

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 2013

For the fourth quarter and year ended 31 December 2013, Group profit attributable to shareholders was S\$165.9 million and S\$674.8 million respectively. Details of the financial results are attached.

Unaudited Supplementary Information

To improve transparency and investor understanding of GEH’s business, 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 tax exempt (one-tier) dividend of 40 cents (2012: final tax exempt (one-tier) dividend of 27 cents per ordinary share) and a special tax exempt (one-tier) dividend of 5 cents (2012: special tax exempt (one-tier) dividend of 27 cents per ordinary share). Including the interim tax exempt (one-tier) dividend of 10 cents paid in September 2013, total dividends for financial year 2013 would amount to 55 cents per ordinary share (2012: 64 cents per ordinary share). The recommended final and special dividends will be payable on 8 May 2014, subject to shareholders’ approval at the Annual General Meeting.

Closure of Books

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed on 25 April 2014 for the purpose of determining the entitlement of shareholders to the recommended final tax exempt (one-tier) dividend of 40 cents and special tax exempt (one-tier) dividend of 5 cents per ordinary share. Duly completed registrable transfers of shares received by the Company’s Share Registrar, M & C Services Pte Ltd at 112 Robinson Road #05-01, Singapore 068902 up to 5.00 p.m. on 24 April 2014 will be registered to determine shareholders’ entitlements to the proposed dividends. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 24 April 2014 will be entitled to the proposed dividends.

By Order of the Board

Jennifer Wong Pakshong
Group Company Secretary
Singapore, 6 February 2014

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

FINANCIAL RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2013

1. GROUP PROFIT AND LOSS STATEMENTS

in Singapore Dollars (millions)	Year ended 2013	Year ended 2012	% + / (-)	4th Quarter 2013	4th Quarter 2012	% + / (-)	3rd Quarter 2013	% + / (-)
Gross Premiums	7,977.5	6,614.5	21	2,138.3	1,932.2	11	2,222.6	(4)
Life assurance profit from:								
Participating Fund	145.5	144.0	1	22.9	39.5	(42)	47.0	(51)
Non-participating Fund	279.2	422.5	(34)	87.9	139.3	(37)	153.2	(43)
Investment-linked Fund	174.0	125.2	39	53.7	31.3	72	40.0	34
Profit from life assurance	598.7	691.7	(13)	164.5	210.1	(22)	240.2	(32)
Profit from general insurance	25.5	34.4	(26)	7.6	14.8	(49)	11.8	(36)
Profit from insurance business	624.2	726.1	(14)	172.1	224.9	(23)	252.0	(32)
Investment income, net	112.0	111.4	1	23.8	23.8	(0)	34.2	(30)
Gain on sale of investments and changes in fair value	52.8	562.9	(91)	5.2	3.4	53	17.3	(70)
Increase in provision for impairment of assets	(0.7)	(0.2)	nm	(0.2)	-	nm	(0.2)	nm
Gain/(loss) on exchange differences	5.0	(0.5)	nm	5.5	3.0	83	(5.0)	nm
Profit from investments in Shareholders' Fund	169.1	673.6	(75)	34.3	30.2	14	46.3	(26)
Fees and other income	71.0	64.8	10	19.3	18.5	4	16.1	20
Profit before expenses	864.3	1,464.5	(41)	225.7	273.6	(18)	314.4	(28)
less:								
Management and other expenses	45.5	71.6	(36)	19.5	16.1	21	(7.4)	nm
Interest expense	18.3	18.3	-	4.6	4.6	-	4.5	2
Depreciation	2.1	2.2	(5)	0.6	0.6	-	0.5	20
Expenses	65.9	92.1	(28)	24.7	21.3	16	(2.4)	nm
Profit after expenses	798.4	1,372.4	(42)	201.0	252.3	(20)	316.8	(37)
Share of loss after income tax of joint ventures	(7.9)	(3.2)	nm	(5.5)	(3.5)	nm	(0.2)	nm
Profit before income tax	790.5	1,369.2	(42)	195.5	248.8	(21)	316.6	(38)
Income tax	(106.7)	(173.9)	nm	(26.8)	(21.9)	nm	(31.6)	nm
Profit after income tax	683.8	1,195.3	(43)	168.7	226.9	(26)	285.0	(41)
Attributable to:								
Shareholders	674.8	1,189.1	(43)	165.9	225.6	(26)	282.8	(41)
Non-controlling interests	9.0	6.2	45	2.8	1.3	115	2.2	27
	683.8	1,195.3	(43)	168.7	226.9	(26)	285.0	(41)
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)	1.43	2.51	(43)	0.35	0.47	(26)	0.60	(42)
Return on Equity (Average Shareholders' Fund) (%) <i>(not annualised for 3rd and 4th Quarter)</i>	13.7%	27.3%	-13.6 pp	3.2%	4.3%	-1.1 pp	5.7%	-2.5 pp

nm – not meaningful / exceeding 300%

2. GROUP STATEMENT OF COMPREHENSIVE INCOME

in Singapore Dollars (millions)	Year ended 2013	Year ended 2012	% + / (-)	4th Quarter 2013	4th Quarter 2012	% + / (-)	3rd Quarter 2013	% + / (-)
Profit after income tax for the year	683.8	1,195.3	(43)	168.7	226.9	(26)	285.0	(41)
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	(0.4)	2.1	nm	(0.7)	2.4	nm	0.3	nm
Items that may be reclassified subsequently to profit or loss:								
Exchange differences arising on translation of overseas entities	(23.4)	(17.6)	nm	-	(1.0)	(100)	(23.2)	(100)
Share of other comprehensive income of associates and joint ventures	3.5	(3.3)	nm	0.9	1.4	(36)	(0.3)	nm
Available-for-sale financial assets:								
Changes in fair value	(51.8)	364.2	nm	32.9	100.9	(67)	6.6	nm
Reclassification of realised (gain)/loss on disposal of investments to Profit and Loss Statement	(35.7)	(493.7)	nm	(5.2)	7.9	nm	(8.2)	nm
Tax on changes in fair value	14.9	22.3	(33)	(5.0)	(18.6)	nm	1.0	nm
Other comprehensive income for the year, after tax	(92.9)	(126.0)	nm	22.9	93.0	(75)	(23.8)	nm
Total comprehensive income for the year	590.9	1,069.3	(45)	191.6	319.9	(40)	261.2	(27)
Total comprehensive income attributable to:								
Shareholders	582.8	1,059.8	(45)	190.1	316.0	(40)	258.6	(26)
Non-controlling interests	8.1	9.5	(15)	1.5	3.9	(62)	2.6	(42)
	590.9	1,069.3	(45)	191.6	319.9	(40)	261.2	(27)

nm – not meaningful / exceeding 300%

3.1. GROUP BALANCE SHEET AS AT 31 DECEMBER

	Group		
in Singapore Dollars (millions)	2013	2012	%
			+/(-)
Share capital	152.7	152.7	-
Reserves			
Currency translation reserve	(82.9)	(63.7)	nm
Fair value reserve	(31.0)	41.8	nm
Accumulated profit	5,038.1	4,666.2	8
SHAREHOLDERS' FUND	5,076.9	4,797.0	6
NON-CONTROLLING INTERESTS	50.4	42.5	19
TOTAL EQUITY	5,127.3	4,839.5	6
LIABILITIES			
Insurance payables	3,087.9	2,791.2	11
Other creditors and interfund balances	2,330.3	2,461.5	(5)
Unexpired risk reserve	121.8	120.3	1
Derivative financial liabilities	188.1	42.0	nm
Income tax	599.8	487.8	23
Provision for agents' retirement benefits	258.6	245.2	5
Deferred tax	1,011.0	1,069.9	(6)
Debt issued	399.3	399.2	0
General insurance fund	209.2	186.5	12
Life assurance fund	47,577.3	47,057.9	1
TOTAL EQUITY AND LIABILITIES	60,910.6	59,701.0	2
ASSETS			
Cash and cash equivalents	3,727.1	4,212.6	(12)
Other debtors and interfund balances	1,908.1	1,902.6	0
Insurance receivables	2,604.3	2,582.4	1
Loans ⁽¹⁾	1,863.6	1,604.8	16
Derivative financial assets	242.2	490.7	(51)
Investments ⁽¹⁾	48,106.0	46,304.9	4
Assets held for sale	-	3.0	(100)
Associates and joint ventures	152.5	322.9	(53)
Goodwill	33.6	34.1	(1)
Investment properties	1,561.0	1,531.6	2
Property, plant and equipment	712.2	711.4	0
TOTAL ASSETS	60,910.6	59,701.0	2
Net Asset Value per share (in Singapore Dollars)	10.73	10.13	6

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

(1) Comparatives have been restated to conform to current year's presentation

nm – not meaningful / exceeding 300%

3.2. COMPANY BALANCE SHEET AS AT 31 DECEMBER

in Singapore Dollars (millions)	Company		
	2013	2012	% +/(-)
Share capital	152.7	152.7	-
Reserves			
Merger reserve	419.2	419.2	-
Accumulated profit	1,200.8	1,157.1	4
TOTAL EQUITY	1,772.7	1,729.0	3
LIABILITIES			
Other creditors	6.5	6.4	2
Income tax	0.1	0.1	-
TOTAL EQUITY AND LIABILITIES	1,779.3	1,735.5	3
ASSETS			
Cash and cash equivalents	32.5	57.8	(44)
Amounts due from subsidiaries	1,060.5	1,000.3	6
Subsidiaries	686.1	677.3	1
Property, plant and equipment	0.2	0.1	100
TOTAL ASSETS	1,779.3	1,735.5	3
Net Asset Value per share (in Singapore Dollars)	3.75	3.65	3

4.1. GROSS PREMIUMS AND PROFIT ATTRIBUTABLE TO SHAREHOLDERS FOR FIRST AND SECOND HALF OF 2013

in Singapore Dollars (millions)	Group					
	First Half			Second Half		
	2013	2012	% +/(-)	2013	2012	% +/(-)
Gross premiums	3,616.6	3,004.8	20	4,360.9	3,609.7	21
Profit attributable to shareholders	226.1	343.9	(34)	448.7	845.2	(47)

4.2. SELECTED INCOME AND MANAGEMENT EXPENSES

in Singapore Dollars (millions)	Shareholders' Fund				
	Year ended 2013	Year ended 2012	4th Quarter 2013	4th Quarter 2012	3rd Quarter 2013
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	74.2	67.2	20.2	15.7	18.0
2. Rental expense	6.4	6.0	1.6	1.6	1.6
3. Depreciation	2.1	2.2	0.6	0.6	0.5

in Singapore Dollars (millions)	Life Assurance and General Insurance Funds				
	Year ended 2013	Year ended 2012	4th Quarter 2013	4th Quarter 2012	3rd Quarter 2013
Income					
1. Investment income, net (excluding mark-to-market changes)	1,804.4	1,731.1	425.6	420.9	458.0
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	193.6	178.9	50.7	48.8	46.7
2. Rental expense	16.2	16.0	4.6	4.1	3.8
3. Depreciation	56.4	47.7	14.5	13.2	12.1

5.1. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2013

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 2013	152.7	(63.7)	41.8	4,666.2	4,797.0	42.5	4,839.5
Profit for the year	-	-	-	674.8	674.8	9.0	683.8
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(23.4)	-	-	(23.4)	(0.4)	(23.8)
Share of other comprehensive income of associates and joint ventures	-	4.2	(0.7)	-	3.5	-	3.5
Available-for-sale financial assets:							
Changes in fair value	-	-	(51.3)	-	(51.3)	(0.5)	(51.8)
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(35.7)	-	(35.7)	-	(35.7)
Tax on changes in fair value	-	-	14.9	-	14.9	-	14.9
Other comprehensive income for the year, after tax	-	(19.2)	(72.8)	-	(92.0)	(0.9)	(92.9)
Total comprehensive income for the year	-	(19.2)	(72.8)	674.8	582.8	8.1	590.9
Contributions by and distributions to shareholders							
Dividends paid during the year:							
Final and special tax exempt (one-tier) dividends for the previous year	-	-	-	(255.6)	(255.6)	-	(255.6)
Interim tax exempt (one-tier) dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Dividends paid to non-controlling interests	-	-	-	-	-	(4.0)	(4.0)
Total contributions by and distributions to shareholders	-	-	-	(302.9)	(302.9)	(4.0)	(306.9)
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Changes in non-controlling interests	-	-	-	-	-	3.8	3.8
Total changes in ownership interests in subsidiaries	-	-	-	-	-	3.8	3.8
Total transactions with shareholders in their capacity as shareholders	-	-	-	(302.9)	(302.9)	(0.2)	(303.1)
Balance at 31 December 2013	152.7	(82.9)	(31.0)	5,038.1	5,076.9	50.4	5,127.3

5.2. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

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 2012	152.7	(42.6)	150.0	3,652.2	3,912.3	30.2	3,942.5
Profit for the year	-	-	-	1,189.1	1,189.1	6.2	1,195.3
<u>Other comprehensive income</u>							
Exchange differences arising on translation of overseas entities	-	(17.6)	-	-	(17.6)	2.1	(15.5)
Share of other comprehensive income of associates and joint ventures	-	(3.5)	0.2	-	(3.3)	-	(3.3)
Available-for-sale financial assets:							
Changes in fair value	-	-	363.0	-	363.0	1.2	364.2
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(493.7)	-	(493.7)	-	(493.7)
Tax on changes in fair value	-	-	22.3	-	22.3	-	22.3
Other comprehensive income for the year, after tax	-	(21.1)	(108.2)	-	(129.3)	3.3	(126.0)
Total comprehensive income for the year	-	(21.1)	(108.2)	1,189.1	1,059.8	9.5	1,069.3
<u>Contributions by and distributions to shareholders</u>							
Dividends paid during the year:							
Final tax exempt (one-tier) dividend for the previous year	-	-	-	(127.8)	(127.8)	-	(127.8)
Interim tax exempt (one-tier) dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Dividends paid to non-controlling interests	-	-	-	-	-	(2.5)	(2.5)
Total contributions by and distributions to shareholders	-	-	-	(175.1)	(175.1)	(2.5)	(177.6)
<u>Changes in ownership interests in subsidiaries that do not result in a loss of control</u>							
Acquisition of subsidiary	-	-	-	-	-	5.3	5.3
Total changes in ownership interests in subsidiaries	-	-	-	-	-	5.3	5.3
Total transactions with shareholders in their capacity as shareholders	-	-	-	(175.1)	(175.1)	2.8	(172.3)
Balance at 31 December 2012	152.7	(63.7)	41.8	4,666.2	4,797.0	42.5	4,839.5

(1) Included in Accumulated Profit are non-distributable reserves of \$1,141.7 million (31 December 2012: \$1,018.2 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 2013

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total		
Balance at 1 October 2013	152.7	(84.1)	(54.0)	4,872.2	4,886.8	49.1	4,935.9
Profit for the period	-	-	-	165.9	165.9	2.8	168.7
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	-	-	-	-	(0.7)	(0.7)
Share of other comprehensive income of associates and joint ventures	-	1.2	(0.3)	-	0.9	-	0.9
Available-for-sale financial assets:							
Changes in fair value	-	-	33.5	-	33.5	(0.6)	32.9
Reclassification of realised gain on disposal of investments to Profit and Loss Statement	-	-	(5.2)	-	(5.2)	-	(5.2)
Tax on changes in fair value	-	-	(5.0)	-	(5.0)	-	(5.0)
Other comprehensive income for the period, after tax	-	1.2	23.0	-	24.2	(1.3)	22.9
Total comprehensive income for the period	-	1.2	23.0	165.9	190.1	1.5	191.6
Contributions by and distributions to shareholders							
Dividends paid to non-controlling interests	-	-	-	-	-	(0.2)	(0.2)
Total contributions by and distributions to shareholders	-	-	-	-	-	(0.2)	(0.2)
Total transactions with shareholders in their capacity as shareholders	-	-	-	-	-	(0.2)	(0.2)
Balance at 31 December 2013	152.7	(82.9)	(31.0)	5,038.1	5,076.9	50.4	5,127.3

5.4. GROUP STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2012

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total		
Balance at 1 October 2012	152.7	(63.2)	(49.1)	4,440.6	4,481.0	33.3	4,514.3
Profit for the period	-	-	-	225.6	225.6	1.3	226.9
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(1.0)	-	-	(1.0)	2.4	1.4
Share of other comprehensive income of associates and joint ventures	-	0.5	0.9	-	1.4	-	1.4
Available-for-sale financial assets:							
Changes in fair value	-	-	100.6	-	100.6	0.3	100.9
Reclassification of realised loss on disposal of investments to Profit and Loss Statement	-	-	7.9	-	7.9	-	7.9
Tax on changes in fair value	-	-	(18.5)	-	(18.5)	(0.1)	(18.6)
Other comprehensive income for the period, after tax	-	(0.5)	90.9	-	90.4	2.6	93.0
Total comprehensive income for the period	-	(0.5)	90.9	225.6	316.0	3.9	319.9
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Acquisition of subsidiary	-	-	-	-	-	5.3	5.3
Total changes in ownership interests in subsidiaries	-	-	-	-	-	5.3	5.3
Total transactions with shareholders in their capacity as shareholders	-	-	-	-	-	5.3	5.3
Balance at 31 December 2012	152.7	(63.7)	41.8	4,666.2	4,797.0	42.5	4,839.5

(1) Included in Accumulated Profit are non-distributable reserves of \$1,141.7 million (31 December 2012: \$1,018.2 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 2013 and 2012

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 January 2013	152.7	419.2	1,157.1	1,729.0
Profit for the year	-	-	346.6	346.6
Total comprehensive income for the year	-	-	346.6	346.6
<u>Contributions by and distributions to shareholders</u>				
Dividends paid during the year:				
Final and special tax exempt (one-tier) dividends for the previous year	-	-	(255.6)	(255.6)
Interim tax exempt (one-tier) dividend	-	-	(47.3)	(47.3)
Total contributions by and distributions to shareholders	-	-	(302.9)	(302.9)
Total transactions with shareholders in their capacity as shareholders	-	-	(302.9)	(302.9)
Balance at 31 December 2013	152.7	419.2	1,200.8	1,772.7
Balance at 1 January 2012	152.7	419.2	826.5	1,398.4
Profit for the year	-	-	505.7	505.7
Total comprehensive income for the year	-	-	505.7	505.7
<u>Contributions by and distributions to shareholders</u>				
Dividends paid during the year:				
Final tax exempt (one-tier) dividend for the previous year	-	-	(127.8)	(127.8)
Interim tax exempt (one-tier) dividend	-	-	(47.3)	(47.3)
Total contributions by and distributions to shareholders	-	-	(175.1)	(175.1)
Total transactions with shareholders in their capacity as shareholders	-	-	(175.1)	(175.1)
Balance at 31 December 2012	152.7	419.2	1,157.1	1,729.0

6.2. COMPANY STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2013 and 2012

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 October 2013	152.7	419.2	1,202.5	1,774.4
Loss for the period	-	-	(1.7)	(1.7)
Total comprehensive income for the period	-	-	(1.7)	(1.7)
Balance at 31 December 2013	152.7	419.2	1,200.8	1,772.7
Balance at 1 October 2012	152.7	419.2	689.2	1,261.1
Profit for the period	-	-	467.9	467.9
Total comprehensive income for the period	-	-	467.9	467.9
Balance at 31 December 2012	152.7	419.2	1,157.1	1,729.0

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

in Singapore Dollars (millions)	Year ended 2013	Year ended 2012	4th Quarter 2013	4th Quarter 2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	790.5	1,369.2	195.5	248.8
Life assurance (loss)/profit before income tax	(38.0)	1,492.3	(1,135.9)	(122.6)
General insurance profit before income tax	34.1	42.3	10.4	17.6
Adjustments for non-cash items:				
Surplus transferred from life assurance fund but not yet withdrawn	(598.7)	(691.7)	(164.5)	(210.1)
Profit transferred from general insurance fund but not yet withdrawn	(25.5)	(34.4)	(7.6)	(14.8)
Share of loss/(profit) of associates and joint ventures	13.6	(36.6)	4.1	0.2
Gain on sale of investments and changes in fair value	(499.2)	(3,087.8)	(134.9)	(192.2)
Increase in provision for impairment of assets	78.4	9.8	75.1	0.5
Increase in provision for agents' retirement benefits	29.4	34.4	2.4	9.1
Gain on disposal of property, plant and equipment, assets held for sale and investment properties	(0.2)	(1.1)	-	(0.7)
Depreciation	58.5	49.9	15.1	13.8
Unrealised (gain)/loss on exchange differences	(287.4)	84.5	(53.0)	(34.4)
Change in life assurance contract liabilities	2,709.0	2,573.5	2,108.0	1,064.3
Change in general insurance contract liabilities	17.0	1.9	2.7	(7.1)
Change in unexpired risk reserve	(3.6)	13.4	(12.7)	(5.8)
Amortisation of capitalised transaction fees	0.1	0.1	-	-
Dividend income	(433.9)	(451.8)	(73.7)	(76.1)
Interest income	(1,583.5)	(1,486.5)	(400.6)	(394.2)
Interest expense	18.3	18.3	4.6	4.6
Interest expense on policy benefits	114.8	100.5	30.2	26.6
Share-based payments	4.1	2.4	1.2	0.8
	397.8	2.6	466.4	328.3
Changes in working capital:				
Insurance receivables	0.3	(31.4)	30.3	28.4
Other debtors and interfund balances	5.8	(304.9)	(27.4)	(196.6)
Insurance payables	296.7	273.7	99.4	85.5
Other creditors and interfund balances	(135.3)	93.1	123.9	284.3
Cash generated from operations	565.3	33.1	692.6	529.9
Income tax paid	(200.3)	(295.1)	(47.3)	(138.8)
Interest paid on policy benefits	(114.8)	(100.5)	(30.2)	(26.6)
Agents' retirement benefits paid	(6.4)	(14.6)	(2.7)	(3.5)
Net cash flows from/(used in) operating activities	243.8	(377.1)	612.4	361.0
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investments	19,768.0	20,516.6	3,419.3	7,766.7
Purchase of investments	(21,507.2)	(24,330.5)	(4,458.0)	(8,787.7)
Proceeds from reduction of interests in associates	59.8	24.0	-	(0.1)
Repayment of loans to joint ventures	-	(0.1)	-	(0.1)
Proceeds from sale of property, plant and equipment, assets held for sale and investment properties	3.5	8.0	0.1	(1.8)
Purchase of property, plant and equipment and investment properties	(71.1)	(45.6)	(29.6)	(12.5)
Net cash outflow from acquisition of a subsidiary	-	(2.4)	-	(2.4)
Interest income received	1,560.0	1,374.2	372.8	366.3
Interest expense paid	(18.3)	(18.3)	-	-
Dividends received	425.9	450.3	86.3	103.5
Net cash flows from/(used in) investing activities	220.6	(2,023.8)	(609.1)	(568.1)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	(302.9)	(175.1)	-	-
Dividends paid to non-controlling interests	(4.0)	(2.5)	(0.2)	-
Changes in non-controlling interests	3.8	-	-	-
Net cash flows used in financing activities	(303.1)	(177.6)	(0.2)	-
Net effect of currency translation reserve adjustment	(646.8)	(457.8)	11.1	(17.0)
Net (decrease)/increase in cash and cash equivalents	(485.5)	(3,036.3)	14.2	(224.1)
Cash and cash equivalents at the beginning of the year	4,212.6	7,248.9	3,712.9	4,436.7
Cash and cash equivalents at the end of the year	3,727.1	4,212.6	3,727.1	4,212.6

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 Advisory Business		Others		Adjustments and Eliminations		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
	Profit/(loss) from investments in Shareholders' Fund	4.7	1.0	166.7	673.1	(2.3)	(0.5)	169.1
Fees and other income	75.5	67.3	2.0	2.7	(6.5)	(5.2)	71.0	64.8
Total expenses	(44.2)	(37.4)	(21.7)	(54.7)	-	-	(65.9)	(92.1)
Profit/(loss) after expenses	36.0	30.9	147.0	621.1	(8.8)	(5.7)	174.2	646.3
Share of loss of associates and joint ventures	-	-	(7.9)	(3.2)	-	-	(7.9)	(3.2)
Income tax	(5.5)	(4.3)	(101.2)	(169.6)	-	-	(106.7)	(173.9)
Segment profit/(loss) after income tax	30.5	26.6	37.9	448.3	(8.8)	(5.7)	59.6	469.2
Profit from insurance business							624.2	726.1
Profit per Profit & Loss Statement							683.8	1,195.3

	31 Dec 13	31 Dec 12						
Segment assets	138.3	106.2	5,680.6	5,332.6	14.3	14.2	5,833.2	5,453.0
Investments in associates and joint ventures	-	-	70.1	74.6	-	-	70.1	74.6
Shareholders' Fund Assets	138.3	106.2	5,750.7	5,407.2	14.3	14.2	5,903.3	5,527.6
Segment liabilities	18.7	15.2	503.5	473.0	-	-	522.2	488.2
Income tax and deferred tax liabilities	5.6	4.8	248.2	195.1	-	-	253.8	199.9
Shareholders' Fund Liabilities	24.3	20.0	751.7	668.1	-	-	776.0	688.1
Additions to non-current assets	1.2	9.5	0.6	0.3	-	-	1.8	9.8

(b) General Insurance Fund

in Singapore Dollars (millions)	Consolidated	
	2013	2012
Premiums less assurances	161.0	149.3
Investment income	15.3	17.4
Increase in provision for impairment of assets	0.1	-
Claims less reassurances	92.6	75.6
Commissions and expenses	77.0	73.7
General Insurance Profit	25.5	34.4
	31 Dec 13	31 Dec 12
General Insurance Fund Assets	414.1	365.9
General Insurance Fund Liabilities	414.1	365.9
Additions to non-current assets	2.3	1.1

(c) Life Assurance Fund

in Singapore Dollars (millions)	Participating Business		Non-Participating Business		Linked Business		Adjustments and Eliminations		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	Premiums less reassurances	5,135.3	3,983.7	1,190.1	1,173.0	1,274.6	1,097.8	-	-	7,600.0
Investment and rental income (including mark-to-market changes)	1,701.8	3,542.8	170.0	335.1	419.2	419.6	(0.4)	(0.4)	2,290.6	4,297.1
Increase in provision for impairment of assets	54.3	9.6	23.3	-	-	-	-	-	77.6	9.6
Claims less reassurances	4,879.6	4,091.2	461.6	699.3	793.4	585.9	-	-	6,134.6	5,376.4
Commissions and expenses	580.8	542.8	242.1	214.1	305.5	294.5	(0.4)	(0.4)	1,128.0	1,051.0
Life Assurance Profit	145.5	144.0	279.2	422.5	174.0	125.2	-	-	598.7	691.7
	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12
Segment assets	43,877.1	43,143.9	5,349.0	5,488.5	5,284.7	4,926.8	-	-	54,510.8	53,559.2
Investments in associates and joint ventures	78.7	243.9	3.7	4.4	-	-	-	-	82.4	248.3
Life Assurance Fund Assets	43,955.8	43,387.8	5,352.7	5,492.9	5,284.7	4,926.8	-	-	54,593.2	53,807.5
Segment liabilities	42,814.9	42,288.5	5,187.8	5,273.3	5,237.2	4,895.6	-	-	53,239.9	52,457.4
Income tax and deferred tax liabilities	1,140.9	1,099.3	164.9	219.6	47.5	31.2	-	-	1,353.3	1,350.1
Life Assurance Fund Liabilities	43,955.8	43,387.8	5,352.7	5,492.9	5,284.7	4,926.8	-	-	54,593.2	53,807.5
Additions to non-current assets	62.9	38.9	3.9	3.2	0.2	1.3	-	-	67.0	43.4

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	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
(a) Shareholders' Fund										
Investment income, net	97.1	94.3	13.1	13.7	1.8	3.4	-	-	112.0	111.4
Gain on sale of investments and changes in fair value	48.7	558.4	4.1	4.5	-	-	-	-	52.8	562.9
Fees and other income	64.7	63.6	6.3	1.2	-	-	-	-	71.0	64.8
Total revenue from external customers	210.5	716.3	23.5	19.4	1.8	3.4	-	-	235.8	739.1
Dividend from subsidiaries	224.7	214.1	-	-	-	-	(224.7)	(214.1)	-	-
Total revenue	435.2	930.4	23.5	19.4	1.8	3.4	(224.7)	(214.1)	235.8	739.1
Profit/(loss) after income tax	644.2	1,180.6	275.8	241.1	(11.5)	(12.3)	(224.7)	(214.1)	683.8	1,195.3
Non-current assets	22.2	22.2	15.3	16.0	0.8	0.9	-	-	38.3	39.1
(b) General Insurance Fund										
Total revenue from external customers	73.2	65.0	131.7	127.6	-	-	-	-	204.9	192.6
Non-current assets	0.7	0.6	7.9	7.1	-	-	-	-	8.6	7.7
(c) Life Assurance Fund										
Total revenue from external customers	6,002.5	6,060.3	3,927.6	4,328.3	142.1	121.1	-	-	10,072.2	10,509.7
Non-current assets	1,865.3	1,817.0	389.0	408.4	5.6	4.9	-	-	2,259.9	2,230.3

9. REVIEW OF RESULTS

The Group Financial Statements for the fourth quarter of 2013 (Q4-13) and for the year ended 31 December 2013 (FY-13) were prepared in accordance with the Singapore Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS).

9.1 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Group profit attributable to shareholders in FY-13 was \$674.8 million (FY-12: \$1,189.1 million). Excluding the one-off gain of \$421.6 million from the sale of the Group's shareholdings in Asia Pacific Breweries (APB) and Fraser and Neave (F&N) in Q3-12, FY-13 net profit decreased by 12%, mainly a result of unrealised mark-to-market losses arising from less favourable financial market conditions. For Q4-13, net profit decreased by 26% to \$165.9 million (Q4-12: \$225.6 million), mainly the result of lower profit from insurance business as explained in paragraph 9.3 below.

9.2 GROSS PREMIUMS

FY-13 gross premiums increased by 21% to \$7,977.5 million (FY-12: \$6,614.5 million). Q4-13 gross premiums increased by 11% to \$2,138.3 million (Q4-12: \$1,932.2 million).

9.3 PROFIT FROM INSURANCE BUSINESS

In FY-13, the Group's profit from insurance business was \$624.2 million (FY-12: \$726.1 million). Despite better operating performance from all the life assurance funds, overall FY-13 profit from insurance business was lower, mainly a result of unrealised mark-to-market losses from the valuation of its assets and liabilities. In 2012, financial markets registered a strong recovery following steep declines in 2011, and saw credit and swap spreads narrowing significantly. In contrast, news of the potential tapering of the US quantitative easing ("QE") programme in Q2-13 affected financial markets adversely, and the quarter saw an unusual inversion of the 30-year and 20-year interest rates, which led to significant unrealised mark-to-market losses that impacted overall profit for that quarter. While the Group recorded unrealised mark-to-market gains from better investment sentiments in the later half of the year when the QE programme was first maintained and then gradually tapered but with the affirmation of an accommodative monetary policy stance, the Group still recorded unrealised mark-to-market losses in FY-13 as the unusual inversion of interest rates in Q2-13 remained.

In Q4-13, profit from insurance business decreased by 23% to \$172.1 million (Q4-12: \$224.9 million). The decline was partly attributed to the combined effects of two one-off items, namely a release of tax provisions in Q4-12 which boosted the Singapore Non-participating Fund, and a negative impact in Q4-13 from a change in the timing of terminal bonus recognition for the Malaysia Participating Fund. Excluding the impact of these two one-off items, the Group registered a better operating performance in Q4-13, compared to a year before. In addition, unrealised mark-to-market gains in Q4-13 were also lower than last year as market conditions were relatively more favourable a year before.

9.4 PROFIT FROM INVESTMENTS IN SHAREHOLDERS' FUND

Profit from investments in Shareholders' Fund was lower at \$169.1 million compared with \$673.6 million in 2012, as there was a gain from the sale of APB and F&N shares in the prior year, detailed in paragraph 9.1 on profit attributable to shareholders. Q4-13 profit from investment in Shareholders' Fund was 14% higher at \$34.3 million (Q4-12: \$30.2 million), largely from realised gains from sale of investments and foreign exchange gains.

9.5 FEES AND OTHER INCOME

Fees and other income amounted to \$71.0 million in FY-13 (FY-12: \$64.8 million) and \$19.3 million in Q4-13 (Q4-12: \$18.5 million). This was mainly the result of an increase in fee income by the Group's asset management arm, Lion Global Investors Limited and its subsidiary, Pacific Mutual Fund Berhad.

9.6 MANAGEMENT AND OTHER EXPENSES

Management and other expenses amounted to \$45.5 million in FY-13 (FY-12: \$71.6 million), mainly arising from the reversal of a provision made in 2008 to support insurance operations that is no longer required. Management and other expenses were higher at \$19.5 million in Q4-13 (Q4-12: \$16.1 million) mainly attributed to Lion Global Investors.

9.7 SHARE OF PROFIT / LOSS OF JOINT VENTURE

The share of loss of the joint venture in China was \$7.9 million in FY-13 (FY-12: loss of \$3.2 million) and \$5.5 million in Q4-13 (Q4-12: loss of \$3.5 million). The larger loss was mainly attributed to higher operating and staff costs, along with a foreign exchange loss from a strengthening of the Chinese Renminbi against the Singapore Dollar.

9.8 BALANCE SHEET

9.8.1 Currency Translation Reserve

As at 31 December 2013, translation loss was \$82.9 million compared with a loss of \$63.7 million as at 31 December 2012. This was mainly caused by the weakening of the Malaysian Ringgit against the Singapore Dollar.

9.8.2 Fair Value Reserve

As at 31 December 2013, fair value reserve was -\$31.0 million, compared with \$41.8 million as at 31 December 2012. The decrease was mainly attributed to unrealised mark-to-market losses from investments in Shareholders' Fund.

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 \$188.1 million as at 31 December 2013 (31 December 2012: \$42.0 million) and derivative financial assets decreased to \$242.2 million (31 December 2012: \$490.7 million). The net decrease was largely caused by the exit of certain swap positions as well as changes 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 Income Tax

Provision for income tax increased by 23% to \$599.8 million as at 31 December 2013 (31 December 2012: \$487.8 million), in line with the increase in profit.

9.8.5 Debt Issued

in SGD (millions)	31 December 2013	31 December 2012
Subordinated fixed rate notes (unsecured) - payable after one year	399.3	399.2

9.8.6 Cash and Cash Equivalents

Cash and cash equivalents decreased 12% to \$3,727.1 million as at 31 December 2013 (31 December 2012: \$4,212.6 million), mainly arising from the payment of final and interim dividends to shareholders.

9.8.7 Loans

Loans increased by 16% to \$1,863.6 million as at 31 December 2013 (31 December 2012: \$1,604.8 million), arising from a drawdown on loan commitments.

9.8.8 Assets Held for Sale

\$3.0 million assets held for sale as at 31 December 2012 were sold in FY-13.

9.8.9 Associates and Joint Ventures

Associates and joint ventures decreased by 53% to \$152.5 million as at 31 December 2013 (31 December 2012: \$322.9 million). The decrease was mainly attributed to payment of dividends by an associate leading to a reduction in the Group's share of net assets in that associate.

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

	SINGAPORE		MALAYSIA	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Fixed income & debt securities	56%	58%	68%	71%
Equities	25%	21%	23%	21%
Real estate & others	10%	11%	7%	6%
Cash & money market instruments	9%	10%	2%	2%
Market Value of Assets (in SGD billions)	26.9	26.9	22.1	21.8

9.9 REGULATORY CAPITAL

The Capital Adequacy Ratios of the Group's insurance subsidiaries in both Singapore and Malaysia remain well above the minimum regulatory ratios of 120% and 130% in Singapore and Malaysia respectively.

10. SHARE CAPITAL

The Company's issued and paid up share capital as at 31 December 2013 was unchanged at \$152.7 million compared with 31 December 2012. Total number of shares issued as at 31 December 2013 also remained unchanged at 473,319,069 compared with 31 December 2012.

11. ACCOUNTING POLICIES

The Group adopted the accounting policies and methods of computation for the financial statements for FY-13, consistent with the audited financial statements for the year ended 31 December 2012.

The adoption of the other revised and new FRS and INT FRS which came into effect on 1 January 2013 does not have any material financial impact on the Group's results for FY-13.

12. AUDITED RESULTS

The consolidated Group's financial results for the financial year ended 31 December 2013 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, which may be brought about by factors such as the tapering of the US Federal Reserve's quantitative easing programme and possible risks of contagion from issues in emerging markets.

14. SUBSEQUENT EVENT

On 8 January 2014, the Group's subsidiary, The Great Eastern Life Assurance Company Limited ("GEL"), completed the disposal of a 25% stake in its joint venture, Great Eastern Life Assurance (China) Company, Ltd ("GELC"), for a cash consideration of RMB303 million (\$62.8 million). The net gain is approximately \$30.7 million. After the disposal, GEL continues to hold 25% of the paid up capital of GELC.

15. OTHER MATTERS

15.1 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.

15.2 Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual, as at the financial year ended 31 December 2013, there were no persons occupying a managerial position in GEH or in any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of GEH.

Issued: 6 February 2014

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 8 to 95, which comprise the balance sheets of the Group and the Company as at 31 December 2013, 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 profit and loss accounts and balance sheets 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.

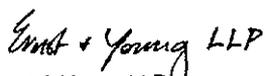
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the balance sheet, profit and loss statement, statement of comprehensive income 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 state of affairs of the Group and of the Company as at 31 December 2013 and the results, changes in equity of the Group and of the Company and the cash flows of the Group and results 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 subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP
Public Accountants and Chartered Accountants
Singapore
6 February 2014