

Bangkok Insurance Public Company Limited
Review report and interim financial statements
31 March 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Insurance Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of Bangkok Insurance Public Company Limited as at 31 March 2018, the related statements of comprehensive income, changes in owners' equity, and cash flows, in which the equity method is applied, for the three-month period then ended, as well as the condensed notes to the financial statements. I have also reviewed the separate financial information of Bangkok Insurance Public Company Limited for the same period. 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 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.

Nonglak Pumnoi
Certified Public Accountant (Thailand) No. 4172

EY Office Limited
Bangkok: 3 May 2018

Bangkok Insurance Public Company Limited

Statements of financial position

As at 31 March 2018

(Unit: Baht)

	Financial statements				
	Note	in which the equity method is applied		Separate financial statements	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	3	325,531,610	399,583,620	325,531,610	399,583,620
Premium receivables - net	4	2,124,200,062	2,401,046,091	2,124,200,062	2,401,046,091
Accrued investment income		293,109,938	94,695,499	293,109,938	94,695,499
Reinsurance assets - net	5	5,922,152,183	5,487,395,925	5,922,152,183	5,487,395,925
Reinsurance receivables - net	6	249,765,186	239,202,038	249,765,186	239,202,038
Investment assets					
Investments in securities - net	7	50,634,219,399	47,819,624,499	50,634,219,399	47,819,624,499
Loans - net	8	1,380,077,603	1,359,308,172	1,380,077,603	1,359,308,172
Investments in associates	9.1	213,329,802	214,935,714	129,395,722	134,395,122
Investment properties - net	10	165,417,632	169,666,034	165,417,632	169,666,034
Premises and equipment - net	11	958,786,346	1,007,214,174	958,786,346	1,007,214,174
Intangible assets - net	12	211,609,274	226,579,175	211,609,274	226,579,175
Other assets					
Land and building leasehold rights - net		47,717,881	48,954,088	47,717,881	48,954,088
Others		584,596,019	634,575,332	584,596,019	634,575,332
Total assets		63,110,512,935	60,102,780,361	63,026,578,855	60,022,239,769

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

Bangkok Insurance Public Company Limited
Statements of financial position (continued)
As at 31 March 2018

(Unit: Baht)

Note	Financial statements				
	in which the equity method is applied		Separate financial statements		
	31 March 2018	31 December 2017	31 March 2018	31 December 2017	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	14	14,368,570,780	13,762,343,603	14,368,570,780	13,762,343,603
Due to reinsurers	15	1,854,572,977	2,051,516,569	1,854,572,977	2,051,516,569
Income tax payable		200,634,667	112,217,882	200,634,667	112,217,882
Employee benefit obligations		412,595,733	351,202,663	412,595,733	351,202,663
Deferred tax liabilities	13.1	5,429,639,793	5,039,465,161	5,412,852,977	5,023,357,043
Other liabilities					
Premiums received in advance		1,816,703,429	1,802,396,156	1,816,703,429	1,802,396,156
Commission payables		385,686,153	333,856,726	385,686,153	333,856,726
Accrued expenses		460,087,131	635,001,045	460,087,131	635,001,045
Liabilities under finance lease agreements		62,019,938	65,006,724	62,019,938	65,006,724
Others		691,617,409	804,331,887	691,617,409	804,331,887
Total liabilities		25,682,128,010	24,957,338,416	25,665,341,194	24,941,230,298
Owners' equity					
Share capital					
Registered, issued and paid up					
106,470,000 ordinary shares of Baht 10 each		1,064,700,000	1,064,700,000	1,064,700,000	1,064,700,000
Share premium		1,442,500,000	1,442,500,000	1,442,500,000	1,442,500,000
Retained earnings					
Appropriated					
Statutory reserve		106,470,000	106,470,000	106,470,000	106,470,000
Other reserve		3,100,000,000	3,100,000,000	3,100,000,000	3,100,000,000
Unappropriated		7,041,010,529	6,381,856,699	6,973,863,265	6,317,424,225
Other component of owners' equity		24,673,704,396	23,049,915,246	24,673,704,396	23,049,915,246
Total owners' equity		37,428,384,925	35,145,441,945	37,361,237,661	35,081,009,471
Total liabilities and owners' equity		63,110,512,935	60,102,780,361	63,026,578,855	60,022,239,769

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

Directors

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited
Statements of comprehensive income
For the three-month period ended 31 March 2018

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Gross premium written		4,272,166,440	4,208,713,689	4,272,166,440	4,208,713,689
Less: Premium ceded to reinsurers		(1,312,135,107)	(1,370,335,160)	(1,312,135,107)	(1,370,335,160)
Net premium written		2,960,031,333	2,838,378,529	2,960,031,333	2,838,378,529
Less: Unearned premium reserves increased from prior period		(223,878,996)	(52,792,981)	(223,878,996)	(52,792,981)
Net earned premium		2,736,152,337	2,785,585,548	2,736,152,337	2,785,585,548
Commission and brokerage fee income		257,536,732	304,722,526	257,536,732	304,722,526
Shares of profits (losses) from investments in associates, accounted for under the equity method	9.2	2,581,004	(230,406)	-	-
Investment revenue		351,041,699	295,477,437	351,041,699	295,477,437
Gains on investments		2,167,708	21,002,710	1,355,224	21,002,710
Other income		35,951,667	52,097,898	35,951,667	52,097,898
Total revenues		3,385,431,147	3,458,655,713	3,382,037,659	3,458,886,119
Expenses					
Gross claims		2,175,769,097	2,179,227,845	2,175,769,097	2,179,227,845
Less: Claim recovery from reinsurers		(845,408,654)	(630,092,084)	(845,408,654)	(630,092,084)
Commission and brokerage expenses		582,470,892	547,974,702	582,470,892	547,974,702
Other underwriting expenses		439,843,715	441,350,050	439,843,715	441,350,050
Operating expenses		253,550,634	264,063,323	253,550,634	264,063,323
Investment expenses		20,552,527	21,648,311	20,552,527	21,648,311
Finance costs		876,165	923,029	876,165	923,029
Total expenses		2,627,654,376	2,825,095,176	2,627,654,376	2,825,095,176
Profits before income tax expenses		757,776,771	633,560,537	754,383,283	633,790,943
Less: Income tax expenses	13.2	(98,622,941)	(83,248,706)	(97,944,243)	(83,294,786)
Profits for the period		659,153,830	550,311,831	656,439,040	550,496,157
Other comprehensive income:					
Items to be recognised in profit or loss in subsequent periods:					
Gains on revaluation of available-for-sale investments		2,029,736,439	905,850,134	2,029,736,439	905,850,134
Less: Income taxes		(405,947,289)	(181,170,027)	(405,947,289)	(181,170,027)
Items to be recognised in profit or loss in subsequent periods - net of income taxes		1,623,789,150	724,680,107	1,623,789,150	724,680,107
Other comprehensive income for the periods		1,623,789,150	724,680,107	1,623,789,150	724,680,107
Total comprehensive income for the periods		2,282,942,980	1,274,991,938	2,280,228,190	1,275,176,264
Earnings per share:	17				
Basic earnings per share					
Profits for the periods		6.19	5.17	6.17	5.17

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited**Statements of cash flows****For the three-month period ended 31 March 2018**

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2018	2017	2018	2017
Cash flows from (used in) operating activities				
Direct premium written	4,335,549,856	4,309,797,374	4,335,549,856	4,309,797,374
Cash paid for reinsurance	(705,339,436)	(558,030,209)	(705,339,436)	(558,030,209)
Interest income	75,238,943	55,467,151	75,238,943	55,467,151
Dividend income	77,316,448	48,613,049	77,316,448	48,613,049
Other investment revenue	34,809,409	43,289,267	34,809,409	43,289,267
Other income	1,193,032	10,057,175	1,193,032	10,057,175
Losses incurred on direct insurance	(1,730,719,032)	(1,594,398,793)	(1,730,719,032)	(1,594,398,793)
Commissions and brokerages on direct insurance	(486,654,546)	(528,589,550)	(486,654,546)	(528,589,550)
Other underwriting expenses	(505,108,268)	(494,497,707)	(505,108,268)	(494,497,707)
Operating expenses	(308,408,694)	(389,134,183)	(308,408,694)	(389,134,183)
Investment expenses	(13,982,043)	(21,648,311)	(13,982,043)	(21,648,311)
Income taxes	(25,891,358)	(24,074,783)	(25,891,358)	(24,074,783)
Investments in securities	(299,211,061)	(700,401,002)	(299,211,061)	(700,401,002)
Loans	(21,073,584)	(3,693,835)	(21,073,584)	(3,693,835)
Deposits at financial institutions	(486,372,210)	(55,887,584)	(486,372,210)	(55,887,584)
Net cash (used in) operating activities	(58,652,544)	96,868,059	(58,652,544)	96,868,059
Cash flows from (used in) investing activities				
Cash flows from				
Premises and equipment	49,897	6,035,215	49,897	6,035,215
Cash from investing activities	49,897	6,035,215	49,897	6,035,215
Cash flows used in				
Premises and equipment	(9,948,220)	(47,411,960)	(9,948,220)	(47,411,960)
Intangible assets	(5,501,143)	(15,379,697)	(5,501,143)	(15,379,697)
Cash used in investing activities	(15,449,363)	(62,791,657)	(15,449,363)	(62,791,657)
Net cash used in investing activities	(15,399,466)	(56,756,442)	(15,399,466)	(56,756,442)
Net increase (decrease) in cash and cash equivalents	(74,052,010)	40,111,617	(74,052,010)	40,111,617
Cash and cash equivalents at beginning of the periods	399,583,620	412,484,321	399,583,620	412,484,321
Cash and cash equivalents at end of the periods	325,531,610	452,595,938	325,531,610	452,595,938

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited
Statements of changes in owners' equity
For the three-month period ended 31 March 2018

(Unit: Baht)

	Financial statements in which the equity method is applied						
	Issued and paid-up share capital	Share premium	Retained earnings			Other component of equity	
			Appropriated		Unappropriated	Revaluation surplus on available-for-sale investments - net of income taxes	Total
			Statutory reserve	Other reserve			
Balance as at 1 January 2017	1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	5,472,711,707	22,067,347,169	33,253,728,876
Profit for the period	-	-	-	-	550,311,831	-	550,311,831
Other comprehensive income for the period	-	-	-	-	-	724,680,107	724,680,107
Balance as at 31 March 2017	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>3,100,000,000</u>	<u>6,023,023,538</u>	<u>22,792,027,276</u>	<u>34,528,720,814</u>
Balance as at 1 January 2018	1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	6,381,856,699	23,049,915,246	35,145,441,945
Profit for the period	-	-	-	-	659,153,830	-	659,153,830
Other comprehensive income for the period	-	-	-	-	-	1,623,789,150	1,623,789,150
Balance as at 31 March 2018	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>3,100,000,000</u>	<u>7,041,010,529</u>	<u>24,673,704,396</u>	<u>37,428,384,925</u>

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited
Statements of changes in owners' equity (continued)
For the three-month period ended 31 March 2018

(Unit: Baht)

	Separate financial statements						
	Issued and paid-up share capital	Share premium	Retained earnings			Other component of equity	
			Appropriated		Unappropriated	Revaluation surplus on available-for-sale investments - net of income taxes	Total
			Statutory reserve	Other reserve			
Balance as at 1 January 2017	1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	5,414,328,991	22,067,347,169	33,195,346,160
Profit for the period	-	-	-	-	550,496,157	-	550,496,157
Other comprehensive income for the period	-	-	-	-	-	724,680,107	724,680,107
Balance as at 31 March 2017	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>3,100,000,000</u>	<u>5,964,825,148</u>	<u>22,792,027,276</u>	<u>34,470,522,424</u>
Balance as at 1 January 2018	1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	6,317,424,225	23,049,915,246	35,081,009,471
Profit for the period	-	-	-	-	656,439,040	-	656,439,040
Other comprehensive income for the period	-	-	-	-	-	1,623,789,150	1,623,789,150
Balance as at 31 March 2018	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>3,100,000,000</u>	<u>6,973,863,265</u>	<u>24,673,704,396</u>	<u>37,361,237,661</u>

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

Bangkok Insurance Public Company Limited

Notes to interim financial statements

For the three month periods ended 31 March 2018

1. Corporate information

Bangkok Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company’s major shareholder is Bangkok Bank Public Company Limited whereby as at 31 March 2018 and 31 December 2017, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company’s registered office is located at No. 25, Bangkok Insurance Building, South Sathon Road, Tung Ma Ha Mek, Sathon, Bangkok.

2. Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting, and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies dated 4 March 2016 whereby the Company choose to present condensed interim financial statements. However, the Company presented each line item in the statements of financial position, comprehensive income, changes in owners’ equity and cash flows in the same full format as that used in its annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from such financial statements in Thai language.

2.1 The financial statements in which the equity method is applied

The Company has prepared the financial statements, in which equity method is applied, which have presented investments in associates under the equity method.

2.2 Separate financial statements

The Company has prepared its separate financial statements, which have presented investments in associates under the cost method.

2.3 Revised and new financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the period, the Company has adopted the revised financial reporting standards and interpretations (revised 2016) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

(b) Financial reporting standard that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts, TAS 18 Revenue and related Interpretations. An entity shall apply this standard to all contracts with customers unless those contracts are in the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or series to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company is evaluating the impact of this standard to the financial statements in the year when it is adopted.

2.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as those were used for the financial statements for the year ended 31 December 2017.

3. Cash and cash equivalents

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2018	31 December 2017
Cash on hand	2,561,518	2,579,000
Deposits at banks with no fixed maturity date	152,970,092	127,004,620
Deposits at banks with fixed maturity date	170,000,000	270,000,000
Total cash and cash equivalents	325,531,610	399,583,620

As at 31 March 2018 and 31 December 2017, saving deposits and fixed deposits carried interests at the rates between 0.38 and 1.35 percent per annum.

4. Premium receivables

As at 31 March 2018 and 31 December 2017, the balances of premium receivables from direct insurance were classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2018	31 December 2017
Not yet due	1,483,137,436	1,837,930,662
Overdue not longer than 30 days	236,524,388	201,204,808
Overdue 31 days to 60 days	219,631,586	95,178,596
Overdue 61 days to 90 days	56,740,109	59,087,727
Overdue 91 days to 1 year	128,166,543	207,644,298
Overdue longer than 1 year	21,678,132	22,411,427
Total	2,145,878,194	2,423,457,518
Less: Allowance for doubtful accounts	(21,678,132)	(22,411,427)
Premium receivables - net	2,124,200,062	2,401,046,091

For premium receivables due from agents and brokers, the Company has stipulated the collection guidelines in accordance with the Premium Collection Law whereby the Company has taken legal proceedings with agents and brokers on a case by case basis for overdue premiums.

(Unaudited but reviewed)

5. Reinsurance assets

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2018	31 December 2017
Insurance reserves refundable from reinsurers		
Loss reserves	3,702,119,764	3,345,545,432
Unearned premium reserves	2,226,605,035	2,148,429,161
Total	5,928,724,799	5,493,974,593
Less: Allowance for impairment	(6,572,616)	(6,578,668)
Reinsurance assets - net	5,922,152,183	5,487,395,925

As at 31 March 2018 and 31 December 2017, Insurance reserves refundable from reinsurers included insurance reserves refundable from reinsurers due to flood situation in 2011 amounting to Baht 30.6 million and Baht 31.5 million, respectively.

6. Reinsurance receivables

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2018	31 December 2017
Amounts deposited on reinsurance	36,858,248	37,091,956
Amounts due from reinsurers	249,362,606	239,405,655
Total	286,220,854	276,497,611
Less: Allowance for doubtful accounts	(36,455,668)	(37,295,573)
Receivables on reinsurance contracts - net	249,765,186	239,202,038

7. Investments in securities**7.1 Classified by type of investment**

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 March 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments				
Government and state enterprise securities	1,984,094,028	1,993,745,111	1,954,375,379	1,964,880,052
Private sector debt securities	1,394,775,722	1,419,772,797	1,313,390,745	1,337,918,329
Equity securities	7,165,350,397	37,972,832,735	6,977,967,772	35,755,329,572
Total	10,544,220,147	41,386,350,643	10,245,733,896	39,058,127,953
Add: Unrealised gains	30,842,130,496	-	28,812,394,057	-
Total available-for-sale investments	41,386,350,643	41,386,350,643	39,058,127,953	39,058,127,953
Held-to-maturity investments				
Deposits at financial institutions which matured over 3 months	8,537,948,074		8,051,575,864	
Total held-to-maturity investments	8,537,948,074		8,051,575,864	
General investments				
Domestic equity securities	603,435,058		603,435,058	
Foreign equity securities	201,689,384		201,689,384	
Total	805,124,442		805,124,442	
Less: Allowance for impairment	(95,203,760)		(95,203,760)	
General investments - net	709,920,682		709,920,682	
Investment in securities - net	50,634,219,399		47,819,624,499	

7.2 Revaluation surplus on available-for-sale investments

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month	
	period ended 31 March 2018	For the year ended 31 December 2017
Revaluation surplus on available-for-sale investments - beginning of the periods	28,812,394,057	27,584,183,961
Gains on revaluation during the periods	2,028,079,392	1,317,176,684
(Gains) losses on sales of available-for-sale investments during the periods transferred to be recognised in profit or loss	1,657,047	(88,966,588)
Revaluation surplus on available-for-sale investments - end of the periods	30,842,130,496	28,812,394,057
Less: Income taxes	(6,168,426,100)	(5,762,478,811)
Revaluation surplus on available-for-sale investments - net of income taxes	24,673,704,396	23,049,915,246

7.3 Investments subject to restriction

As at 31 March 2018 and 31 December 2017, the Company placed certain investments as a security with the Registrar and placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described in Note 19 to the interim financial statements.

8. Loans and interest receivables

As at 31 March 2018 and 31 December 2017, the balances of loans and interest receivables, classified by overdue years, were as follows:

(Unit: Baht)

Overdue years	Financial statements in which the equity method is applied and Separate financial statements						
	31 March 2018						
	Mortgaged loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest ⁽¹⁾	Total
Not yet due	1,183,304,824	857,282	5,980,093	-	1,189,284,917	857,282	1,190,142,199
Overdue							
Less than 3 months	37,617,651	326,453	-	-	37,617,651	326,453	37,944,104
Longer than 12 months	153,479,189	-	-	-	153,479,189	-	153,479,189
Total	1,374,401,664	1,183,735	5,980,093	-	1,380,381,757	1,183,735	1,381,565,492
Less: Allowance for doubtful account	(304,154)	-	-	-	(304,154)	-	(304,154)
Loans and interest receivables - net	1,374,097,510	1,183,735	5,980,093	-	1,380,077,603	1,183,735	1,381,261,338

⁽¹⁾ Shown as a part of "accrued investment income" in the statements of financial position

(Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied and Separate financial statements							
31 December 2017							
Overdue years	Mortgaged loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest ⁽¹⁾	Total
Not yet due	1,169,395,263	925,744	6,233,720	-	1,175,628,983	925,744	1,176,554,727
Overdue							
Less than 3 months	30,200,000	147,484	-	-	30,200,000	147,484	30,347,484
Longer than 12 months	153,479,189	-	-	-	153,479,189	-	153,479,189
Loans and interest receivables	<u>1,353,074,452</u>	<u>1,073,228</u>	<u>6,233,720</u>	<u>-</u>	<u>1,359,308,172</u>	<u>1,073,228</u>	<u>1,360,381,400</u>

⁽¹⁾ Shown as a part of "accrued investment income" in the statements of financial position

Credit limits granted to each employee under the Company's employee welfare plan are not exceeding 30 times of employee's salary and Baht 1,000,000 for personal guarantee loans with interest being charged at the rate of 3.0% per annum, and not exceeding 60 times of employee's salary and Baht 5,000,000 for mortgaged loans with interest being charged at the rate of 2.5% per annum.

As at 31 March 2018 and 31 December 2017, the balances of employee loans were Baht 60.4 million and Baht 53.9 million, respectively.

9. Investments in associates

9.1 Details of associates

Company's name	Nature of business	Country of incorporation	Paid-up share capital as at		Shareholding	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017
			(USD)	(USD)	(%)	(%)
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	7,000,000	7,000,000	22.92	22.92
Asian Insurance International Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Lao	2,000,000	2,000,000	38.00	45.00

(Unit: Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Asia Insurance (Cambodia) Plc.	76,096,614	73,608,791	30,202,059	30,202,059
Asian Insurance International (Holding) Limited	114,504,220	113,598,568	72,054,063	72,054,063
Bangkok Insurance (Lao) Company Limited	22,728,968	27,728,355	27,139,600	32,139,000
Total	<u>213,329,802</u>	<u>214,935,714</u>	<u>129,395,722</u>	<u>134,395,122</u>

On 29 March 2018, the Company sold the shares of Bangkok Insurance (Lao) Company Limited which held by the Company, equivalent to 7 percent of the total shares of such company.

(Unaudited but reviewed)

9.2 Shares of profits (losses) and dividends income

(Unit: Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	Share of profits (losses) from investments in associates for the three-month periods ended 31 March		Dividend income for the three-month periods ended 31 March	
	2018	2017	2018	2017
	Asia Insurance (Cambodia) Plc.	2,487,823	843,773	-
Asian Insurance International (Holding) Limited	905,652	(26,369)	-	-
Bangkok Insurance (Lao) Company Limited	(812,471)	(1,047,810)	-	-
Total	2,581,004	(230,406)	-	-

9.3 Summarised financial information of associates

(Unit: Million Baht)

Company's name	Total assets as at		Total liabilities as at		Total revenues for the three-month periods ended		Profits (losses) for the three-month periods ended	
	31 March	31 December	31 March	31 December	31 March		31 March	
	2018	2017	2018	2017	2018	2017	2018	2017
Asia Insurance (Cambodia) Plc.	408.3	398.9	72.0	58.8	22.4	25.0	10.9	8.7
Asian Insurance International (Holding) Limited	204.7	211.9	-	-	2.4	0.2	2.2	(0.1)
Bangkok Insurance (Lao) Company Limited	73.1	105.7	22.0	50.3	6.0	3.9	(2.2)	(1.8)

As at 31 March 2018 and 31 December 2017, the Company recorded investment in an associate under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associate's management, which has yet been reviewed by their external auditors.

10. Investment properties

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements
Net book value as at 1 January 2018	169,666,034
Depreciation charge for the period	(4,248,402)
Net book value as at 31 March 2018	165,417,632

(Unaudited but reviewed)

The investment properties of the Company, which are offices for rent, as at 31 March 2018 and 31 December 2017, the fair values of the investment properties amounting to Baht 197.2 million and Baht 206.0 million, respectively, which were appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee, etc.

11. Premises and equipment

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements						Total
	Land	Buildings	Condominium unit	Office furniture, fixtures and equipment	Motor vehicles	Construction in progress	
Net book value as at							
1 January 2018	206,132,665	267,104,156	29,629	436,969,151	69,588,725	27,389,848	1,007,214,174
Addition during the period - at cost	-	-	-	3,788,093	2,836,574	6,127,230	12,751,897
Transfer in (out) during the period							
- at cost	-	-	-	12,299,600	-	(12,299,600)	-
Disposals during the period							
- at net book value	-	-	-	-	(28,802)	-	(28,802)
Depreciation charge for the period	-	(6,558,576)	-	(48,227,338)	(6,365,009)	-	(61,150,923)
Net book value as at							
31 March 2018	<u>206,132,665</u>	<u>260,545,580</u>	<u>29,629</u>	<u>404,829,506</u>	<u>66,031,488</u>	<u>21,217,478</u>	<u>958,786,346</u>

12. Intangible assets

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	Computer softwares	Computer softwares under development	Total
Net book value as at 1 January 2018	222,939,164	3,640,011	226,579,175
Addition during the period - at cost	3,400,000	-	3,400,000
Amortisation for the period	(18,369,901)	-	(18,369,901)
Net book value as at 31 March 2018	<u>207,969,263</u>	<u>3,640,011</u>	<u>211,609,274</u>

13. Deferred tax asset/liabilities and income tax expenses**13.1 Deferred tax assets/liabilities**

As at 31 March 2018 and 31 December 2017, the components of deferred tax assets and liabilities consisted of tax effects arising from the following transactions.

	(Unit: Baht)			
	Financial statements in which the equity method is applied		Changes in deferred tax assets or liabilities for the three-month periods ended 31 March	
	31 March 2018	31 December 2017	2018	2017
Deferred tax assets arose from:				
Allowance for impairment on investments	19,040,752	19,040,752	-	-
Premium reserves	196,707,569	161,663,994	35,043,575	6,855,261
Loss reserves of claims incurred and reported	382,341,655	403,860,729	(21,519,074)	22,304,372
Loss reserves of claims incurred but not yet reported	66,609,498	66,265,177	344,321	1,686,710
Provision for long-term employee benefits	82,662,291	80,383,677	2,278,614	1,399,785
Others	8,354,502	8,050,583	303,919	139,286
Total	755,716,267	739,264,912		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	6,168,426,100	5,762,478,811	(405,947,289)	(181,170,027)
Actuarial gains	143,144	143,144	-	-
Shares of profits from investments in associates	16,786,816	16,108,118	(678,698)	46,080
Total	6,185,356,060	5,778,730,073		
Deferred tax liabilities	5,429,639,793	5,039,465,161		
Total changes			(390,174,632)	(148,738,533)
Changes are recognised:				
- in profit or loss			15,772,657	32,431,494
- in other comprehensive income			(405,947,289)	(181,170,027)
			(390,174,632)	(148,738,533)

(Unaudited but reviewed)

	Separate financial statements		Changes in deferred tax assets or liabilities for the three-month periods ended 31 March	
	31 March 2018	31 December 2017	2018	2017
(Unit: Baht)				
Deferred tax assets arose from:				
Allowance for impairment on investments	19,040,752	19,040,752	-	-
Premium reserves	196,707,569	161,663,994	35,043,575	6,855,261
Loss reserves of claims incurred and reported	382,341,655	403,860,729	(21,519,074)	22,304,372
Loss reserves of claims incurred but not yet reported	66,609,498	66,265,177	344,321	1,686,710
Provision for long-term employee benefits	82,662,291	80,383,677	2,278,614	1,399,785
Others	8,354,502	8,050,583	303,919	139,286
Total	<u>755,716,267</u>	<u>739,264,912</u>		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	6,168,426,100	5,762,478,811	(405,947,289)	(181,170,027)
Actuarial gains	143,144	143,144	-	-
Total	<u>6,168,569,244</u>	<u>5,762,621,955</u>		
Deferred tax liabilities	<u>5,412,852,977</u>	<u>5,023,357,043</u>		
Total changes			<u>(389,495,934)</u>	<u>(148,784,613)</u>
Changes are recognised:				
- in profit or loss			16,451,355	32,385,414
- in other comprehensive income			(405,947,289)	(181,170,027)
			<u>(389,495,934)</u>	<u>(148,784,613)</u>

13.2 Income tax expenses

Income tax expenses for the three month periods ended 31 March 2018 and 2017 were made up as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2018	2017	2018	2017
Current income taxes:				
Corporate income tax charge	(114,395,598)	(115,680,200)	(114,395,598)	(115,680,200)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	15,772,657	32,431,494	16,451,355	32,385,414
Income tax expenses reported in profit or loss	<u>(98,622,941)</u>	<u>(83,248,706)</u>	<u>(97,944,243)</u>	<u>(83,294,786)</u>

Reconciliations between income tax expenses and the product of accounting profits for the three month periods ended 31 March 2018 and 2017 and the applicable tax rate are as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial Statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2018	2017	2018	2017
Accounting profits before income tax expenses	<u>757,776,771</u>	<u>633,560,537</u>	<u>754,383,283</u>	<u>633,790,943</u>
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(151,555,354)	(126,712,109)	(150,876,656)	(126,758,189)
Net tax effect on tax-exempted revenues and non tax-deductible expenses	<u>52,932,413</u>	<u>43,463,403</u>	<u>52,932,413</u>	<u>43,463,403</u>
Income tax expenses reported in profit or loss	<u>(98,622,941)</u>	<u>(83,248,706)</u>	<u>(97,944,243)</u>	<u>(83,294,786)</u>

(Unaudited but reviewed)

14. Insurance contract liabilities

(Unit: Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 March 2018		
	Insurance contract liabilities	Reinsurance assets	Net
Loss reserves			
Claims incurred and reported	6,336,159,959	(3,638,399,832)	2,697,760,127
Claims incurred but not reported and unallocated loss adjustment expenses	390,194,808	(57,147,316)	333,047,492
Premium reserves			
Unearned premium reserves	7,642,216,013	(2,226,605,035)	5,415,610,978
Total	<u>14,368,570,780</u>	<u>(5,922,152,183)</u>	<u>8,446,418,597</u>

(Unit: Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 December 2017		
	Insurance contract liabilities	Reinsurance assets	Net
Loss reserves			
Claims incurred and reported	6,024,121,001	(3,272,231,190)	2,751,889,811
Claims incurred but not reported	398,061,459	(66,735,574)	331,325,885
Premium reserves			
Unearned premium reserves	7,340,161,143	(2,148,429,161)	5,191,731,982
Total	<u>13,762,343,603</u>	<u>(5,487,395,925)</u>	<u>8,274,947,678</u>

14.1 Loss reserves

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month period ended	For the year ended
	31 March 2018	31 December 2017
Beginning balances	6,422,182,460	6,081,530,837
Claim incurred during the periods	1,927,954,014	8,453,995,159
Change in loss reserves of claimed incurred in prior periods	281,142,804	(140,591,841)
Changes in assumptions in calculating loss reserves	-	619,713
Claims and loss adjustment expenses paid during the periods	(1,904,924,511)	(7,973,371,408)
Ending balances	6,726,354,767	6,422,182,460

As at 31 March 2018 and 31 December 2017, the Company, which is a reinsurer under the reinsurance contracts, had loss reserves under such contracts totaling Baht 244.5 million and Baht 246.7 million, respectively.

As at 31 March 2018 and 31 December 2017, loss reserves included loss reserves incurred as a result of the flood situation in 2011 amounting to Baht 44.9 million and Baht 46.3 million, respectively.

14.2 Unearned premium reserves

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month period ended	For the year ended
	31 March 2018	31 December 2017
Beginning balances	7,340,161,143	7,399,140,681
Premium written during the periods	4,272,166,440	15,940,906,580
Premium earned during the periods	(3,970,111,570)	(15,999,886,118)
Ending balances	7,642,216,013	7,340,161,143

(Unaudited but reviewed)

14.3 Unexpired risk reserves

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month period ended 31 March 2018	For the year ended 31 December 2017
Beginning balances	4,340,868,488	4,279,482,220
Estimated claims for the periods	591,114,285	3,287,671,653
Risk expired during the periods	(429,280,318)	(3,226,285,385)
Ending balances	4,502,702,455	4,340,868,488

15. Due to reinsurers

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2018	31 December 2017
Amounts withheld on reinsurance	877,093,777	1,045,802,502
Amounts due to reinsurers	977,479,200	1,005,714,067
Total due to reinsurers	1,854,572,977	2,051,516,569

16. Segment information

The Company is organised into business units based on its insurance products. During the current periods, there was no change in the organisational structure of its reportable segments.

16.1 Segment information reporting

Operating segment information for the three-month periods ended 31 March 2018 and 2017 can be classified by types of insurance products as follows:

(Unit: Baht)

	Financial statements in which equity method is applied				
	For the three-month period ended 31 March 2018				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	446,270,897	109,397,044	1,610,567,449	2,105,931,050	4,272,166,440
Less: Premium ceded to reinsurers	(151,816,618)	(59,131,745)	(52,141,250)	(1,049,045,494)	(1,312,135,107)
Net premium written	294,454,279	50,265,299	1,558,426,199	1,056,885,556	2,960,031,333
Add (less): Unearned premium reserves (increased) decreased from prior period	(22,699,267)	690,774	(64,328,246)	(137,542,257)	(223,878,996)
Earned premium	271,755,012	50,956,073	1,494,097,953	919,343,299	2,736,152,337
Commission and brokerage fee income	51,874,796	16,861,214	14,515,325	174,285,397	257,536,732
Total underwriting income	323,629,808	67,817,287	1,508,613,278	1,093,628,696	2,993,689,069
Underwriting expenses					
Net claims	28,335,282	4,330,017	899,693,617	398,001,527	1,330,360,443
Commission and brokerage expenses	105,493,080	10,143,961	235,317,033	231,516,818	582,470,892
Other underwriting expenses	46,221,692	13,924,395	188,838,178	190,859,450	439,843,715
Total underwriting expenses	180,050,054	28,398,373	1,323,848,828	820,377,795	2,352,675,050
Profit from underwriting	143,579,754	39,418,914	184,764,450	273,250,901	641,014,019
Shares of profits from investments in associates					2,581,004
Investment revenue					351,041,699
Gains on investments					2,167,708
Other income					35,951,667
Operating expenses					(253,550,634)
Investment expenses					(20,552,527)
Finance costs					(876,165)
Profit before income tax expenses					757,776,771
Less: Income tax expenses					(98,622,941)
Profit for the period					659,153,830

(Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied					
For the three-month period ended 31 March 2017					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenue					
Gross premium written	399,137,778	126,096,404	1,567,795,163	2,115,684,344	4,208,713,689
Less: Premium ceded to reinsurers	(129,030,025)	(77,176,023)	(48,851,261)	(1,115,277,851)	(1,370,335,160)
Net premium written	270,107,753	48,920,381	1,518,943,902	1,000,406,493	2,838,378,529
Add (less): Unearned premium reserve (increased) decreased from prior period	3,113,939	1,371,401	73,134,483	(130,412,804)	(52,792,981)
Earned premium	273,221,692	50,291,782	1,592,078,385	869,993,689	2,785,585,548
Commission and brokerage income	51,499,879	20,823,311	13,861,661	218,537,675	304,722,526
Total underwriting revenue	324,721,571	71,115,093	1,605,940,046	1,088,531,364	3,090,308,074
Underwriting expenses					
Net claims	49,980,950	360,596	1,028,176,316	470,617,899	1,549,135,761
Commission and brokerage expenses	93,194,442	12,220,571	229,224,005	213,335,684	547,974,702
Other underwriting expenses	55,408,028	15,526,303	173,430,815	196,984,904	441,350,050
Total underwriting expenses	198,583,420	28,107,470	1,430,831,136	880,938,487	2,538,460,513
Profits from underwriting	126,138,151	43,007,623	175,108,910	207,592,877	551,847,561
Shares of losses from investments in associates					(230,406)
Net investment revenue					295,477,437
Gains on investments					21,002,710
Other income					52,097,898
Operating expenses					(264,063,323)
Investment expenses					(21,648,311)
Finance costs					(923,029)
Profit before income tax expenses					633,560,537
Less: Income tax expenses					(83,248,706)
Profit for the period					550,311,831

The following table presented the Company's operating segment assets and liabilities as at 31 March 2018 and 31 December 2017.

(Unit: Baht)

Financial statements in which the equity method is applied							
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated	Total
Assets							
As at 31 March 2018	707,086,658	193,651,088	705,459,943	6,594,730,409	8,200,928,098	54,909,584,837	63,110,512,935
As at 31 December 2017	644,824,302	245,621,730	759,939,181	6,330,752,962	7,981,138,175	52,121,642,186	60,102,780,361
Liabilities							
As at 31 March 2018	3,410,137,763	309,475,015	5,054,099,127	9,046,019,470	17,819,731,375	7,862,396,635	25,682,128,010
As at 31 December 2017	3,349,900,257	354,963,279	5,024,733,940	8,819,112,529	17,548,710,005	7,408,628,411	24,957,338,416

16.2 Geographic information

The Company operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

16.3 Major customers

For the three-month periods ended 31 March 2018 and 2017, the Company had no major customer with revenue of 10 percent or more of the total revenues.

17. Earnings per share

Basic earnings per share is calculated by dividing profits for the periods (excluding other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the periods.

18. Related party transactions

18.1 Nature of relationship

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationship between the Company and its related parties are summarised below:

Name of related parties	Type of business	Relationship with the Company
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Co., Ltd.	Non-life insurance	Associate
Bangkok Bank Pcl.	Banking	Related by way of having common directors and shareholding
Bangkok Aviation Fuel Services Pcl.	Energy and Utilities	Related by way of having common directors and shareholding
Asia Plus Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd.	Manufacture of Textiles	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited	Holding company	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Thai Reinsurance Pcl. ⁽¹⁾	Insurance	Related by way of shareholding
AIOI Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
Charoong Thai Wire and Cable Pcl. ⁽¹⁾	Electrical products	Related by way of shareholding
Furukawa Metal (Thailand) Pcl. ⁽¹⁾	Electrical products	Related by way of shareholding
Bumrungrad Hospital Pcl.	Health care services	Related by way of shareholding
Bangkok Glass Co., Ltd. ⁽¹⁾	Packaging	Related by way of shareholding
Sorachai Vivatn Co., Ltd.	Property development	Related by way of shareholding
EMCS Thai Co., Ltd. ⁽²⁾	Professional services	Related by way of shareholding
Bangpa-in golf Co., Ltd. ⁽¹⁾	Entertainment and Leisure	Related by way of shareholding
Thai Metal Processing Co., Ltd. ⁽¹⁾	Electronic parts	Related by way of shareholding
Asia Sermkij Co., Ltd. ⁽¹⁾	Finance	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company

⁽¹⁾ This entity had been considered a related party until 16 June 2017, which was the date when there was no more common director and percentage of cross-shareholding was also less than 10% of the issued and paid-up share capital.

⁽²⁾ This company had been ceased to be the Company's related party since 7 August 2017, the date on which the Company sold all its entire investment in such company.

18.2 Significant related party transactions

During the three-month periods ended 31 March 2018 and 2017, the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March		Pricing policy
	2018	2017	
Revenues			
Premium written	146,654	134,541	Normal commercial terms for underwriting
Fee and commission income	11,746	48,126	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Interest income ⁽¹⁾	16,318	23,476	Similar rates as financial institutions and related companies offer to their general customers
Dividend income ⁽¹⁾	186,913	179,091	The declared amount
Rental income ⁽²⁾	264	502	Same rates the Company offered to its general customers
Expenses			
Premium ceded to reinsurers	44,513	87,563	Normal commercial terms for reinsurance depending on types of insurance and reinsurance contracts
Net claims (reversal)	(6,380)	(61,313)	As actually incurred
Commissions and brokerages	8,118	15,332	Normal commercial terms for underwriting
Management fee for private fund ⁽³⁾	66	65	Similar rates the related party offered to its general customers
Fee for trading securities ⁽³⁾	207	157	Similar rates which the related party offered to general customers

⁽¹⁾ Presented in "Net investment revenue" in statements of comprehensive income

⁽²⁾ Presented in "Other income" in statements of comprehensive income

⁽³⁾ Presented in "Operating expenses" in statements of comprehensive income

18.3 Outstanding balances

As at 31 March 2018 and 31 December 2017, the Company had the following significant balances with its related companies.

	(Unit: Thousand Baht)	
	31 March 2018	31 December 2017
Transactions with associates		
General investments - equity securities	83,934	80,541
Transactions with related companies		
Deposits at financial institutions	5,252,387	5,301,523
Premium receivables	83,366	21,129
Accrued interest receivables - debentures (including in accrued investment income)	1,283	151
Reinsurance assets		
Amounts deposited on reinsurance	6,649	5,622
Amounts due from reinsurers	6,487	14,259
Available-for-sale investments		
Equity securities	32,219,742	30,166,833
Debentures	102,355	102,990
General investments - equity securities	466,659	471,658
Other assets		
Deposits and golf club membership fees	37,478	37,565
Due to reinsurers		
Amounts withheld on reinsurance	101,930	106,248
Amounts due to reinsurers	62,061	32,128
Other Liabilities		
Liabilities under finance lease agreements	383	486
Accounts payable on purchases of securities	542	1,672

18.4 Directors' and key management's benefits

During the three-month periods ended 31 March 2018 and 2017, the Company had employee benefit expenses incurred on their directors and key management as below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	2018	2017
Short-term benefits	43.4	40.6
Post-employment benefits	2.3	(0.2)
Total	45.7	40.4

19. Assets subject to restriction and commitment

As at 31 March 2018 and 31 December 2017, the Company had the following assets placed with the Registrar as securities and insurance reserves in accordance with the Non-life Insurance Act and as placed with the bank as collateral.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 March 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
Placed as securities				
Government bonds	14.0	14.0	14.0	14.1
Placed as insurance reserves				
Ordinary shares	35.2	168.6	35.2	169.8
Government bonds	816.0	827.1	766.0	778.6
Debentures	200.0	209.0	250.0	259.3
	1,051.2	1,204.7	1,051.2	1,207.7
Placed to secure bank overdraft facilities				
Deposited at financial institutions	30.0	30.0	30.0	30.0
Placed to secure performance bonds				
Government and state enterprise bonds	43.6	44.7	49.3	50.6
Placed to secure bank guarantees				
Deposited at financial institutions	20.0	20.0	20.0	20.0

20. Commitments and contingent liabilities**20.1 Operating lease commitments**

The Company entered into several lease agreements in respect of the lease of land and office building space. The terms of the agreements are 33 years for land and more than 3 years for office building space.

As at 31 March 2018 and 31 December 2017, future minimum lease payments required under those non-cancellable operating lease contracts were as follows.

Payable	(Unit: Million Baht)	
	31 March 2018	31 December 2017
Within 1 year	24	24
Over 1 year and not over 5 years	103	102
Over 5 years	118	118

20.2 Capital Commitments

As at 31 March 2018 and 31 December 2017, there were outstanding capital commitments contracted for decoration, construction building, and computer software development amounting to Baht 8.0 million and Baht 12.7 million, respectively.

20.3 Litigation

As at 31 March 2018 and 31 December 2017, the Company had litigation claims totaling approximately Baht 1,905.8 million and Baht 2,351.0 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 1,162.5 million and Baht 1,317.9 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 355.0 million and Baht 428.2 million, respectively, which were already recognised in "Insurance contract liabilities" in the statements of financial position as at those dates.

21. Fair value of financial assets

As of 31 March 2018 and 31 December 2017, the Company had the following financial assets that were measured at fair value by using different levels of inputs as follows:

(Unit: Million Baht)

	31 March 2018			31 December 2017		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Available-for-sale investments						
Government and state enterprise securities	-	1,993	1,993	-	1,965	1,965
Private sector debt securities	-	1,420	1,420	-	1,338	1,338
Equity securities	37,082	891	37,973	34,857	898	35,755
Total available-for-sale investments	37,082	4,304	41,386	34,857	4,201	39,058

Valuation techniques and inputs for Level 2 valuations

- (a) The fair value of investments in debt securities is determined by using the yield curve as announced by the Thai Bond Market Association.
- (b) The fair value of investments in investment units, which are not listed on the Stock Exchange of Thailand, is determined by using the net assets value per unit as announced by the fund managers.

During the periods, there were no transfers within the fair value hierarchy.

22. Event after the reporting period

On 27 April 2018, the Annual General Meeting No. 25 of the Company's shareholders was resolved to approve dividend payment to the Company's shareholders from the 2017 operating results at Baht 14 per share. Since the meetings of the Company's Board of directors were already resolved to pay the interim dividend payments for a total of Baht 9 per share, there remained dividend per share at Baht 5 each or a total of Baht 532.4 million.

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Executive Directors on 3 May 2018.