

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

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Quarterly report on consolidated financial statements for the first quarter ended 31 March 2012.
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1st quarter ended		3 months ended	
	31 March		31 March	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Revenue	378,879	294,499	378,879	294,499
Interest income	96,638	87,141	96,638	87,141
Interest expenses	(37,679)	(36,314)	(37,679)	(36,314)
Net interest income	58,959	50,827	58,959	50,827
Net income from Islamic banking operations	129,689	74,383	129,689	74,383
Operating income	188,648	125,210	188,648	125,210
Other income	27,966	64,996	27,966	64,996
Total income	216,614	190,206	216,614	190,206
Cost of completed properties sold	-	-	-	-
Other operating expenses	(45,015)	(37,795)	(45,015)	(37,795)
Operating profit	171,599	152,411	171,599	152,411
Allowance for impairment losses on loans, advances and financing	(61,129)	(61,385)	(61,129)	(61,385)
Profit before taxation and zakat	110,470	91,026	110,470	91,026
Taxation	(31,055)	(22,222)	(31,055)	(22,222)
Zakat	-	(524)	-	(524)
Profit for the period	79,415	68,280	79,415	68,280
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	79,415	68,280	79,415	68,280
Earnings per share (sen):				
Basic	6.53	9.75	6.53	9.75
Diluted	5.30	9.68	5.30	9.68

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at	As at
	31 March 2012	31 December 2011
	(RM'000)	(RM'000)
ASSETS		
Cash and short term funds	900,682	1,355,599
Trade receivables	181	394
Other receivables	246,018	242,121
Inventories	121,853	121,839
Loans, advances and financing	17,622,525	15,184,631
Investments held-to maturity	200,000	204,354
Investment properties	872	880
Property development costs	124,548	124,548
Property, plant and equipment	117,371	118,252
Land use rights	9,580	9,621
Intangible assets	2,841	2,568
	19,346,471	17,364,807
TOTAL ASSETS	19,346,471	17,364,807
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Bank borrowings	200,126	100,044
Deposits from customers	15,151,300	13,511,948
Other borrowings	426,523	451,632
Trade payables	126	178
Other payables	317,009	138,489
Provision for taxation and zakat	88,466	77,202
Recourse obligation on loans sold to Cagamas Berhad	1,914,723	1,933,384
Deferred tax liabilities	21,763	21,781
	18,120,036	16,234,658
TOTAL LIABILITIES	18,120,036	16,234,658
 Share capital:		
Ordinary Shares	1,227,546	1,215,501
Reserves	(1,111)	(85,352)
	1,226,435	1,130,149
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	19,346,471	17,364,807

The condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL YEAR ENDED 31 MARCH 2012

<----- 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 2011	700,298	497,252	17,838	2,085	-	12,486	(848,837)	381,122
Total comprehensive income for the year	-	-	-	-	-	-	68,280	68,280
Issue of ordinary shares pursuant to ESOS	1,770	1,281	-	(484)	-	-	-	2,567
Transfer of share option reserve to accumulated losses upon forfeiture of share options	-	-	-	(24)	-	-	24	-
At 31 December 2010	702,068	498,533	17,838	1,577	-	12,486	(780,533)	451,969
At 1 January 2012	1,215,501	498,498	17,838	2,410	99,246	12,486	(715,830)	1,130,149
Total comprehensive income for the year	-	-	-	-	-	-	79,415	79,415
Dividend	-	-	-	-	-	-	-	-
Share options granted under ESOS recognised in income statement	-	-	-	1,868	-	-	-	1,868
Issue of ordinary shares pursuant to rights issue	-	-	-	-	-	-	-	-
Issue of ordinary shares pursuant to ESOS	11,771	2,958	-	-	-	-	-	14,729
Issue of ordinary shares pursuant to warrants	274	-	-	-	-	-	-	274
At 31 December 2011	1,227,546	501,456	17,838	4,278	99,246	12,486	(636,415)	1,226,435

^{#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 2011 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31 March 2012 RM'000	31 March 2011 RM'000
Cash flows from operating activities		
Profit before taxation	110,470	91,026
Adjustments for :		
Depreciation		
- Investment properties	6	12
- Property, plant and equipment	2,201	1,741
Amortisation		
- land use rights	41	41
- Intangible assets	201	154
Allowance for impairment of receivables	5,527	5,108
Allowance for impairment losses on loans and financing	61,129	81,779
Share options granted under ESOS	1,868	-
Operating profit before working capital changes	181,443	179,861
Increase in loans, advances and financing	(2,441,945)	(1,460,762)
Increase in inventories	(14)	(42)
Increase in receivables	(44,957)	(28,430)
Decrease/(Increase) in investments held-to maturity	4,354	(2,941)
Increase/(Decrease) in bank borrowings	100,082	(200,119)
Increase in deposits from customers	1,639,352	1,315,305
Increase in payables	178,468	156,565
Cash used in operations	(383,217)	(40,563)
Tax paid	(38,181)	(7,050)
Zakat paid	-	(117)
Net cash used in operating activities	(421,398)	(47,730)

(Contd.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

	31 March 2012 RM'000	31 March 2011 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,320)	(565)
Purchase of intangible assets	(474)	(510)
Net cash used in investing activities	<u>(1,794)</u>	<u>(1,075)</u>
Cash flows from financing activities		
Long-term financing facility	-	-
Repayment of other borrowings	(25,109)	-
Recourse obligation on loans sold to Cagamas Berhad	(18,661)	(9,559)
Proceeds from issuance of ordinary shares	12,045	2,567
Net cash used in financing activities	<u>(31,725)</u>	<u>(6,992)</u>
Net decrease in cash and cash equivalents	(454,917)	(55,797)
Cash and cash equivalents at beginning of financial period	<u>1,355,599</u>	<u>888,829</u>
Cash and cash equivalents at end of financial period	<u>900,682</u>	<u>833,032</u>
Cash and cash equivalents comprise :		
Cash and short term funds	<u>900,682</u>	<u>833,032</u>

The condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying notes attached to the interim financial statements.