

Amendments to the quarterly report for the financial year ended 31 December 2010 (“Quarterly Report”)

Subsequent to the announcement of the Group’s audited results on 24 February 2011, the following errors were discovered by the Group’s discontinued operations, i.e. The Pacific Insurance Berhad (“PIB”) and were subsequently rectified in its audited financial statements for FY 2010:

- (a) Error in the reclassification of comparative figures for Insurance Contract Liabilities and Reinsurance Assets from net basis to gross basis in the statement of financial position of FY 2009 following the adoption of FRS 4 Insurance Contracts by PIB in FY 2010 (refer to Table A). As such, consequential amendments were made in the statement of cash flows for FY 2009 and FY 2010 (refer to Table B); and
- (b) Error in disclosing proceeds on disposal of PIB’s investment property of RM410,000 as sum received in the statement of cash flows for the year ended 31 December 2010. The sale proceeds remain outstanding as at 31 December 2010 (refer to Table B).

Based on the above, the audited condensed consolidated statement of financial position and the audited condensed consolidated statement of cash flows are amended as follows:

Table A

Condensed Consolidated Statement of Financial Position as at 31 December 2009 (RM'000)	As reported in announcement dated 24 Feb 11 A	Adjustments B	As Amended A + B
Reinsurance assets	65,808	(8,770)	57,038
Total Assets	1,062,828	(8,770)	1,054,058
Insurance contract liabilities	175,460	(8,770)	166,690
Total Liabilities	490,709	(8,770)	481,939
Total Equity and Liabilities	1,062,828	(8,770)	1,054,058

Table B

Condensed Consolidated Statement of Cash Flows (RM'000)	As reported in announcement dated 24 Feb 11 A	Adjustments B	As Amended A + B
<u>For the year ended 31 December 2010</u>			
Adjustment for non-cash items	(70,664)	(6,112)	(76,776)
Operating profit before changes in working capital	33,283	(6,112)	27,171
Net disposal of an investment property	410	(410)	-
Increase in loans, trade and other receivables	(220,171)	(442)	(220,613)
Increase in trade and other payables	34,987	6,964	41,951
<u>For the year ended 31 December 2009</u>			
Adjustment for non-cash items	(11,187)	(512)	(11,699)
Operating profit before changes in working capital	20,247	(512)	19,735
Increase in loans, trade and other receivables	(89,952)	(4,547)	(94,499)
(Decrease)/increase in trade and other payables	(915)	5,059	4,144