

Consolidated Cash Flow Statement

For The Financial Year Ended 31 December 2007

	Note	GROUP 2007 RM'000	2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the financial year		(73,267)	(1,662)
Adjustments for:			
(Gain)/loss on disposal of:			
- investments - net		(193,863)	19,532
- investment properties		(2,436)	681
Net fair value gain of financial assets at fair value through profit or loss		(83,128)	(109,222)
Allowance for diminution in value of investments		39,905	3,656
Increase in value of investments in investment-linked business		(8,806)	(42,435)
Fair value (gain)/loss in investment properties		(5,357)	21,737
Fair value loss on interest rate swap		24,173	-
Property, plant and equipment:			
- depreciation		18,618	20,356
- loss on disposal		7	97
- write off		7	7
Impairment loss on property, plant and equipment		18,559	17,011
Amortisation of intangible assets		3,207	1,829
Amortisation of leases		63	62
Decrease in unearned premium/contribution reserves		(15,662)	(4,797)
Life fund surplus before changes in policy reserves		323,309	539,288
Transfer of life fund deficit/(surplus) to income statement		42,812	(34,323)
Family takaful fund surplus after taxation		38,546	-
Interest expense		14,225	11,415
Investment income		(267,657)	(323,696)
Share of loss of associated companies		9,887	2,853
Loss on disposal of associated company		-	793
Provision for agents' retirement benefits		157	393
Bad debts (recovered)/written off		(285)	10,737
Allowance for/(write back of) doubtful debts on lease, hire purchase and other loan receivables		54,601	(1,061)
Allowance for doubtful debt on loans		132,176	20,892
Decrease in allowance for doubtful debts on insurance receivables		(1,631)	(66)
Tax expense		14,605	25,764
Exchange reserves		(468)	-
Minority interest		25,000	164
Profit from operations before changes in operating assets and liabilities		107,297	180,005
(Increase)/decrease in insurance and other receivables		(40,751)	24,866
Decrease/(increase) in loans		79,074	(77,668)
Increase in insurance, trade and other payables		123,358	128,193
Increase in provision for outstanding claims		17,081	19,984
(Increase)/decrease in fixed and call deposits		(485,693)	163,854
Interest paid		(14,225)	(11,415)
Dividends received		50,791	37,221
Interest received		218,148	139,615
Other investment income received		15,637	17,968
Payments of agents' retirement benefits		(820)	(1,484)
Proceeds from disposal of investments		2,376,380	1,537,247
Purchases of investments		(2,627,887)	(1,929,484)
Purchase of intangible assets		(5,552)	(4,577)
Purchases of investment properties		(40,974)	(84,245)
Proceeds from disposal of investment properties		146,144	4,844
Cash (utilised in)/generated from operations		(81,992)	144,924
Income taxes paid		(32,173)	(32,163)
Tax refund		2,145	-
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	42	(112,020)	112,761

Consolidated Cash Flow Statement

For The Financial Year Ended 31 December 2007 (continued)

GROUP

	Note	2007 RM'000	2006 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(7,253)	(15,927)
Proceeds from disposal of property, plant and equipment		934	635
Proceeds from disposal of associated company		-	5
Investment in associated companies		(10,236)	(42,962)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	42	(16,555)	(58,249)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(6,087)	(15,218)
Term loan repayments/(obtained)		(39,935)	2,780
Repayment of bonds		(30,000)	(30,000)
Proceeds from issuance of medium term notes		200,000	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	42	123,978	(42,438)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	42	(4,597)	12,074
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		60,281	48,207
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	40	55,684	60,281

The accompanying notes are an integral part of these financial statements.