

MANULIFE HOLDINGS BERHAD
Interim financial statements for the twelve months period ended 31 December 2011

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
ASSETS		
Property and equipment	20,201	15,168
Investment properties	81,173	82,497
Intangible assets	2,136	2,561
Available-for-sale financial assets	2,397,214	2,183,222
Fair value through profit and loss financial assets	653,858	671,085
Loans and receivables	568,733	685,236
Reinsurance assets	3,021	2,368
Insurance receivables	27,123	24,512
Current tax recoverable	2	-
Cash and cash equivalents (<i>Note 29</i>)	22,262	25,154
TOTAL ASSETS	<u>3,775,723</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	451,440	411,393
Other reserves	21,302	21,125
Total Equity	<u>575,811</u>	<u>535,587</u>
Insurance contract liabilities (<i>Note 28</i>)	2,777,264	2,753,341
Insurance claim liabilities	35,549	29,063
Deferred tax liabilities	25,400	27,891
Insurance payables	328,709	294,371
Current tax payables	-	6,769
Other payables	32,990	44,781
Total Liabilities	<u>3,199,912</u>	<u>3,156,216</u>
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	<u>3,775,723</u>	<u>3,691,803</u>
Net Assets Per Share (RM)	2.85	2.65

MANULIFE HOLDINGS BERHAD

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Unaudited Condensed Consolidated Statement of Comprehensive Income

	3 months ended		Cumulative 12 months ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	RM'000	RM'000	RM'000	RM'000
Operating Revenue (Note 18)	<u>182,328</u>	<u>179,420</u>	<u>637,559</u>	<u>612,143</u>
Gross earned premiums	143,171	138,871	487,905	467,016
Premiums ceded to reinsurers	(3,058)	(3,137)	(10,582)	(10,519)
Net earned premiums (Note 21)	<u>140,113</u>	<u>135,734</u>	<u>477,323</u>	<u>456,497</u>
Investment income (Note 22)	38,793	40,200	148,239	143,883
Net realised gains	-	30,367	67,522	64,266
Net fair value gains	26,234	8,376	-	28,862
Fee income	364	349	1,415	1,244
Other operating income	373	350	1,680	1,197
Other revenue	<u>65,764</u>	<u>79,642</u>	<u>218,856</u>	<u>239,452</u>
Gross benefits and claims paid	(137,208)	(106,010)	(422,856)	(378,598)
Claims ceded to reinsurers	935	1,500	3,857	4,737
Gross change to contract liabilities	(6,378)	(38,648)	(37,383)	(99,680)
Net claims	<u>(142,651)</u>	<u>(143,158)</u>	<u>(456,382)</u>	<u>(473,541)</u>
Net realised losses	(5,435)	-	-	-
Net fair value losses	-	-	(24,581)	-
Fee and commission expense	(18,811)	(28,748)	(65,763)	(74,200)
Management expenses	(15,927)	(13,001)	(54,956)	(47,744)
Other operating expenses (Note 23)	(3,379)	(5,820)	(9,482)	(18,276)
Other expenses	<u>(43,552)</u>	<u>(47,569)</u>	<u>(154,782)</u>	<u>(140,220)</u>
Profit before taxation (Note 18 (a) and Note 24)	<u>19,674</u>	<u>24,649</u>	<u>85,015</u>	<u>82,188</u>
Taxation (Note 25)	(4,676)	(5,957)	(17,648)	(17,834)
Net profit for the period/year	<u>14,998</u>	<u>18,692</u>	<u>67,367</u>	<u>64,354</u>
Other comprehensive income/(loss)				
Fair value change of available-for-sale financial assets:				
- Gross fair value change	5,598	(2456)	(263)	11,720
- Deferred taxation	(1385)	615	80	(2929)
- Net gain/(loss)	4,213	(1841)	(183)	8,791
Surplus from revaluation of properties				
- Gross surplus from revaluation	480	-	480	-
- Deferred taxation	(120)	-	(120)	-
- Net gain	360	-	360	-
Total comprehensive income for the period/year	<u>19,571</u>	<u>16,851</u>	<u>67,544</u>	<u>73,145</u>
Total profit attributable to:				
Equity holders of the Company	<u>14,998</u>	<u>18,692</u>	<u>67,367</u>	<u>64,354</u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>19,571</u>	<u>16,851</u>	<u>67,544</u>	<u>73,145</u>
Basic earnings per share (sen) (Note 27)	<u>7.41</u>	<u>9.24</u>	<u>33.29</u>	<u>31.80</u>

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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 year	-	-	360	-	(183)	67,367	67,544
Final dividends for the financial year ended 31 December 2010	-	-	-	-	-	(27,320)	(27,320)
At 31 December 2011	<u>101,185</u>	<u>1,884</u>	<u>2,846</u>	<u>5,190</u>	<u>13,266</u>	<u>451,440</u>	<u>575,811</u>
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>

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Interim financial statements for the twelve months period ended 31 December 2011

Unaudited Condensed Consolidated Statement of Cash Flows

	12 months ended <u>31.12.2011</u> RM'000	12 months ended <u>31.12.2010</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit attributable to shareholders	67,367	64,354
Adjustments for non-cash items	(107,547)	(83,598)
Operating loss before changes in operating assets and liabilities	<u>(40,180)</u>	<u>(19,244)</u>
Net investment income received	126,137	118,900
Net purchase of investments	(90,209)	(100,654)
Decrease in loans and receivables	32,705	22,246
Decrease/(increase) in receivables	1,583	(9,559)
Increase/(decrease) in outstanding claims	5,833	(730)
Increase in payables	22,547	42,823
Cash generated from operations	<u>58,416</u>	<u>53,782</u>
Income taxes paid	(31,496)	(20,855)
Net cash inflow from operating activities	<u>26,920</u>	<u>32,927</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(2,019)	(1,079)
Purchase of intangible asset	(474)	(1,190)
Proceeds from disposal of property and equipment	1	119
Net cash outflow from investing activities	<u>(2,492)</u>	<u>(2,150)</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)/increase during the financial year	(2,892)	4,975
Cash and cash equivalents at 1 January	25,154	20,179
Cash and cash equivalents at 31 December (Note 29)	<u>22,262</u>	<u>25,154</u>