

**BIMB HOLDINGS BERHAD (423858-X)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Financial Position as at 31 March 2011**

	As at 31 March, 2011 RM'000 Unaudited	As at 31 December, 2010 RM'000 Audited
<b>ASSETS</b>		
Cash and short term funds	2,560,378	2,762,195
Deposits and placements with financial institutions	690,032	412,798
Derivative financial assets	A8 36,699	44,326
Financial assets held-for-trading	A9 849,260	2,279,891
Financial assets held-to-maturity	A10 215,917	215,944
Financial assets available-for-sale	A11 11,851,830	12,936,655
Financing, advances and others	A12 12,408,554	11,860,631
Deferred tax assets	60,060	59,023
Other assets	206,563	200,727
Current tax assets	44,997	30,316
Investment in associates	22,564	1
Statutory deposit with Bank Negara Malaysia	10,000	10,000
Property, plant and equipment	195,633	195,586
Prepaid lease payments	22,739	23,989
General Takaful and Family Takaful assets	4,863,965	4,458,749
<b>Total assets</b>	<b>34,039,191</b>	<b>35,490,831</b>
<b>LIABILITIES, EQUITY &amp; TAKAFUL FUNDS</b>		
<b>Liabilities</b>		
Deposits from customers	A14 24,436,828	26,798,107
Deposits and placements of banks and other financial institutions	A15 337,287	378,129
Bills and acceptances payable	566,771	163,191
Other liabilities	501,632	503,062
Provision for zakat and taxation	41,927	37,975
Derivative financial liabilities	A8 44,962	30,926
General Takaful and Family Takaful liabilities	692,123	504,190
General Takaful and Family Takaful participants' funds	4,171,842	3,954,559
<b>Total liabilities</b>	<b>30,793,372</b>	<b>32,370,139</b>
<b>Equity</b>		
Share capital	1,066,790	1,066,790
Reserves	655,689	587,945
<b>Total equity attributable to shareholders of the Company</b>	<b>1,722,479</b>	<b>1,654,735</b>
Minority interests	1,523,340	1,465,957
<b>Total equity</b>	<b>3,245,819</b>	<b>3,120,692</b>
<b>Total equity and liabilities</b>	<b>34,039,191</b>	<b>35,490,831</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A25 <b>14,538,277</b>	<b>13,081,292</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<b>1.61</b>	<b>1.55</b>

**BIMB HOLDINGS BERHAD (423858-X)**

(Incorporated in Malaysia)

**Condensed Consolidated Income Statements  
For the Three Months Financial Period Ended 31 March 2011**

		Individual Quarter 3 months ended 31 March 2011 RM'000 Unaudited	Individual Quarter 3 months ended 31 March 2010 RM'000 Unaudited	Year-to-date 3 months ended 31 March 2011 RM'000 Unaudited	Year-to-date 3 months ended 31 March 2010 RM'000 Unaudited
	Note				
Income derived from investment of depositors' fund	A16	331,443	N/A	331,443	N/A
Income derived from investment of shareholders' fund	A17	152,428	N/A	152,428	N/A
Allowance for impairment on financing, advances and others	A18	(16,825)	N/A	(16,825)	N/A
Impairment on other assets		-	N/A	-	N/A
Other expenses directly attributable to the investment of the depositors' and shareholders' funds		(4,836)	N/A	(4,836)	N/A
Total distributable income		462,210	-	462,210	-
Income attributable to depositors	A19	(118,394)	N/A	(118,394)	N/A
Total net income		343,816	-	343,816	-
Personnel expenses		(108,651)	N/A	(108,651)	N/A
Other overhead expenses		(84,986)	N/A	(84,986)	N/A
Depreciation		(14,570)	N/A	(14,570)	N/A
<b>Profit before zakat and taxation</b>		135,609	-	135,609	-
Zakat		(1,543)	N/A	(1,543)	N/A
Tax expense	B5	(38,732)	N/A	(38,732)	N/A
<b>Profit for the period</b>		95,334	-	95,334	-
<b>Attributable to:</b>					
Shareholders of the Company		51,360	N/A	51,360	N/A
Minority Interests		43,974	N/A	43,974	N/A
<b>Profit for the period</b>		95,334	-	95,334	-
<b>Earnings Per Share - basic (sen)</b>	B14	4.81	N/A	4.81	N/A

**Note :**

There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 26 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.

**BIMB HOLDINGS BERHAD (423858-X)**

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Comprehensive Income  
For the Three Months Financial Period Ended 31 March 2011**

	Year-to-date	
	3 months ended 31 March 2011 RM'000 Unaudited	3 months ended 31 March 2010 RM'000 Unaudited
Profit for the period	95,334	N/A
Other comprehensive income :		
Currency translation differences for foreign operations	5,772	N/A
Net gain on revaluation of available for sale financial assets	24,021	N/A
<b>Total comprehensive income for the period</b>	<b>125,127</b>	<b>-</b>
<b>Attributable to:</b>		
Shareholders of the Company	67,744	N/A
Minority Interests	57,383	N/A
<b>Total comprehensive income for the period</b>	<b>125,127</b>	<b>-</b>

**Note :**

*There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 26 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.*

**BIMB HOLDINGS BERHAD (423858-X)**

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes in Equity  
For the Three Months Financial Period Ended 31 March 2011**

Group	Note	Attributable to Equity Holders of the Parent							Minority Interests RM'000	Total Equity RM'000
		Non-distributable			Distributable					
		Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Other Reserves RM'000	Capital Reserve RM'000	Accumulated Losses RM'000	Total RM'000		
<b>Audited</b>										
<b>At 1 July 2009</b>										
- As previously stated		1,066,790	602,978	408,109	11,407	638,370	(1,455,121)	1,272,533	1,094,361	2,366,894
- Effect of adopting FRS 139		-	-	-	(510)	-	(26,624)	(27,134)	(27,826)	(54,960)
- Restated		1,066,790	602,978	408,109	10,897	638,370	(1,481,745)	1,245,399	1,066,535	2,311,934
Total comprehensive income for the period										
- Net profit for the period		-	-	-	-	-	230,837	230,837	219,628	450,465
- Other comprehensive income		-	-	-	66,644	-	-	66,644	62,624	129,268
		-	-	-	66,644	-	230,837	297,481	282,252	579,733
Transfer to statutory reserve		-	-	105,003	-	-	28,454	133,457	(133,457)	-
Convertible redeemable non-cumulative preference shares (CRNCPS) issued and converted to ordinary shares		-	-	-	-	-	-	-	264,600	264,600
Dividends paid to minority interests		-	-	-	-	-	-	-	(14,152)	(14,152)
Minority interests' subscription of shares of a subsidiary		-	-	-	-	-	-	-	526	526
Divestment of shares held by minority		-	-	-	-	-	-	-	(347)	(347)
Dividends to shareholders	A7	-	-	-	-	-	(21,602)	(21,602)	-	(21,602)
<b>At 31 December 2010</b>		<b>1,066,790</b>	<b>602,978</b>	<b>513,112</b>	<b>77,541</b>	<b>638,370</b>	<b>(1,244,056)</b>	<b>1,654,735</b>	<b>1,465,957</b>	<b>3,120,692</b>
<b>Unaudited</b>										
<b>At 1 January 2010</b>										
Total comprehensive income for the period										
- Net profit for the period		-	-	-	-	-	51,360	51,360	43,974	95,334
- Other comprehensive income		-	-	-	16,384	-	-	16,384	13,409	29,793
- Net gain/(loss) on hedge of net investment in foreign operation		-	-	-	-	-	-	-	-	-
		-	-	-	16,384	-	51,360	67,744	57,383	125,127
<b>At 31 December 2010</b>		<b>1,066,790</b>	<b>602,978</b>	<b>513,112</b>	<b>93,925</b>	<b>638,370</b>	<b>(1,192,696)</b>	<b>1,722,479</b>	<b>1,523,340</b>	<b>3,245,819</b>

# BIMB HOLDINGS BERHAD (423858-X)

(Incorporated in Malaysia)

## Condensed Consolidated Statement of Cash Flows For the Three Months Financial Period Ended 31 March 2011

	Year-to-date	
	3 months ended 31 March 2011 RM'000 Unaudited	3 months ended 31 March 2010 RM'000 Unaudited
<b>Cash flows from operating activities</b>		
Profit before zakat and taxation	135,609	N/A
Adjustment for non-cash flow items:-		
Depreciation of property, plant and equipment	14,570	N/A
Amortisation of prepaid lease payment	76	N/A
Impairment losses on other assets	-	N/A
Reversal for doubtful debts	(112)	N/A
Allowance for impairment on financing and advances	16,825	N/A
(Reversal)/Allowance for diminution in investments	(38)	N/A
Dividend from securities	-	N/A
Net (gain)/loss on disposal of property, plant and equipment	(4)	N/A
Net loss/(gain) on sale of financial assets held-for-trading	76	N/A
Net gain on sale of financial assets available-for- sale	(2,051)	N/A
Net derivative gain	(2,817)	N/A
Operating profit before working capital changes	162,134	-
Changes in working capital:		
Other receivables	(431,096)	N/A
Statutory deposits with Bank Negara Malaysia	-	N/A
Bills payable	403,580	N/A
Other payables	403,786	N/A
Financing of customers	(547,923)	N/A
Deposits from customers	(2,361,279)	N/A
Deposit and placements of banks and other financial institutions	(40,842)	N/A
Cash used in operation	(2,411,640)	-
Zakat and income taxes paid	(47,438)	N/A
<b>Net cash used in operating activities</b>	<b>(2,459,078)</b>	<b>-</b>

### Note:

*There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 26 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.*

# BIMB HOLDINGS BERHAD (423858-X)

(Incorporated in Malaysia)

## Condensed Consolidated Statement of Cash Flows, continued For the Three Months Financial Period Ended 31 March 2011

	Year-to-date	
	3 months ended 31 March 2011 RM'000 Unaudited	3 months ended 31 March 2010 RM'000 Unaudited
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(10,781)	N/A
Net purchase of financial assets	2,539,504	N/A
<b>Net cash generated from/(used in) investing activities</b>	<b>2,528,723</b>	<b>-</b>
<b>Net decrease in cash and cash equivalent</b>	<b>69,645</b>	<b>N/A</b>
<b>Foreign exchange differences</b>	<b>5,772</b>	<b>N/A</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>3,174,993</b>	<b>N/A</b>
<b>Cash and cash equivalents at the end of period</b>	<b>3,250,410</b>	<b>-</b>
<b>Cash and cash equivalents comprise:</b>		
Cash and short term funds	2,560,378	N/A
Deposits and placement with financial institutions	690,032	N/A
	<b>3,250,410</b>	<b>-</b>

### Note:

*There are no comparative figures disclosed for the current quarter and the cumulative year-to-date of the preceding quarter/year following the change in the financial year end to 31 December which was announced to Bursa Malaysia Securities Berhad on 26 October 2009. The financial disclosures made herewith are in accordance with FRS 134 on Interim Financial Reporting.*

EXPLANATORY NOTES OF FRS 134: INTERIM FINANCIAL REPORTING (PARAGRAPH 16) AND REVISED GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKS (GP8-i)

A1 BASIS OF PREPARATION

BIMB Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements of the Group as at and for the three months financial period ended 31 March 2011 comprising that of the Company and its subsidiaries (together referred to as the Group) and the Group's interests in associates.

The audited consolidated financial statements of the Group as at and for the eighteen months financial period ended 31 December 2010 are available upon request from the Company's registered office at Level 18, Menara Yayasan Tun Razak, 200, Jalan Bukit Bintang, 55100 Kuala Lumpur.

These condensed consolidated interim financial statements were approved by the Board of Directors.

**(1) Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and FRS 134, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the eighteen months financial period ended 31 December 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the 18 months financial period ended 31 December 2010.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the 18 months financial period ended 31 December 2010, except for the adoption of the following Financial Reporting Standards ("FRS"), Amendments to FRSs, IC Interpretations and Technical Release ("TR"):

(i) **FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2010**

- FRS 1, First-time Adoption of Financial Reporting Standards (revised)
- FRS 3, Business Combinations (revised)
- FRS 123, Borrowing Costs (revised)
- FRS 127, Consolidated and Separate Financial Statements (revised)
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
  - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
  - Additional Exemptions for First-time Adopters
- Amendments to FRS 2, Share-based Payment: Vesting Conditions and Cancellations
- Amendments to FRS 2, Share-based Payment
- Amendments to FRS 2, Group Cash-settled Share Based Payment Transactions
- Amendments to FRS 5, Non-current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 7, Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments
- Amendments to FRS 101, Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 132, Financial Instruments: Presentation - Classification of Rights Issues
- Amendments to FRS 138, Intangible Assets
- IC Interpretation 4, Determining whether an Arrangement contains a Lease
- IC Interpretation 10, Interim Financial Reporting and Impairment
- IC Interpretation 11, FRS 2 - Group and Treasury Share Transactions
- IC Interpretation 12, Service Concession Agreements
- IC Interpretation 13, Customer Loyalty Programmes
- IC Interpretation 14, FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
- IC Interpretation 16, Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17, Distributions of Non-cash Assets to Owners
- IC Interpretation 18, Transfers of Assets from Customers
- Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives
- Improvements to FRSs (2010)

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 interests is now referred to as "non-controlling interests". All total comprehensive income is proportionately allocated to non-controlling interests, even if it results in the non-controlling interests having a deficit balance.

The revised FRS 3 introduce the option, on an acquisition-by-acquisition basis, to measure non-controlling interests in a business combination, either at fair value or at the non-controlling interests' proportionate share of the net identifiable assets acquired. Goodwill is measured as the difference between the aggregate of the fair value of consideration transferred, any non-controlling interests in the acquiree and the fair value at acquisition date of any previously held equity interest in the acquiree, and the net identifiable assets acquired. Any negative goodwill (i.e. bargain purchase) is recognised in the income statement. Any consideration transferred in a business combination is measured at fair value as at the acquisition date.

There is no financial impact immediately upon adoption of these two accounting standards as they both only have prospective effect, and hence their adoption will only have impact on future acquisitions by the Group.

The adoption to the Amendments to FRS 7, which promotes enhanced disclosures on fair value measurement of financial instruments via the introduction of the concept of the fair value hierarchy, will only affect disclosures and will not have any financial impact on the results of the Group.

The adoption of the other FRSs, Amendments to FRSs, IC Interpretations and Technical Release above generally did not have any material impact on the financial results of the Group, as they mainly deal with accounting policies affecting transactions which do not form part of the Group normal business operations or transactions where the Group has only minimal exposure.

The following Financial Reporting Standards ("FRS"), Amendments to FRSs and IC Interpretations have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective, and have yet to be adopted by the Group:

(i) **FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011**

- IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

(ii) **FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012**

- FRS 124, Related Party Disclosures (revised)
- IC Interpretation 15, Agreements for the Construction of Real Estate

The Group plans to apply the standards, amendments and interpretations from the annual period beginning 1 January 2012, for those standards, amendments or interpretations that will be effective for annual periods beginning on or after 1 July 2011 and 1 January 2012.

**A2 AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2010**

The audited report on the financial statements of the preceding year did not contain any qualification.

**A3 SEASONALITY AND CYCLICALITY OF OPERATIONS**

The operations of the Group were not subject to material seasonal or cyclical effects.

**A4 EXCEPTIONAL OR UNUSUAL ITEMS**

There were no items of an exceptional or unusual nature that may affect the assets, liabilities, equity, net income or cash flows of the Group.

**A5 CHANGES IN ESTIMATES OF AMOUNTS REPORTED PREVIOUSLY**

There were no material changes to the estimates of amounts reported in prior financial years that may have a material effect in the current period.

**A6 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities for the current period.

**A7 DIVIDENDS PAID**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<u>Ordinary</u>		
Final paid		
2010 - Nil, (2009 - 1.20%)	-	9,601
Interim paid		
2011 - Nil, (2010 - 1.50%)	-	12,001
	-	21,602

**A8 DERIVATIVE FINANCIAL ASSETS**

	Principal amount RM '000	Fair value Assets RM '000	Liabilities RM '000
<b>31.3.2011 - Unaudited</b>			
Forward Contract	6,072,306	-	(9,820)
Cross Currency Profit Rate Swap	85,870	78	-
Profit Rate Swap	500,000	2,648	(1,169)
Structured Deposits	462,665	33,973	(33,973)
	<b>7,120,841</b>	<b>36,699</b>	<b>(44,962)</b>
<b>31.12.2010 - Audited</b>			
Forward Contract	5,208,060	15,496	-
Cross Currency Profit Rate Swap	85,870	91	-
Profit Rate Swap	500,000	970	(3,157)
Structured Deposits	462,995	27,769	(27,769)
	<b>6,256,925</b>	<b>44,326</b>	<b>(30,926)</b>

**A9 FINANCIAL ASSETS HELD-FOR-TRADING**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>At fair value</b>		
<u>Unquoted securities</u>		
<i>In Malaysia</i>		
Malaysian Government Investment Issue	115,326	50,573
Bank Negara Negotiable Notes	733,934	2,202,117
Islamic Debt Securities	-	26,757
	<b>849,260</b>	<b>2,279,447</b>
<u>Quoted securities</u>		
<i>In Malaysia</i>		
Shares	-	444
<b>Total financial assets held-for-trading</b>	<b>849,260</b>	<b>2,279,891</b>

**A10 FINANCIAL ASSETS HELD-TO-MATURITY**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>At amortised cost</b>		
<u>Unquoted securities</u>		
<i>In Malaysia</i>		
Islamic Debt Securities	178,459	177,361
<u>Quoted securities</u>		
<i>Outside Malaysia</i>		
Bond	60,525	61,650
	238,984	239,011
Less: Impairment losses	(23,067)	(23,067)
<b>Total financial investments held-to-maturity</b>	<b>215,917</b>	<b>215,944</b>



A11 FINANCIAL ASSETS AVAILABLE-FOR-SALE

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>At fair value</b>		
<u>Unquoted securities</u>		
<i>In Malaysia</i>		
Malaysian Government Investment Issue	4,186,321	4,444,171
Bank Negara Negotiable Notes	-	149,364
Unquoted shares	21,808	22,061
Promissory notes	5,108	5,108
Accepted bills	374,591	384,155
Negotiable Islamic Debt Certificate	1,785,589	2,277,443
Islamic Commercial Papers	516,044	872,867
Islamic Debt Securities	4,917,844	4,776,288
Malaysian Islamic Treasury Bills	-	-
<i>Outside Malaysia</i>		
Islamic Development Bank unit trust	1,923	1,923
Unquoted shares	1,688	1,688
	<b>11,810,916</b>	<b>12,935,068</b>
<u>Quoted securities</u>		
<i>In Malaysia</i>		
Unit trust	15,502	15,458
Shares	39,030	-
<i>Outside Malaysia</i>		
Bond	-	-
	<b>54,532</b>	<b>15,458</b>
Less:		
Impairment losses	(13,618)	(13,871)
<b>Total financial investments available-for-sale</b>	<b>11,851,830</b>	<b>12,936,655</b>

A12 FINANCING, ADVANCES AND OTHERS

(i) By type

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Cash line	553,872	520,835
Term financing		
House financing	9,700,382	9,461,194
Syndicated financing	346,170	356,238
Lease receivables	649,647	632,741
Bridging financing	191,666	361,215
Personal financing	5,440,080	5,127,450
Other term financing	3,840,323	3,636,239
Staff financing	307,443	298,667
Credit/charge cards	437,826	450,542
Trust receipt	58,306	60,969
Trade bills discounted	1,300,576	1,067,736
Pawn broking	18,615	13,897
	<b>22,844,906</b>	<b>21,987,723</b>
Less: Unearned income	(10,002,766)	(9,702,990)
	<b>12,842,140</b>	<b>12,284,733</b>
Less: Allowance for impaired financing, advances and others:		
Collective assessment allowance	(345,479)	(345,041)
Individual assessment allowance	(88,107)	(79,061)
<b>Total net financing, advances and others</b>	<b>12,408,554</b>	<b>11,860,631</b>

(ii) By contract

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Bai' Bithaman Ajil (deferred payment sale)	6,438,002	6,209,417
Bai'-Al-Inah	1,589,500	1,662,823
Ijarah (operating lease)	350,284	334,106
Ijarah Muntahia Bittamlik / AITAB (finance lease)	14,782	11,657
Mudharabah (profit sharing)	6,000	6,000
Murabahah (cost-plus)	1,348,906	1,120,380
At-Tawarruq	2,806,430	2,573,328
Istisna'	269,621	353,125
Ar-Rahn	18,615	13,897
	<b>12,842,140</b>	<b>12,284,733</b>

(iii) By type of customer

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Domestic non-bank financial institutions	3,915	1,218
Domestic business enterprise	2,305,733	2,082,941
Small medium industries	410,537	401,119
Government and statutory bodies	154,674	151,526
Individuals	9,643,963	9,324,459
Other domestic entities	66,116	57,741
Foreign entities	257,202	265,729
	<b>12,842,140</b>	<b>12,284,733</b>

**A12 FINANCING, ADVANCES AND OTHERS, continued**  
**(iv) By profit rate sensitivity**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Fixed rate		
House financing	2,326,229	2,198,946
Others	8,394,954	8,005,296
Floating rate	2,120,957	2,080,491
	<b>12,842,140</b>	<b>12,284,733</b>

**(v) By remaining contractual maturity**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Maturity within one year	2,408,311	2,071,456
More than one year to three years	1,166,146	705,542
More than three years to five years	1,105,724	1,385,004
More than five years	8,161,959	8,122,731
	<b>12,842,140</b>	<b>12,284,733</b>

**(vi) By sector**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Primary agriculture	158,464	182,111
Mining and quarrying	877	897
Manufacturing (including agro-based)	913,289	791,995
Electricity, gas and water	153,745	150,860
Construction	601,722	508,293
Real estate	207,179	187,445
Household sector	9,629,366	9,321,823
Wholesale and retail trade and restaurants and hotels	583,759	479,868
Transport, storage and communication	303,074	408,349
Finance, insurance and business activities	160,582	154,408
Education, health and others	83,501	85,375
Other sectors	46,582	13,309
	<b>12,842,140</b>	<b>12,284,733</b>

**A13 IMPAIRED FINANCING, ADVANCES AND OTHERS**

**(i) Movements in impaired financing, advances and others**  
**(including income receivable)**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>At 1 July</b>		
As previously stated	552,221	1,360,449
Effect of adopting FRS 139	-	675,069
<b>As restated as at 1 July 2009/ 1 January 2011</b>	552,221	2,035,518
Classified as impaired during the period/year	195,768	315,241
Reclassified as not impaired during the period/year	(83,459)	(362,279)
Amount recovered	(76,910)	(311,447)
Amount written off	(34,866)	(1,079,122)
Exchange differences	(1,280)	(45,690)
<b>At end of period</b>	551,474	552,221
<b>Gross impaired financing, advances and others as a percentage of gross financing, advances and others</b>	4.29%	4.50%

**(ii) Movements in the allowance for impaired financing, advances and others**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>Collective Assessment Allowance</b>		
<b>At 1 July 2009/ 1 January 2011</b>		
As previously stated	345,041	-
Effect of adopting FRS 139	-	504,927
<b>As restated as at 1 July 2009/ 1 January 2011</b>	345,041	504,927
Allowance made during the period/ year	38,695	538,979
Amount recovered	(10,595)	(111,808)
Amount written off	(26,285)	(555,129)
Exchange differences	(1,377)	(31,928)
<b>At end of period</b>	<b>345,479</b>	<b>345,041</b>
<b>Individual Assessment Allowance</b>		
<b>At 1 July 2009/ 1 January 2011</b>		
As previously stated	79,061	-
Effect of adopting FRS 139	-	859,374
<b>As restated as at 1 July 2009/ 1 January 2011</b>	79,061	859,374
Allowance made during the period/ year	30,990	124,827
Amount recovered	(12,252)	(163,025)
Amount written off	(9,692)	(740,797)
Exchange differences	-	(1,318)
<b>At end of period</b>	<b>88,107</b>	<b>79,061</b>

**A13 IMPAIRED FINANCING, ADVANCES AND OTHERS, continued**

(iii) Impaired financing, advances and others by sector

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Primary agriculture	10,895	10,947
Mining and quarrying	832	851
Manufacturing (including agro-based)	102,172	83,810
Construction	115,070	130,925
Real estate	3,056	1,263
Household sector	260,409	270,847
Wholesale and retail trade and restaurants and hotels	48,058	42,729
Transport, storage and communication	1,568	1,538
Finance, insurance and business activities	2,544	-
Education, health and others	3,691	6,112
Other sectors	3,179	3,199
	<b>551,474</b>	<b>552,221</b>

**A14 DEPOSITS FROM CUSTOMERS**

(i) By type of deposit

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>Non-Mudharabah Fund:</b>		
Demand deposits	7,398,298	7,090,732
Savings deposits	2,389,551	2,576,870
Negotiable Islamic Debt Certificate (NIDC)	5,616,146	5,819,875
Others	72,813	80,336
	<b>15,476,808</b>	<b>15,567,813</b>
<b>Mudharabah Fund:</b>		
Savings deposits	1,026,890	987,346
General investment deposits	2,429,661	2,449,607
Special investment deposits	5,503,469	7,793,341
	<b>8,960,020</b>	<b>11,230,294</b>
<b>Total deposits from customers</b>	<b>24,436,828</b>	<b>26,798,107</b>

Maturity structure of investment deposits and NIDCs are as follows:

Due within six months	8,040,838	10,365,051
More than six months to one year	4,547,690	4,616,743
More than one year to three years	640,953	638,204
More than three years to five years	22,220	20,955
Over five years	428,155	421,870
	<b>13,679,856</b>	<b>16,062,823</b>

(ii) By type of customer

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
Government and statutory bodies	7,041,396	6,795,607
Business enterprises	7,130,542	8,536,877
Individuals	4,408,392	4,511,477
Others	5,856,498	6,954,146
	<b>24,436,828</b>	<b>26,798,107</b>

**A15 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>Mudharabah Fund:</b>		
Licensed banks	177,964	307,984
Other financial institutions	159,323	70,145
	<b>337,287</b>	<b>378,129</b>

**A16 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS**

Unaudited Quarter 3 months ended 31-Mar-11 RM '000	Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000
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Income derived from investment of:

(i) General investment deposits	34,395	34,395
(ii) Other deposits	297,048	297,048
	<b>331,443</b>	<b>331,443</b>

**(i) Income derived from investment of general investment deposits**

Unaudited Quarter 3 months ended 31-Mar-11 RM '000	Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000
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**Financing income and hibah**

Financing, advances and others	22,305	22,305
Held-for-trading	70	70
Held-to-maturity	105	105
Available-for-sale	9,221	9,221
Money at call and deposit with financial institutions	1,766	1,766
	<b>33,467</b>	<b>33,467</b>

*Of which financing income earned on impaired financing*

	<b>1,108</b>	<b>1,108</b>
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**Other dealing income**

Net gain / (loss) from sale of financial assets held-for-trading	(3)	(3)
Net gain / (loss) on revaluation of financial assets held-for-trading	723	723
	<b>720</b>	<b>720</b>

**Other operating income**

Net gain / (loss) from sale of financial assets:		
Available-for-sale	208	208
	<b>208</b>	<b>208</b>

	<b>34,395</b>	<b>34,395</b>
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**(ii) Income derived from investment of other deposits**

Unaudited Quarter 3 months ended 31-Mar-11 RM '000	Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000
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**Financing income and hibah**

Financing, advances and others	192,496	192,496
Held-for-trading	611	611
Held-to-maturity	911	911
Available-for-sale	79,803	79,803
Money at call and deposit with financial institutions	15,197	15,197
	<b>289,018</b>	<b>289,018</b>

*Of which financing income earned on impaired financing*

	<b>9,554</b>	<b>9,554</b>
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**Other dealing income**

Net gain / (loss) from sale of financial assets held-for-trading	(26)	(26)
Net gain / (loss) on revaluation of financial assets held-for-trading	6,213	6,213
	<b>6,187</b>	<b>6,187</b>

**Other operating income**

Net gain / (loss) from sale of financial assets :		
Available-for-sale	1,843	1,843
	<b>1,843</b>	<b>1,843</b>

	<b>297,048</b>	<b>297,048</b>
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**A17 INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS**

	<b>Unaudited Quarter 3 months ended 31-Mar-11 RM '000</b>	<b>Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000</b>
<b>Financing income and hibah</b>		
Financing, advances and others	2,090	2,090
Available-for-sale	22,992	22,992
Money at call and deposit with financial institutions	4,330	4,330
	<b>29,412</b>	<b>29,412</b>
<b>Other dealing income</b>		
Net gain / (loss) from foreign exchange transactions	6,973	6,973
Net gain / (loss) from sale of financial assets held-for-trading	(47)	(47)
Net derivatives (losses)/gain	2,817	2,817
	<b>9,743</b>	<b>9,743</b>
<b>Other operating income</b>		
Net gain / (loss) from sale of financial assets :		
Available-for-sale	1,782	1,782
Profit on sale of foreign currencies	332	332
Reversal/(allowance) for diminution in value of investment	38	38
Reversal of allowance for doubtful debts	112	112
Profit from general takaful and family takaful funds attributable to the Group	47,845	47,845
Gross dividend income from securities		
Quoted in Malaysia	601	601
Unit trust in Malaysia	-	-
Unit trust outside Malaysia	7	7
Unquoted in Malaysia	-	-
	<b>50,717</b>	<b>50,717</b>
<b>Fees and commission</b>		
ATM fees	4,016	4,016
Financing fees	2,738	2,738
Cheque issued & return, closing account and other fees	2,021	2,021
Takaful service fees and commission	2,179	2,179
Credit card fees and commission	9,962	9,962
Processing fees	387	387
Commitment fees	233	233
Commission on MEPS	1,646	1,646
Unit trust management fees	723	723
Corporate advisory fees	695	695
Commission on structured products	86	86
Ta'widh charges	16	16
Investment income	6,698	6,698
Wakalah fees	26,602	26,602
Other service charges fees	4,511	4,511
	<b>62,513</b>	<b>62,513</b>
<b>Other income</b>		
Net gain/(loss) on disposal of property, plant & equipment	4	4
Rental income	7	7
Others	32	32
	<b>43</b>	<b>43</b>
	<b>152,428</b>	<b>152,428</b>

**A18 ALLOWANCE FOR IMPAIRMENT ON FINANCING, ADVANCES AND OTHERS**

	Unaudited Quarter 3 months ended 31-Mar-11 RM '000	Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000
Allowance for impaired financing, advances and others:		
- Collective assessment allowance	38,695	38,695
- Individual assessment allowance	30,990	30,990
- Specific allowance	-	-
Impaired financing, advances and others recovered	(22,847)	(22,847)
Bad debts and financing recovered	(30,013)	(30,013)
	<b>16,825</b>	<b>16,825</b>

**A19 INCOME ATTRIBUTABLE TO DEPOSITORS**

	Unaudited Quarter 3 months ended 31-Mar-11 RM '000	Unaudited Year-to-date 3 months ended 31-Mar-11 RM '000
Deposits from customers:		
- Mudharabah fund	68,007	68,007
- Non-Mudharabah fund	46,352	46,352
Deposits and placements of banks and other financial institutions:		
- Mudharabah fund	4,035	4,035
	<b>118,394</b>	<b>118,394</b>

**A20 CAPITAL ADEQUACY**

The risk-weighted capital adequacy ratios of a subsidiary, Bank Islam Malaysia Berhad and its subsidiaries are as follows:

	Unaudited 31-Mar-11 RM '000	Audited 31-Dec-10 RM '000
<b>Tier-I capital:</b>		
Paid-up share capital	2,265,490	2,265,490
Share premium	500,020	500,020
Accumulated losses	(1,185,132)	(1,185,132)
Other reserves	795,013	795,013
Less: Deferred tax assets	(44,197)	(44,224)
<b>Total Tier-I capital</b>	<b>2,331,194</b>	<b>2,331,167</b>
<b>Tier-II capital:</b>		
Collective assessment allowance #	194,060	182,452
<b>Total Tier-II capital</b>	<b>194,060</b>	<b>182,452</b>
<b>Total capital base</b>	<b>2,525,254</b>	<b>2,513,619</b>
Core capital ratio	14.96%	15.75%
Risk-weighted capital ratio	16.21%	16.99%
Core capital ratio net of proposed dividends	14.44%	15.21%
Risk-weighted capital ratio net of proposed dividend	15.69%	16.44%

# Excludes collective assessment allowance restricted from Tier II capital by BNM amounting RM151,419,000 (31.12.2010: RM162,590,000).

**A21 OPERATING SEGMENT INFORMATION**

The Group comprises the following main operating segments:

<b>Banking operations</b>	Islamic banking and provision of related services.
<b>Takaful operations</b>	Underwriting of family and general Islamic insurance (Takaful).
<b>Others</b>	Investment holding, currency trading, ijarah financing, stockbroking, unit trust and venture capital.

**(i) Information about reportable segments**

	3 months ended			Elimination RM'000	Total 31-Mar-11 RM'000
	Banking 31-Mar-11 RM'000	Takaful 31-Mar-11 RM'000	Others 31-Mar-11 RM'000		
<b>Current Year-to-Date</b>					
Revenue from external customers	397,985	84,041	1,845	-	483,871
Inter-segment revenue	-	383	1,095	(1,478)	-
<b>Total revenue</b>	<b>397,985</b>	<b>84,424</b>	<b>2,940</b>	<b>(1,478)</b>	<b>483,871</b>
Net income from operations (before allowance for Impairment on financing)	273,652	84,424	2,940	(375)	360,641
Operating overhead	(148,862)	(56,307)	(3,413)	375	(208,207)
Operating profit	124,790	28,117	(473)	-	152,434
Allowance for Impairment on financing and advances	(16,825)	-	-	-	(16,825)
<b>Profit before zakat and taxation</b>	<b>107,965</b>	<b>28,117</b>	<b>(473)</b>	<b>-</b>	<b>135,609</b>
Zakat	(917)	(401)	(225)	-	(1,543)
Taxation	(32,935)	(5,697)	(100)	-	(38,732)
<b>Profit after zakat and taxation</b>	<b>74,113</b>	<b>22,019</b>	<b>(798)</b>	<b>-</b>	<b>95,334</b>
<b>Segment assets</b>	<b>28,555,199</b>	<b>5,388,429</b>	<b>1,872,185</b>	<b>(1,776,622)</b>	<b>34,039,191</b>

Performance is now measured based on segment profit/(loss) before zakat and taxation, as included in the internal management reports that are reviewed by the Group Managing Director/Chief Executive Officer. Segment profit/(loss) before zakat and taxation is used to measure performance as management believes that such information is the most relevant in evaluating segmental results relative to other entities that operate within these industries. In the preceding annual financial statements, performance was measured based on segmental results from operating activities and included items directly attributable to a segment as well as those that could be allocated on a reasonable basis.

**A22 VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. There was no valuation carried out during the period.

**A23 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD**

Save as disclosed in Note B8, there were no material events subsequent to the end of the interim period.

**A24 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current period.

**A25 CHANGES IN CONTINGENT LIABILITIES SINCE THE LAST ANNUAL BALANCE SHEET DATE**

In the normal course of business, a subsidiary, Bank Islam Malaysia Berhad makes various commitments and incurs certain contingent liabilities with legal recourse to their customers.

Risk Weighted Exposures arising from the commitments and contingencies of this subsidiary as at 31 March 2011 are as follow:

	Unaudited 31 March 2011			Audited 31 December 2010		
	Principal Amount RM '000	Credit Equivalent Amount RM '000	Risk Weighted Amount RM '000	Principal Amount RM '000	Credit Equivalent Amount RM '000	Risk Weighted Amount RM '000
<b><u>Credit-related exposures</u></b>						
Direct credit substitutes	451,900	451,900	434,935	459,840	459,840	439,315
Assets sold with recourse	2	2	2	242	242	242
Transaction-related contingent items	827,634	413,817	390,827	846,719	423,360	396,877
Short-term self-liquidating trade related contingencies	297,553	59,511	58,117	312,745	62,549	61,078
Other commitments, such as formal standby facilities and credit line, with an original maturity of:						
- not exceeding one year	1	-	-	1,003	201	224
- exceeding one year	691,011	345,505	294,088	618,138	309,069	251,715
Unutilized credit card lines	771,144	154,229	115,672	768,840	153,768	115,326
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively for automatic cancellation due to deterioration in a borrower's creditworthiness	4,695,986	-	-	4,118,965	-	-
	7,735,231	1,424,964	1,293,641	7,126,492	1,409,029	1,264,777
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts						
- less than one year	6,072,306	107,064	25,599	5,208,060	93,866	26,161
- one year to less than five years	-	-	-	-	-	-
Profit rate related contracts						
- less than one year	-	-	-	-	-	-
- one year to less than five years	671,740	23,304	6,207	671,740	27,304	7,007
	6,744,046	130,368	31,806	5,879,800	121,170	33,168
<b><u>Other treasury related exposures</u></b>						
Obligations under an on-going underwriting agreements	59,000	29,500	29,500	75,000	37,500	37,500
	59,000	29,500	29,500	75,000	37,500	37,500
<b>Total</b>	<b>14,538,277</b>	<b>1,584,832</b>	<b>1,354,947</b>	<b>13,081,292</b>	<b>1,567,699</b>	<b>1,335,445</b>



**BIMB HOLDINGS BERHAD (423858-X)**  
(Incorporated in Malaysia)

**A26 PROFIT RATE RISK**

Unaudited  
31-Mar-11

	<-----Non-trading book----->						Trading Book RM '000	Total RM '000	Effective Profit Rate %
	Up to 1 Month	> 1-3 Months	> 3-12 Months	1-5 Years	Over 5 Years	Non profit Sensitive RM '000			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000			
<b>Assets</b>									
Cash and short-term funds and Deposits and placements with financial institutions	2,543,141	67,339	79,938	-	-	559,992	-	3,250,410	2.38%
Derivative financial assets	-	-	36,699	-	-	-	-	36,699	-
Financial assets held-for-trading	-	-	-	-	-	-	849,260	849,260	3.13%
Financial assets held-to-maturity	-	-	-	147,873	68,044	-	-	215,917	1.93%
Financial assets available-for-sale	807,456	1,294,453	1,584,115	6,007,881	2,157,925	-	-	11,851,830	3.82%
Financing, advances & others:									
- Performing	564,537	763,631	800,876	3,026,411	7,135,211	-	-	12,290,666	7.33%
- Impaired net of allowances	-	-	-	-	-	117,888	-	117,888	-
Other assets	-	-	-	-	-	5,426,521	-	5,426,521	-
<b>Total assets</b>	<b>3,915,134</b>	<b>2,125,423</b>	<b>2,501,628</b>	<b>9,182,165</b>	<b>9,361,180</b>	<b>6,104,401</b>	<b>849,260</b>	<b>34,039,191</b>	
<b>Liabilities</b>									
Deposits from customers	11,193,114	1,263,198	976,594	105,487	-	10,898,435	-	24,436,828	1.87%
Deposits and placements of banks and other financial institutions	320,583	10,006	-	6,698	-	-	-	337,287	2.76%
Bills and acceptance payable	566,771	-	-	-	-	-	-	566,771	-
Derivative financial liabilities	-	-	44,962	-	-	-	-	44,962	-
Other liabilities	-	-	-	-	-	1,235,682	-	1,235,682	-
<b>Total liabilities</b>	<b>12,080,468</b>	<b>1,273,204</b>	<b>1,021,556</b>	<b>112,185</b>	<b>-</b>	<b>12,134,117</b>	<b>-</b>	<b>26,621,530</b>	
Shareholders' equity	-	-	-	-	-	1,722,479	-	1,722,479	
<b>Takaful funds</b>	-	-	-	-	-	4,171,842	-	4,171,842	
<b>Minority interests</b>	-	-	-	-	-	1,523,340	-	1,523,340	
<b>Total liabilities &amp; shareholders' equity</b>	<b>12,080,468</b>	<b>1,273,204</b>	<b>1,021,556</b>	<b>112,185</b>	<b>-</b>	<b>19,551,778</b>	<b>-</b>	<b>34,039,191</b>	
On-balance sheet profit sensitivity gap	(8,165,334)	852,219	1,480,072	9,069,980	9,361,180	-	-	-	
Off-balance sheet profit sensitivity gap	-	-	-	-	-	-	-	-	
<b>Net maturity mismatch</b>	<b>(8,165,334)</b>	<b>852,219</b>	<b>1,480,072</b>	<b>9,069,980</b>	<b>9,361,180</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**BIMB HOLDINGS BERHAD (423858-X)**  
(Incorporated in Malaysia)

**A26 PROFIT RATE RISK, Continued**

**Audited**  
**31-Dec-10**

	<-----Non-trading book----->						Trading Book	Total RM '000	Effective Profit 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 profit Sensitive RM '000			
<b>Assets</b>									
Cash and short-term funds and Deposits and placements with financial institutions	2,251,840	-	100,000	-	-	823,153	-	3,174,993	2.18%
Derivative financial assets	-	-	44,235	91	-	-	-	44,326	0.71%
Financial assets held-for-trading	-	-	-	-	-	-	2,279,891	2,279,891	2.54%
Financial assets held-to-maturity	-	-	-	146,742	69,202	-	-	215,944	3.43%
Securities Available-for-sale	1,251,216	1,942,259	1,497,191	6,016,553	2,229,436	-	-	12,936,655	3.66%
Financing, advances & others:									
- Performing	1,102,445	773,502	626,960	2,740,830	6,488,775	-	-	11,732,512	7.39%
- Impaired net of allowances	-	-	-	-	-	128,119	-	128,119	
Other assets	-	-	-	-	-	4,978,391	-	4,978,391	
<b>Total assets</b>	<b>4,605,501</b>	<b>2,715,761</b>	<b>2,268,386</b>	<b>8,904,216</b>	<b>8,787,413</b>	<b>5,929,663</b>	<b>2,279,891</b>	<b>35,490,831</b>	
<b>Liabilities</b>									
Deposits from customers	13,675,481	1,031,074	1,210,525	138,195	-	10,742,832	-	26,798,107	1.87%
Deposits and placements of banks and other financial institutions	-	-	-	-	-	-	-	378,129	3.24%
Bills and acceptance payable	371,431	-	-	6,698	-	-	-	163,191	2.23%
Derivative financial liabilities	163,191	-	-	-	-	-	-	30,926	0.49%
Other liabilities	-	-	30,926	-	-	-	-	1,045,227	
<b>Total liabilities</b>	<b>14,210,103</b>	<b>1,031,074</b>	<b>1,241,451</b>	<b>144,893</b>	<b>-</b>	<b>11,788,059</b>	<b>-</b>	<b>28,415,580</b>	
Shareholders' equity	-	-	-	-	-	1,654,735	-	1,654,735	
<b>Takaful funds</b>	-	-	-	-	-	3,954,559	-	3,954,559	
<b>Minority interests</b>	-	-	-	-	-	1,465,957	-	1,465,957	
<b>Total liabilities &amp; shareholders' equity</b>	<b>14,210,103</b>	<b>1,031,074</b>	<b>1,241,451</b>	<b>144,893</b>	<b>-</b>	<b>18,863,310</b>	<b>-</b>	<b>35,490,831</b>	
On-balance sheet profit sensitivity gap	(9,604,602)	1,684,687	1,026,935	8,759,323	8,787,413				
Off-balance sheet profit sensitivity gap	-	-	-	-	-				
<b>Net maturity mismatch</b>	<b>(9,604,602)</b>	<b>1,684,687</b>	<b>1,026,935</b>	<b>8,759,323</b>	<b>8,787,413</b>				

**EXPLANATORY NOTES OF BURSA MALAYSIA LISTING REQUIREMENTS**  
**PART A OF APPENDIX 9B**

**B1 REVIEW OF PERFORMANCE**

**Three Months Performance to 31 March 2011**

The Group's profit before zakat and taxation ("PBZT") of RM135.6 million for the first quarter ended 31 March 2011 ("1QFY11") registered an increase of RM35.3 million or 35.2% compared to the previous corresponding quarter ended 31 March 2010. Net profit attributable to the shareholders grew by RM15.7 million or 44.0% to RM51.4 million. The improved profitability was mainly due to higher operating results registered by the Group's main subsidiaries, mainly Bank Islam Malaysia Berhad Group and Syarikat Takaful Malaysia Berhad Group ("Takaful Malaysia") by 30.9% and 34.5% respectively.

The growth in the Group's net income was driven by the higher profit from the continued growth in financing and improved asset quality in Bank Islam Malaysia Berhad ("Bank Islam" or "the Bank"), as well as higher profit generated from Takaful businesses. Gross financing and advances grew by RM557.4 million or 4.5% within the last three (3) months to RM12.8 billion.

**Islamic Banking**

For 1QFY11, Bank Islam achieved a PBZT of RM107.8 million, a 37.0% or RM29.1 million increase compared to RM78.7 million for the previous corresponding quarter. The Bank's strong performance translated to an annualised Return on Equity ("ROE") of 16.3%.

The improved performance for the quarter was from higher income contributed by both fund and non fund based income. Gross financing assets saw an impressive year-on-year ("YoY") growth of 9.1% or RM1.1 billion to reach RM12.8 billion as at 31 March 2011. Higher non fund based income came from foreign exchange income and revaluation of financial assets. The Bank registered a non fund based income ratio of 11.4% for the quarter. The Islamic Banking System non fund based income ratio was 8.6% as at 31 December 2010.

The Bank's annualised Return on Assets ("ROA") of 1.5% also saw an improvement over the corresponding quarter ended 31 March 2010 of 1.2%. This was a result of the repositioning of the Bank's balance sheet focusing on a better product mix to maximise returns.

The Bank's asset quality also recorded significant improvements. The Bank's net impaired financing was RM118 million as at 31 March 2011 compared to the net non performing financing ("NPF") of RM432 million as at 31 March 2010, an improvement of 72.7% or RM314 million. Consequently, the net impaired financing ratio of 0.95% was a significant improvement from the net NPF ratio of 3.97% recorded in the last corresponding quarter.

As at 31 March 2011, total customer deposits reported a YoY increase of RM 960 million or 4.1% to reach RM24.6 billion. With the reshaping of the balance sheet, the Bank has reduced the higher cost deposits whilst increasing the current and savings deposits. This was partly due to the Bank's branch expansion, diversification of its customer base as well as its continuous effort to introduce innovative deposit products such as Al-Awfar and Waheed-i. Current and savings deposits accounted for 44.0% of the Bank's total deposits compared to 38.5% as at 31 March 2010.

The Bank's Risk Weighted Capital Ratio ("RWCR") was 16.0% as at 31 March 2011. The Islamic Banking System average RWCR was 14.8% as at 31 December 2010.

**Takaful**

Takaful Malaysia generated an operating revenue of RM309.0 million for the 1QFY11, mainly due to contribution, in particular from Family Takaful group and mortgage reducing term business and fire and motor classes of business. The surplus transfer in the quarter under review from Family Takaful was RM27.9 million, mainly attributable to investment income and realised gains on disposal of investment. The surplus transfer in the quarter under review from General Takaful was RM19.9 million, mainly attributable to underwriting and investment results. Takaful Malaysia recorded a PBZT of RM28.1 million, contributed mainly by the surplus from Family Takaful and General Takaful, and wakalah fee income.

**B2 COMPARISON WITH THE PRECEDING QUARTER'S RESULTS**

**For the three months performance (First Quarter 2011 vs Sixth Quarter 2010)**

The Group's PBZT for the quarter under review of RM135.6 million depicted a growth of RM15.7 million or 13.1% compared to the PBZT of the preceding quarter ended 31 December 2010 of RM119.9 million. This achievement was mainly attributable to lower allowance for impairment loss on financing and operating overheads, as well as higher profit from General and Family Takaful operations.

Bank Islam's PBZT for the quarter ended 31 March 2011 of RM107.8 million registered an improvement of RM4.6 million or 4.4% compared to the previous quarter ended 31 December 2010.

During the quarter, financing grew by RM 562 million. The Bank's lower cost current deposits reported an increase of RM310 million. Net impaired financing volume reduced from RM128 million as at December 2010 to RM118 million as at March 2011. Consequently, net impaired financing ratio also improved to 0.95% as at 31 March 2011 from 1.08% as at 31 December 2010.

For the quarter under review, Takaful Malaysia recorded a PBZT of RM 28.1 million which was RM4.5 million higher than the preceding quarter of RM 23.7 million. The increase was mainly attributable to higher surplus transfer from Family Takaful and General Takaful funds.

**B3 PROSPECTS**

**Outlook on the economy**

Dragged down by a sharp deceleration in export growth, the economy slowed down for the third consecutive quarter from the peak of +10.1% year-on-year ("yoy") in 1Q 2010 to +4.8% in the 4Q 2010. The slowing down in growth trend is expected throughout 1H 2011, with the overall economy likely to gain momentum and bounce back in the 2H of the year. Although the rise in international commodity & food and crude oil prices as well as the earthquake in Japan have increased the downside risk, a rebound in the global and Malaysian economies is still expected in the 2H 2011. The uptrend somehow still hinges on improvement in the US and Chinese economies as well as reconstruction of Japan post-earthquake nuclear crisis. This will further likely be aided by resilient domestic demand in Malaysia, on the back of higher consumer spending and implementation of projects under the Economic Transformation Programme ("ETP"). Nonetheless, the pace of growth could turn out to be more moderate than our expectation. On balance, real GDP forecast is not expected to change significantly, as growth of the Malaysian economy is projected to normalise to around 5.0% in 2011, from +7.2% in 2010.

Going forward, the banking system's loan/financing activities are expected to expand at a slower pace between 8-9% in 2011, from +12.8% in 2010, in line with the projected slowdown in the economic growth. As inflation is likely to trend upwards and interest rates are still low in the country, Bank Negara Malaysia ("BNM") will likely resume raising interest rates from July 2011 when the economic growth regains its momentum. Subsequent to the Monetary Policy Committee ("MPC") decision to raise the Overnight Policy Rate ("OPR") by 25 basis points to 3.00% on May 5 2011, the OPR is expected to be further raised by another 25 basis points in 2H 2011 to bring it to a more neutral level of 3.25%. In addition, the Statutory Reserve Requirement ("SRR") ratio of banks was also raised to 3.00% by BNM on 5 May 2011 as a preemptive measure to manage significant build up of liquidity, which may result in financial imbalances and create risks to financial stability. Nevertheless, the banking industry in Malaysia is expected to remain robust, despite intensified competition within the industry.

For 2011, Bank Islam will focus on enhancing revenue generation potential and sustainability.

Takaful Malaysia is expected to increase its market share in the Takaful industry by introducing new products, growth in the agency workforce for selling retail Family products and strategic tie-ups with Islamic Banks to market bancassurance products.

**B4 VARIANCE FROM PROFIT FORECAST AND PROFIT GUARANTEE**

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

**B5 TAXATION**

Current tax expense

With effect from year of assessment 2009, corporate tax rate is at 25%.

Unaudited Quarter Unaudited 31-Mar-11 RM'000	Unaudited Year-to-date Unaudited 31-Mar-11 RM'000
(38,732)	(38,732)

**B6 PROFIT ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no material gain or loss on sales of unquoted investments and properties of the Group during the quarter.

**B7 PURCHASE AND SALE OF QUOTED SECURITIES**

This note does not apply to the Group.

**B8 CORPORATE PROPOSALS**

There are no corporate proposals outstanding as at the date of this submission.

**B9 DEPOSITS AND PLACEMENTS OF FINANCIAL INSTITUTIONS AND DEBT SECURITIES**

	Group	
	Unaudited	Audited
	31-Mar-11	31-Dec-10
	RM '000	RM '000
<b>Deposits from customers</b>		
Mudharabah accounts deposits and negotiable instruments of deposits		
One year or less (short-term)	13,389,650	16,911,974
More than one year (medium/long-term)	1,186,516	1,446,172
	14,576,166	18,358,146
Current accounts	7,398,298	6,347,081
Savings accounts	2,389,551	2,032,461
Others	72,813	60,419
<b>Total deposits</b>	<b>24,436,828</b>	<b>26,798,107</b>
<b>Deposits and placements of banks and other financial institutions</b>		
One year or less (short-term)	337,287	378,129
	<b>337,287</b>	<b>378,129</b>

**B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS BY VALUE OF CONTRACTS CLASSIFIED BY REMAINING PERIOD TO MATURITY/  
NET RE-PRICING DATE(WHICHEVER EARLIER)**

GROUP (RM '000)

Items	Unaudited				
	31-Mar-11	up to 1 mth	>1-3 mths	>3-6 mths	>6-12 mths
	Principal Amount				
<b>Foreign exchange related contracts</b>					
- forwards	352,810	216,854	129,007	3,386	3,563
- swaps	5,294,701	2,929,727	2,015,191	349,783	-
- option	1,388,659	1,388,659	-	-	-
<b>Total</b>	<b>7,036,170</b>	<b>4,535,240</b>	<b>2,144,198</b>	<b>353,169</b>	<b>3,563</b>

**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 amount subject to market risk. Exposure to market risk transactions may be reduced through offsetting on and off-balance sheet positions. As at 31 March 2011, the amount of contracts which were not hedged and, hence, exposed to market risk was RM434.9 million. (31 December 2010: RM572.6 million).

**Credit risk**

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Bank has a gain position. This amount will increase or decrease over the life of the contracts, maturity dates and rates or prices. As at 31 March 2011, the credit risk measured in terms of the cost to replace the profitable contracts was RM130.4 million (31 December 2010: RM121.2 million).

**Related accounting policies**

Foreign exchange contracts are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates.

**B11 ECONOMIC PROFIT STATEMENT**

	Unaudited Year-to-date Unaudited 31-Mar-11 RM'000
<b>Net Operating profit after zakat &amp; tax (NOPAT)</b>	
Profit before zakat and taxation (PBZT)	135,609
Zakat & Taxation	(40,275)
<b>NOPAT</b>	<b>95,334</b>
Economic charge computation:	
Average invested capital	2,551,749
(includes minority interest less gain on disposal of interest in subsidiary)	
Weighted Average Cost of Capital (WACC) at 8.2% per annum	8.20%
(WACC as at 31 March 2010: 7.9% per annum)	
<b>Economic charge</b>	<b>51,594</b>
<b>Economic profit</b>	<b>43,740</b>

**B12 MATERIAL LITIGATION**

Save as disclosed below, there were no changes in material litigation, including the status of pending material litigations since the last annual balance sheet date of 31 December 2010.

- (a) On 10 August 1998, Bank Islam together with syndication members led by AmInvestment Bank Berhad (formerly known as AmMerchant Bank Berhad) (collectively "the Plaintiffs") filed a civil suit claim against Silver Concept Sdn. Bhd. ("the Defendant") to recover the outstanding financing facilities amounting to RM196,289,470.96 (the sum owing to Bank Islam is RM59,364,621.68). The financing facilities were secured by 34 properties. An order for sale in respect of 17 of the properties held under Registry Title was granted on 30 June 2006. However, the Defendant had entered into Sale and Purchase Agreement dated 12 June 2007 with a third party for the sale of the said 17 properties and on 9 May 2008, the balance purchase price was distributed among the Plaintiffs where Bank Islam received RM12,744,868.98. Consequentially, the Plaintiffs agreed to withdraw the foreclosure action against the Defendant.

The Plaintiffs are proceeding with a civil action against the Defendant to recover the shortfall. The Court has allowed the Plaintiffs' claim and the Defendant has filed an appeal against such ruling. The Defendant then withdrew the appeal and the Plaintiffs will proceed the execution proceeding against the Defendants. The sum outstanding to Bank Islam as at February 2011 is RM 42.5 million. However, as per solicitor's advice, the Plaintiffs withheld the execution proceeding pending completion of transfer of auctioned property. As at May 2011, the status remains the same.

- (b) On 9 September 1998, Bank Islam together with syndication members filed a civil suit against M.K. Associates Sdn Bhd ("the First Defendant") and Sateras Resources (Malaysia) Berhad ("the Guarantor") to recover the outstanding financing facilities amounting to RM29,228,765.00. A summary judgment against the First Defendant and the Guarantor was obtained on 5 January 1999. Bank Islam filed the proof of debt at the Insolvency Department in July 2006 but it was rejected in view of the First Defendant's appeal on a winding up order granted to Lembaga Hasil Dalam Negeri in a separate action. This matter has been held in abeyance pending the appeal.

Bank Islam together with syndication members commenced two (2) separate foreclosure proceedings against the First Defendant and M.K. Golf Sdn Bhd ("the Third Party Chargor"). An order for sale over the First Defendant's properties was granted on 7 September 1999. No subsequent auction has been carried out since the first auction in February 2001, as many of the apartment units built on the First Defendant's properties have been sold and redeemed and also due to the difficulties in identifying other assets of the First Defendant.

An order for sale over the properties of the Third Party Chargor was obtained on 17 May 1999. Five (5) attempts to sell the property i.e. a golf course have been unsuccessful. In January 2009, Bank Islam had identified a potential buyer to buy the golf course. Bank Islam plans to sell the golf course via auction procedure at a reserve price of RM28.0 million. An auction date was fixed by the Court in respect of the golf course on 25 November 2009. However, the auction was unsuccessful as the identified potential bidder has withdrawn their interest a few days before the auction date. On 20 May 2010, the Court has granted the Bank's application to auction the property. On 26 April 2011, Bank Islam has successfully auctioned the said property for the amount of RM23,619,600.00.

- (c) On 17 May 2003, Tahan Steel Corporation Sdn Bhd ("the Plaintiff") filed a civil suit against Bank Islam to claim for damages amounting to USD12,275,000.00 for breach of contract and RM109,776,000.00 for general damages for failure to disburse the balance of a financing facility granted by Bank Islam to the Plaintiff. Bank Islam had filed a counterclaim to recover the amount of RM143,590,488.09 from the Plaintiff being the outstanding financing facility amount. On 1 June 2010, the Court decided that the Plaintiff's claim for declaration on the termination of Istisna' Facility is valid and lawful. However, the Plaintiff's claim was disallowed and only awarded nominal damages of RM50,000.00 with costs. The Court had allowed the Bank's counterclaim for selling price of RM143,590,488 but to deduct unearned profit on the undisbursed amount less any unearned profit at the date of full realization. The Plaintiff on 3 June 2010 had filed Notice of Appeal against the decision and the Bank is appealing on the issue of unearned profit. On 28 October 2010, the Court allowed the Plaintiff's stay of execution. The case was fixed for hearing of appeal on 22 February 2011 and the Court of Appeal Judges reserved their decision pending issuance of written judgment on issue of unearned profit. As at May 2011, the status remains the same.

- (d) On 27 January 2004, Bank Islam filed a civil suit against ECT Industries Sdn Bhd ("the Defendant") and its guarantors to recover the outstanding financing facilities amounting to RM14,143,306.75. All the guarantors were declared bankrupt on 16 March 2006 and Bank Islam's solicitors had filed the proof of debt on 19 April 2006. The Defendant has been wound up by another party and the Court had granted Bank Islam an order to intervene on 11 November 2007.

The auction held in respect of the two (2) pieces of land charged under the financing facility on 12 March 2009 was successful. In respect of the third piece of land, Order for Sale was granted on 17 July 2009 and the property had been successfully auctioned on 30th November 2009 at a discounted bid price of RM2.80 million. Bank Islam is proceeding to recover the shortfall amount from the Defendant. As at May 2011, the matter is pending Official Assignee to fix creditors meeting.

- (e) On 30 January 2004, Bank Islam commenced a foreclosure proceedings to recover the amount of USD2,689,985 on the security pledged by Datuk Dr. Abdul Aziz bin Muhammad as the third party chargor in respect of financing facilities granted to Quantum Holdings (L) Ltd. On 10 September 2009, an Order for Sale was granted in favour of Bank Islam. The Chargor has filed an appeal at the Court of Appeal in respect of the High Court order for sale. On 31 May 2010, the Court of Appeal has rejected the Defendant's appeal. On 15 November 2010, the Bank succeeded to auction the property for RM6 million. Since the company has been wound up in 2009 and the guarantor has been declared a bankrupt, the Bank is of the view that all recovery actions have been exhausted and no further action will be required.

- (f) On 9 February 2004, Bank Islam filed a civil suit against PC Auto Blast Sdn Bhd, Jaya Raj a/l A. Mariadas and Johnson a/l Mariadas (collectively "the Defendants") and a foreclosure action to recover the outstanding financing facilities amounting to RM13,125,946.46. However, the Defendants have filed a counterclaim seeking declarations and damages. Amongst others, the Defendants are seeking for declarations that the agreements executed pursuant to the financing facilities are null and void for non-compliance with the Shariah principles and damages amounting to RM656,326.29. For foreclosure action, the case was fixed for case management on 5 August 2010. On 28 October 2010, the court has granted our application for Order for Sale. On 18 January 2011, the Defendants have filed Summons for Direction. This Summons for Direction is fixed for hearing on 18 May 2011.

In view of the Defendant's counterclaim, the Court had granted the Defendant with an order for stay of proceedings on Bank Islam's application for order for sale as regards to properties charged under the financing facilities. Bank Islam's solicitors are of the view that Bank Islam will prevail in this matter.

- (g) On 17 February 2004, Bank Islam filed a civil suit against Enten Oil Industries Sdn Bhd (formerly known as KLLT Oil Industries Sdn Bhd), Ariffin Rahmat and Eng Weng Long ("First Defendant", "Second Defendant" and "Third Defendant" respectively, and collectively "the Defendants") to recover the outstanding financing facilities amounting to RM27,056,183.66. A Judgment in default was obtained against the Defendants on 11 June 2004.

An order for sale for the two (2) properties charged to Bank Islam was obtained in January 2005. In May 2010, Bank Islam has received payment of RM18.5 million from the chargor and withdrew the foreclosure and civil action against the Second and Third Defendants while proceeding the civil action against the First Defendant to recover the shortfall of RM8.5 million. In May 2010, the First Defendant has been wound up by other bank and in August 2010, Bank Islam has filed Proof of Debt to recover the outstanding amount. As at May 2011, the status remains the same.

**B12 MATERIAL LITIGATION, continued**

- (h) On 14 June 2004, Kopeks Holdings Sdn Bhd ("the Plaintiff") filed a civil suit against Bank Islam for the withdrawal and cancellation of financing facilities offered by Bank Islam to the Plaintiff, claiming inter-alia, special damages amounting to RM5,491,849.55 and general damages amounting to RM7,559,675.00, together with interests. The Court dismissed the Plaintiff's claim with costs on 23 June 2009. The Plaintiff filed an appeal. As at May 2011, the Court has yet to fix a date for the appeal.
- (i) In March 2005, Bank Islam filed a civil suit against Zeron Sdn Bhd ("the Defendant") and its guarantors for the balance of the outstanding sale price under the Asset Sale Agreement amounting to RM21,359,584.87 and the amount released to Pengurusan Danaharta Nasional Berhad pursuant to the Guarantee Agreement amounting to RM10,500,000.00. Bank Islam has obtained an order for sale of the two (2) properties charged to Bank Islam. Bank Islam has successfully auctioned the said properties for the amount of RM18 million. As at May 2011, this matter is pending Creditor Meeting's date.
- (j) On 7 March 2005, Bank Islam filed a civil suit against Commerce Resources Inc., Dato' Kamaruddin @ Kamaluddin bin Awang and Datuk Hiew Ming Yong ("First Defendant", "Second Defendant" and "Third Defendant" respectively, and collectively "the Defendants") to claim the outstanding financing facilities amounting to USD2,720,036.00. A judgment in default has been obtained against the Defendants. However, further action against the First and Second Defendants were discontinued on the grounds that (a) there was no evidence of assets in the First Defendant and (b) the Second Defendant was successful in setting aside the Judgment In Default against him on technical grounds. Bank Islam is proceeding with the execution against the Third Defendant and at the same time is exploring other recovery strategies against the other two Defendants.
- (k) On 12 May 2005, Bank Islam filed a civil suit against Cartel Vista Sdn Bhd, Razmi Alias, Charles Clement Kilroy Augustin, Rafidah Mahayuddin and Rohaizan Ghazali ("First Defendant", "Second Defendant", "Third Defendant", "Fourth Defendant" and "Fifth Defendant" respectively, and collectively "the Defendants") to recover the outstanding financing facilities amounting to RM15,555,808.54. A judgment in default against the First Defendant and the Fifth defendant was obtained on 21 September 2005. The Court granted a summary judgment against the Second Defendant, the Third Defendant and the Fourth Defendant in June 2007. In August 2010, the Bank's solicitor proceeded with execution of judgment by way of Prohibitory Order (PO) against the Second Defendant's property. This case is fixed for Judgment Creditor's summon on 18 May 2011.

Meanwhile, a piece of land charged pursuant to the financing facilities has been sold during an auction for a sale price of RM12,430,000.00. Bank Islam has received the auction proceeds.

- (l) On 24 May 2007, Bank Islam filed a civil suit against Tan Sri Abdul Khalid Ibrahim ("the Defendant") to recover the outstanding financing facilities amounting to USD18,251,806.13. On 21 August 2009 the Court allowed Bank Islam's summary judgment application under Order 14 of the High Court Rule. The Defendant filed an appeal and stay of execution. On 3 March 2010, the Court of Appeal allowed the Defendant's appeal and set aside the Summary Judgment entered against the Defendant. The trial dates have been fixed on 2 to 4 August, 9 to 11 August 2010 and 23rd to 26th August 2010.

However, on 9 August 2010, the Defendant filed an application to recuse Justice Rohana ( the Trial Judge) from hearing this matter. The Defendant claimed that there is a real danger of apparent bias on the part of the Trial Judge in hearing this action. This is pursuant to a letter from the Plaintiff to Bank Negara Malaysia, referring to a conversation between En Fazlur Rahman Ebrahim, then COO of the Plaintiff and the Trial Judge, in her capacity then as Deputy Head of BNM Islamic Banking and Takaful Department. The remaining of the dates for the trial has been vacated to enable parties to file their affidavits. On 22 September 2010, the Court has dismissed the Defendant's application and they filed an appeal. However, on 1 November 2010, the Court of Appeal allowed the Defendant's appeal. This case will be heard before a new judge, YA Dato' Hj Mohd Zawawi Salleh. The judge has fixed new trial dates on 11 to 14, 18 to 21 and 25 to 28 July 2011.

- (m) On 3 March 2006, Ngiu Kee Sdn Bhd, Ngiu Kee (Bintulu) Sdn Bhd, Ngiu Kee (Sarikei) Sdn Bhd, Ngiu Kee (Kemena) Sdn Bhd, Ngiu Kee (Miri) Sdn Bhd and Ngiu Kee Corporation (M) Bhd (collectively "the Plaintiffs") filed a civil suit against Bank Islam claiming damages amounting to RM25.0 million. The Plaintiffs also sought declarations, among others, that Bank Islam has breached the terms of the financing facility by freezing their accounts. On 11 August 2009, both parties agreed to record a consent judgment with settlement arrangement in which the plaintiffs are liable to pay the whole outstanding of RM25.0 million should they failed to pay RM18.0 million by June 2010. On 30 June 2010, the Plaintiffs failed to comply with the settlement arrangement. On August 2010, the Plaintiffs have appealed and submitted new settlement proposal to the Bank. In February 2011, both parties have agreed to restructure the financing from Trade Finance to Business Financing Tawarruq.
- (n) On 18 August 2006, Bank Islam filed a civil suit against Linear Profile Sdn Bhd ("the Defendant") and OCB Berhad ("the Guarantor") claiming the sum of RM12,033,773.75. The Guarantor has filed a counterclaim for declarations and damages. Amongst others, the Guarantor is seeking declarations that the facilities given to the Defendant and the corporate guarantee were invalid and unenforceable and damages amounting to RM1,092,790.41. Bank Islam entered into an agreement with the Guarantor for a full and final settlement of RM3.5 million via staggered payments. At the same time, Bank Islam is continuing the civil action and foreclosure action against the Defendant. On 3 March 2011, Bank Islam has successfully auctioned the property at RM2,915,000.00.
- (o) On 22 December 2006, Omegco Sdn Bhd ("the Plaintiff") filed a civil suit against Bank Islam claiming, among others, loss of profit of RM43.2 million and fixed deposit of RM250,000.00 not released by Bank Islam. In October 2007, the application for summary judgment by the Plaintiff was struck out by the Court with costs. The Plaintiff filed an appeal but the Court is yet to fix a date for the appeal. Bank Islam's solicitors are of the view that Bank Islam has a fair chance to succeed in defending this matter.
- (p) On 16 August 2007, Teck Guan Sdn Bhd ("the Plaintiff") filed a civil suit against Omegco Sdn Bhd ("the First Defendant") and Bank Islam ("the Bank") claiming the Bank a sum of RM11,385,600.00. On 12 November 2010, the court allowed a summary judgment entered against the First Defendant in the sum of RM11,385,600.00 with interest and cost. The court however dismissed the Plaintiff's summary judgment application against the Bank. On 14 April 2011, the Plaintiff and the Bank entered into a Settlement Agreement. Through this Settlement Agreement, the Plaintiff proceeded a garnishee proceeding against the First Defendant to recover a sum of RM11,385,600.00 and on 18 April 2011, the Plaintiff withdrew the suit against the Bank.
- (q) On 27 August 2007, Bank Islam filed a civil suit against four (4) former senior management staff of the then Bank Islam Labuan Ltd ("BILL") ("the Defendants") claiming an amount of USD8,586,483.00 being the outstanding financing facilities granted by BILL to certain customers whose accounts have been in default, namely Faaris Investment Holding Plc, Profound Heritage Sdn Bhd, Commerce Resources Inc., Commerce Trading Inc., Crest Group, Crestek Inc. and Trident Timber Co. Ltd. Bank Islam is claiming that the Defendants have acted contrary to the interest of BILL and was in breach of their statutory duties, common law duty of care and skills and express and/or implied contractual duties. The matter has been fixed for Case Management on 6 July 2011.
- (r) On 12 May 2009, Swiber Marine (Malaysia) Sdn Bhd ("the Defendant") had served Section 218 Notice of the Companies Act 1965 against Bank Islam pursuant to a Bank Guarantee of RM16.0 million issued by Bank Islam in which Bank Islam had refused to pay due to some technicality. Subsequently, on 27 May 2009, Bank Islam filed an action against the Defendant applying an injunction to restrain the Defendant from presenting the Winding-Up Petition to Bank Islam ("Injunction"). On 10 August 2009, the Court had granted the injunction in favour of Bank Islam. On 17 November 2009, Bank Islam withdrew the action against the Defendant based on the Defendant's undertaking not to issue Section 218 Notice against Bank Islam. The matter is to be resolved through arbitration. On 24 August 2010, the panel of arbitrators had directed both parties to file their Written Submissions. Both parties have filed their written submissions in November 2010. On 13 April 2011, the arbitrators have directed both parties to exchange the submission as to costs by 2 May 2011. In the meantime, in order for the Tribunal to give decision as to pre and post award interest is not against Riba', the Arbitrators will refer the issue to the Shariah Advisory Council.

**B12 MATERIAL LITIGATION, continued**

(s) On 4 March 2011, Takaful Malaysia was served with a Writ of Summons by Lembaga Kemajuan Tanah Persekutuan (FELDA) claiming for death benefits of RM13,156,000 and personal accident benefits of RM290,000 under the Group Family Takaful Policy.

Takaful Malaysia subsequently entered into an out-of-court settlement with FELDA on 9 May 2011. On 20 May 2011, FELDA withdrew the legal suit with no order as to costs and without liberty to file afresh.

**B13 CONTINGENT LIABILITIES**

There were no contingent liabilities as at the date of this report.

**B14 EARNINGS PER SHARE**

**Basic earnings per share attributable to equity holders of the parent ("Basic EPS")**

Basic EPS is calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the number of ordinary shares in issue during the period.

	<b>Unaudited Year-to-date Unaudited 31-Mar-11 RM '000</b>
Net profit/(loss) for the quarter attributable to equity holders of the parent	51,360
Number of ordinary shares	1,066,790
Number of average ordinary shares	1,066,790
<b>Basic earnings per share attributable to equity holders of the parent (sen)</b>	<b>4.81</b>

**B15 DISCLOSURE OF REALISED AND UNREALISED PROFIT/LOSSES**

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Market Listing Requirements. The directive requires all listed issuers to disclose breakdown of the unappropriated profits or accumulated losses at the end of the reporting period, into realised and unrealised profits or losses.

On December 20 2010, Bursa Malaysia further issued guidance on the disclosure and the format required

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits/(losses) pursuant to the directive is as follows:

	<b>Unaudited 31-Mar-11 RM'000</b>	<b>Audited 31-Dec-10 RM'000</b>
<b><u>Total accumulated losses of BIMB Holdings Berhad and its subsidiaries:</u></b>		
Realised	(953,706)	(1,056,682)
Unrealised	57,863	65,355
	(895,843)	(991,327)
Less: Consolidation adjustments	(296,853)	(252,729)
<b>Total group accumulated losses as per condensed consolidated financial statements</b>	<b>(1,192,696)</b>	<b>(1,244,056)</b>

**Note: Comparative figures are not required in the first financial year of compliance.**

By Order of the Board

**MARIA MAT SAID (LS 09400)**  
Company Secretary  
May 25, 2011