

GREAT EASTERN HOLDINGS LIMITED

Financial Results for Q3-17 and 9M-17 Supplementary Information

23 October 2017

Overview of Q3-17 and 9M-17 Financial Results

S\$'m	Q3-17	Q3-16	Δ	9M-17	9M-16	Δ
Total Weighted New Sales^{1&4}	306.3	264.7	+16%	843.1	725.2	+16%
New Business Embedded Value^{2 to 4}	116.7	129.4	-10%	340.5	315.3	+8%
Operating Profit (net of tax)⁴ from Insurance Business	158.6	134.5	+18%	437.8	383.7	+14%
Non-Operating Profit (net of tax)⁴ from Insurance Business	31.7	19.7	+61%	149.1	-53.2	nm
Profit (net of tax) from Shareholder's fund	47.9	43.5	+10%	153.8	71.1	+116%
Non-Controlling Interest	-2.7	-2.7	nm	-7.8	-7.5	nm
Group Profit Attributable to Shareholders	235.5	195.0	+21%	732.9	394.1	+86%

^ Note:

1. Total Weighted New Sales (TWNS) = (Single Premium x 10%) + New Regular Premium
2. New Business Embedded Value (NBEV) is a measure of the long-term profitability of new sales.
3. NBEV figures for periods prior to Q4-16 have been restated to take into account revised actuarial assumptions implemented in Q4-16.
4. For comparative reasons, TWNS, NBEV, Operating and Non-Operating Profit figures for prior reported period have been restated using exchange rates as at 30 September 2017. The difference between the restated Operating Profit figures for prior period and what were previously reported are included in the Non-Operating Profit. (Q3-16: S\$2.2m; 9M-16: S\$8.0m)
5. Profit from insurance business in the Group Profit and Loss Statements are presented gross of tax for all life assurance funds in Malaysia and the Participating Fund in Singapore. Reconciling tax adjustment is S\$18.3m for Q3-17 (Q3-16: S\$16.9m).

nm: not meaningful

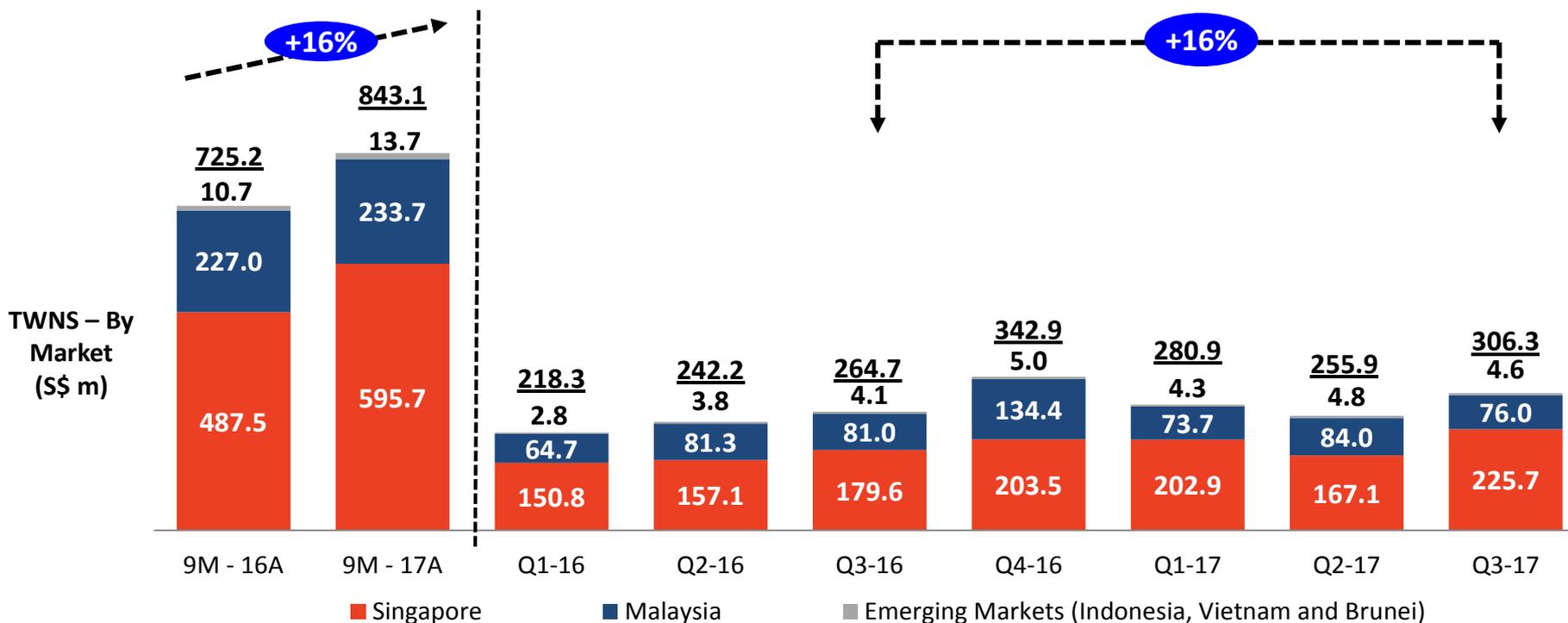
9M-17 Key Highlights

- Group's TWNS for 9M-17 remained strong at S\$843.1 million, underpinned by continuing growth in Singapore.
- NBEV was higher at S\$340.5 million for 9M-17; NBEV margin of 40.4% was lower than same period last year (43.5%) as a result of product mix shifts in Singapore.
- Operating profit at S\$437.8 million for 9M-17 was 14% higher than last year due to higher profit in the Singapore Non-Participating Insurance business.
- Non-operating profit of S\$149.1m for 9M-17 due to gains from favorable market conditions.
- Group's profit attributable to shareholders of S\$732.9 million for 9M-17 was higher than the same period last year because of higher operating and non-operating profit and profit from Shareholder's Fund.

Total Weighted New Sales (TWNS) – By Market

Higher Group's TWNS of S\$306.3 million for Q3-17 compared to same quarter last year:

- Driven by growth from Singapore (both agency and bancassurance).



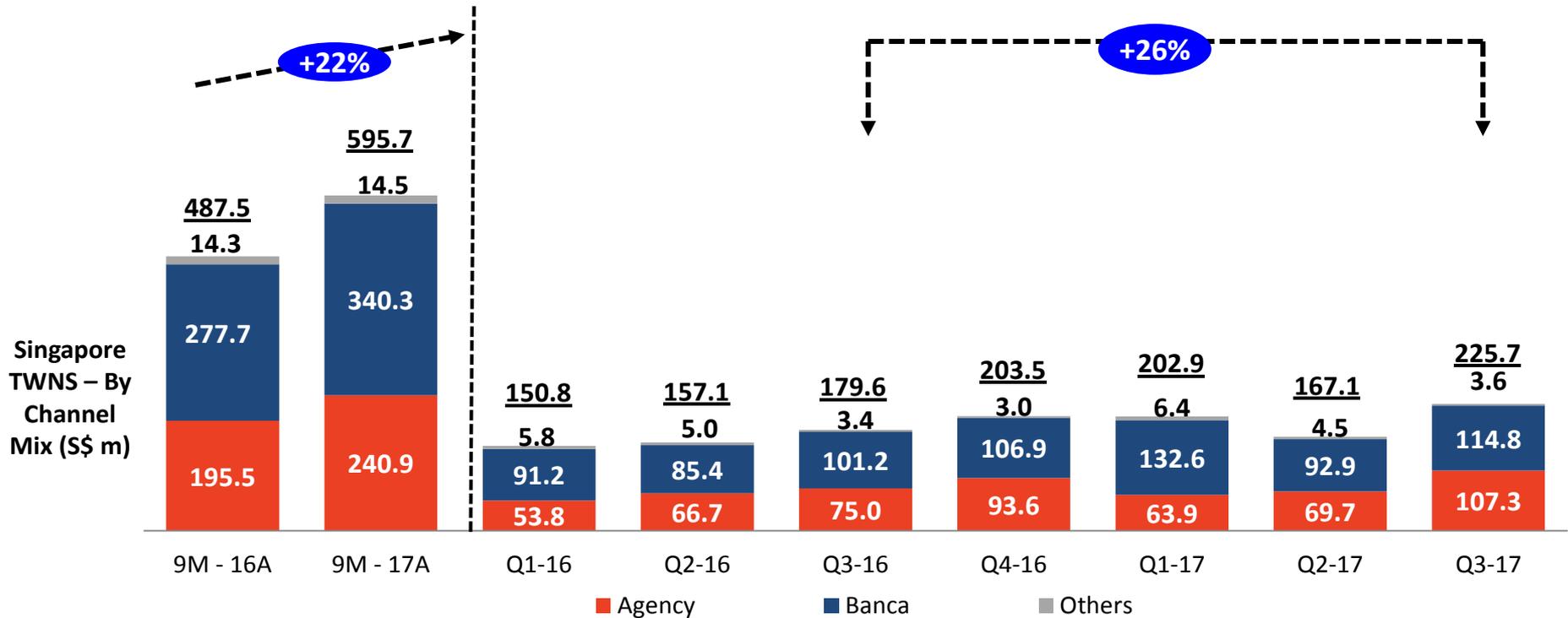
Note:

- For comparative reasons, TWNS figures for periods prior to Q3-17 have been restated using exchange rates as at 30 September 2017.
- TWNS for Q1-16 and Q2-16 include sales from Group's investment in Vietnam up to June 2016.
- QoQ TWNS comparison may not be relevant given seasonality of insurance sales.

Singapore TWNS – By Channel Mix

Higher TWNS in Singapore of S\$225.7 million for Q3-17:

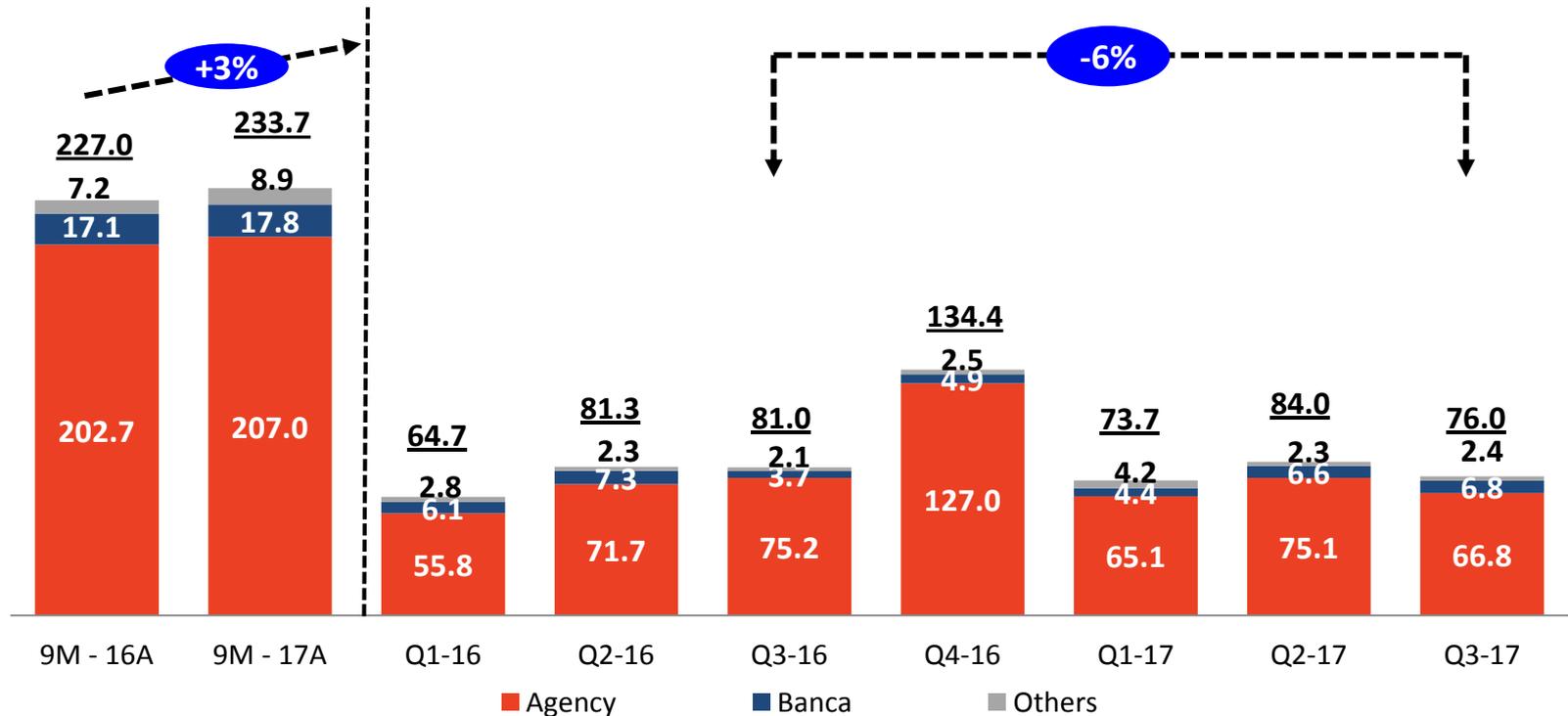
- Contributed by stronger sales for agency and bancassurance.



Malaysia TWNS – By Channel Mix

Lower TWNS in Malaysia of S\$76.0 million for Q3-17:

- Lower sales of regular premium Participating products through agency channel.



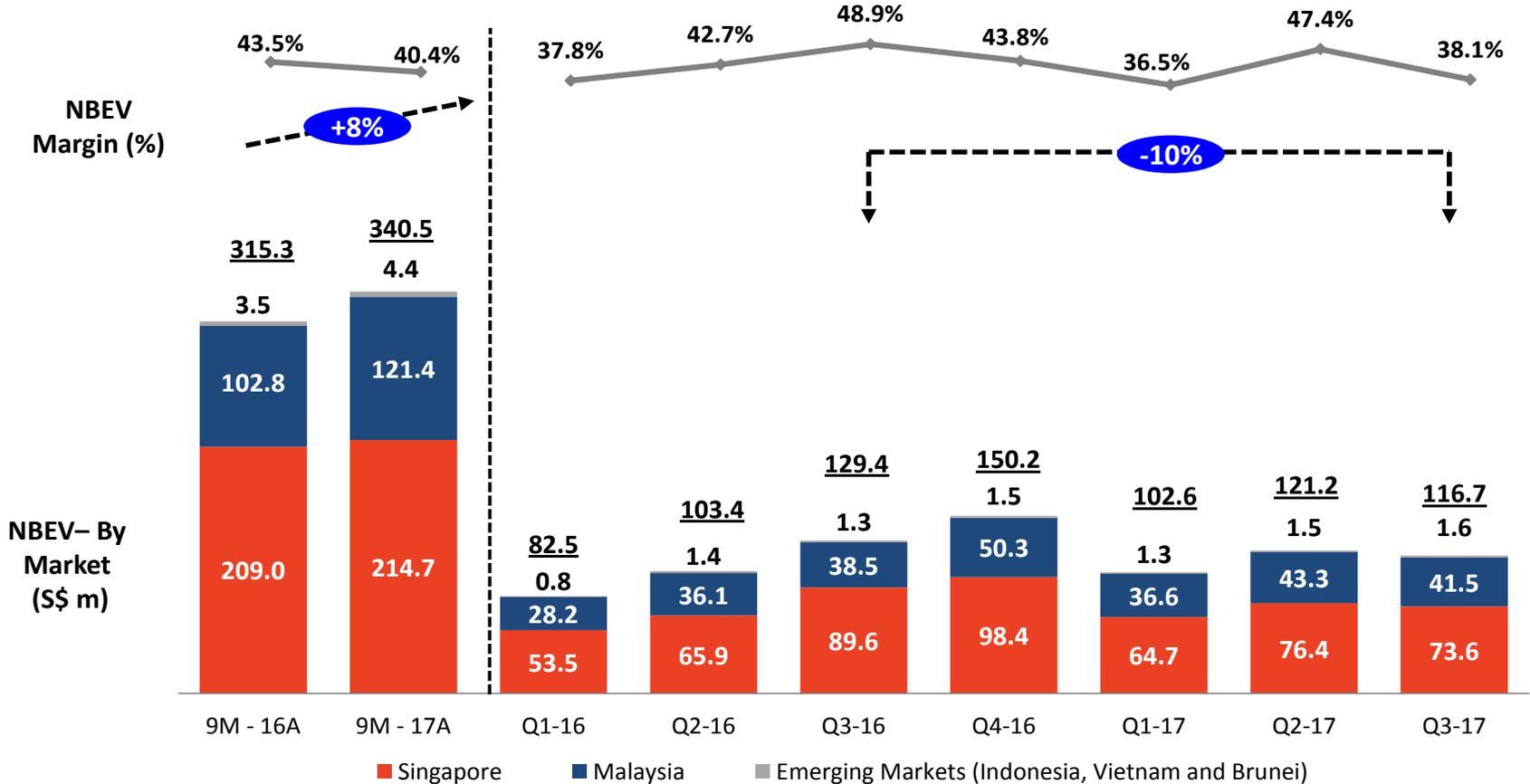
Note:

- For comparative reasons, TWNS figures prior to Q3-17 have been restated using exchange rates as at 30 September 2017.

New Business Embedded Value (NBEV)- By Market

NBEV of S\$116.7 million and NBEV margin of 38.1% for Q3-17:

- Shift in product mix in agency channel in Singapore.



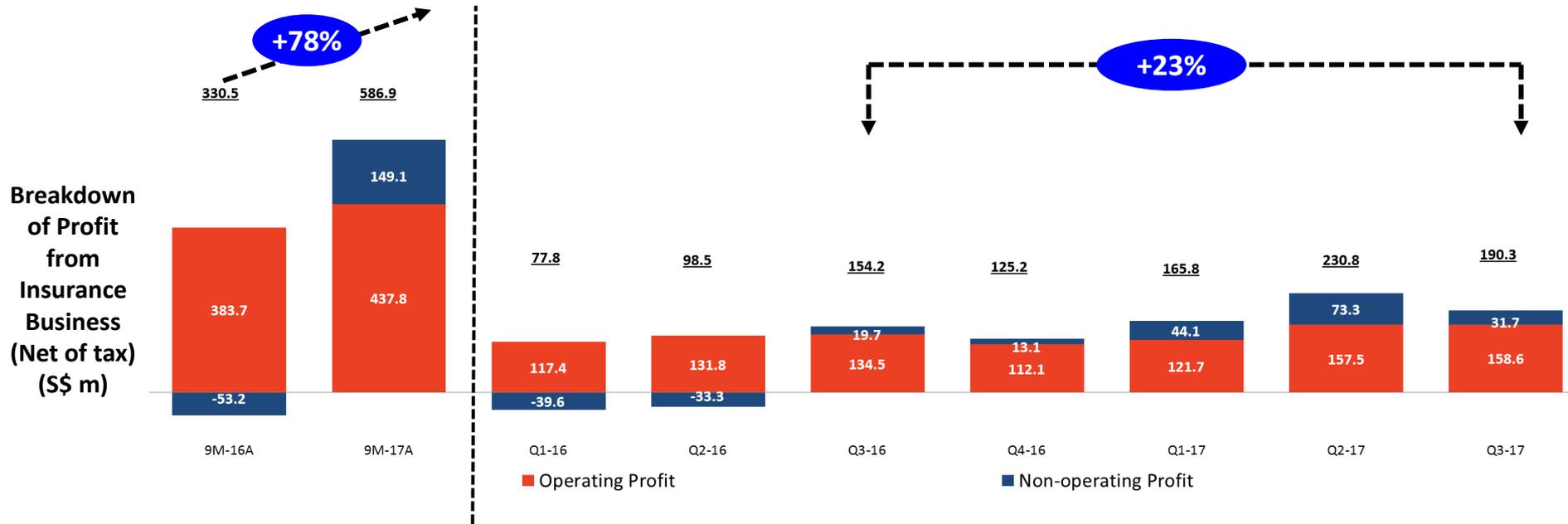
Note:

- For comparative reasons, NBEV figures for periods prior to Q3-17 have been restated using exchange rates as at 30 September 2017.
- NBEV figures for periods prior to Q4-16 have been restated to take into account revised actuarial assumptions implemented in Q4-16.
- NBEV for Q1-16 and Q2-16 include NBEV from Group's investment in Vietnam up to June 2016.

Breakdown of Profit from Insurance Business

Profit from insurance business of S\$190.3 million for Q3-17:

- Higher operating profit in the Singapore Non-Participating Insurance Business.
- Higher non-operating profit due to narrowing of credit spreads and gain from equities.



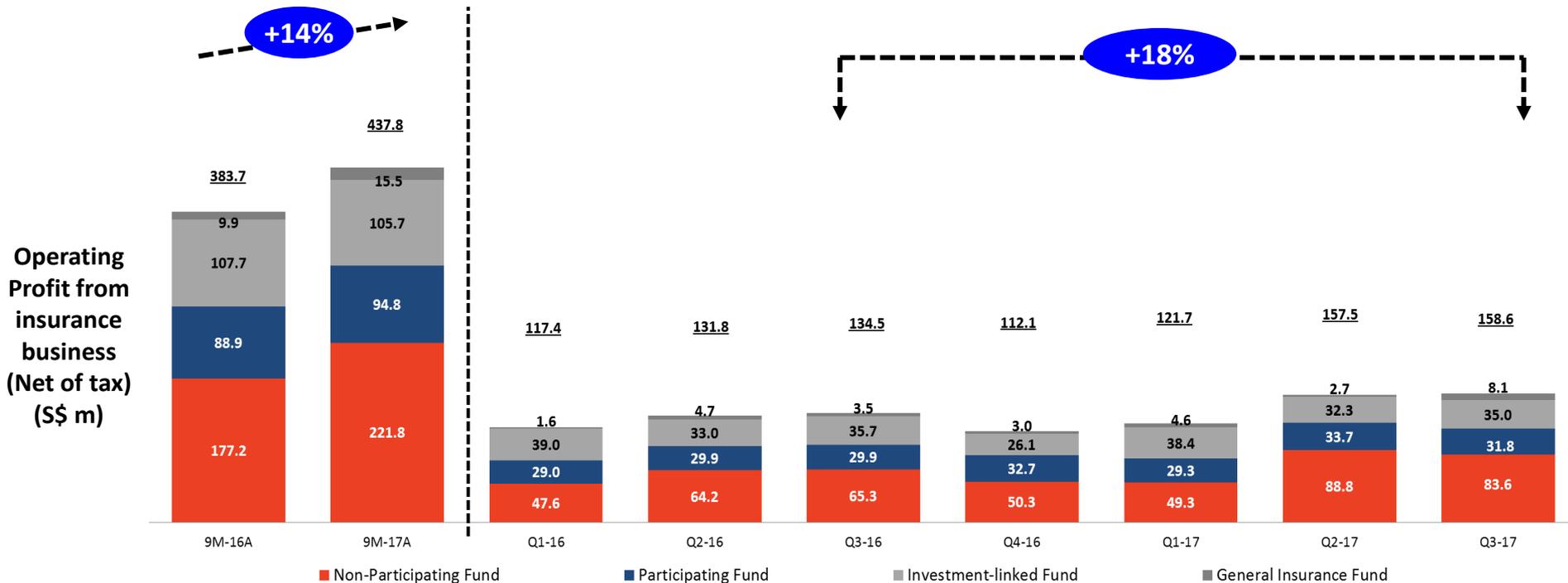
Note:

- Operating Profit (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc)
- 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, other non-recurring items.
- Profit from insurance business in the Group Profit and Loss Statements are presented gross of tax for all life assurance funds in Malaysia and the Participating Fund in Singapore. Reconciling tax adjustment is S\$18.3m for Q3-17 (Q3-16: S\$16.9m).
- For comparative reasons, Operating and Non-Operating Profit figures for prior reported period have been restated using exchange rates as at 30 September 2017. The difference between the restated Operating Profit figures for prior period and what were previously reported are included in the Non-Operating Profit. (Q3-16: S\$2.2m; 9M-16: S\$8.0m)

Operating Profit from Insurance Business – by Fund

Operating Profit from Insurance Business of S\$158.6 million for Q3-17:

- Higher profit as a result of the Company repositioning its assets and liabilities in the Singapore Non-Participating insurance business.

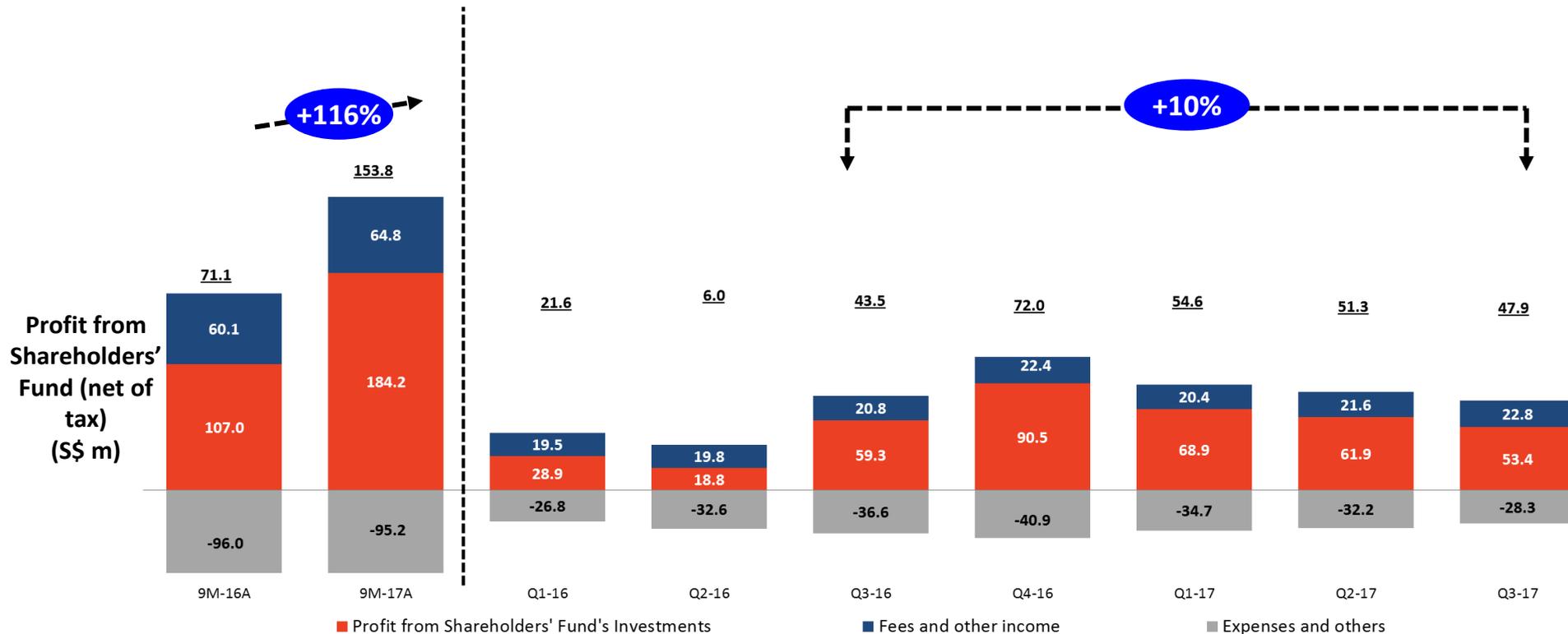


Note:
For comparative reasons, Operating and Non-Operating Profit figures for prior reported period have been restated using exchange rates as at 30 September 2017. The difference between the restated Operating Profit figures for prior period and what were previously reported are included in the Non-Operating Profit. (Q3-16: S\$2.2m; 9M-16:S\$8.0m)

Profit from Shareholders' Fund

Profit from Shareholders' Fund of S\$47.9 million for Q3-17 was higher than Q3-16:

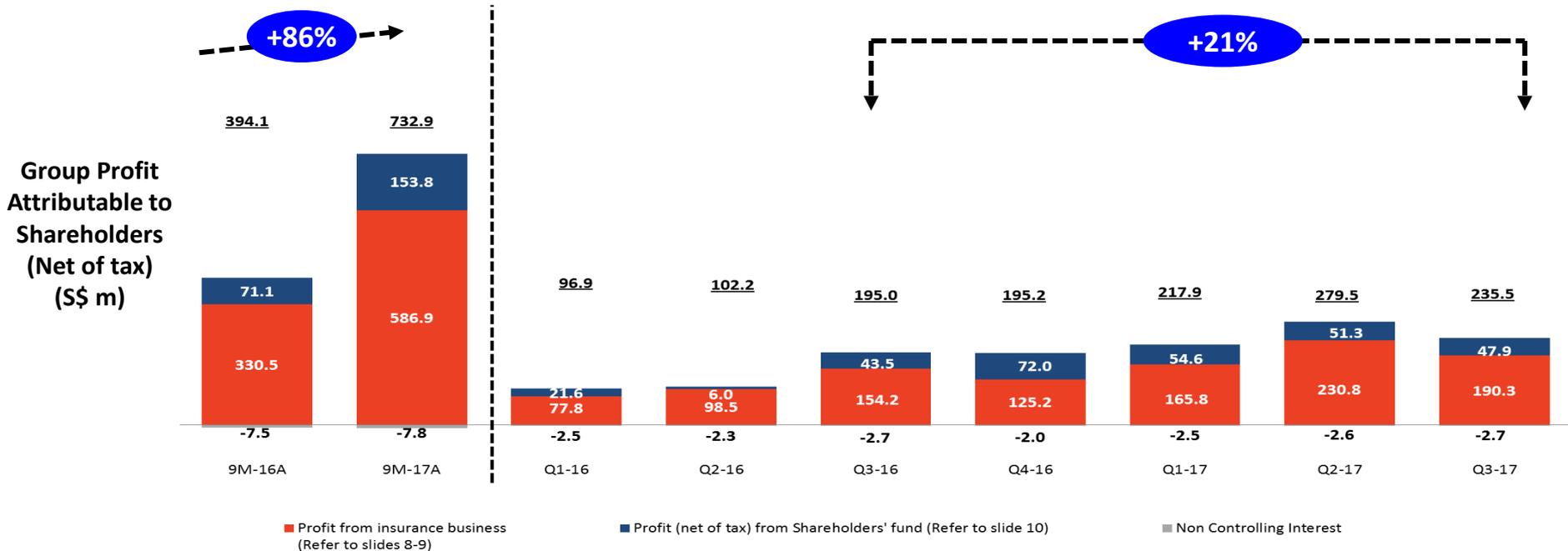
- Higher realised gain on sale of investments in Q3-17 (mainly from equities) as compared to same quarter last year.



Group Profit Attributable to Shareholders

Profit attributable to shareholders was S\$235.5 million for Q3-17:

- Higher operating and non-operating profit from insurance business.
- Higher profit from shareholders' fund due to higher realised gain on sale of investments.



Note:

- Profit from insurance business in the Group Profit and Loss Statements are presented gross of tax for all life assurance funds in Malaysia and the Participating Fund in Singapore. Reconciling tax adjustment is S\$18.3m for Q3-17 (Q3-16: S\$16.9m).

THANK YOU