

MEDIA RELEASE
(For Immediate Release)

Strong Operating Results for First Half of 2017

Group Profit Attributable to Shareholders Increased by 150% and
New Business Embedded Value Grew 20%

Singapore, 25 July 2017 – Great Eastern Holdings Limited (the “Group”) today announced its financial results for the six months ended 30 June 2017.

Highlights of Financial Results

S\$ million	Q2-17	Q2-16	Δ	1H-17	1H-16	Δ
Total Weighted New Sales	255.7	242.1	+6%	536.5	460.2	+17%
New Business Embedded Value	121.1	103.3	+17%	223.4	185.8	+20%
Operating Profit from Insurance Business	157.4	131.6	+20%	278.9	248.8	+12%
Non-Operating Profit from Insurance Business	73.4	-33.1	nm	117.7	-72.5	nm
Profit from Shareholders' Fund's Investments	51.3	6.0	+755%	105.9	27.6	+284%
Non-Controlling Interest	-2.6	-2.3	nm	-5.1	-4.8	nm
Group Profit Attributable to Shareholders	279.5	102.2	+173%	497.4	199.1	+150%

nm - not meaningful

The Group’s Total Weighted New Sales (“TWNS”) and New Business Embedded Value (“NBEV”) growth for the first half of 2017 was strong at 17% and 20% respectively. The Group continued its sales momentum through Q2-17, driving growth in TWNS and NBEV which increased by 6% and 17% respectively over the same period last year

TWNS growth was due to strong contribution from the agency channels in our core markets and bancassurance channel in Singapore. TWNS for 1H-17 and Q2-17 rose by S\$76.3 million and S\$13.6 million respectively from a year ago, driven by an increase in sales across all channels.

NBEV, a measure of long-term economic profitability, recorded a 20% growth in 1H-17 over 1H-16. Higher sales and NBEV margins in our core markets contributed to the Group’s NBEV growth.



The Group's profit attributable to shareholders for 1H-17 increased by 150% compared to a year ago. This increase was due to higher operating and non-operating profit, as well as higher profit from shareholders' fund's investments.

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.

Dividend

The Board of Directors has declared an interim one-tier tax exempt dividend of 10 cents per ordinary share for the financial year ending 31 December 2017, to be paid on 31 August 2017.

Commenting on the Group's 1H-17 financial results, Group Chief Executive Officer Mr Khor Hock Seng said:

"The Group has achieved robust growth for the first half of the year. We continued the business momentum to deliver a strong set of operating results in the second quarter of 2017. The improvement in operating performance is a result of the significant contribution from our multi-channel distribution by our agents and bancassurance partners.

We continued to see sustained and positive growth during Q2-17 in our key operating metrics such as Group Profit Attributable to Shareholders, New Business Embedded Value and Total Weighted New Sales. This strong performance is an indicator of the underlying strength of our business fundamentals.

Earlier this month, we rebranded our general insurance business in Singapore to Great Eastern General Insurance. The brand unity will enable us to further leverage the strengths of the Great Eastern brand to offer more compelling propositions to our customers. Our strategic focus is to leverage on the customer database and distribution capabilities of the Group and OCBC Bank and draw on our collective strengths to tap new growth opportunities to serve individual and corporate customers."

-End-



About Great Eastern

Great Eastern is the oldest and most established life insurance group in Singapore and Malaysia. With S\$71.1 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 610 branches and representative offices in 18 countries and regions. These include the 340 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and more than 100 branches and offices in Hong Kong, China and Macau 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 30 June 2017. The difference between the restated Operating Profit figures for prior period and what were previously reported are included in the Non-Operating Profit. (Q2-16: S\$3.0m; 1H-16: S\$6.2m).
4. NBEV figures for period prior to Q4-16 have been restated to take into account revised actuarial assumptions implemented in Q4-16.