



MNRB HOLDINGS BERHAD

Bursa Announcement

Third Quarter Ended 31 December 2010



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2010 RM'000	3 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2010 RM'000	9 months ended 31 Dec 2009 RM'000
Operating revenue	375,190	343,058	1,100,851	1,024,662
Deficit from Shareholders' fund	(5,307)	(300)	(9,774)	(5,853)
Surplus transferred from General Reinsurance Revenue Account	46,990	100,264	110,551	67,695
Share of profits of associates	3,556	1,305	8,038	13,288
Profit before zakat and tax	45,239	101,269	108,815	75,130
Zakat	(100)	(26)	(252)	(151)
Tax expenses	(8,757)	(21,106)	(24,779)	(20,572)
Net profit for the period	36,382	80,137	83,784	54,407
Earnings per share (sen) - Basic	17.1	37.6	39.3	25.5

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Report for the year ended 31 March 2010*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2010 RM'000	3 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2010 RM'000	9 months ended 31 Dec 2009 RM'000
Net profit for the period	36,382	80,137	83,784	54,407
Other comprehensive (loss)/income:				
Fair value change of available-for-sale financial assets, net of tax	(5,983)	(777)	(7,906)	19,319
Effects of post acquisition exchange translation reserve	(4,952)	(1,204)	(5,853)	(6,922)
Total comprehensive income for the period	25,447	78,156	70,025	66,804

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Report for the year ended 31 March 2010*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	GROUP	
		Unaudited	Audited
		31 Dec 2010 RM'000	31 March 2010 RM'000
ASSETS			
Property, plant and equipment		117,148	117,523
Investment properties		34,600	34,600
Prepaid land lease payments		4,950	5,021
Intangible assets		12,836	13,101
Deferred tax assets		7,921	5,967
Investment in associates		122,724	122,268
Financial investment assets:			
Financial assets at fair value through profit or loss		28,809	51,315
Held-to-maturity investments		291,242	297,050
Available-for-sale financial assets		687,819	535,345
Loans and receivables		1,051,097	1,024,849
Reinsurance assets		64,508	69,398
Trade receivables		147,574	149,383
Tax recoverable		10,406	13,290
Cash and bank balances		7,348	5,997
Total general reinsurance business and shareholders' fund assets		2,588,982	2,445,107
General takaful fund assets		289,893	257,952
Family takaful fund assets		974,395	843,955
General retakaful fund assets		53,621	50,936
Family retakaful fund assets		15,891	13,828
Total assets		3,922,782	3,611,778
LIABILITIES			
Islamic medium term notes	B10	150,000	150,000
Claims liabilities		1,067,980	1,019,523
Premium liabilities		251,142	210,516
Trade payables		59,947	78,992
Other payables		72,237	76,946
Deferred tax liabilities		132	89
Provision for taxation		8,374	-
Provision for zakat		503	399
Total general reinsurance business and shareholders' fund liabilities		1,610,315	1,536,465
General takaful fund liabilities		204,107	176,300
Family takaful fund liabilities		124,608	84,625
General retakaful fund liabilities		40,434	38,966
Family retakaful fund liabilities		12,880	11,756
Total liabilities		1,992,344	1,848,112



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	GROUP	
	Unaudited	Audited
	31 Dec 2010 RM'000	31 March 2010 RM'000
Note		
EQUITY		
Share capital	213,070	213,070
Reserves	765,597	695,572
Total equity attributable to equity holders of the Company	978,667	908,642
TAKAFUL AND RETAKAFUL FUNDS		
General takaful fund	85,786	81,652
Family takaful fund	849,787	716,623
Takaful Investment linked fund	-	42,707
General retakaful fund	13,187	11,970
Family retakaful fund	3,011	2,072
Total takaful and retakaful funds	951,771	855,024
Total liabilities, equity, takaful and retakaful funds	3,922,782	3,611,778
Net assets per share (RM)	4.59	4.26

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Report for the year ended 31 March 2010*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2010

	GROUP							
	Attributable to Equity Holder of the Company							
	Share capital RM'000	Reserves					Net profit for the period RM'000	Total RM'000
		Non- distributable			Distributable			
Share premium RM'000		Fair value reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits brought forward RM'000				
At 1 April 2010	213,070	105,051	23,287	22,901	544,333	-	908,642	
Total comprehensive (loss)/ income for the period	-	-	(7,906)	(5,853)	-	83,784	70,025	
At 31 December 2010	213,070	105,051	15,381	17,048	544,333	83,784	978,667	

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

	GROUP							
	Attributable to Equity Holder of the Company							
	Share capital RM'000	Reserves					Net profit for the period RM'000	Total RM'000
		Non- distributable			Distributable			
Share premium RM'000		Fair value reserve RM'000	Foreign exchange translation reserve RM'000	Retained profits brought forward 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	
Total comprehensive income/(loss) for the period	-	-	19,318	(6,921)	-	54,407	66,804	
At 31 December 2009	213,070	105,051	20,243	27,529	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 2010*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	9 months ended 31 Dec 2010 RM'000	9 months ended 31 Dec 2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before zakat and taxation	108,815	75,130
Adjustments for:		
Non-cash items	(38,225)	(121,121)
Profit/(loss) from operations before changes in operating assets and liabilities	70,590	(45,991)
Net change in current assets	(132,291)	(35,454)
Net change in current liabilities	31,054	58,620
Cash operating items	46,149	35,639
Net cash generated from operating activities	15,502	12,814
CASH FLOWS USED IN INVESTING ACTIVITIES	(8,646)	(5,120)
CASH FLOWS USED IN FINANCING ACTIVITIES	(5,337)	(5,337)
CASH AND BANK BALANCES		
Net increase during the period	1,519	2,357
Cash and bank balances at the beginning of the period	5,997	1,096
Effect of changes in foreign exchange rate	(168)	(222)
Cash and bank balances at the end of the period	7,348	3,231

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Report for the year ended 31 March 2010*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(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 2010.

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 2010 except for the adoption of the following new Financial Reporting Standards (“FRSs”), amendments to the existing FRSs, Issues Committee (“IC”) Interpretations and Technical Release (“TR”) issued by MASB that are effective for the Group’s financial year beginning on 1 April 2010:

FRS 8:	Operating Segments
FRS 4:	Insurance Contracts
FRS 7:	Financial Instruments: Disclosures
FRS 101:	Presentation of Financial Statements (Revised 2009)
FRS 123:	Borrowing Costs
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
Amendments to FRS 2:	Share-based Payment - Vesting Conditions and Cancellations
Amendments to FRS 132:	Financial Instruments: Presentation
Amendments to FRS 132:	Financial Instruments: Presentation (Classification of Rights Issues)
Amendments to FRS 7:	Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
Amendments to FRS	'Improvements to FRSs (2009)'
IC Interpretation 9:	Reassessment of Embedded Derivatives
IC Interpretation 10:	Interim Financial Reporting and Impairment
IC Interpretation 11:	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13:	Customer Loyalty Programmes
IC Interpretation 14:	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i - 3:	Presentation of Financial Statements of Islamic Financial Institutions

The adoption of the above standards, amendments and interpretations does not have any material impact to the financial statements of the Group and of the Company other than expanded disclosure requirements.

A2. Auditors’ Report on preceding annual financial statements

The auditors’ report on the audited financial statements for the financial year ended 31 March 2010 was not subject to any qualification.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A3. Seasonal or cyclical factors

During the period ended 31 December 2010, 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 2010.

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

A7. Dividend paid

No dividend was paid during the third quarter ended 31 December 2010.

A8. Segmental reporting

Financial period ended 31 December 2010

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Operator RM'000	Retakaful Operator RM'000	Inter-Group Adjustments RM'000	Consolidated RM'000
Revenue						
External	194	944,962	147,170	8,525	-	1,100,851
Inter-segment	16,676	6,872	-	358	(23,906)	-
	16,870	951,834	147,170	8,883	(23,906)	1,100,851
Results						
Segment results	15,168	86,411	141,141	6,728	(17,798)	231,650
(Loss)/Profit from operations	(15,122)	110,839	5,661	3,727	(4,328)	100,777
Share of results of associates	380	7,658	-	-	-	8,038
(Loss)/Profit before zakat and taxation	(14,742)	118,497	5,661	3,727	(4,328)	108,815
Zakat and taxation	-	(23,364)	(1,695)	28	-	(25,031)
Net (loss)/profit for the period	(14,742)	95,133	3,966	3,755	(4,328)	83,784



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A8. Segmental reporting (Cont'd)

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
Revenue						
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
Results						
Segment results	10,989	47,679	135,151	6,362	(13,563)	186,618
(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

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 2010.

A10. Significant events

There were no significant events during the current financial period ended 31 December 2010.

A11. Subsequent events

There were no significant subsequent events from 31 December 2010 to the date of this report.

A12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period ended 31 December 2010.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(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 2010 are as follows:

Authorised and contracted for:	RM'000
- Intangible assets*	<u>2,736</u>

* Relating to purchases and enhancement of computer systems.

A14. Contingent liabilities or contingent assets

The amount of contingent liabilities of the Group as at 31 December 2010 are as follows:

Contingent liabilities arising from interest in associate:	RM'000
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>47,815</u>

There was 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 2010
(The figures have not been audited)

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

B1. Review of performance

For the 9-month period ended 31 December 2010, the Group recorded a revenue of RM1.10 billion, 7.4% higher than the RM1.02 billion recorded in the same period last 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 and retakaful operator.

The Group's profit before zakat and taxation increased by 44.8% from RM75.1 million to RM108.8 million as a result of lower claims incurred by the Group's reinsurance subsidiary.

B2. Review of current quarter profitability against immediate preceding quarter

The Group's profit before zakat and taxation increased by RM17.3 million from RM27.9 million in the preceding quarter to RM45.2 million in the current quarter. This was due to the better claims experience in the current quarter as compared to the preceding quarter.

B3. Current year prospects

Based on the current economic conditions, the Group is expected to achieve good results for the financial year ending 31 March 2011.

B4. Headline Key Performance Indicators ("KPI")

Headline KPI	For financial year ending 31 March 2011	
	As announced	Estimated Actual
(i) Return on Equity (%)	9.8	10.0
(ii) Revenue Growth (%)	12.9	11.0

The Group's estimated Revenue Growth was below the targeted KPI, due to the lower wakalah fee income earned from the takaful operator.

B5. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the financial period ended 31 December 2010.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

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

B6. Taxation

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2010 RM'000	3 months ended 31 Dec 2009 RM'000	9 months ended 31 Dec 2010 RM'000	9 months ended 31 Dec 2009 RM'000
Profit before zakat and taxation	45,239	101,269	108,815	75,130
Current tax	(5,918)	(24,957)	(23,334)	(22,326)
Deferred tax	(2,839)	3,851	(1,445)	1,754
Zakat	(8,757)	(21,106)	(24,779)	(20,572)
	(100)	(26)	(252)	(151)
	(8,857)	(21,132)	(25,031)	(20,723)
Net profit for the period	36,382	80,137	83,784	54,407
Effective tax rate	19.4%	20.8%	22.8%	27.4%

The effective tax rates for the current quarter and the financial period ended 31 December 2010 were lower than the statutory tax rate of 25% principally due to the effects of different tax rate in respect of offshore reinsurance business and the lower tax rate applicable to the Associate Company, which is incorporated in Labuan.

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 2010.

B8. Quoted securities

There was no purchase or disposal of quoted securities during the current financial period ended 31 December 2010 by the Group other than by the reinsurance subsidiary, takaful operator and retakaful subsidiary, which are exempted from disclosure of this information.

B9. Status of corporate proposals and utilisation of proceeds

Proposed divestment of a portion of MNRB's equity interests in Takaful Ikhlas Sdn Bhd to Allianz Malaysia Berhad ("Proposed Divestment")

As announced on 20 December 2010, MNRB had obtained Bank Negara Malaysia's approval, via its letter dated 17 December 2010, to commence negotiations with Allianz Malaysia Berhad ("AMB") on the Proposed Divestment. The negotiation between MNRB and AMB is currently in progress.

Other than the above, 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 2010
(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 2010 is as follows:

	GROUP 31 Dec 2010 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 were paid or declared for the current financial year to date.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

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

B14. Earnings per share

The basic earnings per share (EPS) is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2010	3 months ended 31 Dec 2009	9 months ended 31 Dec 2010	9 months ended 31 Dec 2009
Net profit for the period (RM'000)	36,382	80,137	83,784	54,407
Weighted average number of ordinary shares in issue ('000)	213,070	213,070	213,070	213,070
Basic EPS (sen)	17.1	37.6	39.3	25.5

The Group has no potential dilutive ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share has not been presented.

B15. 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 the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

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



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2010
(The figures have not been audited)

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

B15. Disclosure of realised and unrealised profits (Cont'd)

The breakdown of the retained profits of the Group as at 31 December 2010, into realised and unrealised profits, pursuant to the directive, is as follows:

	GROUP	
	30 Sept 2010 RM'000	31 Dec 2010 RM'000
Total retained profits of the Group:		
Realised	568,105	607,785
Unrealised	20,517	16,911
	588,622	624,696
Total share of retained profits from associate		
Realised	24,706	28,262
	613,328	652,958
Less: Consolidation adjustments	(21,593)	(24,841)
Total retained profits per the statement of changes in equity	591,735	628,117

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised 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 purposes.

By Order of the Board

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

Kuala Lumpur
Dated: 24 February 2011