

Bangkok Life Assurance Pcl.



www.bla.co.th

1Q11 Performance Update

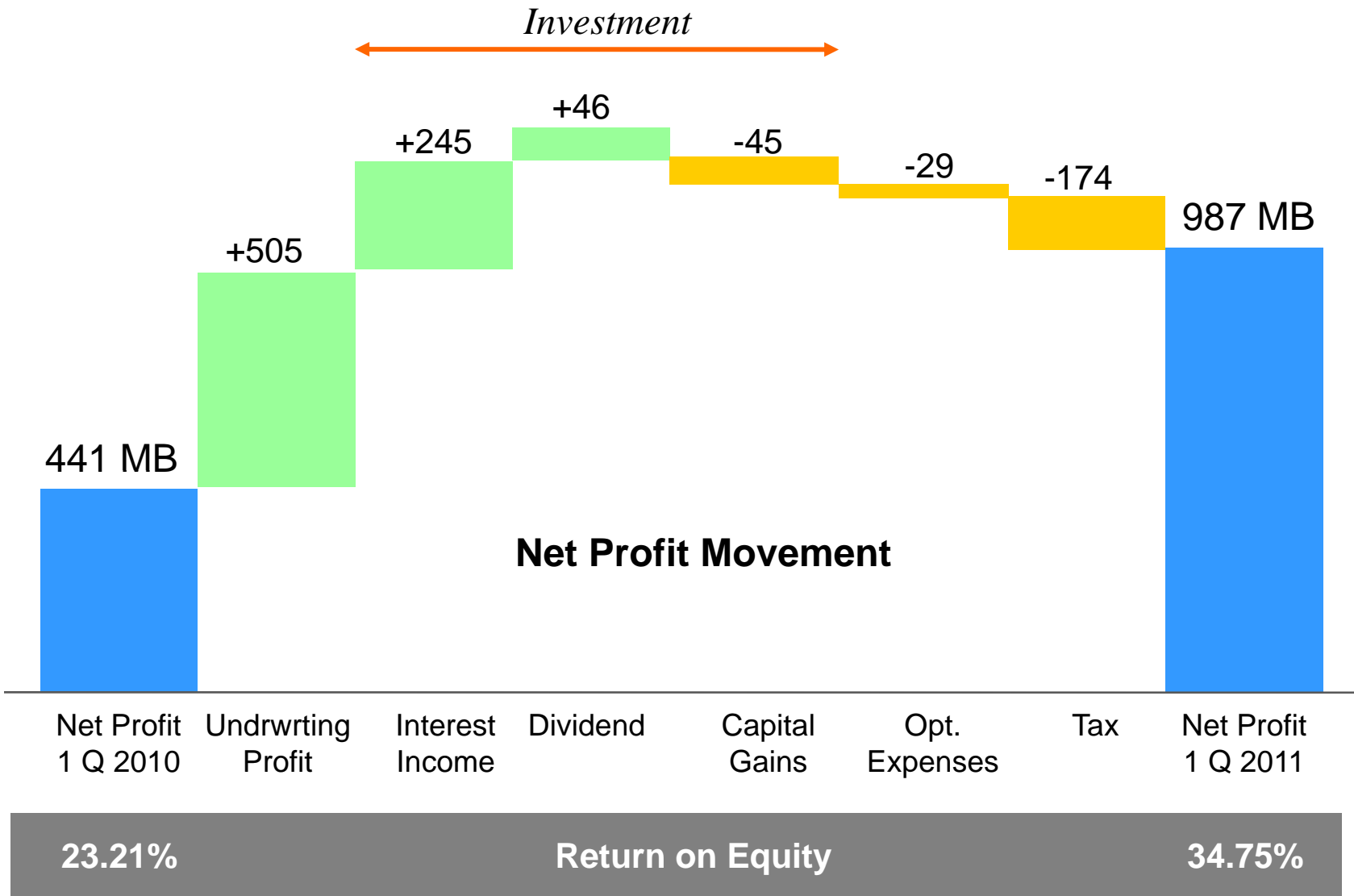
12 May 2011

Performance Highlights - *1Q2011*



- Assets continue to grow +6,156 MB to 95,099 MB at 31 MAR 11
>>> *95.65% Investment Assets / Duration 8.37*
- Benefits from rising rate, ST rate now 2.5% vs 1.1% but long dated remains flat
>>> *ROI 5.09% (Budget / EV = 5%)*
- New biz drop 27% YoY due to seasonality of Bancassurance but renewal +38% thanks to 94% premium collection
>>> *credit life protection for SME remains strong +40% YoY*
- Reserve ratio 60.3% vs 62.4% and lead to underwriting profit of 473 MB vs (32) MB
- Operating Expenses to Premium continue to decline to 4.0% vs 4.15%
- Employee retirement benefits: 108 MB booked in Equity and 4.4 MB in P&L
- Effective tax rate 21.96% vs 19.13% in 1Q10
- Net Profit 987.2 MB @0.82 +124% YoY with annualized ROE of 34.75%

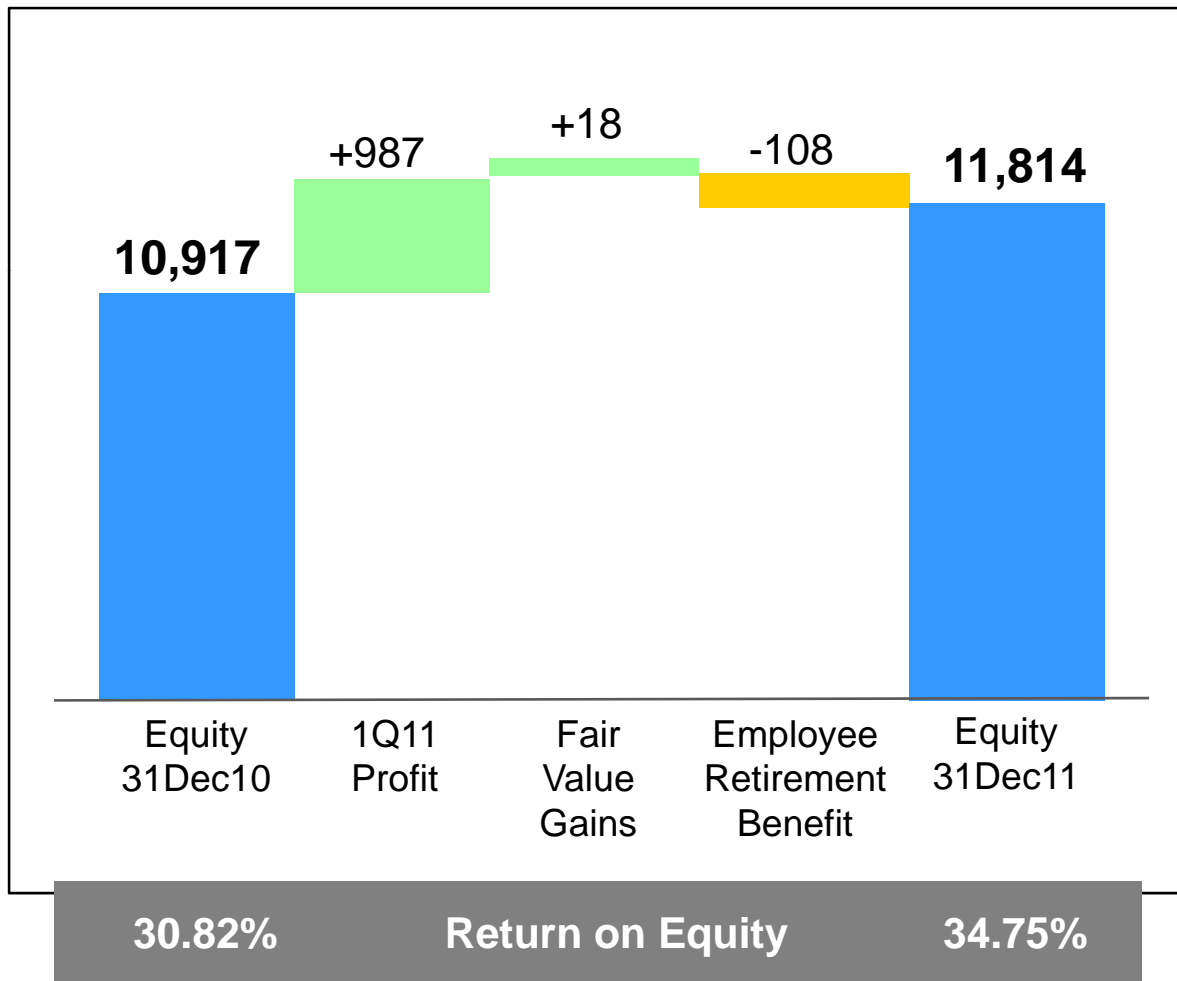
Performance Highlights - 1Q2011



Performance Highlights - 1Q2011



Shareholders' Equity Movement



➔ Shareholders' equity increases 897 MB or +8.2%

➔ Impact from implementation of TAS19 in 2011: Adjustment for employee retirement benefit 108.2 MB

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Assets Allocation & ROI



Balance Sheet



Unit : MB

| | 1Q11 | % | 2010 | % | Chg QoQ |
|--------------------------|---------------|---------------|---------------|---------------|---------------|
| Total Assets | 95,099 | 100.00 | 88,943 | 100.00 | +6,156 |
| Investment | 90,965 | 95.65 | 85,864 | 96.54 | +5,101 |
| Net premises + equipment | 334 | 0.35 | 339 | 0.38 | -5 |
| premium receivable | 2,120 | 2.23 | 1,311 | 1.47 | +809 |
| Accrued Investment | 1,181 | 1.24 | 987 | 1.11 | +194 |
| Others | 499 | 0.52 | 442 | 0.50 | +57 |
| Total Liabilities | 83,285 | 100.00 | 78,026 | 100.00 | +5,259 |
| Reserve | 73,967 | 88.81 | 69,203 | 88.69 | +4,763 |
| Unpaid Benefits | 5,193 | 6.24 | 5,063 | 6.49 | +131 |
| Employee Benefits | 147 | 0.18 | 108 | 0.14 | +39 |
| Advanced Premium | 1,278 | 1.53 | 1,281 | 1.64 | -3 |
| Others | 2,700 | 3.24 | 2,371 | 3.04 | +329 |
| Equity | 11,814 | 14.18 | 10,917 | 13.99 | +897 |

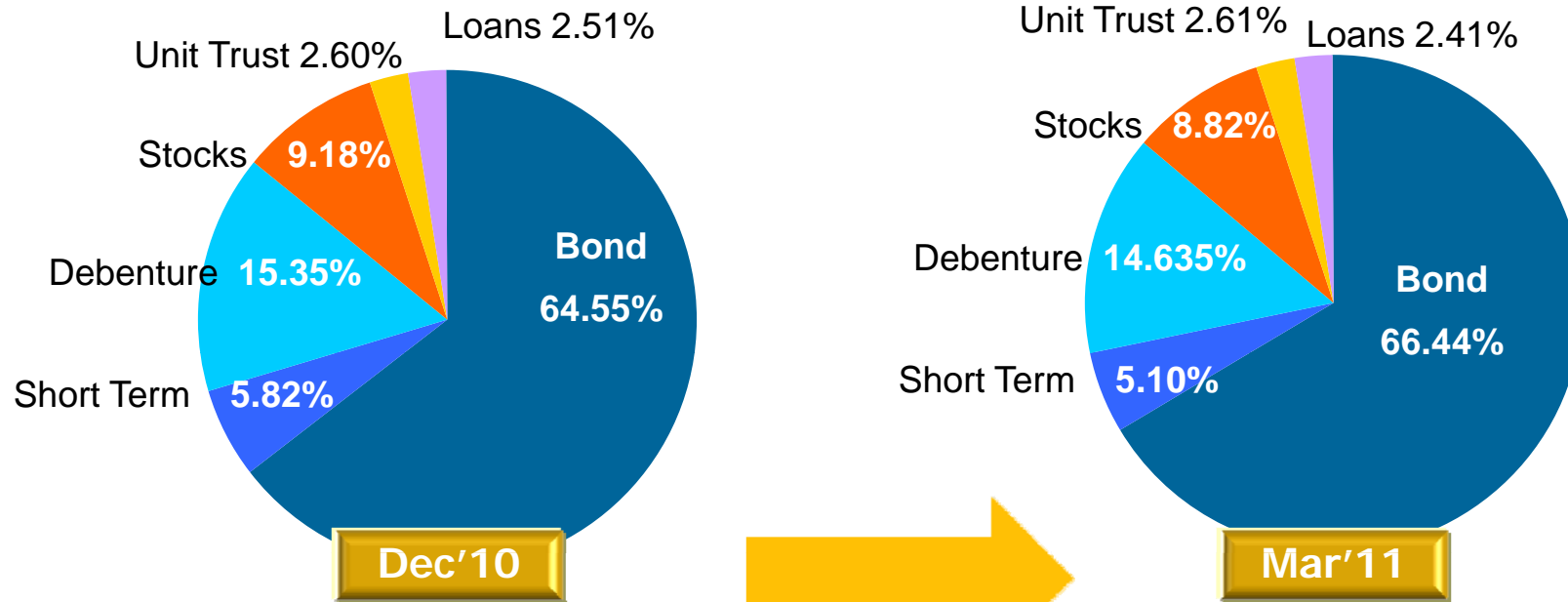
Shareholders Equity



Unit : MB

| | 1Q11 | Dec-10 | 2009 |
|------------------------|---------------|---------------|--------------|
| Total Equity | 11,814 | 10,917 | 7,232 |
| Paid-up Capital | 1,200 | 1,200 | 1,200 |
| Share Premium | 2,700 | 2,700 | 2,700 |
| Unrealized gain (loss) | 2,359 | 2,341 | 1,033 |
| Retain earnings | 5,555 | 4,676 | 2,298 |
| <hr/> | | | |
| Life Policy Reserve | 73,967 | 69,203 | 53,558 |
| Equity : Reserve | 15.97% | 15.78% | 13.50% |
| Solvency Ratio (RBC) | n.a. | 206% | 225% |

Investments – Allocation

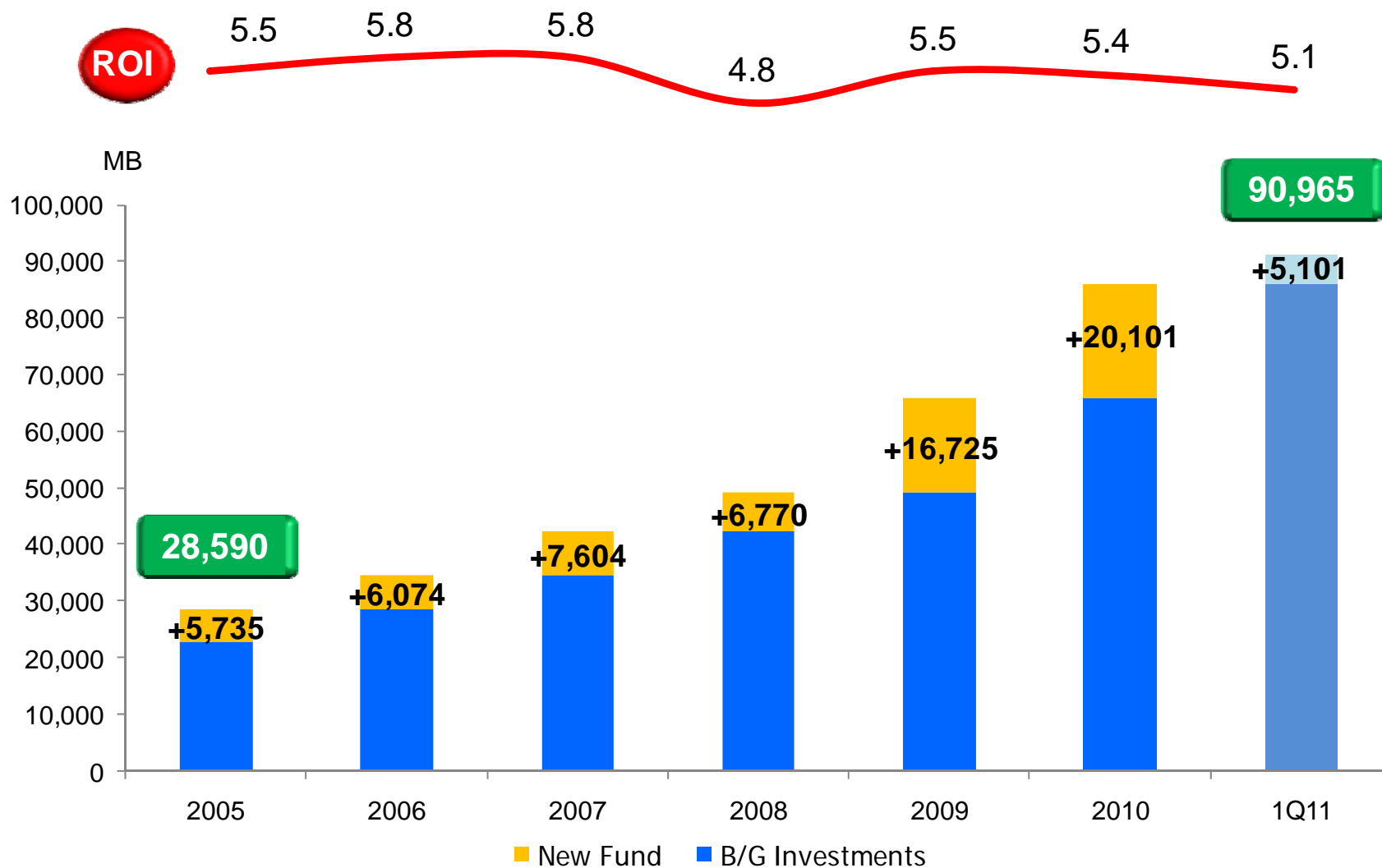


31 Mar '11

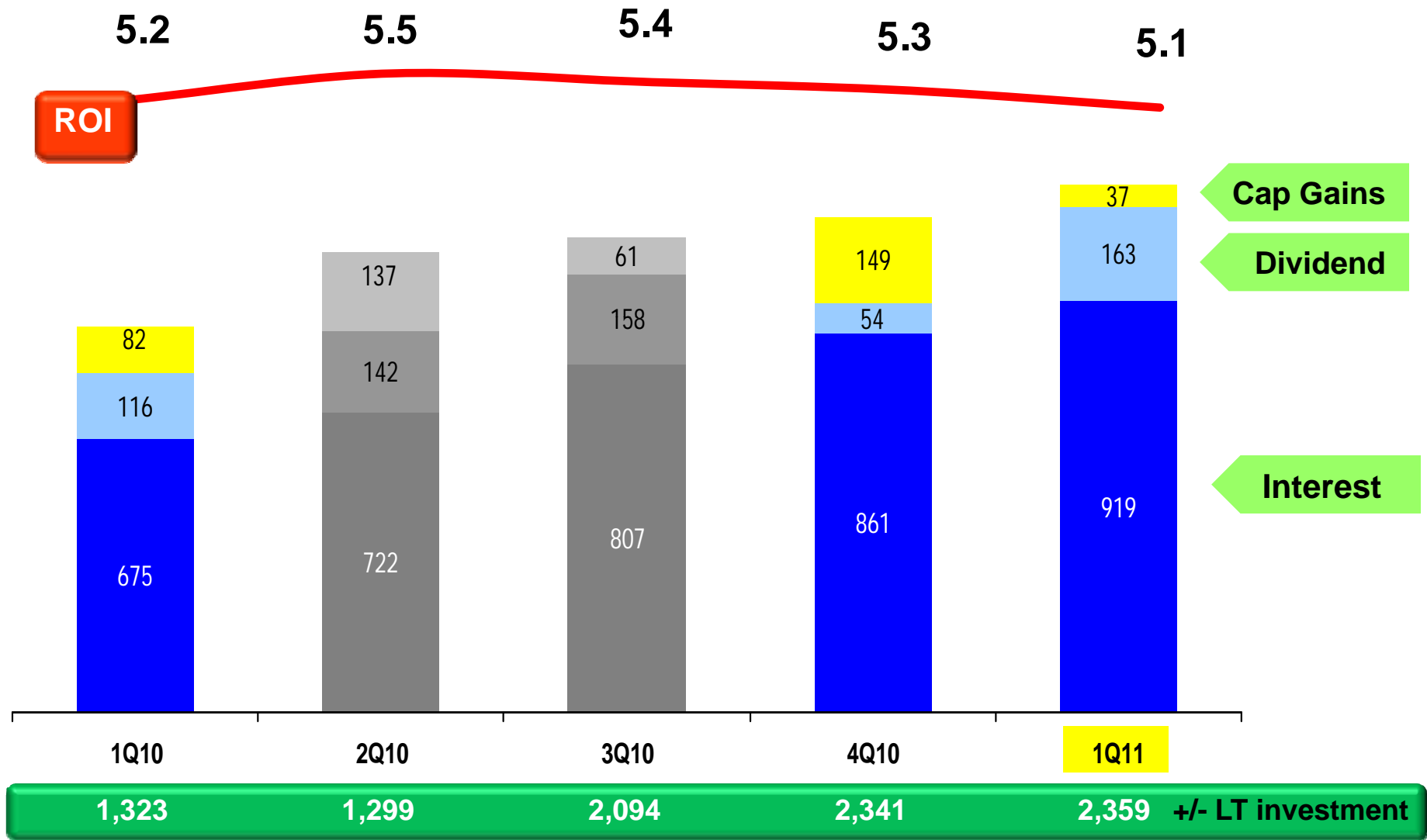
| | G-Bond | SOE | Foreign BBB+ to A+ | |
|---------------------------|--------|------------|--------------------|-------------------|
| Bond (Avg. Life 13.4 yrs) | 77.5% | 20.3% | 2.2% | |
| | AAA | AA- to AA+ | A- to A+ | Foreign A+ to AA- |
| Debenture (avg. 7.3 yrs) | 41.2% | 10.4% | 26.9% | 21.6% |

Duration 31Mar11 = 8.37 vs 8.07 at end 2010

Investments



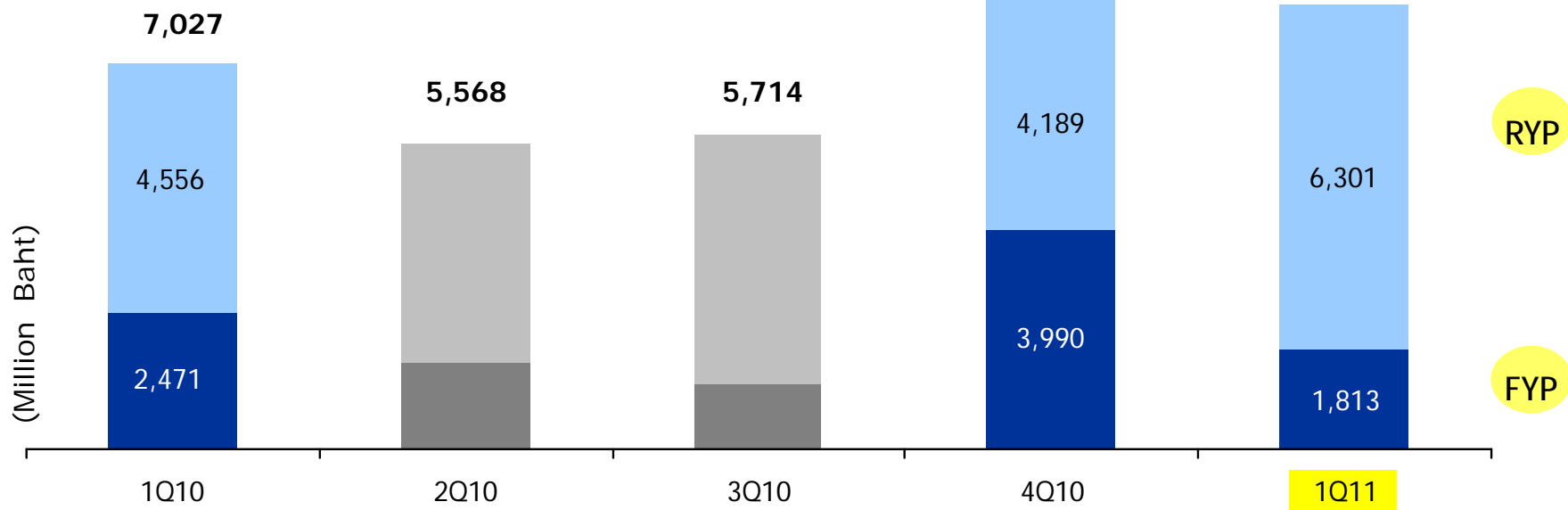
Investment – Income Breakdown



Premium Growth - All Type



| | <u>%YoY</u> | <u>%QoQ</u> |
|----------------------|-------------|-------------|
| First Year Premium | -26.6 | -54.6 |
| Renewal Year Premium | +38.3 | +50.4 |
| Total Premium | +15.5 | -0.8 |



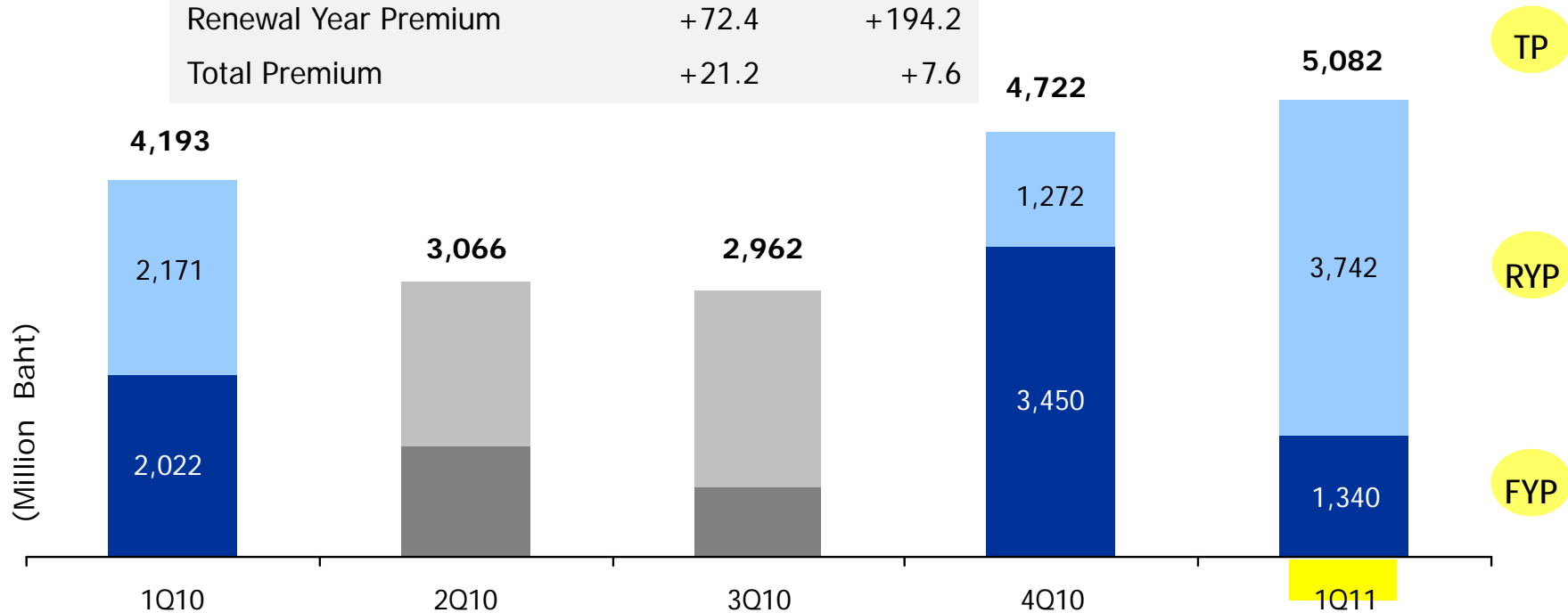
| Industry | 1Q11 | |
|----------------------|-------------|-------------|
| | <u>%YoY</u> | <u>%QoQ</u> |
| First Year Premium | +0.6 | -20.7 |
| Renewal Year Premium | +17.2 | -1.5 |
| Total Premium | +12.0 | +181.6 |

Source: Thai Life Association

Premium Growth - Bancassurance



| | <u>%YoY</u> | <u>%QoQ</u> |
|----------------------|-------------|-------------|
| First Year Premium | -33.7 | -61.2 |
| Renewal Year Premium | +72.4 | +194.2 |
| Total Premium | +21.2 | +7.6 |



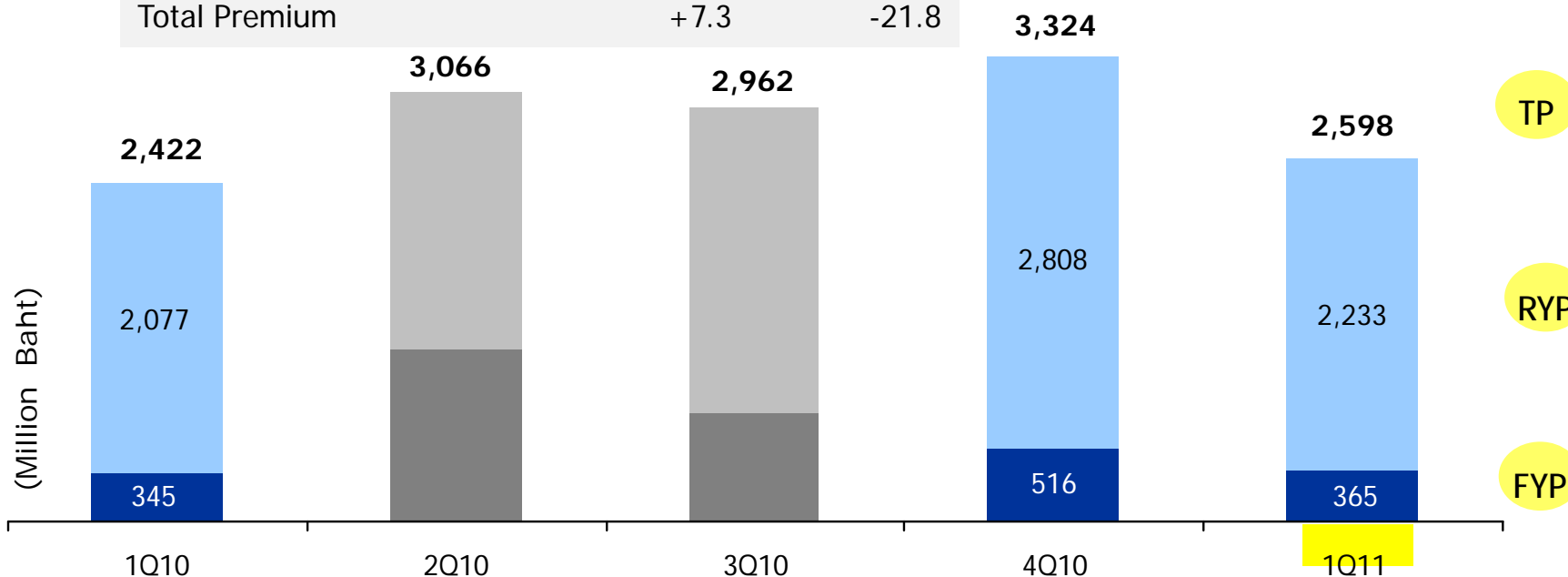
| Industry | 1Q11 | |
|----------------------|-------------|-------------|
| | <u>%YoY</u> | <u>%QoQ</u> |
| First Year Premium | -13.1 | -25.5 |
| Renewal Year Premium | +52.0 | +61.6 |
| Total Premium | +17.0 | +10.2 |

Source: Thai Life Association

Premium Growth - Agency



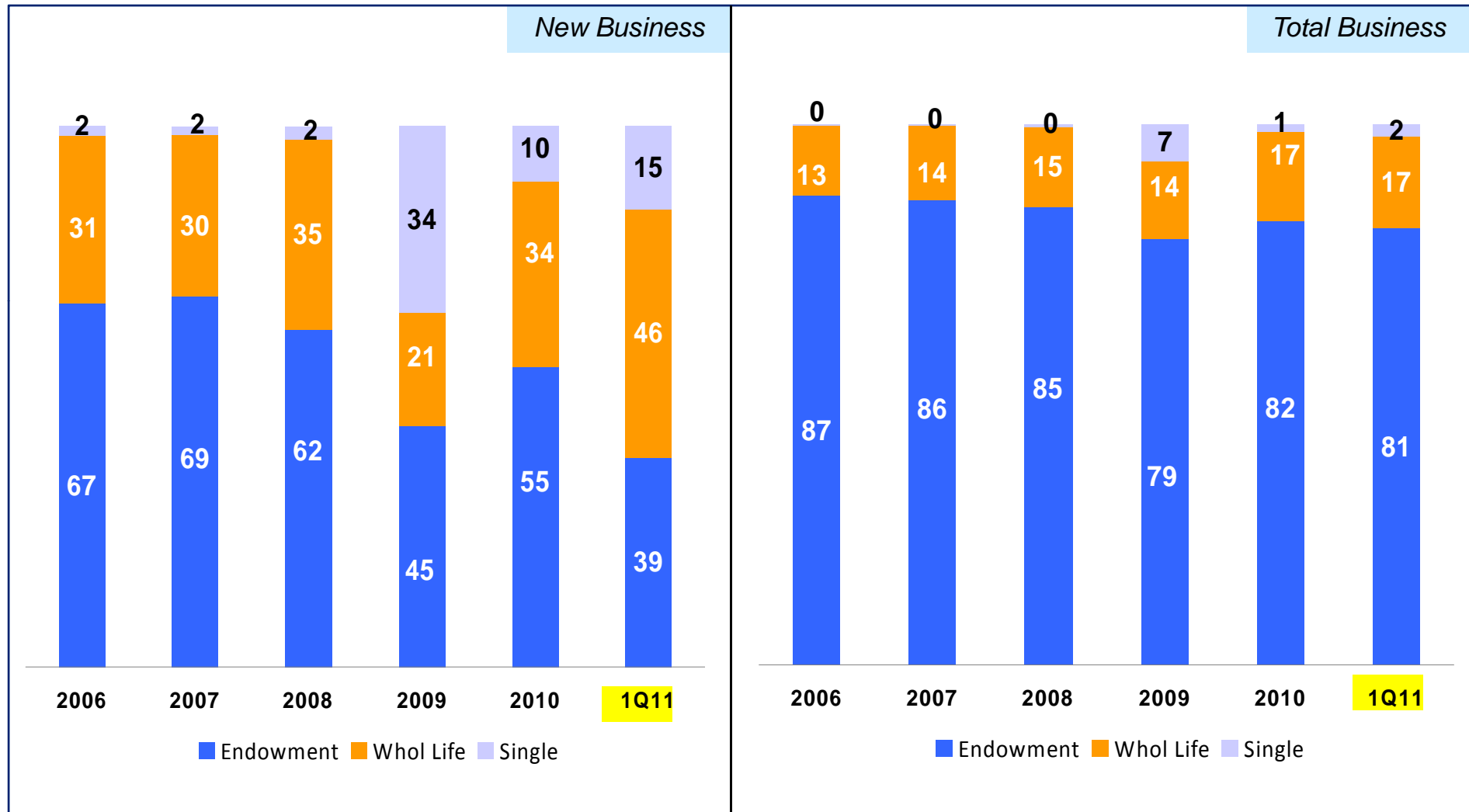
| | <u>%YoY</u> | <u>%QoQ</u> |
|----------------------|-------------|-------------|
| First Year Premium | +5.8 | -29.3 |
| Renewal Year Premium | +7.5 | -20.5 |
| Total Premium | +7.3 | -21.8 |



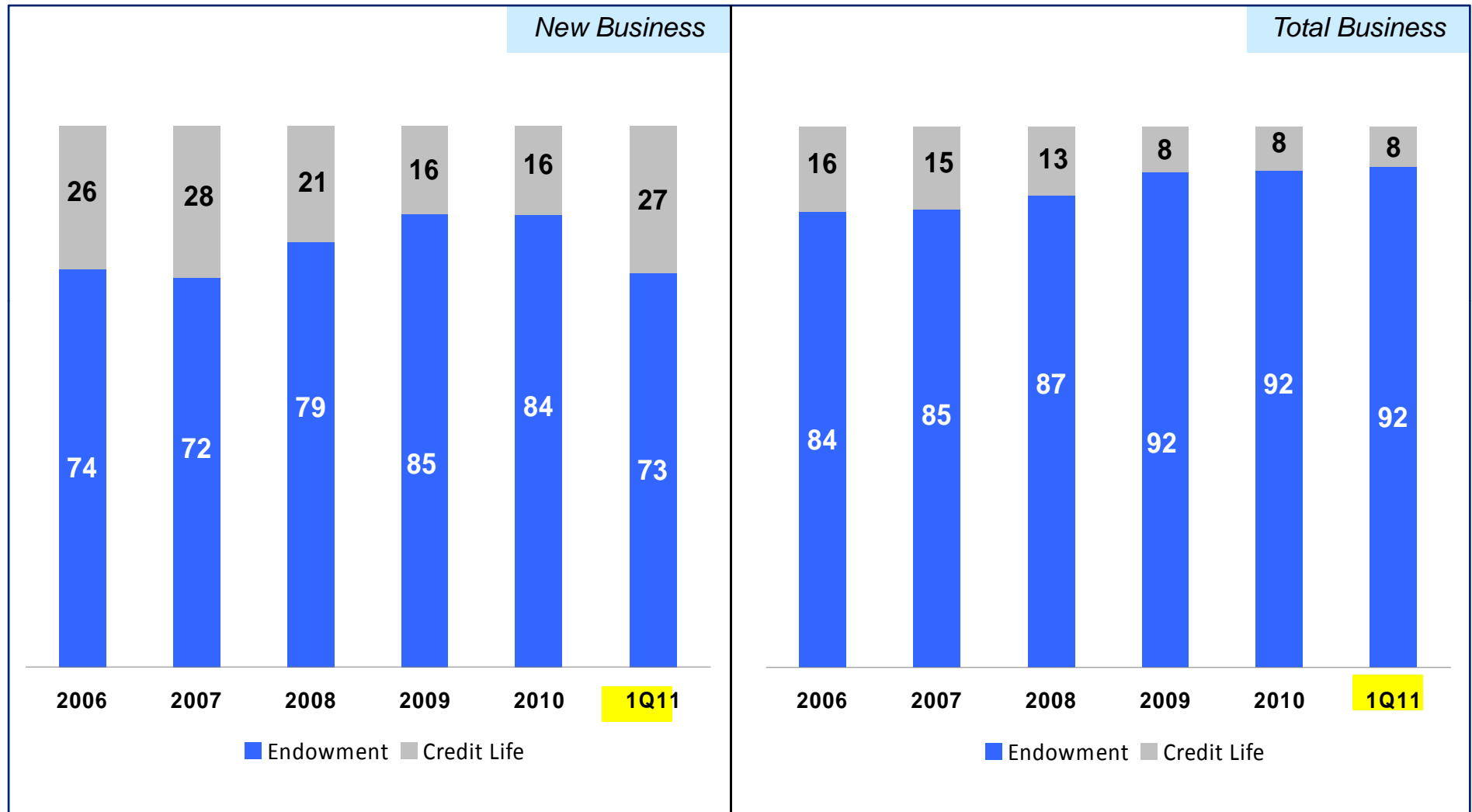
| Industry | 1Q11 | |
|----------------------|-------------|-------------|
| | <u>%YoY</u> | <u>%QoQ</u> |
| First Year Premium | +11.2 | nm |
| Renewal Year Premium | +7.3 | nm |
| Total Premium | +8.8 | nm |

Source: Thai Life Association

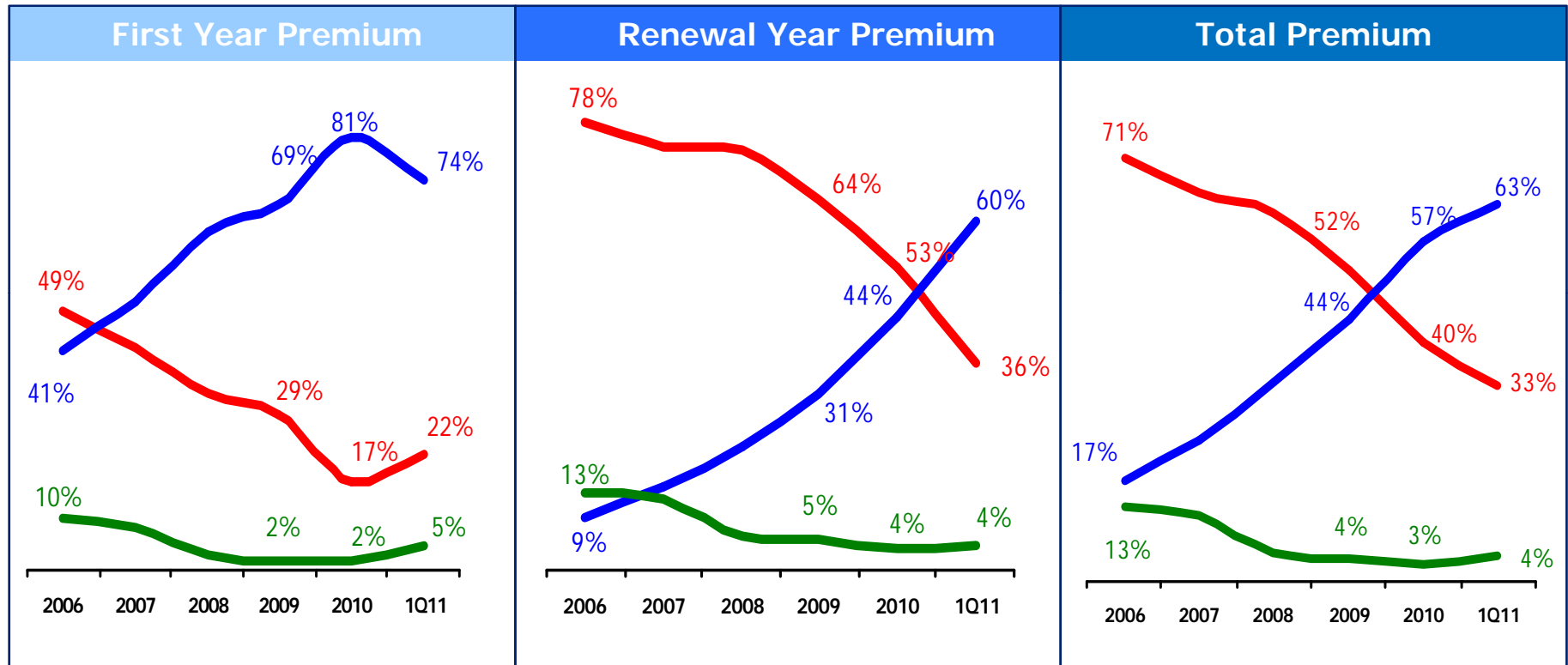
Premium – by Product Type (Agent)



Premium – by Product Type (Bancassurance)



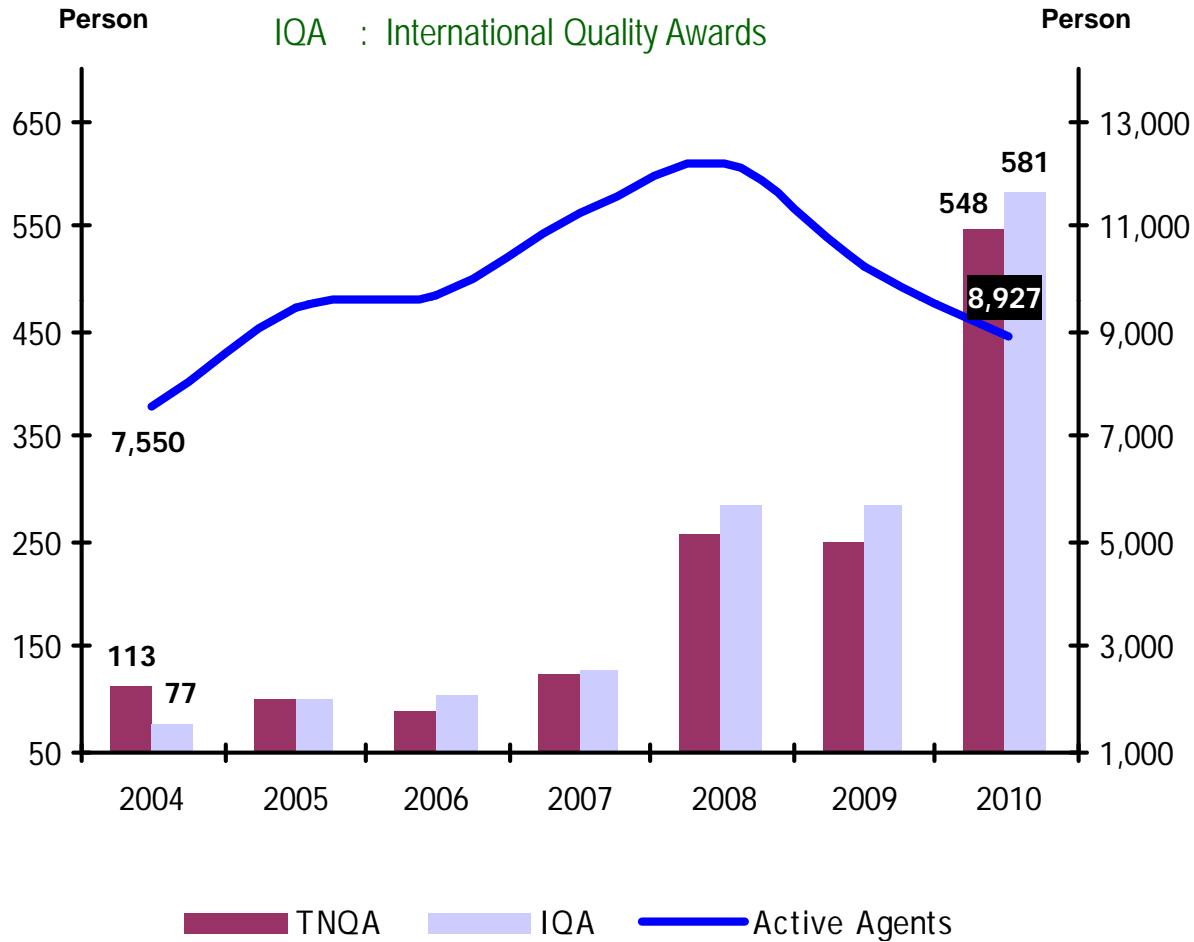
Channel Distribution



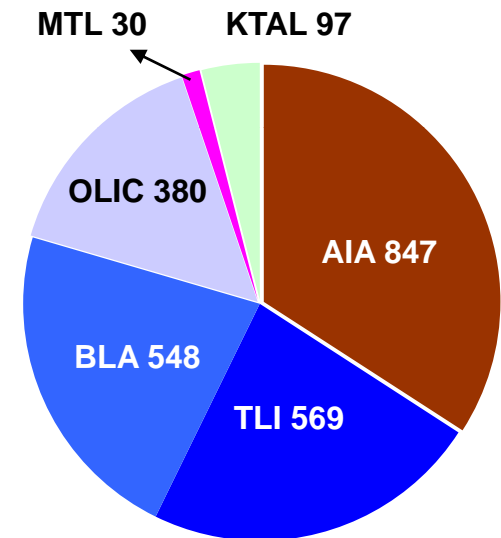
— Agent — Banc — Others

Agency Force

TNQA : Thailand National Quality Awards
 IQA : International Quality Awards

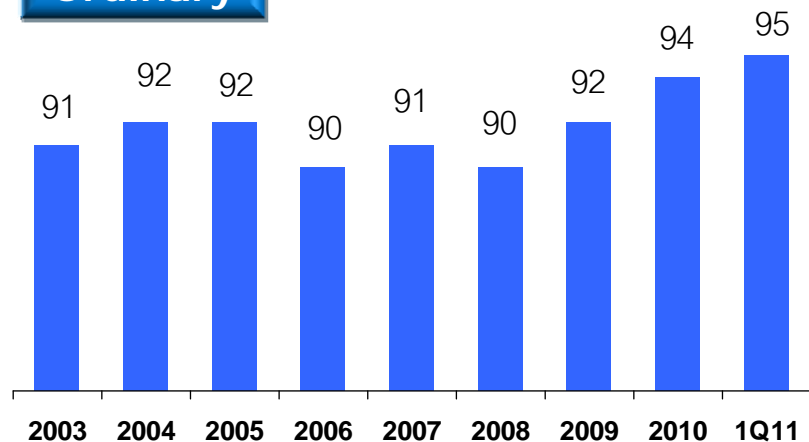


No. of TNQA of Industry

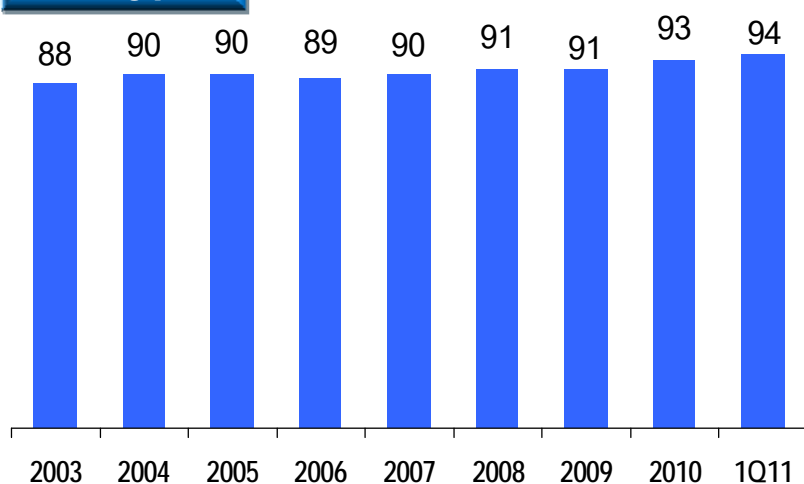


Premium Collection

Ordinary



All Type



| Ordinary(%) | 1Q11 | 2010 | 2009 | 2008 |
|-------------|------|------|------|------|
| MTL | 93 | 91 | 89 | 90 |
| AIA | 92 | 92 | 91 | 91 |
| KTAL | 92 | 89 | 83 | 94 |
| AACP | 92 | 91 | 84 | 52 |
| OLIC | 92 | 88 | 90 | 82 |
| SCNYL | 85 | 87 | 88 | 88 |
| TLI | 84 | 90 | 87 | 88 |
| Industry | 91 | 91 | 89 | 85 |

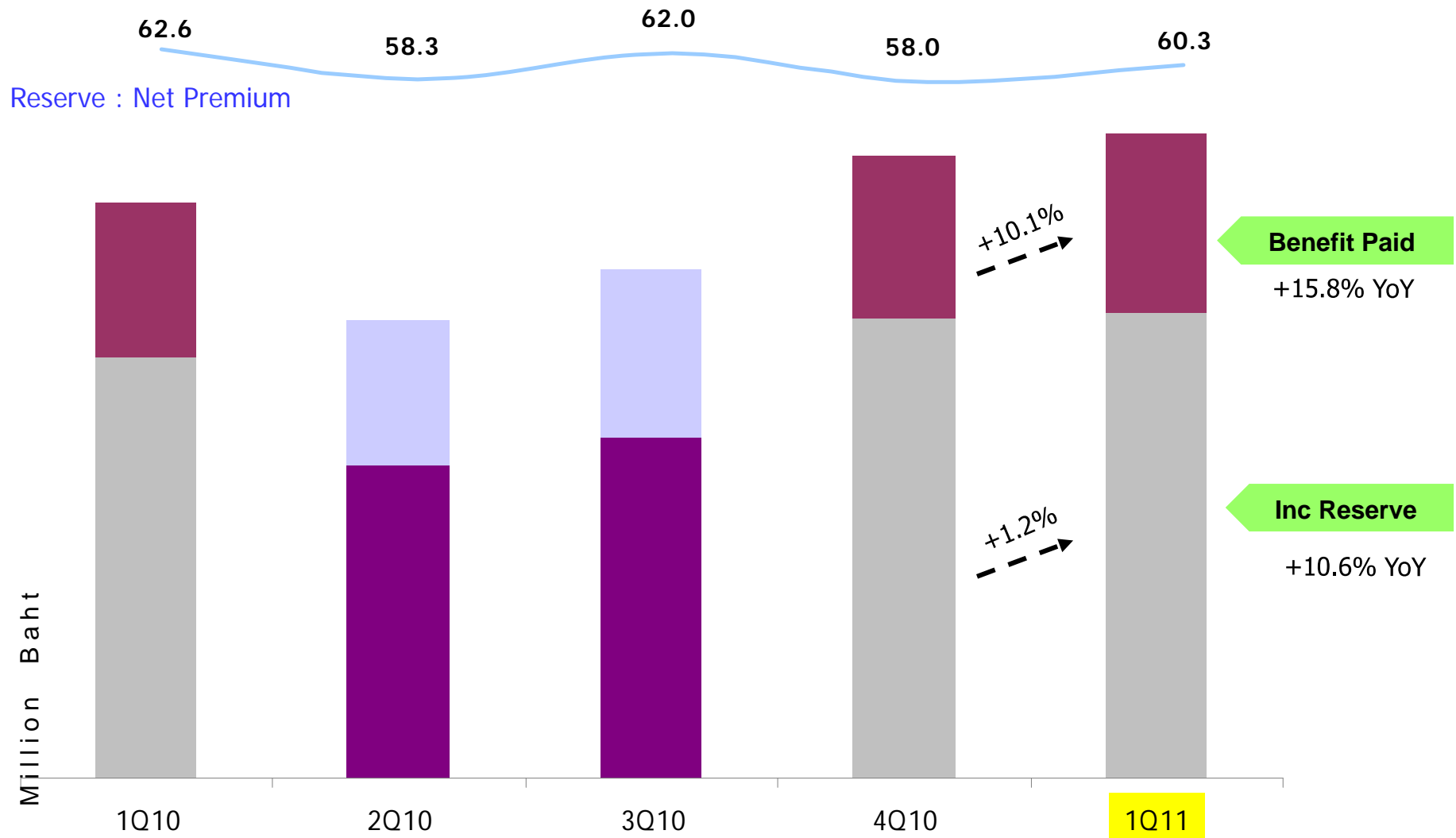
| All Type(%) | 1Q11 | 2010 | 2009 | 2008 |
|-------------|------|------|------|------|
| MTL | 93 | 91 | 88 | 90 |
| AIA | 89 | 89 | 87 | 88 |
| AACP | 88 | 88 | 81 | 50 |
| KTAL | 87 | 88 | 86 | 91 |
| SCNYL | 87 | 87 | 88 | 87 |
| OLIC | 86 | 83 | 82 | 84 |
| TLI | 84 | 89 | 87 | 88 |
| Industry | 89 | 89 | 87 | 83 |

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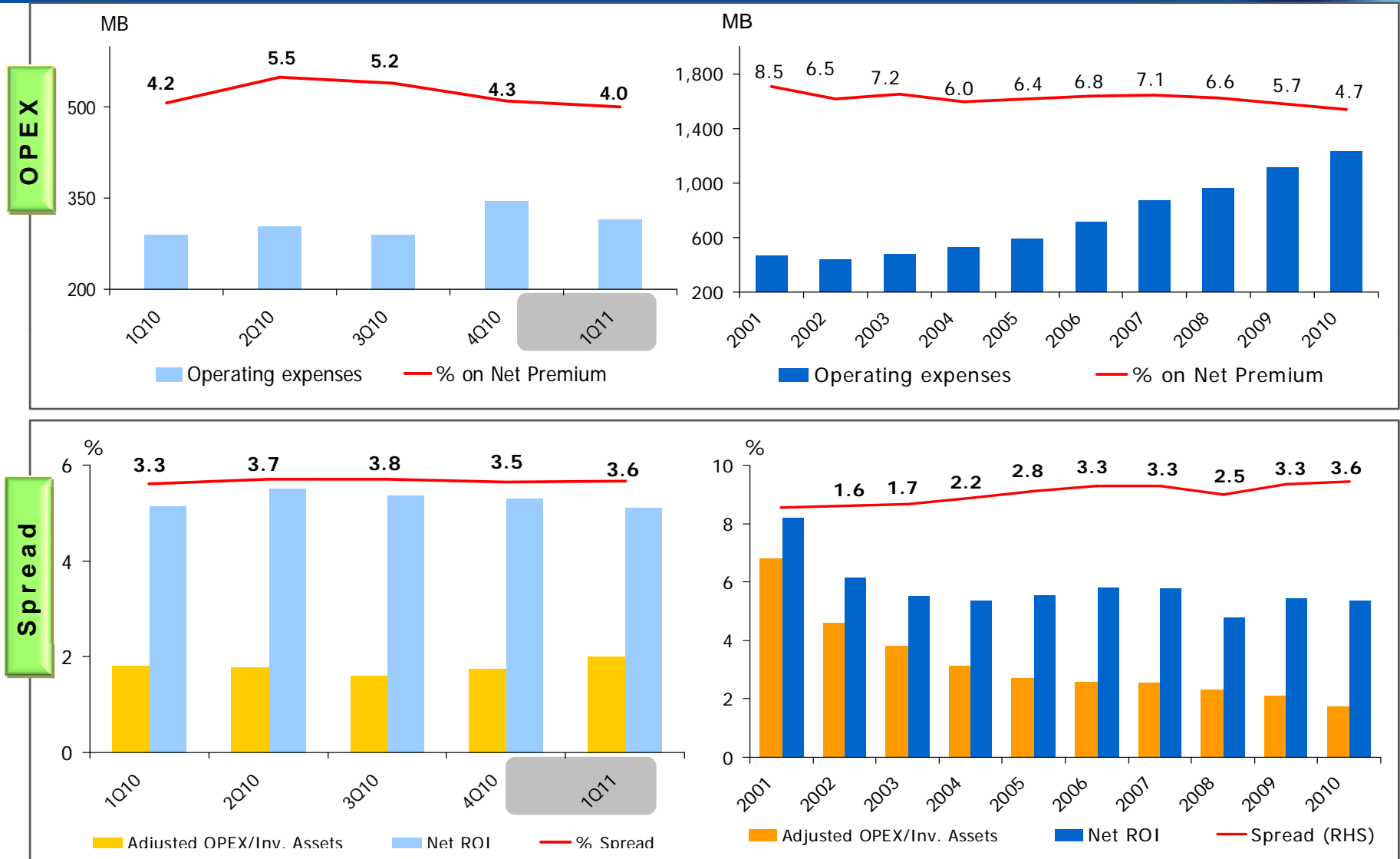
Expenses



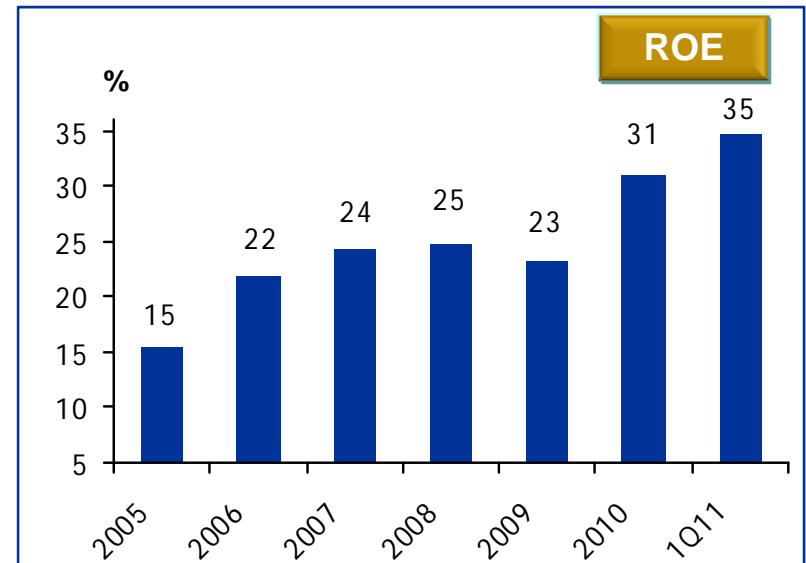
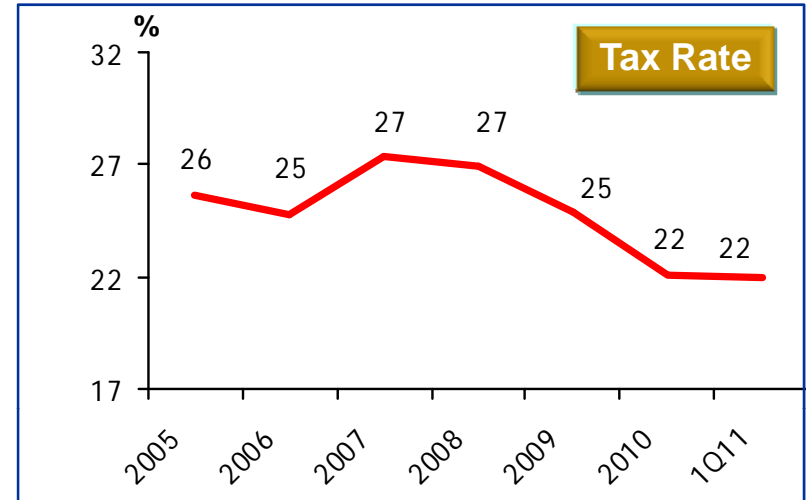
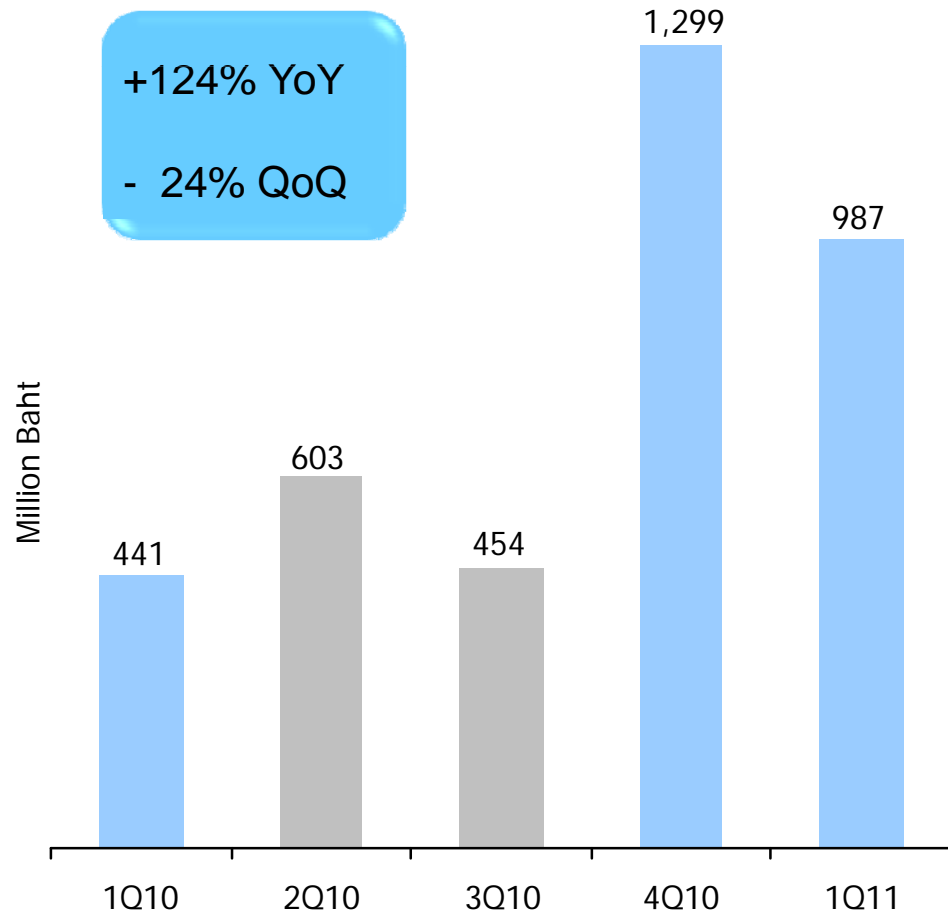
Expenses – Reserve & Benefits Paid



Expenses – OPEX/Investment vs ROI



Net Income



Operating Highlights



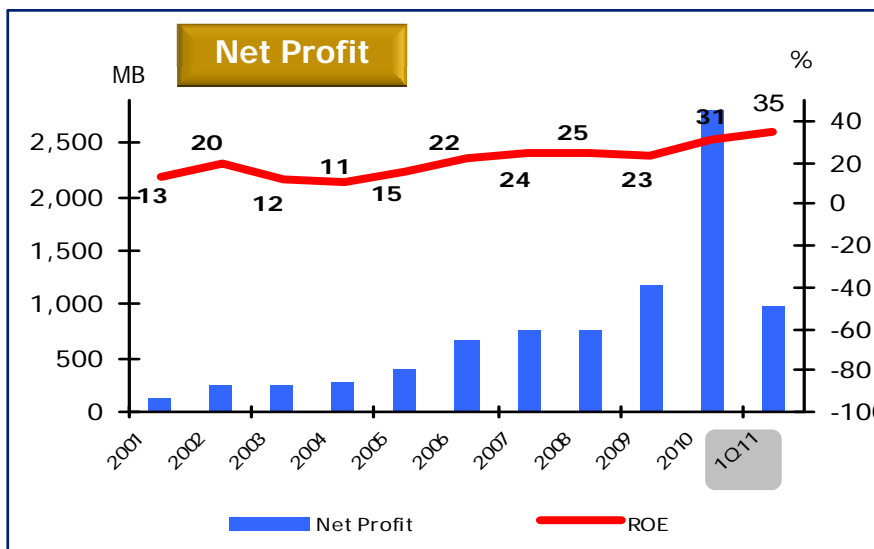
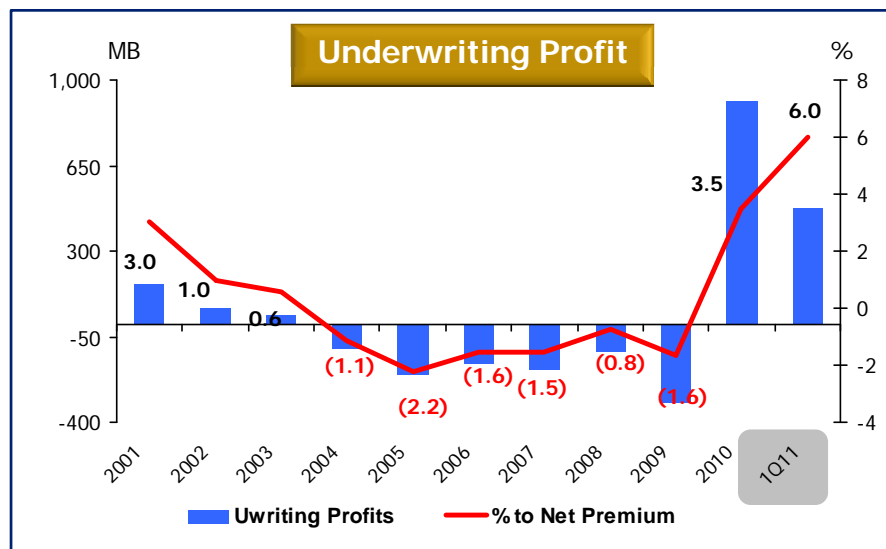
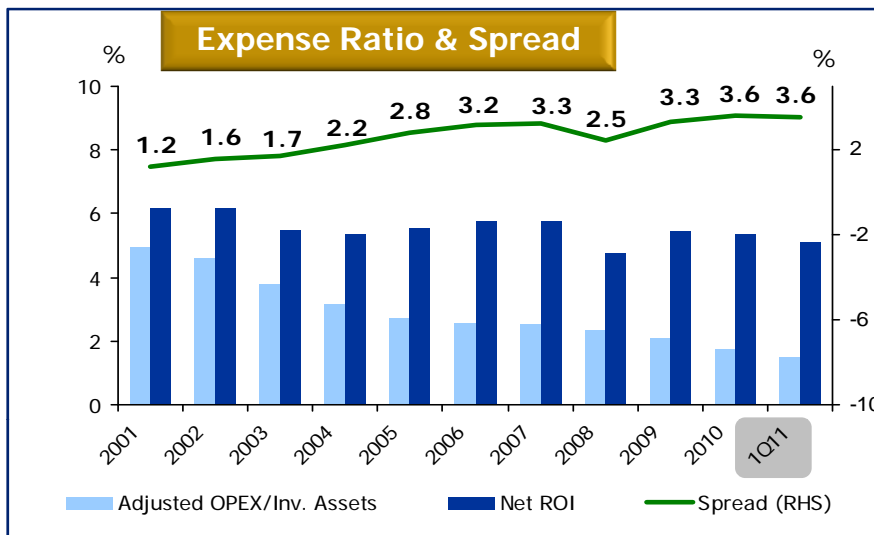
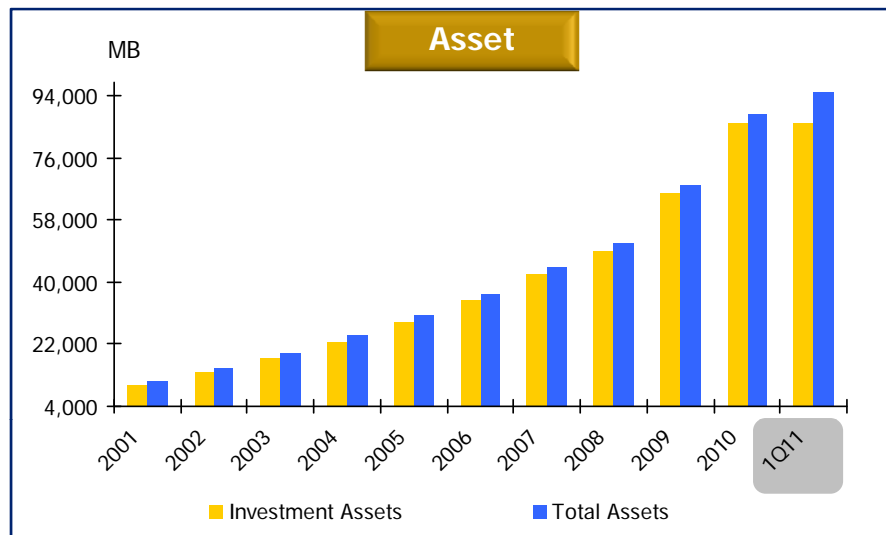
| | 1Q11 | 1Q10 | %YoY | 4Q10 | %QoQ |
|--------------------------|---------------|----------------|----------|---------------|--------|
| Net Premium | 7,861 | 6,818 | 15.30 | 8,051 | -2.36 |
| Inc. Policy Reserve | 4,743 | 4,256 | 11.44 | 4,686 | 1.22 |
| <i>% of net premium</i> | <i>60.34%</i> | <i>62.42%</i> | | <i>58.20%</i> | |
| Benefits Payment | 1,819 | 1,576 | 15.38 | 1,652 | 10.06 |
| <i>% of net premium</i> | <i>23.13%</i> | <i>23.12%</i> | | <i>20.52%</i> | |
| Commissions & Brokerages | 736 | 898 | -18.00 | 655 | 12.44 |
| <i>% of net premium</i> | <i>9.37%</i> | <i>13.17%</i> | | <i>8.14%</i> | |
| Sales Promotion Expenses | 85 | 115 | -26.14 | 46 | 85.56 |
| Total Underwriting Exp. | 7,388 | 6,849 | 7.86 | 7,043 | 4.89 |
| <i>% of net premium</i> | <i>93.98%</i> | <i>100.46%</i> | | <i>87.48%</i> | |
| Underwriting Income | 473 | -31 | 1,621.84 | 1,008 | -53.05 |

Operating Highlights - *continued*

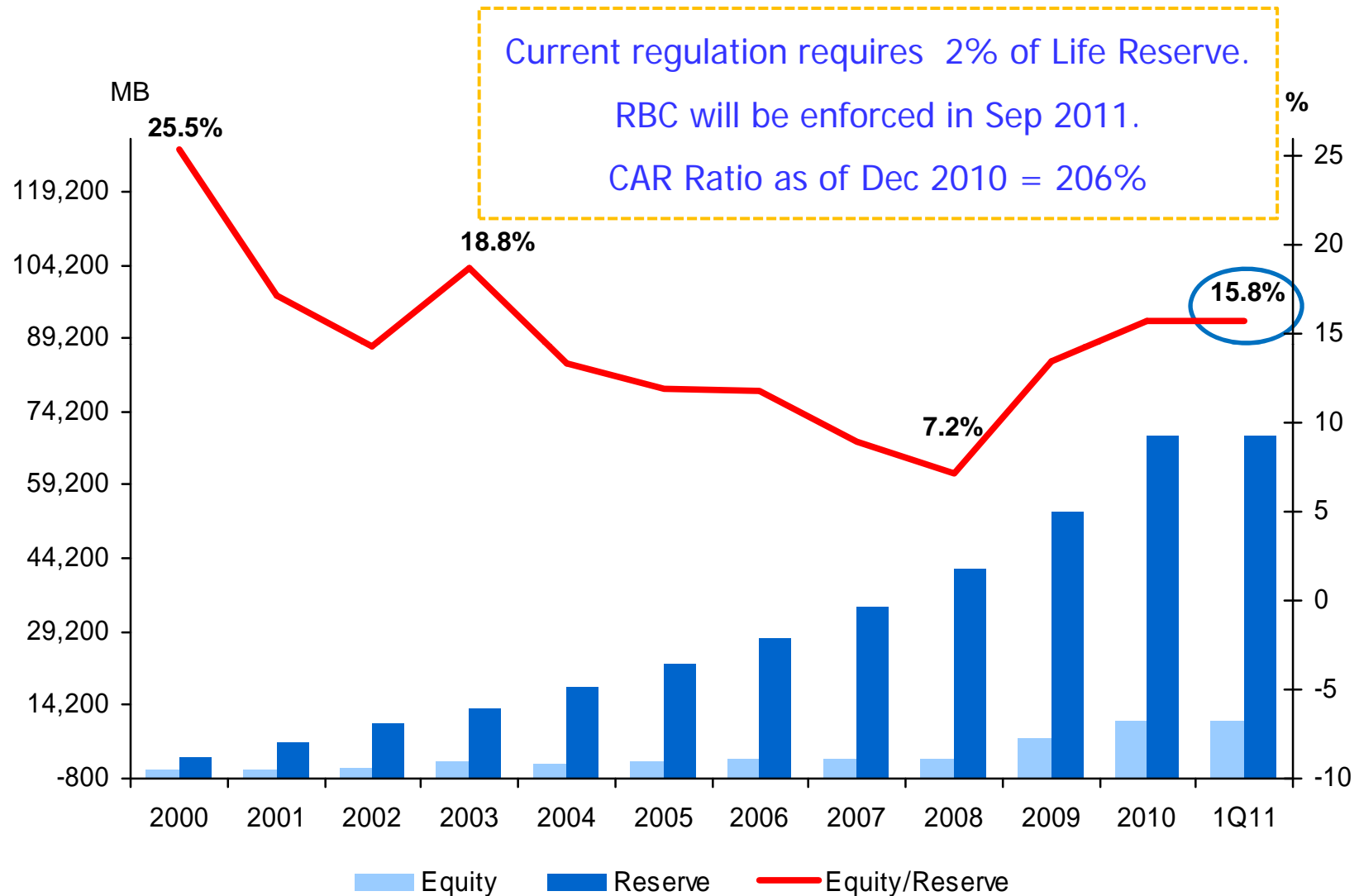


| | 1Q11 | 1Q10 | %YoY | 4Q10 | %QoQ |
|------------------------------|---------------|---------------|---------------|---------------|---------------|
| Dividends | 163 | 116 | 39.89 | 55 | 198.04 |
| Interest & Discount Received | 919 | 675 | 36.00 | 861 | 6.69 |
| Gains(Losses) on Securities | 37 | 87 | -57.71 | 165 | -77.75 |
| Total Investment Inc | 1,118 | 879 | 27.24 | 1,081 | 3.44 |
| Advanced Premium Exp. | 17 | 18 | -9.17 | 17 | -3.74 |
| Net Inv. Income & Other Inc. | 1,104 | 867 | 27.39 | 1,070 | 3.19 |
| <i>ROI</i> | 5.09% | 5.18% | | 5.30% | |
| Total Income on Und. & Inv. | 1,578 | 841 | 87.70 | 2,078 | -24.08 |
| Operating Expenses | 293 | 269 | 8.85 | 321 | -8.66 |
| <i>% of Net Premium</i> | 3.73% | 3.93% | | 3.98% | |
| Operating Profit | 1,285 | 571 | 124.83 | 1,757 | -26.90 |
| Earnings before tax | 1,265 | 545 | 132.11 | 1,715 | -26.23 |
| Income Tax | 278 | 104 | 166.42 | 415 | -33.07 |
| <i>% income tax rate</i> | 21.96% | 19.13% | | 24.21% | |
| Net Income | 987 | 441 | 123.99 | 1,299 | -24.02 |
| EPS | 0.82 | 0.37 | | 1.08 | |

Operating Highlights – *continued*



Capital Adequacy



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Market Ranking



Ranking – Ordinary Premium 1Q11

First Year Premium

| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|--------------|----------------|---------------|
| AIA | 2,689 | 21.70 | 3.20 |
| SCNYL | 1,739 | 14.03 | 7.76 |
| TLI | 1,669 | 13.47 | 8.19 |
| MTL | 1,604 | 12.94 | -11.25 |
| KTAL | 1,197 | 2.03 | 6.38 |
| BLA | 1,185 | 9.57 | -41.57 |
| AACP | 859 | 6.93 | 27.93 |
| ING | 417 | 3.37 | -10.62 |
| OLIC | 340 | 2.74 | 38.62 |
| PLT | 251 | 2.03 | 6.38 |
| Industry | 12,392 | 100.00 | -5.01 |

Total Premium

| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|--------------|----------------|--------------|
| AIA | 19,803 | 31.71 | 6.87 |
| TLI | 8,014 | 12.83 | 5.71 |
| BLA | 7,180 | 11.50 | 14.01 |
| MTL | 6,737 | 10.79 | 22.23 |
| SCNYL | 6,418 | 10.28 | 17.21 |
| KTAL | 4,034 | 6.46 | 30.97 |
| AACP | 3,725 | 5.96 | 19.11 |
| ING | 2,007 | 3.21 | 14.31 |
| OLIC | 1,018 | 1.63 | 38.41 |
| PLT | 818 | 1.31 | 32.63 |
| Industry | 62,450 | 100.00 | 13.08 |

Source : The Thai Life Assurance Association (Excludes single premium)

Ranking – All Type Premium 1Q11

First Year Premium

| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|--------------|----------------|---------------|
| AIA | 3,636 | 24.08 | 5.34 |
| SCNYL | 1,855 | 12.30 | 11.85 |
| TLI | 1,847 | 12.25 | 12.65 |
| MTL | 1,765 | 11.70 | -7.33 |
| KTAL | 1,334 | 8.85 | -14.28 |
| BLA | 1,302 | 8.67 | -39.14 |
| AACP | 1,138 | 7.55 | 29.30 |
| OLIC | 646 | 4.29 | 9.80 |
| ING | 438 | 2.91 | -8.60 |
| PLT | 256 | 1.70 | 0.01 |
| Industry | 15,077 | 100.00 | -1.82 |

Total Premium

| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|--------------|----------------|--------------|
| AIA | 21,224 | 29.98 | 7.04 |
| TLI | 8,736 | 12.34 | 6.04 |
| BLA | 7,605 | 10.74 | 13.51 |
| MTL | 7,354 | 10.39 | 22.63 |
| SCNYL | 6,934 | 9.80 | 18.65 |
| KTAL | 4,486 | 6.34 | 23.58 |
| AACP | 4,429 | 6.26 | 19.03 |
| OLIC | 2,953 | 4.17 | 10.52 |
| ING | 2,040 | 2.88 | -23.65 |
| PLT | 888 | 1.25 | 24.54 |
| Industry | 70,788 | 100.00 | 12.53 |

Source : The Thai Life Assurance Association (Excluded single premium)

Ranking – Bancassurance 1Q11

First Year Premium

| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|------------|----------------|---------------|
| SCNYL | 1,491 | 28.67 | 5.07 |
| MTL | 1,142 | 21.95 | -19.97 |
| BLA | 893 | 17.16 | -48.44 |
| KTAL | 689 | 13.25 | -18.17 |
| AACP | 305 | 5.86 | 77.33 |
| ING | 274 | 5.26 | 16.10 |
| PLT | 166 | 3.18 | 5.06 |
| TLI | 133 | 2.56 | 6.40 |
| ACE | 51 | 0.99 | -17.74 |
| TLA | 45 | 0.86 | 40.63 |
| Industry | 5,203 | 100.00 | -20.93 |

Total Premium

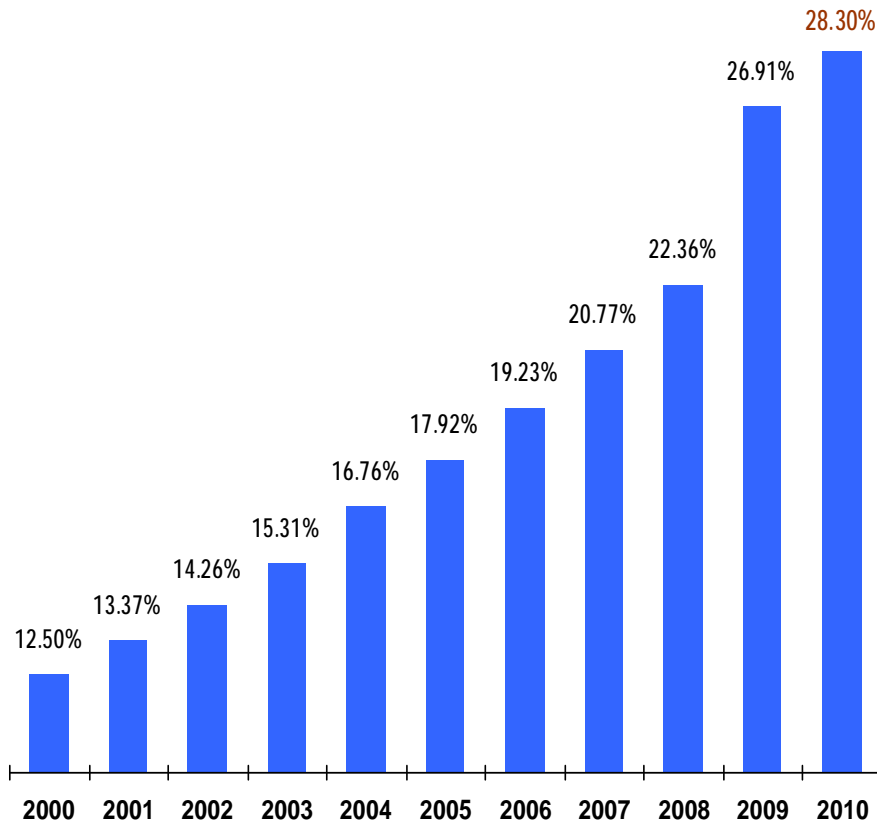
| Company | Mil. Baht | Mkt. Share (%) | % YoY |
|------------|--------------|----------------|--------------|
| SCNYL | 5,660 | 24.44 | 16.65 |
| BLA | 4,635 | 19.40 | 18.75 |
| MTL | 4,346 | 21.66 | 29.96 |
| KTAL | 2,406 | 10.77 | 32.49 |
| AACP | 746 | 2.90 | 60.43 |
| ING | 585 | 2.40 | 61.60 |
| PLT | 447 | 2.21 | 53.08 |
| SCI Life | 435 | 1.70 | -10.31 |
| AIA | 295 | 3.03 | -20.49 |
| TLA | 122 | 5.07 | 71.83 |
| Industry | 20,691 | 100.00 | 23.37 |

Source : The Thai Life Assurance Association (Excluded single premium)

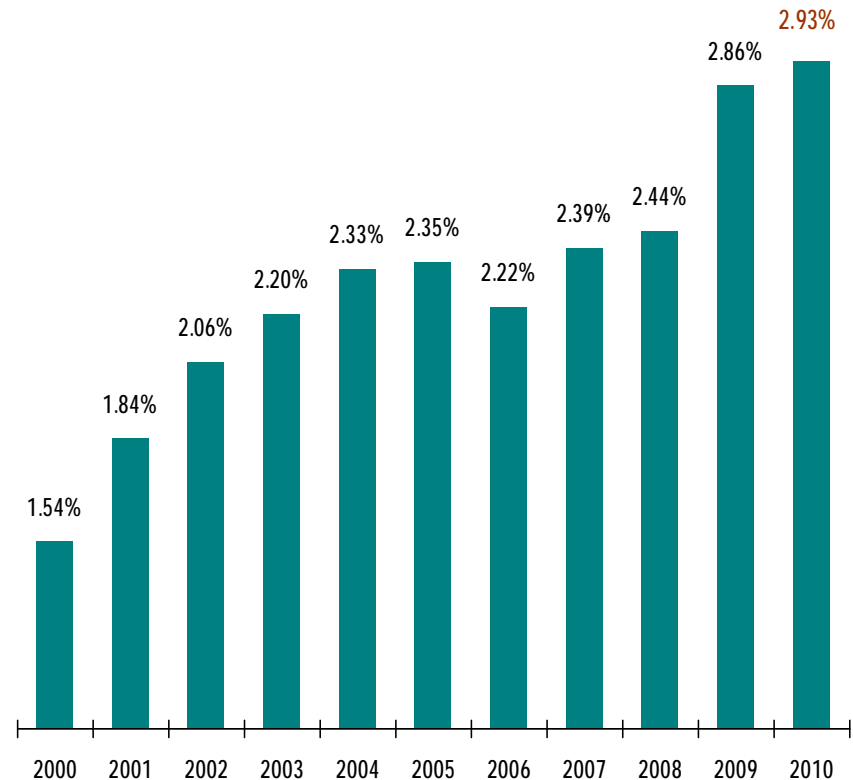
Penetration - Thailand



Number Policy per Population

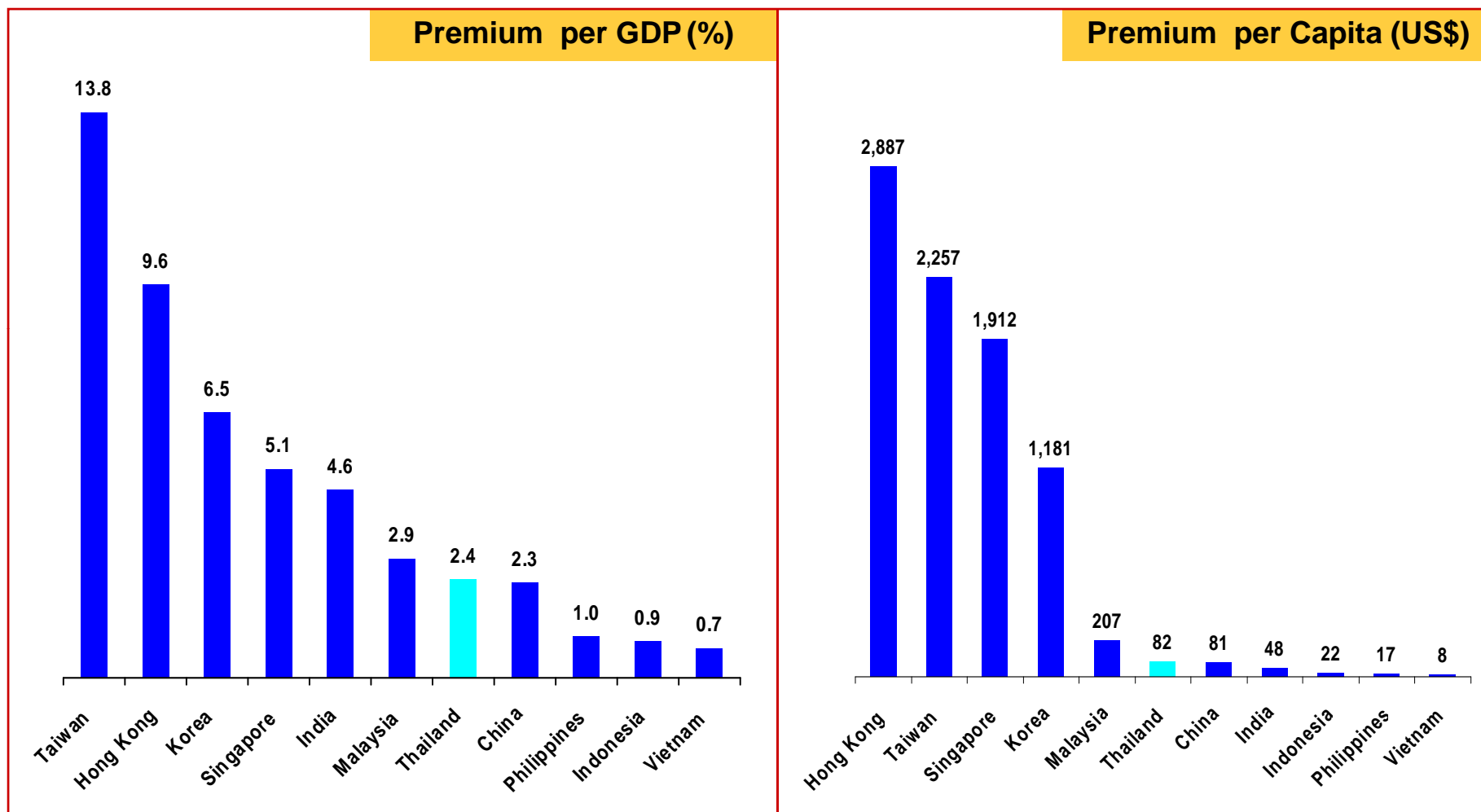


Premium per GDP



Source : The Thai Life Assurance Association

Penetration – Regional 2009



Source: Swiss Re, sigma No.2/2010., BOT, TLAA

Thank You
