

EDARAN OTOMOBIL NASIONAL BERHAD

(119767 - X)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE PERIOD ENDED
31 MARCH 2004**

The Board of Directors is pleased to announce the unaudited financial results of the Group for the interim financial period ended 31 March 2004.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	3 months ended		3 months ended	
		31/3/2004	31/3/2003	31/3/2004	31/3/2003
		Unaudited		Unaudited	
		RM'000	RM'000	RM'000	RM'000
Revenue		1,133,829	1,476,869	1,133,829	1,476,869
Operating expenses		(1,022,637)	(1,338,915)	(1,022,637)	(1,338,915)
Other operating income		21,398	1,661	21,398	1,661
Profit from operations		132,590	139,615	132,590	139,615
Finance cost		(14,597)	(6,082)	(14,597)	(6,082)
Share of results of associates		3,684	6,176	3,684	6,176
Profit before tax		121,677	139,709	121,677	139,709
Tax	13	(39,325)	(43,000)	(39,325)	(43,000)
Profit after tax		82,352	96,709	82,352	96,709
Minority interests		(34,923)	(34,485)	(34,923)	(34,485)
Net profit attributable to shareholders		47,429	62,224	47,429	62,224
		sen	sen	sen	sen
Earnings per share:	25				
- Basic	(a)	19.30	26.89	19.30	26.89
- Diluted	(b)	19.22	26.89	19.22	26.89

The Condensed Consolidated Income Statements should be read in conjunction with the Group's annual financial report for the financial year ended 31 December 2003.

EDARAN OTOMOBIL NASIONAL BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET

	Note 26	Unaudited As At 31/3/2004 RM'000	Audited As At 31/12/2003 RM'000
ASSETS			
Cash and bank balances and deposits with financial institutions		5,169,682	3,703,815
Dealing securities		308,371	161,168
Investments	(i)	4,495,605	4,459,460
Loans, advances and financing	(ii)	21,430,488	21,288,355
Inventories		251,237	357,928
Receivables	(iii)	964,189	990,261
Tax recoverable		26,313	49,086
Statutory deposits with Bank Negara Malaysia		891,933	898,361
Associates		150,557	151,539
Property, plant and equipment		480,803	474,792
Deferred tax assets		139,574	137,896
		<u>34,308,752</u>	<u>32,672,661</u>
LIABILITIES			
Deposits from customers	(iv)	21,383,444	20,522,860
Deposits and placements of banks and other financial institutions		5,115,934	5,594,009
Obligations on securities sold under repurchase agreements		621,519	402,119
Bills and acceptances payable		1,255,495	1,114,764
Taxation		81,364	76,669
Payables	(v)	1,161,881	1,219,129
Amounts due to associates		15,380	11,825
Borrowings		1,134,576	290,563
Provisions for liabilities and charges		18,789	18,154
Deferred tax liabilities		10,169	10,119
		<u>30,798,551</u>	<u>29,260,211</u>
SHARE CAPITAL		246,975	244,714
RESERVES		<u>2,073,515</u>	<u>2,012,948</u>
SHAREHOLDERS' FUNDS		2,320,490	2,257,662
MINORITY INTERESTS		<u>1,189,711</u>	<u>1,154,788</u>
		<u>3,510,201</u>	<u>3,412,450</u>
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		<u>34,308,752</u>	<u>32,672,661</u>
		-	-
		RM	RM
Net tangible assets per share		<u>9.40</u>	<u>9.23</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Group's annual financial report for the financial year ended 31 December 2003.

EDARAN OTOMOBIL NASIONAL BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<u>Note</u>	<u>Non-distributable</u>				<u>Distributable</u>	<u>Total</u> RM'000	
		<u>Share Capital</u> RM'000	<u>Share Premium</u> RM'000	<u>Statutory Reserves</u> RM'000	<u>Currency Translation Reserves</u> RM'000	<u>Other Reserves</u> RM'000		<u>Retained Earnings</u> RM '000
(Unaudited)								
At 1 January 2004		244,714	461,978	302,412	3,842	-	1,244,716	2,257,662
Movements in equity during the period								
Share of associates' reserves		-	-	-	606	-	-	606
Net gains not recognised in income statement		-	-	-	606	-	-	606
Net profit for the period		-	-	-	-	-	47,429	47,429
Transfer to statutory reserve		-	-	-	-	-	-	-
Dividends	7	-	-	-	-	-	-	-
Issue of shares								
- exercise of share options	6	2,261	12,532	-	-	-	-	14,793
At 31 March 2004		246,975	474,510	302,412	4,448	-	1,292,145	2,320,490
(Unaudited)								
At 1 January 2003		231,423	387,939	223,243	54,454	43,665	1,330,414	2,271,138
Movements in equity during the period								
Share of associates' reserves		-	-	-	(840)	-	-	(840)
Reserve on consolidation		-	-	-	-	-	4,581	4,581
Currency translation differences		-	-	-	(11)	-	-	(11)
Net (losses)/gains not recognised in income statement		-	-	-	(851)	-	4,581	3,730
Net profit for the period		-	-	-	-	-	62,224	62,224
Transfer to statutory reserve		-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-
Issue of shares								
- exercise of share options		-	-	-	-	-	-	-
At 31 March 2003		231,423	387,939	223,243	53,603	43,665	1,397,219	2,337,092

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's annual financial report for the financial year ended 31 December 2003.

EDARAN OTOMOBIL NASIONAL BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited 3 months ended 31/3/2004 RM'000	Unaudited 3 months ended 31/3/2003 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit attributable to shareholders	47,429	62,224
Adjustments for investing and financing items and non-cash items:		
Tax	39,325	43,000
Minority interests	34,923	34,485
Profit retained in associates	(3,684)	(6,176)
Depreciation	12,268	12,014
Other investing and financing items and non-cash items	49,816	46,842
Operating profit before working capital changes	180,077	192,389
Increase in loans, advances and financing	(226,034)	(251,937)
Increase in deposits from customers and deposits and placements of banks and other financial institutions	382,509	1,007,953
Net changes in other working capital	283,654	5,363
Cash generated from operations	620,206	953,768
Add/(Less) :		
Interest received	504	870
Interest paid	(93)	(886)
Income tax paid, net of refund	(12,192)	(88,072)
Net cash flow from operating activities	608,425	865,680
CASH FLOWS FROM INVESTING ACTIVITIES:		
Dividends and interest received from investment securities	38,330	26,214
Dividends received from associates	4,972	8,303
Proceeds from sale of property, plant and equipment	1,337	561
Acquisition of additional shares in a subsidiary	-	(65,127)
Additional investment in an associate	(1,106)	(3,837)
Purchase, net of proceeds from sale of investment securities	(27,178)	7,308
Purchase of property, plant and equipment	(15,887)	(15,066)
Net cash flow from /(used in) investing activities	468	(41,644)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of shares	14,793	-
Proceeds from issuance of Subordinated Notes	843,078	-
Repayment of borrowings	-	(51,149)
Payment of finance lease	(897)	(670)
Net cash flow from/ (used in) financing activities	856,974	(51,819)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,465,867	772,217
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	3,703,815	2,838,259
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5,169,682	3,610,476

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Group's annual financial report for the financial year ended 31 December 2003.

EDARAN OTOMOBIL NASIONAL BERHAD
EXPLANATORY NOTES TO THE FINANCIAL REPORT

Disclosure requirements pursuant to Malaysian Accounting Standards Board No. 26

1. Basis of preparation and Accounting policies

The interim financial report is prepared in accordance with the Malaysian Accounting Standards Board (MASB) No. 26 (Financial Reporting) and paragraph 9.22 of the Bursa Malaysia Listing Requirements, and should be read in conjunction with the Group's annual financial report for the year ended 31 December 2003.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual financial statements for the year ended 31 December 2003.

2. Audit report of the preceding annual financial statements

The audit report of the Group's preceding audited annual financial statements did not contain any qualification.

3. Seasonality or cyclicity of operations

The business operations of the Group are not materially affected by seasonal or cyclical fluctuations.

4. Items of unusual nature, size or incidence

There were no items of unusual nature, size or incidence affecting assets, liabilities, equity, net income or cash flows of the interim financial report.

5. Changes in estimates

There were no material change in estimates of amounts reported in prior financial years that have a material effect on the interim financial statements.

6. Debt and equity securities

During the current interim financial period, a total of 2,261,000 new ordinary shares were issued by virtue of the exercise of the Employee's Share Option Scheme.

Other than the above and the issuance of Subordinated Notes by a subsidiary as disclosed in Note 17 (a), there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities and, no share buy-backs, shares held as treasury shares and resale of treasury shares during the current interim financial period.

7. Dividends paid

There was no dividend paid for the current interim financial period.

8. Segment reporting

	3 months ended			
	Revenue		Profit Before Tax	
	31/3/2004	31/3/2003	31/3/2004	31/3/2003
	RM'000	RM'000	RM'000	RM'000
Motor	668,684	1,015,161	14,274	34,074
Financial services	468,595	465,549	103,719	99,459
	1,137,279	1,480,710	117,993	133,533
Share of results of associates	-	-	3,684	6,176
Inter-segment revenue eliminations	(3,450)	(3,841)	-	-
	1,133,829	1,476,869	121,677	139,709
	-	-	-	-

9. Property, plant and equipment

There is no revaluation of property, plant and equipment brought forward from the previous audited annual financial statements as the Group does not adopt a revaluation policy on its property, plant and equipment.

10. Subsequent events

There has not arisen any events subsequent to the end of the interim period that have not been reflected in the financial statements for the current interim financial period.

11. Changes in the composition of the group

There was no change in the composition of the Group.

12. Commitments and contingent liabilities of the banking group

There were no material commitments and contingent liabilities at the date of this report other than those of the banking group as disclosed below. No material losses are anticipated as these amounts arose in the normal course of business of the banking group in which the group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers.

Risk Weighted Exposures of the banking group are as follows:

	As at 31/3/2004		As at 31/12/2003	
	Principal Amount	Credit Equivalent	Principal Amount	Credit Equivalent
Principal Amount	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	338,918	338,918	382,039	382,039
Certain transaction-related contingent items	614,870	307,435	679,048	339,524
Short term self-liquidating trade-related contingencies	177,866	35,573	177,572	35,514
Obligations under underwriting agreement	571,329	285,665	609,450	304,725
Irrevocable commitments to extend credit:	-	-	-	-
- maturing within one year	5,098,541	-	4,575,807	-
- maturing more than one year	1,516,442	758,221	1,637,414	818,707
Foreign exchange related contracts	2,861,254	39,337	1,454,540	31,907
Interest rate related contracts	-	-	-	-
- maturing more than one year	855,000	34,200	-	-
Others	185,572	-	252,268	-
Total	12,219,792	1,799,349	9,768,138	1,912,416

The credit equivalent is arrived at using the credit conversion factors as per Bank Negara Malaysia guidelines.

Additional disclosure requirements pursuant to paragraph 9.22 of the Bursa Malaysia Listing Requirements

13. Tax

	3 months ended		3 months ended	
	31/3/2004	31/3/2003	31/3/2004	31/3/2003
	RM'000	RM'000	RM'000	RM'000
Tax comprises the following:				
Current tax	39,547	40,639	39,547	40,639
Share of associates' tax	1,406	2,361	1,406	2,361
Deferred tax income	(1,628)	-	(1,628)	-
	39,325	43,000	39,325	43,000
Under provision in prior years	-	-	-	-
	39,325	43,000	39,325	43,000

The effective tax rate of the Group was higher than the statutory tax rate due to certain charges and provisions not allowable for tax purposes.

14. Sale of unquoted investments and/or properties

There were no sales of unquoted investments and properties for the current interim financial period.

15. Purchase or disposal of quoted securities

The following particulars on quoted securities (other than securities in existing subsidiaries and associates) do not include any investments undertaken by the financial institutions of the Group:-

	3 months ended 31/3/2004 RM'000	3 months ended 31/3/2004 RM'000
(a) Total purchases and disposal of quoted securities are as follows:		
(i) Total purchase consideration	-	-
(ii) Total sale proceeds / redemptions	-	-
(iii) Total profit/loss arising from disposals	-	-
		As at 31/3/2004 RM'000
(b) Total investments in quoted securities are as follows:		
(i) At cost		7,257
(ii) At carrying value / book value		7,257
(iii) At market value		8,450

16. Status of corporate proposals

- (i) On 2 March 2004, the Company announced that it has entered into the Super Dealership Agreement (SDA) with Proton Edar Sdn. Bhd.
- (ii) On 16 March 2004, the Company announced that it has entered into a conditional agreement with Malaysian International Merchant Bankers Berhad (MIMB) for the proposed disposal of its entire 30% equity interest in Leong & Company Sdn Bhd comprising 6,000,000 ordinary shares of RM1.00 each for a cash consideration of RM48,098,388 (Proposed Disposal of L&C).

The Proposed Disposal of L&C is subject to the following approvals:

- (a) Foreign Investment Committee;
- (b) Bursa Malaysia ;
- (c) Minister of Finance through the Securities Commission (SC);
- (d) SC; and
- (e) Shareholders of EON and EON Capital Berhad (ECB)

- (iii) On 16 March 2004, the Company announced that it has entered into a conditional agreement with Kualapura (M) Sdn Bhd for the proposed disposal of its entire 5% equity interest in MCIC Holdings Sdn Bhd comprising 2,500,000 ordinary shares of RM1.00 each for a cash consideration of RM2,750,000 (Proposed Disposal of MCIC).

The Proposed Disposal of MCIC is subject to the approval of shareholders of EON.

- (iv) On 7 April 2004, an extraordinary general meeting was held and shareholders approved the proposed dividends in specie and proposed capital repayment of ECB shares (Proposed Distribution of ECB shares).

The proposed capital repayment is currently pending approval of the High Court.

On 13 May 2004, the Company announced that the SC has approved the further extension of time of 3 months until 20 August 2004 to complete the Proposed Distribution of ECB shares.

17. Group borrowings and debt securities

	As at 31/3/2004 RM'000
(a) Subordinated Notes (long-term borrowings, unsecured) (Note 1)	843,496
(b) Bonds (long-term borrowings, secured) (Note 2)	291,080
	<u>1,134,576</u>

Note 1

On 21 January 2004, EON Bank Berhad (EBB), a wholly-owned subsidiary of ECB, issued USD225 million (equivalent to RM855 million) nominal value Subordinated Notes ('Notes') with a fixed coupon rate of 5.375% per annum payable semi-annually in arrears in July and January each year (subject to the revision of interest as explained below) which would mature on 21 January 2014.

The Bank may, at its option, but subject to the prior approval from Bank Negara Malaysia, redeem all of the Notes, at any time on or after the fifth (5) year from the Issue Date at the principal amount together with accrued interest. Should the Bank decide not to exercise its call option on the fifth (5) year from the Issue Date, the coupon rate will be revised to be equivalent to 3.95% above the US Treasury Rate per annum from the beginning of the sixth (6) year to the final maturity date.

The Notes are rated Baa3 by Moody's Investors Service Limited and BB+ by Fitch Ratings Ltd and listed on the Luxembourg Stock Exchange. The net proceeds arising from the issuance of the Notes would be utilised for general banking purposes.

The Notes constitute unsecured liabilities of the Bank and are subordinated to all deposit liabilities and all other liabilities, except those liabilities, which by their terms rank equally in rights of payment with the Notes. The Notes qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Bank.

Note 2

On 12 December 2002, ECB, a subsidiary of the Company, issued RM300 million nominal amount of secured fixed rate bonds, which were rated A2 by Rating Agency Malaysia Berhad. The ratings were reaffirmed in July 2003. The bonds were issued at a discount in three tranches as follows:

- (a) 5.25% RM50 million nominal value secured fixed rate 3 year bonds, maturing on 12 December 2005;
- (b) 6.00% RM100 million nominal value secured fixed rate 5 year bonds, maturing on 12 December 2007; and
- (c) 6.75% RM150 million nominal value secured fixed rate 7 year bonds, maturing on 12 December 2009.

18. Financial instruments with off balance sheet risk of the banking group as at 13 May 2004

Value of contracts of financial instruments of the banking group with off-balance sheet risk classified by remaining years to maturity or next repricing date (whichever is earlier) are as follows:

	Principal Amount	1 month or less	> 1 - 3 months	> 3 - 6 months	> 6 - 12 months
	RM'000	RM'000	RM'000	RM'000	RM'000
Foreign exchange related contracts					
- Forward contracts	3,107,178	1,278,168	997,857	725,695	105,458
	-				
Interest rate related contracts					
- Interest rate swap	855,000	-	-	855,000	-

The banking group does not have any equity and commodity related contracts as at 13 May 2004. Foreign exchange and interest rate related contracts are subject to market risk and credit risk.

Market risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts stated above provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at 13 May 2004, the amount of contracts of the Group which were not hedged and, hence, exposed to market risk was RM37,521,730 (31 December 2003: RM12,245,096).

Credit risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group has a gain position. As at 13 May 2004, the amount of credit risk of the Group, measured in terms of the cost to replace the profitable contracts was RM6,656,269 (31 December 2003: RM14,385,090). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Accounting policy on foreign exchange and interest rate related contracts

Foreign exchange related contracts

Open forward exchange contracts are valued at forward rates as at balance sheet date, applicable to their respective dates of maturity and unrealised gains or losses are recognised in the income statement for the period or year in which they arise.

Interest rate related contracts

The principal interest rate contracts used are interest rate swap agreements. Interest rate swap transactions generally involve the exchange of fixed and floating interest payment obligations without the exchange of the underlying principal amounts. Interest income or interest expense associated with interest rate swaps are recognised over the life of the swap agreements as a component of interest income or interest expense.

19. Material litigation

Save as disclosed below, the Group does not have any material litigation which would have a material adverse effect on the financial position of the Group:-

- (i) A Writ of Summons was filed on 3 January 2000 by a guarantor against Oriental Bank Berhad (OBB) for RM135.9 million for wrongful and inequitable enlistment of his name in the Credit Tip-Off Services by OBB. This legal suit has been transferred to EBB pursuant to a vesting order in respect of the merger of the businesses of OBB and EBB.

On 19 May 2003, the Court dismissed the Plaintiff's action with costs on the grounds that the Plaintiff did not have a valid cause of action and failed to prove his loss. The plaintiff has filed a Notice of Appeal against the Court's decision.

- (ii) A Writ of Summons was filed by a borrower on 14 September 2000 against OBB alleging that OBB had unlawfully and fraudulently conspired with the Receivers and Managers to cheat and defraud the borrower. The borrower is claiming for general damages of RM15.0 million. This legal suit has been transferred to EBB pursuant to a vesting order in respect of the merger of the businesses of OBB and EBB.

On 10 March 2003, the Court dismissed the Order 33 application (Preliminary Objections) filed by the Receivers & Managers, and fixed the date for full trial of the case on 9 August 2005.

The solicitors acting for EBB are of the opinion that the suit is defensible.

- (iii) A Writ of Summons was filed by MIMB on 17 December 1998 against a borrower and three guarantors for RM21.4 million being outstanding banking facilities granted plus interest thereon. On 10 April 2000, the High Court granted the order to the borrower to amend its Statement of Defence and to add the counterclaim for RM70.2 million against MIMB for wrongfully terminating the credit facilities of the borrower. Further Case Management fixed on 30 March 2004 for mention has been postponed to 17 May 2004.

The solicitors acting for MIMB are of the opinion that the suit is defensible.

20. Profit before tax for the current quarter compared to the immediate preceding quarter

There is no material change in the profit before tax for the current quarter compared to the immediate preceding quarter.

21. Review of performance for the current interim financial period compared to the corresponding period in the preceding year

The Group recorded a profit before tax of RM121.7 million on a Group revenue of RM1,133.8 million for the first quarter of 2004, lower by 12.9% and 23.2% respectively compared to the corresponding period in 2003. This was primarily due to lower earnings from the motor sector.

Motor

Earnings from the Group's motor operations of RM14.3 million was 58.1% lower than the corresponding period in 2003. This was attributable to the decline in Proton new car sales volume which fell 33.7% to 15,654 units from 23,621 units recorded in the same period in 2003 as well as lower accessory sales, partly offset by lower overheads.

Total passenger car market of 75,877 units was 6.7% lower than the 81,328 units recorded in the same period in 2003 due substantially to the decline in national car sales which fell by 18.5%. Sales of passenger cars in January 2004 were affected by the initial lack of clarity over car prices following the government's announcement on the new tax structure on 31 December 2003. Proton car sales were further affected by consumers holding back purchases in anticipation of new model launches.

Financial services

The Group's financial services sector recorded a profit before tax of RM103.7 million, an increase of 4.3% compared to the first quarter of 2003 arising from higher non-interest income partly offset by higher overheads and financing cost of the Subordinated Notes issued in January 2004.

22. Prospects

The Malaysian Institute of Economic Research recently revised its economic growth forecast for Malaysia for 2004 to 6.7 per cent, up from 5.7 per cent projected earlier supported by the improving global economy.

Motor

The better economic outlook, clearer government direction over implementation of AFTA as well as the continued low interest rate environment are expected to improve demand for passenger cars in 2004. The Malaysian Automotive Association has forecasted the total industry volume for passenger cars for 2004 to increase by 4.4% to 334,000 units.

Given the positive outlook for the motor industry and the recent finalisation of the Super Dealership Agreement in March 2004, the Company's Proton sales is expected to improve compared to 2003.

The Group will pursue various profit improvement plans and new business opportunities including securing new franchises/dealerships of other marques as well as ongoing cost cutting initiatives to enhance its earnings.

Financial services

The banking group is expected to achieve satisfactory results in 2004.

The banking group's earnings will no longer form part of the Group's results upon the completion of the Proposed Distribution of ECB shares which had been approved by the shareholders. Accordingly, the Group's earnings in 2004 will only comprise profits from the motor operations and the banking group up to the date of completion of the Proposed Distribution.

23. Profit forecast / profit guarantee

The Group neither made any profit forecast nor issued any profit guarantee.

24. Dividends

No interim dividend is recommended for the current interim financial period.

25. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

	3 months ended		3 months ended	
	31/3/2004	31/3/2003	31/3/2004	31/3/2003
Net profit attributable to shareholders (RM'000)	47,429	62,224	47,429	62,224
Weighted average number of ordinary shares in issue	245,794,156	231,422,823	245,794,156	231,422,823
Basic earnings per share (sen)	19.30	26.89	19.30	26.89

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period adjusted for dilutive shares issueable in respect of share options under the Company's ESOS.

	3 months ended		3 months ended	
	31/3/2004	31/3/2003	31/3/2004	31/3/2003
Net profit attributable to shareholders (RM'000)	47,429	62,224	47,429	62,224
Weighted average number of ordinary shares in issue	245,794,156	231,422,823	245,794,156	231,422,823
Adjustment for share option	934,000	-	934,000	-
Weighted average number of ordinary shares in issue for diluted earnings per share	246,728,156	231,422,823	246,728,156	231,422,823
Diluted earnings per share (sen)	19.22	26.89	19.22	26.89

For the quarter ended 31 March 2003, the weighted average number of ordinary shares in issue was not adjusted as the conversion of share options under the Company's ESOS would be anti-dilutive.

Other disclosures

26. Notes to the balance sheet

	As At 31/3/2004 RM'000	As At 31/12/2003 RM'000
(i) Investments		
Money market instruments	3,320,086	3,310,479
Non money market instruments	1,175,519	1,148,981
	<u>4,495,605</u>	<u>4,459,460</u>
The maturity structure of the money market instruments are as follows:		
Maturity within one year	1,017,079	1,030,133
Maturity more than one year	2,303,007	2,280,346
	<u>3,320,086</u>	<u>3,310,479</u>

	As At 31/3/2004 RM'000	As At 31/12/2003 RM'000
(ii) Loans, advances and financing		
Gross loans, advances and financing	22,746,139	22,550,008
Less : Allowance for bad and doubtful debts and financing, and interest in suspense	<u>(1,315,651)</u>	<u>(1,261,653)</u>
Net loans, advances and financing	<u>21,430,488</u>	<u>21,288,355</u>
	-	-
The maturity structure of gross loans, advances and financing are as follows:		
Maturity within one year	6,170,084	6,141,842
Maturity more than one year	<u>16,576,055</u>	<u>16,408,166</u>
	<u>22,746,139</u>	<u>22,550,008</u>
(iii) Receivables		
Trade receivables	114,203	78,584
Other receivables, deposits and prepayments:		
- non-banking group	21,367	22,798
- banking group	<u>828,619</u>	<u>888,879</u>
	<u>964,189</u>	<u>990,261</u>
	-	-
(iv) Deposits from customers		
Demand deposits and savings deposits	3,889,791	3,732,761
Fixed deposits	<u>17,493,653</u>	<u>16,790,099</u>
	<u>21,383,444</u>	<u>20,522,860</u>
	-	-
The maturity structure of fixed deposits are as follows:		
Maturity within one year	16,752,008	15,927,456
Maturity more than one year	<u>741,645</u>	<u>862,643</u>
	<u>17,493,653</u>	<u>16,790,099</u>
(v) Payables		
Trade payables	188,743	176,480
Other payables		
- non-banking group	86,545	69,071
- banking group	367,095	401,410
Amount due to Cagamas Berhad	<u>519,498</u>	<u>572,168</u>
	<u>1,161,881</u>	<u>1,219,129</u>
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BY ORDER OF THE BOARD
NOOR AZWAH SAMSUDIN
Company Secretary

Shah Alam, 20 May 2004