

GREAT EASTERN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No 199903008M)



To Our Shareholders

The Board of Directors of Great Eastern Holdings Limited (“GEH”) has announced:

Audited Financial Results of GEH Group for the Fourth Quarter and for the Year Ended 31 December 2012

For the fourth quarter and year ended 31 December 2012, Group profit attributable to shareholders was S\$225.6 million and S\$1,189.1 million respectively. Details of the financial results are attached.

Dividend

The Board of Directors is pleased to recommend a final tax exempt (one-tier) dividend of 27 cents (2011: final tax exempt (one-tier) dividend of 27 cents per ordinary share) and a special tax exempt (one-tier) dividend of 27 cents (2011: nil). Including the interim tax exempt (one-tier) dividend of 10 cents paid in September 2012, total dividends for financial year 2012 would amount to 64 cents per ordinary share (2011: 37 cents per ordinary share). The recommended final and special dividends will be payable on 9 May 2013 subject to shareholders’ approval at the Annual General Meeting.

Closure of Books

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company be closed on 26 April 2013 for the purpose of determining the entitlement of shareholders to the recommended final tax exempt (one-tier) dividend of 27 cents and special tax exempt (one-tier) dividend of 27 cents. Duly completed registrable transfers of shares received by the Company’s Share Registrar, M & C Services Pte Ltd at 112 Robinson Road #05-01, Singapore 068902 up to 5.00 p.m. on 25 April 2013 will be registered to determine shareholders’ entitlements to the proposed dividends. Members whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 25 April 2013 will be entitled to the proposed dividends.

By Order of the Board

Jennifer Wong Pakshong
Group Company Secretary
Singapore, 7 February 2013

The Group financial results are also available on the Company’s website at greateasternlife.com.

FINANCIAL RESULTS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2012

1. GROUP PROFIT AND LOSS STATEMENTS

in Singapore Dollars (millions)	Year ended 2012	Year ended 2011	% + / (-)	4th Quarter 2012	4th Quarter 2011	% + / (-)	3rd Quarter 2012	% + / (-)
Gross Premiums	6,614.5	6,430.7	3	1,932.2	1,675.9	15	1,677.5	15
Life assurance profit from:								
Participating Fund	144.0	121.5	19	39.5	31.7	25	33.9	17
Non-participating Fund	422.5	134.4	214	139.3	(13.9)	nm	121.3	15
Investment-linked Fund	125.2	126.6	(1)	31.3	33.0	(5)	34.7	(10)
Profit from life assurance	691.7	382.5	81	210.1	50.8	nm	189.9	11
Profit from general insurance	34.4	29.3	17	14.8	10.4	42	9.0	64
Profit from insurance operations	726.1	411.8	76	224.9	61.2	267	198.9	13
Investment income, net	111.4	96.4	16	23.8	20.0	19	29.0	(18)
Gain/(loss) on sale of investments and changes in fair value	562.9	(9.9)	nm	3.4	24.9	(86)	514.5	(99)
Increase in provision for impairment of assets	(0.2)	(1.9)	nm	-	(0.6)	(100)	-	nm
(Loss)/gain on exchange differences	(0.5)	0.4	nm	3.0	(8.4)	nm	(3.5)	nm
Profit from investments in Shareholders' Fund	673.6	85.0	nm	30.2	35.9	(16)	540.0	(94)
Fees and other income	64.8	69.0	(6)	18.5	15.7	18	15.3	21
Profit before expenses	1,464.5	565.8	159	273.6	112.8	143	754.2	(64)
less:								
Management and other expenses	71.6	72.1	(1)	16.1	15.6	3	18.2	(12)
Interest expense	18.3	18.3	-	4.6	4.6	-	4.5	2
Depreciation	2.2	1.9	16	0.6	0.6	0	0.6	0
Expenses	92.1	92.3	(0)	21.3	20.8	2	23.3	(9)
Profit after expenses	1,372.4	473.5	190	252.3	92.0	174	730.9	(65)
Share of loss after income tax of joint ventures	(3.2)	(8.4)	nm	(3.5)	(4.4)	nm	(0.1)	nm
Profit before income tax	1,369.2	465.1	194	248.8	87.6	184	730.8	(66)
Income tax	(173.9)	(73.3)	nm	(21.9)	(18.4)	nm	(109.7)	nm
Profit after income tax	1,195.3	391.8	205	226.9	69.2	228	621.1	(63)
Attributable to:								
Shareholders	1,189.1	385.7	208	225.6	68.9	227	619.6	(64)
Non-controlling interests	6.2	6.1	2	1.3	0.3	nm	1.5	(13)
	1,195.3	391.8	205	226.9	69.2	228	621.1	(63)
Basic and diluted earnings per share attributable to shareholders of the Company (in Singapore Dollars)	2.51	0.81	210	0.47	0.14	236	1.31	(64)
Return on Equity (Average Shareholders' Fund) (%) <i>(not annualised for 3rd and 4th Quarter)</i>	27.3%	9.7%	17.6 pp	4.3%	1.6%	2.7 pp	14.5%	-10.2 pp

nm – not meaningful / exceeding 300%

2. GROUP STATEMENT OF COMPREHENSIVE INCOME

in Singapore Dollars (millions)	Year ended 2012	Year ended 2011	% + / (-)	4th Quarter 2012	4th Quarter 2011	% + / (-)	3rd Quarter 2012	% + / (-)
Profit after income tax for the year	1,195.3	391.8	205	226.9	69.2	228	621.1	(63)
Other comprehensive income:								
Exchange differences arising on translation of overseas entities	(15.5)	(14.7)	nm	1.4	3.0	(53)	(0.9)	nm
Share of other comprehensive income of associates and joint ventures	(3.3)	4.1	nm	1.4	3.3	(58)	(2.4)	nm
Available-for-sale financial assets:								
Changes in fair value	364.2	(69.0)	nm	100.9	22.3	nm	142.8	(29)
Reclassification of realised (gain)/loss on disposal to Profit and Loss Statement	(493.7)	(22.8)	nm	7.9	(11.1)	nm	(495.9)	nm
Tax on changes in fair value	22.3	15.9	40	(18.6)	(2.2)	nm	60.2	nm
Other comprehensive income for the year, after tax	(126.0)	(86.5)	nm	93.0	15.3	nm	(296.2)	nm
Total comprehensive income for the year	1,069.3	305.3	250	319.9	84.5	279	324.9	(2)
Total comprehensive income attributable to:								
Shareholders	1,059.8	300.1	253	316.0	83.9	277	323.1	(2)
Non-controlling interests	9.5	5.2	83	3.9	0.6	nm	1.8	117
	1,069.3	305.3	250	319.9	84.5	279	324.9	(2)

nm – not meaningful / exceeding 300%

3.1. GROUP BALANCE SHEET AS AT 31 DECEMBER

in Singapore Dollars (millions)	Group		%
	2012	2011	+ / (-)
Share capital	152.7	152.7	-
Reserves			
Currency translation reserve	(63.7)	(42.6)	nm
Fair value reserve	41.8	150.0	(72)
Accumulated profit	4,666.2	3,652.2	28
SHAREHOLDERS' FUND	4,797.0	3,912.3	23
NON-CONTROLLING INTERESTS	42.5	30.2	41
TOTAL EQUITY	4,839.5	3,942.5	23
LIABILITIES			
Insurance payables	2,791.2	2,517.5	11
Other creditors and interfund balances	2,461.5	2,364.9	4
Unexpired risk reserve	120.3	111.8	8
Derivative financial liabilities	42.0	62.1	(32)
Income tax	487.8	417.9	17
Provision for agents' retirement benefits	245.2	231.3	6
Amount due to joint venture	-	0.1	(100)
Deferred tax	1,069.9	945.9	13
Debt issued	399.2	399.1	0
General insurance fund	186.5	188.7	(1)
Life assurance fund	47,057.9	44,420.8	6
TOTAL EQUITY AND LIABILITIES	59,701.0	55,602.6	7
ASSETS			
Cash and cash equivalents	4,212.6	7,248.9	(42)
Other debtors and interfund balances	1,902.6	1,517.7	25
Insurance receivables	2,582.4	2,558.1	1
Loans	1,084.0	1,202.5	(10)
Derivative financial assets	490.7	438.0	12
Investments	46,825.7	40,152.9	17
Assets held for sale	3.0	4.4	(32)
Associates and joint ventures	322.9	320.2	1
Goodwill	34.1	26.1	31
Investment properties	1,531.6	1,411.8	8
Property, plant and equipment	711.4	722.0	(1)
TOTAL ASSETS	59,701.0	55,602.6	7
Net Asset Value per share (in Singapore Dollars)	10.13	8.27	22

For analysis of major variances, please refer to section 9.8 on page 14.

nm – not meaningful / exceeding 300%

3.2. COMPANY BALANCE SHEET AS AT 31 DECEMBER

in Singapore Dollars (millions)	Company		
	2012	2011	% + / (-)
Share capital	152.7	152.7	(0)
Reserves			
Merger reserve	419.2	419.2	-
Accumulated profit	1,157.1	826.5	40
TOTAL EQUITY	1,729.0	1,398.4	24
LIABILITIES			
Other creditors	6.4	6.1	5
Income tax	0.1	-	nm
TOTAL EQUITY AND LIABILITIES	1,735.5	1,404.5	24
ASSETS			
Cash and cash equivalents	57.8	9.0	nm
Income tax	-	0.8	(100)
Amounts due from subsidiaries	1,000.3	717.3	39
Subsidiaries	677.3	677.3	-
Property, plant and equipment	0.1	0.1	-
TOTAL ASSETS	1,735.5	1,404.5	24
Net Asset Value per share (in Singapore Dollars)	3.65	2.95	24

4.1. GROSS PREMIUMS AND PROFIT ATTRIBUTABLE TO SHAREHOLDERS FOR FIRST AND SECOND HALF OF 2012

in Singapore Dollars (millions)	Group					
	First Half			Second Half		
	2012	2011	% + / (-)	2012	2011	% + / (-)
Gross premiums	3,004.8	3,049.1	(1)	3,609.7	3,381.6	7
Profit attributable to shareholders	343.9	276.4	24	845.2	109.3	nm

4.2. SELECTED INCOME AND MANAGEMENT EXPENSES

in Singapore Dollars (millions)	Shareholders' Fund				
	Year ended 2012	Year ended 2011	4th Quarter 2012	4th Quarter 2011	3rd Quarter 2012
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	67.2	66.0	15.7	14.6	17.6
2. Rental expense	6.0	4.9	1.6	1.4	1.5
3. Depreciation	2.2	1.9	0.6	0.6	0.6
Life Assurance and General Insurance Funds					
in Singapore Dollars (millions)	Year ended 2012	Year ended 2011	4th Quarter 2012	4th Quarter 2011	3rd Quarter 2012
Income					
1. Investment income, net (excluding mark-to-market changes)	1,731.1	1,686.1	420.9	388.8	439.4
Expenses					
1. Staff costs and related expenses (including executive directors and key management personnel compensation)	178.9	169.8	48.8	47.3	44.9
2. Rental expense	16.0	15.5	4.1	4.0	4.1
3. Depreciation	47.7	45.8	13.2	12.6	12.1

5.1. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

in Singapore Dollars (millions)	Attributable to Shareholders of the Company				Total	Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾			
Balance at 1 January 2012	152.7	(42.6)	150.0	3,652.2	3,912.3	30.2	3,942.5
Profit for the year	-	-	-	1,189.1	1,189.1	6.2	1,195.3
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(17.6)	-	-	(17.6)	2.1	(15.5)
Share of other comprehensive income of associates and joint ventures	-	(3.5)	0.2	-	(3.3)	-	(3.3)
Available-for-sale financial assets:							
Changes in fair value	-	-	363.0	-	363.0	1.2	364.2
Reclassification of realised gain on disposal to Profit and Loss Statement	-	-	(493.7)	-	(493.7)	-	(493.7)
Tax on changes in fair value	-	-	22.3	-	22.3	-	22.3
Other comprehensive income for the year, after tax	-	(21.1)	(108.2)	-	(129.3)	3.3	(126.0)
Total comprehensive income for the year	-	(21.1)	(108.2)	1,189.1	1,059.8	9.5	1,069.3
Contributions by and distributions to shareholders							
Dividends paid during the year:							
Final tax exempt (one-tier) dividend for the previous year	-	-	-	(127.8)	(127.8)	-	(127.8)
Interim tax exempt (one-tier) dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Dividends paid to non-controlling interests	-	-	-	-	-	(2.5)	(2.5)
Total contributions by and distributions to shareholders	-	-	-	(175.1)	(175.1)	(2.5)	(177.6)
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Acquisition of subsidiary	-	-	-	-	-	5.3	5.3
Total changes in ownership interests in subsidiaries	-	-	-	-	-	5.3	5.3
Total transactions with shareholders in their capacity as shareholders	-	-	-	(175.1)	(175.1)	2.8	(172.3)
Balance at 31 December 2012	152.7	(63.7)	41.8	4,666.2	4,797.0	42.5	4,839.5

5.2. GROUP STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2011

in Singapore Dollars (millions)	Attributable to Shareholders of the Company				Total	Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾			
Balance at 1 January 2011	247.4	(32.3)	225.3	3,583.6	4,024.0	35.0	4,059.0
Profit for the year	-	-	-	385.7	385.7	6.1	391.8
<u>Other comprehensive income</u>							
Exchange differences arising on translation of overseas entities	-	(14.5)	-	-	(14.5)	(0.2)	(14.7)
Share of other comprehensive income of associates and joint ventures	-	4.2	(0.1)	-	4.1	-	4.1
Available-for-sale financial assets:							
Changes in fair value	-	-	(68.2)	-	(68.2)	(0.8)	(69.0)
Reclassification of realised gain on disposal to Profit and Loss Statement	-	-	(22.8)	-	(22.8)	-	(22.8)
Tax on changes in fair value	-	-	15.8	-	15.8	0.1	15.9
Other comprehensive income for the year, after tax	-	(10.3)	(75.3)	-	(85.6)	(0.9)	(86.5)
Total comprehensive income for the year	-	(10.3)	(75.3)	385.7	300.1	5.2	305.3
<u>Contributions by and distributions to shareholders</u>							
Capitalisation from accumulated profit	269.8	-	-	(269.8)	-	-	-
Cash distribution	(364.5)	-	-	-	(364.5)	-	(364.5)
Dividends paid during the year:							
Interim tax exempt (one-tier) dividend	-	-	-	(47.3)	(47.3)	-	(47.3)
Dividends paid to non-controlling interests	-	-	-	-	-	(10.0)	(10.0)
Total contributions by and distributions to shareholders	(94.7)	-	-	(317.1)	(411.8)	(10.0)	(421.8)
Total transactions with shareholders in their capacity as shareholders	(94.7)	-	-	(317.1)	(411.8)	(10.0)	(421.8)
Balance at 31 December 2011	152.7	(42.6)	150.0	3,652.2	3,912.3	30.2	3,942.5

(1) Included in Accumulated Profit are non-distributable reserves of \$1,018.2 million (31 December 2011: \$1,122.7 million), which arise from regulatory risk charges in Singapore and Malaysia that are held out of the Group Shareholders' Accumulated Profit Account.

5.3. GROUP STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2012

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total		
Balance at 1 October 2012	152.7	(63.2)	(49.1)	4,440.6	4,481.0	33.3	4,514.3
Profit for the period	-	-	-	225.6	225.6	1.3	226.9
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	(1.0)	-	-	(1.0)	2.4	1.4
Share of other comprehensive income of associates and joint ventures	-	0.5	0.9	-	1.4	-	1.4
Available-for-sale financial assets:							
Changes in fair value	-	-	100.6	-	100.6	0.3	100.9
Reclassification of realised loss on disposal to Profit and Loss Statement	-	-	7.9	-	7.9	-	7.9
Tax on changes in fair value	-	-	(18.5)	-	(18.5)	(0.1)	(18.6)
Other comprehensive income for the period, after tax	-	(0.5)	90.9	-	90.4	2.6	93.0
Total comprehensive income for the period	-	(0.5)	90.9	225.6	316.0	3.9	319.9
Changes in ownership interests in subsidiaries that do not result in a loss of control							
Acquisition of subsidiary	-	-	-	-	-	5.3	5.3
Total changes in ownership interests in subsidiaries	-	-	-	-	-	5.3	5.3
Total transactions with shareholders in their capacity as shareholders	-	-	-	-	-	5.3	5.3
Balance at 31 December 2012	152.7	(63.7)	41.8	4,666.2	4,797.0	42.5	4,839.5

5.4. GROUP STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2011

in Singapore Dollars (millions)	Attributable to Shareholders of the Company					Non-Controlling Interests	Total Equity
	Share Capital	Currency Translation Reserve	Fair Value Reserve	Accumulated Profit ⁽¹⁾	Total		
Balance at 1 October 2011	152.7	(46.7)	139.1	3,583.3	3,828.4	29.6	3,858.0
Profit for the period	-	-	-	68.9	68.9	0.3	69.2
Other comprehensive income							
Exchange differences arising on translation of overseas entities	-	3.0	-	-	3.0	-	3.0
Share of other comprehensive income of associates and joint ventures	-	1.1	2.2	-	3.3	-	3.3
Available-for-sale financial assets:							
Changes in fair value	-	-	21.9	-	21.9	0.4	22.3
Reclassification of realised gain on disposal to Profit and Loss Statement	-	-	(11.1)	-	(11.1)	-	(11.1)
Tax on changes in fair value	-	-	(2.1)	-	(2.1)	(0.1)	(2.2)
Other comprehensive income for the period, after tax	-	4.1	10.9	-	15.0	0.3	15.3
Total comprehensive income for the period	-	4.1	10.9	68.9	83.9	0.6	84.5
Balance at 31 December 2011	152.7	(42.6)	150.0	3,652.2	3,912.3	30.2	3,942.5

(1) Included in Accumulated Profit are non-distributable reserves of \$1,018.2 million (31 December 2011: \$1,122.7 million), which arise from regulatory risk charges in Singapore and Malaysia that are held out of the Group Shareholders' Accumulated Profit Account.

6.1. COMPANY STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012 and 2011

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 January 2012	152.7	419.2	826.5	1,398.4
Profit for the year	-	-	505.7	505.7
Total comprehensive income for the year	-	-	505.7	505.7
<u>Contributions by and distributions to shareholders</u>				
Dividends paid during the year:				
Final tax exempt (one-tier) dividend for the previous year	-	-	(127.8)	(127.8)
Interim tax exempt (one-tier) dividend	-	-	(47.3)	(47.3)
Total contributions by and distributions to shareholders	-	-	(175.1)	(175.1)
Total transactions with shareholders in their capacity as shareholders	-	-	(175.1)	(175.1)
Balance at 31 December 2012	152.7	419.2	1,157.1	1,729.0
Balance at 1 January 2011	247.4	419.2	843.5	1,510.1
Profit for the year	-	-	300.1	300.1
Total comprehensive income for the year	-	-	300.1	300.1
<u>Contributions by and distributions to shareholders</u>				
Capitalisation from accumulated profit	269.8	-	(269.8)	-
Cash distribution	(364.5)	-	-	(364.5)
Dividends paid during the year:				
Interim tax exempt (one-tier) dividend	-	-	(47.3)	(47.3)
Total contributions by and distributions to shareholders	(94.7)	-	(317.1)	(411.8)
Total transactions with shareholders in their capacity as shareholders	(94.7)	-	(317.1)	(411.8)
Balance at 31 December 2011	152.7	419.2	826.5	1,398.4

6.2. COMPANY STATEMENT OF CHANGES IN EQUITY for the fourth quarter ended 31 December 2012 and 2011

in Singapore Dollars (millions)	Share Capital	Merger Reserve	Accumulated Profit	Total Equity
Balance at 1 October 2012	152.7	419.2	689.2	1,261.1
Profit for the period	-	-	467.9	467.9
Total comprehensive income for the period	-	-	467.9	467.9
Balance at 31 December 2012	152.7	419.2	1,157.1	1,729.0
Balance at 1 October 2011	152.7	419.2	827.1	1,399.0
Loss for the period	-	-	(0.6)	(0.6)
Total comprehensive income for the period	-	-	(0.6)	(0.6)
Balance at 31 December 2011	152.7	419.2	826.5	1,398.4

7. CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

in Singapore Dollars (millions)	Year ended 2012	Year ended 2011	4th Quarter 2012	4th Quarter 2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	1,369.2	465.1	248.8	87.6
Life assurance profit/(loss) before income tax	1,492.3	615.6	(122.6)	(86.1)
General insurance profit before income tax	42.3	39.9	17.6	15.4
Adjustments for non-cash items:				
Surplus transferred from life assurance fund but not yet withdrawn	(691.7)	(382.5)	(210.1)	(50.8)
Profit transferred from general insurance fund but not yet withdrawn	(34.4)	(29.3)	(14.8)	(10.4)
Share of (profit)/loss of associates and joint ventures	(36.6)	11.6	0.2	6.6
(Gain)/loss on sale of investments and changes in fair value	(3,087.8)	183.1	(192.2)	(231.1)
Increase in provision for impairment of assets	9.8	17.6	0.5	5.3
Increase in provision for agents' retirement benefits	34.4	31.2	9.1	8.3
Gain on disposal of property, plant and equipment, assets held for sale and investment properties	(1.1)	(0.6)	(0.7)	-
Depreciation	49.9	47.7	13.8	13.2
Unrealised loss/(gain) on exchange differences	84.5	(186.2)	(34.4)	1.8
Change in life assurance contract liabilities	2,573.5	1,613.5	1,064.3	734.3
Change in general insurance contract liabilities	1.9	(8.8)	(7.1)	(8.2)
Change in unexpired risk reserve	13.4	8.2	(5.8)	(5.6)
Amortisation of capitalised transaction fees	0.1	0.1	-	-
Dividend income	(451.8)	(442.8)	(76.1)	(71.7)
Interest income	(1,486.5)	(1,430.6)	(394.2)	(356.4)
Interest expense	18.3	18.3	4.6	4.6
Interest expense on policy benefits	100.5	90.4	26.6	23.5
Share-based payments	2.4	3.5	0.8	0.5
	2.6	665.0	328.3	80.8
Changes in working capital:				
Insurance receivables	(31.4)	(8.3)	28.4	31.2
Other debtors and interfund balances	(304.9)	246.3	(196.6)	11.6
Insurance payables	273.7	144.9	85.5	50.3
Other creditors and interfund balances	93.1	451.6	284.3	405.9
Cash generated from operations	33.1	1,499.5	529.9	579.8
Income tax paid	(295.1)	(199.1)	(138.8)	(47.3)
Interest paid on policy benefits	(100.5)	(90.4)	(26.6)	(23.5)
Agents' retirement benefits paid	(14.6)	(11.9)	(3.5)	(2.9)
Net cash flows (used in)/ from operating activities	(377.1)	1,198.1	361.0	506.1
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investments	20,516.6	17,852.7	7,766.7	3,801.1
Purchase of investments	(24,330.5)	(16,090.9)	(8,787.7)	(3,161.8)
Proceeds from reduction of interests in associates	24.0	19.1	(0.1)	(0.1)
Repayment of loans to joint ventures	(0.1)	(0.2)	(0.1)	(0.1)
Proceeds from sale of property, plant and equipment, assets held for sale and investment properties	8.0	3.4	(1.8)	1.3
Purchase of property, plant and equipment and investment properties	(45.6)	(46.8)	(12.5)	(15.0)
Net cash (outflow)/inflow from acquisition of a subsidiary/business	(2.4)	10.0	(2.4)	0.1
Interest income received	1,374.2	1,379.3	366.3	361.0
Interest expense paid	(18.3)	(9.1)	-	-
Dividends received	450.3	447.3	103.5	90.1
Net cash flows (used in)/from investing activities	(2,023.8)	3,564.8	(568.1)	1,076.6
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	(175.1)	(47.3)	-	-
Dividends paid to non-controlling interests	(2.5)	(10.0)	-	-
Proceeds from debt issued	-	399.0	-	-
Cash distribution	-	(364.5)	-	-
Net cash flows used in financing activities	(177.6)	(22.8)	-	-
Net effect of currency translation reserve adjustment	(457.8)	(321.6)	(17.0)	112.0
Net (decrease)/increase in cash and cash equivalents	(3,036.3)	4,418.5	(224.1)	1,694.7
Cash and cash equivalents at the beginning of the year	7,248.9	2,830.4	4,436.7	5,554.2
Cash and cash equivalents at the end of the year	4,212.6	7,248.9	4,212.6	7,248.9

8. GROUP SEGMENTAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER

8.1. By Business Segments

(a) Shareholders' Fund

in Singapore Dollars (millions)	Fund Management and Financial Advisory Business		Others		Adjustments and Eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011
	Profit/(loss) from investments in Shareholders' Fund	1.0	0.5	673.1	103.9	(0.5)	(19.4)	673.6
Fees and other income	67.3	68.2	2.7	4.7	(5.2)	(3.9)	64.8	69.0
Total expenses	(37.4)	(37.3)	(54.7)	(55.0)	-	-	(92.1)	(92.3)
Profit/(loss) after expenses	30.9	31.4	621.1	53.6	(5.7)	(23.3)	646.3	61.7
Share of loss of associates and joint ventures	-	-	(3.2)	(8.4)	-	-	(3.2)	(8.4)
Income tax	(4.3)	(4.7)	(169.6)	(68.6)	-	-	(173.9)	(73.3)
Segment profit/(loss) after income tax	26.6	26.7	448.3	(23.4)	(5.7)	(23.3)	469.2	(20.0)
Profit from insurance operations							726.1	411.8
Profit per Profit & Loss Statement							1,195.3	391.8

	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
Segment assets	106.2	77.2	5,332.6	4,626.7	14.2	14.2	5,453.0	4,718.1
Investments in associates and joint ventures	-	-	74.6	81.1	-	-	74.6	81.1
Shareholders' Fund Assets	106.2	77.2	5,407.2	4,707.8	14.2	14.2	5,527.6	4,799.2
Segment liabilities	15.2	12.9	473.0	669.0	-	-	488.2	681.9
Income tax and deferred tax liabilities	4.8	5.4	195.1	169.4	-	-	199.9	174.8
Shareholders' Fund Liabilities	20.0	18.3	668.1	838.4	-	-	688.1	856.7
Additions to non-current assets	9.5	3.2	0.3	9.0	-	-	9.8	12.2

(b) General Insurance Fund

in Singapore Dollars (millions)	Consolidated	
	2012	2011
Premiums less assurances	149.3	128.1
Investment income	17.4	12.0
Claims less reassurances	75.6	58.0
Commissions and expenses	73.7	68.1
General Insurance Profit	34.4	29.3
	31 Dec 12	31 Dec 11
General Insurance Fund Assets	365.9	360.1
General Insurance Fund Liabilities	365.9	360.1
Additions to non-current assets	1.1	16.6

(c) Life Assurance Fund

in Singapore Dollars (millions)	Participating Business		Non-Participating Business		Linked Business		Adjustments and Eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Premiums less reassurances	3,983.7	3,901.1	1,173.0	1,083.2	1,097.8	1,122.0	-	-	6,254.5
Investment and rental income (including mark-to-market changes)	3,542.8	1,540.9	335.1	221.3	419.6	(204.6)	(0.4)	-	4,297.1	1,557.6
Increase/(decrease) in provision for impairment of assets	9.6	20.2	-	(4.5)	-	-	-	-	9.6	15.7
Claims less reassurances	4,091.2	3,276.0	699.3	744.4	585.9	510.3	-	-	5,376.4	4,530.7
Commissions and expenses	542.8	525.7	214.1	186.6	294.5	261.3	(0.4)	-	1,051.0	973.6
Life Assurance Profit	144.0	121.5	422.5	134.4	125.2	126.6	-	-	691.7	382.5
	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11	31 Dec 12	31 Dec 11
Segment assets	43,143.9	41,024.9	5,488.5	4,814.4	4,926.8	4,364.9	-	-	53,559.2	50,204.2
Investments in associates and joint ventures	243.9	234.2	4.4	4.9	-	-	-	-	248.3	239.1
Life Assurance Fund Assets	43,387.8	41,259.1	5,492.9	4,819.3	4,926.8	4,364.9	-	-	53,807.5	50,443.3
Segment liabilities	42,288.5	40,264.0	5,273.3	4,651.9	4,895.6	4,348.8	-	-	52,457.4	49,264.7
Income tax and deferred tax liabilities	1,099.3	995.1	219.6	167.4	31.2	16.1	-	-	1,350.1	1,178.6
Life Assurance Fund Liabilities	43,387.8	41,259.1	5,492.9	4,819.3	4,926.8	4,364.9	-	-	53,807.5	50,443.3
Additions to non-current assets	38.9	36.5	3.2	2.8	1.3	0.7	-	-	43.4	40.0

8. GROUP SEGMENTAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER
8.2 By Geographical Segments

in Singapore Dollars (millions)	Singapore		Malaysia		Other Asia		Adjustments and Eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<u>(a) Shareholders' Fund</u>										
Investment income, net	94.3	78.8	13.7	13.0	3.4	4.6	-	-	111.4	96.4
Gain/(loss) on sale of investments and changes in fair value	558.4	(11.9)	4.5	2.0	-	-	-	-	562.9	(9.9)
Fees and other income	63.6	69.0	1.2	-	-	-	-	-	64.8	69.0
Total revenue from external customers	716.3	135.9	19.4	15.0	3.4	4.6	-	-	739.1	155.5
Dividend from subsidiaries	214.1	172.7	-	-	-	-	(214.1)	(172.7)	-	-
Total revenue	930.4	308.6	19.4	15.0	3.4	4.6	(214.1)	(172.7)	739.1	155.5
Profit/(loss) after income tax	1,180.6	357.8	241.1	226.2	(12.3)	(19.5)	(214.1)	(172.7)	1,195.3	391.8
Non-current assets	22.2	23.2	16.0	7.2	0.9	1.3	-	-	39.1	31.7
<u>(b) General Insurance Fund</u>										
Total revenue from external customers	65.0	54.6	127.6	112.1	-	-	-	-	192.6	166.7
Non-current assets	0.6	0.7	7.1	12.2	-	-	-	-	7.7	12.9
<u>(c) Life Assurance Fund</u>										
Total revenue from external customers	6,060.3	4,158.2	4,328.3	3,492.9	121.1	146.3	-	-	10,509.7	7,797.4
Non-current assets	1,817.0	1,685.0	408.4	425.7	4.9	4.6	-	-	2,230.3	2,115.3

9. REVIEW OF RESULTS

The Group Financial Statements for the fourth quarter of 2012 (Q4-12) and for the year ended 31 December 2012 (FY-12) were prepared in accordance with the Singapore Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS).

9.1 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Group profit attributable to shareholders ("net profit") in FY-12 was \$1,189.1 million (FY-11: \$385.7 million). This included a \$421.6 million post-tax gain from the sale of the Group's shareholdings in Asia Pacific Breweries Limited ("APB") and Fraser and Neave, Limited ("F&N") in Q3-12. Excluding this gain, net profit in FY-12 doubled to a record high of \$767.5 million. The strong earnings performance was attributed to unrealised mark-to-market investment gains, together with strong growth in underwriting profit and net investment income. Investment performance was better as markets recovered in 2012 with the narrowing of credit and swap spreads and improvement in equity markets. For Q4-12, net profit increased to \$225.6 million (Q4-11: \$68.9 million).

9.2 GROSS PREMIUMS

FY-12 gross premiums increased by 3% to \$6,614.5 million (FY-11: \$6,430.7 million). Q4-12 gross premiums increased by 15% to \$1,932.2 million (Q4-11: \$1,675.9 million).

9.3 NEW SALES

9.3.1 In FY-12, the Group registered total weighted new sales of \$836.7 million, an increase of 5% compared with \$798.3 million in FY-11. Overall sales performance in the year was the result of increased demand for regular premium products, partially offset by the deliberate reduction in the sale of single premium products. In Q4-12, total weighted new sales registered a healthy increase of 15% to \$262.3 million (Q4-11: \$228.8 million), as the Group's introduction of the *Live Great* value proposition and product offerings tailored for targeted customer segments was well-received.

On a geographical basis, the total weighted new sales increase in Singapore was driven by the sale of regular premium policies across all channels. In particular, the Group's bancassurance channel recorded strong growth, capitalising on its synergistic relationship with OCBC. In Malaysia, sales remained strong for regular premium investment-linked products across both conventional and takaful operations. At the same time, aggressive pricing competition continued to dampen the sales of traditional endowment products. In Indonesia, the Group experienced encouraging growth in bancassurance sales, as it strengthened its strategic collaboration with Bank OCBC NISP.

in SGD (millions)	FY-12	FY-11	+ / (-)	Q4-12	Q4-11	+ / (-)	Q3-12	+ / (-)
SINGAPORE								
Single Premium	1,258.9	1,476.7	-15%	404.5	276.3	46%	335.4	21%
New Regular Premium	375.8	312.9	20%	109.5	98.3	11%	89.3	23%
Total Weighted New Sales	501.7	460.6	9%	150.0	125.9	19%	122.8	22%
MALAYSIA								
Single Premium	137.2	127.1	8%	43.6	43.5	0%	33.3	31%
New Regular Premium	289.3	289.0	0%	99.1	91.2	9%	68.8	44%
Total Weighted New Sales	303.0	301.7	0%	103.5	95.6	8%	72.1	44%
EMERGING MARKETS								
Single Premium	76.9	112.0	-31%	19.4	18.3	6%	13.7	42%
New Regular Premium	24.3	24.8	-2%	6.9	5.6	23%	6.1	13%
Total Weighted New Sales	32.0	36.0	-11%	8.8	7.3	21%	7.5	17%
TOTAL								
Single Premium	1,473.0	1,715.8	-14%	467.5	338.1	38%	382.4	22%
New Regular Premium	689.4	626.7	10%	215.5	195.1	10%	164.2	31%
Total Weighted New Sales	836.7	798.3	5%	262.3	228.8	15%	202.4	30%

Note: a) Total Weighted New Sales = (Single Premium x 10%) + New Regular Premium
b) Prior year figures have been restated based on last year-end exchange rates. Prior quarter figures have been restated based on current quarter-end exchange rates.
c) Emerging Markets include premiums from Brunei, Indonesia, Vietnam, and China. China results reflect the Group's share of 50% in the joint venture.

9.3.2 New Business Embedded Value (NBEV)

NBEV was \$352.7 million in FY-12 and \$94.3 million in Q4-12 (FY-11: \$364.8 million; Q4-11: \$120.0 million). NBEV in Q4-12 was impacted by a shift in channel and product mix, as the Group launched incentives to drive sales of specific products to targeted customer segments amid heightened competitive pressure. In addition for Singapore, the Group reduced investment return assumptions, which resulted in a decline in NBEV. This reflected the Group's pricing discipline and prudent stance in view of a prolonged low interest rate environment. In Malaysia, the Group pursued a strategy of refining its investment-linked products with large sum assured to enhance its value proposition to affluent customers. The full-year impact of this programme was reflected in Q4-12.

in SGD (millions)	FY-12	FY-11	+/(-)	Q4-12	Q4-11	+/(-)	Q3-12	+/(-)
Singapore	208.4	210.4	-1%	58.4	79.4	-26%	52.0	12%
Malaysia	137.7	146.2	-6%	34.8	38.5	-10%	34.3	1%
Emerging Markets	6.6	8.2	-20%	1.1	2.1	-48%	2.0	-45%
Total	352.7	364.8	-3%	94.3	120.0	-21%	88.3	7%

Note: a) Emerging Markets include embedded value of Brunei, Indonesia, Vietnam and China. China results reflect the Group's share of 50% in the joint venture.
b) Prior year figures have been restated based on last year-end exchange rates. Prior quarter figures have been restated based on current quarter-end exchange rates.

9.4 PROFIT FROM INSURANCE OPERATIONS

9.4.1 In FY-12, the Group's profit from insurance operations rose 76% to \$726.1 million. Growth in underwriting profit was mainly contributed by the higher sales of protection-based products in Singapore and investment-linked products in Malaysia. In addition, the Group registered an improved investment performance as market conditions were better than in 2011. Narrowing credit and swap spreads, as well as increases in equity prices resulted in mark-to-market net gains in FY-12 compared with mark-to-market net losses in FY-11. On a quarterly basis, the Group's Q4-12 profit from insurance operations rose significantly to \$224.9 million compared with \$61.2 million in Q4-11.

9.4.2 In Q4-12, as stipulated under regulations, the liabilities of the Singapore insurance funds were valued on a longer risk-free yield curve as the longer tenor rates became available. This resulted in a gain of \$44.2 million in Q4-12. Furthermore, to better reflect the value of the liabilities of the Singapore insurance funds, the Group adjusted the computation of the Long Term Risk Free Discount Rate in the manner prescribed by impending regulatory changes. This resulted in a loss of \$35.7 million. The two changes resulted in a net gain of \$8.5 million in Q4-12.

9.5 PROFIT FROM INVESTMENTS IN SHAREHOLDERS' FUND

Profit from investments in Shareholders' Funds was \$673.6 million in 2012 compared with \$85.0 million in 2011. The increase was attributed to the gain from the sale of APB and F&N shares in the third quarter of 2012. The Group also benefited from mark-to-market gains in held-for-trading investments as a result of the improved market conditions. In Q4-12, profit from investments in Shareholders' Funds was \$30.2 million compared with \$35.9 million the year before.

9.6 FEES AND OTHER INCOME

Fees and other income amounted to \$18.5 million in Q4-12 (Q4-11: \$15.7 million) and \$64.8 million in FY-12 (FY-11: \$69.0 million). This was mainly the result of a decline in fee income by Lion Global Investors Limited, the Group's asset management arm.

9.7 SHARE OF PROFIT / LOSS OF JOINT VENTURE

The share of loss of the joint venture in China was \$3.2 million in FY-12 (FY-11: loss of \$8.4 million). The improvement in performance was the result of higher income from investments and positive foreign exchange movements between the Singapore Dollar and the Chinese Renminbi.

The share of loss of the joint venture in China was \$3.5 million in Q4-12 (Q4-11: loss of \$4.4 million).

9.8 BALANCE SHEET

- 9.8.1 Currency Translation Reserve
As at 31 December 2012, translation loss was \$63.7 million compared with a loss of \$42.6 million as at 31 December 2011. This was mainly caused by the strengthening of the Singapore Dollar against the Malaysian Ringgit.
- 9.8.2 Fair Value Reserve
As at 31 December 2012, fair value reserve stood at \$41.8 million compared with \$150.0 million as at 31 December 2011. The decrease was largely the result of the release of reserves to the Group Profit and Loss Statements upon the disposal of shares in APB and F&N, offset by mark-to-market gains of other investments.
- 9.8.3 Derivative Financial Liabilities and Assets
Derivative financial liabilities decreased to \$42.0 million as at 31 December 2012 (31 December 2011: \$62.1 million) and derivative financial assets increased to \$490.7 million (31 December 2011: \$438.0 million). The net increase in derivative financial liabilities and assets was largely caused by mark-to-market gains from currency forwards as a result of the strengthening of the Singapore Dollar against the United States Dollar and Euro, as well as mark-to-market gains from interest rate swaps attributed to narrowing swap spreads.
- 9.8.4 Income Tax and Deferred Tax
Provision for income tax increased by 17% to \$487.8 million as at 31 December 2012 (31 December 2011: \$417.9 million), in line with the increase in profit. Deferred tax increased by 13% to \$1,069.9 million as at 31 December 2012 (31 December 2011: \$945.9 million) as a result of investment gains.
- 9.8.5 Debt Issued
- | | 31 December
2012 | 31 December
2011 |
|---|---------------------|---------------------|
| in SGD (millions) | | |
| Subordinated fixed rate notes (unsecured)
- payable after one year | 399.2 | 399.1 |
- 9.8.6 Cash and Cash Equivalents
Cash and cash equivalents decreased by 42% to \$4,212.6 million as at 31 December 2012 (31 December 2011: \$7,248.9 million). Cash and cash equivalents were used mainly for investments and settlement of investment trades.
- 9.8.7 Other Debtors and Interfund Balances
Other debtors and interfund balances increased by 25% to \$1,902.6 million as at 31 December 2012 (31 December 2011: \$1,517.7 million), arising from higher interest receivables from fixed income securities and investment trade balances yet to be settled.
- 9.8.8 Loans
Loans decreased by 10% to \$1,084.0 million as at 31 December 2012 (31 December 2011: \$1,202.5 million) as a result of corporate loan redemptions.
- 9.8.9 Investments
More cash was deployed for investments resulting in a 17% increase to \$46,825.7 million as at 31 December 2012 (31 December 2011: \$40,152.9 million).
- 9.8.10 Assets Held for Sale
\$4.4 million of assets held for sale as at 31 December 2011 were sold off during the current year. As at 31 December 2012, \$3.0 million of investment properties were designated for sale.
- 9.8.11 Goodwill
The increase in goodwill to \$34.1 million as at 31 December 2012 (31 December 2011: \$26.1 million) arose from the acquisition of a subsidiary, Pacific Mutual Fund Berhad, by Lion Global Investors Limited on 30 October 2012. The fair values of the assets, liabilities and goodwill would be confirmed upon the completion of the purchase price allocation exercise.

9.8.12 Asset allocation of life funds, excluding Investment-Linked Funds, was as follows:

	SINGAPORE		MALAYSIA	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Fixed income & debt securities	58%	50%	71%	65%
Equities	21%	22%	21%	23%
Real estate & others	11%	11%	6%	3%
Cash & money market instruments	10%	17%	2%	9%
Market Value of Assets (in SGD billions)	26.9	25.8	21.8	20.3

9.9 CONSOLIDATED STATEMENT OF CASH FLOWS

Net cash flow used in operating activities was \$377.1 million for FY-12. This was mainly the result of an outflow of cash used in the settlement of investment trades.

9.10 REGULATORY CAPITAL

The Capital Adequacy Ratios of the Group's insurance subsidiaries in both Singapore and Malaysia remain well above the minimum regulatory ratios of 120% and 130% in Singapore and Malaysia respectively.

10. SHARE CAPITAL

The Company's issued and paid up share capital as at 31 December 2012 was unchanged at \$152.7 million compared with 31 December 2011. Total number of shares issued as at 31 December 2012 also remained unchanged at 473,319,069 compared with 31 December 2011.

11. ACCOUNTING POLICIES

The Group adopted the accounting policies and methods of computation for the financial statements for FY-12, consistent with the audited financial statements for the year ended 31 December 2011.

The adoption of the other revised and new FRS and INT FRS which came into effect on 1 January 2012 does not have any material financial impact on the Group's results for FY-12.

12. AUDITED RESULTS

The consolidated Group's financial results for the financial year ended 31 December 2012 were audited by the Group's auditors. The Auditors' Report to the Members of Great Eastern Holdings Limited is appended.

13. FACTORS THAT MAY AFFECT GROUP PERFORMANCE IN THE NEXT REPORTING AND/OR 12-MONTH PERIOD

The Group's performance may be affected by interest rate, credit and swap spread movements as well as volatility in the financial markets arising from the ongoing global economic uncertainties.

14. OTHER MATTERS

14.1 Divestment of Shareholdings in APB and F&N

The Group completed the sale of APB and F&N shares in Q3-12 and realised a total pre-tax gain of \$2,183.7 million, computed based on historical book cost, of which \$516.2 million (post-tax: \$421.6 million) accrued to the Shareholders' Fund and \$1,667.5 million to the life assurance funds. For the life assurance funds, as the assets are valued on an ongoing mark-to-market basis, a large part of the gain has already been recognised and taken into account when determining the amount of bonus to policyholders in past periods.

14.2 Rule 920(1) of the Listing Manual

Pursuant to Rule 920(1) of the Listing Manual, GEH has not obtained a general mandate from shareholders for Interested Person Transactions.

14.3 Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual, as at the financial year ended 31 December 2012, there were no persons occupying a managerial position in GEH or in any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of GEH.

Issued: 7 February 2013

GREAT EASTERN HOLDINGS LIMITED
INDEPENDENT AUDITOR'S REPORT
To the Members of Great Eastern Holdings Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Great Eastern Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 8 to 98, which comprise the balance sheets of the Group and the Company as at 31 December 2012, the profit and loss statements, statements of comprehensive income and the statements of changes in equity of the Group and the Company, the statement of cash flows, the life assurance revenue statement and general insurance revenue statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

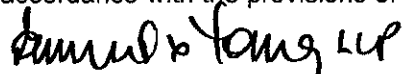
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the balance sheet, profit and loss statement, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2012 and the results and changes in equity of the Group and of the Company and the cash flows of the Group and results of the insurance operations of the Group for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP
Public Accountants and Certified Public Accountants
Singapore
7 February 2013