

MEDIA RELEASE
(For Immediate Release)

Great Eastern Reports Q3-18 Financial Results

Total Weighted New Sales grew by 14% for the third quarter and 7% for nine months

Operating Profit from Insurance Business decreased by 11% for the third quarter and increased by 4% for nine months

Singapore, 29 October 2018 – Great Eastern Holdings Limited (the “Group”) today announced its financial results for the quarter (“Q3-18”) and nine months (“9M-18”) ended 30 September 2018.

Highlights of Financial Results

\$ million	Q3-18	Q3-17	Δ	9M-18	9M-17	Δ
Total Weighted New Sales	347.1	305.7	+14%	904.9	841.8	+7%
New Business Embedded Value	120.8	124.7	-3%	361.0	364.4	-1%
Operating Profit from Insurance Business	141.4	158.2	-11%	453.7	437.1	+4%
Non-Operating Profit from Insurance Business	23.6	84.6	-72%	37.5	29.4	+28%
Profit from Shareholders’ Fund’s Investments	51.1	47.4	+8%	121.2	151.2	-20%
Non-Controlling Interest	-2.8	-2.7	nm	-8.6	-7.8	nm
Group Profit Attributable to Shareholders	213.3	287.5	-26%	603.8	609.9	-1%

nm - not meaningful

The Group’s Total Weighted New Sales (“TWNS”) for Q3-18 and 9M-18 grew 14% and 7% respectively over the same period last year, underpinned by higher sales in all markets. New Business Embedded Value (“NBEV”) for Q3-18 and 9M-18 were marginally lower as compared to the same period last year.

In Singapore, growth was fuelled by strong sales from the agency channel while in Malaysia and Indonesia, all distribution channels continued to drive growth in the markets.

For Q3-18, operating profit from the insurance business was \$141.4 million, 11% lower than the same period last year due to the release of reserves arising from repositioning of the maturity profile of the assets and liabilities last year. For 9M-18, the Group recorded operating profit from insurance business of \$453.7 million, a 4% growth over the same period last year.

The Group's profit attributable to shareholders for Q3-18 was 26% lower than the same period last year as a result of the favorable financial market conditions in 2017. For 9M-18, the Group's profit attributable to shareholders remained strong at \$603.8 million.

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.

Commenting on the Group's Q3-18 and 9M-18 financial results, Group Chief Executive Officer Mr Khor Hock Seng said:

"The Group continued to build on the sales momentum from last quarter, delivering steady sales growth during the quarter. Our positive Q3-18 performance is the result of improved productivity of our distribution channels and introduction of new products in our core markets. The Group's Total Weighted New Sales ("TWNS") for Q3-18 and 9M-18 grew 14% and 7% respectively over the same period last year contributed by all markets.

We have made good strides in our digitalization transformation which is focused on creating seamless customer experience and empower customers to make more informed decisions regarding their needs.

Towards this end, we recently piloted GreatAdvice, a highly interactive financial planning tool developed with 3 "E"s in mind – Easy to use, Engaging and Empowering. With GreatAdvice, we are at the same time equipping our financial representatives to deliver greater value in helping customers better manage their risks in different aspects of their lives."

-End-

About Great Eastern

A market leader and a well-established trusted brand in Singapore and Malaysia, Great Eastern was founded in 1908 and celebrates its 110th anniversary this year. With S\$85.4 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 by The Asian Banker.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has more than 570 branches and representative offices in 18 countries and regions. These include over 310 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. TWNS, NBEV and Operating Profit figures in foreign currencies for Q3-18 and 9M-18 have been translated using the monthly spot rate for 2017 for comparison on constant currency.
4. NBEV figures for periods prior to Q4-17 have been restated to take into account revised actuarial assumptions implemented in Q4-17.