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Financial Statements

For the six months ended 30 June 2018

Consolidated Statement of Financial Position

AS AT 30 JUNE 2018 (unaudited) and 31 DECEMBER 2017 (audited)
(In thousands of Bermuda dollars)

	30 Jun 2018	31 Dec 2017
	\$	\$
ASSETS		
Cash and cash equivalents	184,584	205,072
Fixed deposits	6,941	7,765
Regulatory deposits	17,175	16,902
Investments	635,571	651,326
Insurance receivables and other assets	127,303	140,949
Deferred policy acquisition costs	10,335	9,577
Reinsurance assets	290,672	624,217
Investment properties	35,286	35,760
Property and equipment	23,164	23,740
Tax recoverable	3,357	3,455
Deferred tax asset	780	808
Intangible assets	53,419	53,123
Restricted cash	20,828	19,058
Total general fund assets	1,409,415	1,791,752
Segregated funds assets	862,257	828,567
Total assets	2,271,672	2,620,319
LIABILITIES		
Other liabilities	204,068	232,438
Tax payable	33	-
Deferred tax liability	13	-
Retirement benefit obligations	2,737	3,196
Investment contract liabilities	336,539	335,238
Insurance contract liabilities	558,239	916,152
Total general fund liabilities	1,101,629	1,487,024
Segregated funds liabilities	862,257	828,567
Total liabilities	1,963,886	2,315,591
EQUITY		
Share capital	8,841	8,847
Treasury shares	(152)	(2,031)
Contributed surplus	1,482	1,482
Share premium	62,231	63,249
Accumulated other comprehensive loss	(7,161)	(6,959)
Retained earnings	199,417	196,558
Total shareholders' equity	264,658	261,146
Non-controlling interests	43,128	43,582
Total equity	307,786	304,728
Total liabilities and equity	2,271,672	2,620,319

Consolidated Statement of Income

FOR THE SIX MONTHS ENDED 30 JUNE 2018 (unaudited) and 2017 (unaudited)
(In thousands of Bermuda dollars, except per share amounts)

	30 Jun 2018	30 Jun 2017
	\$	\$
INCOME		
Gross premiums written	179,732	175,776
Reinsurance ceded	(101,054)	(93,195)
Net premiums written	78,678	82,581
Net change in unearned premiums	11,187	13,518
Net premiums earned	89,865	96,099
Investment income	(5,064)	15,726
Commission and other income	23,062	22,407
Rental income	2,016	2,013
Total income	109,879	136,245
BENEFITS AND EXPENSES		
Insurance contract benefits and expenses		
Life and health policy benefits	41,788	55,635
Short term claim and adjustment expenses	13,121	12,291
Investment contract benefits	(3,877)	212
Participating policyholders' net income	284	52
Commission and acquisition expense	14,916	15,450
Operating expenses	31,063	33,228
Amortisation expense	4,621	4,597
Interest on loan	-	11
Total benefits and expenses	101,916	121,476
INCOME BEFORE INCOME TAXES	7,963	14,769
Income taxes	(564)	(305)
NET INCOME FOR THE PERIOD	7,399	14,464
NET INCOME ATTRIBUTABLE TO:		
Shareholders	6,731	13,883
Non-controlling interests in subsidiaries	668	581
NET INCOME FOR THE PERIOD	7,399	14,464
Earnings Per Share:		
Basic and fully diluted	\$0.77	\$1.59