

Bank Islam Malaysia Berhad (98127-X)

(Incorporated in Malaysia)
and its subsidiaries

Unaudited Balance Sheets as at 30 September 2009

	Note	Group		Bank	
		30 September 2009 RM'000	30 June 2009 RM'000	30 September 2009 RM'000	30 June 2009 RM'000
ASSETS					
Cash and short term funds	7	3,444,926	8,445,587	3,427,187	8,430,872
Deposits and placements with banks and other financial institutions	8	725,043	-	725,043	-
Securities:					
<i>Held-for-trading</i>	9 (i)	577,341	287,675	577,341	287,628
<i>Held-to-maturity</i>	9 (ii)	154,072	162,763	154,072	162,763
<i>Available-for-sale</i>	9 (iii)	10,665,619	8,465,430	10,665,619	8,465,430
Financing, advances and others	10	10,152,169	9,661,864	10,152,169	9,661,864
Other assets		104,493	105,920	101,132	102,987
Statutory deposit with Bank Negara Malaysia		-	139,729	-	139,729
Investments in subsidiary companies		-	-	20,127	20,127
Current tax assets		15,872	15,733	14,258	14,258
Deferred tax assets		61,686	61,660	61,660	61,660
Property and equipment		126,938	127,710	125,677	126,450
Prepaid lease payments		14,393	14,436	14,393	14,436
Total Assets		26,042,552	27,488,507	26,038,678	27,488,204
LIABILITIES AND EQUITY					
Deposits from customers	12	22,708,253	25,204,631	22,712,211	25,211,516
Deposits and placements of banks and other financial institutions	13	406,648	8,078	406,648	8,078
Bills and acceptance payable		610,671	283,212	616,850	289,469
Other liabilities		329,110	330,958	326,752	329,529
Zakat and taxation		31,660	30,446	31,228	30,059
Subordinated financing		-	100,000	-	100,000
Total Liabilities		24,086,342	25,957,325	24,093,689	25,968,651
Equity					
Share capital		2,049,490	1,725,490	2,049,490	1,725,490
Reserves		(93,280)	(194,308)	(104,501)	(205,937)
Total Equity		1,956,210	1,531,182	1,944,989	1,519,553
Total Liabilities and Equity		26,042,552	27,488,507	26,038,678	27,488,204
Off-Balance Sheet Exposures	19	9,695,802	7,693,378	9,695,802	7,693,378
CAPITAL ADEQUACY					
Core capital ratio		14.15%	12.25%	14.07%	12.16%
Risk-weighted capital ratio		15.52%	13.87%	15.28%	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)

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Unaudited Income Statements**For the First Quarter Ended 30 September 2009**

	Note	Group		Bank	
		30 September 2009	30 September 2008	30 September 2009	30 September 2008
		RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	14	278,521	244,569	278,490	244,602
Income derived from investment of shareholders' funds	15	56,577	78,867	55,230	73,672
Allowance for losses on financing	16	(49,951)	(18,294)	(49,951)	(18,294)
Profit equalisation reserve		6,021	(16)	6,021	(16)
Direct expenses		(4,892)	(3,222)	(4,892)	(3,222)
Total distributable income		286,276	301,904	284,898	296,742
Income attributable to depositors	17	(97,411)	(113,736)	(97,435)	(113,806)
Total net income		188,865	188,168	187,463	182,936
Other operating expenses		(113,989)	(111,609)	(112,276)	(110,372)
Finance cost		-	(854)	-	(854)
Profit before zakat and tax		74,876	75,705	75,187	71,710
Zakat		(1,540)	(1,500)	(1,500)	(1,500)
Tax expense		(20,814)	(2,021)	(20,760)	(953)
Net profit for the quarter		52,522	72,184	52,927	69,257

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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Unaudited Consolidated Statement of Changes in Equity For the First Quarter Ended 30 September 2009

<u>Group</u>	← Attributable to shareholders of the Bank →						Total RM'000
	Share capital RM'000	Share premium RM'000	Non-Distributable		Accumulated losses RM'000		
			Statutory reserve RM'000	Fair value reserve RM'000	Translation 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 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	-	-	-	-	6,570	-	6,570
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	41,936	-	-	41,936
Net gain recognised directly in equity	-	-	-	41,936	6,570	-	48,506
Profit for the period	-	-	-	-	-	52,522	52,522
Total recognised income for the period	-	-	-	41,936	6,570	52,522	101,028
Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS) issued	324,000	-	-	-	-	-	324,000
At 30 September 2009	2,049,490	500,020	589,124	32,393	42,023	(1,256,840)	1,956,210

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)
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Unaudited Statement of Changes in Equity For the First Quarter Ended 30 September 2009

<u>Bank</u>	← Attributable to shareholders of the Bank →						Total equity RM'000
	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	
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	-	-	-	-	6,573	-	6,573
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	41,936	-	-	41,936
Net gain recognised directly in equity	-	-	-	41,936	6,573	-	48,509
Profit for the period	-	-	-	-	-	52,927	52,927
Total recognised income for the period	-	-	-	41,936	6,573	52,927	101,436
Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS) issued	324,000	-	-	-	-	-	324,000
At 30 September 2009	2,049,490	500,020	589,124	32,393	42,132	(1,268,170)	1,944,989

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 First Quarter 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
Cash flows from operating activities				
Profit before zakat and tax	74,876	75,705	75,187	71,710
Adjustments for :				
Depreciation of property and equipment	9,370	7,104	9,280	7,065
Amortisation of prepaid lease payment	43	43	43	43
Allowance for losses on financing	49,951	18,294	49,951	18,294
Dividend from shares and unit trusts	(3,677)	(3,818)	(3,677)	(3,818)
Gain on disposal of property and equipment	(7)	-	(7)	-
Net loss/(gain) on sale of securities held-for-trading	638	(225)	656	(225)
Net gain on sale of securities available-for-sale	(4,453)	(882)	(4,453)	(882)
Fair value gain on securities held-for-trading	(2,493)	(1,668)	(2,493)	(1,668)
Accretion of discount less amortisation of premium	(19,349)	(12,985)	(19,349)	(12,985)
Property and equipment written off	1,550	-	1,550	-
Operating profit before changes in assets and liabilities	106,449	81,568	106,688	77,534
Changes in assets and liabilities :				
Deposits and placements with banks and other financial institutions	398,570	5,910	398,570	5,910
Financing, advances and others	(540,256)	(124,955)	(540,256)	(125,258)
Statutory deposits with Bank Negara Malaysia	139,729	(79,673)	139,729	(79,673)
Bills receivables	(5)	14,359	(5)	14,359
Other receivables	1,289	(16,045)	1,717	(12,082)
Deposits from customers	(2,496,378)	(2,259,904)	(2,499,305)	(2,259,319)
Bills and acceptance payable	327,459	(487,145)	327,381	(482,202)
Other liabilities	(1,848)	(17,658)	(2,777)	(17,233)
Cash used in operations	(2,064,991)	(2,883,543)	(2,068,258)	(2,877,964)
Zakat paid	(2,924)	-	(2,924)	-
Tax paid	(17,714)	-	(17,500)	-
Net cash used in operating activities	(2,085,629)	(2,883,543)	(2,088,682)	(2,877,964)
Cash flows from investing activities				
Additional investment in subsidiary	-	-	-	(5,000)
Purchase of property and equipment	(10,151)	(18,824)	(10,064)	(18,789)
Proceeds from disposal of property and equipment	7	-	14	-
Dividends received from shares and unit trusts	3,010	2,865	3,010	2,865
Net proceeds from purchase of securities	(2,413,428)	(867,773)	(2,413,493)	(869,565)
Net cash used in investing activities	(2,420,562)	(883,732)	(2,420,533)	(890,489)

Bank Islam Malaysia Berhad (98127-X)

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**Unaudited Cash Flow Statement (continued)
For the First Quarter 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
Cash flows from financing activities				
Proceeds from issuance of Convertible Redeemable Non-Cumulative Preference Shares (CRNCPS)	324,000	-	324,000	-
Redemption of subordinated financing	(100,000)	-	(100,000)	-
Net cash generated from financing activities	<u>224,000</u>	<u>-</u>	<u>224,000</u>	<u>-</u>
Net decrease in cash and cash equivalents	(4,282,191)	(3,767,275)	(4,285,215)	(3,768,453)
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	6,573	(16,222)	6,573	(16,246)
Cash and cash equivalents as at end of period	<u>4,169,969</u>	<u>6,358,925</u>	<u>4,152,230</u>	<u>6,349,356</u>
Cash and cash equivalents comprise :				
Cash and short term funds	3,444,926	6,358,747	3,427,187	6,349,178
Deposits and placements with Bank and other financial institutions	<u>725,043</u>	<u>178</u>	<u>725,043</u>	<u>178</u>
	<u>4,169,969</u>	<u>6,358,925</u>	<u>4,152,230</u>	<u>6,349,356</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 Financial Reporting Standards (FRS) issued by the Malaysian Accounting Standard Board (MASB) as modified by Bank Negara Malaysia Guidelines, accounting principles 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 first quarter 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 cyclical nature 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 first quarter ended 30 September 2009.

5. Changes in accounting estimates

There was no change in estimates of amounts reported in the prior financial years that have a material effect on the first quarter ended 30 September 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. The first tranche of RM324,000,000 was paid-up on 1 July 2009. This resulted in an increase in the share capital to RM2,049,490,000 as at 30 September 2009 from RM1,725,490,000 as at 30 June 2009. The second tranche of RM216,000,000 was paid-up on 13 October 2009.

The subordinated Mudharabah financing facility of RM100,000,000 granted by BIMB Holdings Bhd was fully settled on 1 July 2009.

7. Cash and short term funds

	Group		Bank	
	30 September 2009 RM'000	30 June 2009 RM'000	30 September 2009 RM'000	30 June 2009 RM'000
Cash and balances with banks and other financial institutions	700,182	664,645	682,727	650,112
Money at call and interbank placements with remaining maturity not exceeding one month	2,744,744	7,780,942	2,744,460	7,780,760
	<u>3,444,926</u>	<u>8,445,587</u>	<u>3,427,187</u>	<u>8,430,872</u>

8. Deposits and placements with banks and other financial institutions

	Group and Bank	
	30 September 2009 RM'000	30 June 2009 RM'000
Licensed Islamic banks	725,043	-
	<u>725,043</u>	<u>-</u>

9. Securities

(i) Securities held-for-trading	Group		Bank	
	30 September 2009 RM'000	30 June 2009 RM'000	30 September 2009 RM'000	30 June 2009 RM'000
At fair value				
<u>Quoted Securities in Malaysia</u>				
Shares	-	47	-	-
<u>Unquoted Securities in Malaysia</u>				
Bank Negara Negotiable Notes	344,252	-	344,252	-
Islamic Commercial Papers	106,035	137,891	106,035	137,891
Negotiable Islamic Debt Certificates	127,054	-	127,054	-
Malaysian Government Investment Issues	-	149,737	-	149,737
Total held-for-trading	<u>577,341</u>	<u>287,675</u>	<u>577,341</u>	<u>287,628</u>
(ii) Securities held-to-maturity			Group and Bank	
At amortised cost			30 September 2009 RM'000	30 June 2009 RM'000
Islamic Debt Securities			166,359	175,050
Less: Accumulated impairment loss			(12,287)	(12,287)
Total held-to-maturity			<u>154,072</u>	<u>162,763</u>
(iii) Securities available-for-sale			Group and Bank	
At fair value			30 September 2009 RM'000	30 June 2009 RM'000
<u>Quoted Securities In Malaysia</u>				
Unit trust			3,184	3,184
Less: Accumulated impairment loss			(562)	(562)
			<u>2,622</u>	<u>2,622</u>
At fair value				
<u>Quoted Securities outside Malaysia</u>				
Bond			69,230	70,380
At fair value				
<u>Unquoted Securities In Malaysia</u>				
Malaysian Government Investment Issues			4,056,346	2,651,555
Islamic Commercial Papers			387,854	453,816
Accepted Bills			77,813	107,997
Promissory Notes			5,108	5,604
Negotiable Islamic Debt Certificates			2,179,439	1,437,982
Islamic Debt Securities			3,916,687	3,764,954
Less: Accumulated impairment loss			(45,154)	(45,154)
			<u>10,578,093</u>	<u>8,376,754</u>
At fair value				
<u>Unquoted securities outside Malaysia</u>				
Islamic Development Bank Unit Trust			1,923	1,923
At cost				
<u>Unquoted securities in Malaysia</u>				
Unquoted shares			26,332	26,590
Less: Accumulated impairment loss			(15,577)	(15,835)
			<u>10,755</u>	<u>10,755</u>
At cost				
<u>Unquoted securities outside Malaysia</u>				
Unquoted shares			2,996	2,996
Total available-for-sale			<u>10,665,619</u>	<u>8,465,430</u>

10. Financing, advances and others

(i) By type	Group and Bank	
	30 September	30 June
	2009	2009
	RM'000	RM'000
Cash line	172,910	164,272
Term financing		
House financing	7,467,940	7,136,157
Syndicated financing	78,979	81,329
Leasing receivables	302,754	329,189
Bridging financing	341,468	299,524
Personal financing	2,600,742	2,733,611
Other term financing	4,442,361	3,874,823
Staff financing	299,816	298,368
Credit cards	411,375	393,442
Trade bills discounted	1,722,566	1,539,200
Trust receipts	149,884	151,672
	<u>17,990,795</u>	<u>17,001,587</u>
Less: Unearned income	(6,728,769)	(6,290,584)
	<u>11,262,026</u>	<u>10,711,003</u>
Less: Allowance for bad and doubtful financing:		
General	(170,512)	(170,844)
Specific	(939,345)	(878,295)
	<u>10,152,169</u>	<u>9,661,864</u>
Total net financing, advances and others	<u>10,152,169</u>	<u>9,661,864</u>
(ii) By contract	Group and Bank	
	30 September	30 June
	2009	2009
	RM'000	RM'000
Bai-Bithaman Ajil	5,875,758	5,719,619
Ijarah	233,117	289,200
Ijarah Muntahiah Bit-Tamleek	27,325	28,367
Mudharabah	8,775	8,934
Murabahah	1,859,471	1,680,071
Bai-Al-Inah Cash Note	1,505,983	1,611,717
At-Tawarruq	498,728	167,378
Bai-Al-Inah	686,364	662,701
Istisna'	566,505	543,016
	<u>11,262,026</u>	<u>10,711,003</u>
(iii) By type of customer	Group and Bank	
	30 September	30 June
	2009	2009
	RM'000	RM'000
Domestic non-bank financial institutions	11,597	12,459
Domestic business enterprise		
- Small medium industries	822,382	867,061
- Others	2,721,970	2,508,922
Government & Statutory	256,787	156,910
Individuals	7,414,374	7,146,713
Others domestic entities	16,763	17,932
Foreign entities	18,153	1,006
	<u>11,262,026</u>	<u>10,711,003</u>
(iv) By profit rate sensitivity	Group and Bank	
	30 September	30 June
	2009	2009
	RM'000	RM'000
Fixed rate		
Housing financing	2,259,495	2,298,214
Others fixed rate financing	7,750,880	7,462,649
Floating rate	1,251,651	950,140
	<u>11,262,026</u>	<u>10,711,003</u>

10. Financing, advances and others

(v) By sector

	Group and Bank	
	30 September 2009 RM'000	30 June 2009 RM'000
Agriculture, hunting, forestry & fishing	100,526	116,701
Mining and quarrying	25,772	30,736
Manufacturing	918,365	828,998
Electricity, gas and water	76,430	80,011
Construction	505,762	520,600
Real estate	46,362	46,879
Purchase of landed property:		
-Residential	3,323,631	3,217,361
-Non-residential	321,027	318,401
Wholesale & retail trade and restaurants & hotels	393,759	336,912
Transport, storage and communication	60,474	58,734
Finance, insurance and business services	51,174	76,455
Purchase of securities	155,085	153,087
Purchase of transport vehicles	1,491,174	1,452,351
Consumption credit	2,437,857	2,304,782
Community, social & personnel	39,435	42,456
Others	1,315,193	1,126,539
	<u>11,262,026</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	
	30 September 2009 RM'000	30 June 2009 RM'000
At 1 July	1,360,449	1,949,904
Classified as non-performing	111,013	228,431
Reclassified as performing	(28,609)	(131,580)
Amount recovered	(38,627)	(184,080)
Amount written off	-	(540,033)
Exchange differences	(5,106)	37,807
At end of period / year	<u>1,399,120</u>	<u>1,360,449</u>
Less:- Specific allowance	<u>(939,345)</u>	<u>(878,295)</u>
Net non-performing financing, advances and others	<u>459,775</u>	<u>482,154</u>
Ratio of net non-performing financing to total net financing, advances and others	<u>4.45%</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	
	30 September 2009	30 June 2009
	RM'000	RM'000
<u>General allowance</u>		
At 1 July	170,844	169,382
Exchange differences	(332)	1,462
At end of period / year	<u>170,512</u>	<u>170,844</u>
As % of gross financing, advances and others less specific allowance	1.65%	1.74%

	Group and Bank	
	30 September 2009	30 June 2009
	RM'000	RM'000
<u>Specific allowance</u>		
At 1 July	878,295	1,228,131
Allowance made	90,760	303,755
Amount recovered	(26,623)	(133,074)
Amount written off	-	(540,033)
Exchange differences	(3,087)	19,516
At end of period / year	<u>939,345</u>	<u>878,295</u>

(iii) NPF by sector

	Group and Bank	
	30 September 2009	30 June 2009
	RM'000	RM'000
Agriculture, hunting, forestry & fishing	36,139	39,788
Mining and quarrying	896	280
Manufacturing	289,765	288,186
Electricity, gas and water	73,949	77,334
Construction	363,195	367,912
Real estate	1,762	1,745
Purchase of landed property:		
-Residential	209,201	212,426
-Non-residential	74,148	76,320
Wholesale & retail trade and restaurants & hotels	139,312	95,528
Transport, storage and communication	12,668	12,811
Finance, insurance and business services	1,424	1,449
Purchase of securities	6,417	6,737
Purchase of transport vehicles	39,951	35,928
Consumption credit	100,355	101,561
Community social & personal services	14,513	14,430
Others	35,425	28,014
	<u>1,399,120</u>	<u>1,360,449</u>

12. Deposits from customers

(i) By type of deposit

	Group		Bank	
	30 September 2009 RM'000	30 June 2009 RM'000	30 September 2009 RM'000	30 June 2009 RM'000
<u>Non-Mudharabah Fund:</u>				
Demand deposits	5,661,258	6,347,081	5,662,592	6,347,908
Savings deposits	2,192,512	2,032,461	2,192,512	2,032,461
Negotiable Islamic Debt Certificates (NIDC)	4,776,503	7,133,790	4,777,053	7,134,987
Others	48,975	60,419	48,975	60,419
	<u>12,679,248</u>	<u>15,573,751</u>	<u>12,681,132</u>	<u>15,575,775</u>
<u>Mudharabah Fund:</u>				
Savings deposits	741,444	680,589	741,444	680,589
General investment deposits	2,736,411	2,535,289	2,736,411	2,535,289
Special investment deposits	6,550,915	6,414,767	6,552,989	6,419,628
Others	235	235	235	235
	<u>10,029,005</u>	<u>9,630,880</u>	<u>10,031,079</u>	<u>9,635,741</u>
	<u>22,708,253</u>	<u>25,204,631</u>	<u>22,712,211</u>	<u>25,211,516</u>

(ii) By type of customer

	Group		Bank	
	30 September 2009 RM'000	30 June 2009 RM'000	30 September 2009 RM'000	30 June 2009 RM'000
Government and statutory bodies	3,626,045	5,233,054	3,626,045	5,233,054
Business enterprises	8,675,456	8,955,185	8,675,456	8,955,185
Individuals	7,698,033	6,803,603	7,698,033	6,803,603
Others	2,708,719	4,212,789	2,712,677	4,219,674
	<u>22,708,253</u>	<u>25,204,631</u>	<u>22,712,211</u>	<u>25,211,516</u>

13. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 September 2009 RM'000	30 June 2009 RM'000
Mudharabah		
Licensed Islamic banks	286,642	8,078
Other financial institutions	120,006	-
	<u>406,648</u>	<u>8,078</u>

14. Income derived from investment of depositors' funds

	Group		Bank	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Income derived from investment of :				
(i) General investment deposits	28,711	31,213	28,677	31,170
(ii) Other deposits	249,810	213,356	249,813	213,432
	<u>278,521</u>	<u>244,569</u>	<u>278,490</u>	<u>244,602</u>

(i) Income derived from investment of general investment deposits

	3 months ended		3 months ended	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Finance income and hibah				
Financing, advances and others	17,803	21,158	17,769	21,115
Held-for-trading	86	53	86	53
Held-to-maturity	321	30	321	30
Available-for-sale	5,410	2,369	5,410	2,369
Money at call and deposits with financial institutions	3,025	5,990	3,025	5,990
	<u>26,645</u>	<u>29,600</u>	<u>26,611</u>	<u>29,557</u>
Accretion of discount less amortisation of premium	1,372	1,270	1,372	1,270
	<u>28,017</u>	<u>30,870</u>	<u>27,983</u>	<u>30,827</u>
Other dealing income				
Net gain/(loss) from sale of securities held-for-trading	(66)	28	(66)	28
Net gain on revaluation of securities held-for-trading	257	206	257	206
	<u>191</u>	<u>234</u>	<u>191</u>	<u>234</u>
Other operating income				
Net gain from sale of securities available-for-sale	395	109	395	109
Dividend income from securities :				
Unquoted in Malaysia	108	-	108	-
	<u>503</u>	<u>109</u>	<u>503</u>	<u>109</u>
	<u>28,711</u>	<u>31,213</u>	<u>28,677</u>	<u>31,170</u>

(ii) Income derived from investment of other deposits

	3 months ended		3 months ended	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Finance income and hibah				
Financing, advances and others	154,437	144,601	154,440	144,677
Held-for-trading	743	362	743	362
Held-to-maturity	2,998	203	2,998	203
Available-for-sale	46,996	16,204	46,996	16,204
Money at call and deposits with financial institutions	26,560	40,807	26,560	40,807
	<u>231,734</u>	<u>202,177</u>	<u>231,737</u>	<u>202,253</u>
Accretion of discount less amortisation of premium	11,897	8,747	11,897	8,747
	<u>243,631</u>	<u>210,924</u>	<u>243,634</u>	<u>211,000</u>
Other dealing income				
Net gain/(loss) from sale of securities held-for-trading	(590)	197	(590)	197
Net gain on revaluation of securities held-for-trading	2,236	1,462	2,236	1,462
	<u>1,646</u>	<u>1,659</u>	<u>1,646</u>	<u>1,659</u>
Other operating income				
Net gain from sale of securities available-for-sale	3,631	773	3,631	773
Dividend income from securities :				
Unquoted in Malaysia	902	-	902	-
	<u>4,533</u>	<u>773</u>	<u>4,533</u>	<u>773</u>
	<u>249,810</u>	<u>213,356</u>	<u>249,813</u>	<u>213,432</u>

15. Income derived from investment of shareholders' funds

	Group		Bank	
	3 months ended		3 months ended	
	30 September	30 September	30 September	30 September
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and others	866	784	866	784
Held-for-trading	-	17	-	-
Available-for-sale	15,446	10,470	15,446	10,477
Money at call and deposits with financial institutions	706	26,461	706	26,388
	<u>17,018</u>	<u>37,732</u>	<u>17,018</u>	<u>37,649</u>
Accretion of discount less amortisation of premium	6,080	2,968	6,080	2,968
	<u>23,098</u>	<u>40,700</u>	<u>23,098</u>	<u>40,617</u>
Other dealing income				
Net gain from foreign exchange transactions	6,686	6,759	6,686	6,759
Net gain from sale of securities held-for-trading	18	-	-	-
	<u>6,704</u>	<u>6,759</u>	<u>6,686</u>	<u>6,759</u>
Other operating income				
Net gain from sale of securities available-for-sale	427	-	427	-
Unrealised foreign exchange gain on foreign currency cash balance	-	150	-	-
Profit on sale of foreign currencies	481	97	-	-
Reversal of allowance for doubtful debts	60	4,310	-	-
Gross dividend income from securities :				
Quoted in Malaysia	-	9	-	9
Unit trust in Malaysia	-	120	-	120
Unit trust outside Malaysia	-	63	-	63
Unquoted in Malaysia	2,667	3,626	2,667	3,626
	<u>3,635</u>	<u>8,375</u>	<u>3,094</u>	<u>3,818</u>
Fees and commission				
Fees	12,113	14,332	11,798	14,132
Commission	8,623	5,487	8,623	5,487
Others	2,466	3,125	1,980	2,842
	<u>23,202</u>	<u>22,944</u>	<u>22,401</u>	<u>22,461</u>
Other Income				
Net gain on disposal of property & equipment	7	-	7	-
Rental Income	(73)	-	(56)	17
Other Income	4	89	-	-
	<u>(62)</u>	<u>89</u>	<u>(49)</u>	<u>17</u>
	<u>56,577</u>	<u>78,867</u>	<u>55,230</u>	<u>73,672</u>

16. Allowance for losses on debt and financing

	Group and Bank 3 months ended	
	30 September 2009 RM'000	30 September 2008 RM'000
<u>Allowance for bad and doubtful financing</u>		
Specific allowance		
- Provided	90,760	51,552
- Written back	(26,623)	(26,741)
Bad debts on financing		
- Recovered	(14,186)	(6,517)
	<u>49,951</u>	<u>18,294</u>

17. Income attributable to depositors

	Group 3 months ended		Bank 3 months ended	
	30 September 2009 RM'000	30 September 2008 RM'000	30 September 2009 RM'000	30 September 2008 RM'000
Deposits from customers				
- Mudharabah Fund	49,122	49,301	49,140	49,301
- Non-Mudharabah Fund	45,333	63,644	45,339	63,714
Deposits and placement of banks and other financial institutions				
- Mudharabah Fund	2,956	791	2,956	791
	<u>97,411</u>	<u>113,736</u>	<u>97,435</u>	<u>113,806</u>

18. Capital adequacy

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

	Group		Bank	
	30 September 2009 RM'000	30 June 2009 RM'000	30 September 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)	324,000	-	324,000	-
Share premium	500,020	500,020	500,020	500,020
Accumulated losses	(1,309,362)	(1,309,362)	(1,321,097)	(1,321,097)
Other reserves	589,124	589,124	589,124	589,124
Less : Deferred tax assets	(61,660)	(61,660)	(61,660)	(61,660)
Total Tier-I capital	<u>1,767,612</u>	<u>1,443,612</u>	<u>1,755,877</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	170,512	170,844	170,512	170,844
Total Tier-II capital	<u>170,512</u>	<u>190,844</u>	<u>170,512</u>	<u>190,844</u>
Total capital	1,938,124	1,634,456	1,926,389	1,622,721
Less: Investment in subsidiaries	-	-	(20,127)	(20,127)
Capital base	<u>1,938,124</u>	<u>1,634,456</u>	<u>1,906,262</u>	<u>1,602,594</u>
Core capital ratio	14.15%	12.25%	14.07%	12.16%
Risk-weighted capital ratio	15.52%	13.87%	15.28%	13.61%

18. Capital adequacy, continued

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

Group	30 September 2009		30 June 2009	
	Principal RM'000	Risk- Weighted RM'000	Principal RM'000	Risk- Weighted RM'000
0%	8,814,020	-	12,780,112	-
10%	-	-	-	-
20%	5,825,931	1,165,186	4,369,521	873,904
35%	1,137,251	398,038	1,032,442	361,355
50%	1,285,705	642,853	1,066,594	533,297
75%	5,276,315	3,957,236	5,028,748	3,771,561
100%	3,914,471	3,914,471	3,694,249	3,694,249
150%	527,771	791,657	553,569	830,353
Total risk-weighted assets for credit risk	<u>26,781,464</u>	<u>10,869,441</u>	<u>28,525,235</u>	<u>10,064,719</u>
Less : Credit risk-weighted assets absorbed by Profit Sharing Investment Account	-	(85,424)	-	-
Total risk-weighted assets for market risk	-	225,817	-	313,419
Total risk-weighted assets for operational risk	-	1,478,098	-	1,403,225
Total risk-weighted assets	<u>26,781,464</u>	<u>12,487,932</u>	<u>28,525,235</u>	<u>11,781,363</u>
Bank				
0%	8,796,572	-	12,765,585	-
10%	-	-	-	-
20%	5,825,931	1,165,186	4,369,333	873,866
35%	1,137,251	398,038	1,032,442	361,355
50%	1,285,415	642,708	1,066,594	533,297
75%	5,276,315	3,957,236	5,028,748	3,771,561
100%	3,908,250	3,908,250	3,688,575	3,688,575
150%	527,771	791,657	553,569	830,353
Total risk-weighted assets for credit risk	<u>26,757,505</u>	<u>10,863,075</u>	<u>28,504,846</u>	<u>10,059,007</u>
Less : Credit risk-weighted assets absorbed by Profit Sharing Investment Account	-	(85,424)	-	-
Total risk-weighted assets for market risk	-	228,903	-	316,631
Total risk-weighted assets for operational risk	-	1,471,173	-	1,397,202
Total risk-weighted assets	<u>26,757,505</u>	<u>12,477,727</u>	<u>28,504,846</u>	<u>11,772,840</u>

19. Commitments and contingencies

Group and Bank	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
30 September 2009			
<u>Credit-related Exposures</u>			
Direct credit substitutes	600,840	600,840	504,638
Assets sold with recourse	242	242	242
Transaction-related contingent items	719,282	359,641	342,864
Short term self-liquidating trade related contingencies	287,535	57,507	26,492
Other commitments, such as formal standby facilities and credit line, with an original maturity of:			
- exceeding one year	444,516	222,258	201,135
- not exceeding one year	8,694	1,739	2,608
Unutilised credit card lines	933,928	186,786	140,089
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively for automatic cancellation due to deterioration in a borrower's creditworthiness	4,354,530	-	-
	<u>7,349,567</u>	<u>1,429,013</u>	<u>1,218,069</u>
<u>Derivative Financial Instruments</u>			
Foreign exchange related contracts			
- Less than one year	1,925,329	14,541	5,679
Profit rate related contracts			
- Less than one year	-	-	-
- One year to less than five years	370,906	26,681	5,336
	<u>2,296,235</u>	<u>41,221</u>	<u>11,015</u>
<u>Other Treasury-related Exposures</u>			
Obligations under an on-going underwriting agreement	50,000	25,000	25,000
	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
	<u>9,695,802</u>	<u>1,495,234</u>	<u>1,254,084</u>
30 June 2009			
<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 line, 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 bank without prior notice or that effectively for automatic cancellation due to deterioration in a borrower's creditworthiness	3,035,041	-	-
	<u>5,992,736</u>	<u>1,399,912</u>	<u>1,082,093</u>
<u>Derivative Financial Instruments</u>			
Foreign exchange related contracts			
- Less than one year	1,455,651	15,753	6,607
Profit rate related contracts			
- Less than one year	9,538	25	5
- One year to less than five years	185,453	20,579	4,116
	<u>1,650,642</u>	<u>36,357</u>	<u>10,728</u>
<u>Other Treasury-related Exposures</u>			
Obligations under an on-going underwriting agreement	50,000	25,000	25,000
	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
	<u>7,693,378</u>	<u>1,461,269</u>	<u>1,117,821</u>

20. Profit Rate Risk

<u>Group</u>	← Non-trading book →					Non profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 month	> 1-3 months	> 3-12 months	1-5 years	Over 5 years				
30 September 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	3,487,242	-	-	-	-	682,727	-	4,169,969	2.15
Dealing Securities									
- Held-for-trading	-	-	-	-	-	-	577,341	577,341	0.69
- Held-to-maturity	-	-	-	154,072	-	-	-	154,072	9.30
- Available-for-sale	1,747,464	819,573	520,947	4,838,044	2,739,591	-	-	10,665,619	3.51
Financing, advances & others									
- performing	704,912	717,360	783,422	2,246,010	5,240,690	-	-	9,692,394	7.15
- non-performing	-	-	-	-	-	459,775	-	459,775	-
Other assets	-	-	-	-	-	323,382	-	323,382	-
Total Assets	5,939,618	1,536,933	1,304,369	7,238,126	7,980,281	1,465,884	577,341	26,042,552	
Liabilities									
Deposits from customers	9,445,806	1,581,549	1,974,703	1,060,437	-	8,645,758	-	22,708,253	1.99
Deposits & placement of banks & other financial institutions	406,648	-	-	-	-	-	-	406,648	3.76
Bills & acceptance payable	610,671	-	-	-	-	-	-	610,671	2.33
Other liabilities	-	-	-	-	-	360,770	-	360,770	-
Total Liabilities	10,463,125	1,581,549	1,974,703	1,060,437	-	9,006,528	-	24,086,342	
Shareholders' equity	-	-	-	-	-	1,956,210	-	1,956,210	
Total Liabilities and shareholders equity	10,463,125	1,581,549	1,974,703	1,060,437	-	10,962,738	-	26,042,552	
On balance sheet profit sensitivity gap	(4,523,507)	(44,616)	(670,334)	6,177,689	7,980,281	(9,496,854)	577,341	-	
Off balance sheet profit sensitivity gap (Profit rate swaps)	100,000	100,000	-	(200,000)	-	-	-	-	
Total profit sensitivity gap	(4,423,507)	55,384	(670,334)	5,977,689	7,980,281	(9,496,854)	577,341	-	

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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

Bank

30 September 2009

	←		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	3,469,503	-	-	-	-	682,727	-	4,152,230	2.13
Dealing Securities									
- Held-for-trading	-	-	-	-	-	-	577,341	577,341	0.67
- Held-to-maturity	-	-	-	154,072	-	-	-	154,072	9.30
- Available-for-sale	1,747,464	819,573	520,947	4,838,044	2,739,591	-	-	10,665,619	3.51
Financing, advances & others									
- performing	704,912	717,360	783,422	2,246,010	5,240,690	-	-	9,692,394	7.15
- non-performing	-	-	-	-	-	459,775	-	459,775	-
Other assets	-	-	-	-	-	337,247	-	337,247	-
Total Assets	5,921,879	1,536,933	1,304,369	7,238,126	7,980,281	1,479,749	577,341	26,038,678	
Liabilities									
Deposits from customers	9,447,822	1,583,491	1,974,703	1,060,437	-	8,645,758	-	22,712,211	1.99
Deposits & placement of banks & other financial institutions	406,648	-	-	-	-	-	-	406,648	3.76
Bills & acceptance payable	616,850	-	-	-	-	-	-	616,850	2.33
Other liabilities	-	-	-	-	-	357,980	-	357,980	-
Total Liabilities	10,471,320	1,583,491	1,974,703	1,060,437	-	9,003,738	-	24,093,689	
Shareholders' equity	-	-	-	-	-	1,944,989	-	1,944,989	
Total Liabilities and shareholders equity	10,471,320	1,583,491	1,974,703	1,060,437	-	10,948,727	-	26,038,678	
On balance sheet profit sensitivity gap	(4,549,441)	(46,558)	(670,334)	6,177,689	7,980,281	(9,468,978)	577,341	-	
Off balance sheet profit sensitivity gap (Profit rate swaps)	100,000	100,000	-	(200,000)	-	-	-	-	
Total profit sensitivity gap	(4,449,441)	53,442	(670,334)	5,977,689	7,980,281	(9,468,978)	577,341	-	

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

Profit Rate Risk

Bank	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		-	-	-	-	-	-	-	-	-
		7,780,760	-	-	-	-	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	-	