

KURNIA ASIA BERHAD (539435-K)

(Incorporated in Malaysia)

Quarterly Report On Consolidated Results
For The Fourth Quarter Ended 31 December 2011

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
	Individual Quarter		Cumulative Quarter	
	Current Year 31-Dec-2011 RM'000	Preceding Year 31-Dec-2010 RM'000	Current Year 31-Dec-2011 RM'000	Preceding Year 31-Dec-2010 RM'000
Operating revenue	292,224	280,825	1,161,268	1,096,936
Gross written premiums	295,071	259,328	1,109,729	1,058,753
Change in unearned premiums provision	(22,437)	(2,565)	(41,093)	(52,666)
Gross earned premiums	272,634	256,763	1,068,636	1,006,087
Premium ceded to reinsurers	(80,762)	(48,137)	(294,019)	(153,811)
Net earned premiums	191,872	208,626	774,617	852,276
Other income	53,745	58,966	177,021	164,955
Net claims incurred	(142,803)	(179,075)	(548,077)	(646,938)
Other expenses	(93,139)	(95,054)	(341,908)	(337,877)
Operating profit /(loss)	9,675	(6,537)	61,653	32,416
Share of net profit / (loss) of equity accounted associate	493	(2,464)	(525)	(2,780)
Profit / (loss) before taxation	10,168	(9,001)	61,128	29,636
Tax expense	1,655	714	(12,574)	(14,624)
Net profit / (loss) for the period	11,823	(8,287)	48,554	15,012
<u>Other comprehensive income</u>				
Foreign currency translation differences for foreign operation	(426)	(140)	463	(1,686)
Fair value change of available-for-sale financial assets	(1,232)	1,363	(5,458)	5,883
Revaluation on properties	-	-	30,746	-
Other comprehensive income for the period	(1,658)	1,223	25,751	4,197
Total comprehensive income for the period	10,165	(7,064)	74,305	19,209
Earnings per share (sen) - Basic	0.79	(0.56)	3.26	1.01

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As At 31-Dec-2011 RM'000	(Audited) As At 31-Dec-2010 RM'000
<u>Assets</u>		
Property and equipment	231,160	202,236
Investment property	7,713	7,500
Investments in associates	14,701	13,279
- financial assets - HTM	62,123	63,278
- financial assets - AFS	947,342	975,928
- financial assets - HFT	156,298	141,482
- financial assets - Loans and receivables	479,764	522,158
Reinsurance assets	551,273	372,759
Insurance receivables	56,832	52,851
Other receivables, deposits and prepayments	83,743	35,187
Deferred acquisition costs	26,070	36,275
Deferred tax assets	8,204	1,172
Current tax assets	23,970	30,613
Cash and cash equivalents	120,176	129,632
Total assets	2,769,369	2,584,350
<u>Shareholders' equity</u>		
Share capital	375,000	375,000
Reserves	36,689	10,938
Accumulated losses	(9,593)	(58,147)
	402,096	327,791
Minority interest	6	6
Shareholders' equity	402,102	327,797
<u>Liabilities</u>		
Insurance contract liabilities	1,690,839	1,669,152
Deferred tax liabilities	4,130	5,928
Other financial liabilities	450,630	435,322
Insurance payables	87,373	29,630
Tax payables	856	249
Other payables	106,106	90,728
Staff retirement benefits	27,333	25,544
Total liabilities	2,367,267	2,256,553
Total liabilities and shareholders' equity	2,769,369	2,584,350
Net Assets Value per ordinary share of RM0.25 each (SEN)	27.02	22.02

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the parent						Minority Interest RM '000	Total Equity RM '000
	Share Capital RM '000	Share Premium RM '000	Translation Reserve RM '000	Fair value Reserve RM '000	Revaluation Reserve RM '000	Distributable Retained profit RM '000		
12 Months Ended 30/12/2011								
Balance at 31 December 2010	375,000	607	(2,504)	12,835	-	(58,147)	6	327,797
Total comprehensive income for the year	-	-	463	(5,458)	30,746	48,554	-	74,305
Balance as at 31 December 2011	375,000	607	(2,041)	7,377	30,746	(9,593)	6	402,102
12 Months Ended 31/12/2010								
Balance at 31 December 2009	375,000	607	(818)	-	-	(74,704)	-	300,085
Adoption of FRS 139	-	-	-	6,952	-	1,545	-	8,497
Balance at 31 December 2009-Restated	375,000	607	(818)	6,952	-	(73,159)	-	308,582
Total comprehensive income for the year	-	-	(1,686)	5,883	-	15,012	-	19,209
Incorporation of subsidiary	-	-	-	-	-	-	6	6
Balance as at 31 December 2010	375,000	607	(2,504)	12,835	-	(58,147)	6	327,797

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW		
	Year-To-Date	
	31-Dec-2011	31-Dec-2010
	RM'000	RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	61,129	29,636
Adjustments for non-cash items	(9,793)	(45,188)
Operating loss before changes in working capital	51,336	(15,552)
Net change in operating assets	(123,569)	53,145
Net change in operating liabilities	94,647	(9,561)
Net cash flows used in operating activities	22,414	28,032
Net cash used in investing activities	(10,576)	(7,821)
Net cash used in financing activities	(21,335)	(60,839)
Net decrease in cash and cash equivalent	(9,497)	(40,628)
Effect of exchange rate changes on cash & cash equivalents	41	474
Cash and cash equivalents at beginning of period	129,632	169,786
Cash and cash equivalents at end of period	120,176	129,632

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2010