

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2015

Company No.

723739	W
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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2015

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015

	<u>Note</u>	<u>30.6.2015</u> RM'000	<u>31.12.2014</u> RM'000
ASSETS			
Property and equipment		1,788	1,451
Intangible assets		104,667	103,561
Investments	8	969,836	839,076
Available-for-sale financial assets		559,425	486,990
Fair value through profit or loss financial assets		273,955	260,820
Loans and receivables		136,456	91,266
Reinsurance assets	9	29,415	26,563
Insurance receivables		19,808	11,289
Assets held for sale		-	7,300
Current tax assets		685	531
Other receivables		7,961	5,352
Cash and cash equivalents		60,708	74,978
TOTAL ASSETS		<u>1,194,868</u>	<u>1,070,101</u>
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES			
Share capital		313,000	288,000
Accumulated losses		(31,213)	(29,187)
Available-for-sale reserve		7,249	8,173
TOTAL EQUITY		<u>289,036</u>	<u>266,986</u>
LIABILITIES			
Insurance contract liabilities	10	757,012	674,068
Insurance claims liabilities		8,787	4,347
Deferred tax liabilities		3,583	2,732
Insurance payables		79,875	60,536
Reinsurance liabilities		1,856	3,514
Other payables		54,719	57,918
TOTAL LIABILITIES		<u>905,832</u>	<u>803,115</u>
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		<u>1,194,868</u>	<u>1,070,101</u>

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

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	<u>30.6.2015</u>	<u>30.6.2014</u>
	RM'000	RM'000
Gross premiums	165,905	145,299
Premiums ceded to reinsurers	<u>(9,786)</u>	<u>(8,227)</u>
Net premiums	<u>156,119</u>	<u>137,072</u>
Reinsurance commission income	597	699
Investment income	15,963	12,897
Net realised gains	3,563	1,367
Net fair value gains	2,943	3,845
Other operating income	<u>537</u>	<u>274</u>
Other revenue	<u>23,603</u>	<u>19,082</u>
Gross benefits and claims paid	(53,635)	(39,422)
Claims ceded to reinsurers	10,360	5,500
Gross change to insurance contract liabilities	(79,484)	(68,135)
Changes in insurance contract liabilities ceded to reinsurers	<u>2,007</u>	<u>1,632</u>
Net claims	<u>(120,752)</u>	<u>(100,425)</u>
Commission and agency expenses	(22,503)	(22,712)
Management expenses	(34,661)	(31,427)
Other operating expenses	<u>(1,571)</u>	<u>(690)</u>
Other expenses	<u>(58,735)</u>	<u>(54,829)</u>
Profit before taxation	235	900
Tax expense attributable to policyholders and unitholders	<u>(895)</u>	<u>(900)</u>
Loss before taxation attributable to Shareholders	(660)	-
Taxation	<u>(2,261)</u>	<u>(1,532)</u>
Tax expense attributable to policyholders and unitholders	895	900
Tax expense attributable to Shareholders	(1,366)	(632)
Net loss for the financial period	<u>(2,026)</u>	<u>(632)</u>
Basic loss per share (sen)	<u>(0.65)</u>	<u>(0.22)</u>

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

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	<u>30.6.2015</u>	<u>30.6.2014</u>
	RM'000	RM'000
Net loss for the financial period	(2,026)	(632)
Other comprehensive income:		
<u>Items that may be subsequently reclassified to profit or loss:</u>		
Fair value changes on available-for-sale financial assets, net of deferred tax		
Gross fair value changes	3,327	2,550
Deferred tax	<u>(374)</u>	<u>(295)</u>
Net fair value changes	2,953	2,255
Change in insurance contract liabilities arising from unrealised net fair value changes	<u>(3,877)</u>	<u>(1,517)</u>
Other comprehensive (loss)/income for the financial period, net of tax	<u>(924)</u>	<u>738</u>
Total comprehensive (loss)/income for the financial period	<u><u>(2,950)</u></u>	<u><u>106</u></u>

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

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	Share capital	Available-for-sale reserve	Accumulated losses	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2015	288,000	8,173	(29,187)	266,986
Issuance of shares during the financial period	25,000	-	-	25,000
Total comprehensive loss for the financial period	-	(924)	(2,026)	(2,950)
At 30 June 2015	<u>313,000</u>	<u>7,249</u>	<u>(31,213)</u>	<u>289,036</u>
At 1 January 2014	288,000	17,623	(33,970)	271,653
Total comprehensive income/(loss) for the financial period	-	738	(632)	106
At 30 June 2014	<u>288,000</u>	<u>18,361</u>	<u>(34,602)</u>	<u>271,759</u>

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

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2015**

	<u>Note</u>	<u>30.6.2015</u> RM'000	<u>30.6.2014</u> RM'000
<u>Operating activities</u>			
Cash flows generated from operating activities	11	18,164	91,840
Proceeds from disposal of investment properties		8,500	32,555
Proceeds from disposal of investments		121,335	-
Purchase of investments		(197,065)	(95,060)
Dividend income received		664	696
Interest income received		13,979	10,588
Rental income received on investment properties		68	137
Income tax paid		(1,938)	(2,092)
Net cash flows (used in)/generated from operating activities		<u>(36,293)</u>	<u>38,664</u>
<u>Investing activities</u>			
Proceeds from disposal of property and equipment		140	-
Purchase of property and equipment		(768)	(204)
Purchase of intangible assets		(2,349)	(420)
Net cash flows used in investing activities		<u>(2,977)</u>	<u>(624)</u>
<u>Financing activities</u>			
Proceeds from issuance of share capital		25,000	-
Net cash flows from financing activities		<u>25,000</u>	<u>-</u>
Net increase in cash and cash equivalents		(14,270)	38,040
Cash and cash equivalents at 1 January		74,978	61,572
Cash and cash equivalents at 30 June		<u>60,708</u>	<u>99,612</u>
<u>Cash and cash equivalents comprise:</u>			
Cash and bank balances		33,498	31,182
Fixed and call deposits with maturity of less than three months		27,210	68,430
		<u>60,708</u>	<u>99,612</u>

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

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015

1 BASIS OF PREPARATION

The condensed interim financial statements of the Company for the half-year ended 30 June 2015 are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting*.

The 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 company’s audited financial statements for the year ended 31 December 2014.

The explanatory notes attached to the 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 Company since the financial year ended 31 December 2014.

2 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Company for the half-year ended 30 June 2015.

3 CHANGES IN ESTIMATES

There were no material changes in the basis used for accounting estimates for the condensed interim financial statements for the half-year ended 30 June 2015.

4 SEASONAL OR CYCLICAL FACTORS

The business operations of the Company were not significantly affected by seasonality or cyclical factors for the period under review.

5 DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the half-year ended 30 June 2015.

6 DIVIDEND

No dividend has been declared or paid by the Company during the period under review.

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

7 SIGNIFICANT EVENTS

There were no material events subsequent to the date of the statement of financial position that require disclosure or adjustments to the condensed interim financial statements.

8 INVESTMENTS

The financial assets are summarised by categories as follows:

	<u>30.6.2015</u>	<u>31.12.2014</u>
	RM'000	RM'000
Available-for-sale ("AFS") financial assets (a)	559,425	486,990
Fair value through profit or loss ("FVTPL") financial assets – designated upon initial recognition (b)	273,955	260,820
Loans and receivables ("LAR") (c)	136,456	91,266
	<u>969,836</u>	<u>839,076</u>

The following financial assets mature after 12 months:

AFS financial assets	404,261	320,310
FVTPL financial assets – designated upon initial recognition	179,760	173,381
LAR	27	38
	<u>584,048</u>	<u>493,729</u>

(a) AFS financial assets

At fair value

Malaysian Government Securities	100,740	83,364
Debt securities unquoted in Malaysia	332,465	284,576
Equity securities quoted in Malaysia	48,218	45,486
Investment-linked funds	16,979	16,563
Unit and property trust funds quoted in Malaysia	61,023	57,001
	<u>559,425</u>	<u>486,990</u>

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE
2015 (CONTINUED)**

8 INVESTMENTS (CONTINUED)

(b)	FVTPL financial assets – designated upon initial recognition	<u>30.6.2015</u> RM'000	<u>31.12.2014</u> RM'000
	<u>At fair value</u>		
	Malaysian Government Securities	79,989	76,454
	Equity securities quoted in Malaysia	22,652	15,608
	Equity securities quoted outside Malaysia	5,177	3,356
	Debt securities unquoted in Malaysia	100,415	101,417
	Structured investments quoted in Malaysia	30,385	29,799
	Structured investments quoted outside Malaysia	34,933	33,893
	Unit and property trust funds quoted in Malaysia	404	293
		<u>273,955</u>	<u>260,820</u>

(c)	LAR		
	<u>At amortised cost</u>		
	Policy loans	13,209	12,756
	Mortgage loans	42	50
	Fixed and call deposits	123,205	78,460
		<u>136,456</u>	<u>91,266</u>

(d) Fair values of financial assets

The following table show the financial assets recorded at fair value analysed by the different basis of fair values as follows:

	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>Total</u> RM'000
<u>30 June 2015</u>			
Level 1 - Quoted market price	119,117	93,551	212,668
Level 2 - Market observable inputs	440,308	180,404	620,712
	<u>559,425</u>	<u>273,955</u>	<u>833,380</u>
	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>Total</u> RM'000
<u>31 December 2014</u>			
Level 1 - Quoted market price	111,659	82,949	194,608
Level 2 - Market observable inputs	375,331	177,871	553,202
	<u>486,990</u>	<u>260,820</u>	<u>747,810</u>

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

8 INVESTMENTS (CONTINUED)

The Company categorises its fair value measurements according to a three-level hierarchy. The hierarchy prioritises the inputs used by the Company's valuation techniques for determining the fair value of the financial assets.

A level is assigned to each fair value measurement based on the lowest level input significant to the fair value measurement in its entirety. The three-level hierarchy is defined as follows:

Level 1 - Fair value measurements that reflect unadjusted, quoted prices in active markets for identical assets and liabilities that the Company has the ability to access at the measurement date. Valuations are based on quoted prices reflecting market transactions involving assets or liabilities identical to those being measured.

Level 2 - Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in inactive markets, inputs that are observable that are not prices (such as interest rates, credit risks, etc) and inputs that are derived from or corroborated by observable market data.

Level 3 - Fair value measurements using significant non market observable inputs. These include valuations for assets and liabilities that are derived using data, some or all of which is not market observable, including assumptions about risk.

9 REINSURANCE ASSETS

	<u>30.6.2015</u>	<u>31.12.2014</u>
	RM'000	RM'000
Reinsurance of insurance contracts:		
-Insurance contract liabilities (Note 10)	28,108	26,100
-Insurance claims liabilities	1,308	463
	<u>29,416</u>	<u>26,563</u>
Receivable within 12 months	1,314	467
Receivable after 12 months	28,102	26,096
	<u>29,416</u>	<u>26,563</u>

The carrying amounts disclosed above approximate the fair values as at the date of the statement of financial position.

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

10 INSURANCE CONTRACT LIABILITIES

	30.6.2015			31.12.2014		
	Gross RM'000	Reinsu- rance RM'000	Net RM'000	Gross RM'000	Reinsu- rance RM'000	Net RM'000
Actuarial liabilities	615,267	(28,108)	587,159	541,068	(26,100)	514,968
Unallocated surplus	12,742	-	12,742	17,488	-	17,488
Available-for-sale reserve	5,387	-	5,387	1,510	-	1,510
Net asset value attributable to unitholders	140,595	-	140,595	130,565	-	130,565
	<u>773,991</u>	<u>(28,108)</u>	<u>745,883</u>	<u>690,631</u>	<u>(26,100)</u>	<u>664,531</u>
Less:						
Elimination of Shareholders' Fund investment in investment- linked funds	(16,979)	-	(16,979)	(16,563)	-	(16,563)
	<u>757,012</u>	<u>(28,108)</u>	<u>728,904</u>	<u>674,068</u>	<u>(26,100)</u>	<u>647,968</u>
Current	179,510	(6)	179,504	165,355	(4)	165,351
Non-current	577,502	(28,102)	549,400	508,713	(26,096)	482,617
	<u>757,012</u>	<u>(28,108)</u>	<u>728,904</u>	<u>674,068</u>	<u>(26,100)</u>	<u>647,968</u>

The insurance contract liabilities and movements therein are further analysed as follows:

30.6.2015	Gross RM'000	Reinsu- rance RM'000	Net RM'000
At 1 January 2015	674,068	(26,100)	647,968
Reserve movement for inforce policies	42,278	1,282	43,560
Reserve for new business	24,565	(2,358)	22,207
Change in discount rate	4,278	(396)	3,882
Change in other assumptions	1,937	243	2,180
Change in valuation methodology	-	-	-
Adjustment of asset share	(1,308)	-	(1,308)
Other changes in reserving	2,449	(779)	1,670
Movement in unallocated surplus	(4,746)	-	(4,746)
Movement in net asset value attributable to unitholders	10,030	-	10,030
	79,483	(2,008)	77,475
Elimination of fair value losses from Shareholders' fund investment in investment-linked funds	(416)	-	(416)
Available-for-sale fair value adjustment	3,877	-	3,877
At 30 June 2015	<u>757,012</u>	<u>(28,108)</u>	<u>728,904</u>

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE
2015 (CONTINUED)**

10 INSURANCE CONTRACT LIABILITIES (CONTINUED)

The insurance contract liabilities and movements therein are further analysed as follows:
(continued)

<u>31.12.2014</u>	<u>Gross</u> RM'000	<u>Reinsu- rance</u> RM'000	<u>Net</u> RM'000
At 1 January 2014	522,237	(23,625)	498,612
Reserve movement for inforce policies	106,404	1,910	108,314
Reserve for new business	32,115	(5,111)	27,004
Change in discount rate	2,128	(108)	2,020
Change in other assumptions	7,310	279	7,589
Change in valuation methodology	(776)	-	(776)
Adjustment of asset share	(9,855)	-	(9,855)
Other changes in reserving	7,659	555	8,214
Movement in unallocated surplus	(7,872)	-	(7,872)
Movement in net asset value attributable to unitholders	17,355	-	17,355
	154,468	(2,475)	151,993
Elimination of fair value losses from Shareholders' fund investment in investment-linked funds	2,937	-	2,937
Available-for-sale fair value adjustment	(5,574)	-	(5,574)
At 31 December 2014	<u>674,068</u>	<u>(26,100)</u>	<u>647,968</u>

AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE
2015 (CONTINUED)**

11 CASH FLOWS GENERATED FROM OPERATING ACTIVITIES

	<u>30.6.2015</u>	<u>30.6.2014</u>
	RM'000	RM'000
Net loss for the financial period	(2,026)	(632)
<u>Non-cash items:</u>		
Taxation	2,261	1,532
Investment income	(16,031)	(12,897)
Depreciation of property and equipment	424	456
Amortisation of intangible assets	1,243	1,512
Gain on disposal of investments	(3,563)	(1,367)
Gain on disposal of investment properties	(1,200)	-
Gain on disposal of property and equipment	(134)	-
Fair value gain on investments	(2,943)	(3,845)
Allowance for impairment on other receivables	142	381
<u>Changes in working capital:</u>		
Increase in loans	(50)	(1,413)
(Increase)/decrease in fixed and call deposits	(44,532)	47,986
Increase in insurance receivables	(8,519)	(6,304)
Increase in other receivables	(2,460)	(453)
Increase in reinsurance assets	(2,852)	(1,296)
Increase in insurance contract liabilities	79,482	68,135
Increase/(decrease) in insurance claims liabilities	4,440	(1,421)
Increase in insurance payables	19,339	1,766
Decrease in reinsurance liabilities	(1,658)	(1,128)
(Decrease)/increase in other payables	(3,199)	828
Cash flows generated from operating activities	<u>18,164</u>	<u>91,840</u>

12 NON-CANCELLABLE OPERATING LEASE COMMITMENTS

The future minimum lease payments of the non-cancellable operating lease agreements are as follows:

	<u>30.6.2015</u>	<u>30.6.2014</u>
	RM'000	RM'000
Not later than 1 year	1,823	2,678
Later than 1 year and not later than 5 years	789	2,051
	<u>2,612</u>	<u>4,729</u>

AXA AFFIN LIFE INSURANCE BERHAD

(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

13 CAPITAL COMMITMENTS

There are no capital commitments for the financial period ended 30 June 2015 and financial year ended 31 December 2014.

14 RISK MANAGEMENT FRAMEWORK

The capital structure of the Company as at 30 June 2015, as prescribed under the RBC Framework, is shown below:

	<u>30.6.2015</u> RM'000	<u>31.12.2014</u> RM'000
<u>Eligible Tier 1 Capital</u>		
Share capital	313,000	288,000
Accumulated losses	(31,211)	(29,187)
Eligible contract liabilities	<u>72,882</u>	<u>80,187</u>
	354,671	339,000
<u>Tier 2 Capital</u>		
Available-for-sale	12,636	9,684
Amounts deducted from capital	<u>(99,120)</u>	<u>(99,120)</u>
Total capital available	<u>268,187</u>	<u>249,564</u>

The Company has met the minimum capital requirements specified in the RBC Framework for the financial period ended 30 June 2015 and financial year ended 31 December 2014.

15 INSURANCE FUNDS

The Company's activities are organised by funds and segregated into the Life and Shareholders' funds in accordance with the Insurance Act, 1996 and Insurance Regulations, 1996.

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

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

15 INSURANCE FUNDS (CONTINUED)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION BY FUNDS AS AT 30 JUNE 2015

	Shareholders' fund		Life fund		Investment-linked funds		Elimination		Total	
	<u>30.6.2015</u>	<u>31.12.2014</u>	<u>30.6.2015</u>	<u>31.12.2014</u>	<u>30.6.2015</u>	<u>31.12.2014</u>	<u>30.6.2015</u>	<u>31.12.2014</u>	<u>30.6.2015</u>	<u>31.12.2014</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS										
Property and equipment	-	-	1,788	1,451	-	-	-	-	1,788	1,451
Intangible assets	99,120	99,120	5,547	4,441	-	-	-	-	104,667	103,561
Investments	161,478	119,389	698,205	622,990	127,132	113,260	(16,979)	(16,563)	969,836	839,076
AFS financial assets	127,560	95,220	431,865	391,770	-	-	-	-	559,425	486,990
FVTPL financial assets	-	-	163,802	164,123	127,132	113,260	(16,979)	(16,563)	273,955	260,820
Loans and receivables	33,918	24,169	102,538	67,097	-	-	-	-	136,456	91,266
Reinsurance assets	-	-	29,415	26,563	-	-	-	-	29,415	26,563
Insurance receivables	-	-	19,808	11,289	-	-	-	-	19,808	11,289
Assets held for sale	-	-	-	7,300	-	-	-	-	-	7,300
Current tax assets	1,305	1,395	953	575	(1,573)	(1,439)	-	-	685	531
Other receivables	22,415	47,710	7,660	5,187	1,685	1,268	(23,799)	(48,813)	7,961	5,352
Cash and cash equivalents	7,442	2,057	38,324	55,123	14,942	17,798	-	-	60,708	74,978
TOTAL ASSETS	291,760	269,671	801,700	734,919	142,186	130,887	(40,778)	(65,376)	1,194,868	1,070,101

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

15 INSURANCE FUNDS (CONTINUED)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION BY FUNDS AS AT 30 JUNE 2015 (CONTINUED)

	Shareholders' fund		Life fund		Investment-linked funds		Elimination		Total	
	30.6.2015	31.12.2014	30.6.2015	31.12.2014	30.6.2015	31.12.2014	30.6.2015	31.12.2014	30.6.2015	31.12.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES										
Share capital	313,000	288,000	-	-	-	-	-	-	313,000	288,000
Accumulated losses	(31,213)	(29,187)	-	-	-	-	-	-	(31,213)	(29,187)
Available-for-sale reserve	7,249	8,173	-	-	-	-	-	-	7,249	8,173
TOTAL EQUITY	289,036	266,986	-	-	-	-	-	-	289,036	266,986
LIABILITIES										
Insurance contract liabilities	-	-	633,396	560,066	140,595	130,565	(16,979)	(16,563)	757,012	674,068
Insurance claims liabilities	-	-	8,787	4,347	-	-	-	-	8,787	4,347
Deferred tax liabilities	2,375	2,118	1,081	591	127	23	-	-	3,583	2,732
Insurance payables	-	-	79,875	60,536	-	-	-	-	79,875	60,536
Reinsurance payables	-	-	1,856	3,514	-	-	-	-	1,856	3,514
Other payables	349	567	76,705	105,865	1,464	299	(23,799)	(48,813)	54,719	57,918
TOTAL LIABILITIES	2,724	2,685	801,700	734,919	142,186	130,887	(40,778)	(65,376)	905,832	803,115
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	291,760	269,671	801,700	734,919	142,186	130,887	(40,778)	(65,376)	1,194,868	1,070,101

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

15 INSURANCE FUNDS (CONTINUED)

UNAUDITED CONDENSED STATEMENT OF INCOME BY FUNDS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

	Shareholders' fund		Life fund		Investment-linked funds		Total	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
Gross premiums	-	-	147,371	127,968	18,534	17,331	165,905	145,299
Premiums ceded to reinsurers	-	-	(9,786)	(8,227)	-	-	(9,786)	(8,227)
Net premiums	-	-	137,585	119,741	18,534	17,331	156,119	137,072
Reinsurance commission income	-	-	597	699	-	-	597	699
Investment income	2,233	1,650	12,987	10,817	743	430	15,963	12,897
Net realised gains	-	-	2,521	493	1,042	874	3,563	1,367
Net fair value gains	-	-	1,653	-	1,290	3,845	2,943	3,845
Other operating income	18	22	287	281	232	(29)	537	274
Other revenue	2,251	1,672	18,045	12,290	3,307	5,120	23,603	19,082
Gross benefits and claims paid	-	-	(42,092)	(29,641)	(11,543)	(9,781)	(53,635)	(39,422)
Claims ceded to reinsurers	-	-	10,360	5,500	-	-	10,360	5,500
Gross change to insurance contract liabilities	-	-	(69,454)	(55,947)	(10,030)	(12,188)	(79,484)	(68,135)
Changes in insurance contract liabilities ceded to reinsurers	-	-	2,007	1,632	-	-	2,007	1,632
Net claims	-	-	(99,179)	(78,456)	(21,573)	(21,969)	(120,752)	(100,425)
Fee and commission expenses	-	-	(22,503)	(22,712)	-	-	(22,503)	(22,712)
Management expenses	(3,643)	(1,869)	(30,990)	(29,543)	(28)	(15)	(34,661)	(31,427)
Other operating expenses	-	-	(1,571)	(690)	-	-	(1,571)	(690)
Other expenses	(3,643)	(1,869)	(55,064)	(52,945)	(28)	(15)	(58,735)	(54,829)

Company No.

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AXA AFFIN LIFE INSURANCE BERHAD
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

15 INSURANCE FUNDS (CONTINUED)

UNAUDITED CONDENSED STATEMENT OF INCOME BY FUNDS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015 (CONTINUED)

	Shareholders' fund		Life fund		Investment-linked funds		Total	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
(Loss)/profit before taxation	(1,392)	(197)	1,387	630	240	467	235	900
Tax expense attributable to policyholders and unitholders	-	-	(655)	(433)	(240)	(467)	(895)	(900)
(Loss)/profit before taxation attributable to Shareholders	(1,392)	(197)	732	197	-	-	(660)	-
Taxation	(634)	(435)	(1,387)	(630)	(240)	(467)	(2,261)	(1,532)
Tax expense attributable to policyholders and unitholders	-	-	655	433	240	467	895	900
Tax expense attributable to Shareholders	(634)	(435)	(732)	(197)	-	-	(1,366)	(632)
Net loss for the financial period	(2,026)	(632)	-	-	-	-	(2,026)	(632)

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AXA AFFIN LIFE INSURANCE BERHAD
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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2015 (CONTINUED)

15 INSURANCE FUNDS (CONTINUED)

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS BY FUNDS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

	Shareholders' Fund		Life Fund		Investment-linked Funds		Total	
	<u>30.6.2015</u>	<u>30.6.2014</u>	<u>30.6.2015</u>	<u>30.6.2014</u>	<u>30.6.2015</u>	<u>30.6.2014</u>	<u>30.6.2015</u>	<u>30.6.2014</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Cash flows from:</u>								
Operating activities	(19,615)	(116)	(13,822)	32,195	(2,856)	6,585	(36,293)	38,664
Investing activities	-	-	(2,977)	(624)	-	-	(2,977)	(624)
Financing activities	25,000	-	-	-	-	-	25,000	-
	<u>5,385</u>	<u>(116)</u>	<u>(16,799)</u>	<u>31,571</u>	<u>(2,856)</u>	<u>6,585</u>	<u>(14,270)</u>	<u>38,040</u>
<u>Cash and cash equivalents:</u>								
Net (decrease)/increase in cash and cash equivalents	5,385	(116)	(16,799)	31,571	(2,856)	6,585	(14,270)	38,040
At beginning of the financial period	<u>2,057</u>	<u>2,134</u>	<u>55,123</u>	<u>52,912</u>	<u>17,798</u>	<u>6,526</u>	<u>74,978</u>	<u>61,572</u>
At end of the financial period	<u>7,442</u>	<u>2,018</u>	<u>38,324</u>	<u>84,483</u>	<u>14,942</u>	<u>13,111</u>	<u>60,708</u>	<u>99,612</u>