

Company No.

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

Company No.

457556

X

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	<u>Note</u>	<u>30.06.2018</u> RM'000	<u>31.12.2017</u> RM'000
ASSETS			
Property, plant and equipment		167,585	167,493
Investment properties		148,408	148,408
Intangible assets		54,125	69,443
Financial investments			
Available-for-sale ("AFS") financial assets	8a	5,326,253	5,489,109
Fair value through profit or loss ("FVTPL") financial assets	8b	820,874	813,666
Held-to-maturity ("HTM") financial assets	8c	945,850	961,325
Loans and receivables	8d	480,394	477,247
Insurance receivables		48,763	31,252
Other receivables		20,196	19,670
Cash and cash equivalents		417,347	302,254
TOTAL ASSETS		8,429,795	8,479,867
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES			
Share capital		226,000	226,000
Retained earnings		631,504	570,809
Available-for-sale reserve		2,347	13,782
Asset revaluation reserve		2,637	3,296
TOTAL EQUITY		862,488	813,887
Insurance contract liabilities	9	6,775,820	6,908,297
Insurance payables		497,192	474,768
Other payables		68,319	61,967
Provision for agency long association benefits		27,463	28,529
Current tax liabilities		6,682	6,434
Deferred tax liabilities		191,831	185,985
TOTAL POLICYHOLDERS' FUNDS AND LIABILITIES		7,567,307	7,665,980
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES		8,429,795	8,479,867

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

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018**

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Gross earned premium revenue	631,773	537,560
Premiums ceded to reinsurers	(19,707)	(39,431)
Net earned revenue	<u>612,066</u>	<u>498,129</u>
Investment income	169,908	161,035
Net realised (losses)/gains	(10,335)	7,299
Net fair value (losses)/gains	(45,202)	60,281
Other income	<u>114,371</u>	<u>228,615</u>
Gross benefits and claims paid	(523,775)	(491,631)
Claims ceded to reinsurers	16,373	30,661
Gross change to insurance contract liabilities	34,732	(72,932)
Net insurance benefits and claims	<u>(472,670)</u>	<u>(533,902)</u>
Commission and agency expenses	(66,953)	(57,644)
Management expenses	(89,898)	(80,186)
Other operating income – net	2,216	677
Other expenses	<u>(154,635)</u>	<u>(137,153)</u>
Profit before taxation	99,132	55,689
Taxation	(28,437)	(24,612)
Net profit for the financial period	<u><u>70,695</u></u>	<u><u>31,077</u></u>

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.

(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018 (CONTINUED)

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Other comprehensive (loss)/income:		
<u>Items that will be reclassified subsequently to profit or loss</u>		
Fair value change on available-for-sale financial assets:		
Net (losses)/gains arising during the financial period	(130,001)	196,572
Realised gains transferred to profit or loss	(45,574)	(7,743)
Impairment losses transferred to profit or loss	39,678	8,190
Tax effects thereon	10,570	(16,078)
	<hr/>	<hr/>
Fair value (losses)/gains, net of tax	(125,327)	180,941
Change in insurance contract liabilities arising from net fair value losses/(gains)	113,892	(168,076)
	<hr/>	<hr/>
Net fair value change	(11,435)	12,865
	<hr/>	<hr/>
<u>Items that will not be reclassified subsequently to profit or loss</u>		
Asset revaluation reserve:		
Gross asset revaluation surplus/(deficit)	-	-
Tax effects thereon	(659)	-
	<hr/>	<hr/>
Asset revaluation deficit, net of tax	(659)	-
	<hr/>	<hr/>
Total other comprehensive (loss)/income	(12,094)	12,865
	<hr/>	<hr/>
Total comprehensive income for the financial period	58,601	43,942
	<hr/> <hr/>	<hr/> <hr/>
Basic earnings per share (sen)	31.28	13.75
	<hr/> <hr/>	<hr/> <hr/>

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

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TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018

	<u>Share capital</u> RM'000	<u>Available- for-sale reserve</u> RM'000	<u>Asset revaluation reserve</u> RM'000	<u>Retained earnings*</u> RM'000	<u>Total</u> RM'000
Issued and fully paid ordinary shares:					
At 1 January 2017	226,000	(536)	2,889	493,354	721,707
Total comprehensive income for the financial period	-	12,865	-	31,077	43,942
Dividend paid for the financial year ended 31 December 2016	-	-	-	(5,000)	(5,000)
At 30 June 2017	<u>226,000</u>	<u>12,329</u>	<u>2,889</u>	<u>519,431</u>	<u>760,649</u>
Issued and fully paid ordinary shares:					
At 1 January 2018	226,000	13,782	3,296	570,809	813,887
Total comprehensive income for the financial period	-	(11,435)	(659)	70,695	58,601
Dividend payable for the financial year ended 31 December 2017	-	-	-	(10,000)	(10,000)
At 30 June 2018	<u>226,000</u>	<u>2,347</u>	<u>2,637</u>	<u>631,504</u>	<u>862,488</u>

* Included in the retained earnings as at 30 June 2018 is unallocated surplus in the Non-participating Life Fund (net of deferred tax) of RM575,895,000 (30 June 2017: RM 509,032,000). These amounts are only distributable upon the actual recommended transfer from Non-participating Life Fund to the Shareholders' Fund by the Appointed Actuary. As at 1 January 2018, the carrying value of the bancassurance fee of RM50,499,000 is transferred from the Non-participating Life Fund to the Shareholders' Fund.

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

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018**

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the financial period	70,695	31,077
Investment income	(169,908)	(161,035)
Realised gain of AFS financial assets	(29,251)	(7,303)
Fair value losses/(gains) of FVTPL financial assets	45,202	(68,471)
Depreciation of property, plant and equipment	2,946	2,570
(Gain)/loss on disposal of property, plant and equipment	(92)	3
Write-offs of property, plant and equipment	51	-
Amortisation of intangible assets	15,928	15,782
Impairment of AFS financial assets	39,678	8,190
Write back of impairment loss of insurance receivables	(825)	-
Write back of impairment loss of other receivable	(1,474)	-
Provision for agency long association benefits	2,300	1,175
Taxation	28,437	24,612
Changes in working capital:		
Purchase of financial assets	(497,792)	(507,841)
Proceeds from maturity or disposal of financial assets	483,829	471,779
(Increase)/decrease in loans	(3,147)	10,344
(Increase)/decrease in insurance receivables	(16,686)	2,230
Decrease/(increase) in other receivables	8,740	(3,319)
(Decrease)/increase in insurance contract liabilities	(18,585)	82,768
Increase in insurance payables	22,424	4,694
Decrease in other payables	(12,320)	(9,190)
	<u>(29,850)</u>	<u>(101,935)</u>
Dividend income received	26,069	27,664
Interest income received	138,146	129,666
Rental income received	134	645
Agency long association benefits paid	(3,366)	(936)
Income tax paid	(12,433)	(8,280)
	<u>118,700</u>	<u>46,824</u>
Net cash inflows from operating activities	<u>118,700</u>	<u>46,824</u>

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2018 (CONTINUED)

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,089)	(1,101)
Proceed from disposal of property, plant and equipment	92	45
Purchase of intangible assets	(610)	(1,522)
Net cash outflows from investing activities	<u>(3,607)</u>	<u>(2,578)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	-	(5,000)
Net cash outflows from financing activities	<u>-</u>	<u>(5,000)</u>
Net increase in cash and cash equivalents	115,093	39,246
Cash and cash equivalents at 1 January	302,254	318,198
Cash and cash equivalents at 30 June	<u><u>417,347</u></u>	<u><u>357,444</u></u>
Cash and cash equivalents comprise:		
Cash and bank balances	52,170	39,510
Fixed and call deposits with maturity of less than three months	365,177	317,934
	<u><u>417,347</u></u>	<u><u>357,444</u></u>

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

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018

1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Company for the condensed interim financial statements are consistent with those adopted by the Company's audited financial statements for the financial year ended 31 December 2017.

1.1 Basis of Preparation

The condensed interim financial statements of the Company are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

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 2017.

The interim financial statements are authorised for issue by the Board of Directors on 14 August 2018.

1.2 Standards, amendments to published standards and interpretations to existing standards that are relevant to the Company but not yet effective and have not been early adopted

The Company will apply the new standards, amendments to published standards and interpretations in the following financial period:

Financial year beginning on/after 1 January 2018

- MFRS 9 'Financial Instruments' will replace MFRS 139 'Financial Instruments: Recognition and Measurement'.

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

- 1.2 Standards, amendments to published standards and interpretations to existing standards that are relevant to the Company but not yet effective and have not been early adopted (continued)

Financial year beginning on/after 1 January 2018 (continued)

- MFRS 9 'Financial Instruments' will replace MFRS 139 'Financial Instruments: Recognition and Measurement'. (continued)

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main changes are:

- For financial liabilities classified as FVTPL, the fair value changes due to own credit risk should be recognised directly to OCI. There is no subsequent recycling to profit or loss.
- When a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, should be recognised immediately in profit or loss.

The new impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as is the case under MFRS 139. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under MFRS 15 'Revenue from Contracts with Customers', lease receivables, loan commitments and certain financial guarantee contracts.

- Amendments to MFRS 4 - Applying MFRS 9 'Financial Instruments' with MFRS 4 'Insurance Contracts' effective for annual periods beginning on or after 1 January 2018.

The amendments allow entities to avoid temporary volatility in profit or loss that might result from adopting MFRS 9 "Financial Instruments" before the forthcoming new insurance contracts standard. This is because certain financial assets have to be measured at fair value through profit or loss under MFRS 9; whereas, under MFRS 4 'Insurance Contracts', the related liabilities from insurance contracts are often measured on amortised cost basis.

The amendments provide 2 different approaches for entities:

- (i) a temporary exemption from MFRS 9 for entities that meet specific requirements; and
- (ii) the overlay approach. Both approaches are optional.

The temporary exemption enables eligible entities to defer the implementation date of MFRS 9 for annual periods beginning before 1 January 2021 at the latest. An entity may apply the temporary exemption from MFRS 9 if its activities are predominantly connected with insurance whilst the overlay approach allows an entity to adjust profit or loss for eligible financial assets by removing any accounting volatility to other comprehensive income that may arise from applying MFRS 9.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

- 1.2 Standards, amendments to published standards and interpretations to existing standards that are relevant to the Company but not yet effective and have not been early adopted (continued)

Financial year beginning on/after 1 January 2018 (continued)

- Amendments to MFRS 4 - Applying MFRS 9 'Financial Instruments' with MFRS 4 'Insurance Contracts' effective for annual periods beginning on or after 1 January 2018. (continued)

An entity can apply the temporary exemption from MFRS 9 from annual periods beginning on or after 1 January 2018. An entity may start applying the overlay approach when it applies MFRS 9 for the first time.

The Company's business activity is predominately insurance and hence, qualifies for the temporary exemption approach. Consequently, management has decided to apply the temporary exemption from MFRS 9 from its annual period beginning 1 January 2018 and will adopt MFRS 9 for its annual period beginning 1 January 2021.

Financial year beginning on/after 1 January 2019

- MFRS 16 'Leases' supersedes MFRS 117 'Leases' and the related interpretations.

Under MFRS 16, a lease is a contract (or part of a contract) that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

MFRS 16 eliminates the classification of leases by the lessee as either finance leases (on balance sheet) or operating leases (off balance sheet). MFRS 16 requires a lessee to recognise a "right-of-use" of the underlying asset and a lease liability reflecting future lease payments for most leases.

The right-of-use asset is depreciated in accordance with the principle in MFRS 116 'Property, Plant and Equipment' and the lease liability is accreted over time with interest expense recognised in profit or loss.

For lessors, MFRS 16 retains most of the requirements in MFRS 117. Lessors continue to classify all leases as either operating leases or finance leases and account for them differently.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

- 1.2 Standards, amendments to published standards and interpretations to existing standards that are relevant to the Company but not yet effective and have not been early adopted (continued)

Financial year beginning on/after 1 January 2021

- MFRS 17 “Insurance Contracts (effective from 1 January 2021) replaces MFRS 4 “Insurance Contracts”.

MFRS 17 applies to insurance contracts issued, to all reinsurance contracts and to investment contracts with discretionary participating features if an entity also issues insurance contracts. For fixed-fee service contracts whose primary purpose is the provision of services, an entity has an accounting policy choice to account for them in accordance with either MFRS 17 or MFRS 15 “Revenue”. An entity is allowed to account financial guarantee contracts in accordance with MFRS 17 if the entity has asserted explicitly that it regarded them as insurance contracts. Insurance contracts, (other than reinsurance) where the entity is the policyholder are not within the scope of MFRS 17. Embedded derivatives and distinct investment and service components should be ‘unbundled’ and accounted for separately in accordance with the related MFRSs. Voluntary unbundling of other components is prohibited.

MFRS 17 requires a current measurement model where estimates are remeasured at each reporting period. The measurement is based on the building blocks of discounted, probability-weighted cash flows, a risk adjustment and a contractual service margin (“CSM) representing the unearned profit of the contract. An entity has a policy choice to recognise the impact of changes in discount rates and other assumptions that related to financial risks either in profit or loss or in other comprehensive income.

Alternative measurement models are provided for the different insurance coverages:

- Simplified Premium Allocation Approach if the insurance coverage period is a year or less
- Variable Fee Approach should be applied for insurance contracts that specify a link between payments to the policyholder and the returns on the underlying items

The requirements of MFRS 17 align the presentation of revenue with other industries. Revenue is allocated to the periods in proportion to the value of the expected coverage and other services that the insurer provides in the period, and claims are presented when incurred. Investment components are excluded from revenue and claims.

Insurers are required to disclose information about amounts, judgements and risks arising from insurance contracts.

The Company has not fully assessed the impact of MFRS 17 on its financial statements.

Other than MFRS 9 and MFRS 17, the above standards, amendments to published standards and interpretations to existing standards are not anticipated to have any significant impact on the financial statements of the Company in the year of initial application.

The Company is currently assessing the impact of MFRS 9 and MFRS 17 and will complete the process prior to the adoption of the standard.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

2 SEASONAL OR CYCLICAL FACTORS

There were no significant seasonal or cyclical factors that affect the business of the Company for the six months period under review.

3 UNUSUAL ITEMS

There are no unusual items affecting assets, liabilities, equity, net income and cash flows for the six months period under review.

4 CHANGE IN ESTIMATES

There were no material changes in the basis used for accounting estimates for the financial period ended 30 June 2018.

5 DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale and repayment of debt and equity securities during the current financial period.

6 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD

There is no material event subsequent to the end of the period under review that has not been reflected in the interim financial statements.

7 DIVIDENDS

A final single tier dividend of 4.43 sen (2017: 2.21 sen) per ordinary share on 226,000,000 ordinary shares amounting to RM10,000,000 (2017: RM5,000,000) for the financial year ended 31 December 2017 was approved at the Annual General Meeting held on 21 June 2018 and this dividend was paid in full on 10 July 2018.

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS

	As at 30.06.2018 RM'000	As at 31.12.2017 RM'000
Malaysian government securities	476,939	471,492
Malaysian government guaranteed bonds	1,285,527	1,277,550
Government investment issues	256,300	238,083
Corporate debt securities	2,953,000	2,983,159
Equity securities	1,588,666	1,755,784
Collective investment schemes	532,545	536,573
Investment-linked funds	-	1,459
Loans	480,394	477,247
	<u>7,573,371</u>	<u>7,741,347</u>

The Company's financial investments are summarised by the following categories:

AFS financial assets	5,326,253	5,489,109
FVTPL financial assets	820,874	813,666
HTM financial assets	945,850	961,325
Loans and receivables	480,394	477,247
	<u>7,573,371</u>	<u>7,741,347</u>

8a AFS FINANCIAL ASSETS

At fair value:

Malaysian government securities	214,973	209,345
Malaysian government guaranteed bonds	851,431	843,361
Government investment issues	149,352	120,873
Corporate debt securities	2,541,225	2,590,743
Equity securities	1,442,008	1,603,550
Collective investment schemes	127,264	119,778
Investment-linked funds	-	1,459
	<u>5,326,253</u>	<u>5,489,109</u>
Current	424,807	375,096
Non-current	4,901,446	5,114,013
	<u>5,326,253</u>	<u>5,489,109</u>

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS (CONTINUED)

8a AFS FINANCIAL ASSETS (CONTINUED)

Movement in impairment allowance accounts:

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
Provision for impairment loss:		
At 1 January	49,797	50,081
Transferred to realized gain upon disposal	(17,033)	(15,711)
Impairment loss during the financial period/year	39,678	15,427
At 30 June/31 December	<u>72,442</u>	<u>49,797</u>

The impairment losses arose on equity securities for which there have been significant or prolonged decline in fair value.

8b FVTPL FINANCIAL ASSETS

At fair value:

Malaysian government securities	30,172	30,382
Government investment issues	29,968	40,177
Corporate debt securities	208,795	174,078
Equity securities	156,171	152,234
Collective investment schemes	395,768	416,795
	<u>820,874</u>	<u>813,666</u>
Current	22,896	10,187
Non-current	797,978	803,479
	<u>820,874</u>	<u>813,666</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS (CONTINUED)

8c HTM FINANCIAL ASSETS

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
At amortised cost:		
Malaysian government securities	231,794	231,765
Malaysian government guaranteed bonds	434,096	434,189
Government investment issues	76,980	77,033
Corporate debt securities	202,980	218,338
	<u>945,850</u>	<u>961,325</u>
Current	20,685	25,392
Non-current	925,165	935,933
	<u>945,850</u>	<u>961,325</u>
At fair value:		
Malaysian government securities	232,060	236,686
Malaysian government guaranteed bonds	433,903	437,487
Government investment issues	75,500	76,673
Corporate debt securities	205,779	222,396
	<u>947,242</u>	<u>973,242</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS (CONTINUED)

8d LOANS AND RECEIVABLES

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
At amortised cost:		
Secured:		
Policy loans*	479,531	475,984
Mortgage loans	813	1,183
Other loans	50	80
	<u>480,394</u>	<u>477,247</u>

*Accrued interest income is included at fixed rate

The carrying values of loans and receivables approximate the fair values at the date of the statement of financial position.

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
Current	-	-
Non-current	480,394	477,247
	<u>480,394</u>	<u>477,247</u>

TOKIO MARINE LIFE INSURANCE MALAYSIA BHD.
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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS (CONTINUED)

8e CARRYING VALUES OF FINANCIAL INSTRUMENTS

	<u>AFS</u> RM'000	<u>FVTPL</u> RM'000	<u>HTM</u> RM'000	<u>LAR</u> RM'000	<u>Total</u> RM'000
At 1 January 2017	5,016,202	643,610	931,497	508,383	7,099,692
Purchases	1,148,556	222,200	75,079	-	1,445,835
Maturities	(513,748)	(14,950)	(46,000)	-	(574,698)
Disposals	(418,357)	(126,734)	-	-	(545,091)
Decrease in loans	-	-	-	(31,136)	(31,136)
Movement of investment income accrued	3,440	703	502	-	4,645
Fair value gains/(losses) recorded in:					
- Profit or loss	33,396	88,837	(28)	-	122,205
- Other comprehensive income	214,352	-	-	-	214,352
Amortisation adjustment	5,268	-	275	-	5,543
At 31 December 2017	5,489,109	813,666	961,325	477,247	7,741,347
Purchases	401,479	101,374	-	-	502,853
Maturities	(260,651)	-	(15,000)	-	(275,651)
Disposals	(159,947)	(49,358)	-	-	(209,305)
Increase in loans	-	-	-	3,147	3,147
Movement of investment income accrued	(92)	393	(487)	-	(186)
Fair value losses recorded in:					
- Profit or loss	(10,427)	(45,201)	-	-	(55,628)
- Other comprehensive loss	(135,896)	-	-	-	(135,896)
Amortisation adjustment	2,678	-	12	-	2,690
At 30 June 2018	5,326,253	820,874	945,850	480,394	7,573,371

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

8 FINANCIAL INVESTMENTS (CONTINUED)

8f FAIR VALUES OF FINANCIAL INSTRUMENTS

The following tables show financial investments 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>HTM</u> RM'000	<u>Total</u> RM'000
<u>30 June 2018</u>				
Level 1	1,477,247	156,171	-	1,633,418
Level 2	3,840,747	664,703	947,242	5,452,692
Level 3	8,259	-	-	8,259
	5,326,253	820,874	947,242	7,094,369
<u>31 December 2017</u>				
Level 1	1,641,734	152,234	-	1,793,968
Level 2	3,839,116	661,432	973,242	5,473,790
Level 3	8,259	-	-	8,259
	5,489,109	813,666	973,242	7,276,017

Level 1 financial instruments are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, secondary market via dealer and broker, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 financial instruments are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions that are instruments for which pricing is obtained via pricing services but where prices have not been determined in an active market, instruments with fair values based on broker quotes, investment in unit and property trusts with fair values obtained via fund managers and instruments that are valued using the Company's own models whereby the majority of assumptions are market observable.

Level 3 financial instruments are determined in whole or in part using a valuation technique based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The main asset class in this category are unquoted equity securities. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the instrument at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Company. Therefore, unobservable inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the instrument (including assumptions about risk). These inputs are developed based on the best information available, which might include the Company's own data.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
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8 FINANCIAL INVESTMENTS (CONTINUED)

8f FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table presents the summary of changes in the Level 3 instruments:

	<u>AFS financial assets</u>	
	<u>As at</u> <u>30.06.2018</u> RM'000	<u>As at</u> <u>31.12.2017</u> RM'000
At the end of the financial period/year	<u>8,259</u>	<u>8,259</u>

9 INSURANCE CONTRACT LIABILITIES

	<u>As at</u> <u>30.06.2018</u> RM'000	<u>As at</u> <u>31.12.2017</u> RM'000
Life insurance contract liabilities	<u>6,775,820</u>	<u>6,908,297</u>

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

	<u>As at</u> <u>30.06.2018</u> RM'000	<u>As at</u> <u>31.12.2017</u> RM'000
Actuarial liabilities	5,432,240	5,448,324
Unallocated surplus	424,809	465,968
Provision for outstanding claims	118,734	102,587
Available-for-sale fair value adjustment	462,643	576,535
Asset revaluation surplus adjustment	36,221	36,221
Net asset value attributable to unitholders (Note 13)	<u>301,173</u>	<u>278,662</u>
	<u>6,775,820</u>	<u>6,908,297</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
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9 INSURANCE CONTRACT LIABILITIES (CONTINUED)

	<u>Gross</u>		
	<u>With DPF RM'000</u>	<u>Without DPF RM'000</u>	<u>Total RM'000</u>
At 1 January 2018	5,813,613	1,094,684	6,908,297
Premiums received	211,299	420,474	631,773
Liabilities paid for death, maturities, surrenders, benefits and claims	(369,511)	(154,264)	(523,775)
Net investment income	92,863	25,993	118,856
Benefits and claims experience variation	45,386	(102,161)	(56,775)
Fees deducted	(38,310)	(102,901)	(141,211)
Net other income	3,236	2,185	5,421
Adjustments due to changes in assumptions:			
Discount rate	(9)	(12,694)	(12,703)
Others	2,308	1,136	3,444
Movement in unallocated surplus	(41,159)	-	(41,159)
Available-for-sale fair value adjustment	(113,892)	-	(113,892)
Net asset value attributable to unitholders	-	(18,603)	(18,603)
Movement in provision for outstanding claims	8,029	8,118	16,147
At 30 June 2018	<u>5,613,853</u>	<u>1,161,967</u>	<u>6,775,820</u>
At 1 January 2017	5,594,836	854,584	6,449,420
Premiums received	449,474	699,403	1,148,877
Liabilities paid for death, maturities, surrenders, benefits and claims	(651,773)	(277,100)	(928,873)
Net investment income	322,567	65,844	388,411
Benefits and claims experience variation	(51,082)	(135,651)	(186,733)
Fees deducted	(78,244)	(196,334)	(274,578)
Net other income	(3,302)	1,817	(1,485)
Adjustments due to changes in assumptions:			
Mortality/morbidity	-	18,600	18,600
Lapse and surrender rates	-	84	84
Expenses	-	10,966	10,966
Discount rate	86	24,949	25,035
Others	(54,973)	(1,371)	(56,344)
Movement in unallocated surplus	86,439	-	86,439
Available-for-sale fair value adjustment	182,719	-	182,719
Net asset value attributable to unitholders	-	25,174	25,174
Movement in provision for outstanding claims	12,058	3,719	15,777
Asset revaluation surplus adjustment	4,808	-	4,808
At 31 December 2017	<u>5,813,613</u>	<u>1,094,684</u>	<u>6,908,297</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

10 CAPITAL COMMITMENTS

Capital expenditure not provided for in the financial statements are as follows:

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
Authorised and contracted for:		
- Computer hardware and software	2,035	2,300
- Renovation	817	2,306
- Bancassurance fee	84,000	84,000
	<u>86,852</u>	<u>88,606</u>

11 REGULATORY CAPITAL FRAMEWORK

The capital structure of the Company, consisting of all funds, as at 30 June 2018, as prescribed under the RBC Framework is provided below:

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	226,000	226,000
Reserves, including retained earnings	2,078,376	1,991,556
Tier 2 Capital	504,850	629,832
Amount deducted from capital	(54,125)	(69,443)
Total capital available	<u>2,755,101</u>	<u>2,777,945</u>

The Company has met both the minimum and internal capital requirements specified in the RBC Framework for the six months period ended 30 June 2018 and for the financial year ended 31 December 2017.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS

The Company's activities are organised by funds and segregated into the Life Fund and Shareholders' Fund ("SHF") in accordance with the Financial Services Act, 2013 and Insurance Regulations, 1996. The Company's statement of financial position and statement of comprehensive income have been further analysed by funds which includes Life Fund and the SHF. The Life insurance business offers a wide range of participating and non-participating Whole Life, Term Assurance, Endowment and Investment-linked products.

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer (Chief Operating decision maker). The company has two segments comprises Life Fund and Shareholders' Fund in Malaysia.

Unaudited Condensed Statement of Financial Position by Funds as at 30 June 2018

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS								
Property, plant and equipment	-	-	167,585	167,493	-	-	167,585	167,493
Investment properties	-	-	148,408	148,408	-	-	148,408	148,408
Intangible assets	37,874	-	16,251	69,443	-	-	54,125	69,443
Financial investments								
AFS financial assets	227,320	226,575	5,098,933	5,262,534	-	-	5,326,253	5,489,109
FVTPL financial assets	6,554	4,563	814,320	809,103	-	-	820,874	813,666
HTM financial assets	-	-	945,850	961,325	-	-	945,850	961,325
Loans and receivables	364	382	480,030	476,865	-	-	480,394	477,247
Insurance receivables	-	-	48,763	31,252	-	-	48,763	31,252
Other receivables	5,696	18,945	15,900	18,163	(1,400)	(17,438)	20,196	19,670
Cash and cash equivalents	16,610	6,924	400,737	295,330	-	-	417,347	302,254
TOTAL ASSETS	294,418	257,389	8,136,777	8,239,916	(1,400)	(17,438)	8,429,795	8,479,867

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Financial Position by Funds as at 30 June 2018 (continued)

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES								
Share capital	226,000	226,000	-	-	-	-	226,000	226,000
Retained earnings	55,608	29,815	575,896	540,994	-	-	631,504	570,809
Available-for-sale reserve	970	1,174	1,377	12,608	-	-	2,347	13,782
Asset revaluation reserve	-	-	2,637	3,296	-	-	2,637	3,296
TOTAL EQUITY	282,578	256,989	579,910	556,898	-	-	862,488	813,887
Insurance contract liabilities	-	-	6,775,820	6,908,297	-	-	6,775,820	6,908,297
Insurance payables	-	-	497,192	474,768	-	-	497,192	474,768
Other payables	13,092	-	56,627	79,405	(1,400)	(17,438)	68,319	61,967
Provision for agency long association benefits	-	-	27,463	28,529	-	-	27,463	28,529
Current tax liabilities	(1,356)	192	8,038	6,242	-	-	6,682	6,434
Deferred tax liabilities	104	208	191,727	185,777	-	-	191,831	185,985
TOTAL POLICYHOLDERS' FUNDS AND LIABILITIES	11,840	400	7,556,867	7,683,018	(1,400)	(17,438)	7,567,307	7,665,980
TOTAL EQUITY, POLICYHOLDERS' FUNDS AND LIABILITIES	294,418	257,389	8,146,777	8,239,916	(1,400)	(17,438)	8,429,795	8,479,867

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Financial Position by Funds as at 30 June 2018 (continued)

	<u>Shareholders' Fund</u>		<u>Life Fund</u>		<u>Inter-fund elimination</u>		<u>Total</u>	
	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>	<u>30.06.2018</u>	<u>31.12.2017</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Additional information:								
Purchase of property, plant and equipment	-	-	3,089	4,473	-	-	3,089	4,473
Purchase of intangible assets	-	-	610	3,459	-	-	610	3,459

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Comprehensive Income by Funds for the six months period ended 30 June 2018

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000
Gross earned premium revenue	-	-	631,773	537,560	-	-	631,773	537,560
Premiums ceded to reinsurers	-	-	(19,707)	(39,431)	-	-	(19,707)	(39,431)
Net earned revenue	-	-	612,066	498,129	-	-	612,066	498,129
Investment income	3,828	3,483	166,080	157,552	-	-	169,908	161,035
Net realised gains/(losses)	663	592	(10,998)	6,707	-	-	(10,335)	7,299
Net fair value (losses)/gains	(10)	28	(45,192)	60,253	-	-	(45,202)	60,281
Other income	4,481	4,103	109,890	224,512	-	-	114,371	228,615

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Comprehensive Income by Funds for the six months period ended 30 June 2018 (continued)

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000
Gross benefits and claims paid	-	-	(523,775)	(491,631)	-	-	(523,775)	(491,631)
Claims ceded to reinsurers	-	-	16,373	30,661	-	-	16,373	30,661
Gross change to insurance contract liabilities	-	-	34,732	(72,932)	-	-	34,732	(72,932)
Net insurance benefits and claims	-	-	(472,670)	(533,902)	-	-	(472,670)	(533,902)
Commission and agency expenses	(2,000)	-	(64,953)	(57,644)	-	-	(66,953)	(57,644)
Management expenses	(16,604)	(1,395)	(73,294)	(78,791)	-	-	(89,898)	(80,186)
Other operating income – net	-	-	2,216	677	-	-	2,216	677
Other expenses	(18,604)	(1,395)	(136,031)	(135,758)	-	-	(154,635)	(137,153)
(Loss)/profit before taxation	(14,123)	2,708	113,255	52,981	-	-	99,132	55,689
Taxation	(583)	(985)	(27,854)	(23,627)	-	-	(28,437)	(24,612)
Net (loss)/profit for the financial period	(14,706)	1,723	85,401	29,354	-	-	70,695	31,077

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Comprehensive Income by Funds for the six months period ended 30 June 2018 (continued)

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Other comprehensive (loss)/income:								
<u>Items that may be reclassified subsequently to profit or loss</u>								
Fair value change on available-for-sale financial assets:								
Net gains/(losses) arising during financial period	(264)	1,983	(129,737)	194,589	-	-	(130,001)	196,572
Realised gains transferred to profit or loss	(4)	(4)	(45,570)	(7,739)	-	-	(45,574)	(7,743)
Impairment losses transferred to profit or loss	-	-	39,678	8,190	-	-	39,678	8,190
Tax effects thereon	64	(475)	10,506	(15,603)	-	-	10,570	(16,078)
Fair value (losses)/gains, net of tax	(204)	1,504	(125,123)	179,437	-	-	(125,327)	180,941
Change in insurance contract liabilities arising from net fair value losses/(gains)	-	-	113,892	(168,076)	-	-	113,892	(168,076)
Net fair value change	(204)	1,504	(11,231)	11,361	-	-	(11,435)	12,865

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Comprehensive Income by Funds for the six months period ended 30 June 2018 (continued)

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000	6 months ended 30.06.2018 RM'000	6 months ended 30.06.2017 RM'000
Other comprehensive (loss)/income: (continued)								
<u>Items that will not be reclassified subsequently to profit or loss</u>								
Asset revaluation reserve:								
Gross asset revaluation surplus/(deficit)	-	-	-	-	-	-	-	-
Tax effects thereon	-	-	(659)	-	-	-	(659)	-
Asset revaluation deficit, net of tax	-	-	(659)	-	-	-	(659)	-
Total comprehensive (loss)/income	(204)	1,504	(11,890)	11,361	-	-	(12,094)	12,865
Total comprehensive (loss)/income for the financial period	(14,910)	3,227	73,511	40,715	-	-	58,601	43,942

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

12 INSURANCE FUNDS (CONTINUED)

Unaudited Condensed Statement of Comprehensive Income by Funds for the six months period ended 30 June 2018 (continued)

	Shareholders' Fund		Life Fund		Inter-fund elimination		Total	
	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Additional information:								
Interest income	4,014	3,614	133,818	130,853	-	-	137,832	134,467
Interest expenses	-	-	(214)	(347)	-	-	(214)	(347)
Depreciation	-	-	(2,946)	(2,570)	-	-	(2,946)	(2,570)
Amortisation	(12,625)	-	(3,303)	(15,782)	-	-	(15,928)	(15,782)

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 JUNE 2018 (CONTINUED)

13 INVESTMENT-LINKED FUND

The unaudited condensed statement of financial position and unaudited condensed statement of comprehensive income of investment-linked fund represent the assets, liabilities and net asset values of TokioMarine Orient Fund ("TMOF"), TokioMarine Enterprise Fund ("TMEF"), TokioMarine Bond Fund ("TMBF"), TokioMarine Dana Ikhtiar ("TMDI") and TokioMarine Luxury Fund ("TMLX").

The unaudited condensed statement of financial position of the investment-linked fund is represented by:

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
ASSETS		
FVTPL financial assets	274,302	252,500
Other receivables	705	2,182
Cash and cash equivalents	29,236	27,985
	<u>304,243</u>	<u>282,667</u>
TOTAL ASSETS	<u>304,243</u>	<u>282,667</u>
LIABILITIES		
Other payables	1,801	975
Current tax liabilities	521	418
Deferred tax liabilities	748	2,612
	<u>3,070</u>	<u>4,005</u>
TOTAL LIABILITIES	<u>3,070</u>	<u>4,005</u>
 Net asset value of funds (Note 9)	 <u>301,173</u>	 <u>278,662</u>

The unaudited condensed statement of financial position has been adjusted for TokioMarine Managed Fund ("TMMF") which have been eliminated as TMMF invested mainly in TMEF and TMBF during the financial period:

	As at <u>30.06.2018</u> RM'000	As at <u>31.12.2017</u> RM'000
Investments in other linked funds of insurer	96,956	76,573
Cash and cash equivalents	-	1
	<u>96,956</u>	<u>76,574</u>
Net asset value of TMMF	<u>96,956</u>	<u>76,574</u>

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL
STATEMENTS - 30 JUNE 2018 (CONTINUED)

13 INVESTMENT-LINKED FUND (CONTINUED)

The unaudited condensed statement of comprehensive income of the investment-linked fund is represented by:

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Investment income	3,628	2,295
Fair value (losses)/gains on investments	(22,142)	20,467
Other operating income – net	17	7
	<u>(18,497)</u>	<u>22,769</u>
Other (loss)/income		
Management fees	(1,748)	(1,221)
Management expenses	(12)	(11)
	<u>(1,760)</u>	<u>(1,232)</u>
Other expenses		
(Loss)/profit before taxation	(20,257)	21,537
Taxation	1,654	(1,720)
Net (loss)/profit for the financial period	<u>(18,603)</u>	<u>19,817</u>

The unaudited condensed statement of comprehensive income have been adjusted for TokioMarine Managed Fund (“TMMF”) which have been eliminated as TMMF invested mainly in TMEF and TMBF during the financial period:

	6 months ended <u>30.06.2018</u> RM'000	6 months ended <u>30.06.2017</u> RM'000
Realised gains on investments	422	430
Fair value (loss)/gain on investments	(6,237)	3,645
Management expenses	(2)	(2)
	<u>(5,817)</u>	<u>4,073</u>
Net (loss)/profit for the financial period		