

MEDIA RELEASE  
(For Immediate Release)

## Great Eastern Delivers Strong Results for Third Quarter 2016

### New Business Embedded Value up by 29%

**Singapore, 26 October 2016** – Great Eastern Holdings Limited (the “Group”) today announced its financial results for the quarter (“Q3-16”) and nine months (“9M-16”) ended 30 September 2016.

#### Highlights of Financial Results

S\$ million	Q3-16	Q3-15	Δ	9M-16	9M-15	Δ
Total Weighted New Sales	266.9	267.4	-	731.6	668.0	+10%
New Business Embedded Value	135.3	105.2	+29%	323.2	273.1	+18%
Operating Profit	136.7	129.5	+6%	391.7	412.4	-5%
Non-Operating Profit	17.5	-78.7	nm	-61.2	-46.4	nm
Profit from Shareholders’ Fund	43.5	19.2	+126%	71.1	206.7	-65%
Non-Controlling Interest	-2.7	-1.6	nm	-7.5	-6.1	nm
Group Profit Attributable to Shareholders	195.0	68.4	+185%	394.1	566.6	-30%

nm – not meaningful

New Business Embedded Value (“NBEV”) for Q3-16 of \$135.3 million increased 29% over the same quarter last year. For 9M-16, NBEV grew 18%, contributed by higher sales and NBEV margin.

The Group’s Total Weighted New Sales (“TWNS”) for Q3-16 remained strong at \$266.9 million. For 9M-16, TWNS increased 10% over the same period last year to reach \$731.6 million as a result of strong performance by agency and bancassurance in both Singapore and Malaysia.

Operating profit for Q3-16 rose 6% to \$136.7 million from \$129.5 million a year ago with contribution from both our Singapore and Malaysia business. For 9M-16, operating profit of \$391.7 million was 5% lower than 9M-15 as a result of lower contribution from our Singapore business in the first half of the year.

Group profit attributable to shareholders for Q3-16 achieved strong growth of 185% to reach \$195.0 million from \$68.4 million a year ago, due to higher operating profits and favourable financial market conditions. For 9M-16, the Group's profit attributable to shareholders was \$394.1 million. 9M-15's profits was boosted by a \$119.9 million gain on disposal of our investment in New China Life Insurance Company Ltd.

The Capital Adequacy Ratios of the Group's insurance subsidiaries remained well above their respective minimum regulatory levels.

Commenting on the Group's Q3-16 financial results, Group Chief Executive Officer, Mr Khor Hock Seng said:

"We have delivered strong operating results amid a challenging environment. Our disciplined execution of our strategies has enabled us to build, grow and maintain the sales momentum in the first three quarters. Together with the active management of the product mix, we have achieved a strong NBEV growth of 29%.

Our priority remains on delivering meaningful solutions to meet the needs of our customers, leveraging our comprehensive suite of products and our strong distribution capabilities.

Given the current macroeconomic environment, we expect markets to remain volatile. Our strong capital position and fundamentals, coupled with the resilience of our business model, will enable us to seize opportunities for further growth as we continue to create sustainable long term value for our shareholders. We are confident of the Group's growth prospects in the markets that we operate in."

-End-

## **About Great Eastern**

Great Eastern is the oldest and most established life insurance group in Singapore and Malaysia. With \$71.0 billion in assets and over 4 million policyholders, it has three successful distribution channels - a tied agency force, bancassurance, and a financial advisory firm, Great Eastern Financial Advisers. The Group also operates in Indonesia and Brunei and has a presence in China as well as a representative office in Myanmar.

It was named Life Insurance Company of the Year at the Asia Insurance Industry Awards in 2011 and 2013 by Asia Insurance Review. The Great Eastern Life Assurance Company Limited has been assigned the financial strength and counterparty credit ratings of "AA-" by Standard and Poor's since 2010, one of the highest among Asian life insurance companies. Great Eastern's asset management subsidiary, Lion Global Investors Limited, is one of the largest private sector asset management companies in Southeast Asia.

Great Eastern is a subsidiary of OCBC Bank, the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore and the Asia Pacific by The Asian Banker.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has over 610 branches and representative offices in 18 countries and regions. These include the more than 330 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and more than 110 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

*For more information, please contact:*

Tan Seck Geok  
Head, Group Corporate Communications  
Tel: (65) 6248 2215  
Email: [tanseckgeok@greatasteernlife.com](mailto:tanseckgeok@greatasteernlife.com)

Koh Li-San  
Vice President, Group Finance  
Tel: (65) 6248 2000  
Email: [investor-relations@greatasteernlife.com](mailto:investor-relations@greatasteernlife.com)

## **Notes**

1. Operating profit from insurance business (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons etc).
2. Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments, changes in liability discount rates and other non-recurring items.

3. For comparative reasons, TWNS / NBEV figures for Q3-16 and 9M-16 have been restated using exchange rates as at 30 September 2016. NBEV figures for periods prior to Q4-15 have been restated to take into account revised actuarial assumptions implemented in Q4-15.