

LPI CAPITAL BHD

Condensed Consolidated Income Statements For The Quarter Ended 31 December 2007

	Current Quarter Ended 31.12.2007 RM'000	12 Months Cumulative To date 31.12.2007 RM'000	Current Quarter Ended 31.12.2006 RM'000	12 Months Cumulative To date 31.12.2006 RM'000
Revenue	104,147	551,624	100,355	473,490
Transfer from general insurance revenue account :-				
Underwriting surplus before management expenses	42,327	120,553	31,391	112,051
Management expenses	(14,646)	(61,322)	(13,427)	(52,940)
Underwriting surplus	27,681	59,231	17,964	59,111
Investment income	3,699	28,378	7,446	24,213
Other operating income / (expenses) - net	3,231	6,610	1,743	3,651
	34,611	94,219	27,153	86,975
Investment income	364	28,218	8,266	24,052
Management expenses	(106)	(679)	(128)	(545)
Operating profit	34,869	121,758	35,291	110,482
Share of profit after tax of equity accounted associated company	8	8	-	-
Profit before taxation	34,877	121,766	35,291	110,482
Tax expense	(9,667)	(33,996)	(9,868)	(32,354)
Net profit for the year	25,210	87,770	25,423	78,128
Attributable to:				
Equity holders of the parent	25,210	87,770	25,423	78,128
Earning per share (sen)				
- Basic	18.31	63.75	18.43	56.64
- 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 31 December 2007

	As At 31.12.2007	As At 31.12.2006
	RM'000	RM'000
Assets		
Property and equipment	5,755	7,997
Investment properties	9,990	8,546
Investment in associate company	10,424	-
Investments	673,271	662,145
Loans (secured)	18,965	18,927
Trade and other receivables	68,029	50,482
Cash and cash equivalents	5,955	6,593
Total Assets	<u>792,389</u>	<u>754,690</u>
Equity		
Share capital	138,723	138,723
Treasury shares	(8,590)	(5,709)
Reserves	239,868	263,220
Total equity attributable to equity holders of the parent	<u>370,001</u>	<u>396,234</u>
Liabilities		
Deferred tax liabilities	-	392
Unearned premium reserves	169,792	143,660
Provision for outstanding claims	205,454	170,862
Trade and other payables	32,581	35,886
Taxation	14,561	7,656
Total liabilities	<u>422,388</u>	<u>358,456</u>
Total equity and liabilities	<u>792,389</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 31 December 2007

	← 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>12 Months Quarter Ended 31 December 2007</u>						
Balance at 1 January 2007	138,723	(5,709)	109,812	3,821	149,587	396,234
<u>Changes in equity for the 4th quarter ended 31 December 2007</u>						
Currency translation differences	-	-	(405)	-	-	(405)
Net losses not recognised in the income statement	-	-	(405)	-	-	(405)
Net profit for the period	-	-	-	-	87,770	87,770
Total recognised income and expense for the period	-	-	(405)	-	87,770	87,365
Share buy back	-	(2,881)	-	-	-	(2,881)
Dividends distributed to equity holders	-	-	-	-	(110,717)	(110,717)
Balance as at 31 December 2007	<u>138,723</u>	<u>(8,590)</u>	<u>109,407</u>	<u>3,821</u>	<u>126,640</u>	<u>370,001</u>

Condensed Consolidated Statements Of Changes In Equity For The Quarter Ended 31 December 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>12 Months Quarter Ended 31 December 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	-	-	-	2,903	1,400	4,303
Deferred tax relating to restating investment property at fair value	-	-	-	-	(392)	(392)
	-	-	-	2,903	1,008	3,911
Restated balance	<u>138,723</u>	<u>(4,430)</u>	<u>109,973</u>	<u>3,821</u>	<u>146,024</u>	<u>394,111</u>
<u>Changes in equity for the 4th quarter ended 31 December 2006</u>						
Currency translation differences	-	-	(161)	-	-	(161)
Net income recognised directly in equity	-	-	(161)	-	-	(161)
Net profit for the period	-	-	-	-	78,128	78,128
Total recognised income for the period	-	-	(161)	-	78,128	77,967
Share buy back	-	(1,279)	-	-	-	(1,279)
Dividends distributed to equity holders	-	-	-	-	(74,565)	(74,565)
Balance at 31 December 2006	<u><u>138,723</u></u>	<u><u>(5,709)</u></u>	<u><u>109,812</u></u>	<u><u>3,821</u></u>	<u><u>149,587</u></u>	<u><u>396,234</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 31 December 2007

	12 Months Ended 31.12.2007	12 Months Ended 31.12.2006
	RM'000	RM'000
Profit before taxation	121,766	110,482
Adjustment for non-cash flow :-		
Non-cash items	64,027	38,327
Non-operating items (which are investing/ financing)	(59,620)	(49,006)
Operating profit before working capital changes	<u>126,173</u>	<u>99,803</u>
Changes in working capital:-		
Net change in operating assets	(13,760)	(24,384)
Net change in operating liabilities	(43,033)	(31,235)
Non-operating items (which are investing/ financing)	<u>55,460</u>	<u>38,780</u>
Net cash generated from operating activities	<u>124,840</u>	<u>82,964</u>
Investing activities		
- Investment in associate company	(10,833)	-
- Other investments	<u>(1,059)</u>	<u>(5,411)</u>
Net cash used in investing activities	<u>(11,892)</u>	<u>(5,411)</u>
Financing activities		
- Dividend paid	(110,717)	(74,565)
- Buy back of shares	<u>(2,881)</u>	<u>(1,279)</u>
Net cash used in financing activities	<u>(113,598)</u>	<u>(75,844)</u>
Net (decrease)/ increase in cash and cash equivalents	(650)	1,709
Cash and cash equivalents at beginning of period	6,593	5,045
Foreign exchange differences on opening balances	12	(161)
Cash and cash equivalents at end of period	<u>5,955</u>	<u>6,593</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.