

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED BALANCE SHEETS AS AT 30 SEPTEMBER 2009**

	Note	Group		Bank	
		30 September	31 December	30 September	31 December
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short term funds	5	615,622	1,257,053	613,037	1,256,924
Deposits and placements with licensed banks and other financial institutions		110,000	500,000	110,000	500,000
Securities held-for-trading	6	793,278	260,972	793,278	260,972
Securities available-for-sale	7	2,143,849	3,076,650	2,143,849	3,076,650
Securities held-to-maturity	8	129,572	43,404	129,572	43,404
Loans, advances and financing	9	201,021	126,392	201,021	126,392
Other assets	11	99,728	41,624	102,102	41,637
Statutory deposits with Bank Negara Malaysia		19,571	96,871	19,571	96,871
Investment in subsidiary companies		-	-	10	20
Property, plant and equipment		3,942	4,486	3,942	4,486
Deferred tax asset		32,455	42,314	32,455	42,314
TOTAL ASSETS		4,149,038	5,449,766	4,148,837	5,449,670
LIABILITIES					
Deposits from customers	12	1,789,123	2,646,454	1,789,123	2,646,454
Deposits and placements of banks and other financial institutions	13	1,502,962	2,021,784	1,502,962	2,021,784
Other liabilities	14	97,383	51,166	97,189	51,150
Provision for taxation and zakat		713	724	713	724
TOTAL LIABILITIES		3,390,181	4,720,128	3,389,987	4,720,112
SHAREHOLDERS' EQUITY					
Share Capital		156,500	156,500	156,500	156,500
Reserves:					
Share premium		362,611	362,611	362,611	362,611
Statutory reserve		112,087	112,087	112,087	112,087
Securities available-for-sale reserve		2,601	2,569	2,601	2,569
Retained earnings		125,058	95,871	125,051	95,791
TOTAL SHAREHOLDERS' EQUITY		758,857	729,638	758,850	729,558
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,149,038	5,449,766	4,148,837	5,449,670
COMMITMENTS AND CONTINGENCIES	24(v)	406,105	631,536	406,105	631,536
CAPITAL ADEQUACY	24(i)				
Core capital ratio		40.31%	47.84%	40.26%	47.84%
Risk-weighted capital ratio		40.54%	48.02%	40.49%	48.02%
NET ASSETS PER SHARE (RM)		4.85	4.66	4.85	4.66

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Group					
Operating revenue		49,444	72,067	170,648	239,083
Interest income	15	34,468	55,275	112,585	173,635
Interest expense	16	(13,765)	(37,145)	(51,806)	(120,635)
Net interest income		20,703	18,130	60,779	53,000
Income from Islamic Banking operation	26	5,320	3,378	14,187	14,834
Other operating income	17	6,843	5,477	28,289	27,059
Net income		32,866	26,985	103,255	94,893
Operating expenses	18	(10,062)	(8,652)	(28,727)	(26,662)
Operating profit		22,804	18,333	74,528	68,231
(Allowance)/write-back for losses on loans and advances	19	(648)	332	(671)	7,407
(Allowance) / write-back for losses on doubtful debts	20	(21)	(216)	(400)	(197)
Impairment (loss)/write-back	21	(8,960)	403	(34,088)	8,765
Profit before tax expense and zakat		13,175	18,852	39,369	84,206
Tax expense	22	(3,261)	(2)	(9,863)	(7)
Zakat		(124)	(74)	(319)	(198)
Net profit for the period		9,790	18,776	29,187	84,001
Earnings per RM1.00 share – basic (sen)		6.26	12.00	18.65	53.67

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Bank					
Operating revenue		49,431	72,058	170,710	239,035
Interest income	15	34,468	55,275	112,585	173,635
Interest expense	16	(13,765)	(37,145)	(51,806)	(120,635)
Net interest income		20,703	18,130	60,779	53,000
Income from Islamic Banking operation	26	5,320	3,378	14,187	14,834
Other operating income	17	6,830	5,468	28,351	27,011
Net income		32,853	26,976	103,317	94,845
Operating expenses	18	(10,060)	(8,646)	(28,720)	(26,656)
Operating profit		22,793	18,330	74,597	68,189
(Allowance)/write-back for losses on loans and advances	19	(648)	332	(671)	7,407
(Allowance) / write-back for losses on doubtful debts	20	(21)	(216)	(400)	(197)
Impairment (loss)/write-back	21	(8,960)	403	(34,088)	8,765
Profit before tax expense and zakat		13,164	18,849	39,438	84,164
Tax expense	22	(3,255)	-	(9,859)	-
Zakat		(124)	(74)	(319)	(198)
Net profit for the period		9,785	18,775	29,260	83,966
Earnings per RM1.00 share – basic (sen)		6.25	12.00	18.70	53.65

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

Group	Non-distributable					
	Share Capital	Share Premium	Statutory Reserve *	Securities available-for-sale Reserve #	Retained Profit	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2007	156,500	362,611	90,950	329	37,411	647,801
Net profit for the period	-	-	-	-	84,001	84,001
Unrealised net loss on revaluation of securities available-for-sale	-	-	-	(8,372)	-	(8,372)
Realised gain on sale of securities available-for-sale	-	-	-	(4,207)	-	(4,207)
Transfer to statutory reserve	-	-	16,307	-	(16,307)	-
Dividends	-	-	-	-	(4,995)	(4,995)
At 30 September 2008	156,500	362,611	107,257	(12,250)	100,110	714,228
Net profit for the period	-	-	-	-	591	591
Deferred taxation on revaluation of securities available-for-sale	-	-	-	(1,382)	-	(1,382)
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	16,901	-	16,901
Realised gain on sale of securities available-for-sale	-	-	-	(700)	-	(700)
Transfer to statutory reserve	-	-	4,830	-	(4,830)	-
At 31 December 2008	156,500	362,611	112,087	2,569	95,871	729,638
Net profit for the period	-	-	-	-	29,187	29,187
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	12,417	-	12,417
Realised gain on sale of securities available-for-sale	-	-	-	(12,385)	-	(12,385)
At 30 September 2009	156,500	362,611	112,087	2,601	125,058	758,857

* The statutory reserve is maintained in compliance with Section 36 of the Banking and Financial Institution Act, 1989 and is not distributable as cash dividends

The securities available-for-sale reserve arose from the change in the fair value of the securities available-for-sale in compliance with the revised BNMGP8 requirement.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

Bank	Non-distributable					
	Share Capital	Share Premium	Statutory Reserve *	Securities available- for-sale Reserve #	Retained Profit	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 31 December 2007	156,500	362,611	90,950	329	37,374	647,764
Net profit for the period	-	-	-	-	83,966	83,966
Unrealised net loss on revaluation of securities available-for-sale	-	-	-	(8,372)	-	(8,372)
Realised gain on sale of securities available-for-sale	-	-	-	(4,207)	-	(4,207)
Transfer to statutory reserve	-	-	16,307	-	(16,307)	-
Dividends	-	-	-	-	(4,995)	(4,995)
At 30 September 2008	156,500	362,611	107,257	(12,250)	100,038	714,156
Net profit for the period	-	-	-	-	583	583
Deferred taxation on revaluation of securities available-for-sale	-	-	-	(1,382)	-	(1,382)
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	16,901	-	16,901
Realised gain on sale of securities available-for-sale	-	-	-	(700)	-	(700)
Transfer to statutory reserve	-	-	4,830	-	(4,830)	-
At 31 December 2008	156,500	362,611	112,087	2,569	95,791	729,558
Net profit for the period	-	-	-	-	29,260	29,260
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	12,417	-	12,417
Realised gain on sale of securities available-for-sale	-	-	-	(12,385)	-	(12,385)
At 30 September 2009	156,500	362,611	112,087	2,601	125,051	758,850

* The statutory reserve is maintained in compliance with Section 36 of the Banking and Financial Institution Act, 1989 and is not distributable as cash dividends

The securities available-for-sale reserve arose from the change in the fair value of the securities available-for-sale in compliance with the revised BNMGP8 requirement.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Profit before tax expense	39,369	84,206	39,438	84,164
Adjustments for non-cash items	(29,480)	(80,159)	(29,562)	(80,153)
Operating profit before changes in working capital	9,889	4,047	9,876	4,012
Changes in working capital:				
Net changes in operating assets	215,276	899,915	290,216	899,772
Net changes in operating liabilities	(1,255,867)	(1,305,020)	(1,333,345)	(1,305,034)
Net cash used in operating activities	(1,030,702)	(401,058)	(1,033,253)	(401,250)
Net cash used in investing activities	(729)	(768)	(644)	(768)
	(729)	(768)	(644)	(768)
Net cash generated from financing activities	-	(32,995)	10	(32,995)
	-	(32,995)	10	(32,995)
Net change in cash and cash equivalents	(1,031,431)	(434,821)	(1,033,887)	(435,013)
Cash and cash equivalents at beginning of the period	1,757,053	2,601,063	1,756,924	2,600,841
Cash and cash equivalents at end of the period	725,622	2,166,242	723,037	2,165,828

Cash and cash equivalents included in the cash flow statements comprise of the following balance sheet amounts:

	RM'000	RM'000	RM'000	RM'000
Cash and balances with banks and other financial institutions	15,294	2,794	12,709	2,380
Money at call and deposit placements maturing within one month	600,328	2,013,448	600,328	2,013,448
Deposit and placements with banks and other financial institutions	110,000	150,000	110,000	150,000
	725,622	2,166,242	723,037	2,165,828

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2008.

Explanatory Notes Pursuant to Bank Negara Malaysia Guidelines on Financial Reporting for Licensed Institutions ("BNM/GP8") – September 2004

1. Basis of Preparation

The unaudited condensed interim financial statements for the 3rd quarter ended 30 September 2009 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: held-for-trading financial assets and available-for-sale financial assets. The unaudited condensed interim financial statements have been prepared in accordance with Financial Reporting Standard 134 ("FRS 134"): Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"). The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Bank for the year ended 31 December 2008. The explanatory notes attached to the interim financial statements provide an explanation of events and performance of the Group and the Bank since the year ended 31 December 2008.

The significant accounting policies and methods of computation applied in the unaudited condensed financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008.

The specific and general allowance for bad and doubtful debts and financing of the Group and the Bank are computed in conformity with Bank Negara Malaysia's Garispanduan 3 ("BNM/GP3") which is consistent with the adoption made in the previous audited annual financial statements.

2. Auditors' report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2008 was not qualified.

3. Performance Review

The Group and the Bank recorded a pre-tax profit of RM13.175 million for the 3rd quarter ended 30th September 2009 compared to the pre-tax profit of RM18.852 million recorded in the previous corresponding quarter ended 30th September 2008. The decrease in earnings was due to higher net interest income, income from Islamic banking operation and fee income offset by an increase in impairment loss on securities and operating expenses respectively.

The pre-tax profit for the nine months period ended 30th September 2009 amounted to RM39.369 million, a decrease of 53% when compared with the pre-tax profit of RM84.206 million for the previous year corresponding nine months period ended 30th September 2008. The decrease in earnings was due to higher impairment loss on securities and allowances for loan losses and doubtful debts.

4. Prospects for 2009

Based on recent economic data and the assessments made during Budget 2010, the Malaysian economy is on a recovery path, in line with regional peers. While domestic consumption has been partly boosted by the Government's fiscal stimulus measures, consumer sentiment has also rebounded, in line with better income and employment prospects.

Malaysia's gross domestic product (GDP) is expected to grow again in the fourth quarter of 2009, after what is likely to be three quarters in the negative territory. The official forecast for 2009 GDP growth has been upgraded from -4.5% to -3.0%. Growth would be driven by the services sector, especially financial and retail services. The recovery momentum is expected to continue in 2010, with growth officially projected to be in the range of 2% - 3%.

The Government is maintaining development spending at above RM50 billion, but has budgeted to reduce operating expenditure by RM22 billion or almost 14% with the planned reduction in public sector spending. This fiscal consolidation is expected to reduce the budget deficit to 5.6% of GDP in 2010 from 7.4% in 2009. Consequently, the driver of GDP growth is expected to revert to the private sector, as overall public sector contribution to GDP growth is forecast to contract by 3%.

The strong recovery in equity prices portends better corporate performance in the quarters to come. The earnings of corporations listed on Bursa Malaysia have surprised market participants, especially those in the banking, and property sectors. Stronger sentiment that prevailed in Bursa Malaysia is reflected by an increase in the number of initial public offerings.

4. Prospects for 2009 (continued)

On the back of broader economic recovery and a more buoyant equity market, the investment banking division sees the strongest outlook in more than a year. Opportunities lie in advisory activities for corporate actions, such as mergers and takeovers and initial public offerings, as well as in underwriting. However, the road ahead would be bumpy for fund-based activities. The treasury business may be dampened by the prospects of a general uptrend in interest rates. In the mean time, concerns over credit quality will continue to be at the forefront for debt market participants, and this may limit clients' involvement especially in private debt securities origination.

5. Cash and short-term funds

	Group		Bank	
	30 September 2009 RM'000	31 December 2008 RM'000	30 September 2009 RM'000	31 December 2008 RM'000
Cash and balances with banks and other financial institutions	15,294	1,668	12,709	1,539
Money at call and deposit placements maturing within one month	600,328	1,255,385	600,328	1,255,385
	<u>615,622</u>	<u>1,257,053</u>	<u>613,037</u>	<u>1,256,924</u>

6. Securities held-for-trading

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At fair value		
Quoted securities:		
Malaysian Government Securities	325,000	10,645
Bank Negara Malaysia Notes	24,974	-
Government Investment Issues	5,001	-
	<u>354,975</u>	<u>10,645</u>
Unquoted securities:		
Other Acceptances Discounted	322,641	106,261
Private Debt Securities	115,662	144,066
	<u>438,303</u>	<u>250,327</u>
Total securities held-for-trading	<u>793,278</u>	<u>260,972</u>

7. Securities available-for-sale

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At fair value		
Quoted securities:		
Malaysian Government Securities	9,369	229,074
Government Investment Issues	119,887	183,871
Bank Negara Malaysia Notes	12,285	-
Shares in Malaysia	13,060	5,163
	<u>154,601</u>	<u>418,108</u>
Unquoted Securities:		
Cagamas Berhad Bonds	-	25,018
Khazanah Nasional Berhad Bonds	14,908	126,915
Private Debt Securities	1,647,744	1,936,933
Other Acceptances Discounted	126,749	510,086
Negotiable Instruments of Deposits	199,847	59,590
	<u>1,989,248</u>	<u>2,658,542</u>
Total securities available-for-sale	<u>2,143,849</u>	<u>3,076,650</u>

8. Securities held-to-maturity

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At amortised cost		
Unquoted Securities:		
Khazanah Nasional Berhad Bonds	19,786	19,258
Private Debt Securities	85,603	140,564
Negotiable Instruments of Deposits	100,000	-
Shares in Malaysia	906	906
	<u>206,295</u>	<u>160,728</u>
Less: Accumulated impairment loss	(76,723)	(117,324)
Total securities held-to-maturity	<u>129,572</u>	<u>43,404</u>

9. Loans, advances and financing

i) By type

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Term loans		
- Syndicated term loans	27,206	10,045
- Other term loans	98,522	54,296
Staff loans*	1,989	2,888
Revolving credits	24,665	21,472
Share margin financing	79,273	67,614
Gross loans, advances and financing	<u>231,655</u>	<u>156,315</u>
Less: Allowance for bad and doubtful debts		
- General	(4,103)	(2,588)
- Specific	(26,531)	(27,335)
Net loans, advances and financing	<u>201,021</u>	<u>126,392</u>

ii) By type of customer

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Domestic business enterprises		
- Small medium enterprises	184,402	110,535
Individuals	47,253	45,780
Gross loans, advances and financing	<u>231,655</u>	<u>156,315</u>

* Included in staff loans is a loan to a Director amounting to RM47,000 (2008:RM60,000).

iii) By interest/profit rate sensitivity

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Fixed rate:		
- Staff loans	1,989	2,888
- Other fixed rate loans	79,273	67,614
Variable rate:		
- Cost plus	150,393	85,813
Gross loans, advances and financing	<u>231,655</u>	<u>156,315</u>

9. Loans, advances and financing (continued)

iv) By economic sector

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Primary agriculture	2,639	3,889
Mining and quarrying	29,766	252
Manufacturing	37,810	10,680
Construction	27,366	27,706
Wholesale & retail trade and restaurants & hotels	22,375	5,871
Transport, storage and communication	12,974	19,906
Finance, insurance and business services	51,472	42,230
Education, health and others	-	1
Others	47,253	45,780
Gross loans, advances and financing	<u>231,655</u>	<u>156,315</u>

10. Non-Performing Loans ("NPL")

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) Movements in non-performing loans, advances and financing		
At beginning of year	37,352	37,986
Classified as non-performing during the period / year	46	590
Reclassified as performing during the period / year	-	(143)
Amount written-back	(850)	(668)
Amount written off	-	(413)
At end of period/year	36,548	37,352
Specific allowance ("SA")	(26,531)	(27,335)
Net non-performing loan, advances and financing	<u>10,017</u>	<u>10,017</u>
Net NPL as % of gross loans, advances and financing less specific allowance	<u>4.88%</u>	<u>7.77%</u>

ii) Movements in allowance for bad and doubtful debts

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
General allowance		
At beginning of year	2,588	3,471
Allowance made/(written back) during the period / year	1,515	(883)
At end of period / year	<u>4,103</u>	<u>2,588</u>
As % of gross loans and advances less specific allowance	2.00%	2.00%
Specific allowance	RM'000	RM'000
At beginning of year	27,335	27,576
Allowance made during the period / year	46	802
Amount written-back	(850)	(630)
Amount written off	-	(413)
At end of period/year	<u>26,531</u>	<u>27,335</u>

10. Non-Performing Loans ("NPL") (continued)

iii) NPL by economic sector

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Manufacturing	10,380	10,680
Construction	13,002	13,492
Finance, insurance and business services	12,463	12,504
Others	703	676
	<u>36,548</u>	<u>37,352</u>

11. Other Assets

	Group		Bank	
	30 September 2009 RM'000	31 December 2008 RM'000	30 September 2009 RM'000	31 December 2008 RM'000
Other debtors, deposits and prepayment	27,174	27,156	27,171	27,156
Less: Allowance for bad and doubtful debts (a)	<u>(24,235)</u>	<u>(24,311)</u>	<u>(24,235)</u>	<u>(24,311)</u>
	2,939	2,845	2,936	2,845
Tax recoverable	105	78	105	78
Interest/Profit receivables	27,337	16,875	27,337	16,875
Amount due from brokers and clients (b)	69,347	21,826	69,347	21,826
Amount due from subsidiaries	-	-	2,377	13
	<u>99,728</u>	<u>41,624</u>	<u>102,102</u>	<u>41,637</u>

(a) Movements in allowance for bad and doubtful debts

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Specific allowance:		
At beginning of year	(24,311)	(24,090)
Allowance made during the period / year	(536)	(405)
Amount written-back	344	184
Amount written-off	268	-
At end of period/year	<u>(24,235)</u>	<u>(24,311)</u>

(b) Amount due from brokers and clients:

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Brokers	1,435	17,187
Clients	<u>70,629</u>	<u>7,146</u>
	72,064	24,333
Less: Allowance for doubtful debts	(2,715)	(2,505)
General allowance	<u>(2)</u>	<u>(2)</u>
	<u>69,347</u>	<u>21,826</u>

12. Deposits from customers

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) By type of deposits:		
Call deposits	223,634	457,682
Fixed deposits	1,565,489	2,188,772
	<u>1,789,123</u>	<u>2,646,454</u>
ii) By type of customers:		
Business enterprises	1,718,623	2,624,202
Government and statutory bodies	70,500	22,252
	<u>1,789,123</u>	<u>2,646,454</u>

13. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) Call deposits		
- other financial institutions	135,752	255,674
ii) Fixed deposits		
- licensed Islamic bank	50,200	-
- licensed investment banks	30,000	50,000
- other financial institutions	1,287,010	1,716,110
	<u>1,367,210</u>	<u>1,766,110</u>
	<u>1,502,962</u>	<u>2,021,784</u>

14. Other liabilities

	Group		Bank	
	30 September 2009 RM'000	31 December 2008 RM'000	30 September 2009 RM'000	31 December 2008 RM'000
Interest/profit payable				
- holding companies	129	285	129	285
- related companies	25	46	25	46
- others	2,752	7,183	2,752	7,183
Accrued liabilities and other payables	12,993	13,458	12,799	13,442
Amount due to brokers and clients (a)	73,186	25,098	73,186	25,098
Profit Equalisation Reserve	5,787	2,886	5,787	2,886
Employee benefits	947	849	947	849
Amount due to holding companies	1,564	1,361	1,564	1,361
	<u>97,383</u>	<u>51,166</u>	<u>97,189</u>	<u>51,150</u>

(a) Amount due to brokers and clients

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Brokers	61,872	4,520
Clients	6,797	17,011
Margin clients	218	188
Trust monies	2,830	2,489
Collateralised clients deposits	1,469	890
	<u>73,186</u>	<u>25,098</u>

15. Interest income

	Group and Bank	
	30 September 2009 RM'000	30 September 2008 RM'000
Loans and advances		
- Interest income other than recoveries from NPL	8,194	13,083
- Recoveries from NPL	70	28
Money at call and deposit placement with financial institutions	22,139	73,328
Securities held-for-trading	1,600	83
Securities available-for-sale	32,969	48,729
Recoveries from non performing securities	7,381	-
Securities held-to-maturity	2,934	918
	<u>75,287</u>	<u>136,169</u>
Accretion of discount less amortisation of premium	37,838	38,401
Interest suspended on securities	(540)	(935)
Total interest income	<u>112,585</u>	<u>173,635</u>

16. Interest expense

	Group and Bank	
	30 September 2009 RM'000	30 September 2008 RM'000
Deposits and placements of banks and other financial institutions	21,090	53,973
Deposits from customers	30,716	66,020
Subordinated term loan from holding company	-	642
	<u>51,806</u>	<u>120,635</u>

17. Other operating income

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
i) Fees and Commission				
Arrangement / Management fees	375	666	375	666
Agency fees	1,370	1,187	1,370	1,187
Commitment fees	52	127	52	127
Corporate advisory fees	881	980	881	980
Brokerage commission	8,946	10,083	8,946	10,083
Guarantee fees	44	80	44	80
Participation fees	200	200	200	200
Underwriting fees	6,192	5,693	6,192	5,693
Other fee income	1,200	54	1,200	54
	<u>19,260</u>	<u>19,070</u>	<u>19,260</u>	<u>19,070</u>

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
ii) Gain/(Loss) arising from sale of securities				
Net gain/(loss) from sale of securities held-for-trading	1,274	2,953	1,274	2,953
Net gain from sale of securities available-for-sale	7,600	3,413	7,600	3,413
Net unrealised revaluation loss on securities held-for-trading	(104)	(57)	(104)	(57)
	<u>8,770</u>	<u>6,309</u>	<u>8,770</u>	<u>6,309</u>

17. Other operating income (continued)

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
iii) Gross dividend income from:				
Securities available-for-sale	-	225	-	225
Securities held-to-maturity	88	245	88	245
Subsidiary company	-	-	85	-
	<u>88</u>	<u>470</u>	<u>173</u>	<u>470</u>
iv) Other income				
Others	106	1,055	83	1,007
Gains on disposal of property, plant and equipment	65	155	65	155
	<u>171</u>	<u>1,210</u>	<u>148</u>	<u>1,162</u>
Total other operating income	<u>28,289</u>	<u>27,059</u>	<u>28,351</u>	<u>27,011</u>

18. Operating expenses

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
i) Personnel expenses:				
- Salaries and wages	9,401	8,072	9,401	8,072
- Allowance and bonuses	4,998	4,151	4,998	4,151
- Staff training	207	147	207	147
- Others	2,558	2,729	2,558	2,729
	<u>17,164</u>	<u>15,099</u>	<u>17,164</u>	<u>15,099</u>
ii) Establishment related expenses:				
- Depreciation	1,405	1,352	1,405	1,352
- Rental	1,435	1,297	1,435	1,297
- Hire of equipment	92	146	92	146
- Others	1,454	1,328	1,454	1,328
	<u>4,386</u>	<u>4,123</u>	<u>4,386</u>	<u>4,123</u>
iii) Promotion and marketing related expenses:				
- Advertisement & publicity	171	138	171	138
- Others	358	464	358	464
	<u>529</u>	<u>602</u>	<u>529</u>	<u>602</u>
iv) General administrative expenses:				
- Communication expenses	251	266	251	266
- Audit fees	129	142	129	142
- Directors meeting allowances	227	216	227	216
- Management fees	4,233	3,862	4,233	3,862
- Corporate Dealers and Remisers' Commissions	385	1,198	385	1,198
- Securities Commission's Levy	358	370	358	370
- Others	1,065	784	1,058	778
	<u>6,648</u>	<u>6,838</u>	<u>6,641</u>	<u>6,832</u>
Total operating expenses	<u>28,727</u>	<u>26,662</u>	<u>28,720</u>	<u>26,656</u>

19. Allowance for losses on loans and financing

	Group and Bank	
	30 September 2009 RM'000	30 September 2008 RM'000
Allowance for bad and doubtful debts on loans and financing:		
i) Specific allowance		
- Made in the financial period	(46)	(595)
- Written back	850	396
ii) Bad debts on loans and financing		
- Recovered	40	9,723
iii) General allowance		
- Made in the financial period	(1,652)	(2,117)
- Written back	137	-
	<u>(671)</u>	<u>7,407</u>

20. Allowance for losses on doubtful debts

	Group and Bank	
	30 September 2009 RM'000	30 September 2008 RM'000
Allowance for bad and doubtful debts on trade receivables		
i) Specific allowance		
- Made in the financial period	(802)	(302)
- Written back	402	104
ii) General allowance		
- Made in the financial period	(3)	(7)
- Written back	3	8
	<u>(400)</u>	<u>(197)</u>

21. Allowance for impairment loss

	Group and Bank	
	30 September 2009 RM'000	30 September 2008 RM'000
i) Securities available-for-sale		
- Charged for the period	(51,677)	(16,657)
- Written back	441	4,373
ii) Securities held-to-maturity		
- Written back	17,148	21,049
	<u>(34,088)</u>	<u>8,765</u>

22. Tax expense

The effective rate of taxation of the Group and Bank for the nine months period ended 30 September 2009 was mainly due to utilization of deferred tax assets.

23. Credit exposures arising from credit transactions with connected parties.

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) Outstanding credit exposures with connected parties	230,000	130,000
ii) Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	9.35%	4.67%
iii) Percentage of outstanding credit exposures to connected parties which is non-performing or in default	Nil	Nil

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties, which are effective on 1 January 2008.

24. Risk weighted capital adequacy

The capital adequacy of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II): Standardised Approach for Credit Risk, Market Risk and Basic Indicator Approach for Operational Risk.

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

	Group		Bank	
	30.9.2009 RM'000	31.12.2008 RM'000	30.9.2009 RM'000	31.12.2008 RM'000
Tier-I capital				
Paid-up share capital	155,000	155,000	155,000	155,000
Paid-up non-cumulative perpetual preference share	1,500	1,500	1,500	1,500
Share premium	362,611	362,611	362,611	362,611
Statutory reserve	112,087	112,087	112,087	112,087
Accumulated profit	95,871	95,871	95,791	95,791
	<u>727,069</u>	<u>727,069</u>	<u>726,989</u>	<u>726,989</u>
Less: Deferred tax assets	(32,455)	(42,314)	(32,455)	(42,314)
Total Tier-I capital	<u>694,614</u>	<u>684,755</u>	<u>694,534</u>	<u>684,675</u>
Tier-II capital				
General allowance for bad and doubtful debts	4,103	2,588	4,103	2,588
Total Tier-II capital	<u>4,103</u>	<u>2,588</u>	<u>4,103</u>	<u>2,588</u>
Total capital	698,717	687,343	698,637	687,263
Less:				
Investment in subsidiary companies	-	-	(10)	(20)
Capital Base	<u>698,717</u>	<u>687,343</u>	<u>698,627</u>	<u>687,243</u>
Before deducting proposed dividends				
Core capital ratio	40.31%	47.84%	40.26%	47.84%
Risk-weighted capital ratio	40.54%	48.02%	40.49%	48.02%
After deducting proposed dividends				
Core capital ratio	40.31%	47.84%	40.26%	47.84%
Risk-weighted capital ratio	40.54%	48.02%	40.49%	48.02%

24. Risk weighted capital adequacy (continued)

ii) Breakdown of gross risk-weighted assets in the various categories of risk-weights:

	Group		Group	
	30 September 2009		31 December 2008	
	Notional amount RM'000	Risk-weighted amount RM'000	Notional amount RM'000	Risk-weighted amount RM'000
0%	395,880	-	1,876,438	-
20%	1,856,533	371,307	2,363,128	472,626
35%	990	346	1,239	434
50%	583,268	291,634	915,141	457,569
75%	334	250	373	280
100%	370,880	370,880	217,853	217,853
150%	303,100	454,650	29,099	43,649
Total Risk Weighted Assets for Credit Risk	3,510,985	1,489,067	5,403,271	1,192,411
Risk Weighted Assets Equivalent for Market Risk	-	19,706	-	15,865
Risk Weighted Assets Equivalent for Operational Risk	-	214,608	-	223,034
	3,510,985	1,723,381	5,403,271	1,431,310

	Bank		Bank	
	30 September 2009		31 December 2008	
	Notional amount RM'000	Risk-weighted amount RM'000	Notional amount RM'000	Risk-weighted amount RM'000
0%	395,880	-	1,876,438	-
20%	1,853,948	370,790	2,363,000	472,600
35%	990	346	1,239	434
50%	583,268	291,634	915,141	457,569
75%	334	250	373	280
100%	373,254	373,254	217,866	217,866
150%	303,100	454,650	29,099	43,649
Total Risk Weighted Assets for Credit Risk	3,510,774	1,490,924	5,403,156	1,192,398
Risk Weighted Assets Equivalent for Market Risk	-	19,706	-	15,865
Risk Weighted Assets Equivalent for Operational Risk	-	214,608	-	223,034
	3,510,774	1,725,238	5,403,156	1,431,297

24. Risk weighted capital adequacy (continued)

iii) Group - Risk Weighted Assets ('RWA') and Capital Requirement for Credit Risk, Market Risk and Operational Risk as at 30 September 2009

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
1 Credit Risk				
On-Balance Sheet Exposures				
<u>Performing Exposures</u>				
Sovereigns/Central Banks	395,880	395,880	-	-
Banks, Development Financial Institutions & MDBs	952,144	952,144	190,429	15,234
Corporates	1,506,579	1,506,579	611,835	48,947
Regulatory Retail	154	154	116	9
Residential Mortgages	1,719	1,719	711	57
Other Assets	103,932	103,932	103,932	8,314
Equity Exposure	5,807	5,807	5,807	465
<u>Defaulted Exposures</u>				
Corporates	369,123	369,123	501,651	40,132
Regulatory Retail	69	69	34	3
Total for On-Balance Sheet Exposures	3,335,407	3,335,407	1,414,515	113,161
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	175,578	175,578	74,552	5,964
Total for Off-Balance Sheet Exposures	175,578	175,578	74,552	5,964
Total for On and Off-Balance Sheet Exposures	3,510,985	3,510,985	1,489,067	119,125
2 Large Exposure Risk Requirement	-	-	-	-
3 Market Risk	Long Positions	Short Positions		
Interest rate risks	785,285	-	19,706	1,576
4 Operational Risk			214,608	17,169
5 Total RWA and Capital Requirements			1,723,381	137,870

24. Risk weighted capital adequacy (continued)

iii) Bank - Risk Weighted Assets ('RWA') and Capital Requirement for Credit Risk, Market Risk and Operational Risk as at 30 September 2009

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
1 Credit Risk				
On-Balance Sheet Exposures				
<u>Performing Exposures</u>				
Sovereigns/Central Banks	395,880	395,880	-	-
Banks, Development Financial Institutions & MDBs	949,559	949,559	189,912	15,193
Corporates	1,506,579	1,506,579	611,835	48,947
Regulatory Retail	154	154	116	9
Residential Mortgages	1,719	1,719	711	57
Other Assets	106,306	106,306	106,306	8,504
Equity Exposure	5,807	5,807	5,807	465
<u>Defaulted Exposures</u>				
Corporates	369,123	369,123	501,651	40,132
Regulatory Retail	69	69	34	3
Total for On-Balance Sheet Exposures	3,335,196	3,335,196	1,416,372	113,310
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	175,578	175,578	74,552	5,964
Total for Off-Balance Sheet Exposures	175,578	175,578	74,552	5,964
Total for On and Off-Balance Sheet Exposures	3,510,774	3,510,774	1,490,924	119,274
2 Large Exposure Risk Requirement	-	-	-	-
3 Market Risk	Long Positions	Short Positions		
Interest rate risks	785,285	-	19,706	1,576
4 Operational Risk			214,608	17,169
5 Total RWA and Capital Requirements			1,725,238	138,019

24. Risk weighted capital adequacy (continued)

Group - Risk Weighted Assets ("RWA") and Capital Requirement for Credit Risk, Market Risk and Operational Risk as at 31 December 2008				
Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
1 Credit Risk				
On-Balance Sheet Exposures				
<u>Performing Exposures</u>				
Sovereigns/Central Banks	1,876,438	1,876,438	-	-
Banks, Development Financial Institutions & MDBs	1,106,280	1,106,280	221,257	17,701
Corporates	2,031,101	2,031,101	756,675	60,534
Regulatory Retail	109	109	82	7
Residential Mortgages	2,384	2,384	1,016	81
Other Assets	46,586	46,586	46,586	3,727
Equity Exposure	5,920	5,920	5,920	474
<u>Defaulted Exposures</u>				
Corporates	80,182	80,182	73,195	5,855
Regulatory Retail	68	68	34	3
Total for On-Balance Sheet Exposures	5,149,068	5,149,068	1,104,765	88,382
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	254,203	254,203	87,646	7,012
Total for off-Balance Sheet Exposures	254,203	254,203	87,646	7,012
Total for On and Off-Balance Sheet Exposures	5,403,271	5,403,271	1,192,411	95,394
2 Large Exposure Risk Requirement	-	-	-	-
3 Market Risk	Long Positions	Short Positions		
Interest rate risks	261,065	-	15,865	1,269
4 Operational Risk			223,034	17,843
5 Total RWA and Capital Requirements			1,431,310	114,506

24. Risk weighted capital adequacy (continued)

iii) Bank - Risk Weighted Assets ("RWA") and Capital Requirement for Credit Risk, Market Risk and Operational Risk as at 31 December 2008

Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
1 Credit Risk				
On-Balance Sheet Exposures				
<u>Performing Exposures</u>				
Sovereigns/Central Banks	1,876,438	1,876,438	-	-
Banks, Development Financial Institutions & MDBs	1,106,152	1,106,152	221,231	17,698
Corporates	2,031,101	2,031,101	756,675	60,534
Regulatory Retail	109	109	82	7
Residential Mortgages	2,384	2,384	1,016	81
Other Assets	46,599	46,599	46,599	3,728
Equity Exposure	5,920	5,920	5,920	474
<u>Defaulted Exposures</u>				
Corporates	80,182	80,182	73,195	5,855
Regulatory Retail	68	68	34	3
Total for On-Balance Sheet Exposures	5,148,953	5,148,953	1,104,752	88,380
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	254,203	254,203	87,646	7,012
Total for Off-Balance Sheet Exposures	254,203	254,203	87,646	7,012
Total for On and Off-Balance Sheet Exposures	5,403,156	5,403,156	1,192,398	95,392
2 Large Exposure Risk Requirement	-	-	-	-
3 Market Risk	Long Positions	Short Positions		
Interest rate risks	261,065	-	15,865	1,269
4 Operational Risk			223,034	17,843
5 Total RWA and Capital Requirements			1,431,297	114,504

24. Risk weighted capital adequacy (continued)

iv) Group - Credit Risk Disclosure on Risk Weights as at 30 September 2009

Risk Weights	Banks, MDBs and FDI's	Corporates	Regulatory Retail	Residential Mortgages	Other Assets	Equity Exposures	Total Risk Weighted Assets
	RM'000						
Performing Exposures							
0%	-	-	-	-	-	-	-
10%	-	-	-	-	-	-	-
20%	192,056	179,251	-	-	-	-	371,307
35%	-	-	-	346	-	-	346
50%	-	279,705	-	372	-	-	280,077
75%	-	-	250	-	-	-	250
90%	-	-	-	-	-	-	-
100%	-	203,163	-	-	103,932	5,807	312,902
150%	-	-	-	-	-	-	-
Total	192,056	662,119	250	718	103,932	5,807	964,882
Defaulted Exposures							
50%	-	11,522	34	-	-	-	11,556
100%	-	57,979	-	-	-	-	57,979
150%	-	454,650	-	-	-	-	454,650
Total	-	524,151	34	-	-	-	524,185
Grand Total	192,056	1,186,270	284	718	103,932	5,807	1,489,067

24. Risk weighted capital adequacy (continued)

iv) Bank - Credit Risk Disclosure on Risk Weights as at 30 September 2009

Risk Weights	Banks, MDBs and FDI's	Corporates	Regulatory Retail	Residential Mortgages	Other Assets	Equity Exposures	Total Risk Weighted Assets
RM'000							
Performing Exposures							
0%	-	-	-	-	-	-	-
10%	-	-	-	-	-	-	-
20%	191,539	179,251	-	-	-	-	370,790
35%	-	-	-	346	-	-	346
50%	-	279,705	-	372	-	-	268,077
75%	-	-	250	-	-	-	250
90%	-	-	-	-	-	-	-
100%	-	203,163	-	-	106,306	5,807	315,276
150%	-	-	-	-	-	-	-
Total	191,539	662,119	250	718	106,306	5,807	966,739
Defaulted Exposures							
50%	-	11,522	34	-	-	-	11,556
100%	-	57,979	-	-	-	-	57,979
150%	-	454,650	-	-	-	-	454,650
Total	-	524,151	34	-	-	-	524,185
Grand Total	191,539	1,186,270	284	718	106,306	5,807	1,490,924

24. Risk weighted capital adequacy (continued)

iv) Group - Credit Risk Disclosure on Risk Weights as at 31 December 2008

Risk Weights	Banks, MDBs and FDI's	Corporates	Regulatory Retail	Residential Mortgages	Other Assets	Equity Exposures	Total Risk Weighted Assets
RM'000							
Performing Exposures							
0%	-	-	-	-	-	-	-
10%	-	-	-	-	-	-	-
20%	225,465	247,161	-	-	-	-	472,626
35%	-	-	-	434	-	-	434
50%	-	435,437	-	562	-	-	435,999
75%	-	-	253	27	-	-	280
90%	-	-	-	-	-	-	-
100%	-	157,337	-	-	46,586	5,920	209,843
150%	-	-	-	-	-	-	-
Total	225,465	839,935	253	1,023	46,586	5,920	1,119,182
Defaulted Exposures							
50%	-	21,536	34	-	-	-	21,570
100%	-	8,010	-	-	-	-	8,010
150%	-	43,649	-	-	-	-	43,649
Total	-	73,195	34	-	-	-	73,229
Grand Total	225,465	913,130	287	1,023	46,586	5,920	1,192,411

24. Risk weighted capital adequacy (continued)

iv) Bank - Credit Risk Disclosure on Risk Weights as at 31 December 2008

Risk Weights	Banks, MDBs and FDI's	Corporates	Regulatory Retail	Residential Mortgages	Other Assets	Equity Exposures	Total Risk Weighted Assets
RM'000							
Performing Exposures							
0%	-	-	-	-	-	-	-
10%	-	-	-	-	-	-	-
20%	225,439	247,161	-	-	-	-	472,600
35%	-	-	-	434	-	-	434
50%	-	435,437	-	562	-	-	435,999
75%	-	-	253	27	-	-	280
90%	-	-	-	-	-	-	-
100%	-	157,337	-	-	46,599	5,920	209,856
150%	-	-	-	-	-	-	-
Total	225,439	839,935	253	1,023	46,599	5,920	1,118,169
Defaulted Exposures							
50%	-	21,536	34	-	-	-	21,570
100%	-	8,010	-	-	-	-	8,010
150%	-	43,649	-	-	-	-	43,649
Total	-	73,195	34	-	-	-	73,229
Grand Total	225,439	913,130	287	1,023	46,599	5,920	1,192,398

24. Risk weighted capital adequacy (continued)

v) Group and Bank - Off Balance Sheet and Counterparty Credit Risk as at 30 September 2009

Nature	Principal Amount RM'000	Credit Conversion Factor %	Credit Equivalent Amount RM'000	Risk Weighted Assets RM'000
Direct Credit Substitutes	133	100%	133	133
Obligations under an on-going underwriting agreement	314,138	50%	157,069	62,604
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	30	50%	15	7
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	91,804	20%	18,361	11,808
Total	406,105		175,578	74,552

Group and Bank - Off Balance Sheet and Counterparty Credit Risk as at 31 December 2008

Nature	Principal Amount RM'000	Credit Conversion Factor %	Credit Equivalent Amount RM'000	Risk Weighted Assets RM'000
Direct Credit Substitutes	133	100%	133	133
Obligations under an on-going underwriting agreement	425,929	50%	212,965	63,308
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	34	50%	17	7
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	205,440	20%	41,088	24,198
Total	631,536		254,203	87,646

25. Interest rate risk

Group	Non-Trading Book						Trading Book RM'000	Total RM'000	Effective interest rate %
	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			
30 September 2009									
ASSETS									
Cash and short term funds	600,328	-	-	-	-	15,294	-	615,622	2.07
Deposits and placements with licensed banks and financial institutions	-	110,000	-	-	-	-	-	110,000	2.16
Securities held-for-trading	-	-	-	-	-	-	793,278	793,278	2.43
Securities available-for-sale	523,352	275,726	201,340	687,367	200,637	255,427	-	2,143,849	4.80
Securities held-to-maturity	-	100,000	19,786	8,453	-	1,333	-	129,572	2.16
Loans, advances and financing									
- performing	27,566	70,655	80	55,928	40,877	(4,103)	-	191,003	7.71
- non-performing	-	-	-	-	-	10,018	-	10,018	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	19,571	-	19,571	-
Other assets	-	-	-	-	-	136,125	-	136,125	-
TOTAL ASSETS	1,151,246	556,381	221,206	751,748	241,514	433,665	793,278	4,149,038	-
LIABILITIES									
Deposits from customers	1,446,926	185,852	156,343	-	-	2	-	1,789,123	1.96
Deposits and placements of banks and other financial institutions	1,308,402	71,545	123,015	-	-	-	-	1,502,962	1.95
Other liabilities	-	-	-	-	-	98,096	-	98,096	-
TOTAL LIABILITIES	2,755,328	257,397	279,358	-	-	98,098	-	3,390,181	-
SHAREHOLDERS' EQUITY	-	-	-	-	-	758,857	-	758,857	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,755,328	257,397	279,358	-	-	856,955	-	4,149,038	-
On-balance sheet interest sensitivity gap	(1,604,082)	298,984	(58,152)	751,748	241,514	(423,290)	793,278	-	-

* General allowance for bad and doubtful debts

25. Interest rate risk (continued)

Bank	← Non-Trading Book →						Trading Book RM'000	Total RM'000	Effective interest rate %
	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			
30 September 2009									
ASSETS									
Cash and short term funds	600,328	-	-	-	-	12,709	-	613,037	2.07
Deposits and placements with licensed banks and financial institutions	-	110,000	-	-	-	-	-	110,000	2.16
Securities held-for-trading	-	-	-	-	-	-	793,278	793,278	2.43
Securities available-for-sale	523,352	275,726	201,340	687,367	200,637	255,427	-	2,143,849	4.80
Securities held-to-maturity	-	100,000	19,786	8,453	-	1,333	-	129,572	2.16
Loans, advances and financing									
- performing	27,566	70,655	80	55,928	40,877	(4,103)	-	191,003	7.71
- non-performing	-	-	-	-	-	10,018	-	10,018	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	19,571	-	19,571	-
Other assets	-	-	-	-	-	138,509	-	138,509	-
TOTAL ASSETS	1,151,246	556,381	221,206	751,748	241,514	433,464	793,278	4,148,837	-
LIABILITIES									
Deposits from customers	1,446,926	185,852	156,343	-	-	2	-	1,789,123	1.96
Deposits and placements of banks and other financial institutions	1,308,402	71,545	123,015	-	-	-	-	1,502,962	1.95
Other liabilities	-	-	-	-	-	97,902	-	97,902	-
TOTAL LIABILITIES	2,755,328	257,397	279,358	-	-	97,904	-	3,389,987	-
SHAREHOLDERS' EQUITY	-	-	-	-	-	758,850	-	758,850	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,755,328	257,397	279,358	-	-	856,754	-	4,148,837	-
On-balance sheet interest sensitivity gap	(1,604,082)	298,984	(58,152)	751,748	241,514	(423,290)	793,278	-	-

* General allowance for bad and doubtful debts

25. Interest rate risk (continued)

Group	Non-Trading Book					Non-interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	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				
31 December 2008									
ASSETS									
Cash and short term funds	1,255,385	-	-	-	-	1,668	-	1,257,053	3.13
Deposits and placements with licensed banks and financial institutions	-	500,000	-	-	-	-	-	500,000	3.31
Securities held-for-trading	-	-	-	-	-	-	260,972	260,972	5.05
Securities available-for-sale	292,749	651,773	753,358	1,149,005	224,602	5,163	-	3,076,650	5.41
Securities held-to-maturity	-	-	3,931	27,580	-	11,893	-	43,404	3.08
Loans, advances and financing									
- performing	71,888	34,525	-	10,764	1,786	(2,588)*	-	116,375	8.28
- non-performing	-	-	-	-	-	10,017	-	10,017	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	96,871	-	96,871	-
Other assets	-	-	-	-	-	88,424	-	88,424	-
TOTAL ASSETS	1,620,022	1,186,298	757,289	1,187,349	226,388	211,448	260,972	5,449,766	
LIABILITIES									
Deposits from customers	2,220,616	401,664	24,174	-	-	-	-	2,646,454	3.24
Deposits and placements of banks and other financial institutions	1,889,051	107,396	25,337	-	-	-	-	2,021,784	3.20
Other liabilities	-	-	-	-	-	51,890	-	51,890	-
TOTAL LIABILITIES	4,109,667	509,060	49,511	-	-	51,890	-	4,720,128	
SHAREHOLDERS' EQUITY	-	-	-	-	-	729,638	-	729,638	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,109,667	509,060	49,511	-	-	781,528	-	5,449,766	
On-balance sheet interest sensitivity gap	(2,489,645)	677,238	707,778	1,187,349	226,388	(570,080)	260,972	-	

* General allowance for bad and doubtful debts

25. Interest rate risk (continued)

Bank	← Non-Trading Book →						Trading Book RM'000	Total RM'000	Effective interest rate %
	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			
31 December 2008									
ASSETS									
Cash and short term funds	1,255,385	-	-	-	-	1,539	-	1,256,924	3.13
Deposits and placements with licensed banks and financial institutions	-	500,000	-	-	-	-	-	500,000	3.31
Securities held-for-trading	-	-	-	-	-	-	260,972	260,972	5.05
Securities available-for-sale	292,749	651,773	753,358	1,149,005	224,602	5,163	-	3,076,650	5.41
Securities held-to-maturity	-	-	3,931	27,580	-	11,893	-	43,404	3.08
Loans, advances and financing									
- performing	71,888	34,525	-	10,764	1,786	(2,588)*	-	116,375	8.28
- non-performing	-	-	-	-	-	10,017	-	10,017	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	96,871	-	96,871	-
Other assets	-	-	-	-	-	88,457	-	88,457	-
TOTAL ASSETS	1,620,022	1,186,298	757,289	1,187,349	226,388	211,352	260,972	5,449,670	
LIABILITIES									
Deposits from customers	2,220,616	401,664	24,174	-	-	-	-	2,646,454	3.24
Deposits and placements of banks and other financial institutions	1,889,051	107,396	25,337	-	-	-	-	2,021,784	3.20
Other liabilities	-	-	-	-	-	51,874	-	51,874	-
TOTAL LIABILITIES	4,109,667	509,060	49,511	-	-	51,874	-	4,720,112	
SHAREHOLDERS' EQUITY	-	-	-	-	-	729,558	-	729,558	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,109,667	509,060	49,511	-	-	781,432	-	5,449,670	
On-balance sheet interest sensitivity gap	(2,489,645)	677,238	707,778	1,187,349	226,388	(570,080)	260,972	-	

* General allowance for bad and doubtful debts

26. Operations of Islamic Banking Scheme (SPI)

**SKIM PERBANKAN ISLAM
 CONDENSED INTERIM FINANCIAL STATEMENTS
 UNAUDITED BALANCE SHEETS AS AT 30 SEPTEMBER 2009**

	Note	Group and Bank	
		30 September 2009 RM'000	31 December 2008 RM'000
ASSETS			
Cash and short term funds	a	134	85,654
Securities held-for-trading	b	5,001	-
Securities available-for-sale	c	699,960	869,715
Securities held-to-maturity	d	19,786	19,258
Other assets		3,033	2,616
TOTAL ASSETS		<u>727,914</u>	<u>977,243</u>
LIABILITIES			
Deposits from customers	e	198,573	403,495
Deposits and placements of banks and other financial institutions	f	404,509	462,646
Provision for Profit Equalisation Reserve		5,787	2,886
Other liabilities		1,211	1,851
Provision for zakat		713	724
Deferred tax liability		274	274
TOTAL LIABILITIES		<u>611,067</u>	<u>871,876</u>
ISLAMIC BANKING CAPITAL FUNDS			
Islamic Banking Funds		80,000	80,000
Reserves		36,847	25,367
TOTAL ISLAMIC BANKING CAPITAL FUNDS		<u>116,847</u>	<u>105,367</u>
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		<u>727,914</u>	<u>977,243</u>

SKIM PERBANKAN ISLAM
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2009

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30 September 2009	30 September 2008	30 September 2009	30 September 2008
Group and Bank	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	7,654	10,937	25,056	38,114
Transfer from/(to) profit equalisation reserve	971	145	(2,901)	4,965
Dividend attributable to depositors	<u>(3,816)</u>	<u>(8,134)</u>	<u>(12,751)</u>	<u>(28,675)</u>
	4,809	2,948	9,404	14,404
Other operating income	<u>511</u>	<u>430</u>	<u>4,783</u>	<u>430</u>
	5,320	3,378	14,187	14,834
Staff costs	(329)	(395)	(940)	(1,026)
Other operating expenses	<u>(12)</u>	<u>66</u>	<u>(485)</u>	<u>(730)</u>
	4,979	3,049	12,762	13,078
Allowance for impairment losses on securities available-for-sale	<u>-</u>	<u>(650)</u>	<u>-</u>	<u>(5,605)</u>
Profit before zakat	4,979	2,399	12,762	7,473
Zakat	<u>(124)</u>	<u>(74)</u>	<u>(319)</u>	<u>(198)</u>
Net profit for the period	<u><u>4,855</u></u>	<u><u>2,325</u></u>	<u><u>12,443</u></u>	<u><u>7,275</u></u>

a. Cash and short-term funds

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
Cash and balances with banks and other financial institutions	134	194
Money at call and deposit placements maturing within one month	-	85,460
	<u>134</u>	<u>85,654</u>

b. Securities held-for-trading

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At fair value		
Quoted securities:		
Government Investment Issues	5,001	-
Total securities held-for-trading	<u>5,001</u>	<u>-</u>

c. Securities available-for-sale

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At fair value		
Quoted securities:		
Government Investment Issues	119,887	158,490
	<u>119,887</u>	<u>158,490</u>
Unquoted Securities:		
Islamic Private Debt Securities	359,190	397,197
Cagamas Mudharabah Bonds	-	20,014
Islamic Acceptance Bills	6,128	107,509
Islamic Negotiable Certificate of Deposits	199,847	59,590
Khazanah Nasional Berhad Bonds	14,908	126,915
	<u>580,073</u>	<u>711,225</u>
Total securities available-for-sale	<u>699,960</u>	<u>869,715</u>

d. Securities held-to-maturity

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
At amortised cost		
Unquoted Securities:		
Islamic Private Debt Securities	4,998	4,998
Khazanah Nasional Berhad Bonds	19,786	19,258
	<u>24,784</u>	<u>24,256</u>
Less: Accumulated impairment losses	(4,998)	(4,998)
Total securities held-to-maturity	<u>19,786</u>	<u>19,258</u>

e. Deposits from customers

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) By type of deposits:		
Mudharabah Fund		
Fixed / Investment deposits	6,328	389,249
Others	192,245	14,246
	<u>198,573</u>	<u>403,495</u>
ii) By type of customers:		
Business enterprises	198,573	403,495
	<u>198,573</u>	<u>403,495</u>

f. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 September 2009 RM'000	31 December 2008 RM'000
i) By type of deposits:		
Mudharabah Fund		
Fixed / Investment deposits	403,163	461,730
Others	1,346	916
	<u>404,509</u>	<u>462,646</u>
ii) By type of customers:		
Islamic Banks	50,200	-
Investment Banks	30,000	-
Other financial institutions	324,309	462,646
	<u>404,509</u>	<u>462,646</u>

I, Mohamad Safri Shahul Hamid, the Deputy Chief Executive Officer primarily responsible for the financial management of MIDF Amanah Investment Bank Berhad, do hereby state that, the unaudited interim financial statements for the nine months ended 30 September 2009, as set out on pages 1 to 34 have been prepared from the Group and the Bank's accounting and other records and that to the best of my knowledge and belief, are drawn up so as to give a true and fair view of the state of affairs of the Group and the Bank as at 30 September 2009. The results and cash flows of the Group and the Bank for the period ended on that date are in accordance with the applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board as modified by Bank Negara Malaysia Guidelines and the provisions of the Companies Act, 1965.

MOHAMAD SAFRI SHAHUL HAMID
DEPUTY CHIEF EXECUTIVE OFFICER

Date: 30 October 2009