

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(\$'000)

| Reference Page | FS Notes Reference | | Current Period | | Prior Period | | Opening Prior Year Restated | |
|------------------------------|--------------------|--|----------------|-----------------|--------------|-----------------|-----------------------------|-----------------|
| | | | Total | Vested in Trust | Total | Vested in Trust | Total | Vested in Trust |
| | | | (01) | (02) | (03) | (04) | (05) | (06) |
| | | Cash and Cash Equivalents | 010 | 843 | | 2,004 | | |
| | | Assets held for sale | 020 | 0 | | 0 | | |
| 21.012 | | Short Term Investments | 040 | 0 | | 0 | | |
| 21.150 or/ou | | Accrued Investment Income | 070 | 15 | | 64 | | |
| | | Accounts Receivable | 100 | 977 | | 1,030 | | |
| | | Policy/Certificate Loans | 200 | 0 | | 0 | | |
| 21.012 | | Bonds and Debentures | 250 | 50 | | 50 | | |
| 21.050 | | Mortgage Loans | 300 | 0 | | 0 | | |
| 21.012 | | Preferred Shares | 420 | 3,740 | | 2,372 | | |
| 21.012 | | Common Shares | 440 | 1,489 | | 1,194 | | |
| 21.012 | | Investment Properties | 510 | 0 | | 0 | | |
| | | Derivative Financial Instruments | 520 | 0 | | 0 | | |
| 22.020 | | Reinsurance Assets | 530 | 0 | | 0 | | |
| 21.080 | | Property and Equipment | 540 | 0 | | 0 | | |
| 21.012 | | Interests in Associates & Joint Ventures | 550 | 0 | | 0 | | |
| 60.010 | | Segregated Funds Net Assets | 560 | 0 | | 0 | | |
| 21.100 | | Other Loans and Invested Assets | 600 | 0 | | 0 | | |
| | | Investments in Subsidiaries | 750 | 0 | | 0 | | |
| | | Current Tax Assets | 780 | | | 0 | | |
| | | Deferred Tax Assets | 800 | 77 | | 68 | | |
| | | Goodwill | 820 | 0 | | 0 | | |
| | | Intangible Assets | 830 | 0 | | 0 | | |
| | | Defined Benefit Pension Plan | 840 | 0 | | 0 | | |
| 21.155 | | Other Assets | 880 | 42 | | 11 | | |
| | | TOTAL ASSETS | 899 | 7,233 | | 6,793 | | 0 |

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT
(\$'000)

| Reference Page | FS Notes Reference | | Current Period | Prior Period | Opening Prior Year Restated |
|------------------------------|--------------------|--|----------------|--------------|-----------------------------|
| | | | (01) | (03) | (05) |
| | | Liabilities | | | |
| | | Liabilities held for sale | 005 | 0 | 0 |
| 22.020 | | Actuarial Liabilities for Insurance Contracts | 010 | 403 | 418 |
| 22.020 | | Other Contract Liabilities | 040 | 195 | 149 |
| | | Trust and Banking Deposits | 070 | 0 | 0 |
| 22.030 or/ou | | Accounts Payable | 100 | 410 | 469 |
| 21.080 | | Mortgage Loans and Other Real Estate Encumbrances | 130 | 0 | 0 |
| | | Derivative Financial Instruments | 140 | 0 | 0 |
| | | Defined Benefit Pension Plan | 145 | 0 | 0 |
| | | Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above) | 150 | 0 | 0 |
| 22.030 | | Provisions and Other Liabilities | 160 | 473 | 327 |
| | | Segregated Fund Liabilities | 420 | 0 | 0 |
| | | Current Tax Liabilities | 430 | 62 | 33 |
| | | Deferred Tax Liabilities | 250 | 0 | 0 |
| | | Subordinated Debt | 280 | 0 | 0 |
| | | Other Debt | 310 | 0 | 0 |
| | | Total Liabilities | 389 | 1,543 | 1,396 |
| | | Policyholders' Equity | | | |
| 20.040 | | Participating Account | 510 | | |
| | | Participating Account - Accumulated OCI (Loss) | 520 | | |
| 20.040 | | Non-Participating Account (Mutual Companies Only) | 540 | | |
| | | Non-Participating Account - Accumulated OCI (Loss) | 550 | | |
| | | Total Policyholders' Equity | 589 | 0 | 0 |
| | | Shareholders' Equity | | | |
| | | Capital Stock | 610 | | |
| | | Other Capital | 640 | | |
| | | Contributed Surplus | 670 | | |
| 20.040 | | Retained Earnings | 700 | | |
| | | Accumulated Other Comprehensive Income (Loss) | 740 | | |
| | | Total Shareholders' Equity | 779 | 5,690 | 5,397 |
| | | Non-controlling Interests | 829 | 0 | 0 |
| | | Total Equity | 839 | 5,690 | 5,397 |
| | | TOTAL LIABILITIES AND EQUITY | 899 | 7,233 | 6,793 |
| 20.044 | | Head Office Account | 800 | | |
| | | Accumulated Other Comprehensive Income (Loss) | 840 | | |
| | | TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME | 999 | | |

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(\$'000)

| Reference Page | FS Notes Reference | | Current Period (01) | Prior Period (03) |
|----------------|--------------------|--|------------------------|----------------------|
| | | Revenue | | |
| 35.020 | | Gross Premiums 020 | 3,186 | 3,214 |
| 35.020 | | Premiums ceded 030 | 0 | 0 |
| 45.020 | | Net Premiums 040 | 3,186 | 3,214 |
| 35.020 | | Gross Investment Income 050 | 210 | 370 |
| 35.020 | | Less: Investment Expenses and Taxes 060 | 0 | 0 |
| 23.010 | | Net Investment Income 070 | 210 | 370 |
| 35.020 | | Share of Income/Loss of Associates & Joint Ventures 090 | 0 | 0 |
| | | Fee Income 130 | 0 | 0 |
| 23.030 | | Other Revenue 160 | 0 | 0 |
| 35.020 | | Fraternal and Other Fund Revenues 180 | 0 | 0 |
| | | Total Revenue 199 | 3,396 | 3,584 |
| | | Policy/Certificate Benefits and Expenses | | |
| 35.020 | | Policyholder/Certificateholder Benefits 260 | 97 | 124 |
| 35.020 | | Benefits ceded 270 | 0 | 0 |
| | | Gross Changes to Actuarial Liabilities | | |
| 35.020 | | Normal 310 | 86 | 63 |
| 35.020 | | Basis Change 320 | 0 | 0 |
| 35.020 | | Gross Changes to Other Contract Liabilities 340 | 0 | 0 |
| | | Changes in Actuarial and Other Contract Liabilities Ceded | | |
| 35.020 | | Normal 370 | 0 | 0 |
| 35.020 | | Basis Change 380 | 0 | 0 |
| 35.020 | | Policyholder/Certificateholder Dividends 360 | 0 | 0 |
| 35.020 | | Experience Rating Refunds 390 | 0 | 0 |
| 35.020 | | Transfer to and (Transfer from) Other Funds 420 | 0 | 0 |
| 35.020 | | Gross Commissions 460 | 0 | 0 |
| 35.020 | | Commissions Ceded 470 | 0 | 0 |
| 35.020 | | Interest on Policyholder/Certificateholder Amounts on Deposit 480 | 0 | 0 |
| 23.030 | | Interest Expense and Finance costs 510 | 0 | 0 |
| 23.030 | | General Expenses and Taxes (excl. income taxes) 540 | 2,841 | 2,856 |
| 23.030 | | Other Expenses 570 | 0 | 0 |
| 35.020 | | Fraternal and Other Fund Expenses 580 | 0 | 0 |
| | | Total Benefits and Expenses 649 | 3,024 | 3,043 |
| | | Income Before Income Tax 669 | 372 | 541 |
| | | Provision for Income Taxes | | |
| | | Current 700 | 72 | 98 |
| | | Deferred 710 | (10) | 16 |
| | | Income Before the following: 749 | 310 | 427 |
| 35.020 | | Discontinued Operations (net of Income Taxes of \$) 830 | 0 | 0 |
| | | Income Before Attribution to Participating Policyholders/Certificateholders 859 | 310 | 427 |
| 35.020 | | Income Attributable to Participating Policyholders/Certificateholders (Stock Companies) 870 | 0 | 0 |
| 35.020 | | Net Income 899 | 310 | 427 |
| 35.020 | | Less: Fraternal and Other Fund Account 980 | 0 | 0 |
| 35.020 | | Net Income: Insurance Fund 989 | 310 | 427 |
| | | Attributable to: | | |
| | | Non-controlling Interests 900 | | 0 |
| | | Equity Holders 920 | 310 | 427 |
| | | | (99) | |
| | | 830 | 0 | |

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT
(\$'000)

| Reference Page | FS Notes Reference | (05) | Current Period (01) | Prior Period (03) |
|----------------|--------------------|---|---------------------|-------------------|
| | | Beginning of Year | 010 | 0 |
| | | Adjustments | 040 | 0 |
| | | (Specify) | 070 | 0 |
| 20.030 | | Share of Net Income (Loss) | 100 | 0 |
| 20.040 | | Transfer from (to) Retained Earnings (Stock companies only) | 130 | 0 |
| 20.040 | | Transfer from (to) Non-Par Account (Mutual companies only) | 160 | 0 |
| | | End of Year | 199 | 0 |

STATEMENT OF NON-PARTICIPATING ACCOUNT
Mutual Companies Only
(\$'000)

| Reference Page | FS Notes Reference | (05) | Current Period (01) | Prior Period (03) |
|----------------|--------------------|-------------------------------------|---------------------|-------------------|
| | | Beginning of Year | 310 | 0 |
| | | Adjustments | 340 | 0 |
| | | (Specify) | 370 | 0 |
| 20.030 | | Share of Net Income (Loss) | 400 | 0 |
| 20.040 | | Transfer from (to) Par Account | 430 | 0 |
| | | Dividends to Preferred Shareholders | 460 | 0 |
| | | End of Year | 499 | 0 |

STATEMENT OF RETAINED EARNINGS
Stock Companies Only
(\$'000)

| Reference Page | FS Notes Reference | (05) | Current Period (01) | Prior Period (03) |
|----------------|--------------------|--------------------------------|---------------------|-------------------|
| | | Beginning of Year | 510 | 294 |
| | | Adjustments | 540 | 0 |
| | | (Specify) | 570 | 0 |
| 20.030 | | Share of Net Income (Loss) | 600 | 310 |
| 20.040 | | Transfer from (to) Par Account | 630 | 0 |
| | | Dividends to Shareholders: | | |
| | | Preferred | 710 | 0 |
| | | Common | 740 | 450 |
| | | End of Year | 859 | 154 |

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

| Reference Page | FS Notes Reference Reference | | Current Period | Prior Period |
|--|------------------------------|--|---------------------|-------------------|
| | | | (01) | (03) |
| 20.030 | | Comprehensive Income (Loss) | | |
| | | Net Income/Income Before Attribution to Participating Policyholders/Certificateholders | 010 | 427 |
| | | Other Comprehensive Income (Loss): | | |
| | | Items that may be reclassified subsequently to Net Income: | | |
| | | Available for Sale: | | |
| | | Change in Unrealized Gains and Losses: | | |
| | | - Loans | 110 | 0 |
| | | - Bonds and Debentures | 140 | 0 |
| | | - Equities | 170 | 332 |
| | | Reclassification of (Gains) Losses to Net Income | 210 | (44) |
| | | Derivatives Designated as Cash Flow Hedges | | |
| | | Change in Unrealized Gains and Losses | 310 | 0 |
| | | Reclassification of (Gains) Losses to Net Income | 340 | 0 |
| | | Foreign Currency Translation | | |
| | | Change in Unrealized Gains and Losses | 410 | 0 |
| | | Impact of Hedging | 440 | 0 |
| | | Share of Other Comprehensive Income of Associates & Joint Ventures | 460 | 0 |
| | | Other | 445 | 0 |
| | | Subtotal of items that may be reclassified subsequently to Net Income | 449 | 288 |
| | | Items that will not be reclassified subsequently to Net Income: | | |
| Revaluation Surplus | 455 | 0 | | |
| Remeasurements of Defined Benefit Plans | 470 | 0 | | |
| Other | 480 | 0 | | |
| Subtotal of items that will not be reclassified subsequently to Net Income | 489 | 0 | | |
| Total Other Comprehensive Income (Loss) | 510 | 288 | | |
| Total Comprehensive Income (Loss) | 589 | 598 | | |
| Attributable to: | | | | |
| Participating Policyholders/Certificateholders (Stock companies) | 615 | 0 | | |
| Non-controlling Interests | 600 | 0 | | |
| Equity Holders | 620 | 598 | | |
| | | 310 | | |
| Reference Page | FS Notes Reference Reference | | Current Period (01) | Prior Period (03) |
| | | Accumulated Other Comprehensive Income (Loss) | | |
| | | Accumulated Gains (Losses), net of tax, on: | | |
| | | Items that may be reclassified subsequently to Net Income: | | |
| | | Available for Sale: | | |
| | | - Loans | 710 | 0 |
| | | - Bonds and Debentures | 740 | 0 |
| | | - Equities | 770 | 436 |
| | | Derivatives Designated as Cash Flow Hedges | 810 | 0 |
| | | Foreign Currency (Net of Hedging Activities) | 840 | 0 |
| | | Share of Other Comprehensive Income of Associates & Joint Ventures | 860 | 0 |
| | | Other | 845 | 0 |
| | | Subtotal of items that may be reclassified subsequently to Net Income | 849 | 436 |
| | | Items that will not be reclassified subsequently to Net Income: | | |
| | | Revaluation Surplus | 855 | 0 |
| | | Remeasurements of Defined Benefit Plans | 870 | 0 |
| | | Other | 880 | 0 |
| | | Subtotal of items that will not be reclassified subsequently to Net Income | 889 | 0 |
| | | Balance at end of Year | 899 | 436 |
| | | | | (3) |

Summary of Capital Elements and Ratio Calculations

(thousands of dollars)

| | 01 | 02 | Ref |
|---|-------------------|---------|-----|
| Capital Available: | | | |
| Tier 1 | | | |
| Common shares | | 5,000 | 001 |
| Contributed surplus | | 100 | 002 |
| Retained earnings | 154 | | 003 |
| Less: Accumulated after tax fair value gains/(losses) arising from changes in the institution's own credit risk | | | 301 |
| Less: After tax fair value gains/(losses) on owner-occupied property upon conversion | | | 204 |
| Plus: Accumulated after tax revaluation loss on owner-occupied property (revaluation) | | | 206 |
| Less: Accumulated net after-tax gains or losses up to the transfer date on owner- | | | 207 |
| Less: Accumulated net after tax fair value gains after transition to IFRS on investment | | | 208 |
| Less: Net decrease in actuarial liabilities due to recognition of mortality improvement | | | 210 |
| Less: Discretionary participation features included in reported equity | | | 212 |
| Plus: Accumulated gains reported in OCI up to the transfer date on investment property | | | 213 |
| Retained earnings for MCCSR purposes | | 154 | 203 |
| Future use: fair value option | | | 302 |
| Participating account | | | 004 |
| Non-cumulative perpetual preferred shares | | | 005 |
| Qualifying non-controlling interests (excluding innovative tier 1) | | | 006 |
| Innovative Instruments in Tier 1 (max 15% net tier 1) | | | 007 |
| Non-participating account (mutual companies) | | | 311 |
| Accumulated net after-tax foreign currency translation adjustment reported in Other | | | 313 |
| Accumulated net after-tax unrealized loss on available-for-sale equity securities | | | 314 |
| Accumulated changes in liabilities included in OCI under shadow accounting | | | 316 |
| Accumulated defined benefit pension plan remeasurements included in OCI | | | 317 |
| Gross Tier 1 Capital | | 5,254 | 010 |
| Less: Deductions for Net Tier 1 Capital (page 20.020, line 249) | 0 | | 012 |
| Net Tier 1 Capital | | 5,254 | 020 |
| Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299) | 0 | | 321 |
| Adjusted Net Tier 1 Capital | | A 5,254 | 329 |
| Tier 2A (page 20.020 line 079) | 436 | | 021 |
| Tier 2B allowed (page 20.030 line 045) | 0 | | 022 |
| Tier 2C (page 20.030 line 068) | 0 | | 023 |
| Net Tier 2 Capital (page 20.030 line 695) | | B 436 | 025 |
| Total Capital Available | (A + B) | C 5,690 | 040 |
| Capital Required: | | | |
| Asset Default and Market Risk | | | |
| Asset Default (C-1) Risk | | | |
| - Backing Non-Par, Surplus and Non-Qualifying Participating | j) | 390 | 041 |
| - Backing Qualifying Participating Policies | ii) | | 042 |
| Index Linked Pass Through Products | iii) | | 043 |
| C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or | iv) | | 220 |
| Off-Balance Sheet Exposures | | | |
| - Backing Non-Par, Surplus and Non-Qualifying Participating | v) | | 044 |
| - Backing Qualifying Participating Policies | vi) | | 045 |
| Segregated Funds Risk | vii) | | 046 |
| Total Asset Default and Market Risk | sum of (i to vii) | 390 | 050 |
| Insurance Risks | | | |
| Mortality Risk | j) | 167 | 051 |
| Morbidity Risk | ii) | 335 | 052 |
| Lapse Risk | iii) | | 053 |
| Total Insurance Risks | sum of (i to iii) | 502 | 060 |
| Changes in Interest Environment (C-3) Risk | | | |
| Foreign Exchange Risk | | | |
| Other (specify) ² | | | |
| Total Capital Risk Metric | | D 892 | 080 |
| MCCSR | | | |
| Tier 1 | (A + D) x 100 | 589.01 | 098 |
| Total | (C + D) x 100 | 637.89 | 099 |

¹ Phase-in of the impact of including in Tier 1 the AOCI DB Plan remeasurements balance, if any, as at Dec 31, 2012 and of the² Provide details of additional requirements.