

Bank Islam Malaysia Berhad (98127-X)

(Incorporated in Malaysia)
and its subsidiaries

Condensed Interim Financial Statement Unaudited Balance Sheets as at 31 December 2009

	Note	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	7	3,884,260	8,445,587	3,868,710	8,430,872
Deposits and placements with banks and other financial institutions	8	51,063	-	51,063	-
Securities:					
<i>Held-for-trading</i>	9 (i)	599,290	287,675	599,290	287,628
<i>Held-to-maturity</i>	9 (ii)	155,007	162,763	155,007	162,763
<i>Available-for-sale</i>	9 (iii)	11,200,869	8,465,430	11,200,869	8,465,430
Financing, advances and others	10	10,457,998	9,661,864	10,457,998	9,661,864
Other assets		109,823	105,920	105,554	102,987
Statutory deposit with Bank Negara Malaysia		20,000	139,729	20,000	139,729
Investments in subsidiary companies		-	-	25,127	20,127
Current tax assets		15,845	15,733	14,258	14,258
Deferred tax assets		59,609	61,660	59,583	61,660
Property and equipment		146,568	127,710	145,376	126,450
Prepaid lease payments		14,350	14,436	14,350	14,436
Total Assets		26,714,682	27,488,507	26,717,185	27,488,204
LIABILITIES AND EQUITY					
Deposits from customers	12	23,311,974	25,204,631	23,319,034	25,211,516
Deposits and placements of banks and other financial institutions	13	329,782	8,078	329,782	8,078
Bills and acceptance payable		456,066	283,212	463,502	289,469
Other liabilities		343,431	330,958	342,488	329,529
Zakat and taxation		42,918	30,446	42,429	30,059
Subordinated financing		-	100,000	-	100,000
Total Liabilities		24,484,171	25,957,325	24,497,235	25,968,651
Equity					
Share capital		2,265,490	1,725,490	2,265,490	1,725,490
Reserves		(34,979)	(194,308)	(45,540)	(205,937)
Total Equity		2,230,511	1,531,182	2,219,950	1,519,553
Total Liabilities and Equity		26,714,682	27,488,507	26,717,185	27,488,204
Off-Balance Sheet Exposures	18 (iv)	9,409,297	7,693,378	9,409,297	7,693,378
CAPITAL ADEQUACY					
	18 (i)				
Core capital ratio		16.17%	12.25%	16.10%	12.16%
Risk-weighted capital ratio		17.48%	13.87%	17.22%	13.61%

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

Bank Islam Malaysia Berhad (98127-X)

(Incorporated in Malaysia)
and its subsidiaries

**Condensed Interim Financial Statement
Unaudited Income Statements
For the Half Year Ended 31 December 2009**

<u>Group</u>	Note	3 months ended		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	14	280,105	247,273	558,626	491,842
Income derived from investment of shareholders' funds	15	67,033	61,464	123,610	140,331
Allowance for losses on financing	16	(33,978)	(43,524)	(83,929)	(61,818)
Reversal/(Impairment) loss		-	(100)	-	(100)
Profit equalisation reserve		2,287	(2,298)	8,308	(2,314)
Direct expenses		(3,908)	(5,256)	(8,800)	(8,478)
Total distributable income		311,539	257,559	597,815	559,463
Income attributable to depositors	17	(86,245)	(102,309)	(183,656)	(216,045)
Total net income		225,294	155,250	414,159	343,418
Other operating expenses		(142,076)	(125,504)	(256,065)	(237,113)
Finance cost		-	(746)	-	(1,600)
Profit before zakat and tax		83,218	29,000	158,094	104,705
Zakat		(4,094)	(1,500)	(5,634)	(3,000)
Tax expense		(15,411)	(19,503)	(36,225)	(21,524)
Profit for the period		63,713	7,997	116,235	80,181

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

Bank Islam Malaysia Berhad (98127-X)

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**Condensed Interim Financial Statement
Unaudited Income Statements
For the Half Year Ended 31 December 2009**

<u>Bank</u>	Note	3 months ended		6 months ended	
		31 December	31 December	31 December	31 December
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	14	279,866	247,156	558,356	491,758
Income derived from investment of shareholders' funds	15	65,965	60,174	121,195	133,846
Allowance for losses on financing	16	(33,978)	(43,524)	(83,929)	(61,818)
Reversal/(Impairment) loss		-	(100)	-	(100)
Profit equalisation reserve		2,287	(2,298)	8,308	(2,314)
Direct expenses		(3,908)	(5,256)	(8,800)	(8,478)
Total distributable income		310,232	256,152	595,130	552,894
Income attributable to depositors	17	(86,288)	(102,428)	(183,723)	(216,234)
Total net income		223,944	153,724	411,407	336,660
Other operating expenses		(140,277)	(124,030)	(252,553)	(234,402)
Finance cost		-	(746)	-	(1,600)
Profit before zakat and tax		83,667	28,948	158,854	100,658
Zakat		(4,040)	(1,500)	(5,540)	(3,000)
Tax expense		(15,253)	(19,325)	(36,013)	(20,278)
Profit for the period		64,374	8,123	117,301	77,380

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

Bank Islam Malaysia Berhad (98127-X)

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Condensed Interim Financial Statement Unaudited Consolidated Statement of Changes in Equity For the Half Year Ended 31 December 2009

Group

	←		Attributable to shareholders of the Bank				Total RM'000
	Share capital RM'000	Share premium RM'000	Non-Distributable		Translation reserve RM'000	Accumulated losses RM'000	
			Statutory reserve RM'000	Fair value reserve RM'000			
At 1 July 2008	1,725,490	500,020	508,821	(82,610)	58,483	(1,390,935)	1,319,269
Foreign exchange translation differences	-	-	-	-	(23,030)	-	(23,030)
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	73,067	-	-	73,067
Net gain/(loss) recognised directly in equity	-	-	-	73,067	(23,030)	-	50,037
Profit for the year	-	-	-	-	-	161,876	161,876
Total recognised income and expense for the year	-	-	-	73,067	(23,030)	161,876	211,913
Transfer to statutory reserve	-	-	80,303	-	-	(80,303)	-
At 30 June 2009	1,725,490	500,020	589,124	(9,543)	35,453	(1,309,362)	1,531,182
At 1 July 2009	1,725,490	500,020	589,124	(9,543)	35,453	(1,309,362)	1,531,182
Foreign exchange translation differences	-	-	-	-	10,080	-	10,080
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	33,014	-	-	33,014
Net gain recognised directly in equity	-	-	-	33,014	10,080	-	43,094
Profit for the period	-	-	-	-	-	116,235	116,235
Total recognised income for the period	-	-	-	33,014	10,080	116,235	159,329
Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS) issued	540,000	-	-	-	-	-	540,000
At 31 December 2009	2,265,490	500,020	589,124	23,471	45,533	(1,193,127)	2,230,511

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

Bank Islam Malaysia Berhad (98127-X)

(Incorporated in Malaysia)
and its subsidiaries

Condensed Interim Financial Statement Unaudited Statement of Changes in Equity For the Half Year Ended 31 December 2009

Bank

	←		Non-Distributable				→	
	Share capital RM'000	Share premium RM'000	Statutory reserve RM'000	Fair value reserve RM'000	Translation reserve RM'000	Accumulated losses RM'000	Total equity RM'000	
At 1 July 2008	1,725,490	500,020	508,821	(82,610)	58,630	(1,401,401)	1,308,950	
Foreign exchange translation differences	-	-	-	-	(23,071)	-	(23,071)	
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	73,067	-	-	73,067	
Net gain/(loss) recognised directly in equity	-	-	-	73,067	(23,071)	-	49,996	
Profit for the year	-	-	-	-	-	160,607	160,607	
Total recognised income and expense for the year	-	-	-	73,067	(23,071)	160,607	210,603	
Transfer to statutory reserve	-	-	80,303	-	-	(80,303)	-	
At 30 June 2009	1,725,490	500,020	589,124	(9,543)	35,559	(1,321,097)	1,519,553	
At 1 July 2009	1,725,490	500,020	589,124	(9,543)	35,559	(1,321,097)	1,519,553	
Foreign exchange translation differences	-	-	-	-	10,082	-	10,082	
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	33,014	-	-	33,014	
Net gain recognised directly in equity	-	-	-	33,014	10,082	-	43,096	
Profit for the period	-	-	-	-	-	117,301	117,301	
Total recognised income for the period	-	-	-	33,014	10,082	117,301	160,397	
Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS) issued	540,000	-	-	-	-	-	540,000	
At 31 December 2009	2,265,490	500,020	589,124	23,471	45,641	(1,203,796)	2,219,950	

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

Bank Islam Malaysia Berhad (98127-X)(Incorporated in Malaysia)
and its subsidiaries**Unaudited Cash Flow Statement
For the Half Year 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
Cash flows from operating activities				
Profit before zakat and tax	158,094	104,705	158,854	100,658
Adjustments for :				
Depreciation of property and equipment	18,123	13,742	17,940	13,661
Amortisation of prepaid lease payment	86	87	86	87
Impairment loss on securities available for sale	-	100	-	100
Allowance for losses on financing	83,929	61,818	83,929	61,818
Dividend from shares and unit trusts	(6,826)	(3,836)	(6,826)	(3,836)
Loss/(Gain) on disposal of property and equipment	464	(234)	464	(234)
Net loss/(gain) on sale of securities held-for-trading	750	(2,766)	768	(2,766)
Net gain on sale of securities available-for-sale	(8,785)	(1,171)	(8,785)	(1,171)
Fair value gain on securities held-for-trading	(4,793)	(3,335)	(4,793)	(3,335)
Accretion of discount less amortisation of premium	(37,340)	(32,889)	(37,340)	(32,889)
Property and equipment written off	3,150	-	3,150	-
Operating profit before changes in assets and liabilities	206,852	136,221	207,447	132,093
Changes in assets and liabilities :				
Deposits and placements with banks and other financial institutions	321,704	(49,684)	321,704	(49,684)
Financing, advances and others	(880,063)	(497,036)	(880,063)	(505,640)
Statutory deposits with Bank Negara Malaysia	119,729	(68,364)	119,729	(68,364)
Bills receivables	-	20,667	-	20,667
Other receivables	(4,259)	15,347	(2,923)	(1,317)
Deposits from customers	(1,892,657)	187,797	(1,892,482)	182,631
Bills and acceptance payable	172,854	(334,082)	174,033	(332,725)
Other liabilities	12,473	(41,647)	12,959	(21,381)
Cash used in operations	(1,943,367)	(630,781)	(1,939,596)	(643,720)
Zakat paid	(2,924)	-	(2,924)	-
Tax paid	(23,680)	-	(23,333)	-
Tax refund	5	-	-	-
Net cash used in operating activities	(1,969,966)	(630,781)	(1,965,853)	(643,720)
Cash flows from investing activities				
Additional investment in subsidiary	-	-	(5,000)	(5,000)
Purchase of property and equipment	(40,648)	(21,827)	(40,530)	(21,282)
Proceeds from disposal of property and equipment	49	234	49	234
Dividends received from shares and unit trusts	5,977	3,836	5,977	3,836
Net proceeds from purchase of securities	(2,955,760)	(1,665,910)	(2,955,825)	(1,669,280)
Net cash used in investing activities	(2,990,382)	(1,683,667)	(2,995,329)	(1,691,492)

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**Unaudited Cash Flow Statement (continued)
For the Half Year Ended 31 December 2009**

	Group		Bank	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Proceeds from issuance of Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS)	540,000	-	540,000	-
Redemption of subordinated financing	(100,000)	-	(100,000)	-
Net cash generated from financing activities	<u>440,000</u>	<u>-</u>	<u>440,000</u>	<u>-</u>
Net decrease in cash and cash equivalents	(4,520,348)	(2,314,448)	(4,521,182)	(2,335,212)
Cash and cash equivalents as at beginning of year	8,445,587	10,142,422	8,430,872	10,134,055
Exchange difference on translation	10,084	(18,109)	10,083	(18,131)
Cash and cash equivalents as at end of period	<u>3,935,323</u>	<u>7,809,865</u>	<u>3,919,773</u>	<u>7,780,712</u>
Cash and cash equivalents comprise :				
Cash and short term funds	3,884,260	7,809,687	3,868,710	7,780,534
Deposits and placements with Bank and other financial institutions	51,063	178	51,063	178
	<u>3,935,323</u>	<u>7,809,865</u>	<u>3,919,773</u>	<u>7,780,712</u>

The condensed interim financial statement should be read in conjunction with the audited Financial Statement of the Group and Bank for the year ended 30 June 2009.

EXPLANATORY NOTES

1. Basis of preparation

The interim financial statements of the Group and Bank have been prepared in accordance with applicable approved accounting Financial Reporting Standard (FRS) issued by the Malaysian Accounting Standard Board (MASB) as modified by Bank Negara Malaysia Guidelines, accounting principle generally accepted in Malaysia, the provisions of the Companies Act, 1965 and Shariah requirements. The interim financial statements should be read in conjunction with the Annual Financial Statements for the financial year ended 30 June 2009.

The accounting policies and method of computation in the half year financial statements are similar to that adopted in the annual financial statements for the financial year ended 30 June 2009.

2. Auditor's report on preceding annual financial statements

The auditor's report on the financial statements for the financial year ended 30 June 2009 was not qualified. The financial statements for the financial year ended 30 June 2009 was prepared on a going concern basis.

3. Seasonality or cyclicity of operations.

The business operations of the Bank are not directly affected by any event of cyclical or seasonal in nature.

4. Unusual items

There were no unusual items for the half year ended 31 December 2009.

5. Changes in accounting estimates

Commencing December 2009, the Bank's NPF classification is now on 3-months basis on all financing products. As at 30 June 2009, NPF was based on 6-months classification except for personal financing, credit card and trade facilities which were on 3-months NPF classification.

Other than the above change, there was no change in estimate of amount reported in the prior financial years that have a material effect on the half year ended 31 December 2009 financial statements.

6. Debt and equity securities

On 21 April 2009, Bank Negara Malaysia granted approval to the Bank to issue up to 540,000,000 Islamic Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS) with a nominal value of RM1.00 each.

The CRNCPS was subscribed in two tranches, whereby the first tranche of RM324,000,000 was paid-up on 1 July 2009 and the second tranche of RM216,000,000 was paid-up on 13 October 2009. This resulted in an increase in share capital to RM2,265,490,000 as at 31 December 2009 from RM1,725,490,000 as at 30 June 2009.

7. 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 balances with banks and other financial institutions	669,050	664,645	653,660	650,112
Money at call and interbank placements with remaining maturity not exceeding one month	3,215,210	7,780,942	3,215,050	7,780,760
	<u>3,884,260</u>	<u>8,445,587</u>	<u>3,868,710</u>	<u>8,430,872</u>

8. 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 Islamic banks	51,000	-	51,000	-
Licensed banks	63	-	63	-
	<u>51,063</u>	<u>-</u>	<u>51,063</u>	<u>-</u>

9. Securities

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
(i) Securities held-for-trading				
At fair value				
<u>Quoted Securities in Malaysia</u>				
Shares	-	47	-	-
<u>Unquoted Securities in Malaysia</u>				
Bank Negara Negotiable Note	530,769	-	530,769	-
Islamic Commercial Papers	53,778	137,891	53,778	137,891
Malaysian Government Investment Issues	-	149,737	-	149,737
Malaysian Islamic Treasury Bills	14,743	-	14,743	-
Total held-for-trading	599,290	287,675	599,290	287,628
(ii) Securities held-to-maturity				
At amortised cost				
Islamic Debt Securities	167,294	175,050	167,294	175,050
Less: Accumulated impairment loss	(12,287)	(12,287)	(12,287)	(12,287)
Total held-to-maturity	155,007	162,763	155,007	162,763
(iii) Securities available-for-sale				
At fair value				
<u>Quoted Securities In Malaysia</u>				
Unit trust	3,184	3,184	3,184	3,184
Less: Accumulated impairment loss	(562)	(562)	(562)	(562)
	2,622	2,622	2,622	2,622
At fair value				
<u>Quoted Securities outside Malaysia</u>				
Bond	68,470	70,380	68,470	70,380
At fair value				
<u>Unquoted Securities In Malaysia</u>				
Malaysian Government Investment Issues	3,793,651	2,651,555	3,793,651	2,651,555
Islamic Commercial Papers	309,698	453,816	309,698	453,816
Accepted Bills	35,246	107,997	35,246	107,997
Promissory Notes	5,108	5,604	5,108	5,604
Negotiable Islamic Debt Certificates	2,759,366	1,437,982	2,759,366	1,437,982
Islamic Debt Securities	4,224,359	3,735,135	4,224,359	3,735,135
Malaysian Islamic Treasury Bills	31,829	29,819	31,829	29,819
Less: Accumulated impairment loss	(45,154)	(45,154)	(45,154)	(45,154)
	11,114,103	8,376,754	11,114,103	8,376,754
At fair value				
<u>Unquoted securities outside Malaysia</u>				
Islamic Development Bank Unit Trust	1,923	1,923	1,923	1,923
At cost				
<u>Unquoted securities in Malaysia</u>				
Unquoted shares	26,161	26,590	26,161	26,590
Less: Accumulated impairment loss	(15,406)	(15,835)	(15,406)	(15,835)
	10,755	10,755	10,755	10,755
At cost				
<u>Unquoted securities outside Malaysia</u>				
Unquoted shares	2,996	2,996	2,996	2,996
Total available-for-sale	11,200,869	8,465,430	11,200,869	8,465,430

10. Financing, advances and others

(i) By type

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Cash line	208,701	164,272
Term financing		
House financing	7,709,652	7,136,157
Syndicated financing	75,732	81,329
Leasing receivables	593,313	329,189
Bridging financing	349,996	299,524
Personal financing	2,462,216	2,733,611
Other term financing	4,909,808	3,874,823
Staff financing	296,199	298,368
Credit cards	423,491	393,442
Trade bills discounted	1,485,103	1,539,200
Trust receipts	133,009	151,672
	<u>18,647,220</u>	<u>17,001,587</u>
Less: Unearned income	<u>(7,189,521)</u>	<u>(6,290,584)</u>
	11,457,699	10,711,003
Less: Allowance for bad and doubtful financing:		
General	(170,293)	(170,844)
Specific	(829,408)	(878,295)
	<u>10,457,998</u>	<u>9,661,864</u>
Total net financing, advances and others	<u>10,457,998</u>	<u>9,661,864</u>

(ii) By contract

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Bai' Bithaman Ajil	5,902,888	5,719,619
Ijarah	372,275	289,200
Ijarah Muntahiah Bit-Tamleek	26,336	28,367
Mudharabah	6,495	8,934
Murabahah	1,609,195	1,680,071
At-Tawarruq	892,173	167,378
Bai Al-Inah	2,104,879	2,274,418
Istisna'	543,458	543,016
	<u>11,457,699</u>	<u>10,711,003</u>

(iii) By type of customer

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Domestic banking institutions	288	94
Domestic non-bank financial institutions	7,550	12,459
Domestic business enterprise		
- Small medium industries	725,354	867,061
- Others	2,240,856	2,093,772
Government & Statutory	239,533	156,910
Individuals	7,697,966	7,145,048
Others domestic entities	18,508	17,932
Foreign entities	527,644	417,727
	<u>11,457,699</u>	<u>10,711,003</u>

(iv) By profit rate sensitivity

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Fixed rate		
Housing financing	2,151,016	2,298,214
Others fixed rate financing	7,824,594	7,462,649
Floating rate	1,482,089	950,140
	<u>11,457,699</u>	<u>10,711,003</u>

10. Financing, advances and others

(v) By sector

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Agriculture, hunting, forestry & fishing	89,448	116,701
Mining and quarrying	25,164	30,736
Manufacturing	768,915	828,998
Electricity, gas and water	4,379	80,011
Construction	469,235	520,600
Real estate	46,719	46,879
Purchase of landed property:		
-Residential	3,412,996	3,217,361
-Non-residential	300,756	318,401
Wholesale & retail trade and restaurants & hotels	392,421	336,912
Transport, storage and communication	128,170	58,734
Finance, insurance and business services	40,531	76,455
Purchase of securities	149,323	153,087
Purchase of transport vehicles	1,514,465	1,452,351
Consumption credit	2,590,120	2,304,782
Community, social & personel	43,762	42,456
Others	1,481,295	1,126,539
	<u>11,457,699</u>	<u>10,711,003</u>

11. Non performing financing, advances and others

(i) Movement in the non-performing financing, advances and others

	Group and bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
At 1 July	1,360,449	1,949,904
Addition arising from change to 3 months classification	140,641	-
Classified as non-performing	193,843	228,431
Reclassified as performing	(63,800)	(131,580)
Amount recovered	(103,232)	(184,080)
Amount written off	(169,681)	(540,033)
Exchange differences	(8,481)	37,807
At end of period / year	<u>1,349,739</u>	<u>1,360,449</u>
Less:- Specific allowance	<u>(829,408)</u>	<u>(878,295)</u>
Net non-performing financing, advances and others	<u>520,331</u>	<u>482,154</u>
Ratio of net non-performing financing to total net financing, advances and others	<u>4.90%</u>	<u>4.90%</u>

11. Non performing financing, advances and others

(ii) Movements in the allowance for bad and doubtful financing

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
<u>General allowance</u>		
At 1 July	170,844	169,382
Exchange differences	(551)	1,462
At end of period / year	<u>170,293</u>	<u>170,844</u>
As % of gross financing, advances and others less specific allowance	1.60%	1.74%

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
<u>Specific allowance</u>		
At 1 July	878,295	1,228,131
Allowance made	213,247	303,755
Amount recovered	(83,765)	(133,074)
Amount written off	(169,681)	(540,033)
Exchange differences	(8,688)	19,516
At end of period / year	<u>829,408</u>	<u>878,295</u>

(iii) NPF by sector

	Group and Bank	
	31 December	30 June
	2009	2009
	RM'000	RM'000
Agriculture, hunting, forestry & fishing	26,416	39,788
Mining and quarrying	16,426	280
Manufacturing	242,472	288,186
Electricity, gas and water	2,353	77,334
Construction	322,216	367,912
Real estate	1,753	1,745
Purchase of landed property:		
-Residential	272,194	212,426
-Non-residential	66,831	76,320
Wholesale & retail trade and restaurants & hotels	142,254	95,528
Transport, storage and communication	12,961	12,811
Finance, insurance and business services	1,396	1,449
Purchase of securities	5,309	6,737
Purchase of transport vehicles	72,180	35,928
Consumption credit	77,046	101,561
Community, social & personal services	11,553	14,430
Others	76,379	28,014
	<u>1,349,739</u>	<u>1,360,449</u>

12. Deposits from customers

(i) By type of deposit

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
<u>Non-Mudharabah Fund:</u>				
Demand deposits	6,156,970	6,347,081	6,159,510	6,347,908
Savings deposits	2,367,186	2,032,461	2,367,186	2,032,461
Negotiable Islamic Debt Certificates (NIDC)	4,202,452	7,133,790	4,203,072	7,134,987
Others	53,420	60,419	53,420	60,419
	<u>12,780,028</u>	<u>15,573,751</u>	<u>12,783,188</u>	<u>15,575,775</u>
<u>Mudharabah Fund:</u>				
Demand deposits				
Savings deposits	820,720	680,589	820,720	680,589
General investment deposits	2,974,704	2,535,289	2,974,704	2,535,289
Special investment deposits	6,736,287	6,414,767	6,740,187	6,419,628
Others	235	235	235	235
	<u>10,531,946</u>	<u>9,630,880</u>	<u>10,535,846</u>	<u>9,635,741</u>
	<u>23,311,974</u>	<u>25,204,631</u>	<u>23,319,034</u>	<u>25,211,516</u>

(ii) By type of customer

	Group		Bank	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
Government and statutory bodies	3,993,752	5,233,054	3,993,752	5,233,054
Business enterprises	8,435,583	8,955,185	8,435,583	8,955,185
Individuals	8,139,156	6,803,603	8,139,156	6,803,603
Others	2,743,483	4,212,789	2,750,543	4,219,674
	<u>23,311,974</u>	<u>25,204,631</u>	<u>23,319,034</u>	<u>25,211,516</u>

13. Deposits and placements of banks and other financial institutions

	Group and Bank	
	31 December 2009 RM'000	30 June 2009 RM'000
Mudharabah:		
Licensed Islamic banks	259,122	8,078
Other financial institutions	70,660	-
	<u>329,782</u>	<u>8,078</u>

14. Income derived from investment of depositors' funds

Group	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of :				
(i) General investment deposits	29,786	34,847	58,497	66,060
(ii) Other deposits	250,319	212,426	500,129	425,782
	<u>280,105</u>	<u>247,273</u>	<u>558,626</u>	<u>491,842</u>

(i) Income derived from investment of general investment deposits

	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and others	19,009	24,255	36,812	45,413
Held-for-trading	51	73	137	126
Held-to-maturity	99	32	420	62
Available-for-sale	6,108	3,147	11,518	5,516
Money at call and deposits with financial institutions	<u>2,377</u>	<u>4,626</u>	<u>5,402</u>	<u>10,616</u>
	27,644	32,133	54,289	61,733
Accretion of discount less amortisation of premium	<u>1,451</u>	<u>2,020</u>	<u>2,823</u>	<u>3,290</u>
	29,095	34,153	57,112	65,023
Other dealing income				
Net (loss)/gain from sale of securities held-for-trading	(11)	425	(77)	453
Net gain on revaluation of securities held-for-trading	<u>245</u>	<u>232</u>	<u>502</u>	<u>438</u>
	234	657	425	891
Other operating income				
Net gain from sale of securities available-for-sale	457	37	852	146
Dividend income from securities :				
Unquoted in Malaysia	<u>-</u>	<u>-</u>	<u>108</u>	<u>-</u>
	457	37	960	146
	<u>29,786</u>	<u>34,847</u>	<u>58,497</u>	<u>66,060</u>

(ii) Income derived from investment of other deposits

	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and others	159,678	148,849	314,115	293,450
Held-for-trading	427	414	1,170	776
Held-to-maturity	834	200	3,832	403
Available-for-sale	51,359	19,046	98,355	35,250
Money at call and deposits with financial institutions	<u>20,016</u>	<u>27,746</u>	<u>46,576</u>	<u>68,553</u>
	232,314	196,255	464,048	398,432
Accretion of discount less amortisation of premium	<u>12,177</u>	<u>12,379</u>	<u>24,074</u>	<u>21,126</u>
	244,491	208,634	488,122	419,558
Other dealing income				
Net (loss)/gain from sale of securities held-for-trading	(101)	2,116	(691)	2,313
Net gain on revaluation of securities held-for-trading	<u>2,055</u>	<u>1,424</u>	<u>4,291</u>	<u>2,886</u>
	1,954	3,540	3,600	5,199
Other operating income				
Net gain from sale of securities available-for-sale	3,874	252	7,505	1,025
Dividend income from securities :				
Unquoted in Malaysia	<u>-</u>	<u>-</u>	<u>902</u>	<u>-</u>
	3,874	252	8,407	1,025
	<u>250,319</u>	<u>212,426</u>	<u>500,129</u>	<u>425,782</u>

14. Income derived from investment of depositors' funds

Bank	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of :				
(i) General investment deposits	29,740	34,794	58,417	65,964
(ii) Other deposits	250,126	212,362	499,939	425,794
	<u>279,866</u>	<u>247,156</u>	<u>558,356</u>	<u>491,758</u>

(i) Income derived from investment of general investment deposits

	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and others	18,963	24,202	36,732	45,317
Held-for-trading	51	73	137	126
Held-to-maturity	99	32	420	62
Available-for-sale	6,108	3,147	11,518	5,516
Money at call and deposits with financial institutions	2,377	4,626	5,402	10,616
	<u>27,598</u>	<u>32,080</u>	<u>54,209</u>	<u>61,637</u>
Accretion of discount less amortisation of premium	1,451	2,020	2,823	3,290
	<u>29,049</u>	<u>34,100</u>	<u>57,032</u>	<u>64,927</u>
Other dealing income				
Net (loss)/gain from sale of securities held-for-trading	(11)	425	(77)	453
Net gain on revaluation of securities held-for-trading	245	232	502	438
	<u>234</u>	<u>657</u>	<u>425</u>	<u>891</u>
Other operating income				
Net gain from sale of securities available-for-sale	457	37	852	146
Dividend income from securities :				
Unquoted in Malaysia	-	-	108	-
	<u>457</u>	<u>37</u>	<u>960</u>	<u>146</u>
	<u>29,740</u>	<u>34,794</u>	<u>58,417</u>	<u>65,964</u>

(ii) Income derived from investment of other deposits

	3 months ended		6 months ended	
	31 December	31 December	31 December	31 December
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and others	159,485	148,785	313,925	293,462
Held-for-trading	427	414	1,170	776
Held-to-maturity	834	200	3,832	403
Available-for-sale	51,359	19,046	98,355	35,250
Money at call and deposits with financial institutions	20,016	27,746	46,576	68,553
	<u>232,121</u>	<u>196,191</u>	<u>463,858</u>	<u>398,444</u>
Accretion of discount less amortisation of premium	12,177	12,379	24,074	21,126
	<u>244,298</u>	<u>208,570</u>	<u>487,932</u>	<u>419,570</u>
Other dealing income				
Net (loss)/gain from sale of securities held-for-trading	(101)	2,116	(691)	2,313
Net gain on revaluation of securities held-for-trading	2,055	1,424	4,291	2,886
	<u>1,954</u>	<u>3,540</u>	<u>3,600</u>	<u>5,199</u>
Other operating income				
Net gain from sale of securities available-for-sale	3,874	252	7,505	1,025
Dividend income from securities :				
Unquoted in Malaysia	-	-	902	-
	<u>3,874</u>	<u>252</u>	<u>8,407</u>	<u>1,025</u>
	<u>250,126</u>	<u>212,362</u>	<u>499,939</u>	<u>425,794</u>

15. Income derived from investment of shareholders' funds

<u>Group</u>	3 months ended		6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Finance income and hibah				
Financing, advances and others	873	799	1,739	1,583
Held-for-trading	-	(17)	-	-
Available-for-sale	20,192	10,584	35,638	21,054
Money at call and deposits with financial institutions	326	20,645	1,032	47,106
	<u>21,391</u>	<u>32,011</u>	<u>38,409</u>	<u>69,743</u>
Accretion of discount less amortisation of premium	4,363	5,505	10,443	8,473
	<u>25,754</u>	<u>37,516</u>	<u>48,852</u>	<u>78,216</u>
Other dealing income				
Net gain from foreign exchange transactions	9,656	4,770	16,342	11,529
Net gain from sale of securities held-for-trading	-	-	18	-
Net gain on revaluation of securities held-for-trading	-	11	-	11
	<u>9,656</u>	<u>4,781</u>	<u>16,360</u>	<u>11,540</u>
Other operating income				
Net gain from sale of securities available-for-sale	1	-	428	-
Unrealised foreign exchange gain on foreign currency cash balance	-	-	-	150
Profit on sale of foreign currencies	567	992	1,048	1,089
Reversal of allowance for doubtful debts	60	60	120	4,370
Gross dividend income from securities :				
Quoted in Malaysia	-	-	-	9
Unit trust in Malaysia	36	18	36	138
Unit trust outside Malaysia	48	-	48	63
Unquoted in Malaysia	3,065	-	5,732	3,626
	<u>3,777</u>	<u>1,070</u>	<u>7,412</u>	<u>9,445</u>
Fees and commission				
Fees	13,523	1,563	25,636	15,895
Commission	12,054	6,032	20,677	11,519
Others	2,729	10,268	5,195	13,393
	<u>28,306</u>	<u>17,863</u>	<u>51,508</u>	<u>40,807</u>
Other Income				
Net (loss)/gain on disposal of property & equipment	(471)	234	(464)	234
Rental Income	(17)	-	(90)	-
Other Income	28	-	32	89
	<u>(460)</u>	<u>234</u>	<u>(522)</u>	<u>323</u>
	<u>67,033</u>	<u>61,464</u>	<u>123,610</u>	<u>140,331</u>

15. Income derived from investment of shareholders' funds

Bank	3 months ended		6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Finance income and hibah				
Financing, advances and others	873	799	1,739	1,583
Available-for-sale	20,192	10,599	35,638	21,076
Money at call and deposits with financial institutions	326	20,708	1,032	47,096
	<u>21,391</u>	<u>32,106</u>	<u>38,409</u>	<u>69,755</u>
Accretion of discount less amortisation of premium	4,363	5,505	10,443	8,473
	<u>25,754</u>	<u>37,611</u>	<u>48,852</u>	<u>78,228</u>
Other dealing income				
Net gain from foreign exchange transactions	9,656	4,770	16,342	11,529
Net gain/(loss) on revaluation of securities held-for-trading	-	11	-	11
	<u>9,656</u>	<u>4,781</u>	<u>16,342</u>	<u>11,540</u>
Other operating income				
Net gain from sale of securities available-for-sale	1	-	428	-
Dividend income from securities :				
Quoted in Malaysia	-	-	-	9
Unit trust in Malaysia	36	18	36	138
Unit trust outside Malaysia	48	-	48	63
Unquoted in Malaysia	3,065	-	5,732	3,626
	<u>3,150</u>	<u>18</u>	<u>6,244</u>	<u>3,836</u>
Fees and commission				
Fees	13,496	1,379	25,294	15,511
Commission	12,054	6,032	20,677	11,519
Others	2,326	10,102	4,306	12,944
	<u>27,876</u>	<u>17,513</u>	<u>50,277</u>	<u>39,974</u>
Other Income				
Net (loss)/gain on disposal of property & equipment	(471)	234	(464)	234
Rental Income	-	17	(56)	34
	<u>(471)</u>	<u>251</u>	<u>(520)</u>	<u>268</u>
	<u>65,965</u>	<u>60,174</u>	<u>121,195</u>	<u>133,846</u>

16. Allowance for losses on financing

<u>Group & Bank</u>	3 months ended		6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
<u>Allowance for bad and doubtful financing</u>				
Specific allowance				
- Provided	122,487	83,296	213,247	134,848
- Written back	(57,142)	(28,701)	(83,765)	(55,442)
Bad debts on financing				
- Recovered	(31,367)	(8,645)	(45,553)	(15,162)
Recovered from Danaharta	-	(2,426)	-	(2,426)
	<u>33,978</u>	<u>43,524</u>	<u>83,929</u>	<u>61,818</u>

17. Income attributable to depositors

<u>Group</u>	3 months ended		6 months ended	
	31 December 2009 RM'000	31 December 2008 RM'000	31 December 2009 RM'000	31 December 2008 RM'000
Deposits from customers				
- Mudharabah Fund	46,280	39,491	95,402	88,792
- Non-Mudharabah Fund	36,566	58,229	81,899	121,873
Deposits and placement of banks and other financial institutions				
- Mudharabah Fund	3,399	4,589	6,355	5,380
	<u>86,245</u>	<u>102,309</u>	<u>183,656</u>	<u>216,045</u>
 <u>Bank</u>				
Deposits from customers				
- Mudharabah Fund	46,302	39,491	95,442	88,792
- Non-Mudharabah Fund	36,587	58,348	81,926	122,062
Deposits and placements of banks and other financial institutions				
other financial institutions				
- Mudharabah Fund	3,399	4,589	6,355	5,380
	<u>86,288</u>	<u>102,428</u>	<u>183,723</u>	<u>216,234</u>

18. Capital adequacy

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

	<u>Group</u>		<u>Bank</u>	
	31 December 2009 RM'000	30 June 2009 RM'000	31 December 2009 RM'000	30 June 2009 RM'000
<u>Tier I capital</u>				
Paid-up share capital	1,725,490	1,725,490	1,725,490	1,725,490
Paid-up Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS)	540,000	-	540,000	-
Share premium	500,020	500,020	500,020	500,020
Accumulated losses	(1,193,127)	(1,309,362)	(1,203,796)	(1,321,097)
Other reserves	589,124	589,124	589,124	589,124
Less : Deferred tax assets	(59,609)	(61,660)	(59,583)	(61,660)
Total Tier-I capital	<u>2,101,898</u>	<u>1,443,612</u>	<u>2,091,255</u>	<u>1,431,877</u>
 <u>Tier II capital</u>				
Redeemable Subordinated Mudharabah financing	-	20,000	-	20,000
General allowance for bad and doubtful financing	170,293	170,844	170,293	170,844
Total Tier-II capital	<u>170,293</u>	<u>190,844</u>	<u>170,293</u>	<u>190,844</u>
 Total capital	2,272,191	1,634,456	2,261,548	1,622,721
Less: Investment in subsidiaries	-	-	(25,127)	(20,127)
Capital base	<u>2,272,191</u>	<u>1,634,456</u>	<u>2,236,421</u>	<u>1,602,594</u>
 Core capital ratio	16.17%	12.25%	16.10%	12.16%
Risk-weighted capital ratio	17.48%	13.87%	17.22%	13.61%

18. Capital adequacy

(ii) Breakdown of risk-weighted assets by exposures in each major risk category:

Group

31 December 2009

Item	Exposure Class	Gross Exposures RM'000		Net Exposures RM'000	Risk Weighted Assets RM'000	Capital Requirements RM'000
1.0	<u>Credit Risk</u>					
	On-Balance Sheet Exposures:					
	Sovereigns/Central Banks	7,833,526		7,833,526	-	-
	Public Sector Entities	1,366,086		1,366,086	417,186	33,375
	Banks, Development Financial Institutions & MDBs	2,914,052		2,914,008	643,213	51,456
	Insurance Companies, Securities Firms and Fund Managers	-		-	-	-
	Corporates	4,904,947		4,778,173	2,623,606	209,888
	Regulatory Retail	5,492,895		5,336,376	4,002,283	320,183
	Residential Mortgages	1,942,339		1,942,339	792,284	63,383
	Higher Risk Assets	21,697		21,697	32,546	2,604
	Other Assets	1,013,733		1,013,558	482,024	38,562
	Equity Exposures	-		-	-	-
	Defaulted Exposures	810,883		778,407	1,018,366	81,469
	Total for On-Balance Sheet Exposures	26,300,158		25,984,170	10,011,508	800,920
	Off-Balance Sheet Exposures:					
	Credit-related Off-Balance Sheet Exposures	1,365,101		1,365,047	1,131,518	90,521
	Derivative Financial Instruments	48,748		48,748	12,264	982
	Other Treasury-related Off-Balance Sheet Exposures	32,500		32,500	32,500	2,600
	Defaulted Exposures	52,597		52,597	55,103	4,408
	Total for Off-Balance Sheet Exposures	1,498,946		1,498,892	1,231,385	98,511
	Total On and Off-Balance Sheet Exposures	27,799,104		27,483,062	11,242,893	899,431
2.0	Large Exposures Risk Requirement			-	-	-
3.0	<u>Market Risk</u>	Long Position	Short Position			
	Benchmark Rate Risk	2,259,529	(1,660,313)	599,216	51,035	4,083
	Foreign Exchange Risk	38,324	(149,838)	(111,514)	149,839	11,987
	Equity Risk	-	-	-	-	-
	Total Market Risk	2,297,853	(1,810,151)	487,702	200,874	16,070
4.0	Operational Risk				1,554,584	124,367
5.0	Total RWA and Capital Requirements				12,998,351	1,039,868

18. Capital adequacy , continued

(ii) Breakdown of risk-weighted assets by exposures in each major risk category (continued):

Group

30 June 2009

Item	Exposure Class	Gross Exposures RM'000		Net Exposures RM'000	Risk Weighted Assets RM'000	Capital Requirements RM'000
1.0	<u>Credit Risk</u>					
	On-Balance Sheet Exposures:					
	Sovereigns/Central Banks	10,837,287		10,837,287	-	-
	Public Sector Entities	826,760		826,760	167,905	13,432
	Banks, Development Financial Institutions & MDBs	1,611,307		1,611,263	354,649	28,372
	Insurance Companies, Securities Firms and Fund Managers	-		-	-	-
	Corporates	5,453,204		5,311,543	2,337,795	187,024
	Regulatory Retail	4,958,778		4,775,661	3,581,337	286,507
	Residential Mortgages	1,809,555		1,809,555	750,184	60,015
	Higher Risk Assets	27,671		27,671	41,507	3,321
	Other Assets	966,817		966,716	537,535	43,003
	Equity Exposures	-		-	-	-
	Defaulted Exposures	948,357		897,510	1,175,986	94,079
	Total for On-Balance Sheet Exposures	27,439,736		27,063,966	8,946,898	715,753
	Off-Balance Sheet Exposures:					
	Credit-related Off-Balance Sheet Exposures	1,363,896		1,363,896	1,034,528	82,762
	Derivative Financial Instruments	36,357		36,357	10,728	858
	Other Treasury-related Off-Balance Sheet Exposures	25,000		25,000	25,000	2,000
	Defaulted Exposures	36,016		36,016	47,565	3,805
	Total for Off-Balance Sheet Exposures	1,461,269		1,461,269	1,117,821	89,425
	Total On and Off-Balance Sheet Exposures	28,901,005		28,525,235	10,064,719	805,178
2.0	Large Exposures Risk Requirement	-		-	-	-
3.0	<u>Market Risk</u>					
		Long Position	Short Position			
	Benchmark Rate Risk	1,797,717	(1,411,820)	385,897	133,439	10,675
	Foreign Exchange Risk	67,426	(179,868)	(112,442)	179,868	14,389
	Equity Risk	47	-	47	112	9
	Total Market Risk	1,865,190	(1,591,688)	273,502	313,419	25,073
4.0	Operational Risk				1,403,225	112,258
5.0	Total RWA and Capital Requirements				11,781,363	942,509

18. Capital adequacy , continued

(ii) Breakdown of risk-weighted assets by exposures in each major risk category (continued):

Bank

31 December 2009

Item	Exposure Class	Gross Exposures RM'000		Net Exposures RM'000	Risk Weighted Assets RM'000	Capital Requirements RM'000
1.0	<u>Credit Risk</u>					
	On-Balance Sheet Exposures:					
	Sovereigns/Central Banks	7,833,526		7,833,526	-	-
	Public Sector Entities	1,366,086		1,366,086	417,186	33,375
	Banks, Development Financial Institutions & MDBs	2,913,884		2,913,840	643,180	51,454
	Insurance Companies, Securities Firms and Fund Managers	-		-	-	-
	Corporates	4,904,947		4,778,173	2,623,606	209,888
	Regulatory Retail	5,492,895		5,336,376	4,002,283	320,183
	Residential Mortgages	1,942,339		1,942,339	792,284	63,383
	Higher Risk Assets	21,697		21,697	32,546	2,604
	Other Assets	991,198		991,023	474,870	37,990
	Equity Exposures	-		-	-	-
	Defaulted Exposures	810,883		778,407	1,018,366	81,469
	Total for On-Balance Sheet Exposures	26,277,455		25,961,467	10,004,321	800,346
	Off-Balance Sheet Exposures:					
	Credit-related Off-Balance Sheet Exposures	1,365,101		1,365,047	1,131,518	90,521
	Derivative Financial Instruments	48,748		48,748	12,264	982
	Other Treasury-related Off-Balance Sheet Exposures	32,500		32,500	32,500	2,600
	Defaulted Exposures	52,597		52,597	55,103	4,408
	Total for Off-Balance Sheet Exposures	1,498,946		1,498,892	1,231,385	98,511
	Total On and Off-Balance Sheet Exposures	27,776,401		27,460,359	11,235,706	898,857
2.0	Large Exposures Risk Requirement			-	-	-
3.0	<u>Market Risk</u>	Long Position	Short Position			
	Benchmark Rate Risk	2,259,529	(1,660,313)	599,216	51,035	4,083
	Foreign Exchange Risk	29,196	(155,578)	(126,382)	155,578	12,446
	Equity Risk	-	-	-	-	-
	Total Market Risk	2,288,725	(1,815,891)	472,834	206,613	16,529
4.0	Operational Risk				1,545,804	123,664
5.0	Total RWA and Capital Requirements				12,988,123	1,039,050

18. Capital adequacy , continued

(ii) Breakdown of risk-weighted assets by exposures in each major risk category (continued):

Bank

30 June 2009

Item	Exposure Class	Gross Exposures RM'000		Net Exposures RM'000	Risk Weighted Assets RM'000	Capital Requirements RM'000
1.0	<u>Credit Risk</u>					
	On-Balance Sheet Exposures:					
	Sovereigns/Central Banks	10,837,287		10,837,287	-	-
	Public Sector Entities	826,760		826,760	167,905	13,432
	Banks, Development Financial Institutions & MDBs	1,611,119		1,611,075	354,611	28,369
	Insurance Companies, Securities Firms and Fund Managers	-		-	-	-
	Corporates	5,453,204		5,311,543	2,337,795	187,024
	Regulatory Retail	4,958,778		4,775,661	3,581,337	286,507
	Residential Mortgages	1,809,555		1,809,555	750,184	60,015
	Higher Risk Assets	27,671		27,671	41,507	3,321
	Other Assets	946,616		946,515	531,861	42,549
	Equity Exposures	-		-	-	-
	Defaulted Exposures	948,357		897,510	1,175,986	94,079
	Total for On-Balance Sheet Exposures	27,419,347		27,043,577	8,941,186	715,296
	Off-Balance Sheet Exposures:					
	Credit-related Off-Balance Sheet Exposures	1,363,896		1,363,896	1,034,528	82,762
	Derivative Financial Instruments	36,357		36,357	10,728	858
	Other Treasury-related Off-Balance Sheet Exposures	25,000		25,000	25,000	2,000
	Defaulted Exposures	36,016		36,016	47,565	3,805
	Total for Off-Balance Sheet Exposures	1,461,269		1,461,269	1,117,821	89,425
	Total On and Off-Balance Sheet Exposures	28,880,616		28,504,846	10,059,007	804,721
2.0	Large Exposures Risk Requirement			-	-	-
3.0	<u>Market Risk</u>	Long Position	Short Position			
	Benchmark Rate Risk	1,797,717	(1,411,820)	385,897	133,439	10,675
	Foreign Exchange Risk	56,278	(183,192)	(126,914)	183,192	14,655
	Equity Risk	-	-	-	-	-
	Total Market Risk	1,853,995	(1,595,012)	258,983	316,631	25,330
4.0	Operational Risk				1,397,202	111,776
5.0	Total RWA and Capital Requirements				11,772,840	941,827

18. Capital adequacy , continued

(iii) The breakdown of credit risk-weights:

Group

31 December 2009

Risk weights	Exposures after Netting & Credit Risk Mitigation											Total Risk Weighted Asset RM'000
	Sovereigns / Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institution & MDBs RM'000	Insurance Companies, Securities Firms and Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Netting & Credit Risk Mitigation RM'000	
0%	7,867,118	-	72	-	82,537	-	-	-	433,472	-	8,383,199	-
20%	-	1,186,126	2,757,912	-	2,720,597	-	-	-	-	-	6,664,635	1,332,927
35%	-	-	-	-	-	-	1,192,570	-	-	-	1,192,570	417,400
50%	-	-	207,346	-	174,869	31,735	768,903	-	4,373	-	1,187,226	593,613
75%	-	-	-	-	-	5,600,971	-	-	-	-	5,600,971	4,200,728
100%	-	197,636	64	-	3,124,308	(23,278)	90,225	-	577,978	-	3,966,933	3,966,933
150%	-	209	-	-	243,755	175,556	-	56,826	11,182	-	487,528	731,292
Total Exposures	7,867,118	1,383,971	2,965,394	-	6,346,066	5,784,984	2,051,698	56,826	1,027,005	-	27,483,062	11,242,893
RWA by Exposures	-	435,175	655,319	-	4,121,494	4,456,652	892,076	85,239	596,938	-	11,242,893	
Average Risk Weight	0.0%	31.4%	22.1%	-	64.9%	77.0%	43.5%	150.0%	58.1%	-	40.9%	
Deduction from Capital Base												

18. Capital adequacy , continued

(iii) The breakdown of credit risk-weights (continued):

Group

30 June 2009

Risk weights	Exposures after Netting & Credit Risk Mitigation											
	Sovereigns / Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institution & MDBs RM'000	Insurance Companies, Securities Firms and Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Netting & Credit Risk Mitigation RM'000	Total Risk Weighted Asset RM'000
0%	10,873,305	400,197	782	-	1,194,401	-	-	-	311,427	-	12,780,112	-
20%	-	323,323	1,533,124	-	2,473,372	-	-	-	39,702	-	4,369,521	873,904
35%	-	-	-	-	-	-	1,032,442	-	-	-	1,032,442	361,355
50%	-	-	108,927	-	146,030	7,660	799,206	-	4,771	-	1,066,594	533,297
75%	-	-	-	-	-	5,028,748	-	-	-	-	5,028,748	3,771,561
100%	-	135,648	-	-	2,794,077	50,830	92,210	-	621,484	-	3,694,249	3,694,249
150%	-	-	-	-	299,994	184,304	-	64,968	4,303	-	553,569	830,353
Total Exposures	10,873,305	859,168	1,642,833	-	6,907,874	5,271,542	1,923,858	64,968	981,687	-	28,525,235	10,064,719
RWA by Exposures	-	200,313	361,089	-	3,811,757	4,102,677	853,168	97,451	638,264	-	10,064,719	
Average Risk Weight	0.0%	23.3%	22.0%	-	59.4%	16.2%	5.1%	150.0%	65.0%	-	35.3%	
Deduction from Capital Base												

18. Capital adequacy , continued

(iii) The breakdown of credit risk-weights (continued):

Bank

31 December 2009

Risk weights	Exposures after Netting & Credit Risk Mitigation											Total Risk Weighted Asset RM'000
	Sovereigns / Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institution & MDBs RM'000	Insurance Companies, Securities Firms and Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Netting & Credit Risk Mitigation RM'000	
0%	7,867,118	-	72	-	82,537	-	-	-	418,091	-	8,367,818	-
20%	-	1,186,126	2,757,744	-	2,720,597	-	-	-	-	-	6,664,467	1,332,894
35%	-	-	-	-	-	-	1,192,570	-	-	-	1,192,570	417,400
50%	-	-	207,346	-	174,869	31,735	768,903	-	4,373	-	1,187,226	593,613
75%	-	-	-	-	-	5,600,971	-	-	-	-	5,600,971	4,200,728
100%	-	197,636	64	-	3,124,308	(23,278)	90,225	-	570,824	-	3,959,779	3,959,779
150%	-	209	-	-	243,755	175,556	-	56,826	11,182	-	487,528	731,292
Total Exposures	7,867,118	1,383,971	2,965,226	-	6,346,066	5,784,984	2,051,698	56,826	1,004,470	-	27,460,359	11,235,706
RWA by Exposures	-	435,175	655,286	-	4,121,494	4,456,652	892,076	85,239	589,784	-	11,235,706	
Average Risk Weight	0.0%	31.4%	22.1%	-	64.9%	77.0%	43.5%	150.0%	58.7%	-	40.9%	
Deduction from Capital Base												

18. Capital adequacy , continued

(iii) The breakdown of credit risk-weights (continued):

Bank

30 June 2009

Risk weights	Exposures after Netting & Credit Risk Mitigation											Total Risk Weighted Asset RM'000
	Sovereigns / Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institution & MDBs RM'000	Insurance Companies, Securities Firms and Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Netting & Credit Risk Mitigation RM'000	
0%	10,873,305	400,197	782	-	1,194,401	-	-	-	296,900	-	12,765,585	-
20%	-	323,323	1,532,936	-	2,473,372	-	-	-	39,702	-	4,369,333	873,866
35%	-	-	-	-	-	-	1,032,442	-	-	-	1,032,442	361,355
50%	-	-	108,927	-	146,030	7,660	799,206	-	4,771	-	1,066,594	533,297
75%	-	-	-	-	-	5,028,748	-	-	-	-	5,028,748	3,771,561
100%	-	135,648	-	-	2,794,077	50,830	92,210	-	615,810	-	3,688,575	3,688,575
150%	-	-	-	-	299,994	184,304	-	64,968	4,303	-	553,569	830,353
Total Exposures	10,873,305	859,168	1,642,645	-	6,907,874	5,271,542	1,923,858	64,968	961,486	-	28,504,846	10,059,007
RWA by Exposures	-	200,313	361,051	-	3,811,757	4,102,677	853,168	97,451	632,590	-	10,059,007	
Average Risk Weight	0.0%	23.3%	22.0%	-	59.4%	16.2%	5.1%	150.0%	65.8%	-	35.3%	
Deduction from Capital Base												

18. Capital adequacy , continued

(iv) The off-balance sheet and counterparty credit risk for the Group and the Bank:

31 December 2009

Nature of Item	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Asset RM'000
<u>Credit-related Exposures</u>				
Direct credit substitutes	572,759		572,759	477,102
Assets sold with recourse	242		242	242
Transaction related contingent Items	776,480		388,240	351,790
Short Term self liquidating trade related contingencies	304,658		60,932	30,730
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	382,434		191,217	169,976
- not exceeding one year	53,613		10,723	11,592
Unutilised credit card lines	967,930		193,586	145,190
Any commitments that are unconditionally cancelled at any time by the time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	4,373,797		-	-
	7,431,913		1,417,699	1,186,622
<u>Derivative Financial Instruments</u>				
Foreign exchange related contracts				
- Less than one year	1,541,478	5,919	21,912	6,896
- One year to less than five years	-	-	-	-
- Five years and above	-	-	-	-
Profit rate related contracts				
- Less than one year	-	-	-	-
- One year to less than five years	370,906	4,453	26,835	5,367
- Five years and above	-	-	-	-
	1,912,384	10,372	48,747	12,263
<u>Other Treasury-related Exposures</u>				
Obligations under an on-going underwriting agreement	65,000		32,500	32,500
	65,000		32,500	32,500
Total	9,409,297	10,372	1,498,946	1,231,385

18. Capital adequacy , continued

(iv) The off-balance sheet and counterparty credit risk for the Group and the Bank (continued):

30 June 2009

Nature of Item	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Asset RM'000
<u>Credit-related Exposures</u>				
Direct credit substitutes	615,699		615,699	417,935
Assets sold with recourse	6,220		6,220	6,220
Transaction related contingent Items	702,411		351,206	339,589
Short Term self liquidating trade related contingencies	390,819		78,164	26,367
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	333,712		166,856	155,622
- not exceeding one year	238		48	71
Unutilised credit card lines	908,596		181,719	136,289
Any commitments that are unconditionally cancelled at any time by the time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	3,035,041		-	-
	5,992,736	-	1,399,912	1,082,093
<u>Derivative Financial Instruments</u>				
Foreign exchange related contracts				
- Less than one year	1,455,651	6,015	15,753	6,607
- One year to less than five years	-	-	-	-
- Five years and above	-	-	-	-
Profit rate related contracts				
- Less than one year	9,538	25	25	5
- One year to less than five years	185,453	179	20,579	4,116
- Five years and above	-	-	-	-
	1,650,642	6,219	36,357	10,728
<u>Other Treasury-related Exposures</u>				
Obligations under an on-going underwriting agreement	50,000		25,000	25,000
	50,000		25,000	25,000
Total	7,693,378	6,219	1,461,269	1,117,821

19. Profit Rate Risk

<u>Group</u>	Non-trading book						Trading book	Total	Effective profit rate
	← Up to 1 month	> 1-3 months	> 3-12 months	1-5 years	Over 5 years	→ Non profit sensitive			
31 December 2009	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Assets									
Cash, short term funds and deposits & placements with banks & other financial institutions	3,281,663	-	-	-	-	653,660	-	3,935,323	2.05
Securities									
- Held-for-trading	-	-	-	-	-	-	599,290	599,290	0.54
- Held-to-maturity	-	-	-	85,092	69,915	-	-	155,007	6.77
- Available-for-sale	479,488	2,292,834	1,033,302	5,336,568	2,058,677	-	-	11,200,869	3.50
Financing, advances & others									
- performing	811,941	723,667	470,035	2,379,607	5,552,417	-	-	9,937,667	7.27
- non-performing	-	-	-	-	-	520,331	-	520,331	-
Other assets	-	-	-	-	-	366,195	-	366,195	-
Total Assets	4,573,092	3,016,501	1,503,337	7,801,267	7,681,009	1,540,186	599,290	26,714,682	
Liabilities									
Deposits from customers	10,199,137	535,233	1,727,199	614,165	835,169	9,401,071	-	23,311,974	1.88
Deposits & placement of banks & other financial institutions	323,084	-	-	-	6,698	-	-	329,782	2.08
Bills & acceptance payable	456,066	-	-	-	-	-	-	456,066	2.40
Other liabilities	-	-	-	-	-	386,349	-	386,349	-
Total Liabilities	10,978,287	535,233	1,727,199	614,165	841,867	9,787,420	-	24,484,171	
Shareholders' equity	-	-	-	-	-	2,230,511	-	2,230,511	
Total Liabilities and shareholders equity	10,978,287	535,233	1,727,199	614,165	841,867	12,017,931	-	26,714,682	
On balance sheet profit sensitivity gap	(6,405,195)	2,481,268	(223,862)	7,187,102	6,839,142	(10,477,745)	599,290	-	
Off balance sheet profit sensitivity gap (Profit rate swaps)	100,000	100,000	-	(200,000)	-	-	-	-	
Total profit sensitivity gap	(6,305,195)	2,581,268	(223,862)	6,987,102	6,839,142	(10,477,745)	599,290	-	

Bank Islam Malaysia Berhad (98127-X)
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Profit Rate Risk

<u>Group</u>	Non-trading book						Trading book	Total	Effective profit rate
	← Up to 1 month	> 1-3 months	> 3-12 months	1-5 years	Over 5 years	→ Non profit sensitive			
30 June 2009	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Assets									
Cash, short term funds and deposits & placements with banks & other financial institutions	7,795,293	182	-	-	-	650,112	-	8,445,587	2.76
Securities									
-Held-for-trading	-	-	-	-	-	-	287,675	287,675	2.09
-Held-to-maturity	-	7,760	-	155,003	-	-	-	162,763	2.39
-Available-for-sale	330,554	1,080,040	1,124,752	3,303,180	2,626,904	-	-	8,465,430	3.92
Financing, advances & others									
- performing	711,659	868,035	544,284	2,116,720	4,939,012	-	-	9,179,710	7.73
- non-performing	-	-	-	-	-	482,154	-	482,154	-
Other assets	-	-	-	-	-	465,188	-	465,188	-
Total Assets	8,837,506	1,956,017	1,669,036	5,574,903	7,565,916	1,597,454	287,675	27,488,507	
Liabilities									
Deposits from customers	9,758,073	2,797,708	2,015,425	1,511,812	-	9,121,613	-	25,204,631	2.12
Deposits & placement of banks & other financial institutions	8,078	-	-	-	-	-	-	8,078	3.76
Bills & acceptance payable	283,212	-	-	-	-	-	-	283,212	3.20
Subordinated financing	-	-	-	100,000	-	-	-	100,000	2.75
Other liabilities	-	-	-	-	-	361,404	-	361,404	-
Total Liabilities	10,049,363	2,797,708	2,015,425	1,611,812	-	9,483,017	-	25,957,325	
Shareholders' equity	-	-	-	-	-	1,531,182	-	1,531,182	
Total Liabilities and shareholders equity	10,049,363	2,797,708	2,015,425	1,611,812	-	11,014,199	-	27,488,507	
On balance sheet profit sensitivity gap	(1,211,857)	(841,691)	(346,389)	3,963,091	7,565,916	(9,416,745)	287,675	-	
Off balance sheet profit sensitivity gap (Profit rate swaps)	-	100,000	-	(100,000)	-	-	-	-	
Total profit sensitivity gap	(1,211,857)	(741,691)	(346,389)	3,863,091	7,565,916	(9,416,745)	287,675	-	

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Profit Rate Risk

	←		Non-trading book			→		Total RM'000	Effective profit 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 profit sensitive RM'000	Trading book RM'000		
Assets									
Cash, short term funds and deposits & placements with banks & other financial institutions	3,266,113	-	-	-	-	653,660	-	3,919,773	2.02
Securities									
- Held-for-trading	-	-	-	-	-	-	-	-	0.54
- Held-to-maturity	-	-	-	-	-	-	-	-	6.77
- Available-for-sale	479,488	2,292,834	1,033,302	5,336,568	2,058,677	-	-	11,200,869	3.50
Financing, advances & others									
- performing	811,941	723,667	470,035	2,379,607	5,552,417	-	-	9,937,667	7.27
- non-performing	-	-	-	-	-	520,331	-	520,331	-
Other assets	-	-	-	-	-	-	-	-	-
Total Assets	4,557,542	3,016,501	1,503,337	7,716,175	7,611,094	1,173,991	-	25,578,640	
Liabilities									
Deposits from customers	10,202,247	539,183	1,727,199	614,165	835,169	9,401,071	-	23,319,034	1.88
Deposits & placement of banks & other financial institutions		-	-	-	-	-	-	-	2.08
Bills & acceptance payable		-	-	-	-	-	-	-	2.40
Other liabilities	-	-	-	-	-	-	-	-	-
Total Liabilities	10,202,247	539,183	1,727,199	614,165	835,169	9,401,071	-	23,319,034	
Shareholders' equity	-	-	-	-	-	-	-	-	
Total Liabilities and shareholders equity	10,202,247	539,183	1,727,199	614,165	835,169	9,401,071	-	23,319,034	
On balance sheet profit sensitivity gap	(5,644,705)	2,477,318	(223,862)	7,102,010	6,775,925	(8,227,080)	-	2,259,606	
Off balance sheet profit sensitivity gap (Profit rate swaps)	100,000	100,000	-	(200,000)	-	-	-	-	
Total profit sensitivity gap	(5,544,705)	2,577,318	(223,862)	6,902,010	6,775,925	(8,227,080)	-	2,259,606	

Bank Islam Malaysia Berhad (98127-X)
(Incorporated in Malaysia)

Profit Rate Risk

	←		Non-trading book			→		Total	Effective profit rate %
	Up to 1 month	> 1-3 months	> 3-12 months	1-5 years	Over 5 years	Non profit sensitive	Trading book		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Assets									
Cash, short term funds and deposits & placements with banks & other financial institutions	7,780,760	-	-	-	-	650,112	-	8,430,872	2.74
Securities									
-Held-for-trading	-	-	-	-	-	-	287,628	287,628	2.04
-Held-to-maturity	-	7,760	-	155,003	-	-	-	162,763	2.39
-Available-for-sale	330,554	1,080,040	1,124,752	3,303,180	2,626,904	-	-	8,465,430	3.92
Financing, advances & others									
- performing	711,659	868,035	544,284	2,116,720	4,939,012	-	-	9,179,710	7.73
- non-performing	-	-	-	-	-	482,154	-	482,154	-
Other assets	-	-	-	-	-	479,647	-	479,647	-
Total Assets	8,822,973	1,955,835	1,669,036	5,574,903	7,565,916	1,611,913	287,628	27,488,204	
Liabilities									
Deposits from customers	9,764,204	2,798,463	2,015,425	1,511,812	-	9,121,612	-	25,211,516	2.12
Deposits & placement of banks & other financial institutions	8,078	-	-	-	-	-	-	8,078	3.76
Bills & acceptance payable	289,469	-	-	-	-	-	-	289,469	3.20
Subordinated financing	-	-	-	100,000	-	-	-	100,000	2.75
Other liabilities	-	-	-	-	-	359,588	-	359,588	-
Total Liabilities	10,061,751	2,798,463	2,015,425	1,611,812	-	9,481,200	-	25,968,651	
Shareholders' equity	-	-	-	-	-	1,519,553	-	1,519,553	
Total Liabilities and shareholders equity	10,061,751	2,798,463	2,015,425	1,611,812	-	11,000,753	-	27,488,204	
On balance sheet profit sensitivity gap	(1,238,778)	(842,628)	(346,389)	3,963,091	7,565,916	(9,388,840)	287,628	-	
Off balance sheet profit sensitivity gap (Profit rate swaps)	-	100,000	-	(100,000)	-	-	-	-	
Total profit sensitivity gap	(1,238,778)	(742,628)	(346,389)	3,863,091	7,565,916	(9,388,840)	287,628	-	