

**KSK GROUP BERHAD (Formerly known as KURNIA ASIA BERHAD)(539435-K)**  
(Incorporated in Malaysia)

**Quarterly Report On Consolidated Results**  
**For The Third Quarter Ended 30 September 2012**  
(The figures have not been audited)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year 30-Sep-2012 RM'000	Preceding Year 30-Sep-2011 RM'000	Current Year 30-Sep-2012 RM'000	Preceding Year 30-Sep-2011 RM'000
<b><u>Continuing operations</u></b>				
Operating revenue	16,392	6,969	38,189	19,068
Gross written premiums	16,180	9,389	41,580	22,614
Change in unearned premiums provision	(1,620)	(2,765)	(5,504)	(3,882)
Gross earned premiums	14,560	6,624	36,076	18,732
Premium ceded to reinsurers	(9,469)	(4,124)	(22,235)	(11,765)
Net earned premiums	5,091	2,500	13,841	6,967
Other income	845,954	994	849,268	2,336
Net claims incurred	(3,393)	(2,000)	(9,063)	(5,411)
Other expenses	(44,468)	(10,184)	(67,936)	(26,906)
Operating profit / (loss)	803,184	(8,690)	786,110	(23,014)
Share of net loss of equity accounted associate	(1,668)	(505)	(2,359)	(1,018)
Profit / (Loss) before taxation	801,516	(9,195)	783,751	(24,032)
Tax expense	(406)	(706)	(2,084)	(2,073)
<b>Net profit /(loss) for the period from continuing operations</b>	<b>801,110</b>	<b>(9,901)</b>	<b>781,667</b>	<b>(26,105)</b>
<b><u>Discontinued operation</u></b>				
<b>Profit for the period from discontinued operation, net of tax</b>	<b>32,213</b>	<b>17,169</b>	<b>99,617</b>	<b>62,298</b>
<b>Profit for the period</b>	<b>833,323</b>	<b>7,268</b>	<b>881,284</b>	<b>36,193</b>
<b><u>Other comprehensive income, net of tax</u></b>				
Foreign currency translation differences for foreign operation	(465)	198	(307)	889
Fair value change of available-for-sale financial assets	1,161	(6,445)	(125)	(4,226)
<b>Other comprehensive income for the period</b>	<b>696</b>	<b>(6,247)</b>	<b>(432)</b>	<b>(3,337)</b>
<b>Total comprehensive income for the period</b>	<b>834,019</b>	<b>1,021</b>	<b>880,852</b>	<b>32,856</b>
<b><u>Basic Earnings per share (sen)</u></b>				
- from continuing operations	53.41	(0.67)	52.34	(1.75)
- from discontinued operation	2.15	1.15	6.67	4.19
<b>Basic Earnings per share (sen) - Total</b>	<b>55.55</b>	<b>0.49</b>	<b>59.01</b>	<b>2.43</b>

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

**KSK GROUP BERHAD (Formerly known as KURNIA ASIA BERHAD) (539435-K)**  
(Incorporated in Malaysia)

**Quarterly Report On Consolidated Results**  
**For The Third Quarter Ended 30 September 2012**  
(The figures have not been audited)

<b>CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>			
	<b>As At 30-Sep-2012 RM'000</b>	<b>Restated As At 31-Dec-2011 RM'000</b>	<b>Restated As At 01-Jan-2011 RM'000</b>
<b>Assets</b>			
Property and equipment	9,063	229,339	233,137
Investment property	40,000	7,713	7,713
Investments in associates	2,213	4,156	2,767
Investments in debt and equity securities			
- financial assets - HTM	-	62,123	63,278
- financial assets - AFS	29	947,342	975,928
- financial assets - HFT	13	156,298	141,482
- financial assets - Loans and receivables	-	469,171	522,158
Reinsurance assets	21,911	551,273	372,759
Insurance receivables	12,307	56,832	52,851
Other receivables, deposits and prepayments	103,963	80,333	35,187
Deferred acquisition costs	1,362	26,070	36,275
Deferred tax assets	2,079	3,780	1,172
Current tax assets	2,372	23,746	30,560
Cash and cash equivalents	1,092,097	130,771	129,632
<b>Total assets</b>	<b>1,287,409</b>	<b>2,748,947</b>	<b>2,604,899</b>
<b>Shareholders' equity</b>			
Share capital	375,000	375,000	375,000
Reserves	7,808	8,447	13,442
Retained earnings /(Accumulated losses)	826,168	5,715	(41,610)
	1,208,976	389,162	346,832
Minority interest	6	6	6
<b>Shareholders' equity</b>	<b>1,208,982</b>	<b>389,168</b>	<b>346,838</b>
<b>Liabilities</b>			
Insurance contract liabilities	31,574	1,690,838	1,669,152
Deferred tax liabilities	-	-	7,436
Other financial liabilities	-	450,630	435,322
Insurance payables	8,116	87,373	29,630
Tax payables	589	629	249
Other payables	34,537	102,976	90,728
Staff retirement benefits	3,611	27,333	25,544
<b>Total liabilities</b>	<b>78,427</b>	<b>2,359,779</b>	<b>2,258,061</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,287,409</b>	<b>2,748,947</b>	<b>2,604,899</b>
<b>Net Assets Value per ordinary share of RM0.25 each (SEN)</b>	<b>80.60</b>	<b>26.15</b>	<b>23.30</b>

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

**KSK GROUP BERHAD (Formerly known as KURNIA ASIA BERHAD) (539435-K)**

(Incorporated in Malaysia)

**Quarterly Report On Consolidated Results  
For The Third Quarter Ended 30 September 2012**

(The figures have not been audited)

**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		
<b>9 Months Ended 30/09/2012</b>								
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)	16,018	-	(12,224)
Balance at 1 January 2012, as restated	375,000	607	463	7,377	-	5,715	6	389,168
Total comprehensive income for the period	-	-	(307)	(125)	-	881,284	-	880,852
Disposal of treasury shares	-	7,045	-	-	-	-	-	7,045
Disposal of subsidiary, KIMB #	-	-	-	(7,252)	-	(60,831)	-	(68,083)
Balance as at 30 September 2012	375,000	7,652	156	-	-	826,168	6	1,208,982
<b>9 Months Ended 30/09/2011</b>								
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	-	-	16,537	-	19,041
Balance at 1 January 2011, as restated	375,000	607	-	12,835	-	(41,610)	6	346,838
Total comprehensive income for the period	-	-	889	(4,226)	-	36,193	-	32,856
Balance as at 30 September 2011	375,000	607	889	8,609	-	(5,417)	6	379,694

# RM60.831 million - being deconsolidation of negative goodwill derived from the acquisition of KIMB in year 2004

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

**KSK GROUP BERHAD (Formerly known as KURNIA ASIA BERHAD) (539435-K)**  
*(Incorporated in Malaysia)*

**Quarterly Report On Consolidated Results**  
**For The Third Quarter Ended 30 September 2012**

*(The figures have not been audited)*

<b>CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW</b>		
	<b>Year-To-Date</b>	
	<b>30-Sep-2012</b>	<b>30-Sep-2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Cash flows from operating activities</u></b>		
Profit / (Loss) before tax		
- Continuing operation	783,751	(24,032)
- Discontinued operation	133,255	74,401
Adjustments for non-cash items	<u>(929,277)</u>	<u>8,514</u>
<b>Operating profit before changes in working capital</b>	(12,271)	58,883
Net change in operating assets	(20,860)	(70,081)
Net change in operating liabilities	<u>(63,836)</u>	<u>1,588</u>
<b>Net cash flows used in operating activities</b>	<u>(96,967)</u>	<u>(9,610)</u>
<b>Net cash from /(used in) investing activities</b>	<u>1,427,163</u>	<u>(5,383)</u>
<b>Net cash used in financing activities</b>	<u>(370,126)</u>	<u>(15,860)</u>
<b>Net increase/ (decrease) in cash and cash equivalent</b>	960,070	(30,853)
<b>Effect of exchange rate changes on cash &amp; cash equivalents</b>	1,256	(1,067)
<b>Cash and cash equivalents at beginning of period</b>	<u>130,771</u>	<u>129,632</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>1,092,097</u></u>	<u><u>97,712</u></u>
	-	-

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