

**RHB INSURANCE BERHAD (38000-U)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2016**

	<u>Note</u>	<u>As at</u> <u>30 June 2016</u> RM '000	<u>As at</u> <u>31 December 2015</u> RM '000
<b>ASSETS</b>			
Property, plant and equipment		12,935	10,716
Intangible asset - computer software		5,118	4,198
Investments	9	801,516	836,558
- Fair value through profit or loss		105,636	131,047
- Held-to-maturity		15,395	15,399
- Loans and receivables		38,182	68,563
- Available-for-sale		642,303	621,549
Deferred tax assets		1,039	3,466
Tax recoverable		7,459	2,931
Reinsurance assets	10	385,784	371,238
Insurance receivables	11	96,226	114,269
Other receivables		98,287	86,085
Cash and cash equivalents		12,138	4,104
<b>Total assets</b>		<u>1,420,502</u>	<u>1,433,565</u>
<b>LIABILITIES</b>			
Insurance contract liabilities	12	890,230	870,884
Insurance payables		41,776	91,119
Other payables		44,742	49,027
<b>Total liabilities</b>		<u>976,748</u>	<u>1,011,030</u>
<b>SHAREHOLDERS' FUND</b>			
Share capital		100,000	100,000
Retained earnings		343,154	323,595
Available-for-sale reserve		600	(1,060)
		<u>443,754</u>	<u>422,535</u>
<b>Total liabilities and shareholders' fund</b>		<u>1,420,502</u>	<u>1,433,565</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

**RHB INSURANCE BERHAD (38000-U)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

	<u>Note</u>	<b>Six months ended</b>	
		<b>30 June 2016</b>	<b>30 June 2015</b>
		RM '000	RM '000
Gross earned premium		332,852	298,809
Premium ceded to reinsurers		(115,327)	(101,833)
<b>Net earned premium</b>		<u>217,525</u>	<u>196,976</u>
Investment income		16,594	15,091
Realised gains		(7,303)	8,986
Fair value gains		5,165	(10,938)
Reinsurance commission income		21,310	20,243
Other operating income		1,702	918
<b>Other income</b>		<u>37,468</u>	<u>34,300</u>
Gross claims paid	12(a)	(157,580)	(125,436)
Claims ceded to reinsurers	12(a)	60,164	49,774
Gross change to claims liabilities	12(a)	(28,460)	(50,422)
Change in claims liabilities ceded to reinsurers	12(a)	22,519	21,529
<b>Net claims</b>		<u>(103,357)</u>	<u>(104,554)</u>
Commission expense		(40,828)	(39,728)
Management expenses		(55,931)	(47,653)
Other operating expenses		(79)	-
<b>Other expenses</b>		<u>(96,838)</u>	<u>(87,381)</u>
Profit before taxation		54,798	39,341
Taxation		(10,239)	(6,907)
<b>Profit for the financial period</b>		<u>44,559</u>	<u>32,434</u>
Basic earnings per share (sen)		<u>44.56</u>	<u>32.43</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

**RHB INSURANCE BERHAD (38000-U)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

	<b>Six months ended</b>	
	<b>30 June 2016</b>	<b>30 June 2015</b>
	RM '000	RM '000
<b>Profit for the financial period</b>	44,559	32,434
<b>Other comprehensive income/(loss):</b>		
Available-for-sale reserve		
- Net gain/(loss) arising during the financial period	2,205	1,563
Income tax relating to components of other comprehensive (loss)/income	(543)	(391)
	<u>1,662</u>	<u>1,172</u>
<b>Total comprehensive income for the financial period</b>	<u><u>46,221</u></u>	<u><u>33,606</u></u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

	<b>Issued and fully paid ordinary shares</b>		<b>Distributable</b>	<b>Non - distributable</b>	<b>Total</b>
	<b>RM1 each</b>				
	<b><u>No. of shares</u></b>	<b><u>Nominal value</u></b>	<b><u>Retained earnings</u></b>	<b><u>AFS reserve</u></b>	<b><u>Total</u></b>
	'000 units	RM '000	RM '000	RM '000	RM '000
Balance as at 1 January 2016	100,000	100,000	323,595	(1,060)	422,535
Total comprehensive income for the financial period	-	-	44,559	1,662	46,221
Ordinary dividends	-	-	(25,000)	-	(25,000)
<b>Balance as at 30 June 2016</b>	<b>100,000</b>	<b>100,000</b>	<b>343,154</b>	<b>602</b>	<b>443,756</b>
Balance as at 1 January 2015	100,000	100,000	273,356	(795)	372,561
Total comprehensive income for the financial period	-	-	32,434	1,172	33,606
Ordinary dividends	-	-	(25,000)	-	(25,000)
<b>Balance as at 30 June 2015</b>	<b>100,000</b>	<b>100,000</b>	<b>280,790</b>	<b>377</b>	<b>381,167</b>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CASH FLOW**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

	Six months ended	
	<u>30 June 2016</u>	<u>30 June 2015</u>
	RM '000	RM '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	54,798	39,341
Adjustments for investing and financing items and other non - cash items	(2,358)	(5,071)
	<hr/>	<hr/>
Operating profit before changes in working capital	52,440	34,270
Net changes in operating assets	43,021	(35,374)
Net changes in operating liabilities	(34,282)	39,717
	<hr/>	<hr/>
Cash generated from operations	61,179	38,613
Tax paid	(23,125)	(18,998)
	<hr/>	<hr/>
Net cash generated from operating activities	38,054	19,615
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(4,944)	(3,303)
Proceeds from sale of property, plant and equipment	-	-
	<hr/>	<hr/>
Net cash used in investing activities	(4,944)	(3,303)
	<hr/>	<hr/>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	(25,000)	(25,000)
	<hr/>	<hr/>
Net cash used in financing activities	(25,000)	(25,000)
	<hr/>	<hr/>
Effect on exchange rate changes on cash and cash equivalents	(76)	66
	<hr/>	<hr/>
Net Increase In Cash And Cash Equivalents	8,034	(8,622)
Cash And Cash Equivalents At Beginning Of Financial Year	4,104	13,885
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<b>Cash And Cash Equivalents At End Of Financial Period</b>	<b>12,138</b>	<b>5,263</b>
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This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016**

**1. BASIS OF PREPARATION**

The interim financial statements are unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Boards ('MASB') and should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 December 2015.

The accounting policies and presentation adopted by the Company for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2015, except for the adoption of the following annual improvements and amendments to MFRS which are applicable to the Company and are effective for annual periods beginning on or after 1 January 2016:

- Annual Improvements to MFRSs 2012 - 2014 Cycle
- Amendments to MFRS 116 'Property Plant and Equipment' and MFRS 138 'Intangible Assets'
- Amendments to MFRS 101 'Presentation of Financial Statements'

The adoption of the above annual improvements and amendments do not give rise to any material financial impact to the Company.

**2. AUDITORS' REPORT**

The auditors' report for the financial year ended 31 December 2015 was not subject to any qualification.

**3. SEASONAL OR CYCLICAL FACTORS**

The business operations of the Company have not been affected by any material seasonal or cyclical factors.

**4. EXCEPTIONAL OR UNUSUAL ITEMS**

There were no exceptional or unusual items for the six months ended 30 June 2016.

**5. CHANGES IN ESTIMATES**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the six months ended 30 June 2016.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**6. CHANGES IN DEBT AND EQUITY SECURITIES**

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

**7. DIVIDENDS PAID**

During the six months ended 30 June 2016, the Company had paid an interim single tier dividend of 25.0% in respect of the financial year ended 31 December 2015, amounting to RM25,000,000 on 7 April 2016.

**8. CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

The Company does not have any contingent assets or contingent liabilities that may significantly render the financial results reported misleading or inappropriate.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**9. INVESTMENT**

	<b>As at</b>	<b>As at</b>
	<b><u>30 June 2016</u></b>	<b><u>31 December 2015</u></b>
	RM '000	RM '000
Debt securities	15,395	15,399
Equities securities	91,751	129,137
Wholesale unit trust funds and property trust funds	656,188	623,459
Staff loans	20	12
Fixed and call deposits	38,162	68,551
	<u>801,516</u>	<u>836,558</u>

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

Fair value through profit or loss	105,636	131,047
Held-to-maturity	15,395	15,399
Loans and receivables	38,182	68,563
Available-for-sale	642,303	621,549
	<u>695,880</u>	<u>705,511</u>



**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

9. **INVESTMENT (continued)**

	<b>As at</b>	<b>As at</b>
	<b><u>30 June 2016</u></b>	<b><u>31 December 2015</u></b>
	RM '000	RM '000
<b>a) Fair value through profit or loss</b>		
<u>At fair value</u>		
Quoted in Malaysia:		
Held-for-trading		
- Equities securities	91,751	129,137
- Property trust funds	13,885	1,910
	105,636	131,047
	105,636	131,047
<b>b) Held-to-maturity</b>		
<u>At amortised cost</u>		
Unquoted in Malaysia:		
- Debt securities	15,395	15,399
	15,395	15,399
	15,395	15,399
<b>c) Loans and receivables</b>		
<u>At amortised cost</u>		
- Loans	20	12
- Fixed and call deposits	38,162	68,551
	38,182	68,563
	38,182	68,563
<b>d) Available-for-sale</b>		
<u>At fair value</u>		
Unquoted in Malaysia:		
- Wholesale unit trust funds	642,303	621,549
	642,303	621,549
	642,303	621,549

The underlying assets for the wholesale unit trust fund are as follows:

Malaysian Government Securities	-	-
Debt securities	492,646	462,885
Call deposits	142,226	143,522
Cash equivalents	29	5
Receivables/payables	7,402	15,137
	642,303	621,549
	642,303	621,549

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**INTERIM FINANCIAL STATEMENTS**  
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**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

9. **INVESTMENT (Continued)**

**e) Carrying value of financial instruments**

	<u>Fair value through profit or loss</u>	<u>Held-to- maturity</u>	<u>Loans and receivables</u>	<u>Available- for-sale</u>	<u>Total</u>
	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 January 2015	112,475	15,400	94,096	518,886	740,857
Purchases	154,944	-	28,000	103,015	285,959
Maturities	-	-	(53,533)	-	(53,533)
Disposals	(135,176)	-	-	-	(135,176)
Recovery of fully impaired unsecured corporate debts	-	-	-	(13)	(13)
Fair value gains recorded in Income Statement	(1,196)	-	-	-	(1,196)
Fair value gains recorded in Other Comprehensive Income	-	-	-	(352)	(352)
Movement in impairment allowance	-	-	-	13	13
Amortisation charge	-	(1)	-	-	(1)
Movement in accrued interest	-	-	-	-	-
<b>At 31 December 2015</b>	<u>131,047</u>	<u>15,399</u>	<u>68,563</u>	<u>621,549</u>	<u>836,558</u>
Purchases	26,625	-	24,968	18,550	70,143
Maturities	-	-	(55,357)	-	(55,357)
Disposals	(57,201)	-	-	-	(57,201)
Recovery of fully impaired unsecured corporate debts	-	-	-	-	-
Fair value gains recorded in Income Statement	5,165	-	-	-	5,165
Fair value gains recorded in Other Comprehensive Income	-	-	-	2,204	2,204
Movement in impairment allowance	-	-	-	-	-
Amortisation charge	-	(1)	-	-	(1)
Movement in accrued interest	-	(3)	8	-	5
<b>At 30 June 2016</b>	<u><u>105,636</u></u>	<u><u>15,395</u></u>	<u><u>38,182</u></u>	<u><u>642,303</u></u>	<u><u>801,516</u></u>

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**INTERIM FINANCIAL STATEMENTS**  
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**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

9. **INVESTMENT (Continued)**

**f) Fair value investments**

	<b>Fair value through profit or loss</b>	<b>Available- for-sale</b>	<b>Total</b>
	RM '000	RM '000	RM '000
<b>Unaudited</b>			
<b>At 30 June 2016</b>			
Quoted market price	105,636	-	105,636
Valuation techniques – market observable inputs	-	642,303	642,303
	105,636	642,303	747,939
	105,636	642,303	747,939
<b>Audited</b>			
<b>At 31 December 2015</b>			
Quoted market price	131,047	-	131,047
Valuation techniques – market observable inputs	-	621,549	621,549
	131,047	621,549	752,596
	131,047	621,549	752,596

**g) Fair value measurements**

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

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

	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
	RM '000	RM '000	RM '000
<b>Unaudited</b>			
<b>At 30 June 2016</b>			
Fair value through profit and loss			
- Quoted equities securities	91,751	-	91,751
- Quoted property trust funds	13,885	-	13,885
Available-for-sale			
-Wholesale unit trust fund	-	642,303	642,303
	105,636	642,303	747,939
	105,636	642,303	747,939
<b>Audited</b>			
<b>At 31 December 2015</b>			
Fair value through profit and loss			
- Quoted equities securities	129,137	-	129,137
- Quoted property trust funds	1,910	-	1,910
Available-for-sale			
-Wholesale unit trust fund	-	621,549	621,549
	131,047	621,549	752,596
	131,047	621,549	752,596

There were no transfers between levels 1 and 2 during the year.

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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**9. INVESTMENT (Continued)**

**g) Fair value measurements (Continued)**

(i) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the date of statement of financial position. A market is regarded as active 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. The quoted market price used for financial assets held by the Company is the last quoted bid prices at the end of the reporting period. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily Bursa Malaysia equity investments classified as trading securities.

(ii) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**10. REINSURANCE ASSETS**

	<b>As at</b> <b><u>30 June 2016</u></b> RM '000	<b>As at</b> <b><u>31 December 2015</u></b> RM '000
Claims liabilities	297,543	275,023
Premium liabilities	88,241	96,215
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	385,784	371,238
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**11. INSURANCE RECEIVABLES**

	<b>As at</b> <b><u>30 June 2016</u></b> RM '000	<b>As at</b> <b><u>31 December 2015</u></b> RM '000
Due premiums including agents, brokers and co-insurers balances	90,679	117,577
Due from reinsurers and cedants	12,743	3,911
	<hr/>	<hr/>
Allowance for doubtful debts	103,422 (7,196)	121,488 (7,219)
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	96,226	114,269
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**RHB INSURANCE BERHAD (38000-U)**  
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**12. INSURANCE CONTRACT LIABILITIES**

	<u>Gross</u> RM '000	<u>Reinsurance</u> RM '000	<u>Net</u> RM '000
<b><u>As at</u></b>			
<b><u>30 June 2016</u></b>			
Claims reported	435,116	(223,617)	211,499
Incurred but not reported claims ("IBNR")	166,284	(73,926)	92,358
	<hr/>	<hr/>	<hr/>
Claims liabilities (note(a))	601,400	(297,543)	303,857
Premium liabilities (note(b))	288,830	(88,241)	200,589
	<hr/>	<hr/>	<hr/>
	890,230	(385,784)	504,446
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>As at</u></b>			
<b><u>31 December 2015</u></b>			
Claims reported	416,353	(205,126)	211,227
Incurred but not reported claims ("IBNR")	156,587	(69,897)	86,690
	<hr/>	<hr/>	<hr/>
Claims liabilities (note(a))	572,940	(275,023)	297,917
Premium liabilities (note(b))	297,944	(96,215)	201,729
	<hr/>	<hr/>	<hr/>
	870,884	(371,238)	499,646
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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

**12. INSURANCE CONTRACT LIABILITIES (Continued)**

**(a) Claims liabilities**

	<b>Gross</b>	<b>Reinsurance</b>	<b>Net</b>
	RM '000	RM '000	RM '000
<b>As at</b>			
<b><u>30 June 2016</u></b>			
Balance as at 1 January 2016	572,940	(275,023)	297,917
Claims incurred in current accident year			
- Paid	29,938	(5,782)	24,156
- Case reserves	114,488	(59,374)	55,114
- IBNR	73,384	(32,890)	40,494
Claims incurred in prior accident year			
- Paid	127,642	(54,382)	73,260
- Case reserves	(253,305)	101,046	(152,259)
- IBNR	(63,687)	28,862	(34,825)
<b>Balance as at 30 June 2016</b>	<b>601,400</b>	<b>(297,543)</b>	<b>303,857</b>
<b>As at</b>			
<b><u>31 December 2015</u></b>			
Balance as at 1 January 2015	514,960	(241,647)	273,313
Claims incurred in current accident year			
- Paid	98,984	(25,918)	73,066
- Case reserves	170,515	(90,909)	79,606
- IBNR	106,690	(46,932)	59,758
Claims incurred in prior accident year			
- Paid	179,950	(85,406)	94,544
- Case reserves	(398,853)	170,902	(227,951)
- IBNR	(99,306)	44,887	(54,419)
<b>Balance as at 31 December 2015</b>	<b>572,940</b>	<b>(275,023)</b>	<b>297,917</b>

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**INTERIM FINANCIAL STATEMENTS**  
**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2016 (Continued)**

12. **INSURANCE CONTRACT LIABILITIES (Continued)**

(b) **Premium liabilities**

	<u>Gross</u> RM '000	<u>Reinsurance</u> RM '000	<u>Net</u> RM '000
<b>As at</b>			
<b><u>30 June 2016</u></b>			
Balance as at 1 January 2016	297,944	(96,214)	201,730
Premium written for the financial period	323,738	(107,353)	216,385
Premium earned during the financial period	(332,852)	115,327	(217,525)
<b>Balance as at 30 June 2016</b>	<u>288,830</u>	<u>(88,240)</u>	<u>200,590</u>
<b>As at</b>			
<b><u>31 December 2015</u></b>			
Balance as at 1 January 2015	260,739	(90,466)	170,273
Premium written for the financial period	659,277	(224,598)	434,679
Premium earned during the financial period	(622,072)	218,850	(403,222)
<b>Balance as at 31 December 2015</b>	<u>297,944</u>	<u>(96,214)</u>	<u>201,730</u>



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**13. CAPITAL COMMITMENTS**

	<b>As at</b> <b>30 June 2016</b>	<b>As at</b> <b>31 December 2015</b>
	RM '000	RM '000
Capital expenditure on property, plant and equipment:		
Authorised and contracted for	4,093	5,408
Authorised but not contracted for	32,261	33,507
	<u>36,354</u>	<u>38,915</u>

**14. REGULATORY CAPITAL REQUIREMENTS**

The capital structure of the Company as at 30 June 2016, as prescribed under the RBC Framework is provided below:

	<b>As at</b> <b>30 June 2016</b>	<b>As at</b> <b>31 December 2015</b>
	RM '000	RM '000
<b><u>Eligible Tier 1 Capital</u></b>		
Share capital (paid-up)	100,000	100,000
Retained earnings	343,154	323,595
	<u>443,154</u>	<u>423,595</u>
<b><u>Tier 2 Capital</u></b>		
Available-for-sale reserve	600	(1,060)
<b><u>Deductions</u></b>		
Amount deducted from Capital	(1,039)	(3,466)
<b>Total Capital Available</b>	<u>442,715</u>	<u>419,069</u>

**15. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

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**16. EVENTS SUBSEQUENT TO BALANCE SHEET DATE**

There are no material events subsequent to the balance sheet date that have not been reflected in financial statements.

**17. CHANGES IN THE COMPOSITION OF THE COMPANY**

There are no significant changes in the composition of the Company for the six months ended 30 June 2016.