93%
- Equity	1.58%
- Others	0.41%

## Fixed Income Securities by Maturity

<b>Time to Maturity</b>	<b>% Total</b>
Less than 1 year	10.35%
1-5 years	21.85%
6-10 years	29.62%
11-15 years	13.58%
Over 15 years	24.60%

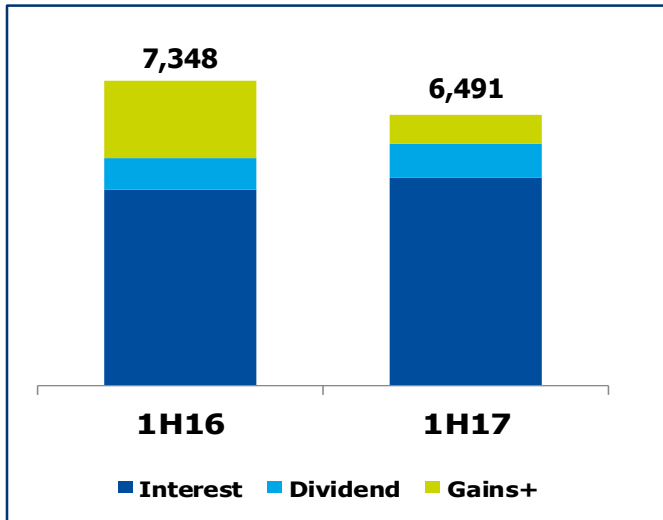
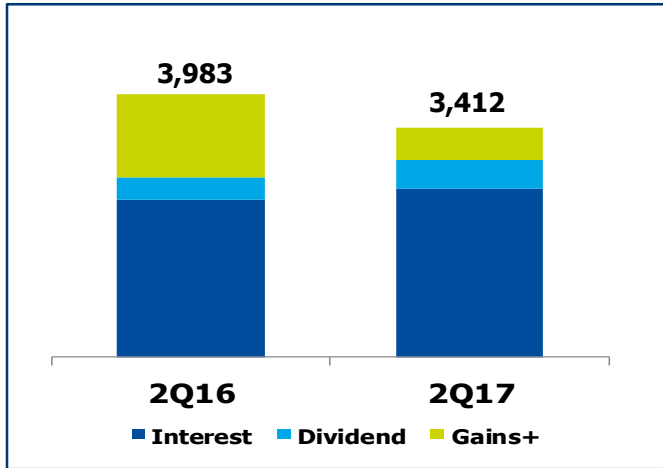
Avg.  
11.09  
years

# Lower realized gains push investment income lower in 2017

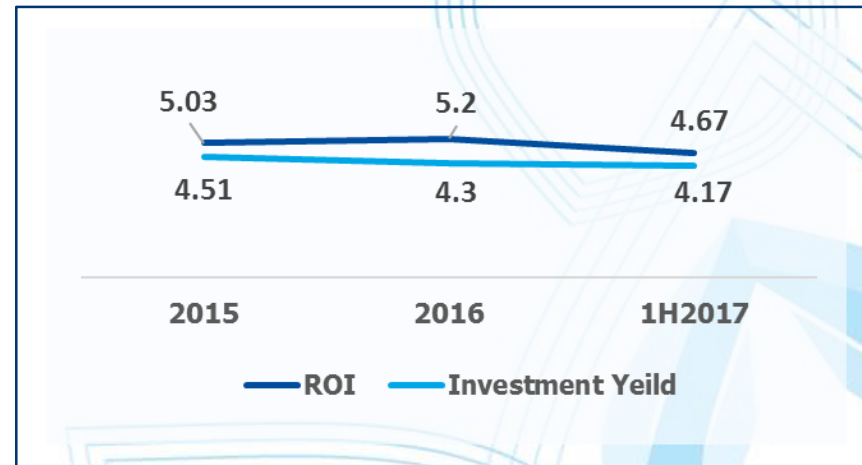
ROI 4.7% in 1H17 vs 5.9% in 1H16

Investment Yield (excl.gain+) = 4.17%

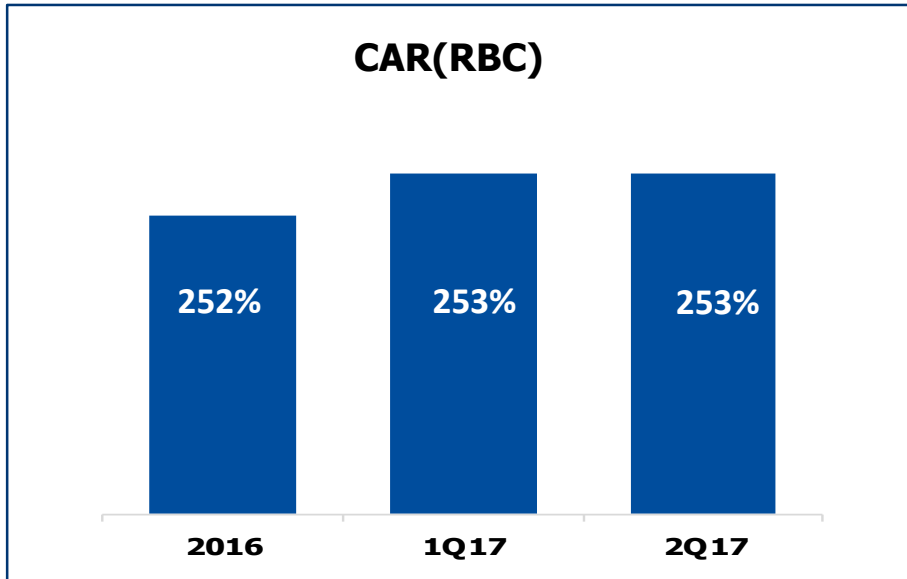
Sources of Investment Income (MB)



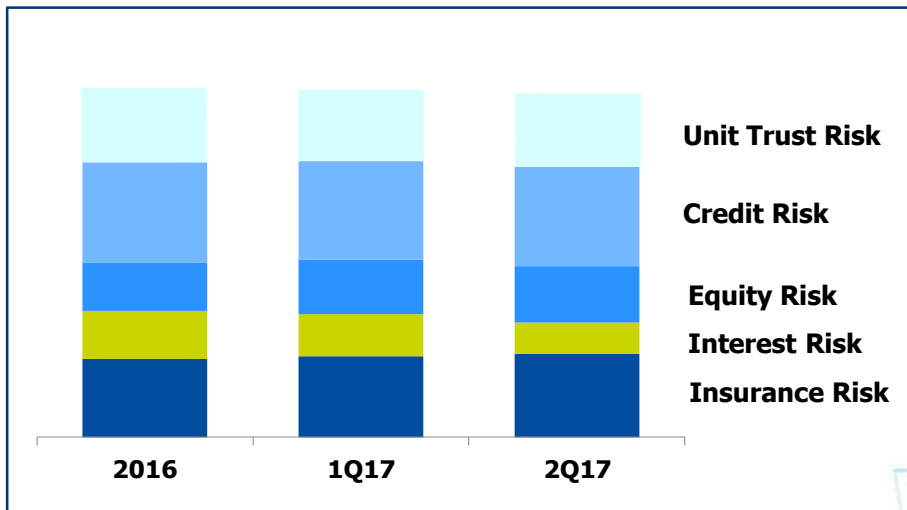
- Realized gains decline to 487 MB and 691 MB in 2Q17 and 1H17 vs 1,250 MB and 1,874 MB during 2Q16 and 1H16 respectively.
- Interest income continue to increase 5.4% in 2Q17 and 6.2% in 1H17 due to larger asset base while dividend income increase 22.0% and 9.0% respectively.
- Accounting ROI for 1H17 = 4.7% while Investment Yield lower to 4.17%



# Capital Adequacy Ratio (CAR) stabilize at 253%



- Interest rate Risk has been declining thanks to lower rate and ALM improvement in particular.
- Expecting CAR to stabilize around current level toward the year end.
- RBC II remains threats to future capital position.



# FINANCIAL RESULTS

**K. JARUWAN LIMKHUNTHAMMO**

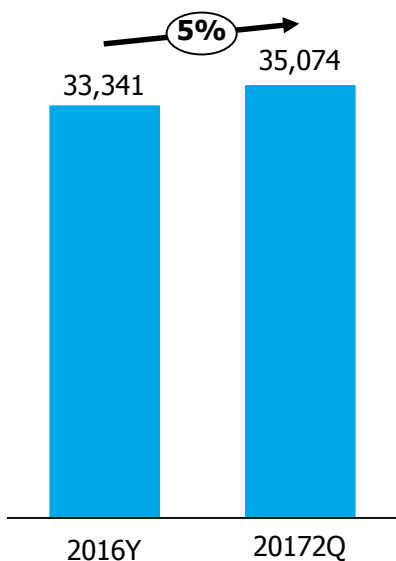
**SVP – FINANCE & ACCOUNTING DIVISION**



# 20172Q, positive ROE of 12.6% due to NPAT 2,157 mn in 20172Q

## ROE

Equity(mn baht)



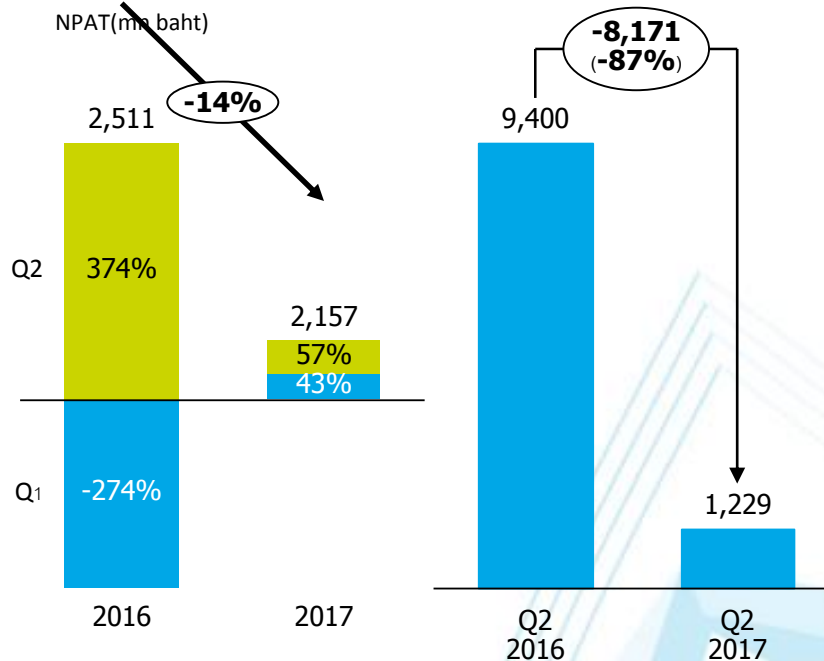
ROE

17.0%

12.6%

## NPAT

NPAT(mn baht)



%Total income

9.1%

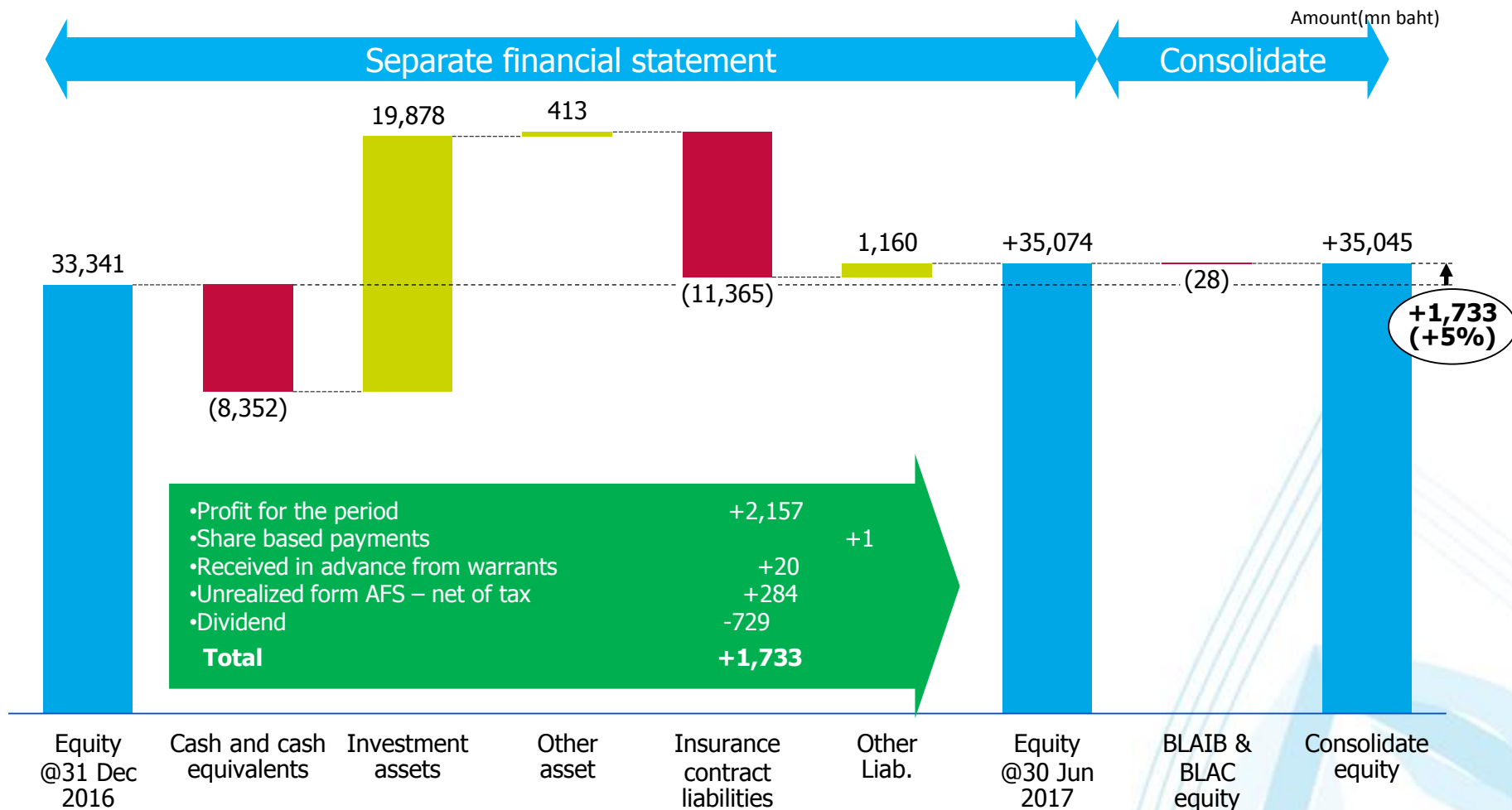
8.0%

82.8%

10.9%

Note:-  
Source: BLA financial statement

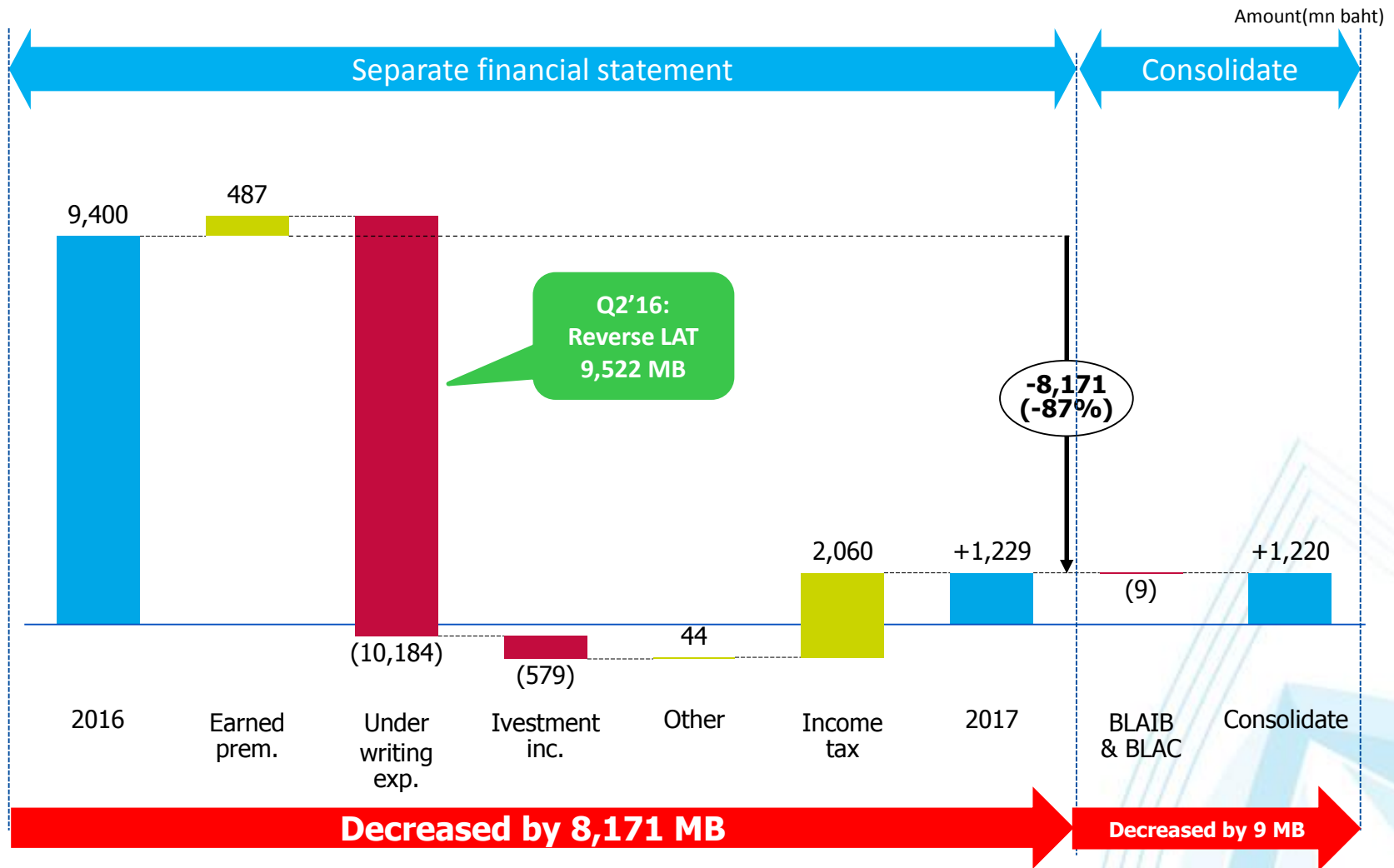
# Equity movement from 31 December 2016 To 30 June 2017



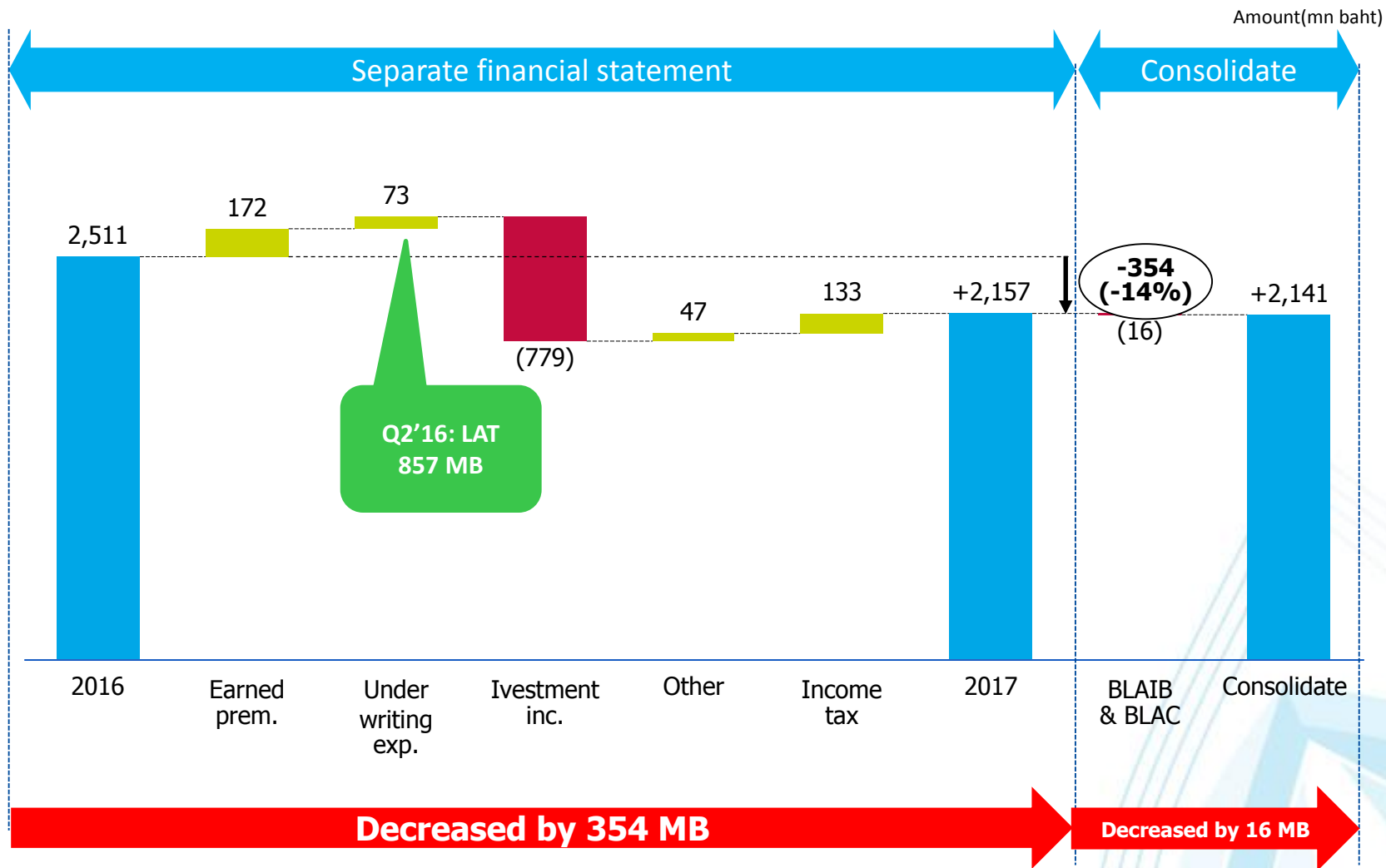
Note:-  
Source: BLA financial statement



# NPAT Movement in second quarter 2017



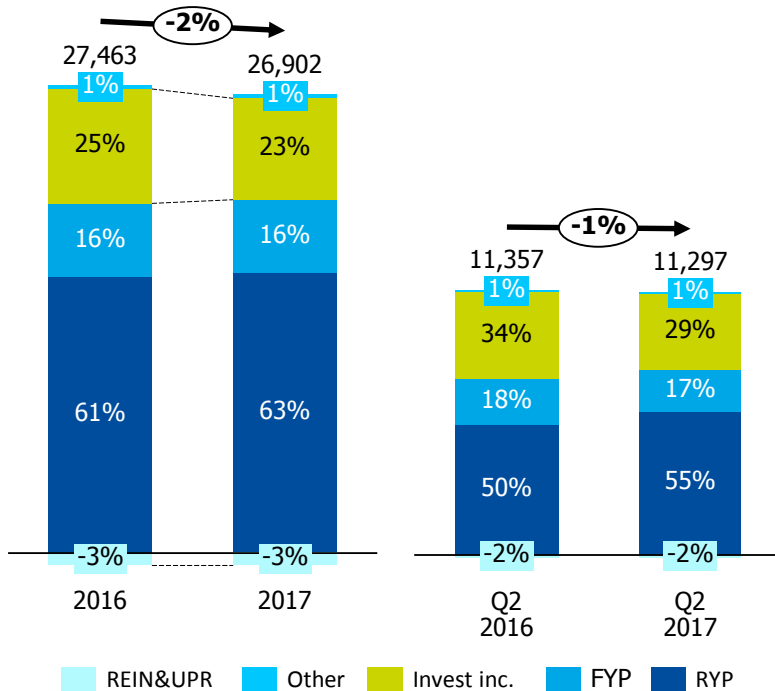
# NPAT Movement in six-month period 2017



# BLA had higher expense in 2017Q2 because increased in life policy reserve

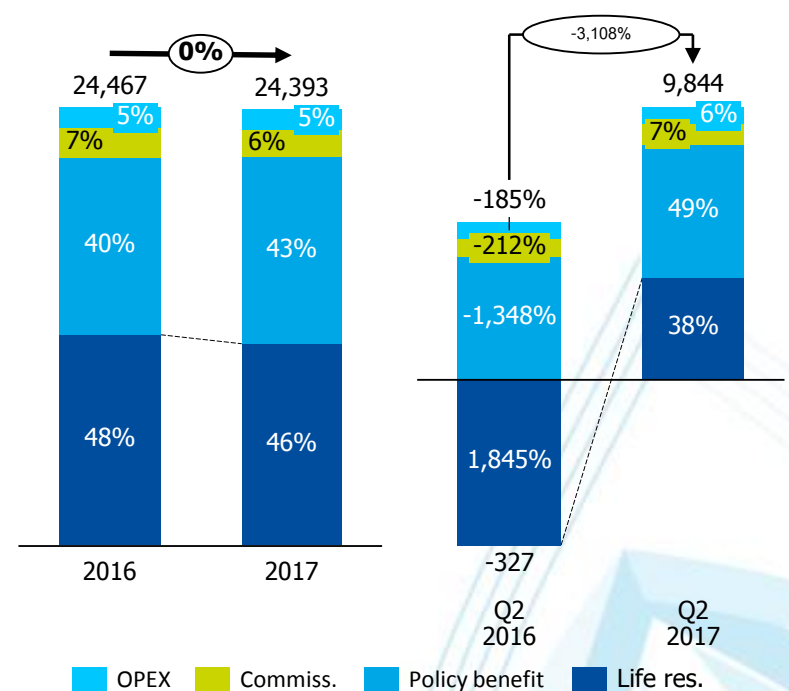
## Total income

Income(mn baht)



## Total expense

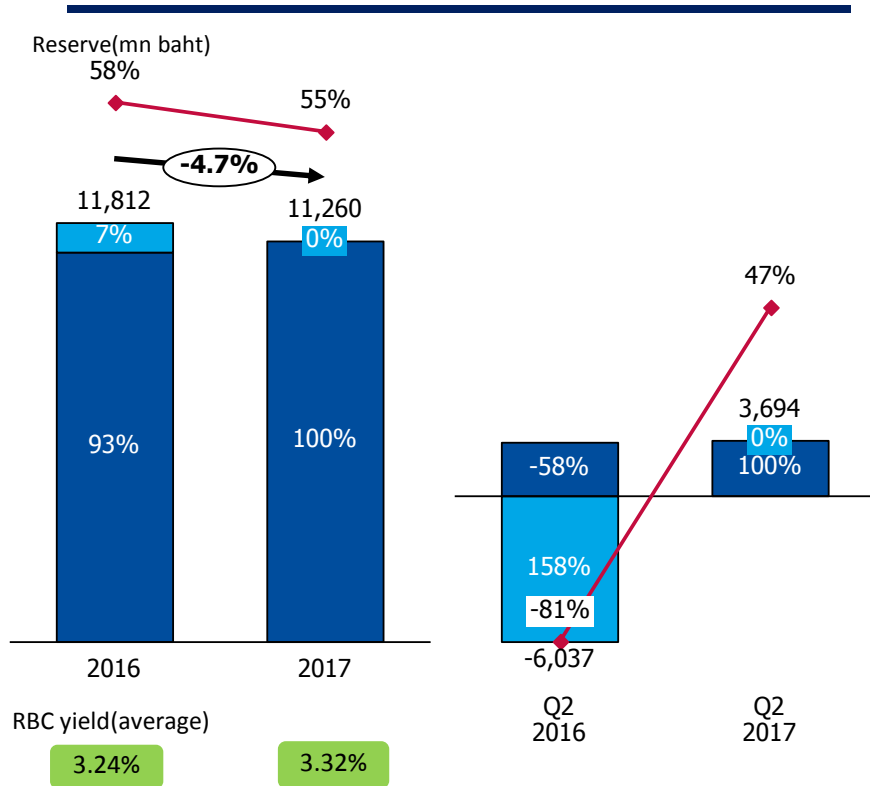
Expense(mn baht)



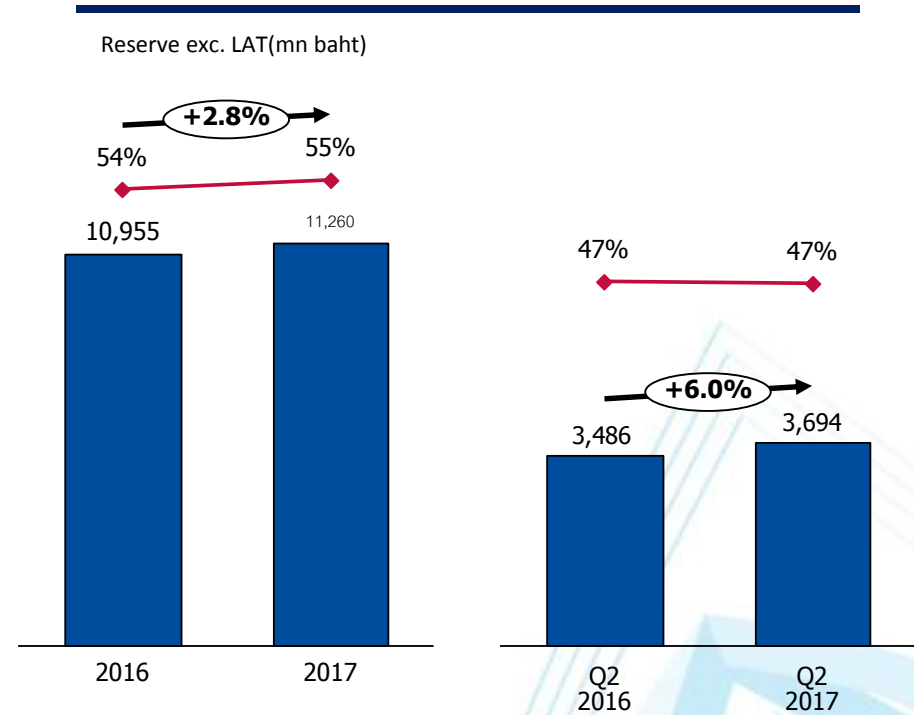
Note:-  
Source: BLA financial statement

# Life pol. reserve ratio in 2017Q2 was 47% increase from 2016Q2

## Life policy reserve



## Life policy reserve exclude LAT

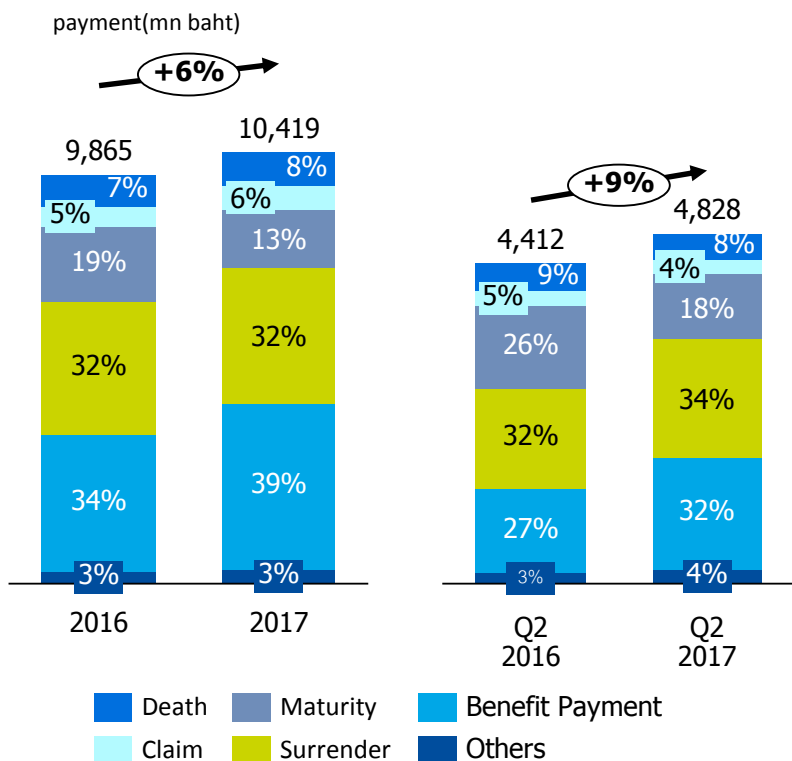


Note:-  
Source: BLA financial statement

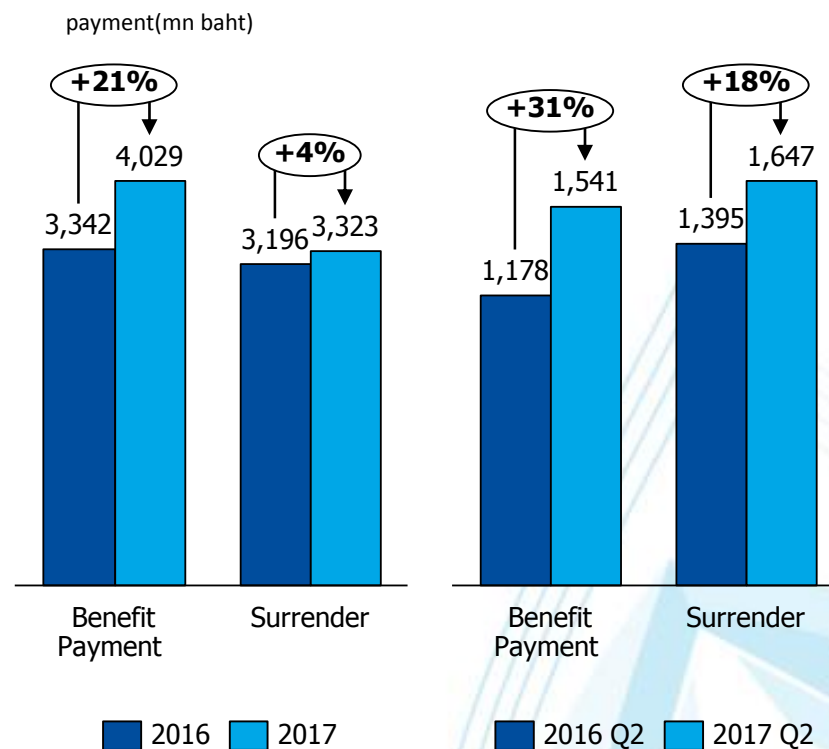
■ LAT ■ Reserve ◆ %net prem.

# Q2, Policy benefit payment increased by 9% mainly from benefit payments

## Policy benefit payment



## Major line item



Source: BLA financial statement

# Q & A

**ขอบคุณ**  
**THANK YOU**







**กรุงเทพมหานคร**  
ชีวิตที่มีความสุขมากกว่า