

MANULIFE HOLDINGS BERHAD
Interim financial statements for the three months period ended 31 March 2015

Unaudited Condensed Consolidated Statement of Financial Position

	As at 31.03.2015 RM'000	As at 31.12.2014 RM'000
Assets		
Property and equipment	40,895	37,576
Investment properties	84,292	84,292
Intangible assets	131,656	130,535
Available-for-sale financial assets	2,581,188	2,617,754
Financial assets at fair value through profit or loss	1,061,914	960,873
Loans and receivables	659,100	665,860
Reinsurance assets	3,346	2,644
Insurance receivables	14,023	23,608
Deferred tax assets	-	142
Current tax assets	5,265	2,212
Cash and cash equivalents <i>(Note 28)</i>	166,281	105,973
Total Assets	4,747,960	4,631,469
Equity, Policyholders' Funds and Liabilities		
Share capital	101,185	101,185
Share premium	1,884	1,884
Retained earnings	648,933	644,557
Other reserves	22,149	14,155
Equity attributable to the owners of the parent	774,151	761,781
Non-controlling interests	543	1,117
Total Equity	774,694	762,898
Insurance contract liabilities <i>(Note 27)</i>	3,320,295	3,272,074
Insurance claims liabilities	51,701	42,385
Financial liabilities at fair value through profit or loss	-	700
Deferred tax liabilities	39,231	34,062
Insurance payables	395,743	396,502
Current tax liabilities	2,130	1,901
Other payables	164,166	120,947
Total Liabilities	3,973,266	3,868,571
Total Equity, Policyholders' Funds and Liabilities	4,747,960	4,631,469
Net Assets Per Share (RM)	3.83	3.76

The accompanying notes form an integrated part of these interim financial statements.

MANULIFE HOLDINGS BERHAD

Interim financial statements for the three months period ended 31 March 2015

Unaudited Condensed Consolidated Statement of Profit or Loss

	3 months ended		Cumulative 3 months ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Premium income				
Gross premiums	133,847	155,655	133,847	155,655
Premiums ceded to reinsurers	(2,769)	(2,250)	(2,769)	(2,250)
Net premiums (Note 21)	131,078	153,405	131,078	153,405
Investment income (Note 22)	38,308	38,222	38,308	38,222
Net realised gains	6,675	14,948	6,675	14,948
Net fair value gains	4,955	18,487	4,955	18,487
Fee income	13,720	13,550	13,720	13,550
Other operating income	500	444	500	444
Total revenue	195,236	239,056	195,236	239,056
Gross benefits and claims paid	(131,299)	(102,237)	(131,299)	(102,237)
Claims ceded to reinsurers	1,552	22	1,552	22
Gross change in contract liabilities	(10,453)	(67,730)	(10,453)	(67,730)
Net claims	(140,200)	(169,945)	(140,200)	(169,945)
Fee and commission expenses	(19,804)	(22,506)	(19,804)	(22,506)
Investment expenses	(1,078)	(1,220)	(1,078)	(1,220)
Management expenses	(32,206)	(32,129)	(32,206)	(32,129)
Other operating expenses (Note 23)	4,555	(4,723)	4,555	(4,723)
Other expenses	(48,533)	(60,578)	(48,533)	(60,578)
Profit before taxation (Note 24)	6,503	8,533	6,503	8,533
Taxation (Note 25)	(2,121)	(2,650)	(2,121)	(2,650)
Net profit for the period	4,382	5,883	4,382	5,883
Net profit attributable to:				
Owners of the parent	4,376	5,828	4,376	5,828
Non-controlling interests	6	55	6	55
	4,382	5,883	4,382	5,883
Basic and diluted earnings per share (sen) (Note 26)	2.16	2.88	2.16	2.88

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MANULIFE HOLDINGS BERHAD

Interim financial statements for the three months period ended 31 March 2015

Unaudited Condensed Consolidated Statement of Total Comprehensive Income

	3 months ended		Cumulative 3 months ended	
	31.03.2015 RM'000	31.03.2014 RM'000	31.03.2015 RM'000	31.03.2014 RM'000
Net profit for the period	4,382	5,883	4,382	5,883
Other comprehensive income, net of tax:				
Other comprehensive gains to be reclassified to profit or loss in subsequent periods:-				
Fair value change of available-for-sale financial assets:				
- Gross fair value change	49,219	(16,697)	49,219	(16,697)
- Deferred tax	(3,937)	1,255	(3,937)	1,255
	45,282	(15,442)	45,282	(15,442)
- Changes in insurance contract liabilities arising from unrealised fair value change	(37,288)	16,315	(37,288)	16,315
- Net gains	7,994	873	7,994	873
Net other comprehensive gains to be reclassified to profit or loss in subsequent periods	7,994	873	7,994	873
Other comprehensive income for the period, net of tax	7,994	873	7,994	873
Total comprehensive income for the period	12,376	6,756	12,376	6,756
Total comprehensive income attributable to:				
Owners of the parent	12,370	6,701	12,370	6,701
Non-controlling interests	6	55	6	55
	12,376	6,756	12,376	6,756

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Interim financial statements for the three months period ended 31 March 2015

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the parent							Non-controlling interests RM'000	Total RM'000
	Non - distributable			Distributable					
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Fair value reserve RM'000	Retained earnings* RM'000	Total RM'000			
At 1 January 2015	101,185	1,884	4,508	9,647	644,557	761,781	1,117	762,898	
Changes in ownership interest in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	(580)	(580)	
Net profit for the period	-	-	-	-	4,376	4,376	6	4,382	
Other comprehensive income for the period	-	-	-	7,994	-	7,994	-	7,994	
Total comprehensive income for the period	-	-	-	7,994	4,376	12,370	6	12,376	
At 31 March 2015	<u>101,185</u>	<u>1,884</u>	<u>4,508</u>	<u>17,641</u>	<u>648,933</u>	<u>774,151</u>	<u>543</u>	<u>774,694</u>	
At 1 January 2014	101,185	1,884	4,508	11,845	634,209	753,631	3,669	757,300	
Changes in ownership in a unit trust fund managed by a subsidiary	-	-	-	-	-	-	(244)	(244)	
Net profit for the period	-	-	-	-	5,828	5,828	55	5,883	
Other comprehensive income for the period	-	-	-	873	-	873	-	873	
Total comprehensive income for the period	-	-	-	873	5,828	6,701	55	6,756	
At 31 March 2014	<u>101,185</u>	<u>1,884</u>	<u>4,508</u>	<u>12,718</u>	<u>640,037</u>	<u>760,332</u>	<u>3,480</u>	<u>763,812</u>	

* Included in the retained earnings are surplus from Non-participating life fund of the insurance subsidiary of the Group (net of deferred tax) of approximately RM 75,545,000 (1 January 2015: RM 71,719,000/ 31 March 2014: RM 76,720,000/ 1 January 2014: RM 71,719,000). These amounts are only distributable upon the actual recommended transfer from the Non-participating life fund to the Shareholder's fund of the insurance subsidiary of the Group by the Appointed Actuary.

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MANULIFE HOLDINGS BERHAD
Interim financial statements for the three months period ended 31 March 2015

Unaudited Condensed Consolidated Statement of Cash Flows

	3 months ended 31.03.2015 RM'000	3 months ended 31.03.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	4,382	5,883
Adjustments for non-cash items	(45,132)	5,050
Operating (losses)/profits before changes in operating assets and liabilities	<u>(40,750)</u>	<u>10,933</u>
Purchase of investments	(414,329)	(422,957)
Proceeds from sale and maturity of investments	391,350	461,501
Interest income received	27,045	24,489
Dividend income received	9,504	8,447
Rental income received	1,631	2,201
(Increase)/decrease in other receivables	(27,881)	13,878
Increase/(decrease) in payables	42,460	(38,001)
Increase in insurance claims liabilities	9,094	163
Decrease/(increase) in fixed and call deposits	36,052	(50,817)
Decrease in loan receivables	7,964	2,631
Cash generated from operations	<u>42,140</u>	<u>12,468</u>
Income taxes paid	(8,607)	(9,004)
Net cash inflow from operating activities	<u>33,533</u>	<u>3,464</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(4,163)	(2,636)
Purchase of intangible assets	(2,522)	(1,146)
Purchase of investments	(5,288)	(16,150)
Proceeds from sale and maturity of investments	39,292	22,030
Proceeds from disposal of property and equipment	36	-
Net cash inflow from investing activities	<u>27,355</u>	<u>2,098</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Changes in Non-controlling interests	(580)	-
Net cash outflow used in financing activities	<u>(580)</u>	<u>-</u>
Net increase during the financial period	60,308	5,562
Cash and cash equivalents at 1 January	105,973	57,657
Cash and cash equivalents at 31 March (<i>Note 28</i>)	<u>166,281</u>	<u>63,219</u>

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows and statements of financial position comprise the following:

	As at 31.03.2015 RM'000	As at 31.03.2014 RM'000
Cash and bank balances	162,083	60,878
Short-term deposits	4,198	2,341
Cash and cash equivalents	<u>166,281</u>	<u>63,219</u>

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