



MAYBANK AGEAS HOLDINGS BERHAD
(33361-W)
(Incorporated in Malaysia)

Unaudited Condensed Interim Financial Statements
for the six months period ended 30 June 2016

33361-W

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

CONTENTS	PAGE
Unaudited Condensed Interim Statements of Financial Position	1
Unaudited Condensed Interim Income Statements	2 - 3
Unaudited Condensed Interim Statements of Comprehensive Income	4
Unaudited Condensed Interim Statements of Changes in Equity	5 - 7
Unaudited Condensed Interim Statements of Cash Flows	8 - 10
Notes to the Unaudited Condensed Interim Financial Statements	11 - 31

33361-W

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	Group		Company	
		30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000
Assets:					
Property, plant and equipment		130,794	131,571	-	-
Investment properties		730,791	714,912	-	-
Prepaid land lease payments		19,116	19,268	-	-
Intangible assets		64,660	54,776	-	-
Investment in subsidiaries		-	-	1,636,470	1,636,470
Investment in associates		1,237	1,238	-	-
Investments	11	25,171,550	24,790,134	188,258	234,297
Financing receivables		269,837	280,274	1,062	1,332
Reinsurance/retakaful assets	12	4,306,023	3,560,828	-	-
Insurance/takaful receivables		670,818	529,670	-	-
Other receivables		655,751	417,193	1,470	4,142
Derivative assets		4,797	2,820	-	-
Deferred tax assets		2,928	22,000	-	-
Current tax assets		104,905	66,766	1,175	1,099
Cash and bank balances		454,458	289,773	931	866
Total Assets		32,587,665	30,881,223	1,829,366	1,878,206
Equity:					
Share capital		252,005	252,005	252,005	252,005
Reserves		4,409,950	4,469,312	1,482,968	1,530,951
Total Equity		4,661,955	4,721,317	1,734,973	1,782,956
Liabilities:					
Insurance/takaful contract liabilities	13	24,099,294	23,058,200	-	-
Subordinated obligations		800,000	800,000	-	-
Expense liabilities		519,983	470,531	-	-
Derivative liabilities		38,489	59,298	-	-
Deferred tax liabilities		575,154	529,420	167	189
Insurance/takaful payables		617,404	458,115	-	-
Other payables		1,264,219	773,026	94,226	95,061
Interest/profit payable on subordinated obligations		11,167	11,316	-	-
Total Liabilities		27,925,710	26,159,906	94,393	95,250
Total equity and liabilities		32,587,665	30,881,223	1,829,366	1,878,206

These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the unaudited condensed interim financial statements.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM INCOME STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

	Group		Company	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Operating revenue	<u>3,381,978</u>	<u>3,212,318</u>	<u>204,159</u>	<u>374,073</u>
Gross earned premiums/ contributions	2,797,054	2,520,778	-	-
Earned premiums/contributions ceded to reinsurers/retakaful	<u>(654,129)</u>	<u>(568,794)</u>	-	-
Net earned premiums/ contributions	<u>2,142,925</u>	<u>1,951,984</u>	-	-
Fee and commission income	56,143	30,782	-	-
Investment income	539,434	536,165	204,159	374,073
Realised gains	134,748	157,044	45	875
Fair value gain	216,219	101,547	-	-
Other operating (expenses)/ income, net	<u>(60,011)</u>	<u>(160,010)</u>	9	378
Other revenue	<u>886,533</u>	<u>665,528</u>	<u>204,213</u>	<u>375,326</u>
Gross benefits and claims paid	(2,016,133)	(2,384,131)	-	-
Claims ceded to reinsurers/ retakaful	287,951	326,342	-	-
Gross change in contract/certificate liabilities	(1,059,315)	648,763	-	-
Change in contract/certificate liabilities ceded to reinsurers/retakaful	<u>695,285</u>	<u>(383,435)</u>	-	-
Net benefits and claims	<u>(2,092,212)</u>	<u>(1,792,461)</u>	-	-
Management expenses	(329,001)	(328,170)	(5,842)	(6,476)
Reimbursement of shared services	4,666	4,972	4,666	4,972
Change in expense liabilities	(49,452)	(28,308)	-	-
Fee and commission expenses	(241,013)	(227,482)	-	-
Interest on subordinated obligations	(16,966)	(16,964)	-	-
Tax borne by policyholders/ participants	<u>(44,558)</u>	<u>(46,717)</u>	-	-
Other expenses	<u>(676,324)</u>	<u>(642,669)</u>	<u>(1,176)</u>	<u>(1,504)</u>

These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the unaudited condensed interim financial statements.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM INCOME STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016 (CONTD.)

	Group		Company	
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	260,922	182,382	203,037	373,822
Taxation	(80,946)	(56,566)	(743)	(523)
Zakat	(3,603)	(6,308)	-	-
Net profit for the period	<u>176,373</u>	<u>119,508</u>	<u>202,294</u>	<u>373,299</u>
Profit attributable to:				
Equity holders of the Company	176,373	119,499	202,294	373,299
Non-controlling interest	-	9	-	-
	<u>176,373</u>	<u>119,508</u>	<u>202,294</u>	<u>373,299</u>

These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the unaudited condensed interim financial statements.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED INTERIM STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

	Group		Company	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Net profit for the period	<u>176,373</u>	<u>119,508</u>	<u>202,294</u>	<u>373,299</u>
Other comprehensive income/(loss):				
Item that may be subsequently reclassified to income statement				
Change in value of Available-for-Sale ("AFS") financial assets, net	34,113	19,048	(36)	(450)
- Fair value changes	98,974	102,516	(13)	275
- Transfer to profit or loss upon disposal	(54,643)	(94,120)	(45)	(875)
- Fair value adjustments on AFS financial assets backing participants' funds	5,150	19,049	-	-
Tax effect relating to AFS financial assets	(15,368)	(8,397)	22	150
Currency translation differences	<u>(19,607)</u>	<u>17,279</u>	<u>-</u>	<u>-</u>
Other comprehensive income/ (losses) for the period, net of tax	<u>14,506</u>	<u>36,327</u>	<u>(36)</u>	<u>(450)</u>
Total comprehensive income for the period	<u>190,879</u>	<u>155,835</u>	<u>202,258</u>	<u>372,849</u>
Total Comprehensive income attributable to:				
Equity holders of the Company	190,879	155,826	202,258	372,849
Non-controlling interest	-	9	-	-
	<u>190,879</u>	<u>155,835</u>	<u>202,258</u>	<u>372,849</u>

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33361-W

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

Group	<-----Non-distributable----->				Retained Earnings			Total Equity Attributable to Shareholders RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	AFS Reserves RM'000	Other Reserves RM'000	Non- Distributable Non-Par Surplus RM'000	Distributable Retained Profits RM'000	Sub-total Retained Earnings RM'000			
At 1 January 2016	252,005	401,561	(15,309)	86,746	1,547,254	2,449,060	3,996,314	4,721,317	-	4,721,317
Net profit after tax for the period	-	-	-	-	54,472	121,901	176,373	176,373	-	176,373
Other comprehensive income for the period	-	-	34,113	(19,607)	-	-	-	14,506	-	14,506
Total comprehensive income	-	-	34,113	(19,607)	54,472	121,901	176,373	190,879	-	190,879
Dividend on ordinary shares	-	-	-	-	-	(250,241)	(250,241)	(250,241)	-	(250,241)
At 30 June 2016	252,005	401,561	18,804	67,139	1,601,726	2,320,720	3,922,446	4,661,955	-	4,661,955

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33361-W

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016 (CONTD.)

Group	<-----Non-distributable----->				Retained Earnings			Total Equity Attributable to Shareholders RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	AFS Reserves RM'000	Other Reserves RM'000	Non- Distributable Non-Par Surplus RM'000	Distributable Retained Profits RM'000	Sub-total Retained Earnings RM'000			
At 1 January 2015	252,005	401,561	(32,972)	30,431	1,409,843	2,438,154	3,847,997	4,499,022	804	4,499,826
Net profit after tax for the period	-	-	-	-	39,276	80,223	119,499	119,499	9	119,508
Other comprehensive income for the period	-	-	19,048	17,279	-	-	-	36,327	-	36,327
Total comprehensive income	-	-	19,048	17,279	39,276	80,223	119,499	155,826	9	155,835
Disposal of subsidiary	-	-	-	-	-	(12)	(12)	(12)	(230)	(242)
Transfer from non-par surplus upon recommendation by the Appointed Actuary	-	-	-	-	(4,151)	4,151	-	-	-	-
Dividend on ordinary shares	-	-	-	-	-	(250,241)	(250,241)	(250,241)	(12)	(250,253)
At 30 June 2015	252,005	401,561	(13,924)	47,710	1,444,968	2,272,275	3,717,243	4,404,595	571	4,405,166

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33361-W

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

Company	Share Capital RM'000	←----- Share Premium RM'000	Non-distributable AFS Reserves RM'000	-----> Other Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
At 1 January 2016	252,005	401,561	566	7,300	1,121,524	1,782,956
Net profit after tax for the period	-	-	-	-	202,294	202,294
Other comprehensive losses for the period	-	-	(36)	-	-	(36)
Total comprehensive (losses)/ income	-	-	(36)	-	202,294	202,258
Dividend on ordinary shares	-	-	-	-	(250,241)	(250,241)
At 30 June 2016	252,005	401,561	530	7,300	1,073,577	1,734,973
At 1 January 2015	252,005	401,561	609	7,300	1,002,341	1,663,816
Net profit after tax for the period	-	-	-	-	373,299	373,299
Other comprehensive losses for the period	-	-	(450)	-	-	(450)
Total comprehensive income	-	-	(450)	-	373,299	372,849
Dividend on ordinary shares	-	-	-	-	(250,241)	(250,241)
At 30 June 2015	252,005	401,561	159	7,300	1,125,399	1,786,424

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MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016

	Group		Company	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	260,922	182,382	203,037	373,822
<i>Adjustments for:</i>				
Amortisation of:				
- intangible assets	3,426	10,025	-	-
- prepaid land lease payments	152	152	-	-
Depreciation of property, plant and equipment	6,836	8,063	-	-
Fair value losses on:				
- investments	(216,216)	(56,823)	-	-
- investment properties	-	(45,000)	-	-
Loss on disposal of:				
- investments	(107,336)	(156,998)	(45)	(875)
- property, plant and equipment	(27,412)	-	-	-
Gross dividend income	(28,860)	(54,497)	(201,098)	(372,358)
Interest/profit and rental income	(512,661)	(480,880)	(2,991)	(1,718)
Interest expense	16,966	16,963	-	-
(Reversal of impairment losses)/ impairment losses on:				
- receivables	(1,575)	552	-	-
- investments	35,270	168,503	-	-
- others	(1,357)	(779)	-	-
Bad debts written off	359	4,514	-	-
Taxation of life and takaful funds	44,558	46,717	-	-
Unrealised gain/(loss) on foreign exchange	19,402	(16,615)	-	-
Net (purchase)/proceeds from disposal of investments	(672,905)	1,127,174	958	101,529
Net decrease/(increase) in fixed and call deposits	543,813	(1,039,582)	44,998	(77,957)
<i>Operating (loss)/profit before changes in assets and liabilities</i>	(636,618)	(286,129)	44,859	22,443

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016 (CONTD.)

	Group		Company	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTD.)				
(Increase)/decrease in reinsurance assets	(736,580)	205,516	-	-
Decrease in financing receivables	10,151	7,167	270	512
(Increase) in insurance receivables	(139,614)	(310,069)	-	-
(Increase)/decrease in other receivables	(27,856)	312,462	1,189	(1,050)
Increase in insurance payables	159,290	200,220	-	-
Increase/(decrease) in payables	308,993	109,666	(817)	(1,176)
Increase in expense liabilities	49,452	28,308	-	-
Increase/(decrease) in insurance/takaful contract liabilities	1,073,580	(189,422)	-	-
Foreign exchange effects	(693)	7,895	-	-
Investment income received	538,336	571,772	205,624	374,286
Tax paid	(111,961)	(74,904)	(819)	(1,445)
Zakat paid	(7,594)	(801)	-	-
Mudharabah paid	(37,700)	(32,900)	-	-
<i>Net cash generated from operating activities</i>	<u>441,186</u>	<u>548,781</u>	<u>250,306</u>	<u>393,570</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Capital injection in subsidiary	-	-	-	(143,524)
Purchase of intangible assets	(13,387)	(11,833)	-	-
Purchase of property, plant and equipments	(7,277)	(3,959)	-	-
Purchase of investment properties	(15,879)	(9,603)	-	-
Proceeds from disposal of property, plant and equipment	28,090	-	-	-
<i>Net cash used in investing activities</i>	<u>(8,265)</u>	<u>(25,395)</u>	<u>-</u>	<u>(143,524)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Payment of dividends	(250,241)	(250,241)	(250,241)	(250,241)
Interest paid on subordinated obligation	(17,115)	(17,058)	-	-
<i>Net cash used in financing activities</i>	<u>(267,356)</u>	<u>(267,299)</u>	<u>(250,241)</u>	<u>(250,241)</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2016 (CONTD.)

	Group		Company	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Net increase/(decrease) in cash and cash equivalents	165,565	256,087	65	(195)
Effects of exchange rate changes	(880)	288	-	-
Cash and cash equivalents at beginning of period	<u>289,773</u>	<u>247,767</u>	<u>866</u>	<u>1,855</u>
Cash and cash equivalents at end of period	<u>454,458</u>	<u>504,142</u>	<u>931</u>	<u>1,660</u>

Cash and cash equivalents comprise:

Cash and bank balances:

Shareholders' and general funds	116,399	89,086	931	1,660
Life fund	135,225	266,422	-	-
General takaful fund	114,004	85,632	-	-
Family takaful fund	88,830	63,002	-	-
	<u>454,458</u>	<u>504,142</u>	<u>931</u>	<u>1,660</u>

These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the unaudited condensed interim financial statements.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2016

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements of the Group and the Company for the period ended 30 June 2016 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 - *Interim Financial Reporting* as issued by the Malaysian Accounting Standards Board ("MASB") and International Accounting Standard ("IAS") 34 - *Interim Financial Reporting* as issued by International Accounting Standards Board ("IASB"), and Guidelines/Circulars issued by Bank Negara Malaysia .

The unaudited condensed interim financial statements of the Group and the Company have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are stated at fair value.

The Company's subsidiaries, Etiqa Insurance Berhad ("EIB") and Etiqa Takaful Berhad ("ETB"), have met the minimum capital requirements as prescribed by the Risk-Based Capital Framework for Insurers ("the RBC Framework") and the Risk-Based Capital Framework for Takaful Operators ("the RBCT Framework") issued by BNM as at the reporting date.

The unaudited condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group and the Company for the year ended 31 December 2015.

The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Group and the Company since the year ended 31 December 2015.

The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM") and rounded to the nearest thousand (RM'000) unless otherwise stated.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the unaudited condensed interim financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2015 except for the following MFRSs, Amendments to MFRSs and Annual improvements which effective for annual periods beginning on or after 1 January 2016:

- MFRS 10 *Consolidated Financial Statements* - Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 10)
- MFRS 11 *Joint Arrangements* - Accounting for Acquisitions of Interests in Joint Operations (Amendments to MFRS 11)
- MFRS 12 *Disclosure of Interests in Other Entities* - Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 12)
- MFRS 14 *Regulatory Deferral Accounts*
- MFRS 101 *Presentation of Financial Statements* - Disclosure Initiative (Amendments to MFRS 101)
- MFRS 116 *Property, Plant and Equipment* - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 116)
- MFRS 127 *Separate Financial Statements* - Equity Method in Separate Financial Statements (Amendments to MFRS 127)
- MFRS 128 *Investment in Associates and Joint Ventures* - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 128)
- MFRS 128 *Investments in Associates and Joint Ventures* - Investment Entities: Applying the Consolidation Exception (Amendments to MFRS 128)
- MFRS 138 *Intangible Assets* - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to MFRS 138)
- Annual Improvements to MFRSs 2012 - 2014 Cycle

The Group and the Company do not expect that the adoptions of the above MFRSs, Amendments to MFRSs and Annual improvements will have significant financial implications in the unaudited condensed interim financial statements.

3. STATUS OF AUDIT QUALIFICATION

The auditor's report on the audited annual financial statements for the financial year ended 31 December 2015 did not contain any qualification.

4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business of the Group and the Company was not materially affected by any seasonal or cyclical fluctuations during the interim financial period ended 30 June 2016.

However, as is common for insurer and takaful operator, surplus for life and family funds will only be transferred at the financial year end upon approval by the Appointed Actuary.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

5. UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the interim financial period ended 30 June 2016.

6. CHANGES IN ESTIMATES

There were no changes in the basis used for accounting estimates for the current interim financial period.

7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance or repayment of debt and equity securities for the interim financial period ended 30 June 2016.

8. DIVIDENDS PAID

The shareholders at the Annual General Meeting held on 5 April 2016 approved a final single tier dividend of 99.30 sen per share totalling RM250,241,483 in respect of financial year ended 31 December 2015. The final dividend was paid on 23 June 2016.

9. MATERIAL EVENTS SUBSEQUENT TO END OF REPORTING PERIOD

There were no material events subsequent to the end of the period reported that require disclosure or adjustments to the unaudited condensed interim financial statements.

10. CHANGES IN THE COMPOSITION OF THE GROUP OR THE COMPANY

There were no change in the composition of the Group and the Company during the interim financial period ended 30 June 2016.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

11. INVESTMENTS

Group	30.06.2016	31.12.2015
	RM'000	RM'000
Malaysian government papers	1,298,664	1,495,715
Singapore government securities	104,492	41,179
Debt securities	17,516,231	14,799,747
Equity securities	2,143,665	3,221,978
Unit and property trust funds	261,261	236,603
Redeemable loan stocks	57	7
Structured products	595,517	1,114,697
Negotiable certificates of deposit ("NCD")	145,484	213,473
Negotiable Islamic certificates of deposit ("NICD")	121,526	138,269
Deposits with financial institutions	2,984,653	3,528,466
	<u>25,171,550</u>	<u>24,790,134</u>

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

	30.06.2016	31.12.2015
	RM'000	RM'000
Available-for-sale ("AFS")	8,438,040	9,162,339
Fair value through profit and loss ("FVTPL"):		
- Designated upon initial recognition	12,493,711	10,482,808
- Held for trading ("HFT")	1,255,146	1,616,521
Loan and receivables ("LAR")	2,984,653	3,528,466
	<u>25,171,550</u>	<u>24,790,134</u>

Group

The following investments mature after 12 months:

	30.06.2016	31.12.2015
	RM'000	RM'000
AFS	6,611,210	6,243,292
FVTPL		
- Designated upon initial recognition	12,267,793	10,041,649
- HFT	393,950	283,154
	<u>19,272,953</u>	<u>16,568,095</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

11. INVESTMENTS (CONTD.)

Group	30.06.2016 RM'000	31.12.2015 RM'000
(a) AFS		
<u>At fair value</u>		
Malaysian government papers	690,981	1,030,929
Singapore government securities	30,395	16,814
Debt securities:		
Quoted outside Malaysia	164,931	153,880
Unquoted in Malaysia	5,755,430	5,106,621
Unquoted outside Malaysia	37,383	43,428
Equity securities		
Quoted in Malaysia	1,364,813	2,381,292
Quoted outside Malaysia	77,207	56,531
Unit and property trust funds:		
Quoted in Malaysia	198,450	217,781
Quoted outside Malaysia	47,500	5,177
Structured products	-	69,542
NICD	18,699	28,093
<u>At cost</u>		
Equity securities:		
Unquoted in Malaysia		
Cost	55,032	55,032
Less: Allowance for impairment losses	(2,781)	(2,781)
	52,251	52,251
Total AFS financial assets	<u>8,438,040</u>	<u>9,162,339</u>
(b) FVTPL		
(i) Designated upon initial recognition		
<u>At fair value</u>		
Malaysian government papers	459,389	375,031
Singapore government securities	74,097	24,365
Debt securities:		
Quoted outside Malaysia	132,525	53,276
Unquoted in Malaysia	11,002,594	9,061,284
Unquoted outside Malaysia	171,252	183,009
Structured products	405,543	462,194
NCD	145,484	213,473
NICD	102,827	110,176
Total financial assets designated as FVTPL upon initial recognition	<u>12,493,711</u>	<u>10,482,808</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

11. INVESTMENTS (CONTD.)

Group	30.06.2016	31.12.2015
	RM'000	RM'000
(b) FVTPL (contd.)		
(ii) HFT		
<u>At fair value</u>		
Malaysian government papers	148,294	89,755
Debt securities:		
Unquoted debt securities in Malaysia	252,116	198,249
Equity securities		
Quoted equity securities in Malaysia	649,394	731,904
Unit and property trust funds:		
Quoted in Malaysia	6,058	4,842
Quoted outside Malaysia	9,253	8,803
Redeemable loan stocks	57	7
Structured products	189,974	589,132
Bifurcated derivatives	-	(6,171)
Total HFT financial assets	<u>1,255,146</u>	<u>1,616,521</u>
(c) LAR		
Fixed and call deposits with:		
Licensed financial institutions	1,969,460	2,852,966
Others	1,015,193	675,500
Total LAR financial assets	<u>2,984,653</u>	<u>3,528,466</u>

The carrying amounts of LAR are reasonable approximations of fair values due to the short term maturity of the financial assets.

Included in LAR financial assets are assets amounting to RM38,000,000 (31.12.2015: RM38,000,000) which have been pledged to obtain a banking facility with MBB and an Islamic bank guarantee facilities with Maybank Islamic Berhad.

Company	30.06.2016	31.12.2015
	RM'000	RM'000
Equity securities	-	1,038
Unit and property trust funds	102,372	102,375
Deposits with financial institutions	85,886	130,884
	<u>188,258</u>	<u>234,297</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

11. INVESTMENTS (CONTD.)

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

	30.06.2016	31.12.2015
	RM'000	RM'000
Available-for-sale ("AFS")	102,372	103,413
Loan and receivables ("LAR")	85,886	130,884
	<u>188,258</u>	<u>234,297</u>
(a) AFS		
Quoted equity securities in Malaysia	-	1,038
Quoted unit and property trust funds	102,372	102,375
Total AFS financial assets	<u>102,372</u>	<u>103,413</u>
(b) LAR		
Fixed and call deposits with:		
Licensed financial institutions	40,477	130,884
Others	45,409	-
Total LAR financial assets	<u>85,886</u>	<u>130,884</u>

The carrying amounts of LAR are reasonable approximations of fair values due to the short term maturity of the financial assets.

An analysis of the different fair value measurement bases used in the determination of the fair values of Investments are further disclosed in Note 16 to the financial statements.

12. REINSURANCE/RETAKAFUL ASSETS

Group	30.06.2016	31.12.2015
	RM'000	RM'000
Reinsurers' share of:	4,069,155	3,327,262
Life insurance contract liabilities	24,227	23,081
General insurance contract liabilities	4,044,928	3,304,181
Retakaful operators' share of:	241,474	239,529
Family takaful certificate liabilities	44,222	36,129
General takaful certificate liabilities	197,252	203,400
Allowance for impairment losses	(4,606)	(5,963)
	<u>4,306,023</u>	<u>3,560,828</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

13. INSURANCE/TAKAFUL CONTRACT LIABILITIES

Group	<u>30.06.2016</u>			<u>31.12.2015</u>		
	Gross RM'000	Reinsurance RM'000	Net RM'000	Gross RM'000	Reinsurance RM'000	Net RM'000
Life insurance/family takaful (Note A)	17,480,666	(68,449)	17,412,217	17,230,760	(59,210)	17,171,550
General insurance/takaful (Note B)	6,618,628	(4,242,180)	2,376,448	5,827,440	(3,507,581)	2,319,859
	<u>24,099,294</u>	<u>(4,310,629)</u>	<u>19,788,665</u>	<u>23,058,200</u>	<u>(3,566,791)</u>	<u>19,491,409</u>

(A) Life Insurance/Family Takaful

The life insurance/family takaful contract liabilities and its movements are further analysed as follows:

(i) Life insurance/family takaful contract liabilities

	<u>30.06.2016</u>			<u>31.12.2015</u>		
	Gross RM'000	Reinsurance RM'000	Net RM'000	Gross RM'000	Reinsurance RM'000	Net RM'000
Claim liabilities	192,330	(11,467)	180,863	184,793	(12,527)	172,266
Actuarial liabilities	12,484,857	(56,982)	12,427,875	12,063,902	(46,683)	12,017,219
DPF's unallocated surplus	3,393,067	-	3,393,067	3,154,856	-	3,154,856
DPF's AFS reserves	70,011	-	70,011	93,881	-	93,881
Net asset value ("NAV") attributable to unitholders	1,340,401	-	1,340,401	1,733,328	-	1,733,328
	<u>17,480,666</u>	<u>(68,449)</u>	<u>17,412,217</u>	<u>17,230,760</u>	<u>(59,210)</u>	<u>17,171,550</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

13. INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTD.)

(A) Life Insurance/Family Takaful (Contd.)

(ii) Movements of life insurance/family takaful contract liabilities

	Claim liabilities	Actuarial liabilities	DPF's Unallocated Surplus	DPF's AFS reserve	NAV attributable to unitholders	Gross Total liabilities	Reinsurance assets	Net Total liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30.06.2016								
At 1 January 2016	184,793	12,063,902	3,154,856	93,881	1,733,328	17,230,760	(59,210)	17,171,550
Net earned premiums	-	136,805	972,109	-	117,924	1,226,838	(26,255)	1,200,583
Other revenue	-	-	524,750	-	2,709	527,459	-	527,459
Experience/benefit variation	4,315	-	-	-	-	4,315	15,783	20,098
Net benefits and claims	3,222	-	(621,044)	-	(512,977)	(1,130,799)	8,893	(1,121,906)
Other expenses	-	-	(218,926)	-	(193)	(219,119)	-	(219,119)
Change in reserves :								
- Discounting	-	299,064	(200,571)	-	-	98,493	(353)	98,140
- Assumptions	-	(23,044)	22,416	-	-	(628)	-	(628)
- Policy Movements	-	10,039	(210,529)	-	-	(200,490)	(7,318)	(207,808)
Exchange differences	-	(1,909)	(170)	43	(212)	(2,248)	11	(2,237)
Changes in AFS reserves	-	-	-	(25,916)	-	(25,916)	-	(25,916)
Taxation	-	-	(27,734)	2,003	(178)	(25,909)	-	(25,909)
Transfer to shareholders' funds	-	-	2,706	-	-	2,706	-	2,706
Hibah paid to participants	-	-	(4,796)	-	-	(4,796)	-	(4,796)
At 30 June 2016	192,330	12,484,857	3,393,067	70,011	1,340,401	17,480,666	(68,449)	17,412,217

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

13. INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTD.)

(A) Life Insurance/Family Takaful (Contd.)

(ii) Movements of life insurance/family takaful contract liabilities

	Claim liabilities	Actuarial liabilities	DPF's Unallocated Surplus	DPF's AFS reserve	NAV attributable to unitholders	Gross Total liabilities	Reinsurance assets	Net Total liabilities
31.12.2015	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2015	133,734	12,526,898	3,098,576	28,115	1,868,787	17,656,110	(40,848)	17,615,262
Net earned premiums	-	105,993	1,755,949	-	262,075	2,124,017	(34,888)	2,089,129
Other revenue	-	-	468,342	-	59,435	527,777	-	527,777
Experience/benefit variation	130	-	-	-	-	130	1,859	1,989
Net benefits and claims	50,929	-	(1,458,077)	-	(454,228)	(1,861,376)	28,862	(1,832,514)
Other expenses	-	(49)	(450,018)	-	(304)	(450,371)	-	(450,371)
Change in reserves:								
- Discounting	-	(64,077)	33,240	-	-	(30,837)	(41)	(30,878)
- Assumptions	-	239,655	(212,681)	-	-	26,974	(16)	26,958
- Policy Movements	-	(757,038)	44,854	-	-	(712,184)	(14,062)	(726,246)
Exchange differences	-	12,520	(146)	(78)	720	13,016	(76)	12,940
Changes in AFS reserves	-	-	-	66,465	-	66,465	-	66,465
Taxation	-	-	15,297	(621)	(3,157)	11,519	-	11,519
Transfer to shareholders' funds	-	-	(89,265)	-	-	(89,265)	-	(89,265)
Hibah paid to participants	-	-	(51,215)	-	-	(51,215)	-	(51,215)
At 31 December 2015	184,793	12,063,902	3,154,856	93,881	1,733,328	17,230,760	(59,210)	17,171,550

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

13. INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTD.)

(B) General/General takaful insurance

	<u>30.06.2016</u>			<u>31.12.2015</u>		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Claim liabilities (i)	5,167,785	(3,792,133)	1,375,652	4,437,167	(3,106,477)	1,330,690
Premiums/contribution liabilities (ii)	1,302,478	(450,047)	852,431	1,273,380	(401,104)	872,276
Unallocated surplus of general takaful fund	156,613	-	156,613	146,002	-	146,002
AFS reserves	(8,248)	-	(8,248)	(29,109)	-	(29,109)
	6,618,628	(4,242,180)	2,376,448	5,827,440	(3,507,581)	2,319,859
(i) Claims liabilities						
At 1 January 2016/2015	4,437,167	(3,106,477)	1,330,690	5,048,228	(3,935,229)	1,112,999
Claims incurred in the current accident year	581,600	(87,355)	494,245	1,192,211	(265,662)	926,549
Movements in claims incurred in prior accident years	776,136	(791,066)	(14,930)	115,478	(100,080)	15,398
Claims paid during the year	(709,456)	265,708	(443,748)	(1,341,077)	564,818	(776,259)
Movements in Unallocated Loss Adjustment						
Expenses ("ULAE")	(66)	-	(66)	1,996	-	1,996
Movements in PRAD	84,994	(73,322)	11,672	(598,281)	632,611	34,330
Exchange differences	(2,590)	379	(2,211)	18,612	(2,935)	15,677
At 30 June 2016/31 December 2015	5,167,785	(3,792,133)	1,375,652	4,437,167	(3,106,477)	1,330,690
(ii) Premium/contribution liabilities						
At 1 January 2016/2015	1,273,380	(401,104)	872,276	1,323,836	(431,975)	891,861
Premiums/contributions written in the year	1,526,995	(687,659)	839,336	2,658,664	(1,044,989)	1,613,675
Premiums/contributions earned during the year	(1,496,219)	638,349	(857,870)	(2,721,256)	1,078,763	(1,642,493)
Exchange differences	(1,678)	367	(1,311)	12,136	(2,903)	9,233
At 30 June 2016/31 December 2015	1,302,478	(450,047)	852,431	1,273,380	(401,104)	872,276

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

14. OPERATING LEASE COMMITMENTS

- (a) As at the reporting date, the insurance and takaful subsidiaries leases their office premises under lease agreements that are not cancellable within a year. The leases contain renewable options. Lease terms do not contain restrictions on the branch's activities concerning additional debts or further leasing.

Future minimum lease payments for the leases with initial or remaining terms of one year or more are as follows:

	30.06.2016	31.12.2015
	RM'000	RM'000
Group		
Within 1 year	19,020	20,186
After 1 year but not more than 5 years	54,697	59,173
	<u>73,717</u>	<u>79,359</u>

- (b) The Group has entered into operating lease agreements on its portfolio of investment properties. The leases have remaining lease terms of between 1 and 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions. The leases also include a clause that allows for early termination but requires the tenant to provide a replacement tenant or pay for the remaining unexpired lease period.

The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	30.06.2016	31.12.2015
	RM'000	RM'000
Group		
Not later than 1 year	37,634	39,972
Later than 1 year but not later than 5 years	60,830	67,694
	<u>98,464</u>	<u>107,666</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

15. OTHER COMMITMENTS AND CONTINGENCIES

Group	30.06.2016	31.12.2015
	RM'000	RM'000
Approved and contracted for:		
Property, plant and equipment	11,936	3,926
Investment property		
Investment Properties Under Contructions ("IPUC")	224,921	42,043
Intangible assets	10,883	22,306
	<u>247,740</u>	<u>68,275</u>
Approved and not contracted for:		
Property, plant and equipment	4,802	-
Investment property - IPUC	12,477	211,194
Intangible assets	4,993	3,613
	<u>22,271</u>	<u>214,807</u>

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The Group and the Company classify its financial instruments measured at fair value according to the Fair Value hierarchy.

The levels of the Fair Value hierarchy as defined by the accounting standards, are an indication of the observability of prices or valuation input. It can be classified by the following hierarchies/levels:

- Level 1 : Active Market – quoted price

Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on an exchange.

- Level 2 : No Active Market – Valuation techniques using observable inputs

Refers to inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Examples of level 2 financial instruments include corporate and other government bonds, less liquid equities, and highly structured OTC derivatives.

- Level 3 : No Active Market – Valuation techniques using unobservable inputs

Refers to financial instruments where fair values are measured using unobservable market inputs. The valuation technique is consistent with level 2. The chosen valuation technique incorporates management's assumptions and data.

Examples of level 3 instruments include corporate bonds in illiquid markets, private equity investments and investment properties.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(a) Fair Value Disclosures Based on 3-Level Hierarchy

Group	Valuation technique using :			Total RM'000
	Level 1	Level 2	Level 3	
	Quoted market prices RM'000	Using observable inputs RM'000	Using significant unobservable inputs RM'000	
<u>30.06.2016</u>				
<u>Assets</u>				
Investment properties			669,255	669,255
AFS financial investments				
Equity securities	1,442,020	-	-	1,442,020
Malaysian government papers	-	690,981	-	690,981
Singapore government securities	30,395	-	-	30,395
Other debt securities, structured products, NCDs and NICDs	164,931	5,704,560	106,952	5,976,443
Unit and property trust funds	245,950	-	-	245,950
Financial investments at FVTPL				
(i) Designated upon initial recognition				
Malaysian government papers	-	459,389	-	459,389
Singapore government securities	74,097	-	-	74,097
Other debt securities, structured products, NCDs and NICDs	132,525	11,748,234	79,466	11,960,225
(ii) Held-for-trading (HFT)				
Equity securities	640,901	8,493	-	649,394
Malaysian government papers	-	148,294	-	148,294
Redeemable loan stock	57	-	-	57
Other debt securities, structured products and NCDs	-	442,090	-	442,090
Unit and property trust funds	15,170	141	-	15,311
Derivative assets	1,378	3,419	-	4,797
Total assets	2,747,425	19,205,601	186,418	22,808,699
<u>Liabilities</u>				
Derivative liabilities	(75)	(38,414)	-	(38,489)
Total liabilities	(75)	(38,414)	-	(38,489)

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(a) Fair Value Disclosures Based on 3-Level Hierarchy (contd.)

Group	Valuation technique using :			Total RM'000
	Level 1	Level 2	Level 3	
	Quoted market prices RM'000	Using observable inputs RM'000	Using significant unobservable inputs RM'000	
<u>31.12.2015</u>				
<u>Assets</u>				
Investment properties			669,255	669,255
AFS financial investments				
Equity securities	2,437,823	-	-	2,437,823
Malaysian government papers	-	1,030,929	-	1,030,929
Singapore government securities	16,814	-	-	16,814
Other debt securities, structured products				
NCDs and NICDs	-	5,291,936	109,628	5,401,564
Unit and property trust funds	222,958	-	-	222,958
Financial investments at FVTPL				
(i) Designated upon initial recognition				
Malaysian government papers	-	375,031	-	375,031
Singapore government securities	24,365	-	-	24,365
Other debt securities, structured products				
NCDs and NICDs	53,276	9,948,681	81,455	10,083,412
(ii) Held-for-trading (HFT)				
Equity securities	731,904	-	-	731,904
Malaysian government papers	-	89,755	-	89,755
Redeemable loan stock	7	-	-	7
Other debt securities, structured products and NCDs	-	781,210	-	781,210
Unit and property trust funds	13,645	-	-	13,645
Derivative assets	-	2,820	-	2,820
Total assets	3,500,792	17,520,362	191,083	21,881,492
<u>Liabilities</u>				
Derivative liabilities	-	(59,298)	-	(59,298)
Total liabilities	-	(59,298)	-	(59,298)

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(a) Fair Value Disclosures Based on 3-Level Hierarchy (cont'd.)

Group

Unquoted equities securities of RM52,251,154 (2015: RM52,251,154) as disclosed in Note 11 and IPUC of RM61,535,655 (2015: RM45,656,616) are not included in the above analysis as they are carried at cost less impairment.

Company	Valuation technique using :			Total RM'000
	Level 1	Level 2	Level 3	
	Quoted market prices RM'000	Using observable inputs RM'000	Using significant unobservable inputs RM'000	
<u>30.06.2016</u>				
<u>Assets</u>				
AFS financial investments				
Unit and property trust funds	102,372	-	-	102,372
Total assets	102,372	-	-	102,372
<u>31.12.2015</u>				
<u>Assets</u>				
AFS financial investments				
Equity securities	1,038	-	-	1,038
Unit and property trust funds	102,375	-	-	102,375
Total assets	103,413	-	-	103,413

(b) Transfer between Level 1 and Level 2 in the fair value hierarchy

Assets and liabilities of the Group and the Company are recognised in the financial statements on a recurring basis. The Group and the Company determine whether transfers have occurred between fair value hierarchy levels by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfer between Level 1 and Level 2 for the Group and the Company during the financial period ended 30 June 2016.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(c) Reconciliation of level 3 fair value hierarchy

Group

30.06.2016

	Financial instruments measured at fair value		
	AFS RM'000	Designated at FVTPL RM'000	Investment Properties RM'000
As at 1 January 2016	109,628	81,455	669,255
Recognised in income statement:			
Realised loss	308	230	-
Fair value gain	-	(780)	-
Recognised in other comprehensive income as fair value gain	(1,049)	-	-
Disposal	(1,935)	(1,439)	-
As at 30 June 2016	<u>106,952</u>	<u>79,466</u>	<u>669,255</u>
Total gains or losses recognised in income statement for financial instruments measured at fair value at the end of the reporting period	<u>308</u>	<u>(550)</u>	<u>-</u>
Total gains or losses recognised in other comprehensive income for financial instruments measured at fair value at the end of the reporting period	<u>(1,049)</u>	<u>-</u>	<u>-</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(c) Reconciliation of level 3 fair value hierarchy (cont'd.)

Group

31.12.2015

Financial instruments measured at fair value

	AFS RM'000	Designated at FVTPL RM'000	Investment Properties RM'000
As at 1 January 2015	-	-	567,385
Recognised in income statement:			
Realised loss	193	200	-
Fair value gain	-	2,077	101,870
Recognised in other comprehensive income as fair value gain	2,872	-	-
Disposal	(1,643)	(1,221)	-
Transfer into Level 3	108,206	80,399	-
As at 31 December 2015	<u>109,628</u>	<u>81,455</u>	<u>669,255</u>
Total gains or losses recognised in income statement for financial instruments measured at fair value at the end of the reporting period	<u>193</u>	<u>2,277</u>	<u>101,870</u>
Total gains or losses recognised in other comprehensive income for financial instruments measured at fair value at the end of the reporting period	<u>2,872</u>	<u>-</u>	<u>-</u>

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

16. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTD.)

(d) Sensitivity of fair value measurements to changes in unobservable input assumptions

The Group's exposure to financial instruments measured with valuation techniques using significant unobservable inputs comprised a small number of financial instruments which constitute an insignificant component of the Group's portfolio of financial instruments. Hence, changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

The valuation of investment properties were performed by an accredited independent valuer using a variety of approaches such as comparison method and income capitalisation approach. Under the comparison method, fair value is estimated by considering the selling price per square foot ("psf") of comparable investment properties sold adjusted for location, quality and finishes of the building, design and size of the building, title conditions, market trends and time factor. The income capitalisation approach considers the capitalization of net income of the investment properties such as the gross rental less current maintenance expenses and outgoings. This process also considers the relationships including yield and discount rates.

Recent transactions transacted in the market resulting in an increase in these inputs, would result in a significant increase in the estimated fair values of the investment properties.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

18. INSURANCE FUNDS

The Group's statement of financial position and Income Statement have been further analysed by funds.

The Life and Family Takaful insurance businesses offer a wide range of participating and non-participating Whole Life, Term Assurance, Endowment and Annuity products, as well as Unit-linked products.

The General Insurance and General Takaful insurance businesses offer general insurance/takaful products which include Motor, Fire, Marine, Aviation and Transit ("MAT") and Miscellaneous products.

STATEMENTS OF FINANCIAL POSITION BY FUNDS
AS AT 30 JUNE 2016

	Total		* Consolidation elimination		Shareholders' and General Funds		Life Fund		General Takaful Fund		Family Takaful Fund	
	30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000	30.06.2016 RM'000	31.12.2015 RM'000
Assets:												
Property, plant and equipment	130,794	131,571			59,505	60,403	71,289	71,168	-	-	-	-
Investment properties	730,791	714,912			96,305	96,305	634,486	618,607	-	-	-	-
Prepaid land lease payments	19,116	19,268			9,578	9,655	9,538	9,613	-	-	-	-
Intangible assets	64,660	54,776			42,747	35,632	21,913	19,144	-	-	-	-
Investment in associates	1,237	1,238			1,237	1,238	-	-	-	-	-	-
Investments	25,171,550	24,790,134	(22,658)	(22,116)	4,818,732	4,656,031	9,726,261	9,842,895	1,577,128	1,596,575	9,072,087	8,716,749
Financing receivables	269,837	280,274			26,804	28,992	243,033	247,982	-	-	-	3,300
Reinsurance assets	4,306,023	3,560,828			4,042,923	3,300,758	24,227	23,081	194,651	200,860	44,222	36,129
Insurance receivables	670,818	529,670			416,145	311,794	45,563	42,665	79,090	85,479	130,020	89,732
Other receivables	655,751	417,193	(36,684)	(36,684)	372,388	185,134	164,282	160,563	50,590	17,372	105,175	90,808
Derivative assets	4,797	2,820			-	-	4,797	2,820	-	-	-	-
Deferred tax assets	2,928	22,000			2,928	17,314	-	6,042	-	(3,608)	-	2,252
Current tax assets	104,905	66,766			105,715	75,726	(28,282)	(33,178)	4,696	3,883	22,776	20,335
Cash and bank balances	454,458	289,773			116,399	107,264	135,225	70,294	114,004	51,037	88,830	61,178
Total Assets	32,587,665	30,881,223			10,111,406	8,886,246	11,052,332	11,081,696	2,020,159	1,951,598	9,463,110	9,020,483
Equity and liabilities:												
Share capital	252,005	252,005			252,005	252,005	-	-	-	-	-	-
Reserves	4,409,950	4,469,312	(1,658)	(1,116)	4,411,608	4,470,428	-	-	-	-	-	-
Total Equity	4,661,955	4,721,317			4,663,613	4,722,433	-	-	-	-	-	-
Liabilities:												
Insurance/takaful contract liabilities	24,099,294	23,058,200	(57,684)	(57,684)	4,918,835	4,204,642	8,469,419	8,594,921	1,699,792	1,622,796	9,068,932	8,693,525
Subordinated obligations	800,000	800,000			800,000	800,000	-	-	-	-	-	-
Expense liabilities	519,983	470,531			519,983	470,531	-	-	-	-	-	-
Derivative liabilities	38,489	59,298			-	6,031	38,489	53,267	-	-	-	-
Deferred tax liabilities	575,154	529,420			514,941	496,513	54,317	45,372	151	(9,443)	5,745	(3,022)
Insurance payables	617,404	458,115			491,543	340,829	29,677	36,703	39,618	41,729	56,566	38,854
Other payables	1,264,219	773,026			(1,808,676)	(2,166,049)	2,460,430	2,351,433	280,598	296,516	331,867	291,126
Interest/profit payable on subordinated obligations	11,167	11,316			11,167	11,316	-	-	-	-	-	-
Total Liabilities	27,925,710	26,159,906			5,447,793	4,163,813	11,052,332	11,081,696	2,020,159	1,951,598	9,463,110	9,020,483
Total equity and liabilities	32,587,665	30,881,223			10,111,406	8,886,246	11,052,332	11,081,696	2,020,159	1,951,598	9,463,110	9,020,483

* The consolidation elimination indicated the group inter-fund elimination.

MAYBANK AGEAS HOLDINGS BERHAD
(Incorporated in Malaysia)

18. INSURANCE FUNDS (CONTD.)

INCOME STATEMENTS/REVENUE ACCOUNTS BY FUNDS
UNAUDITED INTERIM INCOME STATEMENT/REVENUE ACCOUNTS BY FUND

	Total		Consolidation elimination		Shareholder Funds		General fund		Life Fund		General Takaful Fund		Family Takaful Fund	
	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000	30.06.2016 RM'000	30.06.2015 RM'000
Operating revenue	3,381,978	3,212,318	(309,869)	(269,991)	384,281	340,000	941,210	915,261	920,199	824,296	634,949	581,106	811,208	821,646
Gross earned premiums/contributions	2,797,054	2,520,778	(49)	(107)	-	-	882,489	771,897	703,749	585,062	592,288	521,137	618,577	642,789
Earned premiums/contributions ceded to reinsurers/retakaful	(654,129)	(568,794)			-	-	(574,337)	(491,562)	(10,966)	(10,446)	(42,571)	(52,081)	(26,255)	(14,705)
Net earned premiums/contributions	2,142,925	1,951,984			-	-	308,152	280,335	692,783	574,616	549,717	469,056	592,322	628,084
Fee and commission income	56,143	30,782	(309,820)	(269,884)	309,820	269,884	47,675	22,865	594	1,299	7,785	6,206	89	412
Investment income	539,434	536,165			74,461	70,115	21,081	18,285	216,424	239,221	34,837	29,687	192,631	178,857
Realised gains and losses	134,748	157,044			6,617	15,936	32,781	6,499	54,998	83,248	8,025	5,651	32,327	45,710
Fair value (losses)/gains	216,219	101,547			(1,732)	45,850	5,939	(586)	106,571	9,147	(369)	635	105,810	46,501
Other operating (expenses) /income, net	(60,011)	(160,010)			(5,087)	(28,564)	(6,627)	(2,993)	(38,567)	(40,009)	(1,100)	(3,308)	(8,630)	(85,136)
Other revenue	886,533	665,528			384,079	373,221	100,849	44,070	340,020	292,906	49,178	38,871	322,227	186,344
Gross benefits and claims paid	(2,016,133)	(2,384,131)			-	-	(411,670)	(382,506)	(910,675)	(1,402,752)	(297,786)	(281,447)	(396,002)	(317,426)
Claims ceded to reinsurers	287,951	326,342			-	-	251,243	248,996	11,771	4,857	14,465	55,746	10,472	16,743
Gross change in contract/certificate liabilities	(1,059,315)	648,763			-	-	(695,507)	386,998	99,198	730,076	(87,396)	(124,615)	(375,610)	(343,696)
Change in contract/certificate liabilities ceded to reinsurers/retakaful	695,285	(383,435)			-	-	699,439	(406,227)	1,157	(1,407)	(13,404)	15,968	8,093	8,231
Net benefits and claims	(2,092,212)	(1,792,461)			-	-	(156,495)	(152,739)	(798,549)	(669,226)	(384,121)	(334,348)	(753,047)	(636,148)
Management expenses	(329,001)	(328,170)	49	107	(144,740)	(136,789)	(94,594)	(88,735)	(76,828)	(85,268)	(497)	(383)	(12,391)	(17,102)
Reimbursement of Shared Services	4,666	4,972			4,666	4,972	-	-	-	-	-	-	-	-
Change in expense liabilities	(49,452)	(28,308)			(49,452)	(28,308)	-	-	-	-	-	-	-	-
Fee and commission expenses	(241,013)	(227,482)	309,820	269,884	(110,649)	(115,904)	(70,731)	(53,987)	(57,024)	(50,983)	(177,116)	(131,454)	(135,313)	(145,038)
Interest on subordinated obligations	(16,966)	(16,964)			(16,966)	(16,964)	-	-	-	-	-	-	-	-
Tax borne by policyholders/participants	(44,558)	(46,717)			-	-	-	-	(32,685)	(24,020)	1,925	(6,557)	(13,798)	(16,140)
Other expenses	(676,324)	(642,669)			(317,141)	(292,993)	(165,325)	(142,722)	(166,537)	(160,271)	(175,688)	(138,394)	(161,502)	(178,280)
Surplus transfer from/(to):	260,922	182,382			66,938	80,228	87,181	28,944	67,717	38,025	39,086	35,185	-	-
- General Fund	-	-			71,113	23,160	(71,113)	(23,160)	-	-	-	-	-	-
- Life Par Fund	-	-			(2,655)	(12,734)	-	-	2,655	12,734	-	-	-	-
- Life Non Par Fund	-	-			70,372	50,759	-	-	(70,372)	(50,759)	-	-	-	-
- General Takaful Fund	-	-			39,086	35,185	-	-	-	-	(39,086)	(35,185)	-	-
Profit before taxation	260,922	182,382			244,854	176,598	16,068	5,784	-	-	-	-	-	-
Taxation	(80,946)	(56,566)			(64,878)	(50,782)	(16,068)	(5,784)	-	-	-	-	-	-
Zakat	(3,603)	(6,308)			(3,603)	(6,308)	-	-	-	-	-	-	-	-
Net profit for the period	176,373	119,508			176,373	119,508	-	-	-	-	-	-	-	-