

LPI CAPITAL BHD
Condensed Consolidated Income Statement For The Quarter Ended 30 June 2011

	Current Quarter Ended 30.06.2011 RM'000	6 Months Cumulative To date 30.06.2011 RM'000	Current Quarter Ended 30.06.2010 RM'000	6 Months Cumulative To date 30.06.2010 RM'000
Operating revenue	213,889	427,301	173,869	366,736
Gross written premiums	225,296	478,998	183,167	389,825
Change in unearned premiums provision	(18,803)	(84,718)	(14,570)	(56,774)
Gross earned premiums	206,493	394,280	168,597	333,051
Gross written premiums ceded to reinsurers	(86,735)	(186,350)	(61,349)	(137,333)
Change in unearned premiums provision	8,923	39,352	6,674	24,614
Premiums ceded to reinsurers	(77,812)	(146,998)	(54,675)	(112,719)
Net earned premiums	128,681	247,282	113,922	220,332
Investment income	7,304	32,845	5,196	33,521
Realised gains and losses	131	281	-	87
Fair value gains and losses	-	-	-	-
Commission income	17,333	31,546	12,403	25,238
Other operating income	696	1,408	2,790	3,271
Other income	25,464	66,080	20,389	62,117
Gross claims paid	(73,364)	(171,383)	(79,149)	(165,154)
Claims ceded to reinsurers	19,896	61,054	23,127	53,685
Gross change in contract liabilities	(45,723)	(35,087)	(13,908)	(14,150)
Change in contract liabilities ceded to reinsurers	38,921	24,994	15,647	17,372
Net claims incurred	(60,270)	(120,422)	(54,283)	(108,247)
Commission expense	(25,847)	(49,415)	(22,058)	(43,328)
Management expenses	(26,111)	(51,828)	(22,272)	(46,533)
Other expenses	(51,958)	(101,243)	(44,330)	(89,861)
Operating profit	41,917	91,697	35,698	84,341
Share of profit after tax of equity accounted associate	54	409	198	386
Profit before taxation	41,971	92,106	35,896	84,727
Tax expense	(10,553)	(22,062)	(9,452)	(19,961)
Net profit for the period	31,418	70,044	26,444	64,766
Earnings per share (sen)				
- Basic	14.26	31.80	12.32	30.18
- Diluted	N/A	N/A	N/A	N/A

N/A - *Not Applicable.*

Note : The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.

LPI CAPITAL BHD**Condensed Consolidated Statement of Comprehensive Income For The Quarter Ended 30 June 2011**

	Current Quarter Ended 30.06.2011 RM'000	6 Months Cumulative To date 30.06.2011 RM'000	Current Quarter Ended 30.06.2010 RM'000	6 Months Cumulative To date 30.06.2010 RM'000
Net profit for the period	31,418	70,044	26,444	64,766
Other comprehensive income				
Foreign currency translation differences for foreign operation	1,271	590	(1,226)	(3,289)
Net gain on fair value of available-for-sale financial assets	10,518	15,988	14,938	35,358
	11,789	16,578	13,712	32,069
Tax effect on net gain on fair value of available-for-sale financial assets	(118)	(55)	(10)	(248)
Other comprehensive income for the period, net of tax	11,671	16,523	13,702	31,821
Total comprehensive income for the period	43,089	86,567	40,146	96,587
Total profit attributable to:				
Equity holders of the parent	31,418	70,044	26,444	64,766
Total comprehensive income attributable to:				
Equity holders of the parent	43,089	86,567	40,146	96,587

Note : The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.

LPI CAPITAL BHD**Condensed Consolidated Statement Of Financial Position As At 30 June 2011**

	As At 30.06.2011	As At 31.12.2010
	RM'000	RM'000
Assets		
Plant and equipment	9,364	9,310
Investment properties	11,689	11,447
Investment in associate	11,997	11,975
Other investments	1,011,624	965,587
Available-for-sale financial assets	775,839	759,702
Held-to-maturity financial assets	235,785	205,885
Reinsurance assets	418,126	352,634
Loans and receivables, excluding insurance receivables	186,166	190,285
Insurance receivables	124,674	79,906
Deferred acquisition costs	25,816	25,244
Cash and cash equivalents	606,010	600,074
Total assets	2,405,466	2,246,462
Equity		
Share capital	221,324	221,324
Treasury shares, at cost	(8,628)	(8,628)
Reserves	934,992	947,546
Total equity	1,147,688	1,160,242
Liabilities		
Insurance contract liabilities	990,824	868,588
Deferred tax liabilities	1,042	1,008
Borrowings	53,000	52,880
Other financial liabilities	89,138	89,448
Insurance payables	95,478	56,068
Other payables	18,716	12,394
Tax payables	9,580	5,834
Total liabilities	1,257,778	1,086,220
Total equity and liabilities	2,405,466	2,246,462

Note :The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.

LPI CAPITAL BHD

Condensed Consolidated Statements Of Changes In Equity For The Period Ended 30 June 2011

	←----- Attributable to Equity Holders of the Parent -----→								Total RM'000
	←----- Non-distributable -----→				----- Distributable -----				
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Property revaluation reserve RM'000	Capital reserve RM'000	Foreign exchange reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
<u>6 Months Period Ended 30 June 2011</u>									
Balance as at 1 January 2011	221,324	(8,628)	116,819	3,612	209	5,074	602,936	218,896	1,160,242
Total comprehensive income for the period	-	-	-	-	-	590	15,933	70,044	86,567
Dividends	-	-	-	-	-	-	-	(99,121)	(99,121)
Balance as at 30 June 2011	<u>221,324</u>	<u>(8,628)</u>	<u>116,819</u>	<u>3,612</u>	<u>209</u>	<u>5,664</u>	<u>618,869</u>	<u>189,819</u>	<u>1,147,688</u>
<u>6 Months Period Ended 30 June 2010</u>									
Balance as 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	-	-	-	-	-	(3,289)	35,110	64,766	96,587
Dividends	-	-	-	-	-	-	-	(56,788)	(56,788)
Balance as at 30 June 2010	<u>138,723</u>	<u>(8,628)</u>	<u>104,635</u>	<u>3,612</u>	<u>209</u>	<u>3,841</u>	<u>538,559</u>	<u>159,521</u>	<u>940,472</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 2010.

LPI CAPITAL BHD

Condensed Consolidated Cash Flow Statements For The Period Ended 30 June 2011

	6 Months Ended 30.06.2011	6 Months Ended 30.06.2010
	RM'000	RM'000
Profit before tax	92,106	84,727
Adjustment for non-cash flow :-		
Non-cash items	1,435	1,179
Non- operating items (which are investing/ financing)	(33,254)	(33,907)
Operating profit before working capital changes	<u>60,287</u>	<u>51,999</u>
Changes in working capital:-		
Net change in operating assets	(104,145)	180,223
Net change in operating liabilities	146,299	92,101
Non-operating items (which are investing/ financing)	<u>3,004</u>	<u>15,797</u>
Net cash generated from operating activities	<u>105,445</u>	<u>340,120</u>
Investing activities		
- Other investments	<u>(1,485)</u>	<u>(2,880)</u>
Net cash used in investing activities	<u>(1,485)</u>	<u>(2,880)</u>
Financing activities		
- Dividends paid to shareholders of the Company	(99,121)	(56,788)
- Borrowing	<u>120</u>	<u>(10,000)</u>
Net cash used in financing activities	<u>(99,001)</u>	<u>(66,788)</u>
Net increase in cash and cash equivalents	4,959	270,452
Cash and cash equivalents at beginning of year	600,074	221,413
Foreign exchange differences on opening balances	977	(2,640)
Cash and cash equivalents at end of period	<u>606,010</u>	<u>489,225</u>

Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.