

LPI CAPITAL BHD
Condensed Consolidated Statement of Profit or Loss For The Quarter Ended 31 March 2014 - Unaudited

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31.03.2014 RM'000	Preceding Year Corresponding Quarter Ended 31.03.2013 RM'000	Current Year To Date Ended 31.03.2014 RM'000	Preceding Year Corresponding Period Ended 31.03.2013 RM'000
Operating revenue	277,798	258,467	277,798	258,467
Gross written premiums	354,604	315,537	354,604	315,537
Change in unearned premiums provision	(102,989)	(82,670)	(102,989)	(82,670)
Gross earned premiums	251,615	232,867	251,615	232,867
Gross written premiums ceded to reinsurers	(168,622)	(134,529)	(168,622)	(134,529)
Change in unearned premiums provision	52,906	36,440	52,906	36,440
Premiums ceded to reinsurers	(115,716)	(98,089)	(115,716)	(98,089)
Net earned premiums	135,899	134,778	135,899	134,778
Investment income	26,183	25,600	26,183	25,600
Realised gains and losses	3,923	34	3,923	34
Fair value gains and losses	-	-	-	-
Commission income	25,003	20,839	25,003	20,839
Other operating income	1,176	1,145	1,176	1,145
Other income	56,285	47,618	56,285	47,618
Gross claims paid	(88,411)	(63,294)	(88,411)	(63,294)
Claims ceded to reinsurers	28,635	15,139	28,635	15,139
Gross change in contract liabilities	(45,501)	(95,815)	(45,501)	(95,815)
Change in contract liabilities ceded to reinsurers	36,198	71,795	36,198	71,795
Net claims incurred	(69,079)	(72,175)	(69,079)	(72,175)
Commission expense	(28,693)	(28,126)	(28,693)	(28,126)
Management expenses	(32,022)	(31,020)	(32,022)	(31,020)
Other expenses	(60,715)	(59,146)	(60,715)	(59,146)
Operating profit	62,390	51,075	62,390	51,075
Finance costs	(74)	(331)	(74)	(331)
Share of profit after tax of equity accounted associated company	358	347	358	347
Profit before tax	62,674	51,091	62,674	51,091
Tax expense	(12,093)	(8,979)	(12,093)	(8,979)
Profit for the period	50,581	42,112	50,581	42,112
Profit attributable to:				
Owners of the Company	50,581	42,112	50,581	42,112
Earnings per ordinary share (sen)				
- Basic	22.96	19.11	22.96	19.11
- 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 2013.

LPI CAPITAL BHD

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For The Quarter Ended 31 March 2014 - Unaudited

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 31.03.2014 RM'000	Preceding Year Corresponding Quarter Ended 31.03.2013 RM'000	Current Year To Date Ended 31.03.2014 RM'000	Preceding Year Corresponding Period Ended 31.03.2013 RM'000
Profit for the period	50,581	42,112	50,581	42,112
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operation	305	1,018	305	1,018
Fair value of available-for-sale financial assets				
- Losses arising during the period	(14,093)	(878)	(14,093)	(878)
- Reclassification adjustments for gains included in profit or loss	(3,817)	-	(3,817)	-
	(17,910)	(878)	(17,910)	(878)
	(17,605)	140	(17,605)	140
Tax effect on net loss on fair value of available-for-sale financial assets	998	(71)	998	(71)
Total other comprehensive income for the period, net of tax	(16,607)	69	(16,607)	69
Total comprehensive income for the period attributable to owners of the Company	33,974	42,181	33,974	42,181

Note : The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013.

LPI CAPITAL BHD

Condensed Consolidated Statement Of Financial Position As At 31 March 2014 - Unaudited

	As At 31.03.2014	As At 31.12.2013
	RM'000	RM'000
Assets		
Plant and equipment	9,577	10,162
Investment properties	19,814	19,737
Investment in associated company	15,527	15,153
Other investments	1,422,741	1,430,801
Available-for-sale financial assets	1,104,329	1,124,992
Held-to-maturity financial assets	318,412	305,809
Reinsurance assets	703,737	614,362
Loans and receivables, excluding insurance receivables	295,774	344,587
Insurance receivables	171,070	117,933
Deferred acquisition costs	26,392	28,145
Cash and cash equivalents	608,334	621,451
Total assets	3,272,966	3,202,331
Equity		
Share capital	221,324	221,324
Treasury shares, at cost	(8,300)	(8,300)
Reserves	1,312,932	1,393,519
Total equity	1,525,956	1,606,543
Liabilities		
Insurance contract liabilities	1,509,860	1,360,773
Deferred tax liabilities	375	1,371
Borrowings	-	32,500
Insurance payables	121,625	75,637
Other payables	101,419	110,790
Tax payables	13,731	14,717
Total liabilities	1,747,010	1,595,788
Total equity and liabilities	3,272,966	3,202,331

Note :The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013.

LPI CAPITAL BHD

Condensed Consolidated Statement Of Changes In Equity For The Period Ended 31 March 2014 - 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>3 Months Period Ended 31 March 2014</u>							
Balance as at 1 January 2014	221,324	(8,300)	117,052	5,489	967,537	303,441	1,606,543
Foreign currency translation differences for foreign operation	-	-	-	305	-	-	305
Fair value of available-for-sale financial assets							
- Losses arising during the period	-	-	-	-	(13,095)	-	(13,095)
- Reclassification adjustments for gains included in profit or loss	-	-	-	-	(3,817)	-	(3,817)
Total other comprehensive income for the period	-	-	-	305	(16,912)	-	(16,607)
Profit for the period	-	-	-	-	-	50,581	50,581
Total comprehensive income for the period	-	-	-	305	(16,912)	50,581	33,974
Distribution to owners of the Company							
- Dividends to owners of the Company	-	-	-	-	-	(114,561)	(114,561)
Total transaction with owners of the Company	-	-	-	-	-	(114,561)	(114,561)
Balance as at 31 March 2014	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>5,794</u>	<u>950,625</u>	<u>239,461</u>	<u>1,525,956</u>

LPI CAPITAL BHD

Condensed Consolidated Statement Of Changes In Equity For The Period Ended 31 March 2014 - 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>3 Months Period Ended 31 March 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	-	-	-	1,018	-	-	1,018
Fair value of available-for-sale financial assets	-	-	-	-	(949)	-	(949)
Total other comprehensive income for the period	-	-	-	1,018	(949)	-	69
Profit for the period	-	-	-	-	-	42,112	42,112
Total comprehensive income for the period	-	-	-	1,018	(949)	42,112	42,181
Distribution to owners of the Company							
- Dividends to owners of the Company	-	-	-	-	-	(110,155)	(110,155)
Total transaction with owners of the Company	-	-	-	-	-	(110,155)	(110,155)
Balance as at 31 March 2013	<u>221,324</u>	<u>(8,300)</u>	<u>117,052</u>	<u>2,684</u>	<u>788,142</u>	<u>183,768</u>	<u>1,304,670</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 2013.

LPI CAPITAL BHD

Condensed Consolidated Statement of Cash Flow For The Period Ended 31 March 2014 - Unaudited

	Current Year To Date Ended 31.03.2014 RM'000	Preceding Year Corresponding Period Ended 31.03.2013 RM'000
Operating activities		
Profit before tax	62,674	51,091
Investment income	(26,183)	(25,600)
Realised gains recorded in profit or loss	(3,923)	(34)
Share of profit of equity accounted associated company	(358)	(347)
Proceeds from disposal of available-for-sale financial assets	6,588	-
Purchase of held-to-maturity financial assets	(23,929)	(10,027)
Maturity of held-to-maturity financial assets	11,386	5,035
Repayment of corporate loan	(500)	-
Non-cash items:		
Depreciation of plant and equipment	1,116	1,082
Unrealised foreign exchange loss	34	-
Changes in working capital:		
Decrease in loans and receivables	49,521	9,809
Increase in reinsurance assets	(89,104)	(108,236)
Increase in insurance receivables	(53,070)	(84,393)
Decrease in deferred acquisition costs	1,756	507
Increase in insurance contract liabilities	148,491	178,485
Increase in insurance payables	45,974	68,021
Decrease in other payables	(9,473)	(4,357)
Cash generated from operating activities	121,000	81,036
Dividend income received	17,587	17,590
Interest income received	8,338	7,890
Rental income on investment property received	237	119
Income tax paid	(13,080)	(10,723)
Net cash flows generated from operating activities	134,082	95,912

LPI CAPITAL BHD

Condensed Consolidated Statement of Cash Flow For The Period Ended 31 March 2014 - Unaudited (cont'd)

	Current Year To Date Ended 31.03.2014 RM'000	Preceding Year Corresponding Period Ended 31.03.2013 RM'000
Investing activities		
Proceeds from disposal of plant and equipment	216	2
Purchase of plant and equipment	(654)	(134)
Net cash flows used in investing activities	<u>(438)</u>	<u>(132)</u>
Financing activities		
Dividends paid to owners of the Company	(114,561)	(110,155)
Repayment of borrowing	(32,500)	-
Net cash flows used in financing activities	<u>(147,061)</u>	<u>(110,155)</u>
Net decrease in cash and cash equivalents	(13,417)	(14,375)
Cash and cash equivalents at beginning of year	621,451	419,672
Effect of movement in exchange rates	300	715
Cash and cash equivalents at end of period	<u>608,334</u>	<u>406,012</u>

Note : The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2013.