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FOR IMMEDIATE RELEASE

CONTACTS: Vivian Cheung
Senior Financial Analyst
+852 2827 3421
vivian.cheung@ambest.com

Christie Lee
Director, Analytics
+852 2827 3413
christie.lee@ambest.com

Christopher Sharkey
Manager, Public Relations
+1 908 439 2200, ext. 5159
christopher.sharkey@ambest.com

Jim Peavy
Director, Public Relations
+1 908 439 2200, ext. 5644
james.peavy@ambest.com

A.M. Best Affirms Credit Ratings of Bangkok Insurance Public Company Limited

HONG KONG, May 31, 2017—A.M. Best has affirmed the Financial Strength Rating of A- (Excellent) and the Long-Term Issuer Credit Rating of “a-” of **Bangkok Insurance Public Company Limited** (BKI) (Thailand). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect BKI’s sound risk-adjusted capitalization that is supported by a conservative level of underwriting leverage, favorable operating performance and solid market position in Thailand’s non-life insurance market.

BKI generates its premiums via a diversified distribution channel, including the distribution support from its related company, Bangkok Bank, one of Thailand’s largest banks. BKI continued to report favorable underwriting performance after the Thai flood losses in 2011. Investment performance is supported mainly by a stable stream of dividend income from equity investments. A.M. Best expects that BKI will continue to focus on risk selection and a prudent reinsurance arrangement to safeguard its underwriting profitability.

Offsetting rating factors include BKI’s significant investment concentration in listed equities, which comprised more than half of its invested portfolio and represented a sizeable proportion relative to its capital and surplus. As a result, the company’s capitalization level could be impacted materially by potentially adverse equity market conditions.

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While positive rating actions are unlikely in the near term, negative rating pressure could result from material deterioration in BKI's risk-adjusted capitalization due to large operating losses or material adverse movement on its equity investments.

Ratings are communicated to rated entities prior to publication. Unless stated otherwise, the ratings were not amended subsequent to that communication.

This press release relates to Credit Ratings that have been published on A.M. Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see A.M. Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Understanding Best's Credit Ratings](#). For information on the proper media use of Best's Credit Ratings and A.M. Best press releases, please view [Guide for Media - Proper Use of Best's Credit Ratings and A.M. Best Rating Action Press Releases](#).

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