



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	Current Quarter Ended 31.03.2011 RM'000	Corresponding Quarter Ended 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Corresponding Year To Date 31.03.2010 RM'000
Operating revenue	308,982	N/A	308,982	N/A
Transfer from Statement of Comprehensive Income				
- Family Takaful	27,939	N/A	27,939	N/A
- General Takaful	19,906	N/A	19,906	N/A
Wakalah fee income	26,602	N/A	26,602	N/A
Investment income	3,227	N/A	3,227	N/A
Other operating income	6,751	N/A	6,751	N/A
Management expenses	(43,292)	N/A	(43,292)	N/A
Other operating expenses	(13,036)	N/A	(13,036)	N/A
Profit before zakat and taxation	28,097	N/A	28,097	N/A
Zakat	(402)	N/A	(402)	N/A
Taxation	(5,697)	N/A	(5,697)	N/A
Profit for the period	21,998	N/A	21,998	N/A
Attributable to:				
Owners of the Company	22,389	N/A	22,389	N/A
Non Company Owner	(391)	N/A	(391)	N/A
Net profit for the period	21,998	N/A	21,998	N/A
Earnings per share (sen) (Note 25)				
Basic	13.75	N/A	13.75	N/A

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

Note:

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 29 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	Current Quarter Ended 31.03.2011 RM'000	Corresponding Quarter Ended 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Corresponding Year To Date 31.03.2010 RM'000
Profit for the period	21,998	N/A	21,998	N/A
Other comprehensive income/(loss)				
Fair value change of available-for-sale financial assets, net of tax	(89)	N/A	(89)	N/A
Foreign currency translation differences	(142)	N/A	(142)	N/A
Other comprehensive income for the period	(231)	N/A	(231)	N/A
Total comprehensive income for the period	21,767	N/A	21,767	N/A
Total comprehensive income/(loss) attributable to:				
Owners of the Company	22,158	N/A	22,158	N/A
Non Company Owner	(320)	N/A	(320)	N/A
Total comprehensive income for the period	21,838	N/A	21,838	N/A

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Note:

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 29 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.

SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	As at End of Current Quarter 31.03.2011 Unaudited RM'000	As at Preceding Financial Year Ended 31.12.2010 Audited RM'000 Restated
ASSETS		
Property and Equipment	14,508	17,444
Prepaid lease payment	1,685	1,695
Investment properties	18,201	13,154
Intangible Assets	8,692	9,562
Loans and Receivables	240,802	214,332
Securities - Available-for-sale	178,323	169,436
Securities - Held-to-maturity	2,256	2,916
Other receivables	41,754	51,654
Deferred Tax Asset	12,037	10,488
Cash & Bank Balances	5,277	2,691
Total Shareholders' Assets	523,535	493,372
Total Family Takaful Assets	3,878,179	3,852,276
Total General Takaful Assets	1,018,037	992,786
Less Interfund balances	(31,380)	(45,446)
TOTAL ASSETS	5,388,371	5,292,988
EQUITY AND LIABILITIES		
Share Capital	162,817	162,817
Reserves	252,716	230,558
Total Equity Attributable To Owners Of The Company	415,533	393,375
Non Company Owner	27,019	27,339
TOTAL EQUITY	442,552	420,714
LIABILITIES		
Other Financial Liabilities	983	603
Other payables	53,779	47,208
Provision for Taxation	24,073	24,847
Deferred Tax Liabilities	2,148	-
Total Owners' Of The Company Liabilities	80,983	72,658
Total Family Takaful Liabilities	3,878,179	3,852,276
Total General Takaful Liabilities	1,018,037	992,786
Less Interfund balances	(31,380)	(45,446)
TOTAL LIABILITIES	4,945,819	4,872,274
TOTAL EQUITY AND LIABILITIES	5,388,371	5,292,988
Net assets per share (RM)	2.55	2.42



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	Share Capital RM '000	Share Premium RM '000	Translation Reserves RM '000	Revaluation Reserves RM '000	Retained Profits RM '000	Non Company Owner RM '000	Total Equity RM '000
AS AT 1 JULY 2009	162,817	4,098	(3,642)	-	186,221	27,951	377,445
Total comprehensive income for the financial period	-	-	(2,647)	-	56,346	(699)	53,000
Dividend 2009 - Final	-	-	-	-	(8,854)	-	(8,854)
Dividend 2010 - Interim	-	-	-	-	(8,548)	-	(8,548)
AS AT 31 DECEMBER 2010	162,817	4,098	(6,289)	-	225,165	27,252	413,043
AS AT 1 JANUARY 2011 -as previously stated	162,817	4,098	(6,289)	-	225,165	27,252	413,043
Change in accounting policies: Effect of adopting FRS 139	-	-	-	7,584	-	87	7,671
AS AT 1 JANUARY 2011 -as restated	162,817	4,098	(6,289)	7,584	225,165	27,339	420,714
Total comprehensive income for the period	-	-	(142)	(89)	22,389	(320)	21,838
AS AT 31 March 2011	162,817	4,098	(6,431)	7,495	247,554	27,019	442,552

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED
FAMILY TAKAFUL STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	Current Quarter Ended 31.03.2011 RM'000	Corresponding Quarter Ended 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Corresponding Year To Date 31.03.2010 RM'000
Gross earned contributions	123,457	N/A	123,457	N/A
Contributions ceded to retakaful	(5,733)	N/A	(5,733)	N/A
Net earned contribution	117,724	-	117,724	-
Gross benefit and claims paid	(99,598)	N/A	(99,598)	N/A
Claims ceded to retakaful	847	N/A	847	N/A
Gross change to contract liabilities	783	N/A	783	N/A
Wakalah fee	(21,367)	N/A	(21,367)	N/A
Commission	(1,645)	N/A	(1,645)	N/A
	(3,256)	N/A	(3,256)	N/A
Transfer of operating surplus to Participants fund	(21,405)	N/A	(21,405)	N/A
Underwriting profit - Group family	18,149	N/A	18,149	N/A
	(3,256)	N/A	(3,256)	N/A
Underwriting profit - Group family	18,149	N/A	18,149	N/A
Investment Income	38,182	N/A	38,182	N/A
Other operating income	29,385	N/A	29,385	N/A
Other operating expenses	(845)	N/A	(845)	N/A
Total profit for the period	84,871	N/A	84,871	N/A
Transfer to Special reserve on Annuity surplus	(1,204)	N/A	(1,204)	N/A
Profit attributable to the Company and participants' for the period	83,667	N/A	83,667	N/A
Profit attributable to the Company transferred to income statement	(27,939)	N/A	(27,939)	N/A
	55,728	N/A	55,728	N/A
Profit payable to participants	(432)	N/A	(432)	N/A
Profit attributable to participants' for the period	55,296	N/A	55,296	N/A
Family Takaful fund at beginning of the period - as previously stated	3,523,947	N/A	3,523,947	N/A
Effect of adopting FRS 139	104,705	N/A	104,705	N/A
Family Takaful fund at beginning of the period - as restated	3,628,652	N/A	3,628,652	N/A
Retained fund for the period - individual family	(21,405)	N/A	(21,405)	N/A
Profit attributable to participants' for the period	55,728	N/A	55,728	N/A
Movement for the period:				
- Profit payable to participants	(432)	N/A	(432)	N/A
- Actuarial reserve	26,093	N/A	26,093	N/A
- Revaluation reserve	(10,808)	N/A	(10,808)	N/A
- Reclassification of Qardh	(2,963)	N/A	(2,963)	N/A
- Special reserve	1,204	N/A	1,204	N/A
Translation reserve	2,846	N/A	2,846	N/A
Family Fund at end of the period	3,678,915	N/A	3,678,915	N/A

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

Note:

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 29 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED
FAMILY TAKAFUL STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	As at End of Current Quarter 31.03.2011 Unaudited RM'000	As at Preceding Financial Year Ended 31.12.2010 Audited RM'000 Restated
ASSETS		
Investment properties	203,082	206,980
Loans and receivables	660,243	641,464
Securities - Available-for-sale	2,414,540	2,441,406
Securities - Held-to-maturity	276,868	258,666
Retakaful assets	1,393	1,639
Takaful receivables	57,909	42,792
Other receivables	44,271	48,974
Cash and bank balances	22,113	9,304
Investment-linked Takaful assets	197,760	201,051
TOTAL ASSETS	3,878,179	3,852,276
LIABILITIES		
Takaful contract liabilities	3,731,823	3,672,669
Other financial liabilities	9,679	2,628
Takaful payables	16,643	15,680
Other payables	115,039	157,525
Investment-linked Takaful liabilities	4,995	3,774
TOTAL LIABILITIES	3,878,179	3,852,276



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED
GENERAL TAKAFUL STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	Current Quarter Ended 31.03.2011 RM'000	Corresponding Quarter Ended 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Corresponding Year To Date 31.03.2010 RM'000
Gross earned contributions	97,255	N/A	97,255	N/A
Contribution ceded to retakaful	(28,982)	N/A	(28,982)	N/A
Unearned contribution reserves	1,673	N/A	1,673	N/A
Net earned contribution	69,946	N/A	69,946	N/A
Gross benefit and claims paid	(47,117)	N/A	(47,117)	N/A
Claims ceded to retakaful	10,293	N/A	10,293	N/A
Gross change to contract liabilities	(22,050)	N/A	(22,050)	N/A
Change in contract liabilities ceded to retakaful	16,745	N/A	16,745	N/A
Wakalah fee	(4,899)	N/A	(4,899)	N/A
Commission income	4,231	N/A	4,231	N/A
Commission expense	(8,654)	N/A	(8,654)	N/A
Underwriting profit	18,495	N/A	18,495	N/A
Investment Income	6,683	N/A	6,683	N/A
Other operating income	9,687	N/A	9,687	N/A
Other operating expenses	(227)	N/A	(227)	N/A
Total profit for the period	34,638	N/A	34,638	N/A
Transfer to income statement	(19,906)	N/A	(19,906)	N/A
Participants' share of profit	14,732	N/A	14,732	N/A
Profit payable to participants	(5,227)	N/A	(5,227)	N/A
Profit attributable to participants for the period	9,505	N/A	9,505	N/A
Profit attributable to participants at beginning of the period	118,573	N/A	118,573	N/A
Unearned contribution reserves	128,078	N/A	128,078	N/A
Special reserve	320,634	N/A	320,634	N/A
Special reserve	23,061	N/A	23,061	N/A
Translation reserve	6,726	N/A	6,726	N/A
Revaluation reserves	15,576	N/A	15,576	N/A
	494,075	N/A	494,075	N/A

The accompanying Notes form an integral part of these condensed consolidated interim financial statements.

Note:

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 29 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED CONSOLIDATED
GENERAL TAKAFUL STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	As at End of Current Quarter 31.03.2011 Unaudited RM'000	As at Preceding Financial Year Ended 31.12.2010 Audited RM'000 Restated
ASSETS		
Investment properties	29,234	29,234
Loans and receivables	190,392	181,359
Securities - Available-for-sale	479,620	439,692
Securities - Held-to-maturity	-1,735	34,524
Retakaful assets	254,293	215,392
Takaful receivables	54,785	52,141
Other receivables	8,949	28,603
Cash and bank balances	(971)	11,841
TOTAL ASSETS	1,018,037	992,786
LIABILITIES		
Takaful contract liabilities	932,831	891,315
Other financial liabilities	1,692	3,298
Takaful payables	20,558	19,440
Other payables	62,956	78,733
TOTAL LIABILITIES	1,018,037	992,786



SYARIKAT TAKAFUL MALAYSIA BERHAD
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2011

	Current Period Ended 31.03.2011 Unaudited RM'000	Corresponding Period Ended 31.12.2010 Audited RM'000
Cash flows from operating activities		
Profit before zakat and taxation	28,097	97,886
Adjustments for :		
Depreciation	3,759	13,707
Fair value change of investment properties	(1,605)	(1,870)
Income from financing receivables	(191)	(2,994)
Gain on disposal of quoted shares and unit trusts	(26,620)	(82,908)
Gain on disposal of property and equipment and investment property	(18)	(100)
Gain on foreign exchange	(13,462)	(932)
Accretion on investments	(906)	(7,863)
Reversal of allowance for diminution in value of investments	-	(51,597)
Profit from Malaysian Government Investment Certificates	-	(38,285)
Property and equipment (transfer)/written off	2,282	27
(Decrease) / increase in General Takaful, Family Takaful and Investment linked funds	(13,629)	502,218
Increase in investments	(30,052)	(448,712)
Increase in payable (including claim admitted but not paid)	92,691	3,822
(Increase) / decrease in other receivables	(35,296)	10,764
	5,050	(6,837)
Zakat paid	-	(2,775)
Income taxes paid	(6,017)	(16,952)
Net cash used in operating activities	(967)	(26,564)
Cash flows from investing activities		
Purchase of property and equipment	(3,540)	(7,948)
Proceeds from sale of Investments and investment properties	-	1,006
Proceeds from sale of property and equipment	7,442	156
Net cash used in investing activities	3,902	(6,786)
Cash flows from financing activities		
Dividend paid to shareholders of the Company	-	(17,401)
Net cash generated from financing activities	-	(17,401)
Net decrease in cash and cash equivalents	2,935	(50,751)
Cash and cash equivalents at the beginning of period	26,307	77,058
Cash and cash equivalents at the end of period	29,242	26,307
Cash and bank balances		
- Shareholders' fund	5,277	2,691
- Family Takaful fund	22,113	9,304
- Investment Link Takaful fund	2,823	2,471
- General Takaful fund	(971)	11,841
	29,242	26,307

Note:

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 29 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with:

- a) The requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting
- b) Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"); and
- c) Guidelines/circular issued by Bank Negara Malaysia ("BNM")
- d) Financial Reporting Standards as modified by BNM ("Modified FRSs")

The interim financial statements have been prepared using consistent accounting policies with the audited financial statements for the financial period ended 31 December 2010 and should be read in conjunction with the aforementioned audited financial statements.

The accounting policies adopted by the Group and the Company for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial period ended 31 December 2010, except for the adoption of following:

FRSs / Interpretations	Effective date
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> and FRS 127, <i>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, <i>Share-based Payment: Vesting Conditions and Cancellations</i>	1 January 2010
Amendments to FRS 132, <i>Financial Instruments: Presentation-Separation of Compound Instruments</i> and FRS 101, <i>Presentation of Financial Statements- Puttable Financial Instruments and Obligations Arising on Liquidation</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures and IC Interpretation 9, Reassessment of Embedded Derivatives</i>	1 January 2010
Amendments to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> - <i>Reclassification of Financial Assets</i> - <i>Collective Assessment of Impairment for Banking Institutions</i>	1 January 2010
Improvements to FRSs (2009)	1 January 2010
FRS 4, <i>Insurance Contracts</i>	1 January 2010
Amendments to FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 101, <i>Presentation of Financial Statements (revised)</i>	1 January 2010
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
IC Interpretation 10, <i>Interim Financial Reporting and Impairment</i>	1 January 2010
IC Interpretation 11, FRS 2 - <i>Group and Treasury Share Transactions</i>	1 January 2010
SOP i-1: <i>Financial Reporting from an Islamic Perspective</i>	1 January 2010
Amendments to FRS 132, <i>Financial Instruments: Presentation-Classification of Rights Issues</i>	1 March 2010

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

FRSs / Interpretations	Effective date
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards (revised)</i>	1 July 2010
FRS 3, <i>Business Combinations (revised)</i>	1 July 2010
FRS 127, <i>Consolidated and Separate Financial Statements (revised)</i>	1 July 2010
Amendments to FRS 2, <i>Share-based Payment</i>	1 July 2010
Amendments to FRS 5, <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 July 2010
FRS 127, <i>Consolidation and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly controlled Entity or Associate (revised)</i>	1 July 2010
Amendments to FRS 138, <i>Intangible Assets</i>	1 July 2010
IC Interpretation 16, <i>Hedges of a Net Investment in a Foreign Operation</i>	1 July 2010
IC Interpretation 17, <i>Distribution of Non-cash Assets to Owners</i>	1 July 2010
Amendments to IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 July 2010
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards- Limited Exemptions from comparative FRS 7, Disclosures for First-time Adopters</i>	1 January 2011
Amendments to FRS 1, <i>Additional Exemptions for First-time Adopters</i>	1 January 2011
Amendments to FRS 2, <i>Group Cash-settled Share-based Payment Transactions</i>	1 January 2011
Amendments to FRS 7, <i>Financial Instruments: Disclosures- Improving Disclosures about Financial Instruments</i>	1 January 2011
IC Interpretation 4, <i>Determining Whether an Arrangement contains a Lease</i>	1 January 2011
Improvements to FRSs (2010)	1 January 2011

Save for the implications discussed below, the initial adoption of the above FRSs, Amendment to FRSs and Interpretations do not have any material impact on the financial statements of the Group.

a) FRS 4, Insurance Contracts

The adoption of FRS 4 does not have any significant impact on the financial statements of the group other than expanded disclosure requirements. Certain comparative information has been restated to comply with FRS 4.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

b) FRS 8, Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its internal management reports. The basis of measurement of segment results, segment assets and liabilities are the same as basis of measurement for external reporting.

c) FRS 101, Presentation of Financial Statement

Prior to the adoption of the revised FRS101, the component of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, revenue accounts and balance sheets of family takaful and general takaful funds, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS101, the components of the interim financial statements presented consist of a statement of financial position, an income statement displaying components of profit or loss, a statement of comprehensive income, a statement of changes in equity, statements of comprehensive income and statements of financial position of family takaful and general takaful funds, a statement of cash flows and notes to the financial statements. All non-owner changes in equity that were presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity.

d) FRS 139, Financial Instruments: Recognition and Measurement

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments. The accounting policies relating to these financial instruments change from 1 January 2011 shall be disclosed in the Group's annual financial statements.

FRS 139 is applied prospectively and its effect to the fair value reserves and retained earnings of the group and non company owner as at 1 January 2011 is as follows:

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS QUARTER ENDED 31 March 2011

Condensed consolidated statement of changes in equity

	Retained Profits RM'000	Fair value Reserves RM'000	Non Company Owner RM'000
As at 1 January 2011 - as previously stated	225,166	-	27,252
Adjustments arising from adoption of FRS 139:-			
Fair value of equity securities classified as available-for-sale	-	6,986	87
Re-measurement of debt securities	-	598	-
Total effects of adopting FRS139	-	7,584	87
As at 1 January 2011 - as restated	225,166	7,584	27,339

The following accounting standards, amendments and interpretations have been issued by the Malaysian Accounting Standard Board ("MASB") which are not yet effective to the Group and the Company:

FRSs, Interpretation and amendments effective for annual periods beginning on or after 1 July 2011

Amendment to IC Interpretation 14, Prepayment of a minimum Funding Requirement #
IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments

FRSs, Interpretation and amendments effective for annual periods beginning on or after 1 January 2012

FRS 124, Related Party Disclosure (revised)
IC Interpretation 15, Arrangement for the Construction of Real Estate #

Not applicable to the Group and the Company

The Group and the Company plan to adopt the aforesaid applicable standards, amendments and interpretations on 1 January 2012 for those with effective dates of 1 July 2011 and 1 January 2012.

The initial application of the aforesaid standards, interpretations and amendments are not expected to have any material impact on the financial statement of the Group or any material changes in accounting policy.

2 Auditors' Report

The auditors' report on the audited financial statements of the preceding period ended 31 December 2010 did not contain any qualification.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

3 Seasonality of operations

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

4 Unusual Items

Save as disclosed in notes 14 and 15, there were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial quarter ended 31 March 2011.

5 Estimates

There were no changes in the basis used for accounting estimates for the current quarter 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 5 May 2011 approved a final dividend of 7% less 25% income tax in respect of the financial period ended 31 December 2010 as proposed by the Directors. The final dividend will be paid on 27 May 2011.

No dividend was declared for the current quarter under review.

8 Segmental Reporting

Geographical Segments

	Malaysia RM'000	Indonesia RM'000	Consolidated RM'000
3 months ended 31.03.2011			
Revenue from external participants	261,240	47,742	308,982
Profit before zakat and tax	28,710	(613)	28,097
As at 31.03.2011			
Segments assets by location of assets	5,043,333	345,038	5,388,371

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

9 Investment Properties

The valuation of investment properties has been brought forward without amendment from the annual audited financial statements for the period ended 31 December 2010.

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 Financial Risk Management

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statement as at and for the period ended 31 December 2010.

12 Changes in Composition of the Company/Group

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

13 Contingent Liabilities

There were no contingent liabilities as at the date of this report.

14 Review of Performance

For the quarter ended 31 March 2011, the Group generated Operating Revenue of RM309.0 million mainly attributable to contribution in particular from Family Takaful group and mortgage reducing term business and fire and motor class of business.

The surplus transfer in the quarter under review from Family Takaful was RM27.9 million, mainly attributable to investment income and realized gains on disposal of investment.

The surplus transfer in the quarter under review from General Takaful was RM19.9 million mainly attributable to underwriting and investment results.

For the quarter under review, the group recorded profit before zakat and taxation of RM28.1 million, mainly contributed by the surplus from Family Takaful and General Takaful and wakalah fee income.

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

For the quarter under review, the profit before zakat and taxation registered RM 28.1million which was higher than the preceding quarter of RM 23.7 million by RM4.4 million. The increase was mainly attributable to higher surplus transfers from Family Takaful and General Takaful funds.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

16 Current Year Prospects

The Group and the Company are expected to increase their market share in the takaful industry by introducing new products, growth in the agency workforce for selling retail Family products and strategic tie-ups with Islamic Banks to market Bancassurance products.

17 Variance of actual profit from profit forecast or profit guarantee

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

18 Taxation

The effective rate of taxation is lower than the statutory tax rate for the quarter under review mainly due to non taxable income in accordance with the Income Tax Act 1967.

	3 months ended 31.3.2011 RM'000	Cumulative 3 months ended 31.3.2011 RM'000
Current tax:-		
- Current financial year	5,025	5,025
	<hr/>	<hr/>
	5,025	5,025
Deferred tax expense:-		
- Current financial year	672	672
	<hr/>	<hr/>
	5,697	5,697
	<hr/>	<hr/>

19 Unquoted investments and properties

There was no sale of properties for the current quarter under review.

For the quarter under review, the Group disposed part of its unquoted investments and profit from sale of unquoted investment was RM 264,480.

20 Status of Corporate Proposal

There has been no new corporate proposal since the date of the last quarterly report.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS
QUARTER ENDED 31 March 2011

21 Quoted investments

a) The following are the particulars of purchase or disposal of quoted securities other than in respect of its subsidiary:

	Shareholders' Fund 3 months ended 31.03.2011 RM'000	Family Takaful 3 months ended 31.03.2011 RM'000	General Takaful 3 months ended 31.03.2011 RM'000
<u>Purchase</u>			
Total purchase consideration	7,455	156,300	12,209
<u>Disposal</u>			
Sales proceeds of quoted shares	9,750	140,355	12,655
Realised gain/(loss)	2,355	17,689	3,066

b) Investment in quoted shares as at 31 March 2011:

	Shareholders' Fund 3 months ended 31.03.2011 RM'000	Family Takaful 3 months ended 31.03.2011 RM'000	General Takaful 3 months ended 31.03.2011 RM'000
At Cost	35,213	330,120	54,931
At carrying value/ market value	38,572	356,722	60,893

22 Group Borrowings and Debt Securities

The Group does not have any borrowings and debt securities as at 31 March 2011.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

23 Off Balance Sheet Financial Instruments

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

24 Material Litigation

Save as disclosed below, there was no other material litigation pending as at the date of this announcement:-

On 4 March 2011, Takaful Malaysia was served with a Writ of Summons by Lembaga Kemajuan Tanah Persekutuan (FELDA) claiming for death benefits of RM13,156,000 and personal accident benefits of RM290,000 under the Group Family Takaful Policy.

Takaful Malaysia subsequently entered into an out-of-court settlement with FELDA on 9 May 2011. On 20 May 2011, FELDA withdrew the legal suit with no order as to costs and without liberty to file afresh.

25 Earnings per Share

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 31.3.2011	Cumulative 3 months ended 31.3.2011
Owners of the Company	(RM'000)	<u>22,389</u>	<u>22,389</u>
Weighted average number of ordinary shares in issue	('000)	<u>162,817</u>	<u>162,817</u>
Basic earnings per share	(sen)	<u>13.75</u>	<u>13.75</u>

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS QUARTER ENDED 31 March 2011

26 TAKAFUL CONTRACT LIABILITIES

The takaful contract liabilities comprise of the following:

	Family Takaful As at 31.3.2011 RM'000	General Takaful As at 31.3.2011 RM'000
Actuarial liabilities	2,965,964	306,107
Unallocated surplus	373,399	149,334
Fair value reserves	92,868	15,575
Special reserves	52,281	23,061
IBNR	20,000	83,622
Net asset value attributable to unitholders	192,764	-
Provision for outstanding claims	34,546	335,132
	<hr/>	<hr/>
Total Takaful contract liabilities	<u>3,731,823</u>	<u>932,831</u>

27 DISCLOSURE OF REALISED AND UNREALISED PROFITS

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profit or accumulated losses as at end of the reporting period, into realized profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on disclosure and the format required.

SYARIKAT TAKAFUL MALAYSIA BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

QUARTER ENDED 31 March 2011

The breakdown of the retained profits of the group as at 31 March 2011, into realized and unrealized profits, pursuant to the directive, is as follows:

	As at 31.03.2011 RM'000	As at 31.12.2010 RM'000
Total retained profits of the Group:		
-Realised	226,770	205,369
-Unrealised	(960)	(2,164)
	<u>225,810</u>	<u>203,205</u>
Total share of retained profits from		
-Realised	-	-
-Unrealised	-	-
	<u>225,810</u>	<u>203,205</u>
Less:Consolidation adjustments	21,744	21,960
	<u>247,554</u>	<u>225,165</u>
Total retained profits as per statement of financial position	<u>247,554</u>	<u>225,165</u>

The determination of realized and unrealized profits is compiled based on Guidance of Special Matter No.1, Determination of Realized and Unrealized Profits or Losses in the Context Disclosure Pursuant to Bursa Securities Listing Requirements, issued by Malaysia Institute of Accountants on 20 December 2010.

The disclosure of realized and unrealized profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purpose.

By Order of the Board

MOHAMAD ASRI BIN HAJI YUSOFF
Company Secretary (MIA 14171)
Kuala Lumpur, 25 May 2011