

GREAT EASTERN HOLDINGS LIMITED

Financial Results for Q3-13 and 9M-13 Supplementary Information

28 October 2013

Overview of Q3-13 and 9M-13 Financial Results

S\$ million	Q3-13	Q3-12	Δ	9M-13	9M-12	Δ
Total Weighted New Sales[^]	274.7	199.4	+38%	736.6	565.6	+30%
New Business Embedded Value[*]	100.8	85.1	+18%	276.5	243.4	+14%
Operating Profit from Insurance Business	138.6	110.1	+26%	424.3	332.3	+28%
Non-Operating Profit from Insurance Business	91.1	71.8	+27%	-26.2	122.4	nm
Group Profit Attributable to Shareholders excluding one-off disposal gain[~]	282.8	198.0	+43%	508.9	541.9	-6%
Group Profit Attributable to Shareholders	282.8	619.6	-54%	508.9	963.5	-47%

[~] One-off disposal gain relates to the S\$421.6 million post-tax gain from the sale of the Group's shareholdings in Asia Pacific Breweries Limited and Fraser and Neave, Limited in Q3-12

[^]Total Weighted New Sales (TWNS) = (Single Premium x 10%) + New Regular Premium

^{*}New Business Embedded Value (NBEV) is a measure of the long term profitability of new sales

Note: TWNS/ NBEV figures for Q3-12, 9M-13 and 9M-12 have been restated for comparative reasons

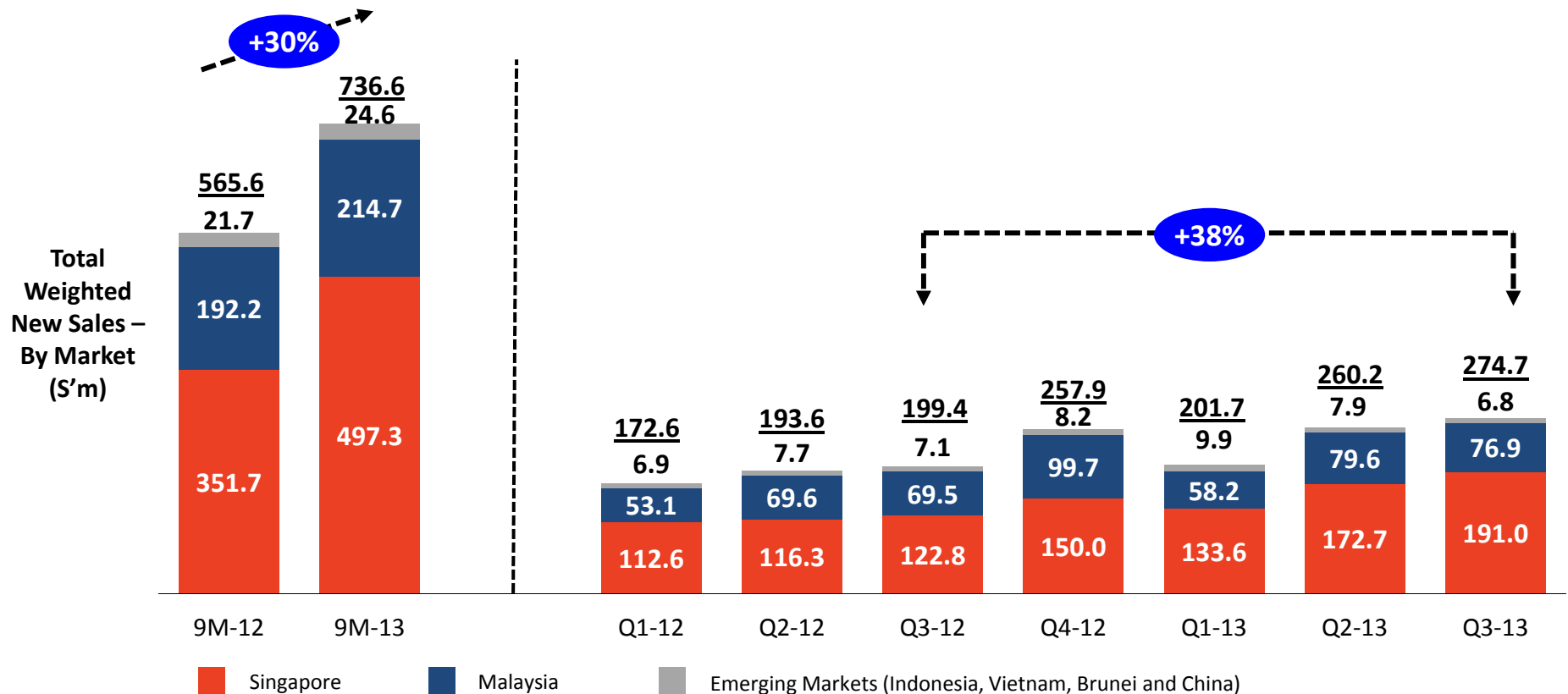
Q3-13 Key Highlights

- Q3-13 Total Weighted New Sales up 38% Y-o-Y to S\$274.7m on better sales from Singapore and Malaysia:
 - Sustained sales momentum across all distribution channels in Singapore
 - Better sales performance across both conventional and takaful businesses in Malaysia
- NBEV increased 18% Y-o-Y to S\$100.8m in Q3-13 on the back of stronger sales performance
- Operating profit from insurance business gained 26% Y-o-Y to S\$138.6m on growth across all insurance funds
- Non-operating profit of S\$91.1m from unrealised mark-to-market gains as financial markets recovered partially during the quarter
- Excluding the one-off gain from sale of shareholdings in APB and F&N shares in Q3-12, Group profit attributable to shareholders rose 43% Y-o-Y to S\$282.8m in Q3-13 on higher profit from insurance business

Total Weighted New Sales (TWNS) – By Market

TWNS increased 38% Y-o-Y to S\$274.7m in Q3-13, mainly attributed to:

- Sustained sales momentum across all distribution channels in Singapore
- Better sales performance across both conventional and takaful businesses in Malaysia



Note:

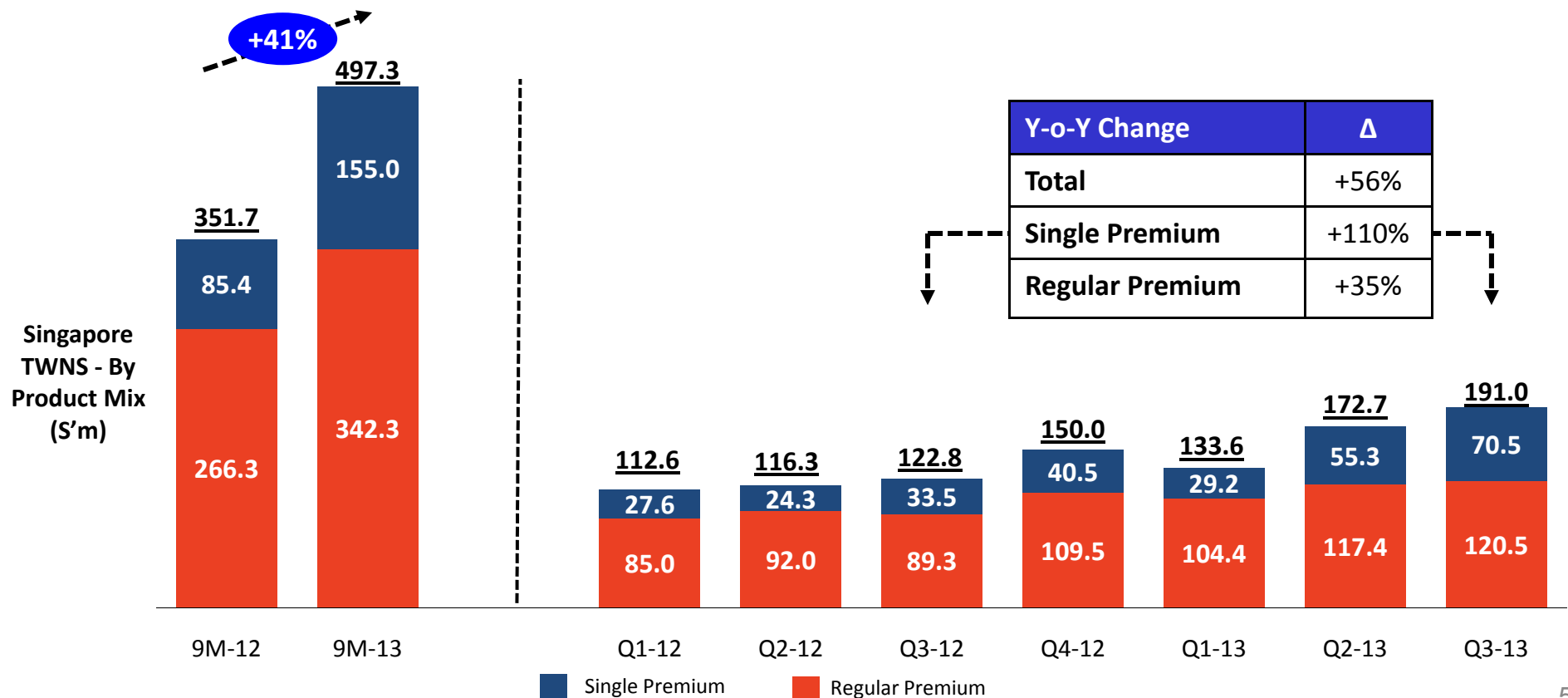
-For comparative reasons, TWNS figures for periods prior to Q3-13 have been restated using exchange rates as at 30 Sept 2013

-QoQ TWNS comparison not relevant given seasonality of insurance sales

Singapore TWNS – By Product Mix

Q3-13 Singapore sales rose 56% Y-o-Y to S\$191.0m:

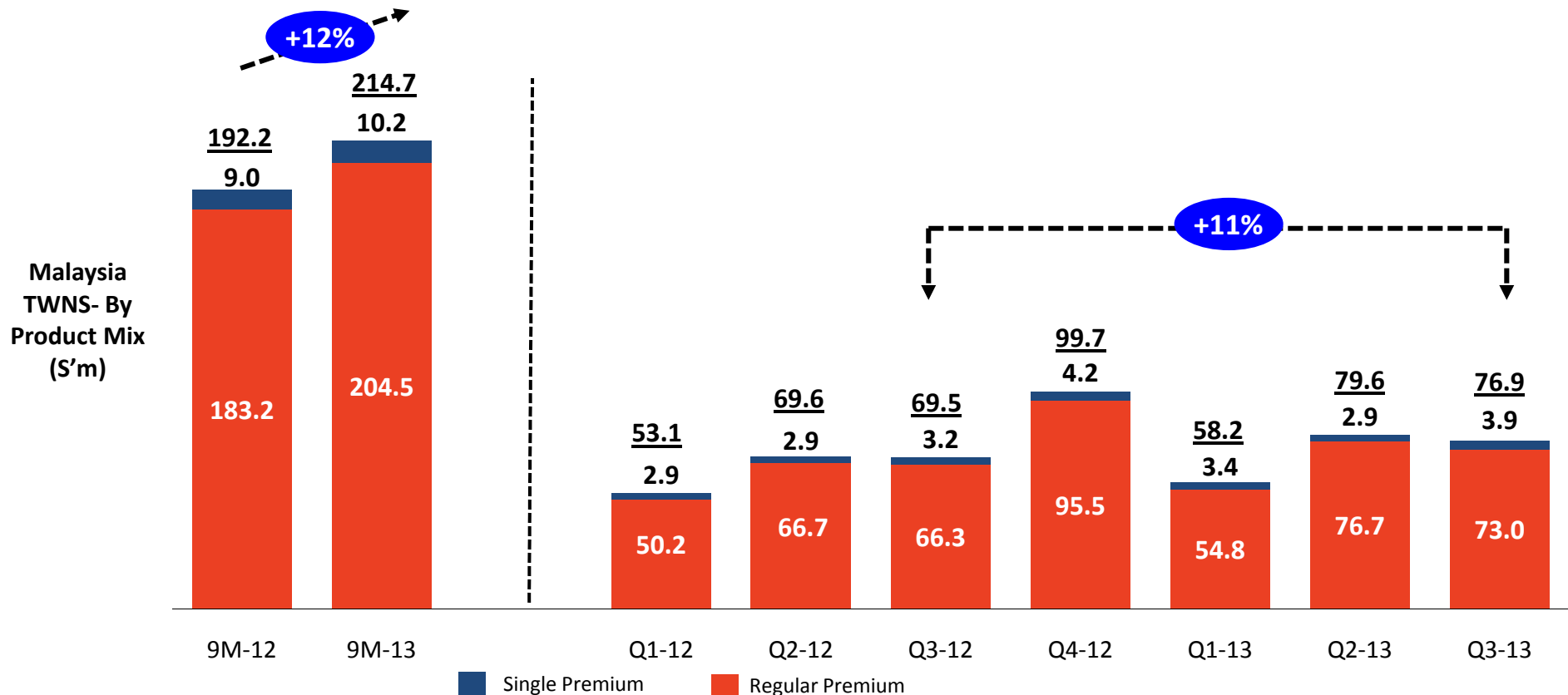
- Strong take-up of various insurance products offered to customers who purchased products during its centennial celebrations in 2008, with the number of maturing policies peaking during the quarter
- Continued demand for regular premium products through the bancassurance channel, supported by successful launch of new products tailored for specific customer segments



Malaysia TWNS – By Product Mix

Sales in Malaysia up 11% Y-o-Y to S\$76.9m in Q3-13, mainly attributed to:

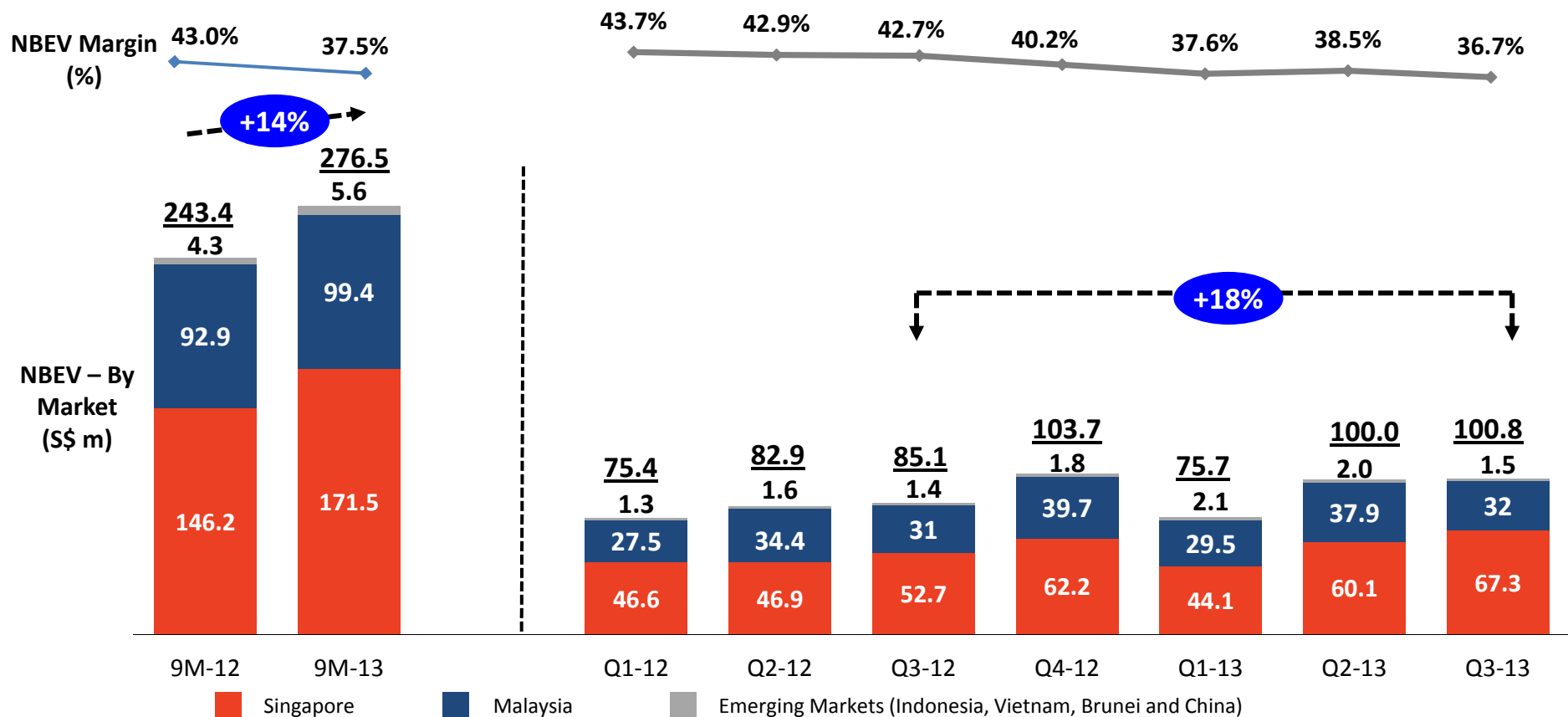
- Continued momentum in sales of conventional regular premium investment-linked products, against the backdrop of rising demand for flexible and affordable protection products
- Growth in takaful sales, contributed by its agency distribution network and new bancatakaful partnerships



Note: For comparative reasons, TWNS figures for periods prior to Q3-13 have been restated using exchange rates as at 30 Sept 2013

New Business Embedded Value (NBEV)- By Market

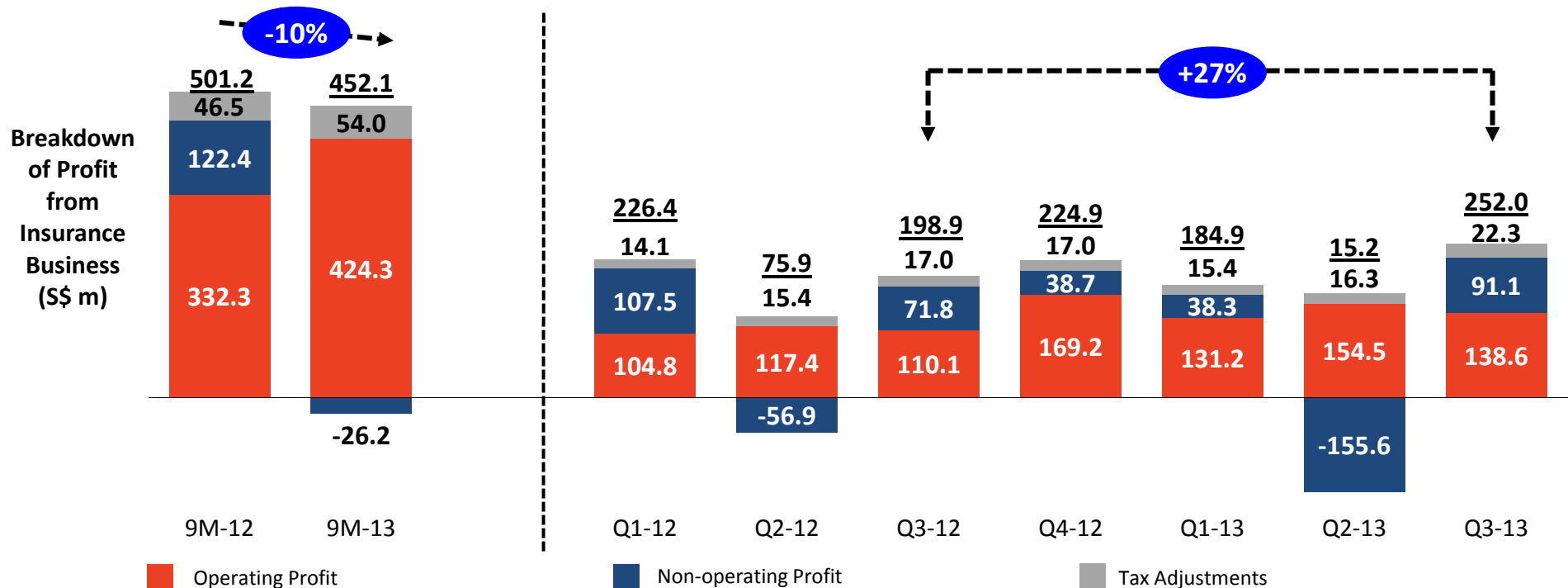
- Q3-13 NBEV increased 18% Y-o-Y to S\$100.8m on stronger sales performance



Note: For comparative reasons, NBEV figures for periods prior to Q3-13 have been restated using exchange rates as at 30 Sept 2013 , as well as revised investment and actuarial assumptions implemented in Q4-12

Breakdown of Profit from Insurance Business

- Q3-13 Profit from insurance business up 27% Y-o-Y to S\$252.0m, arising from:
 - Higher operating profit* with growth across all insurance funds
 - Non-operating profit** of S\$91.1m from unrealised mark-to-market gains brought about by a partial recovery in financial markets following the decision by the US Federal Reserve in September to maintain the quantitative easing programme
- 9M-13 profit from insurance business declined 10% Y-o-Y to S\$452.1m, mainly attributed to the significant unrealised mark-to-market non-operating loss in Q2-13



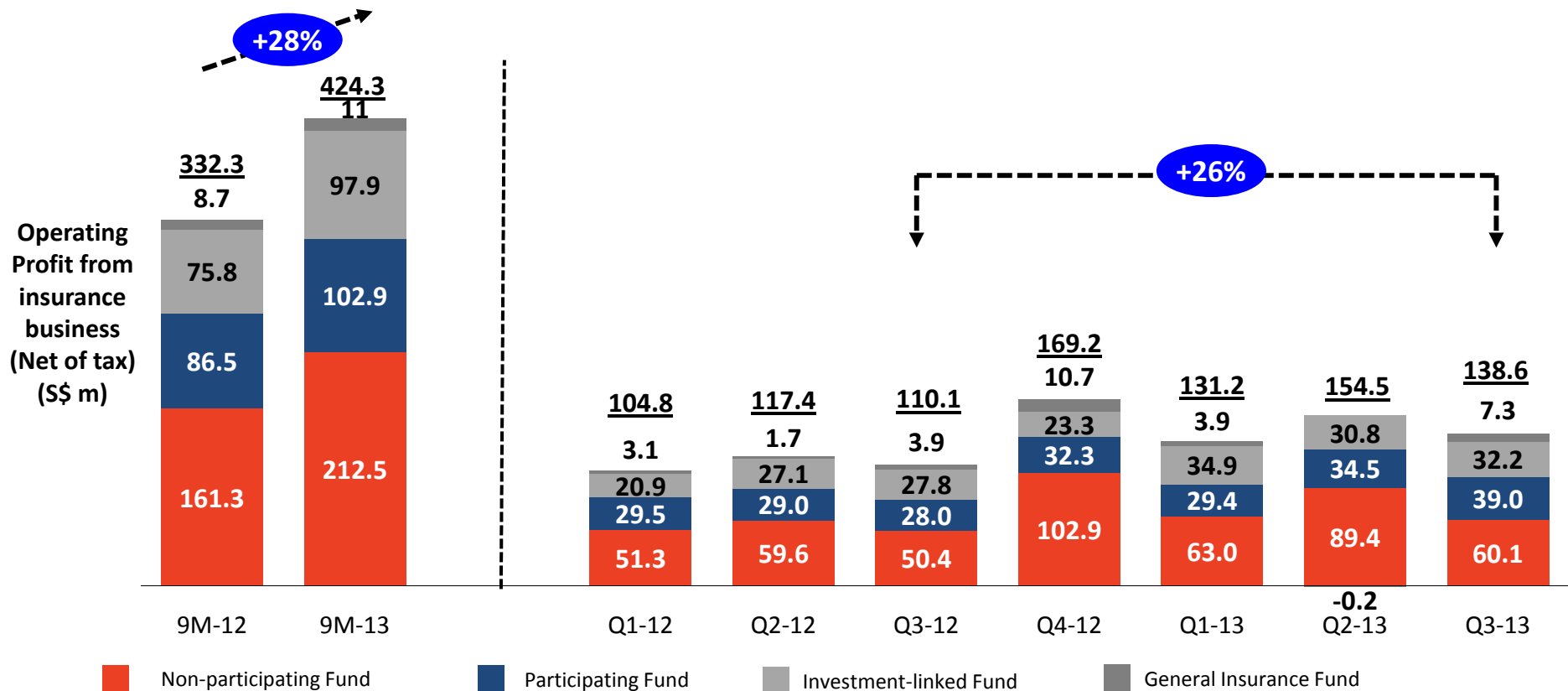
*Operating Profit (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc)

** 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 and other non-recurring items

Operating Profit from Insurance Business – by Fund

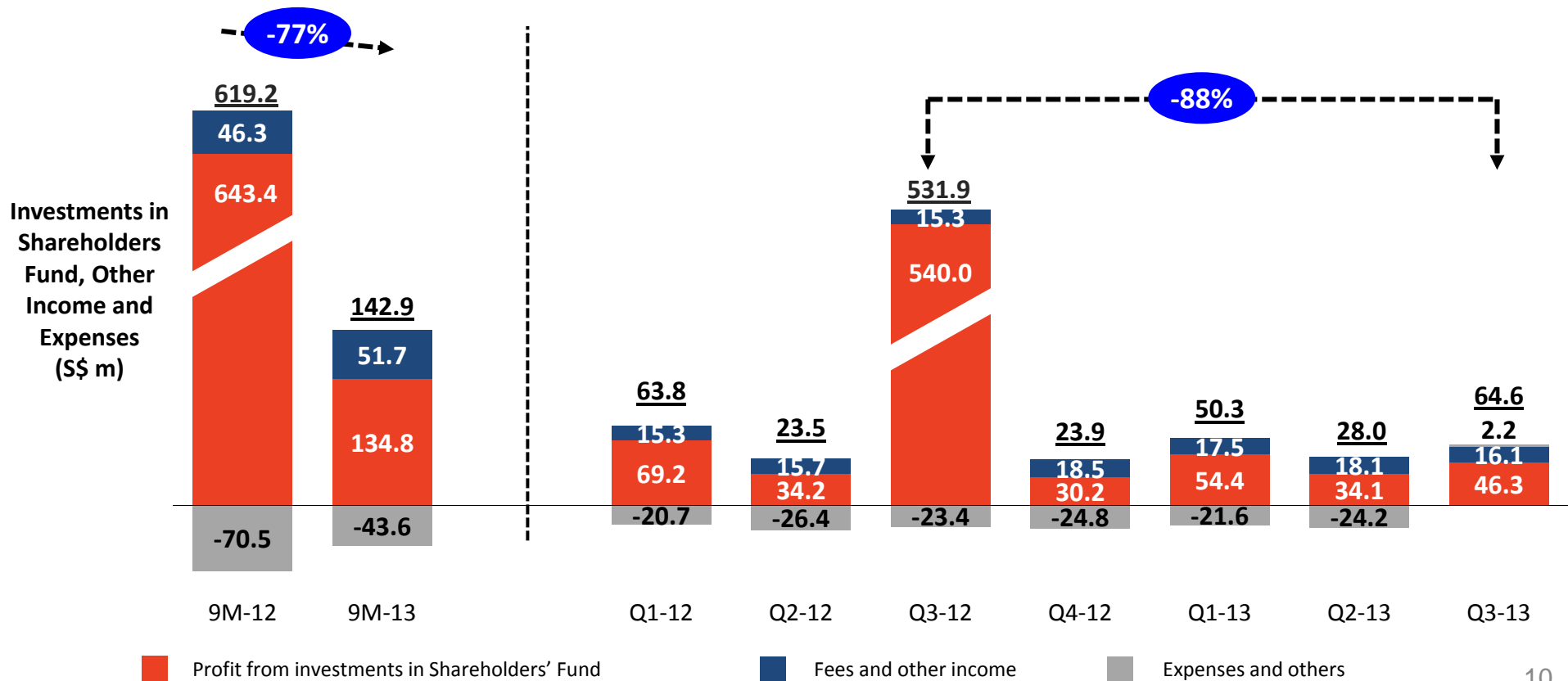
Q3-13 operating profit up 26% Y-o-Y to S\$138.6m:

- Better performance of Singapore Non-participating Fund from the emerging profitability of its in-force business
- Participating Fund saw the number of maturing policies peak during the quarter
- Higher profit from Investment-linked Fund, mainly from business growth in Malaysia



Investments in Shareholders' Fund, Other Income and Expenses

- Q3-13 and 9M-13 profit from investments in Shareholders' Fund was lower Y-o-Y as there was a one-off gain from sale of shareholdings in APB and F&N in Q3-12. However, net investment income remained stable in 9M-13 and grew 18% Y-o-Y for the quarter
- Management expenses in Q3-13 included a one-off reversal of a provision made in 2008 to support insurance operations that is no longer required. Without the reversal, expenses remained stable in Q3-13 and 9M-13



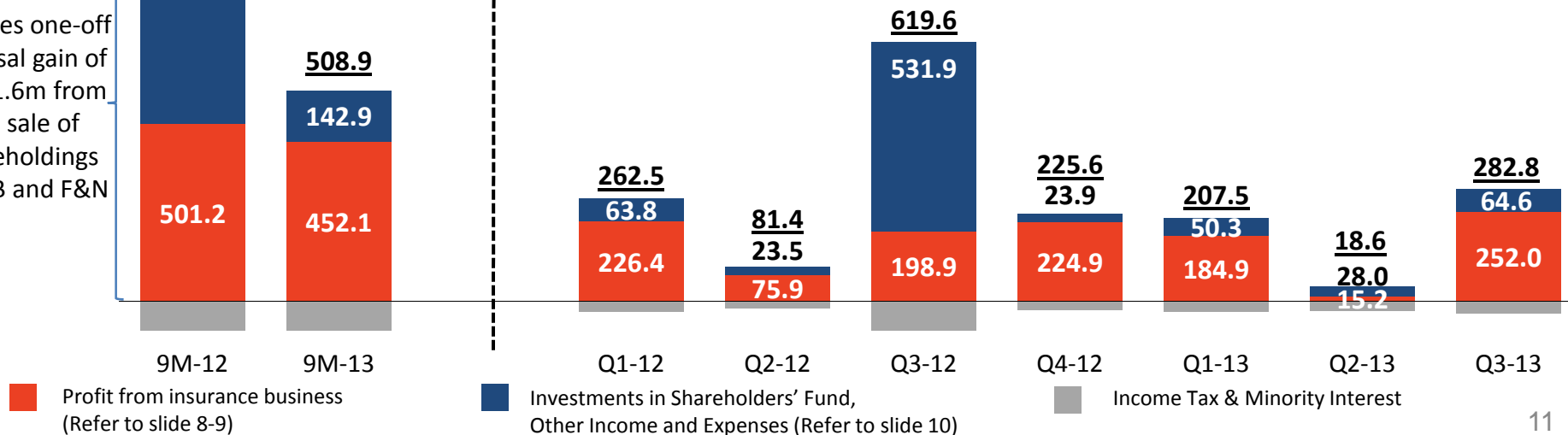
Group Profit Attributable to Shareholders

- Excluding the one-off gain from sale of APB and F&N, Q3-13 Group profit attributable to shareholders grew 43% Y-o-Y to S\$282.8m, with higher profit from insurance business
- On the same basis, 9M13 Group profit attributable to shareholders was 6% lower Y-o-Y at S\$508.9m as a result of the significant unrealised non-operating loss in Q2-13 amid exceptional market conditions

Y-o-Y Change	Δ
Including APB/ F&N sale	-47%
Excluding APB/ F&N sale	-6%

Group Profit Attributable to Shareholders (\$\$ m)

Includes one-off disposal gain of S\$421.6m from the sale of shareholdings in APB and F&N



Y-o-Y Change	Δ
Including APB/ F&N sale	-54%
Excluding APB/ F&N sale	+43%

Thank You