



Bangkok Life Assurance

Public Company Limited

www.bla.co.th



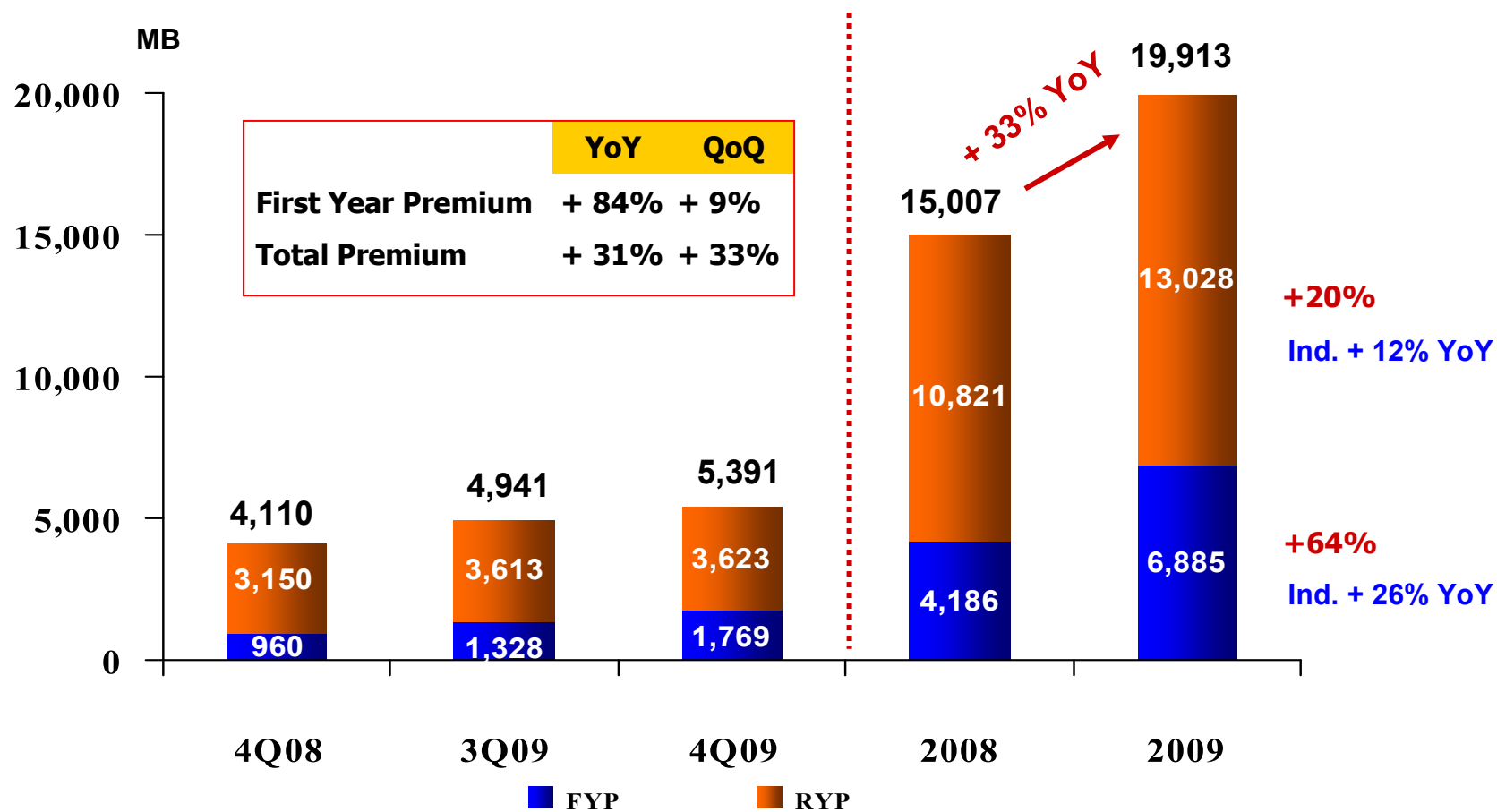
Presentation
For

Analyst Meeting

March 31, 2010

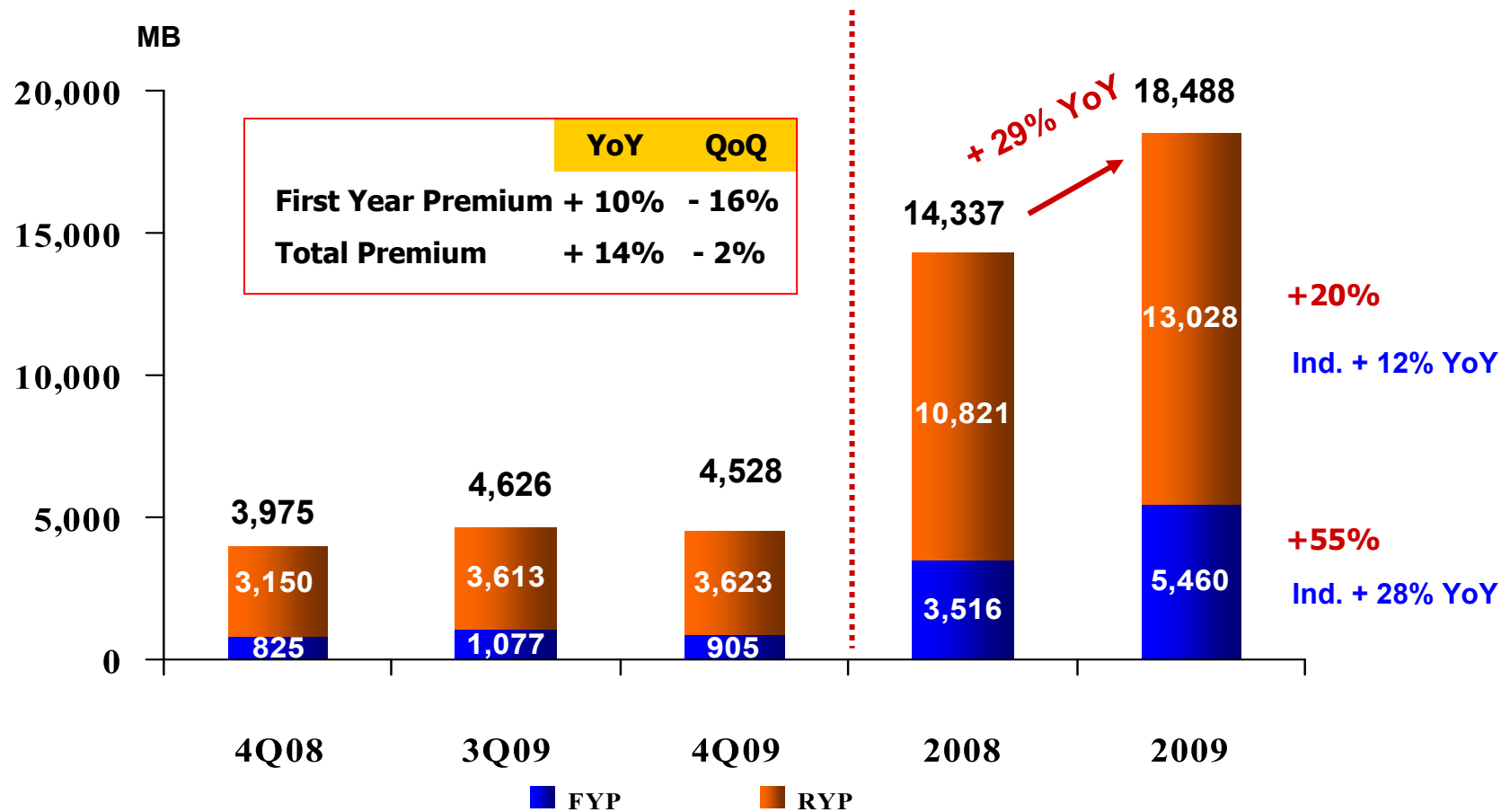
Premium Growth – included Single Premium

Total premium grows 33% in 2009 VS the industry average 17% driven mainly by 75% growth of Bancassurance



Premium Growth – Excluded Single Premium

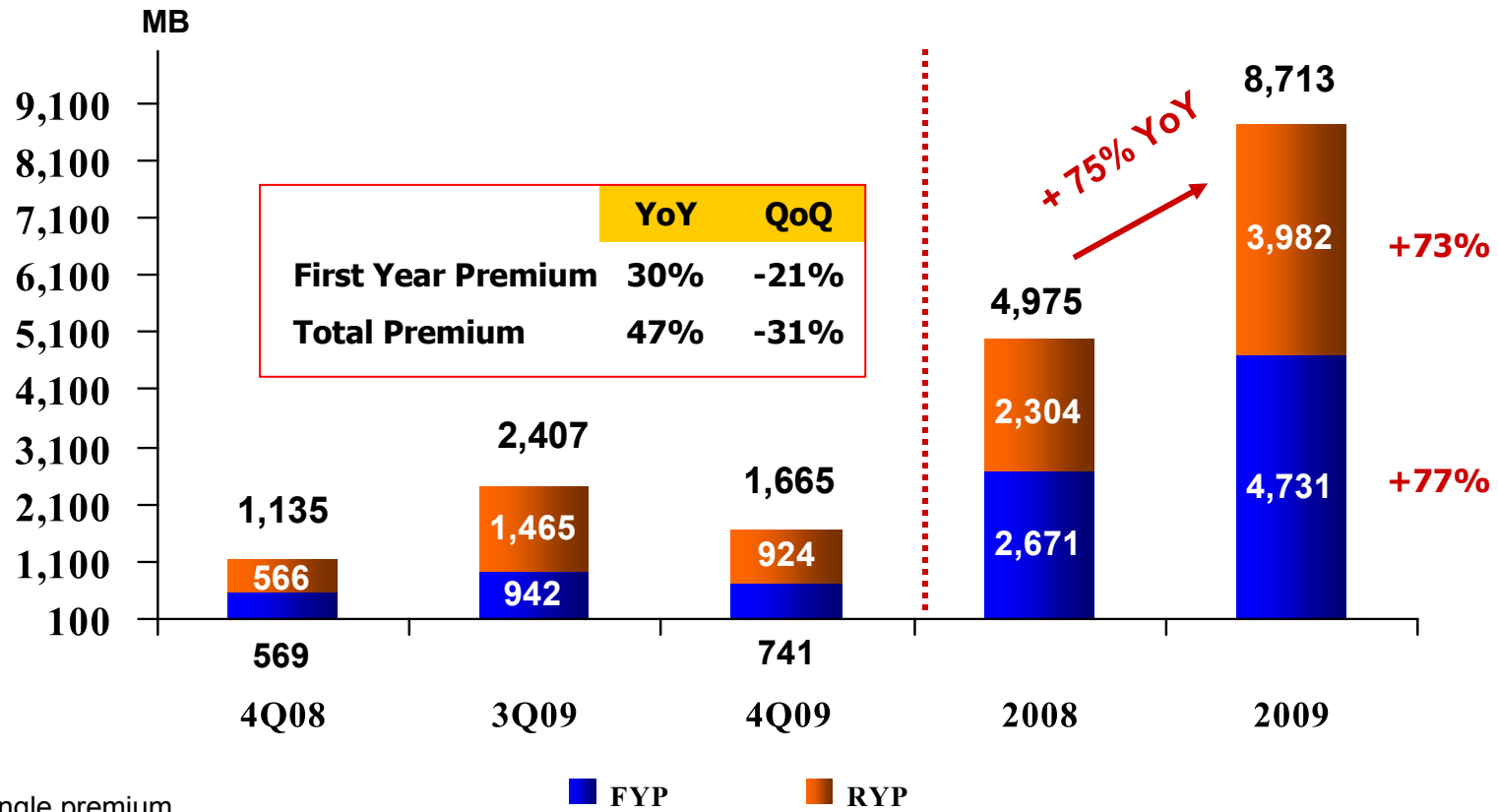
Total premium grows 29% in 2009 VS the industry average +15%



Premium Growth – Bancassurance

Excl. SP →

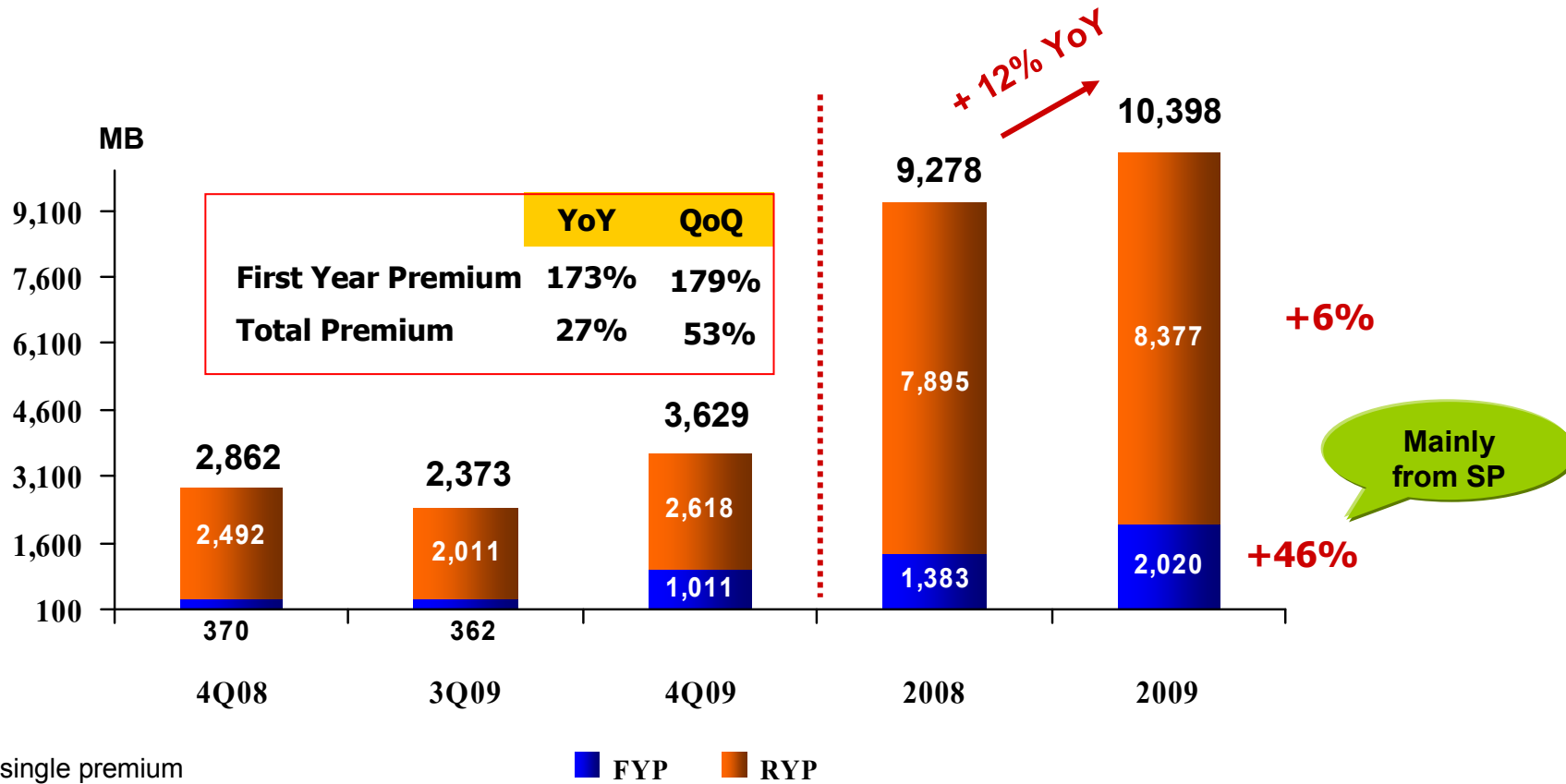
	2009	BLA	Industry
First Year Premium (YoY)		+105%	+85%
Total Premium (YoY)		+88%	+65%



Premium Growth – Agent

Excl. SP →

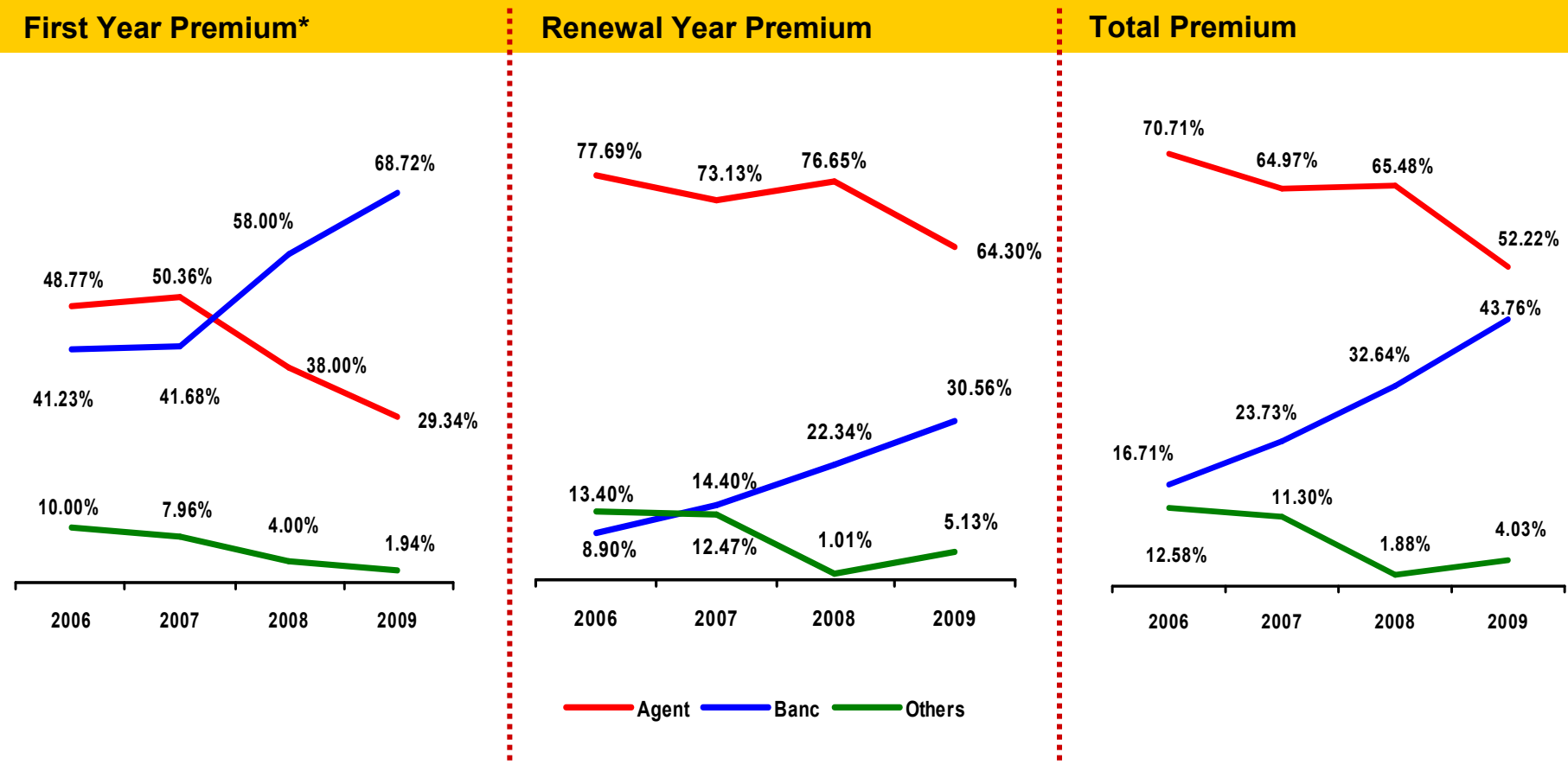
	2009	BLA	Industry
First Year Premium (YoY)		-1%	+40%
Total Premium (YoY)		+5%	+19%



incl. single premium

■ FYP ■ RYP

Contribution from major selling channels



FYP* included single premium

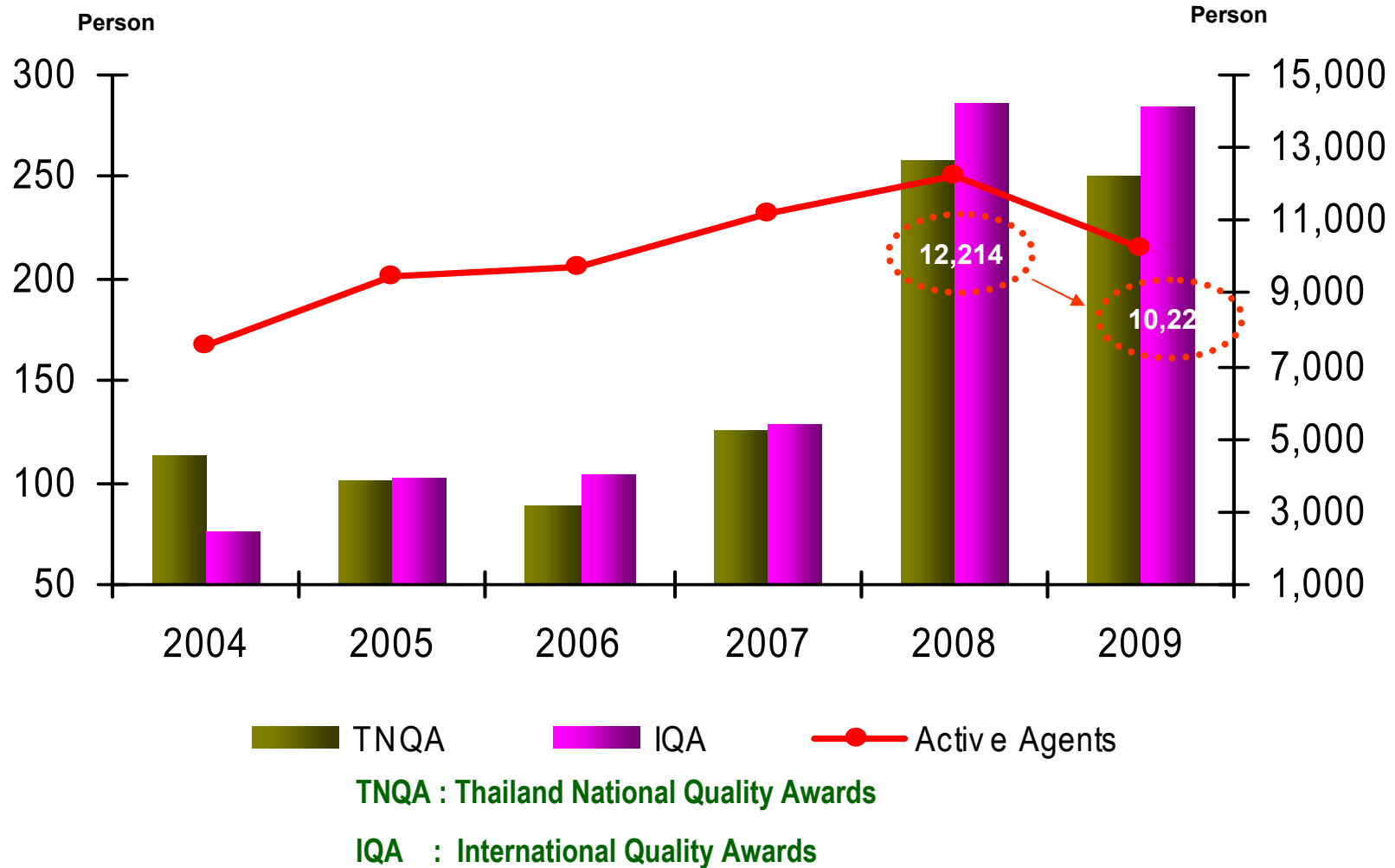
New Policy Written

	BLA		Industry	
	2009	2008	2009	2008
Number of Policy (Unit)	228,219	175,807	2,413,910	2,307,467
<i>% change (YoY)</i>	<i>30</i>	<i>16</i>	<i>5</i>	<i>9</i>
Premium/Policy (Bht)	22,985	18,729	20,194	15,393
Sum assured/policy	219,084	205,240	188,754	191,733

BLA	Banassurance		Agent	
	2009	2008	2009	2008
Number of Policy (Unit)	65,200	46,125	136,991	123,039
<i>% change (YoY)</i>	<i>41</i>	<i>36</i>	<i>11</i>	<i>11</i>
Premium/Policy (Bht)	60,350	42,315	18,334	22,357
Sum assured/policy	222,095	188,759	418,661	405,581

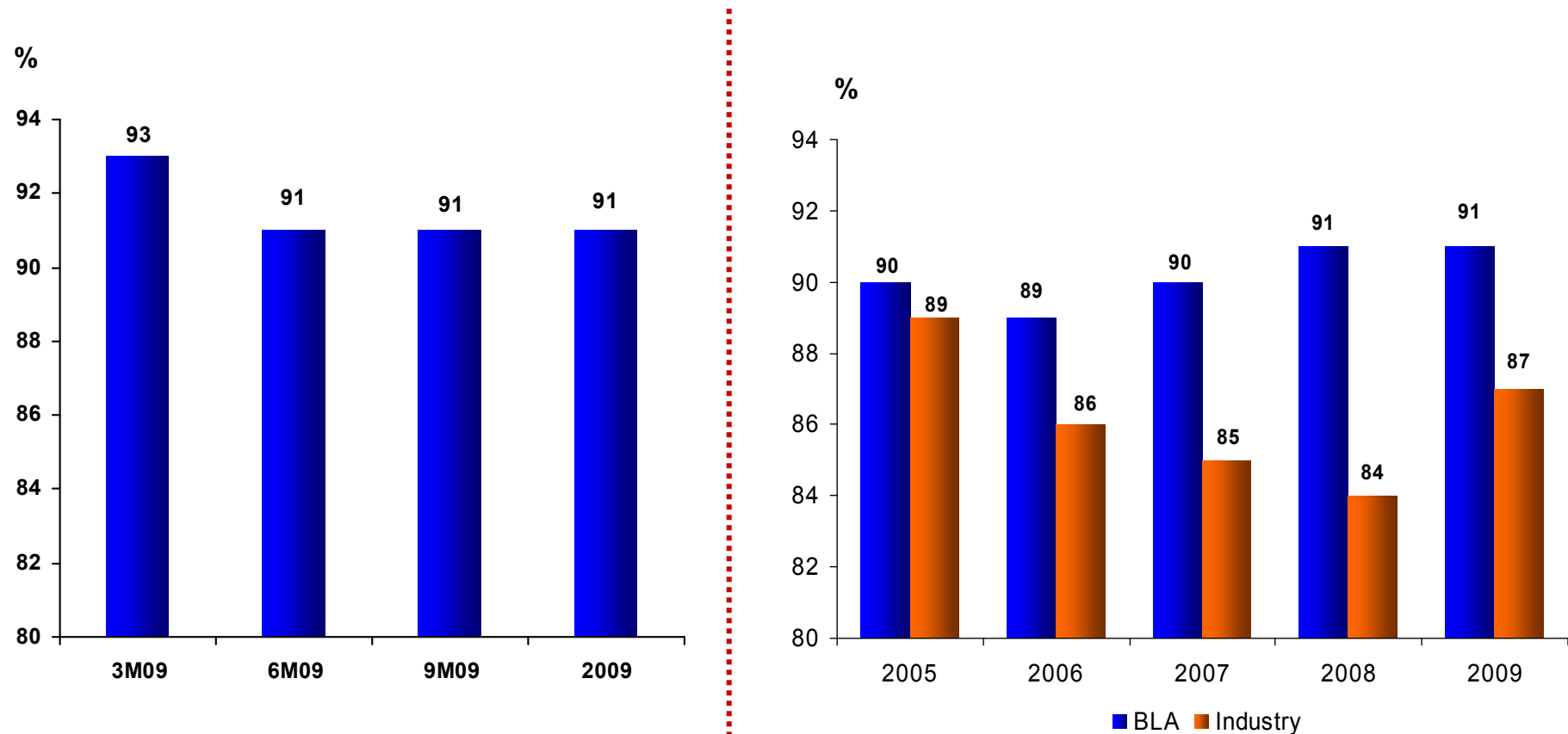
Excl. single premium

Agents & Productivity



Premium Collection – All Type Premium

Higher Premium Collection reflects portfolio quality, early growth stage, and solid renewal business



Underwriting Expenses

	4Q09 (MB)	%	3Q09 (MB)	%	QoQ%	4Q08 (MB)	%	YoY%
Total Premium	5,415	100.00	4,973	100.00	8.89	4,110	100.00	31.75
Deducted premium cancelled, refunded & reinsurance	78	1.44	101	2.03	(22.77)	51	1.24	52.94
Net Premium	5,337	100.00	4,872	100.00	9.54	4,033	100.00	32.33
Total Underwriting Expenses	5,498	103.02	5,170	106.12	6.34	4,019	99.65	36.80
- Increase in policy reserve	3,278	61.42	3,133	64.31	4.63	1,975	48.97	65.97
- Claims & benefits payment	1,475	27.64	1,402	28.78	5.21	1,444	35.80	2.15
- Commissions & brokerages	675	12.65	553	11.35	22.06	544	13.49	24.08
- Sale promotion expenses	58	1.09	79	1.62	(26.58)	53	1.31	9.43
- Others	4	0.07	3	0.06	33.33	3	0.07	33.33
Income on underwriting	(161)	(2.97)	(298)	(5.99)	45.97	14	0.34	(1,250.00)

Reserve+ Benefit Paid

89.06%

94.58%

85.54%

Underwriting Expenses

	2009 (MB)	%	2008 (MB)	%	YoY (%)
Total Premium	20,035	100.00	15,086	100.00	32.81
Deducted premium cancelled, refunded & reinsurance	403	2.01	354	2.35	13.84
Net Premium	19,632	100.00	14,732	100.00	33.26
Total Underwriting Expenses	19,954	101.64	14,843	100.75	34.43
- Increase in policy reserve	11,666	59.42	7,670	52.06	52.10
- Claims & benefits payment	5,437	27.69	4,926	33.44	10.37
- Commissions & brokerages	2,502	12.74	1,985	13.47	26.05
- Sale promotion expenses	325	1.66	250	1.70	30.00
Income on underwriting	(322)	(1.61)	(111)	(0.74)	190.09

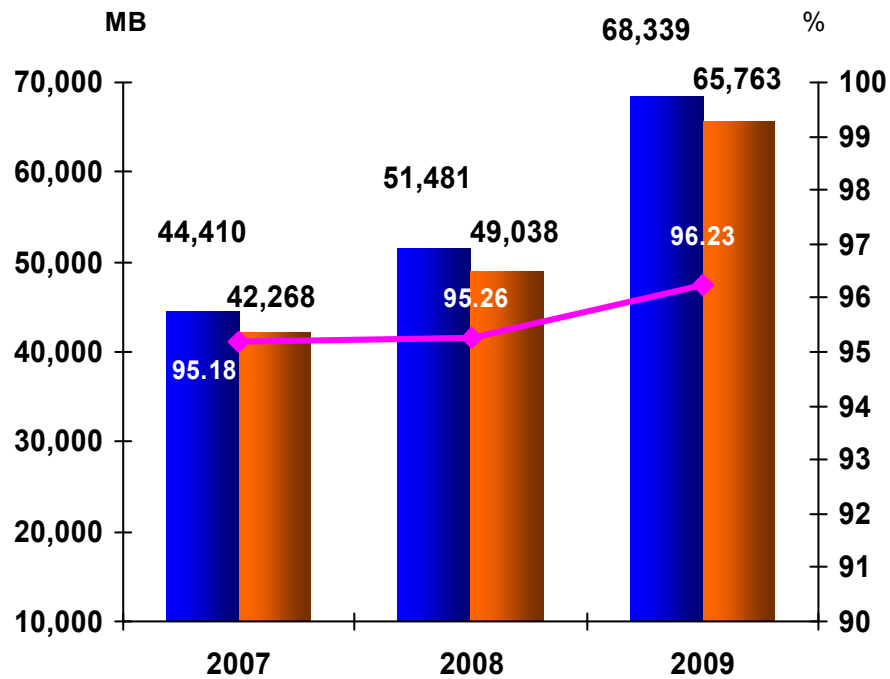
Reserve+ Benefit Paid

87.12%

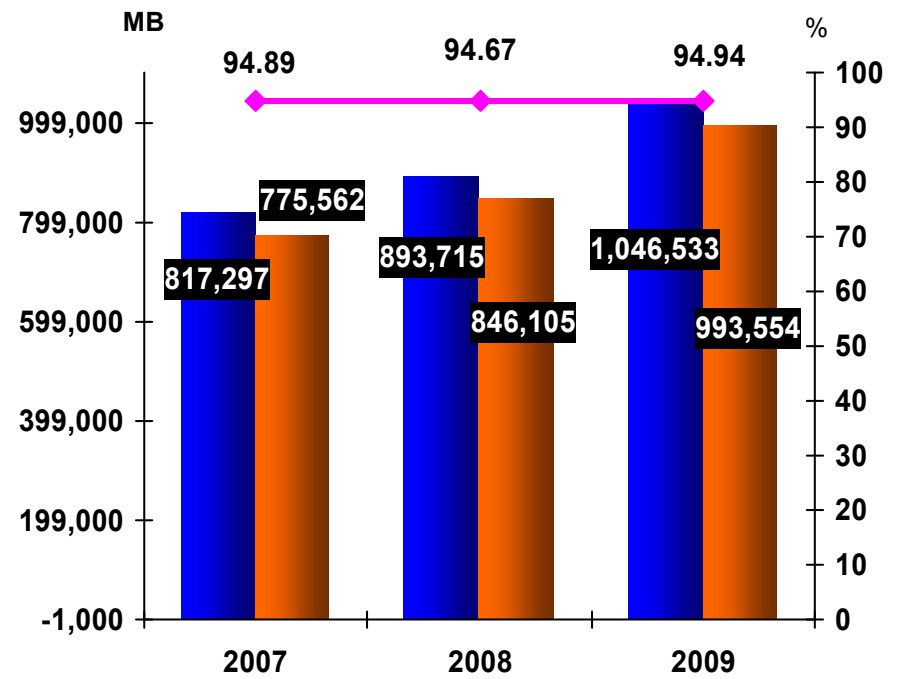
88.97%

Assets & Investment Assets

BLA



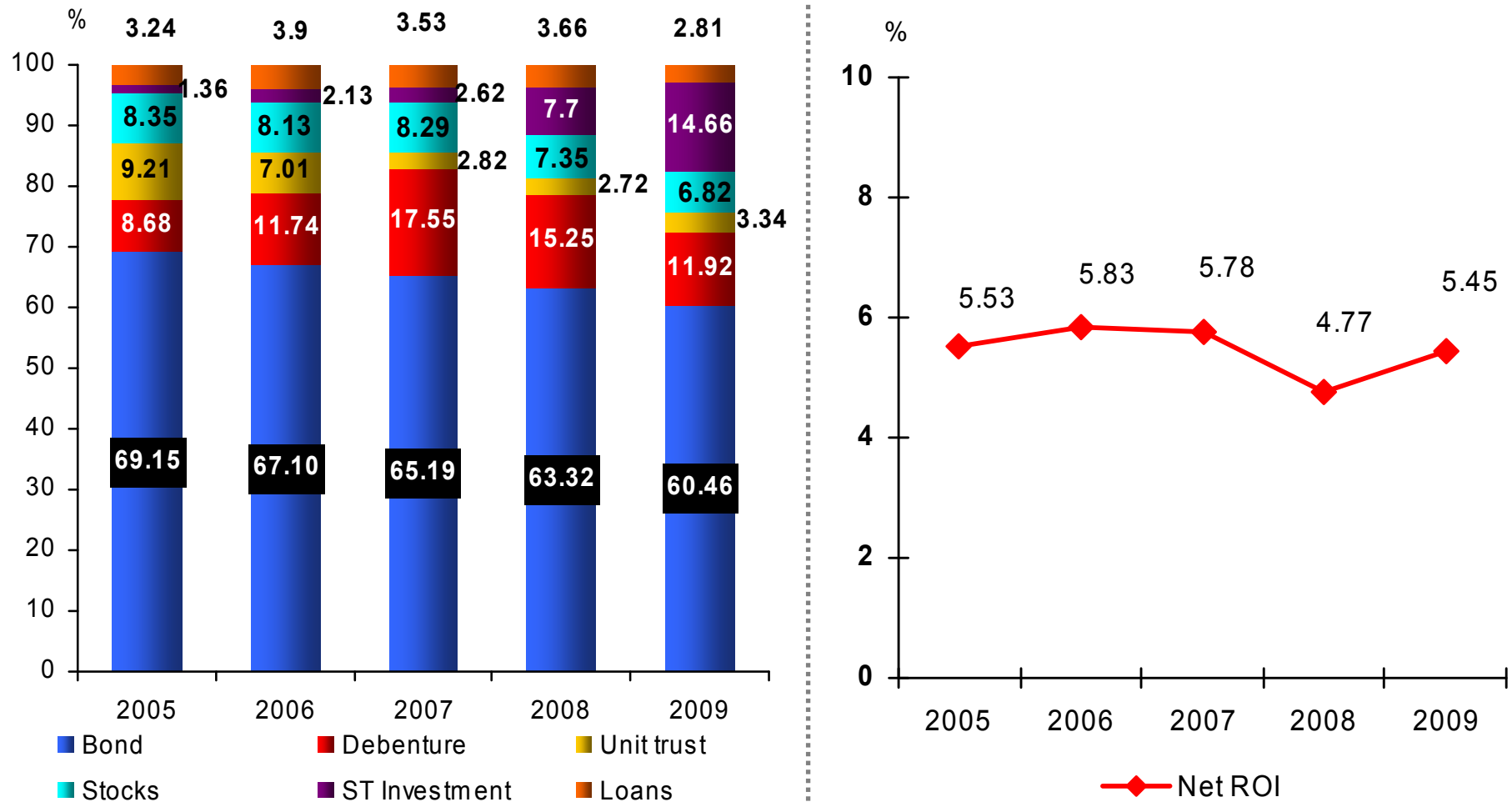
Industry



■ Total Assets ■ Inv. Assets ◆ Inv. assets / Total assets

Investment Assets Allocation

LT fixed income assets lead to less volatile ROI and lower ALM risk. Recent high ST investment will be temporary and will be cut down to lower than 5%



Investment Assets Allocation

Type of investment assets	Industry		Industry (excl. AIA)		AIA		BLA	
	MB	%	MB	%	MB	%	MB	%
Short-term investment	81,961	8.26	69,515	12.41	12,446	2.88	3,576	5.51
Government & SOE bonds	652,990	65.84	332,638	59.40	320,352	74.19	42,951	66.22
Debentures & L-T-Notes	103,547	10.44	75,120	13.41	28,427	6.58	9,709	14.97
Unit trusts and warrants	11,988	1.21	11,283	2.01	705	0.16	2,270	3.50
Stocks	67,999	6.86	19,750	3.53	48,249	11.17	4,446	6.85
Loans	66,992	6.75	49,871	8.91	17,121	3.97	1,907	2.94
- Policy loans	53,941	5.44	38,253	6.83	15,688	3.63	1,217	1.88
- Other loans	13,051	1.32	11,618	2.07	1,433	0.33	690	1.06
Other investments	6,334	0.64	1,847	0.33	4,487	1.04	-	0.00
Total investment assets	991,811	100.00	560,024	100.00	431,787	100.00	64,859	100.00
Total investment assets in 2008		846,105		465,681		380,424		49,038
Net investment income		42,343		25,994		16,349		2,960
Net ROI*		4.61%		5.07%		4.03%		5.45%

Source: Office of Insurance Commission and BLA

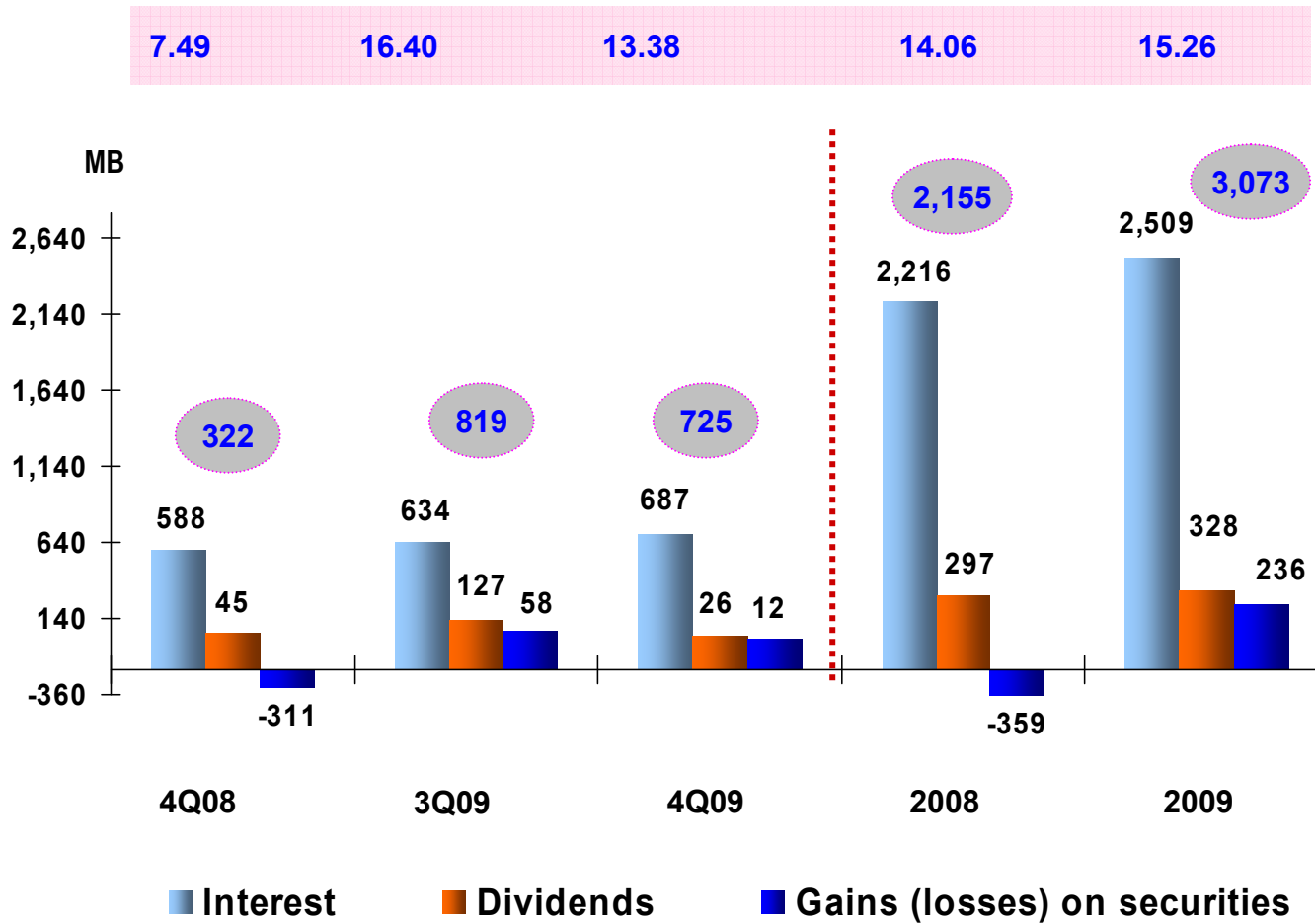
* ROI = Income / Avg.investment assets

As of 31 December 2009

Investment Income

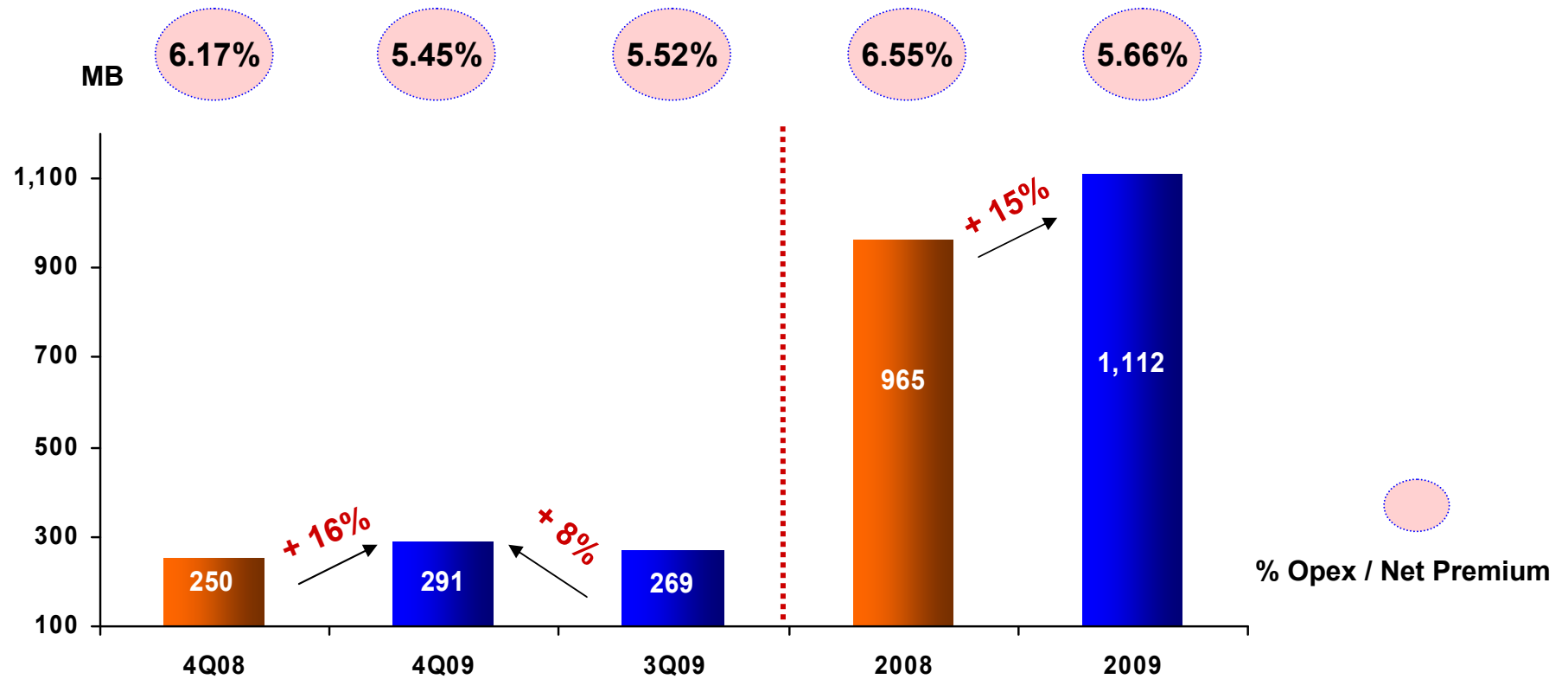
Investment income mainly come from interest and dividends

Investment Income / Net Premium



Operating Expenses

Operating expenses decline as the company achieves economy of scale



Operating Expenses Analysis

80% of OPEX is Fixed Expenses

	4Q09		3Q09			4Q08		
	(MB)	%	(MB)	%	QoQ%	(MB)	%	% YoY
Operating expenses	291	5.45	269	5.52	8.30	249	6.17	16.87
Personal expenses	141	2.64	135	2.76	4.82	121	3.00	16.53
Property & equipment expense	32	0.60	30	0.62	5.40	28	0.69	14.29
Taxes & duties	20	0.37	19	0.39	4.06	21	0.52	(4.76)
Operating expenses - branches	16	0.30	14	0.30	10.96	12	0.30	33.33
Expenses paid to OIC	14	0.26	14	0.29	(1.34)	7	0.17	100.00
Others	67	1.26	56	1.15	19.64	60	1.49	11.67
Opex/Avg. Investment Assets	1.97%		1.82%			2.14%		

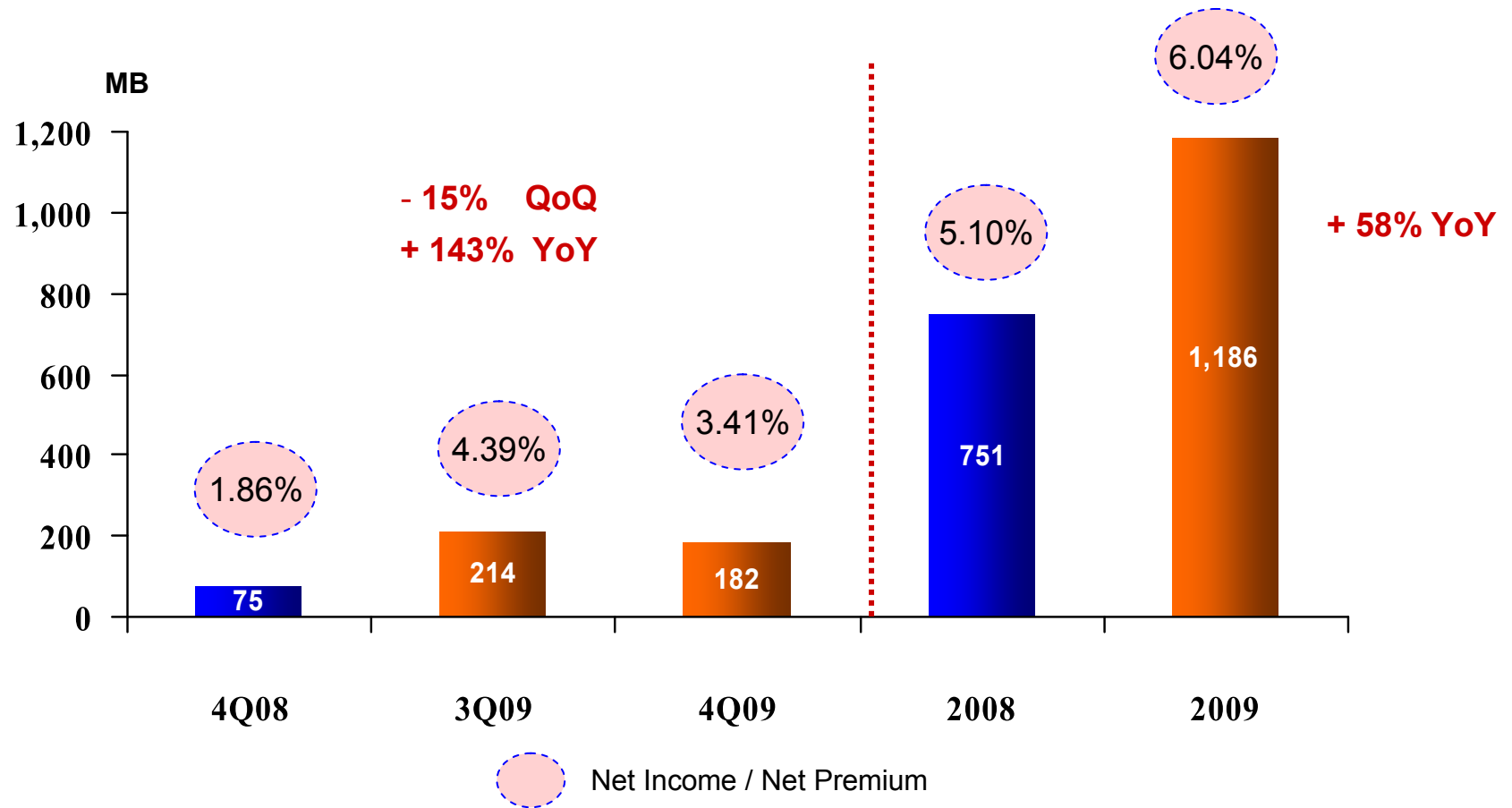
Operating Expenses Analysis

80% of OPEX is Fixed Expenses

	2009		2008		% YoY
	(MB)	%	(MB)	%	
Operating expenses	1,112	5.66	965	6.55	15.23
Personal expenses	551	2.81	490	3.33	12.45
Property & equipment expense	121	0.62	108	0.73	12.04
Taxes & duties	80	0.41	70	0.48	14.29
Operating expenses - branches	60	0.31	53	0.36	13.21
Expenses paid to OIC	66	0.34	28	0.19	135.71
Others	233	1.19	216	1.47	7.87
Opex/Avg. Investment Assets		2.11		2.32	

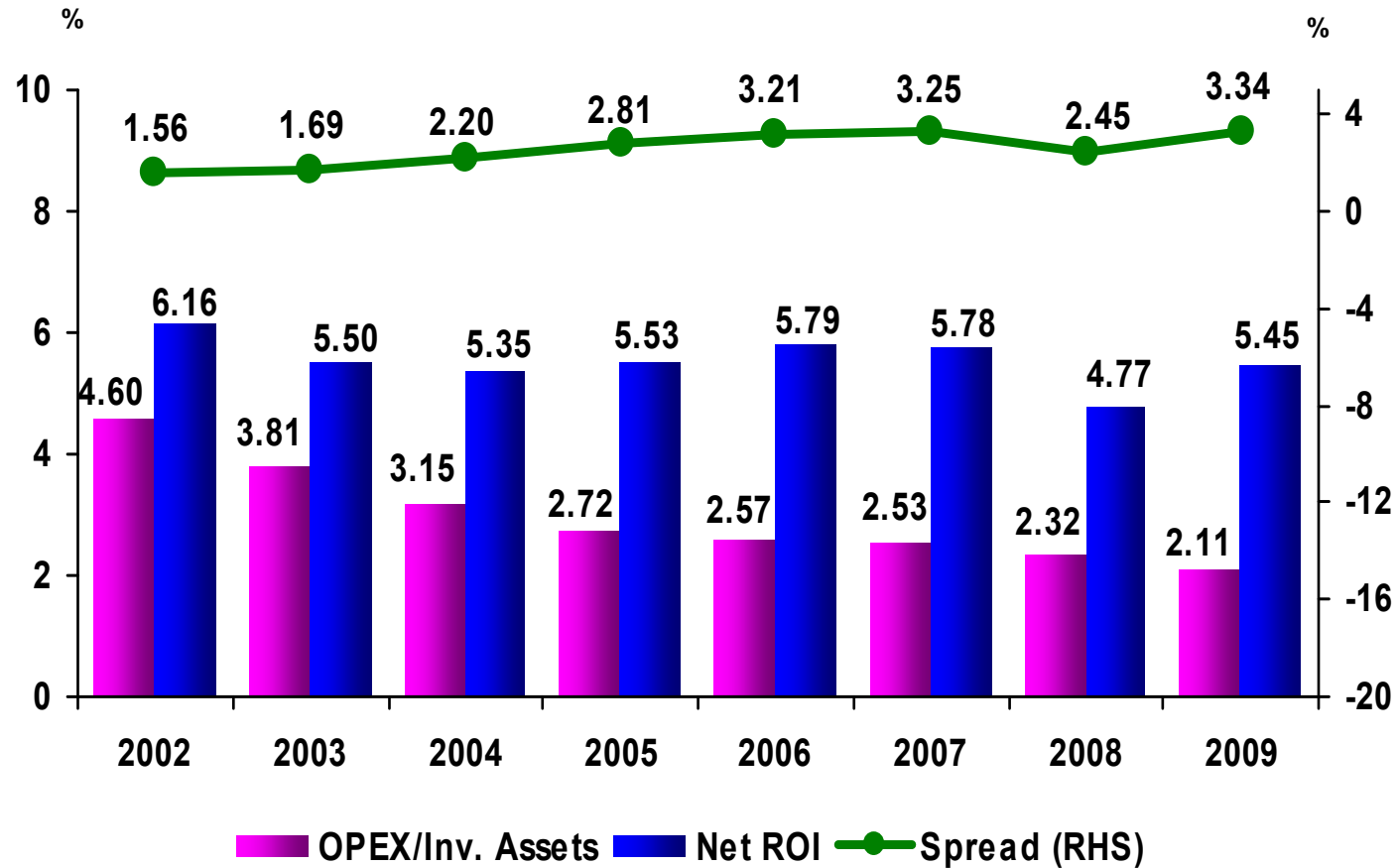
Net Income

Net income increase as a result of higher investment income while operating expenses were controllable.



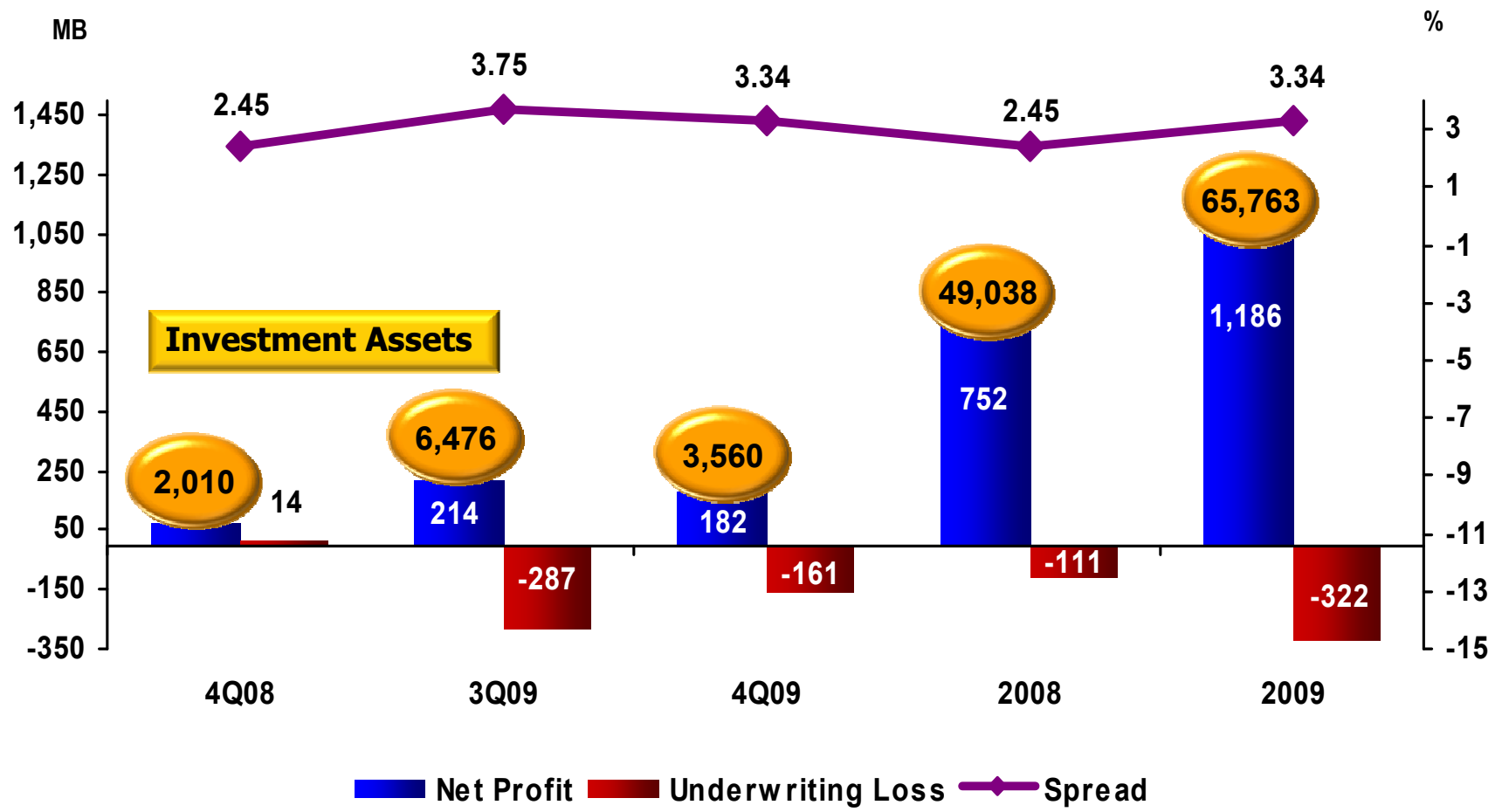
Spread

Spread between ROI and Opex/Investment Assets widen with asset size and so as the bottom line



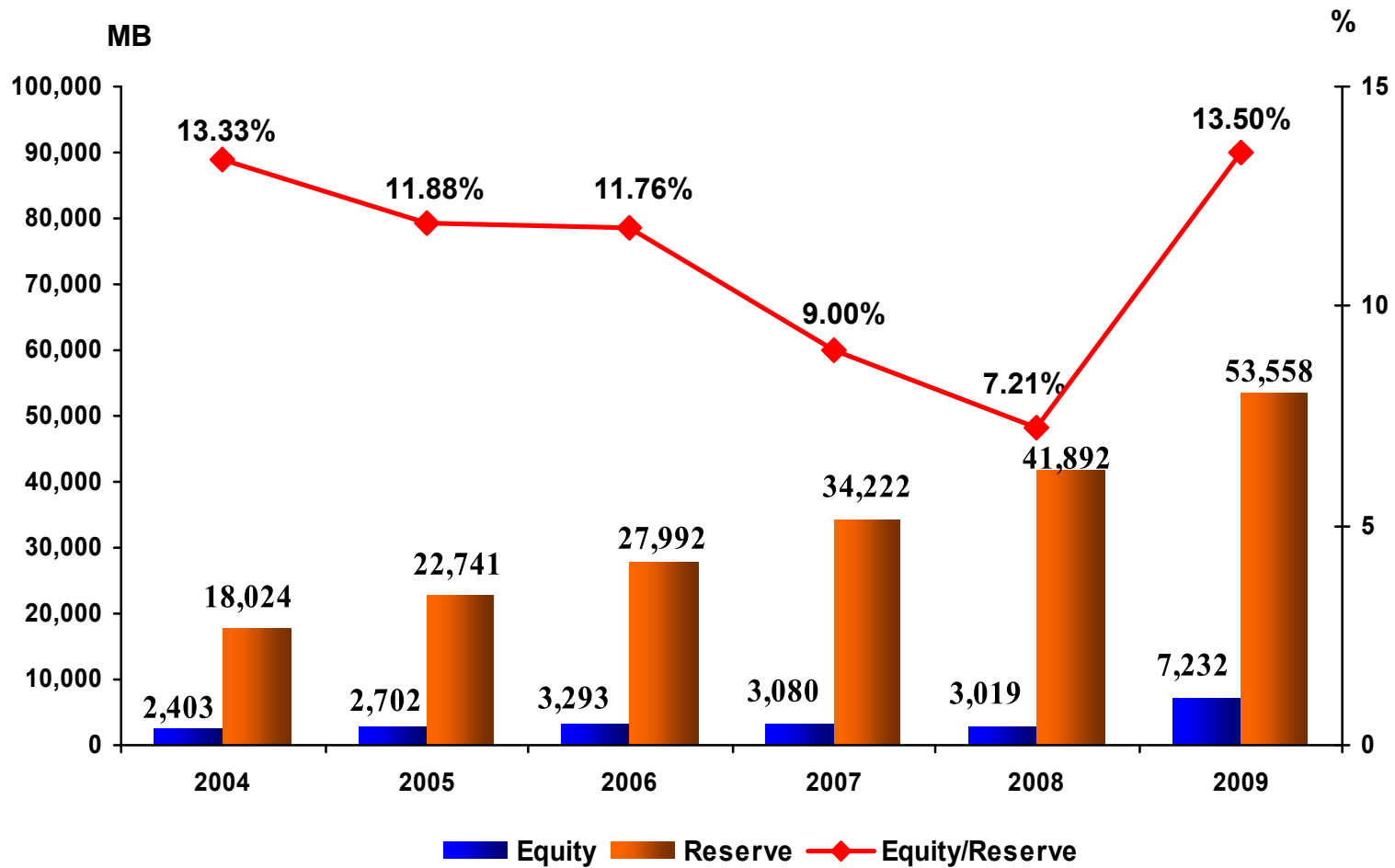
Earnings Driver

Rising Assets >> Lower Expenses Ratio >> Steady ROI
But more pressure on underwriting margin a concern

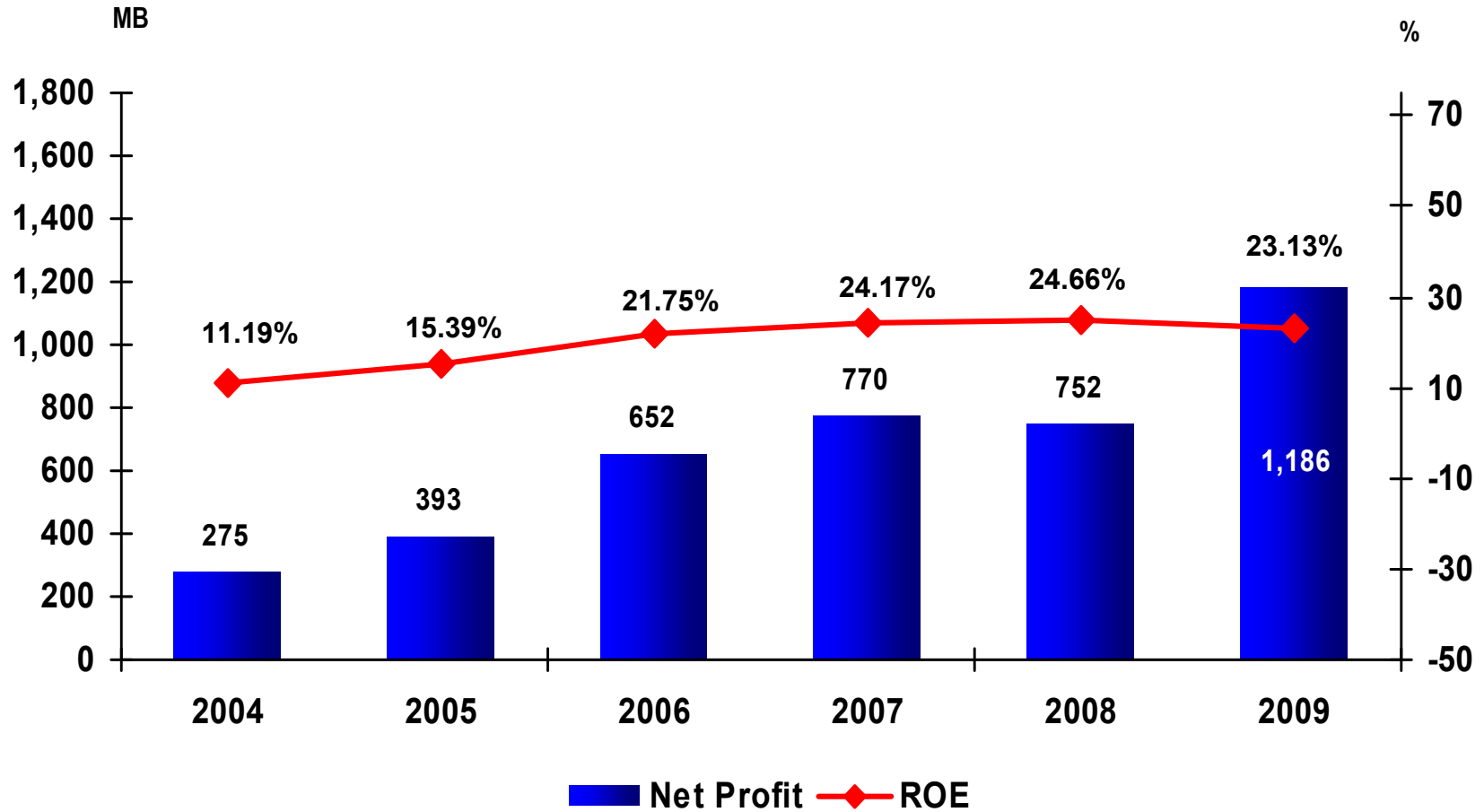


Capital Adequacy

Strong capital adequacy under existing regulation and well placed for the new RBC



ROE



Industry

Premiums

First Year Premium

Company	2007 (MB)	2008 (MB)	2009 (MB)
AIA	12,623	12,774	13,940
SCNYL	3,628	4,367	6,471
TLI	5,207	5,453	6,470
MTL	3,410	3,648	5,868
BLA	2,795	3,516	5,460
KTAL	2,259	2,929	4,710
AACP	6,297	4,128	4,263
OLIC	1,839	2,072	2,461
ING	1,743	1,994	2,338
SCILife	411.49	589.42	944
Industry	43,974	44,732	57,041

Total Premium

Company	2007 (MB)	2008 (MB)	2009 (MB)
AIA	78,820	83,289	86,312
TLI	30,753	32,246	35,488
MTL	13,693	17,243	21,541
SCNYL	12,157	15,101	19,487
BLA	12,399	15,007	19,913
AACP	19,237	14,558	15,722
KTAL	5,814	9,052	12,695
TLA	3,365	4,936	11,971
OLIC	9,284	9,879	10,742
ING	4,826	6,201	7,832
Industry	202,510	221,970	259,161

FYP excl. single premium

Market Share – Ordinary Premium

First Year Premium

Company	2007 (%)	2008 (%)	2009 (%)
AIA	26.59	25.85	21.62
SCNYL	9.40	11.68	13.03
TLI	12.91	14.22	12.48
MTL	9.15	9.45	11.42
BLA	7.34	9.27	10.76
KTAL	6.35	8.22	9.22
AACP	14.17	7.41	7.29
ING	4.90	5.47	4.65
SCILife	1.17	1.64	1.94
OLIC	1.44	1.52	1.94
Others	6.58	5.27	5.65
Total	100.00	100.00	100.00

Total Premium

Company	2007 (%)	2008 (%)	2009 (%)
AIA	42.68	41.32	36.88
TLI	16.74	16.28	15.44
BLA	6.73	7.43	8.64
MTL	6.52	7.23	8.24
SCYNL	5.58	6.79	8.15
AACP	10.10	6.64	6.28
KTAL	2.90	4.11	5.04
ING	2.81	3.25	3.52
OLIC	1.02	1.10	1.36
SCILife	0.68	0.81	1.14
Others	4.24	5.04	5.31
Total	100.00	100.00	100.00

Market Share - All Type Premium

First Year Premium

Company	2007 (%)	2008 (%)	2009 (%)
AIA	28.71	28.56	24.44
SCNYL	8.25	9.76	11.35
TLI	11.84	12.19	11.34
MTL	7.75	8.15	10.29
BLA	6.36	7.86	9.57
KTAL	5.14	6.55	8.26
AACP	14.32	9.23	7.47
OLIC	4.18	4.63	4.31
ING	3.96	4.46	4.10
SCILife	0.94	1.32	1.66
Others	8.55	7.29	7.21
Total	100.00	100.00	100.00

Total Premium

Company	2007 (%)	2008 (%)	2009 (%)
AIA	38.92	37.52	33.30
TLI	15.19	14.53	13.69
MTL	6.76	7.77	8.31
BLA	6.12	6.76	7.68
SCNYL	6.00	6.80	7.52
AACP	9.50	6.56	6.07
KTAL	2.87	4.08	4.90
TLA	1.66	2.22	4.62
OLIC	4.58	4.45	4.14
ING	2.38	2.79	3.02
Others	6.02	6.51	6.75
Total	100.00	100.00	100.00

Market Share - Bancassurance

BLA market share increased markedly thank to ample BBL branch network.

First Year Premium

Company	2007 (%)	2008 (%)	2009 (%)
SCNYL	29.05	32.14	25.39
BLA	11.48	17.98	19.88
MTL	24.87	17.02	19.16
KTAL	7.73	11.51	13.52
ING	0.00	3.93	4.63
AACP	12.64	5.43	4.18
SCILife	3.39	4.15	4.01
AIA	2.26	2.21	3.82
TLA	0.19	0.51	1.83
PLT	0.49	1.38	1.27
Others	7.90	3.74	2.31
Total	100.00	100.00	100.00

Total Premium

Company	2007 (%)	2008 (%)	2009 (%)
SCNYL	41.13	39.16	22.20
TLA	0.16	0.31	16.84
MTL	17.17	16.07	15.88
BLA	12.31	15.84	13.25
KTAL	7.02	10.15	9.75
AIA	2.14	1.74	5.39
SCILife	5.36	4.79	3.87
AACP	8.97	4.93	3.21
TLI	0.48	0.44	2.41
ING	0.00	1.59	2.22
Others	1.97	3.88	4.98
Total	100.00	100.00	100.00

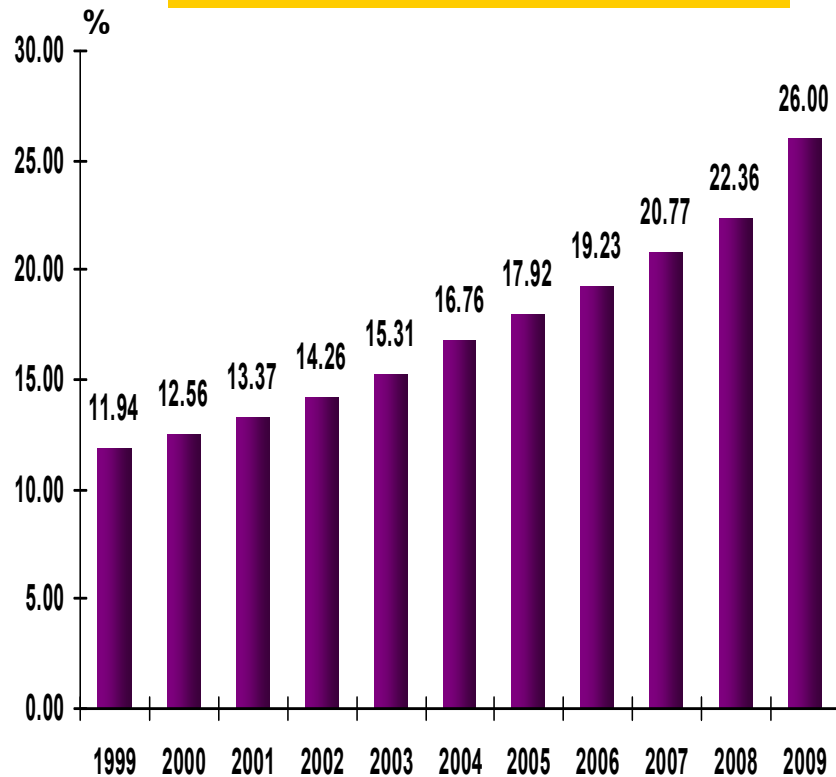
FYP excl SP

Source : The Thai Life Assurance Association

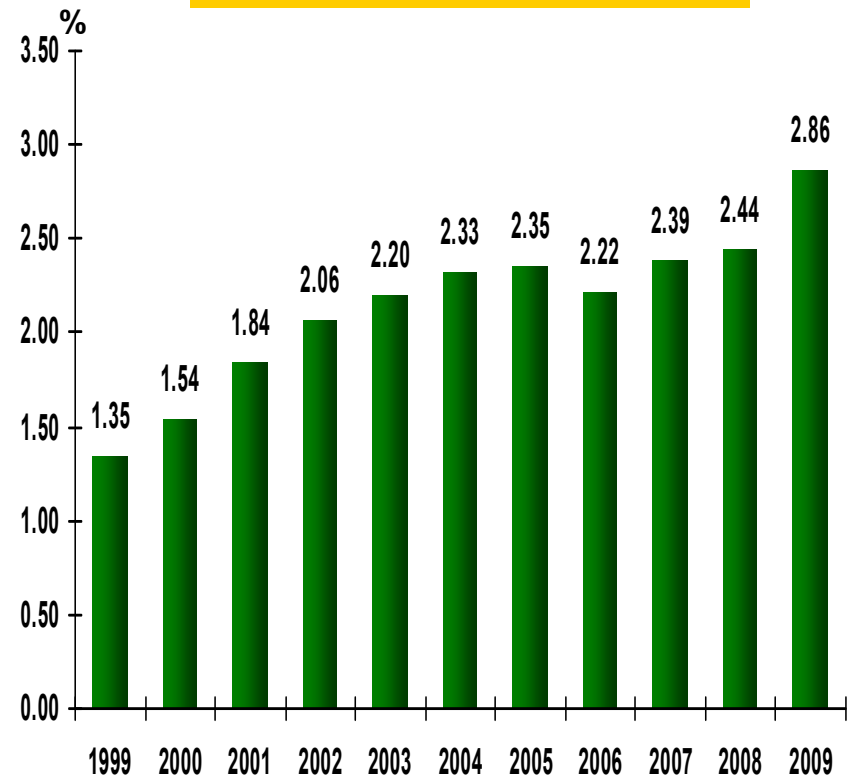
Penetration

Low penetration rate and Government support in the form of tax benefit implies high potential for future growth.

Life Policy per Population

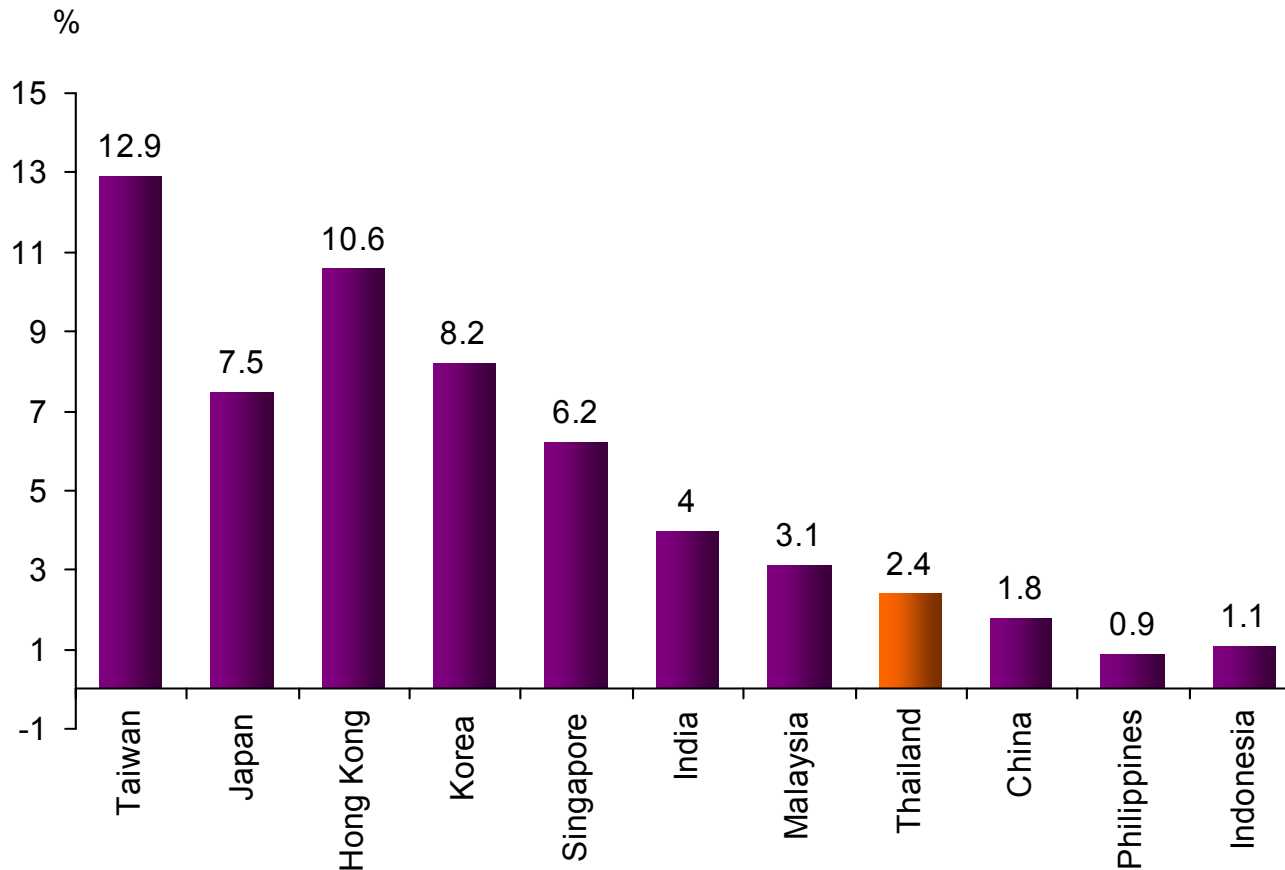


Premium per GDP



Premium per GDP in Region

Thailand had low penetration rate of 2.4%, reflecting higher potential to grow in the further.



As of 2007

Industry Growth

Year	First Year Premium	Renewal Premium	Total Premium
2002	18%	19%	21%
2003	24%	28%	17%
2004	-5%	19%	13%
2005	6%	13%	10%
2006	8%	8%	4%
2007	32%	7%	17%
2008	2%	10%	10%
2009	28%	12%	17%

Q & A