

**MANULIFE HOLDINGS BERHAD**  
**Interim financial statements for the nine months period ended 30 September 2009**

**Unaudited Condensed Consolidated Balance Sheet**

	<b>As at</b> <b><u>30.09.2009</u></b> <b>RM'000</b>	<b>As at</b> <b><u>31.12.2008</u></b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Shareholders' Fund Assets</b>		
Property and equipment	9,437	9,150
Investment properties	26,790	27,990
Investments	378,749	351,299
Loan receivables	3,298	3,929
Assets held for sale	-	2,261
Deferred tax assets	-	1,505
Current tax recoverable	4,351	3,117
Receivables	50,168	51,350
Cash and bank balances	2,322	7,931
<b>Total Shareholders' Fund Assets</b>	<u>475,115</u>	<u>458,532</u>
<b>Total Life Fund Assets</b>	2,853,933	2,580,292
<b>TOTAL ASSETS</b>	<u><u>3,329,048</u></u>	<u><u>3,038,824</u></u>
<b>LIABILITIES</b>		
<b>Shareholders' Fund Liabilities</b>		
Provision for outstanding claims	619	619
Payables	2,469	8,344
Current tax payable	279	10,185
Deferred tax liabilities	2,103	1,406
<b>Total Shareholders' Fund Liabilities</b>	<u>5,470</u>	<u>20,554</u>
<b>Total Life Fund Liabilities</b>	343,519	306,010
<b>Life Policyholders' Fund (Note 25)</b>	2,474,520	2,274,223
<b>Life fund reserves</b>	<u>35,894</u>	<u>59</u>
<b>TOTAL LIABILITIES</b>	<u><u>2,859,403</u></u>	<u><u>2,600,846</u></u>
<b>SHAREHOLDERS' FUND</b>		
Share capital	101,185	101,185
Reserves	<u>368,460</u>	<u>336,793</u>
	<u>469,645</u>	<u>437,978</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUND</b>	<u><u>3,329,048</u></u>	<u><u>3,038,824</u></u>
<b>Net Assets Per Share (RM)</b>	<u><u>2.32</u></u>	<u><u>2.16</u></u>

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2009

**Unaudited Condensed Life Fund Balance Sheet**

	<b>As at</b> <b><u>30.09.2009</u></b> <b>RM'000</b>	<b>As at</b> <b><u>31.12.2008</u></b> <b>RM'000</b>
<b>ASSETS</b>		
Property and equipment	4,985	5,934
Investment properties	47,990	48,010
Intangible asset	338	430
Investments	2,006,672	1,813,175
Loan receivables	381,123	395,757
Assets held for sale	-	1,255
Deferred tax assets	-	7,018
Current tax recoverable	1,433	1,772
Receivables	36,822	43,570
Cash and bank balances	14,972	11,660
Investment-linked business assets	359,598	251,711
<b>TOTAL LIFE FUND ASSETS</b>	<b><u>2,853,933</u></b>	<b><u>2,580,292</u></b>
<b>LIABILITIES</b>		
Provision for outstanding claims	29,901	20,706
Payables	303,420	282,901
Current tax payable	346	-
Deferred tax liabilities	4,577	-
Investment-linked business liabilities	5,275	2,403
<b>Total Life Fund Liabilities</b>	<b><u>343,519</u></b>	<b><u>306,010</u></b>
<b>Life Policyholders' Fund (Note 25)</b>	<b>2,474,520</b>	<b>2,274,223</b>
<b>Reserves</b>	<b><u>35,894</u></b>	<b><u>59</u></b>
<b>TOTAL LIFE FUND LIABILITIES AND LIFE POLICYHOLDERS' FUND</b>	<b><u>2,853,933</u></b>	<b><u>2,580,292</u></b>

**MANULIFE HOLDINGS BERHAD**  
**Interim financial statements for the nine months period ended 30 September 2009**

**Unaudited Condensed Consolidated Income Statement**

	3 months ended		Cumulative 9 months ended	
	<u>30.09.2009</u> RM'000	<u>30.09.2008</u> RM'000	<u>30.09.2009</u> RM'000	<u>30.09.2008</u> RM'000
Operating revenue ( <i>Note 14</i> )	<u>142,093</u>	<u>201,233</u>	<u>421,570</u>	<u>472,698</u>
Surplus transfer from Life Insurance revenue account	15,281	2,285	44,410	32,594
Shareholders' fund:				
Investment income	4,333	4,657	12,882	14,137
Other operating income / (expenses) - net	1,275	(2,314)	2,391	(345)
Management expenses	(2,388)	(626)	(5,871)	(2,271)
Profit before taxation	<u>18,501</u>	<u>4,002</u>	<u>53,812</u>	<u>44,115</u>
Taxation ( <i>Note 18</i> )	(3,972)	(1,040)	(11,098)	(10,632)
Net profit attributable to shareholders ( <i>Note 14</i> )	<u>14,529</u>	<u>2,962</u>	<u>42,714</u>	<u>33,483</u>
Basic earnings per share (sen) ( <i>Note 24</i> )	<u>7.18</u>	<u>1.46</u>	<u>21.11</u>	<u>16.54</u>

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2009

**Unaudited Condensed Life Insurance Revenue Account**

	3 months ended		Cumulative 9 months ended	
	<u>30.09.2009</u> RM'000	<u>30.09.2008</u> RM'000	<u>30.09.2009</u> RM'000	<u>30.09.2008</u> RM'000
Gross premium	109,536	166,311	328,816	371,144
Reinsurance	(2,783)	(1,096)	(6,162)	(3,524)
Net premium ( <i>Note 17</i> )	<u>106,753</u>	<u>165,215</u>	<u>322,654</u>	<u>367,620</u>
Net benefits paid and payable	(87,216)	(85,647)	(252,017)	(212,001)
Commission and agency expenses	(14,684)	(15,458)	(40,663)	(39,986)
Management expenses	(8,543)	(9,088)	(24,670)	(24,630)
	<u>(23,227)</u>	<u>(24,546)</u>	<u>(65,333)</u>	<u>(64,616)</u>
Investment income	28,224	30,265	79,872	87,417
Other operating income / (expenses) - net	8,421	(84,636)	(15,401)	(37,550)
Surplus before taxation for the financial period	<u>32,955</u>	<u>651</u>	<u>69,775</u>	<u>140,870</u>
Taxation	(2,254)	5,006	(4,301)	(3,533)
Surplus after taxation for the financial period	<u>30,701</u>	<u>5,657</u>	<u>65,474</u>	<u>137,337</u>
Surplus / (Deficit) from investment-linked business	30,346	(21,588)	68,979	(45,909)
	<u>61,047</u>	<u>(15,931)</u>	<u>134,453</u>	<u>91,428</u>
Life policyholders' fund at 1 Jul / 1 Jan	<u>2,428,754</u>	<u>2,311,982</u>	<u>2,274,223</u>	<u>2,234,872</u>
- Effect of adoption of FRS 139 and the Amendments to FRS 139	-	-	110,195	-
Life policyholders' fund at 1 Jan - restated	<u>2,428,754</u>	<u>2,311,982</u>	<u>2,384,418</u>	<u>2,234,872</u>
Balance before allocation	<u>2,489,801</u>	<u>2,296,051</u>	<u>2,518,871</u>	<u>2,326,300</u>
Transfer from revaluation reserve on disposal of properties	-	-	59	60
Transfer to Income Statement	(15,281)	(2,285)	(44,410)	(32,594)
Life policyholders' fund ( <i>Note 25</i> )	<u>2,474,520</u>	<u>2,293,766</u>	<u>2,474,520</u>	<u>2,293,766</u>

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2009

**Unaudited Condensed Consolidated Statement of Changes in Equity**

	<u>Issued share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Asset revaluation reserve</u> RM'000	<u>Currency translation reserve</u> RM'000	<u>Fair value reserve</u> RM'000	<u>Retained earnings</u> RM'000	<u>Total</u> RM'000
<b>At 1 January 2009</b>	101,185	1,884	2,370	5,190	-	327,349	437,978
Change in accounting policies: - Effect of adoption of FRS 139 and the Amendments to FRS 139	-	-	-	-	6,309	5,141	11,450
As restated	<u>101,185</u>	<u>1,884</u>	<u>2,370</u>	<u>5,190</u>	<u>6,309</u>	<u>332,490</u>	<u>449,428</u>
Available for sale financial assets: Net valuation loss taken to equity	-	-	-	-	(2,811)	-	(2,811)
Transfer of revaluation surplus on disposal of properties	-	-	(890)	-	-	890	-
Net profit for the financial period	-	-	-	-	-	42,714	42,714
Final dividends paid for the financial year ended 31 December 2008 ( <i>Note 8</i> )	-	-	-	-	-	(19,686)	(19,686)
<b>At 30 September 2009</b>	<u>101,185</u>	<u>1,884</u>	<u>1,480</u>	<u>5,190</u>	<u>3,498</u>	<u>356,408</u>	<u>469,645</u>
<b>At 1 January 2008</b>	101,185	1,884	2,503	5,190	-	321,821	432,583
Transfer of revaluation reserve on disposal of properties	-	-	(359)	-	-	359	-
Net profit for the financial period	-	-	-	-	-	33,483	33,483
Final dividends paid for the financial year ended 31 December 2007	-	-	-	-	-	(41,835)	(41,835)
<b>At 30 September 2008</b>	<u>101,185</u>	<u>1,884</u>	<u>2,144</u>	<u>5,190</u>	<u>-</u>	<u>313,828</u>	<u>424,231</u>

**MANULIFE HOLDINGS BERHAD**

Interim financial statements for the nine months period ended 30 September 2009

**Unaudited Condensed Consolidated Cash Flow Statement**

	<b>9 months ended <u>30.09.2009</u> RM'000</b>	<b>9 months ended <u>30.09.2008</u> RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit attributable to shareholders	42,714	33,483
Adjustments for non-cash items	45,723	5,191
Operating profit before changes in operating assets and liabilities	<u>88,437</u>	<u>38,674</u>
Net investment income received	82,839	87,823
Net purchase of investments	(177,766)	(102,214)
Decrease in loan receivables	15,307	15,633
Decrease / (Increase) in receivables	2,383	(1,944)
Increase in outstanding claims	9,195	10,246
Increase in payables	19,109	39,190
Cash generated from operations	<u>39,504</u>	<u>87,408</u>
Income taxes paid	(25,871)	(23,640)
Net cash inflow from operating activities	<u>13,633</u>	<u>63,768</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(680)	(2,030)
Proceeds from disposal of property and equipment	4,017	1,050
Net cash inflow / (outflow) from investing activities	<u>3,337</u>	<u>(980)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid to shareholders	(19,686)	(41,835)
Net cash outflow from financing activities	<u>(19,686)</u>	<u>(41,835)</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Net (decrease) / increase during the financial period	(2,716)	20,953
Cash and cash equivalents at 1 January	20,393	20,929
<b>Cash and cash equivalents at 30 September (Note 26)</b>	<u><b>17,677</b></u>	<u><b>41,882</b></u>