

**BUMIPUTRA-COMMERCE HOLDINGS BERHAD**

**CONDENSED UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2006**

	<b>BCHB Group with SBBG 30/9/2006 RM'000</b>	<b>SBBG Group 30/9/2006 RM'000</b>	<b>BCHB Group without SBBG 30/9/2006 RM'000</b>
<b>ASSETS</b>			
Cash and short term funds	16,843,135	4,004,131	14,524,842
Securities purchased under resale agreements	2,949,299	-	2,949,299
Deposits and placements with banks and other financial institutions	2,962,823	273,814	3,035,595
Securities held for trading	14,700,801	39,497	12,507,970
Available-for-sale securities	9,071,146	2,589,388	8,933,571
Held-to-maturity investment	2,232,604	463,262	1,771,129
Derivative financial instruments	861,796	-	861,544
Loans, advances and financing	91,186,467	22,160,815	69,025,652
Other assets	4,203,837	464,790	3,713,115
Deferred tax assets	545,043	177,822	367,221
Tax recoverable	368,430	158,127	210,303
Statutory deposits with Central Banks	2,621,289	813,117	1,808,172
Investment in associates	98,269	-	98,269
Jointly controlled entities	170,975	-	170,975
Property, plant and equipment	1,344,861	342,410	1,002,451
Investment properties	64,843	-	64,843
Goodwill/Intangible assets	4,964,408	487,921	625,107
<b>Total Assets</b>	<b>155,190,026</b>	<b>31,975,094</b>	<b>121,670,058</b>
<b>LIABILITIES AND SHAREHOLDERS' FUNDS</b>			
Deposits from customers	97,526,396	18,569,608	79,241,343
Deposits and placements of banks and other financial institutions	10,621,771	4,077,252	6,899,419
Derivative financial instruments	969,602	150,719	818,883
Obligations on securities sold under repurchase agreements	6,471,256	1,013,506	5,457,750
Bills and acceptances payable	5,062,259	742,647	4,319,612
Floating rate certificates of deposits	221,250	-	221,250
Other liabilities	6,095,670	609,036	5,435,072
Taxation	104,194	5,383	98,811
Amount due to Cagamas Berhad	3,978,471	2,058,285	1,920,186
Loan stocks	906,446	729,869	176,577
Bonds	1,127,475	300,000	827,475
Other borrowings	7,164,285	349	2,125,853
Subordinated Notes	2,565,267	729,124	1,830,294
<b>Total Liabilities</b>	<b>142,814,342</b>	<b>28,985,778</b>	<b>109,372,525</b>
Irredeemable Convertible Unsecured Loan Stocks	44,871	-	44,871
Redeemable Convertible Unsecured Loan Stocks	14,121	-	-
<b>Total Hybrid Capital</b>	<b>58,992</b>	<b>-</b>	<b>44,871</b>
Share Capital	3,156,936	1,610,897	3,156,936
Reserves	8,422,075	1,562,634	8,376,433
Less: Shares held under Trust	(280,151)	-	(280,151)
Less: Treasury shares	-	(202,149)	-
<b>Total Shareholders' Equity</b>	<b>11,298,860</b>	<b>2,971,382</b>	<b>11,253,218</b>
Minority interest	710,050	17,934	692,116
Option Reserves - Convertible Bond (equity component)	66,164	-	66,164
- ESOS	1,164	-	1,164
- RCULS (equity component)	454	-	-
Perpetual preference shares	240,000	-	240,000
<b>Total Equity</b>	<b>12,316,692</b>	<b>2,989,316</b>	<b>12,252,662</b>
<b>Total Liabilities and Equity</b>	<b>155,190,026</b>	<b>31,975,094</b>	<b>121,670,058</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	<b>243,571,848</b>	<b>15,014,417</b>	<b>228,726,564</b>

The Condensed Unaudited Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2005

**BUMIPUTRA-COMMERCE HOLDINGS BERHAD**

**CONDENSED UNAUDITED CONSOLIDATED INCOME STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2006**

	<b>GROUP</b>			
	<b>QUARTER ENDED</b>		<b>CUMULATIVE ENDED</b>	
	<b>BCHB Group without SBBG</b>		<b>BCHB Group without SBBG</b>	
	<b>30/9/2006 RM'000</b>	<b>30/9/2005 RM'000</b>	<b>30/9/2006 RM'000</b>	<b>30/9/2005 RM'000</b>
Interest income	1,809,806	1,581,165	5,266,215	4,453,951
Interest expense	(1,015,316)	(815,665)	(2,843,066)	(2,248,505)
Net interest income	794,490	765,500	2,423,149	2,205,446
Income from Islamic Banking operations	11,855	4,110	19,722	8,958
Non-interest income	500,678	413,933	1,405,987	1,198,427
Staff cost and overheads	1,307,023 (706,521)	1,183,543 (601,877)	3,848,858 (1,995,210)	3,412,831 (1,581,378)
Profit before allowances	600,502	581,666	1,853,648	1,831,453
Allowance for losses on loans, advances and financing	(189,785)	(208,692)	(508,819)	(687,997)
Allowance for other receivables	(8,308)	(38)	(21,669)	(17,205)
Provision for commitments and contingencies	(258)	-	695	-
Allowance for impairment of securities	(8,748)	611	(23,357)	(29,329)
Share of results of jointly controlled entities	393,403 (789)	373,547 (1,434)	1,300,498 3,735	1,096,922 (2,811)
Share of results of associates	2,798	2,728	7,343	8,681
Profit before taxation	395,412	374,841	1,311,576	1,102,792
Taxation and zakat	156	(83,926)	(211,009)	(235,728)
Profit for the period	395,568	290,915	1,100,567	867,064
Attributable to :				
Equity holders of the Company	361,269	245,517	1,010,110	714,133
Minority interest	34,299	45,398	90,457	152,931
Profit for the period	395,568	290,915	1,100,567	867,064
Earnings per share (sen)- Basic	11.5	9.0	32.1	26.3
Diluted earnings per share	-	-	31.6	25.5

**The Condensed Unaudited Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the financial year ended 31 December 2005**

EXPLANATORY NOTES

A11. SECURITIES HELD FOR TRADING

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
<b>Money market instruments:</b>			
<b>Quoted</b>			
Malaysian Government securities	1,044,881	-	631,971
Cagamas bonds	479,595	-	266,958
Khazanah bonds	96,331	-	8,915
Government investment issues	4,968	-	4,968
<b>Unquoted</b>			
Malaysian Government treasury bills	171,664	-	171,664
Malaysian Government investment certificates	12,310	-	-
Bank Negara Malaysia bills	370,543	-	370,543
Negotiable instruments of deposit	1,886,211	-	1,211,521
Banker's acceptances	609,724	-	618,038
Private debt securities	200,857	20,424	159,338
Credit-linked notes	367,544	-	367,544
Other Government's securities	3,947	-	3,947
Cagamas Notes	48,338	-	48,338
	5,296,913	20,424	3,863,745
<b>Quoted securities</b>			
<u>In Malaysia</u>			
Warrants	762	44	718
Shares	672,404	4,848	633,771
Loan stocks	12,473	148	15
Unit trusts	722,319	14,033	13,791
Commercial papers	402,164	-	402,164
<u>Outside Malaysia</u>			
Shares	19,671	-	19,671
Bonds	119,485	-	119,485
	7,246,191	39,497	5,053,360
<b>Unquoted securities</b>			
<u>In Malaysia</u>			
Private and Islamic debt securities	6,144,409	-	6,144,409
Shares	9	-	9
Bonds	493,026	-	493,026
<u>Outside Malaysia</u>			
Bonds	817,166	-	817,166
	14,700,801	39,497	12,507,970

**A12. AVAILABLE-FOR-SALE SECURITIES**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
<b>Money market instruments:</b>			
<b>Quoted</b>			
Malaysian Government securities	618,754	445,989	585,675
Cagamas bonds	557,112	212,637	557,112
Khazanah bonds	152,579	87,416	152,579
Government Investment Issues	19,657	-	19,657
<b>Unquoted</b>			
Bank Negara Malaysia bills	15,001	-	15,001
Negotiable instruments of deposit	40,001	989,691	-
Banker's acceptance, Islamic accepted bills and Islamic debt securities	7,221	7,221	-
Private debt securities	5,649,416	21,097	5,649,416
Commercial papers	26,547	-	26,547
Malaysian Government Investment Certificates	-	27,474	-
	<b>7,086,288</b>	<b>1,791,525</b>	<b>7,005,987</b>
<b>Quoted securities</b>			
<u>In Malaysia</u>			
Shares	104,354	33,785	104,354
Warrants	-	-	-
Unit trusts	-	694,495	-
Loan stock	-	12,310	-
Corporate Notes	-	-	-
Bonds	12,300	-	12,300
<u>Outside Malaysia</u>			
Shares	4,997	-	4,997
Bonds	1,194,899	-	1,194,899
<b>Unquoted securities</b>			
<u>In Malaysia</u>			
Shares	378,825	3,573	375,252
Bonds	5,882	4,030	1,852
Loan stocks	20,141	20,141	-
Property funds	74,729	-	74,729
Unit trusts	508,423	-	508,423
Others	32,483	32,483	-
<u>Outside Malaysia</u>			
Shares	24,371	40	24,331
Management funds	15,580	-	15,580
Loan stocks	31,785	-	31,785
Others	65,786	-	65,785
	<b>2,474,555</b>	<b>800,857</b>	<b>2,414,287</b>
	<b>9,560,843</b>	<b>2,592,382</b>	<b>9,420,274</b>
Accretion or discounts less amortisation of premium	(1,747)	(1,747)	-
<b>Allowance for impairment loss:</b>			
Private debt securities	(461,601)	-	(461,601)
Quoted shares	1,008	-	1,008
Unquoted shares	(26,671)	(1,247)	(25,424)
Quoted bonds	(686)	-	(686)
	<b>9,071,146</b>	<b>2,589,388</b>	<b>8,933,571</b>

**A13. HELD-TO-MATURITY INVESTMENT**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
<b>Money market instruments:</b>			
<b>Quoted</b>			
Khazanah bonds	33,926	33,926	-
<b>Quoted securities outside Malaysia</b>			
Bonds	49,934	-	49,934
<b>Unquoted securities</b>			
<u>In Malaysia</u>			
Danaharta Urus Sdn Bhd ("DUSB") bonds	1,151,932	-	1,151,932
Shares	33,380	33,380	-
Bonds	34,781	34,781	-
Loan stocks	30,858	30,858	-
Private debt securities	476,686	89,696	388,777
Banker's acceptance, Islamic accepted bills and Islamic debt securities	1,333	1,333	-
Other Government's securities	29,161	7,156	22,005
Other Government's treasury bills	160,079	60,206	99,873
Malaysian Government investment certificates	77,078	77,037	41
KLIA bonds	99,722	99,722	-
Other Government commercial bills	6,721	6,721	-
<u>Outside Malaysia</u>			
Shares	19	19	-
	2,185,610	474,835	1,712,562
Accretion of discount net of amortisation of premium	67,212	7,922	59,290
Accumulated impairment loss:			
Quoted bonds outside Malaysia	(874)	-	(723)
Unquoted bonds in Malaysia	(18,621)	(874)	-
Unquoted loan stocks	(723)	(18,621)	-
	2,232,604	463,262	1,771,129

**A14. LOANS, ADVANCES AND FINANCING**
**(i) By type**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Overdrafts	6,760,187	3,025,049	3,735,138
Term loans			
- Housing loans/financing	18,257,686	5,197,014	13,060,672
- Syndicated term loans	5,221,818	162,477	5,059,341
- Hire purchase receivables	17,055,945	7,404,212	9,651,733
- Lease receivables	215,033	971	214,062
- Factoring receivables	58,701	-	58,701
- Other term loans/financing	29,333,835	5,317,928	24,015,907
Bills receivable	197,539	108,001	89,538
Trust receipts	1,166,075	360,252	805,823
Claims on customer under acceptance credits	6,720,437	1,089,620	5,630,817
Staff loans *	653,102	86,217	566,885
Credit card receivables	1,859,272	1,446,882	412,390
Revolving credits	12,329,867	2,091,980	10,237,887
Share margin financing	701,917	39,054	662,863
Other loans	32,027	24,531	7,496
	100,563,441	26,354,188	74,209,253
Less : Unearned interest	(3,407,676)	(1,788,025)	(1,619,651)
	97,155,765	24,566,163	72,589,602
Less : Islamic loans sold to Cagamas	(820,826)	(820,826)	-
	96,334,939	23,745,337	72,589,602
Gross loans, advances and financing			
Allowance for bad and doubtful debts			
- Specific allowance (SA)	(3,609,072)	(1,188,079)	(2,420,993)
- General allowance (GA)	(1,545,352)	(396,443)	(1,148,909)
Total net loans, advances and financing	91,180,515	22,160,815	69,019,700

\* Included in staff loans of the Group are loans to directors amounting to RM 647,913 (2005: RM 521,596)

**A14. LOANS, ADVANCES AND FINANCING**
**(ii) By type of customers**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Domestic banking institutions	253,296	-	253,296
Domestic non-bank financial institutions			
- Stockbroking companies	113,160	112,257	903
- Others	3,803,555	338,951	3,464,604
Domestic business enterprises			
- Small medium enterprises	18,288,562	5,812,679	12,475,883
- Others	22,121,177	3,695,317	18,425,860
Government and statutory bodies	152,518	26,363	126,155
Individuals	43,404,655	14,090,468	29,314,187
Other domestic entities	3,264,534	15,136	3,249,398
Foreign entities	5,754,308	474,992	5,279,316
	97,155,765	24,566,163	72,589,602
Less : Islamic loans sold to Cagamas	(820,826)	(820,826)	-
	96,334,939	23,745,337	72,589,602

**(iii) By interest/profit rate sensitivity**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Fixed rate			
- Housing loans	3,757,866	1,657,937	2,099,929
- Hire-purchase receivables	14,406,803	5,988,013	8,418,790
- Other fixed rate loans	15,421,843	6,107,394	9,314,449
Variable rate			
- BLR plus	42,006,172	9,053,461	32,952,711
- Cost-plus	11,472,826	520,601	10,952,225
- Other variable rates	10,090,255	1,238,757	8,851,498
	97,155,765	24,566,163	72,589,602
Less : Islamic loans sold to Cagamas	(820,826)	(820,826)	-
	96,334,939	23,745,337	72,589,602

**(iv) By economic purposes**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Construction	5,327,416	89,497	5,237,919
Purchase of landed property :			
- Residential	18,970,071	5,392,246	13,577,825
- Non-residential	4,530,456	1,421,974	3,108,482
Purchased of fixed assets other than land & building	2,437,999	41,743	2,396,256
Loans for refinancing	540,021	-	540,021
Merger and acquisition	266,842	-	266,842
Personal uses	2,484,634	1,212,710	1,271,924
Credit card	2,047,513	1,440,908	606,605
Purchase of consumer durables	24,327	431	23,896
Purchase of securities	4,831,712	604,002	4,227,710
Purchase of transport vehicles	14,647,477	5,381,716	9,265,761
Working capital	40,161,401	8,905,149	31,256,252
Others	885,896	75,787	810,109
	97,155,765	24,566,163	72,589,602
Less : Islamic loans sold to Cagamas	(820,826)	(820,826)	-
	96,334,939	23,745,337	72,589,602

**A14. LOANS, ADVANCES AND FINANCING**
**(v) Non-performing loans by economic purposes**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Construction	591,811	6,434	585,377
Purchase of landed property :			
- Residential	2,321,289	421,116	1,900,173
- Non-residential	570,451	253,532	316,919
Purchased of fixed assets other than land & building	146,609	-	146,609
Loans for refinancing	11,081	-	11,081
Personal uses	325,973	124,570	201,403
Credit card	81,202	19,787	61,415
Purchase of consumer durables	1,460	380	1,080
Purchase of securities	498,529	158,837	339,692
Purchase of transport vehicles	1,064,647	330,315	734,332
Working capital	3,501,340	1,439,543	2,061,797
Others	107,531	37,161	70,370
	<u>9,221,923</u>	<u>2,791,675</u>	<u>6,430,248</u>

**(vi) Movement in the non-performing loans, advances and financing**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Balance as at 1 January	6,306,398	2,353,916	6,306,398
NPL during the year	4,448,344	1,506,854	2,941,490
Performing during the year	(1,781,449)	(500,675)	(1,280,774)
Recoveries	(1,239,407)	(386,298)	(853,109)
Non-performing loans arising from acquisition of a subsidiary	2,353,456	-	-
Amount written off	(682,806)	(182,997)	(499,809)
Exchange fluctuation	24,478	875	23,143
Amount sold to Indonesia Investment Bank	(207,091)	-	(207,091)
Balance as at 30 September	<u>9,221,923</u>	<u>2,791,675</u>	<u>6,430,248</u>
Specific allowance	<u>(3,609,072)</u>	<u>(1,188,079)</u>	<u>(2,420,993)</u>
Net non-performing loans, advances and financing	<u>5,612,851</u>	<u>1,603,596</u>	<u>4,009,255</u>

**Classification of non-performing loans**

Sub-standard	1,890,274	594,400	1,295,874
Doubtful	854,783	230,630	624,153
Bad debts	6,476,866	1,966,645	4,510,221
Balance as at 30 September	<u>9,221,923</u>	<u>2,791,675</u>	<u>6,430,248</u>
Total loans, advances and financing (less specific allowance)	<u>92,725,867</u>	<u>22,557,258</u>	<u>70,168,609</u>
Net non-performing loans (as % of total loans)	5,612,851 6.05%	1,603,596 7.11%	4,009,255 5.71%

**A14. LOANS, ADVANCES AND FINANCING****(vii) Movements in the allowance for bad and doubtful debts and financing**

Movements in the allowance for bad and doubtful debts and financing are as follows :

	<b>BCHB Group with SBBG 30/9/2006 RM'000</b>	<b>SBBG Group 30/9/2006 RM'000</b>	<b>BCHB Group without SBBG 30/9/2006 RM'000</b>
<b>General allowance</b>			
Balance as at 1 January	1,173,911	354,521	1,173,911
Provision arising from acquisition of a subsidiary bank			
Net allowance made during the year	41,259	41,757	42,023
Non-performing loans arising from acquisition of a subsidiary	354,521	-	-
Allowance for loans in relation to loans in jointly controlled entities	2,596	-	2,596
Exchange fluctuation	(26,935)	165	(69,621)
Balance as at 30 September	<u>1,545,352</u>	<u>396,443</u>	<u>1,148,909</u>
 (as % of gross loans, advances and financing less SA)	 1.7%	 1.8%	 1.6%
<b>Specific allowance</b>			
Balance as at 1 January	2,305,753	613,765	2,305,753
Provision arising from acquisition of a subsidiary bank			
Net allowance made during the year	1,071,427	875,136	921,669
Non-performing loans arising from acquisition of a subsidiary	1,289,913	-	-
Amount recovered	(433,814)	(104,274)	(387,611)
Amount written off	(712,567)	(196,813)	(515,754)
Allowance for loans in relation to loans in jointly controlled entities	18,736	-	18,736
Transfer from intercompany	(264)	-	(264)
Exchange fluctuation	69,888	265	78,464
Balance as at 30 September	<u>3,609,072</u>	<u>1,188,079</u>	<u>2,420,993</u>

**A15. OTHER ASSETS**

	<b>BCHB Group with SBBG 30/9/2006 RM'000</b>	<b>SBBG Group 30/9/2006 RM'000</b>	<b>BCHB Group without SBBG 30/9/2006 RM'000</b>
Interest receivable	433,447	3,494	459,580
Due from brokers and clients net of allowance for doubtful debts	1,453,361	30,751	1,422,610
Other debtors, deposits and prepayments net of allowance for doubtful debts	1,723,771	73,114	1,618,825
Due from insurers, brokers and reinsurers net of allowance for doubtful debts	137,697	-	137,697
Foreclosed properties net of allowance for impairment in value	135,660	24,281	69,967
Deferred assets	254,240	254,240	-
Others	71,613	78,910	10,388
	<u>4,209,789</u>	<u>464,790</u>	<u>3,719,067</u>

**A16. DEPOSITS FROM CUSTOMERS**

	<b>BCHB Group with SBBG 30/9/2006 RM'000</b>	<b>SBBG Group 30/9/2006 RM'000</b>	<b>BCHB Group without SBBG 30/9/2006 RM'000</b>
<u>By type of deposits</u>			
Demand deposits	20,075,619	2,851,130	17,230,461
Savings deposits	8,972,694	1,684,312	7,288,382
Fixed deposits	60,195,000	12,207,312	47,991,271
Negotiable instruments of deposit	7,068,219	1,823,400	5,519,819
Others	1,214,864	3,454	1,211,410
	<u>97,526,396</u>	<u>18,569,608</u>	<u>79,241,343</u>
 <u>By type of customers</u>			
Government and statutory bodies	7,572,747	456,809	7,115,938
Business enterprises	43,451,377	5,399,172	38,336,760
Individuals	32,568,331	10,562,054	22,006,277
Others	13,933,941	2,151,573	11,782,368
	<u>97,526,396</u>	<u>18,569,608</u>	<u>79,241,343</u>



**A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Licensed banks	8,494,321	2,050,697	6,798,524
Licensed finance companies	19,318	390	18,928
Licensed merchant banks	243,793	188,480	55,313
Bank Negara Malaysia	749,648	727,239	22,409
Other financial institutions	1,114,691	1,110,446	4,245
	10,621,771	4,077,252	6,899,419

**A18. OTHER LIABILITIES**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Interest payable	746,877	176,402	532,890
Deferred taxation	21,449	-	21,449
Due to insurers, agents, brokers, clients and reinsurers net of provision for doubtful debts	1,415,188	42,129	1,373,059
Short-term borrowings	74,310	-	74,310
Insurance fund - life insurance business	1,068,657	-	1,068,657
Insurance fund - general insurance business	374,339	-	374,339
Provision for commitments and contingencies	4,829	266	4,563
Post employment benefit obligations	69,737	-	69,737
Others	2,320,284	390,239	1,916,068
	6,095,670	609,036	5,435,072

**A19. SHORT-TERM BORROWINGS**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Revolving credit facilities	69,472	-	69,472
Others	4,838	-	4,838
	74,310	-	74,310

**A20. INTEREST INCOME**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Loans and advances			
- Interest income other than recoveries	4,208,325	392,780	3,815,545
- Recoveries from NPLs	226,330	28,658	197,672
Money at call and deposit with financial institutions	424,831	39,677	387,416
Securities purchased under resale agreement	106,900	-	106,900
Securities held for trading	316,220	597	315,623
Available-for-sale securities	299,977	19,973	280,004
Held-to-maturity investment	120,985	1,506	119,479
Others	54,474	185	58,826
	5,758,042	483,376	5,281,465
Accretion of discounts less amortisation of premium	60,993	(3,452)	64,445
Net interest suspended	(90,422)	(10,727)	(79,695)
	5,728,613	469,197	5,266,215

**A21. INTEREST EXPENSE**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Deposits and placements of banks and other financial institutions	504,840	23,458	483,643
Deposit from other customers	2,097,066	128,621	1,968,445
Obligation on securities sold under repurchase agreements	140,047	9,677	130,370
Bonds	62,318	6,899	55,419
Loan stocks/ICULS	37,416	-	37,416
Subordinated Notes	55,761	12,347	43,414
Negotiable certificates of deposits	34,770	-	34,770
Other borrowings	160,948	25,841	89,589
Loans sold to Cagamas	24,021	24,021	-
	<u>3,117,187</u>	<u>230,864</u>	<u>2,843,066</u>

**A22. NON-INTEREST INCOME**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
<b>Fee income :</b>			
Commissions	135,042	4,742	130,300
Fee on loans and advances	133,034	30,940	102,094
Portfolio management fees	21,043	17,127	3,916
Service charges and fees	136,827	2,277	134,550
Corporate advisory fees	18,947	628	18,319
Guarantee fees	40,896	1,487	39,409
Underwriting commissions	63,426	-	63,426
Other fee income	198,780	3,516	201,343
	<u>747,995</u>	<u>60,717</u>	<u>693,357</u>
<b>Investment income :</b>			
Accretion of investment gain	(64)	-	-
Gain from sale of available-for-sale securities	76,425	2,424	74,001
(Loss)/Gain from sale of securities held for trading and derivatives	(78,589)	175	(78,764)
Gain from sale of held-to-maturity investment	-	-	-
Unrealised gain/(loss) on revaluation of :			
- Securities held for trading	129,544	566	96,322
- Derivative financial instruments	288,674	36,792	251,630
Gross dividends from :			
<u>Malaysia</u>			
- Securities held for trading	3,586	38	3,548
- Available-for-sale securities	17,171	485	16,686
- Held-to-maturity investments	-	-	-
- Associates	4,933	-	4,933
<u>Outside Malaysia</u>			
- Securities held for trading	782	-	782
Gain on disposal of associates	676	-	676
Gain/(loss) on disposal of interest in subsidiary	-	-	-
	<u>443,138</u>	<u>40,480</u>	<u>369,814</u>
<b>Other income :</b>			
Foreign exchange gain			
- Realised	(13,957)	1,023	(14,980)
- Unrealised	32,095	229	31,866
Rental income	6,272	568	5,704
Gain on disposal of fixed assets	1,375	87	1,288
Net gain from insurance business	6,513	-	6,513
Underwriting surplus before management expenses	33,779	-	33,779
Net brokerage fee	137,114	3,432	133,682
Other non-operating income	152,106	8,147	144,964
	<u>355,297</u>	<u>13,486</u>	<u>342,816</u>
	<u>1,546,430</u>	<u>114,683</u>	<u>1,405,987</u>

**A23. OVERHEAD EXPENSES**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Personnel costs			
- Salaries allowances and bonuses	761,286	61,376	699,910
- Pension cost (defined contribution plans)	87,470	7,352	80,118
- Others	261,946	4,071	257,875
Establishment costs			
- Depreciation of fixed assets	139,989	10,719	129,270
- Rental	76,924	5,015	71,909
- Insurance	14,889	1,335	13,554
- Others	260,998	11,630	249,368
Marketing expenses			
- Sales commission	14,494	5,287	9,207
- Advertisement	90,230	11,737	78,493
- Others	29,121	5,560	23,561
Administration and general expenses			
- Legal & professional fees	121,525	1,569	96,062
- Communication	49,068	6,859	42,209
- Others	251,771	6,791	243,674
	<u>2,159,711</u>	<u>139,301</u>	<u>1,995,210</u>

**A24. ALLOWANCE FOR LOSSES ON LOANS, ADVANCES AND FINANCING**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Allowance for bad and doubtful debts on loans and financing :			
Specific allowance			
- Made during the financial year	1,071,427	149,758	921,669
- Written back	(433,814)	(46,203)	(387,611)
- Transferred to deferred asset	2,963	2,963	-
General allowance			
- Made/(written back) during the financial year	41,259	(764)	42,023
Bad debts on loan and financing :			
- recovered	(75,886)	(14,438)	(61,448)
- written off	(113)	(251)	138
	<u>605,836</u>	<u>91,065</u>	<u>514,771</u>

During the period, the CIMB Bank has also evaluated its portfolio of non-performing loans that have been in default and remained uncollected for more than 7 years and also those non-performing loans in default for more than 5 but less than 7 years. For the loans in default for more than 7 years, no value is assigned as the realisable value of collateral. For the loans which are in default for more than 5 but less than 7 years, 50% of the realisable value of asset held has been assigned as the value of collateral. The effect of this exercise amounted to RM103,373,290.38.

**B4. TAXATION**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
Major components of tax expense:			
Current tax expense	231,681	2,464	219,593
Deferred tax expense	31,153	39,737	(8,584)
	<u>262,834</u>	<u>42,201</u>	<u>211,009</u>
Reconciliation			
Profit before taxation	1,410,264	148,184	1,311,576
Tax at statutory income tax rate of 28%	394,874	41,492	367,241
Due to income not subject to income tax and expenses not deductible for tax purposes	(132,040)	709	(156,232)
	<u>262,834</u>	<u>42,201</u>	<u>211,009</u>

**B7. DEPOSITS AND PLACEMENTS OF FINANCIAL INSTITUTIONS AND DEBT SECURITIES**

	BCHB Group with SBBG 30/9/2006 RM'000	SBBG Group 30/9/2006 RM'000	BCHB Group without SBBG 30/9/2006 RM'000
<b>Deposits from customers</b>			
- Demand deposits	20,075,619	2,851,130	17,230,461
- Saving deposits	8,972,694	1,684,312	7,288,382
- Fixed deposits	60,195,000	12,207,312	47,991,271
- Negotiable instruments of deposits	7,068,219	1,823,400	5,519,819
- Others	1,214,864	3,454	1,211,410
	<u>97,526,396</u>	<u>18,569,608</u>	<u>79,241,343</u>
Fixed deposits and negotiable instruments of deposits			
One year or less (short term)	62,812,815	13,732,512	49,083,886
More than one year (medium/long term)	4,450,404	298,200	4,427,204
	<u>67,263,219</u>	<u>14,030,712</u>	<u>53,511,090</u>
<b>Deposits and placements of banks and other financial institutions</b>			
One year or less (short term)	10,621,770	4,077,252	6,899,419
	<u>10,621,770</u>	<u>4,077,252</u>	<u>6,899,419</u>
<b>Bonds and notes*</b>			
<b>Unsecured</b>			
More than one year (medium/long term)	1,127,475	300,000	827,475
	<u>1,127,475</u>	<u>300,000</u>	<u>827,475</u>
* Including in bonds and notes for the current period is USD denominated bonds equivalent to USD122,812,500.			
<b>Irredeemable Convertible Unsecured Loans Stocks</b>			
<b>Unsecured</b>			
More than one year (medium/long term)	44,871	-	44,871
	<u>44,871</u>	<u>-</u>	<u>44,871</u>
<b>Other borrowings**</b>			
<b>Unsecured</b>			
More than one year (medium/long term)	7,164,285	349	2,125,853
	<u>7,164,285</u>	<u>349</u>	<u>2,125,853</u>
** Including in other borrowings for the current period is USD denominated syndicated term loans equivalent to USD 440,000,000.			
<b>Loans Stocks</b>			
<b>Unsecured</b>			
More than one year (medium/long term)	906,446	729,869	176,577
	<u>906,446</u>	<u>729,869</u>	<u>176,577</u>
<b>Subordinated Notes***</b>			
<b>Unsecured</b>			
More than one year (medium/long term)	2,565,267	729,124	1,830,294
	<u>2,565,267</u>	<u>729,124</u>	<u>1,830,294</u>
*** US Denominated Subordinated Notes of USD 400,000,000.			