

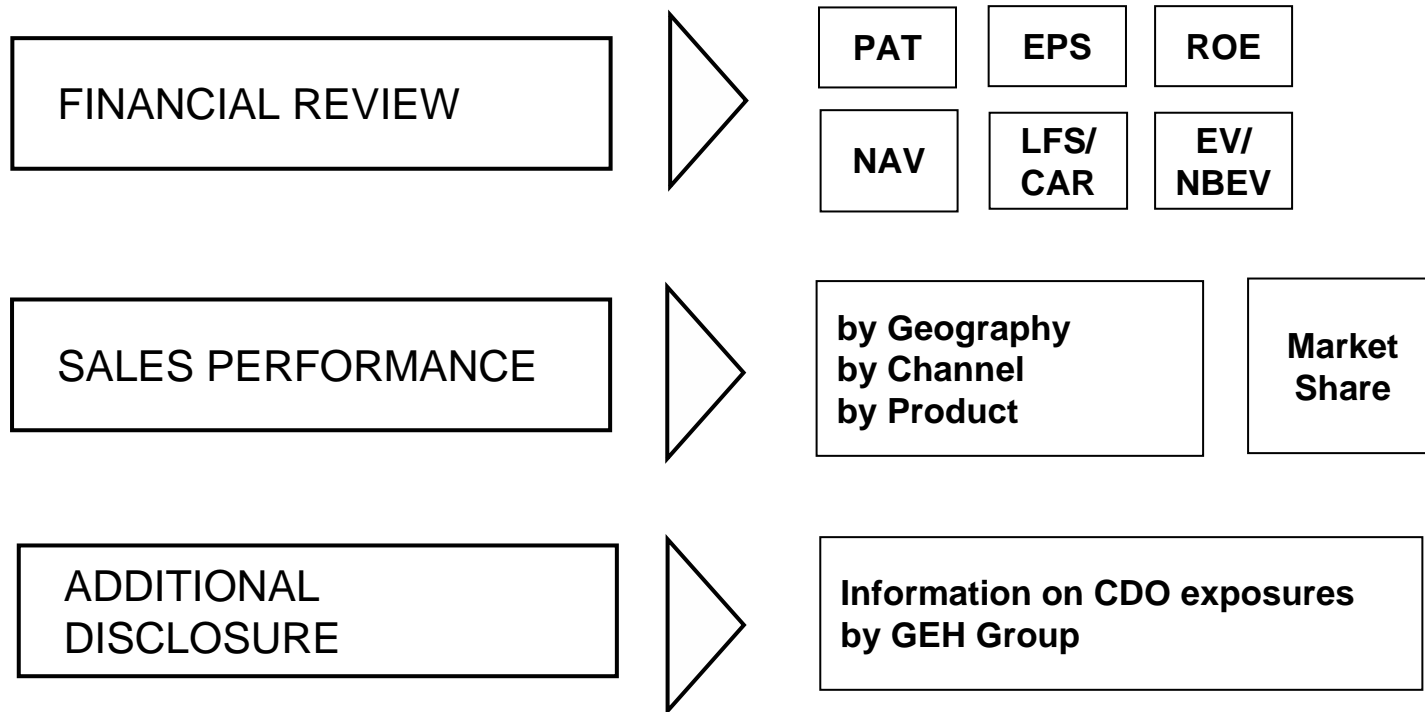
**Financial Results  
For Fourth Quarter 2007 and Financial Year  
ended 31 December**

**Great Eastern Holdings Limited**

(Company Registration Number: 199903008M)  
(Incorporated in the Republic of Singapore)

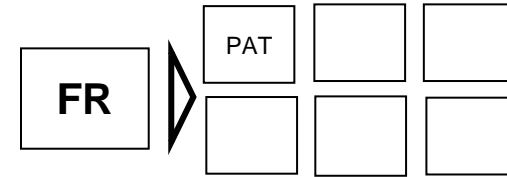
**19 February 2008**

## FINANCIAL RESULTS for Q4-2007 AND FY-2007

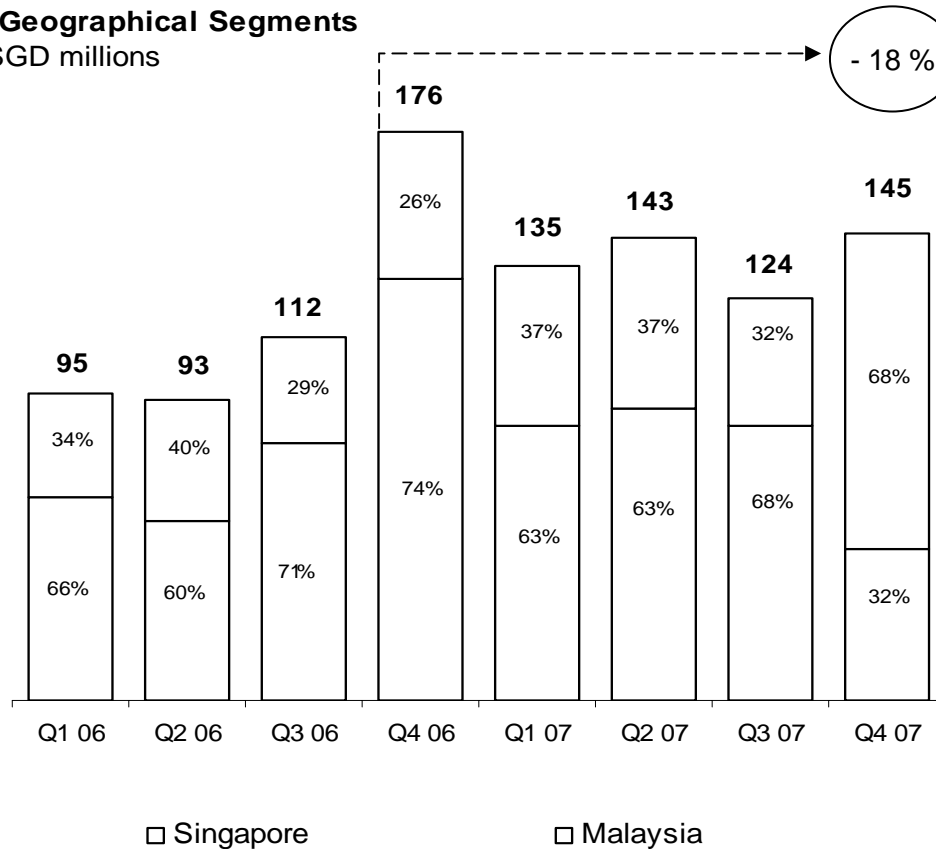


**PAT:** Profit After Tax & minority interests; **EPS:** Earnings per share; **ROE:** Return on Equity; **NBEV:** New Business Embedded Value; **NAV:** Net Asset Value; **LFS:** Life Fund Surplus for Malaysian life insurance funds computed on mark-to-market basis for assets; **CAR:** Capital Adequacy Ratio defined under Insurance Act, Insurance (Valuation & Capital) Regulations 2004 for Singapore insurance business.

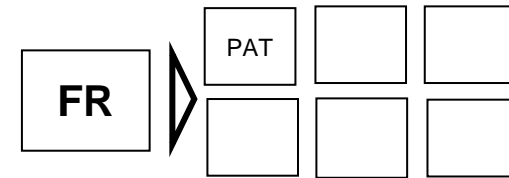
## FINANCIAL RESULTS for Q4-2007 AND FY-2007



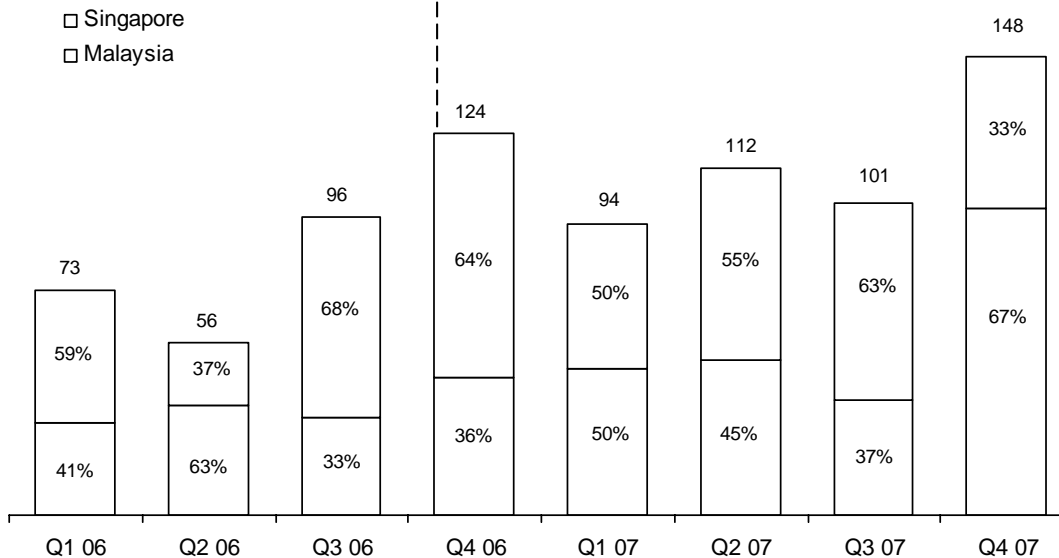
**Quarter On Quarter PAT Attributable To Shareholders  
 By Geographical Segments**  
 in SGD millions



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

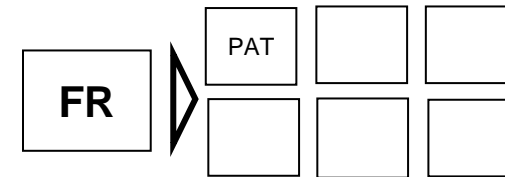
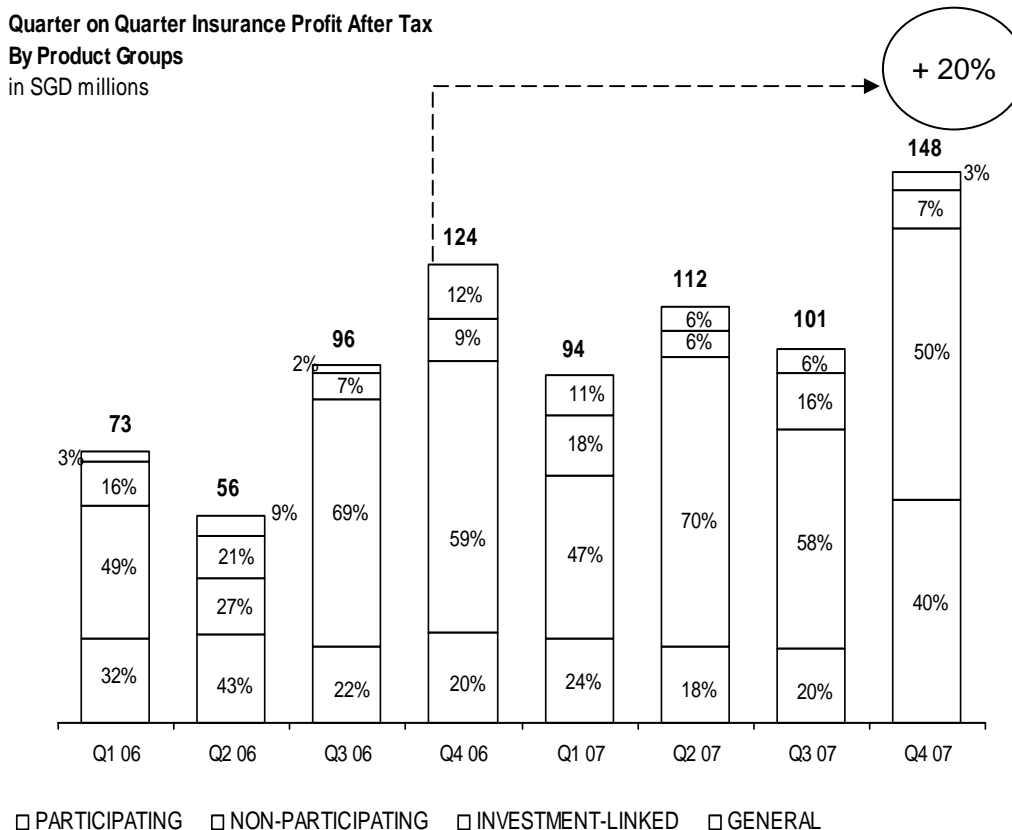


**Quarter On Quarter Insurance Profit After Tax  
By Geographical Segments**  
in SGD millions



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

Quarter on Quarter Insurance Profit After Tax  
By Product Groups  
in SGD millions



NPAT performance in Q4-07 was characterized by several one-off items :-

(a) Special policyholders' bonus declaration from par fund approximately \$40m, comprising \$18m SG and \$22m MY.

(b) Sale of core shares from GELM non-par fund to GET of \$43m.

(c) Revaluation gains on real estate portfolio which had a favorable earnings impact of \$32m.

One-off gains were offset by :-

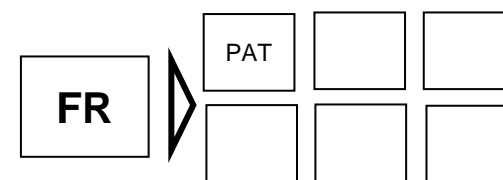
(d) Weak investment markets resulting in mismatch losses in the SG non-par fund of \$49m.

Composition of Quarter run rate from the insurance funds: -

	SG	MY	Total
Par	15	9	24
Non-par	25	12	37
Linked	5	13	18
General Insurance	1	2	3
	46	36	82

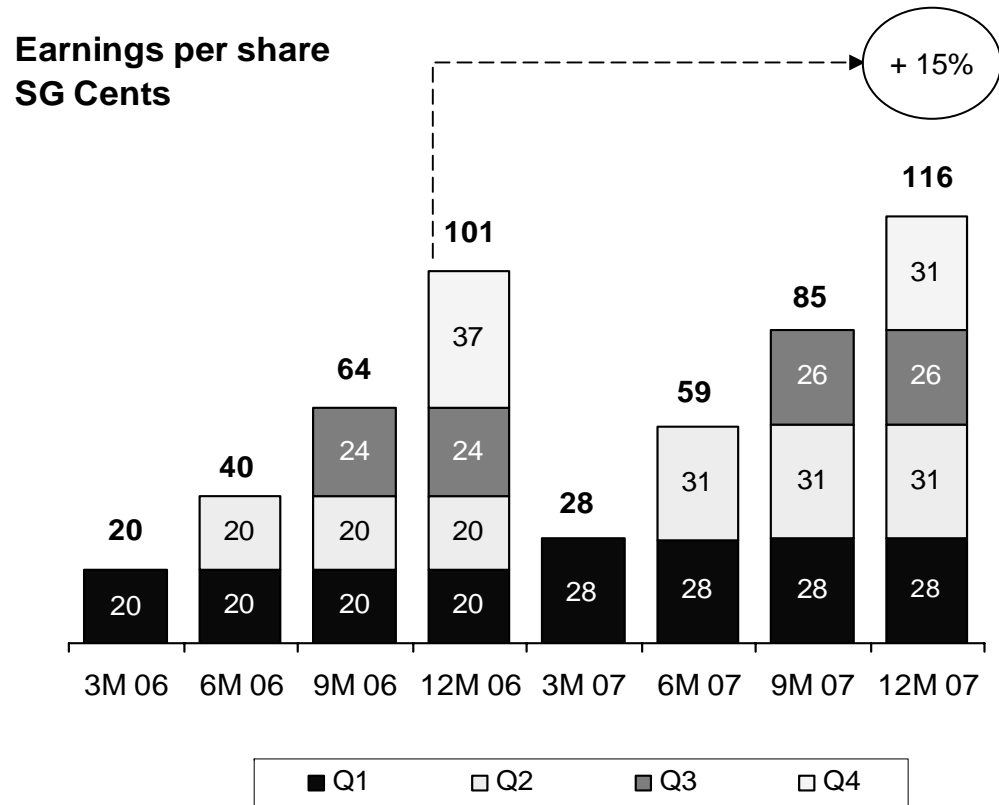
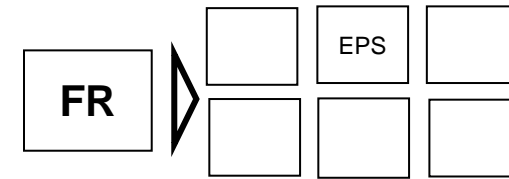
## FINANCIAL RESULTS for Q4-2007 AND FY-2007

IPAT – by insurance funds & geography for YTD December

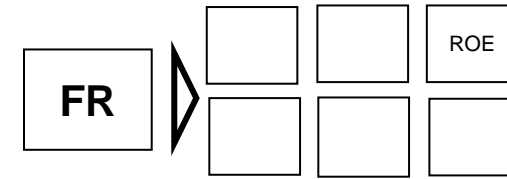


in SGD millions	12M-07	12M-06	%
	(1)	(2)	(1) vs (2)
Participating	72.9	63.0	16%
Non-Participating	131.2	120.9	9%
Investment-Linked	12.8	6.1	110%
General	10.6	17.3	-39%
<b>SINGAPORE</b>	<b>227.5</b>	<b>207.3</b>	<b>10%</b>
Participating	50.7	28.6	77%
Non-Participating	124.7	70.3	77%
Investment-Linked	40.6	34.9	16%
General	17.5	10.0	75%
<b>MALAYSIA</b>	<b>233.5</b>	<b>143.8</b>	<b>62%</b>
Participating	-0.2	-0.6	-67%
Non-Participating	-1.2	-1.5	-20%
Investment-Linked	-4.2	0.0	n.m.
General	0.0	0.0	0%
<b>OTHERS</b>	<b>(5.6)</b>	<b>(2.1)</b>	<b>167%</b>
<b>GEH GROUP</b>	<b>455.4</b>	<b>349.0</b>	<b>30%</b>

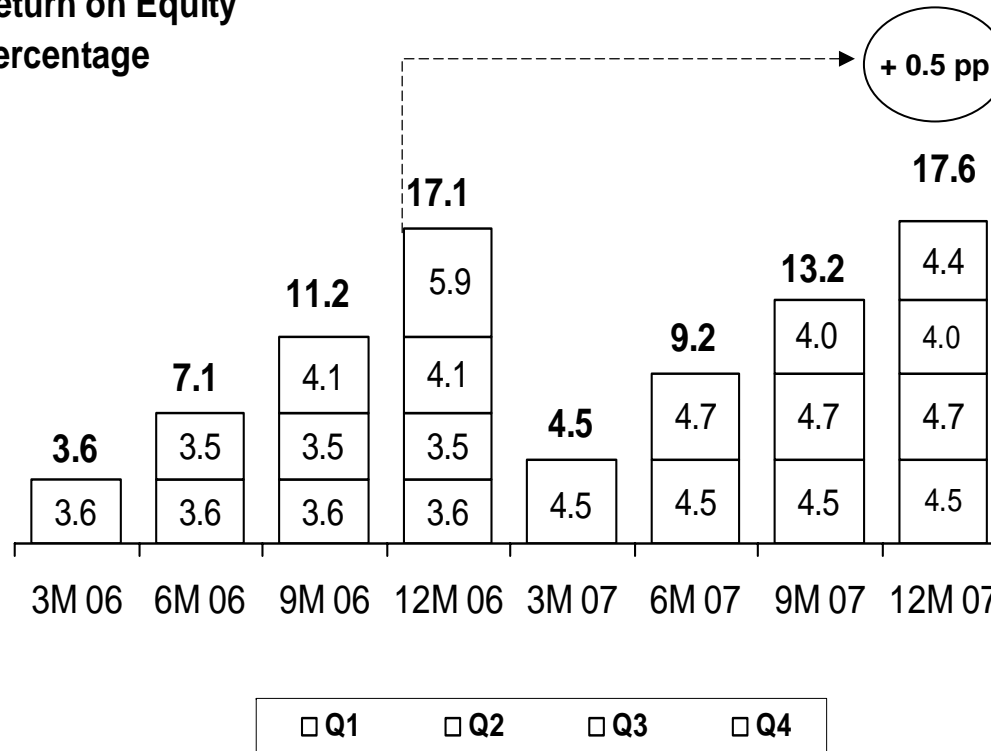
FINANCIAL RESULTS for Q4-2007 AND FY-2007



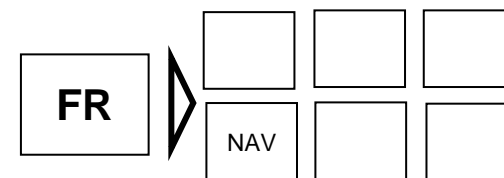
FINANCIAL RESULTS for Q4-2007 AND FY-2007



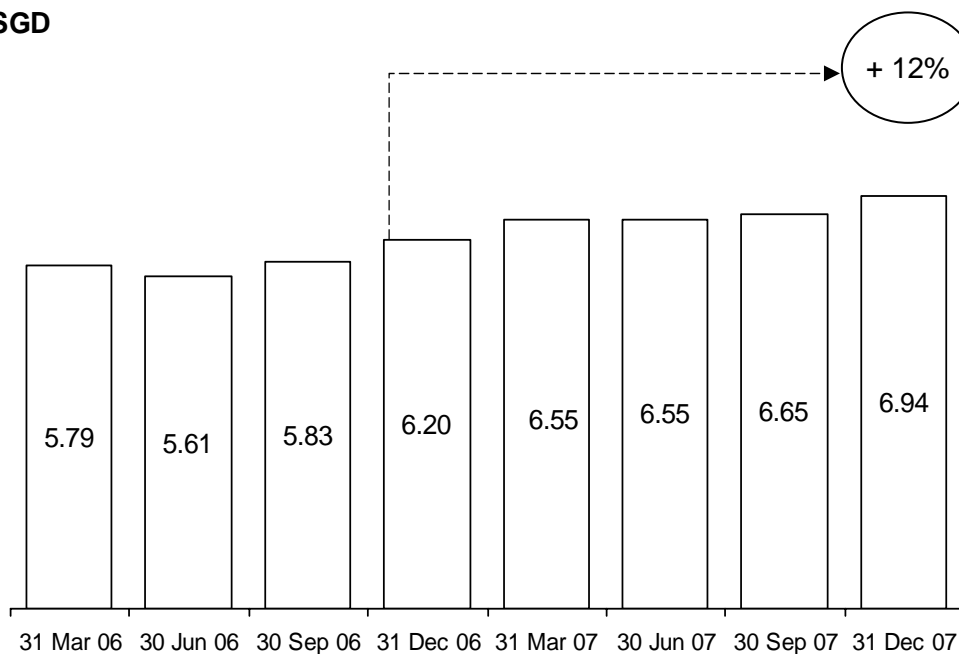
Return on Equity Percentage



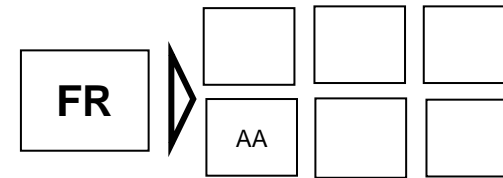
FINANCIAL RESULTS for Q4-2007 AND FY-2007



Net Asset Value Per Share  
 SGD



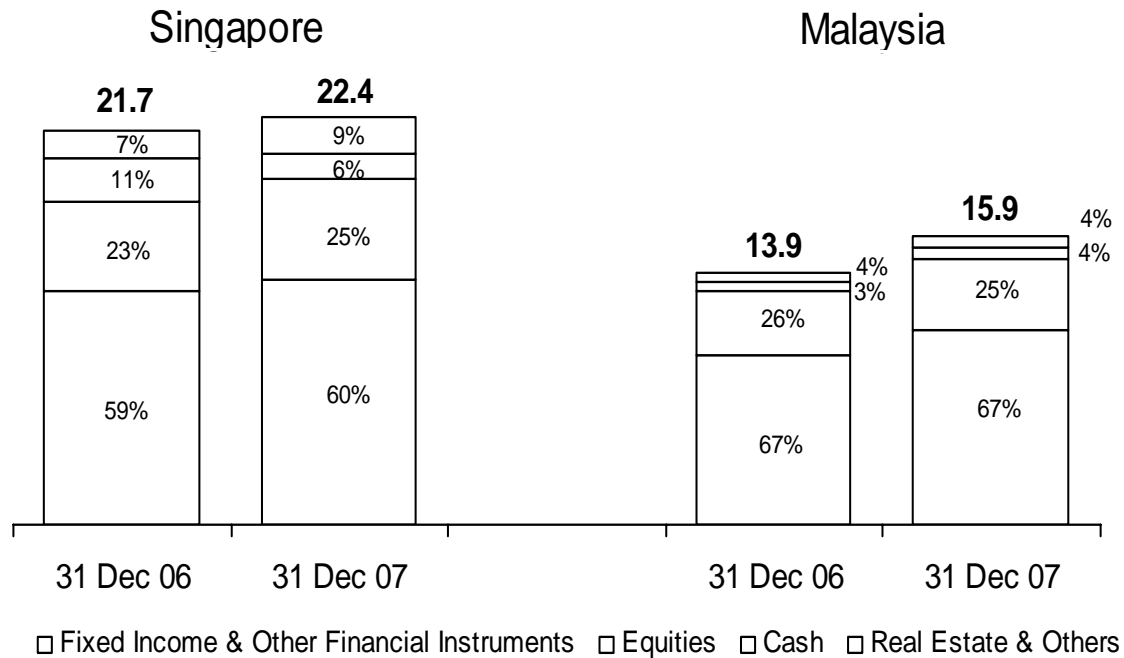
FINANCIAL RESULTS for Q4-2007 AND FY-2007



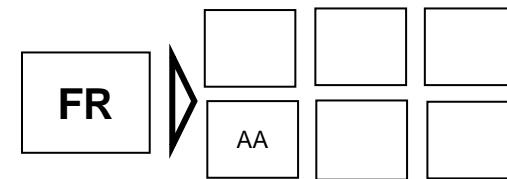
**Asset Allocation of Life Fund (Marked-To-Market)**

(Excluding Investment-Linked Funds)

SGD billions



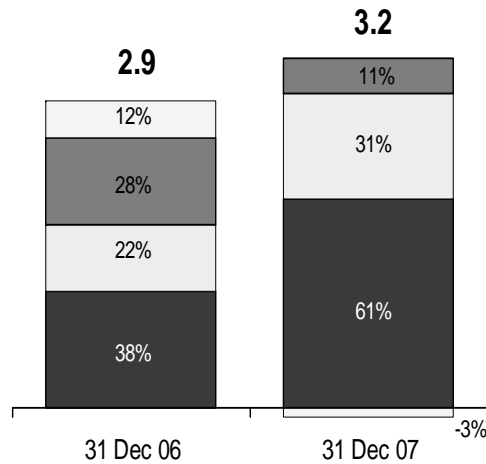
## FINANCIAL RESULTS for Q4-2007 AND FY-2007



**Asset Allocation of Shareholders' Fund  
(Marked-To-Market)**

SGD billions

Singapore

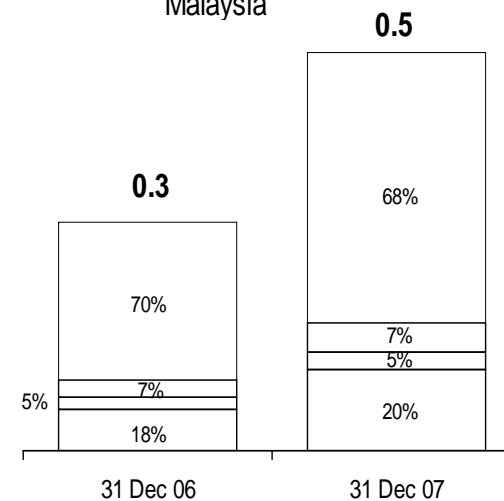


■ Fixed Income & Other Financial Instruments □ Equities ■ Cash □ Others

**Asset Allocation of Shareholders' Fund  
(Marked-To-Market)**

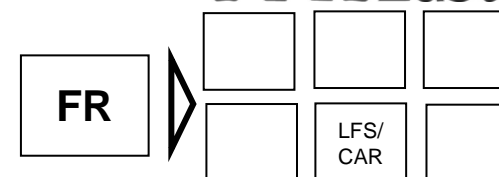
SGD billions

Malaysia



□ Fixed Income & Other Financial Instruments □ Equities □ Cash □ Others

## FINANCIAL RESULTS for Q4-2007 AND FY-2007



### Capital Adequacy Ratio (Singapore) / Life Fund Surplus (Malaysia)

Beginning January 2005, under the RBC framework, life fund surplus is no longer relevant to Singapore. In its place, the capital adequacy ratio as defined by the Insurance Act, Insurance (Valuation & Capital) Regulations, 2004, for all Singapore insurance funds is shown as below. Life fund surplus remains relevant for Malaysia.

**\* NOTE:**

(a) RBC Regulatory requirement is 120%. This ratio pertains to insurance subsidiaries in Singapore. Does not include capital held at holding company and other subsidiaries within the GEH Group.

(b) The capital adequacy ratio (audited on March 2007) was 246% (previously disclosed as 244%).



SGD billions

31 Dec 06    31 Dec 07

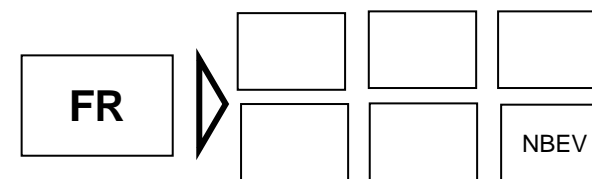
**SINGAPORE :**

Available Capital	6.60	7.50
Regulatory Risk Capital (100%)	2.71	2.92
Capital Adequacy Ratio *	244%	255%

**MALAYSIA :**

Life Fund Surplus (MTM)	3.13	3.91
Life Fund Surplus (MTM) as a % of Long-Term Liability Reserve	32%	36%

## FINANCIAL RESULTS for Q4-2007 AND FY-2007

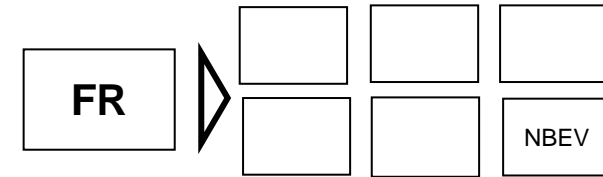


NBEV (SGD millions)	Q4-07	Q4-06	12M-07	12M-06
Singapore	50.5	32.2	151.4	130.7
Malaysia	37.2	33.3	116.7	105.7
<b>GROUP</b>	<b>87.7</b>	<b>65.5</b>	<b>268.1</b>	<b>236.4</b>

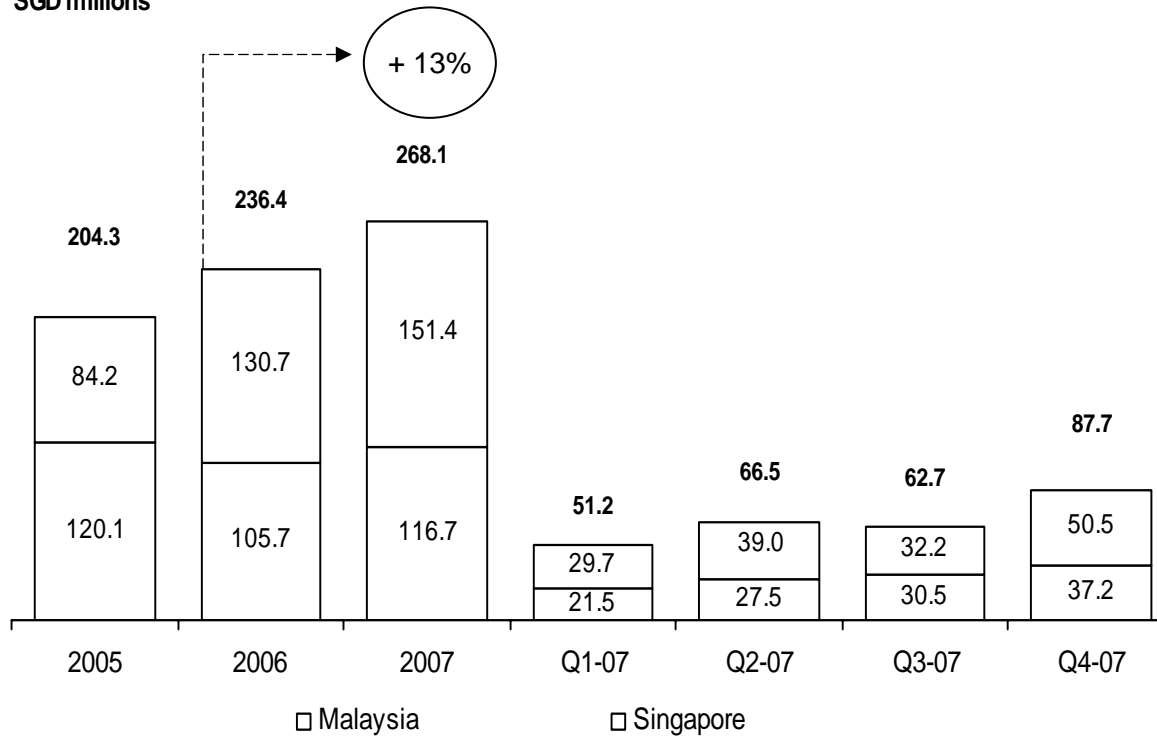
Note for 2006 only

- Due to the change in embedded value assumptions (namely lapses, surrenders, investment returns and discount rates for both SG and MY in Jan-07 with retrospective effect to Jan-06), the NBEV numbers in the respective periods in 2006 have been restated to facilitate meaningful comparison with NBEV for 2007 which are based on the new revised assumptions. The effects of the changes for 2006 NBEV were +9% for SG but -6% for MY.
- The restatement included \$21.5m from certain product groups not computed.

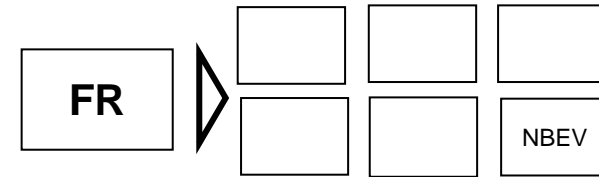
## FINANCIAL RESULTS for Q4-2007 AND FY-2007



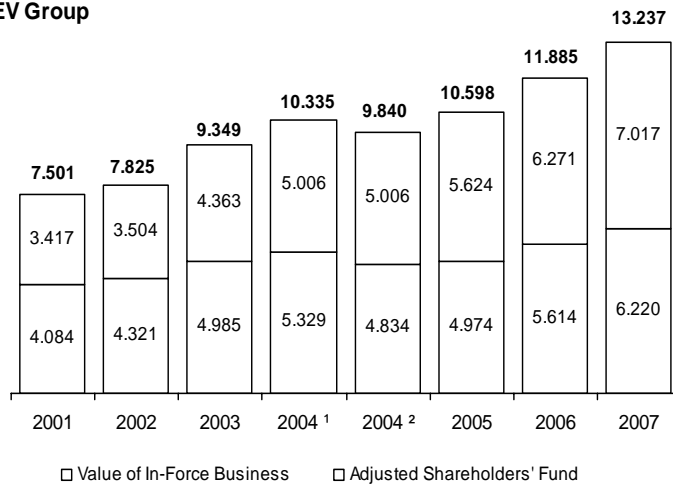
**New Business Embedded Value**  
 (Restated 2006 NBEV to reflect Change in Actuarial Assumptions)  
 SGD millions



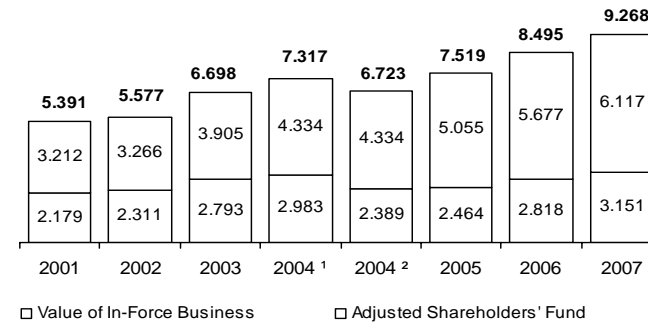
## FINANCIAL RESULTS for Q4-2007 AND FY-2007



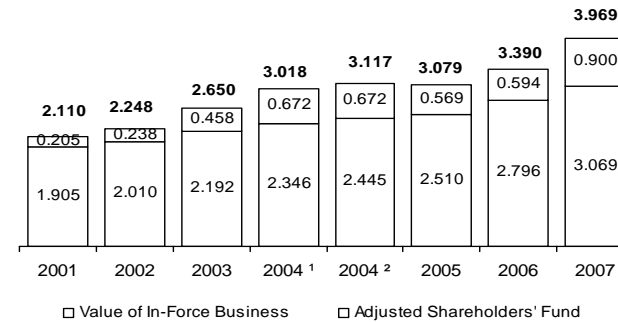
SGD per GEH Share  
EV Group



SGD per GEH Share  
EV Singapore

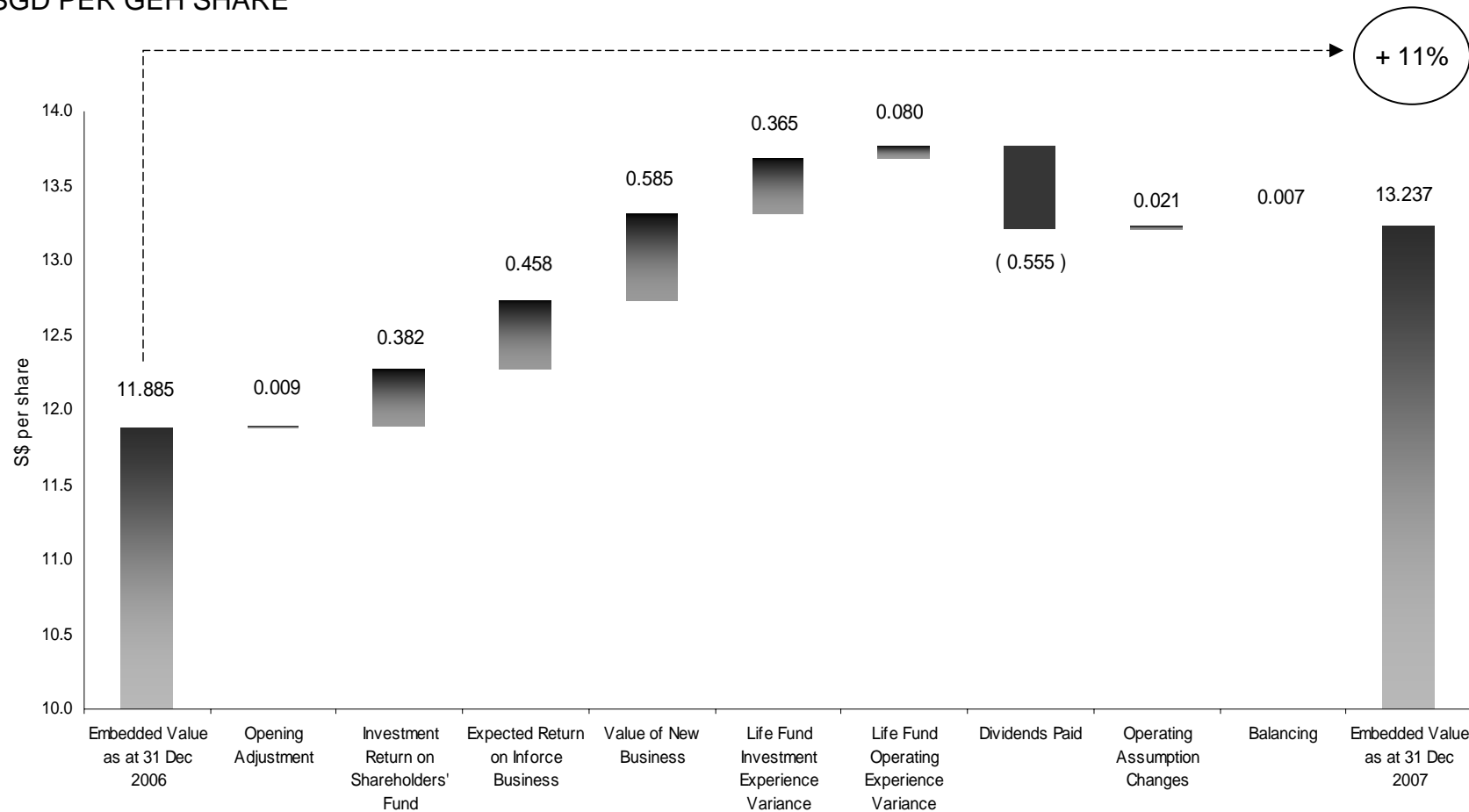


SGD per GEH Share  
EV Malaysia



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

### SGD PER GEH SHARE



*Life is great!*

*Celebrating* **100**  
*Life @* 1908-2008



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

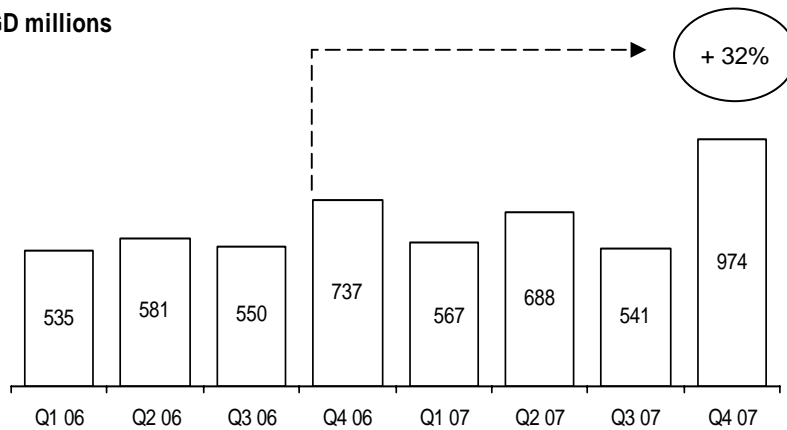
### SECTION 2: SALES PERFORMANCE

*Life is great!*

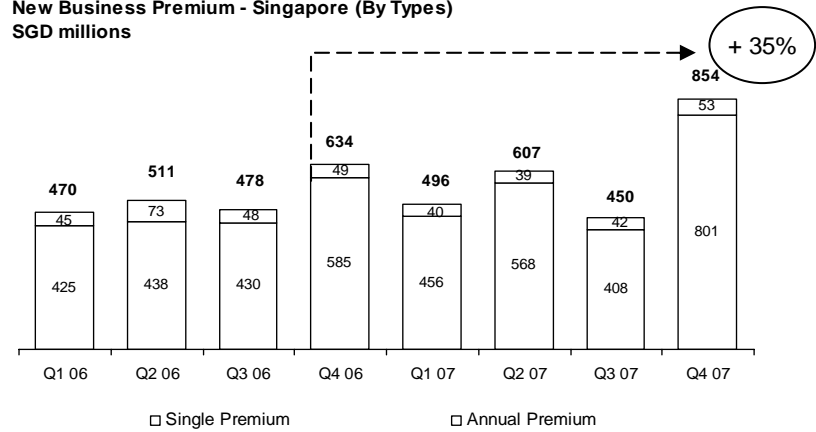
## FINANCIAL RESULTS for Q4-2007 AND FY-2007

<b>SALES</b>	GEOGRAPHY	

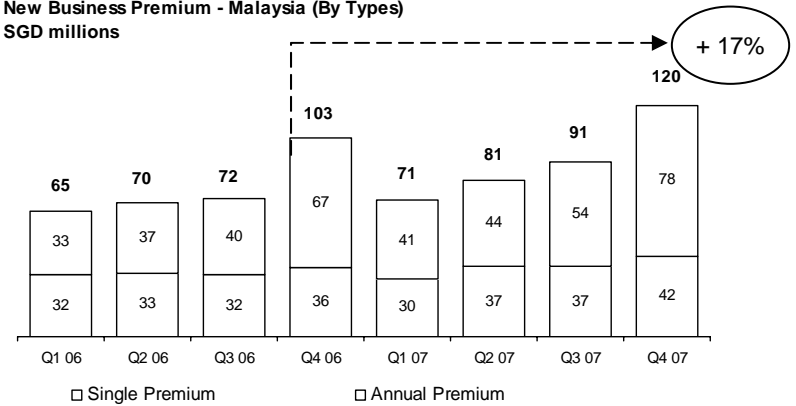
**New Business Premium**  
SGD millions



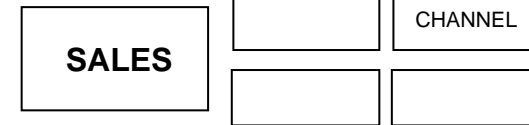
**New Business Premium - Singapore (By Types)**  
SGD millions



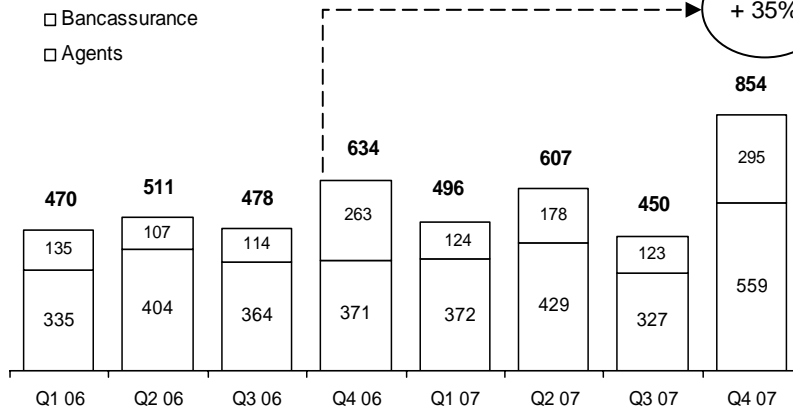
**New Business Premium - Malaysia (By Types)**  
SGD millions



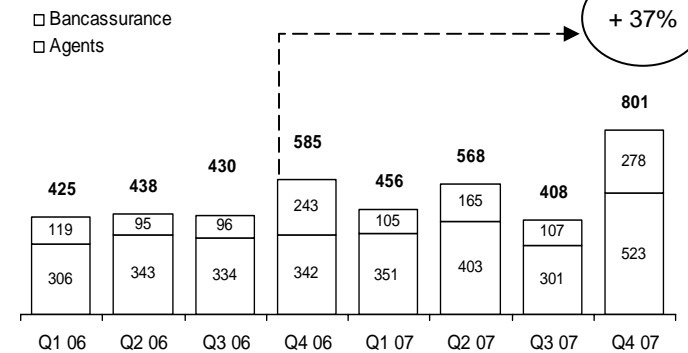
## FINANCIAL RESULTS for Q4-2007 AND FY-2007



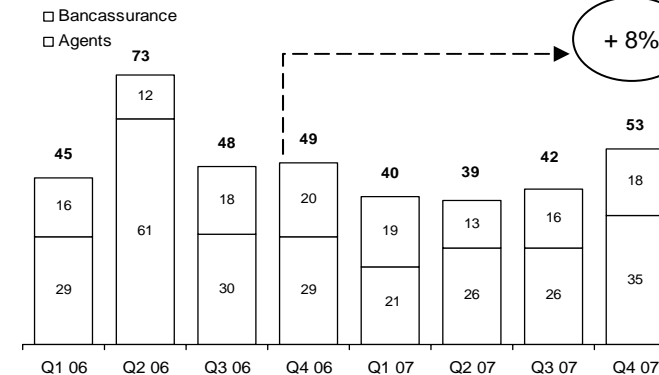
**New Business Premium - Singapore (By Channels)**  
SGD millions



**Single premium - Singapore**  
SGD millions



**Annual premium - Singapore**  
SGD millions



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

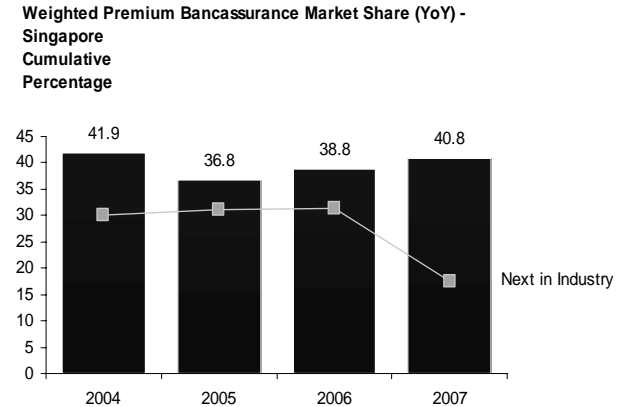
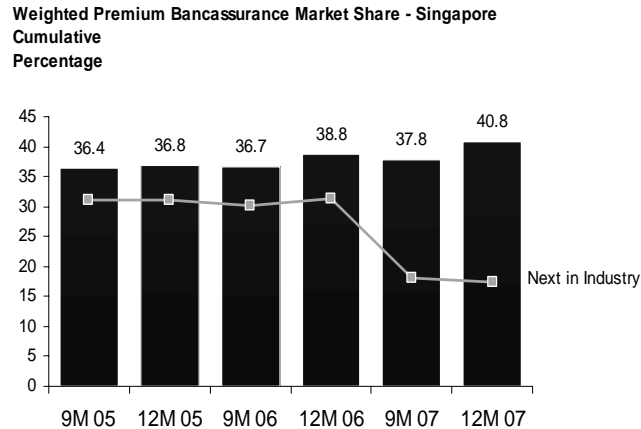
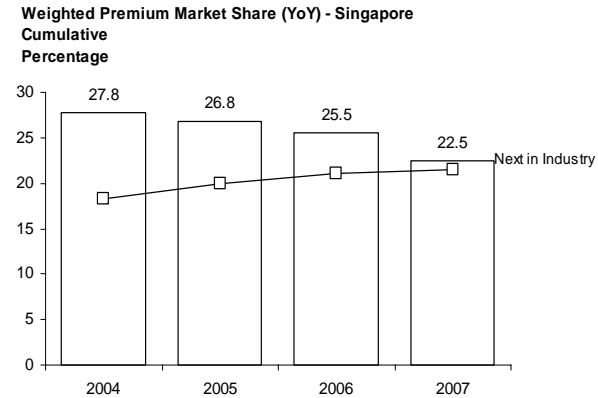
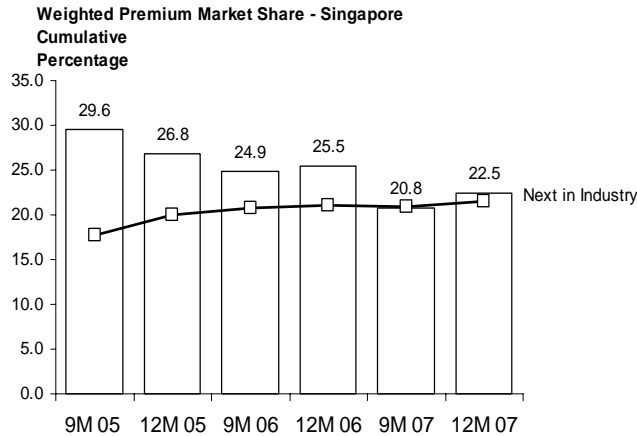
SALES		
	PRODUCT	

**Gross Premiums (By Product Group)**  
SGD millions

	2007			2006			%
	Non - ILP	ILP	Total	Non - ILP	ILP	Total	
Single Premium	874	1,359	2,233	1,070	806	1,876	19%
Annual Premium	127	48	175	182	32	214	-18%
Renewal Premium	1,481	102	1,583	1,394	76	1,470	8%
<b>SINGAPORE</b>	<b>2,482</b>	<b>1,509</b>	<b>3,991</b>	<b>2,646</b>	<b>914</b>	<b>3,560</b>	<b>12%</b>
Single Premium	109	37	146	104	29	133	10%
Annual Premium	127	90	217	90	87	177	23%
Renewal Premium	1,406	238	1,644	1,371	176	1,547	6%
<b>MALAYSIA</b>	<b>1,642</b>	<b>365</b>	<b>2,007</b>	<b>1,565</b>	<b>292</b>	<b>1,857</b>	<b>8%</b>
<b>TOTAL</b>	<b>4,124</b>	<b>1,874</b>	<b>5,998</b>	<b>4,211</b>	<b>1,206</b>	<b>5,417</b>	<b>11%</b>

# FINANCIAL RESULTS for Q4-2007 AND FY-2007 MARKET SHARE - SINGAPORE

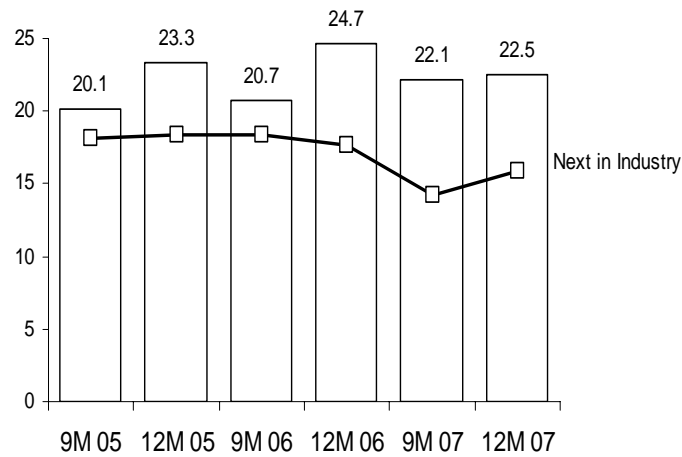
<b>SALES</b>		
		<b>MARKET SHARE</b>



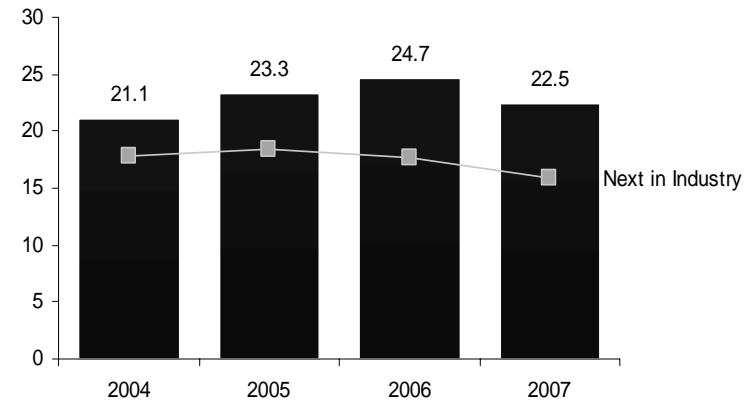
**FINANCIAL RESULTS for Q4-2007 AND FY-2007**  
**MARKET SHARE - MALAYSIA**

<b>SALES</b>		
		<b>MARKET SHARE</b>

**Weighted Premium Market Share - Malaysia**  
Cumulative Percentage



**Weighted Premium Market Share (YoY) - Malaysia**  
Cumulative Percentage



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

### INFORMATION ON CDO EXPOSURES BY GEH AND LION CAPITAL, AS AT 31 DEC 2007

1. Great Eastern Holdings, has total investments of S\$154 million (30 Sep 07: S\$176 million), marked to market, in Collateralised Debt Obligations (CDO), of which an estimated S\$16 million (30 Sep 07: S\$18 million) is exposed to ABS assets which include US sub-prime ABS. Of the S\$154 million, S\$141 million (30 Sep 07: S\$167 million) is invested out of the Life Funds and S\$13 million (30 Sep 07: S\$9 million) out of the Shareholders' Funds. GEH has assessed its current CDO investments to be reasonably sound, particularly within the context of its Life Fund assets of S\$42 billion as at 31 Dec 2007 (30 Sep 07: S\$42 billion). S\$38 million marked to market loss in the CDO invested out of life funds was taken to the Life Assurance Revenue Statement for the quarter. Out of the S\$13 million marked to market CDO invested by the Shareholders Funds, market loss of S\$1 million was recognised in the Fair Value Reserve in the Equity Statement and impairment loss of S\$5 million was recognised in the Profit and Loss Statement. Total write down for Singa Funding CDO was \$15 million and \$2 million for Life Funds and Shareholders' Funds respectively.
2. Under Great Eastern Life's suite of investment linked sub-funds at the end of fourth quarter 2007, there were five close-end tranches of CDO related products aggregated, marked to market, S\$472 million. The investment returns and risks are borne by policyholders. Every tranche is performing, none is exposed to US sub-prime mortgages, and there are no losses, defaults or re-rating for the positions as at 31 Dec 2007. Lion Capital Management as the collateral manager for these portfolios, actively rebalances all its CDO portfolios to maintain or improve subordination ratios and rating stability.
3. Lion Capital Management, which is 70% owned by GEH and 30% by OCBC Bank, is a fund management company which manages third party funds and part of the Singapore insurance funds of Great Eastern. Lion Capital currently has about S\$34.2 billion (30 Sep 07: S\$34.5 billion) in total assets under management, invested across various asset classes. Of this amount, CDO funds under management amount to S\$6.2 billion (30 Sep 07: S\$5.6 billion), on funded basis. The CDO are originated and structured by investment banks with Lion Capital engaged as collateral manager, actively managing the subordination levels for a fund management fee.
4. All the CDO except for one ABS CDO managed by Lion Capital as at 31 Dec 2007 are performing. The only one ABS CDO, Singa Funding, managed by Lion Capital has deteriorated in tandem with the sub-prime mortgage market. The CDO are not structured as hedge funds and have not been leveraged up, so they are not exposed to liquidity risk, mark-to-market margin call triggers or forced liquidations. While there has been some mark-to-market losses, all corporate credit CDO structures are paying the respective coupons promptly, none of the deals has experienced any event of defaults. In fact, the original required subordinations are either maintained or in some cases, have improved due to active portfolio management rebalancing. Investors in the CDO portfolios managed by Lion Capital are largely sophisticated investors, comprising mainly financial institutions, corporates and other fund management companies. As with other types of managed accounts, the investment risks in the CDO funds are borne by the investors, and Lion Capital does not assume any liability in the event of occurrence of loss or default or write-down in market valuation.

*Celebrating* **100**  
*Life @* 1908-2008



## FINANCIAL RESULTS for Q4-2007 AND FY-2007

- END -

*Life is great!*