

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2007. These figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2007	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2006 (Audited)
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
GENERAL AND SHAREHOLDERS' FUND ASSETS		
Property, plant and equipment	95,959	97,578
Intangible assets	9,845	8,839
Investment properties	48,299	48,423
Financial assets:		
Investments		
- at fair value through profit or loss	128,188	86,370
- available-for-sale	204,631	181,740
- held to maturity	20,733	21,027
Loans and receivables	329,543	380,629
Insurance receivables	80,528	85,046
Associated companies	52,611	53,339
Tax recoverable	26,982	28,301
Deferred tax assets	12,115	6,890
Fixed and call deposits	320,289	115,230
Cash and bank balances	26,052	27,165
	<u>1,355,775</u>	<u>1,140,577</u>
TOTAL GENERAL AND SHAREHOLDERS' FUND ASSETS		
	1,355,775	1,140,577
TOTAL LIFE FUND ASSETS	<u>6,379,293</u>	<u>6,026,649</u>
TOTAL ASSETS	<u><u>7,735,068</u></u>	<u><u>7,167,226</u></u>
LIABILITIES		
GENERAL AND SHAREHOLDERS' FUND LIABILITIES		
Provision for outstanding claims	318,366	305,027
Insurance payables	81,134	77,372
Financial liabilities		
Borrowings		
- bonds - unsecured	30,000	30,000
- term loans	30,000	69,935
- medium terms notes - secured	200,000	-
- bank overdrafts - unsecured	2,595	26,002
Trade and other payables	126,540	99,347
Current tax liabilities	15,421	14,321
Deferred tax liabilities	8,299	1,890
	<u>812,355</u>	<u>623,894</u>
TOTAL GENERAL AND SHAREHOLDERS' FUND LIABILITIES		
	812,355	623,894
TOTAL LIFE FUND LIABILITIES	<u>660,579</u>	<u>635,138</u>
	<u>1,472,934</u>	<u>1,259,032</u>
Unearned premium reserves	140,784	145,974
Life policyholders' fund	5,703,786	5,378,381
Life fund reserves	14,928	13,130
	<u>5,859,498</u>	<u>5,537,485</u>
TOTAL LIABILITIES	<u><u>7,332,432</u></u>	<u><u>6,796,517</u></u>

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	<u>RM'000</u>	<u>RM'000</u>
EQUITY		
Capital and reserve attributable to the Company's equity holders		
Share capital	304,354	304,354
Retained earnings	75,088	67,688
Reserves	<u>(4,027)</u>	<u>(3,786)</u>
	375,415	368,256
Minority interests	<u>27,221</u>	<u>2,453</u>
	402,636	370,709
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>7,735,068</u></u>	<u><u>7,167,226</u></u>
	-	-
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>1.23</u>	<u>1.21</u>

The Condensed Balance Sheet should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

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CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		6 months ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
OPERATING REVENUE	<u>568,371</u>	<u>597,388</u>	<u>1,106,282</u>	<u>1,032,002</u>
SHAREHOLDERS' FUND				
Investment income	397	619	1,579	993
Operating revenue from non-insurance subsidiaries	12,537	12,338	28,606	28,121
Other operating income/(expenses) - net	17,236	(10,925)	14,891	(10,409)
Management expenses	<u>(18,545)</u>	<u>(14,729)</u>	<u>(34,917)</u>	<u>(27,454)</u>
	11,625	(12,697)	10,159	(8,749)
SURPLUS TRANSFERRED FROM INSURANCE REVENUE ACCOUNTS				
- General insurance	2,086	11,120	9,377	17,455
- Life insurance *	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/(loss) from operations	13,711	(1,577)	19,536	8,706
Finance costs	(3,787)	(2,831)	(7,535)	(5,420)
Share of loss of associated companies	<u>(835)</u>	<u>(1,067)</u>	<u>(1,509)</u>	<u>(1,628)</u>
PROFIT/(LOSS) BEFORE TAXATION	9,089	(5,475)	10,492	1,658
Taxation	<u>(2,261)</u>	<u>(1,923)</u>	<u>(3,324)</u>	<u>(2,304)</u>
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	<u>6,828</u>	<u>(7,398)</u>	<u>7,168</u>	<u>(646)</u>
Attributable to :				
- Equity holders of the Company	7,187	(6,916)	7,400	(383)
- Minority interest	<u>(359)</u>	<u>(482)</u>	<u>(232)</u>	<u>(263)</u>
	<u>6,828</u>	<u>(7,398)</u>	<u>7,168</u>	<u>(646)</u>
	-	-	-	-
EARNINGS PER SHARE FOR THE PROFIT ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY (sen)				
- basic	<u>2.36</u>	<u>(2.27)</u>	<u>2.43</u>	<u>(0.13)</u>

* Consistent with prior years' practice, no profit was transferred from the Life Insurance Fund to the Shareholders' Fund as the transfer of life business profit is only done at the financial year end.

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

The Condensed General Insurance and Life Insurance Revenue Accounts are attached.

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2007. These figures have not been audited.

CONDENSED GENERAL INSURANCE REVENUE ACCOUNT

	3 months ended		6 months ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Gross premium	123,447	114,424	232,659	218,320
Reinsurance	(47,169)	(30,966)	(73,562)	(56,109)
Net premium	76,278	83,458	159,097	162,211
Decrease in unearned premium reserves	5,374	1,606	4,799	2,901
Earned premium	81,652	85,064	163,896	165,112
Net claims incurred	(64,542)	(50,173)	(125,451)	(99,741)
Net commission	(7,106)	(8,466)	(14,736)	(15,297)
Underwriting contribution	10,004	26,425	23,709	50,074
Management expenses	(16,933)	(22,213)	(33,356)	(44,404)
Underwriting (deficit)/surplus	(6,929)	4,212	(9,647)	5,670
Investment income	1,194	5,156	3,941	8,783
Other operating income - net	7,821	1,752	15,083	3,002
Surplus transferred to Condensed Consolidated Income Statement	2,086	11,120	9,377	17,455

The Condensed General Insurance Revenue Account should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2007.
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CONDENSED LIFE FUND BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2007	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2006 (Audited)
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Property, plant and equipment	277,703	281,269
Intangible assets	3,902	2,685
Investment properties	639,151	686,514
Financial assets		
Investments		
- at fair value through profit or loss	759,227	670,399
- available-for-sale	1,638,810	1,540,446
- held to maturity	535,460	514,234
Loans and receivables	1,057,919	1,115,663
Insurance receivables	47,791	40,262
Tax recoverable	20,227	21,636
Deferred tax assets	8,370	10,305
Fixed and call deposits	772,091	551,038
Cash and bank balances	13,038	50,203
Investment-linked fund assets	605,604	541,995
TOTAL LIFE FUND ASSETS	<u><u>6,379,293</u></u>	<u><u>6,026,649</u></u>
LIABILITIES		
Provision for outstanding claims	18,431	16,729
Provision for agents' retirement benefits	3,398	3,910
Insurance payables	487,598	460,231
Trade and other payables	105,200	122,708
Current tax liabilities	10,507	4,082
Deferred tax liabilities	3,947	3,948
Investment-linked fund liabilities	31,498	23,530
TOTAL LIFE FUND LIABILITIES	<u><u>660,579</u></u>	<u><u>635,138</u></u>
LIFE POLICYHOLDERS' FUND RESERVES	<u><u>5,703,786</u></u> <u><u>14,928</u></u>	<u><u>5,378,381</u></u> <u><u>13,130</u></u>
	<u><u>5,718,714</u></u>	<u><u>5,391,511</u></u>
TOTAL LIFE FUND LIABILITIES AND LIFE POLICYHOLDERS' FUND	<u><u>6,379,293</u></u>	<u><u>6,026,649</u></u>

The Condensed Life Fund Balance Sheet should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

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CONDENSED LIFE INSURANCE REVENUE ACCOUNT

	3 months ended		6 months ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Gross premium	378,485	401,179	731,610	656,334
Reinsurance	(1,214)	(3,512)	(2,009)	(5,331)
Net premium	377,271	397,667	729,601	651,003
Net benefits paid and payable	(290,590)	(201,870)	(536,103)	(359,393)
Commission and agency expenses	(37,143)	(41,024)	(65,965)	(70,889)
Management expenses	(22,959)	(28,768)	(47,853)	(50,451)
	26,579	126,005	79,680	170,270
Investment income	36,977	64,399	80,445	105,870
Other operating income/(expenses) - net	44,076	(25,336)	118,278	1,812
Surplus from operations	107,632	165,068	278,403	277,952
Finance costs	-	(8)	-	(11)
Surplus before taxation	107,632	165,060	278,403	277,941
Taxation	(11,732)	(3,103)	(16,659)	(8,343)
Surplus for the financial period after taxation	95,900	161,957	261,744	269,598
Exchange reserves from investment-linked fund	680	(69)	502	(552)
Surplus from investment-linked fund	30,837	1,556	63,159	11,038
Net surplus before changes in policy reserve for the financial period	127,417	163,444	325,405	280,084
Life policyholders' fund at beginning of financial period	5,576,369	4,990,715	5,378,381	4,874,075
	5,703,786	5,154,159	5,703,786	5,154,159
Surplus transferred to Condensed Consolidated Income Statement *	-	-	-	-
Life policyholders' fund at end of the financial period	5,703,786	5,154,159	5,703,786	5,154,159

* Consistent with prior years' practice, no profit was transferred from the Life Insurance Fund to the Shareholders' Fund as the transfer of life business profit is only done at the financial year end.

The Condensed Life Insurance Revenue Account should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Attributable to equity holders of the Company</u>					Total RM'000
	Share Capital	Share premium	Reserves	Retained earnings	Minority interest	
	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>6 months ended 30.06.2007</u>						
Balance as at 1 January 2007	304,354	-	(3,786)	67,688	2,453	370,709
Increase arising from additional investment in subsidiary company during the financial period	-	-	-	-	25,000	25,000
Currency translation differences arising during the financial period	-	-	(382)	-	-	(382)
Net changes in available-for-sale financial assets	-	-	141	-	-	141
Profit for the 6 months period	-	-	-	7,400	(232)	7,168
Balance as at 30 June 2007	<u>304,354</u>	<u>-</u>	<u>(4,027)</u>	<u>75,088</u>	<u>27,221</u>	<u>402,636</u>
<u>6 months ended 30.06.2006</u>						
Balance as at 1 January 2006	152,177	11,744	1,930	225,515	1,775	393,141
Currency translation differences arising during the financial period	-	-	(2,813)	-	-	(2,813)
Net changes in available-for-sale financial assets	-	-	(947)	-	-	(947)
Loss for the 6 months period	-	-	-	(383)	(263)	(646)
Balance as at 30 June 2006	<u>152,177</u>	<u>11,744</u>	<u>(1,830)</u>	<u>225,132</u>	<u>1,512</u>	<u>388,735</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended 30.06.2007	6 months ended 30.06.2006
	RM'000	RM'000
Operating activities		
Cash (utilised in)/generated from operations	(191,994)	28,896
Income taxes paid	(2,250)	(15,751)
	<hr/>	<hr/>
Net cash (outflows)/inflows from operating activities	(194,244)	13,145
Investing activities		
Net cash inflows/(outflows) from investing activities	17,302	(12,205)
Financing activities		
Net cash inflows from financing activities	160,065	-
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(16,877)	940
Cash and cash equivalents at beginning of financial year	60,281	48,207
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	<u>43,404</u>	<u>49,147</u>

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2006.