

# 4<sup>th</sup> Quarter Financial Results ended 31 December 2003 **Great Eastern Holdings Limited**

*Tan Beng Lee*  
Director & Group CEO  
9 February 2004

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## 4<sup>th</sup> Quarter Financial Results

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### Financial Review

- Key Financial Measures
- Profit Drivers

### Sales Performance

- Premiums
- Market Share

### Frequently Asked Questions

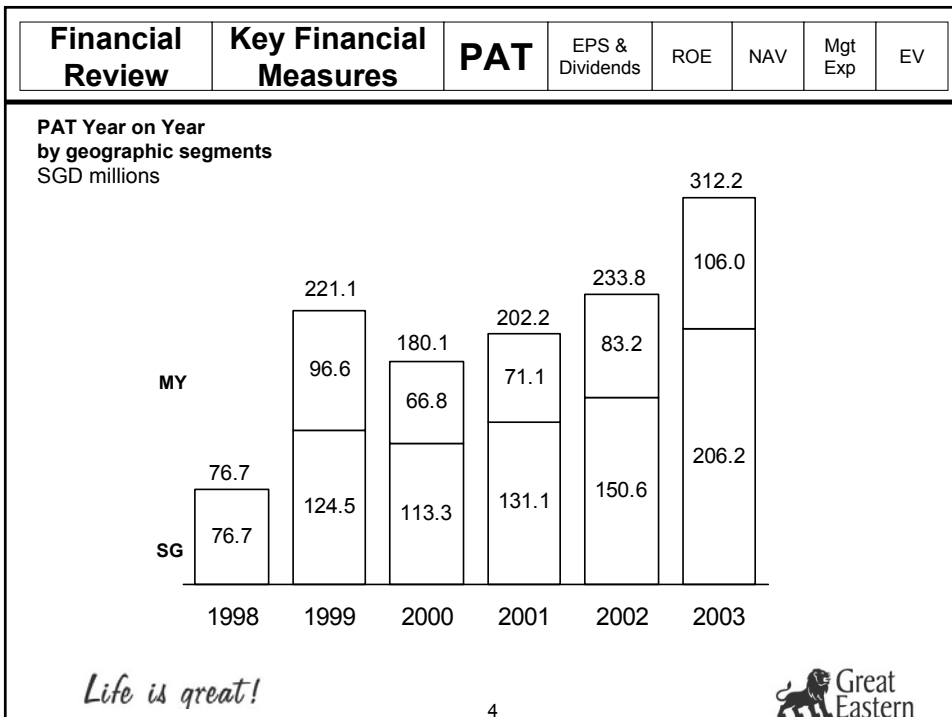
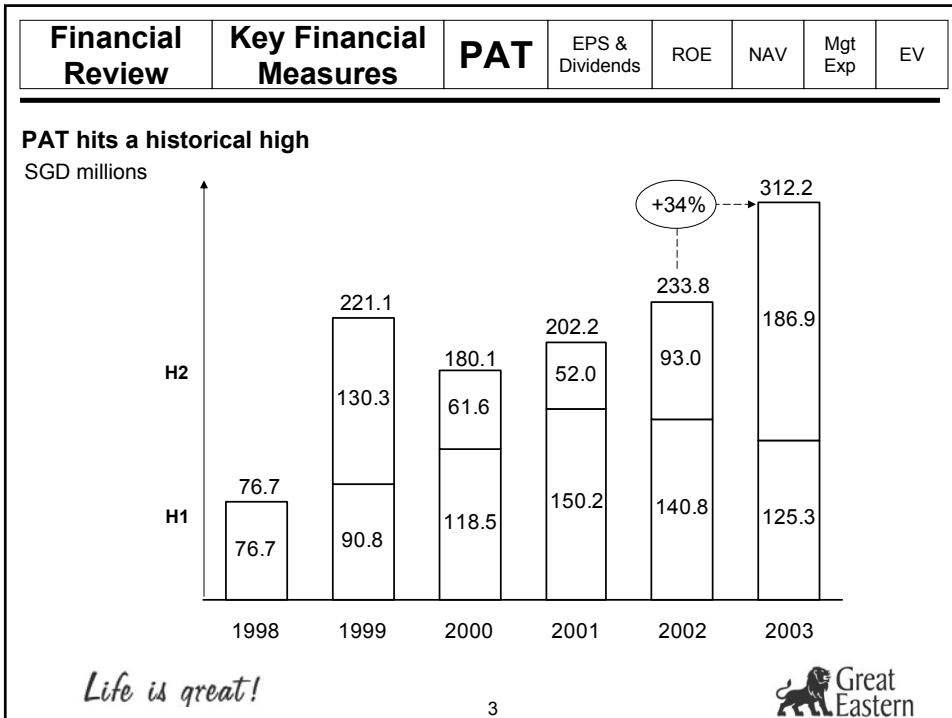
### Outlook for 2004 and beyond

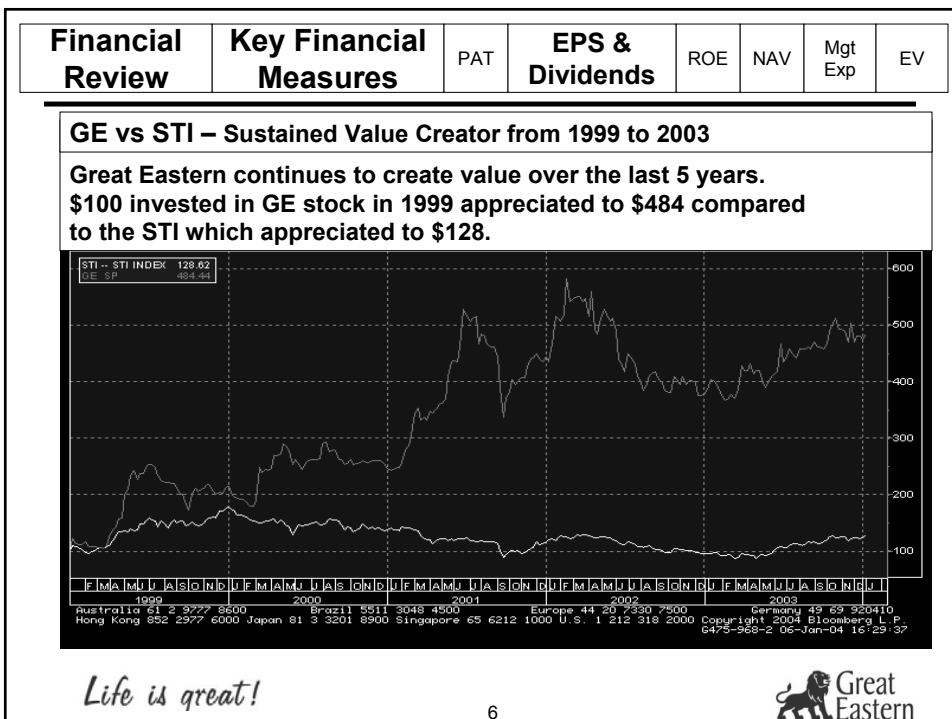
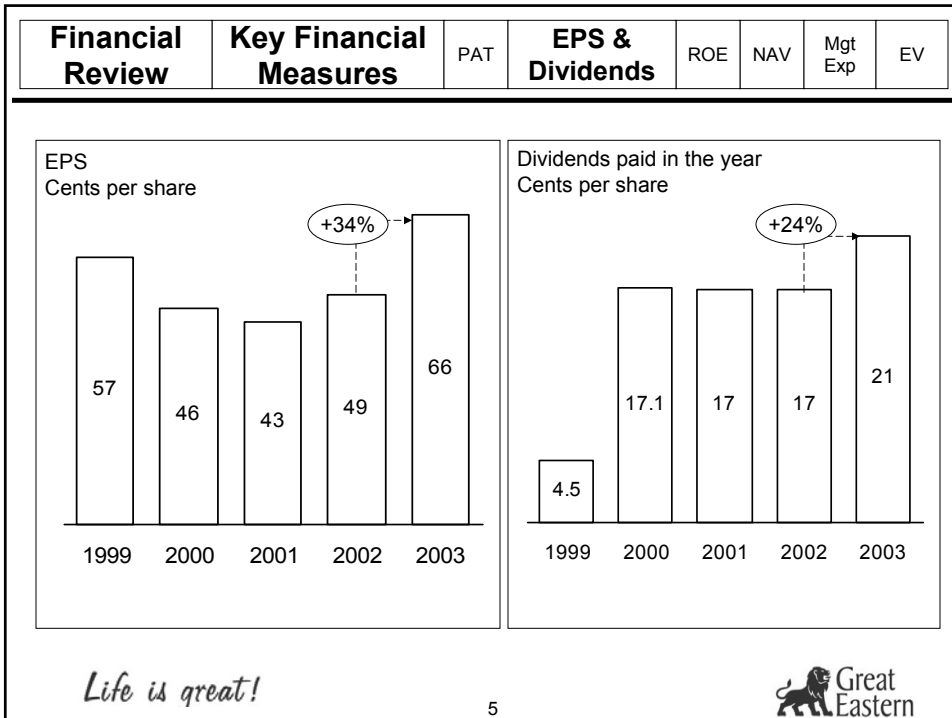
### Appendix : Additional Disclosures


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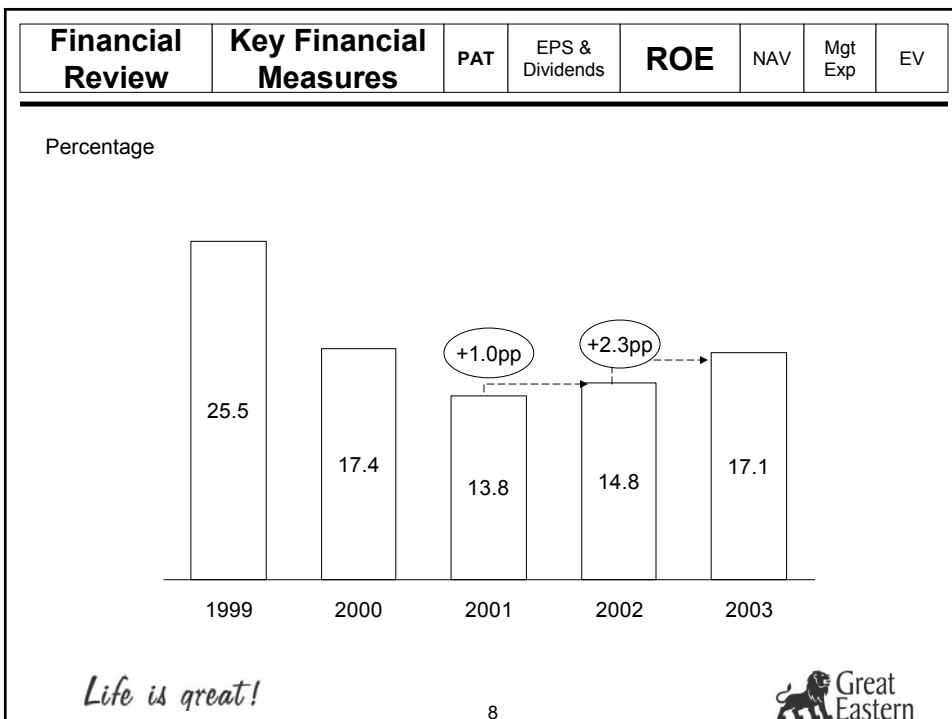
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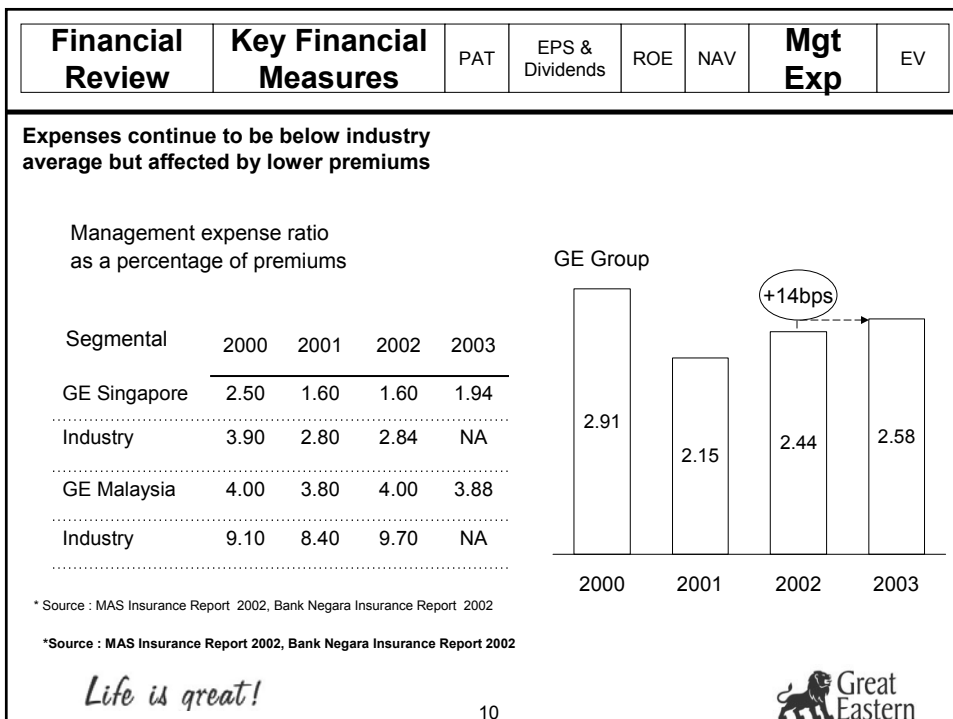
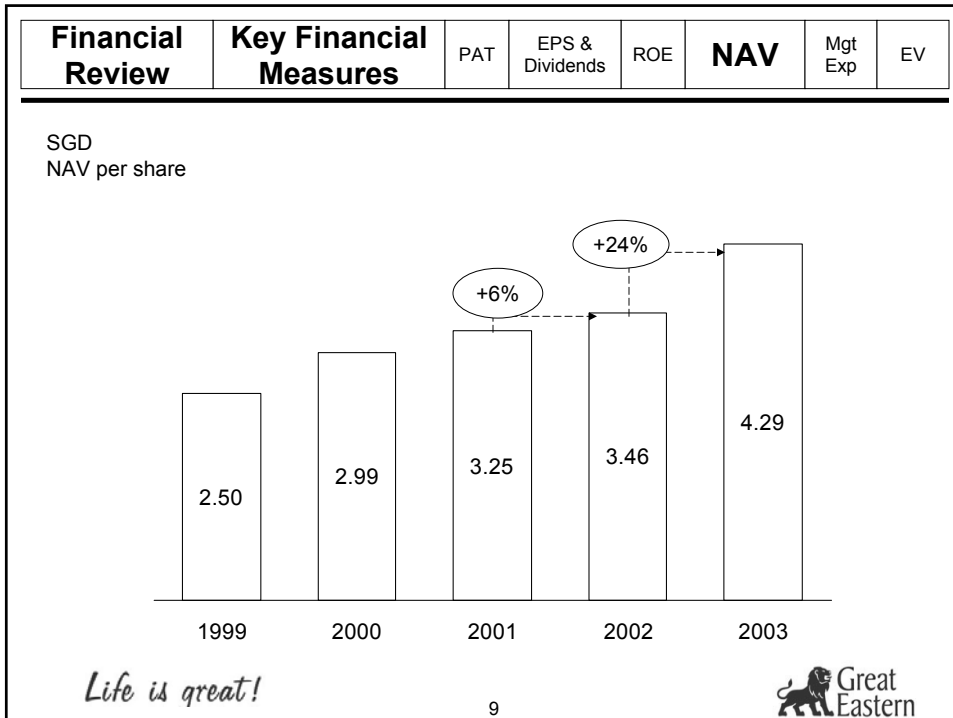


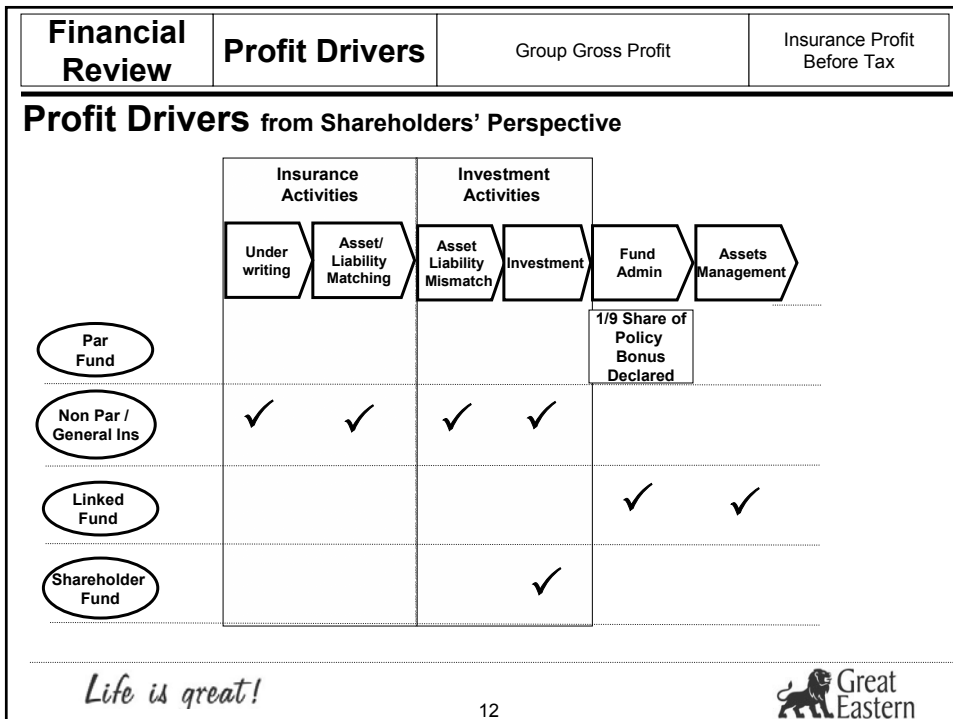
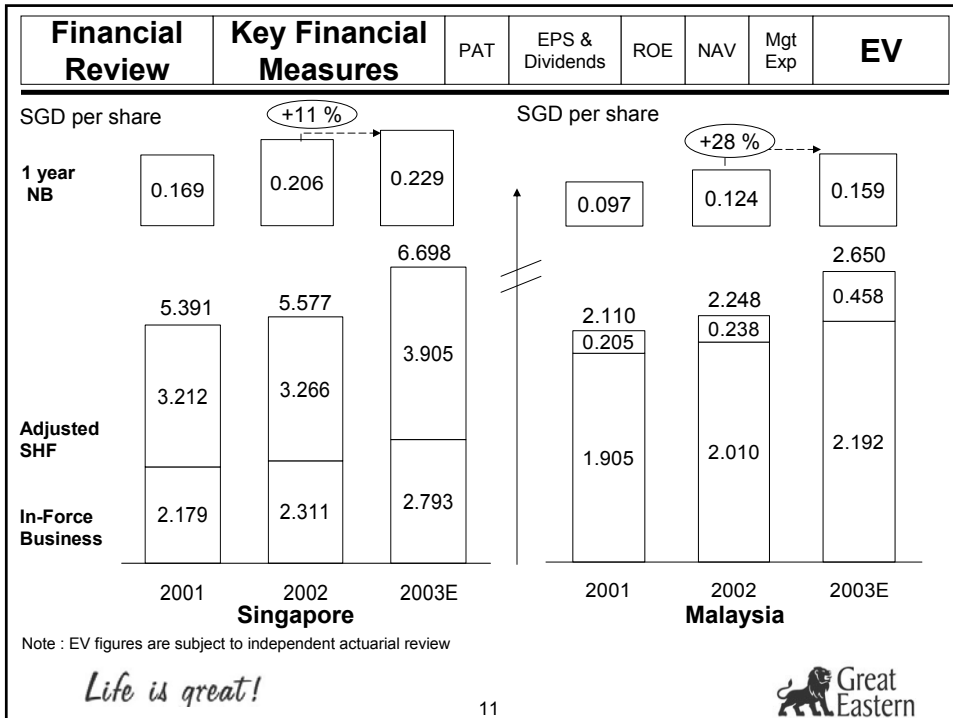


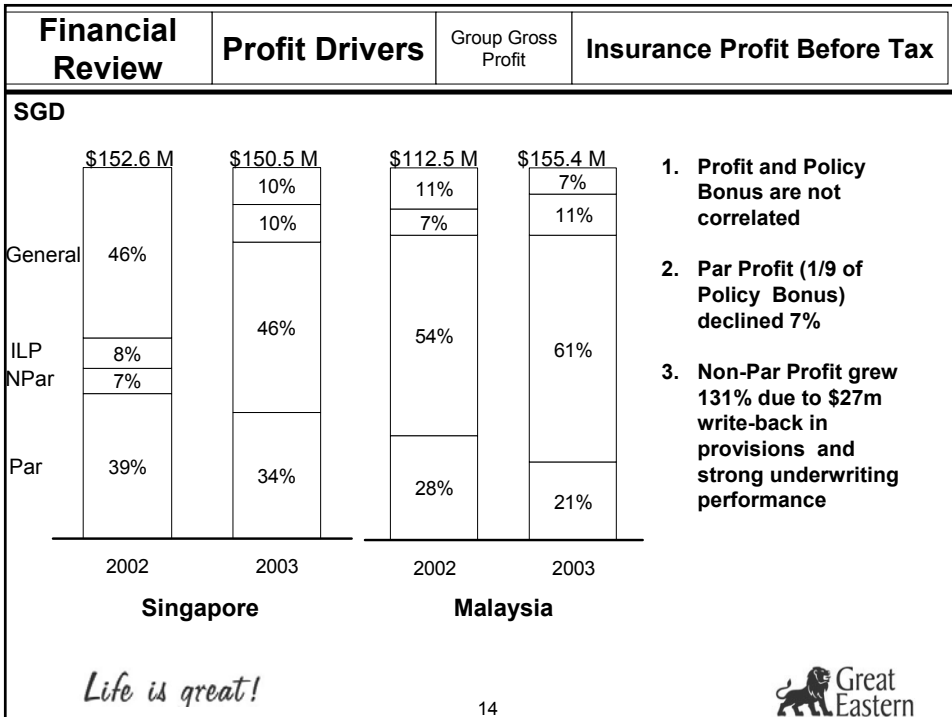
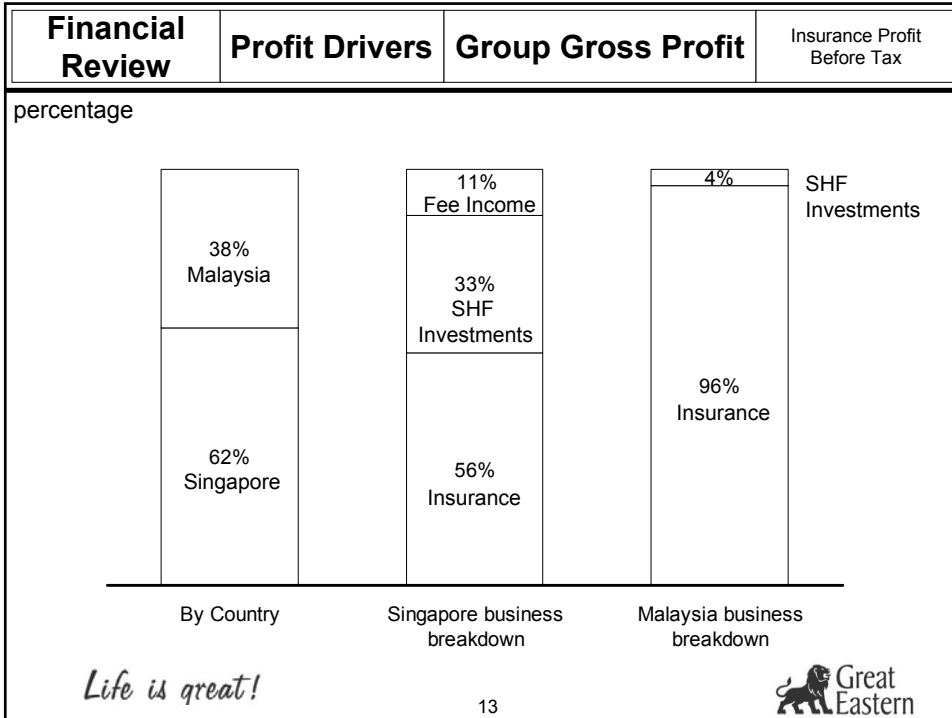


Financial Review	Key Financial Measures	PAT	EPS & Dividends	ROE	NAV	Mgt Exp	EV																												
<p>Shareholder Value Scorecard Large market capital category</p> <p style="text-align: center;"><b>5-Year Total Shareholder Return</b></p> <table border="1"> <thead> <tr> <th>Compound Annual Return</th> <th>2001* %</th> <th>Rank</th> <th>2002* %</th> <th>Rank</th> <th>2003* %</th> <th>Rank</th> </tr> </thead> <tbody> <tr> <td>Venture Corp</td> <td>36.7</td> <td>2</td> <td>25.3</td> <td>1</td> <td>32.0</td> <td>1</td> </tr> <tr> <td><b>Great Eastern</b></td> <td><b>11.9</b></td> <td><b>13</b></td> <td><b>23.4</b></td> <td><b>2</b></td> <td><b>28.0</b></td> <td><b>2</b></td> </tr> <tr> <td>SembCorp Marine</td> <td>13.8</td> <td>6</td> <td>20.5</td> <td>3</td> <td>na</td> <td>Na</td> </tr> </tbody> </table> <p>Source : Business Times CTI/LEK; *As at 30 June of each year</p>								Compound Annual Return	2001* %	Rank	2002* %	Rank	2003* %	Rank	Venture Corp	36.7	2	25.3	1	32.0	1	<b>Great Eastern</b>	<b>11.9</b>	<b>13</b>	<b>23.4</b>	<b>2</b>	<b>28.0</b>	<b>2</b>	SembCorp Marine	13.8	6	20.5	3	na	Na
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<p><i>Life is great!</i></p> <p>7</p> 																																			



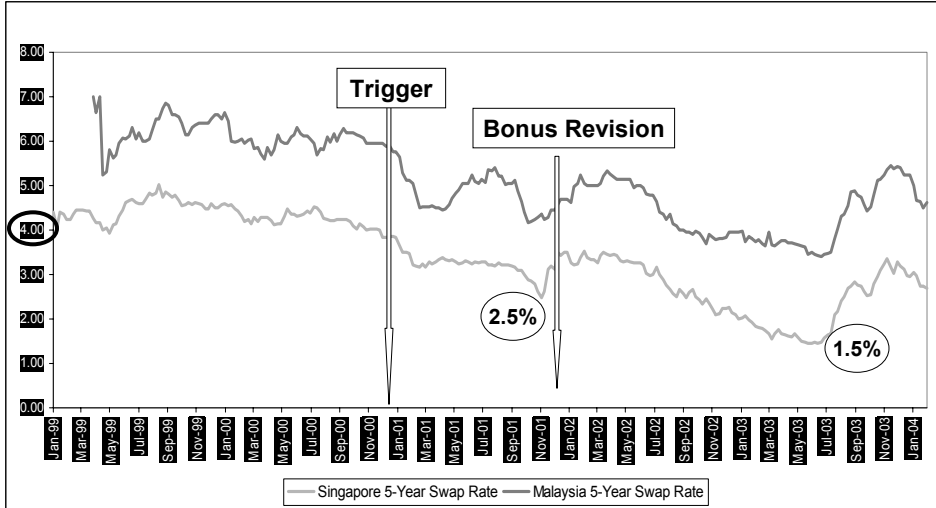






## Financial Review

Interest Rates continue to remain below 4%



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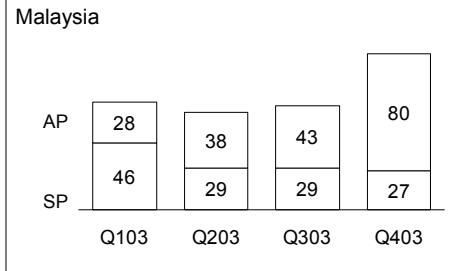
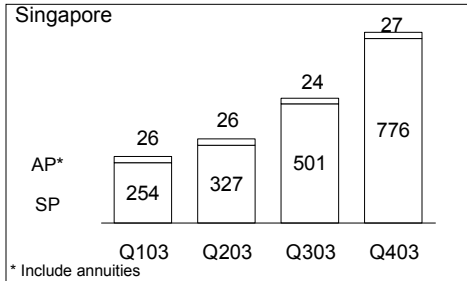
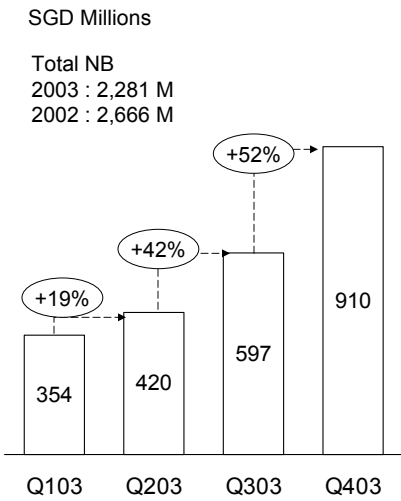
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**Sales Performance**

**Premiums : Strong New Business But Overall Below Last Year**

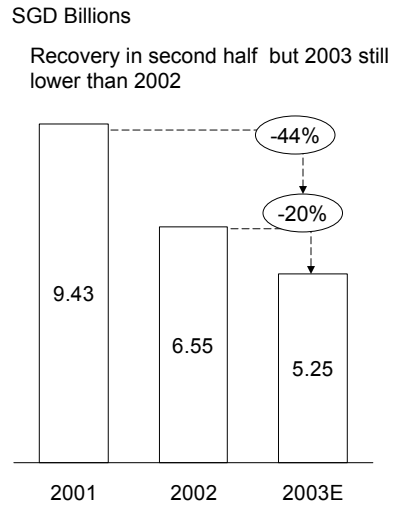
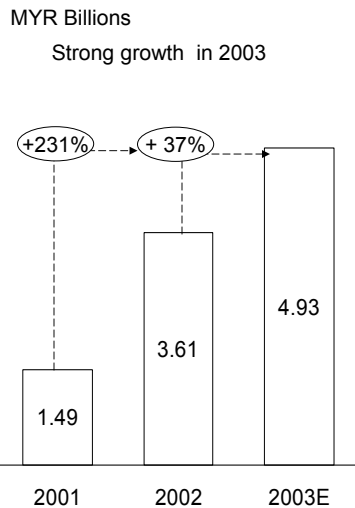


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**Sales Performance**

**Insurance Industry : New Business Premiums**



Source: LIA, LIAM

Malaysia

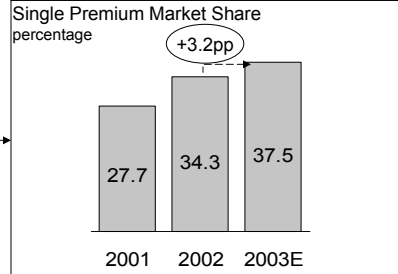
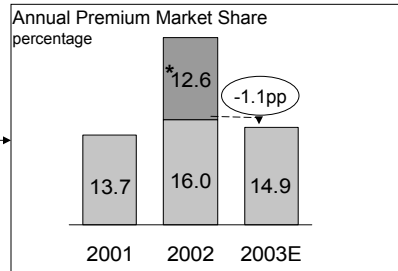
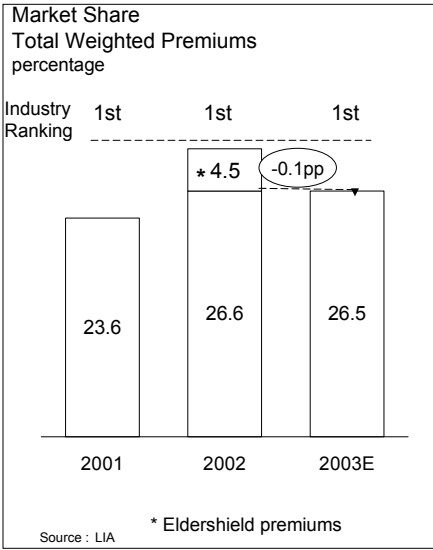
Singapore

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Sales Performance

Market Share : Singapore

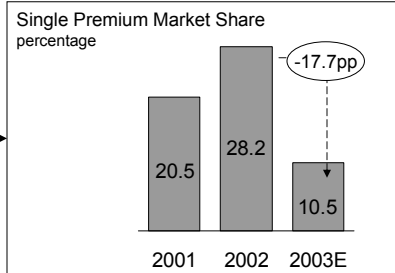
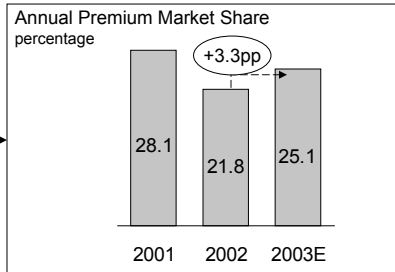
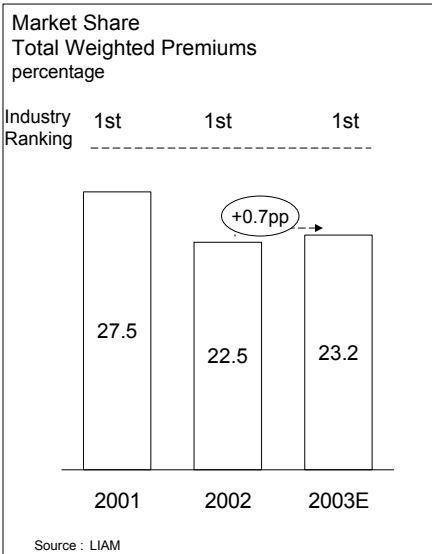


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Sales Performance

Market Share : Malaysia



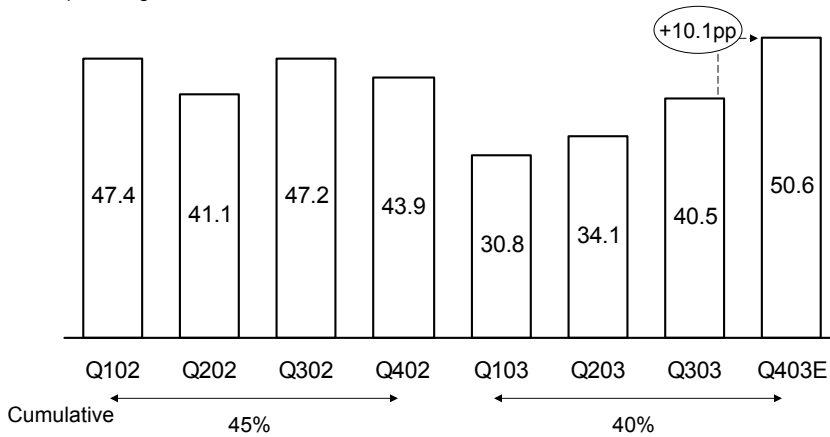
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Sales Performance

Bancassurance Market Share : Singapore

Bancassurance Market Share by Weighted Premiums percentage



Source : LIA

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Source: Life Insurance Association of Singapore; Life Insurance Association of Malaysia



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## Frequently Asked Questions

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1. Risk Based Capital : Singapore
2. Regional Expansion : China
3. Divestment of Operations : Malaysia
4. CPF Liberalisation : Private Pension Plans
5. GE's FA Company : Alpha
6. OCBC Divestment of Non-Core Assets : Robinson

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## Outlook for 2004 and beyond

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### OUR journey to 2008 Vision

	1998	2003	2008 Target
Profit After Tax	76.7	312.2	500.0
<i>SGD million</i>			
Total Assets	10.9	32.4	50.0
<i>SGD billion</i>			

### Over 60% of 2008 Target Achieved

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## Outlook for 2004 and beyond

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In 2004, Great Eastern will continue the journey:

- Strengthen our position and improve performance in core markets
- Develop growth platform in new and foreign markets
- Develop and strengthen key competencies
  - Product Development & Management
  - Marketing & Distribution
  - Service Excellence
  - Risk Management
- Develop a nimble and high performance organization capable of execution and renewal

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# THANK YOU

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## Appendix 1 : Premium Breakdown

	SGD millions	2003	2002	%
GE Singapore	Single Premium	1,858	2,018	-8%
	Annual Premium*	103	230	-55%
	Renewal Premium	1,428	1,341	+7%
GE Malaysia	Single Premium	131	257	-49%
	Annual Premium	189	161	+17%
	Renewal Premium	1,347	1,265	+7%

\* Include annuities

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## Appendix 2 : Selected Management Expenses

SGD millions	Shareholders & General Funds		Life Funds	
	2003	2002	2003	2002
Directors' Remuneration	1.3	1.3	1.8	1.6
Prof Fees paid to director	0.1	-	0.2	0.2
Auditors Remuneration	0.7	0.5	1.6	0.5
Staff Costs	15.5	12.5	79.6	69.6
Rental	1.4	1.6	11.5	14.0
Depreciation	1.5	1.7	25.1	21.5

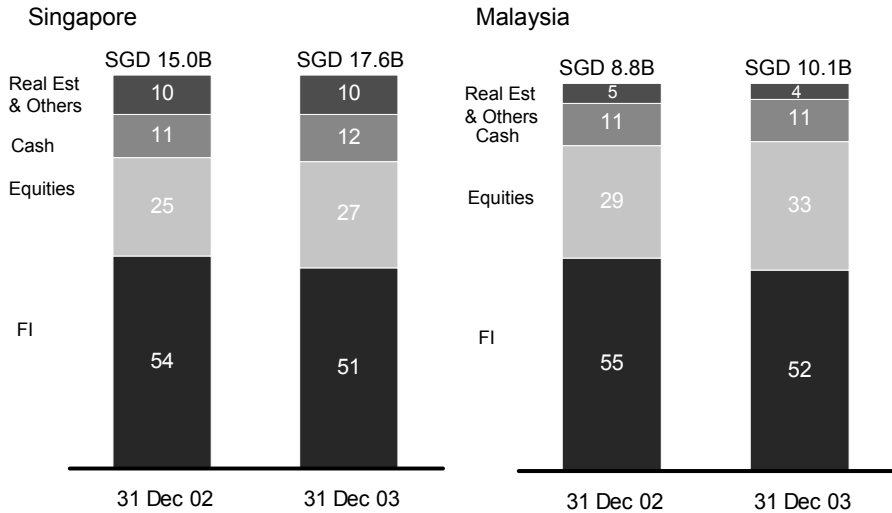
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**Appendix 3 : Asset Allocation Of Life Fund**  
excluding Investment-Linked Funds (Marked To Market)

Percent of total



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**Appendix 4 : Credit Rating of Bond Portfolio**  
excluding Investment-Linked Funds

Rating	2003 %	2002 %
AAA	51	50
AA	14	14
A	27	27
BBB	7	8
BB & Below	1	1
TOTAL	100	100
SGD billion	11.7	10.7

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## Appendix 5 : Foreign Exchange Exposure

SGD millions	SGD	MYR	USD	OTHERS	TOTAL
Quoted equity	2,003.8	3,706.6	505.4	2,444.2	8,660.0
Unquoted equity	20.4	18.2	1.1	0.6	40.3
Unit trusts	15.5	8.4	180.7	0.1	204.7
Unit linked equity	119.2	71.6	218.8	571.8	981.4
Unit linked unit trusts	420.3		0.4		420.7
Policy loans	808.4	1,008.7	4.1	16.0	1,837.2
Secured loans (net of provision for impairment)	587.9	272.7	-	-	860.6
Unsecured Loans	0.4	0.2	-	-	0.6
<b>Fair Value Change to Balance Sheet</b>	<b>3,975.9</b>	<b>5,086.4</b>	<b>910.5</b>	<b>3,032.7</b>	<b>13,005.5</b>
Quoted securities, loan and bonds	5,087.0	1,730.2	609.7	603.0	8,029.9
Other unquoted investments	1,335.2	2,311.1	166.5	78.3	3,891.1
Unit linked bonds	51.3	11.5	89.4	285.4	437.6
Embedded derivatives	90.7	46.3	46.9	17.8	201.7
Derivatives	402.0	-	(455.4)	32.0	(21.4)
Cash on deposits	2,171.0	1,216.8	188.8	170.4	3,747.0
<b>Fair Value Change to P&amp;L or Revenue Statement</b>	<b>9,137.2</b>	<b>5,315.9</b>	<b>645.9</b>	<b>1,186.9</b>	<b>16,285.9</b>
<b>As At 31 December 2003</b>	<b>13,113.1</b>	<b>10,402.3</b>	<b>1,556.4</b>	<b>4,219.6</b>	<b>29,291.4</b>
<b>As At 31 December 2002</b>	<b>11,164.5</b>	<b>8,890.9</b>	<b>1,422.0</b>	<b>3,128.9</b>	<b>24,606.3</b>

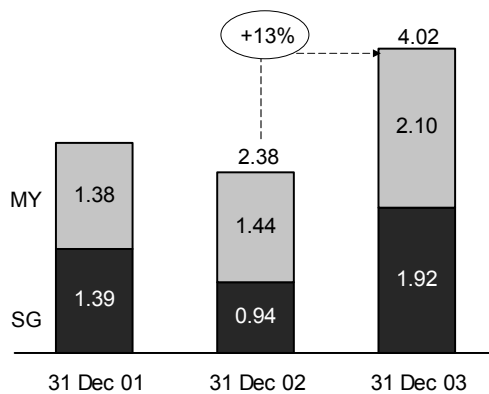
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## Appendix 6 : Life Fund Surplus (Marked to Market)

SGD billions



Long term liability reserves\*

SGD billions:

Surplus as percent of long term liability reserves :

	31 Dec 01	31 Dec 02	31 Dec 03
Long term liability reserves*	18.34	20.97	23.54
Surplus as percent of long term liability reserves :	15.1%	11.3%	17.1%

\* There were no borrowings or contingent liabilities. Liabilities in relation to the provision of long term financial protection and financial services have been computed in accordance with provisions of the Insurance Regulations in the respective jurisdictions in which the Group operates.

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