

MANULIFE HOLDINGS BERHAD
Interim financial statements for the twelve months period ended 31 December 2010

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.12.2010 RM'000	Restated As at 31.12.2009 RM'000
ASSETS		
Property and equipment	15,067	15,876
Investment properties	82,497	79,006
Intangible asset	2,662	361
Available-for-sale financial assets	2,183,222	1,867,287
Fair value through profit and loss financial assets	625,712	616,825
Loan and receivables	730,609	753,391
Reinsurance assets	2,368	1,361
Insurance receivables	24,512	24,462
Current tax recoverable		1,052
Cash and bank balances	25,154	20,179
TOTAL ASSETS	<u>3,691,803</u>	<u>3,379,800</u>
Equity, Policyholders' Funds and Liabilities		
Share capital	101,185	101,185
Share premiums	1,884	1,884
Retained earnings	411,393	372,841
Other reserves	21,125	12,334
Total Equity	<u>535,587</u>	<u>488,244</u>
Insurance contract liabilities (<i>Note 27</i>)	2,753,341	2,553,189
Insurance claim liabilities	29,063	28,786
Deferred tax liabilities	27,891	13,215
Insurance payables	294,371	258,364
Tax payable	6,769	-
Other payable	44,781	38,002
Total Liabilities	<u>3,156,216</u>	<u>2,891,556</u>
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	<u>3,691,803</u>	<u>3,379,800</u>
Net Assets Per Share (RM)	2.65	2.41

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Unaudited Condensed Consolidated Statement of Comprehensive Income

	Restated		Restated	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Operating Revenue (Note 18)	180,502	161,723	616,188	590,970
Gross earned premiums	138,871	126,112	467,016	454,928
Premiums ceded to reinsurers	(3,137)	(2,915)	(10,519)	(9,077)
Net earned premiums (Note 21)	135,734	123,197	456,497	445,851
Investment income	40,211	34,592	143,894	132,814
Realised gains/(losses)	30,305	1,718	64,204	(8,496)
Fair value gains	8,365	14,032	28,851	81,788
Fee and commission income	1,420	1,019	5,278	3,228
Other operating income/(expenses)	78	30	(10,990)	628
Other revenue	80,379	51,391	231,237	209,962
Gross benefits and claims paid	(106,010)	(94,765)	(378,598)	(347,402)
Claims ceded to reinsurers	1,500	60	4,737	680
Gross change to contract liabilities	(38,427)	(21,016)	(89,413)	(111,059)
Net Claims	(142,937)	(115,721)	(463,274)	(457,781)
Fee and commission expense	(28,748)	(18,042)	(74,200)	(58,704)
Management expenses	(13,994)	(11,955)	(51,556)	(46,177)
Other expenses	(42,742)	(29,997)	(125,756)	(104,881)
Profit from operation (Note 18)	30,434	28,870	98,704	93,151
Taxation (Note 22)	(11,742)	(12,436)	(34,350)	(34,003)
Net profit for the year	18,692	16,434	64,354	59,148
Other comprehensive income/(loss)				
Fair value change of available-for-sale financial assets, net of tax	(1,841)	1,160	8,791	(1,651)
Surplus from revaluation of properties	-	1,006	-	1,006
Total comprehensive income, for the period/year	16,851	18,600	73,145	58,503
Total profit attributable to:				
Equity holders of the company	18,692	16,434	64,354	59,148
Total comprehensive income attributable to:				
Equity holders of the company	16,851	18,600	73,145	58,503
Basic earnings per share (sen) (Note 26)	9.24	8.12	31.80	29.23

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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 2010	101,185	1,884	2,486	5,190	4,658	372,841	488,244
Total comprehensive income for the year	-	-	-	-	8,791	64,354	73,145
Final dividends paid for the financial year ended 31 December 2009	-	-	-	-	-	(25,802)	(25,802)
At 31 December 2010	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>13,449</u>	<u>411,393</u>	<u>535,587</u>
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	5,140	11,449
At 1 January 2009, restated	101,185	1,884	2,370	5,190	6,309	332,489	449,427
Total comprehensive income for the year	-	-	1,006	-	(1,651)	59,148	58,503
Transfer of revaluation surplus on disposal of properties	-	-	(890)	-	-	890	-
Final dividends paid for the financial year ended 31 December 2008	-	-	-	-	-	(19,686)	(19,686)
At 31 December 2009	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>4,658</u>	<u>372,841</u>	<u>488,244</u>

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Unaudited Condensed Consolidated Statement of Cash Flow

	12 months ended 31.12.2010 RM'000	12 months ended 31.12.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to shareholders	64,354	59,148
Adjustments for non-cash items	(94,555)	(48,413)
Operating (loss)/profit before changes in operating assets and liabilities	<u>(30,201)</u>	<u>10,735</u>
Net investment income received	118,884	112,164
Net purchase of investments	(89,596)	(145,458)
Decrease in loan receivables	22,244	18,696
Increase in receivables	(9,642)	(7,866)
(Decrease)/increase in outstanding claims	(730)	6,100
Increase in payables	42,823	51,631
Cash generated from operations	<u>53,782</u>	<u>46,002</u>
Income taxes paid - net	(20,855)	(30,628)
Net cash inflow from operating activities	<u>32,927</u>	<u>15,374</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(973)	(1,105)
Purchase of intangible asset	(1,296)	(57)
Proceeds from disposal of property and equipment	119	3,966
Proceeds from disposal of investment properties	-	1,294
Net cash (outflow)/inflow from investing activities	<u>(2,150)</u>	<u>4,098</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(25,802)	(19,686)
Net cash outflow from financing activities	<u>(25,802)</u>	<u>(19,686)</u>
CASH AND CASH EQUIVALENTS		
Net decrease during the financial year	4,975	(214)
Cash and cash equivalents at 1 January	20,179	20,393
Cash and cash equivalents at 31 December (Note 28)	<u>25,154</u>	<u>20,179</u>