



Bursa Announcement

First Quarter Ended 30 June 2017



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

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	537,397	539,219	537,397	539,219
Premiums/contributions ceded to reinsurers and retakaful operators	(70,599)	(74,805)	(70,599)	(74,805)
Net earned premiums/contributions	466,798	464,414	466,798	464,414
Investment income	60,701	56,606	60,701	56,606
Realised (losses)/gains	(108)	2,809	(108)	2,809
Fair value gains/(losses)	13,218	(6,670)	13,218	(6,670)
Fee and commission income	18,997	9,839	18,997	9,839
Other operating revenue	3,237	13,705	3,237	13,705
Other revenue	96,045	76,289	96,045	76,289
Gross claims and benefits paid	(289,633)	(297,529)	(289,633)	(297,529)
Claims ceded to reinsurers/retakaful operators	27,909	36,388	27,909	36,388
Gross change in contract liabilities	(82,011)	(68,978)	(82,011)	(68,978)
Change in contract liabilities ceded to reinsurers/retakaful operators	13,740	(12,252)	13,740	(12,252)
Net claims and benefits	(329,995)	(342,371)	(329,995)	(342,371)
Fee and commission expense	(113,152)	(116,524)	(113,152)	(116,524)
Management expenses	(63,514)	(55,464)	(63,514)	(55,464)
Finance cost	(3,894)	(4,581)	(3,894)	(4,581)
Other operating expenses	(6,743)	(2,453)	(6,743)	(2,453)
Change in expenses liabilities	(6,266)	934	(6,266)	934
Tax borne by participants	(957)	(3,535)	(957)	(3,535)
Other expenses	(194,526)	(181,623)	(194,526)	(181,623)
Share of results of associates	5,683	5,470	5,683	5,470
Operating profit before deficit attributable to takaful participants, zakat and taxation	44,005	22,179	44,005	22,179
Deficit attributable to takaful participants	22,837	13,830	22,837	13,830
Operating profit before zakat and taxation	66,842	36,009	66,842	36,009
Zakat	-	(255)	-	(255)
Taxation	(16,403)	(4,808)	(16,403)	(4,808)
Net profit for the period attributable to equity holders of the Company	50,439	30,946	50,439	30,946
Basic earnings per share attributable to equity holders of the Company (sen):	15.8	14.5 [#]	15.8	14.5 [#]

Based on share capital of RM213 million.

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2017*



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 30 JUNE 2017

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	50,439	30,946	50,439	30,946
<u>Other comprehensive (losses)/income:</u>				
Other comprehensive (losses)/income to be reclassified to income statement in subsequent periods:				
Effects of post acquisition foreign exchange translation reserve on investment in associate	(5,882)	3,235	(5,882)	3,235
Effects of foreign exchange translation reserve on investment in subsidiary	(315)	624	(315)	624
Net gain on AFS financial assets:				
Net gain on fair value changes	5,569	5,551	5,569	5,551
Realised gain/(loss) transferred to income statement	108	(3,026)	108	(3,026)
Deferred tax relating to net gain on AFS financial assets	(42)	(49)	(42)	(49)
Other comprehensive income attributable to participants	(3,361)	(1,627)	(3,361)	(1,627)
Other comprehensive income not to be reclassified to income statement in subsequent periods:				
Revaluation of land and buildings	674	659	674	659
Deferred tax relating to revaluation of land and buildings	(54)	(53)	(54)	(53)
Other comprehensive income attributable to participants	(620)	(606)	(620)	(606)
Total comprehensive profit for the period	46,517	35,654	46,517	35,654

The Condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2017



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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	GROUP	
	Unaudited 30 Jun 2017 RM'000	Audited 31 Mar 2017 RM'000
Assets		
Property, plant and equipment	242,872	243,732
Investment properties	7,400	7,400
Intangible assets	22,572	23,040
Deferred tax assets	12,134	19,518
Investment in associates	149,668	145,420
Financial assets:		
Financial assets at fair value through profit or loss ("FVTPL")	124,741	123,467
Held-to-maturity ("HTM") investments	695,137	695,426
Available-for-sale ("AFS") financial assets	3,401,137	3,384,744
Loans and receivables ("LAR")	2,083,504	1,934,933
Reinsurance/retakaful assets	522,783	514,230
Insurance/takaful receivables	375,653	336,190
Tax recoverable	23,415	28,575
Cash and bank balances	88,187	99,905
Total assets	7,749,203	7,556,580
Liabilities and Participants' funds		
Participants' funds	179,686	199,561
Borrowings	320,000	320,000
Insurance/takaful contract liabilities	5,260,576	5,172,813
Insurance/takaful payables	199,497	210,174
Other payables	303,379	212,186
Deferred tax liabilities	5,775	10,780
Provision for taxation	14,253	11,536
Provision for zakat	54	64
Total liabilities and participants' funds	6,283,220	6,137,114
Equity		
Share capital	319,605	319,605
Reserves	1,146,378	1,099,861
Total equity attributable to equity holders of the Company	1,465,983	1,419,466
Total liabilities, participants' funds and equity	7,749,203	7,556,580
Net assets per share (RM)	4.59	4.44

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2017*



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 30 JUNE 2017**

	GROUP							
	Attributable to Equity Holders of the Company							
	Share capital RM'000	Reserves				Retained profits brought forward RM'000	Net profit for the year RM'000	Total RM'000
		Non-distributable			Distributable			
Foreign exchange translation reserve RM'000		AFS reserve RM'000	Revaluation reserve RM'000					
At 1 April 2017	319,605	55,696	3,659	42,730	997,776	-	1,419,466	
Total comprehensive (loss)/income for the period	-	(6,197)	2,275	-	-	50,439	46,517	
At 30 June 2017	319,605	49,499	5,934	42,730	997,776	50,439	1,465,983	

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016**

	GROUP								
	Attributable to Equity Holders of the Company								
	Share capital RM'000	Share premium RM'000	Reserves				Retained profits brought forward RM'000	Net profit for the period RM'000	Total RM'000
			Non-distributable			Distributable			
Foreign exchange translation reserve RM'000			AFS reserve RM'000	Revaluation reserve RM'000					
At 1 April 2016	213,070	105,051	38,776	3,527	41,666	928,090	-	1,330,180	
Total comprehensive income for the period	-	-	3,859	849	-	-	30,946	35,654	
At 30 June 2016	213,070	105,051	42,635	4,376	41,666	928,090	30,946	1,365,834	

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2017*



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 30 JUNE 2017

	GROUP	
	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
	RM'000	RM'000
Cash flows from operating activities		
Profit before surplus transfer, zakat and tax	66,842	36,009
Adjustments for:		
Net fair value losses on financial assets at FVTPL	101	3,260
Net fair value gains on AFS financial assets	(13,320)	-
Impairment losses on at AFS financial assets	-	3,410
Reversal of impairment losses on insurance/takaful receivables	-	(5,477)
Impairment losses on other receivables	6,671	-
Depreciation of property, plant and equipment	2,044	2,300
Amortisation of intangible assets	628	662
Gains on disposal of property, plant and equipment	-	(2)
Increase in gross premium and contribution liabilities	5,482	7,631
(Decrease)/increase in reinsurance and retakaful assets	(10,863)	8,649
Interest/profit income	(56,674)	(49,997)
Dividend income	(3,769)	(6,323)
Rental income	(1,683)	(1,813)
Finance cost	3,894	4,581
Net losses/(gains) on disposal of investments	108	(2,807)
Net amortisation of premiums on investments	1,256	1,066
Share of results of associates	(5,683)	(5,470)
Loss from operations before changes in operating assets and liabilities	(4,965)	(4,321)
Increase in placements with licensed financial institutions, Islamic investment accounts and marketable securities	(108,340)	(287,483)
Net proceeds from disposal of investments	33,042	143,168
Decrease in staff loans	648	542
(Increase)/decrease in insurance/takaful receivables	(72,508)	20,816
Increase in other receivables	(30,957)	(27,684)
Increase in gross claim liabilities, actuarial liabilities and unallocated surplus	84,018	68,978
Increase/(decrease) in expense liabilities	1,191	(934)
Decrease in participants' funds	(24,034)	(13,830)
Increase/(decrease) in insurance/takaful payables	15,695	(64,054)
Increase in other payables	55,560	47,886
Taxes and zakat paid	(17,719)	(7,488)
Interest/profit received	55,706	63,056
Dividend received	3,823	5,570
Rental received	1,688	1,709
Net cash used in operating activities	(7,152)	(54,069)



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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017 (CONT'D.)

	GROUP	
	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(242)	(38)
Purchase of intangible assets	(431)	(1,942)
Proceeds from disposal of property, plant and equipment	-	525
Net cash used in investing activities	(672)	(1,455)
Cash flows from financing activities		
Finance cost paid	(3,894)	(4,575)
Net cash used in financing activities	(3,894)	(4,575)
Cash and bank balances		
Net decrease during the period	(11,718)	(60,099)
At the beginning of the period	99,905	177,313
At the end of the period	88,187	117,214

*The Condensed Financial Statements should be read in conjunction with
the Annual Financial Statements for the year ended 31 March 2017*



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017
(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 2017.

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 2017 except for the adoption of the following accounting standards and amendments/improvements to Malaysian Financial Reporting Standards ("MFRSs") issued by MASB that are effective for the Group's financial year beginning 1 April 2017:

- Amendment to MFRS 12 Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014 - 2016 Cycle)
- MFRS 107 *Statement of Cash Flows* - Disclosures Initiatives (Amendments to MFRS 107)
- MFRS 112 *Income Taxes* - Recognition of Deferred Tax for Unrealised Losses (Amendments to MFRS 112)

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 2017 was not subject to any qualification.

A3. Seasonal or cyclical factors

During the financial period ended 30 June 2017, 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 30 June 2017.

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

On 9 June 2017, the Company made a drawdown of RM120 million from the revolving credit facility obtained from AmBank (M) Berhad. The proceeds from the drawdown were fully utilised towards redeeming the Sukuk Mudharabah Programme of the same amount from MIDF Amanah Investment Bank Berhad.



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INTERIM FINANCIAL REPORT
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(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A7. Dividend paid

No dividend was paid during the first quarter ended 30 June 2017.

A8. Segmental reporting

Financial period ended 30 June 2017

	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	801	335,870	257,209	10,972	-	604,851
Inter-segment	8,302	288	723	49	(8,639)	723
	9,103	336,158	257,932	11,020	(8,639)	605,574
Results						
Segment results	(2,684)	45,139	(4,106)	(28)	-	38,321
Share of results of associates	94	5,589	-	-	-	5,683
Operating profit/(loss) before deficit attributable to takaful participants, zakat and taxation	(2,590)	50,728	(4,106)	(28)	-	44,004
Deficit attributable to takaful participants	-	-	22,837	-	-	22,837
Operating (loss)/profit before zakat and taxation	(2,590)	50,728	18,731	(28)	-	66,841
Zakat and taxation	(120)	(13,408)	(2,818)	(56)	-	(16,403)
Net (loss)/profit for the period attributable to equity holders of the Company	(2,710)	37,320	15,913	(84)	-	50,439

Financial period ended 30 June 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	1,004	368,657	230,812	5,259	-	605,732
Inter-segment	7,715	476	-	-	(8,191)	-
	8,719	369,133	230,812	5,259	(8,191)	605,732
Results						
Segment results	(4,603)	16,588	(9,913)	14,637	-	16,709
Share of results of associates	49	5,421	-	-	-	5,470
Operating profit/(loss) before deficit attributable to takaful participants, zakat and taxation	(4,554)	22,009	(9,913)	14,637	-	22,179
Deficit attributable to takaful participants	-	-	13,830	-	-	13,830
Operating (loss)/profit before zakat and taxation	(4,554)	22,009	3,917	14,637	-	36,009
Zakat and taxation	468	(3,905)	(1,719)	94	-	(5,063)
Net (loss)/profit for the period attributable to equity holders of the Company	(4,086)	18,104	2,198	14,731	-	30,946



MNRB HOLDINGS BERHAD (13487-A)
INTERIM FINANCIAL REPORT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2017
(The figures have not been audited)

PART A – NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

A9. Carrying amount of revalued properties

The valuation 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 2017.

A10. Significant events

There were no significant events during the financial period ended 30 June 2017.

A11. Subsequent events

There were no significant subsequent events from 30 June 2017 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 financial period ended 30 June 2017.

A13. Capital Commitments

The amount of capital commitments of the Group as at 30 June 2017 were as follows:

	RM'000
Authorised and contracted for:	
- Intangible assets*	<u>22,622</u>
	<u>22,622</u>

* Relating to purchases and enhancement of computer systems.

A14. Condensed Consolidated Statement of Financial Position by Reinsurance, Takaful and Retakaful Funds
(i) Unaudited as at 30 June 2017

	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	127,094	-	-	-	-	115,778	242,872
Investment properties	7,400	-	115,778	-	-	(115,778)	7,400
Intangible assets	22,572	-	-	-	-	-	22,572
Deferred tax assets	9,709	4,840	-	38	-	(2,453)	12,134
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,614	-	-	-	-	72,054	149,668
Financial assets at fair value through profit or loss ("FVTPL")	765	914	123,062	-	-	-	124,741
Held-to-maturity ("HTM") investments	261,228	71,721	331,589	19,135	12,464	(1,000)	695,137
Available-for-sale ("AFS") financial assets	1,641,634	221,835	1,529,062	16,781	5,185	(13,360)	3,401,137
Loans and receivables ("LAR")	1,368,229	136,180	686,142	48,821	10,752	(166,620)	2,083,504
Reinsurance/retakaful assets	259,780	169,803	66,685	20,387	6,128	-	522,783
Insurance/takaful receivables	247,031	32,787	84,748	12,211	374	(1,498)	375,653
Tax recoverable	23,415	-	-	8	5	(13)	23,415
Cash and bank balances	51,533	312	36,119	167	56	-	88,187
Total assets	4,941,709	638,392	2,973,185	117,548	34,964	(956,595)	7,749,203
Liabilities and Participants' funds							
Participants' funds	-	110,907	70,720	1,528	1,384	(4,853)	179,686
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,071,509	431,866	2,666,345	88,974	10,862	(8,980)	5,260,576
Insurance/takaful payables	118,646	18,526	50,953	11,819	1,051	(1,498)	199,497
Other payables	170,736	70,388	178,762	15,227	21,667	(153,401)	303,379
Deferred tax liabilities	5,775	-	1,899	-	-	(1,899)	5,775
Provision for taxation	3,055	6,705	4,506	-	-	(13)	14,253
Provision for zakat	54	-	-	-	-	-	54
Total liabilities and participants' funds	2,690,775	638,392	2,973,185	117,548	34,964	(171,644)	6,283,220
Equity							
Share capital	1,233,105	-	-	-	-	(913,500)	319,605
Reserves	1,017,829	-	-	-	-	128,549	1,146,378
Total equity attributable to equity holders of the Parent	2,250,934	-	-	-	-	(784,951)	1,465,983
Total liabilities, participants' funds and equity	4,941,709	638,392	2,973,185	117,548	34,964	(956,595)	7,749,203

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

(ii) As at 31 March 2017

	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	127,954	-	-	-	-	115,778	243,732
Investment properties	7,400	-	115,778	-	-	(115,778)	7,400
Intangible assets	23,040	-	-	-	-	-	23,040
Deferred tax assets	9,742	3,098	-	-	-	6,678	19,518
Investment in subsidiaries	843,705	-	-	-	-	(843,705)	-
Investment in associates	77,924	-	-	-	-	67,496	145,420
Financial assets at fair value through profit or loss ("FVTPL")	761	898	121,808	-	-	-	123,467
Held-to-maturity ("HTM") investments Available-for-sale ("AFS") financial assets	261,384	71,746	331,689	19,143	12,464	(1,000)	695,426
Loans and receivables ("LAR")	1,654,482	226,761	1,493,788	17,749	5,171	(13,207)	3,384,744
Reinsurance/retakaful assets	1,297,622	118,383	607,278	45,585	7,890	(141,825)	1,934,933
Insurance/takaful receivables	291,969	149,868	45,072	20,967	6,354	-	514,230
Tax recoverable	224,824	37,422	60,865	7,597	7,594	(2,112)	336,190
Cash and bank balances	28,575	-	-	8	5	(13)	28,575
	39,837	10,519	49,364	146	39	-	99,905
Total assets	4,889,219	618,695	2,825,642	111,195	39,517	(927,688)	7,556,580
Liabilities and Participants' funds							
Participants' funds	-	119,327	81,541	3,900	1,373	(6,580)	199,561
Borrowings	321,000	-	-	-	-	(1,000)	320,000
Insurance/takaful contract liabilities	2,104,412	401,012	2,578,850	85,632	11,272	(8,365)	5,172,813
Insurance/takaful payables	124,969	30,710	42,780	8,203	5,624	(2,112)	210,174
Other payables	127,467	60,965	119,124	13,475	21,248	(130,093)	212,186
Deferred tax liabilities	2,169	-	1,412	(15)	-	7,214	10,780
Provision for taxation	2,933	6,681	1,935	-	-	(13)	11,536
Provision for zakat	64	-	-	-	-	-	64
Total liabilities and participants' funds	2,683,014	618,695	2,825,642	111,195	39,517	(140,949)	6,137,114
Equity							
Share capital	1,233,105	-	-	-	-	(913,500)	319,605
Reserves	973,100	-	-	-	-	126,761	1,099,861
Total equity attributable to equity holders of the Parent	2,206,205	-	-	-	-	(786,739)	1,419,466
Total liabilities, participants' funds and equity	4,889,219	618,695	2,825,642	111,195	39,517	(927,688)	7,556,580

A15. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds
(i) 3 months ended 30 June 2017

	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	302,953	67,931	158,022	6,284	2,475	(268)	537,397
Premiums/contributions ceded to reinsurers and retakaful operators	(18,566)	(28,699)	(20,664)	(909)	(1,859)	98	(70,599)
Net earned premiums/contributions	284,387	39,232	137,358	5,375	616	(170)	466,798
Investment income	29,825	3,967	27,432	725	246	(1,494)	60,701
Realised (losses)/gains	(1,820)	(69)	1,781	-	-	-	(108)
Fair value gains	10,219	735	2,264	-	-	-	13,218
Fee and commission income	91,104	7,078	-	1	-	(79,186)	18,997
Other operating revenue	3,557	-	2,759	11	1	(3,091)	3,237
Other revenue	132,885	11,711	34,236	737	247	(83,771)	96,045
Gross claims and benefit paid	(193,017)	(31,043)	(61,637)	(2,973)	(1,739)	776	(289,633)
Claims ceded to reinsurers/retakaful operators	13,644	12,649	1,158	456	778	(776)	27,909
Gross change in contract liabilities	36,829	(31,369)	(87,495)	(2,393)	411	2,006	(82,011)
Change in contract liabilities ceded to reinsurers/retakaful operators	(28,581)	21,381	21,613	(447)	(226)	-	13,740
Net claims and benefits	(171,125)	(28,382)	(126,361)	(5,357)	(776)	2,006	(329,995)
Fee and commission expenses	(111,185)	(22,899)	(55,497)	(2,671)	(86)	79,186	(113,152)
Management expenses	(63,547)	-	(945)	-	-	978	(63,514)
Finance cost	(3,906)	-	-	-	-	12	(3,894)
Other operating expenses	(122)	(9,637)	-	(74)	(1)	3,091	(6,743)
Changes in expenses liabilities	(6,228)	-	-	(38)	-	-	(6,266)
Tax borne by participants	-	1,803	(2,783)	23	-	-	(957)
Other expenses	(184,988)	(30,733)	(59,225)	(2,760)	(87)	83,267	(194,526)
Share of results of associates	-	-	-	-	-	5,683	5,683
Operating profit before deficit attributable to takaful zakat and taxation	61,159	(8,172)	(13,992)	(2,005)	-	7,015	44,005
Deficit attributable to takaful participants	-	8,172	13,992	2,005	-	(1,332)	22,837
Operating profit before zakat and taxation	61,159	-	-	-	-	5,683	66,842
Zakat	-	-	-	-	-	-	-
Taxation	(16,403)	-	-	-	-	-	(16,403)
Net profit for the period attributable to equity holders of the Parent	44,756	-	-	-	-	5,683	50,439

A15. Unaudited Condensed Consolidated Income Statement by Reinsurance, Takaful and Retakaful Funds (Cont'd.)
(ii) 3 months ended 30 June 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	332,784	63,950	139,354	1,312	2,592	(773)	539,219
Premiums/contributions ceded to reinsurers and retakaful operators	(30,160)	(23,569)	(18,187)	(1,028)	(1,901)	40	(74,805)
Net earned premiums/contributions	302,624	40,381	121,167	284	691	(733)	464,414
Investment income	29,850	3,614	23,748	757	330	(1,693)	56,606
Realised gains	1,402	325	1,082	-	-	-	2,809
Fair value losses	(2,645)	(128)	(3,889)	(8)	-	-	(6,670)
Fee and commission income	73,150	5,828	-	6	-	(69,145)	9,839
Other operating revenue	22,605	-	7,358	955	1	(17,214)	13,705
Other revenue	124,362	9,639	28,299	1,710	331	(88,052)	76,289
Gross claims and benefit paid	(189,035)	(28,915)	(73,940)	(3,040)	(2,817)	218	(297,529)
Claims ceded to reinsurers/retakaful operators	13,543	11,391	9,800	92	1,780	(218)	36,388
Gross change in contract liabilities	(12,122)	(14,228)	(61,750)	7,361	992	10,769	(68,978)
Change in contract liabilities ceded to reinsurers/retakaful	(22,311)	6,457	5,269	(503)	(1,164)	-	(12,252)
Net claims and benefits	(209,925)	(25,295)	(120,621)	3,910	(1,209)	10,769	(342,371)
Fee and commission expense	(116,005)	(16,851)	(43,322)	(624)	(92)	60,370	(116,524)
Management expenses	(64,166)	(733)	(1,093)	-	-	10,528	(55,464)
Finance cost	(4,594)	-	-	-	-	13	(4,581)
Other operating expenses	(1,911)	(1,207)	-	(540)	-	1,205	(2,453)
Changes in expenses liabilities	934	-	-	-	-	-	934
Tax borne by participants	-	(1,546)	(1,989)	-	-	-	(3,535)
Other expenses	(185,742)	(20,337)	(46,404)	(1,164)	(92)	72,116	(181,623)
Share of results of associates	-	-	-	-	-	5,470	5,470
Operating profit before surplus/ (deficit) attributable to takaful zakat and taxation	31,319	4,388	(17,559)	4,740	(279)	(430)	22,179
(Surplus)/deficit attributable to takaful participants	-	(4,388)	17,559	(5,238)	-	5,897	13,830
Operating profit before zakat and taxation	31,319	-	-	(498)	(279)	5,467	36,009
Zakat	(255)	-	-	-	-	-	(255)
Taxation	(4,889)	-	-	81	-	-	(4,808)
Net profit for the period attributable to equity holders of the Parent	26,175	-	-	(417)	(279)	5,467	30,946



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

B1. Review of performance

For the financial period ended 30 June 2017, the Group recorded a revenue of RM605.57 million as compared to RM605.73 million reported for the same period last year. While the takaful subsidiary's revenue increased during the period, the revenue of the reinsurance subsidiary decreased due to its business rationalisation exercise.

The Group's net profit for the financial period ended 30 June 2017 was RM50.4 million, higher by RM19.5 million as compared to RM30.9 million reported for the same period last year. This was mainly attributable to the improvement in the results of the Company's reinsurance and takaful subsidiaries.

Investment holding

Revenue for the financial period ended 30 June 2017 of RM9.1 million was higher by RM0.4 million or 4.4% as compared to RM8.7 million reported for the same period last year.

Net loss reported for the financial period ended 30 June 2017 was RM2.7 million as compared to a net loss of RM4.1 million for the same period last year.

The lower net loss reported were mainly due to the lower financing costs incurred during the current period.

Reinsurance business

Revenue for reinsurance business for the financial period ended 30 June 2017 decreased by 8.9% from RM369.1 million to RM336.2 million. The decrease was mainly due to the lower gross premiums from international business as a result of its business rationalisation exercise.

Net profit for the financial period ended 30 June 2017 improved from a net profit of RM18.1 million to RM37.3 million as a result of higher underwriting surplus and improved net investment income.

Takaful business

Revenue for takaful business for the financial period ended 30 June 2017 increased by 11.7% from RM230.8 million to RM257.9 million. This was mainly due to higher gross contributions achieved.

The takaful subsidiary recorded a higher net profit of RM15.9 million in the financial period ended 30 June 2017 as compared to a net profit of RM2.2 million for the same period last year. This was mainly due to higher wakalah fees received from higher gross contributions.

Retakaful business

Revenue for retakaful business for the financial period ended 30 June 2017 was higher by 109.5% from RM5.3 million to RM11.0 million, mainly due to the new businesses from the retakaful division of the reinsurance subsidiary.

The retakaful business recorded a net loss of RM0.1 million in the financial period ended 30 June 2017 as compared to a net profit of RM14.7 million during the same period last year. The higher net profit in the same period last year was mainly due to the partial writeback of Qard impairment.



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B2. Review of current quarter profitability against immediate preceding quarter

The Group recorded a net profit of RM50.4 million in the current quarter as compared to RM25.4 million in the preceding quarter as a result of improvement in the results of the Company's reinsurance and takaful subsidiaries.

B3. Current year prospects

Barring any unforeseen circumstances, the Group is expected to achieve better results for the current financial year ending 31 March 2018 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 30 June 2017.

B5. Taxation

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2017 RM'000	3 months ended 30 Jun 2016 RM'000	3 months ended 30 Jun 2017 RM'000	3 months ended 30 Jun 2016 RM'000
Operating profit before zakat and tax	66,842	36,009	66,842	36,009
Current tax	(12,507)	(6,298)	(12,507)	(6,298)
Deferred tax	(3,896)	1,490	(3,896)	1,490
	(16,403)	(4,808)	(16,403)	(4,808)
Zakat	-	(255)	-	(255)
	(16,403)	(5,063)	(16,403)	(5,063)
Net profit	50,439	30,946	50,439	30,946
Effective tax rate	24.5%	13.4%	24.5%	13.4%

The effective tax rate for the financial period ended 30 June 2017 was higher than the statutory tax rate mainly due to some of the management expenses of the Company's takaful subsidiary, that are not claimable as tax deduction.

B6. Status of corporate proposals

There is 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 30 June 2017 were as follows:

	GROUP 30 Jun 2017 RM'000
Unsecured long term borrowings:	
RM320.0 million Revolving Credit Facility due in 2018	320,000

On 17 March 2017, the Company executed a RM320 million revolving credit facility agreement with AmBank (M) Berhad ("AmBank"). The said facility carries a floating interest rate that is reviewed quarterly, is unsecured and has a tenure of 18 months, with the option to extend for another 6 months. The facility was to be fully utilised to refinance the Company's existing borrowings.

On 22 March 2017, the Company made a drawdown of RM200 million from the facility. The proceeds from the drawdown were fully utilised towards redeeming the Islamic Commodity Murabahah Facility of the same amount from Standard Chartered Saadiq Berhad. On 9 June 2017, the Company made a drawdown of RM120 million from the revolving credit facility obtained from AmBank (M) Berhad. The proceeds from the drawdown were fully utilised towards redeeming the Sukuk Mudharabah Programme of the same amount from MIDF Amanah Investment Bank Berhad.

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 2018.



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**PART B – ADDITIONAL INFORMATION REQUIRED BY THE
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B11. Earnings per share

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

	GROUP			
	Individual Period		Cumulative Period	
	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
Net profit for the period (RM'000)	50,439	30,946	50,439	30,946
Number of ordinary shares in issue ('000)	319,605	213,070	319,605	213,070
Basic earnings per share (sen)	15.8	14.5	15.8	14.5

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 2017 RM'000	3 months ended 30 Jun 2016 RM'000	3 months ended 30 Jun 2017 RM'000	3 months ended 30 Jun 2016 RM'000
Interest/profit income	56,674	49,997	56,674	49,997
Dividend income	3,769	6,323	3,769	6,323
Rental income	1,683	1,813	1,683	1,813
Finance cost	(3,894)	(4,581)	(3,894)	(4,581)
Net (loss)/gain on disposal of investments	(108)	2,807	(108)	2,807
Depreciation and amortisation	(7,874)	(2,962)	(7,874)	(2,962)
Writeback of impairment loss				-
on insurance/takaful receivables	2,375	5,477	2,375	5,477
Writeback of/(allowance for impairment loss on investments	13,320	(3,410)	13,320	(3,410)

Other than the above, there was no gain or loss on derivatives and exceptional items reported during the financial period ended 30 June 2017.

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B13. Disclosure of realised and unrealised profits

As required by Bursa Securities, the breakdown of the retained profits of the Group as at 30 June 2017, into realised and unrealised profits, was as follows:

	GROUP	
	30 Jun 2017	31 March 2017
	RM'000	RM'000
Total retained profits of the Group:		
Realised	1,106,639	991,375
Unrealised	11,370	6,509
	1,118,009	997,884
Share of realised retained profits from associated companies	20,471	9,159
	1,138,480	1,007,043
Less: Consolidation adjustments	(90,265)	(78,953)
Total retained profits per the statement of changes in equity	1,048,215	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: 23 August 2017