



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

	Current Quarter Ended 30.09.2009 RM'000	Corresponding Quarter Ended 30.09.2008 RM'000	Current Year To Date 30.09.2009 RM'000	Corresponding Year To Date 30.09.2008 RM'000
<b>Operating revenue</b>	243,305	238,015	243,305	238,015
Transfer from Revenue Accounts				
- Family Takaful	22,086	18,862	22,086	18,862
- General Takaful	20,529	12,614	20,529	12,614
Wakalah fee income	15,743	9,987	15,743	9,987
Investment income	3,168	1,307	3,168	1,307
Other operating expenses (net)	(1,643)	(647)	(1,643)	(647)
Management expenses	(35,005)	(39,568)	(35,005)	(39,568)
Profit before zakat and taxation	24,878	2,555	24,878	2,555
Zakat	(653)	(1,014)	(653)	(1,014)
Taxation	(5,895)	(280)	(5,895)	(280)
<b>Profit for the year</b>	18,330	1,261	18,330	1,261
Attributable to:				
Shareholders of the Company	17,672	1,483	17,672	1,483
Minority Interest	658	(222)	658	(222)
<b>Profit for the year</b>	18,330	1,261	18,330	1,261
Earnings per share (sen) ( Note 24 )				
Basic	10.85	0.91	10.85	0.91
Diluted	10.85	0.91	10.85	0.91

*The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2009**

	As at End of Current Quarter 30.09.2009 Unaudited RM'000	As at Preceding Financial Year Ended 30.06.2009 Audited RM'000
<b>ASSETS</b>		
<b>Shareholders' Assets</b>		
Property and equipment	31,519	32,456
Prepaid lease payment	3,312	3,291
Investment properties	11,167	11,156
Investments	315,441	267,984
Financing receivables	14,365	14,018
Deferred tax assets	3,987	8,185
Qardh Hasan - receivables	33,129	31,722
Assets held for sale	1,467	1,471
Receivables	50,036	46,741
Cash and bank balances	2,535	7,596
<b>Total Shareholders' Assets</b>	<b>466,958</b>	<b>424,620</b>
<b>Total Family Takaful Assets</b>	<b>3,407,071</b>	<b>3,364,426</b>
<b>Total General Takaful Assets</b>	<b>641,160</b>	<b>640,607</b>
Less Interfund balances	(66,623)	(57,418)
<b>TOTAL ASSETS</b>	<b>4,448,566</b>	<b>4,372,235</b>
<b>LIABILITIES</b>		
<b>Shareholders' Liabilities</b>		
Payables	67,259	46,476
Provision for taxation	2,074	699
<b>Total Shareholders' Liabilities</b>	<b>69,333</b>	<b>47,175</b>
<b>Total Family Takaful Liabilities</b>	<b>225,936</b>	<b>249,052</b>
<b>Total General Takaful Liabilities</b>	<b>289,476</b>	<b>303,640</b>
Less Interfund balances	(66,623)	(57,418)
	518,122	542,449
<b>Family Takaful Fund</b>	<b>3,181,135</b>	<b>3,115,374</b>
<b>General Takaful Fund</b>	<b>351,684</b>	<b>336,967</b>
<b>TOTAL LIABILITIES</b>	<b>4,050,941</b>	<b>3,994,790</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	162,817	162,817
Reserves	205,403	186,677
	368,220	349,494
Minority interests	29,405	27,951
	397,625	377,445
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>4,448,566</b>	<b>4,372,235</b>
<b>Net assets per share (RM)</b>	<b>2.25</b>	<b>2.15</b>

*The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

	Share Capital RM '000	Share Premium RM '000	Translation Reserves RM '000	Retained Profits RM '000	Minority Interest RM '000	Total Equity RM '000
AT 1 JULY 2008	161,576	3,849	(5,684)	144,624	31,670	336,035
Exchange differences	-	-	2,042	-	1,698	3,740
Net gain not recognised in the income statements	-	-	2,042	-	1,698	3,740
Issue of shares - cash	1,241	249	-	-	-	1,490
Acquisition of additional interest in subsidiary	-	-	-	6,477	(6,477)	-
Profit for the year	-	-	-	39,394	1,060	40,454
Dividend 2008 - Interim	-	-	-	(4,274)	-	(4,274)
<b>AS AT 30 JUNE 2009</b>	<b>162,817</b>	<b>4,098</b>	<b>(3,642)</b>	<b>186,221</b>	<b>27,951</b>	<b>377,445</b>
AS AT 1 JULY 2009	162,817	4,098	(3,642)	186,221	27,951	377,445
Exchange differences	-	-	1,054	-	796	1,850
Net gain not recognised in the income statements	-	-	1,054	-	796	1,850
Profit for the year	-	-	-	17,672	658	18,330
<b>AS AT 30 SEPTEMBER 2009</b>	<b>162,817</b>	<b>4,098</b>	<b>(2,588)</b>	<b>203,893</b>	<b>29,405</b>	<b>397,625</b>

*The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED FAMILY TAKAFUL REVENUE ACCOUNT**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

	Current Quarter Ended 30.09.2009 RM'000	Corresponding Quarter Ended 30.09.2008 RM'000	Current Year To Date 30.09.2009 RM'000	Corresponding Year To Date 30.09.2008 RM'000
Gross contribution	99,817	140,644	99,817	140,644
Retakaful	(5,825)	(295)	(5,825)	(295)
Increase in actuarial reserves	776	(9,464)	776	(9,464)
<b>Net contribution</b>	<b>94,768</b>	<b>130,885</b>	<b>94,768</b>	<b>130,885</b>
Benefits paid and payables	(88,509)	(64,427)	(88,509)	(64,427)
Wakalah fee	(9,904)	(4,080)	(9,904)	(4,080)
Net admin fee	(1,039)	(3,941)	(1,039)	(3,941)
	(4,684)	58,437	(4,684)	58,437
Underwriting (loss)/profit - Individual Family	(239)	36,307	(239)	36,307
Underwriting (loss)/profit - Group Family	(4,442)	21,952	(4,442)	21,952
Underwriting (loss)/profit - Group Family ILB	(3)	178	(3)	178
	(4,684)	58,437	(4,684)	58,437
Underwriting (loss)/profit -Group Family and ILB	(4,445)	22,130	(4,445)	22,130
Investment income	42,725	34,703	42,725	34,703
Other operating income/(expenses) (net)	44,897	(15,538)	44,897	(15,538)
<b>Total profit for the period</b>	<b>83,177</b>	<b>41,295</b>	<b>83,177</b>	<b>41,295</b>
Less: Allocation to special reserves	(1,611)	(232)	(1,611)	(232)
<b>Profit attributable to the Company and participants for the period</b>	<b>81,566</b>	<b>41,063</b>	<b>81,566</b>	<b>41,063</b>
<b>Profit attributable to the Company transferred to income statement</b>	<b>(22,086)</b>	<b>(18,862)</b>	<b>(22,086)</b>	<b>(18,862)</b>
	59,480	22,201	59,480	22,201
Profit payable to participants	(237)	-	(237)	-
<b>Profit attributable to the participants for the period</b>	<b>59,243</b>	<b>22,201</b>	<b>59,243</b>	<b>22,201</b>
Family Takaful Fund at beginning of the period	3,115,374	2,911,266	3,115,374	2,911,266
Underwriting (loss)/profit - Individual Family	(239)	36,307	(239)	36,307
Profit attributable to the participants for the period	59,243	22,201	59,243	22,201
<b>Movement for the period</b>				
- Actuarial reserves	(776)	9,464	(776)	9,464
Special Reserve	-	232	-	232
Qardh Hasan	(953)	-	(953)	-
Others	8,486	828	8,486	828
<b>Family Takaful Fund at end of the period</b>	<b>3,181,135</b>	<b>2,980,298</b>	<b>3,181,135</b>	<b>2,980,298</b>

*The Unaudited Condensed Consolidated Family Takaful Revenue Account should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD  
UNAUDITED CONDENSED CONSOLIDATED  
FAMILY TAKAFUL BALANCE SHEET  
AS AT 30 SEPTEMBER 2009**

	<b>As at End of Current Quarter 30.09.2009 Unaudited RM'000</b>	<b>As at Preceding Financial Year Ended 30.06.2009 Audited RM'000</b>
<b>ASSETS</b>		
Investment properties	205,317	204,983
Investment-linked Takaful assets	204,990	193,606
Investments	2,893,605	2,785,629
Financing receivables	9,414	9,382
Receivables	80,158	116,768
Assets held for sale	-	800
Cash and bank balances	13,587	53,258
<b>TOTAL FAMILY TAKAFUL ASSETS</b>	<b>3,407,071</b>	<b>3,364,426</b>
<b>LIABILITIES</b>		
Payables	169,034	186,322
Provision for outstanding claims	41,627	48,130
Investment-linked Takaful liabilities	15,274	14,600
<b>TOTAL FAMILY TAKAFUL LIABILITIES</b>	<b>225,936</b>	<b>249,052</b>
<b>PARTICIPANTS' FUND</b>		
Family Takaful Fund	3,181,135	3,115,374
<b>TOTAL FAMILY TAKAFUL LIABILITIES AND PARTICIPANTS' FUND</b>	<b>3,407,071</b>	<b>3,364,426</b>

*The Unaudited Condensed Consolidated Family Takaful Balance Sheet should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED GENERAL TAKAFUL REVENUE ACCOUNT**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

	Current Quarter Ended 30.09.2009 RM'000	Corresponding Quarter Ended 30.09.2008 RM'000	Current Year To Date 30.09.2009 RM'000	Corresponding Year To Date 30.09.2008 RM'000
Gross contribution	91,675	54,659	91,675	54,659
Retakaful	(25,274)	(12,655)	(25,274)	(12,655)
Net contribution	66,401	42,004	66,401	42,004
(Increase)/decrease in unearned contribution reserve	(3,555)	10,947	(3,555)	10,947
Earned contribution	62,846	52,951	62,846	52,951
Net claims incurred	(20,561)	(16,397)	(20,561)	(16,360)
Wakalah fee	(5,839)	(5,844)	(5,839)	(5,844)
Net admin fee	(3,466)	(1,778)	(3,466)	(1,815)
Underwriting surplus	32,980	28,932	32,980	28,932
Investment Income	5,920	6,701	5,920	6,701
Other operating expenses (net)	(5,505)	(14,081)	(5,505)	(14,081)
Total profit for the period	33,395	21,552	33,395	21,552
Transfer to Income Statement	(20,529)	(12,614)	(20,529)	(12,614)
Participants' share of profit	12,866	8,938	12,866	8,938
Profit payable to participants	(4,781)	(9,114)	(4,781)	(9,114)
Profit/(loss) attributable to participants for the period	8,085	(176)	8,085	(176)
Profit attributable to participants at beginning of the period	61,650	40,639	61,650	40,639
Profit attributable to participants as at end of the period	69,735	40,463	69,735	40,463
Unearned contribution reserves	234,064	182,789	234,064	182,789
Special Reserve	23,061	22,164	23,061	22,164
Qardh Hasan	21,398	17,801	21,398	17,801
Others	3,426	1,855	3,426	1,855
General Takaful fund at end of the period	351,684	265,072	351,684	265,072

*The Unaudited Condensed Consolidated General Takaful Revenue Account should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**UNAUDITED CONDENSED CONSOLIDATED**  
**GENERAL TAKAFUL BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2009**

	As at End of Current Quarter 30.09.2009 Unaudited RM'000	As at Preceding Financial Year Ended 30.06.2009 Audited RM'000
<b>ASSETS</b>		
Investment properties	28,954	28,954
Investments	523,705	525,028
Financing receivables	3,419	3,478
Receivables	72,447	74,221
Cash and bank balances	12,636	8,926
<b>TOTAL GENERAL TAKAFUL ASSETS</b>	<b>641,160</b>	<b>640,607</b>
<b>LIABILITIES</b>		
Payables	127,803	132,235
Provision for outstanding claims	161,673	171,405
<b>TOTAL GENERAL TAKAFUL LIABILITIES</b>	<b>289,476</b>	<b>303,640</b>
<b>PARTICIPANTS' FUND</b>		
General Takaful Fund	351,684	336,967
<b>TOTAL GENERAL TAKAFUL LIABILITIES AND PARTICIPANTS' FUND</b>	<b>641,160</b>	<b>640,607</b>

*The Unaudited Condensed Consolidated General Takaful Balance Sheet should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



**SYARIKAT TAKAFUL MALAYSIA BERHAD**  
**GROUP CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**  
**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Current Period Ended 30.09.2009 RM'000	Corresponding Period Ended 30.09.2008 RM'000
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	24,878	2,555
Adjustments for :		
Depreciation	2,202	1,810
Fair value change of investment properties	-	(19)
Income from Investment Accounts, Islamic Accepted Bills & Bonds	(23,724)	(30,631)
Income from financing receivables	(330)	(922)
Dividend income	(3,930)	(3,468)
Loss on disposal of quoted shares and unit trusts	3,453	-
(Gain)/loss on disposal of property and equipment and investment property	(71)	108
(Gain)/loss on foreign exchange	(1,074)	3,106
Amortization/ (accretion)	2,934	(1,032)
Allowance for diminution in value of investments	15,827	31,383
Profit from Malaysian Government Investment Certificates	(5,340)	(4,356)
Property and equipment written off / transfer	8	-
Reversal of non-performing financing	(479)	(8,845)
Increase in General, Family Takaful Funds & Investment Linked Funds	80,478	47,572
(Decrease)/increase in payables (including claim admitted but not paid)	(19,251)	47,733
Increase in investments	(159,991)	(179,351)
Increase/(decrease) in other receivables	51,128	(45,031)
	(33,282)	(139,388)
Zakat paid	(304)	-
Income taxes paid	(4,773)	(614)
<b>Net cash used in operating activities</b>	<b>(38,359)</b>	<b>(140,002)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(990)	(2,497)
Proceeds from sale of Investments and investment properties	800	-
<b>Net cash used in investing activities</b>	<b>(190)</b>	<b>(2,497)</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issuance of new share capital	-	1,457
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>1,457</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(38,549)</b>	<b>(141,042)</b>
Cash and cash equivalents at the beginning of period	77,058	167,321
<b>Cash and cash equivalents at the end of period</b>	<b>38,509</b>	<b>26,279</b>
<b>Cash and bank balances</b>		
- Shareholders' Fund	2,535	11,739
- Family Takaful Fund	13,587	7,027
- Investment Link Takaful Fund	9,751	5,383
- General Takaful Fund	12,636	2,820
- Assets held for sale	-	(690)
	<b>38,509</b>	<b>26,279</b>

*The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.*



# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### 1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and the applicable disclosure provision of the Main Market Listing Requirements (Chapter 9 Part K) of the Bursa Malaysia Securities Berhad.

The interim financial statements have been prepared using consistent accounting policies with the audited financial statements for the financial year ended 30 June 2009 and should be read in conjunction with the aforementioned audited financial statements.

The Group and the Company have not applied the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective to the Group and Company:

FRSs / Interpretations	Effective date
<i>Amendments to FRS 1, First-time Adoption of Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>	1 January 2010
Amendments to FRS 2, Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 123, <i>Borrowing Costs</i>	1 January 2010
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010
IC Interpretation 11, <i>FRS 2 - Group and Treasury Share Transactions</i>	1 January 2010
IC Interpretation 13, <i>Customer Loyalty Programmes</i>	1 January 2010
IC Interpretation 14, <i>FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction</i>	1 January 2010

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations from the annual period beginning on 1 January 2011 except for IC Interpretations 13 and 14 which are not applicable.

The impact of applying FRS 4, FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed by virtue of the exemption given in the respective FRSs. The initial application of the other standards, amendments and interpretations is not expected to have any material impact on the financial statements or any material change in accounting policy except as follows:

#### IC Interpretation 10, *Interim Financial Reporting and Impairment*

IC Interpretation 10 will become effective for the financial statements of the Group and the Company for the financial year ending 31 December 2011. IC Interpretation 10 prohibits the reversal of an impairment loss that has been recognised in an interim period

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

during a financial year in respect of goodwill, an investment in an equity instrument or a financial asset carried at cost. In accordance with the transitional provisions, the Group and the Company will apply IC Interpretation 10 to goodwill, investments in equity instruments, and financial assets carried at cost prospectively from the date the Group and the Company first applied the measurement criteria of FRS 136, Impairment of Assets and FRS 139, Financial Instruments: Recognition and Measurement respectively.

#### **2 Auditors' Report**

The auditors' report on the audited financial statements of the preceding year ended 30 June 2009 did not contain any qualification.

#### **3 Seasonal or Cyclical Factors**

The Group's operations are not materially affected by seasonal or cyclical factors.

#### **4 Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial quarter ended 30 September 2009.

#### **5 Changes in Estimates**

There were no changes to the estimates of amounts reported for the current year to-date under review.

#### **6 Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial quarter under review.

#### **7 Dividends**

The shareholders at the Annual General meeting held on 12 November 2009 approved a final dividend of 7.25% less 25% income tax in respect of the financial year ended 30 June 2009 as proposed by the Directors. The final dividend will be paid on 11 December 2009.

No dividend was declared for the financial quarter under review.

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### 8 Segmental Reporting

#### Geographical Segments

	Malaysia RM'000	Indonesia RM'000	Consolidated RM'000
<b>3 months ended 30.09.2009</b>			
Revenue from external participants	190,365	52,940	243,305
Profit before zakat and tax	24,062	816	24,878
<b>As at 30.09.2009</b>			
Segments assets by location of assets	4,152,933	295,633	4,448,566

#### Geographical Segments

	Malaysia RM'000	Indonesia RM'000	Consolidated RM'000
<b>3 months ended 30.09.2008</b>			
Revenue from external participants	200,351	37,664	238,015
Profit/(loss) before zakat and tax	3,510	(955)	2,555
<b>As at 30.09.2008</b>			
Segments assets by location of assets	3,901,240	198,596	4,099,836

### 9 Investment Properties

The valuation of investment properties has been brought forward without amendment from the annual audited financial statements for the year ended 30 June 2009.

### 10 Material Events Subsequent to the End of the Period

There is no material event subsequent to the end of the period under review that has not been reported in the interim financial statements for the current financial quarter.

### 11 Changes in Composition of the Company/Group

There is no change in the composition of the Group for the current financial quarter under review.

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### 12 Contingent Liabilities

Prior to the amendments of Section 60AA of the Income Tax Act 1967 (Section 60AA), capital allowances had been claimed by way of deduction from tax adjusted income in both General and Family Takaful Funds whilst the Shareholders Fund is not entitled to claim capital allowances. The amended Section 60AA stipulates that the tax adjusted income of the Shareholders' Fund shall be ascertained by taking into account the amount of income distributed or credited from Family and General Takaful Funds and as a result both General and Family Takaful Funds would have nil tax adjusted income. As such, capital allowances claimable for the years of assessment from 1997 to 2008 would be carried forward indefinitely as the operator's share of profits from the Family and General Fund will be taxed in the Shareholders Fund.

The Company has presented the issue on non-deductibility of capital allowances to the Ministry of Finance (MOF) on 30 March 2009. The MOF has agreed to review the tax issue and thereafter, will advise the Company accordingly. No provision has been made by the Company for the potential tax liabilities of the previous and current years pending the outcome of the said discussion and future appeals. The potential tax exposure to the Company assuming that the deduction of capital allowances in Shareholders' Fund is rejected by the MOF is approximately RM23.8 million. In addition, the Company would have to reverse its current balance of deferred tax asset which is in relation to unabsorbed capital allowances brought forward by approximately RM0.3 million.

### 13 Review of Performance

For the quarter ended 30 September 2009, the Group generated Operating Revenue of RM243.3 million, an increase of 2.2% compared to RM238.1 million in the corresponding quarter of the preceding year. The increase is attributable to higher investment income.

The surplus transfer in the quarter under review from Family Takaful revenue account was RM22.1 million compared to RM18.9 million in the corresponding quarter of the preceding year. The higher surplus transfer was mainly due to better investment results, where there was a write back of allowance for diminution in value of investments as oppose to an allowance been made in the preceding year. The General Takaful also reported a higher surplus of RM20.5 million compared to RM12.6 million in the same period last year, mainly due to contributions growth, coupled with a write back of allowance for diminution in value of investments.

The Profit Before Tax and Zakat of the Group has increased by RM22.3 million to RM24.9 million compared to the same period last year. The higher profit is attributable mainly to better underwriting results from the General Takaful Fund and lower operating expenses.

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### 14 Material Changes in the Quarterly Results Compared to the Results of the Preceding Financial Quarter

For the quarter under review, the Group Profit Before Tax and Zakat decreased compared to preceding financial quarter by RM25.6 million to RM24.9 million mainly due to lower surplus transfer reported by both the General and Family Takaful Funds.

In the preceding quarter, both General and Family Takaful Funds have significant write back of allowance for diminution in value of investments together with realised gains from disposal of investments. This has contributed to the higher surplus transfer from both funds.

### 15 Current Year Prospects

The Company is gearing for growth in the new financial year with the worst of the financial crisis appearing to be over. However, the Company would continue to remain prudent in its investment and continues the rationalization and right sizing of the branch network and to leverage on the group's infrastructure to provide customer service desks in Tabung Haji branches for the Company's products and services. The Company has also tightened underwriting requirements and weeded out unprofitable business in the portfolio. With these initiatives taken, the Company is positioning itself to achieve its strategic objectives.

### 16 Variance from Profit Forecast and Shortfall in Profit Guarantee

The Group did not issue any profit forecast nor profit guarantee during the financial year under review.

### 17 Taxation

The effective rate of taxation is lower than the statutory tax rate mainly because of certain income of the Company is non-taxable in accordance with the Income Tax Act 1967.

	3 months ended	
	30.09.2009	30.09.2008
Current tax:-		
- Current financial year	-	-
- Overprovision in prior years	-	(385)
	<hr/>	<hr/>
	-	(385)
Deferred tax:-		
- Current financial year	5,895	665
	<hr/>	<hr/>
	5,895	280

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### **18 Profit/loss on Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investment and/or properties for the current quarter under review.

### **19 Status of Corporate Proposal**

The Company has on 10 October 2007 and 20 November 2007 respectively, announced that it has obtained the approval from Bank Negara Malaysia to commence negotiations with Abu Dhabi-Kuwait-Malaysia Strategic Investment Corporation (ADKMSIC) and Islamic Arab Insurance Co. P.J.S.C. (SALAMA) respectively. As announced on 9 December 2008 and 12 December 2008, all discussions and negotiations between SALAMA and Syarikat Takaful Malaysia Berhad (Takaful Malaysia) for the purchase of a strategic stake in Takaful Malaysia by SALAMA has officially ceased as Takaful Malaysia was not agreeable with the terms and conditions as proposed by SALAMA.

As announced on 16 November 2009, the Company has also ceased all discussions and negotiations with ADKMSIC in line with the notification of its parent company, BIMB Holdings Berhad ("BHB") to cease all discussions and negotiations between BHB and ADKMSIC.

### **20 Purchase or Disposal of Quoted Securities**

This disclosure is not applicable to insurance/takaful companies.

### **21 Group Borrowings and Debt Securities**

The Group does not have any borrowings and debt securities as at 30 September 2009.

### **22 Off Balance Sheet Financial Instruments**

As at the date of this report, the Group has not entered into any off-balance sheet financial instruments.

### **23 Material Litigation**

There were no material litigations pending as at the date of this announcement.

# SYARIKAT TAKAFUL MALAYSIA BERHAD

## NOTES TO THE INTERIM FINANCIAL STATEMENTS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009

### 24 Earnings per Share

#### (a) Basic earnings per share ("Basic EPS")

Basic EPS of the Group is calculated by dividing the net profit attributable to ordinary shareholders for the period by the weighted average number of ordinary shares in issue during the period.

		3 months ended	
		30.09.2009	30.09.2008
Net profit attributable to shareholders	(RM'000)	<u>17,672</u>	<u>1,483</u>
Weighted average number of ordinary shares in issue	('000)	162,817	162,417
		<u>162,817</u>	<u>162,417</u>
Diluted earnings per share	(sen)	<u>10.85</u>	<u>0.91</u>

#### (b) Diluted earnings per share ("Diluted EPS")

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue adjusted for potential dilutive ordinary shares arising from share options granted to employees.

		3 months ended	
		30.09.2009	30.09.2008
Net profit attributable to shareholders	(RM'000)	<u>17,672</u>	<u>1,483</u>
Weighted average number of ordinary shares in issue	('000)	162,817	162,417
Adjustment for share options		-	193
		<u>162,817</u>	<u>162,610</u>
Diluted earnings per share	(sen)	<u>10.85</u>	<u>0.91</u>

**SYARIKAT TAKAFUL MALAYSIA BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

**25 Limited Review by External Auditor**

A limited review was performed by the external auditor on the interim financial statements for this quarter ended 30 September 2009.

By Order of the Board

**MOHAMAD ASRI BIN HAJI YUSOFF**  
Company Secretary (MIA 14171)  
Kuala Lumpur, 20 November 2009