

**Bangkok Life Assurance Public Company Limited
and its Subsidiary**

Interim financial statements
for the three-month and nine-month periods ended 30 September 2014
and
Independent auditor's report
on review of interim financial information

Independent auditor's report on review of interim financial information

To the Board of Directors of Bangkok Life Assurance Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Bangkok Life Assurance Public Company Limited and its Subsidiary, and of Bangkok Life Assurance Public Company Limited, respectively, as at 30 September 2014; the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2014, the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2014; and the condensed notes ("interim financial information"). 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 the 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".

Other Matter

The statement of financial position of Bangkok Life Assurance Public Company Limited as at 31 December 2013, which is included as comparative information, was audited by another auditor who expressed an unqualified opinion thereon in her report dated 19 February 2014. Furthermore, the statements of income, comprehensive income for the three-month and nine-month periods ended 30 September 2013, changes in equity and cash flows of Bangkok Life Assurance Public Company Limited for the nine-month period ended 30 September 2013, which are included as comparative information, were reviewed by another auditor who expressed an unmodified conclusion thereon in her report dated 13 November 2013.

(Chanchai Sakulkoedsin)
Certified Public Accountant
Registration No. 6827

KPMG Phoomchai Audit Ltd.
Bangkok
12 November 2014

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of financial position

Assets	Note	Consolidated	Separate	
		financial statements	financial statements	
		30 September 2014	30 September 2014	31 December 2013
		(Unaudited)	(Unaudited)	
			(in Baht)	
Cash and cash equivalents	4, 26	2,184,063,252	2,179,751,190	1,331,190,953
Accrued investment income		2,695,896,703	2,695,896,703	1,862,525,767
Premiums due and uncollected	5	2,143,322,855	2,143,322,855	1,839,665,535
Reinsurance receivables and assets	6, 26	816,280,631	816,280,631	790,087,943
Investments				
Investments in securities	7, 26, 27, 28			
Trading securities		19,247,760	19,247,760	100,057,865
Available-for-sale securities		23,137,368,794	23,137,368,794	20,187,669,759
Held-to-maturity securities		172,894,226,226	172,894,226,226	141,302,778,338
General investments		46,662,230	46,662,230	46,962,230
Loans	8, 26	4,323,346,537	4,323,346,537	3,525,693,845
Investment in subsidiary	3, 9	-	3,960,000	-
Premises and equipment	10	388,048,355	387,997,794	326,614,377
Goodwill	3	4,955,491	-	-
Intangible assets		14,347,434	14,347,434	19,447,445
Deferred tax assets	11	1,538,820,667	1,538,820,667	-
Other assets	26	221,646,570	223,908,588	462,620,007
Total assets		210,428,233,505	210,425,137,409	171,795,314,064

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of financial position

Liabilities and equity	Note	Consolidated	Separate	
		financial statements	financial statements	
		30 September 2014 (Unaudited)	30 September 2014 (Unaudited)	31 December 2013
			<i>(in Baht)</i>	
Liabilities				
Securities sold under repurchase agreements		-	-	950,000,000
Income tax payable		241,324,891	241,324,891	257,241,894
Due to reinsurers	12, 26	487,024,357	487,024,357	450,008,758
Insurance contract liabilities				
Life policy reserves	13	174,248,083,996	174,248,083,996	136,616,421,004
Unpaid policy benefits	14	91,464,742	91,464,742	102,106,322
Loss reserves and outstanding claims	15, 26	355,737,376	355,737,376	297,503,638
Premium reserves	16	1,132,959,971	1,132,959,971	1,021,135,062
Other insurance liabilities		7,528,421,648	7,528,421,648	7,379,616,691
Employee benefit obligations		313,744,689	313,744,689	299,382,694
Deferred tax liabilities	11	-	-	31,761,253
Other liabilities	17, 26	2,035,066,965	2,030,316,766	2,126,480,109
Total liabilities		186,433,828,635	186,429,078,436	149,531,657,425
Equity				
Share capital	18			
Authorised share capital				
1,220,000,000 ordinary shares of Baht 1 each		1,220,000,000	1,220,000,000	1,220,000,000
Issued and paid-up share capital				
1,212,648,000 ordinary shares of Baht 1 each (31 December 2013: 1,211,714,350 ordinary shares of Baht 1 each)		1,212,648,000	1,212,648,000	1,211,714,350
Share premium	18	2,857,921,268	2,857,921,268	2,846,250,643
Capital reserve on share - based payments	18	94,383,969	94,383,969	66,068,779
Subscriptions received in advance from exercises of warrants	18, 19, 25	1,377,000	1,377,000	1,246,050
Stock dividend under pending registration	25	482,324,638	482,324,638	-
Retained earnings				
Appropriated				
Legal reserve		122,000,000	122,000,000	122,000,000
General reserve		400,000,000	400,000,000	400,000,000
Unappropriated		12,448,960,406	12,450,637,568	13,225,119,255
Other components of equity				
Net fair value change in available-for-sale securities, net of income tax	7	6,374,766,530	6,374,766,530	4,391,257,562
Equity attributable to shareholders of the Company		23,994,381,811	23,996,058,973	22,263,656,639
Non-controlling interests		23,059	-	-
Total equity		23,994,404,870	23,996,058,973	22,263,656,639
Total liabilities and equity		210,428,233,505	210,425,137,409	171,795,314,064

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of income (Unaudited)

	<i>Note</i>	Consolidated	Separate	
		financial statements	financial statements	
		Three-month period ended 30 September 2014	Three-month period ended 30 September 2014	2013
			<i>(in Baht)</i>	
Revenues				
Net premiums earned	21, 26	7,245,410,408	7,245,410,408	8,371,996,102
Net investment income	26	2,385,722,356	2,385,722,356	1,909,293,067
Total revenues		9,631,132,764	9,631,132,764	10,281,289,169
Expenses				
Underwriting expenses	21			
Life policy reserve increase from the previous period		7,117,931,568	7,117,931,568	5,445,562,547
Benefits payments to life policyholders		2,317,679,628	2,317,679,628	2,129,788,497
Insurance claims and loss adjustment expenses	26	389,042,617	389,042,617	346,327,121
Commissions and brokerages	26	586,555,924	585,905,845	609,643,357
Sales promotional expenses		89,277,114	89,240,142	65,056,029
Other underwriting expenses	26	6,273,404	6,273,404	7,981,888
Operating expenses	22, 26	462,162,556	460,545,257	443,048,162
Total underwriting expenses		10,968,922,811	10,966,618,461	9,047,407,601
Profit (loss) from underwriting		(1,337,790,047)	(1,335,485,697)	1,233,881,568
Gain on investments		192,299,171	192,299,171	105,280,065
Loss on fair value changes	26	(29,937,760)	(29,937,760)	(17,280,479)
Other income	26	10,207,732	9,597,485	11,899,330
Profit (loss) from operation		(1,165,220,904)	(1,163,526,801)	1,333,780,484
Contribution to Office of Insurance Commission		12,198,679	12,198,679	13,822,415
Contribution to Life Guarantee Fund		7,375,682	7,375,682	8,497,667
Profit (loss) before income tax expense		(1,184,795,265)	(1,183,101,162)	1,311,460,402
Income tax expense (income)	23	(304,189,754)	(304,189,754)	210,501,500
Profit (loss) for the period		(880,605,511)	(878,911,408)	1,100,958,902
Profit (loss) attributable to				
Shareholders of the Company		(880,588,570)	(878,911,408)	1,100,958,902
Non-controlling interest		(16,941)	-	-
Profit (loss) for the period		(880,605,511)	(878,911,408)	1,100,958,902
Earnings (loss) per share (in Baht)				
	24			(Restated)
Basic earnings (loss) per share		(0.52)	(0.52)	0.65
Diluted earnings (loss) per share		(0.52)	(0.52)	0.65

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended 30 September		Three-month period ended 30 September	
<i>Note</i>	2014	2014	2013	
		<i>(in Baht)</i>		
Profit (loss) for the period	(880,605,511)	(878,911,408)	1,100,958,902	
Other comprehensive income	<i>7, 23</i>			
Net change in fair value on available-for-sale securities	755,795,210	755,795,210	(726,013,685)	
Income tax on other comprehensive income	(151,197,908)	(151,197,908)	145,202,737	
Other comprehensive income for the period, net of income tax	604,597,302	604,597,302	(580,810,948)	
Total comprehensive income for the period	(276,008,209)	(274,314,106)	520,147,954	
Total comprehensive income attributable to				
Shareholders of the Company	(275,991,268)	(274,314,106)	520,147,954	
Non-controlling interests	(16,941)	-	-	
Total comprehensive income for the period	(276,008,209)	(274,314,106)	520,147,954	

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of income (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September 2014	30 September 2013	2014 <i>(in Baht)</i>	2013
Revenues					
Net premiums earned	21, 26	43,725,904,349	43,725,904,349	30,445,497,127	
Net investment income	26	6,552,928,785	6,552,928,785	5,287,890,874	
Total revenues		50,278,833,134	50,278,833,134	35,733,388,001	
Expenses					
Underwriting expenses	21				
Life policy reserve increase from the previous period		37,631,662,992	37,631,662,992	21,206,652,521	
Benefits payments to life policyholders		7,885,982,178	7,885,982,178	6,073,072,823	
Insurance claims and loss adjustment expenses	26	1,033,180,247	1,033,180,247	964,128,084	
Commissions and brokerages	26	2,206,260,948	2,205,610,869	2,115,028,643	
Sales promotional expenses		265,494,391	265,457,419	245,981,416	
Other underwriting expenses	26	20,065,374	20,065,374	22,140,033	
Operating expenses	22, 26	1,361,442,137	1,359,824,838	1,299,806,289	
Total underwriting expenses		50,404,088,267	50,401,783,917	31,926,809,809	
Profit (loss) from underwriting		(125,255,133)	(122,950,783)	3,806,578,192	
Gain on investments		560,059,400	560,059,400	505,336,735	
Loss on fair value changes	26	(60,175,109)	(60,175,109)	(59,525,173)	
Other income	26	27,529,908	26,919,661	27,082,934	
Profit from operation		402,159,066	403,853,169	4,279,472,688	
Contribution to Office of Insurance Commission		72,798,659	72,798,659	55,405,212	
Contribution to Life Guarantee Fund		44,272,445	44,272,445	30,937,395	
Profit before income tax expense		285,087,962	286,782,065	4,193,130,081	
Income tax expense (income)	23	(99,133,691)	(99,133,691)	717,433,865	
Profit for the period		384,221,653	385,915,756	3,475,696,216	
Profit (loss) attributable to					
Shareholders of the Company		384,238,594	385,915,756	3,475,696,216	
Non-controlling interest		(16,941)	-	-	
Profit for the period		384,221,653	385,915,756	3,475,696,216	
Earnings per share (in Baht)					
	24			(Restated)	
Basic earnings per share		0.23	0.23	2.05	
Diluted earnings per share		0.23	0.23	2.05	

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended	Nine-month period ended	Nine-month period ended	Nine-month period ended
30 September	30 September	30 September	30 September	
<i>Note</i>	2014	2014	2013	
	<i>(in Baht)</i>			
Profit for the period	384,221,653	385,915,756	3,475,696,216	
Other comprehensive income	7, 23			
Net change in fair value on available-for-sale securities	2,479,386,210	2,479,386,210	(179,785,160)	
Income tax on other comprehensive income	(495,877,242)	(495,877,242)	35,957,032	
Other comprehensive income for the period, net of income tax	1,983,508,968	1,983,508,968	(143,828,128)	
Total comprehensive income for the period	2,367,730,621	2,369,424,724	3,331,868,088	
Total comprehensive income attributable to				
Shareholders of the Company	2,367,747,562	2,369,424,724	3,331,868,088	
Non-controlling interests	(16,941)	-	-	
Total comprehensive income for the period	2,367,730,621	2,369,424,724	3,331,868,088	

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of changes in equity (Unaudited)

	Consolidated financial statements												
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments	Subscriptions received in advance from exercise of warrants	Stock dividend under pending registration	Retained earnings			Other components of equity	Equity attributable to shareholders of the Company	Non-controlling interests	Total equity
							Legal reserve	General reserve	Unappropriated	Net fair value change in available-for-sale securities			
<i>(in Baht)</i>													
Nine-month period ended 30 September 2014													
Balance at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779	1,246,050	-	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639	-	22,263,656,639
Transactions with shareholders, recorded directly in equity													
<i>Contributions by and distributions to shareholders of the Company</i>													
Share-based payments	18	-	-	28,315,190	-	-	-	-	-	-	28,315,190	-	28,315,190
Share capital increase as result of warrant exercises	18	933,650	11,670,625	-	(1,246,050)	-	-	-	-	-	11,358,225	-	11,358,225
Subscriptions received in advance from exercises of warrants	18, 19	-	-	-	1,377,000	-	-	-	-	-	1,377,000	-	1,377,000
Stock dividend under pending registration	25	-	-	-	-	482,324,638	-	-	(482,324,638)	-	-	-	-
Dividend to shareholders of the Company	25	-	-	-	-	-	-	-	(678,072,805)	-	-678,072,805	-	(678,072,805)
Total contributions by and distributions to shareholders of the Company		933,650	11,670,625	28,315,190	130,950	482,324,638	-	-	(1,160,397,443)	-	(637,022,390)	-	(637,022,390)
<i>Changes in ownership interests in subsidiary</i>													
Acquisition of non-controlling interests without a change in control	3, 9	-	-	-	-	-	-	-	-	-	-	40,000	40,000
Total changes in ownership interests in subsidiary		-	-	-	-	-	-	-	-	-	-	40,000	40,000
Total transactions with owners, recorded directly in equity		933,650	11,670,625	28,315,190	130,950	482,324,638	-	-	(1,160,397,443)	-	(637,022,390)	40,000	(636,982,390)
Comprehensive income for the period													
Profit		-	-	-	-	-	-	-	384,238,594	-	384,238,594	(16,941)	384,221,653
Other comprehensive income													
Net change in fair value on available-for-sale securities, net of income tax		-	-	-	-	-	-	-	-	1,983,508,968	1,983,508,968	-	1,983,508,968
Total comprehensive income for the period		-	-	-	-	-	-	-	384,238,594	1,983,508,968	2,367,747,562	(16,941)	2,367,730,621
Balance at 30 September 2014		1,212,648,000	2,857,921,268	94,383,969	1,377,000	482,324,638	122,000,000	400,000,000	12,448,960,406	6,374,766,530	23,994,381,811	23,059	23,994,404,870

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of changes in equity (Unaudited)

	Note	Separate financial statements							Other components of equity Net fair value change in available-for-sale securities	Total equity
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payments	Subscriptions received in advance from exercise of warrants	Retained earnings				
						Legal reserve <i>(in Baht)</i>	General reserve	Unappropriated		
Nine-month period ended 30 September 2013										
Balance at 1 January 2013		1,204,771,855	2,759,469,456	28,315,191	35,477,257	122,000,000	400,000,000	9,761,362,477	5,153,372,833	19,464,769,069
Transactions with shareholders, recorded directly in equity										
<i>Contributions by and distributions to shareholders of the Company</i>										
Share-based payments	18	-	-	28,315,191	-	-	-	-	-	28,315,191
Share capital increase as result of warrant exercises	18	6,828,495	85,356,187	-	(35,477,257)	-	-	-	-	56,707,425
Subscriptions received in advance from exercises of warrants	18, 19	-	-	-	1,539,000	-	-	-	-	1,539,000
Dividend to shareholders of the Company	25	-	-	-	-	-	-	(916,747,337)	-	(916,747,337)
Total contributions by and distributions to shareholders of the Company		6,828,495	85,356,187	28,315,191	(33,938,257)	-	-	(916,747,337)	-	(830,185,721)
Comprehensive income for the period										
Profit		-	-	-	-	-	-	3,475,696,216	-	3,475,696,216
Other comprehensive income										
Net change in fair value on available-for-sale securities, net of income tax		-	-	-	-	-	-	-	(143,828,128)	(143,828,128)
Total comprehensive income for the period		-	-	-	-	-	-	3,475,696,216	(143,828,128)	3,331,868,088
Balance at 30 September 2013		1,211,600,350	2,844,825,643	56,630,382	1,539,000	122,000,000	400,000,000	12,320,311,356	5,009,544,705	21,966,451,436

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of changes in equity (Unaudited)

	Note	Separate financial statements							Other components		Total equity
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payments	Subscriptions received in advance from exercise of warrants	Stock dividend under pending registration	Retained earnings			Net fair value change in available-for-sale securities	
							Legal reserve	General reserve	Unappropriated		
(in Baht)											
Nine-month period ended 30 September 2014											
Balance at 1 January 2014		1,211,714,350	2,846,250,643	66,068,779	1,246,050	-	122,000,000	400,000,000	13,225,119,255	4,391,257,562	22,263,656,639
Transactions with shareholders, recorded directly in equity											
<i>Contributions by and distributions to shareholders of the Company</i>											
Share-based payments	18	-	-	28,315,190	-	-	-	-	-	-	28,315,190
Share capital increase as result of warrant exercises	18	933,650	11,670,625	-	(1,246,050)	-	-	-	-	-	11,358,225
Subscriptions received in advance from exercises of warrants	18, 19	-	-	-	1,377,000	-	-	-	-	-	1,377,000
Stock dividend under pending registration	25	-	-	-	-	482,324,638	-	-	(482,324,638)	-	-
Dividend to shareholders of the Company	25	-	-	-	-	-	-	-	(678,072,805)	-	(678,072,805)
Total contributions by and distributions to shareholders of the Company		933,650	11,670,625	28,315,190	130,950	482,324,638	-	-	(1,160,397,443)	-	(637,022,390)
Comprehensive income for the period											
Profit		-	-	-	-	-	-	-	385,915,756	-	385,915,756
Other comprehensive income											
Net change in fair value on available-for-sale securities, net of income tax		-	-	-	-	-	-	-	-	1,983,508,968	1,983,508,968
Total comprehensive income for the period		-	-	-	-	-	-	-	385,915,756	1,983,508,968	2,369,424,724
Balance at 30 September 2014		1,212,648,000	2,857,921,268	94,383,969	1,377,000	482,324,638	122,000,000	400,000,000	12,450,637,568	6,374,766,530	23,996,058,973

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of cash flows (Unaudited)

	Consolidated		Separate financial statements	
	financial statements			
	Nine-month period ended	Nine-month period ended	Nine-month period ended	
<i>Note</i>	30 September	30 September		
	2014	2014	2013	
		<i>(in Baht)</i>		
<i>Cash flows from operating activities</i>				
Net premiums written	43,188,860,530	43,188,860,530	29,818,984,584	
Interest received	4,880,446,067	4,880,446,067	4,002,409,576	
Dividends received	839,111,783	839,111,783	668,141,117	
Other investment income	993,009,687	993,009,687	546,745,927	
Other income	27,062,008	27,062,008	27,190,953	
Benefits payments to life policyholders and insurance claims and loss adjustment expenses	(8,506,583,549)	(8,506,583,549)	(6,517,143,671)	
Dividends on insurance policies	-97,374,481	-97,374,481	-104,677,000	
Commissions and brokerages	(2,281,343,361)	(2,281,343,361)	(2,171,796,212)	
Other underwriting expenses	(336,481,440)	(336,481,440)	(266,766,026)	
Operating expenses	(1,185,795,885)	(1,185,795,885)	(1,254,027,440)	
Other expenses	(119,604,762)	(127,576,824)	(93,900,752)	
Income tax paid	(1,983,242,474)	(1,983,242,474)	(1,522,128,002)	
Net cash provided by operating activities	35,418,064,123	35,410,092,061	23,133,033,054	
<i>Cash flows from investing activities</i>				
Cash flows provided by:				
Investments in securities	13,976,151,994	13,976,151,994	30,603,986,512	
Loans	741,898,084	741,898,084	517,394,800	
Deposit in financial institution	580,000,000	580,000,000	70,000,000	
Premises and equipment	33,988	33,988	20,039	
Cash from investing activities	15,298,084,066	15,298,084,066	31,191,401,351	
Cash flow used in:				
Investments in securities	(46,787,879,879)	(46,787,879,879)	(52,745,394,211)	
Loans	(1,260,927,079)	(1,260,927,079)	(828,782,574)	
Deposit in financial institution	(150,000,000)	(150,000,000)	(110,000,000)	
Premises and equipment	(107,869,909)	(107,869,909)	(47,066,001)	
Net cash outflow on acquisition of subsidiary	(3,660,000)	-	-	
Cash used in investing activities	(48,310,336,867)	(48,306,676,867)	(53,731,242,786)	
Net cash used in investing activities	(33,012,252,801)	(33,008,592,801)	(22,539,841,435)	

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
Statement of cash flows (Unaudited)

	<i>Note</i>	Consolidated	Separate financial statements	
		financial statements	Nine-month period ended	
		Nine-month period ended 30 September 2014	2014	2013
<i>(in Baht)</i>				
<i>Cash flows from financing activities</i>				
Proceeds from share capital increase as a result of warrant exercises		11,358,225	11,358,225	56,707,425
Subscriptions received in advance from exercise of warrants		3,484,655	3,484,655	1,539,000
Proceeds from securities sold under repurchase agreements		(950,000,000)	(950,000,000)	(200,000,000)
Dividend paid to shareholders of the Company	25	(617,781,903)	(617,781,903)	(916,747,337)
Net cash used in by financing activities		(1,552,939,023)	(1,552,939,023)	(1,058,500,912)
Net increase (decrease) in cash and cash equivalents		852,872,299	848,560,237	(465,309,293)
Cash and cash equivalents at 1 January		1,331,190,953	1,331,190,953	865,845,947
Cash and cash equivalents at 30 September	4	2,184,063,252	2,179,751,190	400,536,654
Supplemental cash flows information				
Non-cash items				
Net fair value change in available-for-sale securities		2,479,386,210	2,479,386,210	(179,785,160)
Capital reserve increase from share-based payments		28,315,190	28,315,190	28,315,191
Receivables on sale of investments		28,800,877	28,800,877	1,250,000
Payables on purchase of investments		52,724,451	52,724,451	16,096,723
Stock dividend pending registration	25	482,324,638	482,324,638	-
Dividend payables	17	60,290,903	60,290,903	-

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

Bangkok Life Assurance Public Company Limited and its Subsidiary
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Notes to the interim financial statements
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language interim financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 12 November 2014.

1 General information

Bangkok Life Assurance Public Company Limited, “the Company”, is incorporated in Thailand and has its registered at No. 23/115-121, Royal City Avenue, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 25 September 2009.

The Company’s major shareholders during the financial period was Nippon Life Insurance Company (24.4% shareholding) (31 December 2013: 24.4% shareholding) which was incorporated in Japan, and Wattanasophonpanich Co., Ltd. (13.2% shareholding) (31 December 2013: 13.2% shareholding), which was incorporated in Thailand.

The principal business of the Company is life assurance. The principle business of the Subsidiary is non-life insurance broker. Detail of the Company’s subsidiary as at 30 September 2014 are given in note 9 and 26.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2012) *Interim Financial Reporting* and guidelines promulgated by the Federation of Accounting Professions (FAP) and applicable rules and regulations of the Thai Securities and Exchange Commission. In addition, the interim financial statements are prepared in accordance with the Notification of the Office of Insurance Commission regarding “Rules, Procedures, Conditions and Timing for the Preparation and Submission of the Financial Statements and Reporting of the Operations of Life Insurance Companies” No. 4 B.E. 2556, dated 31 July 2013, which follows the format of the previous notification dated 27 May 2010.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2013. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2013.

Consolidated financial statements have been prepared at 30 September 2014 due to the acquisition of subsidiary (see note 3).

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2013 except that the Group adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

Bangkok Life Assurance Public Company Limited and its Subsidiary
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The FAP had issued a new TFRS which is effective for financial statements beginning on or after 1 January 2016 and has not been adopted in the preparation of these interim financial statements. This new TFRS that is relevant to the Group's operations is disclosed in note 31.

(b) *Functional and presentation currency*

The interim financial statements are presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the interim financial statements to the nearest thousand unless otherwise stated.

(c) *Use of estimates and judgements*

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2013.

(d) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the "Group").

Business combinations

The Group applies the acquisition method for all business combinations.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Bangkok Life Assurance Public Company Limited and its Subsidiary
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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiary included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3 Acquisition of business

On 7 July 2014, the Group obtained control of BLA Insurance Broker Company Limited ("Subsidiary"), a non-life insurance broker by acquiring 84% of the shares and voting interests in the Company. As a result, the Group's equity interest in BLA Insurance Broker Company Limited increased from 15% to 99%. (see note 9)

The subsidiary' net assets and liabilities at the acquisition date comprised the following:

	Amount <i>(in thousand Baht)</i>
Cash and cash equivalents	2,020
Trade and other receivables	1,328
Other assets	589
Trade and other payables	(6,666)
Other liabilities	(226)
Carrying/fair value amounts of net identifiable assets and liabilities	(2,955)
<i>Less non-controlling interest</i>	<i>(30)</i>
Recognised value of net assets acquired	(2,925)
Goodwill	4,905
Total consideration transferred	1,980

Bangkok Life Assurance Public Company Limited and its Subsidiary
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The assets and liabilities since acquisition date of the Company have been included in the Group's consolidated financial statements for the three-month and nine-month periods ended 30 September 2014. Since acquisition, the subsidiary contributed total revenue of Baht 0.7 million and loss of Baht 1.7 million to the Group's operating results. If the acquisition had occurred on 1 January 2014, management estimates that consolidated revenue would have been Baht 1.2 million and Baht 2.8 million and consolidated loss Baht 1.9 million and Baht 4.3 million for the three-month and nine-month periods ended 30 September 2014, respectively.

4 Cash and cash equivalents

	Consolidated financial statements	Separate financial statements	
	30 September 2014	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>		
Cash on hand	4,024	4,023	10,818
Deposits at banks - call deposits	990,039	985,728	1,320,373
Deposits at banks - time deposits	2,070,000	2,070,000	1,310,000
Total cash and deposits at financial institutions	3,064,063	3,059,751	2,641,191
<i>Less</i> deposits at banks with original maturities over 3 months	(880,000)	(880,000)	(1,310,000)
Cash and cash equivalents	2,184,063	2,179,751	1,331,191

Cash and cash equivalents as at 30 September 2014 and 31 December 2013 were denominated entirely in Thai Baht.

5 Premiums due and uncollected

As at 30 September 2014 and 31 December 2013, premiums due and uncollected are classified by aging as follows:

	Consolidated/Separate financial statements			Separate financial statements		
	30 September 2014			31 December 2013		
	Insured	Agents and brokers	Total	Insured	Agents and brokers	Total
	<i>(in thousand Baht)</i>					
Not yet overdue	1,944,656	96,544	2,041,200	1,779,023	28,355	1,807,378
Overdue						
less than 30 days	70,849	3,682	74,531	1	13,276	13,277
30 - 60 days	-	5,633	5,633	14,696	2,067	16,763
60 - 90 days	-	15,106	15,106	-	1,029	1,029
90 days - 1 year	482	5,582	6,064	135	365	500
Over 1 year	331	458	789	326	393	719
Total premiums due and uncollected	2,016,318	127,005	2,143,323	1,794,181	45,485	1,839,666

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The allowable extension period of life insurance policies is 60 and 31 days from the due date, for individual and group policies, respectively.

For individual policies which have cash value and premium due and uncollected over the grace period, the premium due and uncollected will be settled by granting an automatic policy loan where the policy has a cash surrender value.

6 Reinsurance receivables and assets

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
Due from reinsurers	423,733	499,187
Reinsurers' share of insurance contract liabilities	392,548	290,901
Reinsurance receivables and assets	816,281	790,088

As at 30 September 2014 and 31 December 2013, amounts due from reinsurers were classified by aging as follows:

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
Within credit terms	423,733	499,187
Due from reinsurers	423,733	499,187

Bangkok Life Assurance Public Company Limited and its Subsidiary
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7 Investment in securities

7.1 Investment in securities types

	Consolidated/Separate financial statements 30 September 2014		Separate financial statements 31 December 2013	
	Cost/ Amortised cost	Fair value <i>(in thousand Baht)</i>	Cost/ Amortised cost	Fair value
<i>Trading investments</i>				
Government and state enterprise debt securities	-	-	100,057	100,058
Private unit trusts	19,036	19,248	-	-
Add unrealised surpluses from fair value changes on securities	212	-	1	-
Total trading investments	19,248	19,248	100,058	100,058
<i>Available-for-sale investments</i>				
Government and state enterprise debt securities	983,042	1,026,649	1,789,646	1,821,537
Equity securities	7,698,226	14,851,581	7,609,881	12,891,419
Private unit trusts	4,915,664	5,068,667	4,009,663	3,807,393
Foreign unit trusts	1,511,988	2,190,472	1,213,438	1,667,321
Total	15,108,920	23,137,369	14,622,628	20,187,670
Add unrealised surpluses from fair value changes on securities	8,028,449	-	5,565,042	-
Total available-for-sale investments	23,137,369	23,137,369	20,187,670	20,187,670
<i>Held-to-maturity investments</i>				
Government and state enterprise debt securities	122,346,861	127,571,617	105,545,691	105,031,196
Private debt securities	30,551,341	31,937,849	21,151,062	21,246,232
Foreign debt securities	19,116,024	19,845,717	13,296,025	13,130,098
Deposits at banks with original maturities more than 3 months	880,000	880,000	1,310,000	1,310,000
Total held-to-maturity investments	172,894,226	180,235,183	141,302,778	140,717,526

	Consolidated/Separate financial statements 30 September 2014		Separate financial statements 31 December 2013	
			Cost <i>(in thousand Baht)</i>	
<i>General investments</i>				
Equity securities		29,588		29,888
Foreign equity securities		17,074		17,074
Total general investments		46,662		46,962

Bangkok Life Assurance Public Company Limited and its Subsidiary
Notes to the interim financial statements
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7.2 Remaining period of debt securities

As at 30 September 2014 and 31 December 2013, investments in debt securities which were classified as trading, available-for-sale and held-to-maturity investments were aged by the remaining period to maturity as follows:

	Consolidated /Separate financial statements			
	30 September 2014			
	Maturity			
	1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>			
<i>Available-for-sale investments</i>				
Government and state enterprise debt securities	-	827,326	155,716	983,042
Add unrealised surpluses from fair value changes on securities	-	39,456	4,151	43,607
Total available-for-sale investments	-	866,782	159,867	1,026,649
<i>Held-to-maturity investments</i>				
Government and state enterprise debt securities	8,073,179	8,994,410	105,279,272	122,346,861
Private debt securities	-	4,146,000	26,405,341	30,551,341
Foreign debt securities	961,700	2,591,081	15,563,243	19,116,024
Deposit at banks with original maturities more than 3 months	880,000	-	-	880,000
Total held-to-maturity investments	9,914,879	15,731,491	147,247,856	172,894,226
Total debt securities	9,914,879	16,598,273	147,407,723	173,920,875
Separate financial statements				
31 December 2013				
Maturity				
	1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>			
<i>Trading investments</i>				
Government and state enterprise debt securities	-	-	100,057	100,057
Add unrealised surpluses from fair value changes on securities	-	-	1	1
Total trading investments	-	-	100,058	100,058
<i>Available-for-sale investments</i>				
Government and state enterprise debt securities	-	491,341	1,298,305	1,789,646
Add unrealised surpluses from fair value changes on securities	-	9,459	22,432	31,891
Total available-for-sale investments	-	500,800	1,320,737	1,821,537

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	Separate financial statements			Total
	31 December 2013			
	1 year	1 - 5 years	Over 5 years	
	Maturity (in thousand Baht)			
<i>Held-to-maturity investments</i>				
Government and state enterprise debt securities	932,679	8,663,799	95,949,213	105,545,691
Private debt securities	1,335,000	3,975,000	15,841,062	21,151,062
Foreign debt securities	490,175	3,332,505	9,473,345	13,296,025
Deposit at banks with original maturities more than 3 months	1,010,000	300,000	-	1,310,000
Total held-to-maturity investments	3,767,854	16,271,304	121,263,620	141,302,778
Total debt securities	3,767,854	16,772,104	122,684,415	143,224,373

As at 30 September 2014, the Group has investments in foreign securities amounting to USD 606 million or equivalent to Baht 19,064 million (31 December 2013: USD 407 million or equivalent to Baht 12,719 million). The Group has entered into cross currency interest rate swap contracts and forward contracts in order to protect against fluctuations in interest rate and currency risks in respect of these investments.

7.3 Net fair value change in available-for-sale investments

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	(in thousand Baht)	
At 1 January 2014 / 2013	5,489,072	6,441,716
Net fair value change on equity	2,884,574	(583,550)
Net fair value change which transferred to profit or loss	(405,188)	(369,094)
At 30 September 2014 / 31 December 2013	7,968,458	5,489,072
Less deferred tax	(1,593,691)	(1,097,814)
Net fair value change in available-for-sale investments - net of income tax	6,374,767	4,391,258

Bangkok Life Assurance Public Company Limited and its Subsidiary
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7.4 Investments in structured notes

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

- (a) As at 30 September 2014, the Group has investments of Baht 600 million (*31 December 2013: Baht 900 million*), in promissory notes and bills of exchange, which were issued by local commercial banks and branches of foreign commercial banks, have remaining maturity periods of 5-14 years (*31 December 2013: 6 - 15 years*), and contain conditions whereby the issuer has call option or has rights to call for additional deposits.
- (b) As at 30 September 2014, the Group has investments of Baht 1,990 million (*31 December 2013: Baht 1,810 million*), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 2 years (*31 December 2013: 3 years*), and contain conditions whereby the issuer has 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 30 September 2014, the Group has investments of Baht 3,600 million (*31 December 2013: Baht 3,600 million*), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 5 - 8 years (*31 December 2013: 6 - 9 years*), and bear interest that is referenced to the yield rate on government bond (CMT Index).
- (d) As at 30 September 2014, the Group has investments of Baht 2,787 million (*31 December 2013: Baht 2,340 million*), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 6 - 14 years (*31 December 2013: 6 - 15 years*), and contain conditions whereby redemption of the notes and bills is based on the credit event of the reference assets.
- (e) As at 30 September 2014, the Group has investments of Baht 748 million (*31 December 2013: Baht 720 million*), in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, have remaining maturity periods of 19 years (*31 December 2013: 20 years*). 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.

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7.5 Movements of investments

Movements during the nine-month periods ended 30 September 2014 and 2013 of trading, available for sale, held to maturity investments and general investments were as follows:

	<i>Note</i>	Consolidated/ Separate financial statements 30 September 2014 <i>(in thousand Baht)</i>	Separate financial statements 31 December 2013
<i>Trading investments</i>			
At 1 January		100,058	477,236
Purchases during the period		62,663	2,255,276
Sales during the period		(143,683)	(2,409,646)
Valuation and amortisation adjustments		210	(6,785)
At 30 September		<u>19,248</u>	<u>316,081</u>
<i>Available for sale investments</i>			
At 1 January		20,187,670	18,395,331
Purchases during the period		2,113,817	3,135,008
Sales during the period		(1,609,617)	(1,693,623)
Capital reduction		(12,461)	(11,665)
Valuation and amortisation adjustments		2,457,960	(156,001)
At 30 September		<u>23,137,369</u>	<u>19,669,050</u>
<i>Held to maturity investments</i>			
At 1 January		141,302,778	115,723,501
Purchases during the period		44,611,399	20,270,404
Redeems during the period		(29,166,000)	(4,740,920)
Sales during the period		(10,970,673)	(108,780)
Valuation and amortisation adjustments		27,116,722	5,980,279
At 30 September		<u>172,894,226</u>	<u>137,124,484</u>
<i>General investments</i>			
At 1 January		46,962	46,962
Purchases during the period	9	3,660	-
Reclassify	9	(3,960)	-
At 30 September		<u>46,662</u>	<u>46,962</u>

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8 Loans and accrued interest

As at 30 September 2014 and 31 December 2013, loans and accrued interest were classified by aging as follows:

Consolidated/Separate financial statements									
30 September 2014									
Loans and accrued interest									
Period	Policy loans		Mortgage loans		Others loans		Total		Total
	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	
<i>(in thousand Baht)</i>									
Current	3,938,127	279,486	354,286	578	14,749	-	4,307,162	280,064	4,587,226
Overdue :									
Less than 3 months	-	-	14,564	81	57	-	14,621	81	14,702
6 - 12 months	-	-	243	2	-	-	243	2	245
Over than 12 months	-	-	1,159	79	228	2	1,387	81	1,468
Total	3,938,127	279,486	370,252	740	15,034	2	4,323,413	280,228	4,603,641
Less allowance for doubtful accounts	-	-	(66)	(80)	-	-	(66)	(80)	(146)
Total loans and accrued interest, net	3,938,127	279,486	370,186	660	15,034	2	4,323,347	280,148	4,603,495

* Presented as accrued investment income in the statement of financial position.

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Period	Separate financial statements								
	31 December 2013								
	Policy loans		Mortgage loans		Others loans		Total		Total
Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*	Principal	Accrued interest*		
<i>(in thousand Baht)</i>									
Current	3,163,866	225,984	344,316	230	15,968	-	3,524,150	226,214	3,750,364
Overdue :									
6 - 12 months	-	-	303	3	-	-	303	3	306
Over than 12 months	-	-	1,187	79	120	2	1,307	81	1,388
Total	3,163,866	225,984	345,806	312	16,088	2	3,525,760	226,298	3,752,058
Less allowance for doubtful accounts	-	-	(66)	(80)	-	-	(66)	(80)	(146)
Total loans and accrued interest, net	3,163,866	225,984	345,740	232	16,088	2	3,525,694	226,218	3,751,912

* Presented as accrued investment income in the statement of financial position

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 4.5% - 8.0% per annum (31 December 2013: 4.5% - 8.0% per annum), as approved by the Office of Insurance Commission.

Loans to employees which are guaranteed by person, are limited to Baht 0.1 million (31 December 2013: Baht 0.1 million). The loans carry interest of 6.0% per annum (31 December 2013: 6.0% per annum). As at 30 September 2014, loans to employees amounted to Baht 15 million (31 December 2013 : Baht 16 million).

Loans to employees under the mortgage loans are limited to 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5.00% - 6.25% per annum (31 December 2013: 5.00% - 6.25% per annum). As at 30 September 2014, loans to employees under the mortgage loans amounted to Baht 57 million. (31 December 2013: Baht 57 million).

Bangkok Life Assurance Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

9 Investment in subsidiary

	Separate financial statements
	30 September 2014
	<i>(in thousand Baht)</i>
<i>For the nine-month period ended 30 September</i>	
At 1 January 2014 (General investment)	300
Acquisition	3,660
At 30 September 2014	<u>3,960</u>

Acquisitions

On 15 May 2014, the Company was approved by the Office of Insurance Commission to increase investment holding in BLA Insurance Broker Company Limited from 15% to 99% of the authorised and paid up share capital.

On 7 July 2014, the Company has purchased ordinary shares from the former shareholders of 168,000 shares at par Baht 10 per share, amounting to Baht 1.68 million bringing the Company's total interest in BLA Insurance Broker Company Limited increased from 15 percent to 99 percent.

On 28 July 2014, BLA Insurance Broker Company Limited has increased share capital from amount Baht 2.0 million to Baht 4.0 million and the Company has purchased additional ordinary shares by 198,000 shares at par Baht 10 per share, amounting to Baht 1.98 million.

On 8 August 2014, BLA Insurance Broker Company Limited has registered increment of the authorised share capital with the Ministry of Commerce.

Investments in subsidiary as at 30 September 2014 and 31 December 2013, and dividend income from those investments for the nine-month ended 30 September 2014 and 2013 were as follows:

Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Dividend income for the nine-month ended	
		30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	30 September 2013
Direct subsidiary		(%)				<i>(in thousand Baht)</i>			
BLA Insurance Broker Company Limited	Non-life insurance broker	99	15*	4,000	2,000*	3,960	300*	-	-
Total						<u>3,960</u>	<u>300</u>	<u>-</u>	<u>-</u>

Subsidiary is incorporated in Thailand.

* As at 31 December 2013, investments were classified as general investment and have been transferred to investments in subsidiary on 7 July 2014.

Bangkok Life Assurance Public Company Limited
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10 Premises and equipment

Acquisitions, disposals and transfers of premises and equipment during the nine-month periods ended 30 September 2014 were as follows:

	Consolidated financial statements							Total
	Land	Buildings and improvements	Condominium	Office furniture fixture and equipment <i>(in thousand Baht)</i>	Vehicles	Non-operating assets	Assets under construction	
Net book value at 1 January 2014	118,612	84,199	18,010	77,574	11,780	4,920	11,519	326,614
Additions during the period								
- cost	48,200	3,147	-	22,899	4,666	-	28,958	107,870
Acquisitions through business combinations	-	-	-	50	-	-	-	50
Transfer in / (out)	-	3,880	-	-	-	-	(3,880)	-
Disposals during the period								
- net book value	-	-	-	(21)	-	-	-	(21)
Depreciation charge for the period	-	(11,331)	(1,374)	(31,158)	(2,535)	(67)	-	(46,465)
Net book value at 30 September 2014	<u>166,812</u>	<u>79,895</u>	<u>16,636</u>	<u>69,344</u>	<u>13,911</u>	<u>4,853</u>	<u>36,597</u>	<u>388,048</u>

The gross amount of the Group's fully depreciated buildings and equipment that were still in use as at 30 September 2014 amounted to Baht 465 million (31 December 2013: Baht 432 million).

Bangkok Life Assurance Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	Land	Buildings and improvements	Condominium	Office furniture fixture and equipment <i>(in thousand Baht)</i>	Vehicles	Non-operating assets	Assets under construction	Total
Net book value								
at 1 January 2014	118,612	84,199	18,010	77,574	11,780	4,920	11,519	326,614
Additions during the period								
- cost	48,200	3,147	-	22,899	4,666	-	28,958	107,870
Transfer in / (out)	-	3,880	-	-	-	-	(3,880)	-
Disposals during the period								
- net book value	-	-	-	(21)	-	-	-	(21)
Depreciation charge for the period	-	(11,331)	(1,374)	(31,158)	(2,535)	(67)	-	(46,465)
Net book value								
at 30 September 2014	166,812	79,895	16,636	69,294	13,911	4,853	36,597	387,998

The gross amount of the Company's fully depreciated buildings and equipment that were still in use as at 30 September 2014 amounted to Baht 465 million (31 December 2013: Baht 432 million).

Bangkok Life Assurance Public Company Limited
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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

11 Deferred tax

Deferred tax assets and liabilities as at 30 September 2014 and 31 December 2013 were as follows:

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
Deferred tax assets	3,132,784	1,066,287
Deferred tax liabilities	(1,593,963)	(1,098,048)
Net deferred tax assets (liabilities)	1,538,821	(31,761)

Movements in deferred tax assets and liabilities during the nine-month periods ended 30 September 2014 and 2013 were as follows:

	At 1 January 2014	Consolidated/ Separate financial statements (Charged) / credited to:		At 30 September 2014
		Profit or loss (Note 23)	Other comprehensive income	
	<i>(in thousand Baht)</i>			
<i>Deferred tax assets</i>				
Life policy reserves	1,019,005	2,057,859	-	3,076,864
Loss reserves and outstanding claims	15,485	6,581	-	22,066
Employee benefit obligations	31,542	2,057	-	33,599
Others	255	-	-	255
Total	1,066,287	2,066,497	-	3,132,784
<i>Deferred tax liabilities</i>				
Trading investments	234	38	-	272
Net fair value change in available-for-sale investments	1,097,814	-	495,877	1,593,691
Total	1,098,048	38	495,877	1,593,963
Net	(31,761)	2,066,459	(495,877)	1,538,821

Bangkok Life Assurance Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	At 1 January 2013	Separate financial statements (Charged) / credited to:		At 30 September 2013
		Profit or loss (Note 23) (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Life policy reserves	732,915	495,488	-	1,228,403
Loss reserves and outstanding claims	16,106	2,783	-	18,889
Employee benefit obligations	31,052	3,361	-	34,413
Others	29	457	-	486
Total	780,102	502,089	-	1,282,191
Deferred tax liabilities				
Trading investments	62	404	-	466
Net fair value change in available-for-sale investments	1,288,343	-	(35,957)	1,252,386
Total	1,288,405	404	(35,957)	1,252,852
Net	(508,303)	501,685	35,957	29,339

12 Due to reinsurers

	Consolidated/ Separate financial statements 30 September 2014	Separate financial statements 31 December 2013
Premium ceded payables	487,024	450,009

(in thousand Baht)

13 Life policy reserves

	Consolidated/ Separate financial statements 30 September 2014	Separate financial statements 31 December 2013
At 1 January 2014 / 2013	136,616,421	111,259,206
Life policy reserve for premium written during the period /year and increase reserve for in-force policy benefits	45,358,666	34,778,277
Benefits paid for death, maturity, surrender and other claims and benefits	(7,727,003)	(9,421,062)
At 30 September 2014 / 31 December 2013	174,248,084	136,616,421

(in thousand Baht)

Bangkok Life Assurance Public Company Limited
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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

14 Unpaid policy benefits

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
Death	82,894	92,452
Maturity	8,571	9,654
Total	91,465	102,106

15 Loss reserves and outstanding claims

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
At 1 January 2014 / 2013	297,504	340,910
Insurance claims and loss adjustment expense during the period / year	1,383,548	1,659,761
Paid insurance claims and loss adjustment expense during the period / year	(1,325,315)	(1,703,167)
At 30 September 2014 / 31 December 2013	355,737	297,504

16 Premium reserves

16.1 Unearned premium reserve

	Consolidated/ Separate financial statements	Separate financial statements
	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>	
At 1 January 2014 / 2013	1,021,135	1,078,121
Premium written during the period / year	2,249,193	2,786,817
Earned premium during the period / year	(2,137,368)	(2,843,803)
At 30 September 2014 / 31 December 2013	1,132,960	1,021,135

16.2 Unexpired risk reserve

As at 30 September 2014, no additional reserve for unexpired risk has been established by the Group as the unexpired risk reserve estimated of Baht 796 million (31 December 2013: Baht 641 million) is lower than the unearned premium reserve.

Bangkok Life Assurance Public Company Limited
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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

17 Other liabilities

	Consolidated	Separate	
	financial statements	financial statements	
	30 September	30 September	31 December
	2014	2014	2013
	<i>(in thousand Baht)</i>		
Forward and swap exchange contracts payables	695,081	695,081	798,974
Accrued commission expenses	396,482	396,160	471,892
Accrued expenses	257,427	256,095	310,852
Premiums received for policies not yet approved	153,337	153,337	161,133
Amounts received awaiting transfer	197,627	197,627	136,671
Payable to policyholders on exempted premiums	92,633	92,633	93,382
Dividend payables	60,290	60,290	-
Others	182,190	179,094	153,576
Total	<u>2,035,067</u>	<u>2,030,317</u>	<u>2,126,480</u>

18 Share capital and reserve

Consolidated / Separate financial statements

Nine-month period ended 30 September 2014

	<u>Issued and paid-up share capital</u>		<u>Share premium</u>	<u>Capital reserve on share-based payments</u>	<u>Subscriptions received in advance from exercises of warrants</u>
	Number of shares <i>(in thousand share)</i>	Amount	Amount <i>(in thousand Baht)</i>	Amount	Amount
Balances at 1 January 2014	1,211,714	1,211,714	2,846,251	66,069	1,246
Issuance of ordinary shares as a result of exercise of warrant No. 1 <i>(Note 19)</i>	934	934	11,670	-	(1,246)
Subscription received in advance from exercises of warrants <i>(Note 19)</i>	-	-	-	-	1,377
Expenses in respect of share-based payments - warrant No. 2 <i>(Note 19)</i>	-	-	-	28,315	-
Balances at 30 September 2014	<u>1,212,648</u>	<u>1,212,648</u>	<u>2,857,921</u>	<u>94,384</u>	<u>1,377</u>

Nine-month period ended 30 September 2013

	<u>Issued and paid-up share capital</u>		<u>Share premium</u>	<u>Capital reserve on share-based payments</u>	<u>Subscriptions received in advance from exercises of warrants</u>
	Number of shares <i>(in thousand share)</i>	Amount	Amount <i>(in thousand Baht)</i>	Amount	Amount
Balances at 1 January 2013	1,204,772	1,204,772	2,759,469	28,315	35,477
Issuance of ordinary shares as a result of exercise of warrant No. 1	6,828	6,828	85,356	-	(35,477)
Subscription received in advance from exercises of warrants <i>(Note 19)</i>	-	-	-	-	1,539
Expenses in respect of share-based payments - warrant No. 2 <i>(Note 19)</i>	-	-	-	28,315	-
Balances at 30 September 2013	<u>1,211,600</u>	<u>1,211,600</u>	<u>2,844,825</u>	<u>56,630</u>	<u>1,539</u>

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19 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. Warrant No. 2 was already allocated to employee and the grant date is stipulated to be 1 April 2012.

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

Approved by The Executive Board of Directors of the Company,	Number of units of warrants		
	Warrants No. 1	Warrants No. 2	Total
	<i>(thousand units)</i>		
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	12,850	7,150	20,000

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 per share for Warrant No.2. The first exercise date is 3 years from the grant date.

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 stock 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 Scholes - continuous model

Employee expenses in respect of share-based payments (Warrant No. 2) recognised for the three-month and nine-month periods ended 30 September 2014 amounted to Baht 9.4 million and 28.3 million, respectively (2013: Baht 9.4 million and 28.3 million, respectively).

Bangkok Life Assurance Public Company Limited
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Movements units of warrants during the nine-month period ended 30 September 2014 and 2013 are summarised below.

	30 September 2014		
	Number of warrants		
	Warrants No. 1	Warrants No. 2	Total
Approved by The Executive Board of Director of the Company	<i>(thousand units)</i>		
Number of unexercised warrants at 1 January 2014	943	7,150	8,093
Exercised during the period	(943)	-	(943)
Number of unexercised warrants at 30 September 2014	<u>-</u>	<u>7,150</u>	<u>7,150</u>

	30 September 2013		
	Number of warrants		
	Warrants No. 1	Warrants No. 2	Total
Approved by The Executive Board of Director of the Company	<i>(thousand units)</i>		
Number of unexercised warrants at 1 January 2013	5,350	7,150	12,500
Exercised during the period	(4,314)	-	(4,314)
Number of unexercised warrants at 30 September 2013	<u>1,036</u>	<u>7,150</u>	<u>8,186</u>

During the three-month and nine-month periods ended 30 September 2014, the Warrant No. 1 holders exercised 0.1 million units and 0.9 million units of warrants, respectively (*2013: 0.1 million units and 4.4 million units, respectively*) at an exercise price of Baht 13.5 each (*2013: Baht 13.5 each*), or for a total of Baht 12.7 million (*2013: Baht 59.5 million*). Details are summarised as below.

Exercise	Units of warrants <i>(thousand units)</i>	Exercise price per share <i>(Baht)</i>	Proceeds from exercises	Issued and paid up		Subscriptions received in advance from exercises of warrants	Share capital registration date	Listing date
				share capital	Share Premium			
The seventh exercise	508	13.5	6,863	508	6,355	-	22 April 2014	28 April 2014
The eight exercise	333	13.5	4,496	333	4,162	-	25 July 2014	30 July 2014
The ninth exercise	102	13.5	1,377	-	-	1,377	8 October 2014	10 October 2014
Total 2014	<u>943</u>		<u>12,736</u>	<u>841</u>	<u>10,517</u>	<u>1,377</u>		

Exercise	Units of warrants	Exercise price per share	Proceeds from exercises	Issued and paid up		Subscriptions received in advance from exercises of warrants	Share capital registration date	Listing date
				share capital	Share Premium			
The third exercise	3,402	13.5	45,920	3,402	42,518	-	25 April 2013	26 April 2013
The fourth exercise	799	13.5	10,787	799	9,988	-	16 July 2013	17 July 2013
The fifth exercise	114	13.5	1,539	114	1,425	-	18 October 2013	22 October 2013
The sixth exercise	93	13.5	1,246	-	-	1,246	20 January 2014	21 January 2014
Total 2013	<u>4,408</u>		<u>59,492</u>	<u>4,315</u>	<u>53,931</u>	<u>1,246</u>		

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20 Operating segments

Management considers that the Group is operating its core business in a single segment in life insurance business and in a single geographic area in Thailand. The information presented in these financial statements is consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker. The Chief Operating Decision Maker has been identified as the Chief Executive Officer.

For the three-month and nine-month periods ended 30 September 2014 and 2013, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

21 Reporting information classified by type of underwriting

	Consolidated financial statements				Total
	Three-month period ended 30 September 2014				
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	Other	
Underwriting income					
Gross premium written	7,332,626	33,105	9,950	-	7,375,681
Less premium ceded	(121,147)	-	-	-	(121,147)
Net premiums written	7,211,479	33,105	9,950	-	7,254,534
Less unearned premium reserves	(9,088)	-	(36)	-	(9,124)
Total underwriting income	7,202,391	33,105	9,914	-	7,245,410
Underwriting expenses					
Life policy reserve increase from the previous period	7,083,302	34,630	-	-	7,117,932
Benefits payments to life policyholders during the period	2,315,922	1,758	-	-	2,317,680
Insurance claims and loss adjustment expenses	386,228	-	2,814	-	389,042
Commissions and brokerages	582,265	3,404	237	650	586,556
Sale promotional expenses	88,859	296	85	37	89,277
Other underwriting expenses	6,246	21	6	-	6,273
Total underwriting expenses	10,462,822	40,109	3,142	687	10,506,760

	Separate financial statements			Total
	Three-month period ended 30 September 2014			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
<i>(in thousand Baht)</i>				
Underwriting income				
Gross premium written	7,332,626	33,105	9,950	7,375,681
Less premium ceded	(121,147)	-	-	(121,147)
Net premiums written	7,211,479	33,105	9,950	7,254,534
Less unearned premium reserves	(9,088)	-	(36)	(9,124)
Total underwriting income	7,202,391	33,105	9,914	7,245,410

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Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	Separate financial statements			Total
	Three-month period ended 30 September 2014			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
	<i>(in thousand Baht)</i>			
<i>Underwriting expenses</i>				
Life policy reserve increase from the previous period	7,083,302	34,630	-	7,117,932
Benefits payments to life policyholders during the period	2,315,922	1,758	-	2,317,680
Insurance claims and loss adjustment expenses	386,228	-	2,815	389,043
Commissions and brokerages	582,265	3,404	237	585,906
Sale promotional expenses	88,859	296	85	89,240
Other underwriting expenses	6,246	21	6	6,273
Total underwriting expenses	10,462,822	40,109	3,143	10,506,074

	Separate financial statements			Total
	Three-month period ended 30 September 2013			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
	<i>(in thousand Baht)</i>			
<i>Underwriting income</i>				
Gross premium written	8,456,080	31,917	9,670	8,497,667
Less premium ceded	(121,248)	-	-	(121,248)
Net premiums written	8,334,832	31,917	9,670	8,376,419
Add (less) unearned premium reserves	(5,003)	-	580	(4,423)
Total underwriting income	8,329,829	31,917	10,250	8,371,996

<i>Underwriting expenses</i>				
Life policy reserve increase from the previous period	5,423,055	22,508	-	5,445,563
Benefits payments to life policyholders during the period	2,128,292	1,496	-	2,129,788
Insurance claims and loss adjustment expenses	343,216	-	3,111	346,327
Commissions and brokerages	605,795	3,592	256	609,643
Sale promotional expenses	64,724	252	80	65,056
Other underwriting expenses	7,945	28	9	7,982
Total underwriting expenses	8,573,027	27,876	3,456	8,604,359

	Consolidated financial statements				Total
	Nine-month period ended 30 September 2014				
	Original life product, non- participating	Pension life product, non- participating	Personal accident insurance	Other	
<i>Underwriting income</i>					
Gross premium written	44,133,278	109,627	29,540	-	44,272,445
Less premium ceded	(528,334)	-	-	-	(528,334)
Net premiums written	43,604,944	109,627	29,540	-	43,744,111
Add (less) unearned premium reserves	(18,776)	-	569	-	(18,207)
Total underwriting income	43,586,168	109,627	30,109	-	43,725,904

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For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

	Consolidated financial statements				Total
	Nine-month period ended 30 September 2014				
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	Other	
<i>Underwriting expenses</i>					
Life policy reserve increase from the previous period	37,526,131	105,532	-	-	37,631,663
Benefits payments to life policyholders during the period	7,882,572	3,410	-	-	7,885,982
Insurance claims and loss adjustment expenses	1,028,198	-	4,982	-	1,033,180
Commissions and brokerages	2,194,812	9,945	854	650	2,206,261
Sale promotional expenses	264,609	665	183	37	265,494
Other underwriting expenses	20,001	50	14	-	20,065
Total underwriting expenses	48,916,323	119,602	6,033	687	49,042,645

	Separate financial statements			Total
	Nine-month period ended 30 September 2014			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
<i>(in thousand Baht)</i>				
<i>Underwriting income</i>				
Gross premium written	44,133,278	109,627	29,540	44,272,445
Less premium ceded	(528,334)	-	-	(528,334)
Net premiums written	43,604,944	109,627	29,540	43,744,111
Add (less) unearned premium reserves	(18,776)	-	569	(18,207)
Total underwriting income	43,586,168	109,627	30,109	43,725,904

<i>Underwriting expenses</i>				
Life policy reserve increase from the previous period	37,526,131	105,532	-	37,631,663
Benefits payments to life policyholders during the period	7,882,572	3,410	-	7,885,982
Insurance claims and loss adjustment expenses	1,028,198	-	4,982	1,033,180
Commissions and brokerages	2,194,812	9,945	854	2,205,611
Sale promotional expenses	264,609	665	183	265,457
Other underwriting expenses	20,001	50	14	20,065
Total underwriting expenses	48,916,323	119,602	6,033	49,041,958

	Separate financial statements			Total
	Nine-month period ended 30 September 2013			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
<i>(in thousand Baht)</i>				
<i>Underwriting income</i>				
Gross premium written	30,821,959	84,624	30,812	30,937,395
Less premium ceded	(460,563)	-	-	(460,563)
Net premiums written	30,361,396	84,624	30,812	30,476,832
Add (less) unearned premium reserves	(32,329)	-	994	(31,335)
Total underwriting income	30,329,067	84,624	31,806	30,445,497

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	Separate financial statements			Total
	Nine-month period ended 30 September 2013			
	Original life product, non-participating	Pension life product, non-participating	Personal accident insurance	
	<i>(in thousand Baht)</i>			
<i>Underwriting expenses</i>				
Life policy reserve increase from the previous period	21,130,870	75,783	-	21,206,653
Benefits payments to life policyholders during the period	6,071,305	1,768	-	6,073,073
Insurance claims and loss adjustment expenses	956,357	-	7,771	964,128
Commissions and brokerages	2,103,615	10,653	761	2,115,029
Sale promotional expenses	245,041	683	257	245,981
Other underwriting expenses	22,055	62	23	22,140
Total underwriting expenses	<u>30,529,243</u>	<u>88,949</u>	<u>8,812</u>	<u>30,627,004</u>

22 Operating expenses

	Consolidated financial statements		Separate financial statements			
	Three-month period ended 30 September 2014	Nine-month period ended 30 September 2014	Three-month period ended 30 September 2014		Nine-period ended 30 September 2013	
	<i>(in thousand Baht)</i>					
Personnel expense, not relating to underwriting and insurance claims	222,532	647,046	220,992	200,573	645,506	615,083
Premises and equipment expense, not relating to underwriting	39,398	115,824	39,260	37,874	115,686	113,237
Taxes and duties	56,847	162,521	56,847	46,157	162,521	135,210
Other operating expenses	143,386	436,051	143,446	158,444	436,112	436,276
Total	<u>462,163</u>	<u>1,361,442</u>	<u>460,545</u>	<u>443,048</u>	<u>1,359,825</u>	<u>1,299,806</u>

23 Income tax expense

Income tax recognised in profit or loss

	Consolidated/Separate financial statements		Separate financial statements	
	Three-month period ended 30 September 2014	Nine-month period ended 30 September 2014	Three-month period ended 30 September 2013	Nine-month period ended 30 September 2013
	<i>(in thousand Baht)</i>			
Current tax expense				
Current period	252,628	1,965,784	289,989	1,219,119
Adjust prior period tax	-	1,541	-	-
Deferred tax expense				
Movements in temporary differences	11 <u>(556,818)</u>	<u>(2,066,459)</u>	<u>(79,487)</u>	<u>(501,685)</u>
Total	<u>(304,190)</u>	<u>(99,134)</u>	<u>210,502</u>	<u>717,434</u>

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Income tax recognised in other comprehensive income

Three-month period ended 30 September

	Consolidated/Separate financial statements 2014			Separate financial statements 2013		
	Before tax	Tax (expense)	Net of income tax <i>(in thousand Baht)</i>	Before tax	Tax benefit	Net of income tax
Net fair value change in available-for-sale securities	<u>755,795</u>	<u>(151,198)</u>	<u>604,597</u>	<u>(726,014)</u>	<u>145,203</u>	<u>(580,811)</u>

Nine-month period ended 30 September

	Consolidated/Separate financial statements 2014			Separate financial statements 2013		
	Before tax	Tax (expense)	Net of income tax <i>(in thousand Baht)</i>	Before tax	Tax benefit	Net of income tax
Net fair value change in available-for-sale securities	<u>2,479,386</u>	<u>(495,877)</u>	<u>1,983,509</u>	<u>(179,785)</u>	<u>35,957</u>	<u>(143,828)</u>

Reconciliation of effective tax rate

	Consolidated financial statements			
	Three month period ended 30 September 2014		Nine month period ended 30 September 2014	
	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>
Profit (loss) before income tax expense		1,184,795		285,088
Income tax using the Thai corporation tax rate	15, 20	(236,959)	15,20	57,018
Income not subject to tax		(69,494)		(163,839)
Expenses not subject to tax		2,263		6,146
Adjust prior period tax		-		1,541
Total	<u>26</u>	<u>(304,190)</u>	<u>(35)</u>	<u>(99,134)</u>

	Separate financial statements							
	Three month period ended 30 September 2014				Nine month period ended 30 September 2013			
	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>
Profit (loss) before Income tax expense		(1,183,101)		1,311,460		286,782		4,193,130
Income tax using the Thai corporation tax rate	20	(236,620)	20	262,292	20	57,356	20	838,626
Income not subject to tax		(69,494)		(54,367)		(163,839)		(127,635)
Expenses not subject to tax		1,924		2,577		5,808		6,443
Adjust prior period tax		-		-		1,541		-
Total	<u>26</u>	<u>(304,190)</u>	<u>16</u>	<u>210,502</u>	<u>(35)</u>	<u>(99,134)</u>	<u>17</u>	<u>717,434</u>

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24 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 2014 and 2013 were calculated based on the profit (loss) for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods after adjusting for the effect of the stock dividend. A stock dividend of approximately 482 million shares was approved at an EGM on 25 September 2014, and has been included in the calculation of EPS at 30 September 2014. The EPS for the comparative periods presented has been adjusted as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported. The calculation are as follow:

	Consolidated financial statements		Separate financial statements			
	Three-month period ended 30 September 2014	Nine-month period ended 30 September 2014	Three-month period ended 30 September		Nine-month period ended 30 September	
			2014	2013	2014	2013
	<i>(in thousand Baht)</i>					
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(880,589)</u>	<u>384,239</u>	<u>(878,911)</u>	<u>1,100,959</u>	<u>385,916</u>	<u>3,475,696</u>
Number of ordinary shares outstanding at 1 January	1,212,648	1,211,807	1,212,648	1,211,600	1,211,807	1,207,400
Effect of exercises warrants	-	448	-	-	448	2,596
Effect of stock dividend	<u>482,325</u>	<u>482,325</u>	<u>482,325</u>	<u>482,325</u>	<u>482,325</u>	<u>482,325</u>
Weighted average number of ordinary shares outstanding (basic)	<u>1,694,973</u>	<u>1,694,580</u>	<u>1,694,973</u>	<u>1,693,925</u>	<u>1,694,580</u>	<u>1,692,321</u>
Earnings (loss) per share (basic) (in Baht)	<u>(0.52)</u>	<u>0.23</u>	<u>(0.52)</u>	<u>0.65</u>	<u>0.23</u>	<u>2.05</u>

Diluted earnings (loss) per share

The calculations of diluted earnings (loss) per share for the three-month and nine-month periods ended 30 September 2014 and 2013 were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company weighted average number of ordinary shares outstanding during the periods (as adjusted for the effect of the stock dividend) after adjusting for the effects of all dilutive potential ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year on the date of potential ordinary shares were issued as follows:

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	Consolidated financial statements		Separate financial statements			
	Three-month period		Three-month period ended		Nine-month period ended	
	ended	Nine-month period ended	30 September		30 September	
	30 September	30 September	2014	2013	2014	2013
			(Restated)		(Restated)	
		<i>(in thousand Baht)</i>				
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(880,589)</u>	<u>384,239</u>	<u>(878,911)</u>	<u>1,100,959</u>	<u>385,916</u>	<u>3,475,696</u>
Weighted average number of ordinary shares outstanding (basic)	1,694,973	1,694,580	1,694,973	1,693,925	1,694,580	1,692,321
Effect of warrant no. 1	86	407	86	899	407	2,200
Effect of warrant no. 2	<u>3,282</u>	<u>2,508</u>	<u>3,282</u>	<u>1,659</u>	<u>2,508</u>	<u>1,973</u>
Weighted average number of ordinary shares outstanding (diluted)	<u>1,698,341</u>	<u>1,697,495</u>	<u>1,698,341</u>	<u>1,696,483</u>	<u>1,697,495</u>	<u>1,696,494</u>
Earnings (loss) per share (diluted) (in Baht)	<u>(0.52)</u>	<u>0.23</u>	<u>(0.52)</u>	<u>0.65</u>	<u>0.23</u>	<u>2.05</u>

25 Dividends

- (a) At the annual general meeting of the shareholders of the Company held on 30 April 2014, the shareholders approved the appropriation of dividend of Baht 0.51 per share, amounting to Baht 618 million. The dividend was paid to shareholders in May 2014.

At the Board of Directors meeting of the Company held on 8 August 2014 and at the extra-ordinary general meeting of the shareholders of the Company held on 25 September 2014, the shareholders approved the interim cash and stock dividend payment for the operating period 1 January 2014 to 30 June 2014 at the rate of Baht 0.45 per share. The payment would be made in the forms of cash dividend at the rate of Baht 0.05 per share, amounting Baht 60.3 million and stock dividend at the rate of 5 existing shares to 2 new shares. It is equivalent to 482,334,926 shares at par value of Baht 1 per share, amounting to Baht 482.3 million. Total dividend amount is Baht 542.6 million. The dividends were approved by the Office of Insurance Commission on 12 September 2014. The cash dividends payment was made to shareholders on 21 October 2014, amounting to Baht 60.3 million. The stock dividends could not be paid as doing so will cause the proportion of foreign shareholders to exceed 25%, as stated in note 30. In addition, the shareholders approved to increase the Company's share capital from amounting Baht 1,220 million to amounting Baht 1,708 million by issuing 488 million new shares at par value of Baht 1 per share, amounting to Baht 488 million. The Company has registered the increment of the share capital with the Ministry of Commerce on 30 October 2014.

- (b) At the annual general meeting of the shareholders of the Company held on 26 April 2013, the shareholders approved the appropriation of dividend of Baht 0.36 per share, amounting to Baht 434 million. The dividend was paid to shareholders in May 2013.

At the Board of Directors meeting of the Company held on 9 August 2013, the Board of Directors approved the appropriation of interim dividend of Baht 0.4 per share, amounting to Baht 483 million. The dividend was paid to shareholders in September 2013.

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26 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiary is described in note 9.

Relationships with key management and related parties were as follows:

Name of entities/individuals	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group
Nippon Life Insurance Company	Japan	Major shareholder, 24.4% holding (31 December 2013: 24.4% holding)
Wattanasophonpanich Co., Ltd	Thailand	Major shareholder, 13.2% holding (31 December 2013: 13.2% holding)
BLA Insurance Broker Co., Ltd.	Thailand	The Group's Subsidiary since 7 July 2014, and related by way of common directors are the management of the Group
Bangkok Bank Pcl.	Thailand	Related by way of common shareholders
Bangkok Insurance Pcl.	Thailand	Shareholding and related by way of common directors
Bumrungrad Hospital Pcl.	Thailand	Related by way of common directors and shareholders
Bangkok Business Building (1987) Co., Ltd.	Thailand	Related by way of common directors and shareholders
Tris Corporation Ltd.	Thailand	Related by way of common directors and shareholders
BBL Asset Management Co., Ltd.	Thailand	Related by way of common directors and shareholders
Union Textile Industries Pcl.	Thailand	Related by way of common shareholders
Narai Ruamphiphat Co., Ltd.	Thailand	Holding by an individual related to the major shareholder of the Group
TICON Industrial Connection Pcl.	Thailand	Holding by an individual related to the major shareholder of the Group
Asia warehouse Co., Ltd.	Thailand	Holding by the major shareholder of the Group
TMD Design, LLC	Thailand	Holding by an individual related to the major shareholder of the Group
Bualuang Securities Pcl.	Thailand	Subsidiary of the major shareholder of the Group
Thaire Life Assurance Pcl. ⁽¹⁾	Thailand	Subsidiary of Thai Reinsurance Pcl.
Thai Reinsurance Pcl.	Thailand	Related by way of common directors
Sorachai Vivatn Co., Ltd.	Thailand	Related by way of common directors

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Name of entities/individuals	Country of incorporation/ nationality	Nature of relationships
Thai Phyathai 1 Hospital Co., Ltd.	Thailand	Related by way of common directors
Thai Phyathai 2 Hospital Co., Ltd.	Thailand	Related by way of common directors
Thai Phyathai 3 Hospital Co., Ltd. ⁽²⁾	Thailand	Related by way of common directors
Rajburi Sugar Co., Ltd.	Thailand	Related by way of common directors
Charoen Pokphand Foods Pcl.	Thailand	Related by way of common directors
Indorama Ventures Pcl.	Thailand	Related by way of common directors
Ek-chai Distribution System Co., Ltd.	Thailand	Related by way of common directors
Asia Insurance 1950 Pcl.	Thailand	Related by way of common directors
Bangpain Golf Co., Ltd.	Thailand	Related by way of common directors
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Thailand	Related by way of common directors

(1) It had been considered a related party until 31 July 2013 because the Group has no common directors with Thaire Life Assurance Pcl. since then.

(2) It had been considered a related party until 8 May 2013 because the Group has no common directors with the Phyathai 3 Hospital Co., Ltd. since then.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Premium written	Normal commercial terms for underwriting
Claim recoverable from reinsurer	At a mutually agreed percentage of reinsurance premium
Interest income - deposits at bank, promissory notes and debentures	Same rates as those charged by financial institutions and related companies to general customers
Interest income - mortgage loans	Same rates as the Company charges to general borrowers who mortgage assets as collateral
Dividend income	As declared
Rental and service income	Rate on agreements as those charged by rental and service fees per square meter per month
Brokerage income from securities trading	Normal commercial terms for securities brokerage
Premium ceded	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Gain (loss) on forward and swap exchange contracts	Normal commercial terms
Commission and brokerages	At a mutually agreed percentage of premium written
Claim payment and diagnose charge	Normal commercial terms for underwriting
Bank charges	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	Normal commercial terms for underwriting
Building space rental and services	Rate on agreements as those charged by rental and service fees per square meter per month
Other services fees	Rate on agreements as those charged to member with normal commercial terms for services

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Significant transactions for the three-month and nine-month periods ended 30 September 2014 and 2013 with key management and related parties were as follows:

	Consolidated financial statements		Separate financial statements			
	Three-month period ended 30 September 2014	Nine-month period ended 30 September 2014	Three-month period ended 30 September 2014	2013	Nine-month period ended 30 September 2014	2013
	<i>(in thousand Baht)</i>					
Subsidiary						
Revenues						
Rental and service income	-	-	142	-	142	-
Other related parties						
Revenues						
Premium written	2,675	5,272	2,675	259	5,272	4,448
Claim recovery from reinsurance	-	17	-	-	17	60,767
Interest income - deposits at banks, promissory notes and debentures	132,440	409,823	132,440	92,359	409,823	245,614
Interest income - mortgage loans	2,431	7,448	2,431	2,691	7,448	8,337
Dividend income	140,295	212,467	140,295	58,342	212,467	145,238
Rental and service income	-	-	-	96	-	129
Brokerage income from securities trading	5,362	13,669	5,362	4,162	13,669	12,076
Gain on forward and swap exchange contracts	4,531	37,087	4,531	24,394	37,087	51,976

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	Consolidated financial statements		Separate financial statements			
	Three-month period ended 30 September 2014	Nine-month period ended 30 September 2014	Three-month period ended 30 September 2014	2013	Nine-month period ended 30 September 2014	2013
	<i>(in thousand Baht)</i>					
Expenses						
Premium ceded	-	83	-	67	83	84,092
Commission and brokerage	214,266	1,062,649	214,266	258,641	1,062,649	1,012,867
Claim payments and diagnosis charges	17,677	45,115	17,677	13,360	45,115	38,887
Bank charges	20,101	67,772	20,101	23,679	67,772	65,225
Insurance premiums	1,168	1,477	1,168	281	1,477	1,673
Building space rental and service fees	17,259	49,886	17,259	16,971	49,886	48,844
Other service fees	133	424	133	181	424	459
Key management personnel and director compensation						
Short-term employment benefit	8,271	7,792	8,271	7,792	24,809	23,386
Post-employment benefit	432	2,217	714	407	2,141	1,221
Share-based payment transactions	3,102	9,306	3,102	3,102	9,306	9,306
Total	11,805	19,315	12,087	11,301	36,256	33,913

The premium generated from the Bancassurance distribution channel represented approximately 55.6% and 75.7% of total net premium written for the three-month and nine-month periods ended 30 September 2014, respectively and 62.7% and 68.8% of total net premium written for the three-month and nine-month periods ended 30 September 2013, respectively.

The details of the warrants allocated to the Company's employees are presented in note 19.

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Significant balances as at 30 September 2014 and 31 December 2013 with related parties were as follows:

	Consolidated financial statements	Separate financial statements	
	30 September 2014	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>		
Subsidiary			
Rental and service receivables	-	419	-
Other receivables	-	3,646	-
Other related parties			
Deposit at financial institution	1,403,883	1,403,883	1,776,563
Reinsurance assets	-	-	949
Investments in securities			
Available-for-sale investments			
Equity securities	3,438,986	3,438,986	2,732,969
Unit trusts	1,623,803	1,623,803	1,453,642
Total available-for-sale investments	5,062,789	5,062,789	4,186,611
Held-to-maturity investments			
Private enterprise debt securities	4,105,000	4,105,000	4,105,000
Foreign debt securities	6,139,379	6,139,379	4,801,185
Total held-to-maturity investments	10,244,379	10,244,379	8,906,185
General investments - foreign equity securities	11,167	11,167	11,467
Premium receivable	309	309	-
Loans	145,077	145,077	159,679
Forward and swap exchange contract receivable	4,040,058	4,040,058	2,416,554
Other assets	74,466	73,978	83,475
Amounts due to reinsurers	-	-	908
Outstanding claims	8,461	8,461	6,866
Forward and swap exchange contract payable	4,324,065	4,324,065	2,463,029
Other liabilities	174,358	174,358	198,443

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Significant agreements with related parties

(a) Significant agreements with related party

Agreements with related bank

The Company entered into various agreements and memorandums with a related bank particularly in the distribution of insurance products in return for commission and marketing support expenses.

Bank charge

The Company agreed to pay fees to a related bank in return for transactional activities of the Company's customers through the bank's branches, ATMs and other alternative channels.

Building rental agreements

On 21 May 2013, the Company (lessor) entered into the building rental agreement with BLA Insurance Broker Company Limited (lessee). The monthly fee for rental and service is Baht 32,250, and deposit on rental is Baht 64,500. The rental period covers 1 June 2013 until 31 May 2014. On 24 June 2014, the Company (lessor) entered into the building rental agreement with BLA Insurance Broker Company Limited (lessee). The monthly fee for rental and service is Baht 32,895, and deposit on rental is Baht 65,970. The rental period covers 1 June 2014 until 31 May 2017.

(b) Commitments with related parties

As at 30 September 2014, the Company has existing lease and service agreements for offices with related companies. The terms of the agreements are generally between 3 - 25 years (31 December 2013: 3 - 25 years) for leases of building space and between 3 - 25 years (31 December 2013: 3 - 25 years) for motor vehicles and equipment. The Company has a monthly rental and service fee of Baht 4.2 million (excluding value added tax) (2013: Baht 3.1 million).

	Consolidated financial statements		Separate financial statements	
	30 September 2014	30 September 2014	30 September 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Within one year	25,618	25,618	25,618	19,768
After one year but within five years	56,221	56,221	56,221	29,867
After five years	6,698	6,698	6,698	8,074
Total	88,537	88,537	88,537	57,709

27 Securities and assets pledged with registrar

27.1 As at 30 September 2014 and 31 December 2013, investments in debt securities were pledged with the Registrar in accordance with Section 20 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

	Consolidated/ Separate financial statements		Separate financial statements	
	30 September 2014		31 December 2013	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
State enterprise bonds	20,000	20,000	20,000	20,000

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27.2 As at 30 September 2014 and 31 December 2013, investments in debt securities were pledged as life assurance policy reserve with the Registrar in accordance with Section 24 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

	Consolidated/ Separate financial statements 30 September 2014		Separate financial statements 31 December 2013	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government bonds	33,750,000	35,257,994	20,802,166	20,750,000
State enterprise bonds	6,927,140	6,199,073	7,430,455	7,924,140
Total	40,677,140	41,457,067	28,232,621	28,674,140

28 Commitments with non-related parties

(a) Operating lease and service commitments

The Group has entered into several lease agreements in respect of the lease of motor vehicles and equipment. The terms of the agreements are generally between 1 - 6 years (*31 December 2013: 1 - 6 years*) for leases of motor vehicles and equipment. Such agreements are non-cancellable.

	Consolidated financial statements 30 September 2014		Separate financial statements 30 September 2014 31 December 2013	
	<i>(in thousand Baht)</i>			
Within one year	28,900	28,900	28,900	30,565
After one year but within five years	21,322	21,322	21,322	24,742
After five years	-	-	-	2,644
Total	50,222	50,222	50,222	57,951

(b) Investment commitments

As at 30 September 2014 and 31 December 2013, the Group may need to deposit additional amounts in the future under the investment conditions as described in Note 7.4 (a) and (b) to the financial statements, as summarised below.

	Consolidated financial statements 30 September 2014		Separate financial statements 30 September 2014 31 December 2013	
	<i>(in thousand Baht)</i>			
Within 1 year	1,140,000	1,140,000	1,140,000	1,140,000
After one year but within five years	1,070,000	1,070,000	1,070,000	950,000
After five years	-	-	-	300,000
Total	2,210,000	2,210,000	2,210,000	2,390,000

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(c) *Other commitments*

As at 30 September 2014 and 31 December 2013, the Group has government bonds, state enterprise bonds and time deposits at bank were pledged as collateral as follows:

	Consolidated/ Separate financial statements		Separate financial statements	
	30 September 2014		31 December 2013	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government bonds				
Electricity usage	2,620	2,590	2,622	2,590
Court	11,275	11,280	11,933	11,932
Total	13,895	13,870	14,555	14,522

29 Contingent liabilities

As at 30 September 2014, lawsuits have been brought against the Group in relation to insurance claims in the normal course of business totaling approximately Baht 38 million (*31 December 2013: Baht 39 million*). The Group's management believes that the recorded amount of life policy reserves, unpaid policy benefits and due to insured in the financial statements is adequate to meet the potential losses in respect of those claims.

30 Events after reporting period

- (a) On 30 October 2014, the Company has registered the increment of the share capital with the Ministry of Commerce from amounting Baht 1,220 million to amounting Baht 1,708 million by issuing 488 million new shares at par value of 1 Baht per share, amounting to Baht 488 million.
- (b) The Board of Directors' Meeting which was held on 3 November 2014 had resolved to call the Extraordinary Shareholders' Meeting on 12 December 2014 to approve the allotment of shares to reserve for dividend payment and exercise ESOP warrant as well to allot the remaining shares 2,775,075 shares from dividend payment with reference to the resolution of the Extraordinary Shareholders' Meeting on 25 September 2014. The principle on setting the offering price as follows:
- 75 shares will be offered to the Bangkok Life Assurance Public Company Limited Employee Provident Fund at par value, as the shares in fraction of board lot is not practical to place via private placement.
 - 2,775,000 shares will be offered through private placement at the price of not lower than 90% of the average closing price during consecutive business days prior to the offering date.

The remaining shares from stock dividend payment with reference to the resolution of the Extraordinary Shareholders' Meeting on 25 September 2014, can not be distributed and dividend rights is revoked as the shares are local registered shares held by foreign investors. As a result, the proportion of the Company's foreign shareholders after stock dividend payment exceed 25%. The Company's registrar can not proceed to register the new shares with regulatory agent and the Company can not go on to get the share listed.

Bangkok Life Assurance Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2014 (Unaudited)

31 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the new TFRS that has been issued but is not yet effective. The new TFRS that is applicable to the Group, which becomes effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, is as follows:

TFRS	Topic	Year effective
TFRS 4	Insurance Contracts	2016

Management is in the process of assessing the impact of TFRS 4.

32 Reclassification of accounts

Certain accounts in the statements of financial position as at 31 December 2013 and the statement of cash flows for the nine-month period ended 30 September 2013 which are included in the 2014 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2014 interim financial statements.

	2013		
	Separate financial statements		
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Statement of financial position as at 31 December 2013</i>			
Deferred tax assets	1,066,287	(1,066,287)	-
Deferred tax liabilities	(1,098,048)	<u>1,066,287</u>	(31,761)
		<u>-</u>	
Held-to-maturity securities	140,790,981	511,797	141,302,778
Other assets	347,315	115,305	462,620
Other liabilities	(1,499,378)	<u>(627,102)</u>	(2,126,480)
		<u>-</u>	
<i>Statement of Cash flows for the nine-month period ended 30 September 2013</i>			
<i>Cash flows from investing activities</i>			
Cash flows provided by:			
Deposit in financial institution	18,155,000	(18,085,000)	70,000
Cash flow used in:			
Deposit in financial institution	(18,195,000)	<u>18,085,000</u>	(110,000)
		<u>-</u>	