

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD  
(735426-V)**

UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2011

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2011 - UNAUDITED**

|                                     | Note | 30.06.2011       | 31.12.2010       |
|-------------------------------------|------|------------------|------------------|
|                                     |      | RM'000           | RM'000           |
| <b>Assets</b>                       |      |                  |                  |
| Property, plant and equipment       |      | 50,270           | 47,548           |
| Investment properties               |      | 742              | 742              |
| Intangible assets                   |      | 4,966            | 5,569            |
| Deferred tax assets                 |      | -                | 1,978            |
| Investments                         | 7    | 2,042,801        | 1,719,415        |
| Reinsurance assets                  | 8    | 1,026,538        | 967,734          |
| Insurance receivables               |      | 129,075          | 58,207           |
| Loans and receivables               |      | 45,460           | 41,281           |
| Deferred acquisitions costs         |      | 52,841           | 42,598           |
| Assets classified as held for sale  |      | -                | 2,440            |
| Cash and cash equivalents           |      | 79,234           | 244,501          |
| <b>Total assets</b>                 |      | <b>3,431,927</b> | <b>3,132,013</b> |
| <b>Equity and liabilities</b>       |      |                  |                  |
| Share capital                       |      | 334,990          | 334,990          |
| Retained earnings                   |      | 368,454          | 309,034          |
| Reserves                            |      | 20,043           | 15,404           |
| <b>Total equity</b>                 |      | <b>723,487</b>   | <b>659,428</b>   |
| Insurance contract liabilities      | 9    | 2,337,589        | 2,161,314        |
| Other financial liabilities         |      | 2,015            | 2,013            |
| Insurance payables                  |      | 177,681          | 217,852          |
| Other payables and accruals         |      | 153,651          | 58,048           |
| Current tax liabilities             |      | 8,142            | 5,187            |
| Deferred tax liabilities            |      | 585              | -                |
| Subordinated loans                  |      | 28,777           | 28,171           |
| <b>Total liabilities</b>            |      | <b>2,708,440</b> | <b>2,472,585</b> |
| <b>Total equity and liabilities</b> |      | <b>3,431,927</b> | <b>3,132,013</b> |

The accompanying notes form an integral part of these interim financial statements.

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM INCOME STATEMENT  
FOR THE HALF-YEAR ENDED 30 JUNE 2011 - UNAUDITED**

|  | INDIVIDUAL PERIOD                                      |  | CUMULATIVE PERIOD                                  |   |
|--|--|--|--|---|
|  | Current<br>Year<br>Half-Yearly<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Half-Yearly<br>30.06.2010<br>RM'000 | Current<br>Year<br>To Date<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.06.2010<br>RM'000 |
| <b>Operating revenue</b>                           | 704,136  | 703,061  | 704,136  | 703,061   |
| Gross earned premiums                              | 664,884  | 671,608  | 664,884  | 671,608   |
| Premiums ceded to reinsurers                       | (176,075)  | (240,635)  | (176,075)  | (240,635)   |
| <b>Net earned premiums</b>                         | 488,809  | 430,973  | 488,809  | 430,973   |
| Investment income                                  | 39,252   | 31,453   | 39,252   | 31,453  |
| Realised gains and losses                          | (186)  | 4,609  | (186)  | 4,609   |
| Fee and commission income                          | 27,491   | 42,292   | 27,491   | 42,292  |
| Other operating income                             | 684  | 598  | 684  | 598   |
| <b>Other revenue</b>                               | 67,241   | 78,952   | 67,241   | 78,952  |
| Gross claims paid                                  | (363,674)  | (442,205)  | (363,674)  | (442,205)   |
| Claims ceded to reinsurers                         | 104,507  | 196,683  | 104,507  | 196,683   |
| Gross change to contract liabilities               | (94,443)   | (3,311)  | (94,443)   | (3,311)   |
| Change in contract liabilities ceded to reinsurers | 64,384   | (21,477)   | 64,384   | (21,477)  |
| <b>Net claims incurred</b>                         | (289,226)  | (270,310)  | (289,226)  | (270,310)   |

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM INCOME STATEMENT****FOR THE HALF-YEAR ENDED 30 JUNE 2011 - UNAUDITED (CONTINUED)**

|                                  | <b>INDIVIDUAL PERIOD</b>                               |  | <b>CUMULATIVE PERIOD</b>                           |   |
|----------------------------------|--|--|--|---|
|                                  | Current<br>Year<br>Half-Yearly<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Half-Yearly<br>30.06.2010<br>RM'000 | Current<br>Year<br>To Date<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.06.2010<br>RM'000 |
| Fee and commission expense       | (78,755)   | (80,794)   | (78,755)   | (80,794)  |
| Management expenses              | (88,024)   | (79,077)   | (88,024)   | (79,077)  |
| Other operating expenditure      | (2,142)  | (3,215)  | (2,142)  | (3,215)   |
| <b>Other expenses</b>            | <b>(168,921)</b>                                       | <b>(163,086)</b>   | <b>(168,921)</b>                                   | <b>(163,086)</b>  |
| <b>Profit before tax</b>         | <b>97,903</b>  | <b>76,529</b>  | <b>97,903</b>                                      | <b>76,529</b>   |
| Tax expense                      | (26,474)   | (20,467)   | (26,474)   | (20,467)  |
| <b>Net Profit for the period</b> | <b>71,429</b>  | <b>56,062</b>  | <b>71,429</b>                                      | <b>56,062</b>   |

The accompanying notes form an integral part of these interim financial statements.

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE HALF-YEAR ENDED 30 JUNE 2011 - UNAUDITED**

|  | <b>INDIVIDUAL PERIOD</b>                               |  | <b>CUMULATIVE PERIOD</b>                           |   |
|--|--|--|--|---|
|  | Current<br>Year<br>Half-Yearly<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Half-Yearly<br>30.06.2010<br>RM'000 | Current<br>Year<br>To Date<br>30.06.2011<br>RM'000 | Preceding Year<br>Corresponding<br>Period<br>30.06.2010<br>RM'000 |
| <b>Net profit for the period</b>   | 71,429   | 56,062   | 71,429   | 56,062  |
| <b>Other comprehensive income</b>  |  |  |  |   |
| Available-for-sale fair value reserves   | (250)  | (3,451)  | (250)  | (3,451)   |
| Revaluation of property, plant and equipment   | 5,425  | -  | 5,425  | -   |
| Tax effects thereon  | (536)  | 863  | (536)  | 863   |
| <b>Other comprehensive income for the period,<br/>net of tax</b>                           | 4,639  | (2,588)  | 4,639  | (2,588)   |
| <b>Total comprehensive income for the period<br/>attributable to owners of the Company</b> | 76,068   | 53,474   | 76,068   | 53,474  |

The accompanying notes form an integral part of these interim financial statements.

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY****FOR THE HALF-YEAR ENDED 30 JUNE 2011**

|   | ← Non-distributable → |                    |                           |               | Distributable     | Total equity |
|---|-----------------------|--------------------|---------------------------|---------------|-------------------|--------------|
|   | Share Capital         | Fair value reserve | Asset revaluation reserve | Other reserve | Retained earnings |              |
|   | RM'000                | RM'000             | RM'000                    | RM'000        | RM'000            | RM'000       |
| <b>At 1 January 2010</b>                                      | 261,205               | 10,572             | -                         | -             | 182,573           | 454,350      |
| Change in accounting policies :<br>Effect of adopting FRS 139 | -                     | -                  | -                         | 4,523         | 4,093             | 8,616        |
| <b>At 1 January 2010, restated</b>                            | 261,205               | 10,572             | -                         | 4,523         | 186,666           | 462,966      |
| Total comprehensive income for the year                       | -                     | 309                | -                         | -             | 122,368           | 122,677      |
| Issue of ordinary shares                                      | 73,785                | -                  | -                         | -             | -                 | 73,785       |
| <b>At 31 December 2010 / At 1 January 2011</b>                | 334,990               | 10,881             | -                         | 4,523         | 309,034           | 659,428      |
| Total comprehensive income for the period                     | -                     | (187)              | 4,826                     | -             | 71,429            | 76,068       |
| Dividend paid during the year                                 | -                     | -                  | -                         | -             | (12,009)          | (12,009)     |
| <b>At 30 June 2011</b>  | 334,990               | 10,694             | 4,826                     | 4,523         | 368,454           | 723,487      |

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**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE HALF-YEAR ENDED 30 JUNE 2011**

|   | <b>Half-year<br/>Ended<br/>30.06.2011<br/>RM'000</b> | <b>Half-year<br/>Ended<br/>30.06.2010<br/>RM'000</b> |
|---|--|--|
| <b>Profit before taxation</b>   | 97,903   | 76,529   |
| Non-cash items  | 45,940   | 12,828   |
| Changes in working capital  |  |  |
| Net change in operating assets  | (361,643)  | (128,372)  |
| Net change in operating liabilities   | 64,099   | 18,475   |
| <b>Net cash used in operating activities</b>  | <u>(153,701)</u>                                     | <u>(20,540)</u>                                      |
| <b>Net cash generated from investing activities</b>   | <u>818</u>   | <u>189</u>   |
| <b>Net cash generated from financing activities</b>   | <u>(12,383)</u>                                      | <u>(2,302)</u>                                       |
| <b>Net decrease in cash and cash equivalents</b>  | (165,266)  | (22,653)   |
| Cash and cash equivalents at beginning of year  | 244,500  | 166,952  |
| <b>Cash and cash equivalents at end of year</b>   | <u><u>79,234</u></u>                                 | <u><u>144,299</u></u>                                |
| <b>Cash and cash equivalents comprise:-</b>   |  |  |
| Fixed and call deposits with licensed financial institutions (with maturity less than three months) | 76,173   | 143,387  |
| Cash and bank balances  | 3,061  | 912  |
|   | <u><u>79,234</u></u>                                 | <u><u>144,299</u></u>                                |

The accompanying notes form an integral part of these interim financial statements.

**ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

(Company No. 735426-V)

(Incorporated in Malaysia)

**Part A : Explanatory notes to the condensed financial statements****1. Basis of preparation**

The interim financial statements of the Company are unaudited and have been prepared in accordance with:

- a) The requirements of Financial Reporting Standard ("FRS") 134 : Interim Financial Reporting;
- b) Guidelines/ circular issued by Bank Negara Malaysia ("BNM"); and
- c) Financial Reporting Standards as modified by BNM ("Modified FRS").

and should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2010.

**2. Changes in accounting policies**

The accounting policies adopted by the Company for the condensed interim financial statements are consistent with those adopted in the Company audited financial statements for the financial year ended 31 December 2010, except for the adoption of the following:

| <b>FRSs / Amendment to FRSs / Interpretations</b>  | <b>Effective date</b> |
|--|-----------------------|
| Amendments to FRS 132, Financial Instruments: Presentation – Classification of Rights Issues               | 1 March 2010          |
| Amendments to FRS 5, Non-current Assets Held for Sale and Discontinued Operations                          | 1 July 2010           |
| Amendments to FRS 138, Intangible Assets   | 1 July 2010           |
| IC Interpretation 17, Distributions of Non-cash Assets to Owners   | 1 July 2010           |
| Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives                                    | 1 July 2010           |
| Amendments to FRS 2, Group Cash-settled Share-based Payment Transactions                                   | 1 January 2011        |
| Amendments to FRS 7, Financial Instruments: Disclosure – Improving Disclosures about Financial Instruments | 1 January 2011        |
| IC Interpretation 4, Determining whether an Arrangement contains a Lease                                   | 1 January 2011        |
| Improvements to FRSs (2010)  | 1 January 2011        |

The initial application of the aforesaid standards, interpretations and amendments are not expected to have any material impact on the financial statements of the Company or any material changes in accounting policy.



**3. Items of an unusual nature**

The results of the Company for the half-year under review were not substantially affected by any item, transaction or event of a material and unusual nature.

**4. Changes in estimates**

There were no significant changes in estimates of amounts reported in prior financial year that have a material effect in the half-year under review.

**5. Seasonal or cyclical factors**

The operations of the Company for the half-year under review were not significantly affected by seasonality or cyclical factors.

**6. Property, plant and equipment**

The Company's property, plant and equipment are stated at cost/valuation less any accumulated depreciation and any accumulated impairment losses. During the year, the Company has revalued its property, plant and equipment and the revaluation surpluses amounting to RM5,425,382.

**7. Investments**

|   | <b>30.06.2011</b> | <b>31.12.2010</b> |
|---|-------------------|-------------------|
|   | <b>RM'000</b>     | <b>RM'000</b>     |
| Malaysian government securities   | 948,995           | 825,353           |
| Malaysian government guaranteed bonds   | 316,388           | 176,715           |
| Multilateral development bank guaranteed bonds  | 134,972           | 143,397           |
| Debt securities   | 550,166           | 532,650           |
| Unquoted equity securities  | *                 | *                 |
| Commercial loans  | -                 | 5,525             |
| Structured deposits and negotiable certificate of deposits with licensed financial institutions | 92,280            | 35,775            |
|   | <u>2,042,801</u>  | <u>1,719,415</u>  |

\* Denotes RM4

The Company's financial investments are summarised by categories as follows:

|   | <b>Current</b>    |                   | <b>Non-current</b> |                   | <b>Total</b>      |                   |
|---|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
|   | <b>30.06.2011</b> | <b>31.12.2010</b> | <b>30.06.2011</b>  | <b>31.12.2010</b> | <b>30.06.2011</b> | <b>31.12.2010</b> |
|   | <b>RM'000</b>     | <b>RM'000</b>     | <b>RM'000</b>      | <b>RM'000</b>     | <b>RM'000</b>     | <b>RM'000</b>     |
| Loans and receivables ("LAR")               | -                 | -                 | -                  | 5,525             | -                 | 5,525             |
| Available-for-sale financial assets ("AFS") | 2,042,801         | 1,713,890         | -                  | -                 | 2,042,801         | 1,713,890         |
|   | <u>2,042,801</u>  | <u>1,713,890</u>  | <u>-</u>           | <u>5,525</u>      | <u>2,042,801</u>  | <u>1,719,415</u>  |

**7. Investments (continued)**

The Company's financial investments are summarised by categories as follows: (continued)

|  | 30.06.2011                  |                      | 31.12.2010                  |                      |
|--|-----------------------------|----------------------|-----------------------------|----------------------|
|  | Amortised<br>cost<br>RM'000 | Fair value<br>RM'000 | Amortised<br>cost<br>RM'000 | Fair value<br>RM'000 |
| <b>Loans and receivables</b>   |                             |                      |                             |                      |
| Commercial loans   | -                           | -                    | 5,525                       | 5,525                |
|  |                             |                      |                             |                      |
|  | Carrying<br>value<br>RM'000 | Fair value<br>RM'000 | Carrying<br>value<br>RM'000 | Fair value<br>RM'000 |
| <b>Available-for-sale</b>  |                             |                      |                             |                      |
| Malaysian government securities  | 948,995                     | 948,995              | 825,353                     | 825,353              |
| Malaysian government guaranteed bonds  | 316,388                     | 316,388              | 176,715                     | 176,715              |
| Multilateral development bank guaranteed bonds   | 134,972                     | 134,972              | 143,397                     | 143,397              |
| Debt securities:   |                             |                      |                             |                      |
| Quoted in Malaysia   | 5,303                       | 5,303                | 5,404                       | 5,404                |
| Unquoted in Malaysia   | 544,863                     | 544,863              | 527,246                     | 527,246              |
| Unquoted equity securities   | *                           | *                    | *                           | *                    |
| Structured deposits and negotiable certificate of deposits with licensed<br>financial institutions | 92,280                      | 92,280               | 35,775                      | 35,775               |
|  | 2,042,801                   | 2,042,801            | 1,713,890                   | 1,713,890            |

\* Denotes RM4

**7. Investments (continued)**

The carrying values of the financial investments are stated as follows:

|   | <b>LAR</b>    | <b>AFS</b>       | <b>Total</b>     |
|---|---------------|------------------|------------------|
|   | <b>RM'000</b> | <b>RM'000</b>    | <b>RM'000</b>    |
| At 1 January 2010, restated                             | 7,345         | 1,436,221        | 1,443,566        |
| Purchases   | -             | 1,002,659        | 1,002,659        |
| Maturities  | -             | (357,994)        | (357,994)        |
| Disposals   | (1,820)       | (364,590)        | (366,410)        |
| Fair value gains recorded in other comprehensive income | -             | 412              | 412              |
| Accretion   | -             | 2,776            | 2,776            |
| Amortisation  | -             | (5,594)          | (5,594)          |
| <b>At 31 December 2010</b>                              | <b>5,525</b>  | <b>1,713,890</b> | <b>1,719,415</b> |
| Purchases   | -             | 401,690          | 401,690          |
| Maturities  | -             | (58,000)         | (58,000)         |
| Disposals   | (5,525)       | (11,970)         | (17,495)         |
| Fair value gains recorded in other comprehensive income | -             | (250)            | (250)            |
| Accretion   | -             | 804              | 804              |
| Amortisation  | -             | (3,363)          | (3,363)          |
| <b>At 30 June 2011</b>                                  | <b>-</b>      | <b>2,042,801</b> | <b>2,042,801</b> |

**7. Investments (continued)**

The basis of estimation of fair values for financial instruments is as follows:

- (a) The fair values of Malaysian government securities, Malaysian government guaranteed bonds, structured deposits and negotiable certificate of deposits are based on the indicative market prices;
- (b) The fair values of quoted bonds of corporations in Malaysia are based on quoted closing market prices as at the end of the reporting period;
- (c) The fair values of multilateral development bank guaranteed bonds and unquoted bonds of corporations are based on the indicative market yields obtained from three financial institutions; and
- (d) The carrying amount of commercial loans is assumed to be approximately their fair values.

Estimating the fair values of multilateral development bank guaranteed bonds and unquoted bonds of corporations are based on the indicative market yields obtained from three financial institutions which involve projections of market yields based on past transactions. These are elements of uncertainty in projecting the expected market yields and these uncertainties arise from changes in the underlying risk and overall economic conditions. As such, the projected market yields may be different from the actual market yields in future.

**8. Reinsurance assets**

|                                    | <b>30.06.2011</b> | <b>31.12.2010</b> |
|------------------------------------|-------------------|-------------------|
|                                    | <b>RM'000</b>     | <b>RM'000</b>     |
| <b>Non-current</b>                 |                   |                   |
| Reinsurance of insurance contracts |                   |                   |
| Claims liabilities                 | 459,196           | 425,520           |
|                                    | -----             | -----             |
| <b>Current</b>                     |                   |                   |
| Reinsurance of insurance contracts |                   |                   |
| Claims liabilities                 | 418,782           | 388,070           |
| Premium liabilities                | 148,560           | 154,144           |
|                                    | -----             | -----             |
|                                    | <b>567,342</b>    | <b>542,214</b>    |
|                                    | -----             | -----             |
|                                    | <b>1,026,538</b>  | <b>967,734</b>    |

**9. Insurance contract liabilities**

General insurance contract liabilities consist of:

|  | 30.06.2011       |                        |                  | 31.12.2010       |                        |                  |
|--|------------------|------------------------|------------------|------------------|------------------------|------------------|
|  | Gross<br>RM'000  | Re-insurance<br>RM'000 | Net<br>RM'000    | Gross<br>RM'000  | Re-insurance<br>RM'000 | Net<br>RM'000    |
| Provision for claims reported by<br>policyholders          | 1,280,632        | (706,402)              | 574,230          | 1,227,631        | (658,994)              | 568,637          |
| Provision for incurred but not reported<br>claims ("IBNR") | 409,991          | (171,576)              | 238,415          | 368,545          | (154,596)              | 213,949          |
| Provision for outstanding claims                           | 1,690,623        | (877,978)              | 812,645          | 1,596,176        | (813,590)              | 782,586          |
| Provision for unearned premiums                            | 646,966          | (148,560)              | 498,406          | 565,138          | (154,144)              | 410,994          |
|  | <u>2,337,589</u> | <u>(1,026,538)</u>     | <u>1,311,051</u> | <u>2,161,314</u> | <u>(967,734)</u>       | <u>1,193,580</u> |

**9. Insurance contract liabilities (continued)**

## Provision for outstanding claims

|   | 30.06.2011       |                        |                | 31.12.2010       |                            |                |
|---|------------------|------------------------|----------------|------------------|----------------------------|----------------|
|   | Gross<br>RM'000  | Re-insurance<br>RM'000 | Net<br>RM'000  | Gross<br>RM'000  | Re-<br>insurance<br>RM'000 | Net<br>RM'000  |
| At 1 January  | 1,596,176        | (813,590)              | 782,586        | 1,442,314        | (750,460)                  | 691,854        |
| Claims incurred in the current accident year                  | 458,401          | (124,458)              | 333,943        | 927,982          | (349,930)                  | 578,052        |
| Other movements in claims incurred in<br>prior accident years | (280)            | (44,437)               | (44,717)       | (84,476)         | 54,501                     | (29,975)       |
| Claims paid during the year                                   | (363,674)        | 104,507                | (259,167)      | (689,644)        | 232,299                    | (457,345)      |
| At 31 December  | <u>1,690,623</u> | <u>(877,978)</u>       | <u>812,645</u> | <u>1,596,176</u> | <u>(813,590)</u>           | <u>782,586</u> |

## Provision for unearned premium

|                                 | 30.06.2011      |                        |                | 31.12.2010      |                        |                |
|---------------------------------|-----------------|------------------------|----------------|-----------------|------------------------|----------------|
|                                 | Gross<br>RM'000 | Re-insurance<br>RM'000 | Net<br>RM'000  | Gross<br>RM'000 | Re-insurance<br>RM'000 | Net<br>RM'000  |
| At 1 January                    | 565,139         | (154,144)              | 410,995        | 536,266         | (176,702)              | 359,564        |
| Premiums written in the year    | 746,711         | (170,491)              | 576,220        | 1,324,282       | (401,431)              | 922,851        |
| Premiums earned during the year | (664,884)       | 176,075                | (488,809)      | (1,295,410)     | 423,989                | (871,421)      |
| At 31 December                  | <u>646,966</u>  | <u>(148,560)</u>       | <u>498,406</u> | <u>565,138</u>  | <u>(154,144)</u>       | <u>410,994</u> |

**10. Changes in group composition**

There were no changes in the composition of the Company during the half-year under review.

**11. Capital commitments**

|                                 | <b>30.06.2011</b> | <b>31.12.2010</b> |
|---------------------------------|-------------------|-------------------|
|                                 | <b>RM'000</b>     | <b>RM'000</b>     |
| Property, plant and equipment   |                   |                   |
| Approved but not contracted for | 6,049             | 10,272            |
| Contracted but not provided for | 1,895             | 2,184             |

**12. Operating leases**

Total future minimum lease payments under operating leases are as follows:

|                            | <b>30.06.2011</b> | <b>31.12.2010</b> |
|----------------------------|-------------------|-------------------|
|                            | <b>RM'000</b>     | <b>RM'000</b>     |
| Less than one year         | 4,246             | 4,657             |
| Between one and five years | 5,823             | 7,478             |
|                            | 10,069            | 12,135            |

**13. Changes in contingent liabilities**

There were no contingent liabilities as the date of this report.

**14. Debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the half-year under review.



**15. Regulatory capital requirements**

|                                | <b>30.06.2011</b> | <b>31.12.2010</b> |
|--------------------------------|-------------------|-------------------|
|                                | <b>RM'000</b>     | <b>RM'000</b>     |
| <b>Tier 1 Capital</b>          |                   |                   |
| Paid up share capital          | 334,990           | 334,990           |
| Retained earnings              | 368,454           | 309,034           |
|                                | <u>703,444</u>    | <u>644,024</u>    |
| <b>Tier 2 Capital</b>          |                   |                   |
| Reserves                       | 18,150            | 12,906            |
| Subordinated loans             | 20,900            | 20,900            |
|                                | <u>39,050</u>     | <u>33,806</u>     |
| Amounts deducted from capital  | -                 | (1,978)           |
| <b>Total capital available</b> | <u>742,494</u>    | <u>675,852</u>    |

**16. Subsequent events**

There were no material events subsequent to the end of the half-year under review that have not been reported in this report.

**17. Dividend paid**

There was no dividend paid by the Company during the half-year under review (2010 : Nil).

For the financial year ended 31 December 2010, final dividend of 1.78 sen per ordinary share less tax at 25% (totaling: RM4,472,116) and 2.25 sen per ordinary share under single-tier system (totaling: RM7,537,275) was approved by the shareholders of the Company on 22 June 2011 and was accrued in the accounts of the Company as at 30 June 2011. The said dividend was paid to the entitled shareholders of the Company on 1 August 2011 and 3 August 2011 respectively.