



กรุงเทพประกันชีวิต  
BANGKOK LIFE ASSURANCE

# Analyst Meeting

*“1Q2017 Results Update”*

12 May 2017

# MARKETING

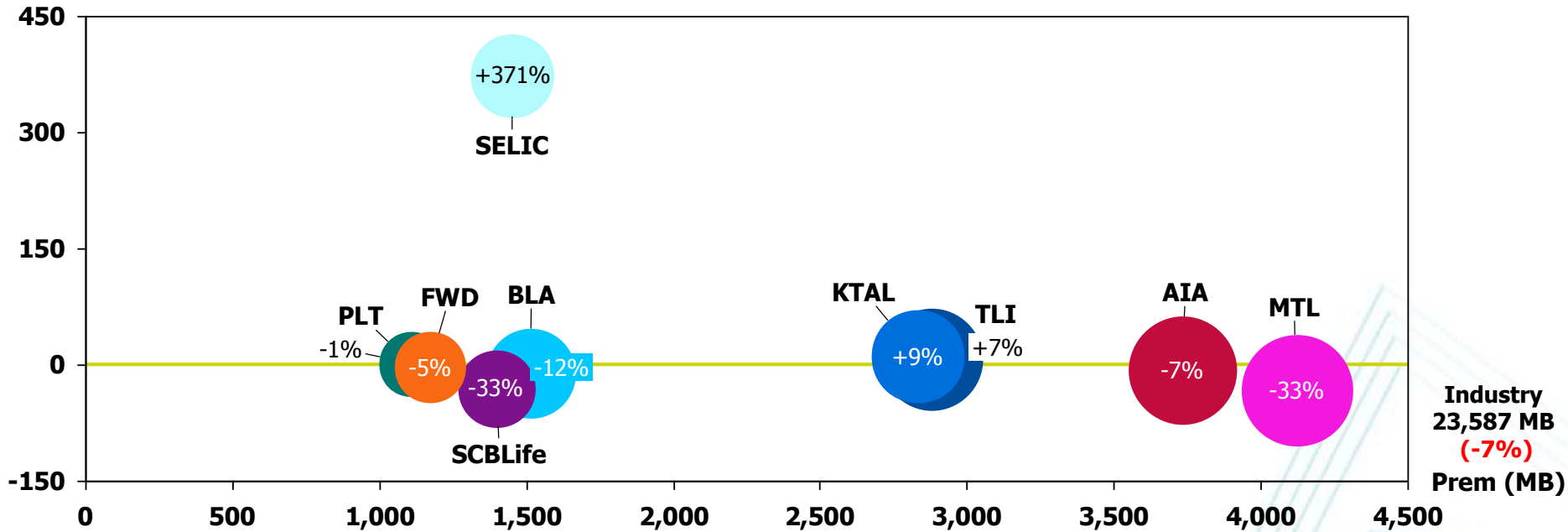
K. NARIN EKWONGVIRIYA  
SVP –MARKETING DIVISION



# Life Insurance was under FYP deceleration in Jan-Feb 2017

- Most top companies showed lower FYP than last Jan-Feb 2016 with -7% growth rate
- Single premium and S-T endowment products were used to maintain industry's FYP

% Growth



Jan-Feb 2017	MTL	AIA	TLI	KTAL	BLA	SELIC	SCBLife	FWD	PLT	Other
FYP&SP All Types	4,128	3,733	2,885	2,836	1,515	1,455	1,404	1,176	1,113	3,342
Market Share (%)	17.50%	15.83%	12.23%	12.02%	6.42%	6.17%	5.95%	4.99%	4.72%	14.17%

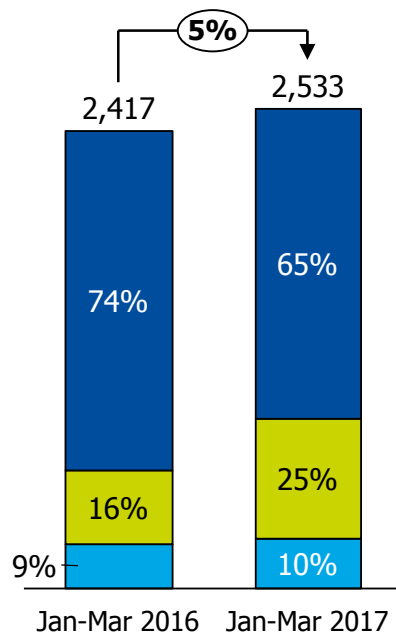
# New Business and Total Premium of Q1/2017

FYP growth in Q1 came from agent channel. As the result, agent channel represented 25% in Q1, 2017, comparing to 16% in 2016. Agent channel also increased both RYP and % mix in Q1, 2017. Banc channel's FYP was resulted from the implementation of protection products focus in 2017.

■ Bancassurance ■ Agent Channel ■ Others

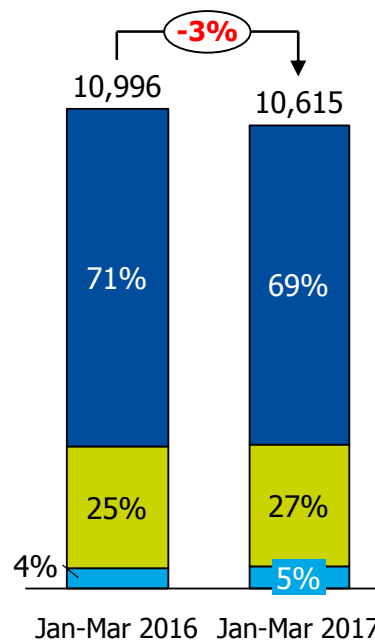
## New Business Premium

Unit : Million Baht



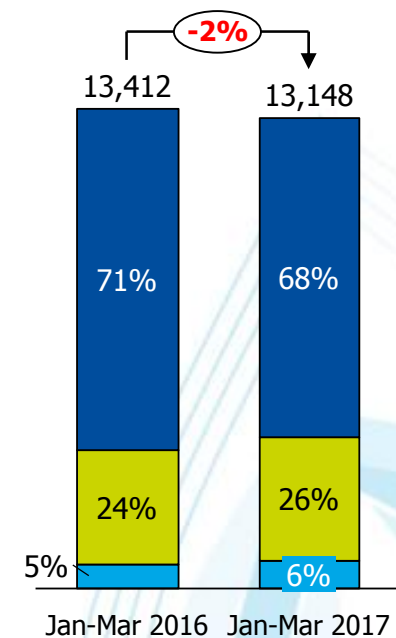
## Renewal Premium

Unit : Million Baht



## Total Premium

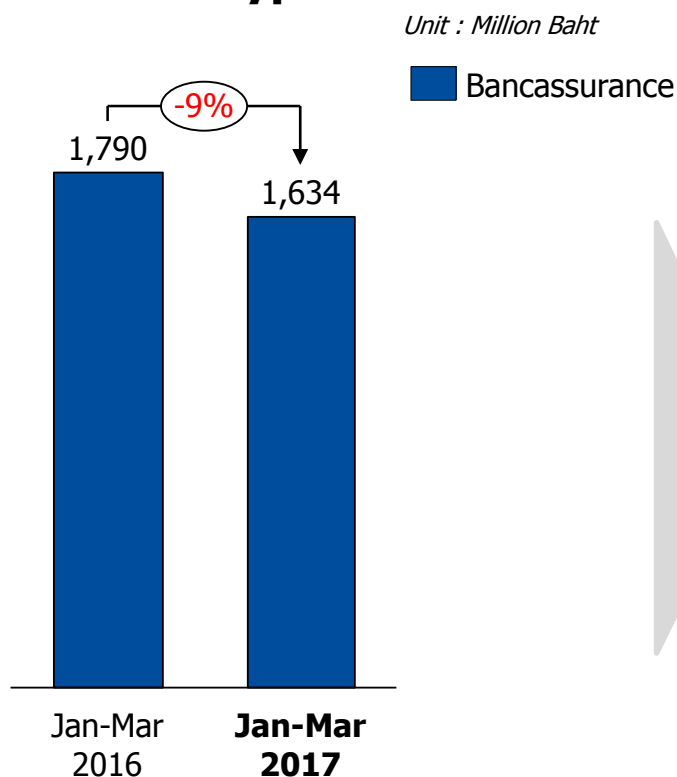
Unit : Million Baht



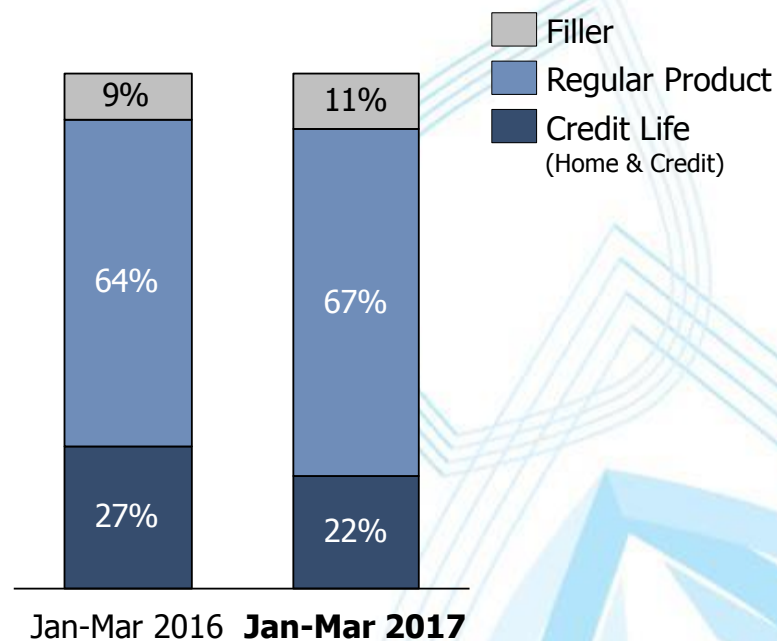
# Product Mixed : Bancassurance Channel

Overall FYP from Bancassurance dropped -9% from last year, due to reduction in long term endowment products. But BLA were able to drive growth of whole life products with +451% growth.

## New Business Premium All Types



## Proportion (%)

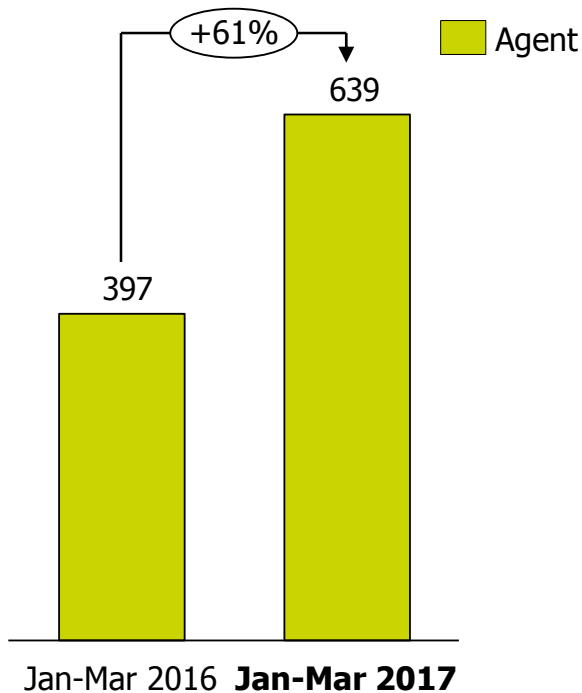


# Product Mixed 2016 : Agent Channel

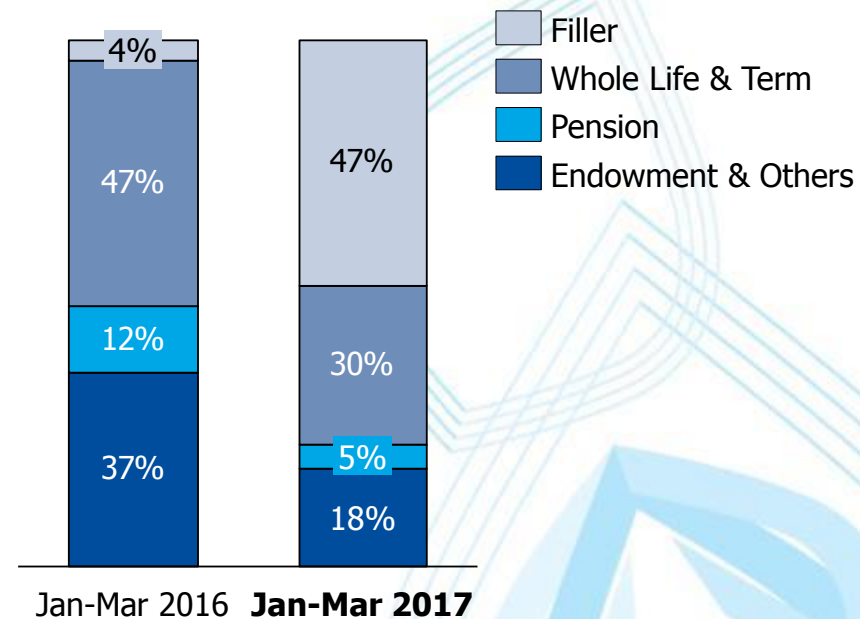
Agent channel grew +61% in overall. Slightly grew up in whole life and term products. Increased FYP with filler products to maintain market share.

## New Business Premium All Types

Unit : Million Baht



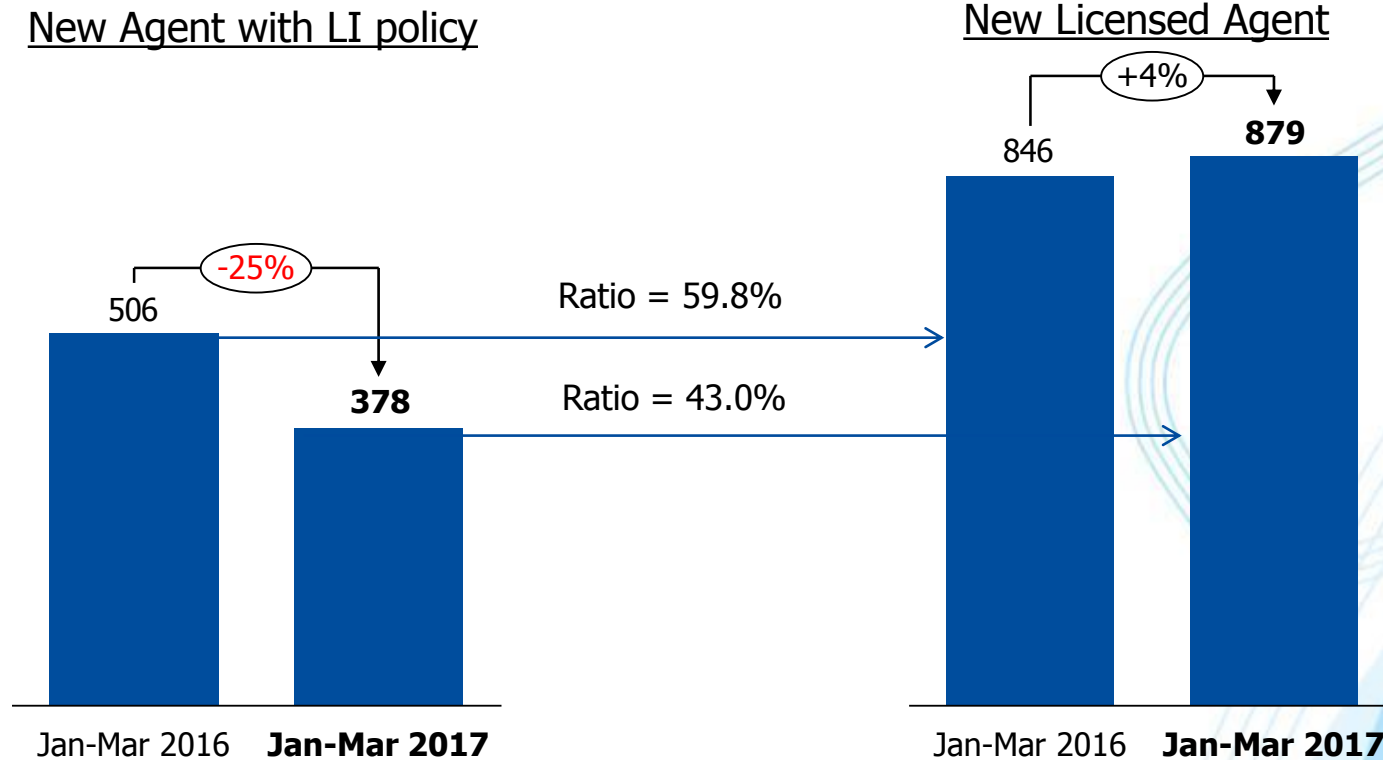
## Proportion (%)



# Agent Development : Number of New Agent

New licensed agent increased +4% growth while agent examination growth of industry had slowed down with -14%.

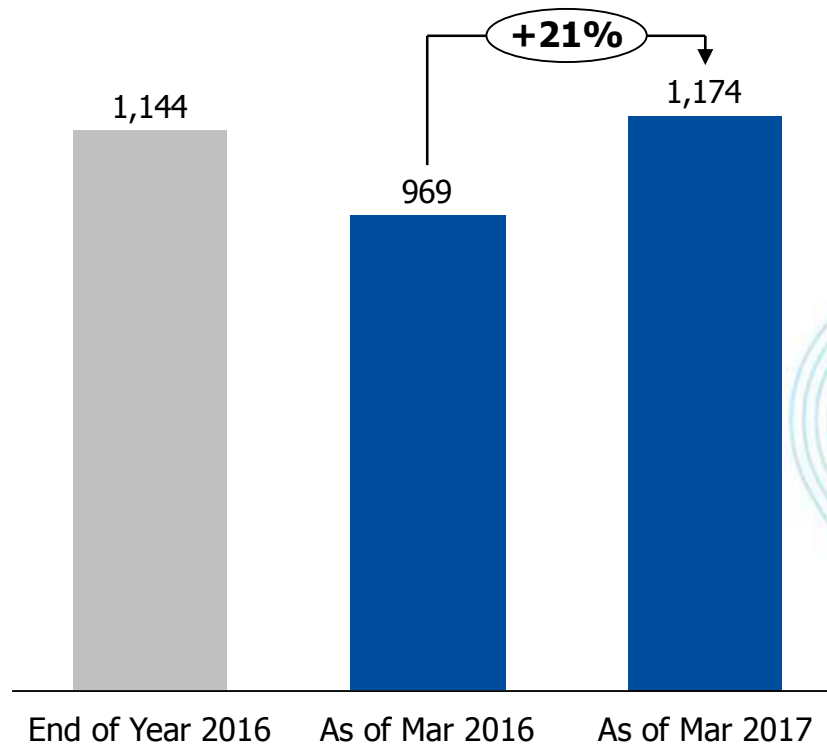
**New agent target 3,530 persons in 2017**



# Agent Development : Number of Professional Financial Advisor

FA increased to 21% or achieved to 92% of target.

**Financial Advisor target 1,283 persons in 2017**





# INVESTMENT

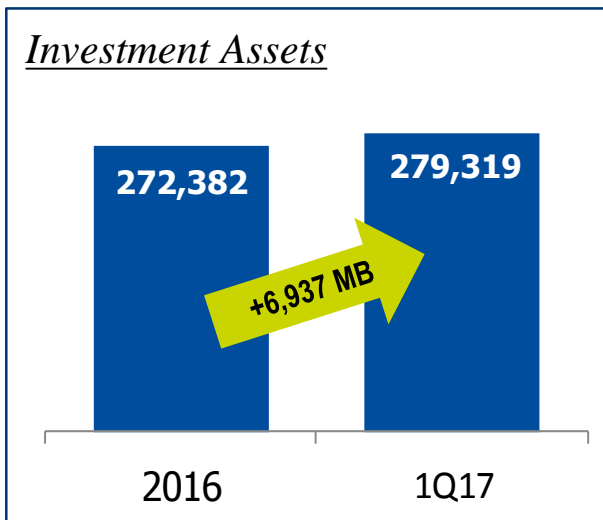
K. SANOR THAMPIPATTANAKUL  
SEVP – INVESTMENT DIVISION



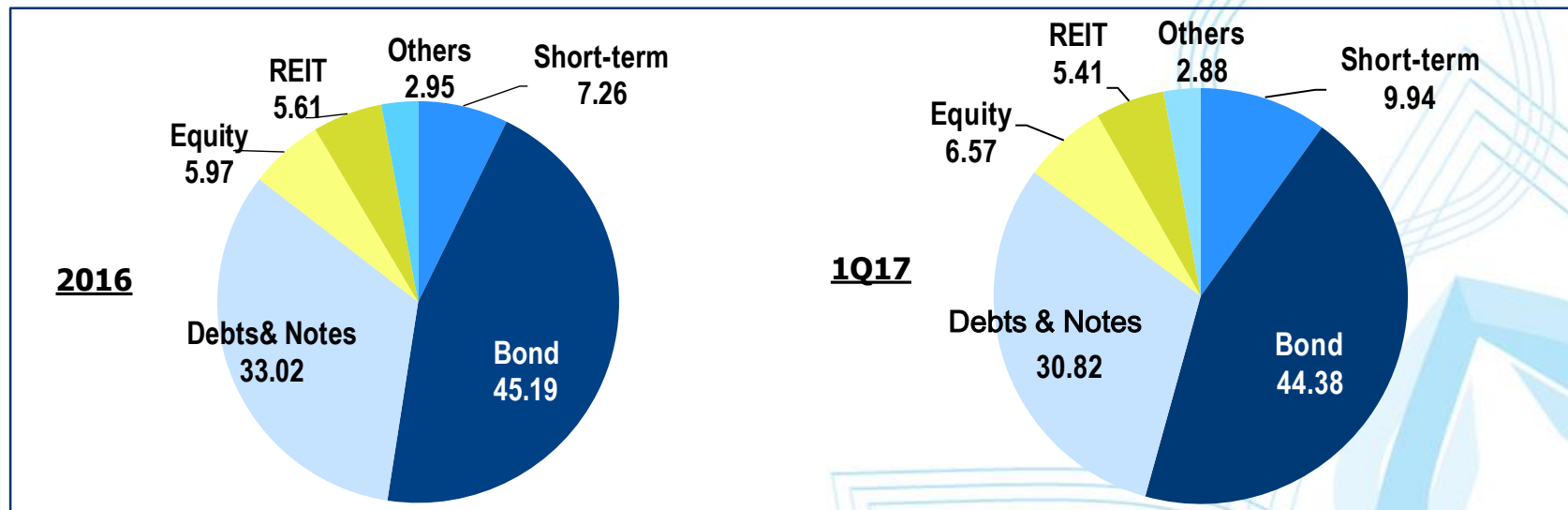
# Investment Assets + 6,937 MB from 2016

Fixed Income lower to 75% while short term investment rise to nearly 10%

## Investment Assets



- Fixed Income allocation decline to 75% pressured by low bond yields and limited supply of Corporate debenture.
- Stocks exposure remains low at 6.5% while REITs decline slightly due to high valuation.



# Profile of Fixed Income Investments

(as of at March 31, 2017)

**Duration of Assets = 7.47**  
**Duration of Liabilities = 8.61**

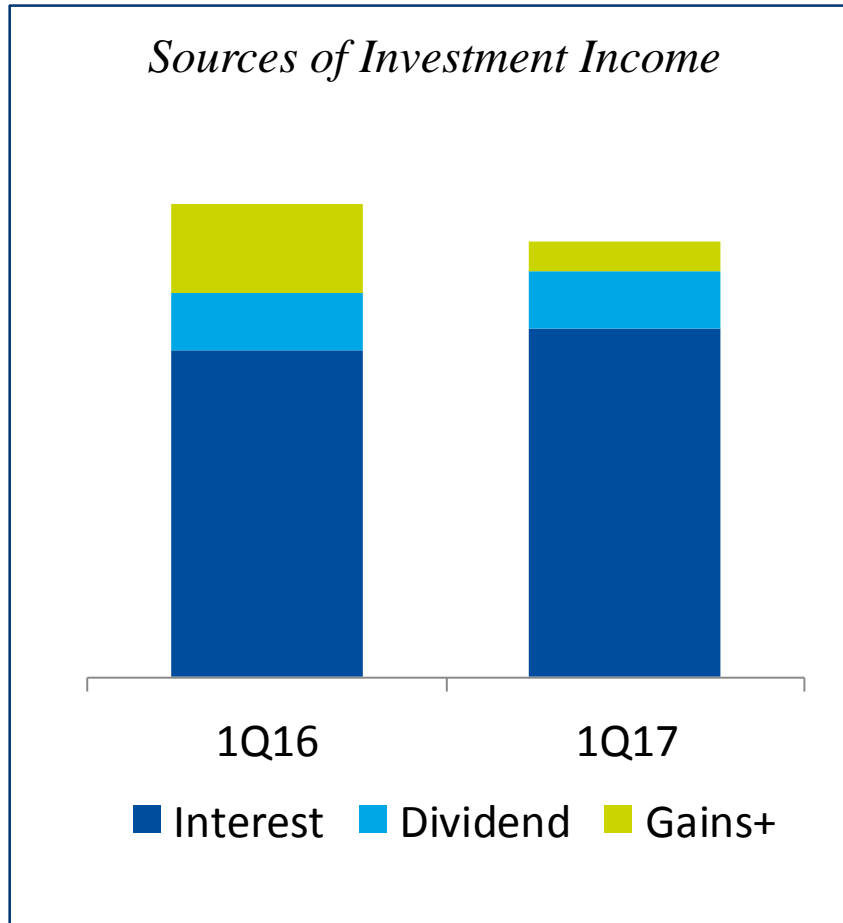
<b>Debenture</b> (Avg. Life 5.89 years)	<b>% on total debenture</b>
<b>Local currency rating</b>	
AAA	<b>8.14%</b>
AA- to AA+	<b>10.91%</b>
A- to A+	<b>40.21%</b>
BBB+	<b>9.19%</b>
<b>International rating</b>	
A- to A+	<b>9.45%</b>
BBB to BBB+	<b>21.97%</b>

<b>Investment Asset by Currency</b>	<b>% on Total Investment Asset</b>
Baht Investment	89.72%
US\$ Investment	<b>10.28%</b>
Fixed income	<b>8.20%</b>
Equity	<b>1.72%</b>
Others	<b>0.36%</b>

<b>Fixed income</b>	<b>% on Fixed income assets</b>
<1 yr	<b>12.96%</b>
1-5 yrs	<b>16.38%</b>
6-10 yrs	<b>30.63%</b>
11-15 yrs	<b>13.50%</b>
> 16 yrs	<b>26.55%</b>

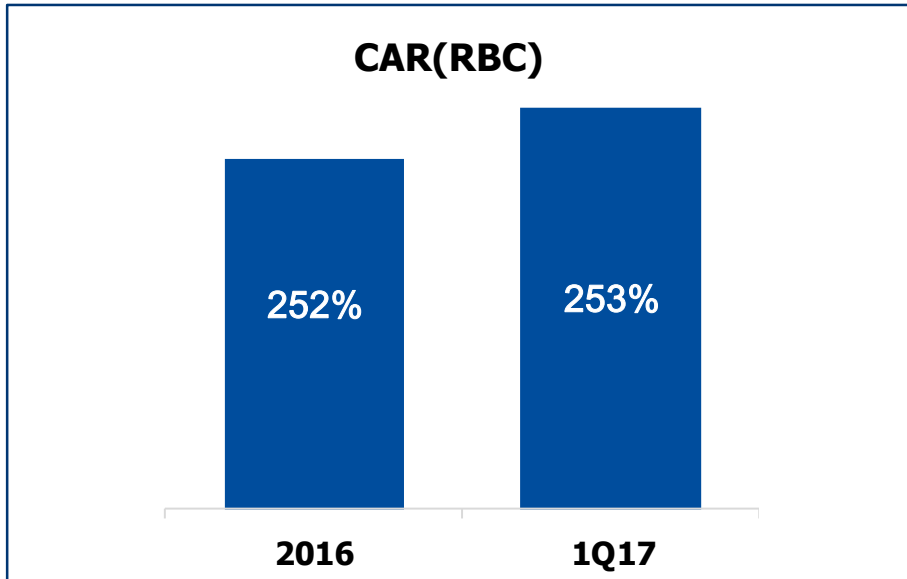
# Investment Income decreased 8.5% with ROI 4.47%

Investment Yield (interest + dividend) = 4.17%

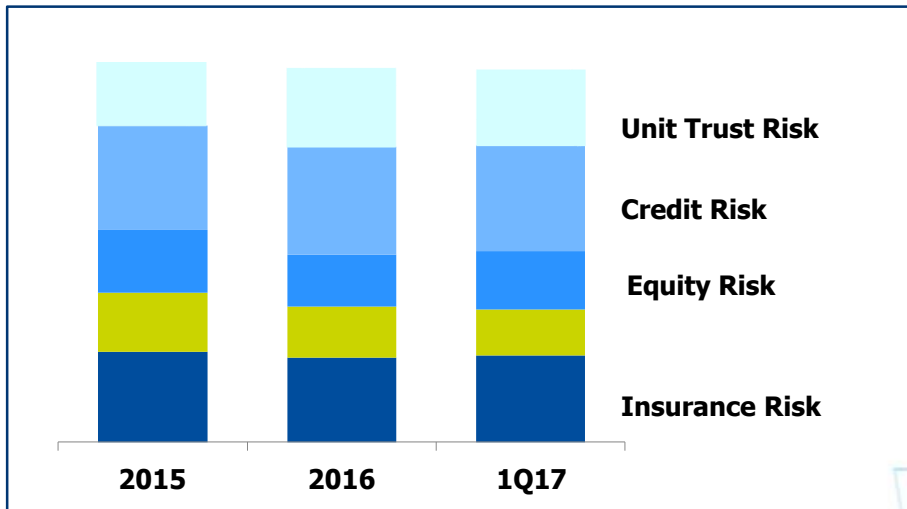


- Realized gains declined to 204 MB in 1Q17 vs 624.09 MB in 1Q16
- Interest income increased 7.04% while Dividend income slightly dropped, larger REIT but lower stock investment.
- Accounting ROI = 4.47% while Investment Yield lower to 4.17%

# Capital Adequacy Ratio (CAR) stabilize at 253%



- Given current RBC1 environment, CAR should not fluctuate much from current level as spot yield and 8Q average yield are nearly the same.



- Future regulatory changes as well as potential changes in asset allocation to cope with lower rate environment remains concerns.

# FINANCIAL RESULTS

K. JARUWAN LIMKHUNTHAMMO

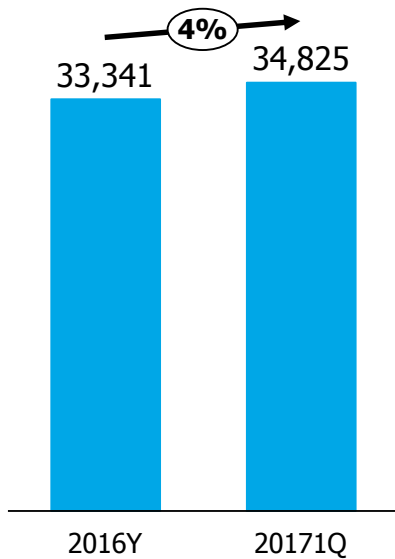
SVP – FINANCE & ACCOUNTING DIVISION



# 20171Q, positive ROE of 10.9% due to NPAT 928 mn in 20171Q

## ROE

Equity(mn baht)



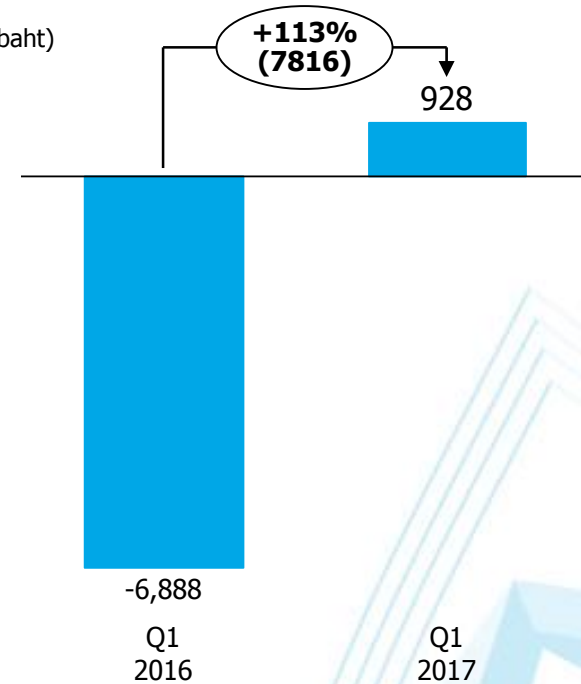
ROE

17.0%

10.9%

## NPAT

NPAT(mn baht)



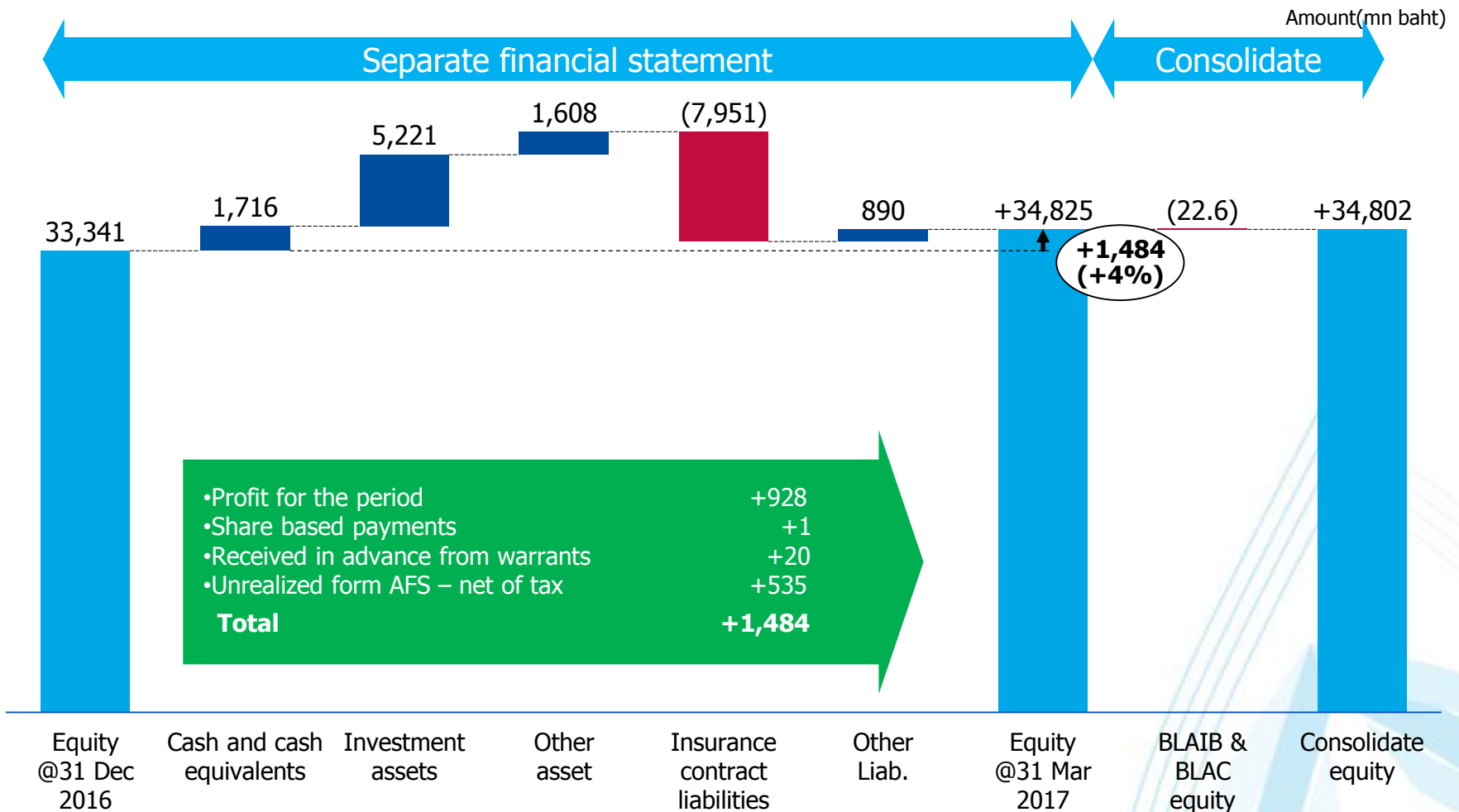
%Total income

42.8%

5.9%

Note:-  
Source: BLA financial statement

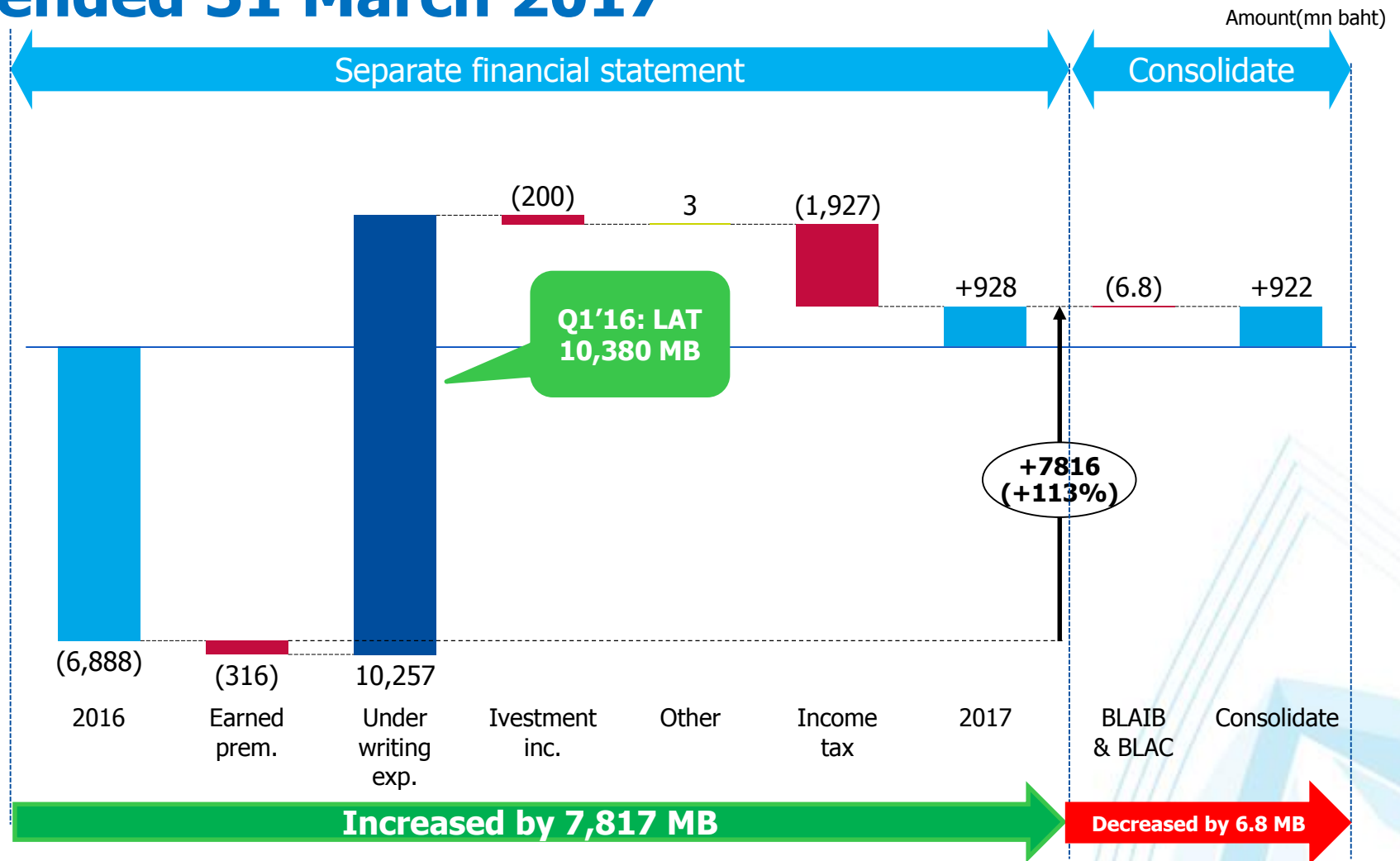
# Equity movement from 31 December 2016 To 31 March 2017



Note:-  
Source: BLA financial statement



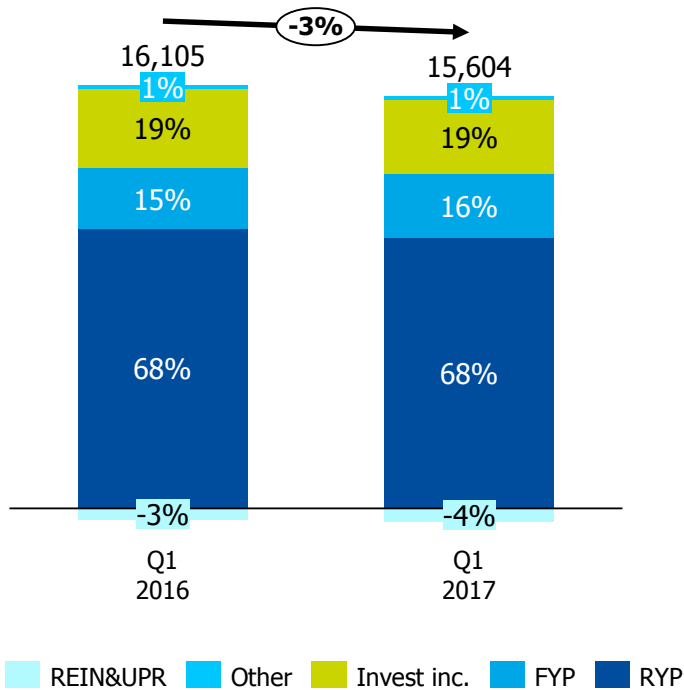
# Profit for the three-month periods ended 31 March 2017



# BLA had lower expense in 20171Q because decreased in life policy reserve

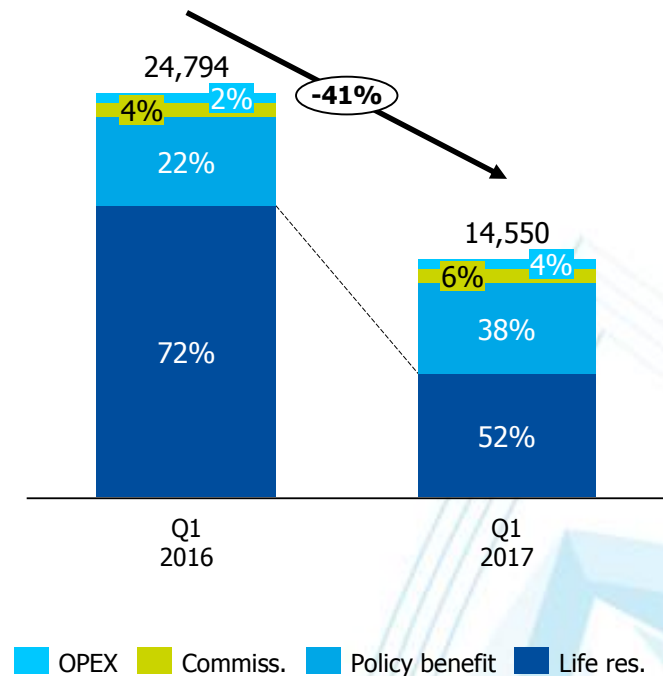
## Total income

Income(mn baht)



## Total expense

Expense(mn baht)

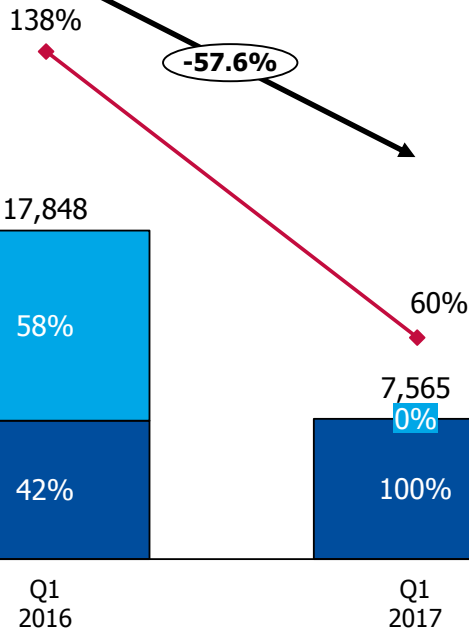


Note:-  
Source: BLA financial statement

# Life pol. reserve ratio in 20171Q was 60% decrease from 20161Q

## Life policy reserve

Reserve(mn baht)



3.32%

3.41%

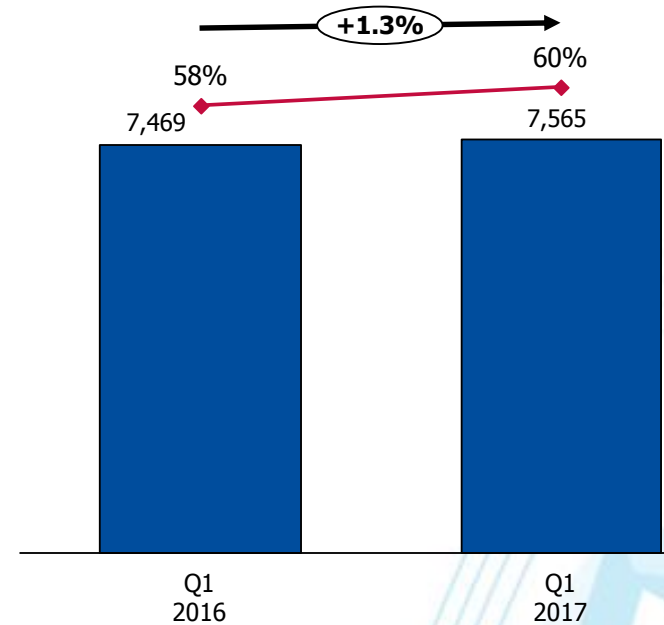
LAT

Reserve

%net prem.

## Life policy reserve exclude LAT

Reserve exc. LAT(mn baht)



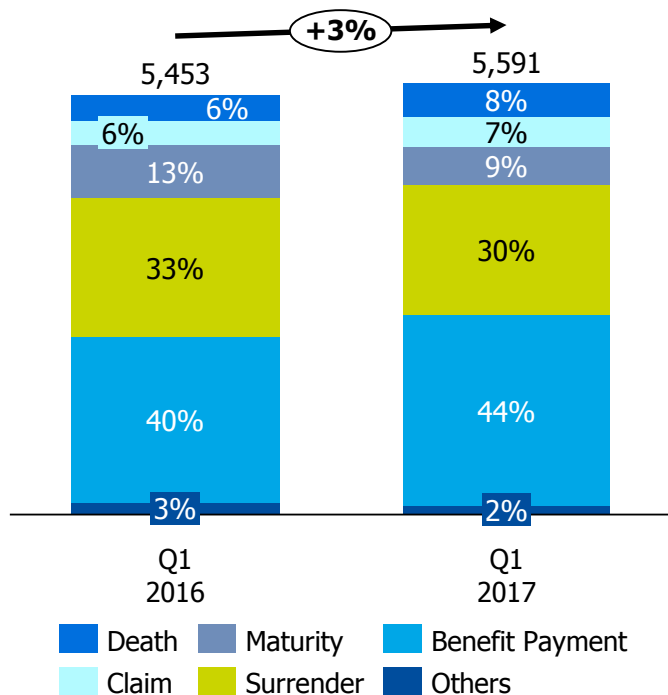
RBC yield(average)

Note:-  
Source: BLA financial statement

# Q1, Policy benefit payment increased by 3% mainly from benefit payments

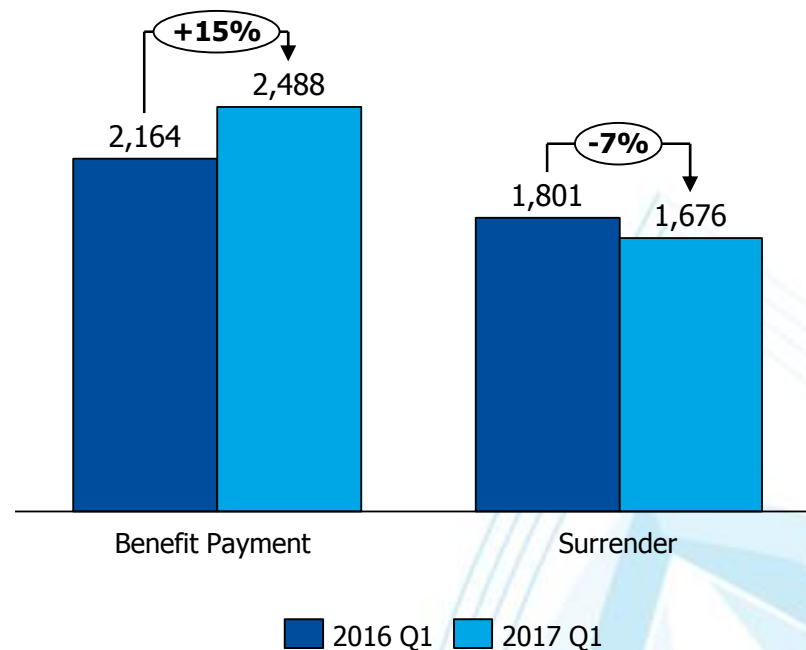
## Policy benefit payment

payment(mn baht)



## Major line item

payment(mn baht)



Source: BLA financial statement

**ขอบคุณ**  
**THANK YOU**





**กรุงเทพมหานคร**  
ชีวิตที่มีความสุขมากกว่า