



Bursa Announcement

Third Quarter Ended 31 December 2016



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2016	3 months ended 31 Dec 2015	9 months ended 31 Dec 2016	9 months ended 31 Dec 2015
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	566,295	533,869	1,675,930	1,648,061
Premiums/contributions ceded to reinsurers and retakaful operators	(81,630)	(70,992)	(233,056)	(233,246)
Net earned premiums/contributions	484,665	462,877	1,442,874	1,414,815
Investment income	54,886	54,448	166,688	156,624
Realised gains	31	2,761	4,619	6,232
Fair value losses	(8,809)	(1,190)	(15,508)	(19,449)
Fee and commission income	16,707	15,191	34,901	32,880
Other operating revenue	8,473	7,641	21,404	29,029
Other revenue	71,288	78,851	212,104	205,316
Gross claims and benefits paid	(271,470)	(320,260)	(904,886)	(904,044)
Claims ceded to reinsurers/retakaful operators	(8,956)	6,310	77,667	75,491
Gross change in contract liabilities	(891)	(51,830)	(155,296)	(401,864)
Change in contract liabilities ceded to reinsurers/retakaful operators	(43,236)	(11,490)	(6,345)	66,720
Net claims and benefits	(324,553)	(377,270)	(988,860)	(1,163,697)
Fee and commission expense	(114,920)	(110,623)	(336,826)	(336,860)
Management expenses	(64,002)	(55,451)	(170,723)	(162,630)
Finance cost	(4,363)	(4,560)	(13,532)	(13,647)
Other operating expenses	215	(2,413)	(2,572)	(6,042)
Change in expenses liabilities	4,784	622	5,778	(4,583)
Tax borne by participants	(4,080)	(3,711)	(11,243)	(8,700)
Other expenses	(182,366)	(176,136)	(529,118)	(532,462)
Share of results of associates	2,529	5,538	8,226	7,059
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	51,563	(6,140)	145,226	(68,969)
(Surplus)/deficit attributable to takaful participants	(36,044)	7,371	(82,129)	30,109
Operating profit/(loss) before zakat and taxation	15,519	1,231	63,097	(38,860)
Zakat	452	(250)	-	(750)
Taxation	(8,679)	(1,648)	(17,360)	4,407
Net profit/(loss) for the period attributable to equity holders of the Company	7,292	(667)	45,737	(35,203)
Basic earnings/(loss) per share attributable to equity holders of the Company (sen):	3.1	(0.3)	19.3	(16.5)

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2016	3 months ended 31 Dec 2015	9 months ended 31 Dec 2016	9 months ended 31 Dec 2015
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the period	7,292	(667)	45,737	(35,203)
<u>Other comprehensive income/(losses):</u>				
Other comprehensive income/(losses) to be reclassified to income statement in subsequent periods:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	9,062	(4,451)	16,157	7,603
Effects of foreign exchange translation reserve on investment in subsidiary	(44)	102	1,794	814
Net (loss)/gain on AFS financial assets:				
Net (loss)/gain on fair value changes	(65,695)	30,265	(24,297)	(12,885)
Realised gain transferred to income statement	139	(1,517)	(4,511)	(5,061)
Deferred tax relating to net loss/(gain) on AFS financial assets	5,223	(4,287)	236	2,716
Other comprehensive losses/(income) attributable to participants	38,422	(13,395)	15,673	10,588
Other comprehensive income not to be reclassified to income statement in subsequent periods:				
Revaluation of land and buildings	659	596	1,976	1,786
Deferred tax relating to revaluation of land and buildings	(53)	(48)	(158)	(143)
Other comprehensive income attributable to participants	(606)	(548)	(1,818)	(1,643)
Total comprehensive (loss)/profit for the period	(5,601)	6,050	50,789	(31,428)

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	GROUP	
	Unaudited 31 Dec 2016 RM'000	Audited 31 Mar 2016 RM'000
Assets		
Property, plant and equipment	244,291	247,497
Investment properties	7,400	7,400
Intangible assets	17,214	14,824
Deferred tax assets	11,488	15,551
Investment in associates	150,292	128,521
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")	132,552	129,096
Held-to-maturity ("HTM") investments	695,697	701,430
Available-for-sale ("AFS") financial assets	3,275,129	2,744,399
Loans and receivables ("LAR")	1,886,727	2,060,905
Reinsurance/retakaful assets	486,079	497,180
Insurance/takaful receivables	330,070	357,012
Tax recoverable	31,503	26,592
Cash and bank balances	61,602	177,313
Total assets	7,330,044	7,107,720
Liabilities and Participants' funds		
Participants' funds	268,622	201,186
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	4,965,090	4,847,518
Insurance/takaful payables	182,086	199,285
Other payables	197,764	194,004
Deferred tax liabilities	7,012	10,791
Provision for taxation	8,439	4,614
Provision for zakat	62	142
Total liabilities and participants' funds	5,949,075	5,777,540
Equity		
Share capital	319,605	213,070
Reserves	1,061,364	1,117,110
Total equity attributable to equity holders of the Company	1,380,969	1,330,180
Total liabilities, participants' funds and equity	7,330,044	7,107,720
Net assets per share (RM)	4.32	6.24

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2016*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016**

	GROUP								
	Attributable to Equity Holders of the Company								
	Share capital RM'000	Reserves						Net profit for the period RM'000	Total RM'000
		Non-distributable			Distributable				
Share premium RM'000		Foreign exchange translation reserve RM'000	AFS reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	-			
At 1 April 2016	213,070	105,051	38,776	3,527	41,666	928,090	-	1,330,180	
Issuance of bonus shares	106,535	(105,051)	-	-	-	(1,484)	-	-	
Total comprehensive income for the period	-	-	17,951	(12,899)	-	-	45,737	50,789	
At 31 December 2016	319,605	-	56,727	(9,372)	41,666	926,606	45,737	1,380,969	

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015**

	GROUP								
	Attributable to Equity Holders of the Company								
	Share capital RM'000	Reserves						Net profit for the period RM'000	Total RM'000
		Non-distributable			Distributable				
Share premium RM'000		Foreign exchange translation reserve RM'000	AFS reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	-			
At 1 April 2015	213,070	105,051	33,047	(5,812)	37,199	966,919	-	1,349,474	
Total comprehensive income/(loss) for the period	-	-	8,417	(6,285)	1,643	-	(35,203)	(31,428)	
At 31 December 2015	213,070	105,051	41,464	(12,097)	38,842	966,919	(35,203)	1,318,046	

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the Annual Financial Statements for the year ended 31 March 2016*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016

	GROUP	
	9 months ended 31 Dec 2016	9 months ended 31 Dec 2015
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before surplus transfer, zakat and tax	63,097	(38,860)
Adjustments for:		
Net fair value losses on financial assets at FVTPL	3,810	4,449
Impairment loss on AFS financial assets	11,698	13,809
(Reversal of impairment loss)/impairment loss on insurance/takaful receivables	(733)	267
Depreciation of property, plant and equipment	6,378	4,634
Amortisation of intangible assets	1,891	673
Losses on disposal of property, plant and equipment	15	1
(Decrease)/increase in gross premium and contribution liabilities	(32,767)	17,234
Interest/profit income	(151,494)	(93,303)
Dividend income	(16,646)	(9,685)
Rental income	(5,714)	(3,136)
Finance cost	13,532	9,087
Net gains on disposal of investments	(4,634)	(3,472)
Net amortisation of premiums on investments	3,307	2,622
Share of results of associates	(8,226)	(1,521)
Loss from operations before changes in operating assets and liabilities	(116,486)	(97,201)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(130,951)	(75,201)
Net purchase from disposal of investments	(230,655)	(62,091)
Decrease in staff loans	964	1,597
Decrease/(increase) in insurance/takaful receivables	29,262	(118,719)
Decrease/(increase) in other receivables	3,771	(2,461)
Increase in gross claim and actuarial liabilities	156,117	350,034
(Decrease)/increase in expense liabilities	(5,778)	5,205
Increase/(decrease) in participants' funds	81,309	(22,738)
Decrease in insurance/takaful payables	(17,459)	(14,997)
(Decrease)/increase in other payables	(47,342)	53,088
Taxes and zakat paid	(14,374)	(31,584)
Interest/profit received	157,639	92,196
Dividend received	19,319	9,739
Rental received	5,849	2,425
Decrease/(increase) in reinsurance/retakaful assets	11,101	(85,862)
Net cash (used in)/generated from operating activities	(97,714)	3,430



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016

	GROUP	
	9 months ended 31 Dec 2016	9 months ended 31 Dec 2015
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(131)	(1,293)
Purchase of intangible assets	(4,819)	(767)
Proceeds from disposal of intangible assets	217	18
Proceeds from disposal of property, plant and equipment	412	596
Net cash used in investing activities	(4,321)	(1,446)
Cash flows from financing activities		
Finance cost paid	(13,676)	(9,087)
Net cash used in financing activities	(13,676)	(9,087)
Cash and bank balances		
Net decrease during the period	(115,711)	(7,103)
At the beginning of the period	177,313	82,702
At the end of the period	61,602	75,599

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2016*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A1. Basis of preparation

The interim financial report should be read in conjunction with the Group's most recent audited financial statements for the year ended 31 March 2016.

The significant accounting policies and methods of computation adopted in the unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 March 2016 except for the adoption of the following accounting standard and amendments/improvements to Malaysian Financial Reporting Standards ("MFRSs") issued by MASB that are effective for the Group's financial year beginning 1 April 2016:

MFRS 14 Regulatory Deferral Accounts

Amendments to MFRS 10, MFRS 12 and MFRS 128 Investment Entities: Applying the Consolidation Exception

Amendments to MFRS 11 Accounting for Acquisitions of Interests in Joint Operations

Amendments to MFRS 101 Disclosure Initiative

Amendments to MFRS 116 and MFRS 138 Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to MFRS 116 and MFRS 141 Agriculture: Bearer Plants

Amendments to MFRS 127 Equity Method in Separate Financial Statements

Annual Improvements to MFRS 2012 - 2014 Cycle

The adoption of the above accounting standard and amendments/improvements to MFRSs does not have any material impact on the financial statements of the Group and of the Company.

A2. Auditors' Report on preceding annual financial statements

The auditors' report on the audited financial statements for the financial year ended 31 March 2016 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial period ended 31 December 2016, the operations of the Group were not materially affected by any seasonal factors. With regard to cyclical factors, the performance of the Group is directly correlated with the industry cycle and the economic performance of the countries in which the Group has business dealings with.

A4. Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial period ended 31 December 2016.

A5. Changes in estimates

There were no material changes in estimates used in the preparation of this interim financial report.

A6. Issuances, cancellations, repurchase, resale and repayments of debt and equity securities

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial period under review.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A7. Dividend paid

No dividend was paid during the third quarter ended 31 December 2016.

A8. Segmental reporting

Financial period ended 31 December 2016

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue						
External	2,963	1,034,912	762,133	20,908		1,820,916
Inter-segment	25,671	2,029	770	243	(28,713)	-
	28,634	1,036,941	762,903	21,151	(28,713)	1,820,916
Results						
Segment results	(10,270)	56,453	79,268	14,162	(2,612)	137,001
Share of results of associates	227	7,999	-	-	-	8,226
Operating (loss)/profit before surplus attributable to takaful participants, zakat and taxation	(10,043)	64,452	79,268	14,162	(2,612)	145,227
Surplus attributable to takaful participants	-	-	(81,309)	(820)	-	(82,129)
Operating (loss)/profit before zakat and taxation	(10,043)	64,452	(2,041)	13,342	(2,612)	63,098
Zakat and taxation	(190)	(11,568)	(5,466)	(137)	-	(17,361)
Net (loss)/profit for the period attributable to equity holders of the Company	(10,233)	52,884	(7,507)	13,205	(2,612)	45,737

Financial period ended 31 December 2015

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Business RM'000	Retakaful Business RM'000	Intra-Group Adjustments RM'000	Consolidated RM'000
Revenue						
External	1,649	1,099,669	701,140	23,034	-	1,825,492
Inter-segment	123,950	1,759	841	40	(126,590)	-
	125,599	1,101,428	701,981	23,074	(126,590)	1,825,492
Results						
Segment results	84,095	(36,661)	(46,514)	16,030	(100,000)	(83,050)
Share of results of associates	554	6,505	-	-	-	7,059
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	84,649	(30,156)	(46,514)	16,030	(100,000)	(75,991)
Deficit/(surplus) attributable to takaful participants	-	-	53,392	(16,261)	-	37,131
Operating profit/(loss) before zakat and taxation	84,649	(30,156)	6,878	(231)	(100,000)	(38,860)
Zakat and taxation	879	7,396	(4,618)	-	-	3,657
Net profit/(loss) for the period attributable to equity holders of the Company	85,528	(22,760)	2,260	(231)	(100,000)	(35,203)

* Restated to be in line with basis adopted in the Audited Financial Statements for financial year ended 31 March 2016



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A9. Carrying amount of revalued properties

The valuations of property, plant and equipment and investment properties have been brought forward, without any change, from the financial statements for the financial year ended 31 March 2016.

A10. Significant events

There were no significant events during the current financial period ended 31 December 2016.

A11. Subsequent events

There were no significant subsequent events from 31 December 2016 to the date of this report.

A12. Changes in the composition of the Group

There were no significant changes in the composition of the Group during the current financial period ended 31 December 2016.

A13. Capital Commitments

The amount of capital commitments of the Group as at 31 December 2016 were as follows:

Authorised and contracted for:

- Intangible assets*

* Relating to purchases and enhancement of computer systems.

RM'000

5,422



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A14. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds

(i) **Unaudited as at 31 December 2016**

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Assets							
Property, plant and equipment	128,633	-	-	-	-	115,658	244,291
Investment properties	7,400	-	115,658	-	-	(115,658)	7,400
Intangible assets	17,214	-	-	-	-	-	17,214
Deferred tax assets	8,847	3,114	83	(32)	-	(524)	11,488
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,614	-	-	-	-	72,678	150,292
Financial assets at fair value							
through profit or loss ("FVTPL")	864	792	130,607	281	8	-	132,552
Held-to-maturity ("HTM") investments	261,531	71,768	331,783	19,152	12,463	(1,000)	695,697
Available-for-sale ("AFS")							
financial assets	1,642,308	226,185	1,392,676	20,639	6,363	(13,042)	3,275,129
Loans and receivables ("LAR")	1,260,596	107,690	583,845	39,162	7,447	(112,013)	1,886,727
Reinsurance/retakaful assets	264,089	151,460	43,927	20,899	5,704	-	486,079
Insurance/takaful receivables	218,561	30,466	64,679	8,803	7,561	-	330,070
Tax recoverable	31,503	-	-	8	5	(13)	31,503
Cash and bank balances	35,468	1,782	24,349	(62)	65	-	61,602
Total assets	4,798,333	593,257	2,687,607	108,850	39,616	(897,619)	7,330,044
Liabilities and Participants' funds							
Participants' funds	-	117,257	152,619	5,922	2,346	(9,522)	268,622
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,068,187	403,237	2,404,790	83,345	10,413	(4,882)	4,965,090
Insurance/takaful payables	112,455	27,959	28,932	7,323	5,417	-	182,086
Other payables	122,150	40,136	99,442	15,276	21,440	(100,680)	197,764
Deferred tax liabilities	7,012	-	-	-	-	-	7,012
Provision for taxation	1,957	4,668	1,824	3	-	(13)	8,439
Provision for zakat	62	-	-	-	-	-	62
Total liabilities and participants' funds	2,632,823	593,257	2,687,607	111,869	39,616	(116,097)	5,949,075
Equity							
Share capital	1,233,105	-	-	-	-	(913,500)	319,605
Reserves	932,405	-	-	(3,019)	-	131,978	1,061,364
Total equity attributable to equity holders of the Parent	2,165,510	-	-	(3,019)	-	(781,522)	1,380,969
Total liabilities, participants' funds and equity	4,798,333	593,257	2,687,607	108,850	39,616	(897,619)	7,330,044



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INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A14. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds (Cont'd.)

(ii) As at 31 March 2016

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Assets							
Property, plant and equipment	131,839	-	-	-	-	115,658	247,497
Investment properties	7,400	-	115,658	-	-	(115,658)	7,400
Intangible assets	14,824	-	-	-	-	-	14,824
Deferred tax assets	8,664	1,638	-	67	-	5,182	15,551
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,615	-	-	-	-	50,906	128,521
Financial assets at fair value through profit or loss ("FVTPL")	862	773	127,174	279	8	-	129,096
Held-to-maturity ("HTM") investments	261,988	71,845	336,957	19,177	12,463	(1,000)	701,430
Available-for-sale ("AFS") financial assets	1,299,927	196,954	1,223,635	26,199	11,389	(13,705)	2,744,399
Loans and receivables ("LAR")	1,471,651	88,156	504,537	35,750	10,774	(49,963)	2,060,905
Reinsurance/retakaful assets	305,621	127,454	33,098	24,209	6,798	-	497,180
Insurance/takaful receivables	272,925	29,449	45,104	4,779	6,344	(1,589)	357,012
Tax recoverable	26,592	-	-	-	-	-	26,592
Cash and bank balances	32,623	26,846	117,735	74	35	-	177,313
Total assets	4,756,236	543,115	2,503,898	110,534	47,811	(853,874)	7,107,720
Liabilities and Participants' funds							
Participants' funds	-	94,058	108,223	4,149	17,550	(22,794)	201,186
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,098,230	378,049	2,263,314	87,119	12,399	8,407	4,847,518
Insurance/takaful payables	106,185	24,305	48,366	9,473	12,545	(1,589)	199,285
Other payables	89,605	45,841	82,095	9,793	5,298	(38,628)	194,004
Deferred tax liabilities	3,490	-	1,895	-	19	5,387	10,791
Provision for taxation	3,747	862	5	-	-	-	4,614
Provision for zakat	142	-	-	-	-	-	142
Total liabilities and participants' funds	2,622,399	543,115	2,503,898	110,534	47,811	(50,217)	5,777,540
Equity							
Share capital	1,126,570	-	-	-	-	(913,500)	213,070
Reserves	1,007,267	-	-	-	-	109,843	1,117,110
Total equity attributable to equity holders of the Parent	2,133,837	-	-	-	-	(803,657)	1,330,180
Total liabilities, participants' funds and equity	4,756,236	543,115	2,503,898	110,534	47,811	(853,874)	7,107,720



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A15. Unaudited Condensed Consolidated Income Statement by Insurance Funds

(i) 9 months ended 31 December 2016

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Gross earned premiums/contributions	984,819	213,099	464,911	6,890	7,851	(1,640)	1,675,930
Premiums/contributions ceded to reinsurers and retakaful operators	(85,887)	(85,679)	(53,393)	(2,878)	(5,849)	630	(233,056)
Net earned premiums/contributions	898,932	127,420	411,518	4,012	2,002	(1,010)	1,442,874
Investment income	88,249	10,967	71,143	2,182	926	(6,779)	166,688
Realised gains and losses	2,466	431	1,722	-	-	-	4,619
Fair value gains and losses	(6,494)	(1,003)	(8,012)	1	-	-	(15,508)
Fee and commission income	239,703	18,428	3,735	14	-	(226,979)	34,901
Other operating revenue	35,441	-	3,765	990	1	(18,793)	21,404
Other revenue	359,365	28,823	72,353	3,187	927	(252,551)	212,104
Gross claims and benefit paid	(628,707)	(99,750)	(162,073)	(7,598)	(7,320)	562	(904,886)
Claims ceded to reinsurers/retakaful operators	35,265	41,341	(4,256)	1,242	4,637	(562)	77,667
Gross change in contract liabilities	(7,342)	(28,641)	(141,476)	6,067	1,987	14,109	(155,296)
Change in contract liabilities ceded to reinsurers/retakaful operators	(32,760)	19,975	10,829	(3,294)	(1,095)	-	(6,345)
Net claims and benefits	(633,544)	(67,075)	(296,976)	(3,583)	(1,791)	14,109	(988,860)
Fee and commission expenses	(334,136)	(60,664)	(139,421)	(3,896)	(319)	201,610	(336,826)
Management expenses	(220,587)	4,476	16,860	(5)	-	28,533	(170,723)
Finance cost	(13,569)	-	-	-	-	37	(13,532)
Other operating expenses	(1,771)	(2,786)	-	(800)	-	2,785	(2,572)
Changes in expenses liabilities	5,778	-	-	-	-	-	5,778
Tax borne by participants	-	(5,816)	(5,427)	-	-	-	(11,243)
Other expenses	(564,285)	(64,790)	(127,988)	(4,701)	(319)	232,965	(529,118)
Share of results of associates	-	-	-	-	-	8,226	8,226
Operating profit/(loss) before surplus/ attributable to takaful participants, zakat and taxation	60,468	24,378	58,907	(1,085)	819	1,739	145,226
(Surplus)/deficit attributable to takaful participants	-	(24,378)	(58,907)	(1,898)	(820)	3,874	(82,129)
Operating profit/(loss) before zakat and taxation	60,468	-	-	(2,983)	(1)	5,613	63,097
Zakat	-	-	-	-	-	-	-
Taxation	(17,325)	-	-	(35)	-	-	(17,360)
Net profit/(loss) for the period attributable to equity holders of the Parent	43,143	-	-	(3,018)	(1)	5,613	45,737



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A15. Unaudited Condensed Consolidated Income Statement by Insurance Funds (Cont'd.)

(ii) 9 months ended 31 December 2015

	General reinsurance and shareholders' fund RM'000	General takaful fund RM'000	Family takaful fund RM'000	General retakaful fund RM'000	Family retakaful fund RM'000	Elimination and adjustment RM'000	Consolidated RM'000
Gross earned premiums/contributions	1,003,486	198,663	429,466	11,691	9,386	(4,631)	1,648,061
Premiums/contributions ceded to reinsurers and retakaful operators	(97,484)	(71,577)	(59,608)	(1,283)	(3,839)	545	(233,246)
Net earned premiums/contributions	906,002	127,086	369,858	10,408	5,547	(4,086)	1,414,815
Investment income	185,775	9,438	62,946	2,364	1,087	(104,986)	156,624
Realised gains and losses	1,702	354	4,134	28	14	-	6,232
Fair value gains and losses	(15,536)	(848)	(3,055)	12	(22)	-	(19,449)
Fee and commission income	215,093	18,509	-	76	74	(200,872)	32,880
Other operating revenue	22,632	-	7,210	609	34	(1,456)	29,029
Other revenue	409,666	27,453	71,235	3,089	1,187	(307,314)	205,316
Gross claims and benefit paid	(557,239)	(98,274)	(225,247)	(20,642)	(4,844)	2,202	(904,044)
Claims ceded to reinsurers/retakaful operators	20,024	39,834	12,734	2,710	2,391	(2,202)	75,491
Gross change in contract liabilities	(251,773)	(31,125)	(146,449)	15,741	11,742	-	(401,864)
Change in contract liabilities ceded to reinsurers/retakaful	66,548	11,080	(4,246)	(3,829)	(2,833)	-	66,720
Net claims and benefits	(722,440)	(78,485)	(363,208)	(6,020)	6,456	-	(1,163,697)
Fee and commission expense	(335,133)	(58,215)	(117,969)	(2,950)	(1,246)	178,653	(336,860)
Management expenses	(181,188)	(3,524)	(8,659)	-	-	30,741	(162,630)
Finance cost	(13,647)	-	-	-	-	-	(13,647)
Other operating expenses	(4,595)	(1,456)	-	(204)	(6)	219	(6,042)
Changes in expenses liabilities	(4,583)	-	-	-	-	-	(4,583)
Tax borne by participants	-	(3,420)	(5,280)	-	-	-	(8,700)
Other expenses	(539,146)	(66,615)	(131,908)	(3,154)	(1,252)	209,613	(532,462)
Share of results of associates	-	-	-	-	-	7,059	7,059
Operating profit/(loss) before surplus attributable to takaful participants, zakat and taxation	54,082	9,439	(54,023)	4,323	11,938	(94,728)	(68,969)
(Surplus)/deficit attributable to takaful participants	-	(9,439)	54,023	(4,323)	(11,938)	1,786	30,109
Operating profit/(loss) before zakat and taxation	54,082	-	-	-	-	(92,942)	(38,860)
Zakat	(750)	-	-	-	-	-	(750)
Taxation	4,407	-	-	-	-	-	4,407
Net profit/(loss) for the period attributable to equity holders of the Parent	57,739	-	-	-	-	(92,942)	(35,203)



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B1. Review of performance

For the period ended 31 December 2016, the Group recorded a revenue of RM1.82 billion as compared to RM1.83 billion reported in the corresponding period last year. This was mainly due to lower gross premiums by the Company's reinsurance subsidiary.

Group's net profit for the current period was RM45.7 million, higher by RM80.9 million as compared to RM35.2 million net loss reported in the corresponding period last year. This was mainly attributable to the improvement in the results of the Company's reinsurance subsidiary.

Investment holding

Revenue for the period ended 31 December 2016 of RM28.6 million was lower by RM97.0 million or 77.2% as compared to RM125.6 million reported in the corresponding period last year.

Net loss reported for the period ended 31 December 2016 was RM10.2 million as compared to a net profit of RM85.5 million in the corresponding period last year.

The lower revenue and the net loss reported were mainly due to no dividend income received from the Company's subsidiaries.

Reinsurance business

Revenue for reinsurance business for the period ended 31 December 2016 decreased by 6.1% from RM1.10 billion to RM1.03 billion. The decrease was mainly due to the lower gross premiums from international business as a result of conscious effort to withdraw from certain business segments.

Net profit for the period ended 31 December 2016 was higher by 332.41% from net loss of RM22.8 million to net profit of RM52.9 million as a result of lower claims.

Takaful business

Revenue for takaful business for the period ended 31 December 2016 increased by 8.7% from RM702.0 million to RM762.9 million. This was mainly due to higher gross contributions achieved by the takaful subsidiary.

The takaful subsidiary recorded a net loss of RM7.5 million in the current period as compared to a net profit of RM2.2 million. The net loss was mainly due to reclassification of certain expenses of the takaful funds to the shareholder's fund.

Retakaful business

Revenue for retakaful business for the period ended 31 December 2016 was lower by 8.3% from RM23.1 million to RM21.2 million, consistent with the efforts to consolidate its business portfolio.

The retakaful business recorded a profit of RM14.7 million in the current period as compared to a loss of RM0.2 million in the corresponding period last year mainly due to the partial reversal of Qard impairment.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a marginally higher net profit of RM7.6 million in the current quarter as compared to RM7.5 million in the preceding quarter.

B3. Current year prospects

Barring any unforeseen circumstances, the Group is expected to achieve improved results for the financial year ending 31 March 2017 as compared to the previous financial year.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the financial period ended 31 December 2016.

B5. Taxation

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2016 RM'000	3 months ended 31 Dec 2015 RM'000	9 months ended 31 Dec 2016 RM'000	9 months ended 31 Dec 2015 RM'000
Operating profit before zakat and tax	15,519	1,231	63,097	(38,860)
Current tax	(8,584)	(1,919)	(15,392)	(4,122)
Deferred tax	(95)	271	(1,968)	8,529
Zakat	(8,679)	(1,648)	(17,360)	4,407
	452	(250)	-	(750)
	(8,227)	(1,898)	(17,360)	3,657
Net profit	7,292	(667)	45,737	(35,203)
Effective tax rate	55.9%	133.9%	27.5%	11.3%

The effective tax rate for the 9 months period ended 31 December 2016 was higher than the statutory tax rate of 24% principally due to the higher non-deductible expenses in the takaful subsidiary.

The effective tax rate for the 9 months period ended 31 December 2015 was lower than the statutory tax rate of 24% principally due to the deferred tax asset recognised for the loss reported by the Company's reinsurance subsidiary being partially offset by the tax expenses of the Company's takaful subsidiary.

B6. Status of corporate proposals

There is no corporate proposal announced but not completed as at the date of this announcement.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B7. Borrowings and debt securities

The Group borrowings as at 31 December 2016 were as follows:

	GROUP 31 Dec 2016 RM'000
Unsecured long term borrowings:	
RM200.0 million Islamic Commodity Murabahah Facility due in 2017	200,000
RM120.0 million Sukuk Mudharabah Programme due in 2017	120,000
	320,000

B8. Off balance sheet financial instruments

There were no financial instruments with material off balance sheet risk as at the date of this report.

B9. Material litigation

There was no pending material litigation as at the date of this report.

B10. Dividends

No dividends were paid or declared to date for the current financial year ending 31 March 2017.

B11. Earnings/(loss) per share

The basic earnings/(loss) per share is calculated by dividing the net profit/(loss) for the period by the number of ordinary shares in issue during the period.

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2016	3 months ended 31 Dec 2015	9 months ended 31 Dec 2016	9 months ended 31 Dec 2015
Net profit/(loss) for the period (RM'000)	7,292	(667)	45,737	(35,203)
Number of ordinary shares in issue ('000)	236,744 [*]	213,070	236,744 [*]	213,070
Basic earnings/(loss) per share (sen)	3.1	(0.3)	19.3	(16.5)

^{*} Calculated based on weighted average number of shares in issue during the period.

The Group has no potential dilutive ordinary shares in issue as at the end of the period and therefore, diluted earnings per share has not been presented.



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B12. Additional disclosures for the income statement

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 31 Dec 2016 RM'000	3 months ended 31 Dec 2015 RM'000	9 months ended 31 Dec 2016 RM'000	9 months ended 31 Dec 2015 RM'000
Interest/profit income	51,584	48,026	151,494	141,329
Dividend income	4,865	5,279	16,646	14,964
Rental income	2,533	1,869	5,714	5,005
Finance cost	(4,364)	(4,560)	(13,532)	(13,647)
Net gain on disposal of investments	31	2,760	4,634	6,232
Depreciation and amortisation	(2,745)	(2,794)	(8,269)	(8,101)
(Impairment loss)/reversal of impairment loss on insurance/takaful receivables	(1,892)	5,684	733	5,417
Impairment loss on investments	(4,190)	(4,457)	(11,698)	(18,266)

Other than the above, there were no gain or loss on derivatives and exceptional items reported during the period ended 31 December 2016.

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MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2016
(The figures have not been audited)

**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
LISTING REQUIREMENTS OF BURSA MALAYSIA**

B13. Disclosure of realised and unrealised profits

As required by Bursa Securities, the breakdown of the retained profits of the Group as at 31 December 2016, into realised and unrealised profits, was as follows:

	GROUP	
	31 Dec 2016	31 Mar 2016
	RM'000	RM'000
Total retained profits of the Group:		
Realised	1,037,539	991,375
Unrealised	527	6,509
	1,038,066	997,884
Share of realised retained profits from associated companies	17,385	9,159
	1,055,451	1,007,043
Less: Consolidation adjustments	(87,179)	(78,953)
Total retained profits per the statement of changes in equity	968,272	928,090

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

By Order of the Board

NORAZMAN BIN HASHIM (MIA 5817)
LENA BTE ABD LATIF (LS 8766)
Company Secretaries

Kuala Lumpur
Dated: 27 February 2017