

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No 199903008M)



To Our Shareholders

The Board of Directors of Great Eastern Holdings Limited (“GEH”) has announced:

Audited Financial Results of GEH Group for the Fourth Quarter and for the Year Ended 31 December 2015

For the fourth quarter and year ended 31 December 2015, Group profit attributable to shareholders was S\$218.8 million and S\$785.4 million respectively. Details of the financial results are attached.

Unaudited Supplementary Information

Disclosure of operating and non-operating profit from insurance business is provided as supplementary information to the financial results.

Dividend

The Board of Directors is pleased to recommend a final one-tier tax exempt dividend of 40 cents per ordinary share (2014: final one-tier tax exempt dividend of 40 cents per ordinary share) and a special one-tier tax exempt dividend of 5 cents per ordinary share (2014: special one-tier tax exempt dividend of 5 cents per ordinary share). Including the interim one-tier tax exempt dividend of 10 cents per ordinary share paid in September 2015, total dividends for financial year 2015 would amount to 55 cents per ordinary share (2014: 55 cents per ordinary share).

Books Closure Date and Payment Date for Dividends

Subject to the approval of the shareholders to the final and special one-tier tax exempt dividends at the Annual General Meeting, the Share Transfer Books and Register of Members of the Company will be closed on 26 April 2016 for the purpose of determining the entitlement of shareholders to the recommended final one-tier tax exempt dividend of 40 cents per ordinary share and special one-tier tax exempt dividend of 5 cents per ordinary share. Duly completed registrable transfers of shares received by the Company’s Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902 up to 5.00 pm on 25 April 2016 will be registered to determine shareholders’ entitlements to the proposed dividends. Subject to the aforesaid, Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 pm on 25 April 2016 will be entitled to the proposed dividends.

The final and special one-tier tax exempt dividends, if approved by shareholders, will be paid on 9 May 2016.

By Order of the Board

Jennifer Wong Pakshong
Group Company Secretary
Singapore, 15 February 2016

The Group financial results are also available on the Company’s website at www.greateasternlife.com.

FINANCIAL RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015

1. GROUP PROFIT AND LOSS STATEMENTS

in Singapore Dollars (millions)	Year ended 2015	Year ended 2014	% +/-	4th Quarter 2015	4th Quarter 2014	% +/-	3rd Quarter 2015	% +/-
Gross Premiums	8,757.4	8,209.8	7	2,529.2	2,257.9	12	2,529.9	(0)
Life assurance profit from:								
Participating Fund	134.5	138.4	(3)	35.0	37.1	(6)	32.8	7
Non-participating Fund	330.8	422.9	(22)	163.7	98.7	66	(5.7)	nm
Investment-linked Fund	164.4	206.5	(20)	37.7	54.3	(31)	35.1	7
Profit from life assurance	629.7	767.8	(18)	236.4	190.1	24	62.2	280
Profit from general insurance	22.8	37.3	(39)	3.2	13.4	(76)	6.0	(47)
Profit from insurance business	652.5	805.1	(19)	239.6	203.5	18	68.2	251
Investment income, net	161.1	132.5	22	44.8	30.1	49	43.0	4
Gain/(loss) on sale of investments and changes in fair value	95.9	30.8	211	(34.2)	10.3	nm	(19.5)	nm
Gain on disposal of interest in associate and joint venture	3.6	31.9	(89)	3.6	-	nm	-	nm
Increase in provision for impairment of assets	(27.0)	(1.3)	nm	(13.4)	(0.8)	nm	(13.0)	nm
Gain/(loss) on exchange differences	29.8	10.6	181	(1.9)	9.0	nm	28.1	nm
Profit/(loss) from Shareholders' Fund's investments	263.4	204.5	29	(1.1)	48.6	nm	38.6	nm
Fees and other income	79.8	72.9	9	21.4	20.3	5	20.1	6
Profit before expenses	995.7	1,082.5	(8)	259.9	272.4	(5)	126.9	105
less:								
Management and other expenses	82.5	78.3	5	16.0	28.0	(43)	25.1	(36)
Interest expense	18.3	18.3	-	4.6	4.6	-	4.5	2
Depreciation	1.8	1.9	(5)	0.6	0.6	-	0.4	50
Expenses	102.6	98.5	4	21.2	33.2	(36)	30.0	(29)
Profit after expenses	893.1	984.0	(9)	238.7	239.2	(0)	96.9	146
Share of loss after income tax of associates	(7.7)	(1.6)	nm	(1.9)	(0.9)	nm	(5.0)	nm
Profit before income tax	885.4	982.4	(10)	236.8	238.3	(1)	91.9	158
Income tax	(92.0)	(94.4)	nm	(16.1)	(27.5)	nm	(21.9)	nm
Profit after income tax	793.4	888.0	(11)	220.7	210.8	5	70.0	215
Attributable to:								
Shareholders	785.4	878.6	(11)	218.8	207.8	5	68.4	220
Non-controlling interests	8.0	9.4	(15)	1.9	3.0	(37)	1.6	19
	793.4	888.0	(11)	220.7	210.8	5	70.0	215
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)	1.66	1.86	(11)	0.46	0.44	5	0.15	207
Return on Equity (Average Shareholders' Fund) (%)	13.0%	16.0%	-3 pp	3.4%	3.4%	0 pp	1.3%	2.1 pp

nm – not meaningful / exceeding 300%

2. GROUP STATEMENT OF COMPREHENSIVE INCOME

in Singapore Dollars (millions)	Year ended 2015	Year ended 2014	% + / (-)	4th Quarter 2015	4th Quarter 2014	% + / (-)	3rd Quarter 2015	% + / (-)
Profit after income tax for the year	793.4	888.0	(11)	220.7	210.8	5	70.0	215
Other comprehensive income:								
Items that will not be reclassified to profit or loss:								
Exchange differences arising on translation of overseas entities attributable to non-controlling interests	(1.7)	-	nm	0.1	(0.4)	nm	(1.0)	nm
Items that may be reclassified subsequently to profit or loss:								
Exchange differences arising on translation of overseas entities	(72.5)	(14.4)	nm	12.0	(18.0)	nm	(51.7)	nm
Share of other comprehensive income of associates	(2.1)	1.7	nm	(3.1)	1.1	nm	(0.5)	nm
Available-for-sale financial assets:								
Changes in fair value	17.3	260.4	(93)	41.6	152.4	(73)	(211.5)	nm
Reclassification of realised (gain)/loss on disposal of investments to Profit and Loss Statement	(127.8)	(33.0)	nm	12.1	(19.0)	nm	11.4	6
Tax on changes in fair value	18.8	(37.6)	nm	(9.3)	(21.7)	nm	33.9	nm
Other comprehensive income for the year, after tax	(168.0)	177.1	nm	53.4	94.4	(43)	(219.4)	nm
Total comprehensive income for the year	625.4	1,065.1	(41)	274.1	305.2	(10)	(149.4)	nm
Total comprehensive income attributable to:								
Shareholders	618.9	1,055.2	(41)	271.3	302.5	(10)	(148.9)	nm
Non-controlling interests	6.5	9.9	(34)	2.8	2.7	4	(0.5)	nm
	625.4	1,065.1	(41)	274.1	305.2	(10)	(149.4)	nm

nm – not meaningful / exceeding 300%

3.1. GROUP BALANCE SHEET AS AT 31 DECEMBER

in Singapore Dollars (millions)	Group		%
	2015	2014	+ / (-)
Share capital	152.7	152.7	-
Reserves			
Currency translation reserve	(170.8)	(96.4)	nm
Fair value reserve	67.0	159.1	(58)
Accumulated profit	6,181.5	5,656.4	9
SHAREHOLDERS' FUND	6,230.4	5,871.8	6
NON-CONTROLLING INTERESTS	66.6	60.1	11
TOTAL EQUITY	6,297.0	5,931.9	6
LIABILITIES			
Insurance payables	3,391.6	3,440.3	(1)
Other creditors and interfund balances	2,562.3	2,633.1	(3)
Unexpired risk reserve	126.6	122.7	3
Derivative financial liabilities	521.4	341.4	53
Income tax	497.1	461.7	8
Provision for agents' retirement benefits	250.6	270.0	(7)
Deferred tax	1,068.3	1,136.2	(6)
Loan payable to holding company	-	41.2	(100)
Debt issued	399.5	399.4	0
General insurance fund	228.2	221.2	3
Life assurance fund	50,478.1	50,678.3	(0)
TOTAL EQUITY AND LIABILITIES	65,820.7	65,677.4	0
ASSETS			
Cash and cash equivalents	3,491.1	3,254.3	7
Other debtors and interfund balances	2,585.6	2,314.1	12
Insurance receivables	2,576.0	2,676.1	(4)
Loans	1,808.5	1,850.8	(2)
Derivative financial assets	38.1	113.4	(66)
Investments	53,058.3	53,077.3	(0)
Associates	52.8	89.5	(41)
Intangible assets	32.1	33.3	(4)
Investment properties	1,568.1	1,632.0	(4)
Property, plant and equipment	610.1	636.6	(4)
TOTAL ASSETS	65,820.7	65,677.4	0
Net Asset Value per share (in Singapore Dollars)	13.16	12.41	6

For analysis of major variances, please refer to section 9.8 on page 13.

nm – not meaningful / exceeding 300%

3.2. COMPANY BALANCE SHEET AS AT 31 DECEMBER

in Singapore Dollars (millions)	Company		
	2015	2014	% + / (-)
Share capital	152.7	152.7	-
Reserves			
Merger reserve	419.2	419.2	-
Accumulated profit	2,264.2	1,983.9	14
TOTAL EQUITY	2,836.1	2,555.8	11
LIABILITIES			
Other creditors	8.7	7.8	12
Income tax	0.1	-	nm
TOTAL EQUITY AND LIABILITIES	2,844.9	2,563.6	11
ASSETS			
Cash and cash equivalents	317.0	69.8	nm
Other debtors	0.1	0.2	(50)
Amounts due from subsidiaries	1,841.1	1,807.2	2
Subsidiaries	686.1	686.1	-
Property, plant and equipment	0.6	0.3	100
TOTAL ASSETS	2,844.9	2,563.6	11
Net Asset Value per share (in Singapore Dollars)	5.99	5.40	11

4.1. GROSS PREMIUMS AND PROFIT ATTRIBUTABLE TO SHAREHOLDERS FOR FIRST AND SECOND HALF OF 2015

in Singapore Dollars (millions)	Group					
	First Half			Second Half		
	2015	2014	% + / (-)	2015	2014	% + / (-)
Gross premiums	3,698.3	3,827.9	(3)	5,059.1	4,381.9	15
Profit attributable to shareholders	498.2	476.2	5	287.2	402.4	(29)

4.2. SELECTED INCOME AND MANAGEMENT EXPENSES

in Singapore Dollars (millions)	Shareholders' Fund				
	Year ended 2015	Year ended 2014	4th Quarter 2015	4th Quarter 2014	3rd Quarter 2015
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	75.7	76.7	19.7	19.9	19.8
2. Rental expense	6.1	6.4	1.5	1.6	1.6
3. Depreciation	1.8	1.9	0.6	0.6	0.4
4. Changes in third-party interests in consolidated investment funds	(5.9)	-	(5.9)	-	-

in Singapore Dollars (millions)	Life Assurance and General Insurance Funds				
	Year ended 2015	Year ended 2014	4th Quarter 2015	4th Quarter 2014	3rd Quarter 2015
Income					
1. Investment income, net (excluding mark-to-market changes)	1,896.8	1,875.6	440.4	456.9	485.5
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	212.3	201.8	54.1	52.4	52.3
2. Rental expense	17.5	17.1	4.6	4.4	4.4
3. Depreciation	49.2	48.8	14.9	14.2	11.8

5.1. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2015

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling	Total
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total	Interests	Equity
Balance at 1 January 2015	152.7	(96.4)	159.1	5,656.4	5,871.8	60.1	5,931.9
Profit for the year	-	-	-	785.4	785.4	8.0	793.4
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(72.5)	-	-	(72.5)	(1.7)	(74.2)
Share of other comprehensive income of associates	-	(1.9)	(0.2)	-	(2.1)	-	(2.1)
Available-for-sale financial assets:							
Changes in fair value	-	-	17.1	-	17.1	0.2	17.3
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(127.8)	-	(127.8)	-	(127.8)
Tax on changes in fair value	-	-	18.8	-	18.8	-	18.8
Other comprehensive income for the year, after tax	-	(74.4)	(92.1)	-	(166.5)	(1.5)	(168.0)
Total comprehensive income for the year	-	(74.4)	(92.1)	785.4	618.9	6.5	625.4
Distributions to shareholders							
Dividends paid during the year:							
Final and special one-tier tax exempt dividends for the previous year	-	-	-	(213.0)	(213.0)	-	(213.0)
Interim one-tier tax exempt dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Total distributions to shareholders	-	-	-	(260.3)	(260.3)	-	(260.3)
Total transactions with shareholders in their capacity as shareholders	-	-	-	(260.3)	(260.3)	-	(260.3)
Balance at 31 December 2015	152.7	(170.8)	67.0	6,181.5	6,230.4	66.6	6,297.0

5.2. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2014

in Singapore Dollars (millions)	Attributable to Shareholders of the Company				Total	Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾			
Balance at 1 January 2014	152.7	(82.9)	(31.0)	5,038.1	5,076.9	50.4	5,127.3
Profit for the year	-	-	-	878.6	878.6	9.4	888.0
<u>Other comprehensive income</u>							
Exchange differences arising on translation of overseas entities	-	(14.4)	-	-	(14.4)	-	(14.4)
Share of other comprehensive income of associates	-	0.9	0.8	-	1.7	-	1.7
Available-for-sale financial assets:							
Changes in fair value	-	-	259.9	-	259.9	0.5	260.4
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(33.0)	-	(33.0)	-	(33.0)
Tax on changes in fair value	-	-	(37.6)	-	(37.6)	-	(37.6)
Other comprehensive income for the year, after tax	-	(13.5)	190.1	-	176.6	0.5	177.1
Total comprehensive income for the year	-	(13.5)	190.1	878.6	1,055.2	9.9	1,065.1
<u>Distributions to shareholders</u>							
Dividends paid during the year:							
Final and special one-tier tax exempt dividends for the previous year	-	-	-	(213.0)	(213.0)	-	(213.0)
Interim one-tier tax exempt dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Dividends paid to non-controlling interests	-	-	-	-	-	(0.2)	(0.2)
Total distributions to shareholders	-	-	-	(260.3)	(260.3)	(0.2)	(260.5)
Total transactions with shareholders in their capacity as shareholders	-	-	-	(260.3)	(260.3)	(0.2)	(260.5)
Balance at 31 December 2014	152.7	(96.4)	159.1	5,656.4	5,871.8	60.1	5,931.9

(1) Included in Accumulated Profit are non-distributable reserves of \$1,184.0 million (31 December 2014: \$1,176.3 million), which arise from regulatory risk charges in Singapore and Malaysia that are held out of the Group Shareholders' Accumulated Profit Account.

5.3. GROUP STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2015

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling	Total
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total	Interests	Equity
Balance at 1 October 2015	152.7	(179.4)	23.1	5,962.7	5,959.1	63.8	6,022.9
Profit for the period	-	-	-	218.8	218.8	1.9	220.7
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	12.0	-	-	12.0	0.1	12.1
Share of other comprehensive income of associates	-	(3.4)	0.3	-	(3.1)	-	(3.1)
Available-for-sale financial assets:							
Changes in fair value	-	-	40.7	-	40.7	0.9	41.6
Reclassification of realised loss on disposal of investments to Profit and Loss Statement	-	-	12.1	-	12.1	-	12.1
Tax on changes in fair value	-	-	(9.2)	-	(9.2)	(0.1)	(9.3)
Other comprehensive income for the period, after tax	-	8.6	43.9	-	52.5	0.9	53.4
Total comprehensive income for the period	-	8.6	43.9	218.8	271.3	2.8	274.1
Balance at 31 December 2015	152.7	(170.8)	67.0	6,181.5	6,230.4	66.6	6,297.0

5.4. GROUP STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2014

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling	Total
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total	Interests	Equity
Balance at 1 October 2014	152.7	(79.3)	47.3	5,448.6	5,569.3	57.6	5,626.9
Profit for the period	-	-	-	207.8	207.8	3.0	210.8
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(18.0)	-	-	(18.0)	(0.4)	(18.4)
Share of other comprehensive income of associates	-	0.9	0.2	-	1.1	-	1.1
Available-for-sale financial assets:							
Changes in fair value	-	-	152.4	-	152.4	-	152.4
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(19.0)	-	(19.0)	-	(19.0)
Tax on changes in fair value	-	-	(21.8)	-	(21.8)	0.1	(21.7)
Other comprehensive income for the period, after tax	-	(17.1)	111.8	-	94.7	(0.3)	94.4
Total comprehensive income for the period	-	(17.1)	111.8	207.8	302.5	2.7	305.2
Distributions to shareholders							
Dividends paid to non-controlling interests	-	-	-	-	-	(0.2)	(0.2)
Total distributions to shareholders	-	-	-	-	-	(0.2)	(0.2)
Total transactions with shareholders in their capacity as shareholders	-	-	-	-	-	(0.2)	(0.2)
Balance at 31 December 2014	152.7	(96.4)	159.1	5,656.4	5,871.8	60.1	5,931.9

(1) Included in Accumulated Profit are non-distributable reserves of \$1,184.0 million (31 December 2014: \$1,176.3 million), which arise from regulatory risk charges in Singapore and Malaysia that are held out of the Group Shareholders' Accumulated Profit Account.

6.1. COMPANY STATEMENT OF CHANGES IN EQUITY for the years ended 31 December 2015 and 2014

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 January 2015	152.7	419.2	1,983.9	2,555.8
Profit for the year	-	-	540.6	540.6
Total comprehensive income for the year	-	-	540.6	540.6
<u>Distributions to shareholders</u>				
Dividends paid during the year:				
Final and special one-tier tax exempt dividends for the previous year	-	-	(213.0)	(213.0)
Interim one-tier tax exempt dividend	-	-	(47.3)	(47.3)
Total distributions to shareholders	-	-	(260.3)	(260.3)
Total transactions with shareholders in their capacity as shareholders	-	-	(260.3)	(260.3)
Balance at 31 December 2015	152.7	419.2	2,264.2	2,836.1
Balance at 1 January 2014	152.7	419.2	1,200.8	1,772.7
Profit for the year	-	-	1,043.4	1,043.4
Total comprehensive income for the year	-	-	1,043.4	1,043.4
<u>Distributions to shareholders</u>				
Dividends paid during the year:				
Final and special one-tier tax exempt dividends for the previous year	-	-	(213.0)	(213.0)
Interim one-tier tax exempt dividend	-	-	(47.3)	(47.3)
Total distributions to shareholders	-	-	(260.3)	(260.3)
Total transactions with shareholders in their capacity as shareholders	-	-	(260.3)	(260.3)
Balance at 31 December 2014	152.7	419.2	1,983.9	2,555.8

6.2. COMPANY STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2015 and 2014

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 October 2015	152.7	419.2	2,265.8	2,837.7
Loss for the period	-	-	(1.6)	(1.6)
Total comprehensive income for the period	-	-	(1.6)	(1.6)
Balance at 31 December 2015	152.7	419.2	2,264.2	2,836.1
Balance at 1 October 2014	152.7	419.2	1,875.6	2,447.5
Profit for the period	-	-	108.3	108.3
Total comprehensive income for the period	-	-	108.3	108.3
Balance at 31 December 2014	152.7	419.2	1,983.9	2,555.8

7. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

in Singapore Dollars (millions)	Year ended 2015	ended 2014	4th Quarter 2015	4th Quarter 2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	885.4	982.4	236.8	238.3
Life assurance profit/(loss) before income tax	1,276.1	63.8	30.5	(220.5)
General insurance profit before income tax	30.2	45.8	5.5	16.1
Adjustments for non-cash items:				
Surplus transferred from life assurance fund but not yet withdrawn	(629.7)	(767.8)	(236.4)	(190.1)
Profit transferred from general insurance fund but not yet withdrawn	(22.8)	(37.3)	(3.2)	(13.4)
Share of loss of associates	7.9	3.9	2.0	2.1
Loss/(gain) on sale of investments and changes in fair value	40.1	(139.1)	(235.5)	294.8
Gain on disposal of interest in associate and joint venture	(3.6)	(31.9)	(3.6)	-
Increase/(decrease) in provision for impairment of assets	176.7	(37.4)	29.3	3.9
Increase in provision for agents' retirement benefits	29.5	31.2	0.7	2.4
Gain on disposal of property, plant and equipment	-	(0.8)	-	(0.7)
Depreciation	51.0	50.7	15.5	14.8
Unrealised (gain)/loss on exchange differences	(811.5)	(483.4)	71.8	(385.3)
Change in life assurance contract liabilities	2,883.5	3,683.7	1,533.3	1,216.2
Change in general insurance contract liabilities	6.8	(3.5)	0.3	(5.3)
Change in unexpired risk reserve	13.0	2.2	9.8	(7.1)
Amortisation of capitalised transaction fees	0.1	0.1	-	-
Dividend income	(505.1)	(467.6)	(95.2)	(83.1)
Interest income	(1,669.5)	(1,645.6)	(425.0)	(431.4)
Interest expense	18.7	19.6	4.6	5.4
Interest expense on policy benefits	135.7	131.8	33.4	35.1
Share-based payments	2.9	3.4	0.7	(0.2)
	1,915.4	1,404.2	975.3	492.0
Changes in working capital:				
Insurance receivables	107.9	(55.4)	(56.8)	42.2
Other debtors and interfund balances	(268.2)	(346.2)	(262.2)	(181.4)
Insurance payables	(48.7)	352.4	129.0	(14.6)
Other creditors and interfund balances	(73.5)	273.2	297.5	167.0
Cash generated from operations	1,632.9	1,628.2	1,082.8	505.2
Income tax paid	(222.1)	(376.1)	(68.0)	(81.4)
Interest paid on policy benefits	(135.7)	(131.8)	(33.4)	(35.1)
Agents' retirement benefits paid	(11.9)	(14.1)	(3.4)	(4.2)
Net cash flows from operating activities	1,263.2	1,106.2	978.0	384.5
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturities and sale of investments	20,081.8	19,630.3	4,752.0	4,203.8
Purchase of investments	(20,241.5)	(22,666.4)	(6,931.6)	(4,790.9)
Proceeds from reduction of interests in associates	5.2	64.8	5.2	-
Proceeds from disposal of interest in joint venture	-	62.8	-	-
Proceeds from sale of property, plant and equipment	0.4	4.6	-	1.0
Purchase of property, plant and equipment and investment properties	(48.3)	(61.7)	(18.2)	(23.5)
Acquisition of intangible assets	(0.6)	-	(0.6)	-
Interest income received	1,661.0	1,597.5	395.4	391.7
Interest expense paid	(18.9)	(19.4)	-	(0.7)
Dividends received	499.9	460.4	88.7	89.8
Net cash flows from/(used in) investing activities	1,939.0	(927.1)	(1,709.1)	(128.8)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	(260.3)	(260.3)	-	-
Dividends paid to non-controlling interests	-	(0.2)	-	(0.2)
(Repayment of)/proceeds from loan	(41.2)	41.2	-	-
Net cash flows used in financing activities	(301.5)	(219.3)	-	(0.2)
Net effect of currency translation reserve adjustment	(2,663.9)	(432.6)	372.5	(592.7)
Net increase/(decrease) in cash and cash equivalents	236.8	(472.8)	(358.6)	(337.2)
Cash and cash equivalents at the beginning of the year	3,254.3	3,727.1	3,849.7	3,591.5
Cash and cash equivalents at the end of the year	3,491.1	3,254.3	3,491.1	3,254.3

8. GROUP SEGMENTAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER
8.1 By Business Segments

(a) Shareholders' Fund

in Singapore Dollars (millions)	Fund Management and Financial				Adjustments and		Consolidated	
	Advisory Business		Others		Eliminations		2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014
Profit from Shareholders' Fund's investments	(10.5)	2.2	265.0	194.2	8.9	8.1	263.4	204.5
Fees and other income	85.2	79.0	3.5	2.0	(8.9)	(8.1)	79.8	72.9
Total expenses	(43.4)	(45.4)	(59.2)	(53.1)	-	-	(102.6)	(98.5)
Profit after expenses	31.3	35.8	209.3	143.1	-	-	240.6	178.9
Share of loss of associates	-	-	(7.7)	(1.6)	-	-	(7.7)	(1.6)
Income tax	(6.3)	(5.3)	(85.7)	(89.1)	-	-	(92.0)	(94.4)
Segment profit after income tax	25.0	30.5	115.9	52.4	-	-	140.9	82.9
Profit from insurance business							652.5	805.1
Profit per Profit & Loss Statement							793.4	888.0

	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
Segment assets	278.0	174.0	6,785.4	6,462.7	15.7	14.3	7,079.1	6,651.0
Investments in associates	-	-	7.1	38.8	-	-	7.1	38.8
Shareholders' Fund Assets	278.0	174.0	6,792.5	6,501.5	15.7	14.3	7,086.2	6,689.8
Segment liabilities	131.4	21.3	411.6	458.1	-	-	543.0	479.4
Income tax and deferred tax liabilities	7.4	6.3	238.8	272.2	-	-	246.2	278.5
Shareholders' Fund Liabilities	138.8	27.6	650.4	730.3	-	-	789.2	757.9
Additions to non-current assets	0.4	0.4	1.3	0.2	-	-	1.7	0.6

(b) General Insurance Fund

in Singapore Dollars (millions)	Consolidated	
	2015	2014
Premiums less assurances	155.4	166.5
Investment income	14.4	14.0
Increase in provision for impairment of assets	0.8	(0.1)
Claims less reassurances	78.5	77.6
Commissions and expenses	86.5	83.3
General Insurance Profit	22.8	37.3
	31 Dec 15	31 Dec 14
General Insurance Fund Assets	425.8	422.3
General Insurance Fund Liabilities	425.8	422.3
Additions to non-current assets	2.8	2.0

(c) Life Assurance Fund

in Singapore Dollars (millions)	Participating Business		Non-Participating Business		Linked Business		Adjustments and Eliminations		0	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Premiums less reassurances	5,151.8	5,197.7	1,404.9	1,266.7	1,389.5	1,343.7	-	-	7,946.2	7,808.1
Investment and rental income (including mark-to-market changes)	1,530.0	1,623.8	227.8	182.3	49.6	223.6	(0.4)	(0.4)	1,807.0	2,029.3
Increase in provision for impairment of assets	143.8	(28.7)	5.1	(9.9)	-	-	-	-	148.9	(38.6)
Claims less reassurances	3,466.7	3,930.2	658.0	687.5	755.4	691.3	-	-	4,880.1	5,309.0
Commissions and expenses	512.6	514.6	235.1	261.8	365.0	335.2	(0.4)	(0.4)	1,112.3	1,111.2
Life Assurance Profit	134.5	138.4	330.8	422.9	164.4	206.5	-	-	629.7	767.8
	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14	31 Dec 15	31 Dec 14
Segment assets	46,738.7	46,964.7	6,109.1	5,882.1	5,415.2	5,667.8	-	-	58,263.0	58,514.6
Investments in associates	45.2	49.2	0.5	1.5	-	-	-	-	45.7	50.7
Life Assurance Fund Assets	46,783.9	47,013.9	6,109.6	5,883.6	5,415.2	5,667.8	-	-	58,308.7	58,565.3
Segment liabilities	45,605.0	45,867.6	5,986.9	5,749.4	5,402.2	5,634.7	-	-	56,994.1	57,251.7
Income tax and deferred tax liabilities	1,178.9	1,146.3	122.7	134.2	13.0	33.1	-	-	1,314.6	1,313.6
Life Assurance Fund Liabilities	46,783.9	47,013.9	6,109.6	5,883.6	5,415.2	5,667.8	-	-	58,308.7	58,565.3
Additions to non-current assets	40.1	55.1	2.9	3.6	0.8	0.4	-	-	43.8	59.1

8. GROUP SEGMENTAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER
8.2 By Geographical Segments

in Singapore Dollars (millions)	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(a) Shareholders' Fund										
Investment income, net	152.4	115.9	6.5	14.6	2.2	2.0	-	-	161.1	132.5
Gain on sale of investments and changes in fair value	94.9	27.6	1.0	3.2	-	-	-	-	95.9	30.8
Fees and other income	75.1	67.1	4.7	5.8	-	-	-	-	79.8	72.9
Total revenue from external customers	322.4	210.6	12.2	23.6	2.2	2.0	-	-	336.8	236.2
Dividend from subsidiaries	191.2	201.3	-	-	-	-	(191.2)	(201.3)	-	-
Total revenue	513.6	411.9	12.2	23.6	2.2	2.0	(191.2)	(201.3)	336.8	236.2
Profit/(loss) after income tax	735.0	770.4	250.9	283.7	(1.3)	35.2	(191.2)	(201.3)	793.4	888.0
Non-current assets	21.1	21.1	13.1	15.0	0.6	0.6	-	-	34.8	36.7
(b) General Insurance Fund										
Total revenue from external customers	78.2	78.3	119.4	129.6	-	-	-	-	197.6	207.9
Non-current assets	1.5	0.9	7.8	8.2	-	-	-	-	9.3	9.1
(c) Life Assurance Fund										
Total revenue from external customers	6,675.6	6,312.2	3,552.6	3,700.0	120.9	168.0	-	-	10,349.1	10,180.2
Non-current assets	1,806.3	1,865.9	354.9	384.7	5.0	5.5	-	-	2,166.2	2,256.1

9. REVIEW OF RESULTS

The Group Financial Statements for the fourth quarter of 2015 (Q4-15) and for the year ended 31 December 2015 (FY-15) were prepared in accordance with the Singapore Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS).

9.1 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The Group's profit attributable to shareholders of \$218.8 million for Q4-15 was 5% higher (Q4-14: \$207.8 million), brought about by higher profit from insurance business. Profit attributable to shareholders of \$785.4 million for FY-15 was 11% lower than last year (FY-14: \$878.6 million), mainly because of unrealised mark-to-market losses from the valuation of the assets and liabilities of the insurance business.

9.2 GROSS PREMIUMS

Q4-15 and FY-15 gross premiums increased 12% and 7% compared with the respective same periods last year to \$2,529.2 million and \$8,757.4 million (Q4-14: \$2,257.9 million, FY-14: \$8,209.8 million).

9.3 PROFIT FROM INSURANCE BUSINESS

The Group's profit from insurance business for Q4-15 was \$239.6 million (Q4-14: \$203.5 million), 18% higher than the same quarter last year. Profit from the Non-participating Fund of \$163.7 million (Q4-14: \$98.7 million) was boosted by a write-back of prior years' tax provisions, a release of reserves to reflect improved claims experience and unrealised mark-to-market gains from a narrowing of credit spreads. Profit from the Investment-linked Fund for Q4-15 of \$37.7 million was however lower (Q4-14: \$54.3 million) as contribution from the Group's operations in Malaysia was negatively impacted by currency translation. Profit from general insurance of \$3.2 million for Q4-15 was lower than the same quarter last year (Q4-14: \$13.4 million), during which there was a one-off release of claims reserves in Malaysia.

FY-15 profit from insurance business of \$652.5 million was lower (FY-14: \$805.1 million) as a result of currency translation effect and unrealised mark-to-market losses.

9.4 PROFIT FROM SHAREHOLDERS' FUND'S INVESTMENTS

For Q4-15, despite higher net investment income, there was a loss of \$1.1 million (Q4-14: profit of \$48.6 million) from Shareholders' Fund's investments, mainly due to realised losses from sale of investments, a decline in the fair value of assets and impairment provision of \$13.4 million.

In Q4-15, the Group's associate in China underwent a change in shareholding structuring. Arising from the change, the Group's share in the company ceased to be accounted for as an associate from 1 December 2015 and has since been accounted for as an available-for-sale investment. In accordance with accounting standards, the related fair value reserve was recognised in the Profit and Loss Statement as a one-off gain of \$3.6 million.

The Group's profit from Shareholders' Fund's investments of \$263.4 million for FY-15 (FY-14: \$204.5 million) was 29% higher than last year, largely contributed by the gain from the sale of part of the Group's investment in New China Life Insurance Company Ltd in Q2-15, higher net investment income and foreign exchange gains.

9.5 FEES AND OTHER INCOME

Fees and other income increased to \$21.4 million for Q4-15 (Q4-14: \$20.3 million) and \$79.8 million for FY-15 (FY-14: \$72.9 million) from higher fee income from the Group's asset management arm, Lion Global Investors Limited.

9.6 MANAGEMENT AND OTHER EXPENSES

Management and other expenses were lower at \$16.0 million for Q4-15 (Q4-14: \$28.0 million) as they were reduced by third party interests in the performance of the investment funds under the Group's subsidiary, LGlobal Funds (refer to paragraph 4.2), and a revaluation gain from Malaysian Ringgit-denominated intercompany receivables.

For FY-15, management and other expenses were higher at \$82.5 million (FY-14: \$78.3 million), largely attributable to a revaluation loss from Malaysian Ringgit-denominated intercompany receivables.

9.7 SHARE OF LOSS / PROFIT AFTER INCOME TAX OF ASSOCIATES

For Q4-15 and FY-15, the share of loss after income tax from the associate in China prior to the change in accounting treatment on 1 December 2015 (refer to paragraph 9.4) was \$1.9 million (Q4-14: loss of \$0.9 million) and \$7.7 million (FY-14: loss of \$1.6 million) respectively, mainly from higher operating costs and commission expenses.

9.8 BALANCE SHEET

9.8.1 Currency Translation Reserve

As at 31 December 2015, translation loss was \$170.8 million compared with a loss of \$96.4 million as at 31 December 2014. This was mainly caused by the further weakening of the Malaysian Ringgit against the Singapore Dollar.

9.8.2 Fair Value Reserve

As at 31 December 2015, fair value reserve was \$67.0 million, compared with \$159.1 million as at 31 December 2014. The decrease was caused by unrealised mark-to-market losses from Shareholders' Fund's Investments.

9.8.3 Derivative Financial Liabilities and Assets

Derivative financial liabilities and assets held by the Group are for hedging purposes. Derivative financial liabilities increased to \$521.4 million as at 31 December 2015 (31 December 2014: \$341.4 million) and derivative financial assets decreased to \$38.1 million (31 December 2014: \$113.4 million). The change in the net position mainly arose from movements in the fair value of currency swaps as a result of the weakening of the Singapore Dollar against the United States Dollar.

9.8.4 Borrowings and Debt Issued

	31 December 2015	31 December 2014
in SGD (millions)		
Subordinated fixed rate notes (unsecured)		
- payable after one year	399.5	399.4
Loan payable to holding company (secured)		
- payable in one year or less	-	41.2
Total borrowings and debt issued	399.5	440.6

9.8.5 Other Debtors and Interfund Balances

Other debtors and interfund balances increased by 12% to \$2,585.6 million as at 31 December 2015 (31 December 2014: \$2,314.1 million), mainly arising from investment trades pending settlement and higher prepayments, partly offset by settlement of interfund charges.

9.8.6 Associates

Associates decreased by 41% to \$52.8 million as at 31 December 2015 (31 December 2014: \$89.5 million) as the Group's investment in China ceased to be accounted for as an associate (refer to paragraph 9.4). In addition, there was a capital distribution by another associate, Lion Indian Real Estate Fund.

9.8.7 Asset allocation of life funds, excluding Investment-linked Funds, was as follows:

	SINGAPORE		MALAYSIA	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
Fixed income & debt securities	62%	59%	72%	68%
Equities	25%	27%	23%	22%
Real estate & others	7%	9%	3%	7%
Cash & money market instruments	6%	5%	2%	3%
Market Value of Assets (in SGD billions)	31.6	29.5	20.7	22.9

9.9 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.

10. SHARE CAPITAL

The Company's issued and paid up share capital as at 31 December 2015 was unchanged at \$152.7 million compared with 31 December 2014. Total number of shares issued as at 31 December 2015 also remained unchanged at 473,319,069 compared with 31 December 2014.

11. ACCOUNTING POLICIES

The Group adopted the accounting policies and methods of computation for the financial statements for FY-15, consistent with the audited financial statements for the year ended 31 December 2014.

The adoption of the other revised and new FRS and INT FRS which came into effect on 1 January 2015 did not have any material financial impact on the Group's results for FY-15.

12. AUDITED RESULTS

The consolidated Group's financial results for the financial year ended 31 December 2015 were audited by the Group's auditors. The Auditor's Report to the Members of Great Eastern Holdings Limited is appended.

13. FACTORS THAT MAY AFFECT GROUP PERFORMANCE IN THE NEXT REPORTING AND/OR 12-MONTH PERIOD

The Group's performance may be affected by mark-to-market valuation of its assets and liabilities due to volatility in the financial markets arising from uncertainties over potential further US interest rate hikes, concerns over the slowing down of the global economy.

14. OTHER MATTERS

14.1 Rule 920(1) of the Listing Manual

Pursuant to Rule 920(1) of the Listing Manual, GEH has not obtained a general mandate from shareholders for Interested Person Transactions.

14.2 Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual, as at the financial year ended 31 December 2015, there were no persons occupying a managerial position in GEH or in any of its principal subsidiaries who are relatives of a director, chief executive officer or substantial shareholder of GEH.

Issued: 15 February 2016

GREAT EASTERN HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
To the Members of Great Eastern Holdings Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Great Eastern Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 7 to 94, which comprise the balance sheets of the Group and the Company as at 31 December 2015, the profit and loss statements, statements of comprehensive income and the statements of changes in equity of the Group and the Company, the consolidated statement of cash flows, the life assurance revenue statement and general insurance revenue statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and of the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company and financial performance of the insurance operations of the Group for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Ernst & Young LLP
Public Accountants and Chartered Accountants
Singapore
15 February 2016