

## Financial Statements and Related Announcement::Second Quarter and/ or Half Yearly Results

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	SINGAPORE REINSURANCE CORPORATION LIMITED
<b>Securities</b>	SINGAPORE REINSURANCE COR LTD - SG1J71891696 - S49
<b>Stapled Security</b>	No

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	05-Aug-2016 17:07:45
<b>Status</b>	New
<b>Announcement Sub Title</b>	Second Quarter and/ or Half Yearly Results
<b>Announcement Reference</b>	SG160805OTHR1M13
<b>Submitted By (Co./ Ind. Name)</b>	Tan Swee Gek
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	The second quarter financial statements for the period ended 30 June 2016 is attached for your information.

## Additional Details

<b>For Financial Period Ended</b>	30/06/2016
<b>Attachments</b>	<a href="#">📎20162QFinancialStatements.pdf</a> Total size =480K

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**SINGAPORE REINSURANCE CORPORATION LIMITED**

(Company Registration No. 197300016C)

Financial Statements Announcement For The Period Ended 30 June 2016

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

- 1(a) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2016

	GROUP					
	6 months	6 months	Incr/ (decr)	2nd Qtr	2nd Qtr	Incr/ (decr)
	2016	2015	%	2016	2015	%
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Revenue</b>	88,181	69,065	27.7	55,889	33,002	69.4
<b>Income statements:</b>						
<b>Reinsurance operations:</b>						
Gross written premiums	85,146	65,679	29.6	54,768	31,255	75.2
Reinsurance premiums	(57,115)	(38,037)	50.2	(40,055)	(20,061)	99.7
<b>Net written premiums</b>	<b>28,031</b>	<b>27,642</b>	<b>1.4</b>	<b>14,713</b>	<b>11,194</b>	<b>31.4</b>
Gross transfer (to)/from provision for unexpired risks	(6,407)	5,030	nm	(8,729)	3,461	nm
Reinsurance transfer to/(from) provision for unexpired risks	6,154	(3,942)	nm	7,396	(2,357)	nm
<b>Net earned premiums</b>	<b>27,778</b>	<b>28,730</b>	<b>(3.3)</b>	<b>13,380</b>	<b>12,298</b>	<b>8.8</b>
Gross claims incurred	(34,726)	(25,066)	38.5	(22,294)	(11,905)	87.3
Reinsurers' share of claims incurred	18,700	9,292	101.2	14,737	5,698	158.6
<b>Net claims incurred</b>	<b>(16,026)</b>	<b>(15,774)</b>	<b>1.6</b>	<b>(7,557)</b>	<b>(6,207)</b>	<b>21.7</b>
Commission expense	(23,830)	(19,532)	22.0	(15,937)	(9,561)	66.7
Commission income	16,028	11,112	44.2	11,842	5,795	104.3
<b>Net commission expense</b>	<b>(7,802)</b>	<b>(8,420)</b>	<b>(7.3)</b>	<b>(4,095)</b>	<b>(3,766)</b>	<b>8.7</b>
<b>Management expenses</b>	<b>(3,394)</b>	<b>(3,635)</b>	<b>(6.6)</b>	<b>(1,486)</b>	<b>(1,891)</b>	<b>(21.4)</b>
<b>Underwriting results</b>	<b>556</b>	<b>901</b>	<b>(38.3)</b>	<b>242</b>	<b>434</b>	<b>(44.2)</b>
<b>Net investment income</b>	<b>3,537</b>	<b>5,955</b>	<b>(40.6)</b>	<b>1,772</b>	<b>3,130</b>	<b>(43.4)</b>
<b>Net income from reinsurance operations (I)</b>	<b>4,093</b>	<b>6,856</b>	<b>(40.3)</b>	<b>2,014</b>	<b>3,564</b>	<b>(43.5)</b>
<b>Non-reinsurance operations:</b>						
Net investment income	1,665	1,617	3.0	992	956	3.8
Other operating income	3,035	3,386	(10.4)	1,121	1,747	(35.8)
Management expenses	(2,861)	(2,990)	(4.3)	(1,336)	(1,688)	(20.9)
<b>Net income from non-reinsurance operations (II)</b>	<b>1,839</b>	<b>2,013</b>	<b>(8.6)</b>	<b>777</b>	<b>1,015</b>	<b>(23.4)</b>

**GROUP**

	6 months 2016 S\$'000	6 months 2015 S\$'000	Incr/ (decr) %	2nd Qtr 2016 S\$'000	2nd Qtr 2015 S\$'000	Incr/ (decr) %
<b>Income statements - continued</b>						
Profit before income tax (I + II)	5,932	8,869	(33.1)	2,791	4,579	(39.0)
Income tax expense	(545)	(1,201)	(54.6)	(226)	(524)	(56.9)
<b>Profit for the period</b>	<b>5,387</b>	<b>7,668</b>	<b>(29.7)</b>	<b>2,565</b>	<b>4,055</b>	<b>(36.7)</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	5,334	7,597	(29.8)	2,576	4,040	(36.2)
Non-controlling interests	53	71	(25.4)	(11)	15	nm
<b>Profit for the period</b>	<b>5,387</b>	<b>7,668</b>	<b>(29.7)</b>	<b>2,565</b>	<b>4,055</b>	<b>(36.7)</b>
<b>Statements of comprehensive income:</b>						
Profit for the period	5,387	7,668	(29.7)	2,565	4,055	(36.7)
<b>Other comprehensive income, after tax:</b>						
<b>Items that will not be reclassified to profit or loss:</b>						
Revaluation of property, plant and equipment	(37)	167	nm	(13)	63	nm
Tax on items that will not be reclassified to profit or loss	9	(11)	nm	3	(3)	nm
	(28)	156	nm	(10)	60	nm
<b>Items that are or may be reclassified subsequently to profit or loss:</b>						
Available-for-sale financial assets:						
Reclassification of gain on sale of investments to profit or loss (realised)	(561)	(2,225)	(74.8)	(498)	(1,388)	(64.1)
Reclassification of impairment write-down on investments to profit or loss	603	209	188.5	603	209	188.5
Change in fair value of investments (unrealised)	3,640	98	nm	1,354	(747)	nm
Tax on items that are or may be reclassified subsequently to profit or loss	(656)	289	nm	(259)	283	nm
	3,026	(1,629)	nm	1,200	(1,643)	nm
<b>Other comprehensive income for the period, net of income tax</b>	<b>2,998</b>	<b>(1,473)</b>	<b>nm</b>	<b>1,190</b>	<b>(1,583)</b>	<b>nm</b>
<b>Total comprehensive income for the period</b>	<b>8,385</b>	<b>6,195</b>	<b>35.4</b>	<b>3,755</b>	<b>2,472</b>	<b>51.9</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	8,328	6,124	36.0	3,761	2,457	53.1
Non-controlling interests	57	71	(19.7)	(6)	15	nm
<b>Total comprehensive income for the period</b>	<b>8,385</b>	<b>6,195</b>	<b>35.4</b>	<b>3,755</b>	<b>2,472</b>	<b>51.9</b>
<b>Profit for the year has been arrived at after crediting/(charging):</b>						
Income relating to subsidiaries non-reinsurance operations*	3,060	3,397	(9.9)	1,142	1,753	(34.9)
Operating expenses relating to subsidiaries non-reinsurance operations*	(2,628)	(2,767)	(5.0)	(1,210)	(1,561)	(22.5)
Exchange (loss)/gain	(347)	(388)	(10.6)	(19)	(314)	(93.9)
Depreciation	(211)	(185)	14.1	(106)	(92)	15.2
Allowances for doubtful debts and bad debts written back	134	26	nm	110	21	nm
Gain on sale of investments	561	2,225	(74.8)	498	1,388	(64.1)
Change in fair value of investment properties	(230)	137	nm	(105)	(9)	nm
Impairment write-down on investments	(603)	(209)	188.5	(603)	(209)	188.5

nm not meaningful

na not applicable

\* included subsidiaries' revenue and costs on services rendered such as management consultancy, publishing, organising of conferences and advertising

Note: certain items in the comparatives figures have been reclassified to conform with the current's presentation

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Assets</b>				
Property, plant and equipment	35,790	35,897	35,672	35,825
Investment properties	22,959	23,189	22,959	23,189
Interests in subsidiaries	-	-	1,123	1,123
Reinsurers' share of insurance contract provisions for				
- outstanding claims	188,300	193,916	188,300	193,916
- unexpired risks	33,023	26,869	33,023	26,869
Financial assets	264,489	262,339	263,966	261,844
Club membership	15	15	-	-
Insurance receivables	64,618	58,428	64,618	58,428
Other receivables	4,209	3,911	2,927	3,225
Cash and cash equivalents	85,713	75,821	82,763	73,028
<b>Total assets</b>	<b>699,116</b>	<b>680,385</b>	<b>695,351</b>	<b>677,447</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	123,300	123,300	123,300	123,300
Reserves	26,574	23,580	26,621	23,648
Accumulated profits	86,741	85,038	85,718	84,337
	236,615	231,918	235,639	231,285
<b>Non-controlling interests</b>	<b>321</b>	<b>264</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>236,936</b>	<b>232,182</b>	<b>235,639</b>	<b>231,285</b>
<b>Liabilities</b>				
Insurance contract provisions for				
- outstanding claims	338,489	346,551	338,489	346,551
- unexpired risks	53,493	47,086	53,493	47,086
Deferred taxation	1,882	1,264	1,887	1,264
Insurance payables	62,918	47,901	62,918	47,901
Other payables	4,663	4,314	2,281	2,419
Current tax payable	735	1,087	644	941
<b>Total liabilities</b>	<b>462,180</b>	<b>448,203</b>	<b>459,712</b>	<b>446,162</b>
<b>Total equity and liabilities</b>	<b>699,116</b>	<b>680,385</b>	<b>695,351</b>	<b>677,447</b>

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30.6.2016		As at 31.12.2015	
S\$'000			
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.6.2016		As at 31.12.2015	
S\$'000			
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collaterals

Not applicable.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			
	6 months	6 months	2nd Qtr	2nd Qtr
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>				
Profit before income tax	5,932	8,869	2,791	4,579
<b>Adjustments for:</b>				
Insurance contract provisions for net unexpired risks	253	(1,088)	1,333	(1,104)
Insurance contract provisions for net outstanding claims	(2,446)	(5,632)	(1,297)	(4,041)
Impairment write-down on investments	603	209	603	209
Change in fair value of investment properties	230	(137)	105	9
Gain on sale of investments	(561)	(2,225)	(498)	(1,388)
Depreciation of property, plant and equipment	211	185	106	92
Interest income	(4,191)	(4,144)	(2,081)	(2,082)
Dividend income	(1,404)	(1,331)	(1,013)	(961)
	(1,373)	(5,294)	49	(4,687)
<b>Changes in working capital:</b>				
Insurance receivables	(6,190)	7,621	(7,424)	7,234
Other receivables	(354)	(673)	10	(374)
Insurance payables	15,017	(3,314)	18,031	204
Other payables	349	508	95	562
Cash flows used in operations	7,449	(1,152)	10,761	2,939
Income tax paid	(925)	(970)	(637)	(896)
<b>Net cash from/(used in) operating activities</b>	<b>6,524</b>	<b>(2,122)</b>	<b>10,124</b>	<b>2,043</b>
<b>Investing activities</b>				
Interest received	4,223	4,244	1,829	2,368
Dividends received	1,404	1,331	1,013	961
Purchase of investments	(12,872)	(24,123)	(4,995)	(14,669)
Proceeds from sale of investments	14,385	31,509	12,049	20,604
Purchase of property, plant and equipment	(141)	(27)	(59)	(24)
<b>Net cash from investing activities</b>	<b>6,999</b>	<b>12,934</b>	<b>9,837</b>	<b>9,240</b>
<b>Financing activities</b>				
Dividends paid	(3,631)	(4,842)	(3,631)	(4,842)
Decrease in deposits pledged	30	114	2	31
<b>Net cash used in financing activities</b>	<b>(3,601)</b>	<b>(4,728)</b>	<b>(3,629)</b>	<b>(4,811)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>9,922</b>	<b>6,084</b>	<b>16,332</b>	<b>6,472</b>
<b>Cash and cash equivalents at beginning of the year (exclude pledged deposits)</b>	<b>75,699</b>	<b>71,405</b>	<b>69,289</b>	<b>71,017</b>
<b>Cash and cash equivalents at end of the period</b>	<b>85,621</b>	<b>77,489</b>	<b>85,621</b>	<b>77,489</b>
<b>Pledged deposits</b>	<b>92</b>	<b>125</b>	<b>92</b>	<b>125</b>
<b>Cash and cash equivalents at end of the period including pledged deposits</b>	<b>85,713</b>	<b>77,614</b>	<b>85,713</b>	<b>77,614</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total attributable to equity holders of the Company S\$'000	Non- Controlling Interests S\$'000	Total Equity S\$'000
<b>GROUP</b>							
At 1 January 2016	123,300	1,991	21,589	85,038	231,918	264	232,182
<b>Total comprehensive income for the period</b>							
Net profit	-	-	-	5,334	5,334	53	5,387
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	(37)	-	(37)	-	(37)
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(561)	-	-	(561)	-	(561)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603	-	603
Change in fair value of investments (unrealised)	-	3,636	-	-	3,636	4	3,640
Income tax relating to components of other comprehensive income	-	(656)	9	-	(647)	-	(647)
Total other comprehensive income, net of income tax	-	3,022	(28)	-	2,994	4	2,998
Total comprehensive income for the period	-	3,022	(28)	5,334	8,328	57	8,385
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.6 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(3,631)	(3,631)	-	(3,631)
Total contributions by and distributions to owners	-	-	-	(3,631)	(3,631)	-	(3,631)
<b>At 30 June 2016</b>	<b>123,300</b>	<b>5,013</b>	<b>21,561</b>	<b>86,741</b>	<b>236,615</b>	<b>321</b>	<b>236,936</b>
At 1 January 2015	123,300	7,776	21,263	84,421	236,760	320	237,080
<b>Total comprehensive income for the period</b>							
Net profit	-	-	-	7,597	7,597	71	7,668
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	167	-	167	-	167
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(2,225)	-	-	(2,225)	-	(2,225)
Reclassification of impairment write-down on investments to profit or loss	-	209	-	-	209	-	209
Change in fair value of investments (unrealised)	-	98	-	-	98	-	98
Income tax relating to components of other comprehensive income	-	289	(11)	-	278	-	278
Total other comprehensive income, net of income tax	-	(1,629)	156	-	(1,473)	-	(1,473)
Total comprehensive income for the period	-	(1,629)	156	7,597	6,124	71	6,195
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.8 cent per share tax exempt (one-tier) in respect of year 2014	-	-	-	(4,842)	(4,842)	-	(4,842)
Total contributions by and distributions to owners	-	-	-	(4,842)	(4,842)	-	(4,842)
<b>At 30 June 2015</b>	<b>123,300</b>	<b>6,147</b>	<b>21,419</b>	<b>87,176</b>	<b>238,042</b>	<b>391</b>	<b>238,433</b>

	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total attributable to equity holders of the Company S\$'000	Non- Controlling Interests S\$'000	Total Equity S\$'000
<b>At 1 April 2016</b>	123,300	3,818	21,571	87,796	236,485	327	236,812
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	2,576	2,576	(11)	2,565
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	(13)	-	(13)	-	(13)
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(498)	-	-	(498)	-	(498)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603	-	603
Change in fair value of investments (unrealised)	-	1,349	-	-	1,349	5	1,354
Income tax relating to components of other comprehensive income	-	(259)	3	-	(256)	-	(256)
<b>Total other comprehensive income, net of income tax</b>	-	1,195	(10)	-	1,185	5	1,190
<b>Total comprehensive income for the quarter</b>	-	1,195	(10)	2,576	3,761	(6)	3,755
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.6 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(3,631)	(3,631)	-	(3,631)
Total contributions by and distributions to owners	-	-	-	(3,631)	(3,631)	-	(3,631)
<b>At 30 June 2016</b>	123,300	5,013	21,561	86,741	236,615	321	236,936
<b>At 1 April 2015</b>	123,300	7,790	21,359	87,978	240,427	376	240,803
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	4,040	4,040	15	4,055
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	63	-	63	-	63
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,388)	-	-	(1,388)	-	(1,388)
Reclassification of impairment write-down on investments to profit or loss	-	209	-	-	209	-	209
Change in fair value of investments (unrealised)	-	(747)	-	-	(747)	-	(747)
Income tax relating to components of other comprehensive income	-	283	(3)	-	280	-	280
<b>Total other comprehensive income, net of income tax</b>	-	(1,643)	60	-	(1,583)	-	(1,583)
<b>Total comprehensive income for the quarter</b>	-	(1,643)	60	4,040	2,457	15	2,472
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.8 cent per share tax exempt (one-tier) in respect of year 2014	-	-	-	(4,842)	(4,842)	-	(4,842)
Total contributions by and distributions to owners	-	-	-	(4,842)	(4,842)	-	(4,842)
<b>At 30 June 2015</b>	123,300	6,147	21,419	87,176	238,042	391	238,433

	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total S\$'000
<b>COMPANY</b>					
At 1 January 2016	123,300	2,059	21,589	84,337	231,285
<b>Total comprehensive income for the period</b>					
Net profit	-	-	-	5,012	5,012
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	(37)	-	(37)
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(561)	-	-	(561)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603
Change in fair value of investments (unrealised)	-	3,615	-	-	3,615
Income tax relating to components of other comprehensive income	-	(656)	9	-	(647)
Total other comprehensive income, net of income tax	-	3,001	(28)	-	2,973
Total comprehensive income for the period	-	3,001	(28)	5,012	7,985
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.6 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(3,631)	(3,631)
Total contributions by and distributions to owners	-	-	-	(3,631)	(3,631)
At 30 June 2016	123,300	5,060	21,561	85,718	235,639
At 1 January 2015	123,300	7,776	21,263	83,648	235,987
<b>Total comprehensive income for the period</b>					
Net profit	-	-	-	7,136	7,136
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	167	-	167
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(2,225)	-	-	(2,225)
Reclassification of impairment write-down on investments to profit or loss	-	209	-	-	209
Change in fair value of investments (unrealised)	-	101	-	-	101
Income tax relating to components of other comprehensive income	-	289	(11)	-	278
Total other comprehensive income, net of income tax	-	(1,626)	156	-	(1,470)
Total comprehensive income for the period	-	(1,626)	156	7,136	5,666
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.8 cent per share tax exempt (one-tier) in respect of year 2014	-	-	-	(4,842)	(4,842)
Total contributions by and distributions to owners	-	-	-	(4,842)	(4,842)
At 30 June 2015	123,300	6,150	21,419	85,942	236,811



	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total S\$'000
<b>At 1 April 2016</b>	<b>123,300</b>	<b>3,892</b>	<b>21,571</b>	<b>86,690</b>	<b>235,453</b>
<b>Total comprehensive income for the quarter</b>					
<b>Net profit</b>	-	-	-	2,659	2,659
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	(13)	-	(13)
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(498)	-	-	(498)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603
Change in fair value of investments (unrealised)	-	1,322	-	-	1,322
Income tax relating to components of other comprehensive income	-	(259)	3	-	(256)
<b>Total other comprehensive income, net of income tax</b>	-	<b>1,168</b>	<b>(10)</b>	-	<b>1,158</b>
<b>Total comprehensive income for the quarter</b>	-	<b>1,168</b>	<b>(10)</b>	<b>2,659</b>	<b>3,817</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.6 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(3,631)	(3,631)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,631)</b>	<b>(3,631)</b>
<b>At 30 June 2016</b>	<b>123,300</b>	<b>5,060</b>	<b>21,561</b>	<b>85,718</b>	<b>235,639</b>
<b>At 1 April 2015</b>	<b>123,300</b>	<b>7,790</b>	<b>21,359</b>	<b>86,877</b>	<b>239,326</b>
<b>Total comprehensive income for the quarter</b>					
<b>Net profit</b>	-	-	-	3,907	3,907
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	63	-	63
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,388)	-	-	(1,388)
Reclassification of impairment write-down on investments to profit or loss	-	209	-	-	209
Change in fair value of investments (unrealised)	-	(744)	-	-	(744)
Income tax relating to components of other comprehensive income	-	283	(3)	-	280
<b>Total other comprehensive income, net of income tax</b>	-	<b>(1,640)</b>	<b>60</b>	-	<b>(1,580)</b>
<b>Total comprehensive income for the quarter</b>	-	<b>(1,640)</b>	<b>60</b>	<b>3,907</b>	<b>2,327</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.8 cent per share tax exempt (one-tier) in respect of year 2014	-	-	-	(4,842)	(4,842)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(4,842)</b>	<b>(4,842)</b>
<b>At 30 June 2015</b>	<b>123,300</b>	<b>6,150</b>	<b>21,419</b>	<b>85,942</b>	<b>236,811</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's share capital since the end of the previous reported period. There were no shares held as treasury shares and no outstanding convertibles as at 30 June 2016 and 30 June 2015.

**1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of shares excluding treasury shares as at 30 June 2016 and 31 December 2015 was 605,219,785.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not Applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial figures have not been audited or reviewed by the Group's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not Applicable

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as those in the audited annual financial statements as at 31 December 2015.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not Applicable.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	<u>GROUP</u>	
	6 months 2016	6 months 2015
Basic and fully diluted earnings per share (cents)	0.88	1.26
Number of ordinary shares issued ('000)	605,220	605,220

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and  
 (b) immediate preceding financial year.

	GROUP		COMPANY	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Net asset value per share (cents)	39.10	38.32	38.93	38.22

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Comparison of 2nd quarter 2016 vs 2nd quarter 2015

In second quarter 2016, the Group's revenue rose 69.4% to \$55.889 million due primarily to new business and higher premiums reported by cedants. Net claims incurred simultaneously increased by 21.7% to \$7.557 million due to higher advised outstanding losses and loss provisions on the back of the premium growth. Net commission expense increased 8.7% to \$4.095 million generally in tandem with higher written premiums. In contrast, reinsurance management expense declined by 21.4% to \$1.486 million attributed to exchange gain on revaluation of foreign-denominated assets. In consequence, a lower underwriting surplus of \$242,000 was recorded in the quarter under review. Net investment income slid 32.4% to \$2.764 million largely due to lower realised profit on sale of investments. Overall, the Group's profit before income tax of \$2.791 million was 39% lower than the \$4.579 million recorded in the corresponding quarter a year earlier.

Comparison of 6 months 2016 vs 6 months 2015

For the period ended 30 June 2016, the Group's revenue increased by 27.7 % to \$88.181 million due primarily to new business, higher premium reported by cedants and timing difference in booking specific major accounts. Notwithstanding the gross premium growth, net earned premium declined by 3.3% to \$27.778 million attributed to higher unexpired premium reserve provision. In comparison, net claims incurred increased 1.6% to \$16.026 million, equivalent to an incurred loss ratio of 57.2%, while reinsurance management expenses fell 6.6% to \$3.394 million on the back of exchange gains on revaluation of foreign-denominated assets. Consequently, an underwriting surplus of \$556,000 was achieved, down 38.3% compared to the corresponding period in 2015. Net investment income declined by 31.3% or \$2.37 million to \$5.202 million attributed to lower profit on sale of investments and higher impairment write-down on equity investments. Overall, the Group's net profit before income tax fell 33.1% to \$5.932 million due to the decline in underwriting surplus and compounded by lower realised profit on sale of investments, compared to the \$8.869 million net profit before income tax achieved in the first six months a year ago.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the balance sheet date and the date of this announcement which is likely to affect substantially the results of the operations of the Company and of the Group for the current financial year.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The combined adverse impact of intense competition and incessant capacity growth well in excess of demands continue to plague the marketplace. Given the many global uncertainties, economically, geo-politically and climatically, earnings from both underwriting and investment will likely remain depressed.

**11. DIVIDEND - If a decision regarding dividend has been made:**

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? Yes

Name of dividend	<b>Interim Ordinary</b>
Dividend type	<b>Cash</b>
Gross dividend amount per share (in cents)	<b>0.50</b>
Tax rate	<b>Tax exempt (one-tier)</b>

(b) Corresponding period of the immediately preceding financial year

Any dividend declared? Yes

Name of dividend	<b>Interim Ordinary</b>	<b>Special Dividend</b>
Dividend type	<b>Cash</b>	<b>Cash</b>
Gross dividend amount per share (in cents)	<b>0.70</b>	<b>0.30</b>
Tax rate	<b>Tax exempt (one-tier)</b>	<b>Tax exempt (one-tier)</b>

(c) The date the dividend is payable

The proposed dividend will be paid on 19 September 2016.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 18 August 2016 for the preparation of dividend warrants. Duly completed transfers received by the Company's Share Registrar, M & C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902, up to 5.00 p.m. on 17 August 2016 will be registered before entitlements to the proposed dividend are determined. Shareholders whose securities accounts with The Central Depository (Pte) Limited ("CDP") are credited with shares in the capital of the Company as at 5.00 p.m. on 17 August 2016 will be entitled to the dividend.

**12. If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group did not obtain general mandate from shareholders for IPTs.

**14. Confirmation pursuant to Rule 705(5) of the Listing Manual.**

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited group financial results for second quarter and period ended 30 June 2016 to be false or misleading in any material aspect.

**15. Confirmation pursuant to Rule 720(1) of the Listing Manual.**

The Company confirms that it has procured undertakings from all Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Tan Swee Gek  
Company Secretary  
5 August 2016