

Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2017 and 2016

(In thousands of Bermuda dollars)

	31 Dec 2017	31 Dec 2016
	\$	\$
ASSETS		
Cash and cash equivalents	205,072	108,896
Fixed deposits	7,765	15,215
Regulatory deposits	16,902	9,033
Investments	651,326	648,707
Insurance receivables and other assets	140,949	92,926
Deferred policy acquisition costs	9,577	9,895
Reinsurance assets	624,217	98,620
Investment properties	35,760	36,164
Property and equipment	23,740	24,580
Tax recoverable	3,455	2,442
Deferred tax asset	808	-
Intangible assets	53,123	51,179
Restricted cash	19,058	19,106
Total general fund assets	1,791,752	1,116,763
Segregated funds assets	828,567	685,938
Total assets	2,620,319	1,802,701
LIABILITIES		
Other liabilities	232,438	80,219
Deferred tax liability	-	829
Loans payable	-	477
Retirement benefit obligations	3,196	3,432
Investment contract liabilities	335,238	343,494
Insurance contract liabilities	916,152	379,028
Total general fund liabilities	1,487,024	807,479
Segregated funds liabilities	828,567	685,938
Total liabilities	2,315,591	1,493,417
EQUITY		
Share capital	8,847	8,784
Treasury shares	(2,031)	(1,265)
Contributed surplus	1,482	1,482
Share premium	63,249	62,162
Accumulated other comprehensive loss	(6,959)	(7,240)
Retained earnings	196,558	200,569
Total shareholders' equity	261,146	264,492
Non-controlling interests	43,582	44,792
Total equity	304,728	309,284
Total liabilities and equity	2,620,319	1,802,701

Consolidated Statement of Income

FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2017 and 2016

(In thousands of Bermuda dollars, except per share amounts)

	31 Dec 2017	31 Dec 2016
	\$	\$
INCOME		
Gross premiums written	329,711	347,849
Reinsurance ceded	(155,539)	(135,726)
Net premiums written	174,172	212,123
Net change in unearned premiums	8,448	612
Net premiums earned	182,620	212,735
Investment income	19,113	13,415
Commission and other income	47,083	41,017
Rental income	4,037	4,031
Total income	252,853	271,198
BENEFITS and EXPENSES		
Insurance contract benefits and expenses		
Life and health policy benefits	113,534	117,113
Short term claim and adjustment expenses	34,521	30,996
Investment contract benefits	(1,531)	(1,344)
Participating policyholders' net income	71	581
Commission and acquisition expense	29,069	29,656
Operating expenses	65,999	64,314
Amortisation expense	9,278	11,982
Interest on loans	13	40
Total benefits and expenses	250,954	253,338
INCOME BEFORE INCOME TAXES	1,899	17,860
Income taxes	2,319	(831)
NET INCOME FOR THE YEAR	4,218	17,029
NET INCOME ATTRIBUTABLE TO:		
Shareholders	3,691	14,365
Non-controlling interests in subsidiaries	527	2,664
NET INCOME FOR THE YEAR	4,218	17,029
Earnings Per Share:		
Basic and fully diluted	\$0.42	\$1.64