

**BIMB Holdings Berhad (423858-X)**  
(Incorporated in Malaysia)  
**and its subsidiaries**  
**Unaudited Interim Financial Statements**

**Condensed Consolidated Statement of Financial Position as at  
31 March 2017**

	Note	Group As at		Company As at	
		31.03.2017 RM'000	31.12.2016 RM'000	31.03.2017 RM'000	31.12.2016 RM'000
<b>Assets</b>					
Cash and short-term funds	8	<b>1,970,340</b>	4,502,270	<b>204,258</b>	205,318
Deposits and placements with financial institutions	9	<b>1,197,474</b>	1,153,138	-	-
Financial assets held-for-trading	10	<b>608,032</b>	777,610	-	-
Derivative financial assets	11	<b>73,463</b>	124,572	-	-
Financial assets available-for-sale	12	<b>14,266,455</b>	13,755,389	<b>170,466</b>	135,406
Financial assets held-to-maturity	13	<b>584,662</b>	631,086	-	-
Financing, advances and others	14	<b>39,756,401</b>	39,189,274	-	-
Other assets	15	<b>364,752</b>	444,761	<b>1,860</b>	2,333
Takaful assets	16	<b>747,544</b>	638,199	-	-
Statutory deposits with Bank Negara Malaysia		<b>1,215,056</b>	1,374,876	-	-
Current tax assets		<b>6,462</b>	8,430	<b>23</b>	23
Deferred tax assets		<b>62,783</b>	70,435	<b>10</b>	10
Investments in subsidiaries		-	-	<b>4,965,901</b>	4,965,901
Property and equipment		<b>411,703</b>	417,014	<b>515</b>	571
Investment properties		<b>14,050</b>	14,126	-	-
Intangible assets		<b>40,881</b>	43,947	-	-
<b>Total assets</b>		<b>61,320,058</b>	63,145,127	<b>5,343,033</b>	5,309,562

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**Condensed Consolidated Statement of Financial Position as at  
31 March 2017 (continued)**

	Note	Group As at		Company As at	
		31.03.2017 RM'000	31.12.2016 RM'000	31.03.2017 RM'000	31.12.2016 RM'000
<b>Liabilities and equity</b>					
Deposits from customers	17	43,252,876	45,491,753	-	-
Investment accounts of customers	18	3,689,582	3,573,871	-	-
Deposits and placements of banks and other financial institutions	19	-	30,000	-	-
Derivative financial liabilities	11	77,649	111,089	-	-
Bills and acceptances payable		181,791	46,278	-	-
Other liabilities	20	785,006	1,105,942	1,305	210,137
Takaful liabilities	21	6,819,778	6,639,096	-	-
Sukuk liabilities	22	1,910,908	1,881,751	1,246,634	1,227,494
Zakat and taxation		46,876	48,210	202	-
<b>Total liabilities</b>		<b>56,764,466</b>	<b>58,927,990</b>	<b>1,248,141</b>	<b>1,437,631</b>
<b>Equity</b>					
Share capital		1,637,741	1,588,680	1,637,741	1,588,680
Reserves		2,597,675	2,294,172	2,457,151	2,283,251
<b>Equity attributable to owners of the Company</b>		<b>4,235,416</b>	<b>3,882,852</b>	<b>4,094,892</b>	<b>3,871,931</b>
Non-controlling interests		320,176	334,285	-	-
<b>Total equity</b>		<b>4,555,592</b>	<b>4,217,137</b>	<b>4,094,892</b>	<b>3,871,931</b>
<b>Total liabilities and equity</b>		<b>61,320,058</b>	<b>63,145,127</b>	<b>5,343,033</b>	<b>5,309,562</b>
<b>Restricted investment accounts managed by Bank Islam</b>					
	18	145,289	141,343	-	-
<b>Total Islamic banking asset</b>		<b>61,465,347</b>	<b>63,286,470</b>	<b>5,343,033</b>	<b>5,309,562</b>
<b>Commitments and contingencies</b>					
	38	14,446,178	13,704,559	-	-
<b>Net assets per share attributable to owners of the Company (RM)</b>					
		2.59	2.44	2.50	2.44

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**Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income for the three months ended 31 March 2017**

Group	Note	Quarter 3 months ended		Year-to-date 3 months ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Income derived from investment of depositors' funds	24	<b>565,757</b>	591,361	<b>565,757</b>	591,361
Income derived from investment account funds	25	<b>52,419</b>	11,484	<b>52,419</b>	11,484
Income derived from investment of shareholders' funds	26	<b>102,063</b>	107,443	<b>102,063</b>	107,443
Net income from Takaful business	27	<b>198,685</b>	179,524	<b>198,685</b>	179,524
Allowance for impairment on financing and advances	28	<b>(8,783)</b>	(34,611)	<b>(8,783)</b>	(34,611)
Allowance for impairment on investments		-	(310)	-	(310)
Direct expenses		<b>(5,242)</b>	(5,768)	<b>(5,242)</b>	(5,768)
Total distributable income		<b>904,899</b>	849,123	<b>904,899</b>	849,123
Wakalah performance incentive fees from restricted investment accounts		<b>712</b>	1,002	<b>712</b>	1,002
Income attributable to depositors	29	<b>(271,379)</b>	(274,281)	<b>(271,379)</b>	(274,281)
Income attributable to investment account holders	30	<b>(20,882)</b>	(2,230)	<b>(20,882)</b>	(2,230)
Total net income		<b>613,350</b>	573,614	<b>613,350</b>	573,614
Personnel expenses	31	<b>(162,792)</b>	(163,505)	<b>(162,792)</b>	(163,505)
Other overhead expenses	32	<b>(176,206)</b>	(169,307)	<b>(176,206)</b>	(169,307)
Finance cost		<b>274,352</b>	240,802	<b>274,352</b>	240,802
		<b>(28,153)</b>	(28,280)	<b>(28,153)</b>	(28,280)
<b>Profit before zakat and tax</b>		<b>246,199</b>	212,522	<b>246,199</b>	212,522
Zakat		<b>(2,611)</b>	(2,463)	<b>(2,611)</b>	(2,463)
Tax expense	B5	<b>(69,691)</b>	(56,630)	<b>(69,691)</b>	(56,630)
<b>Profit for the period</b>		<b>173,897</b>	153,429	<b>173,897</b>	153,429
<b>Attributable to:</b>					
Owners of the Company		<b>151,102</b>	135,254	<b>151,102</b>	135,254
Non-controlling interests		<b>22,795</b>	18,175	<b>22,795</b>	18,175
<b>Profit for the period</b>		<b>173,897</b>	153,429	<b>173,897</b>	153,429
Earnings per share (sen)	B12	<b>9.32</b>	8.57	<b>9.32</b>	8.57

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**Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income for the three months ended 31 March 2017  
(continued)**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b>Profit for the period</b>	<b>173,897</b>	153,429	<b>173,897</b>	153,429
	=====	=====	=====	=====
<b>Other comprehensive income, net of tax</b>				
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Remeasurement of defined benefit liabilities	-	529	-	529
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Currency translation differences in respect of foreign operations	<b>8,145</b>	37,793	<b>8,145</b>	37,793
Fair value reserve:				
Net change in fair value	<b>14,541</b>	91,190	<b>14,541</b>	91,190
Net amount transferred to profit or loss	<b>(1,691)</b>	(13,633)	<b>(1,691)</b>	(13,633)
Income tax credit relating to components of other comprehensive income	<b>(2,493)</b>	(17,906)	<b>(2,493)</b>	(17,906)
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<b>Other comprehensive income for the period, net of tax</b>	<b>18,502</b>	97,973	<b>18,502</b>	97,973
	-----	-----	-----	-----
<b>Total comprehensive income for the period</b>	<b>192,399</b>	251,402	<b>192,399</b>	251,402
	=====	=====	=====	=====
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>167,624</b>	233,547	<b>167,624</b>	233,547
Non-controlling interests	<b>24,775</b>	17,855	<b>24,775</b>	17,855
	-----	-----	-----	-----
<b>Total comprehensive income for the period</b>	<b>192,399</b>	251,402	<b>192,399</b>	251,402
	=====	=====	=====	=====

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**Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income for the three months ended 31 March 2017  
(continued)**

Company	Note	Quarter 3 months ended		Year-to-date 3 months ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Income derived from investment of shareholders' funds / Total distributable income / Total net income	26	<b>61,942</b>	38,290	<b>61,942</b>	38,290
Personnel expenses	31	<b>(2,104)</b>	(2,806)	<b>(2,104)</b>	(2,806)
Other overhead expenses	32	<b>(1,183)</b>	(1,243)	<b>(1,183)</b>	(1,243)
		<b>58,655</b>	34,241	<b>58,655</b>	34,241
Finance cost		<b>(19,140)</b>	(18,387)	<b>(19,140)</b>	(18,387)
<b>Profit before zakat and tax</b>		<b>39,515</b>	15,854	<b>39,515</b>	15,854
Tax expense	B5	<b>(606)</b>	(275)	<b>(606)</b>	(275)
<b>Profit for the period</b>		<b>38,909</b>	15,579	<b>38,909</b>	15,579
<b>Attributable to:</b>					
Owners of the Company		<b>38,909</b>	15,579	<b>38,909</b>	15,579
<b>Profit for the period</b>		<b>38,909</b>	15,579	<b>38,909</b>	15,579

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**Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income for the three months ended 31 March 2017  
(continued)**

Company	Quarter		Year-to-date	
	3 months ended		3 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	<b>38,909</b>	15,579	<b>38,909</b>	15,579
	=====	=====	=====	=====
<b>Other comprehensive income, net of tax</b>				
<b>Items that may be reclassified</b>				
<b>subsequently to profit or loss:</b>				
Fair value reserve:				
Net change in fair value	<b>117</b>	201	<b>117</b>	201
Net amount transferred to profit or loss	<b>(44)</b>	(103)	<b>(44)</b>	(103)
	-----	-----	-----	-----
<b>Other comprehensive income for the period, net of tax</b>	<b>73</b>	98	<b>73</b>	98
	-----	-----	-----	-----
<b>Total comprehensive income for the period</b>	<b>38,982</b>	15,677	<b>38,982</b>	15,677
	=====	=====	=====	=====
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	<b>38,982</b>	15,677	<b>38,982</b>	15,677
	-----	-----	-----	-----
<b>Total comprehensive income for the period</b>	<b>38,982</b>	15,677	<b>38,982</b>	15,677
	=====	=====	=====	=====

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**Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2017**

Group	← Attributable to owners of the Company →				Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Non-distributable Share premium RM'000	Other reserves RM'000	Distributable Retained earnings RM'000			
<b>At 1 January 2016</b>	1,542,210	1,991,615	(206,949)	86,782	3,413,658	282,068	3,695,726
Profit for the period	-	-	-	135,254	135,254	18,175	153,429
Other comprehensive income							
Remeasurement of defined benefit liabilities	-	-	-	239	239	290	529
Currency translation differences in respect of foreign operations	-	-	39,613	-	39,613	(1,820)	37,793
Fair value reserve:							
Net change in fair value	-	-	89,809	-	89,809	1,381	91,190
Net amount reclassified to profit or loss	-	-	(13,462)	-	(13,462)	(171)	(13,633)
Income tax credit relating to components of other comprehensive income	-	-	(17,906)	-	(17,906)	-	(17,906)
<b>Total comprehensive income for the period</b>	-	-	98,054	135,493	233,547	17,855	251,402
Dividends paid to non-controlling interest	-	-	-	-	-	(23,835)	(23,835)
Issue of shares pursuant to Dividend Reinvestment Plan	46,469	110,993	-	-	157,462	-	157,462
Share-based payment transactions	-	-	732	-	732	483	1,215
<b>At 31 March 2016</b>	<b>1,588,679</b>	<b>2,102,608</b>	<b>(108,163)</b>	<b>222,275</b>	<b>3,805,399</b>	<b>276,571</b>	<b>4,081,970</b>

Note 23

*The Unaudited Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2016.*

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**Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2017 (continued)**

Group	← Attributable to owners of the Company →				Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Non-distributable Share premium RM'000	Other reserves RM'000	Distributable Retained earnings RM'000			
<b>At 1 January 2017</b>	<b>1,588,680</b>	<b>2,102,611</b>	<b>(115,791)</b>	<b>307,352</b>	<b>3,882,852</b>	<b>334,285</b>	<b>4,217,137</b>
Profit for the period	-	-	-	151,102	151,102	22,795	173,897
Other comprehensive income							
Remeasurement of defined benefit liabilities	-	-	-	-	-	-	-
Currency translation differences in respect of foreign operations	-	-	7,171	-	7,171	974	8,145
Fair value reserve:							
Net change in fair value	-	-	13,255	-	13,255	1,286	14,541
Net amount reclassified to profit or loss	-	-	(1,411)	-	(1,411)	(280)	(1,691)
Income tax credit relating to components of other comprehensive income	-	-	(2,493)	-	(2,493)	-	(2,493)
<b>Total comprehensive income for the period</b>	-	-	<b>16,522</b>	<b>151,102</b>	<b>167,624</b>	<b>24,775</b>	<b>192,399</b>
Dividends paid to non-controlling interest	-	-	-	-	-	(39,528)	(39,528)
Issue of shares pursuant to Dividend Reinvestment Plan	49,061	134,918	-	-	183,979	-	183,979
Share-based payment transactions	-	-	961	-	961	644	1,605
<b>At 31 March 2017</b>	<b>1,637,741</b>	<b>2,237,529</b>	<b>(98,308)</b>	<b>458,454</b>	<b>4,235,416</b>	<b>320,176</b>	<b>4,555,592</b>

Note 23

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**Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2017 (continued)**

Company	← Attributable to owners of the Company →						
	Share capital RM'000	← Non-distributable →			Distributable		Total equity RM'000
		Share premium RM'000	Warrant reserves RM'000	Fair value reserves RM'000	Retained earnings RM'000		
<b>At 1 January 2016</b>	1,542,210	1,991,615	129,300	64	38,417	3,701,606	
Profit for the period	-	-	-	-	15,579	15,579	
Other comprehensive income							
Fair value reserve:							
Net change in fair value	-	-	-	201	-	201	
Net amount reclassified to profit or loss	-	-	-	(103)	-	(103)	
<b>Total comprehensive income for the period</b>	-	-	-	98	15,579	15,677	
Issue of shares pursuant to Dividend Reinvestment Plan	46,469	110,993	-	-	-	157,462	
<b>At 31 March 2016</b>	1,588,679	2,102,608	129,300	162	53,996	3,874,745	
<b>At 1 January 2017</b>	<b>1,588,680</b>	<b>2,102,611</b>	<b>129,300</b>	<b>81</b>	<b>51,259</b>	<b>3,871,931</b>	
Profit for the period	-	-	-	-	38,909	38,909	
Other comprehensive income							
Fair value reserve:							
Net change in fair value	-	-	-	117	-	117	
Net amount reclassified to profit or loss	-	-	-	(44)	-	(44)	
<b>Total comprehensive income for the period</b>	-	-	-	73	38,909	38,982	
Issue of shares pursuant to Dividend Reinvestment Plan	49,061	134,918	-	-	-	183,979	
<b>At 31 March 2017</b>	<b>1,637,741</b>	<b>2,237,529</b>	<b>129,300</b>	<b>154</b>	<b>90,168</b>	<b>4,094,892</b>	

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**BIMB Holdings Berhad (423858-X)**  
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**Condensed Consolidated Statement of Cash Flows for the three months ended 31 March 2017**

	<b>Group</b>		<b>Company</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>				
Profit before zakat and tax	<b>246,199</b>	212,522	<b>39,515</b>	15,854
Adjustments for:				
Depreciation of property and equipment	<b>18,093</b>	18,067	<b>80</b>	160
Depreciation of investment property	<b>74</b>	74	-	-
Loss on disposal of property and equipment	<b>3</b>	519	-	-
Property and equipment written off	<b>4</b>	8	-	-
Collective assessment allowance	<b>29,946</b>	61,767	-	-
Individual assessment allowance	<b>(3,455)</b>	(69)	-	-
Allowance for impairment loss on financial assets available-for-sale	-	310	-	-
Net loss/(gain) on sale of financial assets held-for-trading	<b>4,728</b>	(3,134)	-	-
Net gain on sale of financial assets available-for-sale	<b>(966)</b>	(13,095)	-	-
Fair value gain on financial assets held-for-trading	<b>(6,544)</b>	(9,437)	-	-
Net derivative (gain)/loss	<b>(53)</b>	4,186	-	-
Dividends from securities	<b>(1,472)</b>	(1,005)	<b>(1,025)</b>	(103)
Dividends from subsidiaries	-	-	<b>(58,986)</b>	(36,129)
Reversal of allowance for doubtful debts	-	(2)	-	-
Change in actuarial reserves/ unearned contributions reserve	<b>(9,167)</b>	(10,713)	-	-
Equity settled share-based payment	<b>1,605</b>	1,215	-	-
Amortisation of intangible assets	<b>3,066</b>	3,066	-	-
Finance cost	<b>28,153</b>	28,280	<b>19,140</b>	18,387
<b>Operating profit/(loss) before working capital changes</b>	<b>310,214</b>	292,559	<b>(1,276)</b>	(1,831)

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**Condensed Consolidated Statement of Cash Flows for the three months ended 31 March 2017 (continued)**

	<b>Group</b>		<b>Company</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Operating profit/(loss) before working capital changes	<b>310,214</b>	292,559	<b>(1,276)</b>	(1,831)
Changes in working capital:				
Deposits and placements of banks and other financial institutions	<b>(30,000)</b>	499,962	-	-
Financing of customers	<b>(593,618)</b>	(1,014,113)	-	-
Statutory deposits with Bank Negara Malaysia	<b>159,820</b>	244,220	-	-
Other assets	<b>30,963</b>	256,602	<b>305</b>	(270)
Deposits from customers	<b>(2,238,877)</b>	(3,067,087)	-	-
Investment accounts of customers	<b>115,711</b>	231,812	-	-
Other liabilities	<b>20,999</b>	(164,333)	<b>(2,303)</b>	399
Bills and acceptances payable	<b>135,513</b>	362,966	-	-
Cash used in operations	<b>(2,089,275)</b>	(2,357,412)	<b>(3,274)</b>	(1,702)
Zakat paid	<b>(600)</b>	-	-	-
Tax paid	<b>(54,073)</b>	(53,564)	<b>(404)</b>	(183)
<b>Net cash used in operating activities</b>	<b>(2,143,948)</b>	(2,410,976)	<b>(3,678)</b>	(1,885)
<b>Cash flows from investing activities</b>				
Net proceeds from (purchase)/disposal of securities	<b>(277,403)</b>	643,695	<b>(33,794)</b>	-
Purchase of property and equipment	<b>(12,886)</b>	(12,504)	<b>(24)</b>	(4)
Proceeds from disposal of property and equipment	<b>76</b>	3	-	-
Dividends from subsidiaries	-	-	<b>58,986</b>	36,129
Dividends from securities	<b>447</b>	902	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(289,766)</b>	632,096	<b>25,168</b>	36,125

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**Condensed Consolidated Statement of Cash Flows for the three months ended 31 March 2017 (continued)**

	<b>Group</b>		<b>Company</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>				
Dividends paid	<b>(22,550)</b>	(30,688)	<b>(22,550)</b>	(30,688)
Dividends paid to non-controlling interest	<b>(39,528)</b>	(23,835)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net cash used in financing activities</b>	<b>(62,078)</b>	(54,523)	<b>(22,550)</b>	(30,688)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,495,792)</b>	(1,833,403)	<b>(1,060)</b>	3,552
<b>Cash and cash equivalents at beginning of the period</b>	<b>5,655,408</b>	4,280,835	<b>205,318</b>	214,354
<b>Foreign exchange differences</b>	<b>8,198</b>	37,793	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the period</b>	<b>3,167,814</b>	2,485,225	<b>204,258</b>	217,906
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents comprise:				
Cash and short-term funds	<b>1,970,340</b>	1,652,184	<b>204,258</b>	217,906
Deposits and placements with financial institutions	<b>1,197,474</b>	833,041	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>3,167,814</b>	2,485,225	<b>204,258</b>	217,906
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*The Unaudited Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and of the Company for the financial year ended 31 December 2016.*

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**Explanatory Notes to the Financial Statements for the three months ended  
31 March 2017**

**1. Basis of preparation**

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

The unaudited interim financial statements of the Group for the three months ended 31 March 2017 comprise that of the Company and its subsidiaries (together referred to as the Group).

These unaudited interim financial statements were approved for issue by the Board of Directors.

These unaudited interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, MFRS 134: *Interim Financial Reporting* in Malaysia issued by Malaysian Accounting Standards Board ("MASB"), Financial Reporting for Islamic Banking Institution policy issued by Bank Negara Malaysia ("BNM"), the provisions of the Companies Act, 2016 and Shariah requirements.

The unaudited interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2016. The explanatory notes attached to the unaudited 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 financial year ended 31 December 2016.

The audited financial statements of the Group for the financial year ended 31 December 2016, are available upon request from the Company's registered office at 31<sup>st</sup> Floor, Menara Bank Islam, No. 22 Jalan Perak, 50450 Kuala Lumpur.

**BIMB Holdings Berhad (423858-X)**  
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**1. Basis of preparation (continued)**

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the recent audited financial statements for the financial year ended 31 December 2016, except for the adoption of the following Malaysian Financial Reporting Standards ("MFRS") and amendments to MFRSs:

- Amendments to MFRS 12, *Disclosure of Interests in Other Entities (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 107, *Statement of Cash Flows – Disclosure Initiative*
- Amendments to MFRS 112, *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses*

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018***

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019***

- MFRS 16, *Leases*

***MFRSs, Interpretations and amendments effective for a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

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**1. Basis of preparation (continued)**

The Group and the Company plan to apply the abovementioned standards, amendments and interpretations:

- from the annual period beginning on 1 January 2018 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2018.
- from the annual period beginning on 1 January 2019 for those accounting standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2019.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company except as mentioned in the subsequent paragraphs:

***MFRS 15, Revenue from Contracts with Customers***

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

MFRS 15 establishes principles that an entity shall apply to report useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The core principle of MFRS 15 is that an entity recognises revenue in a manner which reflects the consideration an entity expects to be entitled in exchange for goods or services. The adoption of MFRS 15 is not expected to have any material impact on the financial statements of the Group and of the Company.

***MFRS 9, Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

The standard introduces new requirements for classification and measurement of financial instruments, impairment of financial assets and hedge accounting. The approach for classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held with two measurement categories – amortised cost and fair value. For impairment, MFRS 9 introduces an expected-loss impairment model which will require more timely recognition of expected credit losses to reflect changes of credit risk of financial instruments.

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**1. Basis of preparation (continued)**

**MFRS 9, *Financial Instruments* (continued)**

The preparation for MFRS 9 by the Group started in 2016. MFRS 9 Project Steering Committees were set up at the subsidiary companies and were assisted by Internal Working Groups and Consultants for the implementation.

Overall, the Group anticipates changes to the financial statements in the areas of classification and measurement for financial assets and impairment. The classification and measurement requirements will affect the presentation and disclosures of the Group's financial statements whilst the impairment requirements are expected to result in higher allowances for impairment losses. The Group is currently performing a detailed assessment to determine the extent of the impact arising from this standard.

**MFRS 16, *Leases***

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 introduces a single accounting model for a lessee and eliminates the distinction between finance lease and operating lease. Lessee is now required to recognise assets and liabilities for all leases. However, a lessee may elect not to apply the requirements for short-term leases which are for the term 12 months or less and leases for which the underlying asset is of low value. For such leases, lessees may elect to expense off the lease payments on a straight line basis over the lease term or use other systematic method. Upon adoption of MFRS 16, the Group and the Company are required to account for major part of their operating leases in the balance sheet by recognising the 'right-of-use' asset and the lease liability, thus increasing the assets and liabilities of the Group and of the Company. The Group and the Company are currently assessing the financial impact arising from the adoption of this standard.



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**2. Audit report of preceding financial year ended 31 December 2016**

The auditors' report on the audited financial statements for the financial year ended 31 December 2016 was not qualified.

**3. Seasonality and cyclicity of operations**

The operations of the Group were not materially affected by any seasonal or cyclical factors for the three months ended 31 March 2017.

**4. 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 for the three months ended 31 March 2017.

**5. Changes in estimates of amounts reported previously**

There were no material changes in estimates of amounts reported in the prior financial year that may have a material effect to the financial statements for the three months ended 31 March 2017.

**6. Issuance or repayment of debt and equity securities**

On 31 January 2017, the Company increased its issued and paid-up capital from RM1,588,680,014 to RM1,637,741,014 via the issuance of 49,061,000 new ordinary shares of RM1.00 each at a consideration of RM3.75 each arising from the Dividend Reinvestment Plan.

**7. Significant events during the three months ended 31 March 2017**

- **Dividend received**

On 20 January 2017, Syarikat Takaful Malaysia Berhad paid a single tier dividend of 12.00 sen per ordinary share totalling RM58.986 million for the financial year ended 31 December 2016.

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**8. Cash and short-term funds**

	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
Cash and balances with banks and other financial institutions	<b>883,196</b>	1,029,924
Money at call and interbank placements with remaining maturity not exceeding one month	<b>1,087,144</b>	3,472,346
	<u><b>1,970,340</b></u>	<u>4,502,270</u>
	=====	=====
<b>Company</b>		
Cash and balances with banks and other financial institutions	<b>204,258</b>	205,318
	<u><b>204,258</b></u>	<u>205,318</u>
	=====	=====

**9. Deposits and placements with financial institutions**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	<b>1,168,443</b>	1,129,260
Other financial institutions	<b>29,031</b>	23,878
	<u><b>1,197,474</b></u>	<u>1,153,138</u>
	=====	=====

**BIMB Holdings Berhad (423858-X)**  
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**10. Financial assets held-for-trading**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
<i>Quoted securities in Malaysia</i>		
- Shares	<b>57,777</b>	55,305
- Unit trusts	<b>5,491</b>	5,085
<i>Quoted securities outside Malaysia</i>		
- Shares	<b>75,959</b>	65,935
- Unit trusts	<b>16,486</b>	14,823
- Sukuk	<b>47,271</b>	48,121
	<b>202,984</b>	189,269
	-----	-----
<i>Unquoted securities in Malaysia</i>		
- Malaysian Government Investment Issues	<b>145,891</b>	324,500
- Sukuk	<b>259,157</b>	263,841
	<b>405,048</b>	588,341
	<b>608,032</b>	777,610
	=====	=====

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**11. Derivative financial assets/(liabilities)**

The following tables summarise the contractual or underlying principal amounts of derivative financial instruments held at fair value through profit or loss for hedging purposes. The principal or contractual amount of these instruments reflects the volume of transactions outstanding at financial position date, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position and the unrealised gains or losses are reflected as derivative financial assets and liabilities respectively.

<b>Group</b>	<b>Notional Amount RM'000</b>	<b>Fair value</b>	
		<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>31.03.2017</b>			
Forward contracts	3,562,509	66,433	(74,191)
Profit rate swaps	829,162	7,030	(3,458)
	<b>4,391,671</b>	<b>73,463</b>	<b>(77,649)</b>
	=====	=====	=====
<b>31.12.2016</b>			
Forward contracts	3,117,570	117,445	(107,469)
Profit rate swaps	836,027	7,127	(3,620)
	<b>3,953,597</b>	<b>124,572</b>	<b>(111,089)</b>
	=====	=====	=====

**BIMB Holdings Berhad (423858-X)**  
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**12. Financial assets available-for-sale**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
<i>Quoted securities in Malaysia</i>		
- Unit trusts	<b>327,625</b>	303,573
- Shares	<b>237,622</b>	343,240
<i>Quoted securities outside Malaysia</i>		
- Unit trusts	<b>50,591</b>	50,027
- Shares	<b>28,471</b>	31,219
- Sukuk	-	334
	<b>644,309</b>	728,393
	-----	-----
<b>At fair value</b>		
<i>Unquoted securities in Malaysia</i>		
- Malaysian Government Islamic Papers	<b>199,525</b>	148,793
- Malaysian Government Investment Issues	<b>2,100,113</b>	2,057,324
- Negotiable Islamic Debt Certificate	-	496,681
- Sukuk	<b>11,074,264</b>	10,158,362
- Shares	<b>380</b>	380
- Institutional Trust Account	<b>242,519</b>	160,112
<i>Unquoted securities outside Malaysia</i>		
- Shares	<b>45</b>	44
	<b>13,616,846</b>	13,021,696
	-----	-----
<b>At cost</b>		
<i>Unquoted securities in Malaysia</i>		
- Unquoted shares in Malaysia	<b>25,185</b>	25,468
Less: Accumulated impairment loss*	<b>(19,904)</b>	(20,187)
	<b>5,281</b>	5,281
	-----	-----
<i>Unquoted securities outside Malaysia</i>		
- Unquoted shares outside Malaysia	<b>329</b>	329
Less: Impairment loss	<b>(310)</b>	(310)
	<b>19</b>	19
	<b>14,266,455</b>	13,755,389
	=====	=====

\* Movement in accumulated impairment loss due to translation differences.

**BIMB Holdings Berhad (423858-X)**  
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**12. Financial assets available-for-sale (continued)**

	<b>Company</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
<i>Quoted securities in Malaysia</i>		
- Unit trusts	<b>170,466</b>	135,406
	=====	=====

**13. Financial assets held-to-maturity**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost</b>		
<i>Quoted securities outside Malaysia</i>		
- Sukuk	<b>93,502</b>	94,009
 <i>Unquoted securities in Malaysia</i>		
- Malaysian Government Islamic Papers	<b>59,992</b>	105,037
- Sukuk	<b>438,055</b>	438,927
Less: Accumulated impairment loss	<b>(6,887)</b>	(6,887)
	<b>431,168</b>	432,040
	=====	=====
	<b>584,662</b>	631,086
	=====	=====

**BIMB Holdings Berhad (423858-X)**  
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**14. Financing, advances and others**

**(a) By type and Shariah contract**

<b>Group</b>	<b>Bai' Bithaman Ajil RM'000</b>	<b>Murabahah RM'000</b>	<b>Bai Al-Dayn RM'000</b>	<b>Bai Al-Inah RM'000</b>	<b>At-Tawarruq RM'000</b>	<b>Ijarah Muntahiah Bit-Tamleek RM'000</b>	<b>Ijarah Thumma Al-Bai RM'000</b>	<b>Istisna' RM'000</b>	<b>Ar-Rahnu RM'000</b>	<b>Total RM'000</b>
<b>31 March 2017</b>										
<b>At amortised cost</b>										
Cash line	-	-	-	33,386	991,709	-	-	-	-	1,025,095
Term financing										
House financing ^	4,385,985	-	-	-	10,137,604	-	-	58,166	-	14,581,755
Syndicated financing	-	-	-	47,485	1,024,651	-	125,059	-	-	1,197,195
Leasing financing	-	-	-	-	-	87,405	695	-	-	88,100
Bridging financing	-	-	-	-	-	-	-	79,843	-	79,843
Personal financing ^	-	-	-	34,692	11,418,055	-	-	-	-	11,452,747
Other term financing	1,943,274	991,981	-	3,924	7,435,526	-	-	1,485	-	10,376,190
Staff financing	79,688	6,020	-	-	105,058	-	-	13,824	-	204,590
Credit cards	-	-	-	8,419	436,596	-	-	-	-	445,015
Trade bills discounted	-	689,949	195,210	-	-	-	-	-	-	885,159
Trust receipts	-	2,033	-	-	-	-	-	-	-	2,033
Pawn broking	-	-	-	-	-	-	-	-	85,636	85,636
Investment Account Platform *	-	-	-	-	5,471	-	-	-	-	5,471
	<u>6,408,947</u>	<u>1,689,983</u>	<u>195,210</u>	<u>127,906</u>	<u>31,554,670</u>	<u>87,405</u>	<u>125,754</u>	<u>153,318</u>	<u>85,636</u>	<u>40,428,829</u>
Allowance for impaired financing, advances and others										
- collective assessment allowance										(548,653)
- individual assessment allowance										(123,775)
<b>Net financing, advances and others</b>										<u>39,756,401</u>

^ Included in house financing and personal financing are the underlying assets under the Unrestricted Investment Accounts ("URIA") amounting RM2,676,052,000 and RM1,013,530,000 respectively as disclosed in Note 18 of these financial statements.

\* This represents a term financing of Bank Islam's participation in Investment Account Platform ("IAP") to finance viable ventures via Restricted Investment Account.

**BIMB Holdings Berhad (423858-X)**

(Incorporated in Malaysia)

**and its subsidiaries****Unaudited Interim Financial Statements****14. Financing, advances and others (continued)****(a) By type and Shariah contract (continued)**

<b>Group</b>	<b>Bai'</b>		<b>Bai</b>	<b>Bai</b>		<b>Ijarah</b>	<b>Ijarah</b>			<b>Total</b>
<b>31 December 2016</b>	<b>Bithaman</b>	<b>Murabahah</b>	<b>Al-Dayn</b>	<b>Al-Inah</b>	<b>At-Tawarruq</b>	<b>Muntahiah</b>	<b>Thumma</b>	<b>Istisna'</b>	<b>Ar-Rahnu</b>	<b>RM'000</b>
	<b>Ajil</b>					<b>Bit-Tamleek</b>	<b>Al-Bai</b>			<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost</b>										
Cash line	-	-	-	37,899	1,199,021	-	-	-	-	1,236,920
Term financing										
House financing ^	4,484,247	-	-	-	9,503,014	-	-	59,088	-	14,046,349
Syndicated financing	-	-	-	196,129	1,045,889	-	123,189	-	-	1,365,207
Leasing financing	-	-	-	-	-	90,610	902	-	-	91,512
Bridging financing	-	-	-	-	-	-	-	82,313	-	82,313
Personal financing ^	-	-	-	42,177	11,197,744	-	-	-	-	11,239,921
Other term financing	2,086,188	933,316	-	4,063	7,106,669	-	-	1,503	-	10,131,739
Staff financing	83,743	5,087	-	-	98,821	-	-	14,218	-	201,869
Credit cards	-	-	-	9,004	450,388	-	-	-	-	459,392
Trade bills discounted	-	741,037	180,010	-	-	-	-	-	-	921,047
Trust receipts	-	5,169	-	-	-	-	-	-	-	5,169
Pawn broking	-	-	-	-	-	-	-	-	85,315	85,315
Investment Account Platform *	-	-	-	-	5,690	-	-	-	-	5,690
	<u>6,654,178</u>	<u>1,684,609</u>	<u>180,010</u>	<u>289,272</u>	<u>30,607,236</u>	<u>90,610</u>	<u>124,091</u>	<u>157,122</u>	<u>85,315</u>	<u>39,872,443</u>
Allowance for impaired financing, advances and others										
- collective assessment allowance										(554,971)
- individual assessment allowance										(128,198)
<b>Net financing, advances and others</b>										<u>39,189,274</u>

^ Included in house financing and personal financing are the underlying assets under the Unrestricted Investment Accounts ("URIA") amounting RM2,568,123,000 and RM1,005,748,000 respectively as disclosed in Note 18 of these financial statements.

\* This represents a term financing of Bank Islam's participation in Investment Account Platform ("IAP") to finance viable ventures via Restricted Investment Account.



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**14. Financing, advances and others (continued)**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(b) By type of customer</b>		
Domestic non-bank financial institutions	<b>1,186,098</b>	1,376,559
Domestic business enterprise	<b>6,881,289</b>	6,908,806
Small medium industries	<b>932,138</b>	896,530
Government and statutory bodies	<b>1,033,859</b>	938,069
Individuals	<b>29,622,764</b>	28,957,975
Other domestic entities	<b>7,224</b>	7,239
Foreign entities	<b>765,457</b>	787,265
	<b>40,428,829</b>	39,872,443
	=====	=====
<b>(c) By profit rate sensitivity</b>		
Fixed rate		
House financing	<b>1,234,025</b>	1,268,632
Others	<b>3,893,391</b>	4,059,422
Floating rate		
House financing	<b>13,948,675</b>	13,382,969
Others	<b>21,352,738</b>	21,161,420
	<b>40,428,829</b>	39,872,443
	=====	=====
<b>(d) By remaining contractual maturity</b>		
Maturity within one year	<b>4,632,703</b>	4,312,581
More than one year to three years	<b>1,496,765</b>	1,400,480
More than three years to five years	<b>3,000,226</b>	2,197,573
More than five years	<b>31,299,135</b>	31,961,809
	<b>40,428,829</b>	39,872,443
	=====	=====
<b>(e) By geographical distribution</b>		
Central Region	<b>19,083,079</b>	18,853,925
Eastern Region	<b>6,699,024</b>	6,534,376
Northern Region	<b>5,775,612</b>	5,864,200
Southern Region	<b>5,700,385</b>	5,499,121
East Malaysia Region	<b>3,170,729</b>	3,120,821
	<b>40,428,829</b>	39,872,443
	=====	=====

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**14. Financing, advances and others (continued)**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(f) By sector</b>		
Primary agriculture	<b>370,422</b>	377,285
Mining and quarrying	<b>11,930</b>	12,931
Manufacturing (including agro-based)	<b>774,503</b>	747,410
Electricity, gas and water	<b>877,050</b>	868,319
Wholesale & retail trade, and hotels & restaurants	<b>1,192,098</b>	1,274,954
Construction	<b>2,029,892</b>	2,161,215
Real estate	<b>1,316,092</b>	1,205,740
Transport, storage and communications	<b>901,734</b>	870,559
Finance, insurance and business activities	<b>1,948,040</b>	2,134,947
Education, health and others	<b>1,371,276</b>	1,256,209
Household sectors	<b>29,635,792</b>	28,962,874
	<b>40,428,829</b>	39,872,443
	=====	=====
<b>(g) Movement in impaired financing and advances (“impaired financing”) are as follows:</b>		
At 1 January 2017/2016	<b>389,445</b>	381,270
Classified as impaired during the period/year	<b>130,601</b>	580,341
Reclassified as not impaired during the period/year	<b>(77,091)</b>	(284,602)
Amount recovered	<b>(23,129)</b>	(112,502)
Amount written off	<b>(36,180)</b>	(178,052)
Exchange differences	<b>(967)</b>	2,990
	<b>382,679</b>	389,445
	=====	=====
Gross impaired financing as a percentage of gross financing, advances and others	<b>0.95%</b>	0.98%
	=====	=====

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**14. Financing, advances and others (continued)**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(h) Impaired financing by geographical distribution</b>		
Central Region	<b>141,482</b>	142,841
Eastern Region	<b>92,497</b>	92,848
Northern Region	<b>33,493</b>	36,299
Southern Region	<b>28,656</b>	31,329
East Malaysia Region	<b>86,551</b>	86,128
	<hr/>	<hr/>
	<b>382,679</b>	389,445
	=====	=====
<b>(i) Impaired financing by sector</b>		
Primary agriculture	<b>1,329</b>	1,311
Manufacturing (including agro-based)	<b>38,126</b>	36,739
Wholesale & retail trade, and hotels & restaurants	<b>26,056</b>	25,651
Construction	<b>13,271</b>	13,714
Real estate	<b>1,490</b>	-
Transport, storage and communications	<b>13,840</b>	15,579
Finance, insurance and business activities	<b>70,552</b>	70,948
Education, health and others	<b>4,648</b>	3,076
Household sectors	<b>213,367</b>	222,427
	<hr/>	<hr/>
	<b>382,679</b>	389,445
	=====	=====
<b>(j) Movement of allowance for impaired financing</b>		
<u>Collective assessment allowance</u>		
At 1 January 2017/2016	<b>554,971</b>	541,065
Allowance made during the period/year	<b>29,946</b>	161,667
Amount written off	<b>(36,180)</b>	(146,725)
Exchange differences	<b>(84)</b>	(1,036)
	<hr/>	<hr/>
At 31 March 2017/31 December 2016	<b>548,653</b>	554,971
	=====	=====

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**14. Financing, advances and others (continued)**

**(j) Movement of allowance for impaired financing (continued)**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Individual assessment allowance</u>		
At 1 January 2017/2016	<b>128,198</b>	124,471
Allowance made during the period/year	<b>3,586</b>	54,566
Amount recovered	<b>(7,041)</b>	(23,904)
Amount written off	<b>-</b>	(29,928)
Exchange differences	<b>(968)</b>	2,993
	<hr/>	<hr/>
At 31 March 2017/31 December 2016	<b>123,775</b>	128,198
	<hr/> <hr/>	<hr/> <hr/>

**15. Other assets**

	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
Clients' and dealers' debit balances	<b>110,996</b>	63,599
Deposits and prepayments	<b>51,589</b>	46,237
Other financing	<b>81,259</b>	81,850
Other receivables	<b>120,908</b>	253,075
	<hr/>	<hr/>
	<b>364,752</b>	444,761
	<hr/> <hr/>	<hr/> <hr/>
<b>Company</b>		
Amount due from subsidiaries	<b>354</b>	479
Deposits and prepayments	<b>412</b>	409
Income receivable	<b>1,094</b>	1,410
Other receivables	<b>-</b>	35
	<hr/>	<hr/>
	<b>1,860</b>	2,333
	<hr/> <hr/>	<hr/> <hr/>

**BIMB Holdings Berhad (423858-X)**  
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**16. Takaful assets**

		<b>Group</b>	
	<b>Note</b>	<b>31.03.2017</b>	<b>31.12.2016</b>
		<b>RM'000</b>	<b>RM'000</b>
Retakaful assets:			
- Claims liabilities	21(a)(i)	<b>269,256</b>	261,426
- Contribution liabilities	21(a)(ii)	<b>72,121</b>	62,969
- Actuarial liabilities	21(a)(iii)	<b>147,034</b>	144,096
		<hr/> <b>488,411</b>	<hr/> 468,491
		-----	-----
Takaful receivables			
- Due contributions		<b>224,155</b>	136,214
- Due from retakaful/co-takaful		<b>42,386</b>	42,869
		<hr/> <b>266,541</b>	<hr/> 179,083
Less: Allowance for impaired receivables		<b>(7,408)</b>	(9,375)
		<hr/> <b>259,133</b>	<hr/> 169,708
		-----	-----
		<b>747,544</b>	638,199
		=====	=====

**BIMB Holdings Berhad (423858-X)**  
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**17. Deposits from customers**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(a) By type of deposit</b>		
<b>Savings deposits</b>		
<i>Wadiah</i>	<b>4,398,078</b>	4,131,604
<b>Demand deposits</b>		
<i>Wadiah</i>	<b>9,401,954</b>	9,928,598
<b>Term Deposit</b>	<b>29,348,051</b>	31,325,023
Special Investment Deposit <i>Mudharabah</i>	<b>27,711</b>	27,711
General Investment Deposit <i>Mudharabah</i>	<b>377,384</b>	394,472
Term Deposit-i <i>Tawarruq</i>	<b>24,857,476</b>	27,833,428
Negotiable Islamic Debt Certificates ("NIDC")	<b>4,085,480</b>	3,069,412
<b>Others</b>	<b>104,793</b>	106,528
<b>Total Deposits</b>	<b>43,252,876</b>	45,491,753
<b>(b) Maturity structure of term deposits are as follows:</b>		
Due within six months	<b>21,312,906</b>	26,108,266
More than six months to one year	<b>7,489,498</b>	4,157,963
More than one year to three years	<b>506,329</b>	690,590
More than three years to five years	<b>39,318</b>	368,204
	<b>29,348,051</b>	31,325,023

**BIMB Holdings Berhad (423858-X)**  
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**17. Deposits from customers (continued)**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(c) By type of customer</b>		
Domestic non-bank financial institutions	<b>13,733,002</b>	15,053,052
Business enterprises	<b>10,382,139</b>	11,730,076
Government and statutory bodies	<b>6,238,735</b>	6,890,474
Individuals	<b>5,070,916</b>	4,817,561
Domestic banking institutions	<b>3,703,745</b>	2,994,256
Others	<b>4,124,339</b>	4,006,334
	<b>43,252,876</b>	45,491,753
	=====	=====

**18. Investment accounts of customers**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(a) By type and Shariah contract</b>		
<b>Unrestricted investment accounts</b>		
Without maturity		
<i>Mudharabah</i>	<b>1,661,902</b>	1,516,844
With maturity		
<i>Wakalah</i>	<b>2,027,680</b>	2,057,027
	<b>3,689,582</b>	3,573,871
	=====	=====
<b>Restricted investment accounts ("RIA") managed by Bank Islam^</b>		
With maturity		
<i>Wakalah</i>	<b>145,289</b>	141,343
	=====	=====
<u>Investment portfolio:</u>		
Unrestricted investment accounts		
- <i>House financing</i>	<b>2,676,052</b>	2,568,123
- <i>Personal financing</i>	<b>1,013,530</b>	1,005,748
	<b>3,689,582</b>	3,573,871
	=====	=====
Restricted investment accounts		
- <i>Other term financing</i>	<b>145,289</b>	141,343
	=====	=====

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**18. Investment accounts of customers (continued)**

- <sup>^</sup> Restricted investment accounts ("RIA") is an arrangement between Bank Islam ("the Bank") and the investment account holders ("IAH") where the Bank acts as the investment agent to manage and administer the RIA and its underlying assets. RIA is accounted for as off balance sheet item as the Bank has no rights and obligations in respect of the assets related to the RIA or to the residual cash flows from those assets except for the Wakalah performance incentive fee income generated by the Bank for managing the RIA.

Included in RIA managed by the Bank is an arrangement between the Bank and its ultimate holding entity with underlying assets amounting to RM144,991,000 (2016:RM141,033,000).

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(b) By type of customers</b>		
Individuals	<b>1,862,664</b>	1,677,636
Government and statutory bodies	<b>792,400</b>	762,888
Business enterprises	<b>593,622</b>	737,961
Non-bank financial institutions	<b>295,224</b>	237,735
Bank and other financial institutions	<b>6,201</b>	45,919
Others	<b>139,471</b>	111,732
	<b>3,689,582</b>	3,573,871



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**19. Deposits and placements of banks and other financial institutions**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<i>Non-Mudharabah fund</i>		
Licensed Islamic banks	-	30,000
	=====	=====

**20. Other liabilities**

	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>		
Accruals and other payables	<b>674,337</b>	836,208
Clients' and dealers' credit balances	<b>110,669</b>	63,205
Dividend payable	-	206,529
	<u><b>785,006</b></u>	<u>1,105,942</u>
	=====	=====
<b>Company</b>		
Accruals and other payables	<b>1,305</b>	3,607
Amount due to subsidiaries	-	1
Dividend payable	-	206,529
	<u><b>1,305</b></u>	<u>210,137</u>
	=====	=====

The amount due to subsidiaries is non-trade, unsecured, not subject to financing charge and repayable on demand.

**21. Takaful liabilities**

		<b>Group</b>	
	<b>Note</b>	<b>31.03.2017</b>	<b>31.12.2016</b>
		<b>RM'000</b>	<b>RM'000</b>
Takaful contract liabilities	21(a)	<b>6,567,595</b>	6,396,375
Expense reserves	21(b)	<b>182,906</b>	159,310
Takaful payables	21(c)	<b>69,277</b>	83,411
		<u><b>6,819,778</b></u>	<u>6,639,096</u>
		=====	=====

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**21. Takaful liabilities (continued)**

**(a) Takaful contract liabilities**

The takaful contract liabilities comprise the following:

		<b>Group</b>	
	<b>Note</b>	<b>31.03.2017</b>	<b>31.12.2016</b>
		<b>RM'000</b>	<b>RM'000</b>
Provision for outstanding claims	21(a)(i)	<b>584,422</b>	582,184
Provision for unearned contributions	21(a)(ii)	<b>335,904</b>	316,569
Participants' fund	21(a)(iii)	<b>5,647,269</b>	5,497,622
		<u><b>6,567,595</b></u>	<u>6,396,375</u>
		=====	=====

**(i) Provision for outstanding claims**

The provision for outstanding claims is further analysed as follows:

		<b>31.03.2017</b>		
		<b>Gross</b>	<b>Retakaful</b>	<b>Net</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>				
Provision for claims reported by participants		<b>258,205</b>	<b>(152,993)</b>	<b>105,212</b>
Provision for IBNR*		<b>326,217</b>	<b>(116,263)</b>	<b>209,954</b>
		<u><b>584,422</b></u>	<u><b>(269,256)</b></u>	<u><b>315,166</b></u>
		=====	=====	=====
			Note 16	

		<b>31.12.2016</b>		
		<b>Gross</b>	<b>Retakaful</b>	<b>Net</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>				
Provision for claims reported by participants		259,275	(150,305)	108,970
Provision for IBNR*		322,909	(111,121)	211,788
		<u>582,184</u>	<u>(261,426)</u>	<u>320,758</u>
		=====	=====	=====
			Note 16	

\* Incurred-but-not-reported ("IBNR")

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**21. Takaful liabilities (continued)**

**(a) Takaful contract liabilities (continued)**

**(i) Provision for outstanding claims (continued)**

Movement of provision for outstanding claims:

	<b>Gross RM'000</b>	<b>Group Retakaful RM'000</b>	<b>Net RM'000</b>
<b>At 1 January 2016</b>	741,069	(404,205)	336,864
Claims incurred during the year	1,053,099	(161,586)	891,513
Adjustment to claims incurred in prior accident years	(60,464)	44,530	(15,934)
Claims paid during the year	(1,127,519)	244,762	(882,757)
(Decrease)/Increase in IBNR	(24,576)	15,275	(9,301)
Effect of movement in exchange rates	575	(202)	373
	-----	-----	-----
<b>At 31 December 2016/ 1 January 2017</b>	<b>582,184</b>	<b>(261,426)</b>	<b>320,758</b>
Claims incurred during the period	<b>289,520</b>	<b>(40,182)</b>	<b>249,338</b>
Adjustment to claims incurred in prior accident years	-	-	-
Claims paid during the period	<b>(272,795)</b>	<b>34,014</b>	<b>(238,781)</b>
Decrease in IBNR	<b>(14,439)</b>	<b>(1,679)</b>	<b>(16,118)</b>
Effect of movement in exchange rates	<b>(48)</b>	<b>17</b>	<b>(31)</b>
	-----	-----	-----
<b>At 31 March 2017</b>	<b>584,422</b>	<b>(269,256)</b>	<b>315,166</b>
	=====	=====	=====

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**21. Takaful liabilities (continued)**

**(a) Takaful contract liabilities (continued)**

**(ii) Provision for unearned contributions**

The provision for unearned contributions is further analysed as follows:

	<b>Gross</b>	<b>Group</b>	<b>Net</b>
	<b>RM'000</b>	<b>Retakaful</b>	<b>RM'000</b>
		<b>RM'000</b>	<b>RM'000</b>
31.03.2017	<b>335,904</b>	<b>(72,121)</b>	<b>263,783</b>
	=====	=====	=====
		Note 16	
31.12.2016	316,569	(62,969)	253,600
	=====	=====	=====
		Note 16	

Movement of provision for unearned contributions:

	<b>Gross</b>	<b>Group</b>	<b>Net</b>
	<b>RM'000</b>	<b>Retakaful</b>	<b>RM'000</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2016</b>	297,773	(55,893)	241,880
Contributions written during the year	516,651	(201,122)	315,529
Contributions earned during the year	(498,631)	194,207	(304,424)
Effect of movement in exchange rates	776	(161)	615
	-----	-----	-----
<b>At 31 December 2016/ 1 January 2017</b>	<b>316,569</b>	<b>(62,969)</b>	<b>253,600</b>
Contributions written during the period	<b>162,393</b>	<b>(70,431)</b>	<b>91,962</b>
Contributions earned during the period	<b>(142,993)</b>	<b>61,264</b>	<b>(81,729)</b>
Effect of movement in exchange rates	<b>(65)</b>	<b>15</b>	<b>(50)</b>
	-----	-----	-----
<b>At 31 March 2017</b>	<b>335,904</b>	<b>(72,121)</b>	<b>263,783</b>
	=====	=====	=====

**BIMB Holdings Berhad (423858-X)**  
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**21. Takaful liabilities (continued)**

**(a) Takaful contract liabilities (continued)**

**(iii) Participants' fund**

Participants' fund balance at end of the reporting period comprises the following:

	<b>Gross</b>	<b>Group</b>	<b>Net</b>
	<b>RM'000</b>	<b>Retakaful</b>	<b>RM'000</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>31.03.2017</b>			
Actuarial liabilities	4,724,057	(147,034)	4,577,023
Unallocated surplus/accumulated surplus	879,272	-	879,272
AFS reserve	(28,366)	-	(28,366)
Translation reserve	(744)	-	(744)
Net assets value attributable to unitholders	73,050	-	73,050
	<u>5,647,269</u>	<u>(147,034)</u>	<u>5,500,235</u>
	=====	=====	=====
		Note 16	
<b>31.12.2016</b>			
Actuarial liabilities	4,389,596	(144,096)	4,245,500
Unallocated surplus/accumulated surplus	954,378	-	954,378
AFS reserve	(54,684)	-	(54,684)
Translation reserve	(872)	-	(872)
Net assets value attributable to unitholders	209,204	-	209,204
	<u>5,497,622</u>	<u>(144,096)</u>	<u>5,353,526</u>
	=====	=====	=====
		Note 16	

**(b) Expense reserves**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2017/2016	159,310	142,258
Provision for the period/year, net	23,629	16,676
Effect of movement in exchange rates	(33)	376
	<u>182,906</u>	<u>159,310</u>
At 31 March 2017/31 December 2016	=====	=====

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**21. Takaful liabilities (continued)**

(c) Takaful payables

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Due to retakaful companies	<b>46,298</b>	65,610
Due to Intermediaries/Participants	<b>22,979</b>	17,801
	<u><b>69,277</b></u>	<u>83,411</u>
	<u>=====</u>	<u>=====</u>

**22. Sukuk liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Sukuk liabilities	<b>1,246,634</b>	1,227,494	<b>1,246,634</b>	1,227,494
Subordinated Sukuk Murabahah	<b>664,274</b>	654,257	-	-
	<u><b>1,910,908</b></u>	<u>1,881,751</u>	<u><b>1,246,634</b></u>	<u>1,227,494</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

The Sukuk liabilities comprise the following:

- a) The 10-year Islamic securities of RM1.66 billion (2016: RM1.66 billion) in nominal value issued by the Company on 12 December 2013; and
- b) Two (2) Tranches of the Subordinated Sukuk Murabahah amounting to RM700 million (2016: RM700 million) issued by Bank Islam Malaysia Berhad are as follows:
  - On 22 April 2015, the Bank issued the first tranche of RM300 million in nominal value of the 10-year Subordinated Sukuk Murabahah which is due on 22 April 2025, with optional redemption on 22 April 2020 or any periodic payment date thereafter. The Sukuk bears a profit rate of 5.75% per annum payable semi-annually in arrears.
  - On 15 December 2015, the Bank issued the second tranche of RM400 million which is due on 15 December 2025, with optional redemption on 15 December 2020 or any periodic payment date thereafter. The Sukuk bears a profit rate of 5.50% per annum payable semi-annually in arrears.

The Subordinated Sukuk Murabahah qualifies as Tier II capital for the computation of the regulatory capital of the Bank in accordance with the Capital Adequacy Framework (Capital Components) for Islamic Banks issued by BNM.

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**23. Other reserves**

Breakdown of other reserves are as follows:

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Capital reserve	<b>6,863</b>	6,863
Warrant reserve	<b>129,300</b>	129,300
Statutory reserve	<b>1,124,774</b>	992,022
Fair value reserve	<b>(33,250)</b>	42,085
Translation reserve	<b>(131,820)</b>	(84,031)
LTIP reserve	<b>5,572</b>	5,345
	<b>1,101,439</b>	1,091,584
Acquisition reserve	<b>(1,199,747)</b>	(1,199,747)
	<b>(98,308)</b>	(108,163)
	=====	=====

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**23. Other reserves (continued)**

<b>Group</b>	<b>Capital reserve RM'000</b>	<b>Statutory reserve RM'000</b>	<b>Warrant reserve RM'000</b>	<b>Fair value reserve RM'000</b>	<b>Translation reserve RM'000</b>	<b>LTIP* reserve RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2016</b>	6,863	992,022	129,300	(16,356)	(123,644)	4,613	992,798
Foreign exchange translation differences	-	-	-	-	39,613	-	39,613
Fair value reserve:							
Net change in fair value	-	-	-	89,809	-	-	89,809
Net amount reclassified to profit or loss	-	-	-	(13,462)	-	-	(13,462)
Income tax credit relating to components of other comprehensive income	-	-	-	(17,906)	-	-	(17,906)
Share-based payment transactions	-	-	-	-	-	732	732
<b>At 31 March 2016</b>	<b>6,863</b>	<b>992,022</b>	<b>129,300</b>	<b>42,085</b>	<b>(84,031)</b>	<b>5,345</b>	<b>1,091,584</b>
<b>At 1 January 2017</b>	<b>6,863</b>	<b>1,124,774</b>	<b>129,300</b>	<b>(42,601)</b>	<b>(138,991)</b>	<b>4,611</b>	<b>1,083,956</b>
Foreign exchange translation differences	-	-	-	-	7,171	-	7,171
Fair value reserve:							
Net change in fair value	-	-	-	13,255	-	-	13,255
Net amount reclassified to profit or loss	-	-	-	(1,411)	-	-	(1,411)
Income tax credit relating to components of other comprehensive income	-	-	-	(2,493)	-	-	(2,493)
Share-based payment transactions	-	-	-	-	-	961	961
<b>At 31 March 2017</b>	<b>6,863</b>	<b>1,124,774</b>	<b>129,300</b>	<b>(33,250)</b>	<b>(131,820)</b>	<b>5,572</b>	<b>1,101,439</b>

\* Long Term Incentive Plan



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**24. Income derived from investment of depositors' funds**

<b>Group</b>	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of:				
(i) General investment deposits	<b>8,795</b>	7,366	<b>8,795</b>	7,366
(ii) Term deposit-i	<b>320,637</b>	329,945	<b>320,637</b>	329,945
(iii) Saving and demand deposits	<b>182,331</b>	212,024	<b>182,331</b>	212,024
(iv) Other deposits	<b>53,994</b>	42,026	<b>53,994</b>	42,026
	<b>565,757</b>	591,361	<b>565,757</b>	591,361
	=====	=====	=====	=====

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**24. Income derived from investment of depositors' funds (continued)**

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

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b>Finance income and hibah</b>				
Financing, advances and others	<b>7,659</b>	4,853	<b>7,659</b>	4,853
Financial assets:				
- Held-for-trading	<b>64</b>	137	<b>64</b>	137
- Available-for-sale	<b>893</b>	1,623	<b>893</b>	1,623
- Held-to-maturity	<b>9</b>	18	<b>9</b>	18
Money at call and deposit with financial institutions	<b>161</b>	170	<b>161</b>	170
	<b>8,786</b>	6,801	<b>8,786</b>	6,801
<b>Other dealing income</b>				
Net (loss)/gain from sale of financial assets held-for-trading	<b>(90)</b>	93	<b>(90)</b>	93
Net gain on revaluation of financial assets held-for-trading	<b>90</b>	116	<b>90</b>	116
	<b>-</b>	209	<b>-</b>	209
<b>Other operating income</b>				
Net gain from sale of financial assets available-for-sale	<b>9</b>	356	<b>9</b>	356
	<b>9</b>	356	<b>9</b>	356
	<b>8,795</b>	7,366	<b>8,795</b>	7,366
<i>of which</i>				
<i>Financing income earned on impaired financing</i>	<b>118</b>	211	<b>118</b>	211

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**24. Income derived from investment of depositors' funds (continued)**

(ii) **Income derived from investment of term deposit-i**

<b>Group</b>	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>				
Financing, advances and others	<b>275,975</b>	280,094	<b>275,975</b>	280,094
Financial assets:				
- Held-for-trading	<b>2,522</b>	2,728	<b>2,522</b>	2,728
- Available-for-sale	<b>36,310</b>	32,148	<b>36,310</b>	32,148
- Held-to-maturity	<b>351</b>	349	<b>351</b>	349
Money at call and deposit with financial institutions	<b>5,328</b>	3,341	<b>5,328</b>	3,341
	<b>320,486</b>	318,660	<b>320,486</b>	318,660
<b>Other dealing income</b>				
Net (loss)/gain from sale of financial assets held-for-trading	<b>(2,991)</b>	1,865	<b>(2,991)</b>	1,865
Net gain on revaluation of financial assets held-for-trading	<b>2,591</b>	2,223	<b>2,591</b>	2,223
	<b>(400)</b>	4,088	<b>(400)</b>	4,088
<b>Other operating income</b>				
Net gain from sale of financial assets available-for-sale	<b>551</b>	7,197	<b>551</b>	7,197
	<b>551</b>	7,197	<b>551</b>	7,197
	<b>320,637</b>	329,945	<b>320,637</b>	329,945
<i>of which</i>				
<i>Financing income earned on impaired financing</i>	<b>4,617</b>	4,178	<b>4,617</b>	4,178

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**24. Income derived from investment of depositors' funds (continued)**

(iii) **Income derived from investment of saving and demand deposits**

<b>Group</b>	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>				
Financing, advances and others	<b>156,936</b>	179,992	<b>156,936</b>	179,992
Financial assets:				
- Held-for-trading	<b>1,434</b>	1,752	<b>1,434</b>	1,752
- Available-for-sale	<b>20,648</b>	20,658	<b>20,648</b>	20,658
- Held-to-maturity	<b>199</b>	224	<b>199</b>	224
Money at call and deposit with financial institutions	<b>3,029</b>	2,147	<b>3,029</b>	2,147
	<b>182,246</b>	204,773	<b>182,246</b>	204,773
<b>Other dealing income</b>				
Net (loss)/gain from sale of financial assets held-for-trading	<b>(1,701)</b>	1,198	<b>(1,701)</b>	1,198
Net gain on revaluation of financial assets held-for-trading	<b>1,473</b>	1,428	<b>1,473</b>	1,428
	<b>(228)</b>	2,626	<b>(228)</b>	2,626
<b>Other operating income</b>				
Net gain from sale of financial assets available-for-sale	<b>313</b>	4,625	<b>313</b>	4,625
	<b>313</b>	4,625	<b>313</b>	4,625
	<b>182,331</b>	212,024	<b>182,331</b>	212,024
<i>of which</i>				
<i>Financing income earned on impaired financing</i>	<b>2,626</b>	2,684	<b>2,626</b>	2,684

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**24. Income derived from investment of depositors' funds (continued)**

(iv) **Income derived from investment of other deposits**

<b>Group</b>	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>	<b>3 months ended</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>				
Financing, advances and others	<b>46,473</b>	35,676	<b>46,473</b>	35,676
Financial assets:				
- Held-for-trading	<b>425</b>	347	<b>425</b>	347
- Available-for-sale	<b>6,115</b>	4,095	<b>6,115</b>	4,095
- Held-to-maturity	<b>59</b>	44	<b>59</b>	44
Money at call and deposit with financial institutions	<b>897</b>	426	<b>897</b>	426
	<b>53,969</b>	40,588	<b>53,969</b>	40,588
<b>Other dealing income</b>				
Net (loss)/gain from sale of financial assets held-for-trading	<b>(504)</b>	238	<b>(504)</b>	238
Net gain on revaluation of financial assets held-for-trading	<b>436</b>	283	<b>436</b>	283
	<b>(68)</b>	521	<b>(68)</b>	521
<b>Other operating income</b>				
Net gain from sale of financial assets available-for-sale	<b>93</b>	917	<b>93</b>	917
	<b>93</b>	917	<b>93</b>	917
	<b>53,994</b>	42,026	<b>53,994</b>	42,026
<i>of which</i>				
<i>Financing income earned on impaired financing</i>	<b>777</b>	532	<b>777</b>	532

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**25. Income derived from investment account funds**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b>Finance income</b>				
Unrestricted investment accounts				
- <i>Mudharabah</i>	<b>21,900</b>	9,069	<b>21,900</b>	9,069
- <i>Wakalah</i>	<b>30,519</b>	2,415	<b>30,519</b>	2,415
	<b>52,419</b>	11,484	<b>52,419</b>	11,484
	=====	=====	=====	=====

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**26. Income derived from investment of shareholders' funds**

Group	Quarter		Year-to-date	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
<b>Finance income and hibah</b>				
Financing, advances and others	1,627	1,530	1,627	1,530
Financial assets available-for-sale	36,128	42,441	36,128	42,441
Money at call and deposits with financial institutions	(84)	(548)	(84)	(548)
	<u>37,671</u>	<u>43,423</u>	<u>37,671</u>	<u>43,423</u>
<b>Other dealing income</b>				
Net gain from foreign exchange transactions	18,587	18,477	18,587	18,477
Net gain/(loss) from sale of financial assets held-for-trading	558	(260)	558	(260)
Net (loss)/gain on revaluation of financial assets held-for-trading	(413)	229	(413)	229
Net derivatives gain/(loss)	53	(4,186)	53	(4,186)
	<u>18,785</u>	<u>14,260</u>	<u>18,785</u>	<u>14,260</u>
<b>Other operating income</b>				
Reversal of doubtful debts	-	2	-	2
Gross dividend income from securities:				
- Quoted in Malaysia	30	21	30	21
- Unit trust in Malaysia	1,442	984	1,442	984
Fees and commission	43,659	48,895	43,659	48,895
Net loss on disposal of property and equipment	(3)	(519)	(3)	(519)
Rental income	366	363	366	363
Others	113	14	113	14
	<u>45,607</u>	<u>49,760</u>	<u>45,607</u>	<u>49,760</u>
	<u>102,063</u>	<u>107,443</u>	<u>102,063</u>	<u>107,443</u>

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**26. Income derived from investment of shareholders' funds (continued)**

Company	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b>Finance income and hibah</b>				
Money at call and deposits with financial institutions	<b>1,927</b>	2,056	<b>1,927</b>	2,056
	<u>1,927</u>	<u>2,056</u>	<u>1,927</u>	<u>2,056</u>
	-----	-----	-----	-----
<b>Other operating income</b>				
Gross dividend income from securities:				
- Unit trust in Malaysia	<b>1,025</b>	103	<b>1,025</b>	103
Gross dividend income from subsidiary companies	<b>58,986</b>	36,129	<b>58,986</b>	36,129
Others	<b>4</b>	2	<b>4</b>	2
	<u>60,015</u>	<u>36,234</u>	<u>60,015</u>	<u>36,234</u>
	-----	-----	-----	-----
	<b>61,942</b>	38,290	<b>61,942</b>	38,290
	=====	=====	=====	=====



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**27. Net income from Takaful business**

Group	Quarter		Year-to-date	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
<b>Net earned contributions</b>				
Gross earned contributions	<b>471,645</b>	426,021	<b>471,645</b>	426,021
Contribution ceded to retakaful	<b>(72,982)</b>	(63,048)	<b>(72,982)</b>	(63,048)
	<b>398,663</b>	362,973	<b>398,663</b>	362,973
<b>Other income</b>				
Administration income	<b>16,425</b>	14,701	<b>16,425</b>	14,701
Investment income	<b>69,916</b>	63,588	<b>69,916</b>	63,588
Realised gains and losses	<b>8,596</b>	4,332	<b>8,596</b>	4,332
Fair value gains and losses	<b>2,367</b>	5,158	<b>2,367</b>	5,158
Other operating income	<b>1,775</b>	1,033	<b>1,775</b>	1,033
	<b>99,079</b>	88,812	<b>99,079</b>	88,812
<b>Net benefits and claims</b>				
Gross benefits and claims paid	<b>(272,795)</b>	(249,583)	<b>(272,795)</b>	(249,583)
Claims ceded to retakaful	<b>34,014</b>	40,928	<b>34,014</b>	40,928
Gross change to contract liabilities	<b>(2,286)</b>	17,450	<b>(2,286)</b>	17,450
Change to contract liabilities ceded to takaful	<b>7,847</b>	(40,986)	<b>7,847</b>	(40,986)
	<b>(233,220)</b>	(232,191)	<b>(233,220)</b>	(232,191)
Expense reserves	<b>(23,629)</b>	(20,407)	<b>(23,629)</b>	(20,407)
<b>Income from takaful business</b>	<b>240,893</b>	199,187	<b>240,893</b>	199,187
Profits attributable to participants/ takaful operator	<b>(42,208)</b>	(19,663)	<b>(42,208)</b>	(19,663)
<b>Net income from takaful business</b>	<b>198,685</b>	179,524	<b>198,685</b>	179,524

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**28. Allowance for impairment on financing and advances**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Allowance for impaired financing, advances and others				
- collective assessment allowance	<b>29,946</b>	61,767	<b>29,946</b>	61,767
- individual assessment allowance	<b>(3,455)</b>	(69)	<b>(3,455)</b>	(69)
Bad debts and financing recovered	<b>(17,708)</b>	(27,087)	<b>(17,708)</b>	(27,087)
	<b>8,783</b>	34,611	<b>8,783</b>	34,611
	=====	=====	=====	=====

**29. Income attributable to depositors**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Deposits from customers				
- Mudharabah Fund	<b>3,015</b>	4,266	<b>3,015</b>	4,266
- Non-Mudharabah Fund	<b>268,052</b>	264,060	<b>268,052</b>	264,060
Deposits and placements of banks and other financial institutions				
- Non-Mudharabah Fund	<b>312</b>	5,955	<b>312</b>	5,955
	<b>271,379</b>	274,281	<b>271,379</b>	274,281
	=====	=====	=====	=====

**30. Income attributable to investment account holders**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Unrestricted investment accounts				
- <i>Mudharabah</i>	<b>438</b>	173	<b>438</b>	173
- <i>Wakalah</i>	<b>20,444</b>	2,057	<b>20,444</b>	2,057
	<b>20,882</b>	2,230	<b>20,882</b>	2,230
	=====	=====	=====	=====

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**31. Personnel expenses**

	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Group</b>				
Salaries and wages	<b>125,546</b>	127,836	<b>125,546</b>	127,836
Employees' Provident Fund	<b>18,282</b>	16,840	<b>18,282</b>	16,840
Directors' remuneration	<b>3,469</b>	2,607	<b>3,469</b>	2,607
Others	<b>15,495</b>	16,222	<b>15,495</b>	16,222
	<b>162,792</b>	163,505	<b>162,792</b>	163,505
	=====	=====	=====	=====
<b>Company</b>				
Salaries and wages	<b>1,045</b>	2,114	<b>1,045</b>	2,114
Employees' Provident Fund	<b>168</b>	153	<b>168</b>	153
Directors' remuneration	<b>721</b>	401	<b>721</b>	401
Others	<b>170</b>	138	<b>170</b>	138
	<b>2,104</b>	2,806	<b>2,104</b>	2,806
	=====	=====	=====	=====

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**32. Other overhead expenses**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b><i>Promotion</i></b>				
Advertisement and publicity	25,302	10,820	25,302	10,820
Credit and debit card expenses	7,892	6,089	7,892	6,089
Commission	37,492	47,641	37,492	47,641
	<u>70,686</u>	<u>64,550</u>	<u>70,686</u>	<u>64,550</u>
<b><i>Establishment</i></b>				
Office rental	13,998	14,305	13,998	14,305
Depreciation of property and equipment	18,093	18,067	18,093	18,067
Depreciation of investment property	74	74	74	74
Information technology expenses	7,461	11,399	7,461	11,399
Rental equipment	1,279	1,455	1,279	1,455
Office maintenance	5,122	4,195	5,122	4,195
Utilities	5,046	4,951	5,046	4,951
Security services	3,897	3,839	3,897	3,839
Takaful and insurance	993	156	993	156
Others	479	543	479	543
	<u>56,442</u>	<u>58,984</u>	<u>56,442</u>	<u>58,984</u>
<b><i>General expenses</i></b>				
Auditors' remuneration	577	472	577	472
Professional fees	9,678	10,591	9,678	10,591
Office supplies	2,366	2,895	2,366	2,895
Travelling & transport	2,800	2,493	2,800	2,493
Subscription fees	1,149	1,429	1,149	1,429
Outsourcing fees	5,334	3,919	5,334	3,919
Processing charges	98	259	98	259
Others	27,076	23,715	27,076	23,715
	<u>49,078</u>	<u>45,773</u>	<u>49,078</u>	<u>45,773</u>
	<u>176,206</u>	<u>169,307</u>	<u>176,206</u>	<u>169,307</u>

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**32. Other overhead expenses (continued)**

Company	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<i>Promotion</i>				
Advertisement and publicity	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
	-----	-----	-----	-----
<i>Establishment</i>				
Office rental	255	252	255	252
Depreciation of property and equipment	80	160	80	160
Information technology expenses	4	2	4	2
Rental equipment	25	25	25	25
Office maintenance	3	3	3	3
Utilities	9	8	9	8
Takaful and insurance	28	29	28	29
	<u>404</u>	<u>479</u>	<u>404</u>	<u>479</u>
	-----	-----	-----	-----
<i>General expenses</i>				
Auditors' remuneration	42	38	42	38
Professional fees	81	109	81	109
Office supplies	8	10	8	10
Travelling & transport	1	2	1	2
Others	645	605	645	605
	<u>777</u>	<u>764</u>	<u>777</u>	<u>764</u>
	-----	-----	-----	-----
	<u>1,183</u>	<u>1,243</u>	<u>1,183</u>	<u>1,243</u>
	=====	=====	=====	=====

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**33. Operating segment information**

The Group comprises of the following main business segments:

Banking	Islamic banking and provision of related services.
Takaful	Underwriting of family and general Islamic insurance ("Takaful").
Others	Investment holding, currency trading, ijarah financing, stockbroking and unit trust.

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**33. Operating segment information (continued)**

Quarter ended 31 March 2017	Banking RM'000	Takaful RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<i>Business segments</i>					
<b>Segment result</b>					
Revenue from external customers	718,075	197,140	4,421	-	919,636
Inter-segment revenue	5,389	1,716	61,428	(68,533)	-
<b>Total revenue</b>	<b>723,464</b>	<b>198,856</b>	<b>65,849</b>	<b>(68,533)</b>	<b>919,636</b>
=====					
Net income from operations (before allowance for impairment on financing and other assets)	427,260	198,856	65,849	(64,590)	627,375
Operating overheads	(216,746)	(126,301)	(6,132)	4,939	(344,240)
Operating results	210,514	72,555	59,717	(59,651)	283,135
Allowance for impairment	(8,783)	-	-	-	(8,783)
Finance cost	(9,678)	-	(19,140)	665	(28,153)
<b>Profit before zakat and taxation</b>	<b>192,053</b>	<b>72,555</b>	<b>40,577</b>	<b>(58,986)</b>	<b>246,199</b>
=====					

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**33. Operating segment information (continued)**

Quarter ended 31 March 2016	<b>Banking</b>	<b>Takaful</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
<i>Business segments</i>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Segment result</b>					
Revenue from external customers	709,779	177,850	3,185	-	890,814
Inter-segment revenue	5,881	2,653	38,790	(47,324)	-
<b>Total revenue</b>	<b>715,660</b>	<b>180,503</b>	<b>41,975</b>	<b>(47,324)</b>	<b>890,814</b>
Net income from operations (before allowance for impairment on financing and other assets)	434,939	180,503	41,975	(43,114)	614,303
Operating overheads	(215,030)	(123,232)	(7,303)	6,985	(338,580)
Operating results	219,909	57,271	34,672	(36,129)	275,723
Allowance for impairment	(34,921)	-	-	-	(34,921)
Finance cost	(9,893)	-	(18,387)	-	(28,280)
<b>Profit before zakat and taxation</b>	<b>175,095</b>	<b>57,271</b>	<b>16,285</b>	<b>(36,129)</b>	<b>212,522</b>



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**33. Operating segment information (continued)**

Year-to-date 3 months ended 31 March 2017	Banking RM'000	Takaful RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<i>Business segments</i>					
<b>Segment result</b>					
Revenue from external customers	718,075	197,140	4,421	-	919,636
Inter-segment revenue	5,389	1,716	61,428	(68,533)	-
<b>Total revenue</b>	<b>723,464</b>	<b>198,856</b>	<b>65,849</b>	<b>(68,533)</b>	<b>919,636</b>
=====					
Net income from operations (before allowance for impairment on financing and other assets)	427,260	198,856	65,849	(64,590)	627,375
Operating overheads	(216,746)	(126,301)	(6,132)	4,939	(344,240)
<b>Operating results</b>	<b>210,514</b>	<b>72,555</b>	<b>59,717</b>	<b>(59,651)</b>	<b>283,135</b>
Allowance for impairment	(8,783)	-	-	-	(8,783)
Finance cost	(9,678)	-	(19,140)	665	(28,153)
<b>Profit before zakat and taxation</b>	<b>192,053</b>	<b>72,555</b>	<b>40,577</b>	<b>(58,986)</b>	<b>246,199</b>
=====					
Segment assets	53,525,730	7,797,954	5,621,678	(5,625,304)	61,320,058
=====					
Segment liabilities	48,989,321	7,016,335	1,360,277	(601,467)	56,764,466
=====					

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**33. Operating segment information (continued)**

Year-to-date 3 months ended 31 March 2016	<b>Banking</b>	<b>Takaful</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
<i>Business segments</i>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Segment result</b>					
Revenue from external customers	709,779	177,850	3,185	-	890,814
Inter-segment revenue	5,881	2,653	38,790	(47,324)	-
<b>Total revenue</b>	<b>715,660</b>	<b>180,503</b>	<b>41,975</b>	<b>(47,324)</b>	<b>890,814</b>
Net income from operations (before allowance for impairment on financing and other assets)	434,939	180,503	41,975	(43,114)	614,303
Operating overheads	(215,030)	(123,232)	(7,303)	6,985	(338,580)
Operating results	219,909	57,271	34,672	(36,129)	275,723
Allowance for impairment	(34,921)	-	-	-	(34,921)
Finance cost	(9,893)	-	(18,387)	-	(28,280)
<b>Profit before zakat and taxation</b>	<b>175,095</b>	<b>57,271</b>	<b>16,285</b>	<b>(36,129)</b>	<b>212,522</b>
Segment assets	48,092,722	7,524,544	5,270,303	(5,424,527)	55,463,042
Segment liabilities	43,834,961	6,848,334	1,228,906	(531,129)	51,381,072

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### **34. Valuation of property and equipment**

Property and equipment are stated at cost less accumulated depreciation and impairment losses. There was no valuation carried out during the three months ended 31 March 2017.

### **35. Changes in composition of the Group**

There were no changes in the composition of the Group for the three months ended 31 March 2017.

### **36. Fair value of financial instruments**

#### **Fair value hierarchy**

MFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques adopted are observable or unobservable. Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Group's market assumptions. The fair value hierarchy is as follows:

- Level 1 – Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and debt instruments.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level includes profit rates swap and structured debt. The sources of input parameters include Bank Negara Malaysia ("BNM") indicative yields or counterparty credit risk.

There has been no transfer between Level 1 and 2 Fair values during the three months ended 31 March 2017.

- Level 3 – Inputs for asset or liability that are not based on observable market data (unobservable inputs). This level includes equity instruments and debt instruments with significant unobservable components.

The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include short-term / on demand financial assets and financial liabilities where the carrying amount is a reasonable approximation of their fair value:

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**36. Fair value of financial instruments (continued)**

**Fair value information**

31.03.2017 RM'000 Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial assets</b>										
Financial assets held-for-trading	181,370	426,662	-	608,032	-	-	-	-	608,032	608,032
Derivative financial assets	-	73,463	-	73,463	-	-	-	-	73,463	73,463
Financial assets available-for-sale	590,164	13,428,047	242,519	14,260,730	-	-	5,300	5,300	14,266,030	14,266,455
Financial assets held-to-maturity	-	-	-	-	93,427	437,512	56,857	587,796	587,796	584,662
Financing, advances and others	-	-	-	-	-	-	39,799,826	39,799,826	39,799,826	39,756,401
<b>Total assets</b>	<b>771,534</b>	<b>13,928,172</b>	<b>242,519</b>	<b>14,942,225</b>	<b>93,427</b>	<b>437,512</b>	<b>39,861,983</b>	<b>40,392,922</b>	<b>55,335,147</b>	<b>55,289,013</b>
<b>Financial liabilities</b>										
Derivative financial liabilities	-	77,649	-	77,649	-	-	-	-	77,649	77,649
Sukuk liabilities	-	-	-	-	-	-	1,943,968	1,943,968	1,943,968	1,910,908
<b>Total liabilities</b>	<b>-</b>	<b>77,649</b>	<b>-</b>	<b>77,649</b>	<b>-</b>	<b>-</b>	<b>1,943,968</b>	<b>1,943,968</b>	<b>2,021,617</b>	<b>1,988,557</b>
<b>31.03.2017 Company</b>										
<b>Financial assets</b>										
Financial assets available-for-sale	170,466	-	-	170,466	-	-	-	-	170,466	170,466
<b>Total assets</b>	<b>170,466</b>	<b>-</b>	<b>-</b>	<b>170,466</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,466</b>	<b>170,466</b>
<b>Financial liabilities</b>										
Sukuk liabilities	-	-	-	-	-	-	1,246,634	1,246,634	1,246,634	1,246,634
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,246,634</b>	<b>1,246,634</b>	<b>1,246,634</b>	<b>1,246,634</b>

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**36. Fair value of financial instruments (continued)**

**Fair value information (continued)**

31.12.2016 RM'000 Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying Amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
<b>Financial assets</b>										
Financial assets held-for-trading	169,361	608,249	-	777,610	-	-	-	-	777,610	777,610
Derivative financial assets	-	124,572	-	124,572	-	-	-	-	124,572	124,572
Financial assets available-for-sale	669,072	12,920,481	160,112	13,749,665	-	-	5,300	5,300	13,754,965	13,755,389
Financial assets held-to-maturity	-	-	-	-	93,990	482,378	57,703	634,071	634,071	631,086
Financing, advances and others	-	-	-	-	-	-	39,233,082	39,233,082	39,233,082	39,189,274
<b>Total assets</b>	<b>838,433</b>	<b>13,653,302</b>	<b>160,112</b>	<b>14,651,847</b>	<b>93,990</b>	<b>482,378</b>	<b>39,296,085</b>	<b>39,872,453</b>	<b>54,524,300</b>	<b>54,477,931</b>
<b>Financial liabilities</b>										
Derivative financial liabilities	-	111,089	-	111,089	-	-	-	-	111,089	111,089
Sukuk liabilities	-	-	-	-	-	-	1,917,468	1,917,468	1,917,468	1,881,751
<b>Total liabilities</b>	<b>-</b>	<b>111,089</b>	<b>-</b>	<b>111,089</b>	<b>-</b>	<b>-</b>	<b>1,917,468</b>	<b>1,917,468</b>	<b>2,028,557</b>	<b>1,992,840</b>
<b>31.12.2016 Company</b>										
<b>Financial assets</b>										
Financial assets available-for-sale	135,406	-	-	135,406	-	-	-	-	135,406	135,406
<b>Total assets</b>	<b>135,406</b>	<b>-</b>	<b>-</b>	<b>135,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135,406</b>	<b>135,406</b>
<b>Financial liabilities</b>										
Sukuk liabilities	-	-	-	-	-	-	1,227,494	1,227,494	1,227,494	1,227,494
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,227,494</b>	<b>1,227,494</b>	<b>1,227,494</b>	<b>1,227,494</b>

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**36. Fair value of financial instruments (continued)**

The following table presents the changes in Level 3 instruments for the three months ended 31 March 2017 for the Group:

	<b>3 months</b>	<b>12 months</b>
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<i>Financial assets available-for-sale</i>		
At 1 January 2017/2016	<b>160,112</b>	152,641
Purchases	<b>101,539</b>	48,545
Maturities	<b>(21,539)</b>	(48,545)
Gains	<b>2,407</b>	7,471
	<hr/>	<hr/>
At 31 March 2017/31 December 2016	<b>242,519</b>	160,112
	<hr/> <hr/>	<hr/> <hr/>

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

**(a) Financial instruments carried at fair value**

<b>Type</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
Financial assets available-for-sale	Valued at cost less impairment	Not applicable	Not applicable
Institutional trust account	Discounted cash flows using market profit rate for a similar instrument at the measurement date	4.58% (2016: 4.58%)	The estimated fair value would increase (decrease) if the discount rate were (lower) higher.

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**36. Fair value of financial instruments (continued)**

**(b) Financial instruments not carried at fair value**

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Financial investments held-to-maturity ("HTM")

The fair values of securities that are actively traded is determined by quoted bid prices. For non-actively traded securities, the fair values are valued at cost less impairment or estimated using discounted cash flow analysis. Where discounted cash flow technique is used, the estimated future cash flows are discounted using applicable prevailing market or indicative rates of similar instruments at the reporting date.

(ii) Financing and advances

The fair values of variable rate financing are estimated to approximate their carrying values. For fixed rate financing, the fair values are estimated based on expected future cash flows of contractual instalment payments, discounted at applicable and prevailing rates at reporting date offered for similar facilities to new borrowers with similar credit profiles. In respect of impaired financing, the fair values are deemed to approximate the carrying values which are net of impairment allowances.

(iii) Subordinated Sukuk Murabahah

The fair values of subordinated obligations are estimated by discounting the expected future cash flows using the applicable prevailing profit rates of borrowings with similar risk profiles.

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**37. Off balance sheet financial instruments by value of contracts classified by remaining period to maturity/net re-pricing date (whichever earlier)**

Group Items	31.03.2017				
	Principal Amount RM'000	up to 1 month RM'000	>1-3 months RM'000	>3-6 months RM'000	>6-12 months RM'000
<b>Foreign exchange related contracts</b>					
- forwards	1,281,532	291,216	388,769	287,946	313,601
- swaps	1,646,351	722,163	428,032	294,281	201,875
- spot	634,626	634,626	-	-	-
<b>Total</b>	<b>3,562,509</b>	<b>1,648,005</b>	<b>816,801</b>	<b>582,227</b>	<b>515,476</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 may be reduced through offsetting on and off-balance sheet positions. As at 31 March 2017, the amount of contracts which were not hedged and, hence, exposed to market risk was RM596.70 million. (31 December 2016: RM609.93 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 2017, the credit risk measured in terms of the cost to replace the profitable contracts was RM133.53 million (31 December 2016: RM192.49 million).



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### 38. Commitments and contingencies

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions. These exclude all contracts cleared in the normal course of the takaful business.

**The off-balance sheet and counterparties credit risk for Bank Islam is as follows:**

As at 31.03.2017	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Asset RM'000
<b>Credit-related Exposures</b>				
Direct credit substitutes	2,773,372		2,773,372	2,062,331
Transaction related contingent items	959,019		479,509	450,214
Short term self-liquidating trade related contingencies	333,403		66,681	63,998
Other commitments, such as formal standby facilities and credit lines with original maturity of:				
- not exceeding one year	-		-	-
- exceeding one year	1,164,715		582,357	491,595
Unutilised credit card lines	-		-	-
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	4,823,998		-	-
	<b>10,054,507</b>	<b>-</b>	<b>3,901,919</b>	<b>3,068,138</b>
<b>Derivative Financial Instruments</b>				
Foreign exchange related contracts				
- Less than one year	3,562,509	66,433	107,725	48,218
Profit rate related contracts				
- Less than one year	200,000	1,368	200	40
- One year to less than five years	400,000	2,774	9,554	1,911
- Five years and above	229,162	2,888	16,049	9,765
	<b>4,391,671</b>	<b>73,463</b>	<b>133,528</b>	<b>59,934</b>
	<b>14,446,178</b>	<b>73,463</b>	<b>4,035,447</b>	<b>3,128,072</b>

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**38. Commitments and contingencies (continued)**

The off-balance sheet and counterparties credit risk for Bank Islam is as follows:  
(continued)

<b>As at 31.12.2016</b>	<b>Principal Amount RM'000</b>	<b>Positive Fair Value of Derivative Contracts RM'000</b>	<b>Credit Equivalent Amount RM'000</b>	<b>Risk Weighted Asset RM'000</b>
<b>Credit-related Exposures</b>				
Direct credit substitutes	294,460		294,460	293,848
Transaction related contingent items	952,188		476,094	443,165
Short term self-liquidating trade related contingencies	341,524		68,305	67,309
Other commitments, such as formal standby facilities and credit lines with original maturity of:				
- not exceeding one year	591,031		118,206	88,979
- exceeding one year	1,792,008		896,004	715,873
Unutilised credit card lines	1,140,141		228,028	171,563
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	4,639,610		-	-
	<u>9,750,962</u>	<u>-</u>	<u>2,081,097</u>	<u>1,780,737</u>
<b>Derivative Financial Instruments</b>				
Foreign exchange related contracts				
- Less than one year	3,117,570	117,445	163,823	79,734
Profit rate related contracts				
- Less than one year	200,000	1,397	200	40
- One year to less than five years	400,000	2,729	9,497	1,899
- Five years and above	236,027	3,001	18,971	11,606
	<u>3,953,597</u>	<u>124,572</u>	<u>192,491</u>	<u>93,279</u>
	<u>13,704,559</u>	<u>124,572</u>	<u>2,273,588</u>	<u>1,874,016</u>

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### 39. Capital adequacy

Total capital and capital adequacy ratios of Bank Islam Group ("the Bank") have been computed based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components and Risk-Weighted Assets) issued on 13 October 2015. The minimum regulatory capital adequacy ratios requirement for Common Equity Tier I ("CET I") capital ratio, Tier I capital ratio and total capital ratio are 5.750%, 7.250% and 9.250% respectively for the year 2017 (2016: 5.125%, 6.625% and 8.625%). The Bank has adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk.

The capital adequacy ratios of the Bank are set out below:

	<b>31.03.2017</b>	<b>31.12.2016</b>
	%	%
Common Equity Tier I ("CET I") Capital Ratio	<b>11.932</b>	12.397
Total Tier I Capital Ratio	<b>11.932</b>	12.397
Total Capital Ratio	<b>14.974</b>	15.518

The components of CET I, Tier I and Tier II capital of Bank Islam:

	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Paid-up share capital	<b>2,404,384</b>	2,404,384
Share premium	<b>264,790</b>	264,790
Retained earnings	<b>523,247</b>	523,247
Other reserves	<b>1,207,673</b>	1,193,045
Less: Deferred tax assets	<b>(42,885)</b>	(48,378)
<b>Total CET I and Tier I Capital</b>	<b>4,357,209</b>	4,337,088
Sukuk Murabahah	<b>700,000</b>	700,000
Collective assessment allowance <sup>^</sup>	<b>410,860</b>	391,782
<b>Total Tier II Capital</b>	<b>1,110,860</b>	1,091,782
<b>Total Capital</b>	<b>5,468,069</b>	5,428,870

<sup>^</sup> Collective assessment allowance on non-impaired financing subject to maximum of 1.25% of total credit risk-weighted assets less credit risk absorbed by unrestricted investment accounts.

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**39. Capital adequacy (continued)**

The breakdown of risk-weighted assets by each major risk category is as follows:

	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Credit risk	<b>35,573,017</b>	33,908,778
Less: Credit risk absorbed by unrestricted investment accounts	<b>(2,704,254)</b>	(2,566,180)
Market risk	<b>596,700</b>	609,931
Operational risk	<b>3,052,502</b>	3,031,801
	<b>36,517,965</b>	34,984,330
	=====	=====

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**Explanatory notes pursuant to Appendix 9B of the listing requirements of  
Bursa Malaysia Securities Berhad**

**B1. Performance review for the three months ended 31 March 2017**

BIMB Holdings Berhad ("BHB") Group reported a Profit Before Zakat and Taxation ("PBZT") for the three months ended 31 March 2017 of RM246.2 million, representing an increase of 15.9% or RM33.7 million as compared to the corresponding period in 2016 of RM212.5 million. BHB registered a respectable Return on Equity ("ROE") of 21.46% (based on PBZT).

The net profit attributable to shareholders also increased by 11.7% or RM15.8 million to RM151.1 million as compared to the corresponding period in 2016. Consequently, net assets per share has also improved to RM2.59 as at 31 March 2017 compared to RM2.44 as at 31 December 2016.

**Islamic Banking**

Bank Islam Group ("Bank Islam" or "the Bank") recorded a PBZT of RM192.1 million or an increase of 9.7% for the three months ended 31 March 2017 compared to the previous corresponding period. The improved performance was mainly attributed to growth in business activities.

Year-on-year net financing assets grew RM4.5 billion or 12.8% to reach RM39.8 billion as at end of March 2017. Correspondingly, fund based income also increased by RM29.7 million or 5.8% compared to the previous corresponding period.

As at end of March 2017, customer deposits and investment accounts stood at RM47.6 billion with a year-on-year increase of RM6.0 billion or 14.5%. CASA Deposits and Transactional Investment Accounts ratio as at end-March 2017 was 32.6% against the Islamic Banking Industry CASA ratio of 25.9% as at end of February 2017.

The Bank's gross impaired financing ratio was 0.95% while the net impaired financing ratio (less IA and CA) was a negative 0.73% as at end of March 2017 compared to 0.98% and a negative 0.75% respectively as at 31 December 2016. The Banking System gross impaired ratio was 1.63% and the net impaired ratio was 0.15% (less IA and CA) as at end of February 2017.

The key performance ratios as at end of March 2017 also compared favourably against the Banking System ratios as at end of December 2016. The Bank's return on equity and return on assets based on profit before zakat and tax ("PBZT") were 16.6% and 1.4% respectively against the Banking System's 12.5% and 1.3% respectively.

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**B1. Performance review for the three months ended 31 March 2017**  
**(continued)**

**Takaful**

For the three months ended 31 March 2017, Syarikat Takaful Malaysia Berhad Group ("Takaful Malaysia") generated operating revenue of RM659.8 million as compared to RM633.2 million in the corresponding quarter of the preceding year. The increase was mainly attributable to higher sales generated by both Family Takaful and General Takaful business.

For the 3 months period, Family Takaful recorded gross earned contributions of RM327.2 million as compared to RM288.7 million in the same period last year, an increase of 13.3%. The increase was mainly attributable to higher sales from Family Takaful mortgage related products.

For the period under review, General Takaful generated gross earned contributions of RM143.4 million as compared to RM138.1 million in the corresponding quarter of the preceding year, an increase of 3.8%. The growth was mainly from fire and motor classes.

For the three months ended 31 March 2017, Takaful Malaysia recorded profit before zakat and taxation of RM72.6 million as compared to RM58.2 million in the same period last year, an increase of 24.7%. The higher profit is attributable to higher net wakalah fee income.

**B2. Comparison with the preceding quarter's results for the three months performance (First Quarter 2017 vs. Fourth Quarter 2016)**

For the first quarter ended 31 March 2017, the BHB Group reported a PBZT of RM246.2 million against a PBZT of RM204.1 million achieved for the fourth quarter ended 31 December 2016, an increase of RM42.1 million or 20.6%.

Bank Islam's PBZT of RM192.1 million for the first quarter ended 31 March 2017 was higher by RM13.1 million or 7.3% compared to the preceding quarter ended 31 December 2016 of RM179.0 million.

For the quarter under review, Takaful Malaysia registered a PBZT of RM72.6 million, which was higher by 77.5% as compared to the preceding quarter of RM40.9 million. The increase in profit was mainly attributable to higher net wakalah fee income.

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### **B3. Prospects for 2017**

#### **Outlook on the economy**

The economy grew 4.5% year-on-year in the fourth quarter of 2016 largely underpinned by private sector spending such as 6.2% (3Q2016: 6.4%) expansion in consumer spending as well as private investment growth of 4.9% (3Q2016: 4.7%). More importantly is the positive contribution to overall growth from net exports for two consecutive quarters. For the full year, GDP grew by 4.2% in 2016 compared to 5.0% in the preceding year. This was mainly supported by domestic demand which increased by 4.4% in 2016 compared to 5.1% in 2015 while net exports recorded smaller contraction from -3.8% in 2015 compared to -1.8% in 2016.

For 2017, GDP is projected to grow by 4.4% supported by sustained growth in consumer spending, implementation of infrastructure projects and positive contribution from net exports. The Overnight Policy Rate ("OPR") is expected to remain at 3.00% while the MYR/USD is expected to remain above RM4.00 for the rest of 2017.

#### **Islamic banking**

The banking industry is expected to be resilient despite the prevailing economic conditions such as continued uncertainty in commodity prices, higher cost of living that weighs heavily on consumer sentiment and cautious business sentiment. Financing growth for the banking sector is therefore anticipated to be between 4% and 5% as banks strive to defend their asset quality. In addition, usage of technology will intensify, inadvertently changing the banking landscape, as banks now utilise technology to improve efficiency and reduce the cost of transactions.

The Bank will focus on maintaining its asset quality and deposit drive while continuously embracing digitalisation. In line with Basel 3 rules, the Bank will continue to manage liquidity and deploy capital efficiently in its operations. With capital management in place, the Bank's capital buffer is sufficient to cover potential loss under various stress scenarios.

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**B3. Prospects for 2017 (continued)**

**Takaful**

For the year 2017, Takaful Malaysia will continue to emphasize the four core areas of customer reach, operational agility, cost competitiveness and stakeholder confidence to increase its overall market shares and continuously improving shareholders' value. Through its extensive range of products and services, Takaful Malaysia is poised to sustain its position as the market leader in the Family Takaful business. Takaful Malaysia will amplify its presence as the preferred choice for insurance through various advertising and marketing activities and promote its unique proposition of rewarding a 15% Cash Back to its General Takaful customers for no claims during coverage period. Takaful Malaysia will also undertake an enhanced approach to its distribution channel by accelerating digital initiatives to optimize its operations and marketing activities. Takaful Malaysia will actively cultivate its digital presence through an online sales portal and integrated online marketing initiatives as part of its long term strategy to meet the growing needs of the consumers.

**B4. Variance from profit forecast and profit guarantee**

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



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**B5. Tax expense**

**Major components of tax expense**

	<b>Group</b>		<b>Company</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	<b>65,605</b>	59,769	<b>606</b>	275
Over provision in prior years	<b>(34)</b>	(756)	-	-
Deferred tax expense:				
Origination and reversal of temporary differences	<b>4,120</b>	(2,383)	-	-
	<b>69,691</b>	56,630	<b>606</b>	275

A reconciliation of effective tax expense for the Group and Company are as follows:

Profit before tax	<b>246,199</b>	212,522	<b>39,515</b>	15,854
Income tax calculated using Malaysian tax rate of 24% (2016: 24%)	<b>59,088</b>	51,005	<b>9,484</b>	3,805
Non-deductible expenses	<b>16,554</b>	12,985	<b>931</b>	728
Non-deductible Sukuk's finance cost	<b>4,594</b>	4,413	<b>4,594</b>	4,413
Non-taxable income	<b>(13,511)</b>	(11,017)	<b>(14,403)</b>	(8,671)
	<b>66,725</b>	57,386	<b>606</b>	275
Movement of deferred tax asset	<b>3,000</b>	-	-	-
	<b>69,725</b>	57,386	<b>606</b>	275
Over provision in prior years	<b>(34)</b>	(756)	-	-
Tax expense	<b>69,691</b>	56,630	<b>606</b>	275

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**B6. Corporate proposals**

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

**B7. Status of utilisation of proceeds raised from corporate proposals**

The proceeds raised from the issuances of all debt securities in prior years have been used for working capital, general banking and other corporate purposes, as intended.

**B8. Supplementary information on the breakdown of realised and unrealised profits or losses**

The breakdown of the retained earnings of the Group, into realised and unrealised profits or losses, pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows:

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained earnings of the Group		
- realised	<b>1,293,904</b>	1,020,772
- unrealised	<b>41,901</b>	82,223
	<hr/>	<hr/>
	<b>1,335,805</b>	1,102,995
Less: Consolidation adjustments	<b>(877,351)</b>	(795,643)
	<hr/>	<hr/>
<b>Total retained earnings</b>	<b>458,454</b>	307,352
	<hr/> <hr/>	<hr/> <hr/>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by Malaysian Institute of Accountants on 20 December 2010.

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**B9. Deposits and placements of financial institutions and debt securities**

	<b>Group</b>	
	<b>31.03.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Deposits from customers</b>		
Mudharabah and Tawarruq term deposits and Negotiable Islamic Debt Certificates		
- One year or less (short-term)	<b>28,741,576</b>	30,914,953
- More than one year (medium/long-term)	<b>606,475</b>	410,070
	<b>29,348,051</b>	31,325,023
Current accounts	<b>9,401,954</b>	9,928,598
Savings accounts	<b>4,398,078</b>	4,131,604
Others	<b>104,793</b>	106,528
	<hr/> <b>43,252,876</b> <hr/>	<hr/> 45,491,753 <hr/>
<b>Total deposits</b>		
<b>Investment accounts of customers</b>		
- One year or less (short-term)	<b>3,689,582</b>	3,573,871
	<hr/> <b>3,689,582</b> <hr/>	<hr/> 3,573,871 <hr/>
<b>Deposits and placements of banks and other financial institutions</b>		
- One year or less (short-term)	-	30,000
	<hr/> - <hr/>	<hr/> 30,000 <hr/>

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**B10. 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 2016.

- (a) On 27 August 2007, Bank Islam filed a civil suit against four (4) senior management staff of Bank Islam Labuan Ltd (BILL) ("the Defendants") claiming for an amount of USD8,586,483.00 being the outstanding financing facilities granted by BILL to certain customers whose accounts had 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 claimed that the Defendants had acted contrary to the interest of BILL and were in breach of their statutory duties, common law duty of care and skill and contractual duties. All the Defendants are no longer in BILL or under Bank Islam's employment. On 16 June 2015, the High Court decided in favour of Bank Islam and ordered the Defendants to pay damages totaling USD8,586,483.00 to Bank Islam.

On 13 July 2015, the Defendants (except for the 3rd Defendant) appealed to the Court of Appeal ("COA") against the High Court's decision. On 9 September 2016, the COA dismissed the Defendants' appeal with costs. On 7 October 2016, the three Defendants appealed to the Federal Court ("FC").

On 3 April 2017, the FC dismissed the Defendants' appeal with costs totaling RM10,000.00.

- (b) On 14 November 2016, Bank Islam filed a civil suit against Tidalmarine Engineering Sdn Bhd ("Customer") and the guarantors, namely Nik Mohd Kamel Bin Nik Hassan and Nik Faizah Binti Nik Mohd Kamel (collectively be referred to as "the Defendants") claiming for an amount of RM18,563,506.17 being the outstanding financing facilities granted by Bank Islam to the Customer whose accounts had been defaulted.

Bank Islam had filed a summary judgement application and the Court has fixed 10 April 2017 for hearing.

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**B11. Dividend**

On 27 January 2017, the Company had paid an interim dividend of 13.00 sen per ordinary share totaling RM206,528,402 in respect of the financial year ended 31 December 2016. From the total dividend amount, approximately 10.9% or RM22.5 million was distributed as cash dividend whilst the remaining 89.1% amounting to RM184.0 million was reinvested to subscribe for 49,061,000 new ordinary shares of RM1.00 at RM3.75 each via the Dividend Reinvestment Plan.

**B12. Earnings per share**

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

<b>Group</b>	<b>Quarter</b>		<b>Year-to-date</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.2017</b>	<b>31.03.2016</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net profit for the period under review attributable to equity holders of the parent	<b>151,102</b>	135,254	<b>151,102</b>	135,254
Number of ordinary shares	<b>1,637,741</b>	1,588,679	<b>1,637,741</b>	1,588,679
Number of average ordinary shares	<b>1,621,387</b>	1,577,955	<b>1,621,387</b>	1,577,955
Earnings per share (sen)	<b>9.32</b>	8.57	<b>9.32</b>	8.57

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**B13. Economic profit statement**

Group	Quarter 3 months ended		Year-to-date 3 months ended	
	31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
<b>Net Operating profit after zakat &amp; tax (NOPAT)</b>				
Profit before zakat and taxation (PBZT)	<b>246,199</b>	212,522	<b>246,199</b>	212,522
Zakat & Taxation	<b>(72,302)</b>	(59,093)	<b>(72,302)</b>	(59,093)
<b>NOPAT</b>	<b>173,897</b>	153,429	<b>173,897</b>	153,429
<b>Economic charge computation</b>				
Average invested capital (excludes the debit balance of the acquisition reserve arising from the acquisition of shares from non-controlling interests)	<b>5,586,112</b>	5,088,595	<b>5,586,112</b>	5,088,595
Weighted Average Cost of Capital (WACC) (%)	<b>6.18</b>	5.99	<b>6.18</b>	5.99
<b>Economic charge</b>	<b>85,123</b>	75,785	<b>85,123</b>	75,785
<b>Economic profit</b>	<b>88,774</b>	77,644	<b>88,774</b>	77,644

By order of the Board

MARIA MAT SAID (LS 0009400)  
Company Secretary  
April 28, 2017