

Condensed Unaudited Financial Statements - Half Year and Quarter Ended June 30, 2016

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the half year and quarter ended June 30, 2016.

(a) Basis of Accounting

The interim half year and quarter ended condensed financial statements comply with International Financial Reporting Standards (IFRS) and have been prepared on the same basis as the accounting policies set out in the statutory financial statements of the Group for the year ended December 31, 2015, except for the adoption of relevant amendments to published Standards, Standards and Interpretation now effective.

(b) Operations

Short Term - Both the gross and net earned premiums experienced a sizeable growth over the past six months. However, the operational results were adversely impacted by an unusual pattern of claims coupled with some high severity claims in several lines of business.

Long Term - The premium income increased satisfactorily during the second quarter as compared to the corresponding period in 2015.

(c) Investments

The SEMDEX fell further in the second quarter of 2016 while international equities turned around and closed higher. International markets were subject to higher volatility during the quarter on worries about China's debt levels, the odds for the US Federal Reserve to continue raising interest rates, and Brexit. On the domestic side, foreign investors were net sellers as a further depreciation of the Rupee against the US Dollar weighed on USD returns. On the fixed income side, persistent excess liquidity in the financial system and the lagged effect of a reduction in the Repo Rate last November continued to put pressure on market yields. However, our diversified approach to fixed income management has ensured these investments continue to deliver reasonable returns.

For and on behalf of the Board of Directors

Swan Corporate Affairs Ltd
Company Secretary
August 12, 2016.

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Unaudited as at June 30, 2016 Rs'000	Audited as at December 31, 2015 Rs'000	Unaudited as at June 30, 2016 Rs'000	Audited as at December 31, 2015 Rs'000
ASSETS				
Non-current assets				
Property and equipment	96,643	97,596	95,228	96,019
Investment in subsidiary companies	-	-	535,956	465,418
Investment in associated company and joint venture	97,697	90,176	500	500
Investment in financial assets	1,753,876	1,552,221	1,364,137	1,358,820
Other non-current assets	213,419	222,872	164,397	166,879
	2,161,635	1,962,865	2,160,218	2,087,636
Current assets	3,017,721	2,937,762	2,005,273	1,971,279
Life business assets	32,793,181	32,095,961	-	-
Total assets	37,972,537	36,996,588	4,165,491	4,058,915
EQUITY AND LIABILITIES				
Capital and reserves (attributable to owners of the parent)				
Share capital	41,379	41,379	41,379	41,379
Retained earnings	1,388,022	1,412,831	1,526,534	1,497,298
Reserves	892,118	882,932	418,711	445,191
Owners' interest	2,321,519	2,337,142	1,986,624	1,983,868
Non-controlling interests	351,579	350,294	-	-
Total equity	2,673,098	2,687,436	1,986,624	1,983,868
Life assurance fund	32,793,181	32,095,961	-	-
Technical Provisions	1,812,634	1,631,440	1,792,347	1,611,117
Non-current liabilities	316,731	109,120	109,561	102,369
	34,922,546	33,836,521	1,901,908	1,713,486
Current liabilities	376,893	472,631	276,959	361,561
Total equity and liabilities	37,972,537	36,996,588	4,165,491	4,058,915
Net assets per share (Rs/cs)	280.52	282.41	240.05	239.72
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

2. Statements of Profit or Loss

	THE GROUP				THE COMPANY			
	Half Year Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2015 Rs'000	Quarter Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2015 Rs'000	Half Year Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2015 Rs'000	Quarter Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2015 Rs'000
Gross premiums	3,190,828	2,616,416	1,650,466	1,311,052	1,165,323	1,047,082	598,820	500,163
Net earned premiums	2,492,208	1,987,209	1,324,604	1,025,959	604,680	484,033	322,168	245,541
Share of profit of associate and joint venture	7,341	9,774	3,284	7,105	-	-	-	-
Profit before taxation	33,701	90,715	(1,151)	43,368	33,511	86,994	3,414	41,096
Taxation	(5,089)	(15,962)	23	(8,548)	(4,275)	(13,919)	706	(6,512)
Profit for the period	28,612	74,753	(1,128)	34,820	29,236	73,075	4,120	34,584
Profit attributable to:								
Owners of the parent	25,273	69,796	(2,680)	32,286	29,236	73,075	4,120	34,584
Non-controlling interests	3,339	4,957	1,552	2,534	-	-	-	-
Earnings per share (Rs/cs)	3.05	8.43	(0.32)	3.90	3.53	8.83	0.50	4.18
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769	8,275,769	8,275,769	8,275,769	8,275,769

3. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP				THE COMPANY			
	Half Year Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2015 Rs'000	Quarter Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2015 Rs'000	Half Year Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2015 Rs'000	Quarter Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2015 Rs'000
Profit for the period	28,612	74,753	(1,128)	34,820	29,236	73,075	4,120	34,584
Other comprehensive income for the period	(15,056)	93,594	4,075	(14,417)	(26,480)	47,005	(14,994)	(27,950)
Total comprehensive income for the period	13,556	168,347	2,947	20,403	2,756	120,080	(10,874)	6,634
Total comprehensive income attributable to:								
Owners of the parent	7,846	154,252	(3,359)	14,237	2,756	120,080	(10,874)	6,634
Non-controlling interests	5,710	14,095	6,306	6,166	-	-	-	-
	13,556	168,347	2,947	20,403	2,756	120,080	(10,874)	6,634

4. Statements of Changes in Equity

	Attributable to owners of the parent									
	Share Capital Rs'000	Fair Value Reserve Rs'000	Revaluation & Other Reserves Rs'000	Proprietors' Fund Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Actuarial gains/(losses) Rs'000	Total Rs'000	Non-controlling Interests Rs'000	Total Equity Rs'000
(a) THE GROUP										
Balance at January 1, 2016	41,379	228,359	54,848	387,720	1,412,831	267,477	(55,472)	2,337,142	350,294	2,687,436
Profit for the period	-	-	-	-	25,273	-	-	25,273	3,339	28,612
Other comprehensive income for the period	-	(23,589)	(4,587)	10,749	-	-	-	(17,427)	2,371	(15,056)
Changes in ownership interest in subsidiary that do not result in a loss of control	-	-	-	-	(50,082)	-	-	(50,082)	(20,458)	(70,540)
Transfer from Life Assurance Fund	-	-	-	26,613	-	-	-	26,613	6,707	33,320
Other movement	-	-	-	-	-	-	-	-	9,326	9,326
Balance at June 30, 2016	41,379	204,770	50,261	425,082	1,388,022	267,477	(55,472)	2,321,519	351,579	2,673,098
Balance at January 1, 2015	41,379	309,212	23,334	35,734	1,323,750	267,477	(48,484)	1,952,402	238,942	2,191,344
Profit for the period	-	-	-	-	69,796	-	-	69,796	4,957	74,753
Other comprehensive income for the period	-	40,873	30,024	13,559	-	-	-	84,456	9,138	93,594
Changes in ownership interest in subsidiary that do not result in a loss of control	-	-	-	-	(21,225)	-	-	(21,225)	(8,963)	(30,188)
Transfer from Life Assurance Fund	-	-	-	361,505	-	-	-	361,505	110,495	472,000
Other movement	-	-	-	-	-	-	-	-	13,084	13,084
Balance at June 30, 2015	41,379	350,085	53,358	410,798	1,372,321	267,477	(48,484)	2,446,934	367,653	2,814,587
(b) THE COMPANY										
Balance at January 1, 2016	41,379	251,359	28,719	-	1,497,298	220,593	(55,480)	1,983,868	-	-
Profit for the period	-	-	-	-	29,236	-	-	29,236	-	-
Other comprehensive income for the period	-	(26,480)	-	-	-	-	-	(26,480)	-	-
Balance at June 30, 2016	41,379	224,879	28,719	-	1,526,534	220,593	(55,480)	1,986,624	-	-
Balance at January 1, 2015	41,379	310,983	28,719	-	1,346,344	220,593	(48,492)	1,899,526	-	-
Profit for the period	-	-	-	-	73,075	-	-	73,075	-	-
Other comprehensive income for the period	-	47,005	-	-	-	-	-	47,005	-	-
Balance at June 30, 2015	41,379	357,988	28,719	-	1,419,419	220,593	(48,492)	2,019,606	-	-

5. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Half Year Ended June 30, 2016	Half Year Ended June 30, 2015	Half Year Ended June 30, 2016	Half Year Ended June 30, 2015
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash generated from operating activities	88,082	53,324	78,294	29,984
Net cash (used in)/generated from investing activities	(159,788)	22,062	32,226	44,864
Net cash generated from/(used in) financing activities	77,229	(112,684)	(126,319)	(112,164)
Increase/(decrease) in cash and cash equivalents	5,523	(37,298)	(15,799)	(37,316)
Movement in cash and cash equivalents				
At January 1,	168,233	127,481	120,367	72,435
Increase/(decrease)	5,523	(37,298)	(15,799)	(37,316)
Effect of exchange rate changes	(434)	5,266	844	1,138
At June 30,	173,322	95,449	105,412	36,257

6. Segment Information - (Group)

	Life	Casualty	Property	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Half year ended June 30, 2016				
Gross premiums	1,952,733	908,177	329,918	3,190,828
Net earned premiums	1,879,921	502,651	109,636	2,492,208
Underwriting surplus	-	128,614	79,095	207,709
Investment Income	-	-	-	27,091
Operating profit	-	-	-	234,800
Other income	-	-	-	23,604
Marketing and administrative expenses	-	-	-	(258,404)
Share of profit of associated company and joint venture	-	-	-	(223,207)
Depreciation	-	-	-	7,341
Amortisation	-	-	-	(5,743)
Profit before taxation	-	-	-	(3,094)
Taxation	-	-	-	33,701
Profit for the period	-	-	-	(5,089)
Half year ended June 30, 2015				
Gross premiums	1,562,447	764,519	289,450	2,616,416
Net earned premiums	1,503,176	389,271	94,762	1,987,209
Underwriting surplus	-	157,440	87,592	245,032
Investment Income	-	-	-	24,949
Operating profit	-	-	-	269,981
Other income	-	-	-	26,935
Marketing and administrative expenses	-	-	-	(296,916)
Share of profit of associated company and joint venture	-	-	-	(207,658)
Depreciation	-	-	-	9,774
Amortisation	-	-	-	(5,627)
Profit before taxation	-	-	-	(2,690)
Taxation	-	-	-	90,715
Profit for the period	-	-	-	(15,962)
				74,753

This Communiqué is issued pursuant to Listing Rule 12.20 and published as per the Securities Act 2005. Copies of these condensed unaudited financial statements and the statement of officers' interests, pursuant to Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available free of charge from the Company Secretary at the registered office of the Company at Swan Centre, 10 Intendance Street, Port Louis. The condensed unaudited financial statements can also be viewed on the Company's website. The Board of Directors of Swan General Ltd accepts full responsibility for the accuracy of the information contained in these condensed unaudited financial statements.