



# **MNRB HOLDINGS BERHAD**

## **Bursa Announcement**

Third Quarter Ended 31 December 2009



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	3 months ended 31 Dec 2009 RM'000	3 months ended 31 Dec 2008 RM'000	9 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2008 RM'000
<b>Operating revenue</b>	343,058	315,721	1,024,662	890,108
Deficit from Shareholders' fund	(300)	(4,741)	(5,853)	(12,570)
Surplus/(Deficit) transferred from General Reinsurance Revenue Account	100,264	(4,248)	67,695	17,650
Share of profits/(losses) of associates	1,305	(2,386)	13,288	(12,774)
<b>Profit/(Loss) before zakat and taxation</b>	101,269	(11,375)	75,130	(7,694)
Zakat	(26)	(1)	(151)	(24)
Taxation	(21,106)	(2,474)	(20,572)	(13,681)
<b>Net profit/(loss) for the period</b>	80,137	(13,850)	54,407	(21,399)
<b>Profit/(Loss) per share (sen):</b>				
Basic	37.6	(6.5)	25.5	(10.1)
Diluted	37.6	(6.5)	25.5	(10.1)

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009**

	<b>GROUP</b>	
	Unaudited	Audited
	31 Dec 2009	31 March 2009
Note	RM'000	RM'000
<b>ASSETS</b>		
Property, plant and equipment	111,213	113,025
Investment properties	34,600	32,400
Prepaid lease payments	5,045	5,116
Intangible assets	12,522	12,951
Deferred tax assets	11,429	15,757
Investment in associates	125,450	121,890
Deposits and placements with financial institutions	855,144	687,981
Other investments	-	901,996
Financial investment assets:		
Available-for-sale financial assets	611,898	-
Financial assets at fair value through profit or loss	51,432	-
Held-to-maturity financial assets	236,497	-
Loan receivables	15,004	14,308
Receivables	283,595	256,883
Tax recoverable	11,605	11,409
Cash and bank balances	3,231	1,096
<b>Total general reinsurance business and shareholders' fund assets</b>	<b>2,368,665</b>	<b>2,174,812</b>
<b>General takaful fund assets</b>	<b>232,458</b>	<b>174,634</b>
<b>Family takaful fund assets</b>	<b>793,827</b>	<b>597,178</b>
<b>General retakaful fund assets</b>	<b>58,931</b>	<b>27,895</b>
<b>Family retakaful fund assets</b>	<b>13,737</b>	<b>10,860</b>
<b>Total assets</b>	<b>3,467,618</b>	<b>2,985,379</b>

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009**

	Note	<b>GROUP</b>	
		Unaudited 31 Dec 2009	Audited 31 March 2009
		RM'000	RM'000
<b>LIABILITIES</b>			
Islamic Medium Term Notes	B10	150,000	150,000
Provision for outstanding claims		792,176	698,623
Payables		102,973	90,392
Zakat		192	122
<b>Total general reinsurance business and shareholders' fund liabilities</b>		<b>1,045,341</b>	<b>939,137</b>
<b>General takaful fund liabilities</b>		<b>150,473</b>	<b>98,432</b>
<b>Family takaful fund liabilities</b>		<b>93,115</b>	<b>76,583</b>
<b>General retakaful fund liabilities</b>		<b>47,091</b>	<b>21,297</b>
<b>Family retakaful fund liabilities</b>		<b>11,825</b>	<b>10,148</b>
<b>Unearned premium reserves</b>		<b>402,598</b>	<b>339,669</b>
<b>Total liabilities</b>		<b>1,750,443</b>	<b>1,485,266</b>
<b>FINANCED BY:</b>			
Share capital		213,070	213,070
Reserves		707,656	682,936
<b>Total shareholders' funds attributable to equity holders of the Company</b>		<b>920,726</b>	<b>896,006</b>
<b>TAKAFUL AND RETAKAFUL FUND</b>			
General takaful fund		81,985	76,202
Family takaful fund		694,448	514,331
Investment linked fund		6,264	6,264
General retakaful fund		11,840	6,598
Family retakaful fund		1,912	712
		<b>796,449</b>	<b>604,107</b>
<b>Total liabilities, shareholders', takaful and retakaful funds</b>		<b>3,467,618</b>	<b>2,985,379</b>
Net assets per share (RM)		4.32	4.21

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**

	<b>GROUP</b>						
	Attributable to Equity Holder of the Company						
		Reserves					Total RM'000
		Non- distributable			Distributable		
Share capital RM'000		Share premium RM'000	Available- for-sale reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits brought forward RM'000	Net profit for the period RM'000	
At 1 April 2009	213,070	105,051	-	34,450	543,435	-	896,006
Effect of adoption of FRS 139	-	-	925	-	(1,242)	-	(317)
Effect of adoption of RBC Framework by the reinsurance subsidiary	-	-	-	-	(41,767)	-	(41,767)
At 1 April 2009, restated	213,070	105,051	925	34,450	500,426	-	853,922
Profit for the period	-	-	-	-	-	54,407	54,407
Unrealised net gain on revaluation of securities available-for-sale	-	-	19,319	-	-	-	19,319
Effects of post acquisition exchange translation reserve	-	-	-	(6,922)	-	-	(6,922)
At 31 December 2009	213,070	105,051	20,244	27,528	500,426	54,407	920,726

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 DECEMBER 2008**

	<b>GROUP</b>						
	Attributable to Equity Holder of the Company						
		Reserves					
		Non- distributable			Distributable		
Share capital RM'000		Share premium RM'000	Available- for-sale reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits brought forward RM'000	Net loss for the period RM'000	
At 1 April 2008	212,523	104,032	-	20,267	557,097	-	893,919
Exercise of share options	547	1,020	-	-	-	-	1,567
Loss for the period	-	-	-	-	-	(21,399)	(21,399)
Dividends							
For FY2008 - Final	-	-	-	-	(23,969)	-	(23,969)
For FY2009 - Interim	-	-	-	-	(15,981)	-	(15,981)
Effects of post acquisition exchange translation reserve	-	-	-	8,408	-	-	8,408
At 31 December 2008	213,070	105,052	-	28,675	517,147	(21,399)	842,545

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



MNRB HOLDINGS BERHAD (13487-A)

**INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 DECEMBER 2009**

*(The figures have not been audited)*

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>GROUP</b>	
	9 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2008 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit(Loss) before zakat and taxation	75,130	(7,694)
Adjustments for:		
Non-cash items	(121,121)	27,007
(Loss)/Profit from operations before changes in operating assets and liabilities	(45,991)	19,313
Net change in current assets	(35,454)	5,063
Net change in current liabilities	58,620	45,790
Cash operating items	35,639	40,344
Net cash generated from operating activities	12,814	110,510
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	(5,120)	(75,003)
<b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>	(5,337)	(38,188)
<b>CASH AND BANK BALANCES</b>		
Net increase/(decrease) during the period	2,357	(2,681)
Cash and bank balances at the beginning of the period	1,096	3,848
Effect of changes in foreign exchange rate	(222)	-
Cash and bank balances at the end of the period	3,231	1,167

*The Condensed Financial Statements should be read in conjunction with  
the Annual Financial Report for the year ended 31 March 2009*



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A1. Basis of preparation**

The interim financial report has been prepared in accordance with FRS 134 on “Interim Financial Reporting” that was issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). The interim financial report also comply with the Companies Act, 1965, Insurance Act and Regulations, 1996, the Takaful Act, 1984 and where applicable, modified to comply with the guidelines issued by Bank Negara Malaysia (“BNM”). The figures have not been audited.

The interim financial report should be read in conjunction with the Group’s most recent audited financial statements for the year ended 31 March 2009.

The significant accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2009 except for the early adoption of FRS 139: Financial Instruments: Recognition and Measurement with effect from 1 April 2009.

The early adoption of FRS 139 has resulted in a change in the accounting policy relating to the classification and measurement of financial assets. Depending on the categorisation applied for each individual financial asset and liability, some financial assets and liabilities will need to be fair valued and others are stated at amortised costs. FRS 139 prescribes prospective application for the first time adoption and its effect to the investments, opening retained profits and other reserves of the Group as at 1 April 2009 is as follow:

Description of change	Previously	Increase/(decrease)	Restated
	stated	FRS 139	
Group	RM'000	RM'000	RM'000
Other investments	901,996	(317)	901,679
Retained profits	543,435	(1,242)	542,193
Available-for-sale reserves	-	925	925

The applicable BNM’s guideline adopted in this interim financial report is on the Risk-Based Capital Framework for Insurers (“the Framework”) which became effective from 1 January 2009. The Group’s reinsurance subsidiary, Malaysian Reinsurance Berhad (“Malaysian Re”), has adopted the accounting policies on unexpired risks and general insurance liabilities as specified in the Framework for the annual period beginning on 1 April 2009.

As a result of the adoption of the Framework, the net claims liabilities of Malaysian Re have increased by RM51.8 million (net of tax RM41.8 million). Under the transitional provision of the said Framework, BNM has allowed Malaysian Re to adjust the said increase to the opening retained profits as at 1 April 2009. As Malaysian Re contributed more than 85% of the Group’s revenue, the Board of Directors has decided that the same transitional provision granted to Malaysian Re be similarly adopted at the Group level as at 1 April 2009.





**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A2. Auditors' Report on preceding annual financial statements**

The auditors' report on the audited financial statements for the financial year ended 31 March 2009 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

During the period ended 31 December 2009, the operations of the Group were not materially affected by any seasonal factors. With regards to cyclical factors, the performance of the Group is directly correlated with the industry cycle and the economic performance of the countries in which the Group operates.

**A4. Unusual items affecting assets, liabilities, equity, net income or cash flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 December 2009.

**A5. Changes in estimates**

There were no material changes in estimates used in the preparation of this interim financial report.

**A6. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities**

There is no issuance, cancellation, replacement, resale and repayment of debt and equity securities during the current financial period under review.

**A7. Dividend paid**

	9 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2008 RM'000
In respect of the financial year ending 31 March 2009: Interim dividend of 10% less 25% tax, paid on 24 December 2008	-	15,981
In respect of the financial year ended 31 March 2008: Final dividend of 15% less 25% tax, paid on 25 August 2008	-	23,969
	-	39,950



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A8. Segmental reporting**

Financial period ended 31 December 2009

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Operator RM'000	Retakaful Operator RM'000	Inter-Group Adjustments RM'000	Consolidated RM'000
<b>Revenue</b>						
External	354	878,928	137,601	7,779	-	1,024,662
Inter-segment	10,989	7,815	-	357	(19,161)	-
	11,343	886,743	137,601	8,136	(19,161)	1,024,662
<b>Results</b>						
Segment results	10,989	47,679	135,151	6,362	(13,563)	186,618
Management expenses	(19,830)	(39,800)	(130,125)	(4,831)	13,833	(180,753)
Investment income	354	49,943	5,126	1,862	(5,599)	51,686
Other (expenses)/income	(4,132)	8,726	3,950	220	864	9,628
Finance cost	(7,125)	-	-	-	1,788	(5,337)
(Loss)/Profit from operations	(19,744)	66,548	14,102	3,613	(2,677)	61,842
Share of results of associates	460	12,828	-	-	-	13,288
(Loss)/Profit before zakat and taxation	(19,284)	79,376	14,102	3,613	(2,677)	75,130
Zakat and taxation	-	(16,397)	(4,610)	284	-	(20,723)
Net (loss)/profit for the period	(19,284)	62,979	9,492	3,897	(2,677)	54,407



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A8. Segmental reporting (Cont'd)**

Financial period ended 31 December 2008

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Operator RM'000	Retakaful Operator RM'000	Inter-Group Adjustments RM'000	Consolidated RM'000
<b>Revenue</b>						
External	2,026	759,118	123,305	5,659	-	890,108
Inter-segment	10,331	7,107	-	-	(17,438)	-
	12,357	766,225	123,305	5,659	(17,438)	890,108
<b>Results</b>						
Segment results	9,790	27,041	119,308	3,409	(12,458)	147,090
Management expenses	(22,867)	(39,265)	(113,044)	(4,578)	11,734	(168,020)
Investment income	2,567	19,872	4,882	2,250	(4,980)	24,591
Other income/(expenses)	56	8,795	(2,129)	(88)	129	6,763
Finance cost	(7,125)	-	-	-	1,781	(5,344)
(Loss)/profit from operations	(17,579)	16,443	9,017	993	(3,794)	5,080
Share of results of associates	281	(13,055)	-	-	-	(12,774)
(Loss)/profit before zakat and taxation	(17,298)	3,388	9,017	993	(3,794)	(7,694)
Zakat and taxation	-	(12,750)	(809)	(287)	141	(13,705)
Net (loss)/profit for the period	(17,298)	(9,362)	8,208	706	(3,653)	(21,399)

**A9. Carrying amount of revalued properties**

The valuations of property, plant and equipment and investment properties have been brought forward, without any change, from the financial statements for the year ended 31 March 2009 with the exception of the following:

Investment properties were revalued during the financial period ended 31 December 2009 by an independent firm of valuers. As a result, a revaluation surplus of RM2.2 million (9 months ended 31 December 2008 : Nil), has been credited to income statement for the financial period ended 31 December 2009.



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A10. Significant events**

**Investment of 9.99% in Principle Insurance Holdings Limited ("PIHL") amounting to £7.1 million (equivalent to RM44.5 million)**

The Board of Directors of PIHL on 19 October 2009 had resolved for its subsidiary, Principle Insurance Company Limited ("PICL"), which is trading under the name of Salaam Insurance, to cease issuing new and renewed Takaful Contract and put the business into run-off. This decision was arrived at after PIHL was unsuccessful in raising the required capital to meet the United Kingdom's Financial Service Authority ("FSA") requirement.

The Board of PIHL is currently in the process of assessing a number of offers received from various parties for its business. The Company will be in the position to estimate with certainty the financial impact to its investment in PIHL, after the decision is made by the Board of PIHL which is expected to be before 31 March 2010.

Other than the above, there were no significant events during the current financial period ended 31 December 2009.

**A11. Subsequent events**

There were no significant subsequent events from 31 December 2009 to the date of this report.

**A12. Changes in the composition of the Group**

**Subscription of additional shares in Malaysian Reinsurance Berhad**

On 29 April 2009, MNRB increased its investment in Malaysian Reinsurance Berhad by RM20.0 million, satisfied by the issuance of 20.0 million new ordinary shares of RM1.00 each in Malaysian Re at an issue price of RM1.00 per share.

With the above subscription, the issued and paid-up capital of Malaysian Re has increased from RM480.0 million to RM500.0 million, comprising 500,000,002 ordinary shares of RM1.00 each.

There were no other changes in composition of the Group during the current financial period ended 31 December 2009.



**MNRB HOLDINGS BERHAD (13487-A)**  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

**A13. Capital Commitments**

The amount of capital commitments of the Group as at 31 December 2009 are as follows:

	RM'000
Authorised and contracted for:	
- Intangible assets*	3,026
- Outfitting work on new office building	<u>3,956</u>

\* Relating to purchases of a new reinsurance system for the reinsurance subsidiary and a new computer system for the takaful operator.

**A14. Contingent liabilities or contingent assets**

The amount of contingent liabilities of the Group as at 31 December 2009 are as follows:

	RM'000
Contingent liabilities arising from interest in associate:	
Share of contingent liabilities in relation to the letter of credit issued by a bank on behalf of the associate (Secured on fixed deposits)	<u>51,233</u>

There is no other contingent liability or asset as at the date of the issue of this report. For the purpose of this paragraph, Contingent Liabilities or Assets do not include those arising from the contract of reinsurance, takaful or retakaful operation.



**MNRB HOLDINGS BERHAD** (13487-A)

**INTERIM FINANCIAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2009**

*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B1. Review of performance**

For the nine (9) months period ended 31 December 2009, the Group recorded a revenue of RM1,024.7 million, 15.1% higher than the RM890.1 million for the same period in the preceding year. The higher revenue was a result of the increase in the gross premium written by the reinsurance subsidiary and the increase in the wakalah fees earned by the takaful operator.

The Group recorded a profit before zakat and taxation of RM75.1 million for the nine (9) months period ended 31 December 2009, as compared to a loss before zakat and taxation of RM7.7 million for the same period in the preceding year. The better results were contributed by the higher investment income and lower claims incurred by the Group's reinsurance subsidiary. In addition, the share of profit of the reinsurance associate was higher at RM12.8 million as compared to share of loss of RM13.1 million for the same period in the preceding year due to higher investment income and better claims experience.

**B2. Review of current quarter profitability against immediate preceding quarter**

The Group's profit before zakat and taxation increased by RM100.9 million from RM0.4 million in the preceding quarter to RM101.3 million in the current quarter. This was mainly contributed by:-

- (i) reversal of one-off additional provision of RM51.8 million (net of tax RM41.8 million) made for the claims reserving by the reinsurance subsidiary that had earlier been adjusted to the income statement. The earlier treatment to charge to income statement was due to the uncertainty on the accounting treatment to be applied for the said one-off adjustment. However, as disclosed in Note A1, during the current period, the Group has decided that the said amount be adjusted against the opening retained profits, to be in line with the transitional provision allowed by BNM for its reinsurance subsidiary; and
- (ii) the lower claims incurred by the reinsurance subsidiary and higher wakalah fees earned by the takaful operator in the current quarter.

**B3. Current year prospects**

For the financial year ending 31 March 2010, the Directors expect the current performance to be maintained.

**B4. Headline Key Performance Indicators ("KPI")**

Headline KPI	For financial year ending 31 March 2010	
	As announced	Estimated Actual
(i) Return on Equity (%)	3.2	3.6
(ii) Revenue Growth (%)	8.5	15.1



**MNRB HOLDINGS BERHAD** (13487-A)

**INTERIM FINANCIAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2009**

*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B4. Headline Key Performance Indicators (“KPI”) (Cont’d)**

The Board of Directors is of the view that the Group is on track to achieve the above announced Headline KPIs for the financial year ending 31 March 2010.

**B5. Explanatory note for variance from profit forecast**

There was no profit forecast issued by the Group during the financial period ended 31 December 2009.

**B6. Taxation**

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2009 RM'000	3 months ended 31 Dec 2008 RM'000	9 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2008 RM'000
Profit/(Loss) before zakat and taxation	101,269	(11,375)	75,130	(7,694)
Current tax	(24,957)	(3,674)	(22,326)	(15,431)
Deferred tax	3,851	1,200	1,754	1,750
	(21,106)	(2,474)	(20,572)	(13,681)
Zakat	(26)	(1)	(151)	(24)
	(21,132)	(2,475)	(20,723)	(13,705)
Net profit/ (loss) for the period	80,137	(13,850)	54,407	(21,399)
<b>Effective tax rate</b>	<b>20.8%</b>	<b>21.7%</b>	<b>27.4%</b>	<b>177.8%</b>

The effective tax rate for the current quarter ended 31 December 2009 of 20.8% was lower than the statutory tax rate of 25% mainly due to the effects of different tax rate in respect of offshore reinsurance business and on the Associate Company which is incorporated in Labuan.

However, the effective tax rate for the financial period to date of 27.4% was higher than the statutory tax rate of 25% mainly due to the losses incurred by the Company which could not be set off against taxable profits made by other subsidiaries.



**MNRB HOLDINGS BERHAD** (13487-A)

**INTERIM FINANCIAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2009**

*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B7. Profit/(Loss) on sale of unquoted investments and/or properties**

There was no sale of unquoted investments and/or properties during the financial period ended 31 December 2009.

**B8. Quoted securities**

The reinsurance subsidiary, takaful operator and retakaful subsidiary's activities are regulated by the Insurance Act 1996 and Takaful Act 1984, and are subject to supervision by Bank Negara Malaysia. The particulars of investment in quoted securities or any purchase or disposal of quoted securities are therefore, not required.

The information on quoted securities by the Group other than in respect of above subsidiaries are as follow:

(a) Purchase and disposal of quoted securities

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	3 months ended 31 Dec 2009 RM'000	3 months ended 31 Dec 2008 RM'000	9 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2008 RM'000
Total sale proceeds	1,028	-	1,028	-
Total gain on disposal	49	-	49	-

(b) Investment in quoted securities as at 31 December 2009

There was no investment in quoted securities as at 31 December 2009.

**B9. Status of corporate proposals and utilisation of proceeds**

There was no corporate proposal announced but not completed as at the date of this announcement.





**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B10. Borrowings and debt securities**

The Group borrowings as at 31 December 2009 is as follows:

	<b>GROUP</b> 31 Dec 2009 RM'000
Long term borrowings:	
Unsecured:	
RM200.0 million Islamic Medium Term Notes ("IMTN") due in 2012	150,000
IMTN held by the subsidiaries:	
Reinsurance subsidiary, Malaysian Reinsurance Berhad	40,000
Retakaful subsidiary, MNRB Retakaful Berhad	10,000
	50,000

**B11. Off balance sheet financial instruments**

There were no financial instruments with material off balance sheet risk as at the date of this report.

**B12. Material litigation**

There was no material litigation pending as at the date of this report.

**B13. Dividends**

No dividends paid or declared for the current financial year to date.



**MNRB HOLDINGS BERHAD** (13487-A)

**INTERIM FINANCIAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2009**

*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA**

**B14. Earning/(Loss) per share (EPS/(LPS))**

Basic EPS/(LPS)

The basic EPS/(LPS) is calculated by dividing the net profit/(loss) for the period by the weighted average number of ordinary shares in issue during the period.

Diluted EPS/(LPS)

In a diluted profit/(loss) per share calculation, the share options are assumed to have been exercised into ordinary shares. A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average share price of the Company's share for the period) based on the monetary value of the subscription rights attached to the outstanding share options. This calculation serves to determine the "unpurchased" share to be added to the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to the net profit/(loss).

	<b>GROUP</b>			
	<b>Individual Period</b>		<b>Cumulative Period</b>	
	3 months ended	3 months ended	9 months ended	9 months ended
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
Net profit/(loss) for the period (RM'000)	80,137	(13,850)	54,407	(21,399)
Weighted average number of ordinary shares in issue ('000)	213,070	213,396	213,070	212,896
Assumed exercise of share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted EPS/(LPS) ('000)	213,070	213,396	213,070	212,896
Basic EPS/(LPS) (sen)	37.6	(6.5)	25.5	(10.1)
Diluted EPS/(LPS) (sen)	37.6	(6.5)	25.5	(10.1)



**MNRB HOLDINGS BERHAD** (13487-A)  
**INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2009**  
*(The figures have not been audited)*

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE  
LISTING REQUIREMENTS OF BURSA MALAYSIA**

**By Order of the Board**

**NORAZMAN BIN HASHIM (MIA 5817)**  
**LENA BTE ABD LATIF (LS 8766)**  
**Company Secretaries**

**Kuala Lumpur**  
**Dated: 25 February 2010**