

Analyst Meeting

“1Q2018 Results Update”

May 11, 2018

Analyst Meeting – *1Q2018 results*

Topics:

1. Results overview

K. Narin, SVP – Marketing Division

K. Annop, SVP – Research and Investment Risk Management Department

K. Jaruwat, SVP – Finance & Acct Division

2. Q & A

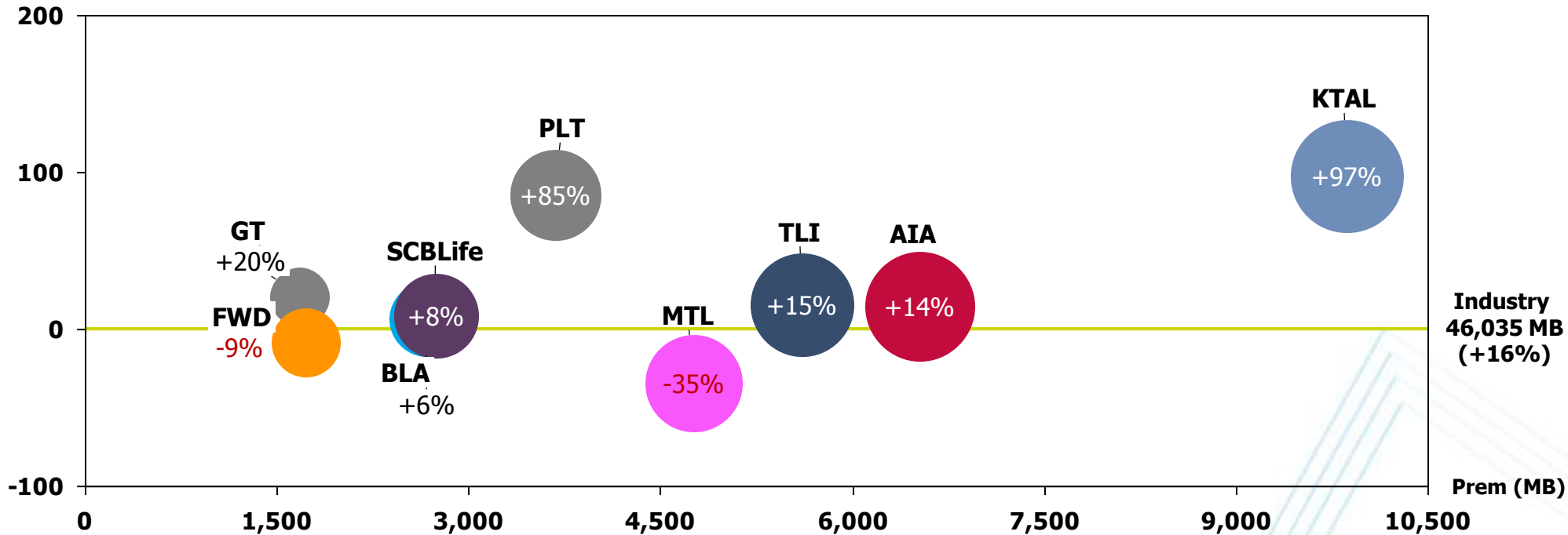
MARKETING

K. NARIN EKWONGVIRIYA
SVP – MARKETING DIVISION

Life Insurance in Jan-Mar 2018

Total industry FYP all types grew +16%. Growth was driven by Unit Link and S-T endowment products. BLA had +36% growth rate from ordinary exclude SP products while industry had -10% growth.

% Growth



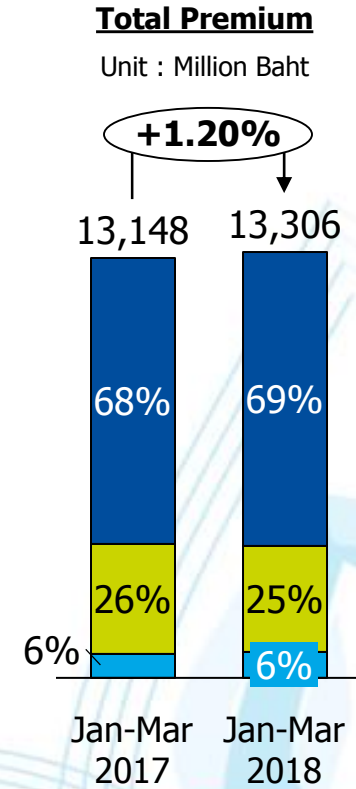
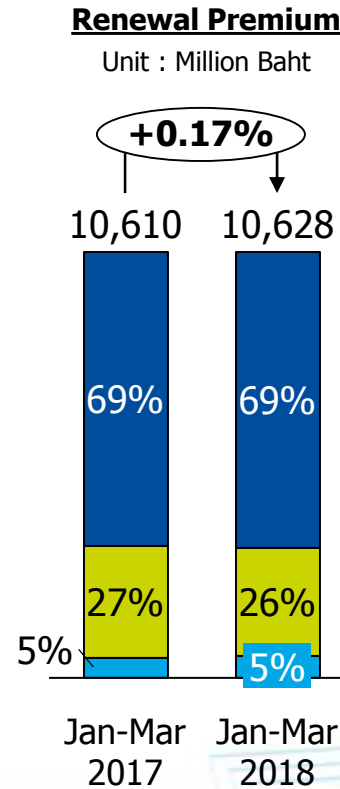
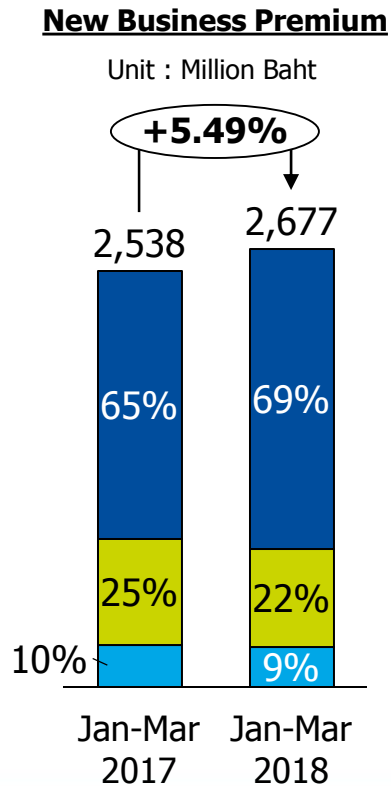
Source : www.tlaa.org

Jan-Mar 2018	KTAL	AIA	TLI	MTL	PLT	SCBLife	BLA	FWD	GT	Others
FYP&SP All Types	9,879.35	6,535.19	5,615.57	4,763.72	3,688.10	2,755.62	2,677.12	1,733.77	1,678.07	6,708.74
Market Share (%)	21.46%	14.20%	12.20%	10.35%	8.01%	5.99%	5.82%	3.77%	3.65%	14.57%

New Business and Total Premium Jan-Mar 2018

Overall FYP increased +5%. Bancassurance Channel increased 12%, the performance of bancassurance were resulted from the continued focus on long term protection and endowment long term products. Agent Channel decreased 7%, due to reduction endowment products. Others Channel decreased 4%.

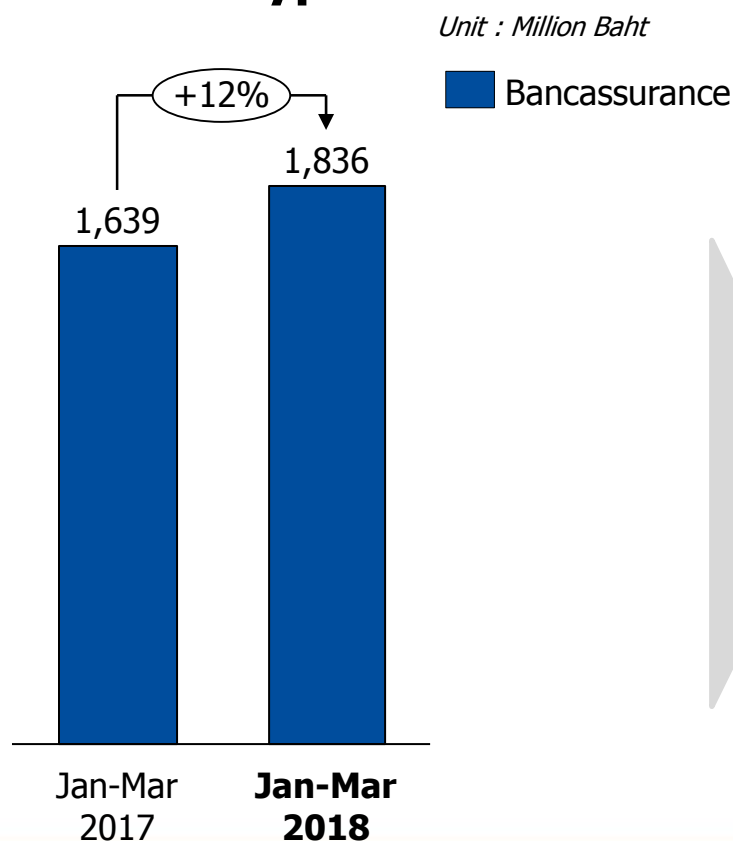
■ Bancassurance ■ Agent Channel ■ Others



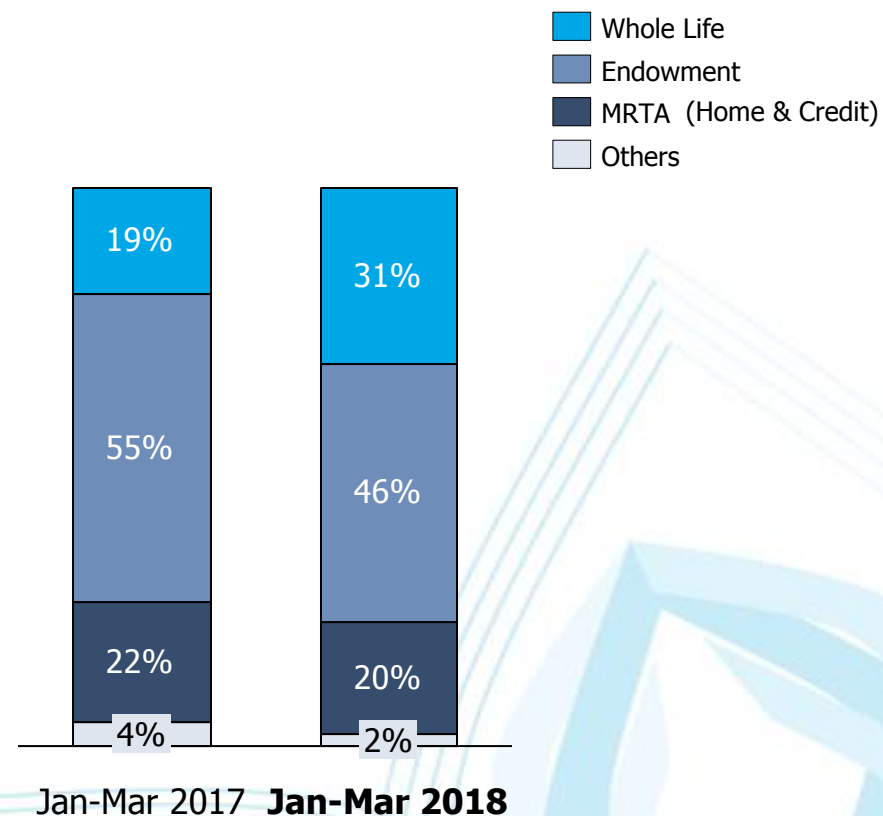
Product Mixed : Bancassurance Channel

Overall FYP from Bancassurance increased +12% from last year, due to high growth of whole life products with +86% growth and new endowment products. New Gain 1st 760 and Gain 1st Start up encouraged long term endowment growth to +18%.

New Business Premium All Types



Proportion (%)

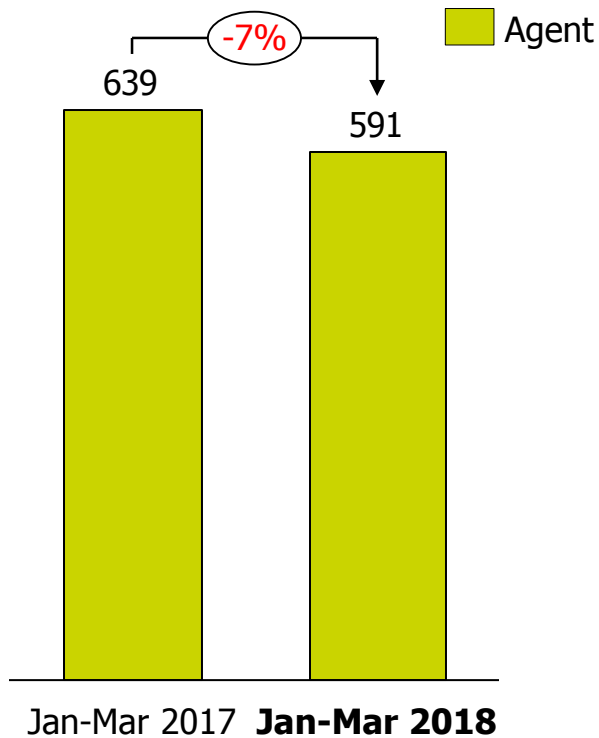


Product Mixed : Agent Channel

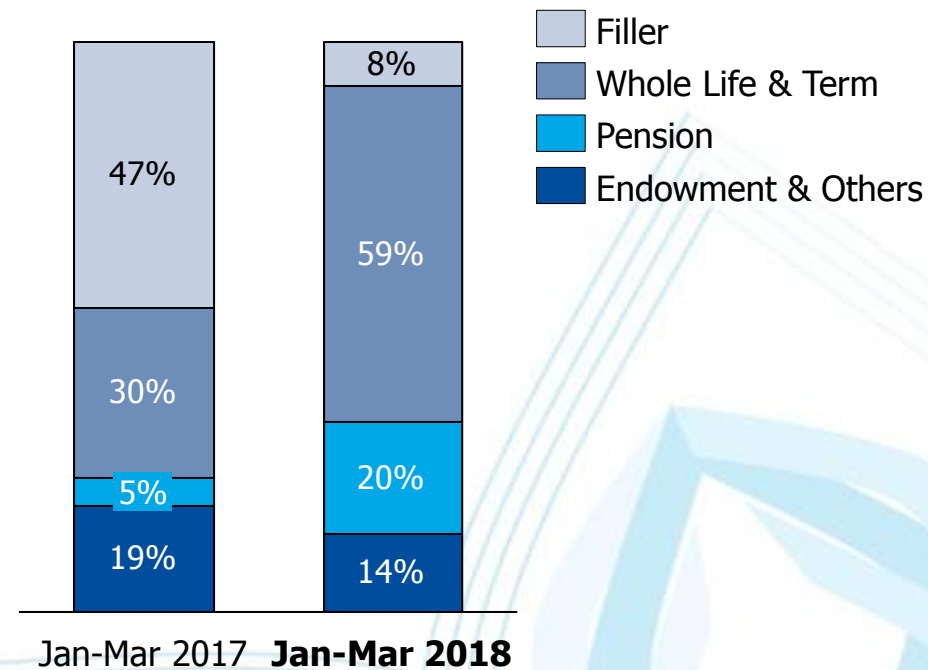
Agent channel premium decreased 7% in overall but whole life and term products grew up +81% .

New Business Premium All Types

Unit : Million Baht



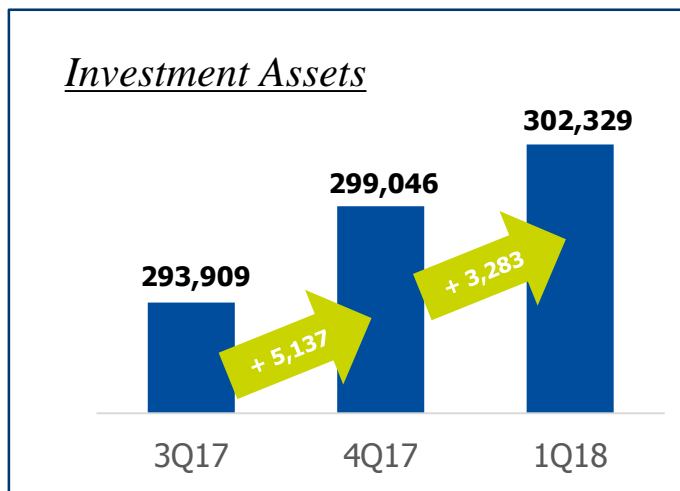
Proportion (%)



INVESTMENT

K. ANNOP UDOMPANICH
SVP, RESEARCH AND INVESTMENT
RISK MANAGEMENT DEPARTMENT

Investment Assets increase to 302,329 MB



- Investment assets +3,283 MB 1Q18
- Short term fund slightly declines to 4.48%, but remains at high level relative to normal level
- No significant change in portfolio allocation



Profile of Fixed Income Investments

(as of March 31, 2018)

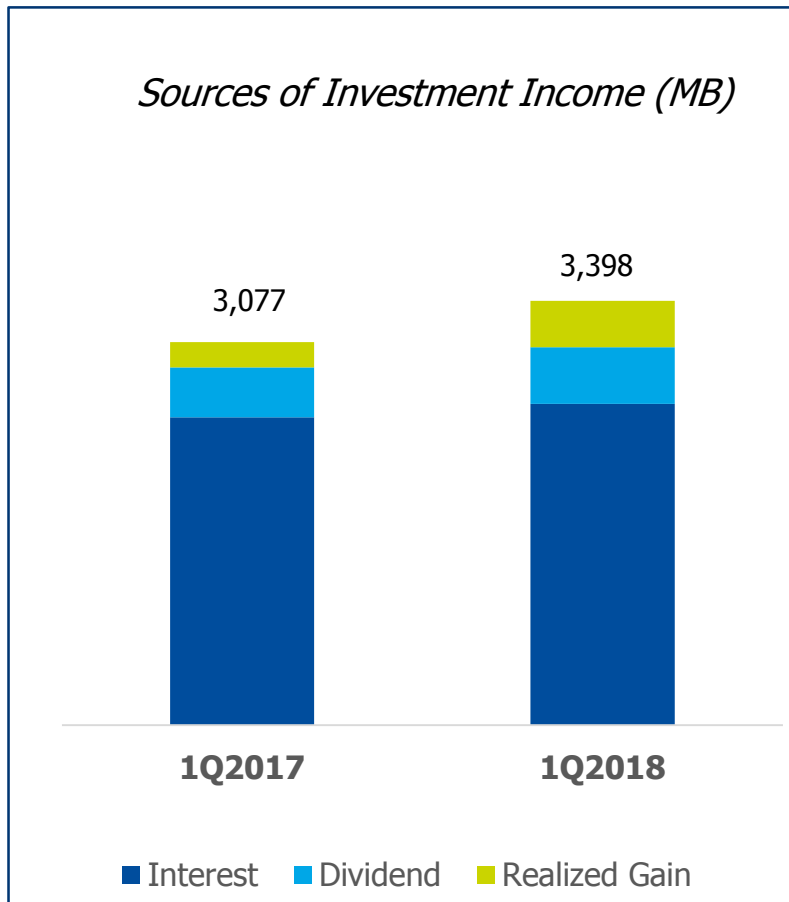
Duration of Fixed Income = 8.55
Duration of Liabilities = 8.55

Debenture (Avg. Life 6.02 years)	% on total debenture
Local currency rating	
AAA	6.27%
AA ⁻ to AA ⁺	19.88%
A ⁻ to A ⁺	41.12%
BBB ⁺	9.12%
International rating	
A ⁻ to A ⁺	7.56%
BBB to BBB ⁺	16.06%

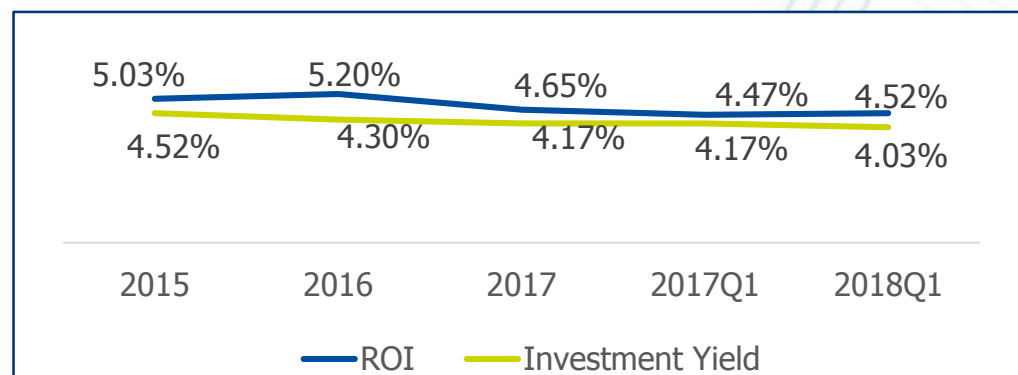
Investment Asset by Currency	% on Total Investment Asset
Baht Investment	90.27%
US\$ Investment	9.73%
Fixed income	6.71%
Equity	2.18%
Others	0.84%

Fixed income	% on Fixed income assets
<1 yr	6.03%
1-5 yrs	30.71%
6-10 yrs	25.27%
11-15 yrs	14.93%
> 16 yrs	23.07%

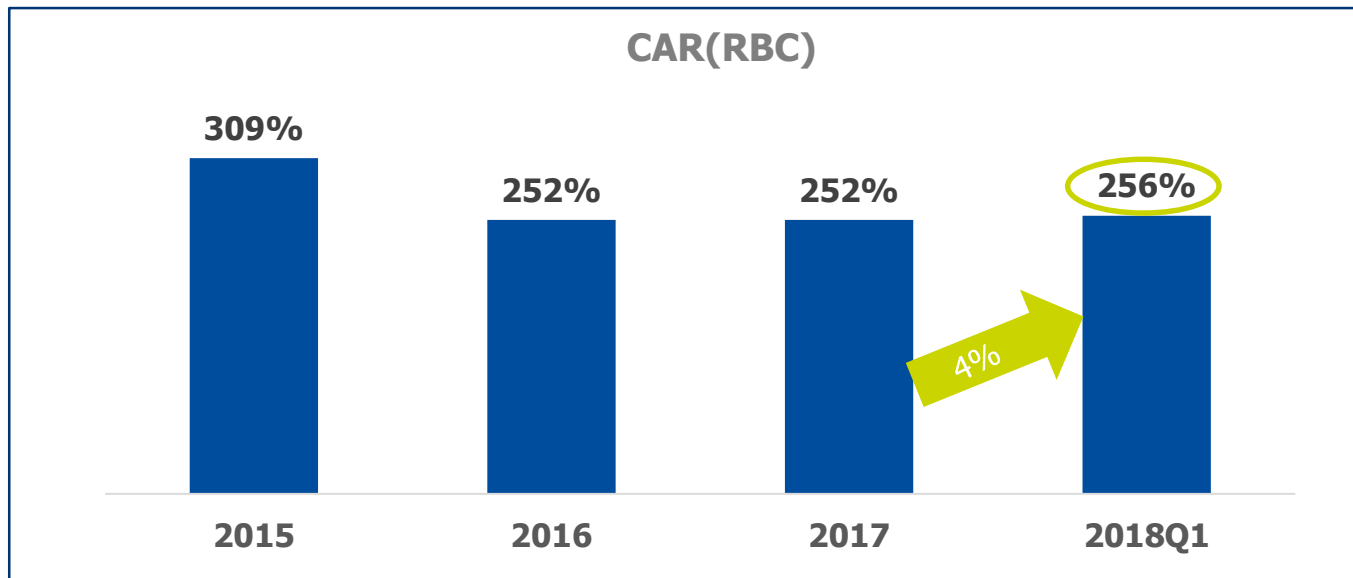
Investment income slightly increased with ROI 4.52%



- Accounting ROI is 4.52%, slightly higher than Q1 of last year due to higher realized gain
- Realized gains 375 MB in 1Q18 vs 202 MB in 1Q17
- Investment yield slightly decreases to 4.03%
- Interest income increases in line with growth of investment asset



Capital Adequacy Ratio (CAR) is 256%



- CAR 1Q2018 slightly increases to 256%
- Increase in interest rate has positive impact on CAR
- Future regulatory change (e.g. RBC 2) remains a concern to our future capital position

FINANCIAL RESULTS

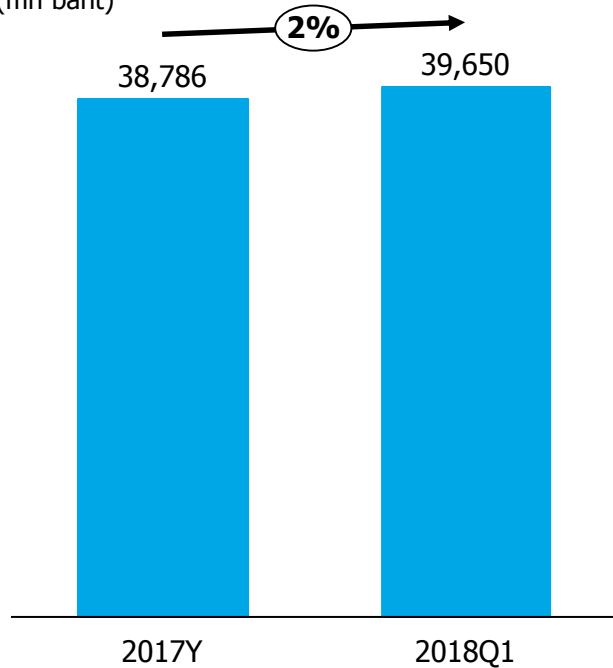
K. JARUWAN LIMKHUNTHAMMO

SVP – FINANCE & ACCOUNTING DIVISION

2018Q1, positive ROE of 17.9% due to NPAT 1,759 mn in 2018Q1

ROE

Equity(mn baht)



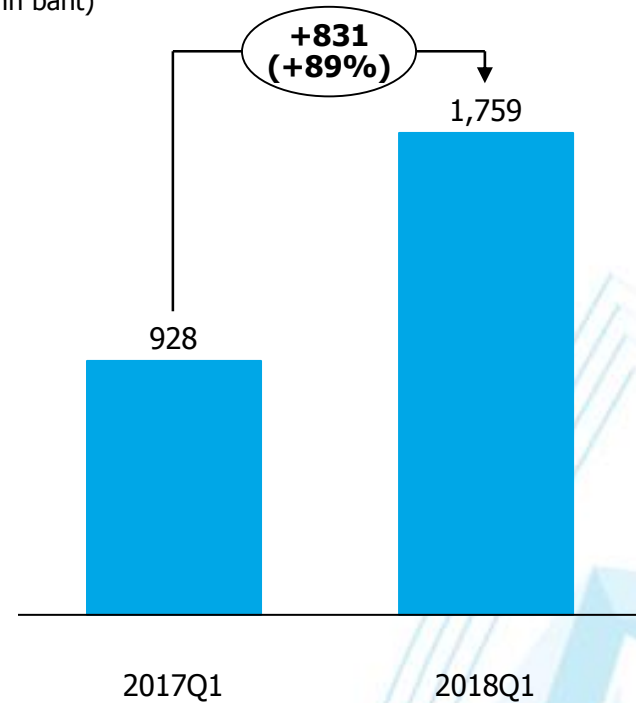
ROE

10.1%

17.9%

NPAT

NPAT(mn baht)



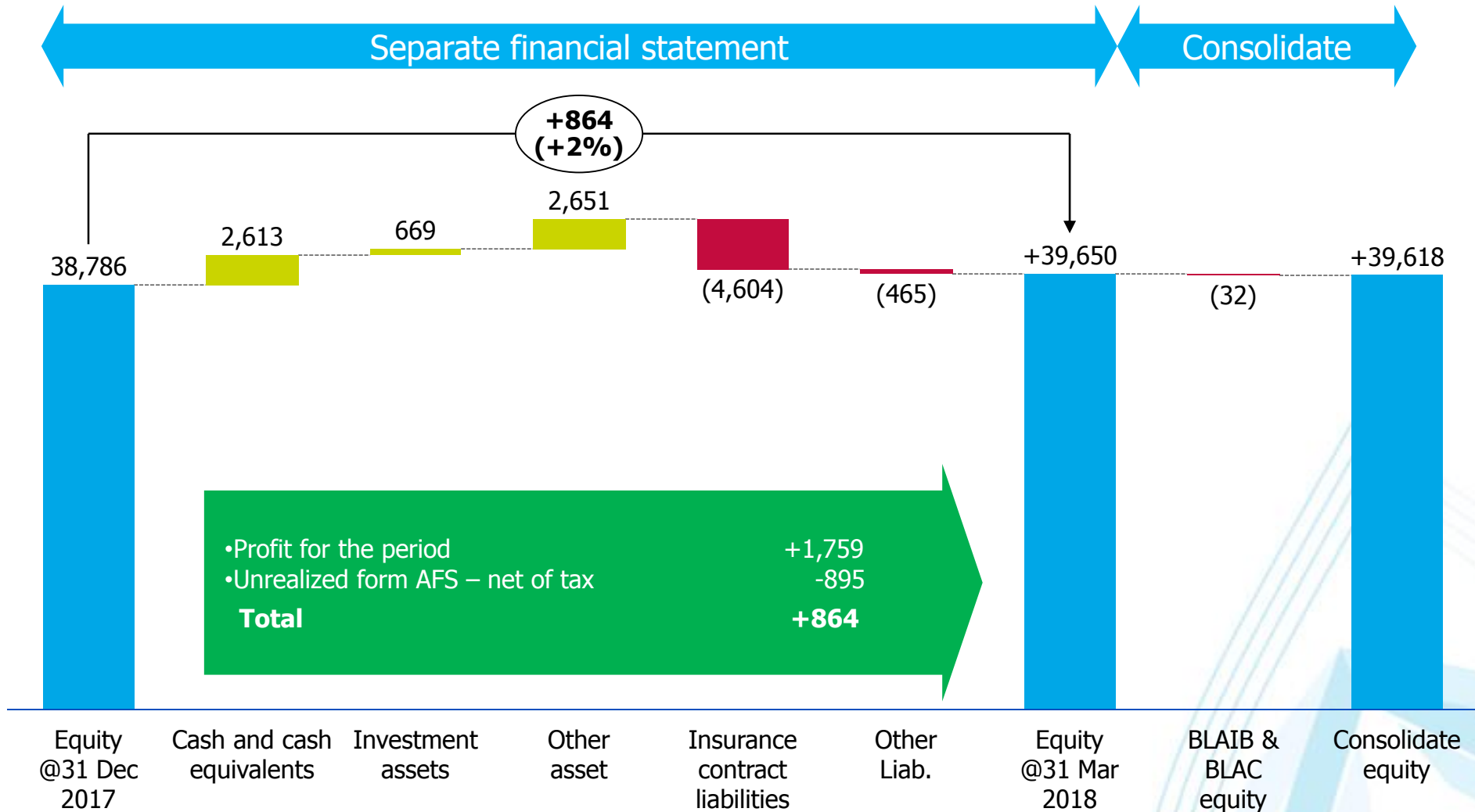
%Total income

5.9%

10.8%

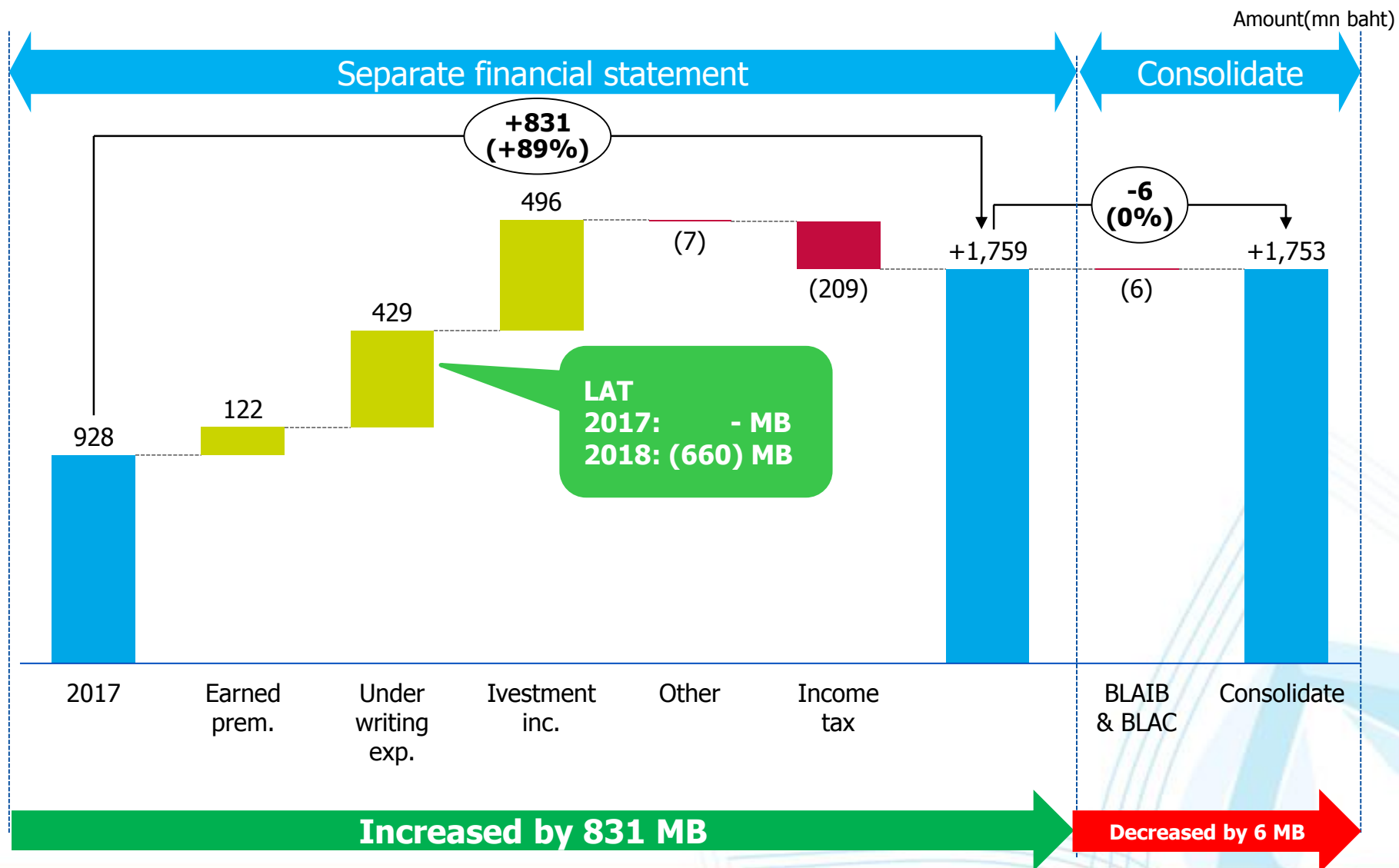
Note:-
Source: BLA financial statement

Equity movement from 31 December 2017 To 31 March 2018



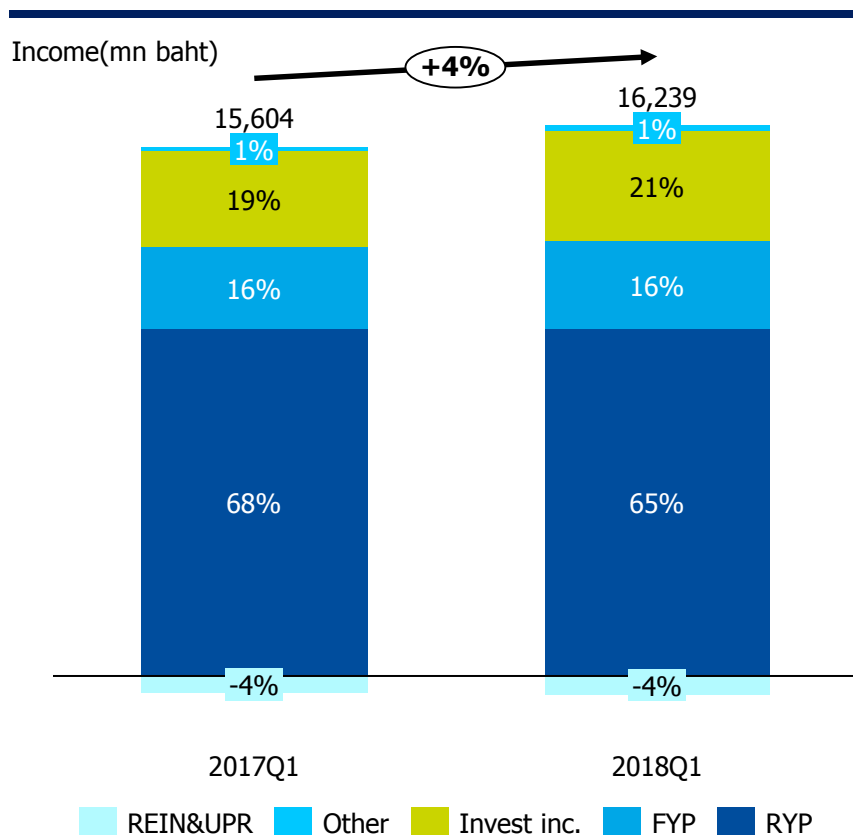
Note:-
Source: BLA financial statement

Profit for the three-month periods ended 31 March 2018

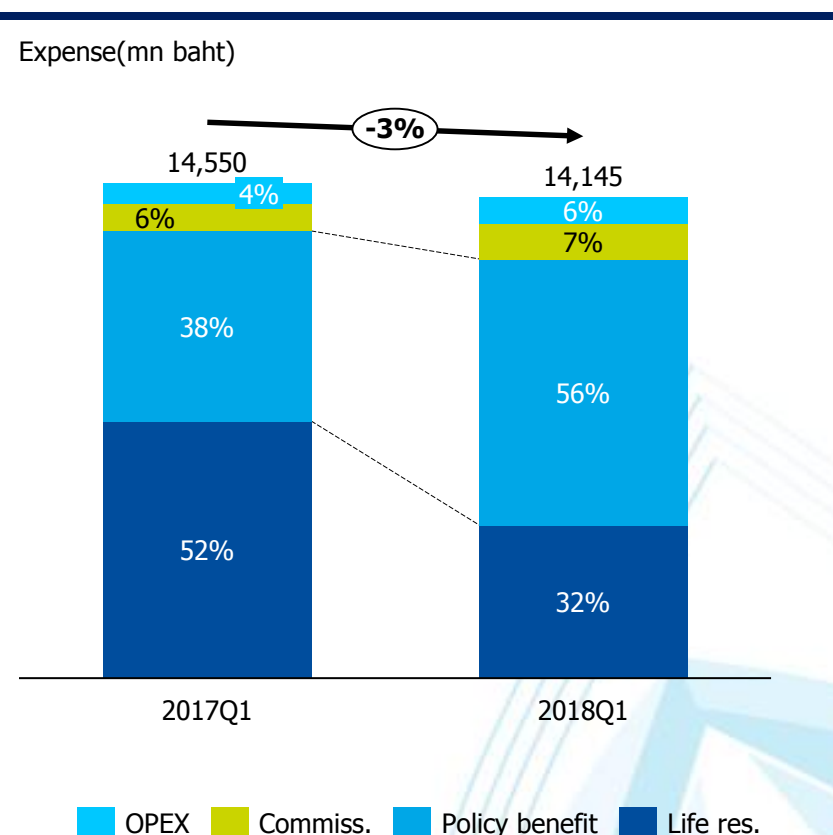


BLA had lower expense in 2018Q1 because decreased in life policy reserve

Total income



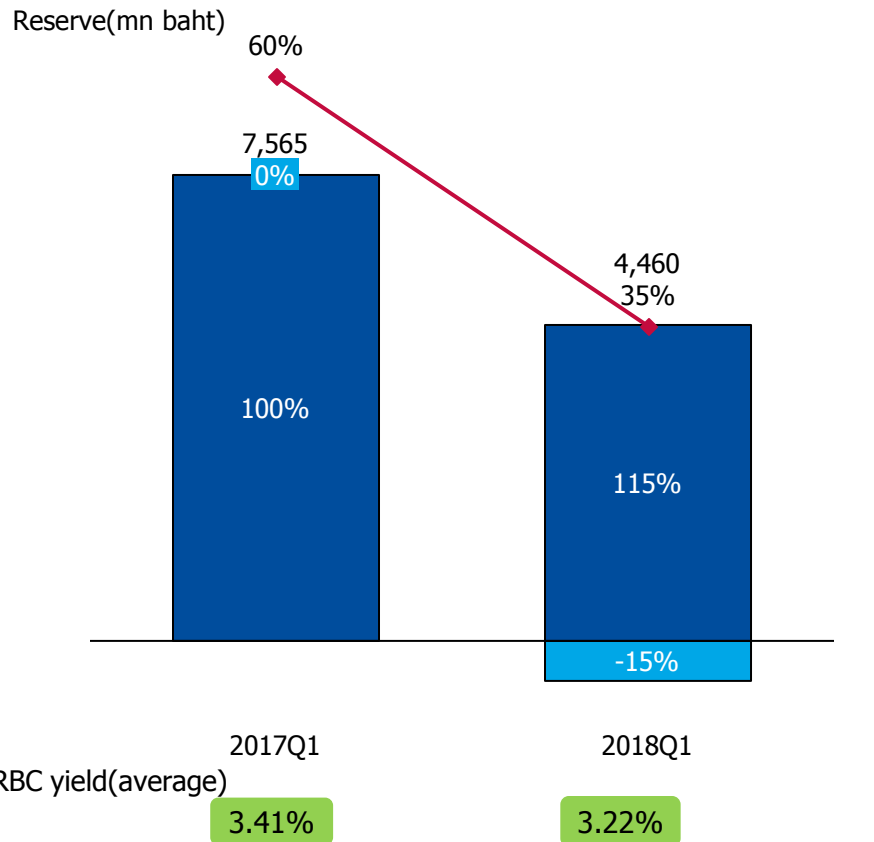
Total expense



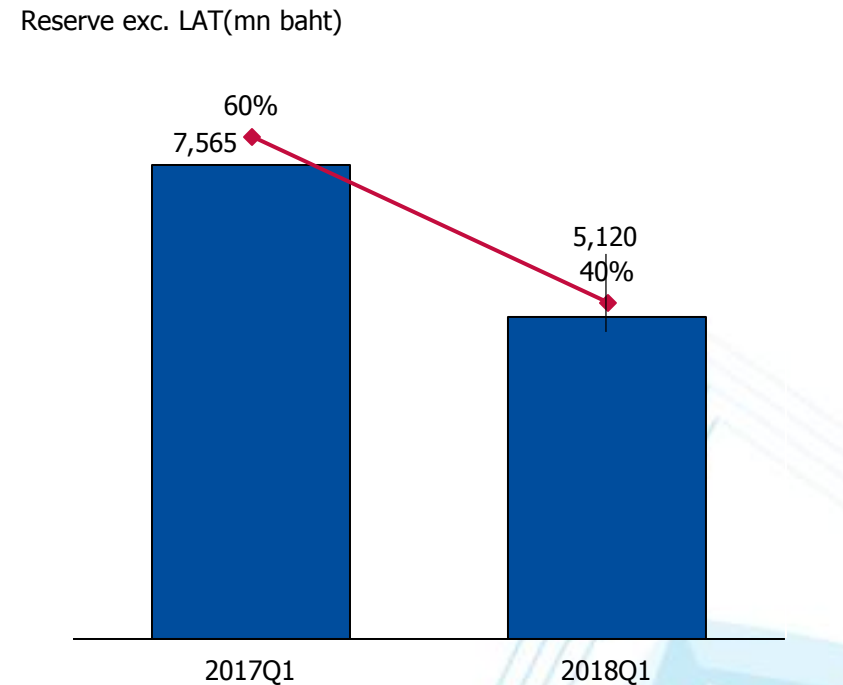
Note:-
Source: BLA financial statement

Life pol. reserve ratio in 2018Q1 was 35%

Life policy reserve



Life policy reserve exclude LAT



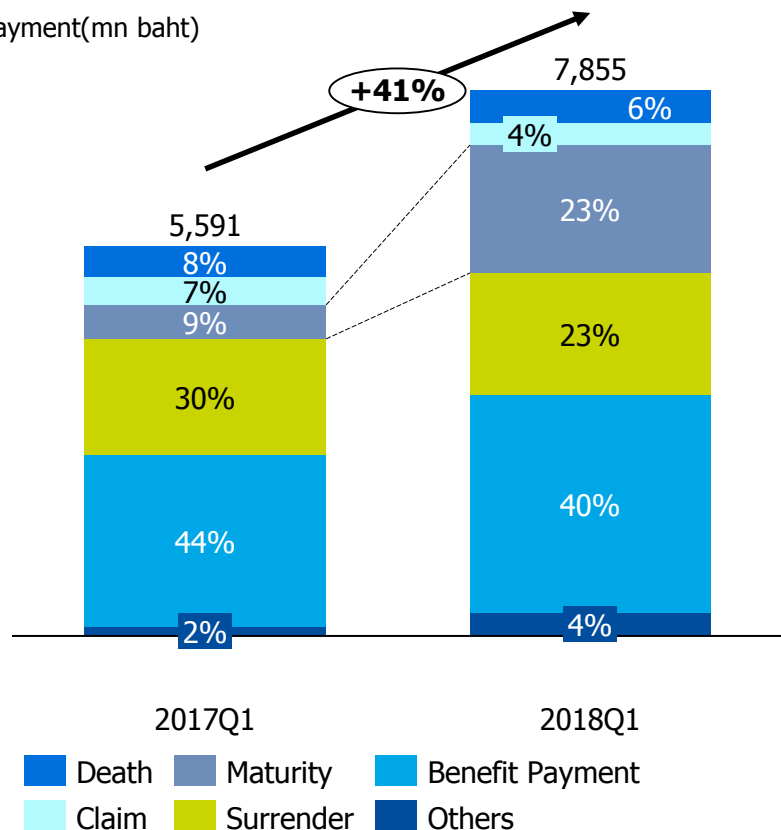
■ LAT ■ Reserve —◆— %net prem.

Note:-
Source: BLA financial statement

Q1, Policy benefit payment increased by 41% mainly from maturity

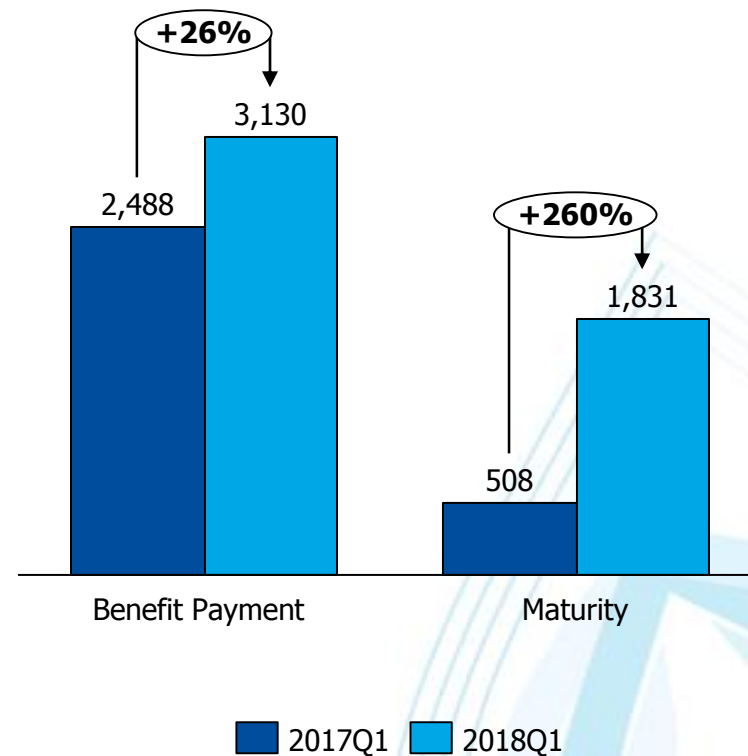
Policy benefit payment

payment(mn baht)



Major line item

payment(mn baht)



Source: BLA financial statement

Q & A





กรุงเทพประกันชีวิต

ชีวิตที่มีความสุขมากกว่า