

LPI CAPITAL BHD

Condensed Consolidated Income Statement For The Quarter Ended 30 September 2011

(The figures have not been audited)

	Current Quarter Ended 30.09.2011 RM'000	Current Quarter Ended 30.09.2010 RM'000	9 Months Cumulative To date 30.09.2011 RM'000	9 Months Cumulative To date 30.09.2010 RM'000
Operating revenue	236,385	194,591	663,686	561,327
Gross written premiums	231,828	196,524	710,826	586,349
Change in unearned premiums provision	(14,889)	(22,361)	(99,607)	(79,135)
Gross earned premiums	216,939	174,163	611,219	507,214
Gross written premiums ceded to reinsurers	(83,665)	(67,760)	(270,015)	(205,093)
Change in unearned premiums provision	1,995	9,587	41,347	34,201
Premiums ceded to reinsurers	(81,670)	(58,173)	(228,668)	(170,892)
Net earned premiums	135,269	115,990	382,551	336,322
Investment income	19,342	20,355	52,187	53,876
Realised gains and losses	-	239	281	326
Fair value gains and losses	-	-	-	-
Commission income	17,772	12,299	49,318	37,537
Other operating income	782	816	2,190	4,087
Other income	37,896	33,709	103,976	95,826
Gross claims paid	(75,029)	(71,199)	(246,412)	(236,353)
Claims ceded to reinsurers	22,622	21,249	83,676	74,934
Gross change in contract liabilities	(48,921)	(30,296)	(84,008)	(44,446)
Change in contract liabilities ceded to reinsurers	36,734	24,810	61,728	42,182
Net claims incurred	(64,594)	(55,436)	(185,016)	(163,683)
Commission expense	(27,235)	(22,993)	(76,650)	(66,321)
Management expenses	(25,659)	(24,191)	(77,487)	(70,724)
Other expenses	(52,894)	(47,184)	(154,137)	(137,045)
Operating profit	55,677	47,079	147,374	131,420
Share of profit after tax of equity accounted associate	271	366	680	752
Profit before taxation	55,948	47,445	148,054	132,172
Tax expense	(10,832)	(11,240)	(32,894)	(31,201)
Net profit for the period	45,116	36,205	115,160	100,971
Earnings per share (sen)				
- Basic	20.48	16.85	52.28	47.03
- 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 September 2011***(The figures have not been audited)*

	Current Quarter Ended 30.09.2011 RM'000	Current Quarter Ended 30.09.2010 RM'000	9 Months Cumulative To date 30.09.2011 RM'000	9 Months Cumulative To date 30.09.2010 RM'000
Net profit for the period	45,116	36,205	115,160	100,971
Other comprehensive income				
Foreign currency translation differences for foreign operation	248	(235)	838	(3,524)
Net (loss) / gain on fair value of available-for-sale financial assets	(63,859)	38,046	(47,871)	73,404
	(63,611)	37,811	(47,033)	69,880
Tax effect on net loss / (gain) on fair value of available-for-sale financial assets	319	(147)	264	(395)
Other comprehensive income for the period, net of tax	(63,292)	37,664	(46,769)	69,485
Total comprehensive income for the period	(18,176)	73,869	68,391	170,456
Total profit attributable to:				
Equity holders of the Company	45,116	36,205	115,160	100,971
Total comprehensive income attributable to:				
Equity holders of the Company	(18,176)	73,869	68,391	170,456

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 September 2011 *(The figures have not been audited)*

	As At 30.09.2011	As At 31.12.2010
	RM'000	RM'000
Assets		
Plant and equipment	9,469	9,310
Investment properties	11,640	11,447
Investment in associate	12,706	11,975
Other investments	988,080	965,587
Available-for-sale financial assets	711,961	759,702
Held-to-maturity financial assets	276,119	205,885
Reinsurance assets	456,626	352,634
Loans and receivables, excluding insurance receivables	205,915	190,285
Insurance receivables	111,510	79,906
Deferred acquisition costs	27,327	25,244
Cash and cash equivalents	552,099	600,074
Total assets	2,375,372	2,246,462
Equity		
Share capital	221,324	221,324
Treasury shares, at cost	(8,300)	(8,628)
Reserves	861,972	947,546
Total equity	1,074,996	1,160,242
Liabilities		
Insurance contract liabilities	1,054,147	868,588
Deferred tax liabilities	726	1,008
Borrowings	39,500	52,880
Other financial liabilities	88,592	89,448
Insurance payables	85,511	56,068
Other payables	21,094	12,394
Tax payables	10,806	5,834
Total liabilities	1,300,376	1,086,220
Total equity and liabilities	2,375,372	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 September 2011

(The figures have not been audited)

	←——— Attributable to Equity Holders of the Company ——→								
	←——— Non-distributable				————— → Distributable				
	Share capital	Treasury shares	Share premium	Property revaluation reserve	Capital reserve	Foreign exchange reserve	Fair value reserve	Retained earnings	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>9 Months Period Ended 30 September 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	-	-	-	-	-	838	(47,607)	115,160	68,391
Disposal of treasury shares	-	328	233	-	-	-	-	-	561
Dividends	-	-	-	-	-	-	-	(154,198)	(154,198)
Balance as at 30 September 2011	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>3,612</u>	<u>209</u>	<u>5,912</u>	<u>555,329</u>	<u>179,858</u>	<u>1,074,996</u>

9 Months Period Ended 30 September 2010

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	-	-	-	-	-	(3,524)	73,009	100,971	170,456
Issue of Ordinary Shares:									
- pursuant to Rights Issue	13,767	-	82,601	-	-	-	-	-	96,368
- pursuant to Bonus Issue	68,834	-	(68,834)	-	-	-	-	-	-
Expenses for issuance of equity securities	-	-	(398)	-	-	-	-	-	(398)
Dividends	-	-	-	-	-	-	-	(70,555)	(70,555)
Balance as at 30 September 2010	<u>221,324</u>	<u>(8,628)</u>	<u>118,004</u>	<u>3,612</u>	<u>209</u>	<u>3,606</u>	<u>576,458</u>	<u>181,959</u>	<u>1,096,544</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 September 2011 *(The figures have not been audited)*

	9 Months Ended 30.09.2011	9 Months Ended 30.09.2010
	RM'000	RM'000
Profit before tax	148,054	132,172
Adjustment for non-cash flow :-		
Non-cash items	2,238	1,648
Non- operating items (which are investing/ financing)	(52,867)	(54,628)
Operating profit before working capital changes	<u>97,425</u>	<u>79,192</u>
Changes in working capital:-		
Net change in operating assets	(151,254)	135,684
Net change in operating liabilities	192,490	122,855
Non-operating items (which are investing/ financing)	(18,012)	20,799
Net cash generated from operating activities	<u>120,649</u>	<u>358,530</u>
Investing activities		
- Other investments	(2,394)	(4,136)
Net cash used in investing activities	<u>(2,394)</u>	<u>(4,136)</u>
Financing activities		
- Proceeds from Rights Issue	-	96,368
- Incidental costs for corporate exercise	-	(398)
- Proceeds from disposal of treasury shares	561	-
- Dividends paid to shareholders of the Company	(154,198)	(70,555)
- Borrowing	(13,380)	(10,000)
Net cash (used in) / generated from financing activities	<u>(167,017)</u>	<u>15,415</u>
Net (decrease) / increase in cash and cash equivalents	(48,762)	369,809
Cash and cash equivalents at beginning of year	600,074	221,413
Foreign exchange differences on opening balances	787	(2,444)
Cash and cash equivalents at end of period	<u>552,099</u>	<u>588,778</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.