

Bangkok Life Assurance Public Company Limited
Review report and interim financial statements
For the three-month period ended 31 March 2016

Independent Auditor's Report on Review of Interim Financial Information

To the shareholders of Bangkok Life Assurance Public Company Limited

I have reviewed the accompanying statement of financial position of Bangkok Life Assurance Public Company Limited as at 31 March 2016, and the statements of income, comprehensive income, changes in owners' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my 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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34: Interim Financial Reporting.

Emphasis of Matters

I draw attention to Note 3 and Note 34 to the interim financial statements. During the current period, the Company reclassified transactions in accordance with the Declaration of the Office of Insurance Commission dated 4 March 2016 which effective on 1 January 2016 onward. The Company adopted these revised and new financial reporting standards issued by the Federation of Accounting professions. My opinion is not qualified in respect of this matter.

Nonglak Pumnoi
Certified Public Accountant (Thailand) No. 4172

EY Office Limited

Bangkok: 12 May 2016

Bangkok Life Assurance Public Company Limited
Statements of financial position
As at 31 March 2016 31 December 2015 and 1 January 2015

(Unit: Baht)

Note	Consolidated financial statements			Separate financial statements			
	31 March 2016	31 December 2015	1 January 2015	31 March 2016	31 December 2015	1 January 2015	
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)		
Assets							
Cash and cash equivalents	5, 27	5,590,182,980	7,101,757,706	5,707,563,957	5,467,530,472	7,087,583,921	5,703,471,620
Premium receivables	6	3,081,050,646	1,717,113,202	1,725,232,732	3,081,050,646	1,717,113,202	1,725,232,732
Accrued investment income		3,435,783,690	2,627,977,881	2,344,008,443	3,435,783,690	2,627,977,881	2,344,008,443
Reinsurance assets	7	608,175,440	372,054,732	318,470,590	608,175,440	372,054,732	318,470,590
Reinsurance receivables	8	614,533,007	527,121,766	445,314,089	614,533,007	527,121,766	445,314,089
Derivative assets	9	11,768,210	231,000	24,963,000	11,768,210	231,000	24,963,000
Investment assets	27						
Investments in securities							
Trading investments	10	147,014,460	116,219,570	17,070,295	147,014,460	116,219,570	17,070,295
Available-for-sale investments	10	55,273,123,808	25,988,922,416	22,012,881,057	55,273,123,808	25,988,922,416	22,012,881,057
Held-to-maturity investments	10, 28, 29	185,194,178,693	201,411,262,441	176,161,022,628	185,194,178,693	201,411,262,441	176,161,022,628
General investments	10	46,662,230	46,662,230	46,662,230	46,662,230	46,662,230	46,662,230
Investment in subsidiaries	11	-	-	-	132,530,200	23,760,000	3,960,000
Loans - net	12, 27	6,463,342,218	6,138,902,395	4,735,056,801	6,463,342,218	6,138,902,395	4,735,056,801
Investment property	13	20,680,776	20,947,065	-	20,680,776	20,947,065	-
Property foreclosed		7,039,098	-	-	7,039,098	-	-
Premises and equipment - net	14	572,277,206	547,209,820	389,242,663	572,077,902	546,985,967	389,200,127
Goodwill		4,955,491	4,955,491	4,955,491	-	-	-
Intangible assets		23,978,150	24,113,267	12,819,227	23,906,333	24,036,068	12,819,227
Deferred tax assets	15	4,771,315,585	2,382,918,693	1,482,422,298	4,771,315,585	2,382,918,693	1,482,422,298
Other assets	16	451,926,547	547,241,090	161,904,026	448,702,280	544,567,355	165,538,644
Total assets		266,317,988,235	249,575,610,765	215,589,589,527	266,319,415,048	249,577,266,702	215,588,093,781

The accompanying notes are an integral part of the financial statements.

Bangkok Life Assurance Public Company Limited
Statements of financial position (Continued)
As at 31 March 2016 31 December 2015 and 1 January 2015

(Unit: Baht)

Note	Consolidated financial statements			Separate financial statements			
	31 March 2016	31 December 2015	1 January 2015	31 March 2016	31 December 2015	1 January 2015	
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)		
Liabilities and owners' equity							
Liabilities							
Insurance contract liabilities	17	234,971,621,337	216,851,032,454	186,659,640,875	234,971,621,337	216,851,032,454	186,659,640,875
Reinsurance payables	18	698,649,162	459,315,372	379,721,980	698,649,162	459,315,372	379,721,980
Derivative liabilities	9	2,404,480,996	2,912,292,492	1,024,798,949	2,404,480,996	2,912,292,492	1,024,798,949
Income tax payable		2,147,280,244	542,471,250	499,591,781	2,147,280,244	542,471,250	499,591,781
Employee benefit obligations	19	185,346,161	179,646,146	168,619,609	184,197,513	178,550,082	167,733,882
Other liabilities	20	1,657,793,318	1,640,483,892	1,280,940,807	1,652,593,213	1,635,285,596	1,277,377,658
Total liabilities		242,065,171,218	222,585,241,606	190,013,314,001	242,058,822,465	222,578,947,246	190,008,865,125
Owners' equity							
Share capital							
Registered							
1,708,000,000 ordinary shares of Baht 1 each	21	1,708,000,000	1,708,000,000	1,708,000,000	1,708,000,000	1,708,000,000	1,708,000,000
Issued and fully paid-up							
1,704,235,820 ordinary shares of Baht 1 each (31 December 2015: 1,703,810,780 ordinary shares of Baht 1 each and 1 January 2015: 1,697,850,000 ordinary shares of Baht 1 each)	21	1,704,235,820	1,703,810,780	1,697,850,000	1,704,235,820	1,703,810,780	1,697,850,000
Premium on share capital		3,242,492,134	3,219,925,822	2,987,540,018	3,242,492,134	3,219,925,822	2,987,540,018
Capital reserve on share-based payments	21	31,556,554	38,833,826	103,822,366	31,556,554	38,833,826	103,822,366
Subscriptions received in advance from exercise of warrants	21	21,091,000	10,626,000	-	21,091,000	10,626,000	-
Retained earnings							
Appropriated							
Statutory reserve		170,800,000	170,800,000	170,800,000	170,800,000	170,800,000	170,800,000
General reserve		400,000,000	400,000,000	400,000,000	400,000,000	400,000,000	400,000,000
Unappropriated		10,572,010,378	17,460,248,487	14,677,674,816	10,579,946,096	17,468,357,189	14,680,638,015
Other component of owners' equity							
Revaluation surplus on available-for-sale investments							
- net of income taxes		8,110,470,979	3,985,965,839	5,538,578,257	8,110,470,979	3,985,965,839	5,538,578,257
Equity attributable to equity holders of the Company		24,252,656,865	26,990,210,754	25,576,265,457	24,260,592,583	26,998,319,456	25,579,228,656
Non-controlling interests of the subsidiary		160,152	158,405	10,069	-	-	-
Total owners' equity		24,252,817,017	26,990,369,159	25,576,275,526	24,260,592,583	26,998,319,456	25,579,228,656
Total liabilities and owners' equity		266,317,988,235	249,575,610,765	215,589,589,527	266,319,415,048	249,577,266,702	215,588,093,781

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited**Statements of comprehensive income****For the three-month periods ended 31 March 2016 and 2015**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015 (Restated)	2016	2015 (Restated)
Revenue					
Gross premium written	23, 27	13,412,293,870	16,021,606,771	13,412,356,037	16,021,606,771
Less: Premium ceded to reinsurers	23	(452,249,063)	(353,226,404)	(452,249,063)	(353,226,404)
Net premium written	23	12,960,044,807	15,668,380,367	12,960,106,974	15,668,380,367
Net change in unearned premium reserves	23	(104,211,269)	(51,554,932)	(104,211,269)	(51,554,932)
Earned premium	23	12,855,833,538	15,616,825,435	12,855,895,705	15,616,825,435
Fee and commission income		120,024,096	94,154,482	120,024,096	94,154,482
Net investment income	27	2,715,597,807	2,511,433,389	2,715,597,807	2,511,433,389
Gain on investment		624,086,875	1,015,537,427	624,086,875	1,015,537,427
Loss on revaluation	25	(69,285,696)	(5,146,076)	(69,285,696)	(5,146,076)
Other income	27	17,930,285	15,367,285	14,373,205	13,932,945
Total income		16,264,186,905	19,248,171,942	16,260,691,992	19,246,737,602
Expenses					
Life policy reserves increased from prior periods	23	17,848,448,209	12,104,401,003	17,848,448,209	12,104,401,003
Benefit payments under life policies and claims	23, 27	5,650,693,544	4,901,311,314	5,650,693,544	4,901,311,314
Less: Benefit payments under life policies and claims refundable from reinsurance	23	(198,127,356)	(128,854,504)	(198,127,356)	(128,854,504)
Commissions and brokerages expenses	23, 27	927,509,475	841,486,979	925,844,633	840,112,820
Other underwriting expenses	23	183,752,261	174,435,759	183,786,927	174,434,459
Operating expenses	24, 27	540,802,832	455,434,462	539,112,826	454,105,051
Total expenses		24,953,078,965	18,348,215,013	24,949,758,783	18,345,510,143
Profits (losses) before income tax expense		(8,688,892,060)	899,956,929	(8,689,066,791)	901,227,459
Income tax revenue (expense)	15	1,800,655,698	(134,687,789)	1,800,655,698	(134,687,789)
Profits (losses) for the periods		(6,888,236,362)	765,269,140	(6,888,411,093)	766,539,670
Profits (losses) for the periods attributable to:					
Equity holders of the Company		(6,888,238,109)	765,251,914	(6,888,411,093)	766,539,670
Non-controlling interests of the subsidiary		1,747	17,226		
		(6,888,236,362)	765,269,140		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited
Statements of comprehensive income (Continued)
For the three-month periods ended 31 March 2016 and 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		(Restated)		(Restated)
Profits (losses) for the periods	<u>(6,888,236,362)</u>	<u>765,269,140</u>	<u>(6,888,411,093)</u>	<u>766,539,670</u>
Other comprehensive income				
Other comprehensive income to reclassified to profit or loss in subsequent periods				
Losses on valuation of available-for-sale investments	5,155,631,424	(860,378,607)	5,155,631,424	(860,378,607)
Add: Income taxes	<u>(1,031,126,284)</u>	<u>172,075,722</u>	<u>(1,031,126,284)</u>	<u>172,075,722</u>
Total other comprehensive income to reclassified to profit or loss in subsequent periods	<u>4,124,505,140</u>	<u>(688,302,885)</u>	<u>4,124,505,140</u>	<u>(688,302,885)</u>
Other comprehensive loss for the periods				
- net of income taxes	<u>4,124,505,140</u>	<u>(688,302,885)</u>	<u>4,124,505,140</u>	<u>(688,302,885)</u>
Total comprehensive income (loss) for the periods	<u><u>(2,763,731,222)</u></u>	<u><u>76,966,255</u></u>	<u><u>(2,763,905,953)</u></u>	<u><u>78,236,785</u></u>
Total comprehensive income (loss) for the periods attributable to:				
Equity holders of the Company	<u>(2,763,732,969)</u>	<u>76,949,029</u>	<u>(2,763,905,953)</u>	<u>78,236,785</u>
Non-controlling interests of the subsidiary	<u>1,747</u>	<u>17,226</u>		
	<u><u>(2,763,731,222)</u></u>	<u><u>76,966,255</u></u>		
Earnings per share				
Basic earnings per share	30			
Profits (losses) for the periods	<u>(4.04)</u>	<u>0.45</u>	<u>(4.04)</u>	<u>0.45</u>
Diluted earnings per share				
Profits (losses) for the periods	<u>(4.04)</u>	<u>0.45</u>	<u>(4.04)</u>	<u>0.45</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited**Statements of cash flows****For the three-month periods ended 31 March 2016 and 2015**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015 (Restated)	2016	2015 (Restated)
Cash flows from operating activities				
Gross premium	12,140,594,942	13,918,300,039	12,140,594,942	13,918,300,039
Cash payments from reinsurance	(103,366,898)	(95,023,224)	(103,366,898)	(95,023,224)
Interest income	1,682,518,364	1,606,584,771	1,682,518,364	1,606,584,771
Dividend income	225,273,635	130,086,474	225,273,635	130,086,474
Other investment income	7,356,229,450	764,521,079	7,356,229,450	764,521,079
Other income	13,016,393	11,233,547	13,016,393	11,233,547
Benefit payments under life policies and loss incurred on direct insurance	(5,590,851,032)	(4,654,712,022)	(5,590,851,032)	(4,654,712,022)
Commissions and brokerages on direct insurance	(913,128,988)	(849,625,902)	(913,128,988)	(849,625,902)
Other underwriting expenses	(216,692,121)	(165,246,842)	(216,692,121)	(165,076,072)
Operating expenses	(486,895,973)	(506,077,647)	(486,604,496)	(506,077,647)
Corporate income taxes	(14,058,485)	(12,709,191)	(14,058,485)	(12,709,191)
Investments in securities	(9,231,586,455)	1,476,065,040	(9,231,586,455)	1,476,065,040
Loans	(335,305,371)	(168,532,854)	(335,305,371)	(168,532,854)
Other investments	(6,008,750,456)	(16,878,949,100)	(6,008,750,456)	(16,878,949,100)
Net cash used in operating activities	(1,483,002,995)	(5,424,085,832)	(1,482,711,518)	(5,423,915,062)
Cash flows from investing activities				
Net cash flow for purchase and disposal premises and equipment	(49,662,731)	(83,438,974)	(49,662,731)	(83,438,974)
Cash paid for purchase of investment in subsidiary	-	-	(108,770,200)	-
Net cash used in investing activities	(49,662,731)	(83,438,974)	(158,432,931)	(83,438,974)
Cash flows from financing activities				
Proceeds from share capital increase as a result of warrant exercise	21,091,000	105,266,000	21,091,000	105,266,000
Proceeds from securities sold under repurchase agreements	-	1,100,000,000	-	1,100,000,000
Net cash provided by financing activities	21,091,000	1,205,266,000	21,091,000	1,205,266,000
Net decrease in cash and cash equivalents	(1,511,574,726)	(4,302,258,806)	(1,620,053,449)	(4,302,088,036)
Cash and cash equivalents at beginning of periods	7,101,757,706	5,707,563,957	7,087,583,921	5,703,471,620
Cash and cash equivalents at end of periods	5,590,182,980	1,405,305,151	5,467,530,472	1,401,383,584

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited
Statements of changes in owners' equity
For the three-month periods ended 31 March 2016 and 2015

(Unit: Baht)

Consolidated financial statement											
Equity attributable to equity holders of the Company											
Note	Issued and fully 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			Other component of owners' equity Valuation surplus on available-for-sale investments - net of income taxes	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiary	Total
					Statutory reserve	General reserve	Unappropriated				
Balance as at 1 January 2015	1,697,850,000	2,987,540,018	103,822,366	-	170,800,000	400,000,000	14,677,674,816	5,538,578,257	25,576,265,457	10,069	25,576,275,526
Share-based payments	21	-	-	9,438,397	-	-	-	-	9,438,397	-	9,438,397
Subscriptions received in advance from exercises of warrants	22	-	-	-	105,266,000	-	-	-	105,266,000	-	105,266,000
Profits for the period		-	-	-	-	-	765,251,914	-	765,251,914	17,226	765,269,140
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-	-	-	-	(688,302,885)	(688,302,885)	-	(688,302,885)
Total comprehensive income (loss) for the period		-	-	-	-	-	765,251,914	(688,302,885)	76,949,029	17,226	76,966,255
Balance as at 31 March 2015	1,697,850,000	2,987,540,018	113,260,763	105,266,000	170,800,000	400,000,000	15,442,926,730	4,850,275,372	25,767,918,883	27,295	25,767,946,178

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited
Statements of changes in owners' equity (Continued)
For the three-month periods ended 31 March 2016 and 2015

(Unit: Baht)

Consolidated financial statement											
Equity attributable to equity holders of the Company											
Note	Issued and fully 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			Other component of owners' equity on available-for-sale investments - net of income taxes	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
					Appropriated		Unappropriated				
					Statutory reserve	General reserve					
Balance as at 1 January 2016	1,703,810,780	3,219,925,822	38,833,826	10,626,000	170,800,000	400,000,000	17,460,248,487	3,985,965,839	26,990,210,754	158,405	26,990,369,159
Share-based payments	21	-	-	5,088,080	-	-	-	-	5,088,080	-	5,088,080
Increase in share capital as a result of warrant exercise	21	425,040	10,200,960	-	(10,626,000)	-	-	-	-	-	-
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No.2 exercise	21	-	12,365,352	(12,365,352)	-	-	-	-	-	-	-
Subscriptions received in advance from exercises of warrants	22	-	-	-	21,091,000	-	-	-	21,091,000	-	21,091,000
Profits (losses) for the period		-	-	-	-	-	(6,888,238,109)	-	(6,888,238,109)	1,747	(6,888,236,362)
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-	-	-	-	4,124,505,140	4,124,505,140	-	4,124,505,140
Total comprehensive income (loss) for the period		-	-	-	-	-	(6,888,238,109)	4,124,505,140	(2,763,732,969)	1,747	(2,763,731,222)
Balance as at 31 March 2016	1,704,235,820	3,242,492,134	31,556,554	21,091,000	170,800,000	400,000,000	10,572,010,378	8,110,470,979	24,252,656,865	160,152	24,252,817,017

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited
Statements of changes in owners' equity (Continued)
For the three-month periods ended 31 March 2016 and 2015

(Unit: Baht)

	Separate financial statements							Other component of		
	Note	Issued and fully 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		Valuation surplus on available-for-sale investments - net of income taxes	Total	
						Appropriated				
						Statutory reserve	General reserve			
Unappropriated										
Balance as at 1 January 2015		1,697,850,000	2,987,540,018	103,822,366	-	170,800,000	400,000,000	14,680,638,015	5,538,578,257	25,579,228,656
Share-based payments	21	-	-	9,438,397	-	-	-	-	-	9,438,397
Subscriptions received in advance from exercises of warrants	22	-	-	-	105,266,000	-	-	-	-	105,266,000
Profits for the period		-	-	-	-	-	-	766,539,670	-	766,539,670
Other comprehensive income										
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-	-	-	-	-	(688,302,885)	(688,302,885)
Total comprehensive income (loss) for the period		-	-	-	-	-	-	766,539,670	(688,302,885)	78,236,785
Balance as at 31 March 2015		1,697,850,000	2,987,540,018	113,260,763	105,266,000	170,800,000	400,000,000	15,447,177,685	4,850,275,372	25,772,169,838

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Life Assurance Public Company Limited
Statements of changes in owners' equity (Continued)
For the three-month periods ended 31 March 2016 and 2015

(Unit: Baht)

Separate financial statements									
Note	Issued and fully 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			Other component of owners' equity Valuation surplus on available-for-sale investments - net of income taxes	Total
					Appropriated		Unappropriated		
					Statutory reserve	General reserve			
Balance as at 1 January 2016	1,703,810,780	3,219,925,822	38,833,826	10,626,000	170,800,000	400,000,000	17,468,357,189	3,985,965,839	26,998,319,456
Share-based payments	21	-	-	5,088,080	-	-	-	-	5,088,080
Increase in share capital as a result of warrant exercise	21	425,040	10,200,960	-	(10,626,000)	-	-	-	-
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No.2 exercise	21	-	12,365,352	(12,365,352)	-	-	-	-	-
Subscriptions received in advance from exercises of warrants	22	-	-	-	21,091,000	-	-	-	21,091,000
Losses for the period		-	-	-	-	-	(6,888,411,093)	-	(6,888,411,093)
Other comprehensive income		-	-	-	-	-	-	-	-
Losses on valuation of available-for-sale investments - net of income taxes		-	-	-	-	-	-	4,124,505,140	4,124,505,140
Total comprehensive loss for the period		-	-	-	-	-	(6,888,411,093)	4,124,505,140	(2,763,905,953)
Balance as at 31 March 2016	1,704,235,820	3,242,492,134	31,556,554	21,091,000	170,800,000	400,000,000	10,579,946,096	8,110,470,979	24,260,592,583

The accompanying notes are an integral part of the financial statements.

Bangkok Life Assurance Public Company Limited

Notes to interim financial statements

For the three-month period ended 31 March 2016

1. Corporate information

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, Royal City Avenue, Rama 9 Road, Bangkok Sub-district, Huaykwang District, Bangkok.

2. Basis of preparation of financial statements

2.1 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented line items in the statements of financial position, income, comprehensive income, changes in owners’ equity and 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 4 March 2016, which has been effective since 1 January 2016. The format of the above financial statements has been changed and as a result items in the statements of financial position, income, comprehensive income, changes in owners’ equity and cash flows of the prior year, presented as comparative information, have needed to be reclassified to be consistent with the current period’s classifications. In addition the statement of financial position as at 1 January 2015 has been presented as comparative information.

These 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 interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

2.2 Basis for consolidation

These interim consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015, with no changes in the structure of shareholding in subsidiaries occurring during the period, except for the establishment of Bangkok Life Assurance (Cambodia) Public Limited Company as described in Note 11 to the interim financial statements.

2.3 Separate financial statements

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

3. New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions, which became effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. Financial reporting standards with significant changes that are directly relevant to the Company are as follows:

TFRS 4 (revised 2015) Insurance Contracts

The objective of Thai Financial Reporting Standard No. 4 (TFRS 4) is to specify the financial reporting for insurance contracts issued by any entity (including reinsurance contracts) and the reinsurance contracts held by an entity, and to make limited improvements to accounting for insurance contracts until the second phase of the project on insurance contracts is completed. In particular, this standard requires disclosure that identifies and explains the amounts in an insurer's financial statements arising from insurance contracts and prohibits provisions for possible claims under contracts that are not in existence at the end of the reporting period. In addition, it requires insurers to test for the adequacy of recognised insurance liabilities and perform an impairment test for reinsurance assets, keep insurance liabilities in the statement of financial position until they are discharged or cancelled, or expire, and to present insurance liabilities without offsetting them against related reinsurance assets. This standard temporarily exempts insurers from some requirements of other standards, including the requirement to consider the framework in selecting accounting policies for insurance contracts.

In addition to stipulating the treatment of insurance contracts, this financial reporting standard also deals with the nature of insurance contracts. It states that an insurance contract is a contract under which the insurer accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. Determination of whether a significant insurance risk has been accepted is based on comparison of the amount of benefit payable under the contract if an insured event occurs with the payment obligation if the insured event does not occur.

Initial adoption of this standard has had no significant impact on the Company's financial statements, since the Company's management has already considered and reviewed the classification of insurance contracts (including reinsurance contracts) and reinsurance contracts held by the Company and concluded that all of its insurance contracts meet the definition of insurance contracts under this standard. Furthermore, the stipulations on recording of claim reserves, liability adequacy testing for recognised insurance liabilities, impairment testing for reinsurance assets and recording insurance contract liabilities have no impact on the Company since it had already implemented these before this standard became effective. However, the financial reporting standard requires the disclosure of additional information for insurance contracts related to the assets, liabilities, revenue and expenses recognised in the financial statements and the nature and scope of the insurance risk arising from insurance contracts in the financial statements for the year. The Company will present this additional information in its annual financial statements.

The Company has first time adopted Thai Financial Reporting Standard No. 4 (TFRS 4) Phase I, which has been effective since 1 January 2016. This financial reporting standard requires the Company to perform adequacy test for insurance liabilities at the end of the reporting period. The current criteria of discount rate for the liabilities adequacy test is based on the risk free rate under the requirement for appraisal insurance liabilities under Risk-Based Capital. The lower risk free rate decreased significantly from the end of 2015 which affect to the insurance liabilities of the Company. The insurance liabilities significantly increased from the effect of increasing in fair value of liabilities adequacy test. The increasing amount from liability adequacy test recognised through profit and loss for the three-month period ended 31 March 2016 at Baht 10,380 million. In addition, the fair value of investment asset as at 31 March 2016 which classified as held-to-maturity investments increased by Baht 12,171 million was not recognised through to profit and loss. The Company is still evaluating the impact of the guidance of financial instrument which present fair value through profit and loss for considering the recording of investment asset and insurance liabilities as fair value through profit and loss.

4. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015, except for the changes in accounting policies as a result of the adoption of new standard, as discussed in Note 3 to the interim financial statements.

5. Cash and cash equivalents

As at 31 March 2016 and 31 December 2015, the Company and its subsidiaries have cash and cash equivalent as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Cash on hand	3,809	6,007	3,808	6,006
Deposits at banks with no fixed maturity date	1,752,731	953,358	1,630,079	939,185
Deposits at banks with fixed maturity date and certificate of deposits	-	200,000	-	200,000
Short-term investments	3,833,643	5,942,393	3,833,643	5,942,393
Cash and cash equivalents	<u>5,590,183</u>	<u>7,101,758</u>	<u>5,467,530</u>	<u>7,087,584</u>

As at 31 March 2016, interest rates on saving accounts, fixed deposits and promissory notes are in the range of 0.38% - 1.63% per annum (31 December 2015: 0.38% - 1.75% per annum).

6. Premium receivables

As at 31 March 2016 and 31 December 2015, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates under the stipulated credit terms, are as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	Due from direct insurance	
	31 March 2016	31 December 2015
Not yet due	2,938,800	1,675,683
Not over 30 days	136,311	9,132
Over 30 days to 60 days	1,835	18,356
Over 60 days to 90 days	2,075	6,083
Over 90 days	2,030	7,859
Total premium receivables	<u>3,081,051</u>	<u>1,717,113</u>

(Unaudited but reviewed)

For premium receivables due from agents and brokers, the Company has determined criteria in collections from those debtors in order to be in compliance with the stipulated credit terms. 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 policy loan where the policy has a cash surrender value.

7. Reinsurance assets

As at 31 March 2016 and 31 December 2015, reinsurance assets consisted of the following:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015 (Restated)
Reinsurance recoverable		
Loss reserves	120,944	99,422
Premium reserves		
Unearned premium reserves	487,231	272,632
Total reinsurance assets	<u>608,175</u>	<u>372,054</u>

8. Reinsurance receivables

As at 31 March 2016 and 31 December 2015, reinsurance receivables consisted of the following:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015 (Restated)
Amounts due from reinsurers	614,533	527,122
Total reinsurance receivables	<u>614,533</u>	<u>527,122</u>

9. Derivative

Contract type	Consolidated and separate financial statements		
	31 March 2016		
	Notional amount	Fair value of contracts	
		Assets	Liabilities
(Thousand units)	(Thousand Baht)	(Thousand Baht)	
Cross currency swap contracts			
US dollar	645,090	11,119	2,386,197
Forward exchange contracts			
US dollar	2,910	649	-
Yen	925,910	-	15,822
Euro	1,430	-	2,462
Total derivative	1,575,340	11,768	2,404,481

Contract type	Consolidated and separate financial statements		
	31 December 2015		
	Notional amount	Foreign exchange contract	
		Assets	Liabilities
(Thousand units)	(Thousand Baht)	(Thousand Baht)	
Cross currency swap contracts			
US dollar	617,790	231	2,901,914
Forward exchange contracts			
US dollar	4,730	-	2,676
Yen	999,910	-	4,483
Euro	1,600	-	3,219
Total derivative	1,624,030	231	2,912,292

(Unaudited but reviewed)

10. Investments in securities

10.1 Trading investments

(Unite: Thousand Baht)

	Consolidated and separate financial statements			
	31 March 2016		31 December 2015	
	Cost	Fair value	Cost	Fair value
Trading investments				
Equity securities	114,248	147,014	99,771	116,220
Total	114,248	147,014	99,771	116,220
Add: Unrealised gains	32,766	-	16,449	-
Total trading investments	147,014	147,014	116,220	116,220

10.2 Available-for-sale investments

(Unite: Thousand Baht)

	Consolidated and separate financial statements			
	31 March 2016		31 December 2015	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments				
Government and state enterprise securities	5,280,061	5,509,637	933,810	1,226,530
Private enterprises debt securities	14,831,297	18,104,369	-	-
Equity securities	22,882,893	29,466,070	17,917,595	22,271,842
Foreign equity securities	2,005,763	2,193,048	1,911,660	2,490,550
Total	45,000,014	55,273,124	20,763,065	25,988,922
Add: Unrealised gains	10,273,110	-	5,225,857	-
Total available-for-sale investments	55,273,124	55,273,124	25,988,922	25,988,922

(Unaudited but reviewed)

As at 31 March 2016 and 31 December 2015, the Company has investments in foreign securities as follows:

Foreign currency	Consolidated and separate financial statements			
	31 March 2016		31 December 2015	
	(Million units)	Equivalent to Baht (Million Baht)	(Million units)	Equivalent to Baht (Million Baht)
US dollar	648.0	20,570	622.5	19,664
Yen	925.9	277	999.9	302
Euro	1.4	55	1.6	61

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

During the current period, the Company reclassified the held-to-maturity debt securities to available for sale securities. The amortised cost of the securities is Baht 21,452 Million with fair value of Baht 24,885 Million at the date of reclassification for the purpose of supporting the interest rate environment fluctuation.

10.3 Held-to-maturity investments

	(Unite: Thousand Baht)	
	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
	Cost/Amortised cost	Cost/Amortised cost
Held-to-maturity investments		
Government and state enterprise securities	119,235,105	124,053,286
Private enterprises debt securities	38,123,389	54,026,210
Foreign debt securities	7,655,685	7,051,766
Deposits at financial institutions with an original maturity of longer than 3 months	20,180,000	16,280,000
Total held-to-maturity investments	185,194,179	201,411,262

10.4 General investments

(Unite: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
	Cost	Cost
General investments		
Equity securities	29,588	29,588
Foreign equity securities	17,074	17,074
Total general investments	46,662	46,662

10.5 Investments in structured notes

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

- (a) As at 31 March 2016 and 31 December 2015, 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, have remaining lives of 4 - 13 years and 4 - 13 years, respectively, and contain conditions whereby the issuer has call option or has rights to call for additional deposits.
- (b) As at 31 March 2016 and 31 December 2015, the Company has investments of Baht 2,350 million and Baht 2,290 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining lives of 1 year and 1 year, respectively, and contain conditions whereby the issuer has a call option and additional amounts can be deposited on a monthly basis and settlement of principal and interest is to be received on the maturity date per the agreement.
- (c) As at 31 March 2016 and 31 December 2015, the Company has investments of Baht 2,600 million and Baht 3,600 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining lives of 3 - 6 years and 4 - 7 years, respectively, and bear interest that is reference to the yield rate on government bond (CMT Index).

- (d) As at 31 March 2016 and 31 December 2015, the Company has investments of Baht 3,298 million and Baht 2,879 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining lives of 4 - 12 years and 4 - 13 years, respectively, and contain conditions whereby settlement of principal is based on the credit event of the reference assets.
- (e) As at 31 March 2016 and 31 December 2015, the Company has investments of Baht 809 million and Baht 798 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 18 years and 18 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 issues contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (f) As at 31 March 2016, the Company has investments of Baht 401 million in bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 15 years. The issues contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

10.6 Investments subject to restriction

As at 31 March 2016 and 31 December 2015, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 49,094 million and Baht 48,190 million, respectively, with the Registrar as securities and reserves as described in Notes 28 and 29 to the interim financial statements.

10.7 Gains on investments

Gains on investments for the three-month periods ended 31 March 2016 and 2015 consisted of:

	(Unit: Thousand Baht)	
	<u>Consolidated and separate financial statements</u>	
	<u>For the three-month periods ended 31 March</u>	
	<u>2016</u>	<u>2015</u>
Gains on sales of trading investments	1,175	-
Gains on sales of available-for-sale investments	414,018	928,693
Gains on sales of held-to-maturity investments	208,894	86,844
Total gains on investments	<u>624,087</u>	<u>1,015,537</u>

11. Investment in subsidiaries

As at 31 March 2016 and 31 December 2015, detail of investment in subsidiaries, as presented in the separate financial statements, is as follows:

(Unit: Thousand Baht)

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			31 March	31 December	31 March	31 December	31 March	31 December
			2016	2015	2016	2015	2016	2015
					%	%		
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	-	-	52	-	108,770	-
Total investment in subsidiaries			24,000	24,000			132,530	23,760

12. Loans and accrued interest receivables

As at 31 March 2016 and 31 December 2015, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit: Thousand Baht)

Consolidated and separate financial statements									
31 March 2016									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	5,568,032	451,041	835,478	779	16,912	-	6,420,422	451,820	6,872,242
Overdue:									
Less than 3 months	-	-	42,343	281	-	-	42,343	281	42,624
Over 12 months	-	-	1,084	79	53	2	1,137	81	1,218
Total	5,568,032	451,041	878,905	1,139	16,965	2	6,463,902	452,182	6,916,084
Less: Allowance for doubtful accounts	-	-	(560)	(79)	-	-	(560)	(79)	(639)
Loans and accrued interest receivables - net	5,568,032	451,041	878,345	1,060	16,965	2	6,463,342	452,103	6,915,445

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

(Unit: Thousand Baht)

Consolidated and separate financial statements									
31 December 2015									
Loans									
Overdue periods	Policy loans		Mortgage loans		Other loans		Total		
	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Principal	Accrued Interest ⁽¹⁾	Total
Not yet due	5,480,866	424,031	618,924	945	16,044	-	6,115,834	424,976	6,540,810
Overdue:									
3 - 6 months	-	-	22,336	107	61	-	22,397	107	22,504
Over 12 months	-	-	1,101	79	130	2	1,231	81	1,312
Total	5,480,866	424,031	642,361	1,131	16,235	2	6,139,462	425,164	6,564,626
Less: Allowance for doubtful accounts	-	-	(560)	(79)	-	-	(560)	(79)	(639)
Loans and accrued interest receivables - net	5,480,866	424,031	641,801	1,052	16,235	2	6,138,902	425,085	6,563,987

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

(Unaudited but reviewed)

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest at not more than 4.00% - 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 rates charged are at the rates of 6.00% per annum. As at 31 March 2016 and 31 December 2015, loans to employees amounted to Baht 17 million and Baht 16 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.00% per annum. As at 31 March 2016 and 31 December 2015, loans to employees under the mortgage loans amounted to Baht 50 million and Baht 54 million, respectively.

13. Investment property

As at 31 March 2016 and 31 December 2015, the Company has movement in the investment property as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the three-month	For the year ended
	period ended 31 March 2016	31 December 2015
Net book value - beginning of the period/year	20,947	-
Acquisitions during period/year - at cost	-	21,303
Depreciation for period/year	(266)	(356)
Net book value - end of the period/year	20,681	20,947

14. Premises and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total	
	Land						
Net book value as at							
1 January 2016	250,227	138,777	14,347	99,242	11,448	33,169	547,210
Additions - at cost	24,016	2,658	-	20,149	-	4,214	51,037
Disposals - net book value	-	-	-	(1)	-	-	(1)
Transfer in (out)	-	1,733	-	1,759	-	(3,492)	-
Transfer to asset foreclose	(6,883)	(156)	-	-	-	-	(7,039)
Depreciation charges for the period	-	(7,246)	(458)	(10,274)	(952)	-	(18,930)
Net book value as at							
31 March 2016	267,360	135,766	13,889	110,875	10,496	33,891	572,277

(Unit: Thousand Baht)

Separate financial statements							
	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total	
	Land						
Net book value as at							
1 January 2016	250,227	138,646	14,347	99,149	11,448	33,169	546,986
Additions - at cost	24,016	2,658	-	20,149	-	4,214	51,037
Disposals - net book value	-	-	-	(1)	-	-	(1)
Transfer in (out)	-	1,733	-	1,759	-	(3,492)	-
Transfer to asset foreclose	(6,883)	(156)	-	-	-	-	(7,039)
Depreciation charges for the period	-	(7,234)	(458)	(10,261)	(952)	-	(18,905)
Net book value as at							
31 March 2016	267,360	135,647	13,889	110,795	10,496	33,891	572,078

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.

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	31 March 2016	31 December 2015	Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended 31 March	
		2016	2015	
Deferred tax assets				
Available-for-sale investments	1,446,559	-	1,446,559	-
Life policy reserves	5,307,424	3,333,531	1,973,893	461,623
Loss reserves and outstanding claims	14,544	13,335	1,209	2,177
Provisions for long-term employee benefits	36,840	35,710	1,130	1,479
Others	-	353	(353)	-
Total deferred tax assets	6,805,367	3,382,929	3,422,438	465,279
Deferred tax liabilities				
Trading investments	5,467	3,519	1,948	(6)
Available-for-sale investments	2,027,617	996,491	1,031,126	(172,076)
Others	967	-	967	-
Total deferred tax liabilities	2,034,051	1,000,010	1,034,041	(172,082)
Deferred tax assets/liabilities - net	4,771,316	2,382,919	2,388,397	637,361

15.2 Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2016 and 2015 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	For the three-month periods ended 31 March	
	2016	2015
Current income tax:		
Interim corporate income tax charge	1,618,637	599,973
Deferred tax:		
Relating to origination and reversal of temporary differences	182,019	(465,285)
Income tax expense reported in profits or losses	1,800,656	134,688

(Unaudited but reviewed)

Reconciliation between accounting profits and income tax expense for the three-month periods ended 31 March 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the three-month periods ended 31 March	
	2016	2015
Accounting profit (loss) before income tax expenses	(8,688,892)	899,957
Applicable corporate income tax rates	15%, 20%	15%, 20%
Income tax expense (revenue) at the applicable tax rates	(1,737,778)	179,991
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	3,538,434	(45,303)
Income tax expense (revenue) recognised in profits or losses	1,800,656	134,688

(Unit: Thousand Baht)

	Separate financial statements	
	For the three-month periods ended 31 March	
	2016	2015
Accounting profit (loss) before income tax expenses	(8,689,067)	901,227
Applicable corporate income tax rates	20%	20%
Income tax expense (revenue) at the applicable tax rates	(1,737,813)	180,245
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	3,538,469	(45,557)
Income tax expense (revenue) recognised in profits or losses	1,800,656	134,688

(Unaudited but reviewed)

16. Other assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Deposit from derivative	275,000	336,000	275,000	336,000
Prepaid rental expenses	55,074	58,030	55,074	58,030
Deposits	27,371	48,138	27,305	48,072
Receivable from sales of investments	24,768	69,705	24,768	69,705
Prepaid expenses	26,792	12,567	26,792	12,567
Others	42,922	22,801	39,763	20,193
Total other assets	451,927	547,241	448,702	544,567

17. Insurance contract liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements					
	31 March 2016			31 December 2015		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	225,156,656	-	225,156,656	207,308,208	-	207,308,208
Loss reserves						
Reserves for reported losses	249,182	(120,944)	128,238	253,681	(99,422)	154,259
Reserves for losses incurred but not yet reported	72,724	-	72,724	66,675	-	66,675
Premium reserves						
Unearned premium reserves	1,393,663	(487,231)	906,432	1,074,854	(272,632)	802,222
Unpaid policy benefits	146,122	-	146,122	154,767	-	154,767
Other insurance liabilities	7,953,274	-	7,953,274	7,992,847	-	7,992,847
Total insurance contract liabilities	234,971,621	(608,175)	234,363,446	216,851,032	(372,054)	216,478,978

(Unaudited but reviewed)

17.1 Reserves for long-term insurance contracts

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Balances - beginning of the period/year	207,308,208	177,434,671
Reserved increased for new businesses and inforce policies	23,005,847	43,689,750
Reserves decreased for death, maturities, benefits, claims, lapses and surrender	(5,157,399)	(13,816,213)
Balances - end of the period/year	<u>225,156,656</u>	<u>207,308,208</u>

17.2 Loss reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Balances - beginning of the period/year	320,356	315,052
Claims incurred in the current period/year	522,258	1,734,751
Claims paid during the period/year	(520,708)	(1,729,447)
Balances - end of the period/year	<u>321,906</u>	<u>320,356</u>

17.3 Unearned premium reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Balances - beginning of the period/year	1,074,854	1,056,888
Premium written for the period/year	1,073,563	2,954,373
Premium earned for the period/year	(754,754)	(2,936,407)
Balances - end of the period/year	<u>1,393,663</u>	<u>1,074,854</u>

(Unaudited but reviewed)

17.4 Unpaid policy benefits

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Death benefit	108,324	103,180
Maturity payment	29,366	43,085
Benefit payment under policies	4,684	4,678
Surrender	3,748	3,824
Total unpaid policy benefits	146,122	154,767

17.5 Other insurance liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Deposit from insurance contracts	7,263,957	7,296,689
Premiums received in advance	594,116	603,111
Payable to policyholders on exempted premiums	95,201	93,047
Total other insurance liabilities	7,953,274	7,992,847

18. Reinsurance payables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
Amount due to reinsurances	698,649	495,315
Total reinsurance payables	698,649	495,315

(Unaudited but reviewed)

19. Employee benefit obligations

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Provisions for long-term employee benefits	185,347	179,646	184,198	178,550
Total employee benefit obligations	<u>185,347</u>	<u>179,646</u>	<u>184,198</u>	<u>178,550</u>

20. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Accrued commission expenses	480,914	468,619	480,914	468,199
Accrued expenses	325,947	387,177	325,826	386,076
Premium received for policies not yet approved	310,892	301,943	310,892	301,943
Amounts received awaiting transfer	153,708	64,634	153,708	64,634
Specific Business Tax payable	208,026	135,416	208,026	135,416
Payable from purchases of investments	28,907	51,123	28,907	51,123
Withholding tax payable	61,988	30,248	61,988	30,248
Short-term employee benefit payables	55,646	176,971	55,295	175,957
Others	31,765	24,353	27,037	21,690
Total other liabilities	<u>1,657,793</u>	<u>1,640,484</u>	<u>1,652,593</u>	<u>1,635,286</u>

21. Issued and paid-up share capital/share premium

Reconciliation for the three-month period ended 31 March 2016 is as follows:

	Consolidated and separate financial statements			
	Issued and paid-up share capital		Share premium	Capital reserve on share-based payments
	Number of shares			
	(Thousand shares)	Thousand Baht	Thousand Baht	Thousand Baht
Balances - beginning of the period	1,703,811	1,703,811	3,219,926	38,834
Expenses in respect of share-based payments (Note 22)	425	425	10,201	5,088
Transfer capital reserve for share-based payment transactions to premium on share capital as a result of warrant No. 2 exercise	-	-	12,365	(12,365)
Balances - end of the period	<u>1,704,236</u>	<u>1,704,236</u>	<u>3,242,492</u>	<u>31,557</u>

22. Share-based payments - warrants

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

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

Approved by the Executive Board of Directors of the Company	Number of units of warrants		
	Warrant No. 1	Warrant No. 2	Total
on 29 May 2008	11,500	-	11,500
on 11 August 2009	1,350	-	1,350
on 22 February 2012	-	7,150	7,150
Total	<u>12,850</u>	<u>7,150</u>	<u>20,000</u>

(Unit: Thousand units)

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. 5/2015, held on 8 August 2015, 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 1 January 2011, during which Thai Financial Reporting Standard No. 2 "Share-Based Payment" (TFRS 2) became effective. The Company therefore calculated the average fair value of the warrants at the grant date, which is Baht 20.45 per unit, in order to record expenses in respect of share-based payments in accordance with such accounting standard.

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

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

Employee expenses in respect of share-based payments (Warrant No. 2) recognised for the three-month periods ended 31 March 2016 and 2015 amounting to Baht 5.1 million and Baht 9.4 million, respectively.

(Unaudited but reviewed)

Movements of warrants during the three-month period ended 31 March 2016 are summarised below.

(Unit: Thousand units)

For the three-month period
ended 31 March 2016

	Warrant No. 2
Number of unexercised warrants as at 1 January 2016	2,419
Exercised during the period	(603)
Number of unexercised warrants as at 31 March 2016	1,816

During the year ended 31 December 2015, the Warrant No. 1 holders exercised 4.6 million warrants at an exercise price of Baht 25.00 each, totally Baht 160 million.

During the three-month periods ended 31 March 2016, the Warrant No. 2 holders exercised rights 0.6 million units of warrants at an exercise price of Baht 25.00 each, or for a total of Baht 21.09 Million. The Company recorded such amount received from the exercise of warrants under the caption of “Subscriptions received in advance from exercise of warrants”, in the owners’ equity. The details are summarised as below.

(Unit: Thousand Baht)

For the three-month period ended 31 March 2016

Exercise	Units of warrants (Thousand units)	Exercise price per share (Baht)	Proceeds from exercise	Issued and paid up share capital	Share Premium	Subscriptions received in advance from exercises of warrants	Share capital registration date	Listing date
Warrant No. 2								
The fifth exercise	603	25.00	21,091	-	-	21,091	27 April 2016	9 May 2016
Total	603		21,091	-	-	21,091		

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.

Underwriting information classified by insurance categories for the periods ended 31 March 2016 and 2015 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statement				
	For the three-month period ended 31 March 2016				
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	13,280,822	122,486	8,986	-	13,412,294
Less: Premium ceded	(332,225)	-	-	-	(332,225)
Net premium written	12,948,597	122,486	8,986	-	13,080,069
Add (less): Unearned premium reserve	(104,359)	-	148	-	(104,211)
Total underwriting income	12,844,238	122,486	9134	-	12,975,858
Underwriting expenses					
Life policy reserves increased from prior year	17,733,244	115,204	-	-	17,848,448
Benefit payments under life policies and benefit adjustment expenses	5,099,666	4,470	-	-	5,104,136
Losses and losses adjustment expenses	347,358	-	1,072	-	348,430
Commissions and brokerage expenses	905,806	19,811	227	1,665	927,509
Sales promotional expenses	138,549	1,321	98	85	140,053
Contribution to the Office of Insurance					
Commission	22,595	215	16	-	22,826
Contribution to the Life Insurance Fund	13,276	127	9	-	13,412
Other underwriting expenses	7,504	72	5	-	7,581
Total underwriting expenses	24,267,998	141,220	1,427	1,750	24,412,395

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statement					
For the three-month period ended 31 March 2015					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	15,940,498	71,817	9,292	-	16,021,607
Less: Premium ceded	(259,072)	-	-	-	(259,072)
Net premium written	15,681,426	71,817	9,292	-	15,762,535
Add (less): Unearned premium reserve	(51,917)	-	362	-	(51,555)
Total underwriting income	15,629,509	71,817	9,654	-	15,710,980
Underwriting expenses					
Life policy reserves increased from prior year	12,041,690	62,711	-	-	12,104,401
Benefit payments under life policies and benefit adjustment expenses	4,439,018	1,433	-	-	4,440,451
Losses and losses adjustment expenses	331,225	-	781	-	332,006
Commissions and brokerage expenses	832,166	7,651	296	1,374	841,487
Sales promotional expenses	123,886	569	76	1	124,532
Contribution to the Office of Insurance Commission	26,317	207	16	-	26,540
Contribution to the Life Insurance Fund	15,887	125	10	-	16,022
Other underwriting expenses	7,303	34	4	-	7,341
Total underwriting expenses	17,817,492	72,730	1,183	1,375	17,892,780

24. Operating expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2016	2015	2016	2015
Personnel expenses	209,652	218,582	208,201	217,402
Premises and equipment expenses	44,541	38,736	44,412	38,631
Taxes and duties	156,791	63,709	156,791	63,709
Other operating expenses	129,819	134,407	129,709	134,363
Total operating expenses	540,803	455,434	539,113	454,105

25. Gains (losses) on revaluation

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the three-month periods ended 31 March	
	2016	2015
Unrealised gains (losses) from trading securities	17,786	(170)
Unrealised gains on foreign exchange contracts	(8,528)	23,984
Losses on exchange rate	(78,544)	(28,960)
Total gains (losses) on revaluation	(69,286)	(5,146)

26. Fair value of financial instruments

The Company and its 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 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

(Unaudited but reviewed)

As at 31 March 2016 and 31 December 2015, the Company and its subsidiaries had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	As at 31 March 2016		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Trading investments			
Equity instruments	147,014	-	147,014
Available-for-sale investments			
Equity instruments	32,363,082	-	32,363,082
Debt instruments	-	22,910,042	22,910,042

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	As at 31 December 2015		
	Level 1	Level 2	Total
Financial assets measured at fair value			
Trading investments			
Equity instruments	97,233	18,987	116,220
Available-for-sale investments			
Equity instruments	12,428,719	13,043,937	25,472,656
Debt instruments	-	516,266	516,266

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.

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	Shareholding and related by way of common directors
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Thai Reinsurance Pcl.	Insurance	Related by way of common directors
Sorachai Vivatn Co., Ltd.	Property development	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common directors and shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Holding by an individual related to the major shareholder of the Company
Bangkok Business Building (1987) Co., Ltd.	Rental of assets	Related by way of common directors and shareholders
Tris Corporation Ltd.	Services	Related by way of common directors and shareholders
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Charoen Pokphand Foods Pcl.	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 Polymers Pcl.	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Holding by the major shareholder of the Company
Ek-Chai Distribution System Co., Ltd.	Commercial	Related by way of common directors
BBL Asset Management Co., Ltd.	Asset management	Related by way of common directors and shareholders
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
Asia Insurance Company Limited	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 directors
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common directors
Samitivij Pcl.	Health care service	Related by way of common directors
TM Design Co., Ltd.	Services	Holding by an individual related to the major shareholder of the Company

(Unaudited but reviewed)

During the three-month periods ended 31 March 2016 and 2015, the Company and its subsidiaries had significant business transactions with its 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)

	<u>Consolidated financial statements</u>		Pricing policy
	<u>For the three-month periods ended</u>		
	<u>31 March</u>		
	<u>2016</u>	<u>2015</u>	
Related parties			
Premium written	1,876	1,954	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	146,861	166,478	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,902	2,215	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	112,621	79,762	The declared amount
Rental and service income	3,676	1,546	Rate on agreements those charged by rental and service fees per square meter per month
Brokerage income from securities trading	7,531	7,220	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	86,513	54,576	Normal commercial terms on contracts
Commission and brokerage	445,978	414,558	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	5,077	24,631	Normal commercial terms for underwriting
Bank charges	29,802	27,058	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,031	96	Normal commercial terms for underwriting
Building space rental and services	17,209	18,106	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, Baht 138 per square meter per month and service fees approximately Baht 91, 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	1,076	122	Normal commercial terms for services

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements		Pricing policy
	For the three-month periods ended		
	31 March		
	2016	2015	
Transactions with related companies			
Subsidiaries			
Rental and service income	182	112	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties			
Premium written	1,876	1,954	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	146,861	166,478	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,902	2,215	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	112,621	79,762	The declared amount
Brokerage income from securities trading	7,531	7,220	Normal commercial terms for securities brokerage
Gain on forward and swap foreign exchange contracts	86,513	54,576	Normal commercial terms on contracts
Commission and brokerage	445,978	414,558	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	5,077	24,631	Normal commercial terms for underwriting
Bank charges	29,780	27,039	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,030	96	Normal commercial terms for underwriting
Building space rental and services	17,209	18,106	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, Baht 138 per square meter per month and service fees approximately Baht 91, 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	1,076	122	Normal commercial terms for services

(Unaudited but reviewed)

For the three-month periods ended 31 March 2016 and 2015, the premium generated from the Bancassurance distribution channel represented approximately 71% and 77% of total net premium written, respectively.

As at 31 March 2016 and 31 December 2015, the balance of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Deposit at financial institution (included in cash and cash equivalents)	4,451,735	4,127,677	4,438,301	4,113,889
Premium receivables	610	-	610	-
Investments in securities				
Trading investments - cost				
Domestic investment units	17,009	17,016	17,009	17,016
Total trading investment - cost	17,009	17,016	17,009	17,016
Add: Unrealised gains	8,551	1,971	8,551	1,971
Total trading investments - fair value	25,560	18,987	25,560	18,987
Available-for-sale investments - cost				
Domestic equity securities	4,101,572	2,102,720	4,101,572	2,102,720
Domestic investment unit	3,397,387	3,159,930	3,397,387	3,159,930
Total available-for-sale investment - cost	7,498,959	5,262,650	7,498,959	5,262,650
Add: Unrealised gains	975,328	2,216,690	975,328	2,216,690
Total available-for-sale investments - fair value	8,474,287	7,479,340	8,474,287	7,479,340
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	4,105,000	4,105,000	4,105,000	4,105,000
Foreign debt securities	6,286,368	5,898,909	6,286,368	5,898,909
Total held-to-maturity investment - cost/amortised cost	10,391,368	10,003,909	10,391,368	10,003,909
General investments - foreign equity securities	11,167	11,167	11,167	11,167
Total investments in securities	18,902,382	17,513,403	18,902,382	17,513,403
Loans	113,714	119,162	113,714	119,162
Forward and swap foreign exchange contract receivable	3,595,114	3,329,930	3,595,114	3,329,930
Other assets				
Accrued income	1,066	-	-	-
Prepaid expense	55,454	58,471	55,454	58,471
Total other assets	56,520	58,471	55,454	58,471

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Outstanding claims	7,966	6,837	7,966	6,837
Forward and swap foreign exchange contract payable	3,928,654	3,732,423	3,928,654	3,732,423
Other liabilities				
Accrued commission	220,089	191,756	220,089	191,756
Accrued rental and service expense	5,590	4,725	156	234
Total other liabilities	225,679	196,481	220,245	191,990

Directors and management's benefits

During the three-month periods ended 31 March 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2016	2015	2016	2015
Short-term employee benefits	9.3	8.8	9.3	8.8
Long-term employee benefits	0.5	0.6	0.5	0.5
Share-based payment transactions (Note 22)	5.1	2.4	5.1	2.4
Total directors and management's benefits	14.9	11.8	14.9	11.7

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

28. Assets placed with the Registrar

As at 31 March 2016 and 31 December 2015, the following assets have been placed as securities with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 March 2016		31 December 2015	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	20,000	27,598	20,000	23,928

29. Assets reserved with the Registrar

As at 31 March 2016 and 31 December 2015, the following assets have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 March 2016		31 December 2015	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	42,874,865	53,449,742	41,970,820	46,960,565
State enterprise bonds	6,199,485	7,284,418	6,199,413	7,053,062
Total	49,074,350	60,734,160	48,170,233	54,013,627

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 in issue 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 in issue 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.

(Unaudited but reviewed)

Basic and diluted earnings per share for the three-month periods ended 31 March 2016 and 2015 are as follows:

Consolidated financial statements						
Losses for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings (losses) per share (Baht)		
		2016	2015	2016	2015	
		(Restated)		(Restated)		
Basic earnings per share						
Gains (losses) attributable to ordinary shareholders of the Company						
(6,888,236)	765,252	1,703,888	1,697,850	(4.04)	0.45	
Effect of dilutive potential ordinary shares						
Warrant No. 2						
-	-	237	3,758			
Diluted earnings per share						
Gains (losses) of ordinary shareholders assuming the conversion of warrants to ordinary shares						
(6,888,236)	765,252	1,704,125	1,701,608	(4.04)	0.45	
Separate financial statements						
Losses for the period (Thousand Baht)		Weighted average number of shares (Thousand shares)		Earnings (losses) per share (Baht)		
		2016	2015	2016	2015	
		(Restated)		(Restated)		
Basic earnings per share						
Gains (losses) attributable to ordinary shareholders of the Company						
(6,888,411)	766,540	1,703,888	1,697,850	(4.04)	0.45	
Effect of dilutive potential ordinary shares						
Warrant No. 2						
-	-	237	3,758			
Diluted earnings per share						
Gains (losses) of ordinary shareholders assuming the conversion of warrants to ordinary shares						
(6,888,411)	766,540	1,704,125	1,701,608	(4.04)	0.45	

31. Commitments

31.1 The Company and its 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 3 and 25 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 31 March 2016 and 31 December 2015, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit: Million Baht)		
	Consolidated financial statement		
	31 March 2016		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	72.4	60.2	132.6
Service agreements	10.1	-	10.1
Total	82.5	60.2	142.7

	(Unit: Million Baht)		
	Consolidated financial statement		
	31 December 2015		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	88.2	72.0	160.8
Service agreements	13.5	-	13.5
Total	102.3	72.0	174.3

	(Unit: Million Baht)		
	Separate financial statement		
	31 March 2016		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	72.3	59.7	132.0
Service agreements	10.1	-	10.1
Total	82.4	59.7	142.1

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statement		
	31 December 2015		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements	88.6	71.5	160.1
Service agreements	13.5	-	13.5
Total	102.1	71.5	173.6

31.2 As at 31 March 2016 and 31 December 2015, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 10.5 (a) and Note 10.5 (b) to the interim financial statements, as summarised below.

(Unit: Thousand Baht)

Payable within	Consolidated and separate financial statements	
	31 March 2016	31 December 2015
1 year	950,000	1,010,000
2 - 5 years	900,000	900,000

32. Litigation

As at 31 March 2016 and 31 December 2015, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 48 million and Baht 48 million, respectively, for being the insurer and the cases have yet been finalised. The Company has yet provided for any provision for loss on such cases since there are still uncertainty with respect to the outcome of the cases.

33. Event after the reporting period

On 26 April 2016, the Annual General Meeting of shareholders approved the payment of dividend of Baht 0.32 per share to the Company's shareholders. However, the payment of dividend were approved by the Office of Insurance Commission on 29 April 2016.

34. Reclassification

The Company reclassified following transactions in order to conform with current period's classifications, which are in accordance with the Declaration of the Insurance Commission dated 4 March 2016 which effective on 1 January 2016 onward. The reclassification does not have any impact on previously reported profit or equity.

(Unaudited but reviewed)

(Unit: Thousand Baht)

31 December 2015

	Consolidated financial statement		Separate financial statement	
	As reclassified	As previously	As reclassified	As previously
		reported		reported
Statements of financial position				
Assets:				
Reinsurance assets	372,055	899,176	372,055	899,176
Reinsurance receivables	527,121	-	527,121	-
Derivative assets	231	-	231	-
Other assets	547,241	547,472	544,567	544,798
Total	1,446,648	1,446,648	1,443,974	1,443,974
Liabilities:				
Insurance contract liabilities	216,851,032	-	216,851,032	-
Life policy reserves	-	207,308,208	-	207,308,208
Unpaid policy benefits	-	150,089	-	150,089
Loss reserves and outstanding				
claims	-	320,356	-	320,356
Premium reserves	-	1,074,854	-	1,074,854
Other insurance liabilities	-	7,904,478	-	7,904,478
Derivative liabilities	2,912,292	-	2,912,292	-
Employee benefit payables	-	356,617	-	354,507
Employee benefit obligations	179,646	-	178,550	-
Other liabilities	1,640,483	4,468,852	1,635,286	4,464,668
Total	221,583,454	221,583,454	221,577,160	221,577,160
Net	(220,136,806)	(220,136,806)	(220,136,806)	(220,136,806)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	1 January 2015			
	Consolidated financial statement		Separate financial statement	
	As reclassified	As previously	As reclassified	As previously
		reported		reported
Statements of financial position				
Assets:				
Reinsurance assets	318,471	763,785	318,471	763,785
Reinsurance receivables	445,314	-	445,314	-
Derivative assets	24,963	-	24,963	-
Other assets	161,904	186,867	165,539	190,502
Total	950,652	950,652	954,287	954,287
Liabilities:				
Insurance contract liabilities	186,659,641	-	186,659,641	-
Life policy reserves	-	177,434,671	-	177,434,671
Unpaid policy benefits	-	117,067	-	117,067
Loss reserves and outstanding				
claims	-	315,052	-	315,052
Premium reserves	-	1,056,888	-	1,056,888
Other insurance liabilities	-	7,642,206	-	7,642,206
Derivative liabilities	1,024,799	-	1,024,799	-
Employee benefit payables	-	329,414	-	327,718
Employee benefit obligations	168,619	-	167,734	-
Other liabilities	1,280,941	2,238,702	1,277,377	2,235,949
Total	189,134,000	189,134,000	189,129,551	189,129,551
Net	(188,183,348)	(183,183,348)	(188,175,264)	(188,175,264)

(Unaudited but reviewed)

(Unit: Baht)

For the three-month period ended 31 March 2015

	Consolidated financial statement		Separate financial statement	
	As reclassified	As previously	As reclassified	As previously
		reported		reported
Statements of comprehensive income				
Profit or loss:				
Revenue				
Premium written	16,021,607	-	16,021,607	-
Less: Premium ceded	(353,226)	-	(353,226)	-
Net premium written	15,668,381	-	15,668,381	-
Less: Unearned premium reserve decreased from prior period	(51,555)	-	(51,555)	-
Earned premium	1,5,616,826	15,710,980	15,616,826	15,710,980
Fee and commission income	94,154	-	94,154	-
Total	15,710,980	15,710,980	15,710,980	15,710,980
Expenses				
Benefit payments under life policies and benefit adjustment expenses	-	4,440,451	-	4,440,451
Claim and losses adjustment expenses	-	332,006	-	332,006
Benefit payments under life policies and claims	4,901,311	-	4,901,311	-
Less: Benefit payments under life policies and claims refundable from reinsurance	(128,854)	-	(128,854)	-
Sales promotional expenses	-	124,532	-	124,531
Other underwriting expenses	174,436	7,341	174,434	7,341
Contribution to the Office of Insurance Commission	-	26,541	-	26,541
Contribution to the Life Insurance Fund	-	16,022	-	16,021
Total	4,946,893	4,946,893	4,946,893	4,946,893
Net	10,764,087	10,764,087	10,764,087	10,764,087

35. Approval of interim financial statements

These interim financial statements were authorised for issue by the Board of Directors on 12 May 2016.