

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2012

Unaudited Condensed Consolidated Statement of Financial Position
As at 31 January 2012

		31-Jan-12	31-Jan-11
ASSETS	<u>Note</u>	RM'000	RM'000
Cash and short-term funds		410,566	394,897
Deposits with financial institutions	9	20,631	21,489
Securities held-for-trading	10	360,985	353,818
Securities available-for-sale	11	675,033	519,479
Securities held-to-maturity	12	200,000	70,000
Derivative financial assets		6,688	9,552
Loans, advances and financing	13	550,242	649,880
Trade receivables	14	363,500	485,318
Other assets	15	29,443	21,760
Statutory deposit with Bank Negara Malaysia		27,165	8,834
Investment in associated company		19,976	19,757
Deferred tax assets		735	11,687
Property, plant and equipment		44,916	42,451
Intangible assets		284,500	284,500
TOTAL ASSETS		<u>2,994,380</u>	<u>2,893,422</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits from customers	16	1,081,483	1,046,806
Deposits and placements of banks and other financial institutions	17	341,371	201,008
Derivative financial liabilities		57	-
Trade payables	18	482,959	577,837
Other liabilities	19	61,299	73,865
Provision for taxation		2,873	42
Deferred tax liabilities		8,041	958
TOTAL LIABILITIES		<u>1,978,083</u>	<u>1,900,516</u>
EQUITY			
Share capital		830,902	830,902
Reserves		186,974	169,890
Less: Treasury shares, at cost	6	(1,579)	(7,886)
TOTAL EQUITY		<u>1,016,297</u>	<u>992,906</u>
TOTAL LIABILITIES AND EQUITY		<u>2,994,380</u>	<u>2,893,422</u>
Net assets per share (RM)		1.23	1.21

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2012

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the fourth quarter ended 31 January 2012

		Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
	Note				
Revenue		40,181	107,195	178,287	218,343
Interest income	20	20,133	17,807	82,078	64,313
Interest expense	21	(11,147)	(9,959)	(45,903)	(34,837)
Net interest income		8,986	7,848	36,175	29,476
Non-interest income	22	20,048	89,388	96,209	154,030
Other non-operating income	23	2,690	1,606	4,281	2,319
Net income		31,724	98,842	136,665	185,825
Operating expenses	24	(29,021)	(37,637)	(92,742)	(89,980)
Operating profit		2,703	61,205	43,923	95,845
Share of profit of an associated company		1,090	1,251	219	285
(Allowance for)/writeback of losses on loans, advance and financing	25	(258)	(2,142)	1,472	(5,059)
Writeback of/(allowance for) impairment allowance for bad and doubtful debts	26	82	(24)	6,493	305
Writeback of/(provision for) impairment loss	27	568	48	1,651	(4,704)
Profit before tax		4,185	60,338	53,758	86,672
Income tax expense	38	(3,287)	(14,496)	(22,204)	(21,461)
Profit after tax		898	45,842	31,554	65,211
Other comprehensive income:					
Net gain/(loss) on available-for-sale financial assets		18,651	(32,261)	26,151	(15,297)
Currency translation differences		2	(852)	2	(940)
Income tax relating to components of other comprehensive income		(4,663)	8,065	(6,538)	3,824
Other comprehensive income for the period, net of tax		13,990	(25,048)	19,615	(12,413)
Total comprehensive income for the period		14,888	20,794	51,169	52,798
Earnings per share ("EPS"):		Sen	Sen	Sen	Sen
- basic / diluted *		0.11	5.61	3.84	8.01

* 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 interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

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

Interim Financial Statements for the period ended 31 January 2012

**Unaudited Condensed Consolidated Statement of Changes in Equity
for the financial period ended 31 January 2012**

	<-----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	
	As at 1 February 2011	830,902	(7,886)	26,561	(3,295)	718	3,526	65,720	159	
Total comprehensive income	-	-	-	2	19,613	-	-	-	31,554	51,169
Transactions with owners:										
Arising from the Company's ESOS vested during the year	-	-	-	-	-	186	-	-	-	186
ESOS lapsed during the year	-	-	-	-	-	(590)	-	-	-	(590)
Share buy-back by the Company	-	(12,170)	-	-	-	-	-	-	-	(12,170)
Transfer to statutory reserve	-	-	-	-	-	-	15,067	-	(15,067)	-
Cash dividend paid	-	-	-	-	-	-	-	-	(15,204)	(15,204)
Share dividend	-	18,477	-	-	-	-	-	-	(18,477)	-
	-	6,307	-	-	-	(404)	15,067	-	(48,748)	(27,778)
As at 31 January 2012	830,902	(1,579)	26,561	(3,293)	20,331	3,122	80,787	159	59,307	1,016,297
As at 1 February 2010	830,902	(11,380)	26,561	(2,355)	12,191	3,846	33,934	159	70,822	964,680
Total comprehensive income	-	-	-	(940)	(11,473)	-	-	-	65,211	52,798
Transactions with owners:										
Arising from the Company's ESOS vested during the year	-	-	-	-	-	128	-	-	-	128
ESOS lapsed during the year	-	-	-	-	-	(448)	-	-	-	(448)
Share buy-back by the Company	-	(5,710)	-	-	-	-	-	-	-	(5,710)
Transfer to statutory reserve	-	-	-	-	-	-	31,786	-	(31,786)	-
Cash dividend paid	-	-	-	-	-	-	-	-	(18,542)	(18,542)
Share dividend	-	9,204	-	-	-	-	-	-	(9,204)	-
	-	3,494	-	-	-	(320)	31,786	-	(59,532)	(24,572)
As at 31 January 2011	830,902	(7,886)	26,561	(3,295)	718	3,526	65,720	159	76,501	992,906

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 of the Group.

ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)
Interim Financial Statements for the period ended 31 January 2012

Unaudited Condensed Consolidated Statement of Cash Flow
for the financial period ended 31 January 2012

	12 months ended	
	31-Jan-12	31-Jan-11
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	53,758	86,672
Adjustment for non-cash items	6,411	15,829
Operating profit before working capital changes	<u>60,169</u>	<u>102,501</u>
Net decrease/(increase) in operating assets	209,063	(536,639)
Net increase in operating liabilities	69,569	179,718
Cash generated from/(used in) operations	<u>338,801</u>	<u>(254,420)</u>
Net tax paid	(3,849)	(319)
Net generated from/(used in) operating activities	<u>334,952</u>	<u>(254,739)</u>
Cash flows from investing activities		
Dividend received	1,533	1,754
Net (purchase)/sale of securities	(238,388)	163,692
Purchase of treasury shares	(12,170)	(5,710)
Net purchase of property, plant and equipment	(17,180)	(7,058)
Net cash (used in)/generated from investing activities	<u>(266,205)</u>	<u>152,678</u>
Cash flows from financing activities		
Dividend paid	(15,204)	(18,542)
Repayment of short term borrowings	-	(111)
Interest paid	(47,871)	(24,878)
Net cash used in financing activities	<u>(63,075)</u>	<u>(43,531)</u>
Net increase/(decrease) in cash and cash equivalents	5,672	(145,592)
Effects of foreign exchange rate changes	3,752	2,388
Cash and cash equivalents at beginning of the period	219,319	479,033
Cash and cash equivalents at end of the period	<u>228,743</u>	<u>335,829</u>
Cash and cash equivalents comprise:		
Cash and short-term funds	410,566	416,731
Less: Monies held in trust	(181,823)	(141,240)
	<u>228,743</u>	<u>275,491</u>

The interim financial statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2011 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 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 2011.

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 2011, except for the adoption of the following Financial Reporting Standards ("FRS"), Amendments to FRSs, IC Interpretations and Technical Release ("TR"):

FRS 1 First-time Adoption of Financial Reporting Standards
Amendments to FRS 2 Share-based Payment
FRS 3 Business Combinations
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127 Consolidated and Separate Financial Statements
Amendments to FRS 138 Intangible Assets
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 12 Service Concession Arrangements
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to FRS 132: Classification of Rights Issues
IC Interpretation 18 Transfers of Assets from Customers
Amendments to FRS 7: Improving Disclosures about Financial Instruments
Amendments to FRS 1: Limited Exemptions for First-time Adopters
Amendments to FRS 1: Additional Exemptions for First-time Adopters
IC Interpretation 4 Determining Whether an Arrangement contains a Lease
Improvements to FRS issued in 2010

The adoption of the revised FRS 3 and FRS 127, will potentially have a financial impact on the Group as it will result in changes in accounting for business combinations and the preparation of consolidated financial statements. The main change introduced under the revised FRS 127 will be the accounting for changes in ownership interest in a subsidiary, where changes in ownership which do not result in the loss of control are now accounted for within equity instead of the income statement. Where changes in ownership interest result in loss of control, any remaining interest is remeasured at fair value and a gain or loss is recognised in the income statement. Minority interest is now referred to as "non-controlling interest". All total comprehensive income is proportionately allocated to non-controlling interest, even if it results in the non-controlling interests having a deficit balance.

2 Audit report of preceding annual financial statements

The auditors' report on the Financial Statements for the year ended 31 January 2011 of the Company was not subjected to any qualification.

3 Seasonality and cyclical 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 2012.

5 Variation from financial estimates reported in preceding financial year

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

6 Debt and equity securities

As at 31 January 2012, the total shares bought back, all of which are held as treasury shares, amounted to 2,082,862 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 2012.

8 Segmental reporting

The Group's reportable operating segments are identified based on business units which are engaged in providing different services and products, as follows:

- (i) Stockbroking - stockbroking, share margin financing and dealing in securities
- (ii) Investment banking and structured financing - corporate finance advisory, equity capital markets services, debt capital markets and structured lending activities
- (iii) Treasury and capital market operations - treasury activities including money market operations, foreign exchange and proprietary investments
- (iv) Fund management - unit trust funds and asset management
- (v) Others - not significant to be individually disclosed

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8 Segmental reporting (cont'd.)

12 months ended 31 January 2012	Stockbroking RM'000	Investment banking and Structured financing RM'000	Treasury and Capital market operations RM'000	Fund management RM'000	Others RM'000	Total RM'000	Inter- segment elimination RM'000	Group total RM'000
Revenue from external customers	57,330	42,126	62,256	11,481	5,094	178,287	-	178,287
Inter-segment revenue	-	-	50,077	-	241	50,318	(50,318)	-
	57,330	42,126	112,333	11,481	5,335	228,605	(50,318)	178,287
Net interest income	2,769	20,797	11,952	273	384	36,175	-	36,175
Non-interest income	48,890	8,497	26,488	11,208	1,126	96,209	-	96,209
Other non-operating income	2,712	67	1,322	-	180	4,281	-	4,281
Net income	54,371	29,361	39,762	11,481	1,690	136,665	-	136,665
Operating expenses	(50,616)	(4,990)	(22,874)	(8,922)	(5,340)	(92,742)	-	(92,742)
Operating profit/(loss)	3,755	24,371	16,888	2,559	(3,650)	43,923	-	43,923
(Allowance for)/writeback of losses on loans, advances and financing	(311)	1,737	-	-	46	1,472	-	1,472
Writeback of/(allowance for) impairment allowance for bad and doubtful debts	110	(73)	6,456	-	-	6,493	-	6,493
Writeback of/(allowance for) impairment loss	-	-	1,738	(87)	-	1,651	-	1,651
Profit/(loss) by segments	3,554	26,035	25,082	2,472	(3,604)	53,539	-	53,539
Share of profit of an associated company								219
Profit before tax								53,758
Segment assets	471,430	440,140	1,720,270	15,141	75,836	2,722,817	(32,913)	2,689,904
Investment in associated company								19,976
Intangible assets								284,500
Total assets								2,994,380

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8 Segmental reporting (cont'd.)

12 months ended 31 January 2011	Stockbroking RM'000	Investment banking and Structured financing RM'000	Treasury and Capital market operations RM'000	Fund management RM'000	Others RM'000	Total RM'000	Inter- segment elimination RM'000	Group total RM'000
Revenue from external customers	51,782	43,674	111,034	10,588	1,265	218,343	-	218,343
Inter-segment revenue	-	-	25,998	-	55	26,053	(26,053)	-
	51,782	43,674	137,032	10,588	1,320	244,396	(26,053)	218,343
Net interest income	1,597	21,520	5,961	246	152	29,476	-	29,476
Non-interest income	45,961	8,682	87,968	10,342	1,077	154,030	-	154,030
Other non-operating income	772	27	1,321	153	46	2,319	-	2,319
Net income	48,330	30,229	95,250	10,741	1,275	185,825	-	185,825
Operating expenses	(43,981)	(6,179)	(28,685)	(8,538)	(2,597)	(89,980)	-	(89,980)
Operating profit	4,349	24,050	66,565	2,203	(1,322)	95,845	-	95,845
Writeback of/(allowance for) losses on loans, advances and financing	(497)	(4,552)	-	-	(10)	(5,059)	-	(5,059)
Writeback of impairment allowance for bad and doubtful debts	305	(21)	18	-	3	305	-	305
Writeback of impairment loss	-	-	(4,704)	-	-	(4,704)	-	(4,704)
(Loss)/profit by segments	4,157	19,477	61,879	2,203	(1,329)	86,387	-	86,387
Share of loss of an associated company								285
Profit before tax								86,672
Segment assets	581,439	545,722	1,406,861	16,721	70,982	2,621,725	(32,560)	2,589,165
Investment in associated company								19,757
Intangible assets								284,500
Total assets								2,893,422

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9 Deposits with financial institutions

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Licensed banks	20,631	1,489
Licensed investment banks	-	20,000
	20,631	21,489

Included in deposits with financial institutions are monies held in trust for clients and dealers' representatives as follows:

Money at call and deposits placements maturing more one month	657	636
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10 Securities held-for-trading

	31-Jan-12	31-Jan-11
	RM'000	RM'000
At fair value		
Malaysian Government Securities	60,708	-
Bankers' acceptances	194,977	304,060
Bank Negara Malaysia Notes	93,225	49,758
Quoted shares	2,001	-
Quoted Private Debt Securities	10,074	-
	360,985	353,818

11 Securities available-for-sale

	31-Jan-12	31-Jan-11
	RM'000	RM'000
At fair value		
Malaysian Government Securities	254,019	70,973
Malaysian Government Investment Issuance	89,122	-
Cagamas bonds	40,278	60,014
Bank Negara Malaysia Notes	-	149,498
Quoted shares	147,398	46,247
Unquoted securities		
- Private debt securities	130,027	195,251
- Shares	2,200	2,200
Unit trust fund	15,042	-
	678,086	524,183
Less: Impairment loss on securities	(3,053)	(4,704)
	675,033	519,479

The balance of securities that were reclassified out from held-for-trading to available-for-sale during a previous financial year:

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11 Securities available-for-sale (cont'd.)

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Carrying value as at beginning of financial period/year	3,926	49,282
Disposal of securities	-	(47,215)
Loss on revaluation		
- recognised in available-for-sale revaluation reserves	(881)	(1,082)
Deferred tax under-recognised	-	2,941
Carrying value as at end of financial period/year	3,045	3,926

12 Securities held-to-maturity

	31-Jan-12	31-Jan-11
	RM'000	RM'000
At cost		
Negotiable instruments of deposit	200,000	70,000

13 Loans, advances and financing

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Share margin financing	360,591	319,135
Term loans	189,649	276,004
Revolving credit	8,706	5,882
Bridging loans	-	59,035
Gross loans, advances and financing	558,946	660,056
Less: Collective assessment allowance	(8,704)	(10,176)
Total net loans, advances and financing	550,242	649,880

Analysis of gross loans, advances and financing

By residual contractual maturity

Maturity within one year	511,947	660,056
More than one year to three years	46,999	-
Gross loans, advances and financing	558,946	660,056

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

	31-Jan-12	31-Jan-11
	RM'000	RM'000
<u>By economic purpose</u>		
Purchase of securities	404,530	473,531
Working capital	79,367	111,469
Others	75,049	75,056
Gross loans, advances and financing	558,946	660,056
<u>By interest rate sensitivity</u>		
Fixed rate		
- Share margin financing, term loans, revolving credit and bridging loans	558,946	660,056
Gross loans, advances and financing	558,946	660,056
<u>By type of customer</u>		
Domestic business enterprises	417,999	377,112
Individuals	122,275	240,128
Domestic non-bank financial institutions	18,672	42,816
Gross loans, advances and financing	558,946	660,056
(i) Movements in impaired loans		
Balance at beginning of financial year	-	-
Classified as impaired during the year	-	-
Recovered during the year	-	-
Balance at end of financial year	-	-
(ii) Movements in allowance for losses on loans and financing		
Collective assessment allowance		
Balance at beginning of financial year	10,176	5,117
(Writeback of)/allowance made during the year	(1,472)	5,059
Balance at end of financial year	8,704	10,176
As % of gross loans, advances and financing less individual assessment allowance	1.6%	1.5%

Individual assessment allowance

As at 31 January 2012, there is no individual assessment allowance made as there is no impaired loans during and at the end of the period.

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14 Trade receivables

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Amount owing by clients	165,279	217,143
Amount owing by brokers	196,575	265,989
	361,854	483,132
Less: Impairment allowance for bad and doubtful receivables		
Individual assessment allowance	(1,044)	(1,010)
	360,810	482,122
Amount owing by trustees	2,690	3,196
	363,500	485,318

15 Other assets

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Interest receivable	7,653	3,813
Deposits	6,410	5,066
Tax recoverable	1,448	5,636
Other receivables	16,208	9,696
	31,719	24,211
Less: Individual assessment allowance	(2,276)	(2,451)
	29,443	21,760

16 Deposits from customers

	31-Jan-12	31-Jan-11
	RM'000	RM'000
<u>By type of deposits</u>		
Short-term deposits	1,064,920	1,043,290
Negotiable instruments of deposit	16,563	3,516
	1,081,483	1,046,806

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16 Deposits from customers (cont'd.)

	31-Jan-12	31-Jan-11
	RM'000	RM'000
<u>By type of customers</u>		
Government and statutory bodies	116,300	70,000
Domestic business enterprises	177,508	173,913
Domestic other entities	600	-
Individuals	26,991	22,133
Non-bank financial institutions	760,084	780,760
	1,081,483	1,046,806
Maturity structure of short-term deposits and negotiable instruments of deposit are as follows:		
Due within six months	1,061,720	1,007,513
More than six months to one year	19,763	39,293
	1,081,483	1,046,806

17 Deposits and placements of banks and other financial institutions

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Licensed banks	266,409	201,008
Licensed investment banks	74,962	-
	341,371	201,008

18 Trade payables

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Amount owing to clients	102,743	178,563
Amount owing to brokers	221,589	248,295
Client's trust monies	158,546	149,742
Amount owing to trustees	81	1,237
	482,959	577,837

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19 Other liabilities

	31-Jan-12	31-Jan-11
	RM'000	RMø000
Interest payables	2,585	4,552
Accruals and deposits received	8,968	14,196
Remisiers' and dealers' trust accounts	20,710	19,531
Other payables	29,036	35,586
	61,299	73,865

20 Interest income

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RMø000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RMø000
Loans and advances	10,510	11,772	44,680	39,705
Stockbroking clients	82	73	358	436
Short-term funds and deposits with financial institutions	2,625	2,592	12,428	10,728
Securities:				
- Held-for-trading	510	-	510	-
- available-for-sale	4,193	2,370	15,214	11,085
- held-to-maturity	1,453	332	4,886	899
Others	12	3	110	7
	19,385	17,142	78,186	62,860
Accretion of discounts less amortisation of premiums	748	665	3,892	1,453
	20,133	17,807	82,078	64,313

21 Interest expense

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RMø000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RMø000
Deposits from customers	9,733	9,280	41,831	31,840
Deposits from banks and other financial institutions	1,352	680	3,904	2,990
Others	62	(1)	168	7
	11,147	9,959	45,903	34,837

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22 Non-interest income

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
Fee income				
- Fees on loans and advances	824	1,858	5,716	5,246
- Corporate advisory fees	444	355	2,150	925
- Net brokerage fee	10,443	14,622	47,303	44,228
- Portfolio management fees	2,534	2,273	10,431	10,033
- Other fee income	289	396	1,972	2,737
	14,534	20,792	67,572	64,457
Investment and trading income				
Net gain arising from securities held-for-trading				
- Net gain on disposal	2,258	4,323	12,060	14,287
- Unrealised gain/(loss) on revaluation	661	(711)	307	182
- Gross dividend income	5	-	24	29
	2,924	3,612	12,391	14,498
Net gain arising from securities available-for-sale				
- Net gain on disposal	951	52,258	10,272	58,292
- Gross dividend income	1,260	7,579	1,977	9,396
	2,211	59,837	12,249	67,688
Net gain arising from derivatives				
- Net gain on disposal	-	2,114	1,938	2,114
- Loss on revaluation	(2,040)	1,679	(1,692)	1,569
	(2,040)	3,793	246	3,683
Gain on foreign exchange transactions	2,419	1,354	3,751	3,704
Total non-interest income	20,048	89,388	96,209	154,030

23 Other non-operating income

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
Rental income	123	46	311	208
Gain on disposal of property, plant and equipment	2,329	24	2,490	10
Gain/(loss) on foreign exchange translations	4	(40)	(1)	88
Others	234	1,576	1,481	2,013
	2,690	1,606	4,281	2,319

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24 Operating expenses

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	14,906	20,446	41,234	44,530
Contributions to defined contribution plan	1,277	1,120	4,961	4,443
Other personnel costs	1,305	903	4,666	3,594
	17,488	22,469	50,861	52,567
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	1,367	1,100	5,096	4,174
Amortisation of computer software	206	134	597	463
Property, plant and equipment written off	7	1,512	20	1,845
Rental of premises	1,240	1,201	4,790	4,041
Rental of network and equipment	1,103	902	4,425	3,869
Other establishment costs	972	2,666	3,543	4,785
	4,895	7,515	18,471	19,177
<u>Marketing and communication expenses</u>				
Advertising expenses	101	374	419	906
Entertainment	637	714	1,600	1,377
Other marketing expenses	271	116	670	472
	1,009	1,204	2,689	2,755
<u>Administrative and general expenses</u>				
Audit fees	61	65	213	219
Legal and professional fees	919	1,282	3,945	1,682
Printing and stationery	202	187	853	632
Insurance, postages and courier	245	217	1,046	904
Electricity and water charges	351	341	1,258	1,072
Telecommunication expenses	148	218	680	720
Travelling and accommodation	242	155	862	414
Others	3,461	3,984	11,864	9,838
	5,629	6,449	20,721	15,481
Total operating expenses	29,021	37,637	92,742	89,980

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

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
Collective assessment allowance				
- Allowance made/(writeback) during the financial period	258	2,142	(1,472)	5,059

**26 Allowance for/(writeback of) impairment
allowance for bad and doubtful debts**

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
Collective assessment allowance				
- Amount writeback during the financial period	-	(259)	-	(259)
	-	(259)	-	(259)
Individual assessment allowance				
- Allowance made during the financial period	(83)	56	17	56
- Allowance writeback during the financial period	(89)	-	(243)	-
	(172)	56	(226)	56
Collective assessment allowance				
- Allowance made during the financial period	-	259	-	-
	-	259	-	-
Specific allowance				
- Allowance made during the financial period	-	29	-	47
- Amount writeback during the financial period	-	(18)	-	(47)
	-	11	-	-
Bad debts:				
- Recovered	(3)	(43)	(6,923)	(102)
- Written off	93	-	656	-
	90	(43)	(6,267)	(102)
	(82)	24	(6,493)	(305)

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27 (Writeback of)/provision for impairment loss

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RM'000	Current year to date 31-Jan-12 RM'000	Corresponding year to date 31-Jan-11 RM'000
(Writeback of)/provision for impairment loss:				
- Private debt securities:				
Available-for-sale	(568)	(48)	(1,651)	4,704
	(568)	(48)	(1,651)	4,704

28 Capital adequacy

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

(a) Risk weighted capital ratios and Tier I and Tier II capital

	31-Jan-12 RM'000	31-Jan-11 RM'000
<u>Tier I Capital</u>		
Paid-up share capital	513,000	513,000
Retained profit	69,055	69,055
Statutory reserve	80,787	65,720
Other reserves	212	612
	663,054	648,387
Less: Deferred tax assets *	-	(10,765)
Total Tier I capital (a)	663,054	637,622
<u>Tier II Capital</u>		
Collective assessment allowance for bad and doubtful debts and financing	8,704	10,176
Total Tier II capital (b)	8,704	10,176
Capital base (a) + (b)	671,758	647,798
Total risk-weighted assets	1,314,270	779,192

* excludes deferred tax on AFS reserve.

Core capital ratio	50.45%	81.83%
Risk weighted capital ratio	51.11%	83.14%

The capital adequacy ratios of the Bank are computed in accordance with BNM's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Bank have adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8.0% (2011: 8.0%) for the risk-weighted capital ratio.

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28 Capital adequacy (cont'd.)

(b) The breakdown of risk-weighted assets (RWA) by each major risk category is as follows:

	31-Jan-12	31-Jan-11
	RM'000	RM'000
Credit risk	511,769	401,250
Market risk	528,595	182,207
Operational risk	273,906	195,735
Total RWA	1,314,270	779,192

29 Valuation of property, plant and equipment

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

30 Material subsequent event

There were no material events subsequent to 31 January 2012.

31 Changes in the composition of the Group

The Group has commenced member's voluntary winding-up of the following dormant wholly-owned subsidiaries on 13 January 2012:

- (i) ECM Libra Securities Nominees Sdn Bhd
- (ii) ACRB Capital Sdn Bhd
- (iii) Avenue Services Sdn Bhd

The members' voluntary winding-up of the three subsidiaries will not have any material impact on the net assets and earnings per share of the Group for the financial year ending 31 January 2012.

32 Commitments and contingencies

(a) Capital commitments

As at 31 January 2012, the Group has commitments in respect of capital expenditure as follows: -

Authorised and contracted for	RM'000
	2,573

32 Commitments and contingencies (cont'd.)

(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 2012</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	492,574	98,515	68,415
- term loan facilities	60,667	12,133	32,462
Foreign exchange related contracts	5,814	91	35
	<u>559,055</u>	<u>110,739</u>	<u>100,912</u>
<u>As at 31 January 2011</u>			
Commitments to extend credits with maturity of less than 1 year:			
- margin facilities	269,365	53,873	46,872
- term loan facilities	47,828	9,566	9,566
	<u>317,193</u>	<u>63,439</u>	<u>56,438</u>

* 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

33 Status of corporate proposals announced

There are no corporate proposals announced but not completed as at 31 January 2012.

34 Performance review on the results of the Group

For the current financial year ended 31 January 2012, the Group achieved a profit before tax of RM53.8 million. Excluding net gain from securities available-for-sale, operating profit has increased from RM28.2 million in last financial year ended 31 January 2011 to RM31.7 million in current financial year. This is mainly contributed by higher net brokerage of RM47.3 million (FY2011: RM44.2 million), net interest income of RM36.2 million (FY2011: RM29.5 million), and other fee income of RM20.3 million (FY2011: RM20.2 million); partially offset by operating expenses of RM92.7 million (FY2011: RM90.0 million).

The Group's profit after tax is RM31.6 million which is after a prior year tax adjustment of RM8.6 million as a result of revision in prior year tax computation. Excluding this prior year tax impact, profit after tax would have been RM40.2 million.

For the current quarter under review, the Group recorded a profit before tax of RM4.2 million after provision of bonus and incentive of RM5.4 million. Excluding this incentive provision which is usually done in the last quarter based on performance assessment, the profit before tax would have been RM9.6 million. This is largely contributed by net brokerage income of RM10.4 million, fee income of RM4.1 million, net gain from trading and investment securities of RM3.1 million, gain on foreign exchange transactions of RM2.4 million, net interest income of RM9.0 million, share of profit of an associated company of RM1.1 million, gain on disposal of property, plant and equipment of RM2.3 million; partially offset by operating expenses of RM29.0 million.

i) Stockbroking

Stockbroking comprising stockbroking, share margin financing and dealing in securities mainly generates brokerage income. The performance of the segment is therefore influenced by Bursa Malaysia's market volume.

Stockbroking reported a profit before tax of RM3.5 million for the financial year ended 31 January 2012, largely contributed by net brokerage of RM43.2 million, gain from trading and investment securities of RM2.9 million, gain on foreign exchange transactions of RM1.8 million, gain on disposal of property, plant and equipment of RM2.4 million and net interest income of RM2.8 million, partially offset by operating expenses of RM50.6 million.

Profit before tax decreased from RM1.3 million in the last quarter ended 31 October 2011 to a loss before tax of RM1.4 million in the current quarter ended 31 January 2012 due to lower Bursa trading volume (Q4 2012: RM184 million; Q3 2012: RM221 million) and bonus provision in current quarter.

ii) Treasury and capital market operations

Treasury and capital market operations comprising money market operations, foreign exchange and proprietary investments, generates interest income and investment and trading income.

Treasury and capital market operations reported a profit before tax of RM25.1 million for the financial year ended 31 January 2012, largely contributed by net interest income of RM12.0 million, gain from trading and investment securities of RM23.6 million, gain on foreign exchange transactions of RM2.0 million, writeback of impairment allowance for bad and doubtful debts of RM6.5 million and writeback of impairment loss of RM1.7 million, partially offset by operating expenses of RM22.9 million.

34 Performance review on the results of the Group (cont'd.)

ii) Treasury and capital market operations (cont'd.)

Treasury and capital markets reported a profit before tax in the current quarter ended 31 January 2012 of RM1.3 million from RM4.9 million in the quarter ended 31 October 2011. The decrease in profit is mainly arising from bonus provision made in the current quarter.

iii) Investment banking and structured financing

Investment banking and structured financing which consist mainly of corporate finance advisory, equity capital markets services and structured lending activities, generates corporate advisory fees and interest income.

Investment banking and structured financing reported a profit before tax of RM26.0 million for the financial year ended 31 January 2012, largely contributed by net interest income of RM20.8 million, fee income of RM8.0 million and writeback of losses on loans, advances and financing of RM1.9 million, partially offset by operating expenses of RM4.9 million.

Profit before tax decreased from RM5.5 million in the last quarter ended 31 October 2011 to RM4.2 million in the current quarter ended 31 January 2012 mainly due to lower fee income (Q4 2012: RM0.7 million; Q3 2012: RM2.0 million) arising from slower corporate finance activities and bonus provision in the last quarter.

(iv) Fund management

Fund management comprising unit trust funds and asset management, mainly generates management fees.

Fund management reported a profit before tax of RM2.5 million for the financial year ended 31 January 2012, largely contributed by management fee income of RM11.2 million, partially offset by operating expenses of RM8.9 million.

Profit before tax decreased from RM0.6 million in the last quarter ended 31 October 2011 to a loss before tax of RM3 thousand in the current quarter ended 31 January 2012 due to high operating expenses incurred in the current quarter arising from bonus provision made.

35 Review of performance of current financial quarter against immediate preceding financial quarter

For the financial quarter under review, the Group achieved a profit before tax of RM4.2 million after provision of bonus and incentive of RM5.4 million. Excluding this incentive provision which is usually done in the last quarter based on performance assessment, the profit before tax would have been RM9.6 million as compared to the RM10.8 million registered for the immediate preceding quarter.

For the current quarter, the Group reported a net gain from trading and investment securities of RM3.1 million compared to RM8.8 million in the last quarter and higher operating expenses of RM29.0 million compared to RM22.2 million in the last quarter. The decrease in profit is partially offset against a share of profit in an associated company of RM1.1 million in the current quarter compared to a loss of RM0.9 million in the last quarter and a gain from sale of property, plant and equipment of RM2.3 million.

36 Group's prospects

The outlook for the Malaysian economy is expected to be challenging, with the ongoing global economic slowdown. Notwithstanding that, implementation of the Financial Sector Blueprint is expected to focus and strengthen the competitiveness and efficiency of the financial sector.

The Group anticipates that the investment banking landscape will continue to remain challenging and competitive and therefore will focus on enhancing its capacity and capabilities for the next financial year. With its strong fundamentals and balance sheet, the Group is expected to show satisfactory performance in the next financial year.

37 Profit forecast

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

38 Income tax expense

	Current quarter ended 31-Jan-12 RM'000	Corresponding quarter ended 31-Jan-11 RMø000	Current year to date 31-Jan-12 RM'000	Correspondin g year to date 31-Jan-11 RMø000
Income tax:				
Current period provision	1,811	(54)	3,326	662
Under provision of tax in prior years	171	(12)	7,447	(59)
	<u>1,982</u>	<u>(66)</u>	<u>10,773</u>	<u>603</u>
Deferred taxation:				
Current period transfer from deferred tax	(1,085)	14,562	10,281	20,858
Under provision of prior years	2,390	-	1,150	-
	<u>3,287</u>	<u>14,496</u>	<u>22,204</u>	<u>21,461</u>

The Group's effective tax rate for the fourth quarter and financial year ended 31 January 2012 was higher than statutory tax rate due to certain expenses not deductible for tax purposes.

39 Group borrowings

The Group has no borrowings and debt securities as at 31 January 2012.

40 Realised and unrealised retained profits

The breakdown of the retained profits of the Group as at 31 January 2012 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Securities dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Current year to date 31-Jan-12 RM'000	Previous year ended 31-Jan-11 RM'000
Total retained profits of the Group		
- Realised	64,835	62,676
- Unrealised	(8,068)	12,337
	56,767	75,013
Total share of retained profits from associate		
- Realised	600	380
	57,367	75,393
Add: Consolidation adjustments	1,940	1,108
Retained profits as per financial statements	59,307	76,501

The unrealised retained profits of the Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these translation gains and losses are incurred in the ordinary course of business of the Group, and are hence deemed as realised.

41 Material litigations

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

42 Dividend

Subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting ("AGM"), the directors are recommending a first and final single-tier dividend of 2.4 sen per ordinary share of RM1.00 each, in respect of the financial year ended 31 January 2012. This is computed based on the issued and paid-up share capital as at 31 January 2012, excluding treasury shares held by the Company of 2,082,862 ordinary shares of RM1.00 each, to be paid to shareholders whose names appear in the Record of Depositors on a date to be determined by the directors.

In the previous corresponding period, the Company declared a final dividend by way of distribution of cash and share dividends equivalent to 4.25 sen per ordinary share of RM1.00 each, in respect of the financial year ended 31 January 2011.

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43 Earnings per share

	Current quarter ended 31-Jan-12	Corresponding quarter ended 31-Jan-11	Current year to date 31-Jan-12	Correspondin g year to date 31-Jan-11
Net profit (RM000)	898	45,842	31,554	65,211
Weighted average number of ordinary shares in issue (±000)	828,819	817,876	822,706	814,483
Basic/diluted* earnings per share (sen)	0.11	5.61	3.84	8.01

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 share as the average market price of the ordinary shares is currently below the exercise price of the options.

Date : 28 March 2012