

# Analyst Meeting

*“2017 Results Update”*

February 23, 2018

# Analyst Meeting – *2017 results*

## Topics:

### **1. Results overview**

*K. Narin, SVP – Marketing Division*

*K. Sanor, SEVP – Investment Division*

*K. Jaruwat, SVP – Finance & Acct Division*

### **2. Q & A**

*President*

# MARKETING

**K. NARIN EKWONGVIRIYA**  
**SVP – MARKETING DIVISION**



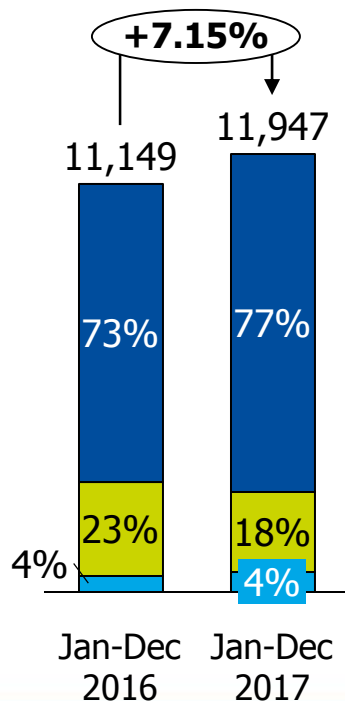
# New Business and Total Premium Jan-Dec 2017

Overall FYP increased +7%. Bancassurance Channel increased 13%, the performance of bancassurance were resulted from the continued focus on long term protection and new endowment products. Agent Channel decreased 14%, due to reduction in Unit Pension and endowment products. Others Channel +17% Growth.

■ Bancassurance ■ Agent Channel ■ Others

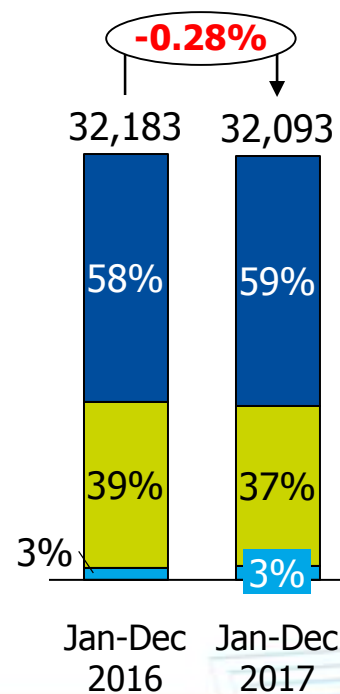
## New Business Premium

Unit : Million Baht



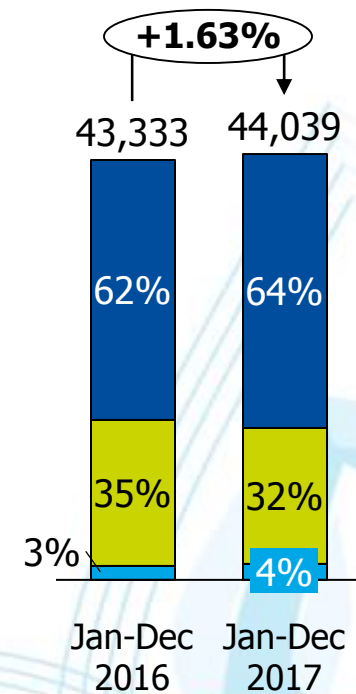
## Renewal Premium

Unit : Million Baht



## Total Premium

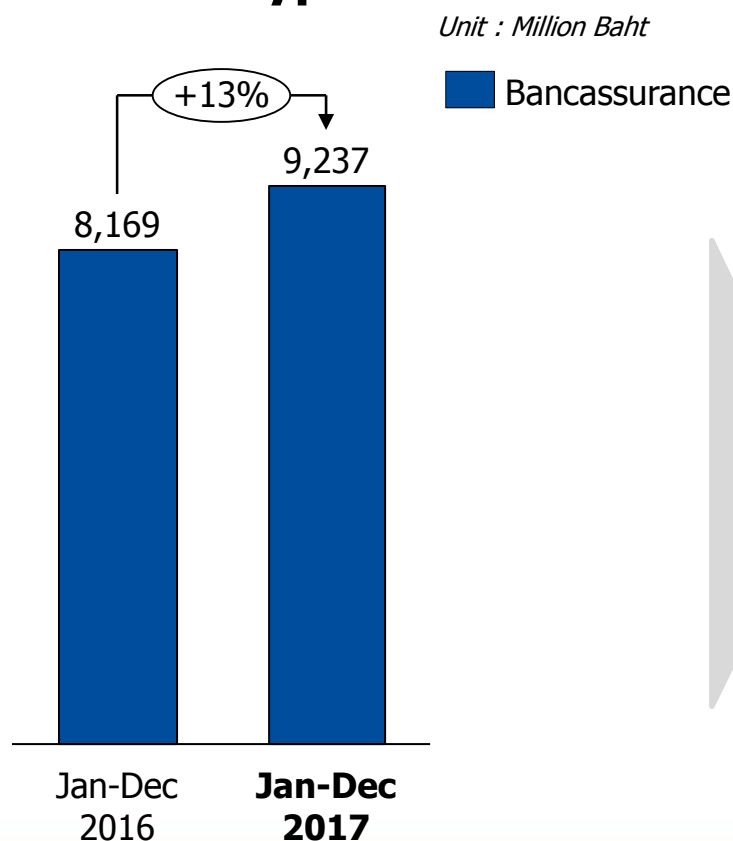
Unit : Million Baht



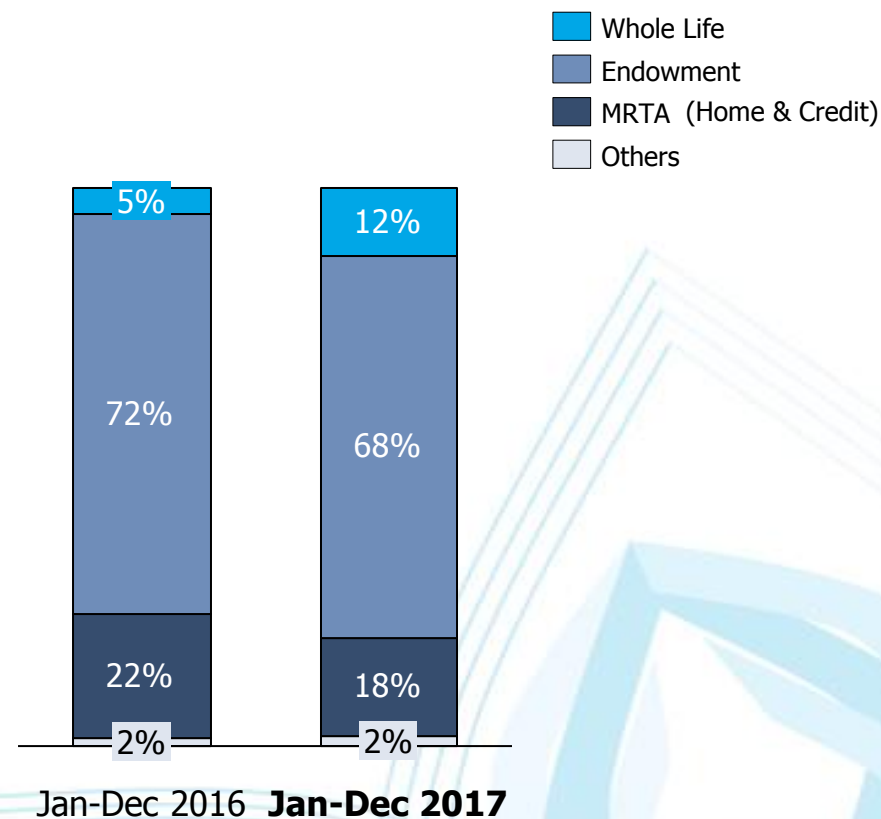
# Product Mixed : Bancassurance Channel

Overall FYP from Bancassurance increased +13% from last year, due to high growth of whole life products with +191% growth and new endowment products. New Gain 1<sup>st</sup> 760 and Gain 1<sup>st</sup> Start up encouraged long term endowment growth to +30%.

## New Business Premium All Types



## Proportion (%)

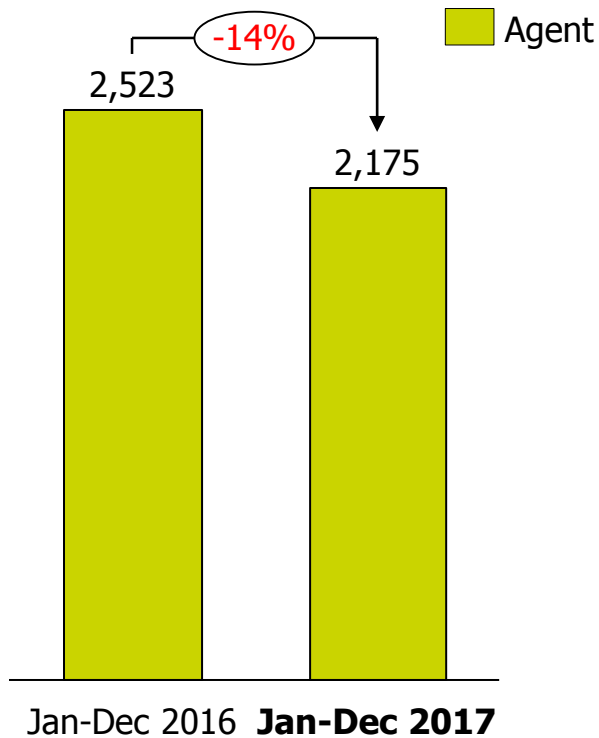


# Product Mixed : Agent Channel

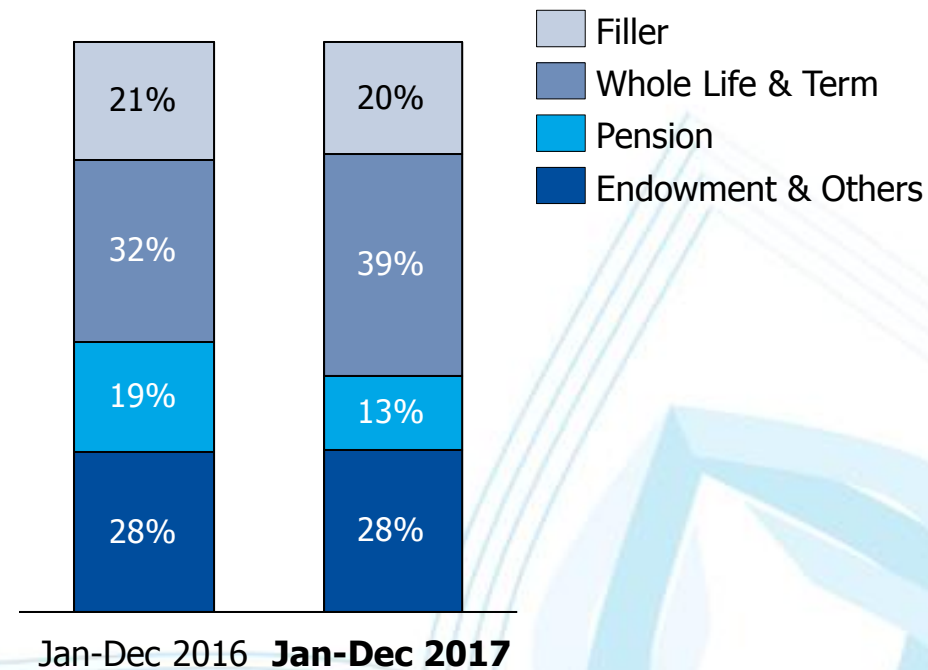
Agent channel decreased 14% in overall. Slightly grew up +6% in whole life and term products.

## New Business Premium All Types

Unit : Million Baht



## Proportion (%)

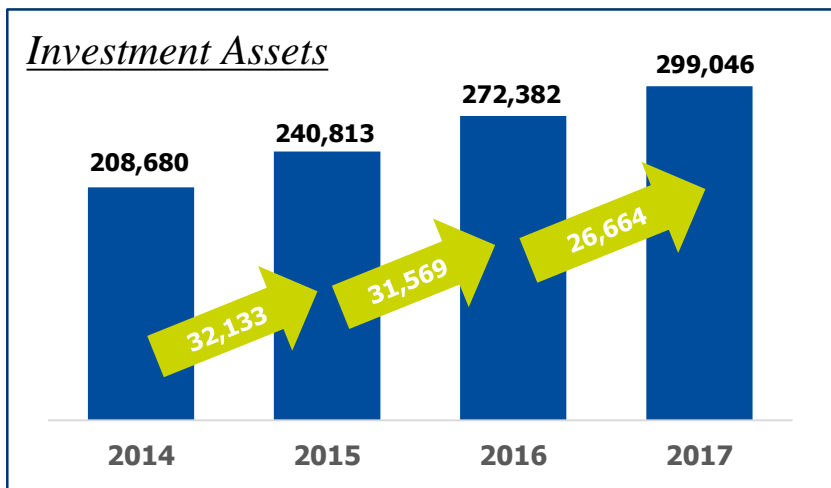


# INVESTMENT

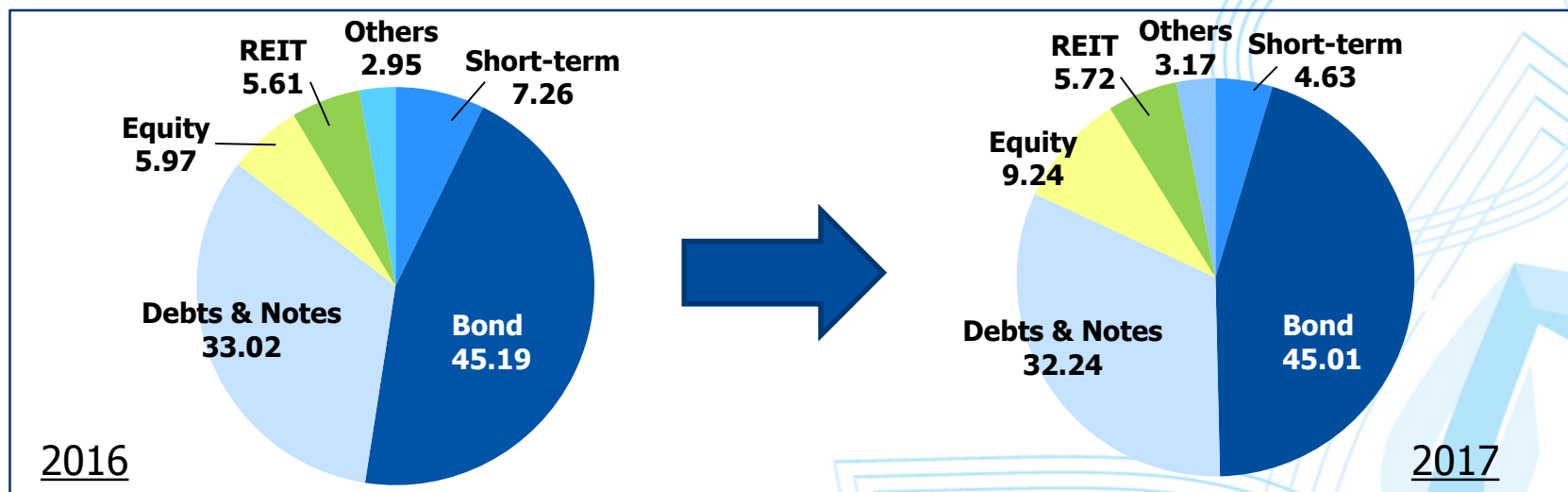
**K. SANOR THAMPIPATTANAKUL**  
**SEVP – INVESTMENT DIVISION**



# Investment Assets increase to 299,046 at YE17



- Investment assets +26,664 MB FY17
- Short term fund declines to 4.63%, but remains at high level relative to normal level
- Allocation to Equity increases to 9.24%, partly due to price appreciation





# Profile of Fixed Income Investments

(as of December 31, 2017)

**Duration of Fixed Income = 8.58**  
**Duration of Liabilities = 8.84**

<b>Debenture</b> (Avg. Life 6.13 years)	<b>% on total debenture</b>
<b>Local currency rating</b>	
AAA	<b>7.15%</b>
AA <sup>-</sup> to AA <sup>+</sup>	<b>15.00%</b>
A <sup>-</sup> to A <sup>+</sup>	<b>42.10%</b>
BBB <sup>+</sup>	<b>9.50%</b>
<b>International rating</b>	
A <sup>-</sup> to A <sup>+</sup>	<b>8.00%</b>
BBB to BBB <sup>+</sup>	<b>18.25%</b>

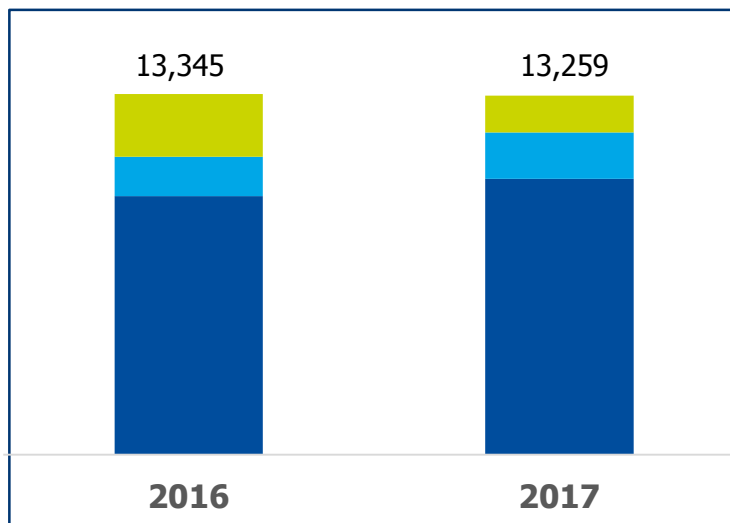
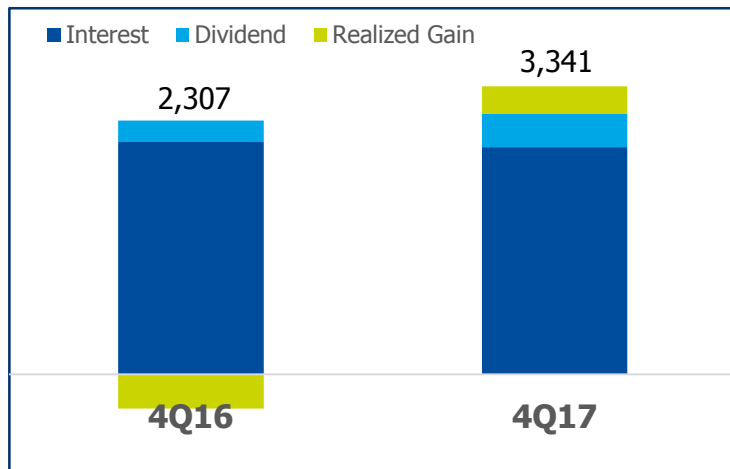
<b>Investment Asset by Currency</b>	<b>% on Total Investment Asset</b>
Baht Investment	<b>89.79%</b>
US\$ Investment	<b>10.21%</b>
Fixed income	<b>7.48%</b>
Equity	<b>2.10%</b>
Others	<b>0.63%</b>

<b>Fixed income</b>	<b>% on Fixed income assets</b>
<1 yr	<b>8.91%</b>
1-5 yrs	<b>18.68%</b>
6-10 yrs	<b>32.19%</b>
11-15 yrs	<b>15.19%</b>
> 16 yrs	<b>25.03%</b>

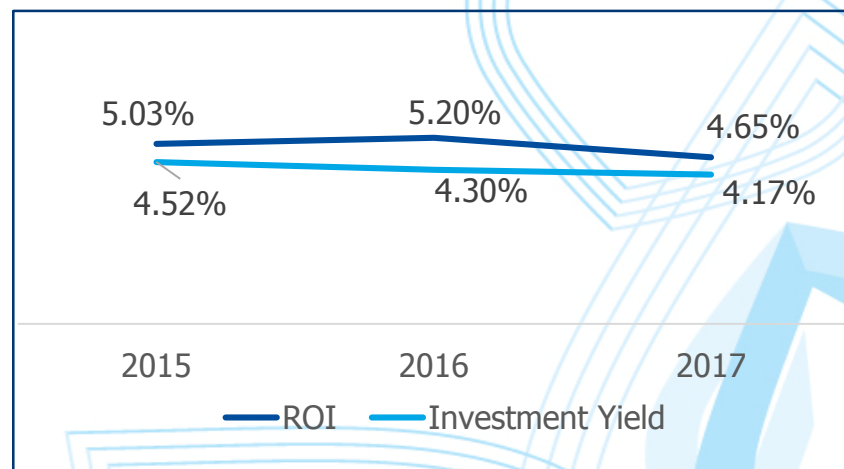
# Investment income slightly declines due to lower realized gain

**ROI 4.65% in 2017 vs 5.20% in 2016**

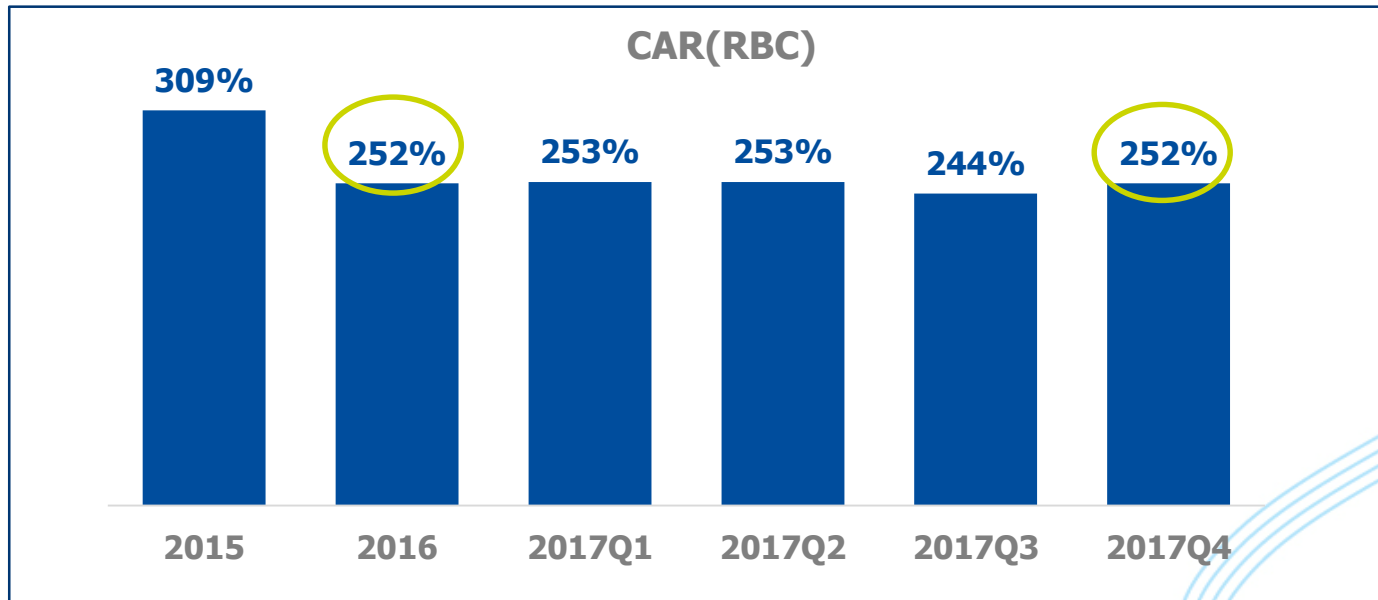
Sources of Investment Income (MB)



- Accounting ROI is 4.65%, decreases from FY16 mainly due to lower realized gain in FY17
- Investment yield slightly decreases to 4.17%
- Interest income increases in line with growth of investment asset
- Dividend income grows 17.31% YoY due to higher position in equity and unit trust



# Capital Adequacy Ratio (CAR) is maintained at 252%



- CAR 2017 is maintained at 252%
- In 2017, risky assets position has increased, while allocation to bond is underweight due to low yield. Hence, there was some fluctuations in CAR throughout the year.
- In 4Q17, risky assets market has rallied up which had partly led to the improvement in CAR
- Future regulatory change (e.g. RBC 2) remains a concern to our future capital position

# FINANCIAL RESULTS

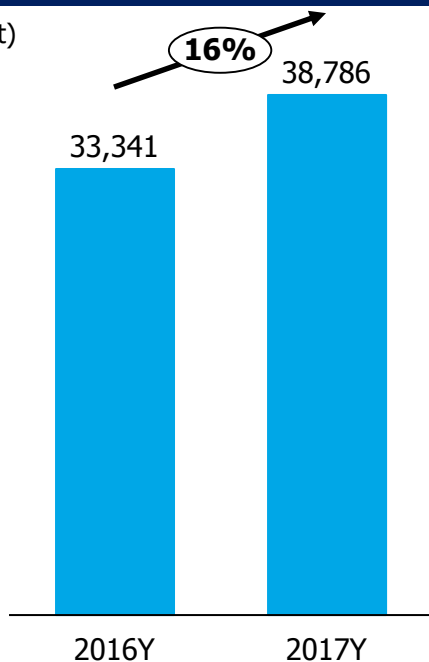
**K. JARUWAN LIMKHUNTHAMMO**

**SVP – FINANCE & ACCOUNTING DIVISION**

# 2017, positive ROE of 10.1% due to NPAT 3,645 mn in 2017

## ROE

Equity(mn baht)



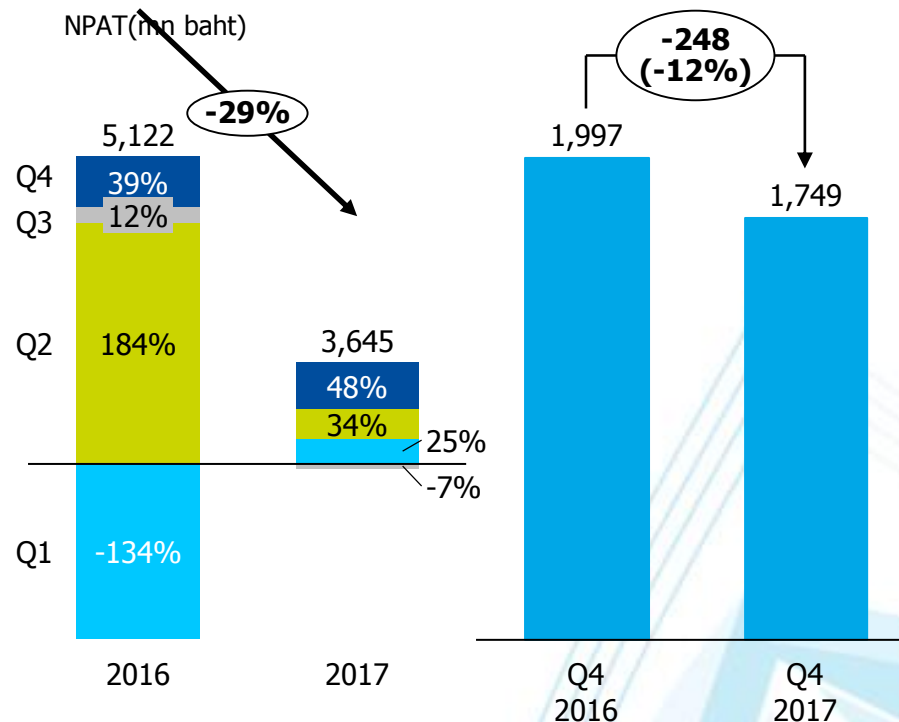
ROE

17.0%

10.1%

## NPAT

NPAT(mn baht)



%Total income

9.2%

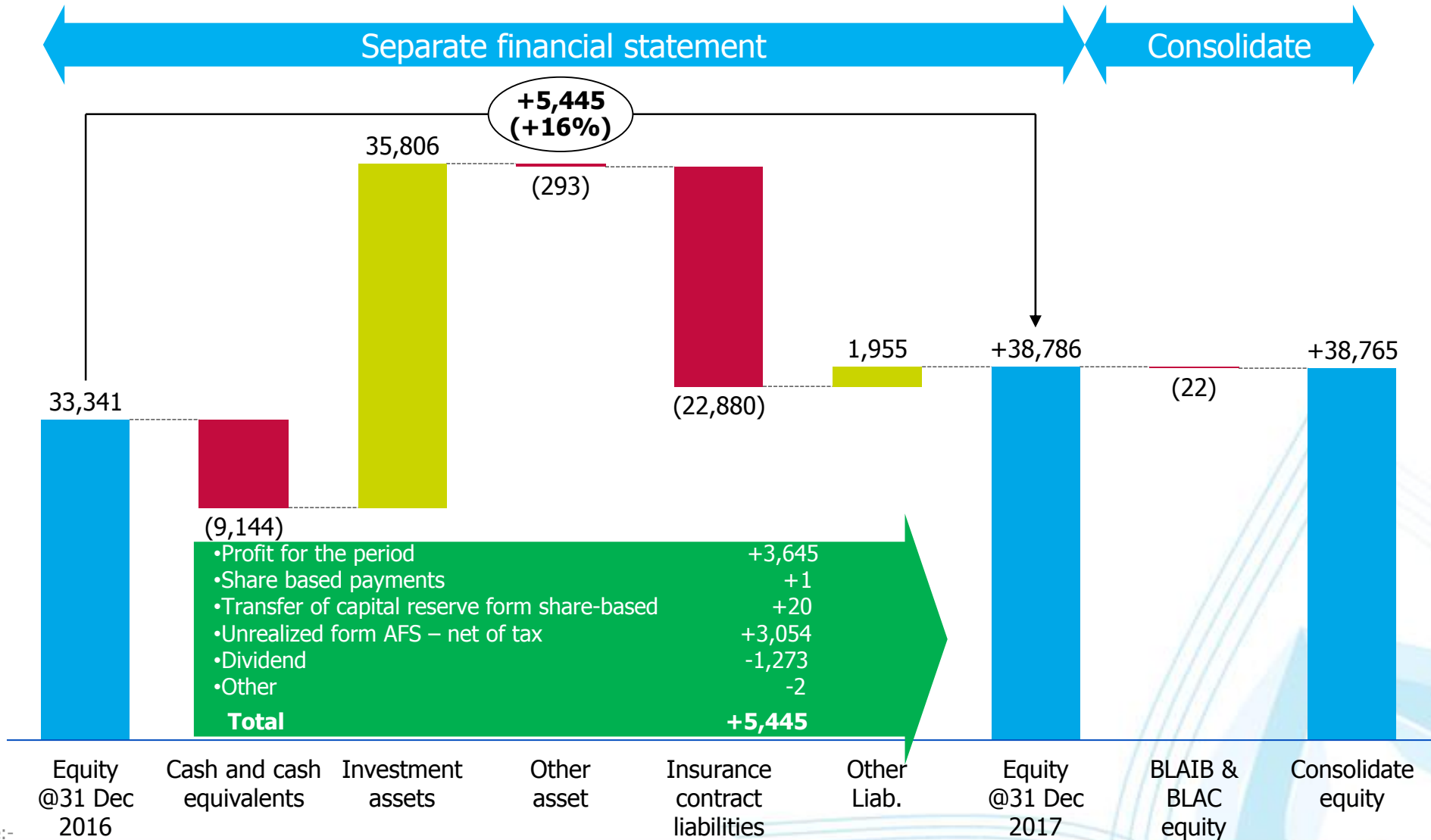
6.5%

13.0%

12.4%

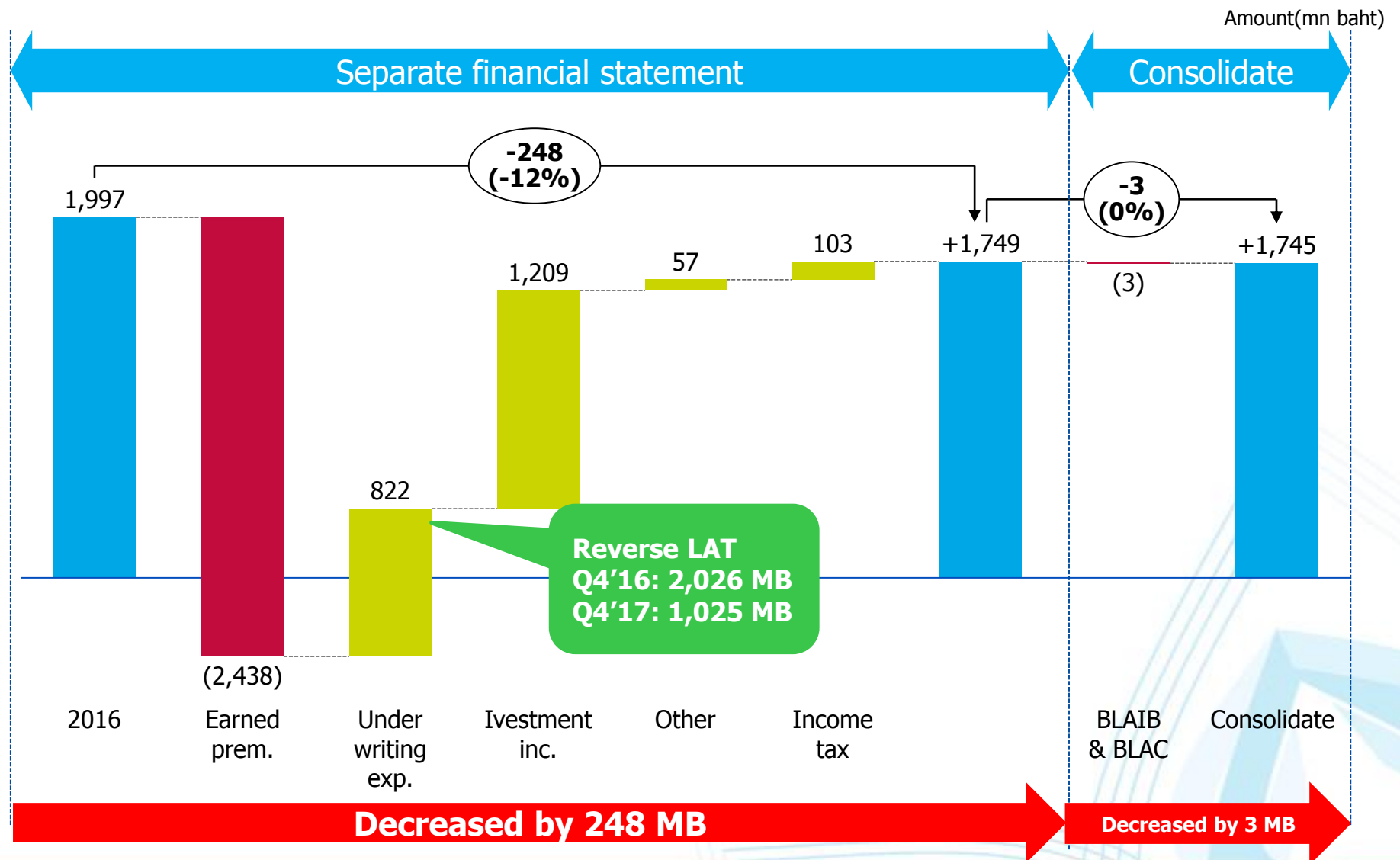
Note:-  
Source: BLA financial statement

# Equity movement from 31 December 2016 To 31 December 2017

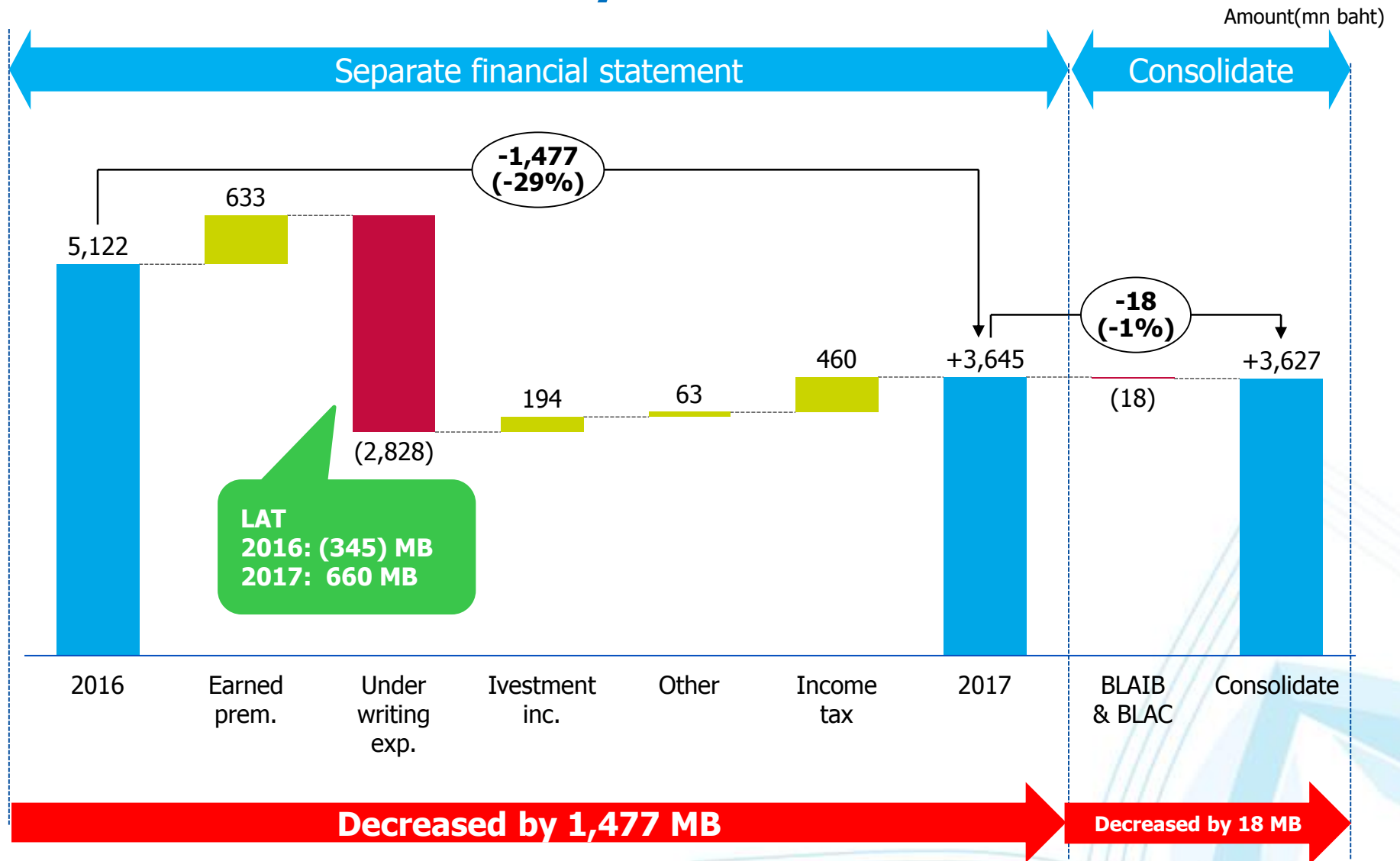


Note:-  
Source: BLA financial statement

# NPAT Movement in fourth quarter 2017



# NPAT Movement for the year ended 2017

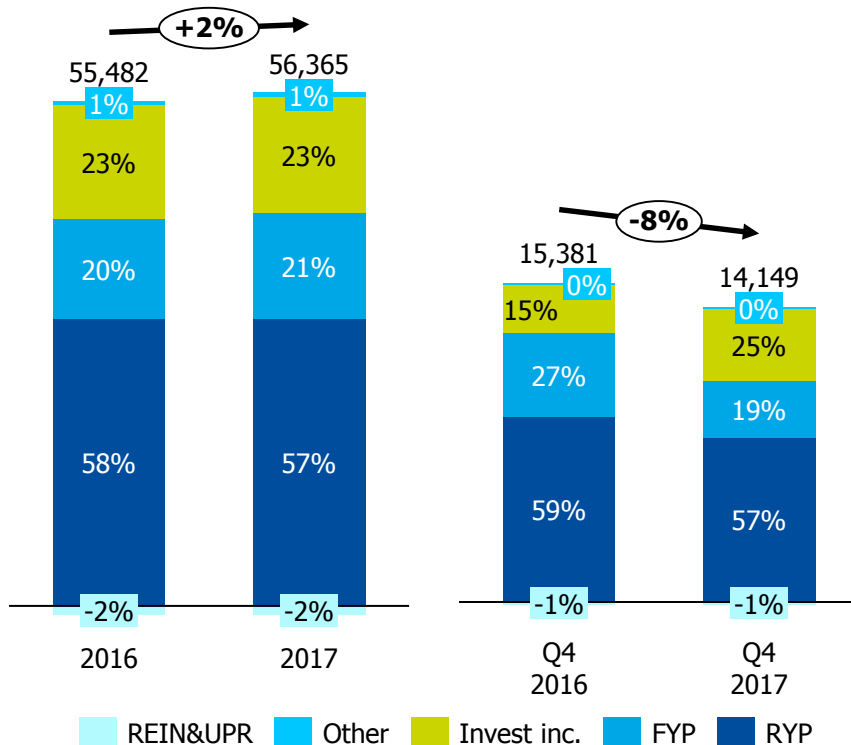




# BLA had lower expense in 2017Q4 because decreased in life policy reserve

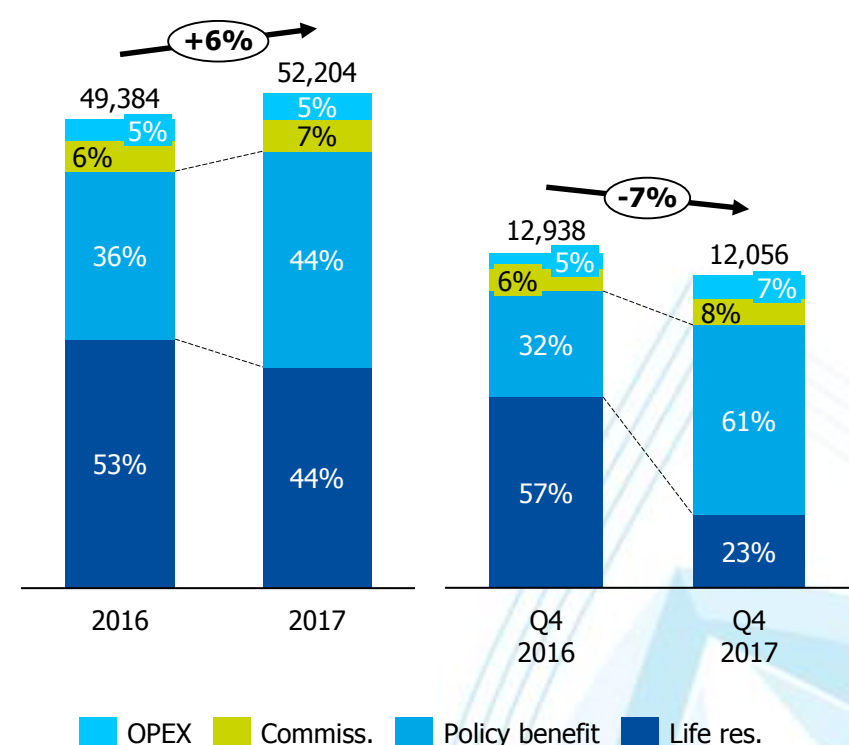
## Total income

Income(mn baht)



## Total expense

Expense(mn baht)

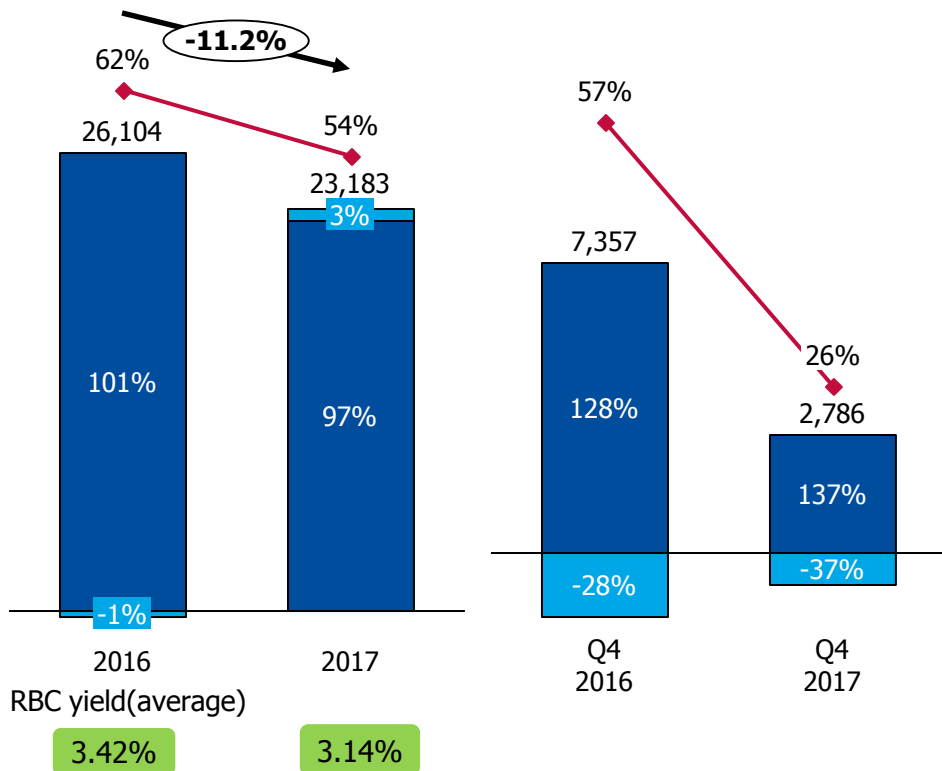


Note:-  
Source: BLA financial statement

# Life pol. reserve ratio in 2017Q4 was 26%

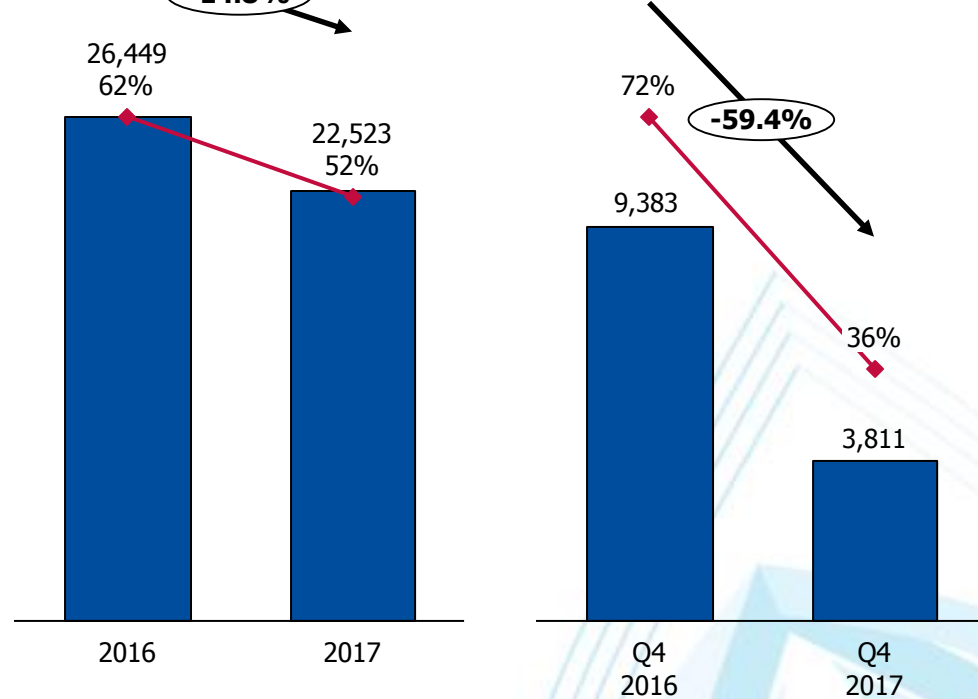
## Life policy reserve

Reserve(mn baht)



## Life policy reserve exclude LAT

Reserve exc. LAT(mn baht)

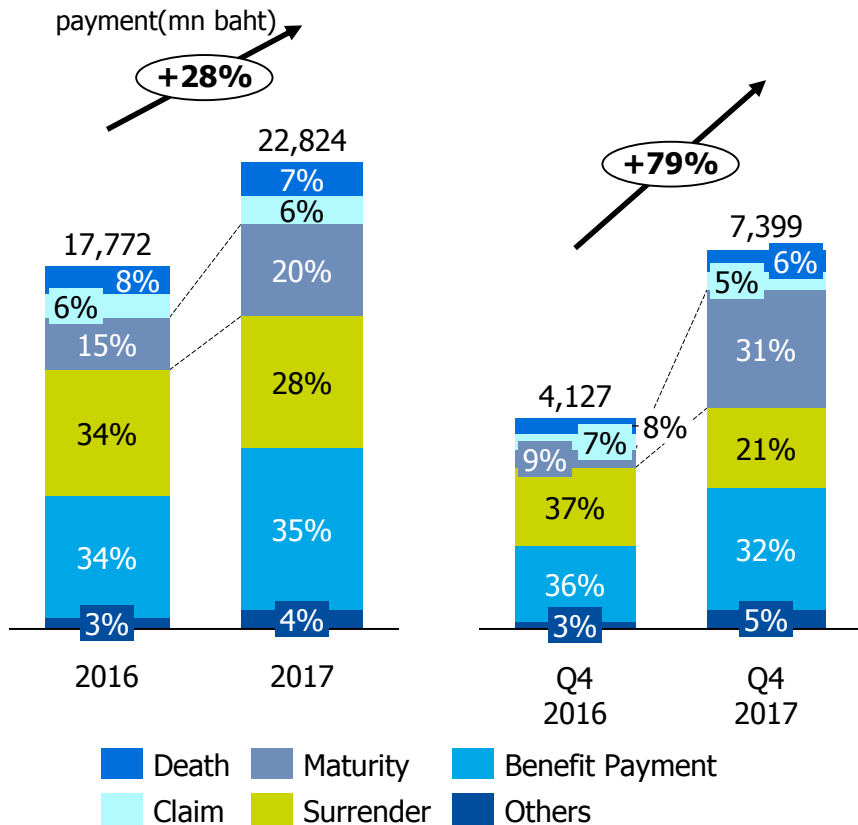


■ LAT ■ Reserve —◆ %net prem.

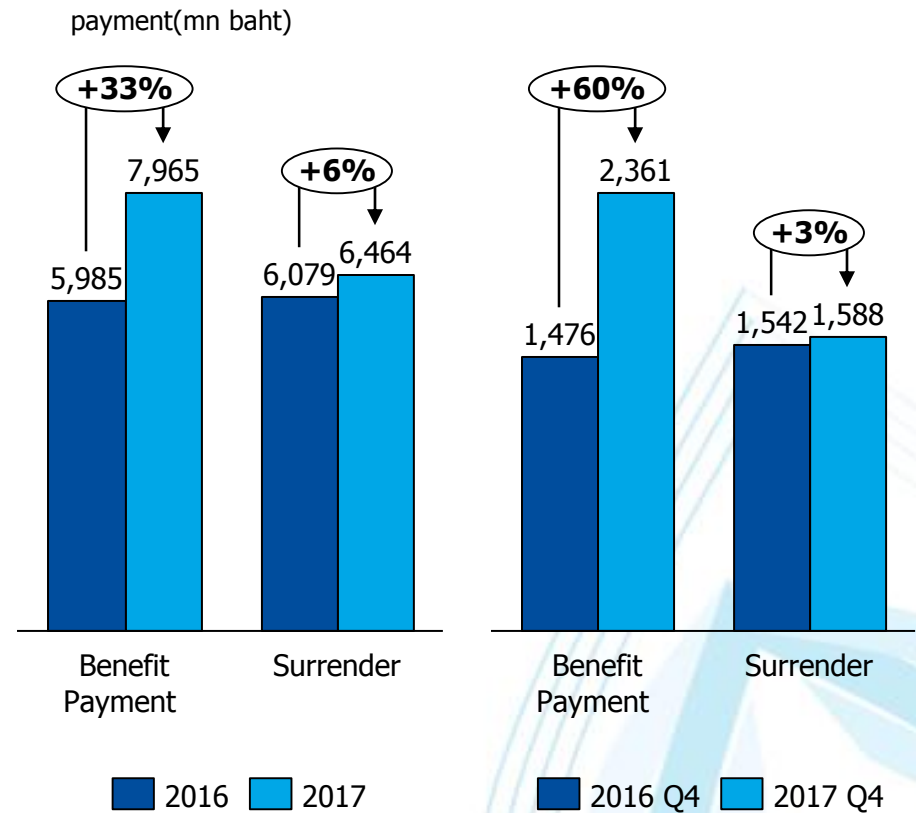
Note:-  
Source: BLA financial statement

# Q4, Policy benefit payment increased by 79% mainly from maturity

## Policy benefit payment



## Major line item



Source: BLA financial statement

# Q & A

**ขอบคุณ**  
**THANK YOU**





**กรุงเทพมหานครประกันชีวิต**  
ชีวิตที่มีความสุขมากกว่า