

PRUDENTIAL BSN TAKAFUL BERHAD

(Company No. 740651-H)

(Incorporated in Malaysia)

Unaudited Condensed Interim

Financial Statements

For The Half-Year Ended

30 June 2012

(in Ringgit Malaysia)

PRUDENTIAL BSN TAKAFUL BERHAD
(Company No. 740651-H)
(Incorporated in Malaysia)

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PRUDENTIAL BSN TAKAFUL BERHAD
(Company No. 740651-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012

Note	← Half-year ended 30.06.2012 →				← 31.12.2011 →				← 01.01.2011 →			
	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS												
Property and equipment	11,693	-	-	11,693	12,143	-	-	12,143	12,113	-	-	12,113
Investments	147,042	643,286	8,367	798,695	99,946	567,244	7,267	674,457	107,974	367,987	8,947	484,908
Deferred tax assets	5,443	-	-	5,443	6,785	-	-	6,785	4,192	-	-	4,192
Retakaful Assets	-	9,962	1,693	11,655	-	10,009	890	10,899	-	18,761	5,145	23,906
Takaful receivables	-	-	-	-	-	6,350	416	6,766	-	6,882	8	6,890
Trade and other receivables	11,475	5,195	63	8,252	65,031	8,864	79	6,548	34,047	4,870	87	4,773
Qardhul Hassan receivables	1,202	-	-	-	1,202	-	-	-	-	-	-	-
Tax recoverable	-	-	-	-	-	442	-	442	-	-	-	-
Cash and bank balances	25,936	5,422	2,840	34,198	31,829	89	1,630	33,548	9,801	-	61	9,862
Total assets	202,791	663,865	12,963	869,936	216,936	592,998	10,282	751,588	168,127	398,500	14,248	546,644
Equity												
Share capital	58,824	-	-	58,824	58,824	-	-	58,824	58,824	-	-	58,824
Reserves	70,577	-	-	70,577	64,749	(1,202)	-	63,547	45,085	-	-	45,085
Total equity	129,401	-	-	129,401	123,573	(1,202)	-	122,371	103,909	-	-	103,909

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012 (CONTINUED)

Note	← Half-year ended 30.06.2012 →				← 31.12.2011 →				← 01.01.2011 →				
	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
LIABILITIES													
Participants' fund	4	-	599,628	5,226	604,854	-	493,787	2,514	496,301	-	336,930	1,259	338,189
Takaful contract liabilities	5	-	26,329	3,188	29,517	-	22,715	4,327	27,042	-	20,180	9,331	29,511
Provision for wakalah fee		22,178	-	-	22,178	21,714	-	-	21,714	15,498	-	-	15,498
Takaful payables		-	314	1,147	1,461	-	9,273	971	10,244	-	8,061	29	8,090
Trade and other payables		44,509	32,285	2,807	69,918	69,083	63,696	2,048	67,401	43,876	30,489	3,200	43,334
Taxation		6,703	1,105	595	8,403	2,566	28	422	3,016	4,844	387	429	5,660
Deferred tax liabilities		-	4,204	-	4,204	-	3,499	-	3,499	-	2,453	-	2,453
Qardhul Hassan payables		-	-	-	-	-	1,202	-	-	-	-	-	-
Total liabilities		73,390	663,865	12,963	740,535	93,363	594,200	10,282	629,217	64,218	398,500	14,248	442,735
Total equity and liabilities		202,791	663,865	12,963	869,936	216,936	592,998	10,282	751,588	168,127	398,500	14,248	546,644

The accompanying notes form an integral part of the interim financial statement

PRUDENTIAL BSN TAKAFUL BERHAD
 (Company No. 740651-H)
 (Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2012

Note	← Half-year ended 30.06.2012 →				← Half-year ended 30.06.2011 →			
	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Operating Revenue	1,939	332,665	2,903	337,507	2,614	251,467	5,713	259,794
Takaful operator income	129,547	-	-	-	104,392	-	-	-
Gross earned contributions	-	322,683	2,733	341,975	-	246,096	5,578	261,292
Contributions ceded to retakaful	-	(6,236)	(525)	(6,761)	-	(5,486)	(178)	(5,664)
Net earned contributions	-	316,447	2,208	335,214	-	240,610	5,400	255,628
Investment income	1,939	9,982	170	12,091	2,614	5,371	135	8,120
Realised gains and losses	476	8,082	-	8,558	1,395	4,214	-	5,609
Fair value gains and losses	(681)	8,140	(10)	7,449	(505)	7,426	-	6,921
Other operating income	38,393	183	-	3,997	60,687	2	114	30,850
Other income	40,127	26,387	160	32,095	64,191	17,013	249	51,500

PRUDENTIAL BSN TAKAFUL BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2012 (CONTINUED)

Note	← Half-year ended 30.06.2012 →				← Half-year ended 30.06.2011 →			
	Takaful operator	Family takaful fund	General takaful fund	Company	Takaful operator	Family takaful fund	General takaful fund	Company
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross benefits and claims paid	-	(89,590)	88	(89,502)	-	(51,419)	(986)	(52,405)
Claims ceded to retakaful	-	5,388	7	5,395	-	4,298	11	4,309
Gross change to contract liabilities	-	-	42	42	-	-	(1,538)	(1,538)
Net benefits and claims	-	(84,202)	137	(84,065)	-	(47,121)	(2,513)	(49,634)
Wakalah fee expense	-	(128,496)	(1,051)	-	-	(102,784)	(1,608)	-
Commission expense	(84,150)	-	(412)	(84,562)	(68,882)	37	(615)	(69,460)
Risk management charge	-	(18,020)	-	-	-	(20,335)	-	-
Other operating expenses	(70,998)	(7,894)	(480)	(79,372)	(65,034)	2,541	(445)	(62,938)
Other expenses	(155,148)	(154,410)	(1,943)	(163,934)	(133,916)	(120,541)	(2,668)	(132,398)
Tax expense attributable to participants	-	(2,337)	(318)	(2,655)	-	(2,541)	-	(2,541)
Surplus transferable to participants	-	(100,683)	(244)	(116,655)	-	(87,420)	(468)	(122,555)
Profit before zakat and taxation	14,526	1,202	-	15,728	34,667	-	-	34,667
Zakat	(141)	-	-	(141)	(316)	-	-	(316)
Taxation	(8,557)	-	-	(8,557)	(2,254)	-	-	(2,254)
Profit for the period	5,828	1,202	-	7,030	32,097	-	-	32,097

The accompanying notes form an integral part of the interim financial statements

PRUDENTIAL BSN TAKAFUL BERHAD
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UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2012

	Share Capital RM' 000	Share Premium RM' 000	Retained Earnings RM' 000	Total RM' 000
As at 1 January 2011	58,824	41,176	3,909	103, 909
Profit for the period	-	-	18,462	18,462
As at 31 December 2011	58,824	41,176	22,371	122, 371
Profit for the period	-	-	7,030	7,030
As at 30 June 2012	58,824	41,176	29,401	129,401

PRUDENTIAL BSN TAKAFUL BERHAD
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**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
 30 JUNE 2012**

	Half-year ended 30.06.2012 RM'000	31.12.2011 RM'000
Cash flows from operating activities		
Profit before taxation	14,526	27,632
Adjustments for:		
Depreciation	1,007	3,448
Investment income	(15,136)	(14,444)
Gain on disposal of investments	(15,373)	(7,239)
Fair value gains on investments	(14,915)	(12,171)
Property and equipment written off	(557)	-
Increase in provision for wakalah fee	1,051	6,216
(Loss)/profit from operations before changes in operating assets and liabilities	(29,397)	3,442
Decrease in Family takaful fund	105,964	155,655
Decrease in General takaful fund	1,433	1,255
(Decrease)/increase in payable (including claim admitted but not paid)	(64,980)	58,149
Decrease/(increase) in trade and other receivables	70,249	(22,739)
	<u>83,269</u>	<u>195,762</u>
Income taxes paid	(3,804)	(12,903)
Net cash generated from operating activities	<u>79,465</u>	<u>182,859</u>
Cash flows from investing activities		
Investment income	14,903	13,022
Purchases of investment	(251,579)	(405,523)
Proceeds from sale of investment	157,861	236,806
Purchase of property and equipment	-	(3,478)
Proceeds from sale of property and equipment	-	-
Net cash used in investing activities	<u>(78,815)</u>	<u>(159,173)</u>
Net increase in cash and cash equivalents	650	23,686
Cash and cash equivalents at the beginning of year	<u>33,548</u>	<u>9,862</u>
Cash and cash equivalents at the end of year	<u>34,198</u>	<u>33,548</u>
Cash and cash equivalents comprise:		
Cash and bank balances and fixed call deposits with licensed financial institution		
- Takaful operator	25,936	31,829
- Family takaful fund	5,386	29
- General takaful fund	2,840	1,630
- Investment-linked fund	36	60
	<u>34,198</u>	<u>33,548</u>

The accompanying notes form an integral part of the interim financial statements

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

1. Basis of preparation

Statement of compliance

The Company has adopted the Malaysian Financial Reporting Standard (MFRS) framework and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* for the first time in these condensed interim financial statements.

The unaudited interim financial statements have been prepared in accordance with MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34 *Interim Financial Reporting* issued by International Accounting Standards Board and Guidelines/Circulars issued by Bank Negara Malaysia ("BNM").

A Takaful operator is required to present consolidated financial statements for itself and the participants' funds it controls in accordance to MFRS 17. The financial statements includes Takaful funds established in accordance with Takaful Act, 1984, in Malaysia, which are managed and controlled by the Company as operator of the fund.

The unaudited financial statements have been prepared using historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The statements of financial position and the statements of comprehensive income of the Operator, Family Fund and General Fund are supplementary financial information presented in accordance with the requirements of Bank Negara Malaysia. In accordance with Takaful Act, 1984 in Malaysia, the Company is required to segregate assets, liabilities, income and expenses of Takaful funds from its own. The statements of financial position and comprehensive income of the Operator include only the assets, liabilities, income and expenses of the Company excluding the Takaful funds manage by it. The statements of financial position and comprehensive income of the Family Fund include only the assets, liabilities, income and expenses of the family solidarity fund that is set up, managed and controlled by the Company. The statements of financial position and comprehensive income of the General Fund include only the assets, liabilities, income and expenses of Takaful fund other than the family solidary fund that is set up, managed and controlled by the Company.

The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Company for the financial year ended 31 December 2011. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the year ended 31 December 2011.

2. INVESTMENTS

	Takaful operator RM'000	Family takaful fund RM'000	Investment-linked funds RM'000	General takaful fund RM'000	Total RM'000
30.06.2012					
Malaysian government securities	24,725	129,779	1,476	2,007	157,987
Islamic debts securities	67,184	172,717	31,490	-	271,391
Equity securities	-	-	213,992	-	213,992
Unit and property trust funds	-	-	6,132	-	6,132
Deposits with financial institutions	41,000	36,730	50,970	6,360	135,060
Investment in investment-linked funds	14,133	-	-	-	14,133
	<u>147,042</u>	<u>339,226</u>	<u>304,060</u>	<u>8,367</u>	<u>798,695</u>
	<u><u>147,042</u></u>	<u><u>339,226</u></u>	<u><u>304,060</u></u>	<u><u>8,367</u></u>	<u><u>798,695</u></u>
	Takaful operator RM'000	Family takaful fund RM'000	Investment-linked funds RM'000	General takaful fund RM'000	Total RM'000
(Audited) 31.12.2011					
Malaysian government securities	5,350	139,947	4,467	2,017	151,781
Islamic debts securities	65,217	155,546	28,397	-	249,160
Equity securities	-	-	170,179	-	170,179
Unit and property trust funds	-	-	4,458	-	4,458
Deposits with financial institutions	15,600	24,860	39,390	5,250	85,100
Investment in investment-linked funds	13,779	-	-	-	13,779
	<u>99,946</u>	<u>320,353</u>	<u>246,891</u>	<u>7,267</u>	<u>674,457</u>
	<u><u>99,946</u></u>	<u><u>320,353</u></u>	<u><u>246,891</u></u>	<u><u>7,267</u></u>	<u><u>674,457</u></u>

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

2. INVESTMENTS (CONTINUED)

	Takaful operator RM'000	Family takaful fund RM'000	Investment-linked funds RM'000	General takaful fund RM'000	Total RM'000
(Audited)					
01.01.2011					
Malaysian government securities	8,548	31,927	4,441	3,357	48,273
Islamic debts securities	79,127	90,280	17,198	223	186,828
Equity securities	-	-	135,972	-	135,972
Unit and property trust funds	-	-	1,426	-	1,426
Deposits with financial institutions	7,190	78,973	7,770	5,367	99,300
Investment in investment-linked funds	13,109	-	-	-	13,109
	<u>107,974</u>	<u>201,180</u>	<u>166,807</u>	<u>8,947</u>	<u>484,908</u>

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

	Takaful operator RM'000	Family takaful fund RM'000	Investment-linked funds RM'000	General takaful fund RM'000	Total RM'000
30.06.2012					
Loans and receivables ("L&R")					
- Deposits with financial Institutions	41,000	36,730	50,970	6,360	135,060
Fair value through profit or loss ("FVTPL")					
- Held-for-trading					
Malaysian government securities	24,725	129,779	1,476	2,007	157,987
Islamic debts securities	67,184	172,717	31,490	-	271,391
Equity securities	-	-	213,992	-	213,992
Unit and property trust funds	-	-	6,132	-	6,132
Investment in investment-linked funds	14,133	-	-	-	14,133
	<u>106,042</u>	<u>302,496</u>	<u>253,090</u>	<u>2,007</u>	<u>663,635</u>
	<u>147,042</u>	<u>339,226</u>	<u>304,060</u>	<u>8,367</u>	<u>798,695</u>
(Audited)					
31.12.2011					
Loans and receivables ("L&R")					
- Deposits with financial institutions	15,600	24,860	39,390	5,250	85,100
Fair value through profit or loss ("FVTPL")					
- Held-for-trading					
Malaysian government securities	5,350	139,947	4,467	2,017	151,781
Islamic debts securities	65,217	155,546	28,397	-	249,160
Equity securities	-	-	170,179	-	170,179
Unit and property trust funds	-	-	4,458	-	4,458
Investment in investment-linked funds	13,779	-	-	-	13,779
	<u>84,346</u>	<u>295,493</u>	<u>207,501</u>	<u>2,017</u>	<u>589,357</u>
	<u>99,946</u>	<u>320,353</u>	<u>246,891</u>	<u>7,267</u>	<u>674,457</u>

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

2. INVESTMENTS (CONTINUED)

(Audited)	Takaful operator RM'000	Family takaful fund RM'000	Investment- linked funds RM'000	General takaful fund RM'000	Total RM'000
01.01.2011					
Loans and receivables ("L&R")					
- Deposits with financial institutions	7,190	78,973	7,770	5,367	99,300
Fair value through profit or loss ("FVTPL")					
- Held-for-trading					
Malaysian government securities	8,548	31,927	4,441	3,357	48,273
Islamic debts securities	79,127	90,280	17,198	223	186,828
Equity securities	-	-	135,972	-	135,972
Unit and property trust funds	-	-	1,426	-	1,426
Investment in investment- linked funds	13,109	-	-	-	13,109
	<u>100,784</u>	<u>122,207</u>	<u>159,037</u>	<u>3,580</u>	<u>385,608</u>
	<u>107,974</u>	<u>201,180</u>	<u>166,807</u>	<u>8,947</u>	<u>484,908</u>

(b) Carrying values of financial investments

	L&R RM'000	FVTPL RM'000	Total RM'000
At 1 January 2011	99,300	385,608	484,908
Purchases	-	405,523	405,523
Maturities	(14,200)	-	(14,200)
Disposals	-	(213,945)	(213,945)
Fair value gains recorded in profit or loss	-	12,171	12,171
Amortisation adjustment	-	-	-
	<u>85,100</u>	<u>589,357</u>	<u>674,457</u>
At 31 December 2011/ 1 January 2012	85,100	589,357	674,457
Purchases	49,960	251,578	301,538
Maturities	-	-	-
Disposals	-	(192,215)	(192,215)
Fair value gains recorded in profit or loss	-	14,915	14,915
	<u>135,060</u>	<u>663,635</u>	<u>798,695</u>
At 30 June 2012	135,060	663,635	798,695

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

2. INVESTMENTS (CONTINUED)

(c) Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Half-year ended 30.06.2012		(Audited) 31.12.2011		(Audited) 01.01.2011	
	Carrying amount RM' 000	Fair value RM' 000	Carrying amount RM' 000	Fair value RM' 000	Carrying amount RM' 000	Fair value RM' 000
FVTPL						
Malaysian government securities	157,987	157,987	151,781	151,781	48,273	48,273
Islamic debt securities	271,391	271,391	249,160	249,160	186,828	186,828
Equity securities	213,992	213,992	170,179	170,179	135,972	135,972
Unit and property trust funds	6,132	6,132	4,458	4,458	1,426	1,426
Investment in Investment-linked funds	14,133	14,133	13,779	13,779	13,109	13,109
	<u>663,635</u>	<u>663,635</u>	<u>589,357</u>	<u>589,357</u>	<u>385,608</u>	<u>385,608</u>
L&R						
Deposits with financial institutions	135,060	135,060	85,100	85,100	99,300	99,300

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table:

Investments in equity and debt securities

The fair values of financial assets that are quoted in an active market are determined by reference to their quoted closing price at the end of the reporting period.

(d) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Half-year ended 30.06.2012	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
FVTPL				
Malaysian government securities	-	157,987	-	157,987
Islamic debt securities	-	271,391	-	271,391
Equity securities	213,992	-	-	213,992
Unit and property trust funds	6,132	-	-	6,132
Investment in Investment-linked funds	14,133	-	-	14,133
	<u>234,257</u>	<u>429,378</u>	<u>-</u>	<u>663,635</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

2. INVESTMENTS (CONTINUED)

(d) Fair value hierarchy (continued)

(Audited) 31.12.2011	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
FVTPL				
Malaysian government securities	-	151,781	-	151,781
Islamic debt securities	-	249,160	-	249,160
Equity securities	170,179	-	-	170,179
Unit and property trust funds	4,458	-	-	4,458
Investment in Investment-linked funds	13,779	-	-	13,779
	<u>188,416</u>	<u>400,941</u>	<u>-</u>	<u>589,357</u>

(Audited) 01.01.2011	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
FVTPL				
Malaysian government securities	-	48,273	-	48,273
Islamic debt securities	-	186,828	-	186,828
Equity securities	135,972	-	-	135,972
Unit and property trust funds	1,426	-	-	1,426
Investment in Investment-linked funds	13,109	-	-	13,109
	<u>150,507</u>	<u>235,101</u>	<u>-</u>	<u>385,608</u>

3. RETAKAFUL ASSETS

	Family takaful fund (Audited)			General takaful fund (Audited)		
	30.06.2012 RM' 000	31.12.2011 RM'000	01.01.2011 RM'000	30.06.2012 RM '000	31.12.2011 RM'000	01.01.2011 RM'000
Retakaful for takaful contract liabilities (Note 5)	693	2,362	11,860	414	890	5,145
Retakaful for actuarial liabilities (Note 4)	9,269	7,647	6,901	1,279	-	-
	<u>9,962</u>	<u>10,009</u>	<u>18,761</u>	<u>1,693</u>	<u>890</u>	<u>5,145</u>

30.06.2012	Family takaful fund (Audited)			General takaful fund (Audited)		
	Gross RM' 000	Retakaful RM'000	Net RM'000	Gross RM ' 000	Retakaful RM' 000	Net RM'000
Actuarial liabilities	31,554	(9,269)	22,285	-	-	-
Seed money	11,000	-	11,000	-	-	-
Participants' fund liabilities	557,074	-	557,074	5,226	(1,279)	3,947
	<u>599,628</u>	<u>(9,269)</u>	<u>590,359</u>	<u>5,226</u>	<u>(1,279)</u>	<u>3,947</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

3. RETAKAFUL ASSETS (CONTINUED)

	Family takaful fund (Audited)			General takaful fund (Audited)		
	Gross RM' 000	Retakaful RM'000	Net RM'000	Gross RM' 000	Retakaful RM'000	Net RM'000
(Audited)						
31.12.2011						
Actuarial liabilities	37,716	(7,647)	30,069	-	-	-
Seed money	11,000	-	11,000	-	-	-
Participants' fund liabilities	445,071	-	445,071	2,514	-	2,514
	493,787	(7,647)	486,140	2,514	-	2,514
(Audited)						
01.01.2011						
Actuarial liabilities	32,779	(6,901)	25,878	-	-	-
Seed money	11,000	-	11,000	-	-	-
Participants' fund liabilities	293,151	-	293,151	1,259	-	1,259
	336,930	(6,901)	330,029	1,259	-	1,259

4. PARTICIPANTS' FUND

The family takaful contract liabilities and its movements are analysed as follows:

	Family takaful fund		
	Gross RM'000	Retakaful RM '000	Net RM'000
At 1 January 2011	336,930	(6,901)	330,029
Contribution received	522,745	(9,512)	513,233
Liabilities paid for death, maturities, surrenders, benefits and claims	(111,947)	7,856	(104,091)
Benefits and claims experience variation	(17,133)	910	(16,223)
Fees deducted	(263,277)	-	(263,277)
Credit of interest or change in unit-prices	21,384	-	21,384
Changes in assumptions (a)	(4,677)	-	(4,677)
Certificate movement	5,027	-	5,027
Other movements	5,042	-	5,042
Taxation	(307)	-	(307)
At 31 December 2011	493,787	(7,647)	486,140
(Audited)			

PRUDENTIAL BSN TAKAFUL BERHAD
(Company No. 740651-H)
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

4. PARTICIPANTS' FUND (CONTINUED)

	Family takaful fund		
	Gross RM'000	Retakaful RM '000	Net RM'000
At 1 January 2012	493,787	(7,647)	486,140
Contribution received	322,901	(6,236)	316,665
Liabilities paid for death, maturities, surrenders, benefits and claims	(89,590)	5,388	(84,202)
Benefits and claims experience variation	-	-	-
Change to contract liabilities ceded to retakaful	-	-	-
Wakalah fees	(128,496)	-	(128,496)
Commission expense	-	-	-
Certificate movement	(4,789)	(774)	(5,563)
Other movements	-	-	-
Investment income	9,982	-	9,982
Realized gains and losses	8,082	-	8,082
Fair value gains and losses	8,140	-	8,140
Other operating income (net)	2	-	2
Other operating expenses	(18,055)	-	(18,055)
Taxation	(2,336)	-	(2,336)
At 30 June 2012	599,628	(9,269)	590,359

	General takaful fund		
	Gross RM'000	Retakaful RM '000	Net RM'000
At 1 January 2011	1,259	-	1,259
Net contributions received / receivables	4,428	-	4,428
Net claims incurred for the year	(447)	-	(447)
Fees deducted, net	(1,895)	-	(1,895)
Investment income	290	-	290
Other operating income	14	-	14
Release of reserve	-	-	-
Profit paid to participants	-	-	-
Increase in unearned contribution reserves	(371)	-	(371)
Surplus attributable to shareholders	-	-	-
Other operating expense	(211)	-	(211)
Taxation	(553)	-	(553)
At 31 December 2011 (Audited)	2,514	-	2,514

	General takaful fund		
	Gross RM'000	Retakaful RM '000	Net RM'000
At 1 January 2012	2,514	-	2,514
Net contributions received /receivable	4,069	(810)	3,259
Net claims incurred for the year	234	(329)	(95)
Fees deducted (net)	(1,051)	-	(1,051)
Investment income	170	-	170
Realized gains and losses	-	-	-
FV gain and losses	(10)	-	(10)
Other operating income	(14)	14	-
Other operating expenses	(480)	-	(480)
Profit paid to participants	-	-	-
Increase in unearned contribution reserves	112	(154)	(42)
Surplus transferred to statement of comprehensive income	-	-	-
Taxation	(318)	-	(318)
At 30 June 2012	5,226	(1,279)	3,947

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

5. TAKAFUL CONTRACT LIABILITIES

	Family takaful fund			General takaful fund		
	Gross RM'000	Retakaful RM'000	Net RM'000	Gross RM'000	Retakaful RM'000	Net RM'000
30.06.2012						
Provision for claims reported by participants	21,293	(693)	20,600	854	(414)	440
Provisions for IBNR	5,036	-	5,036	788	-	788
Provisions for outstanding claims	26,329	(693)	25,636	1,642	(414)	1,228
Provision for unearned Contribution	-	-	-	1,546	-	1,546
	26,329	(693)	25,636	3,188	(414)	2,774
(Audited) 31.12.2011						
Provision for claims reported by participants	17,916	(2,362)	15,554	1,059	(412)	647
Provisions for IBNR	4,799	-	4,799	1,392	(436)	956
Provisions for outstanding claims	22,715	(2,362)	20,353	2,451	(848)	1,603
Provision for unearned Contribution	-	-	-	1,876	(42)	1,834
	22,715	(2,362)	20,353	4,327	(890)	3,437
(Audited) 01.01.2011						
Provision for claims reported by participants	14,018	(11,860)	2,158	5,856	(4,537)	1,319
Provisions for IBNR	6,162	-	6,162	1,995	(591)	1,404
Provisions for outstanding claims	20,180	(11,860)	8,320	7,851	(5,128)	2,723
Provision for unearned Contribution	-	-	-	1,480	(17)	1,463
	20,180	(11,860)	8,320	9,331	(5,145)	4,186

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2012

6. INVESTMENT-LINKED

Interim statement of financial position for the half-year ended 30 June 2012

	Note	30.06.2012 RM' 000	(Audited) 31.12.2011 RM' 000	(Audited) 01.01.2011 RM' 000
Assets				
Investments	2	304,060	246,891	166,807
Tax recoverable		-	442	-
Trade and other receivable		2,298	4,636	3,426
Cash and bank balances		37	60	-
		<u> </u>	<u> </u>	<u> </u>
Total investment-linked business assets		306,395	252,029	170,233
		<u> </u>	<u> </u>	<u> </u>
Liabilities				
Trade and other payables		9,373	1,726	888
Deferred tax liabilities		3,368	2,811	2,083
		<u> </u>	<u> </u>	<u> </u>
Total investment-linked business liabilities		12,741	4,537	2,971
		<u> </u>	<u> </u>	<u> </u>
Net asset value of funds		293,654	247,492	167,262
		<u> </u>	<u> </u>	<u> </u>
Represented by:				
Unitholders' account		293,654	247,492	167,262
		<u> </u>	<u> </u>	<u> </u>

Interim statement of comprehensive income for the half-year ended 30 June 2012

	Half-year ended 30.06.2012 RM'000	Half-year ended 30.06.2011 RM'000
Investment income	3,045	1,319
Realised gains and losses	6,815	3,402
Fair values gains and losses	7,466	6,727
	<u> </u>	<u> </u>
	17,326	11,448
Gross change to contract liabilities	(15,795)	(9,538)
Other operating expenses	(556)	(1,533)
	<u> </u>	<u> </u>
Profit before zakat and taxation	975	377
Zakat		
Taxation	(975)	(377)
	<u> </u>	<u> </u>
Net profit for the period / Total comprehensive income for the period	-	-
	<u> </u>	<u> </u>