

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS - QUARTER ENDED MARCH 31, 2011**

The Directors are pleased to present the condensed financial statements of the Group and the Company for the quarter ended March 31, 2011.

**(a) Basis of Accounting**

The unaudited financial statements for the quarter ended March 31, 2011 have been prepared on the same basis as the accounting policies set out in the statutory financial statements of the Group and the Company for the year ended December 31, 2010, except for the adoption of relevant amendments to existing standards, new published standards and interpretations issued which are now effective. Where necessary, comparative figures have been amended to conform with change in presentation in the current year.

**(b) Review of results - Group**

With effect from January 01, 2011, all assets, liabilities and operations of the general business of La Prudence (Mauricienne) Assurances Limitee (LPM) were transferred to the Company (MUA), and similarly all assets, liabilities and operations of the life business of MUA were transferred to LPM.

The comparative figures for 1st quarter 2010 exclude the results of LPM as the acquisition was made on April 1, 2010.

The results of the Group are as follows:

- Underwriting operations have generated a surplus of Rs 94.9m compared to Rs 59.3m for the same quarter last year.
- The Group's net profit after tax for the quarter amounted to Rs 53.5m compared to Rs 154.7m last year. This includes a profit on disposal of shares amounting to Rs 5.3m for 2011 (2010: Rs 114.6m).
- Earnings per share reached Rs 2.66 compared to Rs 7.71 for the same period last year.
- Net assets per share increased from Rs 54.94 at December 31, 2010 to Rs 57.87 at March 31, 2011.

By order of the Board  
Gilbert Poisson  
Secretary  
May 11, 2011

**UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION - MARCH 31, 2011**

	THE GROUP		THE COMPANY	
	UNAUDITED MARCH 31, 2011 Rs' 000	AUDITED DECEMBER 31, 2010 Rs' 000	UNAUDITED MARCH 31, 2011 Rs' 000	AUDITED DECEMBER 31, 2010 Rs' 000
<b>ASSETS</b>				
Non-current assets	1,969,640	1,741,844	1,979,498	1,579,977
Life business Non-current assets	4,480,517	4,417,144	-	-
Current assets	1,054,791	1,211,769	1,051,955	684,040
Life business current assets	658,628	576,330	-	-
<b>Total assets</b>	<b>8,163,576</b>	<b>7,947,087</b>	<b>3,031,453</b>	<b>2,264,017</b>
<b>EQUITY AND LIABILITIES</b>				
Capital and reserves				
Owners of Parent	1,159,652	1,101,025	1,068,323	1,049,540
Non-controlling interests	6,241	6,095	-	-
<b>Total equity</b>	<b>1,165,893</b>	<b>1,107,120</b>	<b>1,068,323</b>	<b>1,049,540</b>
Technical provisions	1,341,708	1,603,784	1,341,708	1,102,755
Life Assurance Fund	4,945,831	4,855,650	-	-
Non-current liabilities	280,769	52,661	260,729	-
Life business Non-current liabilities	1,830	1,975	-	-
Current liabilities	335,490	188,853	360,693	111,722
Life business current liabilities	92,055	137,044	-	-
<b>Total equity and liabilities</b>	<b>8,163,576</b>	<b>7,947,087</b>	<b>3,031,453</b>	<b>2,264,017</b>
Net assets per share (Rs)	57.87	54.94		
Number of ordinary shares in issue ('000)	20,040	20,040		

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS - QUARTER ENDED MARCH 31, 2011**

	THE GROUP		THE COMPANY	
	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000
Net cash generated from operating activities	480,669	76,928	480,574	68,206
Net cash generated (used in)/generated from investing activities	(399,392)	95,448	(439,655)	95,095
<b>Net increase in cash and cash equivalents</b>	<b>81,277</b>	<b>172,376</b>	<b>40,919</b>	<b>163,301</b>
Movement in cash and cash equivalents				
At January 1,	334,692	181,370	145,747	175,213
Increase	81,277	172,376	40,919	163,301
Adjustment upon transfer of operations	(168,530)	-	-	-
<b>At March 31,</b>	<b>247,439</b>	<b>353,746</b>	<b>186,666</b>	<b>338,514</b>

**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY - QUARTER ENDED MARCH 31, 2011**

Attributable to owners of parent	Share capital	Revaluation and other reserves	Non-distributable share of Life Surplus	Retained earnings	Total	Non-controlling Interest	TOTAL
<b>THE GROUP</b>							
Balance at January 1, 2011	200,400	43,110	46,129	811,386	1,101,025	6,095	1,107,120
Transfer of revaluation reserves from Life fund	-	-	-	-	-	-	-
Total comprehensive income for the period	-	380	4,650	53,597	58,627	146	58,773
<b>Balance at March 31, 2011</b>	<b>200,400</b>	<b>43,490</b>	<b>50,779</b>	<b>864,983</b>	<b>1,159,652</b>	<b>6,241</b>	<b>1,165,893</b>
Balance at January 1, 2010	200,400	476,484	56,861	496,506	1,230,251	5,241	1,235,492
Transfer of revaluation reserves from Life fund	-	-	-	19,651	19,651	-	19,651
Total comprehensive income/(expense) for the period	-	(144,498)	3,000	154,433	12,935	313	13,248
Balance at March 31, 2010	200,400	331,986	59,861	670,590	1,262,837	5,554	1,268,391

**UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY - QUARTER ENDED MARCH 31, 2011**

Attributable to owners of parent	Share capital	Revaluation and other reserves	Non-distributable share of Life Surplus	Retained earnings	Total
<b>THE COMPANY</b>					
Balance at January 1, 2011	200,400	66,917	46,129	736,094	1,049,540
Total comprehensive income/(expense) for the period	-	574	(46,129)	64,338	18,783
<b>Balance at March 31, 2011</b>	<b>200,400</b>	<b>67,491</b>	<b>-</b>	<b>800,432</b>	<b>1,068,323</b>
Balance at January 1, 2010	200,400	472,788	56,861	492,611	1,222,660
Transfer of revaluation reserves from Life fund	-	-	-	19,651	19,651
Total comprehensive income/(expense) for the period	-	(145,104)	3,000	153,598	11,494
Balance at March 31, 2010	200,400	327,684	59,861	665,860	1,253,805

**UNAUDITED CONDENSED GENERAL BUSINESS REVENUE ACCOUNT - QUARTER ENDED MARCH 31, 2011**

	THE GROUP AND THE COMPANY	
	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000
Gross premiums	407,645	242,214
Net earned premiums	258,803	169,953
Net claims incurred	(155,372)	(100,562)
Net commissions	(8,513)	(10,053)
Underwriting surplus	94,918	59,338

**UNAUDITED CONDENSED INCOME STATEMENTS - QUARTER ENDED MARCH 31, 2011**

	THE GROUP		THE COMPANY	
	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000
Gross premiums	407,645	242,214	407,645	242,214
Underwriting surplus	94,918	59,338	94,918	59,338
Investment and other income	28,347	134,666	43,118	129,285
	123,265	194,004	138,036	188,623
Less:				
Management expenses and depreciation	69,480	37,763	63,364	33,521
	69,480	37,763	63,364	33,521
Taxation	53,785	156,241	74,672	155,102
	(261)	(1,504)	-	(1,504)
<b>Net profit for the period</b>	<b>53,524</b>	<b>154,737</b>	<b>74,672</b>	<b>153,598</b>
Profit attributable to:				
Owners of the parent	53,374	154,433	74,672	153,598
Non-controlling interests	150	304	-	-
	53,524	154,737	74,672	153,598
Basic earnings per share for the period (Rs)	2.66	7.71		
Number of ordinary shares ('000)	20,040	20,040		

**UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME - QUARTER ENDED MARCH 31, 2011**

	THE GROUP		THE COMPANY	
	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000	UNAUDITED MARCH 31, 2011 Rs' 000	UNAUDITED MARCH 31, 2010 Rs' 000
Profit for the period	53,524	154,737	74,672	153,598
Other comprehensive income/(expense)	5,249	(141,489)	(55,889)	(142,104)
<b>Total comprehensive income/(expense) for the period</b>	<b>58,773</b>	<b>13,248</b>	<b>18,783</b>	<b>11,494</b>
Total comprehensive income/(expense) attributable to:				
Owners of the parent	58,627	12,935	18,783	11,494
Non-controlling interests	146	313	-	-
	58,773	13,248	18,783	11,494

**AUDITED CONDENSED SEGMENTAL REPORT**
**QUARTER ENDED MARCH 31, 2011**

	THE GROUP				
	Casualty Rs' 000	Property Rs' 000	Other Rs' 000	Life Rs' 000	Total Rs' 000
Segment income	265,821	43,899	(14,771)	170,297	465,246
Segment results	53,146	20,408	(19,769)	56,015	109,800
Increase in fair value of available-for-sale financial assets	-	-	-	38,804	38,804
Profit before taxation	-	-	-	94,819	148,604
Transfer to Life fund	-	-	-	(94,819)	(94,819)
Taxation	-	-	-	-	53,785
Net profit for the period	-	-	-	-	(261)
	-	-	-	-	53,524

**QUARTER ENDED MARCH 31, 2010**

	THE GROUP				
	Casualty Rs' 000	Property Rs' 000	Other Rs' 000	Life Rs' 000	Total Rs' 000
Segment income	271,694	36,084	5,380	116,132	313,158
Segment results	130,308	24,797	1,136	40,224	196,465
Decrease in fair value of available-for-sale financial assets	-	-	-	(1,986)	(1,986)
Profit before taxation	-	-	-	38,238	194,479
Transfer to Life fund	-	-	-	(38,238)	(38,238)
Profit before taxation	-	-	-	-	156,241
Taxation	-	-	-	-	(1,504)
Net profit for the period	-	-	-	-	154,737

Total assets  
March 31, 2011  
March 31, 2010  
December 31, 2010

	THE GROUP				
	Casualty Rs' 000	Property Rs' 000	Other Rs' 000	Life Rs' 000	Total Rs' 000
March 31, 2011	2,501,786	476,397	45,323	5,140,070	8,163,576
March 31, 2010	1,813,077	280,013	21,079	3,022,257	5,136,426
December 31, 2010	2,358,794	557,809	37,010	4,993,474	7,947,087

This Communiqué is issued pursuant to Listing Rule 12.20 and published as per the Securities Act 2005

The Board of Directors of The Mauritius Union Assurance Company Limited accepts full responsibility for the accuracy of the information contained in this quarterly interim report. Copies of the interim report and the statement of direct and indirect interests of each officer of the Company are available to the public, free of charge from the Company Secretary, at the registered office of the Company.