

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

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. Life Assurance Fund

	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	1,022,546	921,527	1,022,546	921,527
Net premiums	975,271	885,092	975,271	885,092
Investment and other income	377,201	477,150	322,333	440,055
Share of profit of associates	4	1,787	-	-
	1,352,476	1,364,029	1,297,604	1,325,147
Surplus for the period before taxation	567,133	545,459	525,635	507,802
Taxation	(6,536)	(5,559)	-	-
Surplus for the period	560,597	539,900	525,635	507,802
Surplus allocated as follows:				
- Life Assurance Fund	554,568	534,377	525,635	507,802
- Non-controlling interests	6,029	5,523	-	-
	560,597	539,900	525,635	507,802

2. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Unaudited as at Mar 31, 2017 Rs'000	Audited as at Dec 31, 2016 Rs'000	Unaudited as at Mar 31, 2017 Rs'000	Audited as at Dec 31, 2016 Rs'000
Assets				
Non-current assets				
Property and equipment	281,263	284,824	256,507	260,118
Investment properties	475,537	475,804	435,715	435,982
Investment in subsidiary companies	-	-	540,012	540,012
Investment in associated companies	48,661	49,290	614	614
Investment in financial assets	27,079,596	25,560,379	27,052,694	25,535,531
Loans and receivables	4,768,808	4,860,264	4,782,247	4,873,704
Other non-current assets	110,786	113,637	17,422	18,789
	32,764,651	31,344,198	33,085,211	31,664,750
Current assets	5,543,006	4,820,648	4,533,546	4,496,388
Total assets	38,307,657	36,164,846	37,618,757	36,161,138
Equity and liabilities				
Capital and reserves (attributable to owners of the parent)				
Share capital	26,322	26,322	26,322	26,322
Proprietors' fund	554,665	635,400	554,665	635,400
Reserves	61,214	61,214	529,643	529,643
Owners' interest	642,201	722,936	1,110,630	1,191,365
Non-controlling interests	177,303	171,030	-	-
Total equity	819,504	893,966	1,110,630	1,191,365
Life Assurance Fund	36,292,226	34,487,118	35,983,961	34,206,384
Non-current liabilities				
Retirement benefit obligations	228,087	229,161	223,381	224,455
Other non-current liabilities	52,960	60,299	52,960	60,299
	281,047	289,460	276,341	284,754
Current liabilities	914,880	494,302	247,825	478,635
Total equity and liabilities	38,307,657	36,164,846	37,618,757	36,161,138

3. Statements of Changes in Equity

	Attributable to owners of the parent							
	Share Capital Rs'000	Proprietors' Fund		Amalgamation Reserves Rs'000	Other Reserves Rs'000	Total Rs'000	Non-Controlling Interest Rs'000	Total Equity Rs'000
		Distributable	Non distributable					
(a) THE GROUP								
Balance at January 1, 2017	26,322	130,080	505,320	61,214	-	722,936	171,030	893,966
Interest allocated	-	(958)	-	-	-	(958)	-	(958)
Net movement for the period	-	-	-	-	-	-	6,273	6,273
Transfer to Life Assurance Fund	-	-	(79,777)	-	-	(79,777)	-	(79,777)
Balance at March 31, 2017	26,322	129,122	425,543	61,214	-	642,201	177,303	819,504
Balance at January 1, 2016	26,322	123,433	472,000	61,214	-	682,969	162,763	845,732
Interest allocated	-	1,543	-	-	-	1,543	-	1,543
Net movement for the period	-	-	-	-	-	-	5,540	5,540
Transfer from Life Assurance Fund	-	-	33,320	-	-	33,320	-	33,320
Balance at March 31, 2016	26,322	124,976	505,320	61,214	-	717,832	168,303	886,135
(b) THE COMPANY								
Balance at January 1, 2017	26,322	130,080	505,320	61,214	468,429	1,191,365	-	-
Interest allocated	-	(958)	-	-	-	(958)	-	-
Transfer to Life Assurance Fund	-	-	(79,777)	-	-	(79,777)	-	-
Balance at March 31, 2017	26,322	129,122	425,543	61,214	468,429	1,110,630	-	-
Balance at January 1, 2016	26,322	123,433	472,000	61,214	468,429	1,151,398	-	-
Interest allocated	-	1,543	-	-	-	1,543	-	-
Transfer from Life Assurance Fund	-	-	33,320	-	-	33,320	-	-
Balance at March 31, 2016	26,322	124,976	505,320	61,214	468,429	1,186,261	-	-

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	651,383	466,690	293,328	428,894
Net cash used in investing activities	(237,171)	(318,804)	(238,075)	(317,311)
Net cash used in financing activities	(123,582)	(130,082)	(121,082)	(121,082)
Increase / (decrease) in cash and cash equivalents	290,630	17,804	(65,829)	(9,499)
Movement in cash and cash equivalents				
At January 1,	3,602,170	1,669,019	3,310,990	1,419,232
Increase / (decrease)	290,630	17,804	(65,829)	(9,499)
Effects of exchange rate changes	(10,872)	(3,206)	(7,552)	(2,768)
At March 31,	3,881,928	1,683,617	3,237,609	1,406,965

This Communiqué is issued pursuant to DEM Rule 17 and published as per the Securities Act 2005.

Copies of these condensed unaudited financial statements and the statement of officers' interests are available to the public free of charge with the Secretary, at the Company's registered office, Swan Centre, 10 Intendance Street, Port Louis. The Board of Directors of Swan Life Ltd accepts full responsibility for the accuracy of the information contained in this communiqué.

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