

MANULIFE HOLDINGS BERHAD
Interim financial statements for the twelve months period ended 31 December 2009

Unaudited Condensed Consolidated Balance Sheet

	As at 31.12.2009 RM'000	As at 31.12.2008 RM'000
ASSETS		
Shareholders' Fund Assets		
Property and equipment	10,821	9,150
Investment properties	31,016	27,990
Investments	-	351,299
Available-for-sale financial assets	301,593	-
Loan and receivables	153,664	55,279
Assets held for sale	-	2,261
Deferred tax assets	427	1,505
Current tax recoverable	3,475	3,117
Cash and bank balances	3,989	7,931
Total Shareholders' Fund Assets	<u>504,985</u>	<u>458,532</u>
Total Life Fund Assets	2,943,113	2,580,292
TOTAL ASSETS	<u><u>3,448,098</u></u>	<u><u>3,038,824</u></u>
LIABILITIES		
Shareholders' Fund Liabilities		
Provision for outstanding claims	178	619
Payables	7,648	8,344
Current tax payable	4,531	10,185
Deferred tax liabilities	4,383	1,406
Total Shareholders' Fund Liabilities	<u>16,740</u>	<u>20,554</u>
Total Life Fund Liabilities	389,914	306,010
Life Policyholders' Fund (Note 27)	2,495,535	2,274,223
Life Fair Value Reserve	57,664	-
Life Asset Revaluation Reserve	-	59
TOTAL LIABILITIES	<u>2,959,853</u>	<u>2,600,846</u>
SHAREHOLDERS' FUND		
Share capital	101,185	101,185
Reserves	<u>387,060</u>	<u>336,793</u>
	<u>488,245</u>	<u>437,978</u>
TOTAL LIABILITIES AND SHAREHOLDERS' FUND	<u><u>3,448,098</u></u>	<u><u>3,038,824</u></u>
Net Assets Per Share (RM)	<u><u>2.41</u></u>	<u><u>2.16</u></u>

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Unaudited Condensed Life Fund Balance Sheet

	As at <u>31.12.2009</u> RM'000	As at <u>31.12.2008</u> RM'000
ASSETS		
Property and equipment	5,109	5,934
Investment properties	47,990	48,010
Intangible asset	307	430
Investments	-	1,813,175
Available-for-sale financial assets	1,565,695	-
Held-for-trading financial assets	306,784	-
Loans and receivables	599,084	411,748
Assets held for sale	-	1,255
Deferred tax assets	11	7,018
Current tax recoverable	2,005	1,772
Insurance receivables	24,499	27,579
Cash and bank balances	15,783	11,660
Investment-linked business assets	375,846	251,711
TOTAL LIFE FUND ASSETS	<u>2,943,113</u>	<u>2,580,292</u>
LIABILITIES		
Provision for outstanding claims	27,247	20,706
Payables	347,479	282,901
Current tax payable	219	-
Deferred tax liabilities	6,346	-
Investment-linked business liabilities	8,623	2,403
Total Life Fund Liabilities	<u>389,914</u>	<u>306,010</u>
Life Policyholders' Fund (Note 27)	2,495,535	2,274,223
Life Fair Value Reserve	57,664	-
Life Asset Revaluation Reserve	-	59
TOTAL LIFE FUND LIABILITIES	<u>-</u>	<u>59</u>
AND LIFE POLICYHOLDERS' FUND	<u>2,943,113</u>	<u>2,580,292</u>

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Unaudited Condensed Consolidated Income Statement

	3 months ended		Cumulative	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
Operating revenue (<i>Note 15</i>)	<u>155,661</u>	<u>165,830</u>	<u>577,231</u>	<u>638,528</u>
Surplus transfer from Life Insurance revenue account	19,610	14,931	64,020	47,525
Shareholders' fund:				
Investment income	4,305	4,247	17,187	18,384
Other operating income / (expenses) - net	4,095	(627)	6,486	(972)
Management expenses	(2,441)	(1,610)	(8,312)	(3,881)
Profit before taxation	<u>25,569</u>	<u>16,941</u>	<u>79,381</u>	<u>61,056</u>
Taxation (<i>Note 19</i>)	(9,135)	(3,421)	(20,233)	(14,053)
Net profit attributable to shareholders (<i>Note 15</i>)	<u>16,434</u>	<u>13,520</u>	<u>59,148</u>	<u>47,003</u>
Basic earnings per share (sen) (<i>Note 26</i>)	<u>8.12</u>	<u>6.68</u>	<u>29.23</u>	<u>23.23</u>

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Unaudited Condensed Life Insurance Revenue Account

	3 months ended		Cumulative	
	<u>31.12.2009</u>	<u>31.12.2008</u>	<u>31.12.2009</u>	<u>31.12.2008</u>
	RM'000	RM'000	RM'000	RM'000
Gross premium	126,112	132,506	454,928	503,650
Reinsurance	(2,915)	(2,034)	(9,077)	(5,558)
Net premium <i>(Note 18)</i>	<u>123,197</u>	<u>130,472</u>	<u>445,851</u>	<u>498,092</u>
Net benefits paid and payable	(94,705)	(92,484)	(346,722)	(304,485)
Commission and agency expenses	(18,041)	(14,512)	(58,704)	(54,498)
Management expenses	(8,301)	(8,298)	(32,971)	(32,928)
	<u>(26,342)</u>	<u>(22,810)</u>	<u>(91,675)</u>	<u>(87,426)</u>
Investment income	25,244	29,077	105,116	116,494
Other operating expenses - net	(256)	(26,116)	(15,598)	(63,606)
Surplus before taxation for the financial period / year	<u>27,138</u>	<u>18,139</u>	<u>96,972</u>	<u>159,069</u>
Taxation	(1,842)	(973)	(6,143)	(4,506)
Surplus after taxation for the financial period / year	<u>25,296</u>	<u>17,166</u>	<u>90,829</u>	<u>154,563</u>
Surplus / (Deficit) from investment-linked business	15,329	(21,778)	84,308	(67,687)
	<u>40,625</u>	<u>(4,612)</u>	<u>175,137</u>	<u>86,876</u>
Life policyholders' fund at 1 Oct / 1 Jan	<u>2,474,520</u>	<u>2,293,766</u>	<u>2,274,223</u>	<u>2,234,872</u>
- Effect of adoption FRS 139	-	-	110,195	-
Life policyholders' fund at 1 Oct / 1 Jan - restated	2,474,520	2,293,766	2,384,418	2,234,872
Balance before allocation	<u>2,515,145</u>	<u>2,289,154</u>	<u>2,559,555</u>	<u>2,321,748</u>
Transfer to Income Statement	(19,610)	(14,931)	(64,020)	(47,525)
Life policyholders' fund (Note 27)	<u><u>2,495,535</u></u>	<u><u>2,274,223</u></u>	<u><u>2,495,535</u></u>	<u><u>2,274,223</u></u>

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Unaudited Condensed Consolidated Statement of Changes in Equity

	Issued share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2009	101,185	1,884	2,370	5,190	-	327,349	437,978
Change in accounting policies: - Effect of adoption of FRS 139	-	-	-	-	6,309	5,141	11,450
As restated	101,185	1,884	2,370	5,190	6,309	332,490	449,428
Movement in fair value for available-for-sale securities, net of deferred tax	-	-	-	-	(1,651)	-	(1,651)
Transfer of revaluation surplus on disposal of properties	-	-	(890)	-	-	890	-
Revaluation of properties	-	-	1,006	-	-	-	1,006
Net profit for the financial year	-	-	-	-	-	59,148	59,148
Final dividend paid for the financial year ended 31 December 2008 (<i>Note 8</i>)	-	-	-	-	-	(19,686)	(19,686)
At 31 December 2009	101,185	1,884	2,486	5,190	4,658	372,842	488,245
At 1 January 2008	101,185	1,884	2,503	5,190	-	321,821	432,583
Revaluation of properties	-	-	226	-	-	-	226
Transfer of revaluation reserve on disposal of properties	-	-	(359)	-	-	359	-
Net profit for the financial year	-	-	-	-	-	47,003	47,003
Final dividend paid for the financial year ended 31 December 2007	-	-	-	-	-	(41,834)	(41,834)
At 31 December 2008	101,185	1,884	2,370	5,190	-	327,349	437,978

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Unaudited Condensed Consolidated Cash Flow Statement

	12 months ended 31.12.2009 RM'000	12 months ended 31.12.2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to shareholders	59,148	47,003
Adjustments for non-cash items	46,165	73,746
Operating profit before changes in operating assets and liabilities	<u>105,313</u>	<u>120,749</u>
Net investment income received	112,165	114,540
Net purchase of investments	(239,762)	(158,988)
Decrease in loan receivables	18,696	19,077
(Increase) / decrease in receivables	(6,874)	76,924
Increase in outstanding claims	6,100	7,701
Increase / (decrease) in payables	50,573	(59,607)
Cash generated from operations	<u>46,211</u>	<u>120,396</u>
Income taxes paid	(29,408)	(28,788)
Net cash inflow from operating activities	<u>16,803</u>	<u>91,608</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment properties	-	(46,147)
Purchase of property and equipment	(1,295)	(5,214)
Proceeds from disposal of property and equipment	3,964	1,051
Net cash inflow / (outflow) from investing activities	<u>2,669</u>	<u>(50,310)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(19,686)	(41,834)
Net cash outflow from financing activities	<u>(19,686)</u>	<u>(41,834)</u>
CASH AND CASH EQUIVALENTS		
Net decrease during the financial year	(214)	(536)
Cash and cash equivalents at 1 January	20,393	20,929
Cash and cash equivalents at 31 December (Note 28)	<u>20,179</u>	<u>20,393</u>