

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**

(Company No. 104248-X)

(Incorporated in Malaysia)

Condensed Unaudited Interim Financial Statements  
for the half-year ended 30 June 2015

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**  
(Company No. 104248- X)  
(Incorporated in Malaysia)

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**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**  
 (Company No. 104248- X)  
 (Incorporated in Malaysia)

**Condensed interim statement of financial position  
 as at 30 June 2015 - unaudited**

	Note	30.06.2015 RM'000	31.12.2014 RM'000
<b>Assets</b>			
Property, plant and equipment	6	25,417	22,428
Investment properties		3,300	3,300
Intangible assets		39,357	41,774
Investments		6,558,501	5,968,500
Derivative financial assets		4,093	7,669
Reinsurance assets	7	68,775	69,980
Insurance receivables		77,694	61,623
Other receivables, deposits and prepayments		79,518	127,521
Current tax assets		73	833
Cash and cash equivalents		480,024	531,148
<b>Total assets</b>		<u>7,336,752</u>	<u>6,834,776</u>
<b>Equity, policyholders' funds and liabilities</b>			
Share capital		236,600	236,600
Fair value reserve		(88)	(1,475)
Revaluation reserve		794	794
Retained earnings		441,510	412,495
<b>Total equity</b>		<u>678,816</u>	<u>648,414</u>
Insurance contract liabilities	8	5,988,320	5,494,649
Deferred tax liabilities		146,606	134,718
Derivative financial liabilities		4,151	161
Subordinated loan		54,300	54,300
Other financial liabilities		11,189	10,937
Insurance payables		125,477	128,522
Other payables and accruals		149,557	195,121
Benefits and claims liabilities		177,411	167,702
Current tax liabilities		925	252
<b>Total policyholders' funds and liabilities</b>		<u>6,657,936</u>	<u>6,186,362</u>
<b>Total equity, policyholders' funds and liabilities</b>		<u>7,336,752</u>	<u>6,834,776</u>

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

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**

(Company No. 104248- X)

(Incorporated in Malaysia)

**Condensed interim statement of profit and loss  
for the half-year ended 30 June 2015 - unaudited**

	Individual Period		Cumulative Period	
	Current Year Half-yearly 30.06.2015 RM'000	Preceding Year Corresponding Half-yearly 30.06.2014 RM'000	Current Year Half-yearly 30.06.2015 RM'000	Preceding Year Corresponding Half-yearly 30.06.2014 RM'000
<b>Operating revenue</b>	<u>1,070,965</u>	<u>1,020,753</u>	<u>1,070,965</u>	<u>1,020,753</u>
Gross earned premiums	933,060	903,014	933,060	903,014
Premiums ceded to reinsurers	<u>(79,592)</u>	<u>(60,135)</u>	<u>(79,592)</u>	<u>(60,135)</u>
<b>Net earned premiums</b>	<u>853,468</u>	<u>842,879</u>	<u>853,468</u>	<u>842,879</u>
Investment income	137,905	117,739	137,905	117,739
Realised gains	26,779	41,730	26,779	41,730
Fair value gains and losses	277	21,645	277	21,645
Fee and commission income	6,191	3,320	6,191	3,320
Other operating income	<u>5,269</u>	<u>9,915</u>	<u>5,269</u>	<u>9,915</u>
<b>Other revenue</b>	<u>176,421</u>	<u>194,349</u>	<u>176,421</u>	<u>194,349</u>
Gross benefits and claims paid	(290,428)	(253,004)	(290,428)	(253,004)
Claims ceded to reinsurers	61,986	51,788	61,986	51,788
Gross change in contract liabilities	(493,843)	(545,881)	(493,843)	(545,881)
Change in contract liabilities ceded to to reinsurers	<u>(1,205)</u>	<u>(1,707)</u>	<u>(1,205)</u>	<u>(1,707)</u>
<b>Net benefits and claims</b>	<u>(723,490)</u>	<u>(748,804)</u>	<u>(723,490)</u>	<u>(748,804)</u>
Fee and commission expense	(167,826)	(158,345)	(167,826)	(158,345)
Management expenses	(73,468)	(78,251)	(73,468)	(78,251)
Other operating expenses	<u>(12,033)</u>	<u>(15,135)</u>	<u>(12,033)</u>	<u>(15,135)</u>
<b>Other expenses</b>	<u>(253,327)</u>	<u>(251,731)</u>	<u>(253,327)</u>	<u>(251,731)</u>
<b>Profit before tax</b>	53,072	36,693	53,072	36,693
Tax expense	<u>(24,057)</u>	<u>(20,300)</u>	<u>(24,057)</u>	<u>(20,300)</u>
<b>Net profit for the period</b>	<u>29,015</u>	<u>16,393</u>	<u>29,015</u>	<u>16,393</u>

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

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**

(Company No. 104248- X)

(Incorporated in Malaysia)

**Condensed interim statement of profit or loss and other comprehensive income  
for the half-year ended 30 June 2015 - unaudited**

	<b>Individual Period</b>		<b>Cumulative Period</b>	
	<b>Current Year Half-yearly 30.06.2015 RM'000</b>	<b>Preceding Year Corresponding Half-yearly 30.06.2014 RM'000</b>	<b>Current Year Half-yearly 30.06.2015 RM'000</b>	<b>Preceding Year Corresponding Half-yearly 30.06.2014 RM'000</b>
<b>Net profit for the period attributable to owners of the Company</b>	29,015	16,393	29,015	16,393
<b>Other comprehensive income, net of tax Items that are or may be reclassified subsequently to profit or loss</b>				
Fair value of available-for-sale ("AFS") financial assets	1,853	36	1,853	36
Tax effects thereon	(466)	(2)	(466)	(2)
	<u>1,387</u>	<u>34</u>	<u>1,387</u>	<u>34</u>
<b>Total other comprehensive income for the period, net of tax</b>	<u>1,387</u>	<u>34</u>	<u>1,387</u>	<u>34</u>
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<u><u>30,402</u></u>	<u><u>16,427</u></u>	<u><u>30,402</u></u>	<u><u>16,427</u></u>

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

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**

(Company No. 104248- X)

(Incorporated in Malaysia)

**Condensed interim statement of changes in equity  
for the half-year ended 30 June 2015 - unaudited**

	← Non-distributable →			← Distributable →		Total equity RM'000
	Share capital RM'000	Fair value reserve RM'000	Revaluation reserve RM'000	Non participating fund surplus* RM'000	Retained earnings RM'000	
<b>At 1 January 2014</b>	236,600	(1,257)	794	322,160	31,477	589,774
Fair value of available-for-sale financial assets	-	34	-	-	-	34
Total other comprehensive income for the period	-	34	-	-	-	34
Profit for the period	-	-	-	16,057	336	16,393
Total comprehensive income for the period	-	34	-	16,057	336	16,427
<b>At 30 June 2014</b>	<u>236,600</u>	<u>(1,223)</u>	<u>794</u>	<u>338,217</u>	<u>31,813</u>	<u>606,201</u>
<b>At 1 January 2015</b>	236,600	(1,475)	794	378,554	33,941	648,414
Fair value of available-for-sale financial assets	-	1,387	-	-	-	1,387
Total other comprehensive income for the period	-	1,387	-	-	-	1,387
Profit/ (Loss) for the period	-	-	-	31,214	(2,199)	29,015
Total comprehensive income/(loss) for the period	-	1,387	-	31,214	(2,199)	30,402
<b>At 30 June 2015</b>	<u>236,600</u>	<u>(88)</u>	<u>794</u>	<u>409,768</u>	<u>31,742</u>	<u>678,816</u>

\* The non participating fund surplus amount is net of deferred tax. This amount is only distributable when the surplus is transferred from life fund to the Shareholders' fund.

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

**ALLIANZ LIFE INSURANCE MALAYSIA BERHAD**

(Company No. 104248- X)

(Incorporated in Malaysia)

**Condensed interim statement of cash flows  
for the half-year ended 30 June 2015 - unaudited**

	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	53,072	36,693
<i>Adjustments for:</i>		
Investment income	(137,905)	(117,739)
Interest expense	3,597	3,085
Realised gains recorded in profit or loss	(26,729)	(41,730)
Fair value (gain) on investments recorded in profit or loss	(277)	(21,645)
Purchase of held-to-maturity ("HTM") financial investments	-	(106,208)
Maturity of HTM financial investments	-	15,000
Purchase of available-for-sale ("AFS") financial investments	(433,264)	(111,530)
Proceeds from sale of AFS financial investments	213,570	105,027
Maturity of AFS financial investments	45,600	20,000
Purchase of held for trading ("HFT") financial investments	(452,313)	(390,862)
Maturity of HFT financial investments	9,400	20,000
Proceeds from sale of HFT financial investments	111,934	116,418
Purchase of designated upon initial recognition ("DUIR") financial investments	(181,758)	(201,735)
Proceeds from sale of DUIR financial investments	118,365	25,169
Maturity of DUIR financial investments	90,000	35,000
Purchase of derivative financial instruments	(747)	(1,674)
Change in loans and receivables ("LAR")	(74,517)	(51,221)
<b>Non-cash items:</b>		
Change in fair value of AFS financial assets	172	1,099
(Reversal of)/Allowance for impairment loss on receivables	(427)	270
Amortisation of intangible assets	2,418	2,435
Depreciation of property, plant and equipment	1,713	1,594
Loss on disposal of property, plant and equipment	(50)	-
Property, plant and equipment written off	5	4
Unrealised foreign exchange gain on investments	-	(818)
<b>Operating loss before changes in working capital</b>	<b>(658,141)</b>	<b>(663,368)</b>
<b>Changes in working capital:</b>		
Change in reinsurance assets	1,205	1,707
Change in insurance receivables	(15,775)	(30,226)
Change in other receivables, deposits and prepayments	48,134	(10,688)
Change in insurance contract liabilities	493,671	544,782
Change in other financial liabilities	252	1,514
Change in insurance payables	(3,045)	(5,391)
Change in other payables	(47,929)	2,438
Change in benefits and claims liabilities	9,709	23,151
<b>Cash used in operations</b>	<b>(171,919)</b>	<b>(136,081)</b>

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**Condensed interim statement of cash flows  
for the half-year ended 30 June 2015 - unaudited  
(continued)**

	<b>30.06.2015</b>	<b>30.06.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Tax paid	(11,188)	(9,414)
Dividend received	14,405	12,357
Coupon interest received	119,398	100,594
Other income received	4,003	4,651
Rental income on investment properties received	65	48
<b>Net cash used in operating activities</b>	<u>(45,236)</u>	<u>(27,845)</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	50	-
Acquisition of property, plant and equipment	(4,706)	(1,800)
<b>Net cash used in investing activities</b>	<u>(4,656)</u>	<u>(1,800)</u>
<b>Cash flows from financing activities</b>		
Payment of loan interest to holding company	(1,232)	(1,232)
<b>Net cash used in financing activities</b>	<u>(1,232)</u>	<u>(1,232)</u>
<b>Net decrease in cash and cash equivalents</b>	(51,124)	(30,877)
<b>Cash and cash equivalents at 1 January</b>	531,148	413,423
<b>Cash and cash equivalents at 30 June</b>	<u><u>480,024</u></u>	<u><u>382,546</u></u>
<b>Cash and cash equivalent comprises:</b>		
<b>Fixed and call deposits with licensed financial institutions (with maturity less than three months):</b>	452,755	353,091
<b>Cash and bank balances</b>	27,269	29,455
	<u><u>480,024</u></u>	<u><u>382,546</u></u>

## ALLIANZ LIFE INSURANCE MALAYSIA BERHAD

(Company No. 104248- X)

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### Notes to the interim financial statements

#### 1. Basis of preparation

These condensed interim financial statements of the Company as at and for the half-year ended ended 30 June 2015 have been prepared in accordance with Malaysian Financial Reporting Standard ("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 financial statements of the Company as at and for the financial year ended 31 December 2014.

#### 2. Changes in accounting policies

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted in the Company's audited financial statements for the financial year ended 31 December 2014, except for the adoption of the following:

MFRSs, Amendments to MFRSs and IC Interpretation		Effective date
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements 2010- 2012 Cycle and 2011- 2013 Cycle)	1 July 2014
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2010- 2012 Cycle)	1 July 2014
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements 2010- 2012 Cycle)	1 July 2014
Amendments to MFRS 138	Intangible Assets (Annual Improvements 2010- 2012 Cycle)	1 July 2014
Amendments to MFRS 140	Investment Property (Annual Improvements 2011- 2013 Cycle)	1 July 2014

The initial application of the above mentioned accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current and prior period financial statements 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 material changes in the basis used for accounting estimates for the financial period 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 accumulated impairment losses, if any. There were no changes in the valuation of property, plant and equipment that were brought forward from the Company's audited financial statements for the year ended 31 December 2014.

**7. Reinsurance assets**

**30.06.2015**      **31.12.2014**  
**RM'000**            **RM'000**

**Reinsurance of insurance contracts**

Actuarial liabilities

-Current

-Non-current

60	52
68,715	69,928
<u>68,775</u>	<u>69,980</u>

**8. Insurance contract liabilities**

	← 30.06.2015 →			← 31.12.2014 →		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Actuarial liabilities	5,107,351	(68,775)	5,038,576	4,694,730	(69,980)	4,624,750
Unallocated surplus	70,250	-	70,250	69,138	-	69,138
Available-for-sale fair value reserve	70,605	-	70,605	70,777	-	70,777
Net asset value attributable to unitholders	738,333	-	738,333	658,223	-	658,223
Revaluation reserve	1,781	-	1,781	1,781	-	1,781
	<u>5,988,320</u>	<u>(68,775)</u>	<u>5,919,545</u>	<u>5,494,649</u>	<u>(69,980)</u>	<u>5,424,669</u>
	<b>Note 7</b>			<b>Note 7</b>		

## 8. Insurance contract liabilities (continued)

	← Gross →			← Reinsurance →			Net RM'000
	With DPF RM'000	Without DPF RM'000	Total RM'000	With DPF RM'000	Without DPF RM'000	Total RM'000	
<b>At 1 January 2014</b>	2,978,413	1,689,517	4,667,930	-	(77,540)	(77,540)	4,590,390
Premiums received	419,571	1,414,185	1,833,756	(9,939)	(125,187)	(135,126)	1,698,630
Liabilities paid for death, maturities, surrenders, benefits and claims	(139,362)	(474,248)	(613,610)	7,551	101,379	108,930	(504,680)
Benefits and claims experience variation	13,973	(59,756)	(45,783)	939	20,161	21,100	(24,683)
Fees deducted	(43,945)	(429,748)	(473,693)	1,449	11,344	12,793	(460,900)
Expected interest on reserve/net investment income attributable to Universal Life Fund	129,459	41,815	171,274	-	(2,667)	(2,667)	168,607
Adjustments due to changes in assumptions	(8,630)	(2,144)	(10,774)	-	2,530	2,530	(8,244)
Net asset value attributable to unitholders	-	(6,739)	(6,739)	-	-	-	(6,739)
Available-for sale fair value reserve	(31,544)	-	(31,544)	-	-	-	(31,544)
Unallocated surplus	1,308	-	1,308	-	-	-	1,308
Deferred tax effects: Available-for-sale fair value reserve	2,524	-	2,524	-	-	-	2,524
<b>At 31 December 2014</b>	<b>3,321,767</b>	<b>2,172,882</b>	<b>5,494,649</b>	<b>-</b>	<b>(69,980)</b>	<b>(69,980)</b>	<b>5,424,669</b>

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

	← Gross →			← Reinsurance →			Net RM'000
	With DPF RM'000	Without DPF RM'000	Total RM'000	With DPF RM'000	Without DPF RM'000	Total RM'000	
<b>At 1 January 2015</b>	3,321,767	2,172,882	5,494,649	-	(69,980)	(69,980)	5,424,669
Premiums received	190,140	742,920	933,060	(4,880)	(74,712)	(79,592)	853,468
Liabilities paid for death, maturities, surrenders, benefits and claims	(80,112)	(210,316)	(290,428)	2,838	59,148	61,986	(228,442)
Benefits and claims experience variation	3,317	(26,766)	(23,449)	2,190	12,285	14,475	(8,974)
Fees deducted	(18,096)	(218,797)	(236,893)	(148)	6,339	6,191	(230,702)
Expected interest on reserve/net investment income attributable to Universal Life Fund	70,785	35,999	106,784	-	(979)	(979)	105,805
Adjustments due to changes in assumptions	(909)	3,116	2,207	-	(876)	(876)	1,331
Net asset value attributable to unitholders	-	1,450	1,450	-	-	-	1,450
Available-for sale fair value reserve	(187)	-	(187)	-	-	-	(187)
Unallocated surplus	1,112	-	1,112	-	-	-	1,112
Deferred tax effect:							
Available-for-sale fair value reserve	15	-	15	-	-	-	15
<b>At 30 June 2015</b>	<b>3,487,832</b>	<b>2,500,488</b>	<b>5,988,320</b>	<b>-</b>	<b>(68,775)</b>	<b>(68,775)</b>	<b>5,919,545</b>

**9. Changes in group composition**

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

## 10. Capital commitments

	30.06.2015	31.12.2014
	RM'000	RM'000
Property, plant and equipment:		
Authorised but not contracted for	14,946	21,938
Contracted but not provided for	3,945	4,401
	<u>18,891</u>	<u>26,339</u>

## 11. Operating leases

### Leases as lessee

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

	30.06.2015	31.12.2014
	RM'000	RM'000
Less than one year	2,836	2,218
Between one and five years	2,330	1,694
	<u>5,166</u>	<u>3,912</u>

The Company leases a number of offices under operating leases. The leases typically run for a period of 1-5 years, with an option to renew the lease after that date. None of the leases includes contingent rentals.

### Leases as lessor

The Company leases out its investment property under operating leases. The future minimum lease receivable under non-cancellable leases are as follows:

	30.06.2015	31.12.2014
	RM'000	RM'000
Less than one year	247	160
Between one and five years	393	218
	<u>640</u>	<u>378</u>

## 12. Related party transactions

Significant related party transactions are as follows:

	Transactions value Six months ended 30 June	
	2015	2014
	RM'000	RM'000
<b>Related companies*</b>		
Reinsurance premium and commission	<u>(66,564)</u>	<u>(49,146)</u>

\* Related companies are companies within the Allianz SE group.

**13. Changes in contingent liabilities**

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

**14. Issuance, repayments and repurchases of debt and equity securities**

There were no other issuance of shares, shares buy-back and repayment of debt and equity securities by the Company during the financial period under review.

**15. Regulatory capital requirement**

The total capital available of the Company as at 30 June 2015, as prescribed under the Risk-Based Capital Framework ("RBC Framework") is provided below:

	<b>30.06.2015</b>	<b>31.12.2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Tier 1 Capital</b>		
Paid up share capital	236,600	236,600
Reserves, including retained earnings	648,349	607,816
Capital instruments which qualifies as Tier 1 Capital	514,113	565,685
	<u>1,399,062</u>	<u>1,410,101</u>
<b>Tier 2 Capital</b>		
Revaluation reserve	2,575	2,575
Available-for-sale reserve	70,517	69,302
Subordinated loan	55,472	55,492
	<u>128,564</u>	<u>127,369</u>
<b>Amount deducted from Capital</b>	<u>(44,389)</u>	<u>(44,714)</u>
<b>Total Capital Available</b>	<u><u>1,483,237</u></u>	<u><u>1,492,756</u></u>

**16. 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.

**17. Dividend paid**

Since the end of the previous financial year, the Company paid an interim dividend of 2.00 sen per ordinary share under single-tier system totaling RM4,732,000 in respect of the financial year ended 31 Decemeber 2014 on 14 January 2015 (2014: Nil).

## 18. Insurance funds

The Company's activities are organised by funds and segregated into Life and Shareholders' funds in accordance with the Financial Services Act, 2013

The Company's statement of financial position and statement of profit or loss have been further analysed by funds.

The life insurance business offers a wide range of participating and non-participating Whole Life, Term Assurance, Endowment, as well as Investment-linked products.

### Interim statement of financial position by funds as at 30 June 2015- unaudited

	Shareholders' Funds		Life Fund		Total	
	30.06.2015 RM'000	31.12.2014 RM'000	30.06.2015 RM'000	31.12.2014 RM'000	30.06.2015 RM'000	31.12.2014 RM'000
<b>Assets</b>						
Property, plant and equipment	-	-	25,417	22,428	25,417	22,428
Investment properties	-	-	3,300	3,300	3,300	3,300
Intangible assets	38,629	40,901	728	873	39,357	41,774
Investments	275,681	232,395	6,282,820	5,736,105	6,558,501	5,968,500
Derivative financial assets	-	-	4,093	7,669	4,093	7,669
Reinsurance assets	-	-	68,775	69,980	68,775	69,980
Insurance receivables	-	-	77,694	61,623	77,694	61,623
Other receivables, deposits and prepayments	2,826	43,494	76,692	84,027	79,518	127,521
Current tax assets	-	-	73	833	73	833
Cash and cash equivalents	12,559	13,196	467,465	517,952	480,024	531,148
<b>Total assets</b>	<b>329,695</b>	<b>329,986</b>	<b>7,007,057</b>	<b>6,504,790</b>	<b>7,336,752</b>	<b>6,834,776</b>
<b>Equity, policyholders' funds and liabilities</b>						
<b>Total equity</b>	<b>268,148</b>	<b>268,946</b>	<b>410,668</b>	<b>379,468</b>	<b>678,816</b>	<b>648,414</b>
Insurance contract liabilities	-	-	5,988,320	5,494,649	5,988,320	5,494,649
Deferred tax liabilities/ (assets)	105	(408)	146,501	135,126	146,606	134,718
Derivative financial liabilities	-	-	4,151	161	4,151	161
Subordinated loans	54,300	54,300	-	-	54,300	54,300
Other financial liabilities	-	-	11,189	10,937	11,189	10,937
Insurance payables	-	-	125,477	128,522	125,477	128,522
Other payables and accruals	6,217	6,896	143,340	188,225	149,557	195,121
Benefits and claims liabilities	-	-	177,411	167,702	177,411	167,702
Current tax liabilities	925	252	-	-	925	252
<b>Total policyholders' funds and liabilities</b>	<b>61,547</b>	<b>61,040</b>	<b>6,596,389</b>	<b>6,125,322</b>	<b>6,657,936</b>	<b>6,186,362</b>
<b>Total equity, policyholders' funds and liabilities</b>	<b>329,695</b>	<b>329,986</b>	<b>7,007,057</b>	<b>6,504,790</b>	<b>7,336,752</b>	<b>6,834,776</b>

## 18. Insurance funds (continued)

Interim statement of profit or loss by funds  
for the half-year ended 30 June - unaudited

	Shareholders' Funds		Life Fund		Total	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
<b>Operating revenue</b>	5,309	5,259	1,065,656	1,015,494	1,070,965	1,020,753
Gross earned premiums	-	-	933,060	903,014	933,060	903,014
Premiums ceded to reinsurers	-	-	(79,592)	(60,135)	(79,592)	(60,135)
<b>Net earned premiums</b>	-	-	853,468	842,879	853,468	842,879
Investment income	5,309	5,259	132,596	112,480	137,905	117,739
Realised gains	-	63	26,779	41,667	26,779	41,730
Fair value gains and losses	-	-	277	21,645	277	21,645
Fee and commission income	-	-	6,191	3,320	6,191	3,320
Other operating income	23	-	5,246	9,915	5,269	9,915
<b>Other revenue</b>	5,332	5,322	171,089	189,027	176,421	194,349
Gross benefits and claims paid	-	-	(290,428)	(253,004)	(290,428)	(253,004)
Claims ceded to reinsurers	-	-	61,986	51,788	61,986	51,788
Gross change in contract liabilities	-	-	(493,843)	(545,881)	(493,843)	(545,881)
Change in contract liabilities ceded to reinsurers	-	-	(1,205)	(1,707)	(1,205)	(1,707)
<b>Net benefits and claims</b>	-	-	(723,490)	(748,804)	(723,490)	(748,804)
Fee and commission expense	-	-	(167,826)	(158,345)	(167,826)	(158,345)
Management expenses	(4,401)	(2,198)	(69,067)	(76,053)	(73,468)	(78,251)
Other operating expenses	(1,825)	(1,496)	(10,208)	(13,639)	(12,033)	(15,135)
<b>Other expenses</b>	(6,226)	(3,694)	(247,101)	(248,037)	(253,327)	(251,731)
<b>(Loss)/ Profit/Surplus before tax</b>	(894)	1,628	53,966	35,065	53,072	36,693
Tax expense	(1,305)	(1,292)	(22,752)	(19,008)	(24,057)	(20,300)
<b>(Loss)/ Net profit /Surplus after tax</b>	(2,199)	336	31,214	16,057	29,015	16,393

**18. Insurance funds (continued)****Interim Investment -linked funds statement of assets and liabilities  
as at 30 June 2015- unaudited**

	30.06.2015	31.12.2014
	RM'000	RM'000
<b>Assets</b>		
Financial investments	631,615	498,823
Interest and dividend receivables, and other receivables	5,521	10,109
Cash and cash equivalents	106,393	170,362
<b>Total assets</b>	<u>743,529</u>	<u>679,294</u>
<b>Liabilities</b>		
Deferred tax liabilities	1,018	1,844
Other financial liabilities	2,362	4,784
Other payables	357	421
Benefits and claims liabilities	1,458	13,948
Current tax liabilities	1	74
<b>Total liabilities</b>	<u>5,196</u>	<u>21,071</u>
<b>Net asset value of funds (Note 8)</b>	<u><u>738,333</u></u>	<u><u>658,223</u></u>

**Interim Investment-linked funds statement of income and expenditure  
for the half-year ended 30 June - unaudited**

	2015	2014
	RM'000	RM'000
Investment income	11,574	8,854
Realised gains	3,908	16,633
Fair value gains and losses	(9,541)	8,400
Other operating income	2	827
	<u>5,943</u>	<u>34,714</u>
Other operating expenses	(4,485)	(3,630)
Profit before tax	1,458	31,084
Tax expense	(8)	(2,330)
<b>Net profit for the period</b>	<u><u>1,450</u></u>	<u><u>28,754</u></u>