

MANULIFE HOLDINGS BERHAD

Interim financial statements for the nine months period ended 30 September 2011

Unaudited Condensed Consolidated Statement of Financial Position

	As at 30.09.2011 RM'000	As at 31.12.2010 RM'000
ASSETS		
Property and equipment	14,512	15,168
Investment properties	82,497	82,497
Intangible assets	2,272	2,561
Available-for-sale financial assets	2,249,012	2,183,222
Fair value through profit and loss financial assets	615,489	671,085
Loans and receivables	674,211	685,236
Reinsurance assets	2,242	2,368
Insurance receivables	17,605	24,512
Cash and bank balances	15,379	25,154
TOTAL ASSETS	<u>3,673,219</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	436,442	411,393
Other reserves	16,729	21,125
Total Equity	<u>556,240</u>	<u>535,587</u>
Insurance contract liabilities (<i>Note 27</i>)	2,708,085	2,753,341
Insurance claim liabilities	35,773	29,063
Deferred tax liabilities	14,559	27,891
Insurance payables	317,993	294,371
Tax payable	5,975	6,769
Other payables	34,594	44,781
Total Policyholders' Funds and Liabilities	<u>3,116,979</u>	<u>3,156,216</u>
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	<u>3,673,219</u>	<u>3,691,803</u>
Net Assets Per Share (RM)	2.75	2.65

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Unaudited Condensed Consolidated Statement of Comprehensive Income

	3 months ended		Cumulative 9 months ended	
	30.09.2011 RM'000	30.09.2010 RM'000	30.09.2011 RM'000	30.09.2010 RM'000
Operating Revenue (Note 18)	159,138	153,826	455,231	432,723
Gross earned premiums	121,115	115,345	344,734	328,145
Premiums ceded to reinsurers	(2,639)	(2,679)	(7,524)	(7,382)
Net earned premiums (Note 21)	118,476	112,666	337,210	320,763
Investment income	37,712	38,227	109,446	103,683
Net realised gains	21,892	11,269	72,957	33,899
Fair value gains	-	30,219	-	20,486
Fee income	311	254	1,051	895
Net other operating income	7,847	-	-	-
Other revenue	67,762	79,969	183,454	158,963
Gross benefits and claims paid	(106,418)	(97,166)	(285,648)	(272,588)
Claims ceded to reinsurers	505	699	2,922	3,237
Gross change to contract liabilities	16,794	(41,131)	(33,759)	(50,986)
Net claims	(89,119)	(137,598)	(316,485)	(320,337)
Fair value losses	(47,505)	-	(50,815)	-
Fee and commission expense	(14,830)	(16,047)	(46,952)	(45,452)
Management expenses	(14,381)	(11,665)	(39,029)	(34,743)
Net other operating expenses	-	(11,016)	(2,042)	(21,655)
Other expenses	(76,716)	(38,728)	(138,838)	(101,850)
Profit before taxation (Note 18 (a))	20,403	16,309	65,341	57,539
Taxation (Note 22)	(3,816)	(3,418)	(12,972)	(11,877)
Net profit for the period	16,587	12,891	52,369	45,662
Other comprehensive income/(loss)				
Fair value change of available-for-sale financial assets:				
- Gross fair value change	(6,001)	8,937	(5,861)	14,176
- Deferred taxation	1,500	(2,234)	1,465	(3,544)
- Net gain	(4,501)	6,703	(4,396)	10,632
Total comprehensive income for the financial period	12,086	19,594	47,973	56,294
Total profit attributable to:				
Equity holders of the Company	16,587	12,891	52,369	45,662
Total comprehensive income attributable to:				
Equity holders of the Company	12,086	19,594	47,973	56,294
Basic earnings per share (sen) (Note 26)	8.20	6.37	25.88	22.56

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Unaudited Condensed Consolidated Statement of Changes in Equity

	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 2011	101,185	1,884	2,486	5,190	13,449	411,393	535,587
Total comprehensive income for the financial period	-	-	-	-	(4,396)	52,369	47,973
Final dividends paid for the financial year ended 31 December 2010	-	-	-	-		(27,320)	(27,320)
At 30 September 2011	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>9,053</u>	<u>436,442</u>	<u>556,240</u>
At 1 January 2010	101,185	1,884	2,486	5,190	4,658	372,841	488,244
Total comprehensive income for the financial period	-	-	-	-	10,632	45,662	56,294
Final dividends paid for the financial year ended 31 December 2009	-	-	-	-	-	(25,802)	(25,802)
At 30 September 2010	<u>101,185</u>	<u>1,884</u>	<u>2,486</u>	<u>5,190</u>	<u>15,290</u>	<u>392,701</u>	<u>518,736</u>

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Unaudited Condensed Consolidated Statement of Cash Flow

	9 months ended <u>30.09.2011</u> RM'000	9 months ended <u>30.09.2010</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to shareholders	52,369	45,662
Adjustments for non-cash items	(67,062)	(59,711)
Operating loss before changes in operating assets and liabilities	<u>(14,693)</u>	<u>(14,049)</u>
Net investment income received	86,068	81,850
Net purchase of investments	(78,397)	(43,462)
Decrease in loan receivables	28,431	15,363
Increase in receivables	(783)	(18,398)
Increase in outstanding claims	6,836	936
Increase in payables	13,434	17,381
Cash generated from operations	<u>40,896</u>	<u>39,621</u>
Income taxes paid	(22,391)	(17,527)
Net cash inflow from operating activities	<u>18,505</u>	<u>22,094</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(375)	(796)
Purchase of intangible asset	(585)	(795)
Net cash outflow from investing activities	<u>(960)</u>	<u>(1,591)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(27,320)	(25,802)
Net cash outflow from financing activities	<u>(27,320)</u>	<u>(25,802)</u>
CASH AND CASH EQUIVALENTS		
Net decrease during the financial period	(9,775)	(5,299)
Cash and cash equivalents at 1 January	25,154	20,179
Cash and cash equivalents at 30 September (Note 28)	<u>15,379</u>	<u>14,880</u>