

**LPI CAPITAL BHD**

**Condensed Consolidated Statement Of Comprehensive Income For The Quarter Ended 31 March 2010**

|   | Current<br>Quarter<br>Ended<br>31.03.2010<br>RM'000 | 3 Months<br>Cumulative<br>To date<br>31.03.2010<br>RM'000 | Current<br>Quarter<br>Ended<br>31.03.2009<br>RM'000 | 3 Months<br>Cumulative<br>To date<br>31.03.2009<br>RM'000 |
|---|---|---|---|---|
| <b>Revenue</b>  | 235,071   | 235,071   | 210,907   | 210,907   |
| Transfer from general insurance revenue account :-                          |   |   |   |   |
| Underwriting surplus before management expenses                             | 44,011  | 44,011  | 28,973  | 28,973  |
| Management expenses   | (22,529)  | (22,529)  | (18,564)  | (18,564)  |
| Underwriting surplus  | 21,482  | 21,482  | 10,409  | 10,409  |
| Investment income   | 4,760   | 4,760   | 9,408   | 9,408   |
| Other operating income/ (expenses) - net                                    | 568   | 568   | 697   | 697   |
|   | 26,810  | 26,810  | 20,514  | 20,514  |
| Investment income   | 23,565  | 23,565  | 22,268  | 22,268  |
| Management expenses   | (1,732)   | (1,732)   | (887)   | (887)   |
| <b>Operating profit</b>   | 48,643  | 48,643  | 41,895  | 41,895  |
| Share of profit/ (loss) after tax of equity accounted<br>associated company | 188   | 188   | 342   | 342   |
| <b>Profit before taxation</b>   | 48,831  | 48,831  | 42,237  | 42,237  |
| Tax expense   | (10,509)  | (10,509)  | (6,759)   | (6,759)   |
| <b>Net profit for the year</b>  | 38,322  | 38,322  | 35,478  | 35,478  |
| <b>Other comprehensive income, net of tax</b>                               |   |   |   |   |
| Foreign currency translation differences for foreign<br>operations          | (2,063)   | (2,063)   | 593   | 593   |
| Fair value of available for sale financial assets                           | 20,182  | 20,182  | (72,308)  | (72,308)  |
| <b>Other comprehensive income / (loss), for the period,<br/>net of tax</b>  | 18,119  | 18,119  | (71,715)  | (71,715)  |
| <b>Total comprehensive income/ (loss) for the period</b>                    | 56,441  | 56,441  | (36,237)  | (36,237)  |
| <b>Total profit attributable to:</b>  |   |   |   |   |
| Equity holders of the parent  | 38,322  | 38,322  | 35,478  | 35,478  |
| <b>Total comprehensive income<br/>attributable to:</b>                      |   |   |   |   |
| Equity holders of the parent  | 56,441  | 56,441  | (36,237)  | (36,237)  |
| Earning per share (sen)   |   |   |   |   |
| - Basic   | 27.84   | 27.84   | 25.77   | 25.77   |
| - Diluted   | N/A   | N/A   | N/A   | N/A   |

N/A - *Not Applicable.*

**Note : The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.**

## LPI CAPITAL BHD

### Condensed Consolidated Statement Of Financial Position As At 31 March 2010

|   | As At<br>31.03.2010     | As At<br>31.12.2009     |
|---|-------------------------|-------------------------|
|   | RM'000                  | RM'000                  |
| <b>Assets</b>   |                         |                         |
| Plant and equipment                                       | 6,726                   | 6,290                   |
| Investment properties                                     | 9,173                   | 9,487                   |
| Investment in associate                                   | 12,005                  | 12,230                  |
| Available-for-sale financial assets                       | 701,271                 | 671,348                 |
| Held-to-maturity investments                              | 175,657                 | 172,515                 |
| Reinsurance assets  | 285,171                 | 271,968                 |
| Insurance receivables                                     | 116,736                 | 69,904                  |
| Loans and receivables,<br>excluding insurance receivables | 504,960                 | 536,985                 |
| Cash and cash equivalents                                 | 10,203                  | 9,938                   |
| <b>Total assets</b>                                       | <u><u>1,821,902</u></u> | <u><u>1,760,665</u></u> |
| <b>Equity</b>   |                         |                         |
| Share capital   | 138,723                 | 138,723                 |
| Treasury shares, at cost                                  | (8,628)                 | (8,628)                 |
| Reserves  | 770,231                 | 770,578                 |
| <b>Shareholders' equity</b>                               | <u><u>900,326</u></u>   | <u><u>900,673</u></u>   |
| <b>Liabilities</b>  |                         |                         |
| Insurance contract liabilities                            | 758,139                 | 723,534                 |
| Deferred tax liabilities                                  | 813                     | 557                     |
| Borrowings  | 72,880                  | 72,880                  |
| Insurance payables  | 70,179                  | 37,505                  |
| Other payables  | 15,070                  | 15,416                  |
| Taxation  | 4,495                   | 10,100                  |
| <b>Total liabilities</b>                                  | <u><u>921,576</u></u>   | <u><u>859,992</u></u>   |
| <b>Total shareholders' equity and liabilities</b>         | <u><u>1,821,902</u></u> | <u><u>1,760,665</u></u> |

**Note :** The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.

**LPI CAPITAL BHD**

**Condensed Consolidated Statements Of Changes In Equity For The Quarter Ended 31 March 2010**

|  | <----- Attributable to Equity Holders of the Parent -----> |                              |                            |  |                              |  |                                    |                               |                 |
|--|--|------------------------------|----------------------------|--|------------------------------|--|------------------------------------|-------------------------------|-----------------|
|  | <----- Non-distributable ----->                            |                              |                            |  |                              |  | Distributable                      |                               |                 |
|  | Share<br>capital<br>RM'000                                 | Treasury<br>shares<br>RM'000 | Share<br>premium<br>RM'000 | Property<br>revaluation<br>reserve<br>RM'000 | Capital<br>reserve<br>RM'000 | Foreign<br>exchange<br>reserve<br>RM'000 | Fair<br>value<br>reserve<br>RM'000 | Retained<br>profits<br>RM'000 | Total<br>RM'000 |
| <b><u>3 Months Quarter Ended 31 March 2010</u></b> |  |                              |                            |  |                              |  |                                    |                               |                 |
| Balance at 1 January 2010                          | 138,723  | (8,628)                      | 104,635                    | 3,612  | 209                          | 7,130                                    | 503,449                            | 151,543                       | 900,673         |
| Total comprehensive income for the period          | -  | -                            | -                          | -  | -                            | (2,063)                                  | 20,182                             | 38,322                        | 56,441          |
| Dividends distributed to equity holders            | -  | -                            | -                          | -  | -                            | -  | -                                  | (56,788)                      | (56,788)        |
| Balance as at 31 March 2010                        | <u>138,723</u>   | <u>(8,628)</u>               | <u>104,635</u>             | <u>3,612</u>                                 | <u>209</u>                   | <u>5,067</u>                             | <u>523,631</u>                     | <u>133,077</u>                | <u>900,326</u>  |

**Condensed Consolidated Statements Of Changes In Equity For The Quarter Ended 31 March 2010 - (continued)**

|   | <----- Attributable to Equity Holders of the Parent -----> |                              |                            |  |                              |  |                                    |                               |                 |
|---|--|------------------------------|----------------------------|--|------------------------------|--|------------------------------------|-------------------------------|-----------------|
|   | <----- Non-distributable ----->                            |                              |                            |  |                              |  | Distributable                      |                               |                 |
|   | Share<br>capital<br>RM'000                                 | Treasury<br>shares<br>RM'000 | Share<br>premium<br>RM'000 | Property<br>revaluation<br>reserve<br>RM'000 | Capital<br>reserve<br>RM'000 | Foreign<br>exchange<br>reserve<br>RM'000 | Fair<br>value<br>reserve<br>RM'000 | Retained<br>profits<br>RM'000 | Total<br>RM'000 |
| Balance at 1 January 2009                             | 138,723  | (8,611)                      | 104,635                    | 3,612  | 209                          | 6,351                                    | -                                  | 118,822                       | 363,741         |
| Change in accounting policies:                        |  |                              |                            |  |                              |  |                                    |                               |                 |
| - Effect of adoption of FRS 139 , net of deferred tax | -  | -                            | -                          | -  | -                            | -  | 377,006                            | (587)                         | 376,419         |
| Balance at 1 January 2009 , restated                  | 138,723  | (8,611)                      | 104,635                    | 3,612  | 209                          | 6,351                                    | 377,006                            | 118,235                       | 740,160         |
| Total comprehensive income for the period             | -  | -                            | -                          | -  | -                            | 593                                      | (72,308)                           | 35,478                        | (36,237)        |
| Buy back of shares                                    | -  | (5)                          | -                          | -  | -                            | -  | -                                  | -                             | (5)             |
| Dividends distributed to equity holders               | -  | -                            | -                          | -  | -                            | -  | -                                  | (56,789)                      | (56,789)        |
| Balance as at 31 March 2009                           | <u>138,723</u>   | <u>(8,616)</u>               | <u>104,635</u>             | <u>3,612</u>                                 | <u>209</u>                   | <u>6,944</u>                             | <u>304,698</u>                     | <u>96,924</u>                 | <u>647,129</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 2009.**

## LPI CAPITAL BHD

### Condensed Consolidated Cash Flow Statements For The Quarter Ended 31 March 2010

|   | 3 Months<br>Ended<br>31.03.2010 | 3 Months<br>Ended<br>31.03.2009 |
|---|---------------------------------|---------------------------------|
|   | RM'000                          | RM'000                          |
| Profit before tax                                     | 48,831                          | 42,237                          |
| Adjustment for non-cash flow :-                       |                                 |                                 |
| Non-cash items  | 23,908                          | 28,292                          |
| Non- operating items (which are investing/ financing) | (28,600)                        | (31,823)                        |
| Operating profit before working capital changes       | <u>44,139</u>                   | <u>38,706</u>                   |
| Changes in working capital:-                          |                                 |                                 |
| Net change in operating assets                        | (14,567)                        | (29,972)                        |
| Net change in operating liabilities                   | 14,749                          | 21,067                          |
| Non-operating items (which are investing/ financing)  | <u>15,449</u>                   | <u>27,487</u>                   |
| Net cash generated from operating activities          | <u>59,770</u>                   | <u>57,288</u>                   |
| Investing activities                                  |                                 |                                 |
| - Other investments                                   | <u>(1,067)</u>                  | <u>(257)</u>                    |
| Net cash used in investing activities                 | <u>(1,067)</u>                  | <u>(257)</u>                    |
| Financing activities                                  |                                 |                                 |
| - Dividend paid                                       | (56,788)                        | (56,789)                        |
| - Buy back of shares                                  | -                               | (5)                             |
| Net cash used in financing activities                 | <u>(56,788)</u>                 | <u>(56,794)</u>                 |
| Net increase in cash and cash equivalents             | 1,915                           | 237                             |
| Cash and cash equivalents at beginning of period      | 9,938                           | 13,077                          |
| Foreign exchange differences on opening balances      | (1,650)                         | 190                             |
| Cash and cash equivalents at end of period            | <u>10,203</u>                   | <u>13,504</u>                   |

**Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.**