

MALAYSIA BUILDING SOCIETY BERHAD
(Company No. 9417-K)
(Incorporated in Malaysia)

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Quarterly report on consolidated financial statements for the fourth quarter ended 31 December 2011.
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	4th quarter ended		12 months ended	
	31 December		31 December	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Revenue	347,142	208,915	1,269,438	769,940
Interest income	91,439	81,806	366,877	319,068
Interest expenses	(43,776)	(34,419)	(161,320)	(142,552)
Net interest income	47,663	47,387	205,557	176,516
Net income from Islamic banking operations	113,175	52,922	397,857	173,918
Operating income	160,838	100,309	603,414	350,434
Other income	29,975	15,288	160,335	91,154
Total income	190,813	115,597	763,749	441,588
Cost of completed properties sold	-	-	-	(3,000)
Other operating expenses	(42,798)	(34,515)	(160,815)	(118,957)
Operating profit	148,015	81,082	602,934	319,631
Allowance for impairment losses on loans, advances and financing	(46,817)	(8,647)	(174,672)	(112,234)
Profit before taxation and zakat	101,198	72,435	428,262	207,397
Taxation	(17,371)	(59,621)	(102,306)	(60,848)
Zakat	-	-	(524)	(524)
Profit for the period/year	83,827	12,814	325,432	146,025
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	83,827	12,814	325,432	146,025
Earnings per share (sen):				
Basic	8.35	1.83	32.43	20.85
Diluted	6.99	1.82	27.15	20.77

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December 2011 (RM'000)	As at 31 December 2010 (RM'000)
ASSETS		
Cash and short term funds	1,355,599	888,829
Trade receivables	394	1,182
Other receivables	242,121	187,636
Inventories	121,839	121,780
Loans, advances and financing	15,184,631	10,706,530
Investments held-to maturity	204,354	200,000
Investment properties	880	1,425
Property development costs	124,548	-
Property, plant and equipment	118,252	106,814
Land use rights	9,621	9,786
Intangible assets	2,568	1,962
TOTAL ASSETS	17,364,807	12,225,944
LIABILITIES AND SHAREHOLDERS' EQUITY		
Bank borrowings	100,044	200,119
Deposits from customers	13,511,948	10,483,743
Other borrowings	451,632	-
Trade payables	178	4,442
Other payables	138,489	89,588
Provision for taxation and zakat	77,202	83,581
Recourse obligation on loans sold to Cagamas Berhad	1,933,384	964,093
Deferred tax liabilities	21,781	19,256
TOTAL LIABILITIES	16,234,658	11,844,822
Share capital:		
Ordinary Shares	1,215,501	700,298
Reserves	(85,352)	(319,176)
Shareholders' equity	1,130,149	381,122
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17,364,807	12,225,944

The condensed Consolidated Statement of Financial Position should be read in conjunction with the financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL YEAR ENDED 31 DECEMBER 2011

<----- Non Distributable ----->

	Ordinary Shares <i>RM'000</i>	Share Premium <i>RM'000</i>	Capital Reserve ^{#1} <i>RM'000</i>	Share Option Reserve <i>RM'000</i>	Warrants Reserve <i>RM'000</i>	Capital Redemption Reserve ^{#2} <i>RM'000</i>	Accumulated Losses <i>RM'000</i>	Total Equity <i>RM'000</i>
At 1 January 2010	700,172	497,169	17,838	-	-	12,486	(973,886)	253,779
Total comprehensive income for the year	-	-	-	-	-	-	146,025	146,025
Dividend	-	-	-	-	-	-	(21,005)	(21,005)
Share options granted under ESOS recognised in income statement	-	-	-	2,141	-	-	-	2,141
Issue of ordinary shares pursuant to ESOS	126	83	-	(27)	-	-	-	182
Transfer of share option reserve to accumulated losses upon forfeiture of share options	-	-	-	(29)	-	-	29	-
At 31 December 2010	700,298	497,252	17,838	2,085	-	12,486	(848,837)	381,122
At 1 January 2011	700,298	497,252	17,838	2,085	-	12,486	(848,837)	381,122
Total comprehensive income for the year	-	-	-	-	-	-	325,432	325,432
Dividend	-	-	-	-	-	-	(93,187)	(93,187)
Share options granted under ESOS recognised in income statement	-	8	-	1,969	-	-	-	1,977
Issue of ordinary shares pursuant to rights issue	506,425	(4,493)	-	-	-	-	-	501,932
Issue of ordinary shares pursuant to ESOS	8,710	5,718	-	(1,874)	-	-	259	12,813
Issue of ordinary shares pursuant to warrants	68	13	-	-	99,246	-	(99,259)	68
Transfer of share option reserve to accumulated losses upon forfeiture of share options	-	-	-	(95)	-	-	95	-
Revised ESOS subscription price	-	(8)	-	325	-	-	(325)	(8)
At 31 December 2011	1,215,501	498,490	17,838	2,410	99,246	12,486	(715,822)	1,130,149

^{#1} Capital reserve arose out of the transfer of the Malaya Borneo Building Society Limited as at 29 February 1972 to the Company on 1 March 1972 via a Scheme of Arrangement and is not distributable as cash dividends.

^{#2} Capital redemption reserve arose out of the redemption of redeemable cumulative preference shares and is not distributable as cash dividends.

The condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	31 December 2011 RM'000	31 December 2010 RM'000
Cash flows from operating activities		
Profit before taxation	428,262	207,397
Adjustments for :		
Depreciation		
- Investment properties	45	48
- Property, plant and equipment	7,146	6,780
Amortisation		
- land use rights	165	165
- Intangible assets	660	366
Gain on disposal of property, plant and equipment	(3,117)	(7)
Gain on disposal of investment properties	(1,100)	-
Gain on disposal of foreclosed properties	-	(200)
Gain on disposal of inventories	-	(190)
Impairment loss on foreclosed properties	-	6,710
Allowance for doubtful debts of receivables	17,117	19,164
Allowance for impairment losses on loans and financing	174,672	112,234
Share options granted under ESOS	1,977	2,141
Operating profit before working capital changes	625,827	354,608
Increase in loans, advances and financing	(4,652,928)	(3,143,331)
(Increase)/decrease in inventories	(59)	3,000
(Increase)/decrease in receivables	(74,347)	61,811
Increase in investments held-to maturity	(4,354)	(156,930)
Increase in property development costs	(124,548)	-
(Decrease)/increase in bank borrowings	(100,075)	200,119
Increase in deposits from customers	3,028,205	2,921,333
Increase in payables	44,793	790
Proceeds from disposal of foreclosed properties	-	6,200
Cash (used in)/generated from operations	(1,257,486)	247,600
Tax paid	(102,997)	(11,533)
Tax refund	124	14
Zakat paid	(524)	(524)
Net cash (used in)/generated from operating activities	(1,360,883)	235,557

(Contd.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

	31 December 2011 RM'000	31 December 2010 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(29,620)	(2,306)
Purchase of intangible assets	(1,266)	(1,428)
Proceeds from disposal of property, plant and equipment	14,000	205
Proceeds from disposal of investment properties	1,600	-
Proceeds from disposal of inventories	-	870
Net cash used in investing activities	<u>(15,286)</u>	<u>(2,659)</u>
Cash flows from financing activities		
Long-term financing facility	451,632	-
Repayment of other borrowings	-	(50,004)
Recourse obligation on loans sold to Cagamas Berhad	969,291	(36,517)
Dividend paid - ordinary shares	(93,187)	(21,005)
Proceeds from issuance of ordinary shares	515,203	182
Net cash generated from/(used in) financing activities	<u>1,842,939</u>	<u>(107,344)</u>
Net increase in cash and cash equivalents	466,770	125,554
Cash and cash equivalents at beginning of financial year	888,829	763,275
Cash and cash equivalents at end of financial year	<u><u>1,355,599</u></u>	<u><u>888,829</u></u>
Cash and cash equivalents comprise :		
Cash and short term funds	<u><u>1,355,599</u></u>	<u><u>888,829</u></u>

The condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying notes attached to the interim financial statements.