

KURNIA ASIA BERHAD (539435-K)

(Incorporated in Malaysia)

Quarterly Report On Consolidated Results
For The First Quarter Ended 31 March 2012

(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
	Individual Quarter		Cumulative Quarter	
	Current Year 31-Mar-2012 RM'000	Restated Preceding Year 31-Mar-2011 RM'000	Current Year 31-Mar-2012 RM'000	Restated Preceding Year 31-Mar-2011 RM'000
Operating revenue	301,293	286,851	301,293	286,851
Gross written premiums	285,397	270,313	285,397	270,313
Change in unearned premiums provision	(7,104)	(4,705)	(7,104)	(4,705)
Gross earned premiums	278,293	265,608	278,293	265,608
Premium ceded to reinsurers	(84,273)	(54,801)	(84,273)	(54,801)
Net earned premiums	194,020	210,807	194,020	210,807
Other income	45,327	39,504	45,327	39,504
Net claims incurred	(120,740)	(140,838)	(120,740)	(140,838)
Other expenses	(82,073)	(87,992)	(82,073)	(87,992)
Operating profit	36,534	21,481	36,534	21,481
Share of net loss of equity accounted associate	(1,751)	(356)	(1,751)	(356)
Profit before taxation	34,783	21,125	34,783	21,125
Tax expense	(10,180)	(6,826)	(10,180)	(6,826)
Net profit for the period	24,603	14,299	24,603	14,299
<u>Other comprehensive income</u>				
Foreign currency translation differences for foreign operation	(471)	136	(471)	136
Fair value change of available-for-sale financial assets	(31)	(556)	(31)	(556)
Revaluation on properties	-	-	-	-
Other comprehensive income for the period	(502)	(420)	(502)	(420)
Total comprehensive income for the period	24,101	13,879	24,101	13,879
Earnings per share (sen) - Basic	1.65	0.96	1.65	0.96

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
	As At 31-Mar-2012 RM'000	Restated As At 31-Dec-2011 RM'000	Restated As At 01-Jan-2011 RM'000
Assets			
Property and equipment	227,693	229,299	233,388
Investment property	7,713	7,713	7,713
Investments in associates	2,367	4,156	2,767
Investments in debt and equity securities			
- financial assets - HTM	62,065	62,123	63,278
- financial assets - AFS	895,386	947,342	975,928
- financial assets - HFT	176,935	156,298	141,482
- financial assets - Loans and receivables	474,609	469,171	522,158
Reinsurance assets	551,287	551,273	372,759
Insurance receivables	52,641	56,832	52,851
Other receivables, deposits and prepayments	123,036	80,333	35,187
Deferred acquisition costs	26,255	26,070	36,275
Deferred tax assets	7,647	3,780	1,172
Current tax assets	4,976	23,746	30,613
Cash and cash equivalents	168,399	130,771	129,632
Total assets	2,781,009	2,748,907	2,605,203
Shareholders' equity			
Share capital	375,000	375,000	375,000
Reserves	7,945	8,447	13,442
Retained earnings /(Accumulated losses)	30,278	5,675	(41,306)
	413,223	389,122	347,136
Minority interest	6	6	6
Shareholders' equity	413,229	389,128	347,142
Liabilities			
Insurance contract liabilities	1,702,246	1,690,838	1,669,152
Deferred tax liabilities	3,957	-	7,436
Other financial liabilities	456,296	450,630	435,322
Insurance payables	79,693	87,373	29,630
Tax payables	677	629	249
Other payables	97,365	102,976	90,728
Staff retirement benefits	27,546	27,333	25,544
Total liabilities	2,367,780	2,359,779	2,258,061
Total liabilities and shareholders' equity	2,781,009	2,748,907	2,605,203
Net Assets Value per ordinary share of RM0.25 each (SEN)	27.76	26.14	23.32

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the parent						Non-controlling 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		
3 Months Ended 31/03/2012								
Balance at 1 January 2012, as previously stated	375,000	607	(2,041)	7,377	30,746	(10,303)	6	401,392
Effect of adopting MFRS	-	-	2,504	-	(30,746)	15,978	-	(12,264)
Balance at 1 January 2012, as restated	375,000	607	463	7,377	-	5,675	6	389,128
Total comprehensive income for the period	-	-	(471)	(31)	-	24,603	-	24,101
Balance as at 31 March 2012	375,000	607	(8)	7,346	-	30,278	6	413,229
3 Months Ended 31/03/2011								
Balance at 1 January 2011, as previously stated	375,000	607	(2,504)	12,835	-	(58,147)	6	327,797
Effect of adopting MFRS	-	-	2,504	-	-	16,841	-	19,345
Balance at 1 January 2011, as restated	375,000	607	-	12,835	-	(41,306)	6	347,142
Total comprehensive income for the period	-	-	136	(556)	-	14,299	-	13,879
Balance as at 31 March 2011	375,000	607	136	12,279	-	(27,007)	6	361,021

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW		
	Year-To-Date	
	31-Mar-2012	31-Mar-2011
	RM'000	RM'000
<u>Cash flows from operating activities</u>		
Profit before tax	34,783	21,125
Adjustments for non-cash items	16,277	(46,272)
Operating profit /(loss) before changes in working capital	51,060	(25,147)
Net change in operating assets	(563)	16,972
Net change in operating liabilities	(5,892)	(30,365)
Net cash flows from/ (used in) operating activities	44,605	(38,540)
Net cash used in investing activities	(2,917)	(3,454)
Net cash used in financing activities	(5,444)	(5,039)
Net increase/ (decrease) in cash and cash equivalent	36,244	(47,033)
Effect of exchange rate changes on cash & cash equivalents	1,385	(155)
Cash and cash equivalents at beginning of period	130,770	129,632
Cash and cash equivalents at end of period	168,399	82,444
	-	-

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2011