

**SINGAPORE REINSURANCE CORPORATION LIMITED**

(Company Registration No. 197300016C)

Financial Statements Announcement For The Period Ended 30 September 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 NINE MONTHS/THIRD QUARTER ENDED 30 SEPTEMBER 2016

	GROUP					
	9 months 2016	9 months 2015	Incr/ (decr)	3rd Qtr 2016	3rd Qtr 2015	Incr/ (decr)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	121,384	100,586	20.7	33,203	31,521	5.3
<b>Income statements:</b>						
<b>Reinsurance operations:</b>						
Gross written premiums	116,842	96,228	21.4	31,696	30,549	3.8
Reinsurance premiums	(77,293)	(56,131)	37.7	(20,178)	(18,094)	11.5
<b>Net written premiums</b>	<b>39,549</b>	<b>40,097</b>	<b>(1.4)</b>	<b>11,518</b>	<b>12,455</b>	<b>(7.5)</b>
Gross transfer (to)/from provision for unexpired risks	(5,335)	5,470	nm	1,072	440	143.6
Reinsurance transfer to/(from) provision for unexpired risks	5,492	(4,102)	nm	(662)	(160)	nm
<b>Net earned premiums</b>	<b>39,706</b>	<b>41,465</b>	<b>(4.2)</b>	<b>11,928</b>	<b>12,735</b>	<b>(6.3)</b>
Gross claims incurred	(57,018)	(41,429)	37.6	(22,292)	(16,363)	36.2
Reinsurers' share of claims incurred	32,450	17,862	81.7	13,750	8,570	60.4
<b>Net claims incurred</b>	<b>(24,568)</b>	<b>(23,567)</b>	<b>4.2</b>	<b>(8,542)</b>	<b>(7,793)</b>	<b>9.6</b>
Commission expense	(32,574)	(29,940)	8.8	(8,744)	(10,408)	(16.0)
Commission income	22,256	17,414	27.8	6,228	6,302	(1.2)
<b>Net commission expense</b>	<b>(10,318)</b>	<b>(12,526)</b>	<b>(17.6)</b>	<b>(2,516)</b>	<b>(4,106)</b>	<b>(38.7)</b>
<b>Management expenses</b>	<b>(5,460)</b>	<b>(4,933)</b>	<b>10.7</b>	<b>(2,066)</b>	<b>(1,298)</b>	<b>59.2</b>
<b>Underwriting results</b>	<b>(640)</b>	<b>439</b>	<b>nm</b>	<b>(1,196)</b>	<b>(462)</b>	<b>nm</b>
<b>Net investment income</b>	<b>5,557</b>	<b>7,572</b>	<b>(26.6)</b>	<b>2,020</b>	<b>1,617</b>	<b>24.9</b>
<b>Net income from reinsurance operations (I)</b>	<b>4,917</b>	<b>8,011</b>	<b>(38.6)</b>	<b>824</b>	<b>1,155</b>	<b>(28.7)</b>
<b>Non-reinsurance operations:</b>						
Net investment income	2,580	2,340	10.3	915	723	26.6
Other operating income	4,542	4,358	4.2	1,507	972	55.0
Management expenses	(4,209)	(4,354)	(3.3)	(1,348)	(1,364)	(1.2)
<b>Net income from non-reinsurance operations (II)</b>	<b>2,913</b>	<b>2,344</b>	<b>24.3</b>	<b>1,074</b>	<b>331</b>	<b>nm</b>

	GROUP					
	9 months	9 months	Incr/	3rd Qtr	3rd Qtr	Incr/
	2016	2015	(decr)	2016	2015	(decr)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Income statements - continued</b>						
Profit before income tax (I + II)	7,830	10,355	(24.4)	1,898	1,486	27.7
Income tax expense	(621)	(1,513)	(59.0)	(76)	(312)	(75.6)
<b>Profit for the period</b>	<b>7,209</b>	<b>8,842</b>	<b>(18.5)</b>	<b>1,822</b>	<b>1,174</b>	<b>55.2</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	7,122	8,805	(19.1)	1,788	1,208	48.0
Non-controlling interests	87	37	135.1	34	(34)	nm
<b>Profit for the period</b>	<b>7,209</b>	<b>8,842</b>	<b>(18.5)</b>	<b>1,822</b>	<b>1,174</b>	<b>55.2</b>
<b>Statements of comprehensive income:</b>						
Profit for the period	7,209	8,842	(18.5)	1,822	1,174	55.2
<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	(9)	256	nm	28	89	(68.5)
Tax on items that will not be reclassified to profit or loss	9	(17)	nm	-	(6)	(100.0)
	-	239	(100.0)	28	83	(66.3)
<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)	(861)	(2,229)	(61.4)	(300)	(4)	nm
Reclassification of impairment write-down on investments to profit or loss	603	209	188.5	-	-	nm
Change in fair value of investments (unrealised)	4,803	(7,593)	nm	1,163	(7,691)	nm
Tax on items that are or may be reclassified subsequently to profit or loss	(761)	1,508	nm	(105)	1,219	nm
	3,784	(8,105)	nm	758	(6,476)	nm
<b>Other comprehensive income for the period, net of income tax</b>	<b>3,784</b>	<b>(7,866)</b>	<b>nm</b>	<b>786</b>	<b>(6,393)</b>	<b>nm</b>
<b>Total comprehensive income for the period</b>	<b>10,993</b>	<b>976</b>	<b>nm</b>	<b>2,608</b>	<b>(5,219)</b>	<b>nm</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	10,903	953	nm	2,575	(5,171)	nm
Non-controlling interests	90	23	nm	33	(48)	nm
<b>Total comprehensive income for the period</b>	<b>10,993</b>	<b>976</b>	<b>nm</b>	<b>2,608</b>	<b>(5,219)</b>	<b>nm</b>
<b>Profit for the year has been arrived at after crediting/(charging):</b>						
Income relating to subsidiaries non-reinsurance operations*	4,571	4,384	4.3	1,511	987	53.1
Operating expenses relating to subsidiaries non-reinsurance operations*	(3,875)	(3,960)	(2.1)	(1,247)	(1,193)	4.5
Exchange loss	(745)	(892)	(16.5)	(398)	(504)	(21.0)
Depreciation	(297)	(267)	11.2	(86)	(82)	4.9
Allowances for doubtful debts and bad debts written back	151	435	(65.3)	17	409	(95.8)
Gain on sale of investments	861	2,229	(61.4)	300	4	nm
Change in fair value of investment properties	(386)	206	nm	(156)	69	nm
Impairment write-down on investments	(603)	(209)	188.5	-	-	nm
Profit on sale of investment property	-	76	(100.0)	-	76	(100.0)

nm not meaningful

\* 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	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Assets</b>				
Property, plant and equipment	33,215	35,897	33,104	35,825
Investment properties	25,333	23,189	25,333	23,189
Interests in subsidiaries	-	-	1,123	1,123
Reinsurers' share of insurance contract provisions for				
- outstanding claims	192,345	193,916	192,345	193,916
- unexpired risks	32,361	26,869	32,361	26,869
Financial assets	258,006	262,339	257,485	261,844
Club membership	15	15	-	-
Insurance receivables	58,716	58,428	58,716	58,428
Other receivables	4,204	3,911	2,669	3,225
Cash and cash equivalents	87,852	75,821	84,837	73,028
<b>Total assets</b>	<b>692,047</b>	<b>680,385</b>	<b>687,973</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	27,361	23,580	27,409	23,648
Accumulated profits	85,503	85,038	84,308	84,337
	236,164	231,918	235,017	231,285
<b>Non-controlling interests</b>	354	264	-	-
<b>Total equity</b>	<b>236,518</b>	<b>232,182</b>	<b>235,017</b>	<b>231,285</b>
<b>Liabilities</b>				
Insurance contract provisions for				
- outstanding claims	341,985	346,551	341,985	346,551
- unexpired risks	52,421	47,086	52,421	47,086
Deferred taxation	1,980	1,264	1,988	1,264
Insurance payables	53,799	47,901	53,799	47,901
Other payables	5,002	4,314	2,501	2,419
Current tax payable	342	1,087	262	941
<b>Total liabilities</b>	<b>455,529</b>	<b>448,203</b>	<b>452,956</b>	<b>446,162</b>
<b>Total equity and liabilities</b>	<b>692,047</b>	<b>680,385</b>	<b>687,973</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 30.9.2016		As at 31.12.2015	
S\$'000			
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.9.2016		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			
	9 months	9 months	3rd Qtr	3rd Qtr
	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Operating activities</b>				
Profit before income tax	7,830	10,355	1,898	1,486
<b>Adjustments for:</b>				
Insurance contract provisions for net unexpired risks	(157)	(1,368)	(410)	(280)
Insurance contract provisions for net outstanding claims	(2,995)	(5,540)	(549)	92
Impairment write-down on investments	603	209	-	-
Change in fair value of investment properties	386	(206)	156	(69)
Gain on sale of investments	(861)	(2,229)	(300)	(4)
Depreciation of property, plant and equipment	297	267	86	82
Interest income	(6,243)	(6,236)	(2,052)	(2,092)
Dividend income	(2,139)	(2,041)	(735)	(710)
Gain on sale of property, plant and equipment	-	(5)	-	(5)
Gain on sale of investment properties	-	(76)	-	(76)
	<u>(3,279)</u>	<u>(6,870)</u>	<u>(1,906)</u>	<u>(1,576)</u>
<b>Changes in working capital:</b>				
Insurance receivables	(288)	11,462	5,902	3,841
Other receivables	(759)	(577)	(405)	96
Insurance payables	5,898	(8,004)	(9,119)	(4,690)
Other payables	688	1,697	339	1,189
Cash flows used in operations	<u>2,260</u>	<u>(2,292)</u>	<u>(5,189)</u>	<u>(1,140)</u>
Income tax paid	(1,401)	(1,644)	(476)	(674)
<b>Net cash from/(used in) operating activities</b>	<u>859</u>	<u>(3,936)</u>	<u>(5,665)</u>	<u>(1,814)</u>
<b>Investing activities</b>				
Interest received	6,673	6,677	2,450	2,433
Dividends received	2,139	2,041	735	710
Purchase of investments	(15,228)	(36,672)	(2,356)	(12,549)
Proceeds from sale of investments	24,398	39,309	10,013	7,800
Purchase of property, plant and equipment	(153)	(252)	(12)	(225)
Proceeds from disposal of investment properties	-	2,170	-	2,170
Disposal of property, plant and equipment	-	24	-	24
<b>Net cash from investing activities</b>	<u>17,829</u>	<u>13,297</u>	<u>10,830</u>	<u>363</u>
<b>Financing activities</b>				
Dividends paid	(6,657)	(10,894)	(3,026)	(6,052)
Decrease in deposits pledged	31	106	1	(8)
<b>Net cash used in financing activities</b>	<u>(6,626)</u>	<u>(10,788)</u>	<u>(3,025)</u>	<u>(6,060)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>12,062</u>	<u>(1,427)</u>	<u>2,140</u>	<u>(7,511)</u>
<b>Cash and cash equivalents at beginning of the year (exclude pledged deposits)</b>	<u>75,699</u>	<u>71,405</u>	<u>85,621</u>	<u>77,489</u>
<b>Cash and cash equivalents at end of the period</b>	<u>87,761</u>	<u>69,978</u>	<u>87,761</u>	<u>69,978</u>
<b>Pledged deposits</b>	<u>91</u>	<u>133</u>	<u>91</u>	<u>133</u>
<b>Cash and cash equivalents at end of the period including pledged deposits</b>	<u>87,852</u>	<u>70,111</u>	<u>87,852</u>	<u>70,111</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 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	-	-	-	7,122	7,122	87	7,209
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	(9)	-	(9)	-	(9)
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(861)	-	-	(861)	-	(861)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603	-	603
Change in fair value of investments (unrealised)	-	4,800	-	-	4,800	3	4,803
Income tax relating to components of other comprehensive income	-	(761)	9	-	(752)	-	(752)
Total other comprehensive income, net of income tax	-	3,781	-	-	3,781	3	3,784
Total comprehensive income for the period	-	3,781	-	7,122	10,903	90	10,993
<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)
Interim dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(3,026)	(3,026)	-	(3,026)
Total contributions by and distributions to owners	-	-	-	(6,657)	(6,657)	-	(6,657)
<b>At 30 September 2016</b>	<b>123,300</b>	<b>5,772</b>	<b>21,589</b>	<b>85,503</b>	<b>236,164</b>	<b>354</b>	<b>236,518</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	-	-	-	8,805	8,805	37	8,842
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	256	-	256	-	256
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(2,228)	-	-	(2,228)	(1)	(2,229)
Reclassification of impairment write-down on investments to profit or loss	-	209	-	-	209	-	209
Change in fair value of investments (unrealised)	-	(7,580)	-	-	(7,580)	(13)	(7,593)
Income tax relating to components of other comprehensive income	-	1,508	(17)	-	1,491	-	1,491
Total other comprehensive income, net of income tax	-	(8,091)	239	-	(7,852)	(14)	(7,866)
Total comprehensive income for the period	-	(8,091)	239	8,805	953	23	976
<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)
Interim dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(4,236)	(4,236)	-	(4,236)
Special dividend paid of 0.3 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(1,816)	(1,816)	-	(1,816)
Total contributions by and distributions to owners	-	-	-	(10,894)	(10,894)	-	(10,894)
<b>At 30 September 2015</b>	<b>123,300</b>	<b>(315)</b>	<b>21,502</b>	<b>82,332</b>	<b>226,819</b>	<b>343</b>	<b>227,162</b>

<b>GROUP</b>	<b>Share Capital S\$'000</b>	<b>Fair Value Reserves S\$'000</b>	<b>Revaluation Reserves S\$'000</b>	<b>Accumulated Profits S\$'000</b>	<b>Total attributable to equity holders of the Company S\$'000</b>	<b>Non- Controlling Interests S\$'000</b>	<b>Total Equity S\$'000</b>
<b>At 1 July 2016</b>	123,300	5,013	21,561	86,741	236,615	321	236,936
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	1,788	1,788	34	1,822
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	28	-	28	-	28
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(300)	-	-	(300)	-	(300)
Change in fair value of investments (unrealised)	-	1,164	-	-	1,164	(1)	1,163
Income tax relating to components of other comprehensive income	-	(105)	-	-	(105)	-	(105)
<b>Total other comprehensive income, net of income tax</b>	-	759	28	-	787	(1)	786
<b>Total comprehensive income for the quarter</b>	-	759	28	1,788	2,575	33	2,608
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Interim dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(3,026)	(3,026)	-	(3,026)
Total contributions by and distributions to owners	-	-	-	(3,026)	(3,026)	-	(3,026)
<b>At 30 September 2016</b>	<b>123,300</b>	<b>5,772</b>	<b>21,589</b>	<b>85,503</b>	<b>236,164</b>	<b>354</b>	<b>236,518</b>
<b>At 1 July 2015</b>	123,300	6,147	21,419	87,176	238,042	391	238,433
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	1,208	1,208	(34)	1,174
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	89	-	89	-	89
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to profit or loss (realised)	-	(3)	-	-	(3)	(1)	(4)
Change in fair value of investments (unrealised)	-	(7,678)	-	-	(7,678)	(13)	(7,691)
Income tax relating to components of other comprehensive income	-	1,219	(6)	-	1,213	-	1,213
<b>Total other comprehensive income, net of income tax</b>	-	(6,462)	83	-	(6,379)	(14)	(6,393)
<b>Total comprehensive income for the quarter</b>	-	(6,462)	83	1,208	(5,171)	(48)	(5,219)
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Interim dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(4,236)	(4,236)	-	(4,236)
Special dividend paid of 0.3 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(1,816)	(1,816)	-	(1,816)
Total contributions by and distributions to owners	-	-	-	(6,052)	(6,052)	-	(6,052)
<b>At 30 September 2015</b>	<b>123,300</b>	<b>(315)</b>	<b>21,502</b>	<b>82,332</b>	<b>226,819</b>	<b>343</b>	<b>227,162</b>

	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 January 2016</b>	123,300	2,059	21,589	84,337	231,285
<b>Total comprehensive income for the period</b>					
<b>Net profit</b>	-	-	-	6,628	6,628
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	(9)	-	(9)
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(861)	-	-	(861)
Reclassification of impairment write-down on investments to profit or loss	-	603	-	-	603
Change in fair value of investments (unrealised)	-	4,780	-	-	4,780
Income tax relating to components of other comprehensive income	-	(761)	9	-	(752)
<b>Total other comprehensive income, net of income tax</b>	-	<b>3,761</b>	-	-	<b>3,761</b>
<b>Total comprehensive income for the period</b>	-	<b>3,761</b>	-	<b>6,628</b>	<b>10,389</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)
Interim dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(3,026)	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(6,657)</b>	<b>(6,657)</b>
<b>At 30 September 2016</b>	<b>123,300</b>	<b>5,820</b>	<b>21,589</b>	<b>84,308</b>	<b>235,017</b>
<b>At 1 January 2015</b>	123,300	7,776	21,263	83,648	235,987
<b>Total comprehensive income for the period</b>					
<b>Net profit</b>	-	-	-	8,512	8,512
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	256	-	256
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)	-	(7,506)	-	-	(7,506)
Income tax relating to components of other comprehensive income	-	1,508	(17)	-	1,491
<b>Total other comprehensive income, net of income tax</b>	-	<b>(8,014)</b>	<b>239</b>	-	<b>(7,775)</b>
<b>Total comprehensive income for the period</b>	-	<b>(8,014)</b>	<b>239</b>	<b>8,512</b>	<b>737</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)
Interim dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(4,236)	(4,236)
Special dividend paid of 0.3 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(1,816)	(1,816)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(10,894)</b>	<b>(10,894)</b>
<b>At 30 September 2015</b>	<b>123,300</b>	<b>(238)</b>	<b>21,502</b>	<b>81,266</b>	<b>225,830</b>

	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 July 2016</b>	<b>123,300</b>	<b>5,060</b>	<b>21,561</b>	<b>85,718</b>	<b>235,639</b>
<b>Total comprehensive income for the quarter</b>					
<b>Net profit</b>	-	-	-	1,616	1,616
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	28	-	28
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to profit or loss (realised)	-	(300)	-	-	(300)
Change in fair value of investments (unrealised)	-	1,165	-	-	1,165
Income tax relating to components of other comprehensive income	-	(105)	-	-	(105)
<b>Total other comprehensive income, net of income tax</b>	-	<b>760</b>	<b>28</b>	-	<b>788</b>
<b>Total comprehensive income for the quarter</b>	-	<b>760</b>	<b>28</b>	<b>1,616</b>	<b>2,404</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Interim dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2016	-	-	-	(3,026)	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,026)</b>	<b>(3,026)</b>
<b>At 30 September 2016</b>	<b>123,300</b>	<b>5,820</b>	<b>21,589</b>	<b>84,308</b>	<b>235,017</b>
<b>At 1 July 2015</b>	<b>123,300</b>	<b>6,150</b>	<b>21,419</b>	<b>85,942</b>	<b>236,811</b>
<b>Total comprehensive income for the quarter</b>					
<b>Net profit</b>	-	-	-	1,376	1,376
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	89	-	89
Available-for-sale financial assets:					
Change in fair value of investments (unrealised)	-	(7,607)	-	-	(7,607)
Income tax relating to components of other comprehensive income	-	1,219	(6)	-	1,213
<b>Total other comprehensive income, net of income tax</b>	-	<b>(6,388)</b>	<b>83</b>	-	<b>(6,305)</b>
<b>Total comprehensive income for the quarter</b>	-	<b>(6,388)</b>	<b>83</b>	<b>1,376</b>	<b>(4,929)</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Interim dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(4,236)	(4,236)
Special dividend paid of 0.3 cent per share tax exempt (one-tier) in respect of year 2015	-	-	-	(1,816)	(1,816)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(6,052)</b>	<b>(6,052)</b>
<b>At 30 September 2015</b>	<b>123,300</b>	<b>(238)</b>	<b>21,502</b>	<b>81,266</b>	<b>225,830</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 September 2016 and 30 September 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 September 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.**

	<b>GROUP</b>	
	<b>9 months 2016</b>	<b>9 months 2015</b>
Basic and fully diluted earnings per share (cents)	<b>1.18</b>	1.45
Number of ordinary shares issued ('000)	<b>605,220</b>	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	
	30.09.2016	31.12.2015	30.09.2016	31.12.2015
Net asset value per share (cents)	39.02	38.32	38.83	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 3rd quarter 2016 vs 3rd quarter 2015

In third quarter 2016, the Group's revenue rose 5.3% to \$33.203 million due largely to new business and higher premiums reported by existing cedants. Net claims incurred simultaneously increased by 9.6% to \$8.542 million attributed to case reserves set aside for new Fire losses and higher IBNR/IBNER loss provisions. In contrast, net commission expense declined by 38.7% to \$2.516 million due to lower profit commission accrual. Reinsurance management expense rose 59.2% to \$2.066 million as a result of lower write-back in bad and doubtful debt provisions and lower exchange gain on revaluation of foreign-denominated assets. In consequence, an underwriting deficit of \$1.196 million was recorded in the quarter under review. Net investment income rose 25.4% to \$2.935 million largely due to higher profit on sale of equity investments and lower exchange loss on revaluation of foreign-denominated fixed deposits. Overall, the Group's profit before income tax of \$1.898 million was 27.7% higher than the \$1.486 million recorded in the corresponding quarter a year earlier.

Comparison of 9 months 2016 vs 9 months 2015

For the period ended 30 September 2016, the Group's revenue rose 20.7 % to \$121.384 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 fell 4.2% to \$39.706 million attributed partly to the non-renewal of a treaty programme which was substantially retained net, and the release in provision for unexpired risks was also significantly lower than the corresponding period a year earlier. Net claims incurred increased by 4.2% to \$24.568 million, equivalent to an incurred loss ratio of 62.1% (on net written premium) because of new small-valued Motor & Liability and Fire losses. Reinsurance management expenses grew 10.7% to \$5.46 million due to lower write-back in bad and doubtful debt provisions and rising staff costs. Consequently, an underwriting deficit of \$640,000 was reported in contrast to the \$439,000 surplus recorded in the corresponding period in 2015. Net investment income declined by 17.9% or \$1.775 million to \$8.137 million attributed to lower profit on sale of investments and surplus on revaluation of investment properties, as well as higher impairment write-down on equity investments. Overall, the Group's net profit before income tax slid 24.4% to \$7.83 million due to the deterioration in underwriting performance which is compounded by lower realised profit on sale of investments, compared to the \$10.355 million net profit before income tax achieved in the first nine months a year earlier.

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.**

Intense competition as commented on in previous quarters amid an operating environment of numerous uncertainties caused by economic, geo-political and climatic factors will continue to impact top and bottom lines of our business.

**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? No

(b) Corresponding period of the immediately preceding financial year

Any dividend declared? No

**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 third quarter and period ended 30 September 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  
7 November 2016