

MEDIA RELEASE
(For Immediate Release)

Great Eastern Reports Q1-15 Financial Results

Singapore, 24 April 2015 – Great Eastern Holdings Limited (the “Group”) today announced its financial results for the quarter (“Q1-15”) ended 31 March 2015.

Highlights of Financial Results

S\$ million	Q1-15	Q1-14	Δ
Total Weighted New Sales	209.6	223.6	-6%
New Business Embedded Value	85.2	85.3	-
Operating Profit from Insurance Business	150.7	143.3	+5%
Non-Operating Profit from Insurance Business	41.1	33.4	+23%
Profit from investments in Shareholders’ Fund	45.6	69.6	-34%
Group Profit Attributable to Shareholders*	220.5	231.6*	-5%

* Q1-14 included a one-off gain of S\$31.9m (pre-tax) from the sale of part of the Group’s stake in its China joint venture from 50% to 25%.

Operating Profit from Insurance Business

Operating profit from insurance business for Q1-15 was S\$150.7 million, 5% higher than the same quarter last year, mainly attributed to lower claims from the Singapore Non-participating Fund.

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

TWNS for Q1-15 of S\$209.6 million was 6% lower than the same quarter last year. In Singapore, sales through the agency channel remained stable. Sales through the bancassurance channel in the current quarter were satisfactory, though lower compared with the strong performance in the same quarter last year. The sales recovery seen in the preceding quarter continued into the current quarter. In Malaysia, TWNS grew 12% over the same quarter last year, underpinned by strong sales of regular premium Investment-linked products in the conventional business.

NBEV, a measure of long-term economic profitability, of S\$85.2 million was stable. A positive shift in channel mix in Singapore and a change in product mix towards higher

margin sales in Malaysia brought about an improvement in overall NBEV margin from 38.2% for Q1-14 to 40.7% for Q1-15.

Non-Operating Profit from Insurance Business

For Q1-15, non-operating profit from insurance business of S\$41.1 million was higher compared with the same quarter last year, mainly brought about by unrealised mark-to-market gains from equity investments, particularly for stocks with exposure to China.

Profit from investments in Shareholders' Fund

Profit from investments in Shareholders' Fund of S\$45.6 million was lower compared with the same quarter last year during which there was a one-off gain of S\$31.9 million (pre-tax) from the sale of part of the Group's stake in its China joint venture. Excluding the one-off gain from Q1-14, profit from investments in Shareholders' Fund for the current quarter was higher, mainly because of translation gains from US Dollar denominated assets.

Group Profit Attributable to Shareholders

Group profit attributable to shareholders of S\$220.5 million for Q1-15 was lower compared with Q1-14. Excluding the one-off gain from Q1-14, Group profit attributable to shareholders for Q1-15 was 9% higher on better performance of the insurance business and higher profit from investments in Shareholders' Fund.

Regulatory Capital

The Capital Adequacy Ratios of the Group's insurance subsidiaries in both Singapore and Malaysia remained well above the minimum regulatory ratios of 120% and 130% respectively, reflecting the strong capital position of the Group.

Subsequent Event

On 14 April 2015, the Group's wholly-owned subsidiaries, namely The Great Eastern Life Assurance Company Limited, The Overseas Assurance Corporation Limited and The Great Eastern Trust Private Limited have each sold part of their respective stakes

in New China Life Insurance Company Ltd. (“New China Life”), comprising an aggregate of 85,000,000 overseas foreign invested ordinary shares in the share capital of New China Life (“H shares”), for total sales proceeds of HKD4,305.3 million (S\$762.8 million). The subsidiaries continue to retain a 1.79% interest in the H shares. Based on historical cost, the Group’s insurance and shareholders’ funds realised a total pre-tax gain of approximately S\$348.2 million from the sale. The profit attributable to shareholders (post-tax) from the sale amounts to approximately S\$123.0 million.

Commenting on the Group’s Q1-15 financial results, Director and Acting Group CEO, Mr Norman Ip said:

“The Group has continued to deliver growth in profit from insurance business. Operating profit was higher and there were higher unrealised mark-to-market gains from equity investments. Moving into the second quarter of the 2015, there are several industry developments such as the launch of direct purchase insurance and a web portal that compares life insurance products in Singapore, as well as the implementation of GST in Malaysia. As we monitor the impact of these developments, we remain focused on improving and expanding our suite of products to meet customers’ needs and strengthening our distribution capabilities.”

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About Great Eastern

Great Eastern is the oldest and most established life insurance group in Singapore and Malaysia. With S\$67.4 billion in assets and around 4.7 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, Vietnam and Brunei and has a joint venture 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 has 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. It was ranked by Bloomberg Markets as the world's strongest bank in 2011 and 2012.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has over 630 branches and representative offices in 18 countries and territories. These include the more than 330 branches and offices in Indonesia operated by subsidiary Bank OCBC NISP, and 95 branches and offices in Hong Kong, China and Macau 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. For comparative reasons, TWNS/NBEV figures for Q1-14 have been restated using exchange rates as at 31 March 2015. NBEV figures for Q1-14 have been restated to take into account revised actuarial assumptions implemented in Q4-14.