

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

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter Ended	Quarter Ended	To Date Ended	Period Ended
	30.09.2013	30.09.2012	30.09.2013	30.09.2012
	RM'000	RM'000	RM'000	RM'000
Operating revenue	283,508	256,307	824,373	767,397
Gross written premiums	273,558	253,158	862,398	819,206
Change in unearned premiums provision	(11,631)	(16,713)	(94,181)	(103,741)
Gross earned premiums	261,927	236,445	768,217	715,465
Gross written premiums ceded to reinsurers	(111,965)	(103,138)	(364,103)	(349,749)
Change in unearned premiums provision	8,205	13,429	47,279	66,210
Premiums ceded to reinsurers	(103,760)	(89,709)	(316,824)	(283,539)
Net earned premiums	158,167	146,736	451,393	431,926
Investment income	21,581	19,862	56,156	51,932
Realised gains and losses	759	10	798	71
Commission income	20,819	20,669	64,462	57,962
Other operating income	1,233	1,258	3,617	3,251
Other income	44,392	41,799	125,033	113,216
Gross claims paid	(84,673)	(74,771)	(245,107)	(238,898)
Claims ceded to reinsurers	25,281	20,868	73,105	69,272
Gross change in contract liabilities	4,411	(21,246)	(114,992)	(74,014)
Change in contract liabilities ceded to reinsurers	(13,857)	7,765	76,897	27,211
Net claims incurred	(68,838)	(67,384)	(210,097)	(216,429)
Commission expense	(31,763)	(31,387)	(91,997)	(90,746)
Management expenses	(29,981)	(30,463)	(88,636)	(85,974)
Other expenses	(61,744)	(61,850)	(180,633)	(176,720)
Operating profit	71,977	59,301	185,696	151,993
Finance costs	(338)	(337)	(1,004)	(1,065)
Share of profit after tax of equity accounted associated company	255	98	800	486
Profit before tax	71,894	59,062	185,492	151,414
Tax expense	(11,537)	(11,430)	(36,444)	(31,874)
Profit for the period	60,357	47,632	149,048	119,540
Profit attributable to:				
Owners of the Company	60,357	47,632	149,048	119,540
Earnings per ordinary share (sen)				
- Basic	27.40	21.62	67.65	54.26
- 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.

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.09.2013 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2012 RM'000	Current Year To Date Ended 30.09.2013 RM'000	Preceding Year Corresponding Period Ended 30.09.2012 RM'000
Profit for the period	60,357	47,632	149,048	119,540
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	765	(562)	2,759	766
Fair value of available-for-sale financial assets	44,832	35,400	83,135	57,896
	45,597	34,838	85,894	58,662
Tax effect on fair value of available-for-sale financial assets	97	3	(58)	(142)
Total other comprehensive income for the period, net of tax	45,694	34,841	85,836	58,520
Total comprehensive income for the period attributable to owners of the Company	106,051	82,473	234,884	178,060

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.

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Condensed Consolidated Statement Of Financial Position As At 30 September 2013 - Unaudited

	As At 30.09.2013	As At 31.12.2012
	RM'000	RM'000
Assets		
Plant and equipment	10,146	11,966
Investment properties	16,371	15,857
Investment in associated company	14,746	13,127
Other investments	1,328,042	1,225,025
Available-for-sale financial assets	1,029,369	946,353
Held-to-maturity financial assets	298,673	278,672
Reinsurance assets	610,250	483,605
Loans and receivables, excluding insurance receivables	473,830	453,695
Insurance receivables	151,230	98,848
Deferred acquisition costs	26,929	27,467
Cash and cash equivalents	476,159	419,672
Total assets	3,107,703	2,749,262
Equity		
Share capital	221,324	221,324
Treasury shares, at cost	(8,300)	(8,300)
Reserves	1,244,694	1,159,620
Total equity	1,457,718	1,372,644
Liabilities		
Insurance contract liabilities	1,363,815	1,149,694
Deferred tax liabilities	1,199	1,123
Borrowings	32,500	32,500
Insurance payables	120,002	66,232
Other payables	117,937	115,033
Tax payables	14,532	12,036
Total liabilities	1,649,985	1,376,618
Total equity and liabilities	3,107,703	2,749,262

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.

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Condensed Consolidated Statement Of Changes In Equity For The Period Ended 30 September 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
<u>9 Months Period Ended 30 September 2013</u>							
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	-	-	-	2,759	-	-	2,759
Fair value of available-for-sale financial assets	-	-	-	-	83,077	-	83,077
Total other comprehensive income for the period	-	-	-	2,759	83,077	-	85,836
Profit for the period	-	-	-	-	-	149,048	149,048
Total comprehensive income for the period	-	-	-	2,759	83,077	149,048	234,884
Dividends to owners of the Company	-	-	-	-	-	(149,810)	(149,810)
Total distribution to owners	-	-	-	-	-	(149,810)	(149,810)
Balance as at 30 September 2013	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>4,425</u>	<u>872,168</u>	<u>251,049</u>	<u>1,457,718</u>

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

	← 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
<u>9 Months Period Ended 30 September 2012</u>							
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	-	-	-	766	-	-	766
Fair value of available-for-sale financial assets	-	-	-	-	57,754	-	57,754
Total other comprehensive income for the period	-	-	-	766	57,754	-	58,520
Profit for the period	-	-	-	-	-	119,540	119,540
Total comprehensive income for the period	-	-	-	766	57,754	119,540	178,060
Dividends to owners of the Company	-	-	-	-	-	(143,201)	(143,201)
Total distribution to owners	-	-	-	-	-	(143,201)	(143,201)
Balance as at 30 September 2012	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>1,580</u>	<u>680,361</u>	<u>204,426</u>	<u>1,216,443</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.

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

	Current Year To Date Ended 30.09.2013 RM'000	Preceding Year Corresponding Period Ended 30.09.2012 RM'000
Operating activities		
Profit before tax	185,492	151,414
Investment income	(56,156)	(51,932)
Realised gains recorded in profit or loss	(798)	(71)
Share of profit of equity accounted associated company	(800)	(486)
Purchase of available-for-sale financial assets	(63)	(58)
Proceeds from disposal of available-for-sale financial assets	1,088	-
Purchase of held-to-maturity financial assets	(44,796)	(34,664)
Maturity of held-to-maturity financial assets	25,035	32,318
Repayment of corporate loan	500	500
Non-cash items:		
Depreciation of plant and equipment	3,237	2,554
Changes in working capital:		
Increase in loans and receivables	(18,611)	(101,126)
Increase in reinsurance assets	(124,176)	(93,422)
Increase in insurance receivables	(51,800)	(50,324)
Decrease in deferred acquisition costs	667	256
Increase in insurance contract liabilities	209,171	177,756
Increase in insurance payables	53,592	51,709
Increase in other payables	1,988	8,255
Cash generated from operating activities	183,570	92,679
Dividend income received	30,723	28,300
Interest income received	25,125	23,193
Rental income on investment property received	285	417
Income tax paid	(33,948)	(29,832)
Net cash flows generated from operating activities	205,755	114,757

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

	Current Year To Date Ended 30.09.2013 RM'000	Preceding Year Corresponding Period Ended 30.09.2012 RM'000
Investing activities		
Proceeds from disposal of plant and equipment	7	86
Purchase of plant and equipment	(1,405)	(2,111)
Net cash flows used in investing activities	<u>(1,398)</u>	<u>(2,025)</u>
Financing activities		
Dividends paid to owners of the Company	(149,810)	(143,201)
Repayment of borrowing	-	(7,000)
Net cash flows used in financing activities	<u>(149,810)</u>	<u>(150,201)</u>
Net increase / (decrease) in cash and cash equivalents	54,547	(37,469)
Cash and cash equivalents at beginning of year	419,672	415,424
Effect of movement in exchange rates	1,940	1,187
Cash and cash equivalents at end of period	<u>476,159</u>	<u>379,142</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.