

MEDIA RELEASE
(For Immediate Release)

Great Eastern Reports Q1-19 Financial Results

Profit Attributable to Shareholders increased by 124%

Singapore, 3 May 2019 – Great Eastern Holdings Limited (the “Group”) today announced its financial results for the quarter (“Q1-19”) ended 31 March 2019.

Highlights of Financial Results

\$ million	Q1-19	Q1-18	Δ%
Operating Profit from Insurance Business	150.0	162.9	-8
Non-Operating Profit from Insurance Business	74.6	-8.7	nm
Profit from Shareholders’ Fund	124.2	1.0	>1000
Non-Controlling Interest	-6.1	-2.3	nm
Profit Attributable to Shareholders	342.7	152.9	124
Total Weighted New Sales	249.4	235.1	6
New Business Embedded Value	105.5	109.1	-3

nm - not meaningful

Profit Attributable to Shareholders

The Group’s Profit Attributable to Shareholders increased by 124%, which was due to higher Non-Operating Profit and Profit from Shareholders’ Fund. The higher profit was due to higher valuation of the investments as a result of favourable financial market conditions. Operating Profit from Insurance Business for the quarter was \$150.0 million, 8% lower than the same quarter last year.

Total Weighted New Sales (“TWNS”) and New Business Embedded Value (“NBEV”)

The Group’s TWNS for Q1-19 grew 6% from the same quarter last year. The Group’s operations in Malaysia and Indonesia continued its growth momentum, driven by all distribution channels. In Singapore, Agency sales remained resilient, while Bancassurance showed a slight slip. The Group’s NBEV was marginally lower for Q1-19 compared to the same quarter last year.

Regulatory Capital

The Capital Adequacy Ratios of the Group's insurance subsidiaries in both Singapore and Malaysia remain strong and well above their respective minimum regulatory levels.

Commenting on the Group's Q1-19 financial results, Group Chief Executive Officer Mr Khor Hock Seng said:

"We have seen the impact of the recovery of the financial markets in our Non-Operating Profit and Profit from Shareholders' Fund, resulting in a 124% increase in the Profit Attributable to Shareholders compared to the same period last year.

As we continue to push forward in our digital transformation journey, building a connection in the digital future is our driving force as we embrace a new generation of consumers.

The dynamics of our customer interaction have become more engaging through the launch of Great Digital Advantage, a suite of digital agency tools. Customers are now able to participate in their financial life planning discussion through the use of the visually engaging life storyboard in the GreatAdvice tool. The tool will be able to facilitate shoulder-to-shoulder discussions as customers have better overview of their needs, and the financial planning required to meet those needs.

Building digital affinity partnerships is an integral part of our digital transformation as we strive to enable customers to enjoy insurance solutions seamlessly and to provide broader value to the everyday lives of our customers. Modular insurance products such as Home Insurance and Personal Accident are tailored to the customers' coverage period at their convenience. More lifestyle-related modular products will be launched in the coming months.

This push forward is a firm step to elevate customer experience and reach new segments of customers to serve them conveniently and seamlessly."

-End-

About Great Eastern

A market leader and a well-established trusted brand in Singapore and Malaysia, Great Eastern was founded in 1908. With S\$85.0 billion in assets and over 4 million policyholders, it has three successful distribution channels – a tied agency force, bancassurance, and a financial advisory firm, Great Eastern Financial Advisers. The Group also operates in Indonesia and Brunei and has a presence in China as well as a representative office in Myanmar.

It was named Life Insurance Company of the Year at the Asia Insurance Industry Awards in 2011 and 2013 by Asia Insurance Review. The Great Eastern Life Assurance Company Limited and Great Eastern General Limited have been assigned the financial strength and counterparty credit ratings of "AA-" by Standard and Poor's since 2010, one of the highest among Asian life insurance companies. Great Eastern's asset management subsidiary, Lion Global Investors Limited, is one of the largest private sector asset management companies in Southeast Asia.

Great Eastern is a subsidiary of OCBC Bank, the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has more than 560 branches and representative offices in 19 countries and regions. These include over 300 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and more than 90 branches and offices in Hong Kong, China and Macao under OCBC Wing Hang.

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Notes

1. Operating profit from insurance business (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons etc.).
2. Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments, changes in liability discount rates and other non-recurring items.
3. TWNS, NBEV and Operating Profit figures in foreign currencies for Q1-19 have been translated using the monthly spot rate for 2018 for comparison on constant currency.
4. NBEV figures for periods prior to Q4-18 have been restated to take into account revised actuarial assumptions implemented in Q4-18.