

MEDIA RELEASE
(For Immediate Release)

Great Eastern Delivers Strong Results for Fourth Quarter and Full Year 2017

- Full Year Group Profit Attributable to Shareholders increased 96% to S\$1.16 billion
- Full Year New Business Embedded Value grew by 17% to S\$548.3 million
- Full Year Total Weighted New Sales rose 23% to S\$1.32 billion
- Fourth Quarter Group Profit, New Business Embedded Value and Total Weighted New Sales rose 117%, 35% and 36% respectively compared to the same quarter last year

Singapore, 13 February 2018 – Great Eastern Holdings Limited (the “Group”) today announced strong results for the quarter (“Q4-17”) and year ended 31 December 2017 (“FY17”).

Highlights of Financial Results

S\$ million	Q4-17	Q4-16	Δ	FY17	FY16	Δ
Total Weighted New Sales	471.7	346.5	+36%	1,321.0	1,077.7	+23%
New Business Embedded Value	204.4	151.6	+35%	548.3	469.6	+17%
Operating Profit	156.1	113.6	+37%	598.7	502.2	+19%
Non-Operating Profit	80.0	11.6	+590%	224.3	-46.5	nm
Profit from Shareholders’ Fund	190.6	72.0	+165%	344.4	143.1	+141%
Non-Controlling Interest	-3.1	-2.0	nm	-10.9	-9.5	nm
Group Profit Attributable to Shareholders	423.6	195.2	+117%	1,156.5	589.3	+96%

nm - not meaningful

Total Weighted New Sales (“TWNS”) and New Business Embedded Value (“NBEV”)

The Group’s TWNS and NBEV registered robust growth for Q4-17 and FY17.

In Q4-17, the Group's TWNS grew strongly by 36%. On a full year basis, TWNS rose by 23%, driven by increased contributions from Singapore across both agency and bancassurance channels.

NBEV, a measure of long-term economic profitability, recorded a significant 35% growth in Q4-17. On a full year basis, NBEV registered a strong 17% growth over FY16, driven by higher sales.

Profit Attributable to Shareholders

On a full year basis, the Group's profit attributable to shareholders increased by 96% to surpass the S\$1 billion mark, arising from higher operating and non-operating profit, as well as higher investment profits from shareholders' funds. The strong earnings were supported by favourable financial market conditions.

Embedded Value

The Group's Embedded Value, an estimate of the long-term economic value of a life insurance company, registered robust growth of 14% in FY17 to S\$13.4 billion, stemming from an increase in the value of the Group's in-force business and the value of adjusted shareholders' fund.

Dividend

The Directors have recommended, for shareholders' approval at the Annual General Meeting, the payment of a final one-tier tax exempt dividend of 50 cents per ordinary share plus a special one-tier tax exempt dividend of 10 cents per ordinary share. Upon approval, the final and special dividends will be payable on 8 May 2018. Including the interim one-tier tax exempt dividend of 10 cents per ordinary share paid in September 2017, total dividends for the financial year 2017 would amount to 70 cents per ordinary share.

Commenting on the Group's FY17 financial results, Group Chief Executive Officer Mr Khor Hock Seng said:

"The Great Eastern Group delivered a strong set of results on all fronts. All our key operating metrics -- Total Weighted New Sales, New Business Embedded Value and

Group Profit Attributable to Shareholders -- registered significant year-on-year growth. Our Group Profit Attributable to Shareholders increased by 96%, crossing the S\$1 billion mark. New Business Embedded Value grew by 17% to S\$548.3 million and Total Weighted New Sales rose 23% to S\$1.32 billion.

This achievement is a result of our focus and disciplined execution of clear and consistent strategies, the resilience of our business model, as well as our commitment to building a high quality sustainable business for the long term.

In Singapore, TWNS grew at a robust 36% for the full year, powered by our market-leading positions in agency and bancassurance channels. Agency sales grew 109% for the fourth quarter and 51% for the full year. The strong contributions from agency stemmed from a significant increase in productivity as well as our success in recruiting 800 new representatives. Our synergistic collaboration with OCBC Bank continued to yield good results. Bancassurance sales grew 37% for the fourth quarter and 26% for the full year, benefitting from double-digit increases in productivity and stronger focus on providing more holistic and customised financial solutions to OCBC Bank customers.

In Malaysia, NBEV registered a 37% growth over the course of the year. Our agency salesforce continued to generate significant value for the Group, supported by a successful recruitment strategy which attracted about 5,200 new representatives. On the bancassurance front, an enhanced product suite, coupled with notable increases in productivity and robust sales from Regular Premium products, contributed to the strong NBEV growth.

In Indonesia, we ended 2017 on a strong footing and the business is now firmly on a growth trajectory with both TWNS and NBEV registering strong double-digit growth.

As the market leader in Singapore and Malaysia, we will continue to improve customer experience and deliver innovative services and products. The good progress we have made in digital transformation will take us to the next level in our customer service delivery.

We have built a solid foundation which positions us well to continue to deliver profitable growth and long-term sustainable value for our shareholders.”

End-

About Great Eastern

Great Eastern is the oldest and most established life insurance group in Singapore and Malaysia. With S\$84.6 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 and Great Eastern General Limited have 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 more than 600 branches and representative offices in 18 countries and regions. These include over 330 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and more than 100 branches and offices in Hong Kong, China and Macao under OCBC Wing Hang.

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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, Operating and Non-Operating Profit figures for prior reported period have been restated using exchange rates as at 31 December 2017. The difference between the restated Operating Profit figures for prior period and what were previously reported are included in the Non-Operating Profit. (Q4-16: -\$1.1m; FY16: +S\$2.0m).
4. NBEV figures for period prior to Q4-16 have been restated to take into account revised actuarial assumptions implemented in Q4-16.