

Condensed Unaudited Financial Statements - Half Year and Quarter Ended June 30, 2017

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, 2017.

(a) Basis of Accounting

The interim half year and quarter ended condensed financial statements comply with the 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 and the Company for the year ended December 31, 2016, except for the adoption of relevant amendments to published Standards, Standards and Interpretation now effective.

(b) Operations

Premium income over the second quarter grew in line with expectations. In this period, benefits payable to the policyholders were higher.

(c) Investments

Our investment portfolio delivered another robust performance for the quarter ended June 2017 as both the local and international equity markets made further gains. However, the continued depreciation of the USD weighed on the performance of our foreign investments in Mauritian Rupee terms.

Our diversification and active management strategy ensure that our fixed income portfolio generates encouraging returns in the context of high excess liquidity and limited fixed income opportunities.

For and on behalf of the Board of Directors

Swan Corporate Affairs Ltd
Company Secretary
August 11, 2017

1. Statements of Financial Position

	THE GROUP		THE COMPANY	
	Unaudited as at June 30, 2017 Rs'000	Audited as at Dec 31, 2016 Rs'000	Unaudited as at June 30, 2017 Rs'000	Audited as at Dec 31, 2016 Rs'000
Assets				
Non-current assets				
Property and equipment	277,271	284,824	252,577	260,118
Investment properties	477,723	475,804	437,901	435,982
Investment in subsidiary companies	-	-	540,012	540,012
Investment in associated companies	47,163	49,290	614	614
Investment in financial assets	28,981,283	25,560,379	28,961,979	25,535,531
Loans and receivables	4,570,940	4,860,264	4,584,379	4,873,704
Other non-current assets	108,390	113,637	16,605	18,789
	34,462,770	31,344,198	34,794,067	31,664,750
Current assets	4,643,185	4,820,648	4,181,592	4,496,388
Total assets	39,105,955	36,164,846	38,975,659	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	563,476	635,400	563,476	635,400
Reserves	61,214	61,214	529,643	529,643
Owners' interest	651,012	722,936	1,119,441	1,191,365
Non-controlling interests	183,333	171,030	-	-
Total equity	834,345	893,966	1,119,441	1,191,365
Life Assurance Fund	37,476,083	34,487,118	37,143,877	34,206,384
Non-current liabilities				
Retirement benefit obligations	228,087	229,161	223,381	224,455
Other non-current liabilities	87,507	60,299	87,507	60,299
	315,594	289,460	310,888	284,754
Current liabilities	479,933	494,302	401,453	478,635
Total equity and liabilities	39,105,955	36,164,846	38,975,659	36,161,138

2. Life Assurance Fund

	THE GROUP				THE COMPANY			
	Half Year Ended June 30, 2017 Rs'000	Half Year Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2017 Rs'000	Quarter Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2017 Rs'000	Half Year Ended June 30, 2016 Rs'000	Quarter Ended June 30, 2017 Rs'000	Quarter Ended June 30, 2016 Rs'000
Gross premiums	1,972,728	1,952,733	950,182	1,031,206	1,972,728	1,952,733	950,182	1,031,206
Net premiums	1,898,798	1,879,921	923,527	994,829	1,898,798	1,879,921	923,527	994,829
Investment and other income	829,777	888,973	452,576	411,823	683,224	800,082	360,891	360,027
Share of profit/(loss) of associates	(17)	3,339	(21)	1,552	-	-	-	-
	2,728,558	2,772,233	1,376,082	1,408,204	2,582,022	2,680,003	1,284,418	1,354,856
Surplus for the period before taxation	917,916	1,089,862	350,783	544,403	839,100	1,023,495	313,465	515,693
Taxation	(12,607)	(10,423)	(6,071)	(4,864)	-	-	-	-
Surplus for the period	905,309	1,079,439	344,712	539,539	839,100	1,023,495	313,465	515,693
Surplus allocated as follows:								
- Life Assurance Fund	893,312	1,070,042	338,744	535,665	839,100	1,023,495	313,465	515,693
- Non-controlling interests	11,997	9,397	5,968	3,874	-	-	-	-
	905,309	1,079,439	344,712	539,539	839,100	1,023,495	313,465	515,693

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	-	7,852	-	-	-	7,852	-	7,852
Net movement for the period	-	-	-	-	-	-	12,303	12,303
Transfer to Life Assurance Fund	-	-	(79,776)	-	-	(79,776)	-	(79,776)
Balance at June 30, 2017	26,322	137,932	425,544	61,214	-	651,012	183,333	834,345
Balance at January 1, 2016	26,322	123,433	472,000	61,214	-	682,969	162,763	845,732
Interest allocated	-	13,048	-	-	-	13,048	-	13,048
Net movement for the period	-	-	-	-	-	-	9,326	9,326
Transfer from Life Assurance Fund	-	-	33,320	-	-	33,320	-	33,320
Balance at June 30, 2016	26,322	136,481	505,320	61,214	-	729,337	172,089	901,426
(b) THE COMPANY								
Balance at January 1, 2017	26,322	130,080	505,320	61,214	468,429	1,191,365	-	2,382,730
Interest allocated	-	7,852	-	-	-	7,852	-	7,852
Transfer to Life Assurance Fund	-	-	(79,776)	-	-	(79,776)	-	(79,776)
Balance at June 30, 2017	26,322	137,932	425,544	61,214	468,429	1,119,441	-	2,319,942
Balance at January 1, 2016	26,322	123,433	472,000	61,214	468,429	1,151,398	-	2,319,796
Interest allocated	-	13,048	-	-	-	13,048	-	13,048
Transfer from Life Assurance Fund	-	-	33,320	-	-	33,320	-	33,320
Balance at June 30, 2016	26,322	136,481	505,320	61,214	468,429	1,197,766	-	2,369,832

4. Statements of Cash Flows

	THE GROUP		THE COMPANY	
	Half Year Ended June 30, 2017 Rs'000	Half Year Ended June 30, 2016 Rs'000	Half Year Ended June 30, 2017 Rs'000	Half Year Ended June 30, 2016 Rs'000
	Net cash generated from operating activities	860,954	1,025,890	789,659
Net cash used in investing activities	(1,273,935)	(549,103)	(1,284,100)	(542,348)
Net cash used in financing activities	(123,582)	(121,082)	(121,082)	(121,082)
Increase/(decrease) in cash and cash equivalents	(536,563)	355,705	(615,523)	327,946
Movement in cash and cash equivalents				
At January 1,	3,602,170	1,669,019	3,310,990	1,419,232
Increase/(decrease)	(536,563)	355,705	(615,523)	327,946
Effects of exchange rate changes	(34,432)	(1,621)	(33,334)	(1,830)
At June 30,	3,031,175	2,023,103	2,662,133	1,745,348

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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