



Berjaya Sampo Insurance Berhad (62605-U)
(Incorporated in Malaysia)

Unaudited Condensed Interim Financial Statement

For the 6-Month Financial Period from

1 January 2016 to 30 June 2016

Company No. 62605-U

BERJAYA SOMPO INSURANCE BERHAD
(Incorporated in Malaysia)

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BERJAYA SOMPO INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	30.06.2016 RM'000	31.12.2015 RM'000
ASSETS			
Property and equipment		107,260	98,569
Intangible assets		2,611	1,792
Investment properties	10	19,280	19,280
Investments	11	1,111,947	1,055,729
Reinsurance assets	12	417,557	444,461
Insurance receivables	13	92,295	72,357
Other receivables	14	107,225	76,444
Taxation		4,903	4,688
Cash and cash equivalents		178,972	195,972
TOTAL ASSETS		2,042,050	1,969,292
EQUITY AND LIABILITIES			
EQUITY			
Share capital		118,000	118,000
Available-for-sale reserves		22,554	18,238
Retained profits		579,550	549,496
TOTAL EQUITY		720,104	685,734
LIABILITIES			
Insurance contract liabilities	15	1,154,123	1,139,384
Deferred tax liabilities		3,773	2,981
Insurance payables	16	129,604	112,597
Other payables	17	34,446	28,596
TOTAL LIABILITIES		1,321,946	1,283,558
TOTAL EQUITY AND LIABILITIES		2,042,050	1,969,292

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

BERJAYA SOMPO INSURANCE BERHAD
(Incorporated in Malaysia)

UNAUDITED CONDENSED INCOME STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016

		01.01.2016 to 30.06.2016 RM'000	01.01.2015 to 30.06.2015 RM'000
	Note		
Gross earned premiums	18(a)	361,459	330,430
Premiums ceded to reinsurers	18(b)	(79,129)	(78,909)
Net earned premiums		<u>282,330</u>	<u>251,521</u>
Investment income	19(a)	25,797	20,247
Realised gains and losses	19(b)	478	21,249
Fair value gains and losses	19(c)	(1,439)	947
Commission income	19(d)	18,149	18,654
Other operating income	19(e)	2,152	688
Other revenue		<u>45,137</u>	<u>61,785</u>
Gross claims paid		(240,500)	(161,679)
Claims ceded to reinsurers		78,898	22,451
Gross change in contract liabilities		2,509	(186,270)
Change in contract liabilities ceded to reinsurers		(23,819)	161,574
Net claims incurred	20	<u>(182,912)</u>	<u>(163,924)</u>
Commission expense	21(a)	(46,698)	(43,907)
Management expenses	21(b)	(58,312)	(54,814)
Other expenses		<u>(105,010)</u>	<u>(98,721)</u>
Profit before tax		39,545	50,661
Tax expense		(9,491)	(8,979)
Net profit for the period		<u>30,054</u>	<u>41,682</u>
Earnings per share (sen) - Basic	22	<u>25.5</u>	<u>35.3</u>

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

BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016

	6 months ended 30.06.2016 RM'000	6 months ended 30.06.2015 RM'000
Net profit for the period	30,054	41,682
Other comprehensive (loss)/income to be classified to the income statement in subsequent periods:		
Available-for-sale fair value reserves :		
Net unrealised (loss) / gain on fair value changes	5,109	1,756
Transfer to profit or loss upon disposal	-	(10,680)
	<u>5,109</u>	<u>(8,924)</u>
Tax effects	(793)	2,231
	<u>4,316</u>	<u>(6,693)</u>
Total comprehensive income for the period	<u>34,370</u>	<u>34,989</u>

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

BERJAYA SOMPO INSURANCE BERHAD
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**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016**

	Non - distributable Share capital RM'000	Available- for sale reserves RM'000	Distributable Retained profits RM'000	Total equity RM'000
At 1 January 2015	118,000	32,535	465,664	616,199
Profit for the period	-	-	41,682	41,682
Other comprehensive income for the period	-	(6,693)	-	(6,693)
Total comprehensive income for the period	-	(6,693)	41,682	34,989
At 30 June 2015	118,000	25,842	507,346	651,188
At 1 January 2016	118,000	18,238	549,496	685,734
Profit for the period	-	-	30,054	30,054
Other comprehensive income for the period	-	4,316	-	4,316
Total comprehensive income for the period	-	4,316	30,054	34,370
At 30 June 2016	118,000	22,554	579,550	720,104

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

BERJAYA SOMPO INSURANCE BERHAD
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UNAUDITED CONDENSED CASH FLOWS STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016

	6 months ended 30.06.2016 RM'000	6 months ended 30.06.2015 RM'000
<u>Operating activities</u>		
Cash flows from operating activities		
Profit Before Tax	39,545	50,661
Adjustments for:		
Investment Income	(25,900)	(20,462)
Realised gains recorded in profit or loss	(470)	(13,570)
Fair Value recorded in profit and loss	245	(947)
Gain on disposal of property and equipment	(8)	(7,679)
Amortisation of premium	103	215
Impairment allowance		
Investment	1,194	-
Insurance Receivables	5,869	5,004
Bad Debts Recovery	(12)	(8)
Depreciation on property and equipment	2,117	1,395
Amortisation on intangible assets	234	179
Operating profit before working capital changes	<u>(16,628)</u>	<u>(35,873)</u>
Changes in Working Capital:		
Decrease/(increase) in insurance receivable	(25,794)	(33,359)
Decrease/(increase) in other receivable	(29,316)	(9,863)
Decrease/(increase) in reinsurance assets	26,904	(164,262)
Decrease/(increase) in LAR	11,532	(2,734)
Increase/(decrease) in insurance contract liabilities	14,739	212,829
Increase/(decrease) in insurance payable	17,007	14,521
Increase/(decrease) in other payable	5,850	(6,290)
Cash generated from operating activities	<u>20,922</u>	<u>10,842</u>
Dividend income received	12,644	9,460
Interest income received	11,220	8,564
Rental income received	571	259
Income tax paid	(9,706)	(6,409)
Net Cash flow generated from operations activities	<u>58,568</u>	<u>37,504</u>

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UNAUDITED CONDENSED CASH FLOWS STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2016 TO 30 JUNE 2016

	6 months ended 30.06.2016 RM'000	6 months ended 30.06.2015 RM'000
<u>Investing activities</u>		
Purchases of property and equipment and intangible assets	(11,863)	(1,501)
Purchases of building	-	(8,505)
Proceeds from sale of property and equipment	10	24,555
Purchases of financial assets	(197,982)	(354,145)
Proceeds from sale of financial assets	134,267	229,655
Net cash used in investing activities	<u>(75,568)</u>	<u>(109,941)</u>
Net (decrease) / increase in cash and cash equivalents	(17,000)	(72,437)
Cash and cash equivalents at beginning of period	<u>195,972</u>	<u>233,009</u>
Cash and cash equivalents at end of period	<u>178,972</u>	<u>160,572</u>

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

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NOTES TO THE UNAUDITED CONSENSSED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reports* as issued by Malaysia Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IAS") 34 *Interim Financial Reporting* as issued by International Accounting Standards Board ("IASB").

The unaudited condensed interim financial statements of the Company have been prepared under the historical cost convention, unless otherwise stated in the accounting policies.

As at the reporting date, the Company has met the minimal capital adequacy requirements as prescribed under the Risk-Based Capital ("RBC") Framework issued by Bank Negara Malaysia ("BNM").

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 Company's audited financial statements for the financial year ended 31 December 2015.

The 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 Company since the financial year ended 31 December 2015.

The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM000") except when otherwise indicated.

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2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted in the Company's audited financial statements for the financial year ended 31 December 2015.

3. PRINCIPAL ACTIVITY

The principal activity of the Company is the underwriting of general insurance business. There has been no significant change in the nature of the principal activity during the period.

4. MATERIAL CHANGES IN ESTIMATES

There were no material changes in the basis used for accounting estimates for the current financial period ended 30 June 2016.

5. MATERIAL EVENTS AFTER THE INTERIM PERIOD

There were no material events after the interim period that have not been reflected in the unaudited condensed interim financial statements.

6. SEASONAL OR CYCLICAL FACTORS

The operations of the Company were not materially affected by any seasonal or cyclical fluctuations during the interim financial period.

7. DEBTS AND EQUITY SECURITIES

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities by the Company in the current interim period ended 30 June 2016.

8. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASHFLOW

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

For the purpose of the cash flow statements, cash and cash equivalents comprise of cash in hand and deposits held at financial institutions which matured within 3 months.

The cash flow statements are prepared using the indirect method.

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9. DIVIDEND PAID

No dividend was paid during the current interim period ended 30 June 2016.

10. INVESTMENT PROPERTIES

	30.06.2016	31.12.2015
	RM'000	RM'000
At 1 January	19,280	23,153
Disposal	-	(3,500)
Fair value adjustment	-	(373)
At 30 June / 31 December	<u>19,280</u>	<u>19,280</u>

11. INVESTMENTS

	30.06.2016	31.12.2015
	RM'000	RM'000
Government investment issues	5,002	8,997
Malaysian government securities	13,187	5,927
Unquoted debt securities	286,520	291,381
Warrants and loan stocks	379	624
Equity securities	111,954	101,199
Unit trust funds/wholesale funds	692,278	633,442
Deposits with financial institutions	2,627	14,159
	<u>1,111,947</u>	<u>1,055,729</u>

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

	30.06.2016	31.12.2015
	RM'000	RM'000
Held-to-maturity financial assets ("HTM")	30,043	35,057
Loans and receivables ("LAR")	2,627	14,159
Available-for-sale financial assets ("AFS")	1,078,898	1,005,889
Financial assets at Fair value through profit and loss ("FVTPL")	379	624
	<u>1,111,947</u>	<u>1,055,729</u>

BERJAYA SOMPO INSURANCE BERHAD
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11. INVESTMENTS (CONT'D.)
(a) Held-to-maturity financial assets

	30.06.2016	31.12.2015
	RM'000	RM'000
Amortised Cost		
Government investment issues	5,002	5,005
Corporate debt securities, unquoted in Malaysia	25,041	30,052
	<u>30,043</u>	<u>35,057</u>
Fair Value		
Government investment issues	5,018	5,046
Corporate debt securities, unquoted in Malaysia	24,951	29,593
	<u>29,969</u>	<u>34,639</u>

(b) Loans and receivables

	30.06.2016	31.12.2015
	RM'000	RM'000
Amortised Cost		
Deposits with licensed financial institutions:		
Commercial banks	2,627	14,159
	<u>2,627</u>	<u>14,159</u>

The carrying value of the deposits approximate their value due to relatively short term maturities.

(c) Available-for-sale financial assets

	30.06.2016	31.12.2015
	RM'000	RM'000
Fair Value		
Equity securities:		
Quoted in Malaysia	111,064	98,564
Quoted outside Malaysia	772	2,517
Unit trust funds	692,278	633,442
Malaysian government securities	13,187	5,927
Government investment issues	-	3,992
Corporate debt securities, unquoted in Malaysia	261,479	261,329
	<u>1,078,780</u>	<u>1,005,771</u>
Cost		
Equity securities:		
Unquoted in Malaysia	118	118
	<u>1,078,898</u>	<u>1,005,889</u>

(d) Financial assets at Fair value through profit and loss

	30.06.2016	31.12.2015
	RM'000	RM'000
Held for trading ("HFT")		
- Warrants	379	624
	<u>379</u>	<u>624</u>

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12. REINSURANCE ASSETS

	30.06.2016	31.12.2015
	RM'000	RM'000
Reinsurance of insurance contracts:		
Claims liabilities (Note 15(a))	365,650	389,469
Premium liabilities (Note 15(b))	51,907	54,992
	<u>417,557</u>	<u>444,461</u>

13. INSURANCE RECEIVABLES

	30.06.2016	31.12.2015
	RM'000	RM'000
Due premiums including agents, and brokers balances		
and co-insurers balances	97,166	75,442
Due from reinsurers and cedants	4,015	6,551
Due from related parties	11,173	4,554
Allowance for impairment	(20,059)	(14,190)
	<u>92,295</u>	<u>72,357</u>

	Individually impaired RM'000	Collectively impaired RM'000	Total RM'000
At 1 January 2015	1,618	6,703	8,321
Allowance/(write back) for impairment loss	(270)	6,139	5,869
Reversal of allowance or impairment losses	(30)	(967)	(997)
Bad debts written-off net of recovery	30	967	997
At 31 December 2015	<u>1,348</u>	<u>12,842</u>	<u>14,190</u>
At 1 January 2016	1,348	12,842	14,190
Allowance for impairment loss	59	5,810	5,869
Reversal of allowance or impairment losses	(1)	(11)	(12)
Bad debts written-off net of recovery	1	11	12
At 30 June 2016	<u>1,407</u>	<u>18,652</u>	<u>20,059</u>

14. OTHER RECEIVABLES

	30.06.2016	31.12.2015
	RM'000	RM'000
Other receivables and deposits	32,732	4,136
Share of other assets held under		
Malaysia Motor Insurance Pool ("MMIP")	67,941	68,182
Staff loans	10	2
Interest income due and accrued	6,542	4,124
	<u>107,225</u>	<u>76,444</u>

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15. INSURANCE CONTRACT LIABILITIES

	Note	30.06.2016			31.12.2015		
		Gross RM'000	Reinsurance RM'000	Net RM'000	Gross RM'000	Reinsurance RM'000	Net RM'000
Provision for claims reported by policyholders		561,670	(267,842)	293,828	557,847	(293,455)	264,392
Provision for IBNR		263,664	(97,808)	165,856	269,996	(96,014)	173,982
Claim liabilities	(a)	825,334	(365,650)	459,684	827,843	(389,469)	438,374
Premium liabilities	(b)	328,789	(51,907)	276,882	311,541	(54,992)	256,549
Insurance contract liabilities		1,154,123	(417,557)	736,566	1,139,384	(444,461)	694,923

(a) Claim liabilities

At 1 January		827,843	(389,469)	438,374	586,233	(189,557)	396,676
Claims incurred for the all accident period		237,991	(55,079)	182,912	585,483	(248,140)	337,343
Adjustment to claims incurred in all accident years (direct & facultative)		249,264	(58,144)	191,120	551,030	(222,694)	328,336
Movement in MMIP		(12,264)	-	(12,264)	4,847	-	4,847
Claims incurred during the period (treaty inwards claims)		173	-	173	(208)	-	(208)
Movement in FPRAD of claims liabilities at 75% confidence level		291	3,065	3,356	29,272	(25,446)	3,826
Movement in claims handling expenses		527	-	527	542	-	542
Claims paid during the period		(240,500)	78,898	(161,602)	(343,873)	48,228	(295,645)
At 30 June / 31 December		825,334	(365,650)	459,684	827,843	(389,469)	438,374

(b) Premium liabilities

At 1 January		311,541	(54,992)	256,549	289,897	(58,305)	231,592
Premiums written during the period		378,707	(76,044)	302,663	698,352	(158,575)	539,777
Premiums earned during the period		(361,459)	79,129	(282,330)	(676,708)	161,888	(514,820)
At 30 June / 31 December		328,789	(51,907)	276,882	311,541	(54,992)	256,549

BERJAYA SOMPO INSURANCE BERHAD
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16. INSURANCE PAYABLES

	30.06.2016	31.12.2015
	RM'000	RM'000
Amount due to agents, brokers, insured and co-insurers	20,063	36,922
Amount due to reinsurers and ceding companies	105,614	72,550
Amount due to related parties	3,927	3,125
	<u>129,604</u>	<u>112,597</u>

17. OTHER PAYABLES

	30.06.2016	31.12.2015
	RM'000	RM'000
Accrued liabilities	21,005	16,654
Other payables	5,985	3,416
Cash collaterals held on behalf of insured	7,456	8,526
	<u>34,446</u>	<u>28,596</u>

18. NET EARNED PREMIUMS

	01.01.2016	01.01.2015
	to	to
	30.06.2016	30.06.2015
	RM'000	RM'000
(a) Gross earned premiums		
General insurance contract	378,707	356,989
Change in premium liabilities	(17,248)	(26,559)
	<u>361,459</u>	<u>330,430</u>
(b) Premiums ceded to reinsurers		
General reinsurance contracts	76,044	81,597
Change in premium liabilities	3,085	(2,688)
	<u>79,129</u>	<u>78,909</u>
Net Earned Premiums	<u>282,330</u>	<u>251,521</u>

BERJAYA SOMPO INSURANCE BERHAD
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19. OTHER REVENUE

	01.01.2016 to 30.06.2016 RM'000	01.01.2015 to 30.06.2015 RM'000
(a) Investment Income		
Rental income from investment properties	468	607
Interest/income from HTM financial assets unquoted in Malaysia	155	1,144
Interest/income from AFS financial assets unquoted in Malaysia	7,205	4,578
HTM financial assets amortisation of premiums, net of accretion	(103)	(215)
Dividend/distribution income from AFS financial assets quoted in Malaysia	12,048	9,273
LAR fixed and call deposits interest/income	3,650	3,306
Others	2,374	1,554
	<u>25,797</u>	<u>20,247</u>
(b) Realised gain and losses		
Property and equipment		
Realised gain	8	7,679
AFS financial assets:		
Realised gain:		
Equity securities - quoted in Malaysia	-	12,587
Unit Trust Distribution - in Malaysia	-	489
Financial assets - unquoted in Malaysia	487	497
Realised losses:		
Financial assets - unquoted in Malaysia	(17)	(3)
	<u>478</u>	<u>21,249</u>

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19. OTHER REVENUE (CONT'D.)

	01.01.2016 to 30.06.2016 RM'000	01.01.2015 to 30.06.2015 RM'000
(c) Fair value gain/(Loss)		
Fair value adjustment on financial assets designated as at FVTPL	(245)	947
Impairment loss on AFS	(1,194)	-
	<u>(1,439)</u>	<u>947</u>
(d) Commission income		
Commission income from reinsurers	18,456	18,300
Profit commission receivable from treaty reinsurers	(307)	354
	<u>18,149</u>	<u>18,654</u>
(e) Other operating income		
Realised (loss)/gain on foreign exchange	1,208	(122)
Sundry income	944	810
	<u>2,152</u>	<u>688</u>

20. NET CLAIMS INCURRED

	01.01.2016 to 30.06.2016 RM'000	01.01.2015 to 30.06.2015 RM'000
(a) Gross claims paid		
General insurance contracts (Note 15)	(240,500)	(161,679)
(b) Claims ceded to reinsurers		
General insurance contracts (Note 15)	78,898	22,451
(c) Gross change in contract liabilities		
General insurance contracts	2,509	(186,270)
(d) Change in contract liabilities ceded to reinsurers		
General insurance contracts	(23,819)	161,574
	<u>(182,912)</u>	<u>(163,924)</u>

BERJAYA SOMPO INSURANCE BERHAD
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21. OTHER EXPENSES

	01.01.2016 to 30.06.2016 RM'000	01.01.2015 to 30.06.2015 RM'000
(a) Commission expenses		
Commission paid to intermediaries	44,485	41,603
Profit commission payable to agents	2,213	2,304
	<u>46,698</u>	<u>43,907</u>
(b) Management expenses		
Employee benefits expenses (Note 21(b)(i))	31,910	30,156
Directors' fees and allowance	79	117
Auditors' remuneration		
- statutory audits	115	92
Rental of properties	1,937	289
Depreciation of property and equipment	2,117	1,395
Amortisation of intangible assets	234	179
Allowance for impairment losses on receivables	5,869	5,004
Bad debts recovery	(12)	(8)
Computer service charges	890	910
Other expenses	15,173	16,680
	<u>58,312</u>	<u>54,814</u>
(i) Employee benefits expenses		
Wages, salaries and bonus	27,741	27,163
Social security contributions	259	233
Contributions to defined contribution plan, EPF	3,500	2,503
Other benefits	410	257
	<u>31,910</u>	<u>30,156</u>

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22. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year by the number of ordinary shares in issue during the financial period.

	30.06.2016	30.06.2015
Net Profit for the period (RM'000)	30,054	41,682
Number of ordinary shares in issue ('000)	118,000	118,000
Earnings per share (sen)	<u>25.5</u>	<u>35.3</u>

23. RELATED PARTY TRANSACTIONS

The significant related party transactions during the period are as follows:

	30.06.2016 RM'000	30.06.2015 RM'000
Income		
Premium income	17,481	14,932
Commission received	5,508	3,063
Claim recovery	1,660	2,878
	<u>24,649</u>	<u>20,873</u>
Expenditure		
Ceded Premium	18,188	10,916
Brokerage paid	2,486	2,047
	<u>20,674</u>	<u>12,963</u>

24. FAIR VALUE HIERARCHY

i. Level 1 - Active Market - quoted price

Financial instruments which are regarded as quoted in an active market if quoted price are readily available from the exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices which represent actual and regularly occurring market transactions on an arm's length basis.

ii. Level 2 - No Active Market - Measurement using significant observable inputs

Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (ie prices) or indirectly (ie derived from prices).

Example of Level 2 instruments include investment properties, AFS designated corporate and government bonds.

iii. Level 3 - No Active Market - Measurement using unobservable inputs

Financial instruments where fair values are measured using unobservable inputs. The valuation measurement is consistent with Level 2.

Example of Level 3 instruments include corporate bonds in illiquid markets.

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24. FAIR VALUE HIERARCHY (CONT'D.)

	30.06.2016				31.12.2015			
	Fair value measurement using:				Fair value measurement using:			
	Quoted prices in active market Level 1 RM'000	Significant unobservable inputs Level 2 RM'000	Significant unobservable inputs Level 3 RM'000	Total RM'000	Quoted prices in active market Level 1 RM'000	Significant unobservable inputs Level 2 RM'000	Significant unobservable inputs Level 3 RM'000	Total RM'000
Assets								
Assets measured at fair value:								
Investment properties (Note 9)	-	-	19,280	19,280	-	-	19,280	19,280
<u>Available-for-sale investments (Note 11 (c))</u>								
Equity securities:								
Quoted in Malaysia	111,064	-	-	111,064	98,564	-	-	98,564
Quoted outside Malaysia	772	-	-	772	2,517	-	-	2,517
Unit trust funds	692,278	-	-	692,278	633,442	-	-	633,442
Malaysian government securities	13,187	-	-	13,187	9,919	-	-	9,919
Debt securities:								
Unquoted in Malaysia	261,479	-	-	261,479	261,329	-	-	261,329
<u>Held to maturity investments (Note 11 (a))</u>								
Government investment issues	5,018	-	-	5,018	5,046	-	-	5,046
Debt securities:								
Unquoted in Malaysia	24,951	-	-	24,951	29,593	-	-	29,593
<u>Financial investments at FVTPL (Note 11 (d))</u>								
Held-for-trading ("HFT")								-
- Warrants	379	-	-	379	624	-	-	624
Total Assets	1,109,128	-	19,280	1,128,408	1,041,034	-	19,280	1,060,314

The significant unobservable input is the floor areas and the weighted average value per square feet of the properties, ranging from RM260 to RM2,500 per square feet. The fair value would increase / (decrease) if floor area is bigger / (smaller) and weighted average value per square feet is higher / (lower).

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26. CAPITAL COMMITMENT

	30.06.2016	31.12.2015
	RM'000	RM'000
Capital Expenditure approved and contracted for :		
Property, plant and equipment	<u>21,607</u>	<u>31,913</u>

27. REGULATORY CAPITAL REQUIREMENT

Pursuant to the Risk-Based Capital Framework issued by Bank Negara Malaysia, insurance companies are required to meet the minimum capital adequacy ratio of 130%. The Company has met the minimum regulatory capital requirement.

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

	30.06.2016	30.06.2015
	RM'000	RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	118,000	118,000
Retained earnings	<u>579,550</u>	<u>507,346</u>
	<u>697,550</u>	<u>625,346</u>
Tier 2 Capital		
Eligible reserves	<u>22,554</u>	<u>25,842</u>
Deductions		
Intangible assets	<u>(2,611)</u>	<u>(1,722)</u>
Total capital available	<u>717,493</u>	<u>649,466</u>