

Company No.

790895	D
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AIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016**

Company No.

790895	D
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AIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016**

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AIA BHD.
(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MAY 2016**

	Note	Group			Company		
		31.05.2016 RM'000	30.11.2015 RM'000	1.12.2014 RM'000	31.05.2016 RM'000	30.11.2015 RM'000	1.12.2014 RM'000
Assets							
Property, plant and equipment		470,113	299,316	310,464	469,890	298,884	309,654
Investment properties		377,900	377,900	377,200	377,900	377,900	377,200
Prepaid land lease payments		1,212	1,224	1,250	1,212	1,224	1,250
Intangible assets		77,715	72,488	58,498	77,338	71,960	57,744
Investment in subsidiaries		-	-	-	153,000	153,000	143,000
Investment in associate		50,600	51,477	54,250	88	88	88
Available-for-sale financial assets	11	7,787,870	7,978,051	8,369,302	7,725,176	7,916,446	8,307,340
Fair value through profit or loss financial assets	12	33,159,217	32,316,487	31,371,381	33,159,217	32,316,487	31,356,845
Loans and receivables		4,798,799	4,688,104	4,524,142	4,775,315	4,679,369	4,523,998
Reinsurance/retakaful assets	14	98,812	88,430	94,963	98,812	88,430	94,963
Insurance/takaful receivables		409,578	496,695	459,249	409,578	496,695	459,249
Cash and cash equivalents		559,005	744,058	567,542	552,030	713,699	550,475
Total assets		<u>47,790,821</u>	<u>47,114,230</u>	<u>46,188,241</u>	<u>47,799,556</u>	<u>47,114,182</u>	<u>46,181,806</u>
Equity and liabilities							
Share capital		767,438	767,438	767,438	767,438	767,438	767,438
Share premium		683,452	683,452	683,452	683,452	683,452	683,452
Retained earnings		2,637,392	3,172,200	3,027,513	2,676,625	3,209,752	3,064,040
Revaluation reserves		27,412	-	-	27,412	-	-
Available-for-sale fair value reserves		82,965	(4,725)	52,690	81,187	(5,298)	51,369
Total equity		<u>4,198,659</u>	<u>4,618,365</u>	<u>4,531,093</u>	<u>4,236,114</u>	<u>4,655,344</u>	<u>4,566,299</u>
Insurance/takaful contract liabilities	15	36,688,483	35,691,635	34,910,489	36,663,949	35,666,958	34,886,265
Deferred tax liabilities		546,338	445,154	486,254	545,855	445,154	486,254
Insurance/takaful payables		5,466,947	5,273,062	4,792,881	5,466,947	5,273,062	4,792,881
Current tax liabilities		9,868	55,073	74,171	10,121	55,288	74,333
Other payables		880,526	1,030,941	1,393,353	876,570	1,018,376	1,375,774
Total liabilities		<u>43,592,162</u>	<u>42,495,865</u>	<u>41,657,148</u>	<u>43,563,442</u>	<u>42,458,838</u>	<u>41,615,507</u>
Total equity and liabilities		<u>47,790,821</u>	<u>47,114,230</u>	<u>46,188,241</u>	<u>47,799,556</u>	<u>47,114,182</u>	<u>46,181,806</u>

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

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**UNAUDITED CONDENSED INCOME STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016**

	Group		Company	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Gross earned premiums/ contributions	3,990,770	3,752,579	3,990,770	3,752,579
Premiums/contributions ceded to reinsurers/ retakaful operators	(224,864)	(221,462)	(224,864)	(221,462)
Net earned premiums/ contributions revenue	3,765,906	3,531,117	3,765,906	3,531,117
Investment income	1,022,522	977,545	1,020,680	975,890
Net realised loss	(692)	(6,527)	(692)	(6,527)
Fair value gains	240,091	125,391	240,091	125,364
Other operating income/(expense)	19,251	(5,985)	17,430	(6,215)
Total net revenue	5,047,078	4,621,541	5,043,415	4,619,629
Gross benefits and claims paid	(3,135,441)	(2,455,898)	(3,135,441)	(2,455,898)
Claims ceded to reinsurers/ retakaful operators	91,578	116,274	91,578	116,274
Gross change to insurance/ takaful contract liabilities	(855,684)	(1,127,743)	(855,827)	(1,127,666)
Change in insurance/takaful contract liabilities ceded to reinsurers/retakaful operators	11,271	(4,286)	11,271	(4,286)
Net insurance/takaful benefits and claims	(3,888,276)	(3,471,653)	(3,888,419)	(3,471,576)
Fee and commission expenses	(400,466)	(391,426)	(399,283)	(391,377)
Management expenses	(396,508)	(379,956)	(393,657)	(376,320)
Other expenses	(796,974)	(771,382)	(792,940)	(767,697)

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**UNAUDITED CONDENSED INCOME STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

	Group		Company	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Profit before share of loss from associate	361,828	378,506	362,056	380,356
Share of loss from associate	(1,052)	(1,801)	-	-
Profit before tax	360,776	376,705	362,056	380,356
Tax expense attributable to policyholders and unitholders	(75,778)	(61,413)	(75,778)	(61,413)
Profit before tax attributable to shareholders	284,998	315,292	286,278	318,943
Tax expense	(143,583)	(130,907)	(143,182)	(131,352)
Tax expense attributable to policyholders and unitholders	75,778	61,413	75,778	61,413
Tax expense attributable to shareholders	(67,805)	(69,494)	(67,404)	(69,939)
Profit for the period	217,193	245,798	218,874	249,004
Basic earnings per share (sen)	28.0	32.0	29.0	32.4

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

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**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 MAY 2016**

	Group		Company	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
Profit for the period	217,193	245,798	218,874	249,004
Other comprehensive income/(loss):				
Items that may be subsequently reclassified to profit or loss				
Change in available-for-sale fair value reserves:	87,515	43,106	86,485	42,849
Net gain arising during the period	113,660	50,163	112,458	49,595
Net realised loss transferred to Income Statement	723	6,527	723	6,527
Deferred taxation	(26,868)	(13,584)	(26,696)	(13,273)
Share of other comprehensive income from associate	175	168	-	-
Items that will not be subsequently reclassified to profit or loss				
Change in asset revaluation reserves:	27,412	-	27,412	-
Net gain arising during the period	176,376	-	176,376	-
Deferred taxation	(6,672)	-	(6,672)	-
Change in insurance/takaful contract liabilities	(142,292)	-	(142,292)	-
Other comprehensive income - net of tax, for the period	115,102	43,274	113,897	42,849
Total comprehensive income for the period	332,295	289,072	332,771	291,853

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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MAY 2016**

<u>Group</u>	<u>Attributable to equity holders of the Company</u>						<u>Total</u>
	<u>Distributable</u>						
	<u>Share capital</u>	<u>Share premium</u>	<u>Available-for-sale fair value reserves</u>	<u>Revaluation reserves</u>	<u>Share-based reserves</u>	<u>Retained earnings*</u>	
<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	
At 1 December 2015	767,438	683,452	(4,725)	-	-	3,163,302	4,609,466
Effect of change in accounting policy (note 3.2)	-	-	-	-	-	8,898	8,898
At 1 December 2015 (as restated)	767,438	683,452	(4,725)	-	-	3,172,200	4,618,364
Profit for the period	-	-	-	-	-	217,193	217,193
Other comprehensive income for the period	-	-	87,690	27,412	-	-	115,102
Total comprehensive income for the period	-	-	87,690	27,412	-	217,193	332,295
Share based compensation: value of employee services	-	-	-	-	5,688	-	5,688
Share based compensation: repayment to ultimate parent company	-	-	-	-	(5,688)	-	(5,688)
Dividend paid for the financial year ended 30 November 2015	-	-	-	-	-	(752,000)	(752,000)
At 31 May 2016	<u>767,438</u>	<u>683,452</u>	<u>82,965</u>	<u>27,412</u>	<u>-</u>	<u>2,637,393</u>	<u>4,198,659</u>

*Included in retained earnings is RM2,486 million which comprise surplus from the Life Non-Participating Fund (net of deferred tax). This amount is only distributable to the shareholders upon the actual transfer of surplus from the Life Non-Participating Fund to the Shareholders' Fund as approved by the Appointed Actuary of the Company.

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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

<u>Group</u>	<u>Attributable to equity holders of the Company</u>					<u>Total</u> <u>RM'000</u>
	<u>Distributable</u>					
	<u>Share capital</u> <u>RM'000</u>	<u>Share premium</u> <u>RM'000</u>	<u>Available-for-sale fair value reserves</u> <u>RM'000</u>	<u>Share-based reserves</u> <u>RM'000</u>	<u>Retained earnings*</u> <u>RM'000</u>	
At 1 December 2014	767,438	683,452	52,690	-	3,020,387	4,523,967
Effect of change in accounting policy (note 3.2)	-	-	-	-	7,126	7,126
At 1 December 2014 (as restated)	767,438	683,452	52,690	-	3,027,513	4,531,093
Profit for the period	-	-	-	-	245,798	245,798
Other comprehensive income for the period	-	-	43,274	-	-	43,274
Total comprehensive income for the period	-	-	43,274	-	245,798	289,072
Share based compensation: value of employee services	-	-	-	6,466	-	6,466
Share based compensation: repayment to ultimate parent company	-	-	-	(6,466)	-	(6,466)
Dividend paid for the financial year ended 30 November 2014	-	-	-	-	(649,000)	(649,000)
At 31 May 2015	<u>767,438</u>	<u>683,452</u>	<u>95,964</u>	<u>-</u>	<u>2,624,311</u>	<u>4,171,165</u>

*Included in retained earnings is RM2,381 million which comprise surplus from the Life Non-Participating Fund (net of deferred tax). This amount is only distributable to the shareholders upon the actual transfer of surplus from the Life Non-Participating Fund to the Shareholders' Fund as approved by the Appointed Actuary of the Company.

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

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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

<u>Company</u>	<u>Attributable to equity holders of the Company</u>						<u>Total</u>
	<u>Distributable</u>						
	<u>Share capital</u>	<u>Share premium</u>	<u>Available-for-sale fair value reserves</u>	<u>Revaluation reserves</u>	<u>Share-based reserves</u>	<u>Retained earnings*</u>	
<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	
At 1 December 2015	767,438	683,452	(5,298)	-	-	3,200,854	4,646,445
Effect of change in accounting policy (note 3.2)	-	-	-	-	-	8,898	8,898
At 1 December 2015 (as restated)	767,438	683,452	(5,298)	-	-	3,209,752	4,655,343
Profit for the period	-	-	-	-	-	218,874	218,874
Other comprehensive income for the period	-	-	86,485	27,412	-	-	113,897
Total comprehensive income for the period	-	-	86,485	27,412	-	218,874	332,771
Share based compensation: value of employee services	-	-	-	-	5,688	-	5,688
Share based compensation: repayment to ultimate parent company	-	-	-	-	(5,688)	-	(5,688)
Dividend paid for the financial year ended 30 November 2015	-	-	-	-	-	(752,000)	(752,000)
At 31 May 2016	<u>767,438</u>	<u>683,452</u>	<u>81,187</u>	<u>27,412</u>	<u>-</u>	<u>2,676,626</u>	<u>4,236,114</u>

*Included in retained earnings is RM2,486 million which comprise surplus from the Life Non-Participating Fund (net of deferred tax). This amount is only distributable to the shareholders upon the actual transfer of surplus from the Life Non-Participating Fund to the Shareholders' Fund as approved by the Appointed Actuary of the Company.

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**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

<u>Company</u>	<u>Attributable to equity holders of the Company</u>					<u>Total</u> RM'000
	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Available-for-sale fair value reserves</u> RM'000	<u>Share-based reserves</u> RM'000	<u>Distributable</u>	
					<u>Retained earnings*</u> RM'000	
At 1 December 2014	767,438	683,452	51,369	-	3,056,914	4,559,173
Effect of change in accounting policy (note 3.2)	-	-	-	-	7,126	7,126
At 1 December 2014 (as restated)	767,438	683,452	51,369	-	3,064,040	4,566,299
Profit for the period	-	-	-	-	249,004	249,004
Other comprehensive income for the period	-	-	42,849	-	-	42,849
Total comprehensive income for the period	-	-	42,849	-	249,004	291,853
Share based compensation: value of employee services	-	-	-	6,405	-	6,405
Share based compensation: repayment to ultimate parent company	-	-	-	(6,405)	-	(6,405)
Dividend paid for the financial year ended 30 November 2014	-	-	-	-	(649,000)	(649,000)
At 31 May 2015	767,438	683,452	94,218	-	2,664,044	4,209,152

* Included in retained earnings is RM2,381 million which comprise surplus from the Life Non-Participating Fund (net of deferred tax). This amount is only distributable to the shareholders upon the actual transfer of surplus from the Life Non-Participating Fund to the Shareholders' Fund as approved by the Appointed Actuary of the Company.

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

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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MAY 2016**

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax attributable to shareholders	284,998	315,292	286,278	318,943
Adjustments:				
Tax expense attributable to policyholders and unitholders	75,778	61,413	75,778	61,413
Interest and dividend income	(1,021,555)	(977,955)	(1,019,693)	(977,595)
Realised losses recorded in Income Statements	723	6,527	723	6,527
Fair value gains recorded in Income Statements	(240,091)	(125,391)	(240,091)	(125,364)
Depreciation				
- property, plant and equipment	15,000	16,461	14,632	16,249
Amortisation				
- prepaid land lease payments	12	13	12	13
- intangible assets	6,302	3,633	6,302	3,558
Fixed asset written off	159	1	159	1
Gain on sale of property, plant and equipment	(189)	(524)	(189)	(524)
Writeback of allowance for impairment losses	(1,173)	(974)	(1,173)	(974)
Share of loss from associate	1,052	1,801	-	-
Impairment loss of property held for own used	2,905	-	2,905	-
Changes in working capital:				
Increase in AFS and FVTPL financial assets	(310,750)	(917,791)	(310,750)	(917,811)
(Increase)/decrease in reinsurance retakaful assets	(10,383)	5,688	(10,383)	5,688
Decrease/(increase) in insurance/ takaful receivables	88,271	(169,718)	88,271	(169,718)
Increase in loans and receivables	(90,631)	(111,780)	(75,322)	(91,105)

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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000
Changes in working capital: (continued)				
Increase in insurance/takaful payables	193,885	263,804	193,885	263,804
(Decrease)/increase in other payables	(199,832)	114,968	(191,482)	115,046
Increase in insurance/takaful contract liabilities	854,552	1,156,750	854,699	1,156,673
Cash used in operating activities	<u>(350,967)</u>	<u>(357,782)</u>	<u>(325,439)</u>	<u>(335,176)</u>
Income taxes paid	(120,977)	(106,651)	(121,016)	(106,786)
Interest income received	878,815	829,929	877,008	829,569
Dividends received	133,920	141,077	133,920	141,077
Net cash inflows from operating activities	<u>540,791</u>	<u>506,573</u>	<u>564,473</u>	<u>528,684</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of intangible assets	(11,643)	(12,864)	(11,643)	(12,864)
Purchase of property, plant and equipment	(12,372)	(6,319)	(12,364)	(6,319)
Proceed for collective investment scheme	-	13,849	-	-
Proceed from disposal of property, plant and equipment	189	582	189	582
Net cash outflows from investing activities	<u>(23,826)</u>	<u>(4,752)</u>	<u>(23,818)</u>	<u>(18,601)</u>

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

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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2015</u> RM'000	<u>31.05.2016</u> RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in obligation on securities sold under repurchase agreements	49,676	40,604	49,676	40,604
Increase in investment in subsidiary	-	-	-	(10,000)
Dividend paid	(752,000)	(649,000)	(752,000)	(649,000)
Net cash outflows from financing activities	<u>(702,324)</u>	<u>(608,396)</u>	<u>(702,324)</u>	<u>(618,396)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(185,359)	(106,575)	(161,669)	(108,313)
CASH AND CASH EQUIVALENTS AT 1 DECEMBER	<u>744,364</u>	<u>567,542</u>	<u>713,699</u>	<u>550,475</u>
CASH AND CASH EQUIVALENTS AT 31 MAY	<u><u>559,005</u></u>	<u><u>460,967</u></u>	<u><u>552,030</u></u>	<u><u>442,162</u></u>

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

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016

1 CORPORATE INFORMATION

The Company is engaged principally in the underwriting of life insurance business, including investment-linked business, and all classes of general insurance business. The principal activities of the subsidiaries are managing investment assets holding and managing private retirement scheme and asset management business.

There have been no significant changes in these activities during the financial period.

The Company is a public limited liability company, incorporated on 4 October 2007 under the Companies Act, 1965 and Financial Services Act, 2013 and domiciled in Malaysia. The registered office and principal place of business of the Company are located at Level 29, Menara AIA, 99 Jalan Ampang, 50450 Kuala Lumpur and Menara AIA, 99 Jalan Ampang, 50450 Kuala Lumpur respectively.

The immediate holding company of the Company is Premium Policy Berhad, whose ultimate holding company is AIA Group Limited, a company incorporated in Hong Kong and listed on The Stock Exchange of Hong Kong Limited.

The interim financial statements are authorised for issue by the Board on 12 July 2016.

2 BASIS OF PREPARATION

The condensed interim financial statements of the Group and the Company are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134 *Interim Financial Reporting*.

The Group and the Company have adopted the MFRS framework issued by the Malaysian Accounting Standards Board ("MASB") and Revised Guidelines on Financial Reporting for Insurers issued by Bank Negara Malaysia ("BNM").

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 Group's audited financial statements for the year ended 30 November 2015.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation adopted by the Group and the Company for the condensed interim financial statements are consistent with those adopted by the Group's consolidated audited financial statements for the financial year ended 30 November 2015, except for the adoption of the following:

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Standards effective for financial year beginning on 1 December 2015

There are no new amendments to published standards and interpretations to existing standards issued by MASB effective for financial period subsequent to 1 December 2015.

3.2 Effect of change in accounting policy

With effect from 1 December 2015, the Group and the Company revised its accounting policies for its property held for own used and investment properties as follows:

- Property held for own use is carried at fair value at last valuation date less accumulated depreciation. Previously, property held for own use was carried at historical cost less accumulated depreciation. When an asset is adjusted for the latest fair value, any accumulated depreciation at the date of valuation is eliminated against the gross carrying amount of the asset. The movement of fair values is generally recognised in other comprehensive income. When such properties are sold, the amounts accumulated in other comprehensive income are transferred to retained earnings. The revised accounting policy is applied prospectively from the date of adoption, resulting in increase of RM173,470,000 and RM26,974,000 in total assets and total equity, respectively as of 1 December 2015.

Property held for own use is valued by independent professional valuation firm at least annually to ensure that fair value of the revalued asset does not differ materially from its carrying value. Changes in fair values are recognised in the other comprehensive income and reported in the statements of financial position as property revaluation reserve.

Operating leasehold land relating to property held for own use will continue to be carried at cost less accumulated amortisation and impairment losses (if any) and be reported as part of 'prepaid land lease payment' on the statements of financial position.

- Investment property, including land and buildings, is initially recognised at cost with changes in fair values in subsequent periods recognised in the income statements. The revised accounting policy will be applied retrospectively and a summary of financial impact to the Group and the Company on initial adoption are as follows:

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Effect of change in accounting policy (continued)

Statements of Financial Position

At 1 December 2014

<u>Group</u>	<u>As previously stated RM'000</u>	<u>Adjustment RM'000</u>	<u>As restated RM'000</u>
Investment properties	334,180	43,020	377,200
Insurance/takaful contract liabilities	(34,877,868)	(32,621)	(34,910,489)
Deferred tax liabilities	(482,981)	(3,273)	(486,254)
Retained earnings	(3,020,387)	(7,126)	(3,027,513)

Company

Investment properties	334,180	43,020	377,200
Insurance/takaful contract liabilities	(34,853,644)	(32,621)	(34,886,265)
Deferred tax liabilities	(482,981)	(3,273)	(486,254)
Retained earnings	(3,056,914)	(7,126)	(3,064,040)

At 30 November 2015

<u>Group</u>	<u>As previously stated RM'000</u>	<u>Adjustment RM'000</u>	<u>As restated RM'000</u>
Investment properties	324,228	53,672	377,900
Insurance/takaful contract liabilities	(35,650,541)	(41,094)	(35,691,635)
Deferred tax liabilities	(441,475)	(3,679)	(445,154)
Retained earnings	(3,163,302)	(8,898)	(3,172,200)

Company

Investment properties	324,228	53,672	377,900
Insurance/takaful contract liabilities	(35,625,864)	(41,094)	(35,666,958)
Deferred tax liabilities	(441,475)	(3,679)	(445,154)
Retained earnings	(3,200,854)	(8,898)	(3,209,752)

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Effect of change in accounting policy (continued)

Income Statements

31 May 2015

<u>Group</u>	As previously stated RM'000	<u>Adjustment</u> RM'000	As restated RM'000
Gross change to insurance/ takaful contract liabilities	(1,123,762)	(3,981)	(1,127,743)
Management expenses	(384,932)	4,976	(379,956)
Tax expense	(130,739)	(168)	(130,907)
Profit for the period	244,971	827	245,798

Company

Gross change to insurance/ takaful contract liabilities	(1,123,685)	(3,981)	(1,127,666)
Management expenses	(381,296)	4,976	(376,320)
Tax expense	(131,184)	(168)	(131,352)
Profit for the period	248,177	827	249,004

Statements of Comprehensive Income

31 May 2015

<u>Group</u>	As previously stated RM'000	<u>Adjustment</u> RM'000	As restated RM'000
Profit for the period	244,971	827	245,798
Total comprehensive income for the period	288,245	827	289,072

Profit for the period	248,177	827	249,004
Total comprehensive income for the period	291,026	827	291,853

The Group and the Company believes measuring property held for own use and investment property in accordance with the revised accounting polices (based on guidance in MFRS 116 Property, Plant and Equipment and MFRS 140 Investment Property, respectively) provide reliable and more relevant information to users of the financial statements than that measured based at cost model under the current accounting policy.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Group will apply the new standards, amendments to standards and interpretations in the following period:

Financial year beginning on/after 1 January 2018

- MFRS 9, 'Financial Instruments - Classification and Measurement of Financial Assets and Financial Liabilities' (effective from 1 January 2018)

MFRS 9 retains but simplifies the mixed measurement model in MFRS139 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 a 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.

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 change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

There is now a new expected credit losses model on impairment for certain financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Group is reviewing the adoption of the above accounting standards, amendments to published standards and interpretation to existing standards and will complete the process prior to the reporting requirement deadline. The Group has not finalised any impact on the financial statements on the adoption of the above accounting standards.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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4 SEASONALITY OR CYCLICALITY

The business operations of the Group and of the Company were not significantly affected by seasonality or cyclical factors during the interim financial period.

5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period ended 31 May 2016.

6 CHANGES IN ESTIMATES

There were no material changes in the basis used for the accounting estimates for the current financial period ended 31 May 2016.

7 ISSUES, REPURCHASES AND REPAYMENTS OF DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase and repayment of debt and equity securities during the current financial period ended 31 May 2016.

8 DIVIDEND PAID

During the half-year ended 31 May 2016, a final single tier dividend of 97.99% on 767,438,174 ordinary shares in respect of the financial year ended 30 November 2015, amounting to RM752 million was paid on 9 May 2016 and 10 May 2016 respectively.

9 CHANGES IN THE COMPOSITION OF THE GROUP

There was no change in the composition of the Group and the Company during the period under review.

10 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 reported in the interim financial statements for the current financial period to date.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

11 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	31.05.2016	30.11.2015	31.05.2016	30.11.2015
	RM'000	RM'000	RM'000	RM'000
<u>At fair value</u>				
Malaysian government securities	1,632,066	1,672,532	1,626,779	1,667,369
Cagamas papers	474,493	469,874	474,493	469,874
Unquoted corporate debt securities	5,488,054	5,638,930	5,431,330	5,583,174
Unquoted equity securities	4,625	4,625	4,625	4,625
Deposits with licensed bank	104,200	102,430	104,200	102,430
Accrued interest	84,432	89,660	83,749	88,974
	<u>7,787,870</u>	<u>7,978,051</u>	<u>7,725,176</u>	<u>7,916,446</u>
<u>Carrying values of financial instruments</u>				
At 1 December	7,978,051	8,369,302	7,916,446	8,307,340
Purchases	247,071	630,180	246,887	629,871
Maturities	(273,005)	(189,963)	(273,005)	(189,963)
Disposals at amortised cost	(270,367)	(743,746)	(270,367)	(743,746)
Fair value gains/(losses) recorded in:				
Other comprehensive income	114,111	(74,861)	113,182	(74,229)
Unrealised foreign exchange gain	-	92	-	92
Movement in accrued interest	(5,228)	(2,849)	(5,225)	(2,855)
Net amortisation	(2,763)	(10,104)	(2,742)	(10,064)
At 31 May/30 November	<u>7,787,870</u>	<u>7,978,051</u>	<u>7,725,176</u>	<u>7,916,446</u>
Current	189,536	413,116	188,852	412,429
Non current	7,598,334	7,564,935	7,536,324	7,504,017
	<u>7,787,870</u>	<u>7,978,051</u>	<u>7,725,176</u>	<u>7,916,446</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

11 AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Fair value of financial investment

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

Group

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<u>At 31 May 2016</u>				
Malaysian government securities	1,632,066	-	1,632,066	-
Cagamas papers	474,493	-	474,493	-
Unquoted equity securities	4,625	-	-	4,625
Unquoted corporate debt securities	5,488,054	-	5,488,053	-
Deposits with licensed bank	104,200	-	104,200	-
Accrued interest	84,432	-	84,433	-
	<u>7,787,870</u>	<u>-</u>	<u>7,783,245</u>	<u>4,625</u>

At 30 November 2015

Malaysian government securities	1,672,532	-	1,672,532	-
Cagamas papers	469,874	-	469,874	-
Unquoted equity securities	4,625	-	-	4,625
Unquoted corporate debt securities	5,638,930	-	5,638,930	-
Deposits with licensed bank	102,430	-	102,430	-
Accrued interest	89,660	-	89,660	-
	<u>7,978,051</u>	<u>-</u>	<u>7,973,426</u>	<u>4,625</u>

Company

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<u>At 31 May 2016</u>				
Malaysian government securities	1,626,779	-	1,626,779	-
Cagamas papers	474,493	-	474,493	-
Unquoted equity securities	4,625	-	-	4,625
Unquoted corporate debt securities	5,431,330	-	5,431,330	-
Deposits with licensed bank	104,200	-	104,200	-
Accrued interest	83,749	-	83,749	-
	<u>7,725,176</u>	<u>-</u>	<u>7,720,551</u>	<u>4,625</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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11 AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Fair value of financial investment (continued)

Company (continued)

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<u>At 30 November 2015</u>				
Malaysian government securities	1,667,369	-	1,667,369	-
Cagamas papers	469,874	-	469,874	-
Unquoted equity securities	4,625	-	-	4,625
Unquoted corporate debt securities	5,583,174	-	5,583,174	-
Deposits with licensed bank	102,430	-	102,430	-
Accrued interest	88,974	-	88,974	-
	<u>7,916,446</u>	<u>-</u>	<u>7,911,821</u>	<u>4,625</u>

The tables below set out a summary of changes in the Level 3 financial assets for the period ended 31 May 2016.

Level 3 financial assets

Group and Company

	Unquoted equity securities RM'000
At 31 May 2016/ 30 November 2015	<u>4,625</u>

Fair value hierarchy for financial and non financial instruments

A level is assigned to each fair value measurement based on the significance of the input to the fair value measurement in its entirety. The three-level hierarchy is defined as per Note 13 to the financial statements.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

12 FAIR VALUE THROUGH PROFIT OR LOSS FINANCIAL ASSETS

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
<u>At fair value</u>				
Malaysian government securities	4,954,440	5,563,499	4,954,440	5,563,499
Cagamas papers	1,980,638	1,922,265	1,980,638	1,922,265
Equity securities of corporations				
- Quoted	7,477,217	6,880,377	7,477,217	6,880,377
- Unquoted	206,356	90,306	206,356	90,306
Quoted real estate investment trust	386,479	308,613	386,479	308,613
Unquoted corporate debt securities	16,829,789	16,128,716	16,829,789	16,128,716
Mutual funds				
- Quoted	746,093	788,107	746,093	788,107
- Unquoted	244,404	305,388	244,404	305,388
Subscription rights				
- Quoted	970	1,840	970	1,840
- Unquoted	-	16	-	16
Deposits with licensed bank	51,415	51,214	51,415	51,214
Malaysian government guarantee loans	8,000	8,000	8,000	8,000
Accrued interest	273,416	268,146	273,416	268,146
	<u>33,159,217</u>	<u>32,316,487</u>	<u>33,159,217</u>	<u>32,316,487</u>
<u>Carrying values of financial instruments</u>				
At 1 December	32,316,487	31,371,381	32,316,487	31,356,845
Purchases	3,333,214	6,269,918	3,333,214	6,269,918
Maturities	(751,995)	(329,987)	(751,995)	(329,987)
Disposals at fair value	(1,974,706)	(4,421,917)	(1,974,706)	(4,407,355)
Fair value gains/(losses) recorded in Income Statement	240,091	(572,156)	240,091	(572,182)
Movement in accrued interest	5,270	27,570	5,270	27,570
Net amortisation	(9,144)	(28,322)	(9,144)	(28,322)
At 31 May/30 November	<u>33,159,217</u>	<u>32,316,487</u>	<u>33,159,217</u>	<u>32,316,487</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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12 FAIR VALUE THROUGH PROFIT OR LOSS FINANCIAL ASSETS (CONTINUED)

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000	<u>31.05.2016</u> RM'000	<u>30.11.2015</u> RM'000
Current	9,770,923	9,634,559	9,770,923	9,634,560
Non current	23,388,294	22,681,928	23,388,294	22,681,927
	<u>33,159,217</u>	<u>32,316,487</u>	<u>33,159,217</u>	<u>32,316,487</u>

Fair value of financial investment

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

<u>Group</u>	<u>Carrying amount</u> RM'000	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000
<u>At 31 May 2016</u>				
Malaysian government securities	4,954,440	-	4,954,440	-
Cagamas papers	1,980,638	-	1,980,638	-
Equity securities of corporations				
- Quoted	7,477,217	7,395,347	81,870	-
- Unquoted	206,356	-	206,323	33
Quoted real estate investment trust	386,479	386,479	-	-
Unquoted corporate debt securities	16,829,789	-	16,829,789	-
Mutual funds				
- Quoted	746,093	746,093	-	-
- Unquoted	244,404	101,964	-	142,440
Quoted subscription rights	970	970	-	-
Deposits with licensed bank	51,415	-	51,415	-
Malaysian government guarantee loans	8,000	-	8,000	-
Accrued interest	273,416	-	273,416	-
	<u>33,159,217</u>	<u>8,630,853</u>	<u>24,385,891</u>	<u>142,473</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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12 FAIR VALUE THROUGH PROFIT OR LOSS FINANCIAL ASSETS (CONTINUED)

Fair value of financial investment (continued)

Group (continued)

<u>At 30 November 2015</u>	<u>Carrying amount RM'000</u>	<u>Level 1 RM'000</u>	<u>Level 2 RM'000</u>	<u>Level 3 RM'000</u>
Malaysian government securities	5,563,499	-	5,563,499	-
Cagamas papers	1,922,265	-	1,922,265	-
Equity securities of corporations				
- Quoted	6,880,377	6,880,377	-	-
- Unquoted	90,306	-	90,272	34
Quoted real estate investment trust	308,613	308,613	-	-
Unquoted corporate debt securities	16,128,716	-	16,128,716	-
Mutual funds				
- Quoted	788,107	788,107	-	-
- Unquoted	305,388	139,301	-	166,087
Subscription rights				
- Quoted	1,840	1,840	-	-
- Unquoted	16	-	16	-
Deposits with licensed bank	51,214	-	51,214	-
Malaysian government guarantee loans	8,000	-	8,000	-
Accrued interest	268,146	-	268,146	-
	<u>32,316,487</u>	<u>8,118,238</u>	<u>24,032,128</u>	<u>166,121</u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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12 FAIR VALUE THROUGH PROFIT OR LOSS FINANCIAL ASSETS (CONTINUED)

Fair value of financial investment (continued)

Company

	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
<u>At 31 May 2016</u>				
Malaysian government securities	4,954,440	-	4,954,440	-
Cagamas papers	1,980,638	-	1,980,638	-
Equity securities of corporations				
- Quoted	7,477,217	7,395,347	81,870	-
- Unquoted	206,356	-	206,323	33
Quoted real estate investment trust	386,479	386,479	-	-
Unquoted corporate debt securities	16,829,789	-	16,829,789	-
Mutual funds				
- Quoted	746,093	746,093	-	-
- Unquoted	244,404	101,964	-	142,440
Quoted subscription rights	970	970	-	-
Deposits with licensed bank	51,415	-	51,415	-
Malaysian government guarantee loans	8,000	-	8,000	-
Accrued interest	273,416	-	273,416	-
	<u>33,159,217</u>	<u>8,630,853</u>	<u>24,385,891</u>	<u>142,473</u>
<u>At 30 November 2015</u>				
Malaysian government securities	5,563,499	-	5,563,499	-
Cagamas papers	1,922,265	-	1,922,265	-
Equity securities of corporations				
- Quoted	6,880,377	6,880,377	-	-
- Unquoted	90,306	-	90,272	34
Quoted real estate investment trust	308,613	308,613	-	-
Unquoted corporate debt securities	16,128,716	-	16,128,716	-
Mutual funds				
- Quoted	788,107	788,107	-	-
- Unquoted	305,388	139,301	-	166,087
Subscription rights				
- Quoted	1,840	1,840	-	-
- Unquoted	16	-	16	-
Deposits with licensed bank	51,214	-	51,214	-
Malaysian government guarantee loans	8,000	-	8,000	-
Accrued interest	268,146	-	268,146	-
	<u>32,316,487</u>	<u>8,118,238</u>	<u>24,032,128</u>	<u>166,121</u>

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12 FAIR VALUE THROUGH PROFIT OR LOSS FINANCIAL ASSETS (CONTINUED)

Fair value of financial investment (continued)

The tables below set out a summary of changes in the Level 3 financial assets for the financial period ended 31 May 2016.

Level 3 financial assets

Group and Company

	<u>Equity securities</u> RM'000	<u>Mutual fund</u> RM'000
At 1 December 2014	33	132,545
Acquisition during the financial year	-	42,590
Disposal during the financial year	-	(21,052)
Fair value gain recorded in Income Statement	1	12,004
	<hr/>	<hr/>
At 30 November 2015	34	166,087
Acquisition during the financial period	-	9,405
Disposal during the financial period	-	(9,934)
Fair value loss recorded in Income Statement	(1)	(23,118)
	<hr/>	<hr/>
At 31 May 2016	33	142,440
	<hr/> <hr/>	<hr/> <hr/>

Fair value hierarchy for financial and non financial instruments

A level is assigned to each fair value measurement based on the significance of the input to the fair value measurement in its entirety. The three-level hierarchy is defined as per Note 13 to the financial statements.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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13 FAIR VALUE MEASUREMENTS

Fair value measurements on a recurring basis

The Group and the Company measures at fair value financial instruments classified at fair value through profit or loss, available for sale securities portfolios, derivative assets and liabilities, investments held by investment funds which are consolidated, investments in non-consolidated investment funds and certain investment contract liabilities on a recurring basis. The fair value of a financial instrument is the amount that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The degree of judgement used in measuring the fair value of financial instruments generally correlates with the level of pricing observability. Financial instruments with quoted prices in active markets generally have more pricing observability and less judgement is used in measuring fair value. Conversely, financial instruments traded in other than active markets or that do not have quoted prices have less observability and are measured at fair value using valuation models or other pricing techniques that require more judgement. An active market is one in which transactions for the asset or liability being valued occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

An other than active market is one in which there are few transactions, the prices are not current, price quotations vary substantially either over time or among market makers, or in which little information is released publicly for the asset or liability being valued. Pricing observability is affected by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction and general market conditions.

The Group and the Company does not have assets or liabilities measured at fair value on a non-recurring basis during the period ended 31 May 2016.

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NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

13 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value measurements on a recurring basis (continued)

The following methods and assumptions were used by the Group and the Company to estimate the fair value of financial instruments.

Level 1 - Financial instruments 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 measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions 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 Group's own models whereby the majority of assumptions are market observable.

Level 3 - Financial instruments measured 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 is 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 at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the Group'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 Group's own data.

The Group and the Company's policy is to recognise transfers of assets and liabilities between Level 1 and Level 2 at their fair values as at the end of each reporting period, consistent with the date of the determination of fair value. Assets are transferred out of Level 1 when they are no longer transacted with sufficient frequency and volume in an active market. During the period ended 31 May 2016, there is no transfer of assets measured at fair value from Level 1 to Level 2. Conversely, assets are transferred from Level 2 to Level 1 when transaction volume and frequency are indicative of an active market. There is no transfer of assets from Level 2 to Level 1 during the period ended 31 May 2016.

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13 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value measurements on a recurring basis (continued)

The Group and the Company's Level 2 financial instruments include debt securities, deposits with licensed bank and Malaysian government guarantee loans. The fair values of Level 2 financial instruments are estimated using values obtained from private pricing services and brokers corroborated with internal review as necessary. When the quotes from third-party pricing services and brokers are not available, internal valuation techniques and observable inputs will be used to derive the fair value for the financial instruments.

Significant unobservable inputs for level 3 fair value measurements

As at 31 May 2016, the valuation techniques and applicable unobservable inputs used to measure the Group and the Company's level 3 financial instruments are summarised as follows:

<u>Description</u>	<u>Techniques</u>	<u>Valuation unobservable inputs</u>
Private equity funds	Net asset value	Net asset value
Common and preferred shares of private companies	Cost	Cost

Valuation processes

The Group has the valuation policies, procedures and analyses in place to govern the valuation of financial assets required for financial reporting purposes, including Level 3 fair values. In determining the fair values of financial assets, the Group in general uses third-party pricing providers and, only in rare cases when no third-party prices exist, will use prices derived from internal models. Chief Investment Officers of each business units are required to review the reasonableness of the prices used and report price exceptions, if any. Group Investment team analyses reported price exceptions and reviews price challenge responses from third party pricing providers and provides the final recommendation on the appropriate price to be used. Any changes in valuation policies are reviewed and approved by the Group Pricing Committee ("GPC") which is part of the Group's wider financial risk governance processes. Changes in Level 2 and 3 fair values are analysed at each reporting date.

A significant increase/(decrease) in any of the unobservable input may result in a significantly lower/(higher) fair value measurement. The Group has subscriptions to private pricing services for gathering such information. If the information from private pricing services is not available, the Group uses the proxy pricing method based on internally-developed valuation inputs.

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13 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value for assets and liabilities for which the fair value is disclosed at reporting date

A summary of fair value hierarchy of assets and liabilities not carried at fair value but for which the fair value is disclosed as at 31 May 2016 is given below.

Group

<u>At 31 May 2016</u>	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Assets for which the fair value is disclosed				
Financial assets				
Loans and receivables	-	93,325	4,819,432	4,912,757
Liabilities for which the fair value is disclosed				
Financial liabilities				
Insurance payables	-	-	5,466,947	5,466,947
Other payables	-	-	880,526	880,526
Total liabilities for which the fair value is disclosed	-	-	6,347,473	6,347,473
<u>At 30 November 2015</u>	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Assets for which the fair value is disclosed				
Financial assets				
Loans and receivables	-	101,065	4,473,071	4,574,136
Property for own use	-	-	395,930	395,930
Total assets for which the fair value is disclosed	-	101,065	4,869,001	4,970,066
Liabilities for which the fair value is disclosed				
Financial liabilities				
Insurance payables	-	-	5,273,062	5,273,062
Other payables	-	-	1,030,941	1,030,941
Total liabilities for which the fair value is disclosed	-	-	6,304,003	6,304,003

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13 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value for assets and liabilities for which the fair value is disclosed at reporting date
(continued)

Company

<u>At 31 May 2016</u>	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Assets for which the fair value is disclosed				
Financial assets				
Loans and receivables	-	93,325	4,795,949	4,889,274
Liabilities for which the fair value is disclosed				
Financial liabilities				
Insurance payables	-	-	5,466,947	5,466,947
Other payables	-	-	876,570	876,570
Total liabilities for which the fair value is disclosed	-	-	6,343,517	6,343,517
<u>At 30 November 2015</u>	<u>Level 1</u> <u>RM'000</u>	<u>Level 2</u> <u>RM'000</u>	<u>Level 3</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
Financial assets				
Loans and receivables	-	92,965	4,473,071	4,566,036
Property for own use	-	-	395,930	395,930
Total assets for which the fair value is disclosed	-	92,965	4,869,001	4,961,966
Financial liabilities				
Insurance payables	-	-	5,273,062	5,273,062
Other payables	-	-	1,018,376	1,018,376
Total liabilities for which the fair value is disclosed	-	-	6,291,438	6,291,438

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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14 REINSURANCE/RETAKAFUL ASSETS

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u>	<u>30.11.2015</u>	<u>31.05.2016</u>	<u>30.11.2015</u>
	RM'000	RM'000	RM'000	RM'000
Reinsurance/retakaful of insurance contracts/takaful contracts	98,812	88,430	98,812	88,430
Receivables within 12 months	98,812	88,430	98,812	88,430

15 INSURANCE/TAKAFUL CONTRACT LIABILITIES

<u>Group</u>	<u>Gross</u>	<u>Reinsurance</u>	<u>Net</u>
	RM'000	RM'000	RM'000
<u>At 31 May 2016</u>			
Life insurance/family takaful (Note A)	36,336,268	(81,388)	36,254,880
General insurance (Note B)	352,215	(17,424)	334,791
	<u>36,688,483</u>	<u>(98,812)</u>	<u>36,589,671</u>
<u>At 30 November 2015</u>			
Life insurance/family takaful (Note A)	35,339,656	(70,166)	35,269,490
General insurance (Note B)	351,979	(18,264)	333,715
	<u>35,691,635</u>	<u>(88,430)</u>	<u>35,603,205</u>
<u>At 1 December 2014</u>			
Life insurance/family takaful (Note A)	34,335,199	(76,887)	34,258,312
General insurance (Note B)	575,290	(18,076)	557,214
	<u>34,910,489</u>	<u>(94,963)</u>	<u>34,815,526</u>

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15 **INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)**

<u>Company</u>	<u>Gross</u> <u>RM'000</u>	<u>Reinsurance</u> <u>RM'000</u>	<u>Net</u> <u>RM'000</u>
<u>At 31 May 2016</u>			
Life insurance/family takaful (Note A)	36,311,734	(81,388)	36,230,346
General insurance (Note B)	352,215	(17,424)	334,791
	<u>36,663,949</u>	<u>(98,812)</u>	<u>36,565,137</u>
<u>At 30 November 2015</u>			
Life insurance/family takaful (Note A)	35,314,979	(70,166)	35,244,813
General insurance (Note B)	351,979	(18,264)	333,715
	<u>35,666,958</u>	<u>(88,430)</u>	<u>35,578,528</u>
<u>At 1 December 2014</u>			
Life insurance/family takaful (Note A)	34,310,975	(76,887)	34,234,088
General insurance (Note B)	575,290	(18,076)	557,214
	<u>34,886,265</u>	<u>(94,963)</u>	<u>34,791,302</u>
	<u>Group</u>		<u>Company</u>
	<u>31.05.2016</u>	<u>30.11.2015</u>	<u>31.05.2016</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Current	1,203,096	1,347,505	1,203,096
Non current	35,485,387	34,344,130	35,460,853
	<u>36,688,483</u>	<u>35,691,635</u>	<u>36,663,949</u>
			<u>35,666,958</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful

The life insurance/family takaful contract liabilities and its movements are further analysed as follows:

(i) Life insurance/family takaful contract liabilities

Group	Gross RM'000	Reinsurance RM'000	Net RM'000
<u>At 31 May 2016</u>			
Claims liabilities	283,834	(25,655)	258,179
Actuarial liabilities	28,924,631	(55,733)	28,868,898
Unallocated surplus	2,447,859	-	2,447,859
Asset revaluation reserve	142,292	-	142,292
Net asset value attributable to unitholders/participants	4,537,652	-	4,537,652
	<u>36,336,268</u>	<u>(81,388)</u>	<u>36,254,880</u>
<u>At 30 November 2015</u>			
Claims liabilities	305,135	(18,821)	286,314
Actuarial liabilities	28,466,591	(51,345)	28,415,246
Unallocated surplus	2,168,530	-	2,168,530
Net asset value attributable to unitholders/participants	4,399,400	-	4,399,400
	<u>35,339,656</u>	<u>(70,166)</u>	<u>35,269,490</u>
<u>At 1 December 2014</u>			
Claims liabilities	236,125	(19,283)	216,842
Actuarial liabilities	27,320,986	(57,604)	27,263,382
Unallocated surplus	2,642,100	-	2,642,100
Net asset value attributable to unitholders/participants	4,135,988	-	4,135,988
	<u>34,335,199</u>	<u>(76,887)</u>	<u>34,258,312</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful (continued)

The life insurance/family takaful contract liabilities and its movements are further analysed as follows:

(i) Life insurance/family takaful contract liabilities (continued)

<u>Company</u>	<u>Gross RM'000</u>	<u>Reinsurance RM'000</u>	<u>Net RM'000</u>
<u>At 31 May 2016</u>			
Claims liabilities	283,834	(25,655)	258,179
Actuarial liabilities	28,924,631	(55,733)	28,868,898
Unallocated surplus	2,423,325	-	2,423,325
Asset revaluation reserve	142,292	-	142,292
Net asset value attributable to unitholders	4,537,652	-	4,537,652
	<u>36,311,734</u>	<u>(81,388)</u>	<u>36,230,346</u>
<u>At 30 November 2015</u>			
Claims liabilities	305,135	(18,821)	286,314
Actuarial liabilities	28,466,591	(51,345)	28,415,246
Unallocated surplus	2,143,853	-	2,143,853
Net asset value attributable to unitholders	4,399,400	-	4,399,400
	<u>35,314,979</u>	<u>(70,166)</u>	<u>35,244,813</u>
<u>At 1 December 2014</u>			
Claims liabilities	236,125	(19,283)	216,842
Actuarial liabilities	27,320,986	(57,604)	27,263,382
Unallocated surplus	2,617,876	-	2,617,876
Net asset value attributable to unitholders/participants	4,135,988	-	4,135,988
	<u>34,310,975</u>	<u>(76,887)</u>	<u>34,234,088</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful (continued)

(ii) Movements of life insurance/family takaful contract liabilities

<u>Group</u>	Gross		
	<u>With DPF RM'000</u>	<u>Without DPF RM'000</u>	<u>Total RM'000</u>
At 1 December 2015	26,661,111	8,678,545	35,339,656
Policy movement	423,174	18,100	441,274
Movement in claim liabilities	11,559	(32,860)	(21,301)
Model refinement	-	3,213	3,213
Adjustments due to changes in assumptions:			
Discount rate	(77,341)	136,094	58,753
Change in asset value attributable to unitholders/participants	-	138,252	138,252
Change in asset revaluation reserve	142,292	-	142,292
Change in bonus	-	-	-
Others	-	(45,200)	(45,200)
Unallocated surplus	279,329	-	279,329
At 31 May 2016	<u>27,440,124</u>	<u>8,896,144</u>	<u>36,336,268</u>

<u>Group</u>	Reinsurance		
	<u>With DPF RM'000</u>	<u>Without DPF RM'000</u>	<u>Total RM'000</u>
At 1 December 2015	(19,870)	(50,296)	(70,166)
Policy movement	(2,441)	(1,947)	(4,388)
Movement in claim liabilities	58	(6,892)	(6,834)
At 31 May 2016	<u>(22,253)</u>	<u>(59,135)</u>	<u>(81,388)</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful (continued)

(ii) Movements of life insurance/family takaful contract liabilities (continued)

<u>Group</u>	Gross		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2014	26,210,599	8,091,979	34,302,578
Effect of change in accounting policy (note 3.2)	32,621	-	32,621
At 1 December 2014 (as restated)	26,243,220	8,091,979	34,335,199
Portfolios transferred of long term health policies from			
General insurance to Life business	-	203,471	203,471
Policy movement	1,035,595	171,045	1,206,640
Movement in claim liabilities	(21,058)	88,268	67,210
Model refinement	24	-	24
Adjustments due to changes in assumptions:			
Discount rate	(45,425)	(179,670)	(225,095)
Change in asset value attributable to unitholders/participants	-	263,412	263,412
Change in bonus	(77,675)	-	(77,675)
Others	-	40,040	40,040
Unallocated surplus	(473,570)	-	(473,570)
At 30 November 2015	26,661,111	8,678,545	35,339,656

<u>Group</u>	Reinsurance		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2014	(16,506)	(60,381)	(76,887)
Policy movement	(1,467)	7,726	6,259
Movement in claim liabilities	(1,897)	2,359	462
At 30 November 2015	(19,870)	(50,296)	(70,166)

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful (continued)

(ii) Movements of life insurance/family takaful contract liabilities (continued)

<u>Company</u>	Gross		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2015	26,636,434	8,678,545	35,314,979
Policy movement	423,174	18,100	441,274
Movement in claim liabilities	11,559	(32,860)	(21,301)
Model refinement	-	3,213	3,213
Adjustments due to changes in assumptions:			
Discount rate	(77,341)	136,094	58,753
Change in asset value attributable to unitholders	-	138,252	138,252
Change in asset revaluation reserve	142,292	-	142,292
Unallocated surplus	279,472	-	279,472
Others	-	(45,200)	(45,200)
At 31 May 2016	<u>27,415,590</u>	<u>8,896,144</u>	<u>36,311,734</u>

<u>Company</u>	Reinsurance		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2015	(19,870)	(50,296)	(70,166)
Policy movement	(2,441)	(1,947)	(4,388)
Movement in claim liabilities	58	(6,892)	(6,834)
At 31 May 2016	<u>(22,253)</u>	<u>(59,135)</u>	<u>(81,388)</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(A) Life Insurance/Family Takaful (continued)

(ii) Movements of life insurance/family takaful contract liabilities (continued)

<u>Company</u>	Gross		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2014	26,186,375	8,091,979	34,278,354
Effect of change in accounting policy (note 3.2)	32,621	-	32,621
At 1 December 2014 (as restated)	26,218,996	8,091,979	34,310,975
Portfolios transferred of long term health policies from			
General insurance to Life business	-	203,471	203,471
Policy movement	1,035,595	171,045	1,206,640
Movement in claim liabilities	(21,058)	88,268	67,210
Model refinement	24	-	24
Adjustments due to changes in assumptions:			
Discount rate	(45,425)	(179,670)	(225,095)
Change in asset value attributable to unitholders	-	263,412	263,412
Change in bonus	(77,675)	-	(77,675)
Unallocated surplus	(474,023)	-	(474,023)
Others	-	40,040	40,040
At 30 November 2015	26,636,434	8,678,545	35,314,979

<u>Company</u>	Reinsurance		
	With DPF RM'000	Without DPF RM'000	Total RM'000
At 1 December 2014	(16,506)	(60,381)	(76,887)
Policy movement	(1,467)	7,726	6,259
Movement in claim liabilities	(1,897)	2,359	462
At 30 November 2015	(19,870)	(50,296)	(70,166)

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(B) General Insurance

Group and Company

	<u>Gross</u> RM'000	<u>Reinsurance</u> RM'000	<u>Net</u> RM'000
<u>At 31 May 2016</u>			
Provision for claims reported by policyholders	136,904	(9,146)	127,758
Provision for incurred but not reported claims ("IBNR")	84,544	(2,469)	82,075
Claim liabilities (i)	221,448	(11,615)	209,833
Premium liabilities (ii)	130,767	(5,809)	124,958
	<u>352,215</u>	<u>(17,424)</u>	<u>334,791</u>
<u>At 30 November 2015</u>			
Provision for claims reported by policyholders	122,480	(8,023)	114,457
Provision for incurred but not reported claims ("IBNR")	97,604	(3,543)	94,061
Claim liabilities (i)	220,084	(11,566)	208,518
Premium liabilities (ii)	131,895	(6,698)	125,197
	<u>351,979</u>	<u>(18,264)</u>	<u>333,715</u>
<u>At 1 December 2014</u>			
Provision for claims reported by policyholders	129,443	(9,303)	120,140
Provision for incurred but not reported claims ("IBNR")	110,812	(3,301)	107,511
Claim liabilities (i)	240,255	(12,604)	227,651
Premium liabilities (ii)	335,035	(5,472)	329,563
	<u>575,290</u>	<u>(18,076)</u>	<u>557,214</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(B) General Insurance (continued)

(i) Claim liabilities

Group and Company

	<u>Gross</u> RM'000	<u>Reinsurance</u> RM'000	<u>Net</u> RM'000
At 1 December 2015	220,084	(11,566)	208,518
Claims incurred in the current accident year	107,934	(2,040)	105,894
Movement in claims incurred in prior accident years	(35,620)	(922)	(36,542)
Claims paid during the financial period	(59,062)	2,543	(56,519)
Others	(11,710)	-	(11,710)
Change in expense liabilities and risk margin	(178)	370	192
At 31 May 2016	<u>221,448</u>	<u>(11,615)</u>	<u>209,833</u>
At 1 December 2014	240,255	(12,604)	227,651
Claims incurred in the current accident year	170,847	(5,974)	164,873
Movement in claims incurred in prior accident years	(14,084)	(5,199)	(19,283)
Claims paid during the financial year	(178,612)	11,673	(166,939)
Others	3,425	-	3,425
Change in expense liabilities and risk margin	53	538	591
Portfolios transferred of long term health policies from General insurance to Life business	(1,800)	-	(1,800)
At 30 November 2015	<u>220,084</u>	<u>(11,566)</u>	<u>208,518</u>

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15 INSURANCE/TAKAFUL CONTRACT LIABILITIES (CONTINUED)

(B) General Insurance (continued)

(ii) Premium liabilities

Group and Company

	Gross RM'000	Reinsurance RM'000	Net RM'000
At 1 December 2015	131,895	(6,698)	125,197
Premiums written in the financial period	158,345	(10,267)	148,078
Premium earned during the financial period	(159,473)	11,156	(148,317)
At 31 May 2016	<u>130,767</u>	<u>(5,809)</u>	<u>124,958</u>
At 1 December 2014	335,035	(5,472)	329,563
Premiums written in the financial year	341,574	(34,383)	307,191
Premium earned during the financial year	(343,043)	33,157	(309,886)
Portfolios transferred of long term health policies from General insurance to Life business	(201,671)	-	(201,671)
At 30 November 2015	<u>131,895</u>	<u>(6,698)</u>	<u>125,197</u>

Company No.

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AIA BHD.
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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

16 CAPITAL COMMITMENTS

	Group and Company	
	31.05.2016	30.11.2015
	RM'000	RM'000
<u>Approved and contracted for:</u>		
Property and equipment	3,308	13,091
Intangible assets	4,153	15,052
Investments	444,052	332,833
	<u>451,513</u>	<u>360,976</u>
<u>Approved but not contracted for:</u>		
Property and equipment	2,237	2,626
Intangible assets	20,826	19,395
	<u>23,063</u>	<u>22,021</u>
	<u><u>474,576</u></u>	<u><u>382,997</u></u>

17 REGULATORY CAPITAL REQUIREMENT

The capital structure of the Company as at 31 May 2016, as prescribed under the Risk-Based Capital Framework is provided below:

	Company	
	31.05.2016	30.11.2015
	RM'000	RM'000
Eligible Tier 1 Capital		
Share capital (paid up)	767,438	767,438
Share premium	683,452	683,452
Reserves, including retained earnings	12,233,055	12,791,090
	<u>13,683,945</u>	<u>14,241,980</u>
Tier 2 Capital		
Available-for-sale fair value reserves	269,403	(6,863)
	<u>269,403</u>	<u>(6,863)</u>
Amount deducted from capital	(230,338)	(262,876)
Total Capital Available	<u><u>13,723,010</u></u>	<u><u>13,972,241</u></u>

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS

The Group and the Company's principal activities are organised by funds and segregated into Shareholders, General, Life, Family Takaful and Investment-linked funds in accordance with the Financial Services Act, 2013 and Insurance Regulations, 1996.

The Group and the Company's Statements of Financial Position, Income Statements and information on cash flows have been further analysed by funds and the Shareholders' and General Funds have been presented together as one fund.

The life insurance/family takaful business offers a wide range of participating and non-participating Whole Life, Term Assurance, Endowment as well as Investment-linked products.

The General insurance business offers general insurance products which include Personal Accident, Medical, Motor and Fire.

Individual funds' revenue, expense, assets and liabilities are those amounts resulting from the operating activities of the respective funds that are directly attributable to the respective funds and the relevant portion that can be allocated on a reasonable basis to the respective funds. Individual fund's revenue, expense, assets and liabilities are determined before inter-fund balances and inter-fund transactions are eliminated as part of the consolidation process.

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016

<u>AT 31 MAY 2016</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Group</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>RM'000</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Assets</u>				
Property, plant and equipment	1,203	468,910	-	470,113
Investment properties	-	377,900	-	377,900
Prepaid land lease payments	604	608	-	1,212
Intangible assets	5,456	72,259	-	77,715
Investment in subsidiaries	-	-	-	-
Investment in associate	25,978	24,622	-	50,600
Available-for-sale financial assets	1,745,677	6,042,193	-	7,787,870
Fair value through profit or loss financial assets	5,394	33,153,823	-	33,159,217
Loans and receivables	3,253,840	4,681,139	(3,136,180)	4,798,799
Reinsurance/retakaful assets	17,424	81,388	-	98,812
Insurance/takaful receivables	64,185	345,393	-	409,578
Cash and cash equivalents	35,849	523,156	-	559,005
Total assets	5,155,610	45,771,391	(3,136,180)	47,790,821
<u>Equity and liabilities</u>				
Total equity	4,198,659	-	-	4,198,659
Insurance/takaful contract liabilities	352,215	36,336,268	-	36,688,483
Deferred tax liabilities	525,279	21,059	-	546,338
Insurance/takaful payables	27,108	5,439,839	-	5,466,947
Current tax liabilities	(36,933)	46,801	-	9,868
Other payables	89,282	3,927,424	(3,136,180)	880,526
Total liabilities	956,951	45,771,391	(3,136,180)	43,592,162
Total equity and liabilities	5,155,610	45,771,391	(3,136,180)	47,790,821

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016 (CONTINUED)

<u>AT 30 NOVEMBER 2015</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Group</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>RM'000</u>
	RM'000	RM'000	RM'000	RM'000
<u>Assets</u>				
Property, plant and equipment	1,355	297,961	-	299,316
Investment properties	-	377,900	-	377,900
Prepaid land lease payments	607	617	-	1,224
Intangible assets	6,104	66,384	-	72,488
Investment in subsidiaries	-	-	-	-
Investment in associate	26,691	24,786	-	51,477
Available-for-sale financial assets	1,755,306	6,222,745	-	7,978,051
Fair value through profit or loss financial assets	-	32,316,487	-	32,316,487
Loans and receivables	3,555,304	4,588,989	(3,456,189)	4,688,104
Reinsurance/retakaful assets	18,264	70,166	-	88,430
Insurance/takaful receivables	72,846	423,849	-	496,695
Cash and cash equivalents	79,719	664,339	-	744,058
Total assets	5,516,196	45,054,223	(3,456,189)	47,114,230
<u>Equity and liabilities</u>				
Total equity	4,618,365	-	-	4,618,365
Insurance/takaful contract liabilities	351,979	35,339,656	-	35,691,635
Deferred tax liabilities	462,336	(17,182)	-	445,154
Insurance/takaful payables	29,836	5,243,226	-	5,273,062
Current tax liabilities	10,720	44,353	-	55,073
Other payables	42,960	4,444,170	(3,456,189)	1,030,941
Total liabilities	897,831	45,054,223	(3,456,189)	42,495,865
Total equity and liabilities	5,516,196	45,054,223	(3,456,189)	47,114,230

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016 (CONTINUED)

<u>AT 1 DECEMBER 2014</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Group</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>RM'000</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Assets</u>				
Property, plant and equipment	1,888	308,643	(67)	310,464
Investment properties	-	377,200	-	377,200
Prepaid land lease payments	615	635	-	1,250
Intangible assets	829	57,669	-	58,498
Investment in associate	29,917	24,333	-	54,250
Available-for-sale financial assets	2,324,013	6,045,289	-	8,369,302
Fair value through profit or loss financial assets	14,535	31,356,846	-	31,371,381
Loans and receivables	3,279,297	4,443,168	(3,198,323)	4,524,142
Reinsurance/retakaful assets	18,076	76,887	-	94,963
Insurance/takaful receivables	127,643	331,606	-	459,249
Cash and cash equivalents	44,202	523,340	-	567,542
Total assets	5,841,015	43,545,616	(3,198,390)	46,188,241
<u>Equity and liabilities</u>				
Total equity	4,531,160	-	(67)	4,531,093
Insurance/takaful contract liabilities	575,290	34,335,199	-	34,910,489
Deferred tax liabilities	440,036	46,218	-	486,254
Insurance/takaful payables	30,098	4,762,783	-	4,792,881
Current tax liabilities	27,973	46,198	-	74,171
Other payables	243,584	4,348,092	(3,198,323)	1,393,353
Total liabilities	1,316,981	43,538,490	(3,198,323)	41,657,148
Total equity and liabilities	5,848,141	43,538,490	(3,198,390)	46,188,241

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016 (CONTINUED)

<u>AT 31 MAY 2016</u>	<u>Shareholders'</u>	<u>Life/</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Company</u>	<u>and</u>	<u>Family</u>	<u>Elimination</u>	<u>Total</u>
	<u>General Fund</u>	<u>Takaful Fund</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Assets</u>	<u>RM'000</u>	<u>RM'000</u>		
Property, plant and equipment	980	468,910	-	469,890
Investment properties	-	377,900	-	377,900
Prepaid land lease payments	604	608	-	1,212
Intangible assets	5,079	72,259	-	77,338
Investment in subsidiaries	153,000	-	-	153,000
Investment in associate	-	88	-	88
Available-for-sale financial assets	1,682,983	6,042,193	-	7,725,176
Fair value through profit or loss financial assets	5,394	33,153,823	-	33,159,217
Loans and receivables	3,230,358	4,681,137	(3,136,180)	4,775,315
Reinsurance/retakaful assets	17,424	81,388	-	98,812
Insurance/takaful receivables	64,185	345,393	-	409,578
Cash and cash equivalents	28,874	523,156	-	552,030
Total assets	5,188,881	45,746,855	(3,136,180)	47,799,556
<u>Equity and liabilities</u>				
Total equity	4,236,114	-	-	4,236,114
Insurance/takaful contract liabilities	352,215	36,311,734	-	36,663,949
Deferred tax liabilities	524,796	21,059	-	545,855
Insurance/takaful payables	27,108	5,439,839	-	5,466,947
Current tax liabilities	(36,680)	46,801	-	10,121
Other payables	85,328	3,927,422	(3,136,180)	876,570
Total liabilities	952,767	45,746,855	(3,136,180)	43,563,442
Total equity and liabilities	5,188,881	45,746,855	-	47,799,556

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016 (CONTINUED)

<u>AT 30 NOVEMBER 2015</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Company</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>RM'000</u>
<u>Assets</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Property, plant and equipment	902	297,982	-	298,884
Investment properties	-	377,900	-	377,900
Prepaid land lease payments	607	617	-	1,224
Intangible assets	5,576	66,384	-	71,960
Investment in subsidiaries	153,000	-	-	153,000
Investment in associate	-	88	-	88
Available-for-sale financial assets	1,693,701	6,222,745	-	7,916,446
Fair value through profit or loss financial assets	-	32,316,487	-	32,316,487
Loans and receivables	3,546,569	4,588,989	(3,456,189)	4,679,369
Reinsurance/retakaful assets	18,264	70,166	-	88,430
Insurance/takaful receivables	72,846	423,849	-	496,695
Cash and cash equivalents	49,360	664,339	-	713,699
Total assets	5,540,825	45,029,546	(3,456,189)	47,114,182
<u>Equity and liabilities</u>				
Total equity	4,655,344	-	-	4,655,344
Insurance/takaful contract liabilities	351,979	35,314,979	-	35,666,958
Deferred tax liabilities	462,336	(17,182)	-	445,154
Insurance/takaful payables	29,836	5,243,226	-	5,273,062
Current tax liabilities	10,935	44,353	-	55,288
Other payables	30,395	4,444,170	(3,456,189)	1,018,376
Total liabilities	885,481	45,029,546	(3,456,189)	42,458,838
Total equity and liabilities	5,540,825	45,029,546	(3,456,189)	47,114,182

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION BY FUNDS AS AT 31 MAY 2016 (CONTINUED)

<u>AT 1 DECEMBER 2014</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	<u>Total</u>
<u>Company</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>Total</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Assets</u>				
Property, plant and equipment	990	308,664	-	309,654
Investment properties	-	377,200	-	377,200
Prepaid land lease payments	615	635	-	1,250
Intangible assets	75	57,669	-	57,744
Investment in subsidiaries	143,000	-	-	143,000
Investment in associate	-	88	-	88
Available-for-sale financial assets	2,262,051	6,045,289	-	8,307,340
Fair value through profit or loss financial assets	-	31,356,845	-	31,356,845
Loans and receivables	3,279,153	4,443,168	(3,198,323)	4,523,998
Reinsurance/retakaful assets	18,076	76,887	-	94,963
Insurance/takaful receivables	127,643	331,606	-	459,249
Cash and cash equivalents	27,134	523,341	-	550,475
Total assets	5,858,737	43,521,392	(3,198,323)	46,181,806
<u>Equity and liabilities</u>				
Total equity	4,566,299	-	-	4,566,299
Insurance/takaful contract liabilities	575,290	34,310,975	-	34,886,265
Deferred tax liabilities	440,036	46,218	-	486,254
Insurance/takaful payables	30,098	4,762,783	-	4,792,881
Current tax liabilities	28,135	46,198	-	74,333
Other payables	226,005	4,348,092	(3,198,323)	1,375,774
Total liabilities	1,299,564	43,514,266	(3,198,323)	41,615,507
Total equity and liabilities	5,865,863	43,514,266	(3,198,323)	46,181,806

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

<u>31 MAY 2016</u>	Shareholders' and General Fund	Life/ Family Takaful Fund	Inter-fund Elimination	Total
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Gross earned premiums/contributions	156,860	3,833,910	-	3,990,770
Premiums/contributions ceded to reinsurers/retakaful operators	(11,156)	(213,708)	-	(224,864)
Net earned premiums/contributions revenue	145,704	3,620,202	-	3,765,906
Investment income	41,214	981,308	-	1,022,522
Net realised losses	(279)	(413)	-	(692)
Fair value (losses)/gains	(12)	240,103	-	240,091
Other operating income	6,632	12,741	(122)	19,251
Total net revenue	193,259	4,853,941	(122)	5,047,078
Gross benefits and claims paid	(59,063)	(3,076,378)	-	(3,135,441)
Claims ceded to reinsurers/retakaful operators	2,541	89,037	-	91,578
Gross change to insurance/takaful contract liabilities	(1,364)	(854,320)	-	(855,684)
Change in insurance/takaful contract liabilities ceded to reinsurers/retakaful operators	49	11,222	-	11,271
Net insurance/takaful benefits and claims	(57,837)	(3,830,439)	-	(3,888,276)

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

<u>31 MAY 2016</u>	Shareholders' and General Fund	Life/ Family Takaful Fund	Inter-fund Elimination	Total
<u>Group (continued)</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Fee and commission expenses	(30,321)	(370,145)	-	(400,466)
Management expenses	(53,140)	(343,490)	122	(396,508)
Other expenses	(83,461)	(713,635)	122	(796,974)
Profit before share of profit/(loss) from associate	51,961	309,867	-	361,828
Share of loss from associate	(888)	(164)	-	(1,052)
Profit before tax	51,073	309,703	-	360,776
Tax expense attributable to policyholders and unitholders	-	(75,778)	-	(75,778)
Profit before tax attributable to shareholders	51,073	233,925	-	284,998
Transfer from Revenue Accounts	233,925	(233,925)	-	-
Profit before tax attributable to shareholders	284,998	-	-	284,998
Tax expense attributable to shareholders	(67,805)	-	-	(67,805)
Profit for the period	217,193	-	-	217,193

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF COMPREHENSIVE INCOME BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

31 MAY 2016	Shareholders' and General Fund	Life/ Family Takaful Fund	Inter-fund Elimination	Total
Group (continued)	RM'000	RM'000	RM'000	RM'000
Profit for the period	217,193	-	-	217,193
Other comprehensive income/(loss):				
Item that may be subsequently <u>reclassified to profit or loss</u>				
Change in available-for-sale fair value reserves:	87,515	-	-	87,515
Net gain arising during the period	113,660	-	-	113,660
Net realised loss transferred to Income Statement	723	-	-	723
Deferred taxation	(26,868)	-	-	(26,868)
Share of other comprehensive income from associate	175	-	-	175
Items that will not be subsequently <u>reclassified to profit or loss</u>				
Change in asset revaluation reserves:	27,412	-	-	27,412
Net gain arising during the period	176,376	-	-	176,376
Deferred taxation	(6,672)	-	-	(6,672)
Change in insurance/takaful contract liabilities	(142,292)	-	-	(142,292)
Other comprehensive income – net of tax, for the period	115,102	-	-	115,102
Total comprehensive income for the period	332,295	-	-	332,295

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
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18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF- YEAR ENDED 31 MAY 2016

<u>31 May 2015</u>	Shareholders' and General Fund	Life/ Family Takaful Fund	Inter-fund Elimination	Total
<u>Group</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Gross earned premiums/contributions	179,525	3,573,054	-	3,752,579
Premiums/contributions ceded to reinsurers/retakaful operators	(21,672)	(199,790)	-	(221,462)
Net earned premiums/contributions revenue	157,853	3,373,264	-	3,531,117
Investment income	47,077	930,468	-	977,545
Net realised losses	(6,153)	(374)	-	(6,527)
Fair value gains	27	125,364	-	125,391
Other operating (expenses)/income	(10,625)	4,794	(154)	(5,985)
Total net revenue	188,179	4,433,516	(154)	4,621,541
Gross benefits and claims paid	(99,175)	(2,356,723)	-	(2,455,898)
Claims ceded to reinsurers/retakaful operators	4,736	111,538	-	116,274
Gross change to insurance/takaful contract liabilities	(6,614)	(1,121,129)	-	(1,127,743)
Change in insurance/takaful contract liabilities ceded to reinsurers/retakaful operators	(5,351)	1,065	-	(4,286)
Net insurance/takaful benefits and claims	(106,404)	(3,365,249)	-	(3,471,653)
Fee and commission expenses	(35,143)	(356,283)	-	(391,426)
Management expenses	(57,352)	(322,758)	154	(379,956)
Other expenses	(92,495)	(679,041)	154	(771,382)

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

<u>31 MAY 2015</u>	<u>Shareholders' and General Fund</u>	<u>Life/ Family Takaful Fund</u>	<u>Inter-fund Elimination</u>	<u>Total</u>
<u>Group (continued)</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit before share of profit/(loss) from associate	(10,720)	389,226	-	378,506
Share of (loss)/profit from associate	(1,882)	81	-	(1,801)
Profit before tax	(12,602)	389,307	-	376,705
Tax expense attributable to policyholders and unitholders	-	(61,413)	-	(61,413)
Profit before tax attributable to shareholders	(12,602)	327,894	-	315,292
Transfer from Revenue Accounts	327,894	(327,894)	-	-
Profit before tax attributable to shareholders	315,292	-	-	315,292
Tax expense attributable to shareholders	(69,494)	-	-	(69,494)
Profit for the period	245,798	-	-	245,798

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF COMPREHENSIVE INCOME BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

<u>31 MAY 2015</u>	<u>Shareholders' and General Fund</u>	<u>Life/ Family Takaful Fund</u>	<u>Inter-fund Elimination</u>	<u>Total</u>
<u>Group (continued)</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period	245,798	-	-	245,798
Other comprehensive income/(loss):				
Item that may be subsequently <u>reclassified to profit or loss</u>				
Change in available-for-sale fair value reserves:	43,106	-	-	43,106
Net gain arising during the period	50,163	-	-	50,163
Net realised loss transferred to Income Statement	6,527	-	-	6,527
Deferred taxation	(13,584)	-	-	(13,584)
Share of other comprehensive income from associate	168	-	-	168
Other comprehensive income – net of tax, for the period	43,274	-	-	43,274
Total comprehensive income for the period	289,072	-	-	289,072

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

31 MAY 2016

<u>Company</u>	Shareholders' and <u>General Fund</u> RM'000	<u>Life Fund</u> RM'000	<u>Inter-fund Elimination</u> RM'000	<u>Total</u> RM'000
Gross earned premiums	156,860	3,833,910	-	3,990,770
Premiums ceded to reinsurers	(11,156)	(213,708)	-	(224,864)
Net earned premiums	145,704	3,620,202	-	3,765,906
Investment income	39,372	981,308	-	1,020,680
Net realised losses	(258)	(434)	-	(692)
Fair value gains	(12)	240,103	-	240,091
Other operating income	4,686	12,744	-	17,430
Total net revenue	189,492	4,853,923	-	5,043,415
Gross benefits and claims paid	(59,063)	(3,076,378)	-	(3,135,441)
Claims ceded to reinsurers	2,541	89,037	-	91,578
Gross change to insurance contract liabilities	(1,364)	(854,463)	-	(855,827)
Change in insurance contract liabilities ceded to reinsurers	49	11,222	-	11,271
Net insurance benefits and claims	(57,837)	(3,830,582)	-	(3,888,419)
Fee and commission expenses	(29,138)	(370,145)	-	(399,283)
Management expenses	(50,168)	(343,489)	-	(393,657)
Other expenses	(79,306)	(713,634)	-	(792,940)

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

<u>31 MAY 2016</u>	<u>Shareholders' and General Fund</u>	<u>Life Fund</u>	<u>Inter-fund Elimination</u>	<u>Total</u>
<u>Company (continued)</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit before tax	52,349	309,707	-	362,056
Tax expense attributable to policyholders and unitholders	-	(75,778)	-	(75,778)
Profit before tax attributable to shareholders	52,349	233,929	-	286,278
Transfer from Revenue Accounts	233,929	(233,929)	-	-
Profit before tax attributable to shareholders	286,278	-	-	286,278
Tax expense attributable to shareholders	(67,404)	-	-	(67,404)
Profit for the period	218,874	-	-	218,874

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF COMPREHENSIVE INCOME BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

<u>31 MAY 2016</u>	<u>Shareholders' and General Fund</u>	<u>Life/ Family Takaful Fund</u>	<u>Inter-fund Elimination</u>	<u>Total</u>
<u>Company</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit for the period	218,874	-	-	218,874
Other comprehensive income/(loss):				
Item that may be subsequently reclassified to profit or loss				
Change in available-for-sale fair value reserves:				
	86,485	-	-	86,485
Net gain arising during the period	112,458	-	-	112,458
Net realised loss transferred to Income Statement	723	-	-	723
Deferred taxation	(26,696)	-	-	(26,696)
Items that will not be subsequently reclassified to profit or loss				
Change in asset revaluation reserves:				
	27,412	-	-	27,412
Net gain arising during the period	176,376	-	-	176,376
Deferred taxation	(5,972)	-	-	(5,972)
Change in insurance contract liabilities	(142,992)	-	-	(142,992)
Other comprehensive income – net of tax, for the period	113,897	-	-	113,897
Total comprehensive income for the period	332,771	-	-	332,771

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016

<u>31 MAY 2015</u>	Shareholders' and		Inter-fund	
<u>Company</u>	<u>General Fund</u>	<u>Life Fund</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums	179,525	3,573,054	-	3,752,579
Premiums ceded to reinsurers	(21,672)	(199,790)	-	(221,462)
Net earned premiums	157,853	3,373,264	-	3,531,117
Investment income	45,422	930,468	-	975,890
Net realised losses	(6,153)	(374)	-	(6,527)
Fair value gains	-	125,364	-	125,364
Other operating expenses/(income)	(11,009)	4,794	-	(6,215)
Total net revenue	186,113	4,433,516	-	4,619,629
Gross benefits and claims paid	(99,175)	(2,356,723)	-	(2,455,898)
Claims ceded to reinsurers	4,736	111,538	-	116,274
Gross change to insurance contract liabilities	(6,614)	(1,121,052)	-	(1,127,666)
Change in insurance contract liabilities ceded to reinsurers	(5,351)	1,065	-	(4,286)
Net insurance benefits and claims	(106,404)	(3,365,172)	-	(3,471,576)
Fee and commission expenses	(35,094)	(356,283)	-	(391,377)
Management expenses	(53,565)	(322,755)	-	(376,320)
Other expenses	(88,659)	(679,038)	-	(767,697)
Profit before tax	(8,950)	389,306	-	380,356
Tax expense attributable to policyholders and unitholders	-	(61,413)	-	(61,413)
Profit before tax attributable to shareholders	(8,950)	327,893	-	318,943
Transfer from Revenue Accounts	327,893	(327,893)	-	-

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

INCOME STATEMENTS BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)

<u>31 MAY 2015</u>	<u>Shareholders'</u> <u>and</u>		<u>Inter-fund</u>	
<u>Company</u> (continued)	<u>General Fund</u>	<u>Life Fund</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Profit before tax attributable to shareholders	318,943	-	-	318,943
Tax expense attributable to shareholders	(69,939)	-	-	(69,939)
Profit for the period	249,004	-	-	249,004

STATEMENTS OF COMPREHENSIVE INCOME BY FUNDS FOR THE HALF-YEAR ENDED 31 MAY 2015

<u>31 MAY 2015</u>	<u>Shareholders'</u> <u>and</u>	<u>Life/</u> <u>Family</u>	<u>Inter-fund</u>	
<u>Company</u>	<u>General Fund</u>	<u>Takaful Fund</u>	<u>Elimination</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
Profit for the period	249,004	-	-	249,004
Other comprehensive income/(loss):				
Item that may be subsequently reclassified to profit or loss				
Change in available-for-sale fair value reserves:				
Net gain arising during the period	43,849	-	-	43,849
Net realised loss transferred to Income Statement	49,595	-	-	49,595
Deferred taxation	6,527	-	-	6,527
	(13,273)	-	-	(13,273)
Other comprehensive income – net of tax, for the period	42,849	-	-	42,849
Total comprehensive income for the period	291,853	-	-	291,853

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**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 MAY 2016 (CONTINUED)**

18 INSURANCE/TAKAFUL FUNDS (CONTINUED)

STATEMENTS OF FINANCIAL POSITION FOR INVESTMENT-LINKED FUNDS AS AT 31 MAY 2016

	<u>Group and Company</u>	
	<u>2016</u>	<u>2015</u>
	RM'000	RM'000
<u>Assets</u>		
Fair value through profit and loss financial assets	4,304,617	4,141,041
Other receivables	12,867	9,277
Cash and cash equivalents	244,377	311,143
Total assets	<u>4,561,861</u>	<u>4,461,461</u>
<u>Less: Liabilities</u>		
Other payables	12,905	42,665
Deferred tax liabilities	8,748	17,251
Current tax liabilities	2,557	2,145
Total liabilities	<u>24,210</u>	<u>62,061</u>
Net asset value of funds	<u><u>4,537,651</u></u>	<u><u>4,399,400</u></u>

**INCOME STATEMENTS FOR INVESTMENT-LINKED FUNDS FOR THE HALF-YEAR ENDED
31 MAY 2016**

	<u>Group</u>		<u>Company</u>	
	<u>31.05.2016</u>	<u>31.05.2015</u>	<u>31.05.2016</u>	<u>31.05.2015</u>
	RM'000	RM'000	RM'000	RM'000
Investment income	68,217	63,516	68,217	63,516
Fair value (losses)/gains	(100,915)	87,520	(100,915)	87,520
Other operating income	1,678	2,582	1,678	2,582
	<u>(31,020)</u>	<u>153,618</u>	<u>(31,020)</u>	<u>153,618</u>
Management expenses	(24,172)	(22,725)	(24,172)	(22,725)
(Loss)/profit before taxation	<u>(55,192)</u>	<u>130,893</u>	<u>(55,192)</u>	<u>130,893</u>
Taxation	(6,982)	(7,621)	(6,982)	(7,621)
(Loss)/profit for the period	<u><u>(62,174)</u></u>	<u><u>123,272</u></u>	<u><u>(62,174)</u></u>	<u><u>123,272</u></u>