

Condensed Unaudited Financial Statements - Quarter Ended March 31, 2017

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the Quarter Ended March 31, 2017.

(a) Basis of Accounting

The quarter ended condensed financial statements comply with the International Financial Reporting Standards (IFRS) and have been prepared on the same basis of the accounting policies set out in the statutory financial statements of the Group for the year ended December 31, 2016, except for the adoption of relevant amendments to published Standards, Standards and Interpretation now effective.

(b) Operations

Short Term

The gross written and net earned premiums grew appreciably to produce a satisfactory underwriting surplus, despite the challenging economic landscape and the prevailing stiff market competition.

Long Term

Net premiums for this quarter continued to grow reflecting the underlying performance in the pensions and life insurance segments.

(c) Investments

Our local and international equity portfolios posted a strong first quarter in 2017. Locally, the main stock index reversed course and headed north, supported by rekindled foreign interest on selected stocks and a more aggressive stance from local investors. On the international front, the stock markets rally continued

on the back of improving global economic data, relief on the political front in Europe, and stabilization of Emerging Markets and commodity markets. Emerging markets contributed the most to performance during the quarter.

On the fixed income market, although the high excess liquidity decreased over the quarter, it remains high and continues to weigh on yields. Despite this complex environment, our fixed income portfolio continued to deliver encouraging returns.

For and on behalf of the Board of Directors

Swan Corporate Affairs Ltd
Company Secretary
May 12, 2017

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	As at Mar 31, 2017 Rs'000	As at Dec 31, 2016 Rs'000	As at Mar 31, 2017 Rs'000	As at Dec 31, 2016 Rs'000
ASSETS				
Non-current assets				
Property and equipment	93,251	94,403	91,994	93,113
Investments in subsidiary companies	-	-	535,957	535,957
Investments in associated company and joint ventures	84,867	85,926	501	501
Investments in financial assets	1,707,222	1,623,125	1,491,006	1,415,881
Other non-current assets	213,350	218,034	164,639	165,388
	2,098,690	2,021,488	2,284,097	2,210,840
Current assets				
Life business assets	3,022,968	3,002,043	2,036,874	1,962,878
Total assets	41,413,884	39,510,649	4,320,971	4,173,718
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	41,379	41,379	41,379	41,379
Retained earnings	1,529,366	1,494,110	1,659,370	1,619,522
Reserves	874,590	858,538	458,876	382,533
Owners' interest	2,445,335	2,394,027	2,159,625	2,043,434
Non-controlling interests	336,217	344,523	-	-
Total equity	2,781,552	2,738,550	2,159,625	2,043,434
Life assurance fund	36,292,226	34,487,118	-	-
Technical Provisions	1,851,626	1,814,025	1,808,575	1,774,508
Non-current liabilities	155,464	165,240	133,767	129,686
	38,299,316	36,466,383	1,942,342	1,904,194
Current liabilities	333,016	305,716	219,004	226,090
Total equity and liabilities	41,413,884	39,510,649	4,320,971	4,173,718
Net assets per share (Rs/cs)	295.48	289.28	260.96	246.92
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

2. Statements of Profit or Loss and Other Comprehensive Income

	THE GROUP		THE COMPANY	
	Quarter Ended Mar 31, 2017 Rs'000	Quarter Ended Mar 31, 2016 Rs'000	Quarter Ended Mar 31, 2017 Rs'000	Quarter Ended Mar 31, 2016 Rs'000
Gross premiums	1,672,743	1,540,362	607,390	566,503
Net earned premiums	1,310,183	1,167,604	334,912	282,512
Share of profit of associated company and joint ventures	273	4,057	-	-
Profit before taxation	42,324	34,852	46,883	30,097
Taxation	(7,065)	(5,112)	(7,035)	(4,981)
Profit for the period	35,259	29,740	39,848	25,116
Other comprehensive income for the period	81,246	(19,131)	76,344	(11,486)
Total comprehensive income for the period	116,505	10,609	116,192	13,630
Profit attributable to:				
Owners of the parent	35,256	27,953	39,848	25,116
Non-controlling interests	3	1,787	-	-
	35,259	29,740	39,848	25,116
Total comprehensive income attributable to:				
Owners of the parent	117,301	11,205	116,192	13,630
Non-controlling interests	(796)	(596)	-	-
	116,505	10,609	116,192	13,630
Earnings per share (Rs/cs)	4.26	3.38	4.82	3.03
Number of shares used in calculation	8,275,769	8,275,769	8,275,769	8,275,769

3. Statements of Changes in Equity

	Attributable to owners of the parent									
	Share Capital Rs'000	Fair Value Reserve Rs'000	Other Reserves Rs'000	Proprietors' Fund Rs'000	Retained Earnings Rs'000	Amalgamation Reserve Rs'000	Actuarial losses Rs'000	Total Rs'000	Non-controlling Interests Rs'000	Total Equity Rs'000
(a) THE GROUP										
Balance at January 1, 2017	41,379	208,515	54,460	419,787	1,494,110	267,477	(91,701)	2,394,027	344,523	2,738,550
Profit for the period	-	-	-	-	35,256	-	-	35,256	3	35,259
Other comprehensive income for the period	-	87,439	(4,602)	(792)	-	-	-	82,045	(799)	81,246
Other movement	-	-	-	-	-	-	-	-	6,275	6,275
Non distributable reserve	-	-	-	(65,992)	-	-	-	(65,992)	(13,785)	(79,777)
Balance at March 31, 2017	41,379	295,954	49,858	353,003	1,529,366	267,477	(91,701)	2,445,335	336,217	2,781,552
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	-	-	-	-	27,953	-	-	27,953	1,787	29,740
Other comprehensive income for the period	-	(11,576)	(6,404)	1,232	-	-	-	(16,748)	(2,383)	(19,131)
Other movement	-	-	-	-	-	-	-	-	5,540	5,540
Transactions with non controlling interests	-	-	-	-	(50,082)	-	-	(50,082)	(20,458)	(70,540)
Non distributable reserve	-	-	-	26,613	-	-	-	26,613	6,707	33,320
Balance at March 31, 2016	41,379	216,783	48,444	415,565	1,390,702	267,477	(55,472)	2,324,878	341,487	2,666,365
(b) THE COMPANY										
Balance at January 1, 2017	41,379	210,550	43,099	-	1,619,522	220,593	(91,709)	2,043,434	-	-
Profit for the period	-	-	-	-	39,848	-	-	39,848	-	-
Other comprehensive income for the period	-	76,344	-	-	-	-	-	76,344	-	-
Balance at March 31, 2017	41,379	286,894	43,099	-	1,659,370	220,593	(91,709)	2,159,625	-	-
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	-	-	-	-	25,116	-	-	25,116	-	-
Other comprehensive income for the period	-	(11,486)	-	-	-	-	-	(11,486)	-	-
Balance at March 31, 2016	41,379	239,873	28,719	-	1,522,414	220,593	(55,480)	1,997,498	-	-

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Quarter Ended Mar 31, 2017 Rs'000	Quarter Ended Mar 31, 2016 Rs'000	Quarter Ended Mar 31, 2017 Rs'000	Quarter Ended Mar 31, 2016 Rs'000
Net cash generated from operating activities	39,038	44,701	48,908	34,402
Net cash generated from investing activities	109,646	28,998	106,677	28,355
Net cash used in financing activities	(99,309)	(82,049)	(99,334)	(82,687)
Increase/ (decrease) in cash and cash equivalents	49,375	(8,350)	56,251	(19,930)
Movement in cash and cash equivalents:				
At January 1	138,396	168,233	69,980	120,367
Increase/(decrease)	49,375	(8,350)	56,251	(19,930)
Effect of exchange rate changes	(1,946)	(3,643)	(155)	323
At March 31	185,825	156,240	126,076	100,760

5. Segment Information - (Group)

	Life	Casualty	Property	Total
	Rs'000	Rs'000	Rs'000	Rs'000
Quarter Ended March 31, 2017				
Gross premiums	1,022,546	498,932	151,265	1,672,743
Underwriting surplus	-	75,072	61,427	136,499
Investment & other income	-	-	-	17,652
Management expenses, depreciation & amortisation	-	-	-	(112,100)
Share of profit of associated company & joint ventures	-	-	-	273
Profit before tax	-	-	-	42,324
Quarter Ended March 31, 2016				
Gross premiums	921,527	410,351	208,484	1,540,362
Underwriting surplus	-	76,290	36,363	112,653
Investment & other income	-	-	-	28,527
Management expenses, depreciation & amortisation	-	-	-	(110,385)
Share of profit of associated company & joint ventures	-	-	-	4,057
Profit before tax	-	-	-	34,852

This communiqué is issued pursuant to the Listing Rule 12.20 and the Securities Act 2005.

Copies of these condensed unaudited financial statements and the statements 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.