

**SINGAPORE REINSURANCE CORPORATION LIMITED**

(Company Registration No. 197300016C)

## Financial Statements Announcement For Second Quarter and Half Year Ended 30 June 2013

**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 SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2013

	GROUP					
	1st Half 2013	1st Half 2012	Incr/ (decr)	2nd Qtr 2013	2nd Qtr 2012	Incr/ (decr)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>58,693</b>	<b>59,724</b>	<b>(1.7)</b>	<b>30,063</b>	<b>32,094</b>	<b>(6.3)</b>
<b>Income statements:</b>						
<b>Reinsurance operations:</b>						
Gross written premiums	55,946	56,652	(1.2)	28,656	30,496	(6.0)
Reinsurance premiums	(31,542)	(33,346)	(5.4)	(17,396)	(18,890)	(7.9)
<b>Net written premiums</b>	<b>24,404</b>	<b>23,306</b>	<b>4.7</b>	<b>11,260</b>	<b>11,606</b>	<b>(3.0)</b>
Gross transfer from/(to) provision for unexpired risks	2,922	(1,547)	nm	1,376	(1,311)	nm
Reinsurance transfer (from)/to provision for unexpired risks	(2,893)	1,041	nm	(1,088)	1,037	nm
<b>Net earned premiums</b>	<b>24,433</b>	<b>22,800</b>	<b>7.2</b>	<b>11,548</b>	<b>11,332</b>	<b>1.9</b>
Gross claims incurred	(37,922)	(49,359)	(23.2)	(18,210)	(25,007)	(27.2)
Reinsurers' share of claims incurred	24,581	30,373	(19.1)	12,254	17,404	(29.6)
<b>Net claims incurred</b>	<b>(13,341)</b>	<b>(18,986)</b>	<b>(29.7)</b>	<b>(5,956)</b>	<b>(7,603)</b>	<b>(21.7)</b>
Commission expense	(16,377)	(15,392)	6.4	(8,969)	(8,753)	2.5
Commission income	8,710	9,961	(12.6)	5,074	5,693	(10.9)
<b>Net commission expense</b>	<b>(7,667)</b>	<b>(5,431)</b>	<b>41.2</b>	<b>(3,895)</b>	<b>(3,060)</b>	<b>27.3</b>
<b>Management expenses</b>	<b>(2,935)</b>	<b>(3,584)</b>	<b>(18.1)</b>	<b>(1,452)</b>	<b>(1,333)</b>	<b>8.9</b>
<b>Underwriting results</b>	<b>490</b>	<b>(5,201)</b>	<b>nm</b>	<b>245</b>	<b>(664)</b>	<b>nm</b>
<b>Net investment income</b>	<b>8,062</b>	<b>6,042</b>	<b>33.4</b>	<b>2,866</b>	<b>2,120</b>	<b>35.2</b>
<b>Net income from reinsurance operations (I)</b>	<b>8,552</b>	<b>841</b>	<b>nm</b>	<b>3,111</b>	<b>1,456</b>	<b>113.7</b>
<b>Non-reinsurance operations:</b>						
Net investment income	1,943	3,555	(45.3)	1,100	1,664	(33.9)
Other operating income	2,780	3,131	(11.2)	1,440	1,650	(12.7)
Management expenses	(2,820)	(2,860)	(1.4)	(1,427)	(1,525)	(6.4)
<b>Net income from non-reinsurance operations (II)</b>	<b>1,903</b>	<b>3,826</b>	<b>(50.3)</b>	<b>1,113</b>	<b>1,789</b>	<b>(37.8)</b>

<b>Income statements - continued</b>						
<b>Profit before income tax (I + II)</b>	<b>10,455</b>	<b>4,667</b>	<b>124.0</b>	<b>4,224</b>	<b>3,245</b>	<b>30.2</b>
Income tax expense	(1,309)	(722)	81.3	(448)	(409)	9.5
<b>Profit for the period</b>	<b>9,146</b>	<b>3,945</b>	<b>131.8</b>	<b>3,776</b>	<b>2,836</b>	<b>33.1</b>
<b>Profit attributable to:</b>						
Equity holders of the Company	9,103	3,860	135.8	3,738	2,806	33.2
Non-controlling interests	43	85	(49.4)	38	30	26.7
<b>Profit for the period</b>	<b>9,146</b>	<b>3,945</b>	<b>131.8</b>	<b>3,776</b>	<b>2,836</b>	<b>33.1</b>

<b>Statement of comprehensive income:</b>						
<b>Profit for the period</b>	<b>9,146</b>	<b>3,945</b>	<b>131.8</b>	<b>3,776</b>	<b>2,836</b>	<b>33.1</b>
<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	170	79	115.2	104	77	35.1
	170	79	115.2	104	77	35.1
<b>Items that may be reclassified subsequently to profit or loss:</b>						
<b>Available-for-sale financial assets:</b>						
Reclassification of gain on sale of investments to income statement	(3,840)	(3,769)	1.9	(530)	(600)	(11.7)
Reclassification of impairment write-down on investments to income statement	168	-	nm	168	-	nm
Change in fair value of investments	(3,193)	4,213	nm	(6,029)	(243)	nm
	(6,865)	444	nm	(6,391)	(843)	nm
<b>Other comprehensive income for the period, net of income tax</b>	<b>(6,695)</b>	<b>523</b>	<b>nm</b>	<b>(6,287)</b>	<b>(766)</b>	<b>nm</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>2,451</b>	<b>4,468</b>	<b>(45.1)</b>	<b>(2,511)</b>	<b>2,070</b>	<b>nm</b>
<b>Total comprehensive income/(loss) attributable to:</b>						
Equity holders of the Company	2,429	4,387	(44.6)	(2,526)	2,040	nm
Non-controlling interests	22	81	(72.8)	15	30	(50.0)
<b>Total comprehensive income/(loss) for the period</b>	<b>2,451</b>	<b>4,468</b>	<b>(45.1)</b>	<b>(2,511)</b>	<b>2,070</b>	<b>nm</b>

<b>Profit for the period has been arrived at after crediting/(charging):</b>						
Income relating to subsidiaries non-reinsurance operations*	2,922	3,287	(11.1)	1,572	1,660	(5.3)
Operating expenses relating to subsidiaries non-reinsurance operations*	(2,539)	(2,562)	(0.9)	(1,290)	(1,360)	(5.1)
Gain on sale of investments	3,840	3,769	1.9	530	600	(11.7)

nm

not meaningful

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

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	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Assets</b>				
Property, plant and equipment	25,991	25,886	25,893	25,801
Investment properties	15,647	15,550	15,647	15,550
Interests in subsidiaries	-	-	1,211	1,211
Reinsurers' share of insurance contract provisions for				
- outstanding claims	224,516	222,390	224,516	222,390
- unexpired risks	23,357	26,250	23,357	26,250
Financial assets	268,601	287,155	268,868	285,731
Club membership	20	20	-	-
Insurance receivables	52,161	45,947	52,161	45,947
Other receivables	4,699	4,644	2,913	3,237
Cash and cash equivalents	73,917	66,381	71,913	64,864
<b>Total assets</b>	<b>688,909</b>	<b>694,223</b>	<b>686,479</b>	<b>690,981</b>
<b>Equity attributable to equity holders of the Company</b>				
Share capital	123,300	123,300	123,300	123,300
Reserves	16,669	23,343	16,672	23,230
Accumulated profits	68,421	63,554	68,659	62,719
	208,390	210,197	208,631	209,249
<b>Non-controlling interests</b>	<b>219</b>	<b>492</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>208,609</b>	<b>210,689</b>	<b>208,631</b>	<b>209,249</b>
<b>Liabilities</b>				
Insurance contract provisions for				
- outstanding claims	382,939	378,715	382,939	378,715
- unexpired risks	41,783	44,705	41,783	44,705
Deferred taxation	1,739	3,116	1,743	3,116
Insurance payables	47,224	51,320	47,224	51,320
Other payables	4,559	4,203	2,224	2,562
Current tax payable	2,056	1,475	1,935	1,314
<b>Total liabilities</b>	<b>480,300</b>	<b>483,534</b>	<b>477,848</b>	<b>481,732</b>
<b>Total equity and liabilities</b>	<b>688,909</b>	<b>694,223</b>	<b>686,479</b>	<b>690,981</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 30.6.2013		As at 31.12.2012	
S\$'000			
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.6.2013		As at 31.12.2012	
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			
	1st Half 2013 S\$'000	1st Half 2012 S\$'000	2nd Qtr 2013 S\$'000	2nd Qtr 2012 S\$'000
<b>Operating activities</b>				
Profit before income tax	10,455	4,667	4,224	3,245
Adjustments for:				
Insurance contract provisions for net unexpired risks	(29)	506	(288)	274
Insurance contract provisions for net outstanding claims	2,098	4,990	(1,573)	(1,361)
Impairment losses on investments	168	-	168	-
Change in fair value of investment properties	(97)	(6)	(70)	(38)
Gain on sale of investments	(3,840)	(3,769)	(530)	(600)
Depreciation of property, plant and equipment	158	154	79	76
Interest income	(4,513)	(4,657)	(2,226)	(2,340)
Dividend income	(987)	(1,181)	(717)	(902)
	<b>3,413</b>	<b>704</b>	<b>(933)</b>	<b>(1,646)</b>
Changes in working capital:				
Insurance receivables	(6,214)	(9,521)	1,928	(5,475)
Other receivables	(218)	(237)	(326)	217
Insurance payables	(4,096)	(1,944)	(4,635)	(2,534)
Other payables	61	(208)	191	92
Cash flows used in operations	(7,054)	(11,206)	(3,775)	(9,346)
Income tax paid	(723)	(632)	(693)	(276)
<b>Net cash used in operating activities</b>	<b>(7,777)</b>	<b>(11,838)</b>	<b>(4,468)</b>	<b>(9,622)</b>
<b>Investing activities</b>				
Interest received	4,651	4,579	2,260	1,997
Dividends received	987	1,181	717	902
Purchase of investments	(21,960)	(23,823)	(13,173)	(8,509)
Proceeds from sale of investments	35,951	26,051	20,073	11,018
Purchase of property, plant and equipment	(80)	(38)	(32)	(24)
<b>Net cash from investing activities</b>	<b>19,549</b>	<b>7,950</b>	<b>9,845</b>	<b>5,384</b>
<b>Financing activities</b>				
Dividends paid	(4,236)	(3,026)	(4,236)	(3,026)
Increase/(decrease) in deposits pledged	10	16	21	(19)
<b>Net cash used in financing activities</b>	<b>(4,226)</b>	<b>(3,010)</b>	<b>(4,215)</b>	<b>(3,045)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7,546</b>	<b>(6,898)</b>	<b>1,162</b>	<b>(7,283)</b>
<b>Cash and cash equivalents at beginning of the year/period (exclude pledged deposits)</b>	<b>65,547</b>	<b>52,459</b>	<b>71,931</b>	<b>52,844</b>
<b>Cash and cash equivalents at end of the period</b>	<b>73,093</b>	<b>45,561</b>	<b>73,093</b>	<b>45,561</b>
<b>Pledged cash equivalents</b>	<b>824</b>	<b>901</b>	<b>824</b>	<b>901</b>
<b>Cash and cash equivalents at end of the period including pledged deposits</b>	<b>73,917</b>	<b>46,462</b>	<b>73,917</b>	<b>46,462</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 2013	123,300	11,929	11,414	63,554	210,197	492	210,689
<b>Total comprehensive income for the period</b>							
Net profit	-	-	-	9,103	9,103	43	9,146
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	183	-	183	-	183
<b>Available-for-sale financial assets:</b>							
Reclassification of gain on sale of investments to income statement	-	(3,817)	-	-	(3,817)	(23)	(3,840)
Reclassification of impairment write-down on investments to income statement	-	168	-	-	168	-	168
Change in fair value of investments	-	(4,590)	-	-	(4,590)	2	(4,588)
Income tax relating to components of other comprehensive income	-	1,395	(13)	-	1,382	-	1,382
<b>Total other comprehensive income, net of income tax</b>	-	<b>(6,844)</b>	<b>170</b>	-	<b>(6,674)</b>	<b>(21)</b>	<b>(6,695)</b>
<b>Total comprehensive income/(loss) for the period</b>	-	<b>(6,844)</b>	<b>170</b>	<b>9,103</b>	<b>2,429</b>	<b>22</b>	<b>2,451</b>
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2012	-	-	-	(4,236)	(4,236)	-	(4,236)
Dividend paid to non-controlling interests	-	-	-	-	-	(295)	(295)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(4,236)</b>	<b>(4,236)</b>	<b>(295)</b>	<b>(4,531)</b>
<b>At 30 June 2013</b>	<b>123,300</b>	<b>5,085</b>	<b>11,584</b>	<b>68,421</b>	<b>208,390</b>	<b>219</b>	<b>208,609</b>
At 1 January 2012	123,300	6,421	9,028	58,347	197,096	512	197,608
<b>Total comprehensive income for the period</b>							
Net profit	-	-	-	3,860	3,860	85	3,945
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	82	-	82	-	82
<b>Available-for-sale financial assets:</b>							
Reclassification of gain on sale of investments to income statement	-	(3,754)	-	-	(3,754)	(15)	(3,769)
Change in fair value of investments	-	4,651	-	-	4,651	11	4,662
Income tax relating to components of other comprehensive income	-	(449)	(3)	-	(452)	-	(452)
<b>Total other comprehensive income, net of income tax</b>	-	<b>448</b>	<b>79</b>	-	<b>527</b>	<b>(4)</b>	<b>523</b>
<b>Total comprehensive income for the period</b>	-	<b>448</b>	<b>79</b>	<b>3,860</b>	<b>4,387</b>	<b>81</b>	<b>4,468</b>
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2011	-	-	-	(3,026)	(3,026)	-	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,026)</b>	<b>(3,026)</b>	-	<b>(3,026)</b>
<b>At 30 June 2012</b>	<b>123,300</b>	<b>6,869</b>	<b>9,107</b>	<b>59,181</b>	<b>198,457</b>	<b>593</b>	<b>199,050</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 2013</b>	<b>123,300</b>	<b>11,453</b>	<b>11,480</b>	<b>68,919</b>	<b>215,152</b>	<b>499</b>	<b>215,651</b>
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	3,738	3,738	38	3,776
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	113	-	113	-	113
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to income statement	-	(507)	-	-	(507)	(23)	(530)
Reclassification of impairment write-down on investments to income statement	-	168	-	-	168	-	168
Change in fair value of investments	-	(7,287)	-	-	(7,287)	-	(7,287)
Income tax relating to components of other comprehensive income	-	1,258	(9)	-	1,249	-	1,249
<b>Total other comprehensive income, net of income tax</b>	-	<b>(6,368)</b>	<b>104</b>	-	<b>(6,264)</b>	<b>(23)</b>	<b>(6,287)</b>
<b>Total comprehensive income/(loss) for the quarter</b>	-	<b>(6,368)</b>	<b>104</b>	<b>3,738</b>	<b>(2,526)</b>	<b>15</b>	<b>(2,511)</b>
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2012	-	-	-	(4,236)	(4,236)	-	(4,236)
Dividend paid to non-controlling interests	-	-	-	-	-	(295)	(295)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(4,236)</b>	<b>(4,236)</b>	<b>(295)</b>	<b>(4,531)</b>
<b>At 30 June 2013</b>	<b>123,300</b>	<b>5,085</b>	<b>11,584</b>	<b>68,421</b>	<b>208,390</b>	<b>219</b>	<b>208,609</b>
<b>At 1 April 2012</b>	<b>123,300</b>	<b>7,712</b>	<b>9,030</b>	<b>59,401</b>	<b>199,443</b>	<b>563</b>	<b>200,006</b>
<b>Total comprehensive income for the quarter</b>							
<b>Net profit</b>	-	-	-	2,806	2,806	30	2,836
<b>Other comprehensive income:</b>							
Revaluation of property, plant and equipment	-	-	83	-	83	-	83
Available-for-sale financial assets:							
Reclassification of gain on sale of investments to income statement	-	(600)	-	-	(600)	-	(600)
Change in fair value of investments	-	(568)	-	-	(568)	-	(568)
Income tax relating to components of other comprehensive income	-	325	(6)	-	319	-	319
<b>Total other comprehensive income, net of income tax</b>	-	<b>(843)</b>	<b>77</b>	-	<b>(766)</b>	-	<b>(766)</b>
<b>Total comprehensive income/(loss) for the quarter</b>	-	<b>(843)</b>	<b>77</b>	<b>2,806</b>	<b>2,040</b>	<b>30</b>	<b>2,070</b>
<b>Transactions with owners, recorded directly in equity:</b>							
<b>Contributions by and distributions to owners:</b>							
Final dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2011	-	-	-	(3,026)	(3,026)	-	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,026)</b>	<b>(3,026)</b>	-	<b>(3,026)</b>
<b>At 30 June 2012</b>	<b>123,300</b>	<b>6,869</b>	<b>9,107</b>	<b>59,181</b>	<b>198,457</b>	<b>593</b>	<b>199,050</b>

<b>COMPANY</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 S\$'000</b>
<b>At 1 January 2013</b>	<b>123,300</b>	<b>11,816</b>	<b>11,414</b>	<b>62,719</b>	<b>209,249</b>
<b>Total comprehensive income for the period</b>					
<b>Net profit</b>	-	-	-	10,176	10,176
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	183	-	183
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to income statement	-	(3,785)	-	-	(3,785)
Reclassification of impairment write-down on investments to income statement	-	168	-	-	168
Change in fair value of investments	-	(4,506)	-	-	(4,506)
Income tax relating to components of other comprehensive income	-	1,395	(13)	-	1,382
<b>Total other comprehensive income, net of income tax</b>	-	<b>(6,728)</b>	<b>170</b>	-	<b>(6,558)</b>
<b>Total comprehensive income/(loss) for the period</b>	-	<b>(6,728)</b>	<b>170</b>	<b>10,176</b>	<b>3,618</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2012	-	-	-	(4,236)	(4,236)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(4,236)</b>	<b>(4,236)</b>
<b>At 30 June 2013</b>	<b>123,300</b>	<b>5,088</b>	<b>11,584</b>	<b>68,659</b>	<b>208,631</b>
<b>At 1 January 2012</b>	<b>123,300</b>	<b>6,316</b>	<b>9,028</b>	<b>57,379</b>	<b>196,023</b>
<b>Total comprehensive income for the period</b>					
<b>Net profit</b>	-	-	-	3,336	3,336
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	82	-	82
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to income statement	-	(3,640)	-	-	(3,640)
Change in fair value of investments	-	4,641	-	-	4,641
Income tax relating to components of other comprehensive income	-	(501)	(3)	-	(504)
<b>Total other comprehensive income, net of income tax</b>	-	<b>500</b>	<b>79</b>	-	<b>579</b>
<b>Total comprehensive income for the period</b>	-	<b>500</b>	<b>79</b>	<b>3,336</b>	<b>3,915</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2011	-	-	-	(3,026)	(3,026)
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>(3,026)</b>	<b>(3,026)</b>
<b>At 30 June 2012</b>	<b>123,300</b>	<b>6,816</b>	<b>9,107</b>	<b>57,689</b>	<b>196,912</b>

	Share Capital S\$'000	Fair Value Reserves S\$'000	Revaluation Reserves S\$'000	Accumulated Profits S\$'000	Total S\$'000
At 1 April 2013	123,300	11,321	11,480	68,000	214,101
<b>Total comprehensive income for the quarter</b>					
Net profit	-	-	-	4,895	4,895
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	113	-	113
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to income statement	-	(475)	-	-	(475)
Reclassification of impairment write-down on investments to income statement	-	168	-	-	168
Change in fair value of investments	-	(7,184)	-	-	(7,184)
Income tax relating to components of other comprehensive income	-	1,258	(9)	-	1,249
<b>Total other comprehensive income, net of income tax</b>	-	<b>(6,233)</b>	<b>104</b>	-	<b>(6,129)</b>
<b>Total comprehensive income/(loss) for the quarter</b>	-	<b>(6,233)</b>	<b>104</b>	<b>4,895</b>	<b>(1,234)</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.7 cent per share tax exempt (one-tier) in respect of year 2012	-	-	-	(4,236)	(4,236)
Total contributions by and distributions to owners	-	-	-	(4,236)	(4,236)
<b>At 30 June 2013</b>	<b>123,300</b>	<b>5,088</b>	<b>11,584</b>	<b>68,659</b>	<b>208,631</b>
At 1 April 2012	123,300	7,666	9,030	58,102	198,098
<b>Total comprehensive income for the quarter</b>					
Net profit	-	-	-	2,613	2,613
<b>Other comprehensive income:</b>					
Revaluation of property, plant and equipment	-	-	83	-	83
Available-for-sale financial assets:					
Reclassification of gain on sale of investments to income statement	-	(600)	-	-	(600)
Change in fair value of investments	-	(523)	-	-	(523)
Income tax relating to components of other comprehensive income	-	273	(6)	-	267
<b>Total other comprehensive income, net of income tax</b>	-	<b>(850)</b>	<b>77</b>	-	<b>(773)</b>
<b>Total comprehensive income/(loss) for the quarter</b>	-	<b>(850)</b>	<b>77</b>	<b>2,613</b>	<b>1,840</b>
<b>Transactions with owners, recorded directly in equity:</b>					
<b>Contributions by and distributions to owners:</b>					
Final dividend paid of 0.5 cent per share tax exempt (one-tier) in respect of year 2011	-	-	-	(3,026)	(3,026)
Total contributions by and distributions to owners	-	-	-	(3,026)	(3,026)
<b>At 30 June 2012</b>	<b>123,300</b>	<b>6,816</b>	<b>9,107</b>	<b>57,689</b>	<b>196,912</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 outstanding convertibles as at 30 June 2013 and 30 June 2012.

- 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 2013 and 31 December 2012 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 2012, except for those disclosed under item 5 below.

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.

In 2013, the Group adopted the new or revised Singapore Financial Reporting Standards (FRS) that are effective in this financial year.

The Group applied Amendments to FRS1 - Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income. There is no financial impact on the financial results of the Group arising from the adoption of the revised standards.

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.

	GROUP	
	1st Half 2013	1st Half 2012
Basic and fully diluted earnings per share (cents)	1.50	0.64
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	
	30.6.2013	31.12.2012	30.6.2013	31.12.2012
Net asset value per share (cents)	34.43	34.73	34.47	34.57

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 2013 vs 2nd quarter 2012

In 2nd quarter 2013, the Group's revenue declined by 6.3% to S\$30.1 million due mainly to timing difference in booking. Net claims incurred slid 21.7% to S\$6 million as the higher figure in the corresponding quarter last year was attributed to case reserves set aside for the massive flooding in Thailand. An underwriting surplus of S\$245,000 was reported during the quarter under review compared to the S\$664,000 deficit in the corresponding quarter in 2012. Net investment income increased 4.8% to S\$4 million, from the S\$3.8 million in the same quarter a year earlier, attributed mainly to higher rental income. Overall, the Group's profit before income tax of S\$4.2 million in 2nd quarter of 2013 was 30.2% higher than the S\$3.2 million recorded in the corresponding quarter in preceding year.

Comparison of 6 months 2013 vs 6 months 2012

For the period ended 30 June 2013, the Group's revenue declined by 1.7% to S\$58.7 million, attributed largely to timing difference in booking. Commission expense rose 41.2% to S\$7.7 million, from S\$5.4 million a year ago, primarily due to higher accrual of profit commission payable to cedants and lower commission income earned from outward retrocession arrangement. Benefiting from no unduly large market losses being reported thus far, the net claims incurred declined by 29.7% to S\$13.3 million, equivalent to an incurred loss ratio (of net written premium) of 54.7% compared to the 81.5% in the corresponding period last year. Reinsurance management expenses fell 18.1% to S\$2.9 million due to lower general provision for bad and doubtful debts. If the provision for bad and doubtful debts and foreign exchange differences were excluded, reinsurance management expenses would be 10.6% higher than the corresponding period a year earlier. In light of the foregoing, an underwriting surplus of S\$490,000 was recorded, compared to the S\$5.2 million underwriting deficit in the same period a year ago.

The net investment income increased 4.3% to S\$10 million due to higher profit on sale of equity investments and higher rental income. Overall, the Group's net profit before income tax more than doubled to S\$10.5 million compared to the S\$4.7 million net profit before income tax in the corresponding period 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 (re)insurance environment remains extremely challenging. The emergence of new (re)insurance entrants to the market continues unabated and would exert downward pressure on the already competitive insurance premium rates. This would in turn adversely impact reinsurers's bottomline.

On the investment front, the many imponderables in the global economy and continued weak GDP growth in the mega-economies, will impact investor sentiment.

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?

Name of dividend

Dividend type

Gross dividend amount per share (in cents)

Tax rate

Yes

2013

Interim

Cash

0.70

Tax exempt (one-tier)

(b) Corresponding period of the immediately preceding financial year

Any dividend declared?

Yes

2012

Interim

Cash

0.50

Tax exempt (one-tier)

Name of dividend

Dividend type

Gross dividend amount per share (in cents)

Tax rate

(c) The date the dividend is payable

The proposed interim dividend will be paid on 9 September 2013.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members will be closed on 29 August 2013 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 28 August 2013 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 28 August 2013 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 half year ended 30 June 2013 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Gerard Seah Jim Hong  
Company Secretary  
13 August 2013