Insurer Financial Strength Ratings

An S&P Global insurer financial strength rating is a forward-looking opinion about the financial security characteristics of an insurer with respect to its ability to pay under its insurance policies and contracts in accordance with their terms.

This opinion is not specific to any particular policy or contract, nor does it address the suitability of a particular policy or contract for a specific purpose or purchaser. Furthermore, the opinion does not take into account deductibles, surrender or cancellation penalties, timeliness of payment, nor the likelihood of the use of a defence such as fraud to deny claims.

Insurer financial strength ratings do not refer to an organisation's ability to meet non-policy (ie, debt) obligations. Assignment of ratings to debt issued by insurers or to debt issues that are fully or partially supported by insurance policies, contracts, or guarantees is a separate process from the determination of insurer financial strength ratings, and it follows procedures consistent with those used to assign an issue credit rating. An insurer financial strength rating is not a recommendation to purchase or discontinue any policy or contract issued by an insurer.

Insurer Financial Strength Ratings*

Category	Definition
AAA	An insurer rated 'AAA' has extremely strong financial security characteristics. 'AAA' is the highest insurer financial strength rating assigned by S&P Global.
AA	An insurer rated 'AA' has very strong financial security characteristics, differing only slightly from those rated higher.
A	An insurer rated 'A' has strong financial security characteristics but is somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings.
BBB	An insurer rated 'BBB' has good financial security characteristics, but is more likely to be affected by adverse business conditions than are higher-rated insurers.
BB, B, CCC, and CC	An insurer rated 'BB' or lower is regarded as having vulnerable characteristics that may outweigh its strengths. 'BB' indicates the least degree of vulnerability within the range; 'CC' the highest.
BB	An insurer rated 'BB' has marginal financial security characteristics. Positive attributes exist, but adverse business conditions could lead to insufficient ability to meet financial commitments.
B	An insurer rated 'B' has weak financial security characteristics. Adverse business conditions will likely impair its ability to meet financial commitments.
CCC	An insurer rated 'CCC' has very weak financial security characteristics and is dependent on favourable business conditions to meet financial commitments.
CC	An insurer rated 'CC' has extremely weak financial security characteristics and is likely not to meet some of its financial commitments.
R	An insurer rated 'R' is under regulatory supervision owing to its financial condition. During the pendency of the regulatory supervision, the regulators may have the power to favour one class of obligations over others or pay some obligations and not others. The rating does not apply to insurers subject only to non-financial actions such as market conduct violations.
SD or D	An insurer rated 'SD' (selective default) or 'D' is in default on one or more of its insurance policy obligations but is not under regulatory supervision that would involve a rating of 'R'. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action if payments on a policy obligation are at risk. A 'D' rating is assigned when S&P Global believes that the default will be a general default and that the obligor will fail to pay substantially all of its obligations in full in accordance with the policy terms. An 'SD' rating is assigned when S&P Global believes that the insurer has selectively defaulted on a specific class of policies but it will continue to meet its payment obligations on other classes of obligations. An 'SD' includes the completion of a distressed exchange offer. Claim denials due to lack of coverage or other legally permitted defenses are not considered defaults.

** Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.*

Issuer Credit Ratings

An S&P Global issuer credit rating is a forward-looking opinion about an obligor's overall creditworthiness. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. Both corporate credit ratings and sovereign credit ratings are forms of issuer credit ratings. Issuer credit ratings can be either long-term or short-term.

CreditWatch

CreditWatch highlights our opinion regarding the potential direction of a short-term or long-term rating. It focuses on identifiable events and short-term trends that cause ratings to be placed under special surveillance by S&P Global's analytical staff.

Rating Outlooks

An S&P Global outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action.
Positive means that a rating may be raised.
Negative means that a rating may be lowered.
Stable means that a rating is not likely to change.
Developing means a rating may be raised, lowered, or affirmed.

S&P Global Insurance Criteria
"Insurers: Rating Methodology"
(published 8 May 2013)
Extracted of the Insurance Industry and Country Risk Assessment (Paragraph 30 to 34)*

B2. Insurance Industry and Country Risk Assessment
30. The Insurance Industry and Country Risk Assessment (IICRA) addresses the risks typically faced by insurers operating in specific industries and countries, and is generally determined at a country or regional level. For example, we assign an IICRA to the Canadian P/C sector, one to the Australian health sector, and one to the Japanese life sector. We also analyze industry and country risk on a global basis for four specific sectors (see paragraphs 38 to 40). The IICRA provides the context for our analysis of an insurer's business risk profile (BRP), since industry and country risks are closely linked with the analysis of competitive position, as is the case for most corporate sectors.

31. The risk assessment applicable to each industry and country combination is derived by combining the average of the four country-related assessments into a country-risk assessment and the average of the five industry-related assessments into an industry-risk assessment, each on a scale (from weakest to strongest) of "very high risk," "high risk," "moderate risk," "intermediate risk," "low risk," and "very low risk." The IICRA assessment is the equally weighted average of the industry and country risk assessments, with two exceptions: If one is "moderate risk" or "high risk" while the other is stronger, the former receives a 70% weight. If one is "very high risk" while the other is stronger, the former receives 90% weight. Additionally, the IICRA can be no stronger than "moderate" if the insurance market is at a less-mature stage of development. One indicator that the market is less mature is that P/C or life insurance premiums comprise less than 1.5% of GDP. In cases where risk profiles weaken suddenly to an extreme degree and the IICRA subscores understate risk as a result, the IICRA assessment may weaken from high risk to very high risk.

32. Four country-related subfactors--economic, political, financial system risk, and payment culture and rule of law--as well as the institutional framework subfactor, which is industry-related, are assessed on a scale from '1' to '6'. The other four industry-related subfactors are assessed as positive ('1'), neutral ('3'), or negative ('6'). For the four sectors discussed in paragraphs 38 to 40, the country-related subfactor assessments draw on the global weighted average of the country-related subfactor assessments of the countries where these sectors' participants operate.

33. Table 3 shows how we identify and assess the IICRA subfactors:

- Economic risk,
- Political risk,
- Financial system risk,
- Payment culture and the rule of law,
- Return on equity,
- Product risk,
- Barriers to entry,
- Market growth prospects, and
- Institutional framework.

34. The first four subfactors are country risks that affect all industries including insurance while the last five, although influenced by country risks, are specific to the insurance industry. The first three assessments draw from S&P Global sovereign and bank industry criteria (see table 3). The inclusion of the first four subfactors reflects our views that:

- The industry's revenue and profitability dynamics are highly sensitive to the local economic environment.
- The industry is typically highly regulated.
- The industry depends on the banking sector for the transmission of money and the provision of loans and facilities and, both with respect to fixed-income investment instruments and to its own financing, on deep and liquid debt capital markets.
- The industry is affected by the quality of the legal framework and the judicial system.

Table 3: Assessing the IICRA Subfactors*

Subfactor	Assessed on a 1-6 scale		
Economic risk (paragraph 41)	The assessment draws on sovereign ratings criteria (paragraphs 51-61)		
Political risk (paragraph 41)	The assessment draws on sovereign ratings criteria (paragraphs 36-50)		
Financial system risk (paragraph 41)	The assessment draws on BICRA criteria (paragraphs 73-113)		
Payment culture and the rule of law (paragraphs 42)	The assessment is informed by certain external indicators		
Institutional framework (paragraphs 63 to 67)	The assessment is based on regulatory framework, regulatory track record, and governance and transparency		
Subfactor	**1**	**3**	**6**
Return on equity (paragraph 43 to 46)[§]	Expected ROE is 10% or higher and no excessive risk taking exists	Expected ROE is between 4% and 10% and no excessive risk taking exists	Expected ROE is under 4% or excessive risk taking exists
Product risk (paragraph 47 to 52)*	Sources of potential ROE volatility are low	Sources of potential ROE volatility are moderate	Sources of potential ROE volatility are high
Barriers to entry (paragraph 53 to 57)	Barriers to entry are high due to regulatory or operational factors	Barriers to entry are moderate due to regulatory or operational factors	Barriers to entry are low due to regulatory or operational factors
Market growth prospects (paragraph 58 to 62)	Insurance premiums are expected to grow significantly and no excessive risk taking exists	Insurance premiums are not expected to grow nor reduce significantly, or excessive risk taking exists	Insurance premiums are expected to reduce significantly

-The IICRA score applicable to an insurer may be modified to neutralize the effect of a “negative” product risk assessment (see paragraph 47 to 52) if, for more than approximately four-fifths of the insurer’s liabilities (for life business) or premiums (for P/C business), none of the sources of product risk applies. For example, the insurer may not be materially exposed to property catastrophe risk nor write casualty business to a material extent.

§ In a given jurisdiction, the ROE assessment may be adjusted positively by one category where nominal ROE reflect exceptionally low long-term risk-free rates, or negatively where nominal ROE reflect exceptionally high long-term risk-free rates.

BICRA -- Banking Industry Country Risk Assessment

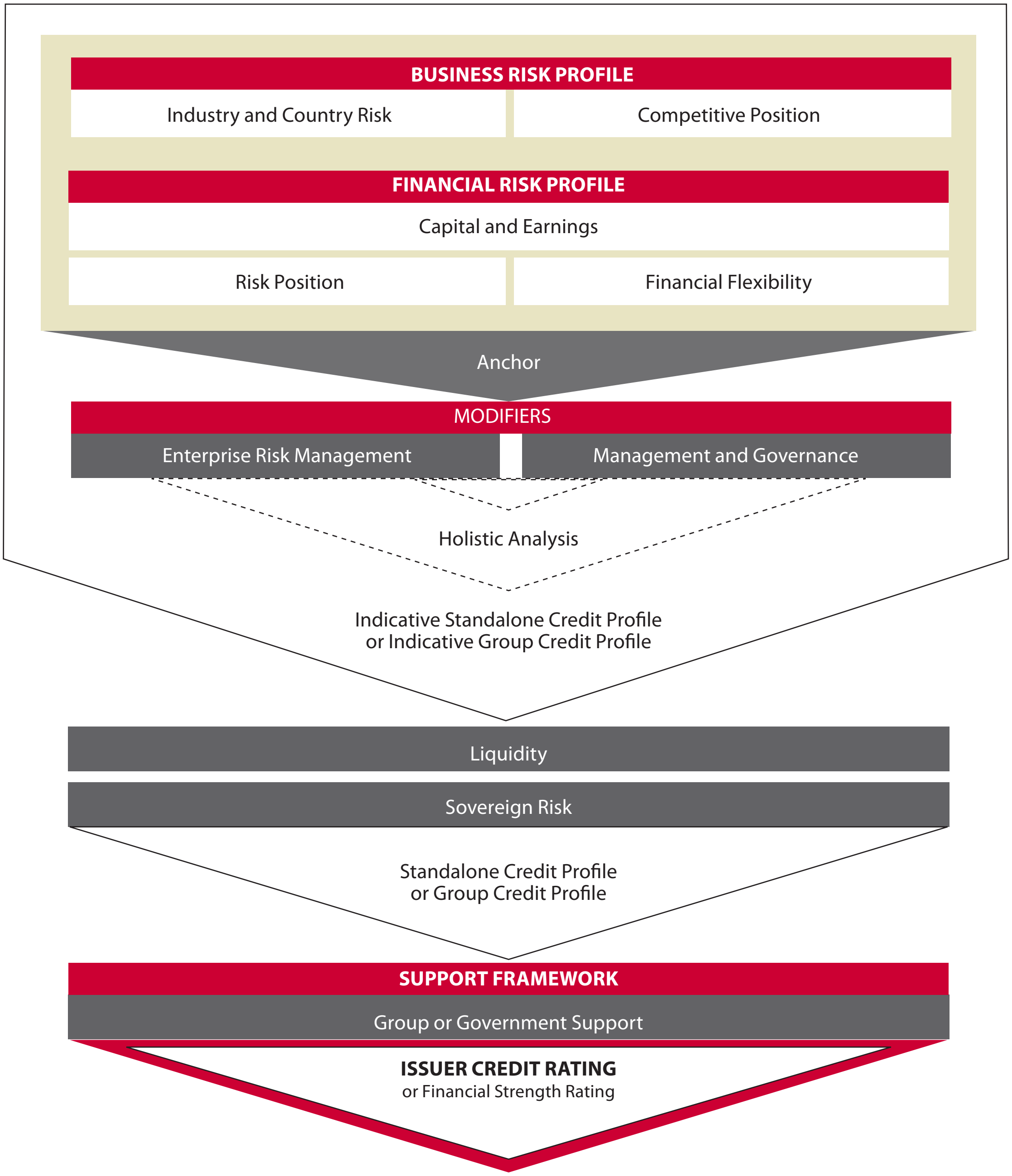
IICRA – Insurance Industry and Country Risk Assessment

ROE – Return on equity

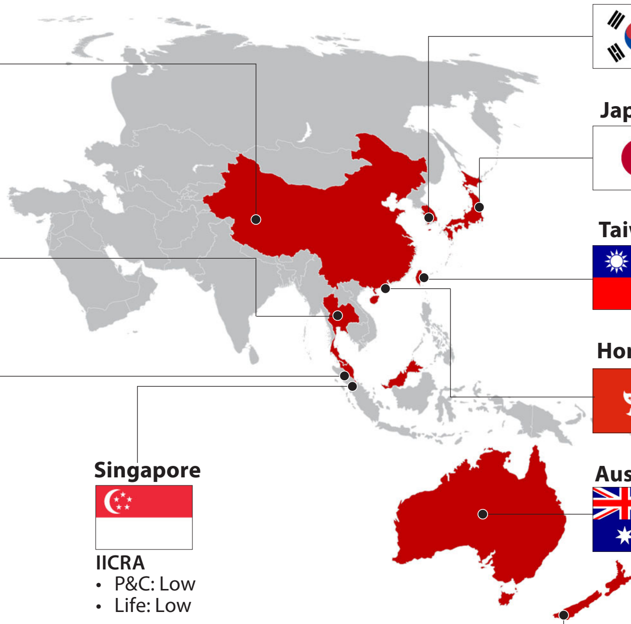
** A full list of Insurance Ratings Criteria can be found on S&P Global’s public website at www.spratings.com*
Click “Criteria” in the menu bar, then refer to the “Insurance” section.

Insurance Ratings Framework

To produce a long-term rating on an operating insurance company. S&P Global assesses eight rating factors, adjust them in a holistic analysis, and assesses sovereign risk. Lastly, we analyse the potential for the insurer to benefit from extraordinary group or government support.



IICRA Snapshot – Asia Pacific



China

IICRA
- P&C: Intermediate
- Life: Intermediate
- Bond: Moderate

Thailand

IICRA
- P&C: Intermediate
- Life: Intermediate

Malaysia

IICRA
- P&C: Intermediate
- Life: Intermediate

Singapore

IICRA
- P&C: Low
- Life: Low

South Korea

IICRA
- P&C: Intermediate
- Life: Intermediate

Japan

IICRA
- P&C: Intermediate
- Life: Intermediate

Taiwan

IICRA
- P&C: Intermediate
- Life: Moderate

Hong Kong

IICRA
- P&C: Low
- Life: Low

Australia

IICRA
- P&C: Low
- Life: Low
- Health: Low
- Mortgage: Low

New Zealand

IICRA
- P&C: Intermediate
- Life: Low
- Health: Intermediate

Source: Insurance Industry and Country Risk Assessment Update: June 2018, S&P Global

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Australia

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Australia

S&P Global Ratings

Sovereign Ratings

Foreign Currency: AAA/Negative/A-1+

Local Currency: AAA/Negative/A-1+

- Growth prospects to remain subdued with rising uncertainty around life insurance
- Divergent earnings prospects to persist for life and P&C insurers
- Solid reinsurance cover likely to moderate unexpected catastrophes

S&P Global Ratings anticipates risk premium growth in Australia's life insurance sector will be reasonably subdued over the next year – in line with inflation. This comes against the backdrop of the government's "Protecting Your Superannuation" proposal, which involves an opt-in approach (rather than the current opt-out) to life insurance for certain member cohorts. We believe that the growth and earnings profile of group insurance risk businesses (40% of total premium risk inflows) may be affected. At a time of low levels of insurance cover and superannuation member engagement, affected members may lapse their insurance policies in large numbers. Inevitable price rises would likely worsen the problem.

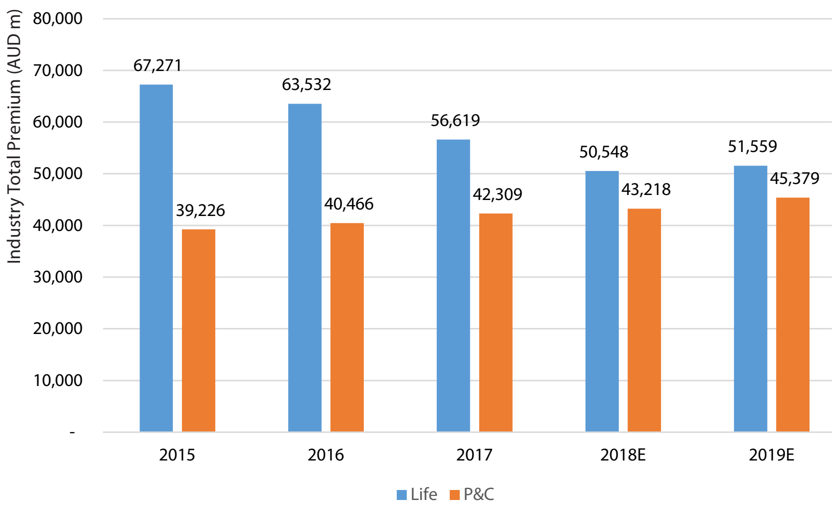
In our view, the poor performance of the income protection line of business will continue to undermine earnings in the life segment. The business line has been consistently loss making for the past four years despite the industry's aggressive remediation actions. The volatile operating performance has been a key driver of divestments of life risk operations by domestic groups, a trend we anticipate continuing.

Underwriting profits are likely to be sound for property and casualty (P&C) insurers in 2018 and 2019, supported by reasonable economic growth and premium rate increases. Robust reinsurance programmes are likely to moderate the effects of unexpected catastrophes and underpin capital adequacy strengths. This is despite a spike in claims attributable to peril events in 2017.

The product lines of home and contents and domestic motor vehicle insurance continued to drive the Australian P&C insurers' profits in 2017. Rate increases paved the way for top-line premium growth, and insurers managed their expenses well. In addition to claims inflation, material challenges were mainly in the form of rate-moderating market conditions, disruptors, and regulatory changes. We foresee further rate hardening in commercial lines, albeit selectively introduced.

We expect muted premium growth for Australian mortgage insurers over the next one to two years because of multiple challenges. Moderating house prices and tighter lending standards are likely to dampen the take-up of mortgage insurance, although the latter should improve loan quality. Against this, upcoming changes to bank capital standards may make mortgage insurance a more capital-effective tool for advanced internal ratings-based banks, which currently do not receive capital relief from use of the product. Industry participants remain well-placed to deal with the shifting landscape, given their high levels of capital, low-risk investment portfolios, and considerable reinsurance protection.

Australia - Total Gross Premium Written



Australia – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AAI Ltd.	A+	Stable
AIG Australia Limited	A	Negative
Allianz Australia Insurance Ltd.	AA-	Stable
BHP Billiton Marine & General Insurances Pty Ltd.	A	Stable
Chubb Insurance Australia Ltd.	AA-	Stable
Hallmark General Insurance Co. Ltd.	BBB+	Stable
Insurance Australia Ltd.	AA-	Stable
Medical Insurance Australia Pty Ltd.	A-	Stable
QBE Europe NV/SA	A+	Stable
QBE Insurance (Australia) Ltd.	A+	Stable
QBE Insurance (International) Ltd.	A+	Stable
Zurich Australian Insurance Ltd.	A+	Stable
Life Insurers		
AIA Australia Ltd.	A+	Stable
AMP Life Ltd.	AA-	CW Negative
Challenger Life Company Ltd.	A	Positive
Colonial Mutual Life Assurance Society Ltd. (The)	A+	Stable
Hallmark Life Insurance Co. Ltd.	BBB+	Stable
MetLife Insurance Ltd.	A+	Stable
OnePath Life Ltd.	A+	Stable
Suncorp Life and Superannuation Ltd.	A	Stable
Westpac Life Insurance Services Ltd.	A+	Stable
Health Insurers		
Australian Unity Health Ltd.	BBB+	Stable
Mortgage Insurers		
Genworth Financial Mortgage Insurance Pty Ltd.	A+	Negative
QBE Lenders' Mortgage Insurance Ltd.	A+	Stable
Westpac Lenders Mortgage Insurance Ltd.	AA-	Negative
Reinsurers		
General Reinsurance Australia Ltd.	AA+	Negative
General Reinsurance Life Australia Ltd.	AA+	Negative
QBE Blue Ocean Re Limited	A+	Stable
RGA Reinsurance Co. of Australia Ltd.	AA-	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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China

S&P Global Ratings

Sovereign Ratings

Foreign Currency: A+/Stable/A-1
Local Currency: A+/Stable/A-1

- Premium growth to stay strong following product reform initiatives
- Risk-off environment to persist, given tighter stance by the regulator
- Compliance burden to weigh on insurers' profitability despite technological efficiencies

We expect China's insurance sector to continue its strong growth momentum over the next two years. That growth is slowing down, however. The sector has seen significant regulatory changes following the formation in March 2018 of a super-regulator, China Banking and Insurance Regulatory Commission (CBIRC). We anticipate the regulatory framework, China Risk Oriented Solvency System (C-ROSS), will be updated by 2020, given the CBIRC's tighter stance. While the risk exposures of insurers are set to reduce, the mounting compliance costs will likely strain their profitability, particularly for small and midsize companies (SMEs). We have assessed the credit trends of the life insurance sector as negative since late 2015, and those of the bond insurance sector as negative since February 2016.

Foreign life insurers are likely to strengthen their footprint within China following the removal of ownership restrictions. While their overall market share remains small, the sector's shift to focus on quality growth around protection insurance should sit well with foreign players. China's highly competitive life insurance sector will continue to grow rapidly, supported by rising demand and awareness for insurance among an increasingly affluent and ageing population. We expect premiums to continue to grow at double digits following regulatory restrictions on the sale of short-term insurance policies since late 2016.

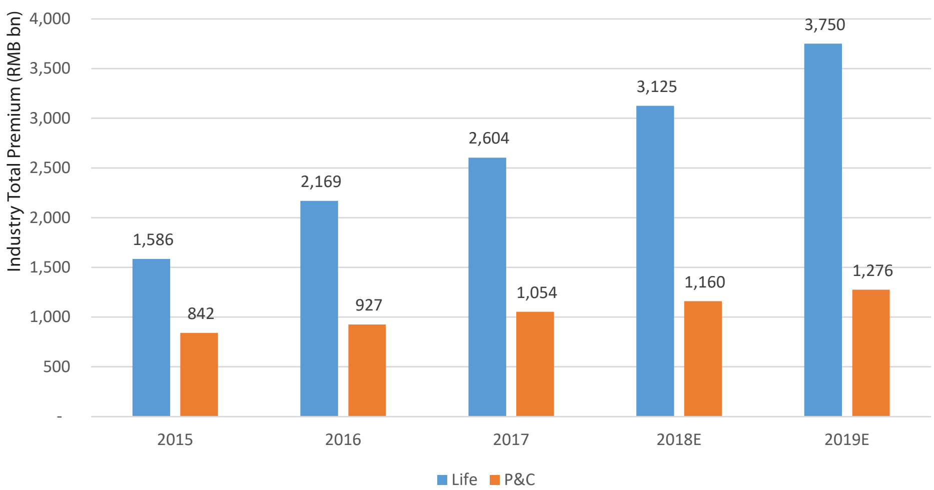
Asset-liability management (ALM) remains the key risk for many Chinese life insurers due to the limited availability of long-duration assets to match liabilities. The insurers' increasing exposure to alternative investments exposes them to liquidity and credit risks. In our opinion, rising defaults on fixed-income investments will affect some insurers' profitability. We estimate the industry's return on equity (ROE) to be around 8.0% and the return on assets (ROA) at about 1.0% over the next two years.

Growth in the non-life insurance sector will likely moderate to around 10% in 2018-2019, from 14% in 2017, due to motor insurance pricing liberalisation and slower new car sales. The reduction will, however, be counterbalanced by strong growth in non-motor insurance. Declining profitability stems from intensifying domestic competition (particularly in motor insurance) and subdued investment returns amid volatile capital markets. We estimate that P&C ROE will stay around 10.0% and the combined ratio will remain slightly above 100% in 2018 and 2019 (a ratio above 100% indicates an underwriting loss). To mitigate thinning underwriting margins, P&C insurers are likely to increase allocation towards less liquid investments to boost returns. In our view, insurers that have improved technology and therefore efficiency will be better able to withstand earnings pressure.

China's bond insurance sector plays an important role to support SME funding needs. Due to the limited availability of historical default data, we see some underpricing of risks. The Chinese government's ongoing deleveraging efforts could lead the sector's growth momentum to decelerate, affecting profitability. Furthermore, the deteriorating credit quality of SMEs may result in underwriting losses for the industry. Comparatively, China's bond insurance sector is less regulated than its banking and insurance sectors.

China

China - Total Gross Premium Written



China – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AIG Insurance Co. China Ltd.	A	Negative
BOC Insurance Company Ltd.	A-	Stable
China Pacific Property Insurance Co. Ltd.	A	Negative
Chubb Insurance Company Limited (China)	A+	Stable
Lloyd's Insurance Co. (China) Ltd.	A+	Negative
Mitsui Sumitomo Insurance (China) Co. Ltd.	A	Stable
Ping An Property & Casualty Insurance Co. of China Ltd.	A-	Stable
Samsung Property & Casualty Insurance Co. (China) Ltd.	A+	Stable
Sompo Insurance China Co., Ltd.	A	Stable
Swiss Re Corporate Solutions Insurance China Ltd.	A+	Stable
Taiping General Insurance Company Limited	A	Stable
Tokio Marine & Nichido Fire Insurance Co. (China) Ltd.	A	Positive
Life Insurers		
CCB Life Insurance Co. Ltd.	A-	Stable
China Life Insurance Co. Ltd.	A+	Negative
Bond Insurers		
China United SME Guarantee Corporation	BB+	Negative
Reinsurers		
China Life Reinsurance Company Limited	A	Stable
China Property & Casualty Reinsurance Company Ltd.	A	Stable
China Reinsurance (Group) Corporation	A	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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Hong Kong

S&P Global Ratings

Sovereign Ratings

Foreign Currency: AA+/Stable/A-1+

Local Currency: AA+/Stable/A-1+

- Premium contributions from China to rise, supported by strong cross-border regulatory cooperation
- Intensifying competition to affect profitability as insurers' acquisition and compliance expenses rise
- Regulator to draw experience from regional peers, given late adoption of RBC framework

We expect Hong Kong insurers to intensify efforts at digitalisation through greater adoption of technology to improve customer engagement and operational efficiencies. Hong Kong remains an attractive insurance market, given the availability of industry specialists. As an international financial hub, the city is home to many regional headquarters of multinational insurance groups.

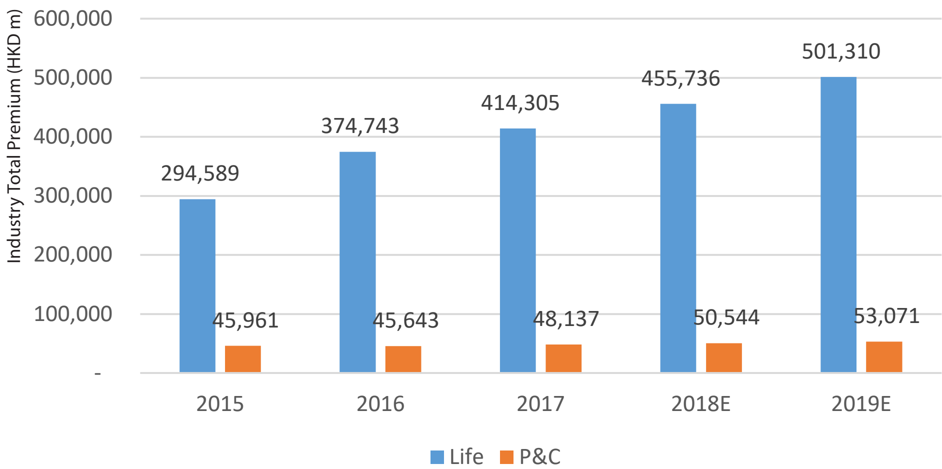
With the formation of the Insurance Authority in 2017, the development of a risk-based capital (RBC) framework will be expedited. As such, insurers' risk management awareness will likely strengthen, and expenses will rise as insurers ready their financial reporting infrastructure. Although Hong Kong is a latecomer to risk-adjusted regulatory capital regimes, we expect the roll-out of an RBC framework to be relatively smooth as the regulator incorporates the learnings from earlier adopters and that of Solvency II. The regulator signed the Equivalence Assessment Framework Agreement on Solvency Regulatory Regime (EAF Agreement) with China in May 2017, to strengthen cooperation between the insurance sectors and to encourage new growth momentum.

Compared with regional peers, Hong Kong's P&C insurance sector is extremely fragmented with over 100 companies. We anticipate the intensely competitive P&C sector to remain profitable for the next two years, despite thinning margins due to heightened expenses from distribution and compliance. The sector incurred underwriting losses in 2017 because of property damage losses associated with Typhoon Hato. As Hong Kong is a mature marketplace, we expect moderate business growth to benefit from some rate increases after the typhoon.

We estimate strong premium growth of 10% for Hong Kong's life insurance market over the next two years, supported by resilient local demand and offshore policyholders. Compared with regional peers, life insurers in Hong Kong remain supported by strong underwriting margins and resilient fee income. The premium contribution of new business from mainland Chinese visitors declined in 2017 and 2018 following China's tightened monetary policy, which limits overseas credit card transactions. As of December 2017, mainland Chinese visitors account for 33% of new-business premium income for the life insurance sector in the city (1Q2018: 26.8%).

Offshore policyholders are still likely to be attracted to Hong Kong given the availability of multi-currency insurance contracts, and the variety of high-end medical and protection insurance offerings from a wide selection of insurers. Despite the slowdown in offshore policies, we expect Hong Kong life insurers to report sustainable profitability with ROA above 1% over the next two years.

Hong Kong – Total Gross Premium Written



Hong Kong – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AIG Insurance Hong Kong Limited	A+	Negative
Arch MI Asia Limited	A	Stable
Asia Insurance Co. Ltd.	A	Stable
Bank of China Group Insurance Co. Ltd.	A-	Stable
China Pacific Insurance Co. (H.K.) Ltd.	A-	Negative
China Taiping Insurance (HK) Co. Ltd.	A	Stable
Chubb Insurance Hong Kong Ltd.	AA-	Stable
Falcon Insurance Co. (Hong Kong) Ltd.	A-	Positive
MSIG Insurance (Hong Kong) Ltd.	A+	Stable
QBE General Insurance (Hong Kong) Ltd.	A	Stable
QBE Hongkong & Shanghai Insurance Ltd.	A	Stable
Sinopec Insurance Limited	A+	Stable
Sompo Insurance (Hong Kong) Co., Ltd.	A+	Stable
Sun Hung Kai Properties Insurance Ltd.	A-	Stable
Tokio Marine & Fire Insurance Co. (Hong Kong) Ltd.	A	Positive
Life Insurers		
AIA Company Limited	AA-	Stable
AIA International Ltd.	AA-	Stable
BOC Group Life Assurance Company Limited	A	Stable
China Life Insurance (Overseas) Company Limited	A	Negative
Hang Seng Insurance Co. Ltd.	AA-	Stable
HSBC Life (International) Ltd.	AA-	Stable
Manulife (International) Ltd.	AA-	Stable
MetLife Limited	A+	Stable
Mortgage Insurers		
QBE Mortgage Insurance (Asia) Ltd.	A	Stable
Multi-Line Insurers		
AXA China Region Insurance Co. Ltd.	AA-	CW Negative
Reinsurers		
Taiping Reinsurance Co. Ltd.	A	Stable
SCOR Reinsurance Co. (Asia) Ltd.	AA-	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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India

S&P Global Ratings

Sovereign Ratings

Foreign Currency:	BBB-/Stable/A-3
Local Currency:	BBB-/Stable/A-3

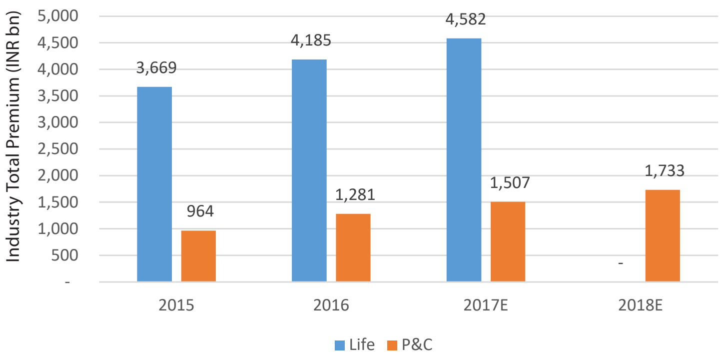
- Intense competition to drive weak underwriting performance, prompting reliance on investment income
- Ongoing market evolution to facilitate greater governance and transparency within the industry
- Execution delays on government initiatives could hold back full growth potential

The ongoing evolution of Indian insurers likely to have a positive impact on the industry's feeble underwriting performance, effectively leverage its significant growth potential, and further strengthen governance and transparency in the long run. India is home to the world's second-largest population, at around 1.3 billion people. Government initiatives include increases in foreign direct investment limits, opening-up of the reinsurance market, a crop insurance scheme, approval for listings, and (as proposed in the February 2018 Union budget) a gigantic healthcare scheme. However, we view the passive implementation as marring the anticipated benefits from these measures.

We expect P&C industry premiums to grow at about 15%, due to motor, health, and crop segments. Despite the strong growth potential, pricing pressure will likely continue due to excessive risk-taking patterns, as observed historically. For fiscal 2017-2018 (ending March 31), we estimate the industry's combined ratio at 115%-120%, due to higher losses from motor third-party, group health, and crop segments. Given extreme competition in the industry, we expect its weak underwriting performance to continue, and project an average combined ratio of 115% over the next two to three years.

However, overall profitability remains dependent on investment returns, with ROE likely to be around 4% over the next two years. The industry's key focus areas include: managing solvency requirements (in particular for public sector insurers); preparing for anticipated accounting changes (IndAS); and dealing with delays in the legal framework. The pace of execution is not yet apparent.

India - Industry Total Premium



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Japan

S&P Global Ratings

Sovereign Ratings

Foreign Currency:	A+/Positive/A-1
Local Currency:	A+/Positive/A-1

- Profits to remain stable and underwriting margins to thin
- Increasing risk appetite towards overseas investments to counter ultra-low domestic interest rate
- Heightened sensitivities towards currency movements

We anticipate that the profitability of Japan's P&C insurance sector will remain stable despite declining underwriting profits. In early 2018, price reductions for voluntary auto insurance (which accounts for 45% of premium income) drove thinning underwriting margins. We believe the scheduled hike of the consumption tax rate in October 2019 will further strain margins. However, the price increase in fire insurance and growth in new types of commercial insurance may ease the downward pressure.

We expect the industry's combined ratio to stay below 100%, provided natural catastrophe events stay within the normal range. In fiscal 2017 (ended March 2018), the ratio on an incurred base rose to 96% from 94% in fiscal 2016 (ended March 2017) due to the increase of domestic catastrophe events such as typhoons. Increasingly, Japanese insurance companies rely on technology to enhance operational efficiencies and offer telematics insurance products. That said, we expect more technology advancements will be required to disrupt Japan's mature P&C insurance sector.

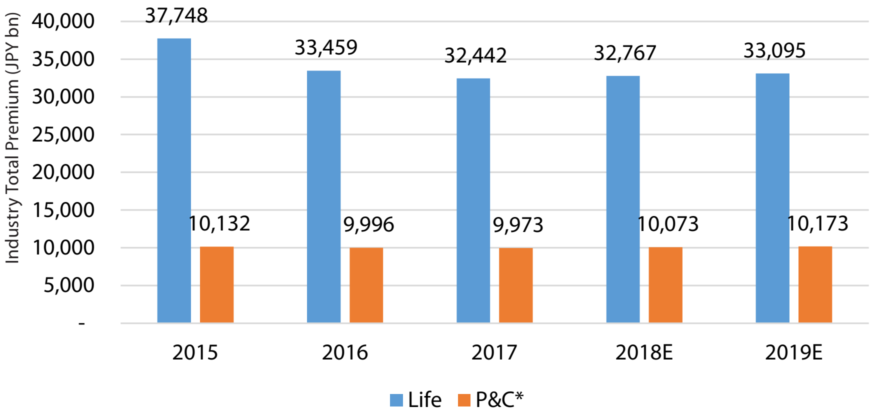
Large P&C insurance groups have steadily reduced their exposure and realized capital gains by selling strategically held stocks. While positive for capital management, we expect investment income to reduce. To enhance investment returns, the P&C insurers are diversifying their assets by investing more overseas, and some insurers are increasing their credit risk appetite. We expect these insurers' established risk controls to effectively manage investment risks.

The pressure on the life segment's profitability is set to rise amid intensifying competition across savings-type products and third-sector products (which include nursing care and medical treatment-related policies). To mitigate thinning profit margins, major traditional life insurers have revised their product strategy to focus on: offering foreign currency-denominated savings-type products; lowering guaranteed rates for yen-denominated savings-type products; and launching new types of third-sector products. Some insurers have also limited or suspended sales of yen-denominated savings policies.

Life insurers have increased their allocation towards foreign currency-denominated bonds for both new premium proceeds and reinvestment needs. While these assets provide comparatively higher investment yields, they may expose life insurers to currency mismatches – increasing their sensitivities towards foreign currency movements. Despite this, we expect mortality and morbidity margins from both traditional insurance and third-sector businesses to remain stable.

Japan

Japan – Total Gross Premium Written



* Total GPW data of 14 P&C insurers in the market

Japan – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AIG General Insurance Co. Ltd.	A+	Negative
Aioi Nissay Dowa Insurance Co., Ltd.	A+	Stable
Allianz Fire and Marine Insurance Japan Ltd.	AA	Stable
Chubb Insurance Japan	A+	Positive
Hitachi Capital Insurance Corporation	A-	Negative
Japan Ship Owners' Mutual Protection & Indemnity Association (The)	BBB+	Stable
Kyoei Fire & Marine Insurance Co. Ltd.	A-	Stable
Meiji Yasuda General Insurance Co. Ltd.	A	Positive
Mitsui Sumitomo Insurance Co. Ltd.	A+	Stable
Secom General Insurance Co. Ltd.	A	Stable
Sompo Japan Nipponkoa Insurance Inc.	A+	Stable
Tokio Marine & Nichido Fire Insurance Co. Ltd.	A+	Positive
Life Insurers		
AXA Life Insurance Co. Ltd.	A+	Stable
Daido Life Insurance Co.	A	Stable
Fukoku Mutual Life Insurance Co.	A	Stable
Japan Post Insurance Co., Ltd.	A+	Stable
Manulife Life Insurance Company	A+	Positive
MassMutual Life Insurance Co.	A-	Stable
Meiji Yasuda Life Insurance Company	A	Positive
MetLife Insurance KK	AA-	Stable
Mitsui Life Insurance Company Limited	A	Stable
Mitsui Sumitomo Aioi Life Insurance Company, Limited	A+	Stable
Mitsui Sumitomo Primary Life Insurance Company, Limited	A+	Stable
Nippon Life Insurance Co.	A+	Stable
NN Life Insurance Co. Ltd.	A-	Stable
Sompo Japan Nipponkoa Himawari Life Insurance Inc.	A+	Stable
Sony Life Insurance Co. Ltd.	A+	Positive
Sumitomo Life Insurance Co.	A	Positive
Taiyo Life Insurance Co.	A	Stable
The Dai-ichi Life Insurance Co. Ltd.	A+	Stable
The Gibraltar Life Insurance Co. Ltd.	A+	Positive
The Prudential Gibraltar Financial Life Insurance Co. Ltd.	A+	Positive
The Prudential Life Insurance Co. Ltd.	A+	Positive
Tokio Marine & Nichido Life Insurance Co. Ltd.	A+	Positive
Reinsurers		
Toa Reinsurance Co.	A+	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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South Korea

S&P Global Ratings

Sovereign Ratings

Foreign Currency: AA/Stable/A-1+
Local Currency: AA/Stable/A-1+

- Moderate business growth to focus on protection policies
- Short-term pain to be weathered by insurers amid IFRS 17 and K-ICS implementation
- Hybrid issuances to rise given insurers' proactive capital management initiatives

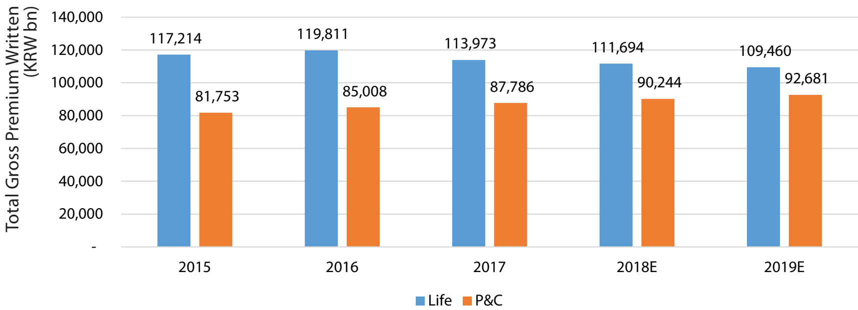
Korea's mature insurance market is likely to grow moderately over the next two years as insurers devote their attention towards the implementation of International Financial Reporting Standards (IFRS) 17. This comes at a time when the country's financial regulators are also planning to roll out a new capital framework: Korean-Insurance Capital Standard (K-ICS). The insurers' moderate business growth reflects their deliberate focus on protection policies and strengthening underwriting standards.

Compliance costs will rise with the implementation of IFRS 17 since new accounting systems and financial management rules will be required. Insurers will need to report market value for their insurance liabilities under IFRS 17, potentially straining their existing reserves. We expect more volatility in capitalisation. Nevertheless, the combination of both K-ICS and IFRS 17 should improve Korean insurers' comparability with international insurers and enhance the sector's focus on asset and liability management. We expect a more pronounced impact of IFRS 17 for life insurers due to negative spreads stemming from legacy high-yield guarantee policies.

As part of their capital management efforts, Korean insurers have started to refine their product strategies to focus on better-value protection policies with limited interest rate guarantees. We expect insurers to continue their efforts to secure a bigger capital buffer via the issuance of new capital including regulatory compliant hybrid securities; although this will be subject to funding costs. Since 2017, life insurers have issued more than US$2 billion worth of hybrid securities in overseas market.

We anticipate that the P&C sector will sustain solid profitability with ROE above 10% over 2018-2019, supported by improving pricing adequacy for auto and loss-making medical indemnity policies. Comparatively, the life insurers have lower profitability. We expect the life insurers' efforts to limit their offering of high interest-guaranteed policies, prompting slower growth momentum.

South Korea – Total Gross Premium Written



Korea

South Korea – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AIG Korea Inc.	A+	Negative
DB Insurance Co. Ltd.	A	Stable
Hanwha General Insurance Co., Ltd.	A	Stable
Hyundai Marine & Fire Insurance Co. Ltd.	A-	Stable
Samsung Fire & Marine Insurance Co. Ltd.	AA-	Stable
Seoul Guarantee Insurance Co.	A+	Stable
Reinsurers		
Korean Reinsurance Co.	A	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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Malaysia

S&P Global Ratings

Sovereign Ratings
Foreign Currency: A-/Stable/A-2
Local Currency: A/Stable/A-1

- Growth prospects to remain mixed for Malaysia's insurance sector
- Regulatory initiatives around foreign ownership limits may see delays due to changing political scene
- Strong profitability to continue given disciplined underwriting

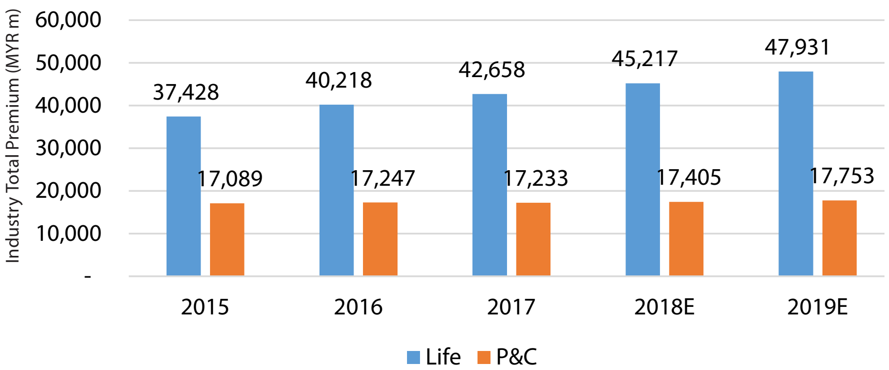
We expect Malaysia's insurance industry to continue to focus on improving penetration levels, in line with its 2020 plan. The regulator has sought to limit foreign ownership of its insurers to 70% from 100%, reflecting the limited contribution from foreign players in the development of Malaysia's insurance marketplace despite their long presence. This reduction in ownership if implemented will likely prompt foreign insurers to make a tactical choice among the few available options. These include listing, engaging in joint ventures with domestic players, divesting to local institutional investors, or contributing a portion of their projected profits in setting up a healthcare trust to support low-income groups. However, the changing political scene may delay the implementation of this proposal.

We estimate that single-premium savings and investment-linked insurance products will drive growth of about 6% in the life sector, supported by an increasing sales contribution from both the bancassurance channel and internet-based sales. Tied agencies continue to dominate the distribution of life insurance policies. In our view, the sector's profitability will reduce in the coming years, due to low interest rates and expenses incurred to implement several regulatory initiatives (eg, balanced scorecard, online channels, and product comparators). Based on our analysis of the five largest life insurers in Malaysia, we estimate the industry's ROE will remain around 20% over the coming two years.

Subdued industry growth of 1%-3% since 2015 for P&C reflects slower economic growth and an evolving regulatory environment. We expect the market's underwriting performance to remain strong with a combined ratio between 90% and 95% over 2018-2019. The industry's ROE should stay around 12%. Underwriting losses are likely to persist for third-party motor insurance due to inadequate pricing. Motor insurance accounts for 48% of gross premiums for full-year 2017. While we expect a gradual phase-out of tariffs for motor insurance to lead to higher premium rates, competition may limit this upside.

In our view, consolidation within the insurance sector will continue, similar to that of the banking sector. The market has 40 insurers and reinsurers as of 2016 (1990: 58; excluding takaful and retakaful companies). This reflects Bank Negara Malaysia's (BNM) encouragement of consolidation in the market. BNM is Malaysia's central bank and financial services regulator, and we believe it will ascertain the readiness of the market before introducing more plans for further liberalisation.

Malaysia – Total Gross Premium Written



Malaysia – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
Reinsurers		
IAG Re Labuan (L) Berhad	AA-	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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New Zealand

S&P Global Ratings

Sovereign Ratings

Foreign Currency: AA/Stable/ A-1+

Local Currency: AA+/Stable/ A-1+

- Sound profitability to be supported by ample reinsurance coverage
- Natural catastrophes-related losses to continue to affect some insurers
- Small market to remain characterized by dominant market players

Despite continuing high levels of natural hazard claims, the operating performance of New Zealand P&C insurers will likely remain solid for the next two years. Sound economic prospects should support both premium and volume growth.

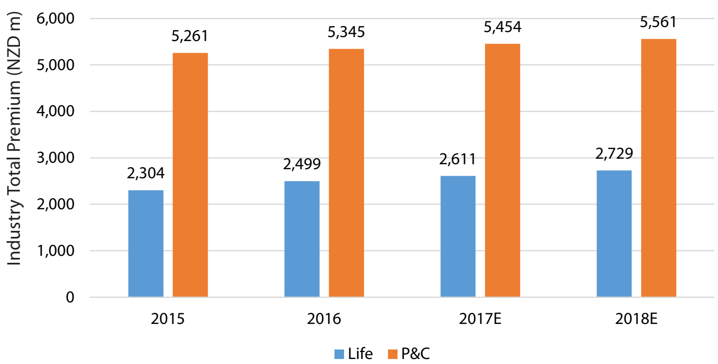
The relatively soft state of the global reinsurance market has assisted with both capacity and pricing in New Zealand despite 2017 being the costliest in terms of weather-related claims over the past 50 years. Natural hazards included the full impact of the Kaikoura earthquake in late 2016. We believe reinsurers will remain active and offer capacity in the region, with primary insurers continuing to benefit from ample capacity at favorable pricing and terms and conditions. The tail risk from the Canterbury earthquake, while lessening, remains evident. Reserve strengthening for the earthquake remains a feature, and continues to affect some insurers. In the 12 months to 30 June 2018, New Zealand's P&C insurers received about 945 claims from the Earthquake Commission related to claims above the NZ$100,000 cap (US$68,000).

New Zealand's health insurance industry is highly concentrated, with the largest provider accounting for about 62% of the market (based on lives covered), and the second largest about 15%. The operating performance of the largest providers has been sound, and should remain steady over the next two to three years. We expect premium growth to reflect price increases, supplemented by new policies and stable claims costs while benefiting from improved industry reporting and disclosure initiatives. The two largest health insurers, in particular, also continue to develop their digital capabilities and preferred supplier arrangements, which we expect to help lessen future cost inflation for medical claims.

We anticipate further regulatory scrutiny for life insurers regarding conduct and disclosure. This comes as the New Zealand government seeks input on a review of the country's insurance contract law. Operating performance has been relatively strong with in-force premiums growing by about 5% in the year to March 31, 2018. Steady claims ratios have been supportive, and these have been in line with our expectations. The life market has recently seen several divestments to large global players, although we do not expect the prospective ownership changes to materially alter the competitive landscape.

New Zealand

New Zealand – Total Gross Premium Written



New Zealand – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AA Insurance Ltd.	A+	Stable
AIG Insurance New Zealand Ltd.	A	Negative
Chubb Insurance New Zealand Ltd.	AA-	Stable
Hallmark General Insurance Co. Ltd. (New Zealand Branch)	BBB+	Stable
IAG New Zealand Ltd.	AA-	Stable
Medical Insurance Society Ltd.	A-	Stable
Mitsui Sumitomo Insurance Co. Ltd. (New Zealand Branch)	A+	Stable
QBE Insurance (Australia) Ltd. (NZ branch)	A+	Stable
Southern Cross Benefits Ltd.	A	Stable
Teleco Insurance (NZ) Ltd.	BBB+	Stable
Tokio Marine & Nichido Fire Insurance Co. Ltd. (New Zealand Branch)	A+	Positive
Vero Insurance New Zealand Ltd.	A+	Stable
Vero Liability Insurance Ltd.	A+	Stable
Life Insurers		
AIA International Limited New Zealand Branch	AA-	Stable
AMP Life Ltd. (New Zealand Branch)	AA-	CW Negative
Asteron Life Ltd.	A+	Stable
Hallmark Life Insurance Co. Ltd. (New Zealand Branch)	BBB+	Stable
Medical Life Assurance Society Ltd.	A-	Stable
OnePath Life (NZ) Ltd.	A+	Negative
Westpac Life-NZ-Ltd.	A+	Negative
Health Insurers		
nib NZ Ltd.	A-	Stable
Southern Cross Medical Care Society	A+	Stable
Mortgage Insurers		
Genworth Financial Mortgage Insurance Pty Ltd. (NZ Branch)	A+	Negative

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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Singapore

S&P Global Ratings

Sovereign Ratings

Foreign Currency:	AAA/Stable/A-1+
Local Currency:	AAA/Stable/A-1+

- Operates as one of the insurance hubs within the Asia-Pacific region
- Moderate growth prospects to reflect mature market dynamics
- Increasing usage of technology to improve engagement with policyholders

We expect Singapore's mature insurance market to remain supportive of growth and profitability. Insurers continue to benefit from the country's status as a regional financial centre that has attracted numerous multinational insurers. Singapore is also one of several countries to have taken leadership in building fintech capabilities. Over time, automation in several activities will further improve cost efficiencies for the industry. The financial regulator – Monetary Authority of Singapore (MAS) – promotes digitalisation and innovation within its financial sector. Accordingly, it has also set up a "fintech sandbox" to provide a controlled yet relaxed regulatory environment for experimentation. In 2017, MAS introduced a grant to promote more insurance-linked securitisation in Singapore.

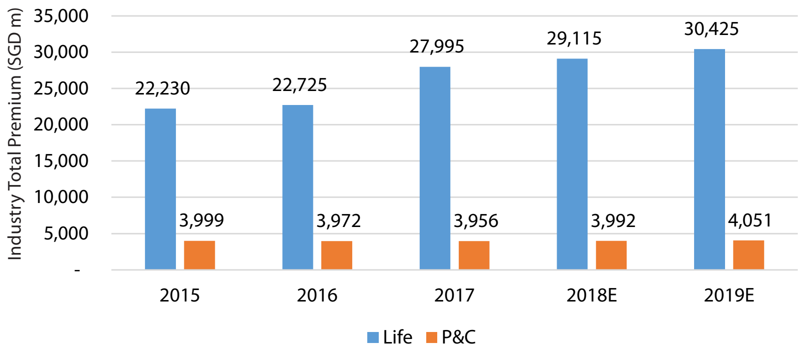
We expect Singapore's life insurance sector to achieve premium growth of above 5% in 2018-2019, supported by single-premium savings policies and health insurance policies. Based on our analysis of the five largest life insurers in Singapore, the sector has strong profitability with ROE of 10%-15% over the past four years. This reflects disciplined underwriting strategies and stable investment income. However, persistent low interest rates and potential volatility in equity markets could constrain the industry's profitability.

Bancassurance and traditional tied agents maintain their dominance in the distribution of life insurance policies. However, we expect the financial advisors channel to grow steadily in conjunction with the growing population of consumers who are insurance and digitally savvy.

The P&C sector's growth will likely stay flat at 0.5%-2% through 2019. We expect motor insurance to remain the key business line, representing about 29% of the market. However, motor premiums will probably remain flat or decline marginally due to limitations on certificates of entitlement and changing emission regulations that could influence the availability of vehicles. Miscellaneous and fire insurance business lines grew, despite a contraction in industry gross premiums by 0.4% in 2017. In spite of the subdued growth, we anticipate the sector's profitability will remain strong at 10%-12% over the next two years, due to generally prudent underwriting and conservative asset allocations.

P&C insurers continue to report underwriting profits, albeit lower than in prior years. Barring major natural catastrophes, potential profit volatility could mainly come from a continued softening in commercial rates, due partly to abundant capacity in the market.

Singapore – Total Gross Premium Written



Singapore – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
AIG Asia Pacific Insurance Pte. Ltd.	A+	Negative
Chubb Insurance Singapore Ltd.	AA-	Stable
Great Eastern General Insurance Ltd.	AA-	Stable
India International Insurance Pte. Ltd.	A-	Stable
Insurance Company of Trinet Asia Pte Ltd.	A	Stable
MSIG Insurance (Singapore) Pte. Ltd.	A+	Stable
QBE Insurance (Singapore) Pte. Ltd.	A	Stable
Sompo Insurance Singapore Pte. Ltd.	A	Stable
Tokio Marine Insurance Singapore Ltd.	A+	Positive
Life Insurers		
AIA Singapore Private Limited	AA-	Stable
HSBC Insurance (Singapore) Pte. Ltd.	A+	Stable
Manulife (Singapore) Pte. Ltd.	AA-	Stable
Prudential Assurance Co. Singapore (Pte.) Ltd.	AA-	Stable
Singapore Life Pte. Ltd.	BBB	Stable
The Great Eastern Life Assurance Company Limited	AA-	Stable
Multi-Line Insurers		
NTUC Income Insurance Co-operative Ltd.	AA-	Stable
Reinsurers		
Asia Capital Reinsurance Group Pte. Ltd.	A-	Stable
IAG Re Singapore Pte. Ltd.	AA-	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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Taiwan

S&P Global Ratings

Sovereign Ratings

Foreign Currency:	AA-/Stable/A-1+
Local Currency:	AA-/ Stable/A-1+

- Prospects for underwriting margins to remain mixed for life and P&C insurers
- Life insurers to be susceptible to offshore investment market volatility given significant overseas investments
- Tighter regulatory control on distribution costs to contain pricing competition

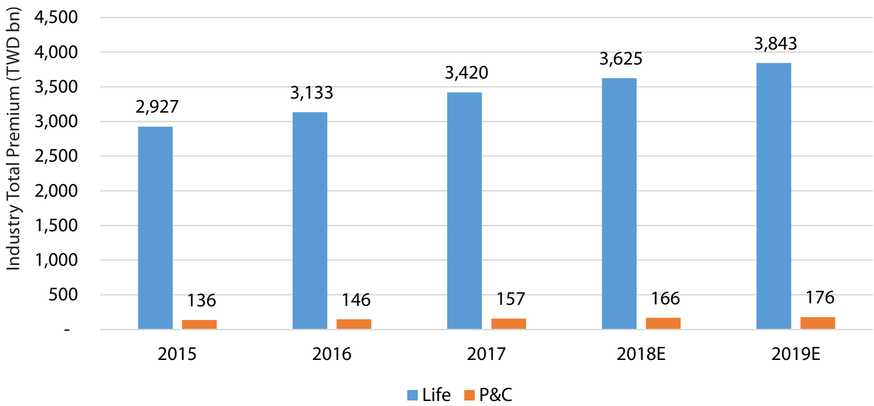
Taiwan's life insurers are likely to find it challenging to generate satisfactory levels of profitability in 2018 amid the currently volatile conditions in the capital market and foreign exchange environment. However, our stable outlook for the segment reflects the stability of the life insurers' business momentum, market share, distribution channels, and modest capitalisation. We anticipate a potential rise in the US policy rate would benefit recurring investment yields for the sector, which has sizeable US dollar-denominated investments. A return on average assets (ROAA) of 0.7% is likely in 2018. This is slightly lower than 0.9% for the first quarter of 2018 because we believe the same high level of capital gains and the recognition of one-off deferred tax benefits are unlikely to be repeated in the rest of the year.

Tighter regulatory control on distribution costs in Taiwan, particularly on bancassurance channels, helps avoid unfavourable pricing competition that could squeeze the insurers' loading surpluses. We anticipate the sector's insurance liability costs to be diluted through ongoing new-business inflows. However, these positive factors will be somewhat offset by the narrower mortality surpluses as life insurers sell mainly savings products.

In our view, the life sector's profit margin is likely to narrow further if players cannot quickly enhance their investment yield to match their interest-sensitive liabilities should domestic interest rates rise next year. Furthermore, the sector's earnings are susceptible to foreign exchange risks and hedging costs, given that about 68% of insurers' invested assets are overseas as of April 2018. Earnings are also sensitive to volatility in the global capital markets because of insurers' higher asset-allocation weighting on equity investments compared with their regional peers'. Consequently, we believe the sector's capitalisation will remain modest over the next two years, given low earnings prospects.

On the other hand, P&C insurers rest on solid capital foundations to capture new growth in 2018. P&C insurers' satisfactory underwriting performance and sufficient reinsurance coverage for catastrophe risks support the sector's generally strong capitalisation and underpin our stable outlook for P&C insurers for 2018. We estimate the sector's combined ratio will be around 95% in 2018, similar to an estimated 94.9% as of March 2018. The underwriting performance is good by global standards with sound underwriting controls. We expect the sector's premium growth to be 5%-7% in 2018 with motor, fire, engineering, and liabilities to lead the growth, given that in aggregate these product lines commanded around 80% of the sector's total premiums.

Taiwan – Total Gross Premium Written



Taiwan – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
Cathay Century Insurance Co. Ltd.	A-	Stable
Chung Kuo Insurance Co. Ltd.	A-	Stable
Fubon Insurance Co. Ltd.	A-	Stable
MSIG Mingtai Insurance Co. Ltd.	A	Stable
Nan Shan General Insurance Co. Ltd.	A-	Stable
Shinkong Insurance Co. Ltd.	A-	Positive
Taian Insurance Co. Ltd.	A-	Stable
Taiwan Fire and Marine Insurance Co. Ltd.	A-	Stable
The First Insurance Co. Ltd.	BBB+	Stable
Tokio Marine Newa Insurance Co. Ltd.	A	Positive
Union Insurance Co. Ltd.	A-	Stable
Life Insurers		
BankTaiwan Life Insurance Co. Ltd.	A+	Stable
Cathay Life Insurance Co. Ltd.	A-	Stable
Fubon Life Insurance Co. Ltd.	A-	Stable
Nan Shan Life Insurance Co. Ltd.	A-	Stable
Shin Kong Life Insurance Co. Ltd.	BBB	Stable
Reinsurers		
Central Reinsurance Corp.	A	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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Thailand

S&P Global Ratings

Sovereign Ratings

Foreign Currency: BBB+/Stable/A-2

Local Currency: A-/Stable/A-2

- Varied growth prospects across the industry
- Foreign ownership liberalization remains uncertain though credit positive
- Developing domestic investment market limits the insurers' capital strengths

We expect Thailand's life insurance sector to maintain healthy premium growth at 7%-9% over the next few years, backed by ongoing bancassurance partnerships and growth in eligible agents to sell investment-linked policies. Retirement and health insurance policies should further fuel growth. The industry's ROE is likely to remain strong at 9%-11% annually over 2018-2019, supported by robust underwriting margins, fee income, and investment returns.

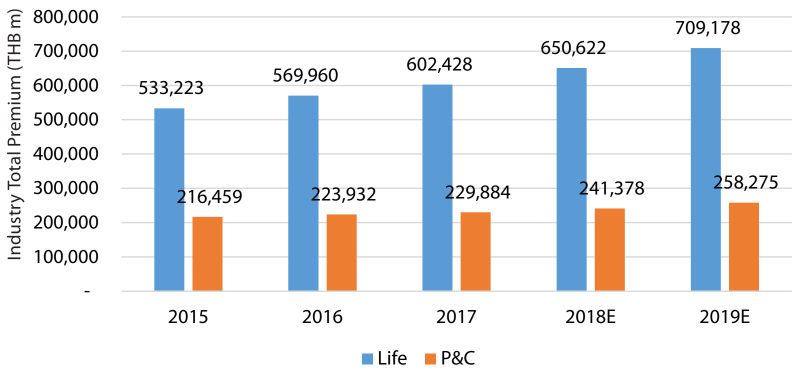
The life sector's asset-liability mismatch risk remains high, due to the limited availability of long-dated fixed income instruments within the domestic capital market. In addition, regulatory restrictions on overseas investments constrain insurers' ability to match lengthy liabilities.

We view as credit positive the Ministry of Finance (MoF)'s move to liberalise foreign ownership restrictions on insurance companies (increasing foreign shareholdings to 49%-100%) in January 2017. This reflects our belief that the new directive will boost the influx of additional capital to the market and allow for more knowledge transfer from the foreign players to the domestic companies. However, the eligibility criteria remains untested.

We anticipate that consolidation in the P&C sector will continue, given a strong competitive landscape. The top 10 players now account for over 60% of the market's gross premiums written. The P&C sector has improved its catastrophe risk management since mega flood in 2011. Insurers have improved catastrophe exposure management by introducing flood sub-limits in policies, widened exclusion zones on flood coverage, and increased the use of catastrophe reinsurance protection.

We expect slower growth momentum for the P&C sector, given subdued economic growth and domestic consumption. Premium growth could improve, should infrastructure projects committed by the government materialise. Given the industry's strong price competition, we estimate that overall ROE will drop to around 6%-8% in 2018-2019 from 8%-10% for the past two years. The regulator's de-tariffing efforts (starting with voluntary motor insurance) will drive rate reductions and dilute underwriting profits. In our view, the P&C insurers' high exposure to equity investment limits their capital strength.

Thailand – Total Gross Premium Written



Thailand

Thailand – Rated Insurers

Company Name	Insurer Financial Strength Ratings	Outlook
P&C Insurers		
Bangkok Insurance Public Co. Ltd.	A-	Stable
Sompo Insurance (Thailand) Public Company Limited	A-	Stable
Tokio Marine Insurance (Thailand) Public Company Ltd.	A-	Stable
Life Insurers		
Muang Thai Life Assurance Public Company Limited	BBB+	Stable

All ratings are Local Currency Financial Strength Ratings as at 30 June 2018

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