

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

UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE HALF -YEAR ENDED 30 JUNE 2013

Allianz General Insurance Company (Malaysia) Berhad

(Company No. 735426-V)

(Incorporated in Malaysia)

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ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 735426-V)

(Incorporated in Malaysia)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**AS AT 30 JUNE 2013-UNAUDITED**

| | Note | 30.6.2013 RM'000 | 31.12.2012 RM'000 |
|-------------------------------------|------|---------------------|----------------------|
| Assets | | | |
| Property, plant and equipment | | 50,222 | 49,580 |
| Investment properties | | 1,972 | 1,972 |
| Intangible assets | | 1,618 | 1,854 |
| Deferred tax assets | | 8,338 | 6,255 |
| Investments | 7 | 2,738,423 | 2,497,422 |
| Reinsurance assets | 8 | 1,062,620 | 1,083,935 |
| Insurance receivables | | 118,881 | 88,859 |
| Loans and receivables | | 74,274 | 57,745 |
| Deferred acquisitions costs | | 70,646 | 59,315 |
| Cash and cash equivalents | | 124,013 | 124,295 |
| Total assets | | 4,251,007 | 3,971,232 |
| Equity and liabilities | | | |
| Share capital | | 334,990 | 334,990 |
| Retained earnings | | 657,453 | 589,879 |
| Other reserves | | 18,530 | 26,511 |
| Total equity | | 1,010,973 | 951,380 |
| Liabilities | | | |
| Insurance contract liabilities | 9 | 2,822,856 | 2,682,340 |
| Other financial liabilities | | 2,098 | 2,437 |
| Insurance payables | | 220,382 | 238,802 |
| Other payables and accruals | | 174,054 | 84,918 |
| Current tax liabilities | | 20,644 | 11,355 |
| Total liabilities | | 3,240,034 | 3,019,852 |
| Total equity and liabilities | | 4,251,007 | 3,971,232 |

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE HALF-YEAR ENDED 30 JUNE 2013-UNAUDITED**

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|----------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------|
| | Current Year Half-Yearly 30.6.2013 RM'000 | Preceding Year Corresponding Half-Yearly 30.6.2012 RM'000 | Current Year To Date 30.6.2013 RM'000 | Preceding Year Corresponding Period 30.6.2012 RM'000 |
| Operating revenue | 946,621 | 804,829 | 946,621 | 804,829 |
| Gross earned premiums | 895,459 | 760,102 | 895,459 | 760,102 |
| Less Premiums ceded to reinsurers | (251,910) | (223,006) | (251,910) | (223,006) |
| Net earned premiums | 643,549 | 537,096 | 643,549 | 537,096 |
| Investment income | 51,162 | 44,727 | 51,162 | 44,727 |
| Realised gains and losses | 2,143 | 3,195 | 2,143 | 3,195 |
| Fee and commission income | 45,002 | 47,801 | 45,002 | 47,801 |
| Other operating income | 1,114 | 841 | 1,114 | 841 |
| Other revenue | 99,421 | 96,564 | 99,421 | 96,564 |
| Gross claim paid | (404,115) | (386,797) | (404,115) | (386,797) |
| Claims ceded to reinsurers | 87,099 | 107,209 | 87,099 | 107,209 |
| Gross change to contract liabilities | (23,295) | (1,966) | (23,295) | (1,966) |
| Change in contract liabilities ceded to reinsurers | (27,162) | (35,893) | (27,162) | (35,893) |
| Net claims incurred | (367,473) | (317,447) | (367,473) | (317,447) |

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 735426-V)

(Incorporated in Malaysia)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**FOR THE HALF -YEAR ENDED 30 JUNE 2013-UNAUDITED**

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|---------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------|
| | Current Year Half-Yearly 30.6.2013 RM'000 | Preceding Year Corresponding Half-Yearly 30.6.2012 RM'000 | Current Year To Date 30.6.2013 RM'000 | Preceding Year Corresponding Period 30.6.2012 RM'000 |
| Fee and commission expense | (105,899) | (91,070) | (105,899) | (91,070) |
| Management expenses | (122,152) | (103,830) | (122,152) | (103,830) |
| Other operating expenditure | (1,185) | (2,753) | (1,185) | (2,753) |
| Other expenses | (229,236) | (197,653) | (229,236) | (197,653) |
| Profit before tax | 146,261 | 118,560 | 146,261 | 118,560 |
| Tax expense | (38,656) | (32,195) | (38,656) | (32,195) |
| Profit for the period | 107,605 | 86,365 | 107,605 | 86,365 |
| Profit attributable to : | | | | |
| Owners of the Company | 107,605 | 86,365 | 107,605 | 86,365 |

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 735426-V)

(Incorporated in Malaysia)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**FOR THE HALF-YEAR ENDED 30 JUNE 2013-UNAUDITED**

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|--------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------|
| | Current Year Half-Yearly 30.6.2013 RM'000 | Preceding Year Corresponding Half-Yearly 30.6.2012 RM'000 | Current Year To Date 30.6.2013 RM'000 | Preceding Year Corresponding Period 30.6.2012 RM'000 |
| Profit for the period | 107,605 | 86,365 | 107,605 | 86,365 |
| Other comprehensive income | | | | |
| Item that will not be reclassified subsequently to profit or loss | | | | |
| Revaluation of property, plant and equipment | - | 802 | - | 802 |
| Effect of tax | - | (200) | - | (200) |
| | - | 602 | - | 602 |
| Item that will be reclassified subsequently to profit or loss | | | | |
| Available-for-sale fair value reserves | (10,643) | 797 | (10,643) | 797 |
| Effect of tax | 2,662 | (200) | 2,662 | (200) |
| | (7,981) | 597 | (7,981) | 597 |
| Total other comprehensive income for the period, net of tax | (7,981) | 1,199 | (7,981) | 1,199 |
| Total comprehensive income for the period | 99,624 | 87,564 | 99,624 | 87,564 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 99,624 | 87,564 | 99,624 | 87,564 |

The accompanying notes form an integral part of these 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 2013-UNAUDITED

| | ← Non-distributable | | → Distributable | | Total equity RM'000 | |
|--------------------------------------------------------|---------------------|-----------------|-----------------------|------------------------------|------------------------|----------------------|
| | Share Capital | Capital reserve | Fair value reserve | Asset revaluation reserve | | Retained earnings |
| | RM'000 | RM'000 | RM'000 | RM'000 | | RM'000 |
| At 1 January 2012 | 334,990 | 4,523 | 18,036 | 4,380 | 427,504 | 789,433 |
| Fair value of available-for-sale financial assets | - | - | 597 | - | - | 597 |
| Revaluation of property, plant and equipment | - | - | - | 602 | - | 602 |
| Total other comprehensive income for the period | - | - | 597 | 602 | - | 1,199 |
| Profit for the period | - | - | - | - | 86,365 | 86,365 |
| Total comprehensive income for the period | - | - | 597 | 602 | 86,365 | 87,564 |
| At 30 June 2012 | 334,990 | 4,523 | 18,633 | 4,982 | 513,869 | 876,997 |
| At 1 January 2013 | 334,990 | 4,523 | 17,006 | 4,982 | 589,879 | 951,380 |
| Fair value of available-for-sale financial assets | - | - | (7,981) | - | - | (7,981) |
| Total other comprehensive income for the period | - | - | (7,981) | - | - | (7,981) |
| Profit for the period | - | - | - | - | 107,605 | 107,605 |
| Total comprehensive income for the period | - | - | (7,981) | - | 107,605 | 99,624 |
| Dividends payable to the owners of the Company | - | - | - | - | (40,031) | (40,031) |
| At 30 June 2013 | 334,990 | 4,523 | 9,025 | 4,982 | 657,453 | 1,010,973 |

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

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD

(Company No. 735426-V)

(Incorporated in Malaysia)

**CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE HALF-YEAR ENDED 30 JUNE 2013-UNAUDITED**

| | As at 30.6.2013 RM'000 | As at 30.6.2012 RM'000 |
|------------------------------------------------------------------------|------------------------------|------------------------------|
| Profit before tax | 146,261 | 118,560 |
| Investment income | (51,162) | (44,727) |
| Realised gains on disposal of property, plant and equipment | - | (25) |
| Realised gains on disposal of available-for-sale financial investments | (2,143) | (3,170) |
| Purchases of available-for-sale financial investments | (687,103) | (248,139) |
| Proceeds from sale of available-for-sale financial investments | 193,706 | 120,742 |
| Maturity of available-for-sale financial investments | 241,000 | 13,000 |
| Non-cash items: | | |
| Depreciation of property, plant and equipment | 3,661 | 4,102 |
| Amortisation of intangible assets | 410 | 1,230 |
| Interest expense on subordinated loan | - | 1,274 |
| Allowance of impairment for doubtful debts | 1,628 | 2,091 |
| Bad debts recovered | (110) | (221) |
| Property, plant and equipment written off | 4 | 90 |
| Changes in working capital: | | |
| Change in reinsurance assets | 21,315 | (22,499) |
| Change in insurance receivables | (31,540) | (95,643) |
| Change in loans and other receivables | (16,242) | 5,346 |
| Change in insurance contract liabilities | 140,516 | 94,779 |
| Change in other financial liabilities | (339) | 21 |
| Change in insurance payables | (18,420) | 106,190 |
| Change in other payables and accruals | 49,129 | (8,895) |
| Change in deferred acquisition cost | (11,331) | (4,254) |
| Cash (used in)/generated from operating activities | <u>(20,760)</u> | <u>39,852</u> |

ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD
 (Company No. 735426-V)
 (Incorporated in Malaysia)

CONDENSED INTERIM STATEMENT OF CASH FLOW
FOR THE HALF-YEAR ENDED 30 JUNE 2013 - UNAUDITED

| | As at 30.6.2013 RM'000 | As at 30.6.2012 RM'000 |
|---------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Cash (used in)/generated from operating activities | (20,760) | 39,852 |
| Operating activities | | |
| Dividend income received | 31 | 70 |
| Interest income received | 53,713 | 46,825 |
| Rental income received | 28 | 28 |
| Income tax paid | (28,789) | (26,831) |
| Net cash flows generated from operating activities | <u>4,223</u> | <u>59,944</u> |
| Investing activities | | |
| Proceeds from disposal of property, plant and equipment | 250 | 696 |
| Purchase of property, plant and equipment | (4,556) | (7,085) |
| Purchase of intangibles assets | (175) | (255) |
| Net cash flows used in investing activities | <u>(4,481)</u> | <u>(6,644)</u> |
| Financing activities | | |
| Decrease in subordinated loans | - | (30,669) |
| Repayment for lease arrangements | (24) | (68) |
| Net cash flows used in financing activities | <u>(24)</u> | <u>(30,737)</u> |
| Net (decrease)/increase in cash and cash equivalents | (282) | 22,563 |
| Cash and cash equivalents at beginning of year | 124,295 | 196,769 |
| Cash and cash equivalents at end of year | <u>124,013</u> | <u>219,332</u> |
| Cash and cash equivalents comprise: | | |
| Fixed and call deposits with licensed financial institutions (with maturity of less than three months): | 123,254 | 216,877 |
| Cash and bank balances | 759 | 2,455 |
| | <u>124,013</u> | <u>219,332</u> |

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

Part A : Explanatory notes to the condensed financial statements

1. Basis of preparation

The condensed interim financial statements have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134, Interim Financial Reporting and with IAS 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2012.

2. Changes in accounting policies

The accounting policies and presentation adopted by the Company are consistent with those adopted in the Company's audited financial statements for the financial year ended 31 December 2012, except for the adoption of the following:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

MFRS 13, Fair Value Measurement

MFRS 119, Employee Benefits (2011)

Amendments to MFRS 7, Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 101, Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 116, Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 132, Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 134, Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

The initial application of the aforesaid applicable standards, amendments is not expected to have any material financial impacts to the current and prior periods' financial statement upon their first adoption.

3. Items of an unusual nature

The results of the Company for the financial period 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 period that have a material effect in the financial year under review.

5. Seasonal or cyclical factors

The operations of the Company for the financial period 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.

7. Investments

| | 30.6.2013 | 31.12.2012 |
|----------------------------------------------------------|------------------|-------------------|
| | RM'000 | RM'000 |
| Malaysian government securities | 1,259,871 | 1,151,078 |
| Malaysian government guaranteed bonds and loans | 504,162 | 393,733 |
| Ringgit denominated bonds by foreign issuers in Malaysia | 40,588 | 135,766 |
| Debt securities | 862,485 | 755,503 |
| Unquoted equity securities | * | * |
| Structured deposits with licensed financial institutions | 71,317 | 61,342 |
| | <u>2,738,423</u> | <u>2,497,422</u> |

* Denotes RM4

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

| | Current | | Non-current | | Total | |
|---------------------------------------------|------------------|-------------------|--------------------|-------------------|------------------|-------------------|
| | 30.6.2013 | 31.12.2012 | 30.6.2013 | 31.12.2012 | 30.6.2013 | 31.12.2012 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Available-for-sale financial assets ("AFS") | 2,738,423 | 2,497,422 | - | - | 2,738,423 | 2,497,422 |
| | <u>2,738,423</u> | <u>2,497,422</u> | <u>-</u> | <u>-</u> | <u>2,738,423</u> | <u>2,497,422</u> |

7. Investments (continued)

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

| | 30.6.2013 | | 31.12.2012 | |
|----------------------------------------------------------|------------------|------------------|------------------|------------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Available-for-sale | | | | |
| Malaysian government securities | 1,259,871 | 1,259,871 | 1,151,078 | 1,151,078 |
| Malaysian government guaranteed bonds and loans | 504,162 | 504,162 | 393,733 | 393,733 |
| Ringgit denominated bonds by foreign issuers in Malaysia | 40,588 | 40,588 | 135,766 | 135,766 |
| Unquoted debt securities in Malaysia | 862,485 | 862,485 | 755,503 | 755,503 |
| Unquoted equity securities | * | * | * | * |
| Structured deposits with licensed financial institutions | 71,317 | 71,317 | 61,342 | 61,342 |
| | <u>2,738,423</u> | <u>2,738,423</u> | <u>2,497,422</u> | <u>2,497,422</u> |

* Denotes RM4

7. Investments (continued)

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

| | AFS |
|---------------------------------------------------------|------------------|
| | RM'000 |
| At 1 January 2012 | 2,067,654 |
| Purchases | 687,296 |
| Maturities | (124,000) |
| Disposals | (122,572) |
| Impairment | (3,685) |
| Fair value gains recorded in other comprehensive income | (1,373) |
| Accretion | 1,196 |
| Amortisation | (7,094) |
| At 31 December 2012 | 2,497,422 |
| Purchases | 687,103 |
| Maturities | (241,000) |
| Disposals | (191,563) |
| Fair value gains recorded in other comprehensive income | (10,643) |
| Accretion | 176 |
| Amortisation | (3,072) |
| At 30 June 2013 | 2,738,423 |

7. Investments (continued)

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

- (a) The fair values of structured deposits are based on the indicative market prices from the issuing banks;
- (b) The fair values of Malaysian government securities, Malaysian government guaranteed bonds and loans, multilateral development bank guaranteed bonds ringgit denominated bonds by foreign issuers in Malaysia and unquoted bonds of corporations are based on the indicative market yields obtained from three financial institutions;
- (c) The carrying amounts of cash and cash equivalents, insurance receivables and other receivables approximate fair values due to the relatively short term nature of these financial instruments; and
- (d) The fair values of mortgage loans and other secured loans are derived by discounting future cash flows, using interest rates for similar instruments, taking into consideration the nature and contracted terms of these loans. Based on management's assessment as at 30 June 2013, the estimated fair values of the loans approximate their carrying amounts.

Estimating the fair values of Malaysian government securities, Malaysian government guaranteed bonds and loans, 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. There 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.

It was not practicable to estimate the fair value of the Company's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs.

8. Reinsurance assets

| | 30.6.2013 | 31.12.2012 |
|-------------------------------------------|------------------|-------------------|
| | RM'000 | RM'000 |
| Non-current | | |
| Reinsurance of insurance contracts | | |
| Claims liabilities | 474,334 | 491,378 |
| Current | | |
| Reinsurance of insurance contracts | | |
| Claims liabilities | 371,071 | 381,189 |
| Premium liabilities | 217,215 | 211,368 |
| | <u>588,286</u> | <u>592,557</u> |
| | <u>1,062,620</u> | <u>1,083,935</u> |

9. Insurance contract liabilities

General insurance contract liabilities consist of:

| | 30.6.2013 | | | 31.12.2012 | | |
|------------------------------------------------|------------------|--------------------|------------------|------------------|--------------------|------------------|
| | Gross | Re-insurance | Net | Gross | Re-insurance | Net |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Provision for claims reported | 1,408,974 | (625,662) | 783,312 | 1,420,276 | (664,510) | 755,766 |
| Provision for incurred but not reported claims | 535,775 | (219,743) | 316,032 | 501,178 | (208,057) | 293,121 |
| Provision for outstanding claims (i) | 1,944,749 | (845,405) | 1,099,344 | 1,921,454 | (872,567) | 1,048,887 |
| Provision for unearned premiums (ii) | 878,107 | (217,215) | 660,892 | 760,886 | (211,368) | 549,518 |
| | <u>2,822,856</u> | <u>(1,062,620)</u> | <u>1,760,236</u> | <u>2,682,340</u> | <u>(1,083,935)</u> | <u>1,598,405</u> |

9. Insurance contract liabilities (continued)

(i) Provision for outstanding claims

| | 30.6.2013 | | | 31.12.2012 | | |
|-----------------------------------------------------------|-----------------|------------------------|---------------|-----------------|------------------------|---------------|
| | Gross RM'000 | Re-insurance RM'000 | Net RM'000 | Gross RM'000 | Re-insurance RM'000 | Net RM'000 |
| At 1 January | 1,921,454 | (872,567) | 1,048,887 | 1,810,799 | (886,389) | 924,410 |
| Claims incurred in the current accident year | 564,123 | (165,895) | 398,228 | 947,235 | (272,218) | 675,017 |
| Adjustment to claims incurred in prior accident year | (482) | 14,536 | 14,054 | 15,528 | 5,861 | 21,389 |
| Other movements in claims incurred in prior accident year | (136,231) | 91,422 | (44,809) | (132,528) | 81,732 | (50,796) |
| Claims paid during the year | (404,115) | 87,099 | (317,016) | (719,580) | 198,447 | (521,133) |
| At 30 June / 31 December | 1,944,749 | (845,405) | 1,099,344 | 1,921,454 | (872,567) | 1,048,887 |

(ii) Provision for unearned premium

| | 30.6.2013 | | | 31.12.2012 | | |
|---------------------------------|-----------------|------------------------|---------------|-----------------|------------------------|---------------|
| | Gross RM'000 | Re-insurance RM'000 | Net RM'000 | Gross RM'000 | Re-insurance RM'000 | Net RM'000 |
| At 1 January | 760,886 | (211,368) | 549,518 | 652,699 | (184,737) | 467,962 |
| Premiums written in the year | 1,012,680 | (257,758) | 754,922 | 1,673,949 | (504,465) | 1,169,484 |
| Premiums earned during the year | (895,459) | 251,911 | (643,548) | (1,565,762) | 477,834 | (1,087,928) |
| At 30 June / 31 December | 878,107 | (217,215) | 660,892 | 760,886 | (211,368) | 549,518 |

10. Changes in group composition

There were no changes in the composition of the Company during the period under review.

11. Capital commitments

| | 30.6.2013 | 31.12.2012 |
|---------------------------------|------------------|-------------------|
| | RM'000 | RM'000 |
| Property, plant and equipment | | |
| Approved but not contracted for | 19,766 | 23,617 |
| Contracted but not provided for | 2,290 | 1,428 |

12. Operating leases

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

| | 30.6.2013 | 31.12.2012 |
|----------------------------|------------------|-------------------|
| | RM'000 | RM'000 |
| Less than one year | 5,709 | 7,481 |
| Between one and five years | 2,467 | 4,532 |
| | <u>8,176</u> | <u>12,013</u> |

13. Related party transactions

Significant related party transactions are as follows:

| | Transactions value | |
|------------------------------------|---------------------------|------------------|
| | Six months ended | |
| | 30.6.2013 | 30.6.2012 |
| | RM'000 | RM'000 |
| Related companies* | | |
| Reinsurance premium and commission | (100,961) | (110,998) |

*Related companies are companies within the Allianz SE Group.

14. Changes in contingent liabilities

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

15. 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.

16. Regulatory capital requirements

| | 30.6.2013 | 31.12.2012 |
|--------------------------------|------------------|-------------------|
| | RM'000 | RM'000 |
| Tier 1 Capital | | |
| Paid up share capital | 334,990 | 334,990 |
| Retained earnings | 657,453 | 589,879 |
| | <u>992,443</u> | <u>924,869</u> |
| Tier 2 Capital | | |
| Reserves | 18,530 | 26,511 |
| Subordinated loans | 20,900 | 20,900 |
| | <u>39,430</u> | <u>47,411</u> |
| Amounts deducted from capital | (8,338) | (6,255) |
| Total capital available | <u>1,023,535</u> | <u>966,025</u> |

17. Subsequent events

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

18. Dividend paid

No dividend was paid during the period under review. (2012: RM Nil)

For the financial year ended 31 December 2012, a first and final dividend of 11.95 sen per ordinary share under single tier system was approved by the shareholder of the Company at the Company's Annual General Meeting held on 20 June 2013. The said dividend was paid to the entitled shareholder of the Company on 1 August 2013.