

ALLIANZ MALAYSIA BERHAD (12428-W)

UNAUDITED QUARTERLY RESULTS
FOR THE PERIOD ENDED 30 JUNE 2009

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009

	As at 30-Jun-09 RM'000	As at 31-Dec-08 RM'000
Assets		
General business and shareholders' fund assets		
Property, plant and equipment	70,019	72,397
Intangible assets	323,329	328,550
Prepaid lease payments	5,209	5,219
Investment property	1,662	1,662
Deferred tax assets	8,972	11,257
Loans	3,715	3,215
Receivables, deposits and prepayments	4,990	1,423
Total non-current general business and shareholders' fund assets	417,896	423,723
Investment in debt and equity securities	1,635,933	1,509,949
Loans	732	905
Receivables, deposits and prepayments	193,370	190,095
Current tax assets	7,295	8,441
Cash and cash equivalents	394	4,172
Total current general business and shareholders' fund assets	1,837,724	1,713,562
Less: Due from life fund	-	(40,622)
	1,837,724	1,672,940
Total life business assets		
Non-current assets	22,536	22,448
Current assets	2,029,389	1,864,942
	2,051,925	1,887,390
Total assets	4,307,545	3,984,053

The accompanying Notes form an integral part of, and should be read in conjunction with, this interim financial report.

ALLIANZ MALAYSIA BERHAD (12428-W)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009

(CONTINUED)

	As at 30-Jun-09 RM'000	As at 31-Dec-08 RM'000
Equity		
Share capital	153,869	153,869
Reserves	20,556	11,213
Retained earnings	256,550	223,036
Total equity	<u>430,975</u>	<u>388,118</u>
Total life policyholders' fund	<u>1,888,526</u>	<u>1,688,146</u>
Liabilities		
General business and shareholders' fund liabilities		
Payables and accruals	32,061	29,580
Deferred tax liabilities	6,131	5,293
Subordinated loans	490,000	490,000
Total non-current general business and shareholders' fund liabilities	<u>528,192</u>	<u>524,873</u>
Unearned premium reserves	344,736	318,366
Provision for outstanding claims	665,127	648,192
Payables and accruals	286,590	257,736
Total current general business and shareholders' fund liabilities	<u>1,296,453</u>	<u>1,224,294</u>
Total life business liabilities		
Non-current liabilities	33,084	23,792
	<u>33,084</u>	<u>23,792</u>
Current liabilities	130,315	175,452
Less: Due to shareholders' fund	-	(40,622)
	<u>130,315</u>	<u>134,830</u>
	<u>163,399</u>	<u>158,622</u>
Total equity and liabilities	<u><u>4,307,545</u></u>	<u><u>3,984,053</u></u>
Net asset per share (RM)	2.80	2.52

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ALLIANZ MALAYSIA BERHAD (12428-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009

	← Attributable to Equity Shareholders →					Total RM'000
	← Non-Distributable Reserves →				Distributable Reserve	
	Share Capital RM'000	Share Premium RM'000	Asset Revaluation Reserve RM'000	Fair Value Reserve RM'000	Retained profits RM'000	
At 1 January 2008	153,869	5,529	5,547	-	154,585	319,530
Profit for the period	-	-	-	-	70,728	70,728
Dividends to shareholders	-	-	-	-	(2,277)	(2,277)
Effect of change in tax rate	-	-	137	-	-	137
At 31 December 2008	153,869	5,529	5,684	-	223,036	388,118
At 1 January 2009	153,869	5,529	5,684	-	223,036	388,118
Change in accounting policies: - Effect of adoption of Risk Based Capital	-	-	-	10,832	-	10,832
At 1 January 2009, restated	153,869	5,529	5,684	10,832	223,036	398,950
Profit for the period	-	-	-	-	35,533	35,533
Disposal of land and buildings	-	-	(284)	-	290	6
Available for sales reserve	-	-	-	(1,205)	-	(1,205)
Dividends to shareholders	-	-	-	-	(2,308)	(2,308)
At 30 June 2009	153,869	5,529	5,400	9,627	256,550	430,975

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ALLIANZ MALAYSIA BERHAD (12428-W)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30-Jun-09 RM'000	Preceding Year Corresponding Quarter 30-Jun-08 RM'000	Current Year To Date 30-Jun-09 RM'000	Preceding Year Corresponding Period 30-Jun-08 RM'000
Operating revenue *	570,977	498,254	1,066,351	897,083
Shareholders' fund:				
Investment income	680	1,353	2,428	2,768
Other operating expenses	(2,137)	(2,390)	(4,386) **	(5,736)
Management expenses	(21)	(3,401)	(1,071)	(4,960)
	(1,478)	(4,438)	(3,029)	(7,928)
Transfer from condensed insurance revenue account:				
- General Insurance	23,885	18,621	53,077	48,041
Profit before tax	22,407	14,183	50,048	40,113
Tax expenses	(7,117)	(5,010)	(14,515)	(13,257)
Profit for the year	15,290	9,173	35,533	26,856
Attributable to equity shareholders	15,290	9,173	35,533	26,856
Earnings per share attributable to equity shareholders:				
Basic (Sen)	9.94	5.96	23.09	17.45
Diluted (Sen)	9.94	5.96	23.09	17.45

* Operating revenue consists of gross premium and investment income.

** Other operating expenses include amortisation of intangible assets amounting to RM4.4 million.

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ALLIANZ MALAYSIA BERHAD (12428-W)**UNAUDITED CONDENSED GENERAL INSURANCE REVENUE ACCOUNT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30-Jun-09 RM'000	Preceding Year Corresponding Quarter 30-Jun-08 RM'000	Current Year To Date 30-Jun-09 RM'000	Preceding Year Corresponding Year 30-Jun-08 RM'000
Gross premium	336,127	309,110	616,502	526,155
Less: Reinsurance	(138,807)	(135,287)	(225,619)	(198,158)
Net premium	197,320	173,823	390,883	327,997
(Increase)/Decrease in unearned premium reserves	(11,283)	(15,941)	(26,369)	(15,694)
Earned premium	186,037	157,882	364,514	312,303
Net claims incurred	(129,578)	(96,465)	(227,973)	(182,671)
Net commission	(15,163)	(12,803)	(36,991)	(27,753)
Underwriting surplus before management expenses	41,296	48,614	99,550	101,879
Management expenses	(31,420)	(41,130)	(74,558)	(80,436)
Underwriting surplus	9,876	7,484	24,992	21,443
Investment income	14,524	12,765	27,978	24,832
Other operating income	(12)	3,348	1,092	8,394
Other operating expenses	(503)	(4,976)	(985)	(6,628)
Surplus transferred to condensed consolidated income statement	23,885	18,621	53,077	48,041

The accompanying Notes form an integral part of, and should be read in conjunction with, this interim financial report.

**UNAUDITED CONDENSED LIFE FUND BALANCE SHEET
AS AT 30 JUNE 2009**

	As at 30-Jun-09 RM'000	As at 31-Dec-08 RM'000
Assets		
Property, plant & equipment	11,840	11,983
Intangible assets	121	242
Prepaid lease payments	4,701	4,732
Investment property	2,620	2,620
Deferred tax assets	1,029	438
Loans	2,103	2,333
Receivables, deposits and prepayment	122	100
Total life business non-current assets	<u>22,536</u>	<u>22,448</u>
Investment in debts and equity securities	1,665,483	1,528,812
Loans	38,027	33,354
Receivables, deposits & prepayment	58,175	59,127
Current tax assets	2,679	2,755
Cash and cash equivalents	13,720	12,139
	<u>1,778,084</u>	<u>1,636,187</u>
Investment-linked business current assets	251,305	228,755
Total life business current assets	<u>2,029,389</u>	<u>1,864,942</u>
Total life business assets	<u><u>2,051,925</u></u>	<u><u>1,887,390</u></u>

The accompanying Notes form an integral part of, and should be read in conjunction with, this interim financial report

UNAUDITED CONDENSED LIFE FUND BALANCE SHEET
AS AT 30 JUNE 2009
(CONTINUED)

	As at 30-Jun-09 RM'000	As at 31-Dec-08 RM'000
Life policyholders' fund		
Life policyholders' fund	1,902,801	1,687,184
Fair value reserve	(15,237)	-
Life assets revaluation reserve	962	962
Total life policyholders' funds	<u>1,888,526</u>	<u>1,688,146</u>
Liabilities		
Payables and accruals	32,328	23,723
	<u>32,328</u>	<u>23,723</u>
Investment-linked business non-current liabilities	756	69
Total life business non-current liabilities	<u>33,084</u>	<u>23,792</u>
Provision for outstanding claims	35,032	31,564
Payable and accruals	94,546	143,400
	<u>129,578</u>	<u>174,964</u>
Investment-linked current liabilities	737	488
Total life business current liabilities	<u>130,315</u>	<u>175,452</u>
Total life business liabilities	<u>163,399</u>	<u>199,244</u>
Total life policyholders' funds and life business liabilities	<u><u>2,051,925</u></u>	<u><u>1,887,390</u></u>

The accompanying Notes form an integral part of, and should be read in conjunction with, this interim financial report.

**UNAUDITED CONDENSED LIFE INSURANCE REVENUE ACCOUNT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30-Jun-09 RM'000	Preceding Year Corresponding Quarter 30-Jun-08 RM'000	Current Year To Date 30-Jun-09 RM'000	Preceding Year Corresponding Year 30-Jun-08 RM'000
Gross premium	198,804	158,379	377,863	308,992
Less: Reinsurance	(12,795)	(15,629)	(26,839)	(25,533)
Net Premium	186,009	142,750	351,024	283,459
Benefits paid and payable				
Surrender	(12,702)	(16,434)	(25,484)	(42,436)
Death	(4,118)	(3,748)	(8,257)	(7,267)
Maturity	(1,479)	(1,905)	(2,745)	(2,906)
Cash Bonus	(4,220)	(3,220)	(7,479)	(7,188)
Others	(11,538)	(8,804)	(20,792)	(15,036)
	(34,057)	(34,111)	(64,757)	(74,833)
	151,952	108,639	286,267	208,626
Commission and agency expenses	(50,420)	(35,159)	(94,065)	(71,336)
Management Expenses	(19,081)	(17,077)	(35,589)	(31,835)
	(69,501)	(52,236)	(129,654)	(103,171)
Underwriting surplus	82,451	56,403	156,613	105,455
Investment income	18,743	14,557	36,744	28,833
Other income/(expenses) *	3,233	(8,850)	4,445	(8,739)
Surplus before tax	104,427	62,110	197,802	125,549
Tax expense	(1,857)	(431)	(3,348)	(1,024)
Surplus after tax but before policy reserves	102,570	61,679	194,454	124,525
Surplus/(Deficit) from investment-linked but before policy reserves	18,654	(6,390)	21,162	(19,458)
Fund at beginning of period	1,781,577	1,468,712	1,687,185	1,418,934
Fund at end of period	1,902,801	1,524,001	1,902,801	1,524,001

* Other income/(expenses) includes realised gains/(losses) and unrealised losses in investments.

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ALLIANZ MALAYSIA BERHAD (12428-W)**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009**

	Period Ended 30-Jun-09 RM'000	Period Ended 30-Jun-08 RM'000
Profit before taxation	50,048	40,113
Adjustments for non-cash items	197,202	122,693
Operating profit before changes in operating assets and liabilities	<u>247,250</u>	<u>162,806</u>
Changes in operating assets and liabilities		
Net change in operating assets	(240,712)	(185,952)
Net change in operating liabilities	<u>(4,982)</u>	<u>55,863</u>
Net cash generated from operating activities	<u>1,556</u>	<u>32,717</u>
Net cash used in investing activities	<u>(2,364)</u>	<u>(15,427)</u>
Net cash used in financing activities	<u>(2,308)</u>	<u>(16,277)</u>
Net increase in cash and cash equivalents	(3,116)	1,013
Cash and cash equivalents at beginning of period	17,732	18,611
Cash and cash equivalents at end of period	<u><u>14,616</u></u>	<u><u>19,624</u></u>
Cash and cash equivalents comprise:-		
Cash and bank balances:-		
General business and shareholders' fund	394	16,758
Life fund	13,720	549
Investment-linked business	502	2,317
	<u><u>14,616</u></u>	<u><u>19,624</u></u>

The accompanying Notes form an integral part of, and should be read in conjunction with this interim financial report

PART A: EXPLANATORY NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1 Basis of Preparation

The quarterly condensed financial statements of Allianz Malaysia Berhad (“AMB” or “Company”) and its subsidiaries (AMB and its subsidiaries collectively referred to as the “Group”) are unaudited and have been prepared in accordance with:

- (a) The requirements of Financial Reporting Standard 134: Interim Financial Reporting;
- (b) Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”); and
- (c) Guidelines/circulars issued by Bank Negara Malaysia (“BNM”)

and should be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2008.

BNM has issued detailed guidelines under the Risk-Based Capital Framework for insurers (“the RBC Framework”) which became effective for the annual period beginning on or after 1 January 2009. The insurance subsidiaries of the Company have adopted the accounting policies on investments, receivables, unexpired risks and general and life insurance liabilities as specified in the RBC Framework for the annual period beginning on 1 January 2009. The effect of the RBC Framework to the fair value reserve of the Group as at 1 January 2009 is reflected in the Statement of Changes in Equity and does not have any significant impact on the financial statements of the Group other than those disclosed in the Statement of Changes in Equity.

The notes attached to the quarterly condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2008.

2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted in the Group’s audited financial statements for the year ended 31 December 2008, unless otherwise stated.

3 Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the Group’s audited financial statements for the financial year ended 31 December 2008 was not qualified.

4 Items of an Unusual Nature

The results of the Group for the period under review were not substantially affected by any item, transaction or event of a material and unusual nature.

5 Changes in Estimates

There were no significant changes in estimates of amounts reported in prior financial years that have a material effect in the period under review.

6 Seasonal or Cyclical Factors

The operations of the Group for the period under review were not significantly affected by seasonality or cyclical factors.

7 Carrying Amount of Revalued Assets

The Group's property, plant and equipment are stated at cost/valuation less any accumulated depreciation and any accumulated impairment losses. There was no change in the valuation of property, plant and equipment that were brought forward from the Group's audited financial statements for the year ended 31 December 2008.

8 Changes in Group Composition

There were no changes in the composition of the Group during the financial period under review.

9 Segment Information

The segmental reporting for the period ended 30 June 2009 is as follows:-

Period ended 30 June 2009					
Business Segments	Investment holding RM' 000	General business RM' 000	Life business RM' 000	Consolidated adjustments RM' 000	Consolidated RM' 000
Operating revenue	4,167	644,686	419,443	(1,945)	1,066,351
Profit before tax	3,157	50,252	-	(3,361)	50,048
Tax (expense)/ income	1,729	(15,962)	-	(282)	(14,515)
Profit after tax	4,886	34,290	-	(3,643)	35,533
Segment assets	1,320,481	1,726,881	2,051,925	(791,742)	4,307,545
Segment liabilities	658,751	1,351,242	163,399	(185,348)	1,988,044
Period ended 30 June 2008					
Business Segments	Investment holding RM' 000	General business RM' 000	Life business RM' 000	Consolidated adjustments RM' 000	Consolidated RM' 000
Operating revenue	7,618	551,694	343,328	(5,557)	897,083
Profit before tax	5,450	44,037	-	(9,374)	40,113
Tax (expense)/ income	(1,897)	(13,796)	-	2,436	(13,257)
Profit after tax	3,553	30,241	-	(6,938)	26,856
Segment assets	992,191	1,559,007	1,701,931	(487,428)	3,765,701
Segment liabilities	525,681	1,250,785	141,704	(21,503)	1,896,667

Financial information by geographical segments is not applicable as the Group operates in Malaysia only.

10 Capital Commitments

As at 30 June 2009

	<i>RM '000</i>
Property, plant and equipment	
Approved but not contracted for	11,146
Contracted but not provided for	877

11 Changes in Contingent Liabilities

There were no contingent liabilities as at the date of this report.

As at 30 June 2009, bank guarantees and other credit facilities of the Group had been utilised up to approximately RM53.0 million. The bank guarantees were utilised mainly by the Group's general insurance operation for its performance bond and immigration bond businesses.

12 Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares by the Group in the period under review.

13 Related Party Transactions

The significant related party transactions are as follows:-

Name	Nature	Income RM '000	Expense RM '000
Allianz SE Group	Reinsurance arrangements between AMB's insurance subsidiaries and Allianz SE Group where the risk and premium are shared between the parties in accordance with the reinsurance arrangements entered into between the parties	19,431 *	97,589 *
	The Group's sharing of marketing measures undertaken by Allianz SE	-	571
Allianz Global Investors Singapore Limited ("AGI")	Payment of fund management fees by AMB's life insurance subsidiary in relation to its funds managed by AGI.	-	90
	Investment by AMB's life insurance subsidiary in Allianz Global Investors Asian Value Opportunity Fund	-	10,000
Symphony BPO Solutions Sdn Bhd ("BPO")	Payment of telemarketing fee by AMB's life insurance subsidiary for telemarketing services rendered by BPO for promotion or selling of its insurance products.	-	633

*As the Group is in the insurance business, the figures do not include payment obligations arising from claims duly made pursuant to any insurance policies issued.

14 Dividend Paid

There was no dividend paid by the Company during the quarter under review (2008: Nil).

For the financial year ended 31 December 2008, the first and final dividend of 2.00 sen per ordinary share less tax at 25% amounting to RM2,308,038 has been approved by the shareholders of the Company at the Company's Annual General Meeting held on 25 June 2009 and was accrued in the accounts of the Company as at 30 June 2009. The said dividend was paid to the entitled shareholders of the Company on 3 August 2009.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS

1 Review of Results

Results of the current year to-date ("YTD") against the preceding year to-date (YTD 2nd Quarter 2009 versus YTD 2nd Quarter 2008)

1.1 Operating Revenue

The Group recorded an increase in operating revenue by 18.9% or RM169.3 million when compared to the corresponding period in 2008. The general and life insurance gross premium grew by RM90.3 million or 17.2% and RM68.9 million or 22.3% respectively.

1.2 Profit Before Tax

The profit before tax of the Group increased by 24.8% or RM9.9 million due mainly to the growth in business and decrease in management expenses of the general insurance subsidiary.

The profit for the quarter under review excludes any surplus to be transferred from the Life Fund to the Shareholders' Fund which will be determined at the financial year end after the annual valuation of the Life Fund's liabilities has been carried out by the appointed actuary.

2 Comparison with Preceding Quarter

Results of the current quarter against the preceding quarter (2nd Quarter 2009 versus 1st Quarter 2009)

2.1 Operating Revenue

Operating revenue increased by 15.3% or RM75.6 million as compared to the preceding quarter due mainly to the growth in gross premium of RM75.5 million.

2.2 Profit Before Tax

The profit before tax of the Group decreased by 18.9% or RM5.2 million as compared to the preceding quarter due mainly to higher claims incurred in the general insurance subsidiary. The general insurance subsidiary recorded an exceptionally low claims ratio in the previous quarter.

3 Prospects For 2009

The Group continues to take a cautious approach towards capital preservation and to focus more on target segments for growth and profitability.

The Group anticipates the performance in remaining 2009 to be satisfactory.

4 Profit Forecast

The Group did not issue any profit forecast or profit guarantee.

5 Taxation

	Individual Period		Cumulative Period	
	Quarter Ended 30-Jun-09 RM' 000	Quarter Ended 30-Jun-08 RM' 000	Period Ended 30-Jun-09 RM' 000	Period Ended 30-Jun-08 RM' 000
Profit before tax	22,407	14,183	50,048	40,113
Current year taxation:-				
Income tax	5,223	9,060	15,053	18,500
Deferred tax	1,895	(4,050)	(537)	(5,243)
	7,117	5,010	14,515	13,257
Effective tax rate (%)	31.8%	35.3%	29.0%	33.0%

The effective tax rate of the Group for the quarter under review was higher than the statutory tax rate due mainly to certain non-deductible expenses and reversal of deferred tax assets.

6 Unquoted Investments and Properties

During the period under review, there was no sale of unquoted investments.

The Company disposed:

- (a) 1 property to third party with a gain of RM38,723; and
- (b) 3 properties to its wholly-owned subsidiary company, Allianz General Insurance Company (Malaysia) Berhad ("AGIC") at net book value. These 3 properties formed part of the 14 properties to be disposed of by the Company to AGIC under the corporate proposal disclosed in item 8.

7 Quoted Investments

There was no purchase or disposal of quoted securities by the Company during the period under review. The insurance subsidiaries are exempted from such disclosure.

8 Status of Corporate Proposal Announced/Implemented

- (a) The status of corporate proposal announced but not fully completed by the Company is as follows:-

Corporate Proposal	Status
<p>Proposed disposal of assets and 14 properties by AMB to AGIC.</p> <p>Please refer to AMB's announcements dated 26 March 2009, 27 March 2009, 13 April 2009 and 23 April 2009 for detailed background of this proposal.</p>	<p>The Asset Purchase Agreement for the disposal of assets was completed on 1 April 2009 with a sale consideration of RM30,669,576.71.</p> <p>3 out of the 14 Sale and Purchase Agreements in relation to 3 properties in Sabah, East Malaysia were completed on 27 April 2009 with total sales consideration of RM2,679,871.04.</p> <p>Applications are being made to the relevant state authorities for the disposal of the remaining 11 properties in West Malaysia.</p>

- (b) The Company implemented an employee share scheme ("ESS") on 24 July 2007 for the eligible employees of the Group. The ESS involves the issuance of new ordinary shares to the eligible employees of the Group who meet the criteria as prescribed under the Bylaws for the ESS. The ESS expired on 23 July 2009.

9 Borrowing and Debt Securities

There were no borrowings and debt securities as at 30 June 2009.

10 Off Balance Sheet Financial Instruments

The Group did not enter into any contracts involving off balance sheet financial instruments as at the date of this report.

11 Changes in Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant as at the date of this announcement, which have a material effect on the financial position or the business of the Group and the Directors do not have any knowledge of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Group:-

Litigation instituted against the wholly-owned subsidiaries of the Company

Two of the Company's wholly owned subsidiaries, Bright Mission Berhad (formerly known as Commerce Assurance Berhad) ("BMB") and AGIC, entered into a Business Transfer Agreement on 17 September 2008 ("BTA") to undertake a scheme of transfer under Part XI of the Insurance Act, 1996 ("Scheme"), which involved the transfer and vesting by BMB to AGIC of BMB's entire general insurance business, undertaking and assets including its liabilities and obligations save for the specified excluded assets and liabilities as detailed in the BTA ("Business Transfer").

The Scheme was confirmed by the High Court of Malaya on 9 December 2008 and took effect on 1 January 2009.

Following the completion of the Business Transfer:-

- (a) Commerce Assurance Berhad (now known as BMB) ("CAB") surrendered its general insurance licence to Bank Negara Malaysia and changed its name to Bright Mission Berhad with effect from 5 January 2009.
- (b) Save for the legal suit (*Kuala Lumpur High Court Civil Suit No: S4-22-1197-2007*) in relation to the Plaza Sentral properties, the rest of the legal suits instituted against BMB are now regarded as suits against AGIC and shall be defended by AGIC. Accordingly, AGIC will be taking over the reporting of the status of the said suits and necessary documents will be filed in Court to record AGIC as the defendant of the same at the appropriate time.
- (c) In respect of the legal suit (*Kuala Lumpur High Court Civil Suit No: S4-22-1197-2007*) against BMB, BMB will be filing a notice of change of name from CAB to BMB in Court at the appropriate time.

The status of the litigation instituted against BMB and AGIC are disclosed below. For detailed litigation background, please refer to the Company's Quarterly Report for the financial quarter ended 31 March 2008.

11 Changes in Material Litigation (continued)

Name of Subsidiaries	Litigation	Status
BMB	<i>Kuala Lumpur High Court Civil Suit No: S4-22-1197-2007 in the matter of Duopharma Properties Sdn Bhd ("First Plaintiff"), Michaelian (Malaysia) Sdn Bhd ("Second Plaintiff"), Michaelian Holdings Sdn Bhd ("Third Plaintiff") & Duomark Properties Sdn Bhd ("Fourth Plaintiff") (collectively, "Plaintiffs") -v- Commerce International Group Berhad ("First Defendant") & CAB (collectively "Defendants")</i>	The suit is fixed for its sixth Case Management on 15 October 2009. With regard to BMB's Appeal for the removal of the private caveats, no hearing date has yet been fixed for the Appeal.
AGIC	<i>Kota Bharu High Court Suit No: 22-115-05 in the matter of Mohd Shokri bin Abdul Rahim -v-CAB</i>	CAB's Notice of Appeal to strike out the Plaintiff's claim was dismissed on 3 December 2008. This matter is now fixed for Fourth Case Management on 13 September 2009.
	<i>High Court of Sabah & Sarawak Originating Summons No: T(24)15 of 2006 in the matter of Lau Yee Fai @ Lau Yee Ming -v-CAB</i>	No hearing date has yet been fixed for CAB's Appeal dated 3 December 2007 against the judgment in favour of the Plaintiff.

12 Dividend

For the financial year 31 December 2008, the first and final dividend of 2.00 sen per ordinary share less tax at 25% amounting to RM2,308,038 has been approved by the shareholders of the Company at the Company's Annual General Meeting held on 25 June 2009. The dividend was paid to the entitled shareholders on 3 August 2009.

No dividend has been proposed or declared for the quarter under review. (2008: Nil).

13 Earnings Per Share

The earnings per share is calculated based on the profit attributable to equity holders of the Company divided by the weighted average number of shares.

	Individual Period		Cumulative Period	
	Quarter Ended 30-Jun-09	Quarter Ended 30-Jun-08	Period Ended 30-Jun-09	Period Ended 30-Jun-08
Profit attributable to equity shareholders (RM'000)	15,290	9,173	35,533	26,856
Weighted average number of shares ('000)	153,869	153,869	153,869	153,869
Basic earnings per share (sen)	9.94	5.96	23.09	17.45
Diluted earnings per share (sen)	9.94	5.96	23.09	17.45

By Order of the Board

Ng Siew Gek
Secretary

Kuala Lumpur
26 August 2009