

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

Quarterly Financial Statements for the year ended 31 January 2010

Audited Condensed Consolidated Balance Sheet**As at 31 January 2010**

ASSETS	Note	31-Jan-10 RM'000	31-Jan-09 RM'000 (restated)
Cash and short-term funds		601,954	752,806
Deposits with financial institutions	9	50,870	115,847
Securities held-for-trading	10	301,911	8,813
Securities available-for-sale	11	475,824	265,279
Securities held-to-maturity	12	162,200	92,200
Derivative financial instruments		339	-
Loans, advances and financing	13	323,485	247,830
Trade receivables	14	302,003	123,914
Other assets	15	20,510	18,357
Statutory deposit with Bank Negara Malaysia		4,073	1,413
Investment in associated company		19,472	21,173
Deferred tax assets		27,780	43,242
Property, plant and equipment		30,691	32,904
Intangible assets		284,500	284,500
TOTAL ASSETS		<u>2,605,612</u>	<u>2,008,278</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from customers	16	955,645	557,489
Deposits and placements of banks and other financial institutions	17	250,646	296,004
Trade payables	18	367,205	195,037
Other liabilities	19	67,252	45,228
Provision for taxation		32	29
Hire purchase payable		111	444
Deferred tax liabilities		41	51
TOTAL LIABILITIES		<u>1,640,932</u>	<u>1,094,282</u>
Share capital		830,902	830,902
Reserves		145,158	89,282
Less: Treasury shares, at cost	6	(11,380)	(6,188)
		<u>964,680</u>	<u>913,996</u>
TOTAL EQUITY AND LIABILITIES		<u>2,605,612</u>	<u>2,008,278</u>
Net Assets per Share (RM)		1.19	1.12

The Condensed Consolidated Balance Sheets should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2009 of the Group.

**Audited Condensed Consolidated Income Statements
 for the Fourth Quarter ended 31 January 2010**

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Revenue	46,798	16,236	133,963	74,182
Interest income	20 11,696	12,254	43,898	36,469
Interest expense	21 (5,565)	(4,030)	(17,790)	(7,266)
Net interest income	6,131	8,224	26,108	29,203
Non-interest income	22 35,102	3,982	90,065	37,713
Other non-operating income	23 1,117	2	2,809	4,936
Net income	42,350	12,208	118,982	71,852
Operating expenses	24 (22,739)	(19,202)	(70,398)	(69,020)
Operating profit	19,611	(6,994)	48,584	2,832
Share of loss of an associated company (Allowance for)/writeback of losses on loans, advances & financing	(772)	(1,476)	(1,701)	(1,992)
Writeback of bad & doubtful debts	25 (1,837)	2,362	(1,069)	(1,506)
Allowance for impairment loss	26 57	48	159	18
Profit/(loss) before tax	27 (925)	(23,955)	(365)	(19,555)
Income tax expense	39 16,134	(30,015)	45,608	(20,203)
Profit/(loss) after tax	(3,008)	26,463	(4,797)	25,307
Earnings/(loss) per share ("EPS"): - basic / diluted *	13,126	(3,552)	40,811	5,104
	Sen	Sen	Sen	Sen
	1.60	(0.43)	4.99	0.62

* 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 Condensed Consolidated Income Statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2009 of the Group.

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

Quarterly Financial Statements for the year ended 31 January 2010

**Audited Condensed Consolidated Statement of Changes in Equity
for the Financial Year ended 31 January 2010**

	<-----Non-distributable----->						Distributable			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	Available for sale revaluation reserve RM'000	Equity compensation reserve RM'000	Statutory reserve RM'000	General reserve RM'000	Retained profits RM'000	
Balance as at 1 February 2009										
- as previously reported	830,902	(6,188)	26,561	(1,933)	(19,868)	3,973	14,759	159	52,459	900,824
- prior year adjustments	-	-	-	-	-	-	-	-	13,172	13,172
As restated	830,902	(6,188)	26,561	(1,933)	(19,868)	3,973	14,759	159	65,631	913,996
Net change in securities available-for-sale	-	-	-	-	32,059	-	-	-	-	32,059
Arising from the Company's ESOS vested during the year	-	-	-	-	-	213	-	-	-	213
Share buy-back by the Company	-	(5,192)	-	-	-	-	-	-	-	(5,192)
Net profit for the financial year	-	-	-	-	-	-	-	-	40,811	40,811
ESOS lapsed during the year	-	-	-	-	-	(340)	-	-	-	(340)
Transfer to statutory reserve	-	-	-	-	-	-	19,175	-	(19,175)	-
Dividends paid	-	-	-	-	-	-	-	-	(16,445)	(16,445)
Currency translation differences	-	-	-	(422)	-	-	-	-	-	(422)
Balance as at 31 January 2010	830,902	(11,380)	26,561	(2,355)	12,191	3,846	33,934	159	70,822	964,680
Balance as at 1 February 2008										
- as previously reported	830,902	-	26,561	(6,718)	3,018	2,075	-	159	84,207	940,204
- prior year adjustments	-	-	-	-	-	-	-	-	13,172	13,172
As restated	830,902	-	26,561	(6,718)	3,018	2,075	-	159	97,379	953,376
Net change in securities available-for-sale	-	-	-	-	(22,886)	-	-	-	-	(22,886)
Arising from share options granted during the year	-	-	-	-	-	1,898	-	-	-	1,898
Share buy-back by the Company	-	(6,188)	-	-	-	-	-	-	-	(6,188)
Net profit for the financial year	-	-	-	-	-	-	-	-	5,104	5,104
Transfer to statutory reserve	-	-	-	-	-	-	14,759	-	(14,759)	-
Dividends paid	-	-	-	-	-	-	-	-	(22,093)	(22,093)
Currency translation differences	-	-	-	4,785	-	-	-	-	-	4,785
Balance as at 31 January 2009	830,902	(6,188)	26,561	(1,933)	(19,868)	3,973	14,759	159	65,631	913,996

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 January 2009 of the Group.

**Audited Condensed Consolidated Cash Flow Statement
 for the Financial Year ended 31 January 2010**

	12 months ended	
	31-Jan-10	31-Jan-09
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before tax	45,608	(20,203)
Adjustment for non-cash items	(7,284)	45,838
Operating profit before working capital changes	<u>38,324</u>	<u>25,635</u>
Net (increase)/decrease in operating assets	(146,739)	90,119
Net increase in operating liabilities	196,293	507,833
Cash generated from operations	<u>87,878</u>	<u>623,587</u>
Net tax (paid)/recovered	(324)	902
Net cash generated from operating activities	<u>87,554</u>	<u>624,489</u>
Cash flows from investing activities		
Dividend received	2,013	4,346
Net addition from securities	(214,834)	(153,020)
Purchase of treasury shares	(5,192)	(6,188)
Net (purchase)/sale of property, plant and equipment	(2,536)	18,765
Net cash used in investing activities	<u>(220,549)</u>	<u>(136,097)</u>
Cash flows from financing activities		
Dividend paid	(18,546)	(19,992)
Repayment of short term borrowings	(333)	(333)
Interest paid	(17,790)	(7,266)
Net cash used in financing activities	<u>(36,669)</u>	<u>(27,591)</u>
Net (decrease)/increase in cash and cash equivalents	(169,664)	460,801
Effects of foreign exchange rate changes	793	643
Cash and cash equivalents at beginning of year	647,904	186,460
Cash and cash equivalents at end of year	<u>479,033</u>	<u>647,904</u>
Cash and cash equivalents comprise:		
Cash and short-term funds	601,954	752,806
Less: Monies held in trust	(122,921)	(104,902)
	<u>479,033</u>	<u>647,904</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2009 of the Group.

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

1 Basis of Preparation

This audited quarterly financial report of the Group has been prepared on a historical cost basis, unless otherwise disclosed in the notes to the financial statements and are in accordance with the Companies Act, 1965 and FRS 134 "Interim Financial Reporting" in Malaysia as modified by Bank Negara Malaysia ("BNM")'s Guidelines.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2009.

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 January 2009.

At the date of authorisation of the financial statements, the following new FRSs and interpretations were issued but not yet effective and have not been applied by the Group:

FRSs, Amendment to FRSs and interpretations	Effective for financial periods beginning on or after
FRS 8: Operating Segments	1 July 2009
FRS 1 and FRS 127: Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
FRS 2: Amendments to FRS 2 Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
FRS 4: Insurance Contracts	1 January 2010
FRS 7: Financial Instruments : Disclosures	1 January 2010
FRS 123: Borrowing Costs	1 January 2010
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 132 Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

1 Basis of Preparation (cont'd.)

FRSs, Amendment to FRSs and interpretations	Effective for financial periods beginning on or after
FRS 1: First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3: Business Combinations	1 July 2010
FRS 127: Consolidated and Separate Financial Statements	1 July 2010
IC Interpretation 12: Service Concession Arrangements	1 July 2010
IC Interpretation 15: Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17: Distributions of Non-Cash Assets to Owners	1 July 2010
Amendments to FRS 2: Share-based payment	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138: Intangible Assets	1 July 2010
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010

The adoptions of the above FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the financial statements of the Group except possibly for FRS 139 and FRS 7. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139 and FRS 7.

(a) Prior year adjustments

The Group restated the opening balances of retained profits to adjust the carrying amount of its other assets and liabilities of prior years. The adjustments were made to reverse accruals and provisions made in the past before the merger exercise and after it is confirmed that they are no longer required. The effects are as disclosed in below:

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
<u>Balance sheet as at 31 January 2009</u>			
Other assets	17,071	1,286	18,357
Other liabilities	(57,114)	11,886	(45,228)
Retained profits	52,459	13,172	65,631

The above adjustments do not have effects to current year and prior year's income statements.

(b) Comparatives

The Group restated the carrying amounts of its available-for-sale revaluation securities and deferred tax asset as follows:

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
<u>Balance sheet as at 31 January 2009</u>			
Available-for-sale revaluation reserve			
- opening balance	10,044	(7,026)	3,018
- closing balance	(26,894)	7,026	(19,868)
Deferred tax assets	36,216	7,026	43,242

2 Audit Report of Preceding Annual Financial Statements

The auditors' report on the Financial Statements for the year ended 31 January 2009 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 fourth quarter ended 31 January 2010.

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 January 2010, the Company has purchased 7,327,900 ordinary shares of RM1 each for a total cash consideration, including transaction cost of RM4,931,645 from the open market at an average price of RM0.67 per share. The total consideration paid for share buy back by the Company during the financial quarter ended 31 January 2010 was financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. As at 31 January 2010, the total shares bought back, all of which are held as treasury shares, amounted to 19,884,000 shares. There was no issuance, cancellation, resale and repayment of either debt or equity securities during the quarter under review.

7 Dividend Paid

There was no dividend paid during the quarter ended 31 January 2010.

8 Segmental Reporting

Segmental revenue and results for the current financial year ended 31 January 2010 are as follows:-

	Financial services RM'000	Investment holding RM'000	Group Eliminations RM'000	Total RM'000
Revenue				
External sales	130,370	3,593	-	133,963
Inter-segment sales	39,159	23,597	(62,756)	-
Total revenue	<u>169,529</u>	<u>27,190</u>	<u>(62,756)</u>	<u>133,963</u>
Results				
Profit from operations	<u>46,137</u>	<u>25,450</u>	<u>(23,003)</u>	48,584
Share of results of an associated company				(1,701)
Allowance for losses on loans, advances and financing				(1,069)
Writeback of bad and doubtful debts				159
Allowance of impairment loss				(365)
Profit before tax				<u>45,608</u>
Income tax expense				<u>(4,797)</u>
Profit after tax				<u>40,811</u>
Other information				
Depreciation and amortisation	<u>4,126</u>	<u>685</u>	<u>113</u>	<u>4,924</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 financial institutions

	31-Jan-10 RM'000	31-Jan-09 RM'000
Licensed banks	870	75,847
Bank Negara Malaysia	50,000	40,000
	<u>50,870</u>	<u>115,847</u>

10 Securities held-for-trading

	31-Jan-10	31-Jan-09
	RM'000	RM'000
At fair value		
Bankers' acceptance	298,712	8,813
Quoted securities		
- Shares	3,199	-
	301,911	8,813

11 Securities available-for-sale

	31-Jan-10	31-Jan-09
	RM'000	RM'000
At fair value		
Malaysian Government Securities	35,160	-
Cagamas bonds	130,276	10,353
Quoted securities		
- Shares	131,872	97,932
Unquoted securities		
- Private debt securities	179,441	157,554
	476,749	265,839
Less: Impairment loss on securities	(925)	(560)
	475,824	265,279

Securities that were reclassified out from held-for-trading to available-for-sale:

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Carrying value as at beginning of financial year	34,401	-
Purchase of securities	-	52,991
Gain/(loss) on revaluation		
- recognised in income statement	-	(12,531)
- recognised in available-for-sale revaluation reserves	14,881	(6,059)
Carrying value as at end of financial year	49,282	34,401

12 Securities held-to-maturity

	31-Jan-10	31-Jan-09
	RM'000	RM'000
At cost		
Negotiable instruments of deposit	160,000	90,000
Unquoted securities		
- Shares	2,200	2,200
	162,200	92,200

13 Loans, advances and financing

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Share margin financing	260,443	118,456
Term loans/financing	68,159	133,422
Gross loans, advances and financing	328,602	251,878
Less: General allowance	(5,117)	(4,048)
Total net loans, advances and financing	323,485	247,830

By Economic Purpose

Purchase of securities	296,233	226,251
Working capital	32,369	25,082
Personal uses	-	545
Gross loans, advances and financing	328,602	251,878

By Interest Rate Sensitivity

Fixed rate loans/financing	328,602	251,878
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By Type of Customer

Domestic business enterprises	250,384	90,706
Individuals	78,218	161,172
Gross loans, advances and financing	328,602	251,878

13 Loans, advances and financing (cont'd.)

	31-Jan-10	31-Jan-09
	RM'000	RM'000
(i) Movements in Non Performing Loans ("NPLs")		
Balance at beginning of financial year	-	-
Classified as non-performing during the year	53,394	29,204
Recovered during the year	(53,394)	(29,204)
At end of financial year	<u>-</u>	<u>-</u>

(ii) Movements in allowance for losses on loans and financing

	31-Jan-10	31-Jan-09
	RM'000	RM'000
General allowance		
Balance at beginning of financial year	4,048	2,542
Allowance made during the year	1,077	1,506
Amount written back during the year	(8)	-
Balance at end of financial year	<u>5,117</u>	<u>4,048</u>
As % of gross loans, advances and financing less specific allowance	<u>1.6%</u>	<u>1.6%</u>
Specific allowance		
Balance at beginning of financial year	-	-
Allowance made during the year	5,425	3,837
Amount written back during the year	(5,425)	(3,837)
Balance at end of financial year	<u>-</u>	<u>-</u>

14 Trade receivables

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Amount owing by clients	154,734	62,702
Amount owing by brokers	136,008	60,684
	<u>290,742</u>	<u>123,386</u>
Less: Allowance for bad and doubtful receivables		
General allowance	(259)	(115)
Specific allowance	(82)	(251)
Interest-in-suspense	(849)	(933)
	<u>289,552</u>	<u>122,087</u>
Amount owing by trustees	12,451	1,827
	<u>302,003</u>	<u>123,914</u>

15 Other assets

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Interest receivable	4,818	2,907
Deposits	4,924	4,619
Tax recoverable	6,530	6,260
Other receivables and prepayments	4,238	4,571
	20,510	18,357

16 Deposits from customers

	31-Jan-10	31-Jan-09
	RM'000	RM'000
<u>By Type of Deposits:</u>		
Short-term deposits	952,645	541,539
Negotiable instruments of deposit	3,000	15,950
	955,645	557,489

<u>By Type of Customers:</u>		
Government and statutory bodies	53,000	4,670
Domestic business enterprises	138,993	101,044
Individuals	10,676	59,834
Non-bank financial institutions	752,976	391,941
	955,645	557,489

17 Deposits and placements of banks and other financial institutions

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Licensed banks	180,646	248,004
Licensed investment banks	70,000	48,000
	250,646	296,004

18 Trade payables

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Amount owing to clients	92,680	47,804
Amount owing to brokers	172,840	57,754
Client's trust monies	100,811	87,208
Amount owing to trustees	874	2,271
	367,205	195,037

19 Other liabilities

	31-Jan-10	31-Jan-09
	RM'000	RM'000
Interest payables	2,933	1,588
Accruals and deposits received	23,803	16,272
Remisiers' and dealers' trust accounts	14,691	12,592
Other payables	25,825	14,776
	67,252	45,228

20 Interest income

	Current	Corresponding	Current	Corresponding
	quarter ended	quarter ended	year to date	year to date
	31-Jan-10	31-Jan-09	31-Jan-10	31-Jan-09
	RM'000	RM'000	RM'000	RM'000
Loans and advances	4,978	5,084	19,267	18,960
Stockbroking clients	251	243	957	821
Short-term funds and deposits with financial institutions	2,573	4,696	11,959	10,257
Securities:				
- available-for-sale	2,759	1,990	8,715	6,118
- held-to-maturity	1,039	18	2,231	18
Others	3	177	541	177
	11,603	12,208	43,670	36,351
Accretion of discounts less amortisation of premiums	93	46	228	118
	11,696	12,254	43,898	36,469

21 Interest expense

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Deposits from customers	4,907	4,024	17,097	6,177
Deposits from banks and other financial institutions	654	-	671	1,067
Others	4	6	22	22
	5,565	4,030	17,790	7,266

22 Non-interest income

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Fee income				
- Fees on loans and advances	2,126	1,026	4,925	4,493
- Corporate advisory fees	244	335	731	3,135
- Net brokerage fee	11,663	5,376	41,078	26,430
- Portfolio management fees	3,020	2,122	9,814	9,978
- Other fee income	621	56	1,926	4,173
	17,674	8,915	58,474	48,209
Investment and trading income				
- Gain/(loss) from sale of securities:				
• held-for-trading	2,206	96	5,205	213
• available-for-sale	12,217	-	21,903	(2,889)
• held-to-maturity	-	-	-	240
- Gain/(loss) on revaluation of:				
• securities held-for-trading	648	9	729	(12,406)
• derivatives	339	(6,149)	339	-
	15,410	(6,044)	28,176	(14,842)
Gross dividend income				
- Securities:				
• held-for-trading	14	-	14	-
• available-for-sale	2,004	1,111	3,401	4,346
	2,018	1,111	3,415	4,346
Total non-interest income	35,102	3,982	90,065	37,713

23 Other non-operating income

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Rental income	59	32	274	466
Gain on disposal of property, plant and equipment	122	8	181	3,553
Gain/(loss) on revaluation of foreign exchange translation	409	14	1,215	(303)
Others	527	(52)	1,139	1,220
	1,117	2	2,809	4,936

24 Operating expenses

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	14,418	8,685	37,310	33,213
Contributions to defined contribution plan	771	932	3,162	3,642
Other personnel costs	753	2,700	2,995	4,395
	15,942	12,317	43,467	41,250
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	1,142	1,215	4,579	5,022
Amortisation of computer software	67	206	345	893
Property, plant and equipment written off	6	478	6	478
Rental of premises	901	924	3,540	3,314
Rental of network and equipment	507	894	3,079	3,538
Other establishment costs	439	725	2,343	2,750
	3,062	4,442	13,892	15,995
<u>Marketing and communication expenses</u>				
Advertising expenses	43	117	169	376
Entertainment	301	(317)	822	532
Other marketing expenses	126	154	524	702
	470	(46)	1,515	1,610
<u>Administrative and general expenses</u>				
Audit fees	40	72	185	237
Legal and professional fees	334	261	580	758
Printing and stationery	161	78	529	768
Insurance, postages and courier	93	152	712	804
Electricity and water charges	121	239	803	887
Telecommunication expenses	161	256	642	1,138
Travelling and accomodation	32	69	309	390
Others	2,323	1,362	7,764	5,183
	3,265	2,489	11,524	10,165
Total operating expenses	22,739	19,202	70,398	69,020

**25 Allowance for/(writeback of) losses
 on loans, advances and financing**

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
General allowance on loans and financing				
- Allowance made/(writeback) during the financial period	1,837	(50)	1,069	1,506
	1,837	(50)	1,069	1,506
Specific allowance on loans and financing				
- Allowance made during the financial period	5,425	1,525	5,425	3,837
- Amount written back	(5,425)	(3,837)	(5,425)	(3,837)
	-	(2,312)	-	-
	1,837	(2,362)	1,069	1,506

26 Writeback of bad and doubtful debts

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
General allowance				
- Allowance made/(writeback) during the financial period	81	(58)	144	(117)
	81	(58)	144	(117)
Specific allowance				
- Allowance made during the financial period	229	504	229	909
- Amount written back	(318)	(1,011)	(398)	(1,307)
	(89)	(507)	(169)	(398)
Bad debts:				
- Recovered	(49)	(72)	(134)	(94)
- Written off	-	589	-	591
	(49)	517	(134)	497
	(57)	(48)	(159)	(18)

27 Allowance for impairment loss

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Allowance for/(write back of) impairment loss:				
- Securities:				
• available-for-sale	925	-	365	(4,400)
- Associated company	-	23,955	-	23,955
	925	23,955	365	19,555

28 Capital adequacy

The following is the computation of the capital adequacy ratio of ECM Libra Investment Bank Berhad ("ECMLIB"), the investment banking subsidiary of the Group.

	31-Jan-10 RM'000	31-Jan-09 RM'000
<u>Tier 1 Capital</u>		
Paid-up share capital	513,000	513,000
Retained profit	69,055	69,055
Statutory reserve	33,934	14,759
Other reserves	926	1,053
	616,915	597,867
Less: Deferred tax assets *	(31,637)	(36,156)
Total Tier 1 capital (a)	585,278	561,711
<u>Tier 2 Capital</u>		
General allowance for bad and doubtful debts and financing	5,117	4,040
Total Tier 2 capital (b)	5,117	4,040
Capital base (a) + (b)	590,395	565,751
Total risk-weighted assets	1,013,343	766,582
* excludes deferred tax on AFS reserve.		
Core capital ratio	57.76%	73.27%
Risk weighted capital ratio	58.26%	73.80%

29 Interest rate risk

As at 31 January 2010	<-----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 short-term funds	555,648	-	-	-	-	46,306	-	601,954	2.02
Deposits with financial institutions	-	50,167	660	43	-	-	-	50,870	2.07
Securities held-for-trading	-	-	-	-	-	-	301,911	301,911	-
Securities available-for-sale	70,000	9,972	131,043	91,154	42,708	(925)*	131,872	475,824	3.77
Securities held-to-maturity	30,000	130,000	-	-	-	2,200	-	162,200	2.20
Derivative financial instruments	-	-	-	-	-	-	339	339	-
Loan, advances and financing									
- Performing	260,626	116	49,451	18,409	-	(5,117)**	-	323,485	8.33
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	4,073	-	4,073	-
Trade receivables	7,296	-	-	-	-	294,707	-	302,003	9.00
Other assets ^	-	-	-	-	-	382,953	-	382,953	-
TOTAL ASSETS	923,570	190,255	181,154	109,606	42,708	724,197	434,122	2,605,612	
LIABILITIES AND EQUITY									
LIABILITIES									
Deposits from customers	613,001	192,196	150,448	-	-	-	-	955,645	2.20
Deposits and placements of banks and other financial institutions	130,000	100,646	20,000	-	-	-	-	250,646	2.19
Hire purchase payable	28	56	27	-	-	-	-	111	2.23
Trade payables	-	-	-	-	-	367,205	-	367,205	-
Other liabilities #	-	-	-	-	-	67,325	-	67,325	-
TOTAL LIABILITIES	743,029	292,898	170,475	-	-	434,530	-	1,640,932	
Shareholders' funds	-	-	-	-	-	964,680	-	964,680	-
TOTAL EQUITY AND LIABILITIES	743,029	292,898	170,475	-	-	1,399,210	-	2,605,612	
On-balance sheet interest sensitivity gap	180,541	(102,643)	10,679	109,606	42,708	(675,013)	434,122	-	
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	180,541	(102,643)	10,679	109,606	42,708	(675,013)	434,122	-	

^ Other assets include 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 other liabilities, provision for taxation and deferred tax liabilities as disclosed in the Consolidated Balance Sheet.

* The negative balance represents impairment loss on securities .

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

29 Interest rate risk (cont'd.)

As at 31 January 2009	<-----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 short-term funds	739,907	-	-	-	-	12,899	-	752,806	2.82
Deposits with financial institutions	-	115,354	493	-	-	-	-	115,847	2.55
Securities held-for-trading	-	-	-	-	-	-	8,813	8,813	-
Securities available-for-sale	-	-	24,266	105,220	37,861	-	97,932	265,279	5.33
Securities held-to-maturity	-	90,000	-	-	-	2,200	-	92,200	2.58
Loan, advances and financing									
- Performing	128,559	117,028	6,291	-	-	(4,048)*	-	247,830	8.75
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	1,413	-	1,413	-
Trade receivables	5,692	-	-	-	-	118,222	-	123,914	9.00
Other assets ^	-	-	-	-	-	400,176	-	400,176	-
TOTAL ASSETS	874,158	322,382	31,050	105,220	37,861	530,862	106,745	2,008,278	
LIABILITIES AND EQUITY									
LIABILITIES									
Deposits from customers	385,356	99,918	72,215	-	-	-	-	557,489	2.85
Deposits and placements of banks and other financial institutions	251,004	28,000	17,000	-	-	-	-	296,004	2.99
Hire purchase payable	28	56	252	108	-	-	-	444	2.23
Trade payables	-	-	-	-	-	195,037	-	195,037	-
Other liabilities #	-	-	-	-	-	45,308	-	45,308	-
TOTAL LIABILITIES	636,388	127,974	89,467	108	-	240,345	-	1,094,282	
Shareholders' funds	-	-	-	-	-	913,996	-	913,996	
TOTAL EQUITY AND LIABILITIES	636,388	127,974	89,467	108	-	1,154,341	-	2,008,278	
On-balance sheet interest sensitivity gap	237,770	194,408	(58,417)	105,112	37,861	(623,479)	106,745	-	
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	237,770	194,408	(58,417)	105,112	37,861	(623,479)	106,745	-	

^ Other assets include 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 other liabilities, provision for taxation 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 January 2010.

32 Changes in the Composition of the Group

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

33 Commitments and Contingencies

(a) Capital Commitments

As at 31 January 2010, the Group has commitments in respect of capital expenditure as follows: -

	RM'000
Authorised but not contracted for	-

(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:

	Nominal Amount RM'000	Credit Equivalent Amount * RM'000	Risk Weighted Amount RM'000
<u>As at 31 January 2010</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	310,037	62,007	55,781
- term loan facilities	117,852	23,571	23,571
	<hr/>	<hr/>	<hr/>
<u>As at 31 January 2009</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	189,830	37,966	37,966
- term loan facilities	4,549	909	882
Equity-related contracts	21,168	7,134	7,134
	<hr/>	<hr/>	<hr/>

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

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

34 Status of Corporate Proposals Announced

There are no corporate proposals announced but not completed as at 31 January 2010.

35 Performance Review on the Results of the Group

For the current quarter under review, the Group recorded a profit before tax of RM16.1 million. This is largely contributed by net brokerage income of RM11.7 million, investment and trading income of RM15.4 million as well as net interest income of RM6.1 million; partially offset by operating expenses of RM22.7 million.

For the year to date ended 31 January 2010, the Group achieved profit before tax of RM45.6 million.

36 Review of Performance of Current Financial Quarter against Immediate Preceding Financial Quarter

For the financial quarter under review, the Group recorded a profit before tax of RM16.1 million compared to RM8.7 million for the preceding quarter.

For the current quarter, the Group registered a higher net brokerage and investment and trading income of RM11.7 million and RM15.4 million from RM8.4 million and RM5.8 million respectively in the third quarter. This increase in income was partially offset by higher operating expenses of RM22.7 million in the current quarter as compared to RM17.7 million in the preceding quarter.

37 Group's Prospects

The Group's fundamentals and balance sheet remain strong and is expected to show satisfactory performance in the coming financial year ending 31 January 2011.

38 Profit Forecast

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

39 Income Tax Expense

	Current quarter ended 31-Jan-10 RM'000	Corresponding quarter ended 31-Jan-09 RM'000	Current year to date 31-Jan-10 RM'000	Corresponding year to date 31-Jan-09 RM'000
Income tax:				
Current year provision	221	(166)	814	645
(Over/under provision of tax in prior years)	(295)	36	(517)	381
	<u>(74)</u>	<u>(130)</u>	<u>297</u>	<u>1,026</u>
Deferred taxation:				
Transfer from/(to) deferred tax	3,082	(26,333)	4,500	(26,333)
	<u>3,008</u>	<u>(26,463)</u>	<u>4,797</u>	<u>(25,307)</u>

40 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.

41 Quoted Securities

There are no investments in quoted securities as at 31 January 2010, other than those held by the investment bank and offshore investment bank subsidiaries in their ordinary course of business.

42 Group Borrowings

The Group has no borrowings and debt securities as at 31 January 2010.

43 Off Balance Sheet Financial Instruments

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

44 Material Litigations

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

45 Dividend

Subject to the approval of the shareholders of the Company at the forthcoming annual general meeting, the Directors are recommending a final dividend in the form of distribution of one (1) Treasury share for every fifty-two (52) existing ordinary shares of RM1.00 each held, fraction of a Treasury share is to be disregarded. Based on the share price of the Company of 68 sen each as at 31 January 2010, the value of the share dividend is equivalent to a gross cash dividend of 1.31 sen per share.

The Company will announce the book close date as the date of distribution of the Treasury shares in due course.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 January 2011.

46 Earnings/(loss) Per Share

	Current quarter ended 31-Jan-10	Corresponding quarter ended 31-Jan-09	Current year to date 31-Jan-10	Corresponding year to date 31-Jan-09
Net profit/(loss) (RM'000)	13,126	(3,552)	40,811	5,104
Weighted average number of ordinary shares in issue ('000)	817,899	820,104	818,265	824,850
Basic/diluted* earnings/(loss) per share (sen)	1.60	(0.43)	4.99	0.62

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 March 2010