

LPI CAPITAL BHD

Condensed Consolidated Income Statements For The Quarter Ended 30 June 2007

	Current Quarter Ended 30.06.2007 RM'000	6 Months Cumulative To date 30.06.2007 RM'000	Current Quarter Ended 30.06.2006 RM'000	6 Months Cumulative To date 30.06.2006 RM'000
Revenue	137,785	291,394	108,261	247,168
Transfer from general insurance revenue account :-				
Underwriting surplus before management expenses	28,089	51,409	30,481	52,434
Management expenses	(14,978)	(30,427)	(13,697)	(26,271)
Underwriting surplus	13,111	20,982	16,784	26,163
Investment income	4,489	15,742	3,287	13,276
Other operating income / (expenses) - net	2,159	2,614	536	1,311
	19,759	39,338	20,607	40,750
Investment Income	1,306	16,604	102	12,802
Management Expenses	(78)	(473)	(69)	(350)
Operating profit	20,987	55,469	20,640	53,202
Interest income	724	1,590	936	2,027
Profit before taxation	21,711	57,059	21,576	55,229
Tax expense	(6,500)	(16,020)	(6,376)	(15,927)
Net profit for the year	15,211	41,039	15,200	39,302
Attributable to:				
Equity holders of the parent	15,211	41,039	15,200	39,302
Earning per share (sen)				
- Basic	11.04	29.79	11.01	28.46
- Diluted	N/A	N/A	N/A	N/A

N/A - *Not Applicable.*

Note : The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006.

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Condensed Consolidated Balance Sheets As At 30 June 2007

		As At 30.06.2007	As At 31.12.2006
	NOTE	RM'000	RM'000
Assets			
Property and equipment	A9	6,990	7,997
Investment properties		8,368	8,546
Investments		648,346	662,145
Loans (secured)		17,124	18,927
Trade and other receivables		92,025	50,482
Cash and cash equivalents		9,308	6,593
Total Assets		<u>782,161</u>	<u>754,690</u>
Equity			
Share Capital		138,723	138,723
Treasury Shares		(7,398)	(5,709)
Reserves		223,003	263,220
Total equity attributable to equity holders of the parent		<u>354,328</u>	<u>396,234</u>
Liabilities			
Deferred tax liabilities		378	392
Unearned premium reserves		170,685	143,660
Provision for outstanding claims		185,866	170,862
Trade and other payables		62,699	35,886
Taxation		8,205	7,656
Total liabilities		<u>427,833</u>	<u>358,456</u>
Total equity and liabilities		<u>782,161</u>	<u>754,690</u>

Note : The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006.

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Condensed Consolidated Statements Of Changes In Equity For The Quarter Ended 30 June 2007

	← Attributable to Equity Holders of the Parent →				Retained Profits	Total Equity
	Share Capital	Treasury Shares	Reserve Attributable to Capital	Reserve Attributable to Revenue		
	RM'000	RM'000	RM'000	RM'000		
6 Months Quarter Ended 30 June 2007						
Balance at 1 January 2007	138,723	(5,709)	109,812	3,821	149,587	396,234
Change in accounting policies :						
- Deferred tax relating to adoption of FRS 140	-	-	-	-	14	14
Restated balance	138,723	(5,709)	109,812	3,821	149,601	396,248
<u>Changes in equity for the 2nd quarter ended 30 June 2007</u>						
Currency translation differences	-	-	(716)	-	-	(716)
Net Income recognised directly in equity	-	-	(716)	-	-	(716)
Net profit for the period	-	-	-	-	41,039	41,039
Total recognised income and expense for the period	-	-	(716)	-	41,039	40,323
Share Buy Back	-	(1,689)	-	-	-	(1,689)
Dividends distributed to equity holders	-	-	-	-	(80,554)	(80,554)
Balance as at 30 June 2007	138,723	(7,398)	109,096	3,821	110,086	354,328

Condensed Consolidated Statements Of Changes In Equity For The Quarter Ended 30 June 2007 - (continued)

	←	Attributable to Equity Holders of the Parent			→	
	Share Capital	Treasury Shares	Reserve Attributable to Capital	Reserve Attributable to Revenue	Retained Profits	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>6 Months Quarter Ended 30 June 2006</u>						
Balance at 1 January 2006	138,723	(4,430)	109,973	918	145,016	390,200
Change in accounting policy:						
Restating investment property from cost to fair value	-	-	-	-	4,303	4,303
Deferred tax relating to restating investment property at fair value	-	-	-	-	(392)	(392)
	-	-	-	-	3,911	3,911
Restated balance	<u>138,723</u>	<u>(4,430)</u>	<u>109,973</u>	<u>918</u>	<u>148,927</u>	<u>394,111</u>
<u>Changes in equity for the 2nd quarter ended 30 June 2006</u>						
Currency translation differences	-	-	460	-	-	460
Net income recognised directly in equity	-	-	460	-	-	460
Net profit for the period	-	-	-	-	39,302	39,302
Total recognised income for the period	-	-	460	-	39,302	39,762
Dividends distributed to equity holders	-	-	-	-	(49,710)	(49,710)
Balance at 30 June 2006	<u><u>138,723</u></u>	<u><u>(4,430)</u></u>	<u><u>110,433</u></u>	<u><u>918</u></u>	<u><u>138,519</u></u>	<u><u>384,163</u></u>

Note : The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006.

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Condensed Consolidated Cash Flow Statements For The Quarter Ended 30 June 2007

	6 Months Ended 30.06.2007	6 Months Ended 30.06.2006
	RM'000	RM'000
Profit before tax	57,059	55,229
Adjustment for non-cash flow :-		
Non-cash items	44,901	26,416
Non- operating items (which are investing/ financing)	(5,590)	(28,113)
Operating profit before working capital changes	<u>96,370</u>	<u>53,532</u>
Changes in working capital:-		
Net change in current assets	(25,947)	(28,779)
Net change in current liabilities	11,342	13,974
Non-operating items (which are investing/ financing)	4,485	14,796
Net cash generated from operating activities	<u>86,250</u>	<u>53,523</u>
Investing activities		
- Other investments	(576)	(971)
Net cash used in investing activities	<u>(576)</u>	<u>(971)</u>
Financing activities		
- Dividend paid	(80,554)	(49,710)
- Buy back of shares	(1,689)	-
Net cash used in financing activities	<u>(82,243)</u>	<u>(49,710)</u>
Net increase in cash and cash equivalents	3,431	2,842
Cash and cash equivalents at beginning of period	6,593	5,045
Foreign exchange differences on opening balances	(716)	460
Cash and cash equivalents at end of period	<u>9,308</u>	<u>8,347</u>

Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006.