

MANULIFE HOLDINGS BERHAD

Interim financial statements for the three months period ended 31 March 2011

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2011 RM'000	As at 31.12.2010 RM'000
ASSETS		
Property and equipment	15,029	15,168
Investment properties	82,497	82,497
Intangible assets	2,490	2,561
Available-for-sale financial assets	2,194,087	2,183,222
Fair value through profit and loss financial assets	679,519	671,085
Loans and receivables	706,868	685,236
Reinsurance assets	2,576	2,368
Insurance receivables	15,408	24,512
Cash and bank balances	17,139	25,154
TOTAL ASSETS	<u>3,715,613</u>	<u>3,691,803</u>
Equity, Policyholders' Funds and Liabilities		
Share capital	101,185	101,185
Share premium	1,884	1,884
Retained earnings	427,452	411,393
Other reserves	19,508	21,125
Total Equity	<u>550,029</u>	<u>535,587</u>
Insurance contract liabilities (<i>Note 27</i>)	2,768,469	2,753,341
Insurance claim liabilities	30,962	29,063
Deferred tax liabilities	25,504	27,891
Insurance payables	303,051	294,371
Tax payable	8,828	6,769
Other payables	28,770	44,781
Total Liabilities	<u>3,165,584</u>	<u>3,156,216</u>
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	<u>3,715,613</u>	<u>3,691,803</u>
Net Assets Per Share (RM)	2.72	2.65

MANULIFE HOLDINGS BERHAD
Interim financial statements for the three months period ended 31 March 2011

Unaudited Condensed Consolidated Statement of Comprehensive Income

	3 months ended		Cumulative 3 months ended	
	31.03.2011 RM'000	31.03.2010 RM'000	31.03.2011 RM'000	31.03.2010 RM'000
Operating Revenue (Note 18)	<u>138,423</u>	<u>131,359</u>	<u>138,423</u>	<u>131,359</u>
Gross earned premiums	104,295	97,758	104,295	97,758
Premiums ceded to reinsurers	(2,759)	(2,211)	(2,759)	(2,211)
Net earned premiums (Note 21)	<u>101,536</u>	<u>95,547</u>	<u>101,536</u>	<u>95,547</u>
Investment income	33,728	33,275	33,728	33,275
Net realised gains	33,885	7,243	33,885	7,243
Fair value gains	-	8,316	-	8,316
Fee income	400	326	400	326
Other operating income	316	267	316	267
Other revenue	<u>68,329</u>	<u>49,427</u>	<u>68,329</u>	<u>49,427</u>
Gross benefits and claims paid	(82,747)	(80,429)	(82,747)	(80,429)
Claims ceded to reinsurers	1,230	546	1,230	546
Gross change to contract liabilities	(31,270)	(10,266)	(31,270)	(10,266)
Net claims	<u>(112,787)</u>	<u>(90,149)</u>	<u>(112,787)</u>	<u>(90,149)</u>
Fair value losses	(3,791)	-	(3,791)	-
Fee and commission expense	(15,459)	(13,446)	(15,459)	(13,446)
Management expenses	(11,236)	(11,447)	(11,236)	(11,447)
Other operating expenses	(6,294)	(9,255)	(6,294)	(9,255)
Other expenses	<u>(36,780)</u>	<u>(34,148)</u>	<u>(36,780)</u>	<u>(34,148)</u>
Profit before taxation (Note 18)	<u>20,298</u>	<u>20,677</u>	<u>20,298</u>	<u>20,677</u>
Taxation (Note 22)	(4,239)	(4,017)	(4,239)	(4,017)
Net profit for the period	<u>16,059</u>	<u>16,660</u>	<u>16,059</u>	<u>16,660</u>
Other comprehensive income/(loss)				
Fair value change of available-for-sale financial assets:				
- Gross fair value change	(2,156)	2,715	(2,156)	2,715
- Deferred taxation	539	(679)	539	(679)
- Net gain/(loss)	(1,617)	2,036	(1,617)	2,036
Total comprehensive income, for the period	<u>14,442</u>	<u>18,696</u>	<u>14,442</u>	<u>18,696</u>
Total profit attributable to:				
Equity holders of the Company	<u>16,059</u>	<u>16,660</u>	<u>16,059</u>	<u>16,660</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>14,442</u>	<u>18,696</u>	<u>14,442</u>	<u>18,696</u>
Basic earnings per share (sen) (Note 26)	<u>7.94</u>	<u>8.23</u>	<u>7.94</u>	<u>8.23</u>

MANULIFE HOLDINGS BERHAD

Interim financial statements for the three months period ended 31 March 2011

Unaudited Condensed Consolidated Statement of Changes in Equity

	<u>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
At 1 January 2011	101,185	1,884	2,486	5,190	13,449	411,393	535,587
Total comprehensive income for the period	-	-	-	-	(1,617)	16,059	14,442
At 31 March 2011	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>11,832</u>	<u>427,452</u>	<u>550,029</u>
At 1 January 2010	101,185	1,884	2,486	5,190	4,658	372,841	488,244
Total comprehensive income for the period	-	-	-	-	2,036	16,660	18,696
At 31 March 2010	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>6,694</u>	<u>389,501</u>	<u>506,940</u>

MANULIFE HOLDINGS BERHAD

Interim financial statements for the three months period ended 31 March 2011

Unaudited Condensed Consolidated Statement of Cash Flow

	3 months ended 31.03.2011 RM'000	3 months ended 31.03.2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to shareholders	16,059	16,660
Adjustments for non-cash items	(17,262)	(20,690)
Operating loss before changes in operating assets and liabilities	<u>(1,203)</u>	<u>(4,030)</u>
Net investment income received	26,265	28,067
Net purchase of investments	(32,638)	(24,569)
(Increase)/decrease in loan receivables	(1,793)	7,378
Decrease/(increase) in receivables	13,820	(2,804)
Increase/(decrease) in outstanding claims	1,691	(1,777)
Decrease in payables	(7,331)	(675)
Cash generated from operations	<u>(1,189)</u>	<u>1,590</u>
Income taxes paid	(6,421)	(4,500)
Net cash outflow from operating activities	<u>(7,610)</u>	<u>(2,910)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(263)	(97)
Purchase of intangible asset	(142)	(154)
Net cash outflow from investing activities	<u>(405)</u>	<u>(251)</u>
CASH AND CASH EQUIVALENTS		
Net decrease during the financial year	(8,015)	(3,161)
Cash and cash equivalents at 1 January	25,154	20,179
Cash and cash equivalents at 31 March (Note 28)	<u>17,139</u>	<u>17,018</u>