

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2008. These figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2008	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 (Audited)
	RM'000	RM'000
<u>ASSETS</u>		
GENERAL AND SHAREHOLDERS' FUND ASSETS		
Property, plant and equipment	83,958	85,646
Intangible assets	10,483	8,979
Investment properties	36,519	37,696
Financial assets:		
Investments		
- at fair value through profit or loss	83,291	106,095
- available-for-sale	252,518	241,402
- held to maturity	20,133	20,418
Loans and receivables	160,656	269,324
Insurance receivables	93,979	88,852
Associated companies	51,954	53,619
Tax recoverable	27,469	26,104
Deferred tax assets	28,012	20,999
Fixed and call deposits	356,481	262,064
Cash and bank balances	26,446	24,296
TOTAL GENERAL AND SHAREHOLDERS' FUND ASSETS	<u>1,231,899</u>	<u>1,245,494</u>
TOTAL LIFE FUND ASSETS	6,276,906	6,485,648
TOTAL GENERAL TAKAFUL FUND ASSETS	4,192	1,219
TOTAL FAMILY TAKAFUL FUND ASSETS	<u>39,961</u>	<u>53,734</u>
TOTAL ASSETS	<u>7,552,958</u>	<u>7,786,095</u>
<u>LIABILITIES</u>		
GENERAL AND SHAREHOLDERS' FUND LIABILITIES		
Provision for outstanding claims	332,952	318,323
Insurance payables	113,292	92,242
Financial liabilities		
Borrowings		
- term loans	25,000	30,000
- medium terms notes - secured	200,000	200,000
- bank overdrafts - unsecured	11,767	11,159
Trade and other payables	101,613	111,831
Derivative liabilities	23,896	24,173
Current tax liabilities	12,637	12,038
Deferred tax liabilities	574	667
TOTAL LIFE AND SHAREHOLDERS' FUND LIABILITIES	<u>821,731</u>	<u>800,433</u>
TOTAL LIFE FUND LIABILITIES	719,968	730,812
TOTAL GENERAL TAKAFUL FUND LIABILITIES	3,023	1,014
TOTAL FAMILY TAKAFUL FUND LIABILITIES	<u>5,344</u>	<u>15,188</u>
	<u>1,550,066</u>	<u>1,547,447</u>
Unearned premium reserves	126,398	129,141
Life policyholders' fund	5,594,108	5,744,502
Life fund reserves	(37,170)	10,334
General Takaful participants' fund	1,169	205
Family Takaful participants' fund	34,617	38,546
	<u>5,719,122</u>	<u>5,922,728</u>
TOTAL LIABILITIES	<u>7,269,188</u>	<u>7,470,175</u>

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	<u>RM'000</u>	<u>RM'000</u>
SHAREHOLDERS' EQUITY		
Capital and reserve attributable to the Company's equity holders		
Share capital	304,354	304,354
Accumulated losses	(41,359)	(12,166)
Reserves	<u>(8,753)</u>	<u>(4,221)</u>
	254,242	287,967
Minority interests	<u>29,528</u>	<u>27,953</u>
	283,770	315,920
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>7,552,958</u></u>	<u><u>7,786,095</u></u>
	-	-
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u><u>0.84</u></u>	<u><u>0.95</u></u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

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CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
	RM'000	RM'000	RM'000	RM'000
OPERATING REVENUE	<u>530,519</u>	<u>568,887</u>	<u>1,039,785</u>	<u>1,106,034</u>
SHAREHOLDERS' FUND				
Investment income	1,276	913	1,826	1,331
Operating revenue from non-insurance subsidiaries	16,177	20,168	36,138	42,512
Wakalah fee from takaful business	3,607	-	5,709	-
Other operating income/(expenses) - net	20,846	9,605	(7,798)	985
Management expenses	<u>(21,203)</u>	<u>(18,545)</u>	<u>(39,509)</u>	<u>(34,917)</u>
	20,703	12,141	(3,634)	9,911
SURPLUS/(DEFICIT) TRANSFERRED FROM REVENUE ACCOUNTS				
- General insurance	(5,748)	2,086	(20,876)	9,377
- Life insurance *	-	-	-	-
	<u>(5,748)</u>	<u>2,086</u>	<u>(20,876)</u>	<u>9,377</u>
Profit/(loss) from operations	<u>14,955</u>	<u>14,227</u>	<u>(24,510)</u>	<u>19,288</u>
Finance costs	(4,139)	(4,303)	(8,029)	(7,287)
Share of loss of associated companies	<u>(946)</u>	<u>(835)</u>	<u>(1,664)</u>	<u>(1,509)</u>
PROFIT/(LOSS) BEFORE TAXATION	<u>9,870</u>	<u>9,089</u>	<u>(34,203)</u>	<u>10,492</u>
Taxation	<u>(5,565)</u>	<u>(2,261)</u>	<u>4,361</u>	<u>(3,324)</u>
NET PROFIT/(LOSS) FOR THE FINANCIAL QUARTER/PERIOD	<u>4,305</u>	<u>6,828</u>	<u>(29,842)</u>	<u>7,168</u>
Attributable to :				
- Equity holders of the Company	4,720	7,187	(29,193)	7,400
- Minority interest	<u>(415)</u>	<u>(359)</u>	<u>(649)</u>	<u>(232)</u>
	<u>4,305</u>	<u>6,828</u>	<u>(29,842)</u>	<u>7,168</u>
	-	-	-	-
EARNING/(LOSS) PER SHARE FOR THE PROFIT/(LOSS) ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY (sen)				
- basic	<u>1.55</u>	<u>2.36</u>	<u>(9.59)</u>	<u>2.43</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 2007.

The Condensed General Insurance, Life Insurance, General Takaful Fund and Family Takaful Fund Revenue Accounts are attached.

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2008. These figures have not been audited.

CONDENSED GENERAL INSURANCE REVENUE ACCOUNT

	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
	RM'000	RM'000	RM'000	RM'000
Gross premium	114,879	123,447	209,656	232,659
Reinsurance	(41,262)	(47,169)	(69,518)	(73,562)
Net premium	73,617	76,278	140,138	159,097
(Increase)/decrease in unearned premium reserves	(558)	5,374	2,811	4,799
Earned premium	73,059	81,652	142,949	163,896
Net claims incurred	(57,976)	(64,542)	(109,323)	(125,451)
Net commission	(6,109)	(7,106)	(10,505)	(14,736)
Underwriting contribution	8,974	10,004	23,121	23,709
Management expenses	(16,642)	(16,933)	(36,130)	(33,356)
Underwriting deficit	(7,668)	(6,929)	(13,009)	(9,647)
Investment income	13,800	1,194	17,948	3,941
Other operating (expenses)/income - net	(11,880)	7,821	(25,815)	15,083
(Deficit)/surplus transferred to Condensed Consolidated Income Statement	(5,748)	2,086	(20,876)	9,377

The Condensed General Insurance Revenue Account should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

Interim report on consolidated results for the second quarter ended 30 June 2008. These figures have not been audited.

CONDENSED LIFE FUND BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2008	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 (Audited)
	RM'000	RM'000
<u>ASSETS</u>		
Property, plant and equipment	254,229	259,532
Intangible assets	4,775	4,890
Investment properties	588,981	599,656
Financial assets		
Investments		
- at fair value through profit or loss	381,983	997,907
- available-for-sale	1,800,624	1,548,317
- held to maturity	481,505	484,908
Loans and receivables	871,998	964,776
Insurance receivables	42,882	42,381
Tax recoverable	25,757	20,429
Deferred tax assets	32,960	16,514
Fixed and call deposits	1,040,099	800,711
Cash and bank balances	53,802	17,622
Investment-linked fund assets	697,311	728,005
TOTAL LIFE FUND ASSETS	<u>6,276,906</u>	<u>6,485,648</u>
<u>LIABILITIES</u>		
Provision for outstanding claims	24,199	20,475
Provision for agents' retirement benefits	3,041	3,247
Insurance payables	562,972	546,302
Trade and other payables	88,103	121,765
Current tax liabilities	7,712	6,280
Investment-linked fund liabilities	33,941	32,743
TOTAL LIFE FUND LIABILITIES	<u>719,968</u>	<u>730,812</u>
Life policyholders' fund	5,594,108	5,744,502
Reserves	(37,170)	10,334
	<u>5,556,938</u>	<u>5,754,836</u>
TOTAL LIFE FUND LIABILITIES AND LIFE POLICYHOLDERS' FUND	<u><u>6,276,906</u></u>	<u><u>6,485,648</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 2007.

MAA HOLDINGS BERHAD

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CONDENSED LIFE INSURANCE REVENUE ACCOUNT

	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
	RM'000	RM'000	RM'000	RM'000
Gross premium	298,085	378,485	627,281	731,610
Reinsurance	3,082	(1,214)	1,153	(2,009)
Net premium	301,167	377,271	628,434	729,601
Net benefits paid and payable	(264,641)	(290,590)	(553,012)	(536,103)
Commission and agency expenses	(30,596)	(37,143)	(57,427)	(65,965)
Management expenses	(22,024)	(22,959)	(47,659)	(47,853)
Underwriting (deficit)/contribution	(16,094)	26,579	(29,664)	79,680
Investment income	61,712	36,977	111,275	80,445
Other operating (expenses)/income - net	(40,018)	44,076	(181,572)	118,278
Surplus/(deficit) before taxation	5,600	107,632	(99,961)	278,403
Taxation	(1,724)	(11,732)	6,358	(16,659)
Surplus/(deficit) for the financial period after taxation	3,876	95,900	(93,603)	261,744
Exchange reserves from investment-linked fund	3,523	680	2,558	502
Surplus/(deficit) from investment-linked fund	(15,692)	30,659	(59,349)	63,159
Net (deficit)/surplus before changes in policy reserve for the financial period	(8,293)	127,239	(150,394)	325,405
Life policyholders' fund at beginning of financial year	5,602,401	5,576,547	5,744,502	5,378,381
	5,594,108	5,703,786	5,594,108	5,703,786
Surplus transferred to Condensed Consolidated Income Statement *	-	-	-	-
Life policyholders' fund at end of the financial period	5,594,108	5,703,786	5,594,108	5,703,786

* 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 2007.

MAA HOLDINGS BERHAD

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CONDENSED GENERAL TAKAFUL FUND BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2008	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 (Audited)
	RM'000	RM'000
<u>ASSETS</u>		
Loans and receivables	811	285
Insurance receivables	1,493	252
Fixed and call deposits	1,700	-
Cash and bank balances	188	682
TOTAL GENERAL TAKAFUL FUND ASSETS	<u>4,192</u>	<u>1,219</u>
<u>LIABILITIES</u>		
Provision for outstanding claims	190	39
Insurance payables	2,587	383
Trade and other payables	246	592
TOTAL GENERAL TAKAFUL FUND LIABILITIES	3,023	1,014
<u>PARTICIPANTS' FUND</u>		
General Takaful fund	1,169	205
TOTAL GENERAL TAKAFUL FUND LIABILITIES AND PARTICIPANTS' FUND	<u>4,192</u>	<u>1,219</u>

The Condensed General Takaful Fund Balance Sheet should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

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CONDENSED GENERAL TAKAFUL FUND REVENUE ACCOUNT

	3 months ended 30.06.2008	6 months ended 30.06.2008
	RM'000	RM'000
Gross contribution	3,262	4,607
Retakaful	<u>(2,471)</u>	<u>(3,149)</u>
Net contribution	791	1,458
Increase in unearned contribution reserves	<u>(419)</u>	<u>(963)</u>
Earned contribution	372	495
Net claims incurred	(75)	(208)
Commission earned on retakaful	<u>644</u>	<u>847</u>
Underwriting surplus before wakalah fee	941	1,134
Wakalah fee	(1,103)	(1,558)
Allowance for doubtful debts	<u>(49)</u>	<u>(92)</u>
Underwriting deficit before taxation	(211)	(516)
Investment income	<u>5</u>	<u>5</u>
	(206)	(511)
Taxation	<u>-</u>	<u>-</u>
Deficit after taxation	(206)	(511)
Qardhul Hassan	<u>206</u>	<u>511</u>
General Takaful fund at end of the financial period	<u>-</u>	<u>-</u>

There were no comparative figures as the General Takaful only commenced business with effective from 1 July 2007.

The Condensed General Takaful Fund Revenue Account should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

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CONDENSED FAMILY TAKAFUL FUND BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.06.2008	AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 (Audited)
	RM'000	RM'000
<u>ASSETS</u>		
Loans and receivables	671	84
Cash and bank balances	4,649	13,249
Investment-linked fund assets	34,641	40,401
TOTAL FAMILY TAKAFUL FUND ASSETS	39,961	53,734
<u>LIABILITIES</u>		
Insurance payables	1,030	1,970
Trade and other payables	3,637	11,298
Investment-linked fund liabilities	677	1,920
TOTAL FAMILY TAKAFUL FUND LIABILITIES	5,344	15,188
<u>PARTICIPANTS' FUND</u>		
Family Takaful fund	34,617	38,546
TOTAL FAMILY TAKAFUL FUND LIABILITIES AND PARTICIPANTS' FUND	39,961	53,734

The Condensed Family Takaful Fund Balance Sheet should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

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CONDENSED FAMILY TAKAFUL FUND REVENUE ACCOUNT

	3 months ended 30.06.2008	6 months ended 30.06.2008
	RM'000	RM'000
Gross contribution	6,358	10,656
Net benefits paid and payable	(5,319)	(8,184)
Wakalah fee	(2,505)	(4,151)
	(1,466)	(1,679)
Other operating expenses - net	(147)	(237)
Deficit before taxation before surplus from investment-linked business	(1,613)	(1,916)
Surplus/(deficit) from investment-linked fund	914	(2,013)
Deficit before taxation	(699)	(3,929)
Taxation	-	-
Deficit for the financial period after taxation	(699)	(3,929)
Family Takaful fund at beginning of financial year	35,316	38,546
Family Takaful fund at end of the financial period	34,617	34,617
	-	

There were no comparative figures as the Family Takaful only commenced business with effective from 1 July 2007.

The Condensed Family Takaful Fund Revenue Account should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.

MAA HOLDINGS BERHAD

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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 RM'000	Reserves RM'000	(Accumulated losses)/ retained earnings RM'000	Minority interest RM'000	
<u>6 months period ended 30.06.2008</u>					
Balance as at 1 January 2008	304,354	(4,221)	(12,166)	27,953	315,920
Increase arising from additional investment in a subsidiary company during the financial year	-	-	-	2,224	2,224
Currency translation differences arising during the financial period	-	(132)	-	-	(132)
Net changes in available-for-sale financial assets	-	(4,400)	-	-	(4,400)
Loss for the 6 months period	-	-	(29,193)	(649)	(29,842)
Balance as at 30 June 2008	<u>304,354</u>	<u>(8,753)</u>	<u>(41,359)</u>	<u>29,528</u>	<u>283,770</u>
<u>6 months period ended 30.06.2007</u>					
Balance as at 1 January 2007	304,354	(3,786)	67,688	2,453	370,709
Increase arising from investment in a subsidiary company during the financial year	-	-	-	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>(4,027)</u>	<u>75,088</u>	<u>27,221</u>	<u>402,636</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 2007.

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended 30.06.2008	6 months ended 30.06.2007
	RM'000	RM'000
Operating activities		
Cash generated from/(utilised in) operations	42,385	(191,994)
Income taxes paid	(2,590)	(2,250)
	<hr/>	<hr/>
Net cash inflows/(outflows) from operating activities	39,795	(194,244)
Investing activities		
Net cash (outflow)/inflows from investing activities	(3,964)	17,302
Financing activities		
Net cash (outflow)/inflows from financing activities	(5,000)	160,065
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	30,831	(16,877)
Cash and cash equivalents at beginning of financial year	55,684	60,281
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	<u>86,515</u>	<u>43,404</u>

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Reports for the financial year ended 31 December 2007.