

## 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>	11-Aug-2017 17:12:33
<b>Status</b>	New
<b>Announcement Sub Title</b>	Second Quarter and/ or Half Yearly Results
<b>Announcement Reference</b>	SG1708110THRML1E
<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 and/or half year 2017 financial results is attached for information.

## Additional Details

<b>For Financial Period Ended</b>	30/06/2017
<b>Attachments</b>	<a href="#">SGX annex 20172Q.pdf</a> Total size =492K

**SINGAPORE REINSURANCE CORPORATION LIMITED**  
(Company Registration No. 197300016C)

Financial Statements Announcement For The Period Ended 30 June 2017

**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 2017

	GROUP					
	6 months 2017 S\$'000	6 months 2016 S\$'000	Incr/ (decr) %	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000	Incr/ (decr) %
<b>Income statements:</b>						
<b>Reinsurance operations:</b>						
Gross written premiums	83,286	85,146	(2.2)	50,913	54,768	(7.0)
Reinsurance premiums	(58,992)	(57,115)	3.3	(39,946)	(40,055)	(0.3)
<b>Net written premiums</b>	<b>24,294</b>	<b>28,031</b>	<b>(13.3)</b>	<b>10,967</b>	<b>14,713</b>	<b>(25.5)</b>
Gross transfer (to)/from provision for unexpired risks	1,702	(6,407)	nm	1,908	(8,729)	nm
Reinsurance transfer to/(from) provision for unexpired risks	441	6,154	(92.8)	(201)	7,396	nm
<b>Net earned premiums</b>	<b>26,437</b>	<b>27,778</b>	<b>(4.8)</b>	<b>12,674</b>	<b>13,380</b>	<b>(5.3)</b>
Gross claims incurred	(43,308)	(34,726)	24.7	(39,347)	(22,294)	76.5
Reinsurers' share of claims incurred	30,491	18,700	63.1	30,247	14,737	105.2
<b>Net claims incurred</b>	<b>(12,817)</b>	<b>(16,026)</b>	<b>(20.0)</b>	<b>(9,100)</b>	<b>(7,557)</b>	<b>20.4</b>
Commission expense	(25,510)	(23,830)	7.0	(14,776)	(15,937)	(7.3)
Commission income	17,533	16,028	9.4	12,187	11,842	2.9
<b>Net commission expense</b>	<b>(7,977)</b>	<b>(7,802)</b>	<b>2.2</b>	<b>(2,589)</b>	<b>(4,095)</b>	<b>(36.8)</b>
<b>Management expenses</b>	<b>(3,915)</b>	<b>(3,394)</b>	<b>15.4</b>	<b>(1,979)</b>	<b>(1,486)</b>	<b>33.2</b>
<b>Underwriting results</b>	<b>1,728</b>	<b>556</b>	<b>nm</b>	<b>(994)</b>	<b>242</b>	<b>nm</b>
<b>Net investment income</b>	<b>4,313</b>	<b>3,537</b>	<b>21.9</b>	<b>2,715</b>	<b>1,772</b>	<b>53.2</b>
<b>Net income from reinsurance operations (I)</b>	<b>6,041</b>	<b>4,093</b>	<b>47.6</b>	<b>1,721</b>	<b>2,014</b>	<b>(14.5)</b>
<b>Non-reinsurance operations:</b>						
Net investment income	1,465	1,665	(12.0)	808	992	(18.5)
Other operating income	3,083	3,035	1.6	1,292	1,121	15.3
Management expenses	(2,922)	(2,861)	2.1	(1,390)	(1,336)	4.0
<b>Net income from non-reinsurance operations (II)</b>	<b>1,626</b>	<b>1,839</b>	<b>(11.6)</b>	<b>710</b>	<b>777</b>	<b>(8.6)</b>

## GROUP

	6 months 2017 S\$'000	6 months 2016 S\$'000	Incr/ (decr) %	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000	Incr/ (decr) %
<b>Income statements - continued</b>						
Profit before income tax (I + II)	7,667	5,932	29.2	2,431	2,791	(12.9)
Income tax expense	(802)	(545)	47.2	(248)	(226)	9.7
<b>Profit for the period</b>	<b>6,865</b>	<b>5,387</b>	<b>27.4</b>	<b>2,183</b>	<b>2,565</b>	<b>(14.9)</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	6,810	5,334	27.7	2,180	2,576	(15.4)
Non-controlling interests	55	53	3.8	3	(11)	nm
<b>Profit for the period</b>	<b>6,865</b>	<b>5,387</b>	<b>27.4</b>	<b>2,183</b>	<b>2,565</b>	<b>(14.9)</b>
<b>Statements of comprehensive income:</b>						
Profit for the period	6,865	5,387	27.4	2,183	2,565	(14.9)
<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	59	(37)	nm	29	(13)	nm
Tax on items that will not be reclassified to profit or loss	-	9	(100.0)	-	3	(100.0)
	59	(28)	nm	29	(10)	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)	(1,415)	(561)	152.2	(1,268)	(498)	154.6
Reclassification of impairment write-down on investments to profit or loss	791	603	31.2	791	603	31.2
Change in fair value of investments (unrealised)	10,098	3,640	177.4	3,716	1,354	174.4
Tax on items that are or may be reclassified subsequently to profit or loss	(1,559)	(656)	137.7	(522)	(259)	101.5
	7,915	3,026	161.6	2,717	1,200	126.4
<b>Other comprehensive income for the period, net of income tax</b>	<b>7,974</b>	<b>2,998</b>	<b>166.0</b>	<b>2,746</b>	<b>1,190</b>	<b>130.8</b>
<b>Total comprehensive income for the period</b>	<b>14,839</b>	<b>8,385</b>	<b>77.0</b>	<b>4,929</b>	<b>3,755</b>	<b>31.3</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	14,765	8,328	77.3	4,917	3,761	30.7
Non-controlling interests	74	57	29.8	12	(6)	nm
<b>Total comprehensive income for the period</b>	<b>14,839</b>	<b>8,385</b>	<b>77.0</b>	<b>4,929</b>	<b>3,755</b>	<b>31.3</b>
<b>Profit for the period has been arrived at after crediting/(charging):</b>						
Net exchange loss	(319)	(347)	(8.1)	1	(19)	nm
Depreciation	(168)	(211)	(20.4)	(85)	(106)	(19.8)
Gain on sale of investments	1,415	561	152.2	1,268	498	154.6
Change in fair value of investment properties	(124)	(230)	(46.1)	(15)	(105)	(85.7)
Impairment provisions/write-down on investments	(791)	(603)	31.2	(791)	(603)	31.2

nm not meaningful

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	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Assets</b>				
Property, plant and equipment	38,465	38,465	38,364	38,382
Investment properties	27,205	27,329	27,205	27,329
Interests in subsidiaries	-	-	1,123	1,123
Reinsurers' share of insurance contract provisions for				
- outstanding claims	205,785	198,382	205,785	198,382
- unexpired risks	41,128	40,687	41,128	40,687
Financial assets	263,740	259,127	263,273	258,579
Club membership	15	15	-	-
Insurance receivables	53,012	47,966	53,012	47,966
Other receivables	6,277	4,433	4,938	3,664
Cash and cash equivalents	88,191	86,822	85,594	84,507
<b>Total assets</b>	<b>723,818</b>	<b>703,246</b>	<b>720,422</b>	<b>700,619</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	123,300	123,300	123,300	123,300
Reserves	38,268	30,313	38,187	30,342
Accumulated profits	89,192	87,223	88,505	86,819
	250,760	240,836	249,992	240,461
<b>Non-controlling interests</b>	338	264	-	-
<b>Total equity</b>	<b>251,098</b>	<b>241,100</b>	<b>249,992</b>	<b>240,461</b>
<b>Liabilities</b>				
Insurance contract provisions for				
- outstanding claims	355,153	350,831	355,153	350,831
- unexpired risks	58,069	59,761	58,069	59,761
Deferred taxation	2,982	1,440	2,996	1,449
Insurance payables	51,214	45,423	51,214	45,423
Other payables	4,186	4,056	1,978	2,172
Current tax payable	1,126	635	1,030	522
<b>Total liabilities</b>	<b>472,720</b>	<b>462,146</b>	<b>470,430</b>	<b>460,158</b>
<b>Total equity and liabilities</b>	<b>723,818</b>	<b>703,246</b>	<b>720,422</b>	<b>700,619</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 30.6.2017		As at 31.12.2016	
S\$'000			
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.6.2017		As at 31.12.2016	
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 2017	6 months 2016	2nd Qtr 2017	2nd Qtr 2016
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>				
Profit before income tax	7,667	5,932	2,431	2,791
<b>Adjustments for:</b>				
Insurance contract provisions for net unexpired risks	(2,143)	253	(1,707)	1,333
Insurance contract provisions for net outstanding claims	(3,081)	(2,446)	711	(1,297)
Impairment write-down on investments	791	603	791	603
Change in fair value of investment properties	124	230	15	105
Gain on sale of investments	(1,415)	(561)	(1,268)	(498)
Depreciation of property, plant and equipment	168	211	85	106
Interest income	(3,892)	(4,191)	(1,997)	(2,081)
Dividend income	(1,145)	(1,404)	(746)	(1,013)
	<u>(2,926)</u>	<u>(1,373)</u>	<u>(1,685)</u>	<u>49</u>
<b>Changes in working capital:</b>				
Insurance receivables	(5,046)	(6,190)	(2,208)	(7,424)
Other receivables	(1,925)	(354)	17	10
Insurance payables	5,791	15,017	1,186	18,031
Other payables	130	349	9	95
Cash flows used in operations	(3,976)	7,449	(2,681)	10,761
Income tax paid	(328)	(925)	(328)	(637)
<b>Net cash (used in)/from operating activities</b>	<u>(4,304)</u>	<u>6,524</u>	<u>(3,009)</u>	<u>10,124</u>
<b>Investing activities</b>				
Interest received	3,953	4,223	1,955	1,829
Dividends received	1,145	1,404	746	1,013
Purchase of investments	(13,369)	(12,872)	(11,448)	(4,995)
Proceeds from sale of investments	18,874	14,385	11,233	12,049
Purchase of property, plant and equipment	(89)	(141)	(60)	(59)
<b>Net cash from investing activities</b>	<u>10,514</u>	<u>6,999</u>	<u>2,426</u>	<u>9,837</u>
<b>Financing activities</b>				
Dividends paid to owners of the Company	(4,841)	(3,631)	(4,841)	(3,631)
Decrease in deposits pledged	3	30	1	2
<b>Net cash used in financing activities</b>	<u>(4,838)</u>	<u>(3,601)</u>	<u>(4,840)</u>	<u>(3,629)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>1,372</u>	<u>9,922</u>	<u>(5,423)</u>	<u>16,332</u>
<b>Cash and cash equivalents at beginning of the year/period (excluding pledged assets)</b>	<u>86,726</u>	<u>75,699</u>	<u>93,521</u>	<u>69,289</u>
<b>Cash and cash equivalents at end of the period (excluding pledged assets)</b>	<u>88,098</u>	<u>85,621</u>	<u>88,098</u>	<u>85,621</u>
<b>Pledged deposits</b>	<u>93</u>	<u>92</u>	<u>93</u>	<u>92</u>
<b>Cash and cash equivalents at end of the period including pledged deposits</b>	<u>88,191</u>	<u>85,713</u>	<u>88,191</u>	<u>85,713</u>

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 Company S\$'000	Non- controlling Interests S\$'000	Total Equity S\$'000
<b>GROUP</b>							
At 1 January 2017	123,300	3,395	26,918	87,223	240,836	264	241,100
<b>Total comprehensive income for the period</b>							
Net profit	-	-	-	6,810	6,810	55	6,865
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	59	-	59	-	59
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,413)	-	-	(1,413)	(2)	(1,415)
Reclassification of impairment write-down on investments to profit or loss	-	791	-	-	791	-	791
Change in fair value of investments (unrealised)	-	10,077	-	-	10,077	21	10,098
Income tax relating to components of other comprehensive income	-	(1,559)	-	-	(1,559)	-	(1,559)
Total other comprehensive income, net of income tax	-	7,896	59	-	7,955	19	7,974
Total comprehensive income for the period	-	7,896	59	6,810	14,765	74	14,839
<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 2016	-	-	-	(3,631)	(3,631)	-	(3,631)
Special dividend paid of 0.2 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(1,210)	(1,210)	-	(1,210)
Total contributions by and distributions to owners	-	-	-	(4,841)	(4,841)	-	(4,841)
At 30 June 2017	123,300	11,291	26,977	89,192	250,760	338	251,098
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>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)
At 30 June 2016	123,300	5,013	21,561	86,741	236,615	321	236,936

GROUP	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total attributable to equity holders of		Total Equity S\$'000
					Company S\$'000	Non- the controlling Interests S\$'000	
<b>At 1 April 2017</b>	<b>123,300</b>	<b>8,583</b>	<b>26,948</b>	<b>91,853</b>	<b>250,684</b>	<b>326</b>	<b>251,010</b>
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	2,180	2,180	3	2,183
Revaluation of property, plant and equipment	-	-	29	-	29	-	29
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,266)	-	-	(1,266)	(2)	(1,268)
Reclassification of impairment write-down on investments to profit or loss	-	791	-	-	791	-	791
Change in fair value of investments (unrealised)	-	3,705	-	-	3,705	11	3,716
Income tax relating to components of other comprehensive income	-	(522)	-	-	(522)	-	(522)
<b>Total other comprehensive income, net of income tax</b>	-	<b>2,708</b>	<b>29</b>	-	<b>2,737</b>	<b>9</b>	<b>2,746</b>
<b>Total comprehensive income for the quarter</b>	-	<b>2,708</b>	<b>29</b>	<b>2,180</b>	<b>4,917</b>	<b>12</b>	<b>4,929</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 2016	-	-	-	(3,631)	(3,631)	-	(3,631)
Special dividend paid of 0.2 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(1,210)	(1,210)	-	(1,210)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(4,841)</b>	<b>(4,841)</b>	-	<b>(4,841)</b>
<b>At 30 June 2017</b>	<b>123,300</b>	<b>11,291</b>	<b>26,977</b>	<b>89,192</b>	<b>250,760</b>	<b>338</b>	<b>251,098</b>
<b>At 1 April 2016</b>	<b>123,300</b>	<b>3,818</b>	<b>21,571</b>	<b>87,796</b>	<b>236,485</b>	<b>327</b>	<b>236,812</b>
<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>	-	<b>1,195</b>	<b>(10)</b>	-	<b>1,185</b>	<b>5</b>	<b>1,190</b>
<b>Total comprehensive income for the quarter</b>	-	<b>1,195</b>	<b>(10)</b>	<b>2,576</b>	<b>3,761</b>	<b>(6)</b>	<b>3,755</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)	-	(3,631)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,631)</b>	<b>(3,631)</b>	-	<b>(3,631)</b>
<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>

	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 2017	123,300	3,424	26,918	86,819	240,461
<b>Total comprehensive income for the period</b>					
Net profit	-	-	-	6,527	6,527
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	59	-	59
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,405)	-	-	(1,405)
Reclassification of impairment write-down on investments to profit or loss	-	791	-	-	791
Change in fair value of investments (unrealised)	-	9,959	-	-	9,959
Income tax relating to components of other comprehensive income	-	(1,559)	-	-	(1,559)
Total other comprehensive income, net of income tax	-	7,786	59	-	7,845
Total comprehensive income for the period	-	7,786	59	6,527	14,372
<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 2016	-	-	-	(3,631)	(3,631)
Special dividend paid of 0.2 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(1,210)	(1,210)
Total contributions by and distributions to owners	-	-	-	(4,841)	(4,841)
At 30 June 2017	123,300	11,210	26,977	88,505	249,992
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



	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total S\$'000
<b>COMPANY</b>					
<b>At 1 April 2017</b>	<b>123,300</b>	<b>8,556</b>	<b>26,948</b>	<b>91,168</b>	<b>249,972</b>
<b>Total comprehensive income for the quarter</b>					
<b>Net profit</b>	-	-	-	2,178	2,178
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	29	-	29
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(1,258)	-	-	(1,258)
Reclassification of impairment write-down on investments to profit or loss	-	791	-	-	791
Change in fair value of investments (unrealised)	-	3,643	-	-	3,643
Income tax relating to components of other comprehensive income	-	(522)	-	-	(522)
Total other comprehensive income, net of income tax	-	2,654	29	-	2,683
Total comprehensive income for the quarter	-	2,654	29	2,178	4,861
<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 2016	-	-	-	(3,631)	(3,631)
Special dividend paid of 0.2 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(1,210)	(1,210)
Total contributions by and distributions to owners	-	-	-	(4,841)	(4,841)
<b>At 30 June 2017</b>	<b>123,300</b>	<b>11,210</b>	<b>26,977</b>	<b>88,505</b>	<b>249,992</b>
<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)
Total other comprehensive income, net of income tax	-	1,168	(10)	-	1,158
Total comprehensive income for the quarter	-	1,168	(10)	2,659	3,817
<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)
<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>

- 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 2017 and 30 June 2016.

- 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 2017 and 31 December 2016 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 2016.

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 2017	6 months 2016
Basic and fully diluted earnings per share (cents)	1.13	0.88
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	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
Net asset value per share (cents)	41.43	39.79	41.31	39.73

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 2017 vs 2nd quarter 2016

In second quarter 2017, the Group's gross written premium declined by 7% to \$50.913 million due to lack of organic growth and new business, as well as timing difference in receipt and booking of statement of accounts. Net commission expense slid 36.8% to \$2.589 million in light of lower premium income and profit commission accrual. Net claims incurred rose 20.4% to \$9.1 million attributed to higher advised outstanding losses and IBNR loss reserve provision. As a consequence, an underwriting deficit of \$994,000 was recorded in the quarter under review. Net investment income rose \$759,000 or 27.5% to \$3.523 million on account of higher profit on sale of equity investments. Overall, the Group's profit before income tax of \$2.431 million was 12.9% lower than the \$2.791 million recorded in the corresponding quarter a year earlier.

Comparison of 6 months 2017 vs 6 months 2016

For the period ended 30 June 2017, the Group's gross written premium fell 2.2% to \$83.286 million attributed to lack of organic growth and new business, as well as timing difference in booking of statement of accounts. Net claims incurred decreased by 20% to \$12.817 million, equivalent to an incurred loss ratio of 52.8% (on net written premium), mainly because of lower advised outstanding losses and IBNR loss reserve provision. Reinsurance management expenses rose 15.4% to \$3.915 million due to exchange loss on revaluation of foreign-denominated assets, higher staff costs and computerisation expenses. In consequence, a higher underwriting surplus of \$1.728 million was achieved, compared to the \$556,000 surplus recorded in the corresponding period in 2016. Net investment income increased by 11.1% to \$5.778 million attributed mainly to higher profit on sale of equity investments. Overall, the Group's net profit before income tax rose 29.2% to \$7.667 million, compared to the \$5.932 million net profit before income tax achieved in the first six months last year.

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 soft cycle continues to plague the (re)insurance industry. It will inhibit premium growth and have adverse impact on underwriting profitability. On the investment front, despite signs of economic recovery globally and improvement in investors' sentiment, the financial markets will remain volatile given the multitude of economic and geo-political uncertainties. A cautious stance will continue to be the best policy.

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

(b) Corresponding period of the immediately preceding financial year

Any dividend declared? Yes

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

(c) The date the dividend is payable

The proposed dividend will be paid on 14 September 2017.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 23 August 2017 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 22 August 2017 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 22 August 2017 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 a 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 2017 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  
11 August 2017