# INTERIM FINANCIAL STATEMENTS

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

ASSETS         Note         2011 RM000         30 September 2011         30 September 2011         30 September 2011         30 September 2011           ASSETS         Cash and short-term funds         9         1,698,309         1,206,298         1,697,136         1,206,248           Deposits and placements with banks and other financial institutions         10         492,772         223,286         492,772         223,286           Learns and advances         12         2,711,174         1,440,824         2,11,174         1,440,824         2,11,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,174         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,211,74         1,440,824         2,215,383         2,955,383           TOTAL LASSETS         2,454,455         2,956,004         4,543,641         2,955,383         1,525,697			30 September	Group 31 December	30 September	Bank 31 December
Note         RM'000         RM'000         RM'000         RM'000           ASSETS Cash and short-term funds Deposits and placements with banks and other financial institutions         9         1,698,309         1,206,298         1,697,136         1,206,248           Deposits and placements with banks and other financial institutions         10         492,772         223,286         492,772         223,286           Held-to-maturity securities         11         70,827         40,413         70,827         40,413           Loans and advances         12         2,211,174         1,440,824         2,211,174         1,440,824           Other assets         13         15,972         13,121         15,783         12,657           Deferred tax assets         33,800         17,700         38,900         17,700           Property and equipment         7,496         7,388         6,570         6,311           Intangible assets         240         9         240         5           Investment in a subsidiary         -         1,000         1,000         1,000           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits from customers         16         52,2772						
ASSETS         9         1,698,309         1,206,298         1,697,136         1,206,248           Deposits and placements with banks and other financial institutions         10         492,772         223,286         492,772         223,286           Held-to-maturity securities         11         70,827         40,413         70,827         40,413           Loans and advances         12         2,211,174         1,440,824         2,211,174         1,440,824           Other assets         13         15,972         13,121         15,783         12,657           Deferred tax assets         38,900         17,700         38,900         17,700           Property and equipment         7,496         7,388         6,570         6,311           Intragible assets         240         9         240         5           Investment in a subsidiary         -         -         1,000         1,000           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383           Provisits form customers         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits from customers         15         1,870,946         986,979         1,870,946         9		Note				
Deposits and placements with banks and other financial institutions         10         492,772         223,286         492,772         223,286           Held-to-matrity securities         11         70,827         40,413         70,827         40,413           Loans and advances         12         2,211,174         1,440,824         2,211,174         1,440,824           Other assets         13         15,972         13,121         15,783         12,657           Deferred tax assets         9,265         6,966         9,239         6,939         14,240,824         2,211,174         1,440,824           Dreposits with Bank Negara Malaysia         9,265         6,966         9,239         6,939         17,700         38,900         17,700           Property and equipment         7,496         7,388         6,570         6,311           Intrangible assets         240         9         240         5           Investment in a subsidiary         -         -         1,000         1,000           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383           Deposits from customers         16         52,272         35,484         50,321         34,373           Provision	ASSETS					
Deposits and placements with banks and other financial institutions         10         492,772         223,286         492,772         223,286           Held-to-maturity securities         11         70,827         40,413         70,827         40,413           Loans and advances         12         2,211,174         1,440,824         2,211,174         1,440,824           Other assets         13         15,972         13,121         15,783         12,657           Deferred tax assets         9,265         6,965         9,239         6,339         6,339           Statutory deposits with Bank Negara Malaysia         7,496         7,388         6,570         6,311           Intrangible assets         240         9         240         5           Investment in a subsidiary         -         -         1,000         1,000           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         2,185,407         1,518,987         2,189,445         1,525,697           Deposits from customers         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits from customers         16         52,272         35,484         50,321         34,373           Provision for taxation         12,532         1,532         2,532 </td <td>Cash and short-term funds</td> <td>9</td> <td>1.698.309</td> <td>1,206,298</td> <td>1.697.136</td> <td>1,206,248</td>	Cash and short-term funds	9	1.698.309	1,206,298	1.697.136	1,206,248
Held-to-maturity securities       11       70,827       40,413       70,827       40,413         Loans and advances       12       2,211,174       1,440,824       2,211,174       1,440,824         Other assets       13       15,783       12,657       13,121       15,783       12,657         Deferred tax assets       9,265       6,965       9,239       6,939       5         Statutory deposits with Bank Negara Malaysia       38,900       17,700       38,900       17,700         Property and equipment       7,496       7,388       6,570       6,311         Intargible assets       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       2,956,004       4,543,641       2,955,383         Poposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,54	Deposits and placements with banks and other financial		, ,		,,	, ,
Loans and advances       12       2,211,174       1,440,824       2,211,174       1,440,824         Other assets       13       15,972       13,121       15,783       12,657         Deferred tax assets       9,265       6,965       9,239       6,339         Statutory deposits with Bank Negara Malaysia       7,496       7,388       6,570       6,311         Intangible assets       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       0       -       -       1,000       1,000         Deposits from customers       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits from customers       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       304,000       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000       304,000       3	institutions	10	492,772	223,286	492,772	223,286
Other assets       13       15,972       13,121       15,783       12,657         Deferred tax assets       9,265       6,965       9,239       6,939         Statutory deposits with Bank Negara Malaysia       7,496       7,388       6,570       6,311         Investment       7,496       7,388       6,570       6,311         Investment in a subsidiary       -       -       1,000       1,000         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       -       -       1,000       1,000         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       304,000       304,000       304,000       304,000         Share capital Reserves       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,337       102,967         SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	Held-to-maturity securities	11	70,827	40,413	70,827	40,413
Deferred tax assets       9,265       6,965       9,239       6,939         Statutory deposits with Bank Negara Malaysia       38,900       17,700       38,900       17,700         Property and equipment       7,496       7,388       6,570       6,311         Intragible assets       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383         Deposits from customers       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967 <t< td=""><td>Loans and advances</td><td>12</td><td>2,211,174</td><td>1,440,824</td><td>2,211,174</td><td>1,440,824</td></t<>	Loans and advances	12	2,211,174	1,440,824	2,211,174	1,440,824
Statutory deposits with Bank Negara Malaysia       38,900       17,700       38,900       17,700         Property and equipment       7,496       7,388       6,570       6,311         Intangible assets       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       Deposits from customers       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         ShAREHOLDERS' EQUITY       4,544,955       2,956,	Other assets	13	15,972	13,121	15,783	12,657
Property and equipment       7,496       7,388       6,570       6,311         Intragible assets       9       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000       1,000         TOTAL LASSETS       240       9       240       5       1,000       1,000       1,000         TOTAL LASSETS       2,956,004       4,543,641       2,955,383       2,956,004       4,543,641       2,955,383         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       Deposits from customers       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967	Deferred tax assets		9,265	6,965	9,239	6,939
Intangible assets       240       9       240       5         Investment in a subsidiary       -       -       1,000       1,000         TOTAL ASSETS       4,544,955       2,956,004       4,543,641       2,955,383         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits from customers       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,33,798       413,022       430,397       406,967         TOTAL LIA	Statutory deposits with Bank Negara Malaysia		38,900	17,700	38,900	17,700
Investment in a subsidiary TOTAL ASSETS         -         1,000         1,000           TOTAL ASSETS         4,544,955         2,956,004         4,543,641         2,955,383           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY Deposits from customers         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits and placements of banks and other financial institutions         15         1,870,946         986,979         1,870,946         986,979           Other liabilities         16         52,272         35,484         50,321         34,373           Provision for taxation         2,532         1,532         2,532         1,367           TOTAL LIABILITIES         4,111,157         2,542,982         4,113,244         2,548,416           Financed by: Share capital Reserves         304,000         304,000         304,000         304,000           ShAREHOLDERS' EQUITY         433,798         413,022         430,397         406,967           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383	Property and equipment		7,496	7,388	6,570	6,311
TOTAL ASSETS       4,544,955       2,956,004       4,543,641       2,955,383         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY Deposits from customers institutions       14       2,185,407       1,518,987       2,189,445       1,525,697         Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by: Share capital Reserves       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	Intangible assets		240	9	240	5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY           Deposits from customers         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits and placements of banks and other financial institutions         15         1,870,946         986,979         1,870,946         986,979           Other liabilities         16         52,272         35,484         50,321         34,373           Provision for taxation         2,532         1,532         2,532         1,367           TOTAL LIABILITIES         4,111,157         2,542,982         4,113,244         2,548,416           Financed by:         304,000         304,000         304,000         304,000         304,000           Share capital         304,000         304,000         304,000         304,000         304,000           Reserves         129,798         109,022         126,397         102,967           SHAREHOLDERS' EQUITY         4333,798         413,022         430,397         406,967           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383	Investment in a subsidiary		-	-	1,000	1,000
Deposits from customers         14         2,185,407         1,518,987         2,189,445         1,525,697           Deposits and placements of banks and other financial institutions         15         1,870,946         986,979         1,870,946         986,979           Other liabilities         16         52,272         35,484         50,321         34,373           Provision for taxation         2,532         1,532         2,532         1,367           TOTAL LIABILITIES         4,111,157         2,542,982         4,113,244         2,548,416           Financed by: Share capital Reserves         304,000         304,000         304,000         304,000           SHAREHOLDERS' EQUITY         4,333,798         413,022         430,397         406,967           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383	TOTAL ASSETS		4,544,955	2,956,004	4,543,641	2,955,383
Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,333,798       413,022       430,397       406,967         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits and placements of banks and other financial institutions       15       1,870,946       986,979       1,870,946       986,979         Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,333,798       413,022       430,397       406,967         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	Deposits from customers	14	2.185.407	1,518,987	2,189,445	1,525,697
Other liabilities       16       52,272       35,484       50,321       34,373         Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	•		, , -		, , .	, ,
Other liabilities         16         52,272         35,484         50,321         34,373           Provision for taxation         2,532         1,532         2,532         1,367           TOTAL LIABILITIES         4,111,157         2,542,982         4,113,244         2,548,416           Financed by:         304,000         304,000         304,000         304,000         304,000           Share capital         304,000         129,798         109,022         126,397         102,967           SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383	institutions	15	1.870.946	986,979	1.870.946	986,979
Provision for taxation       2,532       1,532       2,532       1,367         TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       304,000       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       4,337,798       413,022       430,397       406,967         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	Other liabilities	16	, ,	35,484		34,373
TOTAL LIABILITIES       4,111,157       2,542,982       4,113,244       2,548,416         Financed by:       Share capital       304,000       304,000       304,000       304,000         Share capital       304,000       304,000       304,000       304,000       304,000         Reserves       129,798       109,022       126,397       102,967         SHAREHOLDERS' EQUITY       433,798       413,022       430,397       406,967         TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY       4,544,955       2,956,004       4,543,641       2,955,383	Provision for taxation		,	1,532	,	1,367
Share capital         304,000	TOTAL LIABILITIES			2,542,982		2,548,416
Share capital         304,000						
Reserves         129,798         109,022         126,397         102,967           SHAREHOLDERS' EQUITY         433,798         413,022         430,397         406,967           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383				004.000		004.000
SHAREHOLDERS' EQUITY         433,798         413,022         430,397         406,967           TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383	1		,	,	,	,
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY         4,544,955         2,956,004         4,543,641         2,955,383			· · · · · · · · · · · · · · · · · · ·			
	SHAREHOLDERS' EQUITY		433,798	413,022	430,397	406,967
COMMITMENTS AND CONTINGENCIES 23 <u>1,796,234</u> <u>1,063,345</u> <b>1,796,234</b> 1,063,345	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,544,955	2,956,004	4,543,641	2,955,383
	COMMITMENTS AND CONTINGENCIES	23	1,796,234	1,063,345	1,796,234	1,063,345

# INTERIM FINANCIAL STATEMENTS

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

Group		3rd Quarte	3rd Quarter Ended		hs Ended
		30 September	30 September	30 September	30 September
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		RM'000	RM'000	RM'000	RM'000
Interest income	17	44,456	24,642	116,381	59,524
Interest expense	18	(28,409)	(14,913)	(70,430)	(32,120)
Net interest income		16,047	9,729	45,951	27,404
Other operating income	19	8,748	8,272	28,812	24,626
Other operating expenses	20	(10,735)	(6,951)	(29,393)	(22,330)
Operating profit		14,060	11,050	45,370	29,700
Allowance for impairment on loans and advances	21	-	989	(14,023)	(322)
Profit before taxation		14,060	12,039	31,347	29,378
Taxation		(3,573)	(2,922)	(10,571)	(8,052)
Total comprehensive income for the period		10,487	9,117	20,776	21,326

Bank		3rd Quart	3rd Quarter Ended		hs Ended
		30 September	30 September	30 September	30 September
		2012	2011	2012	2011
		RM'000	RM'000	RM'000	RM'000
Interest income	17	44,456	24,642	116,381	59,524
Interest expense	18	(28,409)	(14,913)	(70,430)	(32,120)
Net interest income		16,047	9,729	45,951	27,404
Other operating income	19	12,205	11,671	26,899	22,510
Other operating expenses	20	(9,613)	(6,194)	(26,268)	(19,807)
Operating profit		18,639	15,206	46,582	30,107
Allowance for losses on loans and advances	21	-	989	(14,023)	(322)
Profit before taxation		18,639	16,195	32,559	29,785
Taxation		(3,131)	(2,465)	(9,129)	(6,595)
Total comprehensive income for the period		15,508	13,730	23,430	23,190

## INTERIM FINANCIAL STATEMENTS

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

	Issued and fully paid ordinary shares of <u>RM1.00 each</u>	Non- distributable	Distributable Retained	
	Nominal value	Statutory reserves	profits	Total
	RM'000	RM'000	RM'000	RM'000
Group		1111000		
At 1 January 2012	304,000	72,218	36,804	413,022
Profit for the financial period	-	-	20,776	20,776
Total comprehensive income for the period	-	-	20,776	20,776
At 30 September 2012	304,000	72,218	57,580	433,798
At 1 January 2011	304,000	58,378	23,095	385,473
Net profit for the financial period	-		21,326	21,326
Total comprehensive income for the period	<u> </u>		21,326	21,326
At 30 September 2011	304,000	58,378	44,421	406,799
Bank	004.000	70.040	00 740	400.007
At 1 January 2012 Brofit for the financial period	304,000	72,218	30,749	406,967
Profit for the financial period Total comprehensive income for the period		-	<u>23,430</u> 23,430	<u>23,430</u> 23,430
At 30 September 2012	304,000	72,218	54,179	430,397
At 1 January 2011	304,000	58,378	16,909	379,287
Profit for the financial period	-	-	23,190	23,190
Total comprehensive income for the period	-		23,190	23,190
At 30 September 2011	304,000	58,378	40,099	402,477

# INTERIM FINANCIAL STATEMENTS

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

			Group		Bank
		30 September	30 September	30 September	30 September
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES Profit before taxation Adjustment for:		31,347	29,378	32,559	29,785
Depreciation of property and equipment		1,187	1,141	1,013	988
Amortisation of intangible assets		85	42	82	37
Net gain on disposal of property and equipment		-	(30)	-	(30)
Amortisation of premium less accretion of discount		159	(42)	159	(42)
Allowance for losses on loans and advances		14,023	322	14,023	322
Interest income from held-to-maturity securities		(1,409)	(947)	(1,409)	(947)
Unrealised foreign exchange loss		6,375	407	6,375	407
Property and equipment written off		-	17	-	2
Dividend Income		<u> </u>		(5,800)	(6,100)
Operating profit before changes in operating assets and liabilities		51,767	30,288	47,002	24,422
(INCREASE)/DECREASE IN OPERATING ASSETS					
Deposits and placements with banks and other financial institutions		(269,486)	(298,013)	(269,486)	(298,013)
Loans and advances Held-to-maturity Securities		(784,373) (30,802)	(212,329)	(784,373) (30,802)	(212,329)
Other assets		(9,226)	11,563	(9,501)	11,633
Statutory deposits with Bank Negara Malaysia		(21,200)	(13,100)	(21,200)	(13,100)
INCREASE/(DECREASE) IN OPERATING LIABILITIES Deposits from customers		666,420	708,767	663,748	706,107
Deposits and placements of banks and other financial		,		-	
institutions		883,967	(9,911)	883,967	(9,911)
Other liabilities		16,788	(19,084)	15,948	(18,484)
Cash generated from operating activities		503,855	198,181	495,303	190,325
Taxation paid		(11,871)	(7,568)	(10,264)	(5,791)
			· · · ·		
Net cash generated from operating activities		491,984	190,613	485,039	184,534
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend income received from subsidiary		-	-	5,800	6,100
Purchase of property and equipment		(1,295)	(109)	(1,272)	(130)
Purchase of intangible assets		(316)	(1)	(317)	(1)
Proceeds from disposal of property and equipment Interest received on held-to-maturity securities		-	30	-	30
interest received on heid-to-maturity securities		1,638	1,075	1,638	1,075
Net cash generated from investing activities		27	995	5,849	7,074
CASH FLOWS FROM FINANCING ACTIVITIES		-	-	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD		492,011	191,608	490,888	191,608
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD		1,206,298	1,172,172	1,206,248	1,172,170
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	9	1,698,309	1,363,780	1,697,136	1,363,778

## NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

## 1 Review of Performance and Commentary of Prospects

The Bank's profit before taxation for the nine months ended 30 September 2012 was higher as compared with the corresponding period in 2011 mainly due to loan growth of 53% offset by additional collective impairment allowance made. Despite of the high loan growth, the Bank continued to exercise prudence risk management. At the same time emphasis will be placed on the development of other conventional commercial banking products.

## 2 Group Accounting Policies

The unaudited condensed consolidated interim financial statements for the nine months ended 30 September 2012 have been prepared in accordance with MFRS134 Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB"). The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

The accounting policies adopted by the Bank for the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2011.

Since the previous annual audited financial statements as at 31 December 2011 were issued, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board. Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, there are some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs.

## 3 Audit Report

The audit report for the financial period ended 31 December 2011 was not subject to any qualification.

## 4 Seasonal or Cyclical Factors

The business operations of the Bank have not been affected by any material seasonal cyclical factors.

### 5 Exceptional or Extraordinary Items

There were no exceptional or extraordinary items in the three months ended 30 September 2012.

### 6 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the nine months ended 30 September 2012.

### 7 Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period under review.

### 8 Dividend paid

No dividend was paid during the three months ended 30 September 2012.

### 9 Cash and short-term funds

		Group		Bank
	30 September	31 December	30 September	31 December
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	RM'000	RM'000	RM'000	RM'000
Cash and balances with banks and other financial institutions	270,783	64,166	269,610	64,116
Money at call and deposit placements maturing within 1 month	1,427,526	1,142,132	1,427,526	1,142,132
	1,698,309	1,206,298	1,697,136	1,206,248

# NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

# 10 Deposits and placements with banks and other financial institutions

10	Deposits and placements with banks and other financial institutions		
		Group an	
		30 September	31 December
		<u>2012</u>	<u>2011</u>
		RM'000	RM'000
	Bank Negara Malaysia	60,037	-
	Other financial institutions	432,735	223,286
		492,772	223,286
11	Held-to-maturity securities		
		Group an	
		30 September	31 December
		<u>2012</u>	<u>2011</u>
		RM'000	RM'000
	At amortised cost		
	Money market instrument:		
	Malaysian Government Securities	40,786	40,413
	Negotiable instruments of deposits	30,041	-
		70,827	40,413
12	Loans and advances		
	At amortised cost	Group an	
		30 September	31 December
		<u>2012</u>	<u>2011</u>
	(i) By type	RM'000	RM'000
	Overdrafts	201,010	193,072
	Terms loans	- ,	
	- Housing loans	19,754	10,162
	- Syndicated term loan	280,300	210,870
	- Other term loans	638,488	545,611
	Revolving Credit	126,305	24,045
	Bills receivable	793,622	295,209
	Trust receipts	12,046	8,467
	Claims on customers under acceptance credits	112,606	110,358
	Staff loans	1,937	1,540
	Loans to banks and other financial institutions	61,477	63,838
		2,247,545	1,463,172
	Less: Unearned interest and income	2,247,545	1,403,172
	Total gross loans and advances	2,247,545	1,463,172
	Less: Allowance for impaired loans and advances	2,247,545	1,400,172
	- Collective assessment allowance	(36,360)	(22,337)
	- Individual assessment allowance	(11)	(22,337)
	Total net loans and advances	2,211,174	1,440,824
		2,211,174	1,440,024
	(ii) By geographical distribution	Group an	d Bank
	(., _) 3	30 September	31 December
		2012	<u>2011</u>
		RM'000	RM'000
	Malayria		951,549
	Malaysia Other countries	1,334,031	511,623
	Other countries	913,514	
		2,247,545	1,463,172
	(iii) De internet este consitiuite	0	d David
	(iii) By interest rate sensitivity	Group an 30 September	
		-	31 December
		<u>2012</u>	<u>2011</u>
		RM'000	RM'000
	Fixed rate		
	- Other fixed rate loan	720,795	296,530
	Variable rate		
	- BLR plus	853,048	664,312
	- Cost plus	300,542	147,425
	- Other variable rates	373,160	354,905
		2,247,545	1,463,172

## NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

12 Loans and advances (continued)

By purpose	Group ar	nd Bank
	30 September	31 December
	<u>2012</u>	2011
	RM'000	RM'000
Purchase of securities	29,163	29,169
Purchase of transport vehicles	55	25
Purchase of landed property:	411,627	261,071
- Residential	31,601	15,142
- Non-residential	380,026	245,929
Purchase of fixed assets other than land and building	8,033	652
Personal use	60,552	61,172
Construction	15,422	18,759
Working capital	1,548,663	959,478
Other purpose	174,030	132,846
	2,247,545	1,463,172

## (v) By residual contractual maturity

	Group ar	nd Bank
	30 September	31 December
	2012	2011
	RM'000	RM'000
Up to one month	622,857	452,638
More than one month to three months	747,712	152,314
More than three months to six months	119,960	217,429
More than six months to twelve months	126,304	127,527
More than twelve months	630,712	513,264
	2,247,545	1,463,172

The loans and advances were based on the remaining length of time that will be carried and from the report date to the expiry date of the contract created.

## (vi)

Impaired loans and advances (a) Movements in impaired loans and advances

(a) merenene in impanea ieune ana autaneee			
	Group and Bank		
	30 September	31 December	
	<u>2012</u>	<u>2011</u>	
	RM'000	RM'000	
At beginning of financial period/year	93	2,921	
Classified as impaired during the period/year	33,559	37	
Amount recovered	-	(991)	
Amount written off		(1,874)	
At end of financial period/year	33,652	93	
Individual assesment allowance	(11)	(11)	
Net impaired loans and advances	33,641	82	
Ratio of net impaired loans and advances to gross loans			
and advances less allowance for impairment	1.50%	0.01%	

(b) By geographical	Group and	Bank
	30 September 2012 RM'000	31 December 2011 RM'000
Malaysia	33,652	93
c) By purposes	Group and	Bank
	30 September	31 December
	2012	2011
	RM'000	RM'000
Purchase of residential property	178	93
Working capital	33,474	-
	33,652	93

## NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

12 Loans and advances (continued) (vii) Allowance for impairment on loans and advances Movements in allowance for impairment for loans and advances

	Group ar	nd Bank
	30 September	31 December
	2012	<u>2011</u>
	RM'000	RM'000
Collective assessment allowance		
At beginning of the financial period/year	22,337	17,466
Allowance made during the financial period/year	14,023	4,871
At end of the financial period/year	36,360	22,337
Individual assessment allowance		
At beginning of the financial period/year	11	2,874
Amount recovered	-	(989)
Amount written off	-	(1,874)
At end of the financial period/year	11	11

## 13 Other Assets

		Group		Bank
	30 September	31 December	30 September	31 December
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Other receivables	14,599	11,773	14,588	11,487
Sundry deposits	1,313	954	1,135	776
Prepayment	60	394	60	394
	15,972	13,121	15,783	12,657

## NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

# 14 Deposits from Customers (i) By type of deposits

		Group		Bank
	30 September	31 December	30 September	31 December
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	RM'000	RM'000	RM'000	RM'000
Demand deposits	206,957	151,051	210,995	157,761
Savings deposits	39,786	39,575	39,786	39,575
Fixed deposits	1,937,058	1,326,761	1,937,058	1,326,761
Others	1,606	1,600	1,606	1,600
	2.185.407	1.518.987	2,189,445	1.525.697

## (ii) By type of customer

		Group		Bank
	30 September	31 December	30 September	31 December
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	RM'000	RM'000	RM'000	RM'000
Government and statutory bodies	10,687	16,867	10,687	16,867
Business enterprises	1,337,224	843,708	1,341,262	850,418
Individuals	764,484	619,136	764,484	619,136
Others	73,012	39,276	73,012	39,276
	2,185,407	1,518,987	2,189,445	1,525,697

## (iii) Maturity structure of fixed deposits and negotiable instrument of deposits are as follows:

	Group ar	Group and Bank	
	30 September 2012	31 December 2011	
	RM'000	RM'000	
Due within six months	1,268,217	907,425	
Six months to one year	629,869	417,169	
More than one year	38,972	2,167	
	1,937,058	1,326,761	

## 15 Deposits and placements of banks and other financial institutions

•	Group and Bank	
	30 September	31 December
	<u>2012</u>	<u>2011</u>
	RM'000	RM'000
Bank Negara Malaysia	433,385	-
Licensed banks	1,436,584	985,658
Licensed investment banks	55	1,314
Other financial institutions	360	5
Licensed islamic banks	562	2
	1,870,946	986,979

## 16 Other Liabilities

		Group		Bank
	30 September	31 December	30 September	31 December
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	RM'000	RM'000	RM'000	RM'000
Accrued expenses	10,252	7,679	9,658	7,169
Margin deposits	5,867	11,425	5,867	11,425
Other liabilities	36,153	16,380	34,796	15,779
	52,272	35,484	50,321	34,373

Interest Expense

18

## NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

17	Interest income	3rd Quarter Ended Group and Bank			
		30 September 2012 RM'000	30 September 2011 RM'000	30 September 2012 RM'000	30 September 2011 RM'000
	Loans and advances				
	- Interest income other than recoveries from impaired loans	25,614	13,139	69,929	34,689
	Money at call and deposit placement with financial institutions	18,322	11,230	45,202	23,846
	Securities				
	<ul> <li>Held-to-maturity investments</li> </ul>	520	273	1,250	989
	Total interest income	44,456	24,642	116,381	59,524

3rd Quarter Ended

Nine Months Ended

### Group and Bank Group and Bank 30 September 30 September 30 September 30 September 2012 2011 2012 2011 RM'000 RM'000 RM'000 RM'000 Deposits and placements of banks and other financial institutions 12,825 4,345 30,308 9,966 Deposits from customers 15,558 10,542 40,046 22,095 Others 26 26 76 59 28,409 14,913 70,430 32,120 Other operating income 3rd Quarter Ended 19 Nine Months Ended 30 September 30 September 30 September 30 September Group 2012 2011 2012 2011 RM'000 RM'000 RM'000 RM'000 Fees income: Fee on loans and advances 1,764 739 6,117 2,083 -Service charges and fees 3,898 4,315 12,496 12,792 -Guarantee fees 866 704 2,595 2,116 6,528 5,758 21,208 16,991 Foreign exchange income: Realised 2,471 2,949 13,857 8,008 -Unrealised (251) (434) (6,375) (407) Gain from disposal of property and equipment 30 \_ -. Other income (1) 122 4 24,626 8,748 8,272 28,812

	3rd Quarter Ended			ths Ended
Bank	30 September 2012 RM'000	30 September 2011 RM'000	30 September 2012 RM'000	30 September 2011 RM'000
Fees income:				
<ul> <li>Fee on loans and advances</li> </ul>	1,764	739	6,117	2,083
<ul> <li>Service charges and fees</li> </ul>	1,525	1,584	4,693	4,491
- Guarantee fees	866	704	2,595	2,116
	4,155	3,027	13,405	8,690
Foreign exchange income:				
- Realised	2,471	2,949	13,857	8,008
- Unrealised	(251)	(434)	(6,375)	(407)
Gain from disposal of property and equipment	-	-	-	30
Other income	5,830	6,129	6,012	6,189
	12,205	11,671	26,899	22,510

## NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

20 Other operating expenses

Josephenistra         Josephen	Other operating expenses Group	3rd Quart	er Ended	Nine Months Ended		
2012         2011         2012         2011         2013         2011           Shaline's Avages         3,672         2,614         10,909         14,016           Shaline's Avages         3,672         2,614         10,555         7,676         3,248           Defined contribution plan ("EPF")         858         465         2,274         1,438         5,706         3,248           Shalt willare expanses         233         228         736         793           Marketing expanses         238         257         583         593           Entertainmont         248         464         464           Other marketing         247         1,463         6075         5,000           Rentain outs         2,837         1,463         6075         5,000           Rentainmont         28         3         85         4,24           Aronisation         28         3         85         4,24           Aronisation         28         3         85         4,24           Administration and general expenses         649         622         2,225         2,723           Insurance premium         1,007         168         1,021         748         245 <th>Gloup</th> <th></th> <th></th> <th></th> <th></th>	Gloup					
Rivoid         Rivoid         Rivoid         Rivoid         Rivoid           Personnel expenses         7,410         4,609         19,999         14,016           Salaries & wages         3,672         2,614         10,565         7,877           Boruses         2,363         1,133         5,706         3,248           Defined contribution plan ("EPP")         859         466         2,274         1,458           Other personnel costs         223         228         736         1,458           Other personnel costs         229         2571         553         5010           Other personnel costs         2,387         1,463         6,075         5,000           Rental of premises         2,434         1,141         97         6,075         5,000           Depreciation         408         388         1,187         1,141         <		•	•			
Salaries & wages         3.672         2.614         105.565         7.877           Borruese         2.363         1.138         5.706         3.248           Defined contribution plan ("EPP")         2.863         1.913         164.4         62.8         64.0           Other personnel costs         323         2.287         736         793           Marketing expenses         2.29         257]         563         691           Entertainment         194         2.44         429         494           Other marketing         95         33         154         97           Derivation         408         388         1.187         1.141           Amortisation         28.387         1.463         6.075         5.000           Rental of premises         2.387         1.463         6.075         5.000           Marketing expenses         2.157         1.525         1.141         1.007         1.954         1.077           Other establishment costs         1.007         1.954         1.077         1.018         2.282         2.232           Insurance premium         .010735         6.951         2.9393         2.2330           Insurance premium         .						
Salaries & wages         3.672         2.614         105.565         7.877           Boruses         2.363         1.138         5.706         3.248           Defined contribution plan ("EPP")         3.659         4.65         2.274         1.458           Staff welfare expenses         193         164         628         4.60           Other personnel costs         323         228         736         793           Marketing expenses         2.387         1.463         6.075         5.000           Rental of premises         961         6.29         2.634         2.467           Depreciation         408         388         1.187         1.141           Amortisation         2.387         1.463         6.075         5.000           Rental of premises         2.164         6.02         2.634         2.467           Depressional accounteration of station and account expenses         1.007         1.864         1.021           Insurance premium         1.007         1.864         1.021         4.469           Auditors' fromoration and utilities         171         146         428         4.131           Printing, stationery and geupment written off         1.007         1.86         3	Personnel expenses	7.410	4,609	19.909	14,016	
Bonueses         2,363         1,138         5,706         3,248           Staff welfare expenses         193         164         628         640           Other personnel costs         232         228         736         793           Marketing expenses         194         224         429         440           Other personnel costs         233         154         97           Extablishment costs         2,387         1,463         6,075         5,000           Personal provides         2,387         1,463         6,075         5,000           Deprediation         408         326         2,437         2,467         2,467           Personal expenses         1,007         188         1,954         1,021         447           Repairs and maintenance         1,107         188         1,954         1,021         442           Addros' remuneration - statutory audit files         -         -         -         17           Audros' remuneration - statutory audit files         171         146         428         413           Travelling and contrastant and general expenses         100         30 September         30 September         30 September         30 September         30 September			,	· · · ·		
Defined contribution plan (*EPF')         859         465         2,274         1,458           Staff welfare expenses         193         164         626         640           Other personnel costs         223         228         736         793           Markeing expenses         289         257         583         591           Entertainment         194         624         429         494           Other marketing         95         33         154         97           Establishment costs         2,387         1,463         6,675         5,000           Rental of premises         2,434         2,447         1,141         Amontisation         28         3         85         42           Repairs and maintenance         (17)         5         215         312         1,027           Admitistration and captaria expenses         649         622         2,226         2,723           Insurance premium         (5)         9         177         95         74         95           Taveling and accommodation         119         127         498         326         144         199         170           Other astationery and postape         114         31						
Staff welfare expenses         193         164         628         640           Other personnel costs         233         228         736         793           Marketing expenses         233         228         736         793           Entertainment         194         224         429         494           Other marketing         95         33         154         97           Extablishment costs         2,387         1,463         6,075         5,000           Rental of premises         961         829         2,634         2,467           Depreciation         28         3         85         42           Repairs and maintenance         (17)         55         215         312           Property and equipment writen off         -         -         177         174           Addrois ferumeration - statutory audit fees         -         -         95         1778         218           Audrois ferumeration and utilities         171         146         422         413         199         140         019         141         019         141         019         141         019         141         019         141         019         141         019	Defined contribution plan ("EPF")					
Marketing expenses         289         257         583         591           Entertainment         194         224         429         444           Other marketing         95         33         154         97           Establishment costs         961         829         2,634         2,467           Depreciation         408         388         1,187         1,114           Amortisation         28         3         85         42           Repairs and maintenance         (17)         55         215         312           Property and equipment written off         -         -         17         104           Other stabilishment costs         1,007         188         1,954         1,021           Insurance premium         (5)         9         1.77         218           Auditors ferumeration - statutory audit fees         -         -         95           Travelling and accommodation         (18)         127         438         326           Tatecommunication and utilities         171         146         428         413           Printing, stationery and postage         114         31         199         1007           Legal and protesconal fees		193	164			
Entertainment         194         224         429         444           Other marketing         95         33         154         97           Establishment costs         2,387         1.463         6.075         5.000           Rental of premises         961         820         2,634         2,464           Depreciation         488         388         1.187         1.141           Amorisation         28         38         1.857         1.141           Amorisation and equipment written off         -         -         -         1.07           Other establishment costs         649         622         2.826         2.723           Insurance premium         1,007         188         1.954         1.021           Addinsitration and general expenses         649         622         2.826         2.723           Insurance premium         69         62         2.826         2.723           Insurance premium         69         62         2.826         2.723           Insurance premium         69         62         2.826         2.723           Insurance premium         69         63         1.018         1.087           Proprety and decommodation<	Other personnel costs	323	228	736	793	
Other marketing         95         33         154         97           Establishment costs         2.387         1.463         6.075         5.000           Rental of premises         2.634         2.467           Depreciation         408         388         1.187         1.141           Amontisation         28         3         65         4.242           Repairs and maintenance         (177)         55         2.15         312           Property and equipment written off         -         -         1.007         188         1.954         1.021           Administration and general expenses         649         622         2.826         2.723         1.021           Admitor frommestion and utilities         171         146         428         413           Printing, stationery and postage         185         131         505         414           Printing, stationery and postage         114         31         199         177           Other administration and general expenses         304         2012         2011         703         305         2014         1.037           Bank         305         5058         2.167         1.033         5058         2.809						
Establishment costs         2.387         1.463         6.075         5.000           Rental of premises         961         829         2,634         2,467           Depreciation         488         388         1,187         1,141           Amorisation         28         38         1,857         1,141           Amorisation         28         38         1,857         1,141           Amorisation and general expenses         (17)         55         215         312           Property and equipment written off         -         -         1007         188         1,954         1,021           Administration and general expenses         649         622         2,826         2,723           Insurance premium         69         9         178         2173           Auditors' remuneration - statutory audit fees         111         146         428         413           Printing, stationery and postage         185         131         505         414           Printing, stationery and postage         114         31         199         170           Other administration and general expenses         202         178         1,018         1,087           Salaries & wages         3,246 <td></td> <td></td> <td></td> <td></td> <td></td>						
Bank         961         829         2,634         2,463           Depreciation         28         388         1,187         1,141           Amoritation         28         388         1,187         1,141           Amoritation         28         388         1,187         1,141           Amoritation and expenses         (17)         55         215         312           Property and equipment written off         - <td< td=""><td>Other marketing</td><td>95</td><td>33</td><td>154</td><td>97</td></td<>	Other marketing	95	33	154	97	
Depreciation         408         388         1,187         1,141           Amortisation         28         3         85         42           Repairs and maintenance         (17)         5         215         312           Property and equipment written off         -         -         17           Other establishment costs         1,007         188         1,954         1,021           Administration and general expenses         649         622         2,826         2,723           Insurance premium         1         1,007         188         1,954         1,021           Auditors' remuneration - statutory audit fees         -         -         -         95           Tareveling and accommodation         114         31         199         170           Other administration and general expenses         202         178         1,018         1,067           Egas and professional fees         114         31         199         170         2011         80         2012         2011         80         2012         2011         80         2012         2011         80         2012         2011         80         2012         2011         80         2012         2011         80 <td></td> <td></td> <td>,</td> <td>· · · ·</td> <td>, ,</td>			,	· · · ·	, ,	
Amotisation         28         3         85         42           Repairs and maintenance         (17)         55         215         312           Property and equipment written off         (17)         55         215         312           Administration and general expenses         649         622         2.826         2.723           Insurance premium         (5)         9         178         218           Auditors' remuneration - statutory audit fees         -         -         98         326           Traveling and accommodation         118         131         505         414         248         413         199         170           Other administration and general expenses         10,735         6.951         29.333         22.330           Bank         31d Quarter Ended         30 September	•			,		
Repairs and maintenance         (17)         55         215         312           Property and equipment written off         -         -         -         17           Other establishment costs         649         622         2,826         2,723           Insurance premium         -         -         -         95         77         98         326           Travelling and accommodation         (18)         127         498         326         114         31         505         414           Legal and professional fees         114         31         505         414         31         99         170         0ther administration and general expenses         202         178         1,018         1,087           Bank         3rd Quarter Ended         30 September	•					
Property and equipment written off Other establishment costs         17         1,007         18         1,954         1,021           Administration and general expenses Insurance premium         649         622         2,826         2,723           Auditors' remuneration - statutory audit fees Travelling and accommodation         171         146         428         413           Printing, stationery and postage         185         131         505         414         131         199         1770         00         176         218         131         505         414         14         31         199         1770         00         1771         146         428         4133         199         1770         00         1771         146         428         4133         199         1770         00         177         00         1775         6,951         29,393         22,330         22,330         22,330         22,330         22,330         22,330         22,130         177         16         17,766         12,4651         30         September         30         September         2012         2011         RM000         RM000         RM000         RM000         RM000         2,157         1,033         5,058         2,828         164 <td></td> <td></td> <td></td> <td></td> <td></td>						
Other establishment costs         1,007         188         1,954         1,021           Administration and general expenses Insurance premium Auditors' remuneration - statutory audit fees Travelling and accommodation         649         622         2,826         2,723           Insurance premium Auditors' remuneration - statutory audit fees         -         -         -         95           Travelling and accommodation         171         146         428         413           Printing, stationery and postage         185         131         505         414           Legal and professional fees         185         131         505         414           Legal and professional fees         202         178         1,018         1,087           Other administration and general expenses         202         178         1,018         1,087           Bank         30 September 2012         30 September 2011         30 September 2012         2011         RM000           Personnel expenses         2,246         2,309         9,373         6,901           Bonuses         2,245         2,401         RM000         17,766         12,465           Defined contribution plan ("EPF")         824         506         2,167         1,033         5,058         2,288	•	(17)	55	215		
Insurance premium         (5)         9         1778         218           Auditors' remuneration - statutory audit fees         -         -         95         -         95           Travelling and accommodation         118         127         498         326           Telecommunication and utilities         171         146         422         413           Legal and professional fees         185         131         505         414           Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1,087           Bank         3rd Quarter Ended         30 September         2012         2011         70 September           2012         2011         RM'000         R		- 1,007	- 188	- 1,954		
Insurance premium         (5)         9         1778         218           Auditors' remuneration - statutory audit fees         -         -         95         -         95           Travelling and accommodation         118         127         498         326           Telecommunication and utilities         171         146         422         413           Legal and professional fees         185         131         505         414           Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1,087           Bank         3rd Quarter Ended         30 September         2012         2011         70 September           2012         2011         RM'000         R	Administration and general expenses	649	622	2 826	2 723	
Auditors' remuneration - statutory audit fies       -       -       -       95         Travelling and accommodation       (18)       127       498       328         Telecommunication and utilities       171       146       428       413         Printing, stationery and postage       185       131       505       414         Legal and professional fees       114       31       199       170         Other administration and general expenses       202       178       1,018       1,087         Bank       3rd Quarter Ended       Nine Months Ended       30 September 2012       2011       2012       2011         Personnel expenses       6,617       17,766       12,465       30 September 2012       2011         RM'000       6,6140       17,766       12,465       30 September 2012       2011         Personnel expenses       2,157       1,033       5,068       2,888       2,690         Defined contribution plan ("EPF")       262       476       2,163       1,395       544       521         Staff welfare expenses       273       254       540       576       5,114       1,997         Other personnel costs       27       2       82       37						
Tavelling and accommodation         (18)         127         498         326           Telecommunication and utilities         171         146         428         413           Printing, stationery and postage         185         131         505         414           Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1.087           Bank         30 September         30 September         30 September         2012         2010         2012         2011         2012         2011         RM'000         RM'0		-	-	-		
Telecommunication and utilities         171         146         428         413           Printing, stationery and postage         185         131         505         414           Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1,087           Bank         30 September 30 September 2012         2011         2012         2011         RM'000         <	3	(18)	127	498		
Printing, stationery and postage         185         131         605         414           Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1,007           Bank         30 September         30 September         30 September         30 September         2012         2011           RM'000         RM'000         RM'000         RM'000         RM'000         RM'000         RM'000           Personnel expenses         6,631         4,167         17,766         12,465         1,399         1,333         6,001           Bonuses         2,157         1,033         5,058         2,888         1,316         1,395         1,395         1,335         1,395         1,335         1,395         1,335         1,						
Legal and professional fees         114         31         199         170           Other administration and general expenses         202         178         1,018         1,087           Eank         3rd Quarter Ended         30 September         30 September         30 September         30 September           Bank         3rd Quarter Ended         Nine Months Ended         30 September	Printing, stationery and postage	185	131	505	414	
Other administration and general expenses         202         178         1,018         1,087           Image: Different administration and general expenses         30 (373)         6,951         29,393         22,330           Bank         30 September 2012         2011         Nine Months Ended         30 September 2012         2011         RM000		114				
Bank         3rd Quarter Ended         Nine Months Ended           30 September 2012         2011         RM 000         RM		202	178	1,018	1,087	
30 September 2012         30 September 2011         30 September 2012         30 September 2011         30 September 2011         30 September 2012         30 September 2011         30 September 2016         30 September 2016		10,735	6,951	29,393	22,330	
30 September 2012         30 September 2011         30 September 2012         30 September 2011         30 September 2012         30 September 2011         30 September 2012         30 September 2011           Personnel expenses         6,631         4,167         17,766         12,465           Salaries & wages         3,246         2,309         9,373         6,901           Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Armortisation and equipment written off         -         -         2         30	Bank	3rd Quart	er Ended	Nine Mont	hs Ended	
2012         2011         2012         2011         2012         2011           RM'000         RM'000         RM'000         RM'000         RM'000         RM'000           Salaries & wages         3,246         2,309         9,373         6,901           Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and eq						
RM'000         RM'000         RM'000         RM'000         RM'000           Personnel expenses         3,246         2,309         9,373         6,901           Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment writen off         - </th <th></th> <th></th> <th>•</th> <th></th> <th></th>			•			
Personnel expenses         6,631         4,167         17,766         12,465           Salaries & wages         3,246         2,309         9,373         6,901           Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         277         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off						
Salaries & wages         3,246         2,309         9,373         6,901           Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         27         2         82         37           Amortisation         27         2         82         37           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,576           Insurance premium	Personnel expenses	· · · · · · · · · · · · · · · · · · ·				
Bonuses         2,157         1,033         5,058         2,888           Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses						
Defined contribution plan ("EPF")         820         475         2,163         1,395           Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         -         -         75         757           Insurance premium	5	-				
Staff welfare expenses         167         130         544         521           Other personnel costs         241         220         628         760           Marketing expenses         273         254         540         576           Entertainment         178         221         396         480           Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         2,73         254         1013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2         82         37           Repairs and maintenance         985         164         1,890         914         302           Administration and general expenses         577         571         2,653         2,576           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75						
Other personnel costs         241         220         628         760           Marketing expenses Entertainment Other marketing         273         254         540         576           Entertainment Other marketing         178         221         396         480           95         33         144         96           Establishment costs Rental of premises         2,132         1,202         5,309         4,190           Rental of premises         2,132         1,202         5,309         4,190           Amortisation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         -         -         75         7571         2,653         2,526           Insurance premium         (5)         9         175         216         333         382           Printing, stationery and postage         -         -						
Entertainment Other marketing         178         221         396         480           Other marketing         95         33         144         96           Establishment costs Rental of premises         2,132         1,202         5,309         4,190           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,576           Insurance premium Auditors' remuneration - statutory audit fees         -         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31	•					
Other marketing         95         33         144         96           Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,526           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal	Marketing expenses	273	254	540	576	
Establishment costs         2,132         1,202         5,309         4,190           Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,5261           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165	Entertainment	178	221	396	480	
Rental of premises         789         656         2,114         1,947           Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,576           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049 <td>Other marketing</td> <td>95</td> <td>33</td> <td>144</td> <td>96</td>	Other marketing	95	33	144	96	
Depreciation         350         326         1,013         988           Amortisation         27         2         82         37           Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         2         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,576           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049		2,132	1,202	5,309		
Amortisation       27       2       82       37         Repairs and maintenance       (19)       54       210       302         Property and equipment written off       -       -       2         Other establishment costs       985       164       1,890       914         Administration and general expenses       577       571						
Repairs and maintenance         (19)         54         210         302           Property and equipment written off         -         -         -         2           Other establishment costs         985         164         1,890         914           Administration and general expenses         577         571         2,653         2,576           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	•					
Property and equipment written off Other establishment costs2Administration and general expenses9851641,890914Administration and general expenses5775712,6532,576Insurance premium Auditors' remuneration - statutory audit fees75Travelling and accommodation Telecommunication and utilities159134393382Printing, stationery and postage1772110463366Legal and professional fees11431199165Other administration and general expenses1851639651,049	Amortisation				37	
Administration and general expenses         577         571         2,653         2,576           Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049						
Insurance premium         (5)         9         175         216           Auditors' remuneration - statutory audit fees         -         -         75           Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off	(19) -	54	210	302 2	
Auditors' remuneration - statutory audit fees75Travelling and accommodation(48)124458323Telecommunication and utilities159134393382Printing, stationery and postage172110463366Legal and professional fees11431199165Other administration and general expenses1851639651,049	Repairs and maintenance Property and equipment written off	(19) -	54	210	302 2	
Travelling and accommodation         (48)         124         458         323           Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off Other establishment costs Administration and general expenses	(19) - 985 577	54 - 164 571	210 - 1,890 	302 2 914 <u>2,576</u>	
Telecommunication and utilities         159         134         393         382           Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off Other establishment costs <u>Administration and general expenses</u> Insurance premium	(19) - 985 577	54 - 164 571	210 - 1,890 	302 2 914 <u>2,576</u> 216	
Printing, stationery and postage         172         110         463         366           Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off Other establishment costs Administration and general expenses Insurance premium Auditors' remuneration - statutory audit fees	(19) - 985 	54 - 164 571 9	210 - 1,890 	302 2 914 <u>2,576</u> 216 75	
Legal and professional fees         114         31         199         165           Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off Other establishment costs Administration and general expenses Insurance premium Auditors' remuneration - statutory audit fees Travelling and accommodation	(19) - 985 - 577 (5) - (48)	54 - 164 - 571 - 9 - 124	210 - 1,890 - - 2,653 - - - - - - - - - - - - - - - - - - -	302 2 914 <u>2,576</u> 216 75 323	
Other administration and general expenses         185         163         965         1,049	Repairs and maintenance Property and equipment written off Other establishment costs <u>Administration and general expenses</u> Insurance premium Auditors' remuneration - statutory audit fees Travelling and accommodation Telecommunication and utilities	(19) - 985 - (5) - (48) 159	54 - 164 - 571 - - 124 134	210 - 1,890 - 2,653 - 175 - 458 - 393	302 2 914 2,5 <u>76</u> 216 75 323 382	
	Repairs and maintenance Property and equipment written off Other establishment costs Administration and general expenses Insurance premium Auditors' remuneration - statutory audit fees Travelling and accommodation Telecommunication and utilities Printing, stationery and postage	(19) - 985 577 (5) - (48) 159 172	54 - 164 - - - - - - - - - - - - - - - - - - -	210 - 1,890 - 2,653 - 175 - 458 - 393 - 458	302 2 914 2,576 216 75 323 382 382 366	
	Repairs and maintenance Property and equipment written off Other establishment costs Administration and general expenses Insurance premium Auditors' remuneration - statutory audit fees Travelling and accommodation Telecommunication and utilities Printing, stationery and postage Legal and professional fees	(19) - 985 577 (5) - (48) 159 172 114	54 - 164 - 571 - - - - - - - - - - - - - - - - - - -	210 - 1,890 <u>2,653</u> 175 - 458 393 463 199	302 2 914 2,576 216 75 323 382 382 366 165	

## NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

21	Allowance for impairment on loans and advances	Nine Mont Group a	
		30 September 2012 <u>RM'000</u>	30 September 2011 <u>RM'000</u>
	Collective assessment allowance - Made during the financial period	14,023	1,311

# 22 Capital adequacy

## (a) The capital adequacy ratios of the Bank are as follows:

	Bar	Bank			
	30 September	31 December			
	2012	2011			
	RM'000	RM'000			
Tier-1 capital					
Paid-up ordinary share capital	304,000	304,000			
Retained profits	30,749	30,749			
Other reserves	72,218	72,218			
	406,967	406,967			
Less: Deferred tax assets	(9,239)	(6,939)			
Total Tier-1 Capital	397,728	400,028			
Tier-2 capital					
Collective assessment allowance	36,360	22,337			
Total Tier-2 Capital	36,360	22,337			
Less: Investment in a subsidiary	(1,000)	(1,000)			
Total capital base	433,088	421,365			
Capital ratios					
Core capital ratio	15.1%	22.7%			
Risk-weighted capital ratio	16.4%	23.9%			
(b) Breakdown of risk-weighted asset risk-weights are as follows :	s in the various categories of				
Credit risk	2,506,338	1,669,138			
Market risk	11,304	4,591			
Operational risk	115,238	91,096			
Total risk-weighted assets	2,632,880	1,764,825			

The capital adequacy ratio of the Bank are disclosed pursuant to the requirements of Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II)-Disclosure Requirements (Pillar 3).

# NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

# 23 Commitments and contingencies

					Grou	p and Bank
_		30 Sep	otember 2012		31 Dec	cember 2011
		Credit	Risk		Credit	Risk
	Principal	equivalent	weighted	Principal	equivalent	weighted
-	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	-	-	-	-	-	-
Transaction-related contingent items	700,023	350,012	175,652	593,217	296,608	147,257
Short-term self-liquidation trade related contingencies	5,283	1,057	1,050	2,676	535	524
Irrevocable commitments to extend credit:						
<ul> <li>Maturity not exceeding one year</li> </ul>	377,650	75,530	75,014	318,085	63,617	63,211
- Maturity exceeding one year	265,908	132,954	129,266	135,816	67,908	67,138
Foreign exchange related contracts:						
- Less than one year	415,136	7,162	1,436	5,710	-	-
Others	32,234	-	-	7,841	-	-
Total	1,796,234	566,715	382,418	1,063,345	428,668	278,130
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## NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2012

## 24 Credit Exposures Arising From Credit Transactions With Connected Parties

	Group and Bank	
	30 September 2012	31 December 2011
Outstanding credit exposures with connected parties (RM'000)	282,930	240,580
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	13%	14%
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	0%	0%

Crown and Bank

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties, which are effective on 1 January 2008. However, the Bank has obtained exemption from Bank Negara Malaysia's for the above credit transaction exposures with connected parties.

## 25 Operations of Islamic Banking

No Islamic banking activities was involved for the financial period ended 30 September 2012.

## 26 Valuation of Property, Plant and Equipment

The Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements.

## 27 Events subsequent to Balance Sheet Date

There were no material events subsequent to the balance sheet date that require disclosure or adjustments to the interim statements.

## 28 Changes in the composition of the Group

There were no significant changes in the composition of the Group for the 3nd quarter ended 30 September 2012.