

**LPI CAPITAL BHD**
**Condensed Consolidated Statement of Profit or Loss For The Quarter Ended 30 June 2013 - Unaudited**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended	Quarter Ended	To Date Ended	Period Ended
	30.06.2013	30.06.2012	30.06.2013	30.06.2012
	RM'000	RM'000	RM'000	RM'000
<b>Operating revenue</b>	282,398	265,029	540,865	511,090
Gross written premiums	273,303	268,464	588,840	566,048
Change in unearned premiums provision	120	(11,596)	(82,550)	(87,028)
Gross earned premiums	273,423	256,868	506,290	479,020
Gross written premiums ceded to reinsurers	(117,609)	(120,203)	(252,138)	(246,611)
Change in unearned premiums provision	2,634	11,820	39,074	52,781
Premiums ceded to reinsurers	(114,975)	(108,383)	(213,064)	(193,830)
<b>Net earned premiums</b>	158,448	148,485	293,226	285,190
Investment income	8,975	8,161	34,575	32,070
Realised gains and losses	5	2	39	61
Commission income	22,804	18,675	43,643	37,293
Other operating income	1,239	1,108	2,384	1,993
<b>Other income</b>	33,023	27,946	80,641	71,417
Gross claims paid	(97,140)	(82,400)	(160,434)	(164,127)
Claims ceded to reinsurers	32,685	23,164	47,824	48,404
Gross change in contract liabilities	(23,588)	(9,335)	(119,403)	(52,768)
Change in contract liabilities ceded to reinsurers	18,959	1,680	90,754	19,446
<b>Net claims incurred</b>	(69,084)	(66,891)	(141,259)	(149,045)
Commission expense	(32,108)	(29,046)	(60,234)	(59,359)
Management expenses	(27,635)	(25,896)	(58,655)	(55,511)
<b>Other expenses</b>	(59,743)	(54,942)	(118,889)	(114,870)
<b>Operating profit</b>	62,644	54,598	113,719	92,692
Finance costs	(335)	(334)	(666)	(728)
Share of profit after tax of equity accounted associated company	198	267	545	388
<b>Profit before tax</b>	62,507	54,531	113,598	92,352
Tax expense	(15,928)	(14,100)	(24,907)	(20,444)
<b>Profit for the period</b>	46,579	40,431	88,691	71,908
<b>Profit attributable to:</b>				
Owners of the Company	46,579	40,431	88,691	71,908
Earnings per ordinary share (sen)				
- Basic	21.14	18.35	40.25	32.64
- Diluted	N/A	N/A	N/A	N/A

N/A - *Not Applicable.*

**Note : The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.**

**LPI CAPITAL BHD**

**Condensed Consolidated Statement of Comprehensive Income For The Quarter Ended 30 June 2013 - Unaudited**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.06.2013 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2012 RM'000	Current Year To Date Ended 30.06.2013 RM'000	Preceding Year Corresponding Period Ended 30.06.2012 RM'000
<b>Profit for the period</b>	46,579	40,431	88,691	71,908
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation differences for foreign operation	976	1,722	1,994	1,328
Fair value of available-for-sale financial assets	39,181	6,906	38,303	22,496
	40,157	8,628	40,297	23,824
Tax effect on fair value of available-for-sale financial assets	(84)	(82)	(155)	(145)
<b>Total other comprehensive income for the period, net of tax</b>	40,073	8,546	40,142	23,679
<b>Total comprehensive income for the period attributable to owners of the Company</b>	86,652	48,977	128,833	95,587

**Note : The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.**

**LPI CAPITAL BHD****Condensed Consolidated Statement Of Financial Position As At 30 June 2013 - Unaudited**

	As At 30.06.2013	As At 31.12.2012
	RM'000	RM'000
<b>Assets</b>		
Plant and equipment	10,526	11,966
Investment properties	16,178	15,857
Investment in associated company	14,483	13,127
Other investments	1,273,402	1,225,025
Available-for-sale financial assets	984,811	946,353
Held-to-maturity financial assets	288,591	278,672
Reinsurance assets	614,977	483,605
Loans and receivables, excluding insurance receivables	471,457	453,695
Insurance receivables	140,049	98,848
Deferred acquisition costs	26,537	27,467
Cash and cash equivalents	440,399	419,672
<b>Total assets</b>	<b>3,008,008</b>	<b>2,749,262</b>
<b>Equity</b>		
Share capital	221,324	221,324
Treasury shares, at cost	(8,300)	(8,300)
Reserves	1,178,298	1,159,620
<b>Total equity</b>	<b>1,391,322</b>	<b>1,372,644</b>
<b>Liabilities</b>		
Insurance contract liabilities	1,354,740	1,149,694
Deferred tax liabilities	1,289	1,123
Borrowings	32,500	32,500
Insurance payables	96,068	66,232
Other payables	114,641	115,033
Tax payables	17,448	12,036
<b>Total liabilities</b>	<b>1,616,686</b>	<b>1,376,618</b>
<b>Total equity and liabilities</b>	<b>3,008,008</b>	<b>2,749,262</b>

**Note :The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.**

**LPI CAPITAL BHD**

**Condensed Consolidated Statement Of Changes In Equity For The Period Ended 30 June 2013 - Unaudited**

	← Non-distributable →			Distributable			
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total RM'000
<b><u>6 Months Period Ended 30 June 2013</u></b>							
Balance as at 1 January 2013	221,324	(8,300)	117,052	1,666	789,091	251,811	1,372,644
Foreign currency translation differences for foreign operation	-	-	-	1,994	-	-	1,994
Fair value of available-for-sale financial assets	-	-	-	-	38,148	-	38,148
Total other comprehensive income for the period	-	-	-	1,994	38,148	-	40,142
Profit for the period	-	-	-	-	-	88,691	88,691
Total comprehensive income for the period	-	-	-	1,994	38,148	88,691	128,833
Dividends to owners of the Company	-	-	-	-	-	(110,155)	(110,155)
Total distribution to owners	-	-	-	-	-	(110,155)	(110,155)
Balance as at 30 June 2013	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>3,660</u>	<u>827,239</u>	<u>230,347</u>	<u>1,391,322</u>

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### Condensed Consolidated Statement Of Changes In Equity For The Period Ended 30 June 2013 - Unaudited (cont'd)

	← Non-distributable			→ Distributable			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
<b><u>6 Months Period Ended 30 June 2012</u></b>							
Balance as at 1 January 2012	221,324	(8,300)	117,052	814	622,607	228,087	1,181,584
Foreign currency translation differences for foreign operation	-	-	-	1,328	-	-	1,328
Fair value of available-for-sale financial assets	-	-	-	-	22,351	-	22,351
Total other comprehensive income for the period	-	-	-	1,328	22,351	-	23,679
Profit for the period	-	-	-	-	-	71,908	71,908
Total comprehensive income for the period	-	-	-	1,328	22,351	71,908	95,587
Dividends to owners of the Company	-	-	-	-	-	(110,155)	(110,155)
Total distribution to owners	-	-	-	-	-	(110,155)	(110,155)
Balance as at 30 June 2012	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>2,142</u>	<u>644,958</u>	<u>189,840</u>	<u>1,167,016</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 2012.

## LPI CAPITAL BHD

### Condensed Consolidated Statement of Cash Flow For The Period Ended 30 June 2013 - Unaudited

	Current Year To Date Ended 30.06.2013 RM'000	Preceding Year Corresponding Period Ended 30.06.2012 RM'000
<b>Operating activities</b>		
Profit before tax	113,598	92,352
Investment income	(34,575)	(32,070)
Realised gains recorded in profit or loss	(39)	(61)
Share of profit of equity accounted associated company	(545)	(388)
Purchase of available-for-sale financial assets	(63)	(58)
Purchase of held-to-maturity financial assets	(29,796)	(24,665)
Maturity of held-to-maturity financial assets	20,035	14,000
Repayment of corporate loan	-	500
<b>Non-cash items:</b>		
Depreciation of plant and equipment	2,164	1,704
<b>Changes in working capital:</b>		
Increase in loans and receivables	(16,497)	(73,450)
Increase in reinsurance assets	(129,829)	(72,226)
Increase in insurance receivables	(40,837)	(57,902)
Decrease in deferred acquisition costs	1,011	200
Increase in insurance contract liabilities	201,953	139,795
Increase in insurance payables	29,725	65,499
(Decrease) / Increase in other payables	(965)	380
Cash generated from operating activities	115,340	53,610
Dividend income received	17,962	16,692
Interest income received	16,407	15,055
Rental income on investment property received	195	307
Income tax paid	(19,495)	(17,640)
<b>Net cash flows generated from operating activities</b>	<b>130,409</b>	<b>68,024</b>

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### Condensed Consolidated Statement of Cash Flow For The Period Ended 30 June 2013 - Unaudited (cont'd)

	Current Year To Date Ended 30.06.2013 RM'000	Preceding Year Corresponding Period Ended 30.06.2012 RM'000
<b>Investing activities</b>		
Proceeds from disposal of plant and equipment	7	86
Purchase of plant and equipment	(717)	(1,343)
<b>Net cash flows used in investing activities</b>	<u>(710)</u>	<u>(1,257)</u>
<b>Financing activities</b>		
Dividends paid to owners of the Company	(110,155)	(110,155)
Repayment of borrowing	-	(7,000)
<b>Net cash flows used in financing activities</b>	<u>(110,155)</u>	<u>(117,155)</u>
Net increase / (decrease) in cash and cash equivalents	19,544	(50,388)
Cash and cash equivalents at beginning of year	419,672	415,424
Effect of movement in exchange rates	1,183	1,189
<b>Cash and cash equivalents at end of period</b>	<u>440,399</u>	<u>366,225</u>

**Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2012.**