

COVER SHEET

8 0 1 1 8
SEC Registration Number

NATIONAL REINSURANCE
CORPORATION OF THE PHILIPPINES

(Company's Full Name)

3 1 F B P I - P H I L A M L I F E M A K A T I
6 8 1 1 A Y A L A A V E N U E M A K A T I
(Business Address: No., Street City / Town / Province)

Regina S. Ramos
Contact Person

(02) 988-7400
Company Telephone Number

1 2 3 1
Month Day
Fiscal Year

SEC Form 17-C
Press Release
FORM TYPE

4th Wednesday of June
Month Day
Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

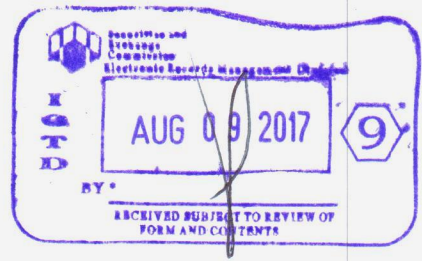
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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

- 1. **07 August 2017**
Date of Report (Date of earliest event reported)
- 2. SEC Identification Number **80118**
- 3. BIR Tax Identification No. **000-480-869-000**
- 4. **NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES, doing business under the names and styles of Philippine National Reinsurance Company; PhilNaRe**
Exact name of issuer as specified in its charter
- 5. **Metro Manila, Philippines**
Province, country or other jurisdiction of incorporation
- 6. (SEC Use Only)
Industry Classification Code:
- 7. **31st Floor, BPI-Philam Life Makati,
6811 Ayala Avenue, Makati City**
Address of principal office
- 8. **1227**
Postal Code
- 8. **(632) 988-7400**
Issuer's telephone number, including area code
- 9. **N/A**
Former name or former address, if changed since last report
- 10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	2,123,605,600
TOTAL	2,123,605,600

11. Indicate the item numbers reported herein: **Item 9 - Other Events**

Press Release: **National Re Receives High Rating from PhilRatings**

(see attached copy of the Press Release)

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized, in the City of Makati on **August 7, 2017**.

**National Reinsurance Corporation of the Philippines,
doing business under the names and styles of Philippine
National Reinsurance Company; PhilNaRe**
Issuer

August 7, 2017
Date



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Regina S. Ramos
Vice President, Head of Risk & Compliance

National Re Receives High Rating

The National Reinsurance Corporation of the Philippines (NRCP), the Philippines' sole domestic professional reinsurer, was assigned a financial strength rating of **PRS A plus** by the Philippine Rating Services Corporation (PhilRatings).

A **PRS A** rating means that an insurer has **strong** financial security characteristics, but is somewhat more likely to be affected by adverse business conditions compared to higher-rated insurance companies. The plus sign further qualifies the rating.

The assigned financial strength rating for NRCP takes into consideration NRCP's: a) solid market franchise; b) shareholders of good standing; c) the experienced management which has contributed to the company's growth; d) its sound investment portfolio; and e) its improving, but still volatile, profitability.

NRCP has a solid market franchise, given its status as the Philippines' leading professional reinsurer. The company directly competes with foreign reinsurance companies with agents licensed by the Insurance Commission (IC), and to a lesser extent with domestic insurance companies, which are also licensed to sell reinsurance. NRCP, nonetheless, has to its advantage Presidential Decree No. 1270, which mandates "all life and non-life insurance and reinsurance companies doing business in the Philippines to cede to the company (NRCP) at least 10% of their outward reinsurance placed with unauthorized foreign reinsurers." Of the licensed insurance companies in the Philippines as of December 31, 2016, NRCP had existing reinsurance agreements with 50 (out of 66) non-life insurance companies, all of the 27 life insurance companies and three (out of four) composite companies. NRCP's marketing strategy is supported by its technical know-how, industry track record and familiarity with the domestic market.

NRCP is led by a competent management team with extensive experience and understanding of the insurance and financial markets, both domestic and global. While relatively new to the company (average of 3 years), members of the management team brings with them solid experience in the insurance industry. The current management team has played an important role in the gradual improvement of the company's core business and growth trajectory in recent years.

Management is led by Augusto Hidalgo, who is Director, Chief Executive Officer (CEO) and President of NRCP. Mr. Hidalgo has been with the company since April 2014. Mr. Hidalgo worked as a strategy executive, heading Mergers and Acquisitions (M&A), of Peak Reinsurance Hong Kong in the last eight years, and also as Managing Partner of New World Financial Canada. Other members of NRCP's management team are similarly well-experienced in the insurance business.

NRCP's investment strategy is grounded on the principle of diversification, spread over the medium to long term. Low-risk bonds comprised half of the total portfolio. Further, equity investments were largely with blue chip companies in various industries. Cash and cash

equivalents, which include cash in banks and short-term placements, represented 12.7% of the investment portfolio, as of December 31, 2016.

NRCP's profitability is considered weak for the historical period 2011 to 2015, although underwriting profit margin and returns have improved beginning 2014. While investment yields have been consistently positive, volatile growth across business lines and higher than expected loss and expense ratios negatively impacted operating performance results. NRCP expects, however, to record positive underwriting margins and returns in 2017 and 2018. Premiums written, gross and net, are projected to grow, driven by the non-life business. Continued improvement in combined ratio will buoy overall profitability for the projected period. Operating targets will mainly be supported by continued portfolio diversification and technical capability building.