

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
(formerly known as ECM Libra Avenue Berhad)

Unaudited Condensed Consolidated Balance Sheet
As at 31 July 2008

	<u>Note</u>	31-Jul-08 RM'000	31-Jan-08 RM'000
ASSETS			
Cash and bank balances		338,514	367,074
Deposits with licensed financial institutions	9	1,451	3,198
Securities held-for-trading	10	40,193	-
Securities available-for-sale ("AFS")	11	200,000	184,455
Securities held-to-maturity	12	2,200	2,200
Derivative financial instruments		6,543	-
Loans, advances and financing	13	263,006	172,223
Trade receivables	14	155,002	404,109
Other assets	15	15,409	19,328
Statutory deposits with Bank Negara Malaysia		921	-
Investment in associated companies		44,918	43,280
Property, plant and equipment		51,321	54,509
Intangible assets		285,598	284,500
Deferred tax assets		10,000	10,000
TOTAL ASSETS		1,415,076	1,544,876
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	16	13,900	-
Deposits and placements of banks and other financial institutions	17	150,000	-
Trade payables	18	269,526	521,290
Other liabilities	19	65,486	74,754
Provision for taxation		1,006	990
Hire purchase payable		611	444
Deferred tax liabilities		168	168
TOTAL LIABILITIES		500,697	597,646
Share capital		830,902	830,902
Reserves		88,932	116,328
Less: Treasury shares, at cost	6	(5,455)	-
		914,379	947,230
TOTAL EQUITY AND LIABILITIES		1,415,076	1,544,876
Net Assets per Share (RM)		1.11	1.14

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

Certain comparative figures have been restated arising from the application of the Revised Guidelines on Financial Reporting for Licensed Institutions issued by Bank Negara Malaysia (BNM/GP8) as well as to conform with current financial year's presentation.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Income Statements
for the Second Quarter ended 31 July 2008**

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
Note				
Revenue	12,100	41,154	37,646	102,249
Gross interest income	20 7,452	6,368	13,732	13,445
Interest expense	21 (512)	(751)	(578)	(1,490)
Net interest income	6,940	5,617	13,154	11,955
Non-interest income	22 4,648	34,786	23,914	88,804
Other non-operating income	23 68	593	1,219	2,391
Net income	11,656	40,996	38,287	103,150
Operating expenses	24 (15,844)	(21,754)	(33,676)	(41,065)
Operating (loss)/profit	(4,188)	19,242	4,611	62,085
Share of profit of associated company	1,455	531	1,345	1,241
Allowance for losses on loans & financing	25 (986)	-	(1,709)	-
Allowance for bad & doubtful debts	26 (137)	(686)	(40)	(2,490)
Writeback of/(allowance for) impairment loss	27 -	5,600	4,400	(4,400)
(Loss)/profit before tax	(3,856)	24,687	8,607	56,436
Taxation	40 (301)	(721)	(1,543)	(1,647)
(Loss)/profit after tax	(4,157)	23,966	7,064	54,789
Earnings per share ("EPS"): - basic / diluted *	Sen (0.50)	Sen 2.88	Sen 0.85	Sen 6.59

* Outstanding Employee Share Options Scheme ("ESOS") have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

Certain comparative figures have been restated arising from the application of the Revised Guidelines on Financial Reporting for Licensed Institutions issued by Bank Negara Malaysia (BNM/GP8) as well as to conform with current financial year's presentation.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)

(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Statement of Changes in Equity
for the Financial Period ended 31 July 2008**

	<-----Non-distributable----->						<----Distributable---->			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	AFS revaluation reserve RM'000	Equity compensation reserve RM'000	Statutory reserve RM'000	General reserve RM'000	Retained profit RM'000	
Balance as at 1 February 2008										
- as previously reported	830,902	-	26,561	(6,718)	-	2,075	-	159	84,044	937,023
- effect arising from adoption of BNM/GP8	-	-	-	-	10,044	-	27,066	-	(26,903)	10,207
As restated	830,902	-	26,561	(6,718)	10,044	2,075	27,066	159	57,141	947,230
Net change in securities										
available-for-sale	-	-	-	-	(14,881)	-	-	-	-	(14,881)
Purchase of treasury shares	-	(5,455)	-	-	-	-	-	-	-	(5,455)
Net profit for the financial period	-	-	-	-	-	-	-	-	7,064	7,064
Dividends paid	-	-	-	-	-	-	-	-	(19,992)	(19,992)
Currency translation differences	-	-	-	413	-	-	-	-	-	413
Balance as at 31 July 2008	830,902	(5,455)	26,561	(6,305)	(4,837)	2,075	27,066	159	44,213	914,379
Balance as at 1 February 2007										
- as previously reported	830,902	-	26,561	(2,047)	-	-	-	159	5,723	861,298
- effect arising from adoption of BNM/GP8	-	-	-	-	1,179	-	-	-	4,232	5,411
As restated	830,902	-	26,561	(2,047)	1,179	-	-	159	9,955	866,709
Net change in securities										
available-for-sale	-	-	-	-	11,388	-	-	-	-	11,388
Net profit for the financial period	-	-	-	-	-	-	-	-	54,789	54,789
Dividends paid	-	-	-	-	-	-	-	-	(6,066)	(6,066)
Currency translation differences	-	-	-	(773)	-	-	-	-	-	(773)
Balance as at 31 July 2007	830,902	-	26,561	(2,820)	12,567	-	-	159	58,678	926,047

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 January 2008 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Cash Flow Statement
for the Financial Period ended 31 July 2008**

	6 months ended	
	31-Jul-08	31-Jul-07
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	8,607	56,436
Adjustment for non-cash items	(7,518)	(15,141)
Operating profit before working capital changes	<u>1,089</u>	<u>41,295</u>
Net increase in assets	220,615	280,998
Net decrease in liabilities	(96,798)	(191,467)
Cash generated from operations	<u>124,906</u>	<u>130,826</u>
Net tax recovered/(paid)	1,699	(988)
Interest received	13,732	13,445
Net cash generated from operating activities	<u>140,337</u>	<u>143,283</u>
Cash flows (used in)/ from investing activities		
Dividend received	2,302	-
Net (additions)/proceeds from securities	(81,742)	92,944
Purchase of treasury shares	(5,455)	-
Net addition to property, plant and equipment	(928)	(1,345)
Net cash inflow from disposal of associated company	-	4,417
Net cash (used in)/generated from investing activities	<u>(85,823)</u>	<u>96,016</u>
Cash flows used in financing activities		
Dividend paid	(19,992)	(6,066)
Repayment of short term borrowings	-	(60,000)
Repayment of hire purchase	(167)	-
Interest paid	(578)	(1,486)
Net cash used in financing activities	<u>(20,737)</u>	<u>(67,552)</u>
Net increase in cash and cash equivalents	33,777	171,747
Effects of exchange rate changes	413	(774)
Cash and cash equivalents at beginning of period	149,114	167,473
Cash and cash equivalents at end of period	<u>183,304</u>	<u>338,446</u>

Cash and cash equivalents included in the cash flow statement comprise the following Balance Sheet amounts:

	RM'000	RM'000
Cash, bank balances and deposits with financial institutions	339,965	470,151
Less: Monies held in trust	(156,661)	(131,705)
	<u>183,304</u>	<u>338,446</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

Part A: Explanatory Notes pursuant to Financial Reporting Standards ("FRS") 134

1 Basis of Preparation

This unaudited quarterly financial report of the Group has been prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Revised Guidelines on Financial Reporting for Licensed Institutions ("BNM/GP8").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2008.

ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECMLIB") had received approval from Bank Negara Malaysia ("BNM") to comply with the requirements of the "BNM/GP8" not later than one year from the date of inception of its investment bank status. The Group and ECMLIB adopted the requirements of BNM/GP8 for the current financial year ended 31 January 2009. The adoption of BNM/GP8 resulted in the reclassification as disclosed in Note 1(a)(iii).

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the preparation of the Financial Statements 2008, except for the adoption of the new and revised Financial Reporting Standards ("FRS") issued by Malaysia Accounting Standard Board ("MASB") that are effective to the Group's financial year beginning on and after 1 July 2007 and the guidelines set out in BNM/GP8:

FRS 107:	Cash Flow Statements
FRS 112:	Income Taxes
FRS 118:	Revenue
FRS 134:	Interim Financial Reporting
FRS 137:	Provision, Contingent Liabilities and Contingent Assets
Amendment to FRS 121:	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 111:	Construction Contracts
FRS 120:	Accounting for Government Grants and Disclosure of Government Assistance
FRS 126:	Accounting and Reporting by Retirement Benefit Plans
FRS 129:	Financial Reporting in Hyperinflationary Economies
IC Interpretation 1:	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2:	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5:	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6:	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7:	Applying the Restatement Approach under FRS 129 ₂₀₀₄ - Financial Report in Hyperinflationary Economies
IC Interpretation 8:	Scope of FRS 2
FRS 129 ₂₀₀₄ :	Financial Report in Hyperinflationary Economies
FRS 139:	Financial Instruments: Recognition and Measurement

These FRSs and Amendments are, however, expected to have no significant impact to the financial statements of the Group or the Company, with the exception of FRS 139 which is deferred to a later date. The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

1 Basis of Preparation (continued)

The principal effects of changes in accounting policies and estimates are as follows:

(a) BNM/GP8:

(i) Presentation of Financial Statements

The consolidated income statement and balance sheet in respect of the current quarter and financial period ended 31 July 2008 are now prepared in accordance with BNM/GP8 format requirements.

(ii) Securities Portfolio

Previously, securities were classified as either "Marketable securities" or "Other Investment". Marketable securities and other investment are stated at the lower of cost, adjusted for market value, determined on a total portfolio basis and allowance for diminution in value will be made for non-temporary decline in value. Any gain/loss arising from revaluation or sale of securities is recognised in the income statement.

Based on the BNM/GP8 guidelines, equity instruments and debt securities held are classified based on the following categories:

Securities held-for-trading

Securities are classified as held-for-trading if it is acquired principally for the purpose of selling or repurchasing it in the near term or it is part of a portfolio of identified securities that are managed together and for which there is evidence of recent actual pattern of short-term profit-taking. Such securities will be stated at fair value and any gain or loss arising from a change in fair value will be recognised in the income statement.

Dividends on equity instruments are recognised in the income statement when the right to receive payment is established.

Securities available-for-sale

Securities available-for-sale are securities that are not classified as held-for-trading or held-to-maturity and are measured at fair value. Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured will be stated at cost. Any gain or loss arising from a change in fair value is recognised directly in equity through the statement of changes in equity, except for impairment loss and foreign exchange gain/loss which are recognised in income statement, until the securities are derecognised, at which time the cumulative gain or loss previously recognised in equity will be transferred to the income statement.

Interest calculated using the effective interest method is recognised in the income statement. Dividends on equity instruments are recognised in the income statement when the right to receive payment is established.

Securities held-to-maturity

Securities held-to-maturity are securities with fixed or determinable payments and fixed maturity that the group has the positive intent and ability to hold to maturity. These securities are measured at amortised cost using the effective interest method. Any gain or loss is recognised in the income statement when the securities are derecognised or impaired and through amortisation process.

1 Basis of Preparation (continued)

(a) BNM/GP8 (continued):

(iii) Restatement of Comparatives

The adoption of BNM/GP8 resulted in the restatement/reclassification of certain comparative figures as follows:-

Group	As previously reported RM'000	Adjustment RM'000	As restated RM'000
<u>Balance sheet as at 31 January 2008</u>			
Inventories	89	(89)	-
Marketable securities	164,095	(164,095)	-
Other investments	12,304	(12,304)	-
Trade receivables	550,845	(146,736)	404,109
Loans, advances and financing	25,352	146,871	172,223
Cash and bank balances	150,432	216,642	367,074
Deposits with licensed financial institutions	219,840	(216,642)	3,198
Securities available-for-sale ("AFS")	-	184,455	184,455
Securities held-to-maturity	-	2,200	2,200
Other assets	19,423	(95)	19,328
Retained profit	(84,044)	26,903	(57,141)
Statutory reserve	-	(27,066)	(27,066)
AFS revaluation reserve	-	(10,044)	(10,044)
<u>Income statement for the financial period ended 31 July 2007</u>			
Revenue	106,056	(106,056)	-
Other operating income	7,828	(7,828)	-
Staff costs	(19,888)	19,888	-
Depreciation of property, plant and equipment	(2,961)	2,961	-
Other operating expenses	(54,698)	54,698	-
Gain on investments	19,771	(19,771)	-
Finance costs	(1,486)	1,486	-
Gross interest income	-	13,445	13,445
Non-interest income	-	88,804	88,804
Other non-operating income	-	2,391	2,391
Interest expense	-	(1,490)	(1,490)
Operating expenses	-	(41,065)	(41,065)
Allowance for bad & doubtful debts	-	(2,490)	(2,490)
Allowance for impairment loss	-	(4,400)	(4,400)
Profit before tax	55,863	573	56,436
Profit after tax	54,216	573	54,789

1 Basis of Preparation (continued)

(b) BNM's Guidelines on Classification of Non-performing Loans, Advances and Financing and Provision for Substandard, Bad and Doubtful Debts (BNM/GP3):

The Group has adopted BNM/GP3 guidelines in respect of classification of non-performing accounts, loan loss provisioning and interest income recognition with effect from the date of completion of transformation of ECMLIB into an investment bank on 6 February 2008.

When loans, advances and financing granted by the Group become non-performing, interest accrued and recognised as income prior to the date the loans are classified as non-performing are reversed out of interest income in the income statement and taken to interest-in-suspense for set off against the accrued interest receivable in the balance sheet. Subsequent to suspension, interest earned on the non-performing loans, advances and financing ("NPLs") shall be recognised as income on cash basis.

The impact arising from the adoption of BNM/GP3 is an additional general allowances for loan losses of 0.5%.

2 Audit Report of Preceding Annual Financial Statements

The auditors' report on the Financial Statements for the year ended 31 January 2008 of the Company was not subjected to any qualification.

3 Seasonality and Cyclicity Factors

The operations of the Group were not materially affected either by seasonal or cyclical factors.

4 Exceptional Items/Unusual Events

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the first quarter ended 31 July 2008.

5 Variation from Financial Estimates Reported in Preceding Financial Period/Year

There were no changes in estimates of amounts reported in the preceding financial period that would have a material effect in the current quarter results.

6 Debt and Equity Securities

During the financial quarter ended 31 July 2008, the Company purchased its own ordinary shares with the details as follows:-

<u>Date of purchase</u>	<u>Quantity of shares purchased</u>	<u>Average price</u> <u>RM</u>	<u>Purchase consideration</u> <u>RM</u>
27-Jun-08	1,225,600	0.52	639,246
30-Jun-08	489,100	0.52	255,322
1-Jul-08	1,000,000	0.53	528,036
2-Jul-08	1,018,700	0.53	539,849
4-Jul-08	1,818,000	0.53	955,064
7-Jul-08	380,000	0.52	198,641
8-Jul-08	874,600	0.54	473,604
9-Jul-08	240,000	0.55	132,399
10-Jul-08	1,000,000	0.57	570,877
11-Jul-08	354,100	0.57	202,703
14-Jul-08	85,000	0.56	47,794
15-Jul-08	317,700	0.54	170,700
17-Jul-08	232,700	0.53	123,769
18-Jul-08	657,800	0.53	349,984
	<u>9,693,300</u>		<u>5,187,988</u>

There was no issuance, cancellation, resale and repayment of either debt or equity securities during the quarter under review.

7 Dividend Paid

A final dividend in respect of the financial year ended 31 January 2008 of 3 sen was paid on 30 June 2008.

<u>Type of dividend</u>	<u>Dividend rate</u> <u>(sen)</u>	<u>Gross dividend</u> <u>(RM'000)</u>	<u>Income tax</u> <u>(26%)</u> <u>(RM'000)</u>	<u>Net dividend</u> <u>(RM'000)</u>
Franked dividend	2.28	18,935	4,923	14,012
Single-tier dividend	0.72	5,980	-	5,980
	<u>3.00</u>	<u>24,915</u>	<u>4,923</u>	<u>19,992</u>

8 Segmental Reporting

Segmental revenue and results for the current 6 months financial quarter ended 31 July 2008 are as follows:-

	Financial services RM'000	Investment holding RM'000	Group Eliminations RM'000	Total RM'000
Revenue				
External sales	38,212	1,177	(1,743)	37,646
Inter-segment sales	6,338	-	(6,338)	-
Total revenue	<u>44,550</u>	<u>1,177</u>	<u>(8,081)</u>	<u>37,646</u>
Results				
Profit from operations	<u>8,900</u>	<u>(4,025)</u>	<u>(264)</u>	4,611
Share of results of associate companies				1,345
Allowance for losses on loans & financing				(1,709)
Writeback of allowance for bad & doubtful debts				(40)
Writeback of allowance for impairment loss				4,400
Profit before tax				<u>8,607</u>
Taxation				(1,543)
Profit after tax				<u>7,064</u>
Other information				
Depreciation and amortisation	<u>2,385</u>	<u>591</u>	<u>62</u>	<u>3,038</u>

The primary basis of segment reporting of the Group is according to business segments as the Group operates principally in Malaysia.

9 Deposits with licensed financial institutions

	31-Jul-08	31-Jan-08
	RM'000	RM'000
<u>By Type of Institutions</u>		
Licensed banks	1,451	3,198

10 Securities held-for-trading

	31-Jul-08	31-Jan-08
	RM'000	RM'000
At fair value		
Quoted Securities		
- Shares	40,193	-

11 Securities available-for-sale

	31-Jul-08	31-Jan-08
	RM'000	RM'000
At fair value		
Quoted Securities		
- Shares	80,509	110,957
- Warrant	-	1,400
- Unit Trust	-	89
Unquoted Securities		
- Private Debt Securities	120,051	76,969
	200,560	189,415
Less: Impairment loss on securities available-for-sale	(560)	(4,960)
Total securities available-for-sale	200,000	184,455

12 Securities held-to-maturity

	31-Jul-08	31-Jan-08
	RM'000	RM'000
At cost		
Quoted Securities		
- Shares	2,200	2,200

13 Loans, advances and financing

	31-Jul-08	31-Jan-08
	RM'000	RM'000
<u>By Type</u>		
Share margin financing	130,524	149,278
Term loans/financing		
- Other term loans/financing	136,733	25,487
Gross Loans, advances and financing	267,257	174,765
Less: General allowance	(4,251)	(2,542)
Total net loans, advances and financing	263,006	172,223
 <u>By Economic Purpose</u>		
Purchase of securities	233,929	153,896
Working capital	32,639	20,090
Personal uses	689	779
Gross loans, advances and financing	267,257	174,765
 <u>By Interest Rate Sensitivity</u>		
Fixed rate		
- Other fixed rate loans/financing	267,257	174,765
 <u>By Type of Customer</u>		
Domestic business enterprises	103,846	92,265
Individuals	160,872	82,500
Foreign entities	2,539	-
Gross Loans, advances and financing	267,257	174,765
 Movements in allowance for losses on loans and financing		
	31-Jul-08	31-Jan-08
	RM'000	RM'000
General allowance		
Balance at beginning of financial period/year	2,542	-
Allowance made during the period/year	1,709	2,542
Balance at end of financial period/year	4,251	2,542
As % of gross loans, advances and financing less specific allowance	1.6%	1.5%

14 Trade receivables

	31-Jul-08	31-Jan-08
	RM'000	RM'000
Amount owing by clients	89,044	218,453
Amount owing by brokers	60,947	183,847
	149,991	402,300
Less: Allowance for bad and doubtful receivables		
General allowance	(188)	(233)
Specific allowance	(163)	(271)
Interest-in-suspense	(841)	(725)
	148,799	401,071
Amount owing by trustees	6,203	3,038
	155,002	404,109

15 Other assets

	31-Jul-08	31-Jan-08
	RM'000	RM'000
Deposits	4,809	6,905
Tax recoverable	5,476	7,233
Other receivable and prepayments	5,124	5,190
	15,409	19,328

16 Deposit from customers

	31-Jul-08	31-Jan-08
	RM'000	RM'000
<u>By Type of Deposits:</u>		
Short-term deposits	13,900	-
<u>By Type of Customers:</u>		
Business enterprises	7,193	-
Individuals	6,707	-
	13,900	-

17 Deposit and Placements of Banks and Other Financial Institutions

	31-Jul-08	31-Jan-08
	RM'000	RM'000
<u>By Type of Institutions:</u>		
Licensed banks	100,000	-
Licensed investment banks	50,000	-
	150,000	-

18 Trade payables

	31-Jul-08	31-Jan-08
	RM'000	RM'000
Amount owing to clients	52,173	131,217
Amount owing to brokers	84,919	221,982
Client's trust monies	131,778	165,525
Amount owing to trustees	656	2,566
	269,526	521,290

19 Other liabilities

	31-Jul-08	31-Jan-08
	RM'000	RM'000
Accruals and deposits received	17,311	21,283
Remisiers' and dealers' trust accounts	17,038	25,727
Other payables	31,137	27,744
	65,486	74,754

20 Interest income

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
Loans and advances:				
- Interest income from performing loans	1,708	242	2,508	652
Margin Financing	2,799	2,086	5,731	4,690
Stockbroking business	215	235	434	527
Short-term funds and deposits with financial institutions	1,426	2,392	2,701	4,154
Securities:				
- Held-for-trading	-	301	-	594
- Available-for-sale	1,277	1,042	2,356	2,702
	7,425	6,298	13,730	13,319
Amortisation of premiums less accretion of discounts	27	70	2	126
	7,452	6,368	13,732	13,445

21 Interest expense

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
Deposits from customers	57	-	121	-
Deposits from banks and other financial institutions	446	-	446	-
Others	9	751	11	1,490
	512	751	578	1,490

22 Non-interest income

	Current quarter ended	Corresponding quarter ended	Current year to date	Corresponding year to date
	31-Jul-08	31-Jul-07	31-Jul-08	31-Jul-07
	RM'000	RM'000	RM'000	RM'000
Fee income				
- Fees on loans and advances	1,664	420	2,815	676
- Corporate advisory fees	193	1,095	2,670	3,476
- Net brokerage fee	6,859	17,885	15,346	40,090
- Portfolio management fees	2,875	3,483	6,133	7,544
- Other fee income	3,005	2,445	3,628	10,672
	14,596	25,328	30,592	62,458
Investment and trading income				
- Gain from sale of securities held-for-trading	2	817	2	8,721
- securities available-for-sale	196	7,760	(2,889)	9,088
- (Loss)/gain on revaluation of securities held-for-trading derivatives	(18,337)	881	(12,636)	7,596
- Gain on disposal of associated company	6,543	-	6,543	-
	-	-	-	941
	(11,596)	9,458	(8,980)	26,346
Gross dividend income				
- Securities: available-for-sale	1,648	-	2,302	-
	1,648	-	2,302	-
Total Non-interest income	4,648	34,786	23,914	88,804

23 Other non-operating income

	Current quarter ended	Corresponding quarter ended	Current year to date	Corresponding year to date
	31-Jul-08	31-Jul-07	31-Jul-08	31-Jul-07
	RM'000	RM'000	RM'000	RM'000
Rental income	57	53	287	330
Gain on disposal of property, plant and equipment	54	105	38	182
Gain on revaluation of foreign exchange translation	(113)	104	64	734
Others	70	331	830	1,145
	68	593	1,219	2,391

24 Operating expenses

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	7,761	9,146	16,965	16,834
Contributions to defined contribution plan	903	754	1,827	1,752
Other personnel costs	(20)	845	614	1,384
	8,644	10,745	19,406	19,970
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	1,282	1,328	2,582	2,606
Amortisation of computer software	233	210	456	419
Rental of premises	690	684	1,601	1,529
Rental of network and equipment	872	540	1,686	1,596
Other establishment costs	791	1,278	1,254	2,258
	3,868	4,040	7,579	8,408
<u>Marketing and communication expenses</u>				
Advertising expenses	55	21	167	28
Entertainment	257	763	630	1,537
Other marketing expenses	316	302	352	617
	628	1,086	1,149	2,182
<u>Administrative and general expenses</u>				
Audit fees	61	39	111	109
Legal and professional fees	321	731	523	1,638
Printing and stationery	185	502	593	901
Insurance, postages and courier	308	347	484	587
Electricity and water charges	195	386	422	672
Telecommunication expenses	386	471	705	961
Travelling and accomodation	237	212	480	412
Others	1,011	3,195	2,224	5,225
	2,704	5,883	5,542	10,505
Total operating expenses	15,844	21,754	33,676	41,065

25 Allowance for losses on loans and financing

	Current quarter ended	Corresponding quarter ended	Current year to date	Corresponding year to date
	31-Jul-08	31-Jul-07	31-Jul-08	31-Jul-07
	RM'000	RM'000	RM'000	RM'000
General allowance on loans and financing				
- Provided during the financial period	986	-	1,709	-

**26 Allowance for bad and doubtful debts
on trade receivables**

	Current quarter ended	Corresponding quarter ended	Current year to date	Corresponding year to date
	31-Jul-08	31-Jul-07	31-Jul-08	31-Jul-07
	RM'000	RM'000	RM'000	RM'000
General allowance				
- Provided/(written-back) during the financial period	(30)	928	(44)	248
	(30)	928	(44)	248
Specific allowance				
- Provided during the financial period	241	210	368	2,699
- Written back	(57)	(381)	(265)	(381)
	184	(171)	103	2,318
Bad debts:				
- Recovered	(17)	(71)	(19)	(76)
- Written off	-	-	-	-
	(17)	(71)	(19)	(76)
	137	686	40	2,490

**27 (Writeback of)/allowance for
impairment loss**

	Current quarter ended	Corresponding quarter ended	Current year to date	Corresponding year to date
	31-Jul-08	31-Jul-07	31-Jul-08	31-Jul-07
	RM'000	RM'000	RM'000	RM'000
(Writeback of)/allowance for impairment loss on securities:				
- Available-for-sale	-	(5,600)	(4,400)	4,400

28 Capital adequacy

The following is the computation of the capital adequacy ratio of ECMLIB, the investment banking subsidiary of the Group.

	31-Jul-08	31-Jan-08
	RM'000	RM'000
<u>Tier 1 Capital</u>		
Paid-up share capital	513,000	513,000
Retained profit	54,133	54,133
Other reserves	507	507
	567,640	567,640
Less: Deferred tax assets	(10,000)	(10,000)
Total Tier 1 capital (a)	557,640	557,640
<u>Tier 2 Capital</u>		
General allowance for bad and doubtful debts and financing	4,251	2,542
Total Tier 2 capital (b)	4,251	2,542
Total capital (a) + (b)	561,891	560,182
Less: Investment in subsidiaries	-	-
Capital base	561,891	560,182
Total risk-weighted assets	743,913	949,394
Proposed Dividend (RM'000)	-	-
%		
<u>Before deducting proposed dividend</u>		
Core capital ratio	74.96%	58.73%
Risk weighted capital ratio	75.53%	59.00%
<u>After deducting proposed dividend</u>		
Core capital ratio	74.96%	58.73%
Risk weighted capital ratio	75.53%	59.00%

With effect from 1 January 2008, the capital adequacy ratio is computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit Risk and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)

(formerly known as ECM Libra Avenue Berhad)

29 Interest rate risk

As at 31 July 2008	<-----Non-trading book----->						Trading book RM '000	Total RM '000	Effective interest 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-interest sensitive RM '000			
ASSETS									
Cash and bank balances	305,536	-	-	-	-	32,978	-	338,514	3.49
Deposits with licensed financial institutions	-	-	1,451	-	-	-	-	1,451	3.66
Securities held-for-trading	-	-	-	-	-	-	40,193	40,193	-
Securities available-for-sale	-	-	5,000	93,117	21,374	-	80,509	200,000	5.45
Securities held-to-maturity	-	-	-	-	-	2,200	-	2,200	-
Derivative financial instruments	-	-	-	-	-	-	6,543	6,543	-
Loan, advances and financing									
- Performing	145,213	26,239	95,805	-	-	(4,251) *	-	263,006	8.87
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	921	-	921	-
Other assets ^	-	-	-	-	-	562,248	-	562,248	-
TOTAL ASSETS	450,749	26,239	102,256	93,117	21,374	594,096	127,245	1,415,076	
LIABILITIES AND EQUITY									
Liabilities									
Deposits from customers	13,900	-	-	-	-	-	-	13,900	3.42
Deposits and placements of banks and other financial institutions	50,000	100,000	-	-	-	-	-	150,000	3.61
Other liabilities #	-	-	-	-	-	336,797	-	336,797	-
TOTAL LIABILITIES	63,900	100,000	-	-	-	336,797	-	500,697	
Shareholders' funds	-	-	-	-	-	914,379	-	914,379	-
TOTAL EQUITY AND LIABILITIES	63,900	100,000	-	-	-	1,251,176	-	1,415,076	
On-balance sheet interest sensitivity gap	386,849	(73,761)	102,256	93,117	21,374	(657,080)	127,245	-	
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	386,849	(73,761)	102,256	93,117	21,374	(657,080)	127,245	-	

^ Other assets include Trade receivables, Other assets, Investment in associated company, Property, plant and equipment, Intangible assets, Deferred tax assets as disclosed in the Consolidated Balance Sheet.

Other liabilities include Trade payables, Other liabilities, Provision for taxation, Hire purchase payables and Deferred tax liabilities as disclosed in the Consolidated Balance Sheet.

* The negative balance represents general allowance for loans, advances and financing.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)

(formerly known as ECM Libra Avenue Berhad)

29 Interest rate risk (continued)

As at 31 January 2008	<-----Non-trading book----->						Non-interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 - 5 years	Over 5 years					
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	%
ASSETS										
Cash and bank balances	284,557	-	-	-	-	82,517	-	367,074	3.47	
Deposits with licensed financial institutions	-	-	3,198	-	-	-	-	3,198	3.65	
Securities held-for-trading	-	-	-	-	-	-	-	-	-	
Securities available-for-sale	-	-	-	60,015	11,994	89	112,357	184,455	6.30	
Securities held-to-maturity	-	-	-	-	-	2,200	-	2,200	-	
Loan, advances and financing										
- Performing	174,765	-	-	-	-	(2,542)*	-	172,223	8.35	
Other assets ^	-	-	-	-	-	815,726	-	815,726	-	
TOTAL ASSETS	459,322	-	3,198	60,015	11,994	897,990	112,357	1,544,876		
LIABILITIES AND EQUITY										
Liabilities										
Other liabilities #	-	-	-	-	-	597,646	-	597,646	-	
TOTAL LIABILITIES	-	-	-	-	-	597,646	-	597,646		
Shareholders' funds	-	-	-	-	-	947,230	-	947,230		
TOTAL EQUITY AND LIABILITIES	-	-	-	-	-	1,544,876	-	1,544,876		
On-balance sheet interest sensitivity gap	459,322	-	3,198	60,015	11,994	(646,886)	112,357	-		
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-		
Total interest sensitivity gap	459,322	-	3,198	60,015	11,994	(646,886)	112,357	-		

^ Other assets include Trade receivables, Other assets, Investment in associated company, Property, plant and equipment, Intangible assets, Deferred tax assets as disclosed in the Consolidated Balance Sheet.

Other liabilities include Trade payables, Other liabilities, Provision for taxation, Hire purchase payables and Deferred tax liabilities as disclosed in the Consolidated Balance Sheet.

* The negative balance represents general allowance for loans, advances and financing.

30 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment of the Group in the quarter under review.

31 Material Subsequent Event

There were no material events subsequent to 31 July 2008.

32 Changes in the Composition of the Group

There are no changes in the composition of the Group during the quarter under review.

33 Changes in Contingent Liabilities/Assets

There were no material changes in contingent liabilities or assets since the last audited balance sheet date.

34 Commitments and Contingencies

(a) Capital Commitments

As at 31 July 2008, the Group has commitments in respect of capital expenditure as follows: -

	RM'000
Authorised but not contracted for	4,601
	<hr/>

(b) Other Commitments and Contingencies

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group are as follows:

	Notional Amount RM'000	Credit Equivalent Amount * RM'000	Risk Weighted Amount RM'000
<u>As at 31 July 2008</u>			
Undrawn margin facilities	184,341	36,868	36,868
Undrawn term loan facilities	10,326	2,065	1,983
	<hr/>	<hr/>	<hr/>
<u>As at 31 January 2008</u>			
Undrawn margin facilities	163,198	32,640	32,640
Undrawn term loan facilities	321	64	-
	<hr/>	<hr/>	<hr/>

* The credit equivalent amount is arrived at using the credit conversion factors as specified by Bank Negara Malaysia.

Part B – Additional Information Required by the Listing Requirements of Bursa Malaysia

35 Status of Corporate Proposals Announced

There are no corporate proposals announced during the quarter under review, other than the share buy back as disclosed under Note 6.

36 Performance Review on the Results of the Group for the Current Financial Quarter and Financial Year-to-date

The Group recorded a loss before tax of RM3.9 million which was RM28.5 million lower than RM24.7 million of profit before tax recorded in the preceding year's corresponding quarter ended 31 July 2007. This was mainly attributed to the lower brokerage income generated during the quarter under review which was caused by the lower Bursa turnover of RM155.6 billion as compared to the preceding year's corresponding quarter of RM322.0 billion.

In addition, the Group recorded RM11.6 million of investment loss mainly from revaluation of investments as compared to RM9.5 million investment income in the preceding year's corresponding quarter ended 31 July 2007 caused by the decline of share prices on Bursa.

For the six months ended 31 July 2008, the Group recorded a profit before tax of RM8.6 million, 84.7% lower than the preceding year corresponding period. This was mainly attributed to the lower brokerage income and investment loss mainly from revaluation of investments in current period under review.

37 Review of Performance of Current Financial Quarter against Preceding Financial Quarter

	Current Quarter 31-Jul-08 RM'000	Preceding Quarter 30-Apr-08 RM'000	Variance RM'000
Profit before tax	(3,856)	12,463	(16,319)
Taxation	(301)	(1,242)	941
Profit after tax	<u>(4,157)</u>	<u>11,221</u>	<u>(15,378)</u>

For the financial quarter under review, the Group recorded a loss before tax of RM3.9 million as compared to a profit before tax of RM12.5 million for the preceding quarter. This was mainly attributed to the loss on revaluation of investments of RM11.6 million and lower brokerage income of RM6.86 million in the quarter under review.

38 Company's Prospects

The Malaysian economy is expected to sustain a respectable growth in the second half of 2008 despite concerns over the increased external uncertainties and high inflation rate.

On the business sector, the key concern of political worries, uncertainties in cost of production have dampened investment and corporate activities. Accordingly, the Group faces a difficult and challenging second half. Nevertheless, the Group will continue to work on the planned business strategies for the current financial year and continue to remain a niche player in the capital market.

39 Profit Forecast

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

40 Taxation

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
Current year income tax	218	721	694	1,647
Underprovision in respect of prior years	83	-	849	-
	301	721	1,543	1,647

The effective tax rate of the Group is lower than the statutory tax rate for the quarter mainly due to utilisation of unabsorbed tax losses.

41 Sale of Unquoted Investments and Properties

There was no sale of unquoted investments and property during the quarter under review, other than those held by the investment bank subsidiary in the ordinary course of business.

42 Quoted Securities

There are no investments in quoted securities as at 31 July 2008, other than those held by the investment bank and offshore investment bank subsidiaries in their ordinary course of business.

43 Group Borrowings

The Group has no borrowings and debt securities as at 31 July 2008.

44 Off Balance Sheet Financial Instruments

There are no financial instruments with material off balance sheet risk as at the date of this report.

45 Material Litigations

There is no pending material litigation for the Group as at the date of this report.

46 Dividend

Interim dividend has not been recommended for the quarter ended 31 July 2008.

47 Related Party Transactions

The Group has entered into the following related party transaction :-

	Current quarter ended 31-Jul-08 RM'000	Corresponding quarter ended 31-Jul-07 RM'000	Current year to date 31-Jul-08 RM'000	Corresponding year to date 31-Jul-07 RM'000
Transaction with a company in which a director and shareholder of the Company has interest in:				
- Project management fee	32	49	54	212
Transactions with Directors of the Company:				
- Brokerage income	-	15	-	42

48 Earnings Per Share

	Current quarter ended 31-Jul-08	Corresponding quarter ended 31-Jul-07	Current year to date 31-Jul-08	Corresponding year to date 31-Jul-07
Net (loss)/profit (RM'000)	(4,157)	23,966	7,064	54,789
Weighted average number of ordinary shares in issue ('000)	827,738	830,902	829,283	830,902
Basic earnings per share (sen)	(0.50)	2.88	0.85	6.59

The basic earnings per ordinary share is calculated by dividing the net profit for the quarter by the weighted average number of ordinary shares in issue during the quarter.

* Outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

Date : 29 September 2008