

MAA HOLDINGS BERHAD (471403-A)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2010

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010**

	30 September 2010 RM'000	31 December 2009 RM'000 Audited
ASSETS		
Property, plant and equipment	288,310	309,033
Intangible assets	11,985	12,519
Investment properties	553,966	570,165
Investments	6,403,072	6,079,496
Malaysian Government Securities/Government Investment Issues	169,373	183,433
Malaysian Government Guaranteed Financing	10,716	9,991
Corporate debt securities	3,613,044	3,426,991
Islamic debt securities	62,480	13,332
Equity securities	879,286	812,304
Unit trusts	68,559	25,636
Investment-linked units	12,880	18,830
Loans	702,816	726,149
Fixed and call deposits	883,918	862,830
Associated companies	52,548	56,862
Reinsurance assets	233,632	153,084
Insurance receivables	123,177	116,201
Trade and other receivables	258,442	236,505
Tax recoverable	37,231	38,224
Deferred tax assets	13,252	23,708
Cash and bank balances	35,246	33,686
Assets classified as held for sale	838,755	786,445
TOTAL ASSETS	8,849,616	8,415,928
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		
LIABILITIES		
Insurance contract liabilities	6,206,123	5,956,110
Investment contract liabilities	40,000	53,639
Financial liabilities		
Borrowings - unsecured		
- Medium Term Notes	170,000	200,000
- Term loan	-	10,000
- Bank overdrafts	11,636	11,419
Insurance payables	930,679	739,036
Trade and other payables	236,984	251,525
Provision for life agents' retirement benefits	2,804	2,780
Current tax liabilities	30,760	23,860
Deferred tax liabilities	27,352	10,047
Liabilities classified as held for sale	848,102	847,001
TOTAL LIABILITIES	8,504,440	8,105,417
EQUITY		
Share capital	304,354	304,354
Accumulated losses	(9,172)	(28,855)
Reserves	15,616	1,065
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	310,798	276,564
Minority interest	34,378	33,947
TOTAL EQUITY	345,176	310,511
TOTAL EQUITY, POLICYHOLDERS FUNDS AND LIABILITIES	8,849,616	8,415,928
Net assets per share attributable to ordinary equity holders of the Company (RM)	1.02	0.91

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	3 months ended		9 months ended	
	30 September 2010 RM'000	30 September 2009 RM'000	30 September 2010 RM'000	30 September 2009 RM'000
Operating revenue				
- Continuing operations	393,997	387,963	1,201,512	1,159,880
- Discontinued operations	137,995	110,206	409,239	313,062
	<u>531,992</u>	<u>498,169</u>	<u>1,610,751</u>	<u>1,472,942</u>
Continuing operations				
Gross earned premium	300,644	297,358	937,990	918,223
Premium ceded to reinsurers	(38,176)	(30,013)	(95,735)	(80,636)
Net earned premiums	<u>262,468</u>	<u>267,345</u>	<u>842,255</u>	<u>837,587</u>
Investment income	75,949	75,748	216,372	199,781
Realised gains and losses	5,407	6,159	21,596	11,432
Fair value gains and losses	97,382	71,500	134,519	151,542
Fee and commission income	10,970	9,369	28,558	26,821
Other operating revenue from non-insurance businesses	17,404	14,857	47,150	41,876
Wakalah fee from takaful business	16,440	13,168	57,644	34,325
Other operating income/(expenses) - net	(3,529)	(6,973)	(10,785)	26,017
Other revenue	<u>220,023</u>	<u>183,828</u>	<u>495,054</u>	<u>491,794</u>
Gross benefits and claims paid	(339,615)	(231,925)	(1,008,079)	(881,983)
Claims ceded to reinsurers	22,804	21,770	71,391	53,040
Gross change to contract liabilities	(41,270)	(174,840)	(71,458)	(236,753)
Change in contract liabilities ceded to reinsurers	(13,520)	25,550	2,315	40,339
Net claims	<u>(371,601)</u>	<u>(359,445)</u>	<u>(1,005,831)</u>	<u>(1,025,357)</u>
Fee and commission expense	(27,034)	(30,806)	(88,587)	(93,862)
Management expenses	(59,806)	(57,869)	(184,100)	(157,816)
Wakalah fee payable to Shareholders' fund	(16,440)	(13,168)	(57,644)	(34,325)
Finance cost	(3,538)	(1,587)	(9,190)	(8,925)
Other expenses	<u>(106,818)</u>	<u>(103,430)</u>	<u>(339,521)</u>	<u>(294,928)</u>
Share of profit/(loss) of associate companies, net of tax	(592)	1,400	(653)	2,665
Profit/(loss) before taxation	<u>3,480</u>	<u>(10,302)</u>	<u>(8,696)</u>	<u>11,761</u>
Taxation	(77)	1,376	(1,226)	653
Profit/(loss) from continuing operations	<u>3,403</u>	<u>(8,926)</u>	<u>(9,922)</u>	<u>12,414</u>
Discontinued operations (**)				
Profit/(loss) before taxation	23,859	10,411	38,278	29,866
Taxation	(7,282)	(2,269)	(8,242)	(6,169)
Profit/(loss) from discontinued operations	<u>16,577</u>	<u>8,142</u>	<u>30,036</u>	<u>23,697</u>
Profit/(loss) for the financial period	<u>19,980</u>	<u>(784)</u>	<u>20,114</u>	<u>36,111</u>
Profit/(loss) for the financial period attributable to:				
Owners of the Company	19,659	(750)	19,683	36,836
Minority interests	321	(34)	431	(725)
	<u>19,980</u>	<u>(784)</u>	<u>20,114</u>	<u>36,111</u>
Basic earnings/(loss) per ordinary share (sen):				
- Continuing operations	1.01	(2.92)	(3.40)	4.32
- Discontinued operations	5.45	2.68	9.87	7.79
	<u>6.46</u>	<u>(0.24)</u>	<u>6.47</u>	<u>12.11</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.

** Discontinued operations mainly represent the General Insurance Business of Malaysian Assurance Alliance Berhad ("MAA"), a wholly owned subsidiary of the Company.

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	3 months ended		9 months ended	
	30 September 2010 RM'000	30 September 2009 RM'000	30 September 2010 RM'000	30 September 2009 RM'000
Profit/(loss) for the financial period	19,980	(784)	20,114	36,111
Other comprehensive income, net of tax				
Foreign currency translation differences	1,882	1,548	4,305	3,745
Fair value of available-for-sale financial assets, net of tax	6,557	671	10,246	524
Other comprehensive income for the financial period, net of tax	8,439	2,219	14,551	4,269
Total comprehensive income for the financial period	28,419	1,435	34,665	40,380
Total comprehensive income attributable to:				
Owners of the Company	28,098	1,469	34,234	41,105
Minority interests	321	(34)	431	(725)
Total comprehensive income for the financial period	28,419	1,435	34,665	40,380

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

	Attributable to owners of the Company						Total equity RM'000
	Share capital RM'000	Non-distributable		Distributable		Minority interest RM'000	
		Foreign exchange reserves RM'000	Available-for-sale reserves RM'000	Accumulated losses RM'000	Total RM'000		
2010							
As at 1 January 2010	304,354	(5,927)	6,992	(28,855)	276,564	33,947	310,511
Profit/(loss) for the period	-	-	-	19,683	19,683	431	20,114
Other comprehensive income	-	4,305	10,246	-	14,551	-	14,551
Total comprehensive income for the period	-	4,305	10,246	19,683	34,234	431	34,665
As at 30 September 2010	304,354	(1,622)	17,238	(9,172)	310,798	34,378	345,176
2009							
As at 1 January 2009	304,354	(10,832)	(329)	(81,473)	211,720	33,753	245,473
Profit/(loss) for the period	-	-	-	36,836	36,836	(725)	36,111
Other comprehensive income	-	3,745	524	-	4,269	-	4,269
Total comprehensive income for the period	-	3,745	524	36,836	41,105	(725)	40,380
As at 30 September 2009	304,354	(7,087)	195	(44,637)	252,825	33,028	285,853

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	9 months ended	
	30 September 2010 RM'000	30 September 2009 RM'000
Operating activities		
Cash generated from operations	38,932	10,529
Income taxes paid	(7,251)	(1,049)
Net cash inflows from operating activities	<u>31,681</u>	<u>9,480</u>
Investing activities		
Net cash inflows from investing activities	6,215	6,378
Financing activities		
Net cash outflows from financing activities	(40,000)	(5,000)
Net (decrease)/increase in cash and cash equivalents	<u>(2,104)</u>	<u>10,858</u>
Cash and cash equivalents at beginning of financial year	32,891	51,347
Cash and cash equivalents at end of financial period	<u>30,787</u>	<u>62,205</u>