



MNRB HOLDINGS BERHAD

Bursa Announcement

First Quarter Ended 30 June 2012



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2012
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
Operating revenue	404,382	398,893	404,382	398,893
Gross earned premiums	284,944	305,551	284,944	305,551
Premiums ceded to reinsurers	(80,863)	(44,525)	(80,863)	(44,525)
Net earned premiums	204,081	261,026	204,081	261,026
Investment income	24,496	21,161	24,496	21,161
Realised gains and losses	10,807	518	10,807	518
Fair value gains and losses	266	319	266	319
Fee and commission income	51,380	64,592	51,380	64,592
Other operating revenue	6,962	1,705	6,962	1,705
Other revenue	93,911	88,295	93,911	88,295
Gross claims paid	(158,253)	(154,571)	(158,253)	(154,571)
Claims ceded to reinsurers	33,129	10,634	33,129	10,634
Gross change in contract liabilities	14,317	(13,224)	14,317	(13,224)
Change in contract liabilities ceded to reinsurers	31,371	7,753	31,371	7,753
Net claims	(79,436)	(149,408)	(79,436)	(149,408)
Fee and commission expense	(103,790)	(100,194)	(103,790)	(100,194)
Management expenses	(43,053)	(42,665)	(43,053)	(42,665)
Finance cost	(3,197)	(3,053)	(3,197)	(3,053)
Other operating expenses	(2,768)	(1,099)	(2,768)	(1,099)
Other expenses	(152,808)	(147,011)	(152,808)	(147,011)
Share of results of associates	(1,859)	(1,117)	(1,859)	(1,117)
Profit/(loss) before zakat and tax	63,889	51,785	63,889	51,785
Zakat	(113)	(100)	(113)	(100)
Tax expenses	(13,332)	(8,721)	(13,332)	(8,721)
Net profit/(loss) for the period	50,444	42,964	50,444	42,964
Earnings per share (sen) - Basic	23.7	20.2	23.7	20.2

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Report for the year ended 31 March 2012*



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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
Net profit for the period	50,444	42,964	50,444	42,964
Other comprehensive (loss)/income:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	3,645	(162)	3,645	(162)
Effects of foreign exchange translation reserve on investment in subsidiary	76	14	76	14
Net (loss)/gain on available-for-sale financial assets	(9,488)	4,685	(9,488)	4,685
Deferred tax relating to components of other comprehensive income	(2,871)	(702)	(2,871)	(702)
Total comprehensive income for the period	41,806	46,799	41,806	46,799

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the Annual Financial Report for the year ended 31 March 2012*



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(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	GROUP		
		Unaudited 30 Jun 2012 RM'000	Restated 31 Mar 2012 RM'000	Restated 1 Apr 2011 RM'000
ASSETS				
Property, plant and equipment		135,432	135,989	124,751
Investment properties		5,600	5,600	28,600
Intangible assets		13,880	13,969	12,969
Deferred tax assets		6,289	4,759	5,293
Investment in associates		88,168	86,382	117,542
Financial assets at fair value through profit or loss		18,699	17,953	14,912
Held-to-maturity ("HTM") investments		334,320	239,965	236,965
Available-for-sale ("AFS") financial assets		918,527	1,051,007	830,151
Loans and receivables		1,049,689	1,016,498	1,034,575
Reinsurance assets		402,731	357,636	146,597
Insurance receivables		223,754	150,100	138,173
Tax recoverable		-	3,508	11,476
Cash and bank balances		32,646	2,760	9,483
Non-current asset held for sale		-	56,601	34,173
Total general reinsurance business and shareholders' fund assets		3,229,735	3,142,727	2,745,660
General takaful fund assets		347,805	345,985	350,514
Family takaful fund assets		1,725,064	1,608,610	1,302,588
General retakaful fund assets		98,343	89,302	76,853
Family retakaful fund assets		15,560	12,873	16,976
Total assets		5,416,507	5,199,497	4,492,591
LIABILITIES				
Islamic medium term notes ("IMTN")	B7	150,000	150,000	150,000
Short term revolving credit facility	B7	120,000	120,000	-
Insurance contract liabilities		1,671,207	1,638,443	1,412,707
Insurance payables		92,604	88,110	65,394
Other payables		45,711	48,354	94,860
Provision for taxation		10,610	-	-
Provision for zakat		367	390	574
Total general reinsurance business and shareholders' fund liabilities		2,090,499	2,045,297	1,723,535
General takaful fund liabilities		339,024	336,364	339,785
Family takaful fund liabilities		1,476,238	1,359,910	1,109,958
General retakaful fund liabilities		98,343	89,302	76,783
Family retakaful fund liabilities		13,453	11,571	15,630
Total liabilities		4,017,557	3,842,444	3,265,691



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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

	Note	GROUP		
		Unaudited 30 Jun 2012 RM'000	Restated 31 Mar 2012 RM'000	Restated 1 Apr 2011 RM'000
EQUITY				
Share capital		213,070	213,070	213,070
Reserves		926,166	884,360	809,055
Total equity attributable to equity holders of the Company		1,139,236	1,097,430	1,022,125
TAKAFUL AND RETAKAFUL FUNDS				
General takaful fund		8,781	9,621	10,729
Family takaful fund		248,826	248,700	192,630
General retakaful fund		-	-	70
Family retakaful fund		2,107	1,302	1,346
Total takaful and retakaful funds		259,714	259,623	204,775
Total liabilities, equity, takaful and retakaful funds		5,416,507	5,199,497	4,492,591
Net assets per share (RM)		5.35	5.15	4.80

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the Annual Financial Report for the year ended 31 March 2012*



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(The figures have not been audited)

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2012

	GROUP								
	Attributable to Equity Holder of the Company								
		Reserves							Total RM'000
		Non- distributable				Distributable			
Share capital RM'000		Share premium RM'000	AFS reserve RM'000	Foreign exchange translation reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	Net profit for the period RM'000		
At 1 April 2012, previously stated	213,070	105,051	19,814	16,398	38,850	703,201	-	1,096,384	
Effects of adopting MFRS 1	-	-	1,046	-	-	-	-	1,046	
At 1 April 2012, restated	213,070	105,051	20,860	16,398	38,850	703,201	-	1,097,430	
Total comprehensive income/(loss) for the period	-	-	(12,359)	3,721	-	-	50,444	41,806	
At 30 June 2012	213,070	105,051	8,501	20,119	38,850	703,201	50,444	1,139,236	

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2011

	GROUP								
	Attributable to Equity Holder of the Company								
		Reserves							Total RM'000
		Non- distributable				Distributable			
Share capital RM'000		Share premium RM'000	AFS reserve RM'000	Foreign exchange translation reserve RM'000	Revaluation reserve RM'000	Retained profits brought forward RM'000	Net profit for the period RM'000		
At 1 April 2011, previously stated	213,070	105,051	11,156	15,108	3,184	651,147	-	998,716	
Effects of adopting MFRS 1	-	-	545	-	22,864	-	-	23,409	
At 1 April 2011, restated	213,070	105,051	11,701	15,108	26,048	651,147	-	1,022,125	
Total comprehensive (loss)/income for the period	-	-	3,983	(148)	-	-	42,964	46,799	
At 30 June 2011	213,070	105,051	15,684	14,960	26,048	651,147	42,964	1,068,924	

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MNRB HOLDINGS BERHAD (13487-A)
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before zakat and tax	63,889	51,785
Adjustment for :		
Net fair value loss/(gain) on financial assets at FVTPL	(264)	18
(Reversal of)/impairment loss on investments	(113)	(126)
(Reversal of)/impairment loss on insurance receivables and reinsurance assets	347	(1,933)
Depreciation of property, plant and equipment	2,170	1,858
Amortisation of intangible assets	456	721
Loss/(gain) on disposal of investment properties	(4,078)	-
Loss/(gain) on disposal of property, plant and equipment	(3)	-
Loss/(gain) on disposal of investments	(14,632)	(355)
Increase/(decrease) in premium and contribution liabilities	33,476	(6,210)
Finance cost	3,197	3,053
Interest/profit income	(33,510)	(24,773)
Dividend income	(1,527)	(1,720)
Rental income	(2,823)	(1,877)
Net amortisation of premiums/(accretion of discounts) on investments	109	(217)
Share of results of associates	1,859	1,117
Results of general takaful fund	(240)	(395)
Results of family takaful fund	78,111	74,305
Results of general retakaful fund	(1,757)	(5,025)
Results of family retakaful fund	815	151
(Loss)/profit from operations before changes in operating assets and liabilities	125,482	90,377
(Increase)/decrease in placements with licensed financial institutions and Islamic investment accounts	(55,433)	(248,108)
Purchase of investments	(407,292)	(104,069)
Proceeds from disposal of investments	372,478	39,094
Increase in insurance and takaful receivables	(180,792)	(34,122)
(Increase)/decrease in other receivables	(20,911)	(7,706)
Increase in claims liabilities	(35,399)	23,801
Increase/(decrease) in expense liabilities	3,526	627
Increase/(decrease) in insurance and takaful payables	78,412	7,888
Increase/(decrease) in other payables	(7,881)	9,436
Taxes and zakat paid	(1,251)	(11,473)
Interest/profit received	33,749	30,930
Dividend received	1,630	1,526
Rental received	2,814	2,049
Net cash (used in)/generated from operating activities	(90,868)	(199,750)



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(The figures have not been audited)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
CASH FLOWS USED IN INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,374)	(2,134)
Purchase of intangible assets	(629)	(1,740)
Purchase of investment properties	(155)	-
Proceeds from disposal of investment properties	62,000	-
Proceeds from disposal of property, plant and equipment	3	-
Net cash generated from/(used in) investing activities	59,845	(3,874)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Interest paid	(3,197)	(3,053)
Proceeds from revolving credit facility	-	120,000
Net cash (used in)/generated from financing activities	(3,197)	116,947
CASH AND BANK BALANCES		
Net increase/(decrease) during the period	(34,220)	(86,677)
Effect of changes in foreign exchange rate	75	14
At the beginning of the period	77,998	121,701
At the end of the period	43,853	35,038
Cash and cash equivalents comprise:		
Cash and bank balances of:		
Shareholders' fund and general reinsurance business	32,649	9,476
General takaful fund	147	838
Family takaful fund	10,974	24,707
General retakaful fund	8	9
Family retakaful fund	75	8
	43,853	35,038

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(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A1. Basis of preparation

The unaudited condensed interim financial statements for the financial period ended 30 June 2012 have been prepared in accordance with MFRS 134 *Interim Financial Reporting* that was issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). For the periods up to and including the financial year ended 31 March 2012, the Group prepared its financial statements in accordance with Financial Reporting Standards (“FRS”). The unaudited condensed interim financial statements also comply with the Companies Act, 1965, the Insurance Act and Regulations, 1996, the Takaful Act, 1984 and where applicable, have been modified to comply with the guidelines issued by Bank Negara Malaysia (“BNM”). The figures have not been audited.

The interim financial report should be read in conjunction with the Group’s most recent audited financial statements for the year ended 31 March 2012.

These unaudited condensed interim financial statements are the Group’s first MFRS condensed interim financial statements for part of the period covered by the Group’s first MFRS annual financial statements for the financial year ending 31 March 2013. MFRS 1 *First-Time Adoption of Malaysian Financial Reporting Standards* (“MFRS 1”) has been applied.

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 2012 except for the adoption of the following amendments to the existing accounting standards and Issues Committee (“IC”) Interpretations issued by MASB that are effective for the Group’s financial year beginning on 1 April 2012:

Revised MFRS 124 *Related Party Disclosures*
Amendments to MFRS 112 *Income Taxes*
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*
Amendments to IC Interpretation 14 *Prepayments of a Minimum Funding Requirement*
Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
Amendments to MFRS 1 *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
Amendments to MFRS 7 *Disclosures—Transfers of Financial Assets*

The adoption of the above standards, amendments and interpretations does not have any material impact to the financial statements of the Group and of the Company, with the exception of the adoption of MFRS 1 whereby certain previously recognised held-to-maturity investments are reclassified as available-for-sale financial assets.

In preparing its opening MFRS Statement of Financial Position as at 1 April 2011 (which is also the date of transition), the Group has adjusted the amounts previously reported in Financial Statements prepared in accordance with FRS. The impact of the adoption of MFRS 1 “First time adoption of MFRS” is disclosed in Note A15.

A2. Auditors’ Report on preceding annual financial statements

The auditors’ report on the audited financial statements for the financial year ended 31 March 2012 was not subject to any qualification.



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PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A3. Seasonal or cyclical factors

During the period ended 30 June 2012, the operations of the Group were not materially affected by any seasonal factors. With regards 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 operates.

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

During the period ended 30 June 2012, the Group's reinsurance subsidiary had entered into a loss portfolio transfer agreement with a reinsurer. As a result, claims liabilities of RM76.6 million were transferred to the reinsurer. There were no other unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2012.

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, replacement, resale or repayment of debt and equity securities during the current financial period under review.

A7. Dividend paid

No dividend was paid during the first quarter ended 30 June 2012.

A8. Segmental reporting

Financial period ended 30 June 2012

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Operator RM'000	Retakaful Operator RM'000	Inter-Group Adjustments RM'000	Consolidated RM'000
Revenue						
External	2,614	349,789	48,908	3,071	-	404,382
Inter-segment	6,354	1,817	-	119	(8,290)	-
	8,968	351,606	48,908	3,190	(8,290)	404,382
Results						
Segment results	6,267	48,131	47,547	2,638	(7,345)	97,238
(Loss)/Profit from operations	(3,801)	68,265	581	703	-	65,748
Share of results of associates	-	(1,859)	-	-	-	(1,859)
(Loss)/Profit before zakat and taxation	(3,801)	66,406	581	703	-	63,889
Zakat and taxation	228	(13,423)	(250)	-	-	(13,445)
Net (loss)/profit for the period	(3,573)	52,983	331	703	-	50,444



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PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A8. Segmental reporting (Cont'd)

Financial period ended 30 June 2011

	Investment Holding RM'000	Reinsurance Business RM'000	Takaful Operator RM'000	Retakaful Operator RM'000	Inter-Group Adjustments RM'000	Consolidated RM'000
Revenue						
External	127	338,308	57,117	3,341	-	398,893
Inter-segment	10,232	1,895	-	119	(12,246)	-
	10,359	340,203	57,117	3,460	(12,246)	398,893
Results						
Segment results	10,232	49,170	54,703	2,677	(11,274)	105,508
(Loss)/Profit from operations	(1,705)	49,391	3,630	1,586	-	52,902
Share of results of associates	(9)	(1,108)	-	-	-	(1,117)
(Loss)/Profit before zakat and taxation	(1,714)	48,283	3,630	1,586	-	51,785
Zakat and taxation	(854)	(7,461)	(506)	-	-	(8,821)
Net (loss)/profit for the period	(2,568)	40,822	3,124	1,586	-	42,964

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 year ended 31 March 2013.

A10. Significant events

On 6 April 2012, the Company and its financier had mutually agreed to extend the repayment date of the short-term revolving credit facility to 10 December 2012. The extended repayment date coincides with the final repayment date of the Company's IMTN. The aligned maturity dates are expected to provide a more integrated approach towards the Company's future debt repayment plan for both the facility and the IMTN. Upon the extension, the facility now carries a fixed interest rate of 4.50% per annum whilst other terms were maintained.

There were no other significant events during the current financial period ended 30 June 2012.

A11. Subsequent events

There were no significant subsequent events from 30 June 2012 to the date of this report.



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PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current financial period ended 30 June 2012.

A13. Capital Commitments

The amount of capital commitments of the Group as at 31 March 2012 are as follows:

	RM'000
Authorised and contracted for:	
- Tangible assets	2,077
- Intangible assets*	1,719
	<u>3,796</u>

* Relating to purchases and enhancement of the takaful and retakaful subsidiaries' computer systems.

A14. Contingent liabilities or contingent assets

The amount of contingent liabilities of the Group as at 30 June 2012 are as follows:

	RM'000
Contingent liabilities arising from interest in associate:	
Share of contingent liabilities in relation to the letter of credit issued by a bank on behalf of the associate (Secured on fixed deposits)	<u>39,861</u>

There was no other contingent liability or asset as at the date of the issue of this report. For the purpose of this paragraph, Contingent Liabilities or Assets do not include those arising from the contract of reinsurance, takaful or retakaful operation.

A15. Change in accounting policy

MFRS 1 *First Time Adoption of Malaysian Financial Reporting Standards* allows entity to designate a previously recognised financial asset or financial liability as a financial asset or financial liability at fair value through profit or loss or a financial asset as available-for-sale. Consequently, the Group has designated a previously recognised held-to-maturity investment as available-for-sale financial asset in accordance with the adoption of MFRS 1.

The change in accounting policy has been applied retrospectively. The adoption of the new accounting policy affected the following items:



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PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A15. Change in accounting policy (Cont'd)

	<----- As at 1 April 2011 ----->		<----- As at 31 March 2012 ----->	
	As previously reported RM'000	Effects of adopting MFRS 1 RM'000	As previously reported RM'000	Effects of adopting MFRS 1 RM'000
	As restated RM'000	As restated RM'000	As restated RM'000	As restated RM'000
Impact on the Group's Consolidated Statement of Financial Position				
(i) General reinsurance business and shareholders' fund				
<u>Assets</u>				
HTM investments	329,758	(92,793)	337,597	(97,632)
AFS financial assets	736,632	93,519	951,979	99,028
Deferred tax assets	5,474	(181)	5,109	(350)
<u>Equity</u>				
AFS reserve	11,156	545	19,814	1,046
(ii) General takaful fund				
General takaful assets	350,198	316	345,285	700
General takaful liabilities	339,706	79	336,189	175
General takaful fund	10,492	237	9,096	525
(iii) Family takaful fund				
Family takaful assets	1,301,690	898	1,606,924	1,686
Family takaful liabilities	1,109,886	72	1,359,775	135
Family takaful fund	191,804	826	247,149	1,551
Impact on the Group's Consolidated Statement of Changes in Equity				
General reinsurance business and shareholders' fund				
AFS reserve	11,156	545	19,814	1,046



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

B1. Review of performance

For the period ended 30 June 2012, the Group recorded a revenue of RM404.4 million, 3.7% higher than the RM389.9 million recorded in the corresponding period last year. The higher revenue was a result of the increase in gross premium written by the reinsurance subsidiary.

The Group's profit before zakat and taxation increased by 23.4% from RM51.8 million to RM63.9 million as a result of the gains on disposal of quoted shares as well as investment properties.

Investment holding

The revenue for the period ended 30 June 2012 decreased by 13.4% to RM9.0 million from RM10.4 million in the corresponding period last year. The decrease was mainly as a result of the lower management fee income from the subsidiaries.

The loss before zakat and taxation reported for the period ended 30 June 2012 was RM3.8 million as compared to a loss before zakat and taxation of RM1.7 million in the corresponding period last year mainly due to the lower management fee income as mentioned above.

Reinsurance business

The reinsurance business segment reported RM351.6 million in revenue for the period ended 30 June 2012, an increase of RM11.4 million against RM340.2 million in the corresponding period last year as a result of higher gross premium.

The profit before zakat and taxation for the period ended 30 June 2012 increased by 37.5% to RM66.4 million mainly due to recognition of gains on disposal of quoted shares as well as investment properties.

Takaful operator

The takaful subsidiary's revenue for the period ended 30 June 2012 decreased by 14.4% from RM57.1 million to RM48.9 million mainly due to a decrease in wakalah fee.

The Group's takaful subsidiary recorded a decrease in profit before zakat and taxation from RM3.6 million to RM0.6 million in the current period as a result of the decrease in wakalah fee as mentioned above.

Retakaful operator

The retakaful subsidiary's revenue reported a decrease of 7.8% to RM3.2 million in the current period. The decrease was a result of the lower investment income.

The profit before zakat and taxation for the period ended 30 June 2012 was RM0.7 million as compared to RM1.6 million recorded last year mainly as a result of an increase in expense liabilities.

B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a profit before zakat and taxation of RM63.9 million in the current quarter as compared to RM50.9 million in the preceding quarter. This was mainly due to the improvement in claims experience of the Group's reinsurance subsidiary in the current quarter.



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B3. Current year prospects

Notwithstanding the challenges in the global insurance industry, particularly in the catastrophe risk environment, the Group is expected to achieve satisfactory results for the financial year ending 31 March 2013.

B4. Explanatory note for variance from profit forecast

There was no profit forecast issued by the Group during the financial period ending 30 June 2012.

B5. Taxation

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
Profit before zakat and taxation	63,889	51,785	63,889	51,785
Current tax	(14,955)	(10,248)	(14,955)	(10,248)
Deferred tax	1,623	1,527	1,623	1,527
Zakat	(13,332)	(8,721)	(13,332)	(8,721)
	(113)	(100)	(113)	(100)
	(13,445)	(8,821)	(13,445)	(8,821)
Net profit for the period	50,444	42,964	50,444	42,964
Effective tax rate	20.9%	16.8%	20.9%	16.8%

The effective tax rate for the financial period ended 30 June 2012 was lower than the statutory tax rate of 25% principally due to the profitable inward and offshore reinsurance business which benefited the Group due to its lower tax rate.

B6. Status of corporate proposals and utilisation of proceeds

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



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B7. Borrowings and debt securities

The Group borrowings as at 31 March 2012 is as follows:

	GROUP 30 Jun 2012 RM'000
Long term borrowings:	
Unsecured:	
RM200.0 million Islamic Medium Term Notes ("IMTN") due in 2012	150,000
RM120.0 million short term revolving credit facility due in 2012	120,000
	270,000
IMTN held by the subsidiaries:	
Reinsurance subsidiary, Malaysian Reinsurance Berhad	40,000
Retakaful subsidiary, MNRB Retakaful Berhad	10,000
	50,000

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 material litigation pending 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 2013.



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B11. Earnings per share

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

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2012	3 months ended 30 Jun 2011	3 months ended 30 Jun 2012	3 months ended 30 Jun 2011
Net profit for the period (RM'000)	50,444	42,964	50,444	42,964
Weighted average number of ordinary shares in issue ('000)	213,070	213,070	213,070	213,070
Basic EPS (sen)	23.7	20.2	23.7	20.2

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

B12. Additional disclosures for the income statement

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000	3 months ended 30 Jun 2012 RM'000	3 months ended 30 Jun 2011 RM'000
Interest/profit income	22,056	18,081	22,056	18,081
Dividend income	492	1,290	492	1,290
Rental income	2,041	1,877	2,041	1,877
Interest/profit expense	(3,197)	(3,053)	(3,197)	(3,053)
Net gains/(losses) on disposal of investments	10,756	355	10,756	355
Net gains/(losses) on foreign exchange	(36)	(9)	(36)	(9)
Depreciation and amortisation	(2,626)	(6,103)	(2,626)	(6,103)
(Impairment loss)/reversal of impairment loss on insurance receivables	(665)	14	(665)	14
Reversal of impairment loss on investments	77	-	77	-

Other than the above, there were no gain or loss on derivatives and exceptional items reported during the current financial period ended 30 June 2012.



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B13. Disclosure of realised and unrealised profits

On 25 March 2010, Bursa Securities issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of the Bursa Securities Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Securities further issued guidance on the disclosure and the format required.

The breakdown of the retained profits of the Group as at 31 March 2012, into realised and unrealised profits, pursuant to the directive, is as follows:

	GROUP	
	30 Jun 2012 RM'000	31 Mar 2012 RM'000
Total retained profits of the Group:		
Realised	750,982	699,614
Unrealised	6,478	7,402
	757,460	707,016
Total share of retained profits from associate		
Realised	(9,474)	(7,615)
	747,986	699,401
Less: Consolidation adjustments	5,659	3,800
Total retained profits per the statement of changes in equity	753,645	703,201

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.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By Order of the Board

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

Kuala Lumpur
Dated: 30 August 2012