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## **Consolidated Statement of Financial Position**

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

Insurance receivables and other assets   110,781   140,949     Deferred policy acquisition costs   201,318   624,217     Reinsurance assets   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   395,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   2   2   2     Other liabilities   156,916   232,438   2     Tax payable   76   -   -     Deferred tax liabilities   335,704   335,238   1916,152     Total general fund liabilities   34,797   828,567   104,535,238     Insurance contract liabilities   34,835   8,847   3,196	(In thousands of berniuda donars)	30 Sep 2018	31 Dec 2017
Cash and cash equivalents   163,830   205,072     Fixed deposits   4,945   7,765     Regulatory deposits   17,200   16,002     Investments   639,720   651,326     Insurance receivables and other assets   10,781   140,949     Deferred policy acquisition costs   10,481   9,577     Reinsurance assets   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intar gible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   2,179,690   2,620,319     LIABILITIES   16   232,438     Tax payable   76   -     Deferred tax liabilities   335,704   335,328     Investment bonefit obligations   2,647   3,196     Investment contract l	ACCETC	\$	\$
Fixed deposits   4,945   7,765     Regulatory deposits   17,200   16,902     Investments   639,720   651,326     Insurance receivables and other assets   10,481   9,577     Reinsurance assets   10,481   9,577     Reinsurance assets   201,318   624,217     Investment properties   3,297   3,455     Deferred tax asset   780   808     Intargible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   52,868   53,123     Segregated funds assets   2,620,319   1,791,752     Ederred tax asset   2,897   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   2,179,690   2,620,319     Deferred tax liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liabilities   1,58,916   232,438     Iax payable   76   -     Deferred tax liabilities   168,847   <		163 830	205 072
Regulatory deposits   17,200   16,902     Investments   639,720   651,326     Insurance receivables and other assets   110,781   140,949     Deferred policy acquisition costs   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   2,620,319   2,620,319     LIABILITIES   2   2,179,690   2,620,319     Drive itabilities   156,916   232,438   13,5,704     Tax payable   76   -   -     Deferred tax liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities <td></td> <td>,</td> <td>,</td>		,	,
Investments   639,720   651,326     Insurance receivables and other assets   110,781   140,949     Deferred policy acquisition costs   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   895,497   8228,667     Segregated funds assets   2,179,690   2,620,319     LIABILITIES   2   2   6     Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Patierment benefit obligations   2,847   3,196     Investment contract liabilities   395,704   335,238     Investment contract liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024			,
Insurance receivables and other assets   110,781   140,949     Deferred policy acquisition costs   201,318   624,217     Reinsurance assets   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   156,916   232,438     Tax payable   76   -     Deferred tax liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liabilities   35,704   335,238     Inversement contract liabilities   345,291   916,152     Total general fund liabilities   967,945   1,487,024     Seg	Investments	,	,
Deferred policy acquisition costs   10,481   9,577     Reinsurance assets   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   730   808     Intangible assets   52,668   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   2,179,690   2,620,319     LIABILITIES   2,179,690   2,620,319     Chter liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,482	Insurance receivables and other assets	110,781	
Reinsurance assets   201,318   624,217     Investment properties   35,747   35,760     Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intargible assets   52,668   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   2   2   2     Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,647   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   916,152   196,558     Total liabilities   1,863,442   2,315,591     EQUITY	Deferred policy acquisition costs	-	
Property and equipment   23,367   23,740     Tax recoverable   3,297   3,455     Deferred tax asset   780   808     Intangible assets   52,866   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES    2     Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   3467,723   916,152     Total general fund liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share capital <t< td=""><td>Reinsurance assets</td><td>201,318</td><td>624,217</td></t<>	Reinsurance assets	201,318	624,217
Tax recoverable 3,297 3,455   Deferred tax asset 780 808   Intargible assets 52,868 53,123   Restricted cash 19,859 19,058   Total general fund assets 1,284,193 1,791,752   Segregated funds assets 895,497 828,567   Total assets 2,179,690 2,620,319   LIABILITIES 2 2,620,319   Cher liabilities 156,916 232,438   Tax payable 76 -   Deferred tax liability 11 -   Retirement benefit obligations 2,847 3,196   Investment contract liabilities 335,704 335,238   Insurance contract liabilities 967,945 1,487,024   Segregated funds liabilities 1,663,442 2,315,591   EQUITY Share capital 8,835 8,847   Treasury shares - (2,031)	Investment properties	35,747	35,760
Deferred tax asset   780   808     Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   2,179,690   2,620,319     LIABILITIES   2   2,179,690   2,620,319     Deferred tax liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   985,497   828,567     Total general fund liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Share capital   8,835   8,847   1,482     Treasury shares	Property and equipment	23,367	23,740
Intangible assets   52,868   53,123     Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   2   2,179,690   2,620,319     LIABILITIES   76   -   -     Deferred tax liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,482,034     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1	Tax recoverable	3,297	3,455
Restricted cash   19,859   19,058     Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   560,916   232,438     Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   96,3591   8,847     Total liabilities   1,863,442   2,315,591     EQUITY   1   -   (2,031)     Share capital   8,835   8,847     Treasury shares   -   (2,032)	Deferred tax asset	780	808
Total general fund assets   1,284,193   1,791,752     Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   995,497   828,567     Total general fund liabilities   967,945   1,487,024     Segregated funds liabilities   9967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,036   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)   1,482     Accumulated other comprehensive loss   (7,032)   (6,959) </td <td>Intangible assets</td> <td>52,868</td> <td>53,123</td>	Intangible assets	52,868	53,123
Segregated funds assets   895,497   828,567     Total assets   2,179,690   2,620,319     LIABILITIES    2     Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Investment contract liabilities   335,704   335,238     Investment contract liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Segregated funds liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6	Restricted cash	19,859	19,058
Total assets   2,179,690   2,620,319     LIABILITIES   0ther liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   472,391   916,152     Total general fund liabilities   967,945   1,487,024     Segregated funds liabilities   895,497   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248	Total general fund assets	1,284,193	
LIABILITIESOther liabilities156,916Car payable76Deferred tax liability11Retirement benefit obligations2,847Investment contract liabilities335,704Investment contract liabilities335,704Investment contract liabilities472,391916,152967,945Total general fund liabilities967,945Segregated funds liabilities895,497828,567895,497Total liabilities1,863,4422,315,5912,315,591EQUITY1,482Share capital8,835Share capital8,835Accumulated other comprehensive loss(7,032)Retained earnings207,651Total shareholders' equity273,304261,146Non-controlling interests42,94443,582Total equity316,248304,728	Segregated funds assets	895,497	828,567
Other liabilities   156,916   232,438     Tax payable   76   -     Deferred tax liability   11   -     Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   967,945   1,487,024     Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651	Total assets	2,179,690	2,620,319
Tax payable 76 -   Deferred tax liability 11 -   Retirement benefit obligations 2,847 3,196   Investment contract liabilities 335,704 335,238   Insurance contract liabilities 335,704 335,238   Insurance contract liabilities 967,945 1,487,024   Segregated funds liabilities 997,945 1,487,024   Segregated funds liabilities 895,497 828,567   Total liabilities 1,863,442 2,315,591   EQUITY Share capital 8,835 8,847   Treasury shares - (2,031)   Contributed surplus 1,482 1,482   Share premium 62,368 63,249   Accumulated other comprehensive loss (7,032) (6,959)   Retained earnings 207,651 196,558   Total shareholders' equity 273,304 261,146   Non-controlling interests 42,944 43,582   Total equity 316,248 304,728	LIABILITIES		
Deferred tax liability   11      Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   967,945   1,487,024     Segregated funds liabilities   895,497   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Other liabilities	156,916	232,438
Retirement benefit obligations   2,847   3,196     Investment contract liabilities   335,704   335,238     Insurance contract liabilities   335,704   335,238     Insurance contract liabilities   472,391   916,152     Total general fund liabilities   967,945   1,487,024     Segregated funds liabilities   895,497   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Tax payable	76	-
Investment contract liabilities   335,704 335,238   335,704 335,238   335,238     Insurance contract liabilities   967,945   1,487,024   916,152     Total general fund liabilities   967,945   1,487,024   828,567     Total liabilities   895,497   828,567   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Deferred tax liability	11	-
Insurance contract liabilities   472,391   916,152     Total general fund liabilities   967,945   1,487,024     Segregated funds liabilities   895,497   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728			,
Total general fund liabilities 967,945 1,487,024   Segregated funds liabilities 895,497 828,567   Total liabilities 1,863,442 2,315,591   EQUITY Share capital 8,835 8,847   Treasury shares - (2,031)   Contributed surplus 1,482 1,482   Share premium 62,368 63,249   Accumulated other comprehensive loss (7,032) (6,959)   Retained earnings 207,651 196,558   Total shareholders' equity 273,304 261,146   Non-controlling interests 42,944 43,582   Total equity 316,248 304,728		-	
Segregated funds liabilities   899,497   828,567     Total liabilities   1,863,442   2,315,591     EQUITY   -   (2,031)     Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Insurance contract liabilities	472,391	916,152
Total liabilities   1,863,442   2,315,591     EQUITY   Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Total general fund liabilities	967,945	1,487,024
EQUITY   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Segregated funds liabilities	895,497	828,567
Share capital   8,835   8,847     Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Total liabilities	1,863,442	2,315,591
Treasury shares   -   (2,031)     Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	EQUITY		
Contributed surplus   1,482   1,482     Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Share capital	8,835	8,847
Share premium   62,368   63,249     Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Treasury shares	-	,
Accumulated other comprehensive loss   (7,032)   (6,959)     Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728			
Retained earnings   207,651   196,558     Total shareholders' equity   273,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Share premium	-	
Zotal shareholders' equity   Z73,304   261,146     Non-controlling interests   42,944   43,582     Total equity   316,248   304,728			,
Non-controlling interests   42,944   43,582     Total equity   316,248   304,728	Retained earnings	207,651	196,558
Total equity <b>316,248</b> 304,728	Total shareholders' equity	273,304	261,146
	Non-controlling interests	42,944	43,582
Total liabilities and equity <b>2,179,690</b> 2,620,319	Total equity	316,248	304,728
	Total liabilities and equity	2,179,690	2,620,319

## **Financial Statements**

For the nine months ended 30 September 2018

## **Consolidated Statement of Income**

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

	30 Sep 2018 \$	30 Sep 2017 \$
INCOME		
Gross premiums written	262,308	256,561
Reinsurance ceded	(129,910)	(130,252)
Net premiums written	132,398	126,309
Net change in unearned premiums	4,107	9,957
Net premiums earned	136,505	136,266
Investment income	(4,626)	20,419
Commission and other income	38,750	36,232
Rental income	3,024	3,024
Total income	173,653	195,941
BENEFITS AND EXPENSES		
Insurance contract benefits and expenses		
Life and health policy benefits	65,561	81,978
Short term claim and adjustment expenses	19,369	28,285
Investment contract benefits	(5,094)	(89)
Participating policyholders' net income	537	260
Commission and acquisition expense	22,115	22,000
Operating expenses	46,240	50,355
Amortisation expense	6,809	6,909
Interest on Ioan	-	13
Total benefits and expenses	155,537	189,711
INCOME BEFORE INCOME TAXES	18,116	6.230
Income taxes	(790)	(104)
NET INCOME FOR THE PERIOD	17,326	6,126
NET INCOME ATTRIBUTABLE TO:		
Shareholders	16,909	5,153
Non-controlling interests in subsidiaries	417	973
NET INCOME FOR THE PERIOD	17,326	6,126
Earnings Per Share:		
Basic and fully diluted	\$1.92	\$0.59