

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED BALANCE SHEETS AS AT 31 DECEMBER 2009

	Notes	Group		Bank	
		31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
ASSETS					
Cash and short-term funds	9	609,892	735,400	598,780	712,266
Deposits and placements with banks and other financial institutions	10	22,551	14,741	4,605	9,334
Securities portfolio	11	135,371	3,841,090	81,281	3,792,755
Loans and advances	12	167,392	251,535	167,392	251,535
Other assets	13	445,782	317,763	446,884	314,719
Statutory deposits with Bank Negara Malaysia		105	10,218	105	10,218
Investment in subsidiaries		-	-	233,247	230,924
Investment in associates		5,646	9,012	4,200	4,200
Property, plant and equipment		7,297	8,432	7,003	8,084
Intangible assets		1,414	1,684	1,414	1,684
Deferred tax assets (net)		12,542	24,417	12,542	24,417
TOTAL ASSETS		1,407,992	5,214,292	1,557,453	5,360,136
LIABILITIES AND EQUITY					
Deposits from customers	14	-	3,862,851	-	3,862,851
Deposits and placements of banks and other financial institutions	15	-	232,470	-	232,470
Other liabilities	16	1,006,159	364,405	1,175,710	532,731
Deferred tax liabilities		148	146	-	-
TOTAL LIABILITIES		1,006,307	4,459,872	1,175,710	4,628,052
Share capital		50,116	50,116	50,116	50,116
Reserves		351,569	704,304	331,627	681,968
TOTAL EQUITY		401,685	754,420	381,743	732,084
TOTAL LIABILITIES AND EQUITY		1,407,992	5,214,292	1,557,453	5,360,136
COMMITMENTS AND CONTINGENCIES	23	354,624	345,967	354,624	345,967

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009

Group	Notes	2nd Quarter ended		Cumulative 6 months ended	
		31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Interest income	17	5,379	65,280	34,446	131,815
Interest expense	18	(14)	(47,181)	(12,399)	(99,332)
Net interest income		5,365	18,099	22,047	32,483
Net income from Islamic					
Banking Scheme operations	25	636	953	2,185	1,935
Non-interest income	19	57,121	41,544	104,986	64,259
Net income		63,122	60,596	129,218	98,677
Overhead expenses	20	(28,392)	(24,585)	(52,823)	(49,669)
Operating profit		34,730	36,011	76,395	49,008
Write back/(Allowance) of losses on loans and advances	21	360	(14,137)	17,519	(14,910)
		35,090	21,874	93,914	34,098
Share of results in associates		-	496	219	601
Profit before taxation		35,090	22,370	94,133	34,699
Taxation and zakat		(6,066)	(6,374)	(20,851)	(9,626)
Net profit for the period		29,024	15,996	73,282	25,073
Basic earnings per share (sen)		58	32	146	50

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009

Bank	Notes	2nd Quarter ended		Cumulative 6 months ended	
		31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Interest income	17	5,281	65,144	34,250	131,507
Interest expense	18	(14)	(47,181)	(12,399)	(99,332)
Net interest income		5,267	17,963	21,851	32,175
Net income from Islamic					
Banking Scheme operations	25	636	953	2,185	1,935
Non-interest income	19	61,022	41,111	108,301	63,210
Net income		66,925	60,027	132,337	97,320
Overhead expenses	20	(26,028)	(24,504)	(50,260)	(49,548)
Operating profit		40,897	35,523	82,077	47,772
Write back/(Allowance) of losses					
on loans and advances	21	360	(14,137)	17,519	(14,910)
Profit before taxation		41,257	21,386	99,596	32,862
Taxation and zakat		(6,471)	(6,343)	(20,592)	(9,571)
Net profit for the period		34,786	15,043	79,004	23,291
Basic earnings per share (sen)		69	30	158	46

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009

Group	<-----Non-distributable----->						Distributable	
	Share Capital RM'000	Share Premium RM'000	Statutory Reserves * RM'000	Unrealised Holding Reserves RM'000	Equity Contribution from Parent # RM'000	Exchange Fluctuation Reserve RM'000	Retained Profits RM'000	Total RM'000
At 1 July 2009	50,116	172,669	50,116	(3,519)	2,544	177	479,495	751,598
Foreign currency translation	-	-	-	-	-	(436)	-	(436)
Net increase in fair value of securities	-	-	-	35,802	-	-	-	35,802
Share options granted under ESOS	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(458,561)	(458,561)
Net profit for the period	-	-	-	-	-	-	73,282	73,282
At 31 December 2009	50,116	172,669	50,116	32,283	2,544	(259)	94,216	401,685
At 1 July 2008	50,116	172,669	50,116	(50,228)	2,535	(3,259)	594,370	816,319
Foreign currency translation	-	-	-	-	-	2,811	-	2,811
Net increase in fair value of securities	-	-	-	44,037	-	-	-	44,037
Share options granted under ESOS	-	-	-	-	9	-	-	9
Net profit for the period	-	-	-	-	-	-	25,073	25,073
At 31 December 2008	50,116	172,669	50,116	(6,191)	2,544	(448)	619,443	888,249

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009

Bank	<-----Non-distributable----->				Distributable		Total
	Share Capital RM'000	Share Premium RM'000	Statutory Reserves * RM'000	Unrealised Holding Reserves RM'000	Equity Contribution from Parent # RM'000	Retained Profits RM'000	
At 1 July 2009	50,116	172,669	50,116	(17,341)	2,511	474,014	732,085
Net increase in fair value of securities	-	-	-	29,215	-	-	29,215
Share options granted under ESOS	-	-	-	-	-	-	0
Dividends	-	-	-	-	-	(458,561)	(458,561)
Net profit for the period	-	-	-	-	-	79,004	79,004
At 31 December 2009	50,116	172,669	50,116	11,873	2,511	94,457	381,743
At 1 July 2008	50,116	172,669	50,116	(60,727)	2,502	580,480	795,156
Net increase in fair value of securities	-	-	-	59,325	-	-	59,325
Share options granted under ESOS	-	-	-	-	9	-	9
Net profit for the period	-	-	-	-	-	23,291	23,291
At 31 December 2008	50,116	172,669	50,116	(1,402)	2,511	603,771	877,781

* The statutory reserves are maintained in compliance with Section 36 of the Banking and Financial Institutions Act, 1989 and are not distributable as cash dividends.

This represents the cumulative fair value of equity-settled share-based compensation plan for the employees of the Group and of the Bank, the Maybank Group Employee Share Options Scheme ("ESOS").

MAYBANK INVESTMENT BANK BERHAD
(Formerly known as ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONDENSED CASH FLOW STATEMENTS
FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009

	Group		Bank	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Profit before taxation	94,133	34,699	99,596	32,862
Adjustment for non-operating and non-cash items	(19,168)	7,351	(18,276)	8,808
Operating profit before working capital changes	74,965	42,050	81,320	41,670
Changes in working capital :				
Net changes in operating assets	(3,746,659)	(584,131)	(3,735,582)	(583,096)
Net changes in operating liabilities	3,453,565	(919,124)	3,452,342	(933,813)
Tax expense	-	(20,000)	-	(20,000)
Net cash generated from/(used in) operations	(218,129)	(1,481,205)	(201,920)	(1,495,239)
Net cash generated from investing activities	4,959	(2,109)	772	(2,993)
Net change in cash and cash equivalents	(213,170)	(1,483,314)	(201,148)	(1,498,232)
Cash and cash equivalents at beginning of the period	735,400	2,727,836	712,266	2,682,569
Cash and cash equivalents at end of the period	522,230	1,244,522	511,118	1,184,337
Cash and cash equivalents comprise:				
Cash and short-term funds	609,892	1,358,705	598,780	1,298,520
Less: Monies held in trust	(87,662)	(114,183)	(87,662)	(114,183)
	522,230	1,244,522	511,118	1,184,337

Explanatory Notes Pursuant to Financial Reporting Standard 134 (“FRS 134”) and Revised Guidelines on Financial Reporting for Licensed Institutions (BNM/GP8) Issued by Bank Negara Malaysia

1. Basis of Preparation

The condensed interim financial statements for the Group and of the Bank have been prepared under the historical cost convention except for the following assets and liabilities that are stated at fair values: securities held-for-trading and available-for-sale, derivative financial instruments and investment properties.

The condensed interim financial statements were not audited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009. These explanatory notes attached to the audited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 30 June 2009.

The significant accounting policies and methods of computation applied by the Group and the Bank are consistent with those adopted in the most recent audited annual financial statements for the year ended 30 June 2009 except for adoption of the following Financial Reporting Standard (“FRS”) effective from the financial period beginning 1 July 2009:

- (i) FRS 8 Operating Segments
- (ii) Amendments to FRS 8 Operating Segments

The following new Financial Reporting Standards (“FRSs”), amendments to FRS and IC Interpretations have been issued but are not yet effective and have not been adopted by the Group and the Bank:

<u>FRS, Amendments to FRS and Interpretations</u>	<u>Effective date</u>
(i) FRS 1 First-time Adoption of Financial Reporting Standards	July 2010
(ii) FRS 3 Business Combinations	July 2010
(iii) FRS 4 Insurance Contracts	January 2010
(iv) FRS 7 Financial Instruments-Disclosures	January 2010
(v) FRS 101 Presentation of Financial Statements	January 2010
(vi) FRS 123 Borrowing Costs	January 2010
(vii) FRS 127 Consolidated and Separate Financial Statements	July 2010
(viii) FRS 139 Financial Instruments – Recognition and Measurement	January 2010
(ix) Amendments to FRS 2 Share-based Payment – Vesting Conditions and Cancellations	July 2010
(x) Amendments to FRS 5 Non-current assets Held for Sale and Discontinued Operations	July 2010
(xi) Amendments to FRS 8 Operating Segments	January 2010
(xii) Amendments to FRS 110 Events After the Balance Sheet Date	January 2010
(xiii) Amendments to FRS 116 Property, Plant & Equipment	January 2010
(xiv) Amendments to FRS 117 Leases	January 2010
(xv) Amendments to FRS 118 Revenue	January 2010
(xvi) Amendments to FRS 119 Employee Benefits	January 2010

1. Basis of Preparation (contd.)

(xvii)	Amendments to FRS 123 Borrowing Costs	January 2010
(xviii)	Amendments to FRS 127 Consolidated and Separate Financial Statements	January 2010
(xix)	Amendments to FRS 128 Investments in associates	January 2010
(xx)	Amendments to FRS 131 Interests in Joint Ventures	January 2010
(xxi)	Amendments to FRS 132 Financial Instruments Presentation	January 2010
(xxii)	Amendments to FRS 134 Interim Financial Reporting	January 2010
(xxiii)	Amendments to FRS 136 Impairment of Assets	January 2010
(xxiv)	Amendments to FRS 138 Intangible Assets	July 2010
(xxv)	Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures	January 2010
(xxvi)	TR i-3 Presentation of Financial Statements of Islamic Financial Institutions	January 2010
(xxvii)	SOP i-1 Financial Reporting from an Islamic Perspective	January 2010
(xxviii)	IC Interpretation 9: Reassessment of Embedded Derivatives	January 2010
(xxix)	IC Interpretation 10: Interim Financial Reporting and Impairment	January 2010
(xxx)	IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	January 2010
(xxxi)	IC Interpretation 12: Service Concession Arrangements	July 2010
(xxxii)	IC Interpretation 13: Customer Loyalty Programmes	January 2010
(xxxiii)	IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	January 2010
(xxxiv)	IC Interpretation 15: Agreements for the Construction of Real Estate	July 2010
(xxxv)	IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	July 2010
(xxxvi)	IC Interpretation 17: Distributions of Non-cash Assets to Owners	July 2010

FRS 8 does not have significant impact on the financial statements of the Group and the Bank.

The above FRSs, amendments to FRSs, IC Interpretations and Technical Release will take effect from financial period beginning on or after 1 January 2010.

The allowance for doubtful debts and financing of the Group and the Bank are computed based on the requirements of BNM/GP3, which is consistent with the adoption made in the previous audited annual financial statements. Specific allowances are made for doubtful debts which have been individually reviewed and specifically identified as bad and doubtful. Additional allowances are made for long outstanding non-performing loans aged more than five years. In addition, a general allowance based on a certain percentage of total risk-weighted assets for credit risk, which takes into account all balance sheet items and their perceived

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 30 June 2009 was not qu

3. Seasonal or Cyclical Factors

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the first quarter ended 31 December 2009.

4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the quarter ended 31 December 2009

5. Subsequent Events

On 1 October, 2009 the Bank completed and agreed on the final consideration on acquisition of Bina Fikir Sdn. Bhd. amounting to RM6,434,361 which was determined based on the Share Sale Agreement dated 27 August

6. Changes in Estimates

There were no material changes in estimates during the quarter ended 31 December 2009.

7. Changes in Debt and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Bank.

8. Dividend Paid

There was no dividend paid during the quarter ended 31 December 2009. The Bank proposed a first interim dividend of RM12.20 per share less 25% taxation on 50,116,000 ordinary shares, amounting to RM458,561,400 for the financial year ending 30 June 2010. The proposed first interim dividend of RM458,561,400 was approved for payment by Bank Negara Malaysia (BNM) on the 31 December 2009.

8.1 Performance Review

The Bank recorded a pre-tax profit of RM million for the six months ended 31 December 2009 as compared to RM32.9 million in the previous corresponding period. The higher pre-tax profits is attributable to the higher non-interest income and the writeback of general allowance no longer required.

8.2 Strategic Direction & Prospects

With the restructuring of Maybank Investment Bank into a "pure play" investment bank, it will be more focused in delivering optimal solutions to its clients by delivering holistic, bespoke and innovative solutions.

With the creation of a new Strategic Advisory Division arising out of the acquisition of Bina Fikir Sdn Bhd, Maybank IB will now be able to enhance its advisory capabilities into areas such as Private-Public Partnership (PPP) initiatives. By being involved from the beginning of such initiatives, Maybank IB will then be in the position to benefit from any fund-raising arrangements or funding requirements as well as M & A and Corporate Finance advisory. The funneling of these upstream mandates into the more traditional IB mandates has already yielded some revenue pick-up for us during the last quarter, and we look forward to more robust

9. CASH AND SHORT-TERM FUNDS

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Cash and bank balances with licensed commercial banks and other licensed financial institutions	14,976	34,336	12,911	24,383
Deposit placements maturing within one month	594,916	701,064	585,869	687,883
	<u>609,892</u>	<u>735,400</u>	<u>598,780</u>	<u>712,266</u>

Included in cash and short-term funds of the Group and of the Bank are monies held in trust of RM83,057,000 (30 June 2009: RM108,496,000).

10. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Licensed banks	22,551	14,741	4,605	9,334
	<u>22,551</u>	<u>14,741</u>	<u>4,605</u>	<u>9,334</u>

11. SECURITIES PORTFOLIO

		Group		Bank	
		31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Securities held-for-trading	11.(i)	-	396,440	-	396,440
Securities available-for-sale	11.(ii)	135,338	2,710,934	81,248	2,662,599
Securities held-to-maturity	11.(iii)	33	733,716	33	733,716
Total securities portfolio		<u>135,371</u>	<u>3,841,090</u>	<u>81,281</u>	<u>3,792,755</u>

11. (i) Securities Held-for-Trading

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
At Fair Value		
Unquoted Securities:		
Private and Islamic Debt Securities	-	396,440
Total securities held-for-trading	<u>-</u>	<u>396,440</u>

11. (ii) Securities Available-for-Sale

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
<u>At Fair Value</u>				
Money Market Instruments:				
Malaysian Government Securities	-	420,261	-	420,261
Cagamas Bonds	-	106,876	-	106,876
Malaysian Government Investment Certificates	-	222,973	-	222,973
Negotiable Instruments of Deposits	-	-	-	-
Bankers' Acceptance	-	36,040	-	36,040
Khazanah Bonds	-	84,244	-	84,244
	-	870,394	-	870,394
Quoted Securities:				
Shares, Warrants, Unit Trusts and Loan Stocks in Malaysia	-	31,641	11,724	31,611
Shares, Warrants, Unit Trusts and Loan Stocks outside Malaysia	-	46,105	-	-
	-	77,746	11,724	31,611
Unquoted Securities:				
Shares, Unit Trusts and Loan Stocks in Malaysia		44,810	47,605	42,610
Shares, Unit Trusts and Loan Stocks outside Malaysia		15,694	15,169	15,694
Private and Islamic Debt Securities in Malaysia		1,702,290	6,750	1,702,290
	-	1,762,794	69,524	1,760,594
Total securities available-for-sale	-	2,710,934	81,248	2,662,599

11. (iii) Securities Held-to-Maturity

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
<u>At Amortised Cost</u>		
Money Market Instruments:		
Malaysian Government Securities	-	230,435
Cagamas Bonds	-	11,720
Malaysian Government Investment Certificates	-	101,970
	-	344,125
Unquoted Securities:		
Private and Islamic Debt Securities in Malaysia	33	389,591
Total securities held-to-maturity	33	733,716
Indicative value of unquoted securities held-to-maturity		
In Malaysia:		
Private and Islamic Debt Securities in Malaysia	33	392,841

12. LOANS AND ADVANCES

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Term loans		
- Syndicated term loan	6,209	6,209
- Other term loan	32,725	121,054
Amount due from brokers and clients		
- Margin accounts	183,142	197,310
Staff loans	15,731	17,443
Gross loans and advances	<u>237,807</u>	<u>342,016</u>
Less: Allowance for bad and doubtful debts		
- General	(21,800)	(39,514)
- Specific	(48,615)	(50,967)
Net loans and advances	<u>167,392</u>	<u>251,535</u>

(i) Loans and advances analysed by type of customer are as follows:

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Domestic business enterprises	108,400	214,843
Individuals	16,817	18,380
Other domestic entities	110,950	108,789
Foreign entities	1,640	4
Gross loans and advances	<u>237,807</u>	<u>342,016</u>

(ii) Loans and advances analysed by interest/profit rate sensitivity are as follows:

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Fixed rate		
- Housing loans	12,537	13,949
- Hire purchase receivables	2,987	3,444
- Other fixed rate loans	207	50
Variable rate		
- BLR-plus	38,934	127,263
- Cost-plus	183,142	197,310
Gross loans and advances	<u>237,807</u>	<u>342,016</u>

12. LOANS AND ADVANCES (Contd.)

(iii) Loans and advances analysed by economic purpose are as follows:

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Purchase of securities	213,142	221,427
Purchase of transport vehicles	3,144	3,600
Purchase of residential landed property	13,465	50,729
Personal use	195	35
Consumer durables	12	16
Others	7,849	66,209
Gross loans and advances	<u>237,807</u>	<u>342,016</u>

(iv) The maturity structure of loans and advances are as follows:

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Maturing within one year	221,208	323,712
One year to three years	1,166	830
Three years to five years	2,087	2,832
After five years	13,346	14,642
Gross loans and advances	<u>237,807</u>	<u>342,016</u>

(v) Movement in the non-performing loans and advances are as follows:

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Gross balance at beginning of period	57,201	54,613
Non-performing during the period	12,206	8,201
Recovered/regularised during the period	(15,881)	(5,601)
Amount written off	(2,917)	(12)
Exchange differences	0	0
Gross balance at end of period	<u>50,609</u>	<u>57,201</u>
Less:		
Specific allowance	(48,615)	(50,967)
Net balance	<u>1,994</u>	<u>6,234</u>
Net non-performing loans as % of gross loans and advances less specific allowance	<u>1.05%</u>	<u>2.14%</u>

12. LOANS AND ADVANCES (Contd.)

(vi) Non-performing loans and advances analysed by economic purpose are as follows:

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Purchase of securities	43,555	50,014
Purchase of residential landed property	688	580
Others	6,366	6,607
	<u>50,609</u>	<u>57,201</u>

(vii) Movements in the allowance for bad and doubtful debts are as follows:

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Specific allowance:		
Balance at beginning of period	50,967	49,274
Allowance made during the period	3,591	4,331
Amount written back in respect of recoveries	(3,026)	(2,629)
Amount written off	(2,917)	(9)
Balance at end of period	<u>48,615</u>	<u>50,967</u>
General allowance:		
Balance at beginning of period	39,514	41,114
Allowance made during the period	572	15,276
Amount written back	(18,286)	(16,876)
Balance at end of period	<u>21,800</u>	<u>39,514</u>
As a % of gross loans and advances less specific allowance	<u>11.52%</u>	<u>13.58%</u>
As a % of total risk-weighted assets, excluding deferred tax assets		
- Group	2.44%	1.59%
- Bank	<u>2.66%</u>	<u>1.63%</u>
As a % of total risk-weighted assets for credit risk excluding deferred tax assets		
- Group	2.62%	4.50%
- Bank	<u>2.87%</u>	<u>4.85%</u>

13. OTHER ASSETS

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Tax recoverable	22,315	72,636	22,315	72,636
Interest/Income receivables	105	33,525	72	33,343
Amount due from brokers and clients				
- Non-margin accounts (a)	414,187	198,520	414,187	198,520
Other debtors, deposits and prepayment	17,136	21,475	17,107	17,449
	453,743	326,156	453,681	321,948
Less: Allowance for doubtful debts	(7,961)	(8,393)	(6,797)	(7,229)
	445,782	317,763	446,884	314,719

- (a) Amount due from brokers and clients relates to outstanding purchase contracts entered into on behalf of clients, contra gains and losses, clients' trust monies, other fees and charges.

The normal trade credit terms for non-margin brokers and clients is 3 market days in accordance with the Bursa Malaysia's Fixed Delivery and Settlement System ("FDSS") trading rules.

14. DEPOSITS FROM CUSTOMERS

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
(i) By type of deposits		
Fixed and investment deposits	-	3,862,851
(ii) By maturity structure of deposits		
Due within six months	-	3,839,226
More than six months to one year	-	23,625
	-	3,862,851
(iii) By type of customer		
Business enterprises	-	2,208,425
Others	-	1,654,426
	-	3,862,851

15. DEPOSITS AND PLACEMENT OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Licensed banks	-	232,470

16. OTHER LIABILITIES

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Interest/profit payable	-	13,814	-	13,814
Provisions and accruals	31,629	41,566	31,472	47,707
Amount due to brokers and clients (a)	471,020	267,087	471,020	267,086
Deposits and other creditors	41,246	38,215	211,207	200,508
Profit equalisation reserve (IBS operations)	-	683	-	683
Zakat payable	-	85	-	-
Provisions for taxation	253	-	-	-
Provisions for taxation (IBS operations)	3,450	2,955	3,450	2,933
Proposed Interim Dividend	458,561	-	458,561	-
	<u>1,006,159</u>	<u>364,405</u>	<u>1,175,710</u>	<u>532,731</u>

- (a) Amount due to brokers and clients represents net amount payable to margin and non-margin clients, which include outstanding sales contracts entered into on behalf of clients, contra gains and losses, clients' trust monies and other fees and charges.

The trade credit term for trade contract payables for non-margin clients and brokers is 3 market days according to the Bursa Malaysia's FDSS trading rules.

17. INTEREST INCOME

Group	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Loans and advances				
- Interest income other than recoveries				
from non-performing loans	3,174	2,818	7,265	3,491
- Recoveries from non-performing loans	115	177	124	402
Money at call and deposit placements	-	-		
with banks and	-	-		
other financial institutions	1,930	2,200	3,460	14,277
Securities held-for-trading	(1)	7,221	1,130	13,395
Securities available-for-sale	97	37,233	17,167	72,171
Securities held-to-maturity	-	3,818	4,397	6,608
Others	-	-	7	-
	<u>5,315</u>	<u>53,467</u>	<u>33,550</u>	<u>110,344</u>
Add/(less):				
Amortisation of premiums				
and accretion of discounts	64	11,813	896	21,471
Total interest income	<u>5,379</u>	<u>65,280</u>	<u>34,446</u>	<u>131,815</u>

Bank	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Loans and advances				
- Interest income other than recoveries				
from non-performing loans	3,174	2,802	7,265	3,475
- Recoveries from non-performing loans	115	177	124	402
Money at call and deposit placements	-	-		
with banks and	-	-		
other financial institutions	1,833	2,065	3,264	13,970
Securities held-for-trading	(1)	7,221	1,130	13,395
Securities available-for-sale	97	37,233	17,167	72,171
Securities held-to-maturity	-	3,818	4,397	6,608
Others	(1)	15	7	15
	<u>5,217</u>	<u>53,331</u>	<u>33,354</u>	<u>110,036</u>
Add/(less):				
Amortisation of premiums				
and accretion of discounts	64	11,813	896	21,471
Total interest income	<u>5,281</u>	<u>65,144</u>	<u>34,250</u>	<u>131,507</u>

18. INTEREST EXPENSE

	Group and Bank		Group and Bank	
	2nd Quarter ended		Cumulative 6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	14	23,329	10,632	45,038
Deposits from customers	-	23,852	1,767	54,294
	<u>14</u>	<u>47,181</u>	<u>12,399</u>	<u>99,332</u>

19. NON-INTEREST INCOME

	2nd Quarter ended		Cumulative 6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Group				
Fee income:				
Corporate advisory fees	34,074	10,431	51,984	17,715
Underwriting commission	4,741	74	4,741	72
Brokerage income	20,598	10,738	43,898	21,622
Other fee income	1	33	39	25
	<u>59,414</u>	<u>21,276</u>	<u>100,662</u>	<u>39,434</u>

Investment income:

(Loss)/gain from sale of securities held-for-trading, net	-	3,567	2,089	(5,571)
(Loss)/Gain from sale of securities available-for-sale, net	(883)	11,638	2,623	8,973
Early redemption gain/(loss) from securities held-to-maturity, net	-	-	429	(4)
Gross dividends from:				
Securities available-for-sale				
- Quoted in Malaysia	-	-	269	1,000
- Quoted outside Malaysia	631	30	990	888
- Unquoted in Malaysia	-	97	-	258
- Subsidiary	-	-	-	-
	<u>(252)</u>	<u>15,332</u>	<u>6,400</u>	<u>5,544</u>

19. NON-INTEREST INCOME (Contd.)

Group (Contd.)	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Unrealised loss on revaluation of securities held-for-trading and derivatives	-	4,531	-	18,312
	-	4,531	-	18,312
Other income:				
Foreign exchange loss - unrealised	91	80	(163)	567
Gain from disposal of associates	-	-	-	-
Rental income	-	-	-	1
Net gain / (loss) on disposal of property, plant and equipment	-	-	-	49
Gain on disposal of an associate	-	-	-	-
Goodwill written off	(2,323)	-	(2,323)	-
Others	191	325	410	352
	(2,041)	405	(2,076)	969
Total non-interest income	57,121	41,544	104,986	64,259
Bank				
Fee income:				
Corporate advisory fees	32,265	9,970	50,217	17,254
Underwriting commission	4,741	74	4,741	72
Brokerage income	20,597	10,738	43,897	21,622
Other fee income	1	33	39	25
	57,604	20,815	98,894	38,973
Investment income:				
(Loss)/gain from sale of securities held-for-trading, net	-	3,567	2,089	(5,571)
(Loss)/gain from sale of securities available- for-sale, net	3,197	11,638	2,623	8,973
Early redemption gain/(loss) from securities held-to-maturity, net	-	-	429	(4)
Gross dividends from:				
Securities available-for-sale				
- Quoted in Malaysia	-	-	269	1,000
- Unquoted in Malaysia	94	98	330	259
- Subsidiary	-	-	3,575	-
	3,291	15,303	9,315	4,657

19. NON-INTEREST INCOME (Contd.)

	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Bank (Contd.)				
Unrealised loss on revaluation of securities held-for-trading and derivatives	-	4,530	-	18,311
	-	4,530	-	18,311
Other income:				
Foreign exchange loss - unrealised	91	145	(163)	874
Rental income	-	1	-	2
Net gain / (loss) on disposal of property, plant and equipment	-	(1)	-	48
Others	36	318	255	345
	127	463	92	1,269
Total non-interest income	61,022	41,111	108,301	63,210

20. OVERHEAD EXPENSES

	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Group				
Personnel expenses				
- Salaries, allowances and bonuses	12,702	11,340	23,998	24,188
- Pension costs - defined contribution plan	1,460	1,692	2,613	3,475
- Other staff related expenses	511	1,847	1,194	2,886
	14,673	14,879	27,805	30,549
Establishment costs				
- Depreciation of property, plant and equipment	879	693	1,345	1,358
- Amortisation of computer software	-	109	308	223
- Rental	1,685	1,606	3,421	3,229
- Repairs and maintenance of property, plant and equipment	791	821	1,555	1,398
- Information technology expenses	282	300	630	663
- Others	1,855	2,383	3,907	4,638
	5,492	5,912	11,166	11,509

20. OVERHEAD EXPENSES (Contd.)

	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Group (Contd.)				
Marketing costs				
- Advertisement and publicity	717	377	1,136	846
- Dealers' incentives	2,575	1,193	5,459	2,512
- Others	437	351	830	868
	<u>3,729</u>	<u>1,921</u>	<u>7,425</u>	<u>4,226</u>
Administration and general expenses				
- Fee and brokerage	1,705	1,012	3,223	1,710
- Administrative expenses	757	767	1,120	1,482
- General expenses	2,036	94	2,084	193
	<u>4,498</u>	<u>1,873</u>	<u>6,427</u>	<u>3,385</u>
Total	<u>28,392</u>	<u>24,585</u>	<u>52,823</u>	<u>49,669</u>
Bank				
Personnel expenses				
- Salaries, allowances and bonuses	12,702	11,340	23,998	24,188
- Pension costs - defined contribution plan	1,460	1,692	2,613	3,475
- Other staff related expenses	513	1,847	1,194	2,886
	<u>14,675</u>	<u>14,879</u>	<u>27,805</u>	<u>30,549</u>
Establishment costs				
- Depreciation of property, plant and equipment	848	665	1,289	1,326
- Amortisation of computer software	-	109	308	223
- Rental	1,714	1,598	3,421	3,215
- Repairs and maintenance of property, plant and equipment	784	821	1,555	1,398
- Information technology expenses	282	300	630	663
- Others	1,654	2,382	3,368	4,637
	<u>5,282</u>	<u>5,875</u>	<u>10,571</u>	<u>11,462</u>
Marketing costs				
- Advertisement and publicity	717	377	1,136	846
- Dealers' incentives	2,575	1,193	5,459	2,512
- Others	439	350	830	866
	<u>3,731</u>	<u>1,920</u>	<u>7,425</u>	<u>4,224</u>
Administration and general expenses				
- Fee and brokerage	1,713	992	3,223	1,676
- Administrative expenses	559	753	1,120	1,457
- General expenses	68	85	116	180
	<u>2,340</u>	<u>1,830</u>	<u>4,459</u>	<u>3,313</u>
Total	<u>26,028</u>	<u>24,504</u>	<u>50,260</u>	<u>49,548</u>

21. (WRITE BACK) / ALLOWANCE OF LOSSES ON LOANS AND ADVANCES

	Group and Bank		Group and Bank	
	2nd Quarter ended		Cumulative 6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Allowance for/(write back) of bad and doubtful debts:				
(a) Specific allowance				
- Made during the period	14	6,432	759	4,011
- Written back during the period	(319)	(861)	(2,784)	(744)
(b) General allowance				
- Made during the period	-	14,731	572	14,729
- Written back during the period	(710)	(499)	(18,286)	(326)
Bad debts (written-off)/recovered	(2,953)	(4,075)	(1,210)	(2,563)
Allowance for other debtors	3,667	936	6,058	690
Write back of allowance for other debtors	(59)	(981)	(2,628)	(887)
	<u>(360)</u>	<u>15,683</u>	<u>(17,519)</u>	<u>14,910</u>

22. CAPITAL ADEQUACY

The capital adequacy ratios of the Group and of the Bank are as follows :

	Group		Bank	
	31 December 2009 %	30 June 2009 %	31 December 2009 %	30 June 2009 %
Capital ratios				
Core capital ratio				
Credit risk	42.25%	79.67%	40.29%	79.87%
Credit and market risks	39.41%	29.42%	37.35%	28.20%
Risk-weighted capital ratio				
Credit risk	44.83%	81.85%	40.29%	79.87%
Credit and market risks	41.82%	30.22%	37.35%	28.20%
Tier 1 capital				
Paid-up share capital	50,116	50,116	50,116	50,116
Share premium	172,669	172,669	172,669	172,669
Statutory reserves	55,116	55,116	55,116	55,116
Distributable retained profits	91,538	477,317	85,341	469,013
Less: Deferred tax assets (net)	(12,542)	(24,271)	(12,542)	(24,417)
Total Tier 1 capital	<u>356,897</u>	<u>730,947</u>	<u>350,700</u>	<u>722,497</u>
Tier 2 capital				
General allowance for bad and doubtful debts	21,800	39,514	21,800	39,514
Total capital fund	<u>378,697</u>	<u>770,461</u>	<u>372,500</u>	<u>762,011</u>
Less: Investment in subsidiaries (#)	-	-	(61,772)	(59,449)
Investment in subordinated instruments	-	(19,460)	-	(19,460)
Capital base	<u>378,697</u>	<u>751,001</u>	<u>310,728</u>	<u>683,102</u>

Excludes the cost of investment in a subsidiary, Maysec (KL) Sdn. Bhd. of RM171,475,000 as its business, assets and liabilities have been transferred to the Bank on 30 December 2006.

22. CAPITAL ADEQUACY (CONTD.)

The breakdown of risk-weighted assets (excluding net deferred tax assets) of the Group in the various categories of risk-weights are as follows:

	Group			
	31 December 2009		30 June 2009	
	Principal Amount RM'000	Risk- Weighted Assets RM'000	Principal Amount RM'000	Risk- Weighted Assets RM'000
0%	140,281	-	982,567	-
10%	-	-	11,751	1,175
20%	546,407	109,281	432,509	86,502
50%	12,537	6,269	14,736	7,368
100%	725,543	725,543	818,705	818,705
Risk-weighted assets for counterparty risk		46		12
large exposure risk		3,594		3,751
Risk-weighted assets for credit risk		844,733		917,513
Risk-weighted assets for market risk		60,821		1,567,205
Total risk-weighted assets		<u>905,554</u>		<u>2,484,718</u>

The breakdown of risk-weighted assets (excluding net deferred tax assets) of the Bank in the various categories of risk-weights are as follows:

	Bank			
	31 December 2009		30 June 2009	
	Principal Amount RM'000	Risk- Weighted Assets RM'000	Principal Amount RM'000	Risk- Weighted Assets RM'000
0%	140,281	-	982,567	-
10%	-	-	11,751	1,175
20%	517,349	103,470	403,970	80,794
50%	12,537	6,269	14,736	7,368
100%	657,796	657,796	762,163	762,163
Risk-weighted assets for counterparty risk		46		12
large exposure risk		3,594		3,751
Risk-weighted assets for credit risk		771,175		855,263
Risk-weighted assets for market risk		60,821		1,567,205
Total risk-weighted assets		<u>831,996</u>		<u>2,422,468</u>

23 COMMITMENT AND CONTINGENCIES

Group and Bank	31 December 2009			30 June 2009		
	Principal RM'000	Credit equivalent* RM'000	Risk weighted amount RM'000	Principal RM'000	Credit equivalent* RM'000	Risk weighted amount RM'000
Direct credit substitutes	-	-	-	-	-	-
Certain transaction-related contingent items	-	-	-	-	-	-
Obligations under underwriting agreements	52,000	-	-	30,000	-	-
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year	302,624	-	-	315,967	-	-
Interest rate related contracts:						
Swap						
- Less than one year	-	-	-	-	-	-
- One year to less than five years	-	-	-	-	-	-
	354,624	-	-	345,967	-	-

* The credit equivalent amount is arrived at using the credit evaluation conversion factor as per Bank Negara Malaysia's guideline.

Market Risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts stated above provide only a measure of involvement in this type of transactions and do not represent the amounts subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at 31 December 2009, there were no contracts which were not hedged and hence, subject to market risk.

Credit Risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group and the Bank have a gain position. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates and prices. As at 31 December 2009, there were no contracts subject to credit risk.

23. COMMITMENT AND CONTINGENCIES (CONTD.)

Contingent liabilities

	Group and Bank	
	31 Dec	30 June
	2009	2008
	RM'000	RM'000
Unsecured		
(i) Guarantee given to the holding company for banking facilities extended to Bursa Malaysia Securities Clearing Berhad	1,000	1,000
(ii) Claims under litigation*	10,091	10,091
	<u>11,091</u>	<u>11,091</u>

* The Group and the Bank are aggressively defending all of the claims under litigation, through their solicitors, the outcomes of which are subject matter for the Courts to eventually determine.

(iii) A corporate borrower had issued a writ of summons against the Bank in 2005 in its capacity as agent bank for the syndicated lenders claiming general, special and exemplary damages arising from alleged breach of duty owed by the Bank. Although it has not been quantified, the claim value is estimated at approximately RM450.0 million.

The credit facilities consisting of a bridging loan of RM58.5 million and a revolving credit facility of RM4.0 million were subsequently granted by the Bank and three other financial institutions as the syndicated lenders. The loan was restructured to RM38.0 million with terms for repayment. In 2006, the Bank and the three other syndicated lenders filed a suit against the corporate borrower for the recovery of the said loan. The two suits were then ordered by the Court to be heard together.

The Court on 6 May 2009 entered judgement against the Bank as agent for the syndicated lenders for an estimated RM115.5 million with interest at 6% per annum from date of disbursement to realisation.

The balance of the judgement claim (including for general damages) against the Bank as agent for the syndicated lenders, was ordered

Other than that stated above, the Group and the Bank do not have any other material litigation that would materially and adversely af

24. INTEREST RATE RISK

The Group and Bank are exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on the financial position and cash flows. Interest rate risk exposure is identified, measured, monitored and controlled through limits and procedures set by the Asset and Liability Management Committee ("ALCO") to protect total net interest income from changes in market interest rates.

The table below summarises the Group's and Bank's exposure to interest rate risk. The table indicates effective interest rates at the balance sheet date and the periods in which the financial instruments reprice or mature, whichever is earlier.

Group 31 December 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
Assets									
Cash and short-term funds	511,887	-	-	-	-	98,005	-	609,892	2.52
Deposits and placements with banks and other financial institutions	14,658	150	3,139	-	-	4,605	-	22,552	2.13
Securities held-for-trading	-	-	-	-	-	-	-	-	-
Securities available-for-sale	4,996	-	-	-	-	130,342	-	135,338	5.40
Securities held-to-maturity	-	-	-	-	-	33	-	33	-
Loans and advances									
- performing	171,109	-	-	526	12,277	2,885	-	186,797	6.46
- non-performing *	-	-	-	-	-	(19,406)	-	(19,406)	-
Other assets	-	-	-	-	-	445,782	-	445,782	-
Other non-interest sensitive balances	-	-	-	-	-	27,004	-	27,004	-
Total assets	702,650	150	3,139	526	12,277	689,250	-	1,407,992	

* This is arrived at after deducting the general allowance, specific allowance and interest/income-in-suspense from gross non-performing loans outstanding.

24. INTEREST RATE RISK (Contd.)

Group (Contd.)	Up to 1	> 1 - 3	> 3 - 12	1 - 5	Over 5	Non-	Trading	Total	Effective
31 December 2009	Month	Months	Months	Years	Years	interest	Book	RM'000	Interest
	RM'000	RM'000	RM'000	RM'000	RM'000	Sensitive	RM'000	RM'000	Rate
						RM'000			%
Liabilities and equity									
Deposits from customers	-	-	-	-	-	-	-	-	-
Deposits and placements of banks and other financial institutions	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Other non-interest sensitive balances	-	-	-	-	-	1,006,307	-	1,006,307	
Total liabilities	-	-	-	-	-	1,006,307	-	1,006,307	
Share capital	-	-	-	-	-	50,116	-	50,116	
Reserves	-	-	-	-	-	351,569	-	351,569	
Total equity	-	-	-	-	-	401,685	-	401,685	
Total liabilities and equity	-	-	-	-	-	1,407,992	-	1,407,992	

24. INTEREST RATE RISK (Contd.)

Group (Contd.)	Up to 1	> 1 - 3	> 3 - 12	1 - 5	Over 5	Non-	Trading	Total	Effective
31 December 2009	Month	Months	Months	Years	Years	interest	Book	RM'000	Interest
	RM'000	RM'000	RM'000	RM'000	RM'000	Sensitive	RM'000	RM'000	Rate
						RM'000			%
On-balance sheet interest sensitivity gap	702,650	150	3,139	526	12,277	(718,742)	-	0	
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	702,650	150	3,139	526	12,277	(718,742)	-	0	
Cumulative interest rate sensitivity gap	702,650	702,800	705,939	706,465	718,742	0	0		

24. INTEREST RATE RISK (Contd.)

Group	Up to 1	> 1 - 3	> 3 - 12	1 - 5	Over 5	Non-	Trading	Total	Effective
30 June 2009	Month	Months	Months	Years	Years	interest	Book	RM'000	Interest
	RM'000	RM'000	RM'000	RM'000	RM'000	Sensitive	RM'000	RM'000	Rate
						RM'000			%
Assets									
Cash and short-term funds	600,525	-	-	-	-	134,875	-	735,400	1.98
Deposits and placements with banks and other financial institutions	-	4,147	1,260	-	-	9,334	-	14,741	1.92
Securities held-for-trading	-	-	-	-	-	19,930	376,510	396,440	4.74
Securities available-for-sale	14,954	25,148	126,184	1,443,211	800,438	300,999	-	2,710,934	4.74
Securities held-to-maturity	-	-	10,003	494,538	217,860	11,315	-	733,716	4.36
Loans and advances									
- performing	148,025	1	119,593	494	13,703	2,999	-	284,815	6.06
- non-performing *	-	-	-	-	-	(33,280)	-	(33,280)	
Other assets	-	-	-	-	-	317,763	-	317,763	
Other non-interest sensitive balances	-	-	-	-	-	53,763	-	53,763	
Total assets	763,504	29,296	257,040	1,938,243	1,032,001	817,698	376,510	5,214,292	

* This is arrived at after deducting the general allowance, specific allowance and interest/income-in-suspense from gross non-performing loans outstanding.

24. INTEREST RATE RISK (Contd.)

Group (Contd.) 30 June 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
Liabilities and equity									
Deposits from customers	3,294,890	190,718	377,243	-	-	-	-	3,862,851	2.32
Deposits and placements of banks and other financial institutions	232,470	-	-	-	-	-	-	232,470	3.30
Other liabilities	-	-	-	-	-	364,405	-	364,405	
Other non-interest sensitive balances	-	-	-	-	-	146	-	146	
Total liabilities	3,527,360	190,718	377,243	-	-	364,551	-	4,459,872	
Share capital	-	-	-	-	-	50,116	-	50,116	
Reserves	-	-	-	-	-	704,304	-	704,304	
Total equity	-	-	-	-	-	754,420	-	754,420	
Total liabilities and equity	3,527,360	190,718	377,243	-	-	1,118,971	-	5,214,292	

24. INTEREST RATE RISK (Contd.)

Group (Contd.) 30 June 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
On-balance sheet interest sensitivity gap	(2,763,856)	(161,422)	(120,203)	1,938,243	1,032,001	(301,273)	376,510	-	
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	(2,763,856)	(161,422)	(120,203)	1,938,243	1,032,001	(301,273)	376,510	-	
Cumulative interest rate sensitivity gap	(2,763,856)	(2,925,278)	(3,045,481)	(1,107,238)	(75,237)	(376,510)	-		

24. INTEREST RATE RISK (Contd.)

Bank	Up to 1	> 1 - 3	> 3 - 12	1 - 5	Over 5	Non-	Trading	Total	Effective
31 December 2009	Month	Months	Months	Years	Years	interest	Book	RM'000	Interest
	RM'000	RM'000	RM'000	RM'000	RM'000	Sensitive	RM'000	RM'000	Rate
						RM'000			%
Assets									
Cash and short-term funds	502,840	-	-	-	-	95,940	-	598,780	2.55
Deposits and placements with banks and other financial institutions	-	-	-	-	-	4,605	-	4,605	
Securities held-for-trading	-	-	-	-	-	-	-	-	
Securities available-for-sale	4,996	-	-	-	-	76,253	-	81,249	4.00
Securities held-to-maturity	-	-	-	-	33	-	-	33	
Loans and advances									
- performing	171,109	-	-	526	12,277	2,885	-	186,797	6.06
- non-performing *	-	-	-	-	-	(19,406)	-	(19,406)	-
Other assets	-	-	-	-	-	446,884	-	446,884	-
Other non-interest sensitive balances	-	-	-	-	-	258,511	-	258,511	
Total assets	678,945	-	-	526	12,310	865,672	-	1,557,453	

* This is arrived at after deducting the general allowance, specific allowance and interest/income-in-suspense from gross non-performing loans outstanding.

24. INTEREST RATE RISK (Contd.)

Bank (Contd.) 31 December 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
Liabilities and equity									
Deposits from customers	-	-	-	-	-	-	-	-	-
Deposits and placements of banks and other financial institutions	-	-	-	-	-	-	-	-	-
Obligations on securities sold under repurchase agreements	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
Other non-interest sensitive balances	-	-	-	-	-	1,175,710	-	1,175,710	-
Total liabilities	-	-	-	-	-	1,175,710	-	1,175,710	-
Share capital	-	-	-	-	-	50,116	-	50,116	-
Reserves	-	-	-	-	-	331,627	-	331,627	-
Total equity	-	-	-	-	-	381,743	-	381,743	-
Total liabilities and equity	-	-	-	-	-	1,557,453	-	1,557,453	-

24. INTEREST RATE RISK (Contd.)

Bank (Contd.) 31 December 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
On-balance sheet interest sensitivity gap	678,945	-	-	526	12,310	(691,781)	-	-	
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	678,945	-	-	526	12,310	(691,781)	-	-	
Cumulative interest rate sensitivity gap	678,945	678,945	678,945	679,471	691,781	-	-		

24. INTEREST RATE RISK (Contd.)

Bank 30 June 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
Assets									
Cash and short-term funds	580,660	-	-	-	-	131,606	-	712,266	1.98
Deposits and placements with banks and other financial institutions	-	-	-	-	-	9,334	-	9,334	
Securities held-for-trading	-	-	-	-	-	19,930	376,510	396,440	4.74
Securities available-for-sale	14,955	25,148	126,184	1,443,211	800,438	252,663	-	2,662,599	4.74
Securities held-to-maturity	-	-	10,003	494,538	217,860	11,315	-	733,716	4.36
Loans and advances									
- performing	148,025	1	119,593	494	13,703	2,999	-	284,815	6.06
- non-performing *	-	-	-	-	-	(33,280)	-	(33,280)	
Other assets	-	-	-	-	-	314,719	-	314,719	
Other non-interest sensitive balances	-	-	-	-	-	279,527	-	279,527	
Total assets	743,640	25,149	255,780	1,938,243	1,032,001	988,813	376,510	5,360,136	

* This is arrived at after deducting the general allowance, specific allowance and interest/income-in-suspense from gross non-performing loans outstanding.

24. INTEREST RATE RISK (Contd.)

Bank (Contd.) 30 June 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
Deposits from customers	3,294,889	190,718	353,619	23,625	-	-	-	3,862,851	3.55
Deposits and placements of banks and other financial institutions	232,470	-	-	-	-	-	-	232,470	3.68
Other liabilities	-	-	-	-	-	532,731	-	532,731	-
Total liabilities	3,527,359	190,718	353,619	23,625	-	532,731	-	4,628,052	
Share capital	-	-	-	-	-	50,116	-	50,116	
Reserves	-	-	-	-	-	681,968	-	681,968	
Total equity	-	-	-	-	-	732,084	-	732,084	
Total liabilities and equity	3,527,359	190,718	353,619	23,625	-	1,264,815	-	5,360,136	

24. INTEREST RATE RISK (Contd.)

Bank (Contd.) 30 June 2009	Up to 1 Month RM'000	> 1 - 3 Months RM'000	> 3 - 12 Months RM'000	1 - 5 Years RM'000	Over 5 Years RM'000	Non- interest Sensitive RM'000	Trading Book RM'000	Total RM'000	Effective Interest Rate %
On-balance sheet interest sensitivity gap	(2,783,719)	(165,569)	(97,839)	1,914,618	1,032,001	(276,002)	376,510	-	
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	(2,783,719)	(165,569)	(97,839)	1,914,618	1,032,001	(276,002)	376,510	-	
Cumulative interest rate sensitivity gap	(2,783,719)	(2,949,288)	(3,047,127)	(1,132,509)	(100,508)	(376,510)	-		

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS)

**CONDENSED FINANCIAL STATEMENTS
UNAUDITED BALANCE SHEETS AS AT 31 DECEMBER 2009**

	Note	Group and Bank	
		31 December 2009 RM'000	30 June 2009 RM'000
ASSETS			
Cash and short-term funds		62,953	510,040
Securities available-for-sale	(a)	-	97,003
Held to Maturity		-	61,441
Other assets	(b)	3	1,199
Deferred tax assets		-	93
TOTAL ASSETS		62,956	669,776
LIABILITIES AND ISLAMIC BANKING FUND			
Deposits from customers	(c)	-	375,407
Deposits and placements of banks and other financial institution	(d)	-	232,470
Other liabilities	(e)	45,498	46,142
Provision for taxation and zakat		3,450	2,933
TOTAL LIABILITIES		48,948	656,952
Islamic banking capital fund		5,000	5,000
Reserves		9,008	7,824
TOTAL LIABILITIES AND ISLAMIC BANKING FUND		62,956	669,776

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

**CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT
FOR SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009**

	Note	2nd Quarter ended		Cumulative 6 months ended	
		31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Income derived from investment of					
depositors' funds and others	(g)	263	7,749	2,246	16,762
Transfer to profit equalisation reserves		328	(139)	328	(182)
Gross attributable income		591	7,610	2,574	16,580
Income attributable to depositors	(h)	-	(6,734)	(477)	(14,817)
		591	876	2,097	1,763
Income derived from investment of Islamic					
banking capital funds	(i)	45	77	88	172
Income attributable to the Group and the Bank		636	953	2,185	1,935
Overhead expenses	(j)	-	(123)	(81)	(246)
Profit before taxation and zakat		636	830	2,104	1,689
Taxation		(302)	(192)	(670)	(407)
Zakat		(4)	(7)	(18)	(14)
Net profit for the period		330	631	1,416	1,268

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS)

**CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SECOND FINANCIAL QUARTER ENDED 31 DECEMBER 2009**

Group and Bank

	Islamic Banking Fund RM'000	Non-distributable Unrealised Holdings Reserves RM'000	Distributable Retained Profits RM'000	Total RM'000
At 1 July 2009	5,000	232	7,592	12,824
Net increase in fair value of securities	-	(232)	-	(232)
Net profit for the period	-	-	1,416	1,416
At 31 December 2009	<u>5,000</u>	<u>-</u>	<u>9,008</u>	<u>14,008</u>
At 1 July 2008	5,000	(926)	4,080	8,154
Net increase in fair value of securities	-	1,496	-	1,496
Net profit for the period	-	-	1,268	1,268
At 31 December 2008	<u>5,000</u>	<u>570</u>	<u>5,348</u>	<u>10,918</u>

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

**CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONDENSED CASH FLOW STATEMENTS
FOR THE FIRST FINANCIAL QUARTER ENDED 31 DECEMBER 2009**

	Group and Bank	
	31 December 2009 RM'000	31 December 2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and zakat	2,104	1,689
Adjustments for:		
Profit equalisation reserve	-	182
Accretion of discounts less amortisation of premiums	129	25
Gain on sale of dealing and investment securities	(644)	-
Operating profit before working capital changes	<u>1,589</u>	<u>1,896</u>
Increase in deposits and placements with financial institution		
(Increase)/Decrease in securities	157,929	(76,564)
(Increase)/Decrease in receivables	1,145	493
Decrease in payables	127	917
Increase/(Decrease) in deposits from customers and banks and other financial institutions	<u>(607,877)</u>	<u>(405,569)</u>
Net cash generated from operating activities	<u>(447,087)</u>	<u>(478,827)</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Capital injection from Head Office	-	-
Net cash generated from investing activity	<u>-</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(447,087)</u>	<u>(478,827)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	<u>510,040</u>	<u>1,220,670</u>
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	<u>62,953</u>	<u>741,843</u>

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(a) SECURITIES AVAILABLE-FOR-SALE

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
<u>At Fair Value</u>		
Money Market Instruments:		
Malaysian Government Investment Certificates	-	5,027
Khazanah Bonds	-	4,946
	-	9,973
Unquoted Securities:		
Private and Islamic Debt Securities in Malaysia	-	87,030
Total securities available-for-sale	-	97,003

(b) OTHER ASSETS

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Income receivables	3	1,199
	3	1,199

(c) DEPOSITS FROM CUSTOMERS

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
General investment deposits	-	375,407
	-	375,407
(i) The maturity structure of general investment deposits is as follows:		
Due within six months	-	375,407
	-	375,407
(ii) The deposits are sourced from the following customers:		
Business enterprises	-	13,389
Others	-	362,018
	-	375,407

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(d) DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Licensed bank	-	232,470

(e) OTHER LIABILITIES

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Profit payable	-	73
Profit equalisation reserve (PER)	-	683
Provisions and accruals	45,498	45,386
	<u>45,498</u>	<u>46,142</u>

The movements in PER are as follows:

Balance at beginning of period	683	122
Amount arising during the period	(683)	561
Balance at end of period	<u>-</u>	<u>683</u>

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(f) CAPITAL ADEQUACY

	Group and Bank	
	31 December 2009	30 June 2009
	%	%
Capital ratios		
Core capital and risk-weighted capital ratios:		
Credit risk	100.09	2,436.45
Credit and market risks	100.09	27.28
	<hr/>	<hr/>
	Group and Bank	
	31 December 2009	30 June 2009
	RM'000	RM'000
Tier 1 capital		
Islamic banking capital fund	5,000	5,000
Retained profits	7,592	7,592
Add/(minus): Deferred tax liabilities/(assets)		(93)
Total Tier 1 capital	<hr/>	<hr/>
	12,592	12,499
Tier 2 capital		
	-	-
Capital base	<hr/>	<hr/>
	12,592	12,499

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	Group and Bank			
	31 December 2009		30 June 2009	
	Principal Amount RM'000	Risk- Weighted Assets RM'000	Principal Amount RM'000	Risk- Weighted Assets RM'000
0%	53	-	572,002	-
10%	-	-	-	-
20%	62,903	12,581	206	41
50%	-	-	-	-
100%	-	-	472	472
Risk-weighted assets for credit risk		<hr/>		<hr/>
		12,581		513
Risk-weighted assets for market risk		<hr/>		<hr/>
		-		45,308
Total risk-weighted assets for credit and market risks		<hr/>		<hr/>
		12,581		45,821

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(g) INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

Details of the income derived from investment of depositors' funds are as follows:

	1st Quarter ended		Cumulative 6 months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	RM'000	RM'000	RM'000	RM'000
Gross income from:				
- Securities available-for-sale	(12)	1,095	698	2,105
- Securities held-to-maturity	(6)	288	387	288
- Deposit and placement with financial institut	279	6,387	655	14,394
Accretion of discounts less amortisation of premiums	2	(23)	(124)	(25)
	263	7,747	1,616	16,762
Gain from sale of investment:				
- Securities	-	-	630	-
	263	7,747	2,246	16,762

(h) INCOME ATTRIBUTABLE TO DEPOSITORS

	1st Quarter ended		Cumulative 6 months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	RM'000	RM'000	RM'000	RM'000
Deposits from customers				
- Mudharabah fund	-	1,435	2	3,120
-	-	-	-	-
Deposits and placements of banks and other financial institutions	-	-	-	-
- Mudharabah fund	-	5,299	475	11,697
	-	6,734	477	14,817

(i) INCOME DERIVED FROM INVESTMENT OF ISLAMIC BANKING CAPITAL FUNDS

	1st Quarter ended		Cumulative 6 months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	RM'000	RM'000	RM'000	RM'000
Gross income from:				
- Securities available-for-sale	-	12	15	22
- Securities held-to-maturity	-	3	9	3
- Deposit and placement with financial institutions	45	64	53	147
- Gain from sale of investment securities	-	-	14	-
- Accretion of discounts less amortisation of premiums	-	-	(3)	-
	45	79	88	172

(j) OVERHEAD EXPENSES

	1st Quarter ended		Cumulative 6 months ended	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
	RM'000	RM'000	RM'000	RM'000
Personnel expenses	-	-	-	-
Establishment costs	-	123	81	246
Marketing costs	-	-	-	-
Administration and general expenses	-	-	-	-
	-	123	81	246

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(k) YIELD/ PROFIT RATE RISK ON IBS PORTFOLIO

The Group and the Bank are exposed to various risks associated with the effects of fluctuations in the prevailing levels of yield/profit rate on the financial position and cash flows of the IBS portfolio. The fluctuations in yield/profit rate can be influenced by changes in interest rates that affect the value of financial instruments under the IBS portfolio. Yield/profit rate risk is monitored and managed by the Group and the Bank to protect the income from IBS operations.

The table below summarises the Group's and the Bank's exposure to yield/profit rate risk for the IBS operations. The table indicates effective yield/profit rates at the balance sheet date and the periods in which the financial instruments reprice or mature, whichever is earlier.

Group and Bank 31 December 2009	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000	Non-yield/ profit rate sensitive RM'000	Trading Book RM'000	Total RM'000	Effective yield/profit rate %
Assets									
Cash and short-term funds	62,900	-	-	-	-	53	-	62,953	6.55
Securities available-for-sale	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	3	-	3	-
Total assets	62,900	-	-	-	-	56	-	62,956	

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(k) YIELD/ PROFIT RATE RISK ON IBS PORTFOLIO (CONTD.)

Group and Bank 31 December 2009 (Contd.)	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000	Non-yield/ profit rate sensitive RM'000	Trading Book RM'000	Total RM'000	Effective yield/profit rate %
Liabilities and Islamic Banking Fund									
Deposits from customers	-	-	-	-	-	-	-	-	-
Deposits and placements of banks and other financial institution	-	-	-	-	-	-	-	-	-
Other non-yield/profit rate sensitive balances	-	-	-	-	-	48,948	-	48,948	-
Total liabilities	-	-	-	-	-	48,948	-	48,948	-
Islamic banking capital fund	-	-	-	-	-	5,000	-	5,000	-
Reserves	-	-	-	-	-	9,008	-	9,008	-
Total Islamic Banking Fund	-	-	-	-	-	14,008	-	14,008	-
Total liabilities and Islamic Banking Fund	-	-	-	-	-	62,956	-	62,956	-
Total yield/profit rate sensitivity gap	62,900	-	-	-	-	(62,900)	-	-	-
Cumulative yield/profit rate sensitivity gap	62,900	62,900	62,900	62,900	62,900	-	-	-	-

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(k) YIELD/ PROFIT RATE RISK ON IBS PORTFOLIO (CONTD.)

Group and Bank 30 June 2009	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000	Non-yield/ profit rate sensitive RM'000	Trading Book RM'000	Total RM'000	yield/profit rate %
Assets									
Cash and short-term funds	510,000	-	-	-	-	40	-	510,040	2.00
Securities available-for-sale	-	-	-	10,078	81,979	4,946	-	97,003	4.89
Held to maturity	-	-	-	-	25,289	36,152	-	61,441	4.32
Other assets	-	-	-	-	-	1,292	-	1,292	-
Total assets	510,000	-	-	10,078	107,268	42,430	-	669,776	

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(k) YIELD/ PROFIT RATE RISK ON IBS PORTFOLIO (CONTD.)

Group and Bank 30 June 2009 (Contd.)	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000	Non-yield/ profit rate sensitive RM'000	Trading Book RM'000	Total RM'000	Effective yield/profit rate %
Liabilities and Islamic Banking Fund									
Deposits from customers	375,407	-	-	-	-	-	-	375,407	3.30
Deposits and placements of banks and other financial institutions	232,470	-	-	-	-	-	-	232,470	3.30
Other non-yield/profit rate sensitive balances	-	-	-	-	-	49,075	-	49,075	
Total liabilities	607,877	-	-	-	-	49,075	-	656,952	
Islamic banking capital fund	-	-	-	-	-	5,000	-	5,000	-
Reserves	-	-	-	-	-	7,824	-	7,824	-
Total Islamic Banking Fund	-	-	-	-	-	12,824	-	12,824	
Total liabilities and Islamic Banking Fund	607,877	-	-	-	-	61,899	-	669,776	
Total yield/profit rate sensitivity gap	(97,877)	-	-	10,078	107,268	(19,469)	-	-	
Cumulative yield/profit rate sensitivity gap	(97,877)	(97,877)	(97,877)	(87,799)	19,469	-	-	-	

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(l) Fair values of financial assets and liabilities

The estimated fair values of those on-balance sheet financial assets and financial liabilities as at the balance sheet date, which are considered short term in maturity, approximate their carrying amounts as shown in the balance sheet

(m) Allocation of income

The policy of allocation of income to the various types of deposits and investments is subject to "The Framework of Rate of Return" issued by Bank Negara Malaysia in October 2001. The objective is to set the minimum standard and terms of reference for the Islamic banking institutions in calculating and deriving the rate of return for the depositors.

(n) Shariah committee

The operation of IBS is governed by Section 124(3) of the Banking and Financial Institutions Act, 1989 ("the Act"), which stipulates that "any licensed institution carrying on Islamic financial business, in addition to its existing licensed business may, from time to time seek the advise of the Shariah Advisory Council (SAC) established under subsection (7) of the Act, on the operations of its business in order to ensure that it does not involve any element which is not approved by the Religion of Islam" and Section IV of BNM's "Guidelines on the Governance of Shariah Committee for The Islamic Financial Institutions" known as BNM/GPS 1, stipulates that "Every Islamic institution is required to establish a Shariah Committee".

Based on the above, the duties and responsibilities of the Group's and the Bank's Shariah Committee are to advise on the overall Islamic Banking operations of the Group's and the Bank's business in order to ensure compliance with the Shariah requirements.

The roles of the Shariah Committee in monitoring the Group's and the Bank's activities include:

- (i) To advise the Board on Shariah matters in its business operations
- (ii) To endorse Shariah Compliance Manuals
- (iii) To endorse and validate relevant documentations
- (iv) To assist related parties on Shariah matters for advice upon request
- (v) To advise on matters to be referred to the SAC

25. THE OPERATIONS OF ISLAMIC BANKING SCHEME (IBS) (Contd.)

(n) Shariah committee (contd.)

(vi) Provide written Shariah opinion:

- When the Group and the Bank make references to SAC of BNM for advice on unresolved Shariah issues

- When the Group and the Bank submit application to BNM for new product approval

(vii)

Assist in providing explanation on matters referred to BNM or SAC of BNM at their requests

(viii) Participate in the in-house training programmes of the Group and the Bank

The Group and the Bank presently have three Shariah Consultants.

Banking Institution :
 Bank Holding Company :
 Financial Quarter Ended :

MAYBANK INVESTMENT BANK BERHAD (FORMERLY KNOWN AS ASEAMBANKERS MALAYSIA BERHAD) (15938-H)
MALAYAN BANKING BERHAD
31 DECEMBER 2009

OVERALL ASSESSMENT OF THE GROUP FINANCIAL PERFORMANCE

Name of Company	Total Assets				PBT						PAT						PBT/SHF		PBT/Assets		Dividend	
	31-Dec-09		31-Dec-08		31-Dec-08		Change 2009/2008		31-Dec-09		31-Dec-08		Change 2009/2008		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08		
	RM/m	%	RM/m	% of Group	RM/m	% of Group	RM/m	%	RM/m	% of Group	RM/m	% of Group	RM/m	%	%	%	%	%	%	%		
MAYBANK INVESTMENT BANK BERHAD	1,557.00	110.6%	99.60	105.8%	32.86	94.7%	66.74	203.1%	79.00	107.8%	23.29	92.9%	55.71	239.2%	12.5%	5.0%	6.4%	0.4%	-	-		
SUBSIDIARY COMPANIES																						
ASEAM MALAYSIA NOMINEES (TEMPATAN) SDN BHD	100.00%	0.07	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
ASEAM MALAYSIA NOMINEES (ASING) SDN BHD	100.00%	0.01	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYSEC SDN BHD	100.00%	291.88	20.7%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYSEC IPOH SDN BHD	100.00%	130.00	9.2%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYSEC (KL) SDN BHD	100.00%	173.56	12.3%	0.04	0.0%	0.09	0.3%	(0.05)	-58.9%	0.03	0.0%	0.07	0.3%	(0.04)	-61.4%							
MAYSEC NOMINEES (T) SDN BHD	100.00%	1.53	0.1%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYSEC NOMINEES (A) SDN BHD	100.00%	0.16	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYBAN FUTURES SDN BHD	100.00%	5.53	0.4%	0.04	0.0%	0.06	0.2%	(0.02)	0.0%	0.03	0.0%	0.04	0.2%	(0.01)	-27.5%							
MAYBAN SECURITIES (JERSEY) SDN BHD	100.00%	13.02	0.9%	(0.11)	-0.1%	0.17	0.5%	(0.28)	-161.8%	(0.11)	-0.1%	0.17	0.0%	(0.28)	0.0%							
MAYBAN SECURITIES (HK) LTD	100.00%	64.16	4.6%	0.80	0.8%	0.52	1.5%	0.28	53.8%	0.80	1.1%	0.52	2.1%	0.28	53.8%							
PHILEO ALLIED SECURITIES (PHIL) INC.	100.00%	2.55	0.2%	(0.02)	0.0%	(0.04)	-0.1%	0.02	-50.0%	(0.02)	0.0%	(0.04)	-0.2%	0.02	-50.0%							
BUDAYA TEGAS SDN BHD	100.00%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
BINAFIKIR SDN BHD (acquired on 11 November 2008)	100.00%	3.98	0.0%	1.20	0.0%	0.43	0.0%	0.77	0.0%	1.05	0.0%	0.41	0.0%	0.64	0.0%							
SHARE OF POST-ACQUISITION PROFITS																						
FROM ASSOCIATED COMPANIES																						
MAYDIS BERHAD	30.10%	0.56	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.00	0.0%							
MAYBAN VENTURES SDN BERHAD	30.00%	18.92	1.3%	0.65	0.7%	0.92	2.7%	(0.27)	-29.2%	0.47	0.6%	0.92	3.7%	(0.45)	48.5%							
MAYBAN INVESTMENT MANAGEMENT SDN BHD (sold to Mayban Fortis Holdings Bhd on 27 March 2008)	38.475%	-	-	-	-	-	-	0.00	-	-	-	-	-	0.00	-53.0%							
Less : Inter Company Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Minority interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-							
Other consolidation adjustments:		(854.94)	-	(8.07)	-9.6%	(0.31)	-	-	-	(7.97)	-12.9%	(0.31)	-	-	-							
GROUP		1,407.99	100.0%	94.13	98%	34.70	100%	67.19	193.6%	73.28	97%	25.07	99%	55.87	222.9%							

* N/A - Not Applicable