

**AmInvestment Bank Berhad
and its subsidiary companies
(23742-V)(Incorporated in Malaysia. Licensed Investment Bank)**

**UNAUDITED BALANCE SHEETS
AS AT 30 SEPTEMBER 2007**

	Note	Group		Bank	
		30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
ASSETS					
Cash and short-term funds		2,620,160	3,483,697	2,610,158	3,276,782
Securities purchased under resale agreements		474,361	393,329	435,993	374,155
Deposits and placements with banks and other financial institutions		2,390,096	1,828,841	2,389,265	1,924,828
Securities held-for-trading	8	5,919,358	5,734,091	5,902,741	5,700,187
Securities available-for-sale	9	903,523	3,419,740	902,565	3,401,440
Securities held-to-maturity	10	1,057,581	1,191,597	1,013,868	1,146,967
Derivative financial assets		249,000	380,742	249,000	380,742
Loans, advances and financing	11	4,037,110	4,181,657	3,994,576	4,096,669
Other assets	12	1,168,514	1,060,264	695,749	829,926
Statutory deposit with Bank Negara Malaysia		163,046	169,050	163,046	169,050
Investments in subsidiary companies		-	-	155,691	154,872
Investments in associated companies		2,172	2,590	100	138
Prepaid land lease payments		2,627	2,716	2,627	2,716
Property and equipment		38,703	36,758	34,702	33,013
Deferred tax assets		43,146	43,468	41,936	43,083
Intangible assets		51,472	50,591	3,580	3,558
TOTAL ASSETS		19,120,869	21,979,131	18,595,597	21,538,126
LIABILITIES AND EQUITY					
Deposits from customers	13	5,930,050	5,251,328	5,875,477	5,046,701
Deposits and placements of banks and other financial institutions	14	8,825,236	9,837,132	8,901,655	9,921,613
Derivative financial liabilities		261,325	333,670	261,325	333,670
Obligations on securities sold under repurchase agreements		-	2,789,379	-	2,789,379
Recourse obligations on loans sold to Cagamas Berhad		39,436	52,421	39,436	52,421
Other liabilities	15	1,385,418	1,123,813	953,553	896,302
Term loans		102,270	103,680	102,270	103,680
Redeemable unsecured subordinated bonds		595,000	595,000	595,000	595,000
Total Liabilities		17,138,735	20,086,423	16,728,716	19,738,766
Share capital		340,000	340,000	340,000	340,000
Reserves		1,642,134	1,552,708	1,526,881	1,459,360
Equity attributable to equity holders of the Bank		1,982,134	1,892,708	1,866,881	1,799,360
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		19,120,869	21,979,131	18,595,597	21,538,126

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UNAUDITED BALANCE SHEETS
AS AT 30 SEPTEMBER 2007 (CONTD.)

	Note	Group		Bank	
		30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
COMMITMENTS AND CONTINGENCIES	26	43,931,013	42,778,034	43,913,969	42,774,969
NET ASSETS PER ORDINARY SHARE (RM)		8.26	7.89	7.78	7.50
NET ASSETS PER ORDINARY SHARE, AFTER DEDUCTING THE NOMINAL AMOUNT OF PREFERENCE SHARE CAPITAL (RM)		7.84	7.47	7.36	7.08
CAPITAL ADEQUACY	30				
Before deducting proposed dividends					
Core Capital Ratio		11.49%	11.75%	11.91%	12.00%
Risk-Weighted Capital Ratio		15.20%	15.71%	14.97%	15.22%
After deducting proposed dividends					
Core Capital Ratio		11.19%	11.23%	11.59%	11.46%
Risk-Weighted Capital Ratio		14.90%	15.18%	14.66%	14.68%

The Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

AmInvestment Bank Berhad
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UNAUDITED CONSOLIDATED INCOME STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007

Group	Note	Individual Quarter		Cumulative Quarter	
		30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Revenue		322,039	340,094	646,824	558,787
Interest income	16	181,233	187,234	378,497	374,799
Interest expense	17	(158,150)	(155,487)	(320,956)	(298,743)
Net interest income		23,083	31,747	57,541	76,056
Net income from Islamic banking business		10,186	10,951	24,943	15,268
Other operating income	18	130,620	141,909	243,384	168,720
Net income		163,889	184,607	325,868	260,044
Other operating expenses	19	(66,096)	(41,999)	(135,708)	(81,163)
Operating profit		97,793	142,608	190,160	178,881
Writeback of allowance/(Allowances) for losses on loans and financing	20	(1,354)	(23,984)	20,736	(19,928)
Impairment writeback/(loss) on:					
Securities		4,475	(31,743)	10,875	(30,858)
Assets acquired in exchange of debts		-	(936)	72	(936)
Transfer (to)/from profit equalisation reserve		(41)	(56)	(73)	125
Writeback of allowance/(Allowance) for doubtful sundry receivables- net		316	(66)	612	(290)
(Provision)/Writeback of provision for commitments		2	(6)	299	318
Profit before share in results of associated companies		101,191	85,817	222,681	127,312
Share in results of associated companies		50	122	35	1,045
Profit before taxation		101,241	85,939	222,716	128,357
Taxation		(20,102)	(24,834)	(50,616)	(36,133)
Net profit attributable to shareholder of the Bank		81,139	61,105	172,100	92,224
EARNINGS PER SHARE (SEN)					
Basic		33.81	25.46	71.71	38.43
Fully diluted		23.86	17.97	50.62	27.12

The Income Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

AmInvestment Bank Berhad
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UNAUDITED CONSOLIDATED INCOME STATEMENTS (CONTD.)
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007

Bank	Note	Individual Quarter		Cumulative Quarter	
		30.09.07	30.09.06	30.09.07	30.09.06
		RM'000	RM'000	RM'000	RM'000
Revenue		290,796	321,661	586,608	521,653
Interest income	16	178,901	183,229	375,104	367,315
Interest expense	17	(157,548)	(152,684)	(320,923)	(293,599)
Net interest income		21,353	30,545	54,181	73,716
Net income from Islamic banking business		10,014	10,608	24,577	14,757
Other operating income	18	101,881	127,824	186,927	139,581
Net income		133,248	168,977	265,685	228,054
Other operating expenses	19	(49,692)	(32,174)	(103,994)	(64,081)
Operating profit		83,556	136,803	161,691	163,973
Writeback of allowance/(Allowances) for losses on loans and financing	20	(1,398)	(23,232)	20,119	(18,713)
Impairment writeback/(loss) on:					
Securities		4,475	(28,327)	10,875	(27,442)
Assets acquired in exchange of debts		-	(936)	72	(936)
Transfer from profit equalisation reserve		-	-	-	181
Writeback of allowance/(Allowance) for doubtful sundry receivables- net		513	(93)	557	(317)
(Provision)/Writeback of provision for commitments		2	(6)	299	318
Profit before taxation		87,148	84,209	193,613	117,064
Taxation		(16,891)	(23,683)	(44,052)	(34,004)
Net profit attributable to shareholder of the Bank		70,257	60,526	149,561	83,060
EARNINGS PER SHARE (SEN)					
Basic		29.27	25.22	62.32	34.61
Fully diluted		20.66	17.80	43.99	24.43

The Income Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

AmInvestment Bank Berhad
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UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007

Group	-----Attributable to equity holder of the Bank----->								
	Non-distributable						Distributable		Total shareholder's equity RM'000
	Share capital RM'000	ICULS RM'000	Capital reserve RM'000	Share premium RM'000	Statutory reserve RM'000	Available-for- sale reserve RM'000	Exchange fluctuation reserve RM'000	Unappropriated profits RM'000	
At 1 April 2006	310,000	120,000	2,815	100,284	329,549	(3,055)	27,179	824,181	
Net unrealised gain on revaluation of securities available-for-sale	-	-	-	-	-	224	-	-	224
Interest on ICULS	-	-	-	-	-	-	-	(3,610)	(3,610)
Exchange fluctuation adjustments	-	-	-	-	-	-	(494)	-	(494)
Net income/(expense) recognised directly in equity	-	-	-	-	-	224	(494)	(3,610)	(3,880)
Profit for the period	-	-	-	-	-	-	-	92,224	92,224
Total recognised income/(expense) for the period	-	-	-	-	-	224	(494)	88,614	88,344
Ordinary dividends paid	-	-	-	-	-	-	-	(55,944)	(55,944)
At 30 September 2006	310,000	120,000	2,815	100,284	329,549	(2,831)	26,685	856,851	1,743,353
At 1 April 2007	340,000	-	2,815	190,284	389,500	12,880	28,477	928,752	1,892,708
Net unrealised loss on revaluation of securities available-for-sale	-	-	-	-	-	(3,311)	-	-	(3,311)
Exchange fluctuation adjustments	-	-	-	-	-	-	557	-	557
Net income/(expense) recognised directly in equity	-	-	-	-	-	(3,311)	557	-	(2,754)
Profit for the period	-	-	-	-	-	-	-	172,100	172,100
Total recognised income and expense for the period	-	-	-	-	-	(3,311)	557	172,100	169,346
Proposed ordinary dividends	-	-	-	-	-	-	-	(79,920)	(79,920)
At 30 September 2007	340,000	-	2,815	190,284	389,500	9,569	29,034	1,020,932	1,982,134

The Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

AmInvestment Bank Berhad
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UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTD.)
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007

Bank	<-----Attributable to equity holder of the Bank----->							
	Non-distributable					Distributable		Total shareholder's equity RM'000
	Share capital RM'000	ICULS RM'000	Share premium RM'000	Statutory reserve RM'000	Available-for-sale reserve RM'000	Exchange fluctuation reserve RM'000	Unappropriated profits RM'000	
At 1 April 2006	310,000	120,000	100,284	329,549	(3,410)	-	778,330	
Net unrealised loss on revaluation of securities available-for-sale	-	-	-	-	(177)	-	-	(177)
Interest on ICULS	-	-	-	-	-	-	(3,610)	(3,610)
Exchange fluctuation adjustments	-	-	-	-	-	(207)	-	(207)
Net income/(expense) recognised directly in equity	-	-	-	-	(177)	(207)	(3,610)	(3,994)
Profit for the period	-	-	-	-	-	-	83,060	83,060
Total recognised income and expense for the period	-	-	-	-	(177)	(207)	79,450	79,066
Ordinary dividends paid	-	-	-	-	-	-	(55,944)	(55,944)
At 30 September 2006	310,000	120,000	100,284	329,549	(3,587)	(207)	801,836	1,657,875
At 1 April 2007	340,000	-	190,284	389,500	12,828	8,291	858,457	1,799,360
Net unrealised loss on revaluation of securities available-for-sale	-	-	-	-	(3,311)	-	-	(3,311)
Exchange fluctuation adjustments	-	-	-	-	-	1,191	-	1,191
Net income/(expense) recognised directly in equity	-	-	-	-	(3,311)	1,191	-	(2,120)
Profit for the period	-	-	-	-	-	-	149,561	149,561
Total recognised income and expense for the period	-	-	-	-	(3,311)	1,191	149,561	147,441
Ordinary dividends payable	-	-	-	-	-	-	(79,920)	(79,920)
At 30 September 2007	340,000	-	190,284	389,500	9,517	9,482	928,098	1,866,881

The Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

**AmInvestment Bank Berhad
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**UNAUDITED CONDENSED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007**

	Group		Bank	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Profit before taxation	222,716	128,357	193,613	117,064
Add adjustments for non-operating and non cash items	(99,835)	14,360	(100,340)	(65,204)
Operating profit before working capital changes	122,881	142,717	93,273	51,860
Decrease in operating assets	(610,899)	2,610,784	(313,700)	2,586,255
Decrease in operating liabilities	(2,949,595)	(1,843,628)	(3,008,560)	(1,974,028)
Cash used in operations	(3,437,613)	909,873	(3,228,987)	664,087
Taxation paid	(44,250)	(37,245)	(42,107)	(35,979)
Net cash used in operating activities	(3,481,863)	872,628	(3,271,094)	628,108
Net cash generated from/(used in) investing activities	2,704,146	(2,047,451)	2,686,469	(2,028,010)
Net cash generated from/(used in) financing activities	(81,330)	(90,213)	(79,920)	(66,754)
	2,622,816	(2,137,664)	2,606,549	(2,094,764)
Net decrease in cash and cash equivalents	(859,047)	(1,265,036)	(664,545)	(1,466,656)
Cash and cash equivalents at beginning of period	3,457,791	3,106,184	3,256,086	2,992,725
Cash and cash equivalents at end of period	2,598,744	1,841,148	2,591,541	1,526,069

Note 1 : Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents consist of cash and short-term funds excluding deposits and monies held in trust net of bank overdraft. Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Group		Bank	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Cash and short-term funds	2,620,160	1,841,148	2,610,158	1,526,069
Less: Cash and bank balances and deposit held in trust	(21,416)	-	(18,617)	-
	2,598,744	1,841,148	2,591,541	1,526,069

The Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007.

EXPLANATORY NOTES :

1. ACCOUNTING POLICIES AND METHOD OF COMPUTATION

The interim financial statements have been prepared in accordance with Financial Reporting Standards ("FRS") 134, Interim Financial Reporting, issued by Malaysian Accounting Standards Board ("MASB") should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2007.

The accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the previous audited annual financial statements except for the adoption of FRS 117 Leases issued by MASB that is effective for the Group and the Bank annual reporting date, 31 March 2008. The adoption of FRS 117 has resulted in changes in the accounting policies of the Group and the Bank and are disclosed in Note A32.

The specific and general allowances for loans, advances and financing of the Group and the Bank are computed based on BNM's guidelines on the "Classification of Non-Performing Loans and Provisions for Substandard, Bad and Doubtful Debts" ("BNM/GP3") requirements. However, the Group and the Bank has adopted a more stringent classification policy on non-performing loans, whereby loans are classified as non-performing and sub standard when repayments are in arrears for more than three (3) months from the first day of default or after maturity date.

Consistent with the previous year, the Group and the Bank adopted a more stringent basis for specific allowances on non-performing loans and are as follows:

- (i) Values assigned to collateral held for non-performing loans secured by properties is determined based on the realisable values of the properties on the following basis:
 - (a) assigning only fifty percent (50%) of the realisable value of the properties held as collateral for non-performing loans which are in arrears for more than five (5) years but less than seven (7) years; and
 - (b) no value assigned to the realisable value of the properties held as collateral for non-performing loans which are in arrears for more than seven (7) years.
- (ii) Specific allowance of 20.0% is provided on non-performing loans which are three (3) to less than six (6) months-in-arrears. Previously, specific allowance was only made when a non-performing loan was in arrears of 6 months and above.

The unaudited condensed interim financial statements incorporates those activities relating to the Islamic Banking business, which have been undertaken by the Group and the Bank. Islamic Banking business refers generally to the acceptance of deposits, dealing in Islamic securities, granting of financing, capital market and treasury activities under the Shariah principles.

2. AUDIT QUALIFICATION

There were no audit qualification in the audited annual financial statements for the year ended 31 March 2007.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The operations of the Group and the Bank are not materially affected by any seasonal or cyclical fluctuation in the current financial quarter and period.

4. UNUSUAL ITEMS

There were no unusual items during the current financial quarter and period.

5. USE OF ESTIMATES

There was no material change in estimates of amounts reported in the prior financial years that have a material effect on the financial quarter and period ended 30 September 2007.

6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

The Bank has not issued any new shares or debentures during the financial quarter and period.

There were no share buy-back, share cancellation, shares held as treasury shares nor resale of treasury shares by the Bank during the financial quarter and period.

7. DIVIDENDS

The directors now recommend the payment of an interim ordinary dividend of 27.5%, less 26% taxation, amounting to RM48,840,000. The interim financial statements for the current financial period do not reflect the proposed interim ordinary dividend which is declared after the balance sheet date, 30 September 2007. The dividend will be accounted for in the shareholder's equity as an appropriation of unappropriated profits in the next financial quarter ending 31 December 2007.

8. SECURITIES HELD-FOR-TRADING

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
At Fair Value				
Money Market Securities:				
Treasury bills	37,633	-	37,633	-
Islamic Treasury bills	1,493	-	1,493	-
Malaysian Government Securities	792,974	1,401,040	792,974	1,401,040
Malaysian Government Investment Certificates	418,713	535,577	418,713	535,577
Cagamas bonds	-	60,230	-	60,230
Cagamas Mudharabah bearer bonds	15,879	16,217	15,879	16,217
Khazanah bonds	110,353	11,741	110,353	11,741
Negotiable instruments of deposits	14,625	-	14,625	-
Negotiable Islamic Debt Certificates	78,821	60,082	78,821	60,082
Bank Negara Monetary Notes	234,576	413,656	234,576	413,656
Islamic Bank Negara Monetary Notes	59,355	-	59,355	-
	<u>1,764,422</u>	<u>2,498,543</u>	<u>1,764,422</u>	<u>2,498,543</u>
Securities Quoted:				
In Malaysia:				
Shares	209,488	170,971	209,488	170,971
Trust units	103,533	88,330	103,533	88,330
Corporate bonds	16,662	33,922	-	-
Outside Malaysia:				
Shares	85,927	43,067	85,972	43,085
	<u>415,610</u>	<u>336,290</u>	<u>398,993</u>	<u>302,386</u>
Unquoted Private Debt Securities Of Companies Incorporated:				
In Malaysia:				
Corporate bonds	1,258,371	704,771	1,258,371	704,771
Corporate notes	44,592	50,224	44,592	50,224
Islamic corporate bonds	1,982,033	1,548,093	1,982,033	1,548,093
Islamic corporate notes	53,325	63,947	53,325	63,947
Outside Malaysia:				
Corporate bonds	236,759	119,185	236,759	119,185
	<u>3,575,080</u>	<u>2,486,220</u>	<u>3,575,080</u>	<u>2,486,220</u>

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Unquoted Guaranteed Private Debt				
Securities Of Companies				
Incorporated In Malaysia:				
Corporate bonds	127,580	239,745	127,580	239,745
Corporate notes	-	39,749	-	39,749
Islamic corporate bonds	5,947	103,119	5,947	103,119
Islamic corporate notes	30,719	30,425	30,719	30,425
	<u>164,246</u>	<u>413,038</u>	<u>164,246</u>	<u>413,038</u>
Total securities held-for-trading	<u>5,919,358</u>	<u>5,734,091</u>	<u>5,902,741</u>	<u>5,700,187</u>
9. SECURITIES AVAILABLE-FOR-SALE				
At Fair Value				
Money Market Securities:				
Negotiable instruments of deposits	<u>70,450</u>	<u>2,580,599</u>	<u>70,450</u>	<u>2,580,599</u>
Securities Quoted in Malaysia:				
Corporate bonds	<u>-</u>	<u>17,329</u>	<u>-</u>	<u>-</u>
Debt Equity Converted Securities:				
Quoted in Malaysia:				
Shares - with options	7,051	15,172	7,051	15,172
Shares	4,673	5,634	4,673	5,634
Corporate bonds	4,411	-	4,411	-
Loan stocks	8,681	-	8,681	-
Unquoted securities outside Malaysia:				
Shares	958	971	-	-
	<u>25,774</u>	<u>21,777</u>	<u>24,816</u>	<u>20,806</u>
Unquoted Private Debt Securities				
Of Companies Incorporated				
In Malaysia:				
Corporate bonds	96,930	96,920	96,930	96,920
Islamic corporate bonds	710,369	558,857	710,369	558,857
	<u>807,299</u>	<u>655,777</u>	<u>807,299</u>	<u>655,777</u>
Unquoted Guaranteed Private Debt				
Securities Of Companies				
Incorporated In Malaysia:				
Corporate bonds	-	144,258	-	144,258
Total securities available-for-sale	<u>903,523</u>	<u>3,419,740</u>	<u>902,565</u>	<u>3,401,440</u>

10. SECURITIES HELD-TO-MATURITY

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
At Amortised Cost:				
Money Market Securities:				
Negotiable Instrument of Deposit	138,987	89,589	138,987	89,589
Quoted Securities:				
In Malaysia:				
Shares	2	2	-	-
Corporate bonds	27,272	34,560	-	-
Trust Units	2,004	1,001	2,004	1,001
Outside Malaysia:				
Islamic Corporate bonds	6,818	-	-	-
	36,096	35,563	2,004	1,001
Unquoted Securities Of Companies				
Incorporated:				
In Malaysia:				
Shares	60,588	60,588	60,588	60,588
Corporate bonds	100	100	100	100
Outside Malaysia:				
Shares	6,424	7,580	6,424	7,580
	67,112	68,268	67,112	68,268
Debt Equity Converted Securities:				
Quoted in Malaysia:				
Loan stocks - collateralised	971	971	-	-
Loan stocks	387,178	424,490	387,178	424,490
Unquoted securities of companies incorporated in Malaysia:				
Shares	1,679	1,679	-	-
Corporate bonds	343,770	356,556	322,581	334,760
	733,598	783,696	709,759	759,250
Unquoted Private Debt Securities Of Companies Incorporated:				
In Malaysia:				
Islamic corporate bonds	192,011	193,598	192,011	193,598
Corporate bonds and notes denominated in USD	-	56,871	-	56,871
Outside Malaysia:				
Corporate bonds and notes denominated in USD	102,270	103,680	102,270	103,680
	294,281	354,149	294,281	354,149

10. SECURITIES HELD-TO-MATURITY (CONTD.)

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Unquoted Guaranteed Private Debt				
Securities Of Companies				
Incorporated In Malaysia:				
Corporate bonds	-	79,216	-	79,216
Total	1,270,074	1,410,481	1,212,143	1,351,473
Accumulated impairment losses	(212,493)	(218,884)	(198,275)	(204,506)
Total securities held-to-maturity	1,057,581	1,191,597	1,013,868	1,146,967

11. LOANS, ADVANCES AND FINANCING

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Term loans and revolving credits				
Customers	4,224,034	4,364,635	4,157,060	4,254,404
Related companies	30,401	31,295	30,401	31,295
Staff loans	24,396	25,055	23,770	24,268
Gross loans, advances and financing	4,278,831	4,420,985	4,211,231	4,309,967
Less:				
Allowance for bad and doubtful debts and financing:				
General	61,474	63,677	60,828	62,386
Specific	180,247	175,651	155,827	150,912
	241,721	239,328	216,655	213,298
Net loans, advances and financing	4,037,110	4,181,657	3,994,576	4,096,669

Loans, advances and financing analysed by their economic purposes are as follows:

	Group		Bank	
	30.09.07	31.03.07	30.09.07	31.03.07
	RM'000	RM'000	RM'000	RM'000
Working capital	1,673,800	1,876,776	1,613,011	1,775,019
Construction	666,384	750,864	666,384	750,864
Purchase of securities	689,029	622,876	689,029	622,876
Fixed assets	274,653	300,362	274,653	300,362
Merger and acquisition	213,636	207,044	213,636	207,044
Non-residential landed properties	166,091	200,638	159,924	194,471
Residential landed properties	51,039	51,749	50,464	51,216
Personal use	5,594	5,391	5,594	5,391
Purchase of transport vehicles	3,548	3,199	3,497	3,167
Other purpose	535,057	402,086	535,039	399,557
Gross loans, advances and financing	<u>4,278,831</u>	<u>4,420,985</u>	<u>4,211,231</u>	<u>4,309,967</u>

Loans, advances and financing analysed by type of customers are as follows:

	Group		Bank	
	30.09.07	31.03.07	30.09.07	31.03.07
	RM'000	RM'000	RM'000	RM'000
Domestic :				
Other non-bank financial institutions	80,496	121,453	80,496	121,453
Business enterprises:				
Small medium enterprises	197,881	208,749	197,881	208,528
Others	3,501,185	3,615,883	3,456,654	3,566,541
Government and statutory bodies	65,865	57,489	65,865	22,918
Individuals	262,441	268,461	261,815	267,896
Foreign entities	170,963	148,950	148,520	122,631
	<u>4,278,831</u>	<u>4,420,985</u>	<u>4,211,231</u>	<u>4,309,967</u>

Loans, advances and financing analysed by interest rate sensitivity are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Variable rate				
Cost-plus	3,462,866	3,757,465	3,417,644	3,711,708
Other variable rates	108,144	137,867	86,410	75,938
	<u>3,571,010</u>	<u>3,895,332</u>	<u>3,504,054</u>	<u>3,787,646</u>
Fixed rate				
Housing loans	20,849	21,833	20,273	21,101
Hire purchase receivables	3,547	3,222	3,497	3,167
Other fixed rates	683,425	500,598	683,407	498,053
	<u>707,821</u>	<u>525,653</u>	<u>707,177</u>	<u>522,321</u>
	<u>4,278,831</u>	<u>4,420,985</u>	<u>4,211,231</u>	<u>4,309,967</u>

Movements in non-performing loans, advances and financing are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Balance at beginning of period/year	364,131	530,269	329,423	497,739
Non-performing during the period/year	28,535	63,991	28,535	63,991
Reclassification to performing loans, advances and financing	(21,250)	(8,585)	(21,250)	(8,585)
Debt equity conversion	(32,807)	-	(32,807)	-
Recoveries	(21,105)	(59,228)	(21,105)	(59,228)
Amount written off	(378)	(173,128)	(378)	(173,128)
Exchange fluctuation adjustment	189	2,001	(72)	(177)
Transfer from stock and share-broking operations	-	8,811	-	8,811
Balance at end of period/year	<u>317,315</u>	<u>364,131</u>	<u>282,346</u>	<u>329,423</u>
Specific allowance	<u>(180,247)</u>	<u>(175,651)</u>	<u>(155,827)</u>	<u>(150,912)</u>
Non-performing loans, advances and financing - net	<u>137,068</u>	<u>188,480</u>	<u>126,519</u>	<u>178,511</u>
Ratios of non-performing loans, advances and financing to total loans, advances and financing - net	<u>3.34%</u>	<u>4.44%</u>	<u>3.12%</u>	<u>4.29%</u>

Non-performing loans, advances and financing analysed by their economic purposes are as follows:

	Group		Bank	
	30.09.07	31.03.07	30.09.07	31.03.07
	RM'000	RM'000	RM'000	RM'000
Working capital	177,409	180,707	148,607	152,166
Construction	80,943	117,146	80,943	117,146
Non-residential landed properties	16,807	16,803	10,640	10,636
Merger and acquisition	15,000	15,020	15,000	15,020
Purchase of securities	8,646	14,336	8,646	14,336
Personal use	4,390	4,390	4,390	4,390
Purchase of transport vehicles	67	65	67	65
Other purpose	14,053	15,664	14,053	15,664
	<u>317,315</u>	<u>364,131</u>	<u>282,346</u>	<u>329,423</u>

Movements in allowances for bad and doubtful debts and financing are as follows:

	Group		Bank	
	30.09.07	31.03.07	30.09.07	31.03.07
	RM'000	RM'000	RM'000	RM'000
General allowance				
Balance at beginning of period/year	63,677	63,925	62,386	61,553
Reversal of allowance during the period/year	(2,168)	(1,260)	(1,533)	(277)
Transfer from stock and share-broking operations	-	1,321	-	1,321
Exchange fluctuation adjustments	(35)	(309)	(25)	(211)
Balance at end of period/year	<u>61,474</u>	<u>63,677</u>	<u>60,828</u>	<u>62,386</u>
% of total loans, advances and financing less specific allowances	<u>1.50%</u>	<u>1.50%</u>	<u>1.50%</u>	<u>1.50%</u>

Specific allowance

Balance at beginning of period/year	175,651	235,984	150,912	222,357
Allowance during the period/year	21,382	122,090	21,365	109,868
Amount written back in respect of recoveries and reversals	(7,672)	(16,777)	(7,672)	(16,777)
Net charge to income statements	13,710	105,313	13,693	93,091
Transfer from stock and share-broking operations	647	8,741	647	8,741
Debt equity conversion	(9,046)	-	(9,046)	-
Amount written off	(379)	(173,278)	(379)	(173,278)
Exchange fluctuation adjustments	(336)	(1,109)	-	1
Balance at end of period/year	<u>180,247</u>	<u>175,651</u>	<u>155,827</u>	<u>150,912</u>

12. OTHER ASSETS

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Trade receivables, net of allowance for doubtful debts	872,814	666,909	417,430	452,696
Other receivables, deposits and prepayments, net of allowance for doubtful debts	146,200	195,369	127,892	178,328
Interest/Dividends receivable	94,189	104,399	93,623	103,731
Amount due from Originators	39,436	52,421	39,436	52,421
Amount due from brokers	5,472	22,671	5,472	22,671
Amount due from:				
Ultimate holding company	139	3,561	139	3,561
Subsidiary companies	-	-	1,751	1,691
Related companies	7289	8,102	7,031	7,995
Assets acquired in exchange of debts, net of impairment loss	2,975	6,832	2,975	6,832
	<u>1,168,514</u>	<u>1,060,264</u>	<u>695,749</u>	<u>829,926</u>

Trade recoverables mainly relate to the stock and share-broking operations of subsidiary companies and the Bank, and represent amount outstanding in purchase contracts net of allowance.

Amount due from Originators represent loans, hire purchase and leasing receivables acquired from the Originators for onward sale to Cagamas Berhad.

Amounts due from ultimate holding company, subsidiary companies and other related companies are unsecured, interest-free and represent expenses paid on behalf and interest receivable.

13. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Term/Investment deposits	4,414,765	4,822,143	4,360,192	4,617,516
Negotiable instruments of deposits	-	300	-	300
Other deposits	1,515,285	428,885	1,515,285	428,885
	<u>5,930,050</u>	<u>5,251,328</u>	<u>5,875,477</u>	<u>5,046,701</u>

The deposits are sourced from the following types of customers:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Business enterprises	4,192,992	3,252,167	4,141,139	3,050,923
Individuals	48,844	35,768	46,921	33,410
Government	820,893	738,043	820,893	738,043
Others	867,321	1,225,350	866,524	1,224,325
	<u>5,930,050</u>	<u>5,251,328</u>	<u>5,875,477</u>	<u>5,046,701</u>

14. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Licensed banks:				
Subsidiary	-	-	222,928	116,486
Related	3,352,979	4,397,316	3,345,138	4,397,316
Others	932,183	1,373,390	812,868	1,373,389
Licensed investment banks	27,000	-	27,000	-
Bank Negara Malaysia	-	9,100	-	9,100
Other financial institutions	4,513,074	4,057,326	4,493,721	4,025,322
	<u>8,825,236</u>	<u>9,837,132</u>	<u>8,901,655</u>	<u>9,921,613</u>

15. OTHER LIABILITIES

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Trade payables	963,406	754,012	560,520	584,108
Other payables and accruals	178,401	244,642	157,872	190,704
Provision for commitments	-	299	-	299
Amount due to related companies	15,106	14,678	15,096	14,669
Taxation payable	7,565	4,290	(75)	780
Dividends payable to holding company	87,320	-	87,320	-
Zakat payable	38	38	38	38
Profit equalisation reserve	315	245	95	95
Securities sold not yet-repurchased	132,333	98,209	132,333	98,209
Proposed preference dividends	-	7,400	-	7,400
Valuation adjustment on securities held for trading	354	-	354	-
Bank Overdraft	580	-	-	-
	1,385,418	1,123,813	953,553	896,302

Trade payables mainly relate to the stock and share-broking operations of the Bank's subsidiary companies and represent amount payable in outstanding sales contracts.

Amount due to related companies represent interest payable on deposit placements.

The movements in profit equalisation reserve are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Balance at beginning of period/year	245	276	95	276
Amount written back	73	(25)	-	(181)
Exchange fluctuation adjustments	(3)	(6)	-	-
Balance at end of period/year	315	245	95	95

16. INTEREST INCOME

Group	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Short-term funds and deposits with financial institutions	38,478	32,353	87,875	69,206
Securities held-for-trading	50,476	49,718	90,866	105,328
Securities available-for-sale	20,172	36,214	52,935	47,996
Securities held-to-maturity	1,671	1,717	2,755	8,323
Loans and advances				
- Interest income other than recoveries from NPLs	63,716	60,493	129,189	117,385
- Recoveries from NPLs	1,240	5,279	8,077	15,939
Others	924	424	1,559	685
Gross interest income	176,677	186,198	373,256	364,862
Amortisation of premiums less accretion of discounts	4,556	1,036	5,284	9,937
Interest suspended	-	-	(43)	-
Total after net interest suspension	181,233	187,234	378,497	374,799

Bank	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Short-term funds and deposits with financial institutions	37,535	30,656	87,374	66,382
Securities held-for-trading	50,207	49,411	90,221	104,728
Securities available-for-sale	20,172	36,214	52,935	47,996
Securities held-to-maturity	1,672	1,717	2,697	8,323
Loans and advances				
- Interest income other than recoveries from NPLs	63,149	58,556	127,769	113,391
- Recoveries from NPLs	1,240	5,279	8,077	15,939
Others	370	360	790	619
Gross interest income	174,345	182,193	369,863	357,378
Amortisation of premiums less accretion of discounts	4,556	1,036	5,284	9,937
Interest suspended	-	-	(43)	-
Total after net interest suspension	178,901	183,229	375,104	367,315

17. INTEREST EXPENSE

Group	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Deposits from customers	83,196	62,790	156,465	145,119
Deposit of banks and other financial institutions	49,693	56,365	106,116	81,278
Securities sold under repurchase agreements	47	22,295	16,765	43,570
Subordinated deposits and term loans	1,491	4,076	2,946	7,644
Securities sold not yet repurchased	1,747	(97)	2,877	534
Redeemable unsecured bonds	9,153	9,153	18,206	18,206
Others	12,823	905	17,581	2,392
	<u>158,150</u>	<u>155,487</u>	<u>320,956</u>	<u>298,743</u>

Bank	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Deposits from customers	82,139	59,966	154,145	139,907
Deposit of banks and other financial institutions	50,143	60,466	108,398	88,989
Securities sold under repurchase agreements	47	22,276	16,765	43,570
Subordinated deposits and term loans	1,491	-	2,946	-
Securities sold not yet repurchased	1,747	(97)	2,877	534
Redeemable unsecured bonds	9,153	9,153	18,206	18,206
Others	12,828	920	17,586	2,393
	<u>157,548</u>	<u>152,684</u>	<u>320,923</u>	<u>293,599</u>

18. OTHER OPERATING INCOME

Group	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Fee income:				
Fees on loans and advances	3,598	2,242	5,734	7,363
Corporate advisory fees	7,227	3,366	18,466	7,370
Guarantee fees	1,736	3,564	3,500	9,827
Underwriting commissions	6,573	6,899	7,492	9,373
Portfolio management fees	4,339	2,968	8,897	5,339
Unit trust management fees	14,533	9,054	27,852	17,352
Property trust management fees	-	540	-	1,047
Brokerage fees and commissions	40,653	-	83,454	-
Other fee income	4,178	5,701	14,512	6,886
	<u>82,837</u>	<u>34,334</u>	<u>169,907</u>	<u>64,557</u>
Investment and trading income:				
Net gain from sale of securities held-for-trading	11,175	18,031	90,408	6,637
Net gain from sale of securities available-for-sale	1,363	2,457	2,032	2,457
Net gain on redemption of securities held-to-maturity	35,366	19,037	38,405	33,923
(Loss)/Gain on revaluation of derivatives	(3,331)	(4,571)	(14,249)	9,270
Gross dividend income from:				
Securities held-for-trading	3,199	3,282	6,358	4,081
Securities held-to-maturity	10,112	10,365	10,725	10,978
(Loss)/Gain on revaluation of securities held-for-trading	(12,015)	58,529	(62,923)	35,619
	<u>45,869</u>	<u>107,130</u>	<u>70,756</u>	<u>102,965</u>
Other income:				
Foreign exchange gain/(loss)	1,178	(191)	1,500	(148)
Gain on disposal of property and equipment - net	128	35	134	48
Rental income	413	485	756	1,005
Other non-operating income	195	116	331	293
	<u>1,914</u>	<u>445</u>	<u>2,721</u>	<u>1,198</u>
	<u>130,620</u>	<u>141,909</u>	<u>243,384</u>	<u>168,720</u>

18. OTHER OPERATING INCOME (CONTD.)

Bank	Individual Quarter		Cumulative Quarter	
	30.09.07	30.09.06	30.09.07	30.09.06
	RM'000	RM'000	RM'000	RM'000
Fee income:				
Fees on loans and advances	3,598	2,214	5,719	7,287
Corporate advisory fees	6,973	3,185	18,037	7,059
Guarantee fees	944	2,003	2,432	3,062
Underwriting commissions	6,273	6,899	7,058	9,373
Brokerage fees and commissions	31,346	-	64,742	-
Other fee income	5,186	4,286	15,433	6,789
	<u>54,320</u>	<u>18,587</u>	<u>113,421</u>	<u>33,570</u>
Investment and trading income:				
Net gain from sale of securities held-for-trading	11,196	18,452	90,113	7,058
Net gain from sale of securities available-for-sale	1,363	2,457	2,032	2,457
Net gain on redemption of securities held-to-maturity	35,780	18,862	38,820	33,699
(Loss)/Gain on revaluation of derivatives	(2,937)	(1,928)	(13,667)	11,906
Gross dividend income from:				
Unquoted subsidiary companies	-	247	-	247
Securities held-for-trading	3,199	3,282	6,358	4,081
Securities held-to-maturity	10,112	10,365	10,725	10,978
(Loss)/Gain on revaluation of securities held-for-trading	(12,600)	57,238	(62,635)	34,782
	<u>46,113</u>	<u>108,975</u>	<u>71,746</u>	<u>105,208</u>
Other income:				
Foreign exchange gain/(loss)	928	(208)	920	(184)
Gain on disposal of property and equipment - net	130	(2)	135	11
Rental income	390	472	705	976
	<u>1,448</u>	<u>262</u>	<u>1,760</u>	<u>803</u>
	<u>101,881</u>	<u>127,824</u>	<u>186,927</u>	<u>139,581</u>

19. OTHER OPERATING EXPENSES

Group	Individual Quarter		Cumulative Quarter	
	30.09.07	30.09.06	30.09.07	30.09.06
	RM'000	RM'000	RM'000	RM'000
Personnel/Staff costs				
- Salaries, allowances and bonuses	33,629	21,591	67,872	42,086
- Others	10,220	8,615	20,767	15,511
Establishment costs				
- Depreciation of property and equipment	1,750	853	3,434	2,162
- Amortisation of computer software	397	262	776	513
- Computerisation costs	2,784	1,768	6,174	3,103
- Rental	2,584	1,057	5,089	2,250
- Others	1,451	952	2,357	1,743
Marketing and communication expenses				
- Sales commission	2,118	1,198	2,626	1,716
- Advertising	1,878	643	3,110	2,079
- Travel and entertainment	1,603	86	3,366	781
- Others	1,865	1,424	3,815	2,282
Administration and general expenses				
- Professional fees	2,408	1,151	9,821	2,378
- Others	3,409	2,399	6,501	4,559
	<u>66,096</u>	<u>41,999</u>	<u>135,708</u>	<u>81,163</u>

Bank	Individual Quarter		Cumulative Quarter	
	30.09.07	30.09.06	30.09.07	30.09.06
	RM'000	RM'000	RM'000	RM'000
Personnel/Staff costs				
- Salaries, allowances and bonuses	25,000	17,130	51,844	34,944
- Others	7,920	7,209	15,944	13,266
Establishment costs				
- Depreciation of property and equipment	1,405	624	2,759	1,770
- Amortisation of computer software	379	262	741	513
- Computerisation costs	719	1,562	2,921	2,577
- Rental	1,557	535	2,982	1,356
- Others	972	527	1,361	569
Marketing and communication expenses				
- Sales commission	2,117	613	2,621	1,112
- Advertising	1,074	405	2,201	1,094
- Travel and entertainment	1,186	(4)	2,612	622
- Others	968	966	2,150	1,452
Administration and general expenses				
- Professional fees	1,940	543	8,690	1,356
- Others	4,455	1,802	7,168	3,450
	<u>49,692</u>	<u>32,174</u>	<u>103,994</u>	<u>64,081</u>

20. ALLOWANCE FOR LOSSES ON LOANS AND FINANCING

Group	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Allowance/(Reversal of allowance) for bad and doubtful debts and financing:				
Specific allowance - net	9,426	27,115	13,710	32,170
<i>Allowance during the period</i>	<i>12,994</i>	<i>31,138</i>	<i>21,382</i>	<i>37,522</i>
<i>Amount written back in respect of recoveries and reversals</i>	<i>(3,568)</i>	<i>(4,023)</i>	<i>(7,672)</i>	<i>(5,352)</i>
General allowance	(2,802)	(262)	(2,168)	440
Bad debts and financing				
Written off	98	-	153	11
Recovered	(5,368)	(2,621)	(32,431)	(12,438)
Recoveries of allowance for value impairment on amount recoverable from Danaharta	-	(248)	-	(255)
	<u>1,354</u>	<u>23,984</u>	<u>(20,736)</u>	<u>19,928</u>
Bank				
Allowance/(Reversal of allowance) for bad and doubtful debts and financing:				
Specific allowance- net	9,409	26,013	13,693	30,340
<i>Allowance during the period</i>	<i>12,977</i>	<i>30,034</i>	<i>21,365</i>	<i>35,692</i>
<i>Amount written back in respect of recoveries and reversals</i>	<i>(3,568)</i>	<i>(4,021)</i>	<i>(7,672)</i>	<i>(5,352)</i>
General allowance	(2,740)	88	(1,533)	1,055
Bad debts and financing				
Written off	98	-	153	11
Recovered	(5,369)	(2,621)	(32,432)	(12,438)
Recoveries of allowance for value impairment on amount recoverable from Danaharta	-	(248)	-	(255)
	<u>1,398</u>	<u>23,232</u>	<u>(20,119)</u>	<u>18,713</u>

21. SEGMENTAL INFORMATION

(A) BY BUSINESS SEGMENT

	Individual Quarter		Cumulative Quarter	
	30.09.07 RM'000	30.09.06 RM'000	30.09.07 RM'000	30.09.06 RM'000
Investment banking				
Revenue	237,646	313,180	485,337	510,719
Profit before taxation	33,334	85,835	110,221	122,675
Offshore banking				
Revenue	26,702	17,001	39,437	30,677
Profit before taxation	28,913	(5,151)	31,912	(4,124)
Unit trust management				
Revenue	10,369	6,749	20,952	12,370
Profit before taxation	5,355	3,796	11,630	6,146
Asset management				
Revenue	8,960	4,606	16,570	8,497
Profit before taxation	4,402	1,052	8,065	1,941
Real estate management				
Revenue	35	601	52	1,173
Profit before taxation	34	382	51	726
Investment consultant				
Revenue	176	131	332	258
Profit before taxation	106	49	176	80
Stockbroking				
Revenue	41,731	2,482	92,091	2,482
Profit before taxation	29,347	108	60,869	108
Others				
Revenue	636	5,584	1,216	5,595
Profit before taxation	288	827	442	1,716
Total before consolidation adjustments				
Revenue	326,255	350,334	655,987	571,771
Profit before taxation	101,779	86,898	223,366	129,268
Consolidation adjustments				
Revenue	(4,216)	(10,240)	(9,163)	(12,984)
Profit before taxation	(538)	(959)	(650)	(911)
Total after consolidation adjustments				
Revenue	322,039	340,094	646,824	558,787
Profit before taxation	101,241	85,939	222,716	128,357

21. SEGMENTAL INFORMATION (CONTD.)

Included in the above is Islamic banking business profit before taxation for the Group and the Bank of RM8.9 million and RM8.8 million, respectively for the quarter ended 30 September 2007 and RM23.0 million and RM22.7 million, respectively for the period ended 30 September 2007 (RM10.0 million and RM9.8 million respectively, for the quarter ended 30 September 2006 and RM13.7 million and RM13.3 million, respectively for the period ended 30 September 2006).

The financial information by geographical segment is not presented as the Group's activities are principally conducted in Malaysia except for Frasers International Pte. Ltd. and its subsidiary companies, activities of which are principally conducted in Singapore, respectively. These activities in Singapore are not significant (less than 1% of revenue and profit before taxation) in relation to the Group's activities in Malaysia.

22. VALUATIONS OF PROPERTY AND EQUIPMENTS

Property and equipments are stated at cost less accumulated depreciation and impairment losses.

23. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Bank for the current financial quarter.

24. CHANGES IN THE COMPOSITION OF THE GROUP AND THE BANK

There were no material changes in the composition of the Group and the Bank for the current financial quarter.

25. BORROWINGS

The maturity structure of deposits and placements of customers and financial institutions and debt securities are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
(i) Deposits from customers				
Due within six months	5,540,033	4,792,903	5,485,460	4,588,276
Six months to one year	190,017	256,375	190,017	256,375
One year to three years	200,000	202,050	200,000	202,050
Total	<u>5,930,050</u>	<u>5,251,328</u>	<u>5,875,477</u>	<u>5,046,701</u>
(ii) Deposits and placements of banks and other financial institutions				
Due within six months	6,147,057	7,032,034	6,224,031	7,116,515
Six months to one year	606,402	393,617	605,847	393,617
One year to three years	752,487	1,083,734	752,487	1,083,734
Three years to five years	1,319,290	1,327,747	1,319,290	1,327,747
Total	<u>8,825,236</u>	<u>9,837,132</u>	<u>8,901,655</u>	<u>9,921,613</u>
<i>Recap :</i>				
Interbank lendings	4,936,934	5,167,740	4,947,078	5,148,720
Interbank borrowings	(3,604,733)	(4,398,514)	(3,700,505)	(4,514,999)
Net interbank lendings	<u>1,332,201</u>	<u>769,226</u>	<u>1,246,573</u>	<u>633,721</u>
(iii) Term loans				
Due within one year				
Secured	<u>102,270</u>	<u>103,680</u>	<u>102,270</u>	<u>103,680</u>
(iv) Redeemable unsecured subordinated bonds				
More than one year	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>

26. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group and Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's asset.

As at 30 September 2007, the commitments and contingencies outstanding are as follows:

Group	30.09.07			31.03.07		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000	Principal Amount RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000
Derivative Financial Instruments						
Interest rate related contracts:						
Interest rate futures	670,734	112,521	56,230	290,000	7,438	3,719
Interest rate swaps:						
Related companies	9,151,819	135,430	27,085	9,733,356	222,264	44,453
Others	25,561,389	564,778	113,472	22,210,223	535,135	111,156
Foreign exchange related contracts:						
Forward exchange contracts	1,997,021	50,118	10,023	3,178,447	112,043	22,408
Cross currency swaps	662,914	67,545	13,509	811,310	92,886	18,577
Malaysian Government securities futures	5,000	23	11	5,000	6	3
Equity related contracts:						
Options	490,530	-	-	165,618	-	-
	<u>38,539,407</u>	<u>930,415</u>	<u>220,330</u>	<u>36,393,954</u>	<u>969,772</u>	<u>200,316</u>
Commitments						
Irrevocable commitments to extend credit maturing :						
within one year	671,080	-	-	538,155	-	-
more than one year	275,606	137,803	137,262	191,815	95,908	95,277
Sell and buy back agreements	2,216,598	2,216,597	1,110,317	2,801,157	2,801,157	1,397,343
Forward purchase commitments	233,327	233,327	68,481	834,911	834,911	218,958
	<u>3,396,611</u>	<u>2,587,727</u>	<u>1,316,060</u>	<u>4,366,038</u>	<u>3,731,976</u>	<u>1,711,578</u>
Contingent Liabilities						
Guarantees given on behalf of customers	797,073	797,073	702,515	700,533	700,533	597,603
Underwriting liabilities	741,000	370,500	268,100	795,000	397,500	257,100
Certain transaction-related contingent items	456,922	228,461	228,461	522,509	261,255	235,918
	<u>1,994,995</u>	<u>1,396,034</u>	<u>1,199,076</u>	<u>2,018,042</u>	<u>1,359,288</u>	<u>1,090,621</u>
	<u>43,931,013</u>	<u>4,914,176</u>	<u>2,735,466</u>	<u>42,778,034</u>	<u>6,061,036</u>	<u>3,002,515</u>

Bank	30.09.07			31.03.07		
	Principal Amount RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000	Principal Amount RM'000	Credit Equivalent Amount RM'000	Risk Weighted Amount RM'000
Derivative Financial Instruments						
Interest rate related contracts:						
Interest rate futures	653,689	112,504	56,227	290,000	7,438	3,719
Interest rate swaps:						
Related companies	9,151,819	135,430	27,085	9,733,356	222,264	44,453
Others	25,561,389	564,778	113,472	22,210,223	535,135	111,156
Foreign exchange related contracts:						
Forward exchange contracts	1,997,021	50,118	10,023	3,178,447	112,043	22,408
Cross currency swaps	662,914	67,545	13,509	811,310	92,886	18,577
Malaysian Government securities futures	5,000	23	11	5,000	6	3
Equity related contracts:						
Options	490,530	-	-	165,618	-	-
	<u>38,522,362</u>	<u>930,398</u>	<u>220,327</u>	<u>36,393,954</u>	<u>969,772</u>	<u>200,316</u>
Commitments						
Irrevocable commitments to extend credit maturing:						
within one year	671,080	-	-	538,155	-	-
more than one year	275,606	137,803	137,262	191,815	95,908	95,277
Sell and buy back agreements	2,216,598	2,216,597	1,110,317	2,801,157	2,801,157	1,397,343
Forward purchase commitments	233,327	233,327	68,481	834,911	834,911	218,958
	<u>3,396,611</u>	<u>2,587,727</u>	<u>1,316,060</u>	<u>4,366,038</u>	<u>3,731,976</u>	<u>1,711,578</u>
Contingent Liabilities						
Guarantees given on behalf of customers	797,074	797,074	702,516	697,468	697,468	594,538
Underwriting liabilities	741,000	370,500	268,100	795,000	397,500	257,100
Certain transaction-related contingent items	456,922	228,461	228,461	522,509	261,255	235,918
	<u>1,994,996</u>	<u>1,396,035</u>	<u>1,199,077</u>	<u>2,014,977</u>	<u>1,356,223</u>	<u>1,087,556</u>
	<u>43,913,969</u>	<u>4,914,160</u>	<u>2,735,464</u>	<u>42,774,969</u>	<u>6,057,971</u>	<u>2,999,450</u>

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

- (a) As required, the Bank has given a continuing guarantee to Bank Negara Malaysia on behalf of AmInternational to meet all its liabilities and financial obligations and requirements.
- (b) A suit dated 12 December 2005 was filed by Meridian Asset Management Sdn Bhd ("Meridian") against AmTrustee Berhad ("AmTrustee"), an associated company of the Bank in respect of a claim amounting to RM27.6 million for alleged loss and damage together with interests and costs arising from AmTrustee's provision of custodian services to Meridian.

Malaysian Assurance Alliance Bhd ("MAA") has claimed its portion of the abovementioned alleged loss, being general damages and special damages of RM19,640,178.83, together with interest and costs. AmTrustee was served on 24 March 2006 with a Writ and Statement of Claim dated 25 January 2006 by solicitors acting for MAA. MAA had appointed Meridian as an external fund manager for certain of its insurance funds, and part of these funds were deposited by Meridian with AmTrustee.

Both claims are pending disposal. Neither material financial loss nor operational impact on the Group is expected as a result of the writs and statements of claim.

AmTrustee has been served on 5 October 2006 with an application to add the Bank as 2nd Defendant to the Writ and Statement of Claim dated 12 December 2005 filed against AmTrustee by solicitors acting for Meridian Asset Management Sdn Bhd (Meridian). The claim by Meridian against the Bank is for alleged loss and damage amounting to RM36,967,166.84 together with interest and costs arising from the provision of custodian services by AmTrustee to Meridian. The application is pending disposal.

Neither material financial nor operational impact is expected on the Group as a result of the addition of the 2nd defendant.

- (c) A Judgment in Default of Appearance dated 29 May 2007 ("JIDA") was entered against the Bank by Unitangkob (Malaysia) Berhad and four (4) others (collectively the "Plaintiffs"). The JIDA was in respect of an alleged breach of contract by the Bank for the sum of RM171,549,000.00 together with interest and further damages and costs ("Unitangkob Action").

Earlier, in a separate case, the Bank sued and successfully obtained judgment against the Plaintiffs on 18 October 2006 ("Judgment") to recover a credit facility of RM16 million ("Bank's Action"). The Judgment against the Plaintiffs was for the sum of RM3,677,603.95, with interest and costs. Pursuant to the Judgment the Bank commenced winding up petition against Unitangkob and Unitangkob is opposing the winding up.

The Bank only came to know of the purported service of Summons to the Unitangkob Action and JIDA upon receipt of the Unitangkob's affidavit in opposition to the winding up petition.

The Bank's lawyers have advised that the JIDA is irregular and the Bank has merits to defend its case, in that the Unitangkob Action is time barred and is an abuse of the court process since the issues have already been dealt with by the Court during the trial in the Bank's Action.

The Bank has successfully obtained a stay of execution on the JIDA and expects a ruling on the setting aside of the JIDA on 1 August 2007.

Neither material financial nor operational impact on the Group is expected as a result of the Unitangkob Action.

27. RELATED PARTY TRANSACTIONS

There were no related party transactions announced during the current financial quarter.

28. DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 September 2007, derivative financial instruments outstanding are as follows:

The Group								
Items	Principal Amount RM'000	1 month or less RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	>1 - 5 years RM'000	>5 years RM'000	Margin requirement
Interest rate related contracts :								
Interest rate futures	670,734	-	190,734	180,000	20,000	280,000	-	3,724
Interest rate swaps	34,713,208	540,000	1,285,000	461,033	12,191,855	19,068,835	1,166,485	11,245
Foreign exchange related contracts :								
Forward exchange contracts	1,997,021	659,438	831,757	206,642	299,184	-	-	801
Cross currency swaps	662,914	-	-	-	48,841	614,073	-	1,081
Malaysian Government securities futures	5,000	-	5,000	-	-	-	-	-
Equity related contracts:								
Options	490,530	42,367	350,929	-	16,530	80,704	-	18
Total	38,539,407	1,241,805	2,663,420	847,675	12,576,410	20,043,612	1,166,485	16,869

The Bank								
Items	Principal Amount RM'000	1 month or less RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	>1 - 5 years RM'000	>5 years RM'000	Margin requirement
Interest rate related contracts :								
Interest rate futures	653,689	-	173,689	180,000	20,000	280,000	-	3,724
Interest rate swaps	34,713,208	540,000	1,285,000	461,033	12,191,855	19,068,835	1,166,485	11,245
Foreign exchange related contracts :								
Forward exchange contracts	1,997,021	659,438	831,757	206,642	299,184	-	-	801
Cross currency swaps	662,914	-	-	-	48,841	614,073	-	1,081
Malaysian Government securities futures	5,000	-	5,000	-	-	-	-	-
Equity related contracts:								
Options	490,530	42,367	350,929	-	16,530	80,704	-	18
Total	38,522,362	1,241,805	2,646,375	847,675	12,576,410	20,043,612	1,166,485	16,869

RISK MANAGEMENT POLICY ON FINANCIAL DERIVATIVES

Purpose of engaging in financial derivatives

Financial derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices. They include swaps, forward rate agreements, futures, options and combinations of these instruments. Derivatives are contracts that transfer risks, mainly market risks. Financial derivatives is one of the financial instruments engaged by the Group both for revenue purposes as well as to manage the Group's own market risk exposure. The Group's involvement in financial derivatives is currently focussed on interest rate derivatives and foreign exchange rate derivatives.

The principal exchange rate contracts used are forward foreign exchange contracts and cross currency swaps. Forward foreign exchange contracts are agreements to buy or sell a specified quantity of foreign currency on a specified future date at an agreed rate. A cross currency swap generally involves the exchange, or notional exchange, of equivalent amounts of two currencies and a commitment to exchange interest periodically until the principal amounts are re-exchanged on a future date.

The principal interest rate contracts used are interest rate futures, interest rate swaps and forward rate agreements. Forward rate agreements are contracts for the payment of the difference between a specified interest rate and a reference rate on a notional deposit at a future settlement date. There is no exchange of principal. An interest rate futures is an exchange traded contract whose value is based on the difference between a specific interest rate and a reference rate on a notional deposit at a future settlement date. Interest rate swap transactions generally involve the exchange of fixed and floating interest payment obligations without the exchange of the underlying principal amounts.

For revenue purposes the Group maintains trading positions in these instruments and engages in transactions with customers to satisfy their needs in managing their respective interest rate and foreign exchange rate exposures. Derivative transactions generate income for the Group from the buy-sell spreads. The Group also takes conservative exposures, within acceptable limits, to carry an inventory of these instruments in order to provide market liquidity and to earn potential gains on fluctuations in the value of these instruments.

As part of the asset and liability exposure management, the Group uses derivatives to manage the Group's market risk exposure. As the value of these financial derivatives are principally driven by interest rate and foreign exchange rate factors, the Group uses them to reduce the overall interest rate and foreign exchange rate exposures of the Group. These are performed by entering into an exposure in derivatives that produces opposite value movements vis-à-vis exposures generated by other non-derivative activities of the Group. The Group manages these risks on a portfolio basis. Hence, exposures on derivatives are aggregated or netted against similar exposures arising from other financial instruments engaged by the Group.

Risk associated with financial derivatives

As derivatives are contracts that transfer risks, they expose the holder to the same types of market and credit risk as other financial instruments, and the Group manages these risks in a consistent manner under the overall risk management framework.

Market risk of derivatives used for trading purposes

Market risk arising from the above interest rate-related, foreign exchange-related derivatives and equity related contracts measures the potential losses to the value of these contracts due to changes in market rates/prices. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions.

The contractual amounts of these contracts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. Value at risk method is used to measure the market risk from these contracts. Value at risk, is a statistical measure that estimates the potential changes in portfolio value that may occur brought about by potential changes in market rates over a defined period at a 99% confidence level under normal market condition.

As at 30 September 2007, value at risk of foreign exchange-related derivatives contracts used for trading purposes of the Group and the Bank was RM7,140,407 (RM1,424,763 as at 31 March 2007).

The value at risk of the interest rate derivatives related contracts used for trading purposes of the Group and the Bank was RM16,164,850 (RM7,851,503 as at 31 March 2007).

The value at risk of the options related contracts used for trading purposes of the Group and the Bank was RM1,724,213 (RM26,007,862 as at 31 March 2007).

The use of these instruments to hedge underlying exposures arising from funding or for fixed income instruments acquired for investment purposes are not included in the market risk numbers above.

Credit risk

Counterparty credit risk arises from the possibility that a counterparty may be unable to meet the terms of the derivatives contract. Unlike conventional asset instruments, the Group's financial loss is not the entire contracted principal value of the derivatives, but rather a fraction equivalent to the cost to replace the defaulted contract with another in the market. The cost of replacement is equivalent to the difference between the original value of the derivatives at time of contract with the defaulted counter party and the current fair value of a similar substitute at current market prices. The Group will only suffer a replacement cost if the contract carries a fair value gain at time of default.

As at 30 September 2007, the amounts of counterparty credit risk, measured in term of the cost to replace the profitable contracts of the Group and the Bank was RM86,298,813 (RM27,277,893 as at 31 March 2007). This amount will increase or decrease over the life of the contracts, mainly as a function of movement in market rates and time.

The Group limits its credit risk within a conservative framework by dealing with creditworthy counterparties, setting credit limits on exposures to counterparties and obtaining collateral where appropriate.

Derivative Financial Instruments And Hedge Accounting

Derivative financial instruments are measured at fair value and are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gain or loss arising from the change in the fair value of the derivative instrument is recognised in the income statements unless they are part of a hedging relationship which qualifies for hedge accounting where the gain or loss is recognised as follows:

(i) Fair value hedge

Where a derivative financial instrument hedges the changes in fair value of a recognised asset or liability, any gain or loss on the hedging instruments is recognised in the income statement. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the income statement.

(ii) Cash flow hedge

Gains and losses on the hedging instruments, to the extent that the hedge is effective, are deferred in the separate component of equity. The ineffective part of any gain or loss is recognised in the income statement. The deferred gains and losses are then released to the income statement in the periods when the hedged item affects the income statement.

The following table shows the interest rate sensitivity gap, by time bands, on which interest rates of instruments are next repriced on a contractual basis or, if earlier, the dates on which the instruments mature.

Group	<-----Non-trading book ----->							Trading Book	Total	Effective interest rate
	Up to 1 month	>1 - 3 months	>3 - 6 months	>6 - 12 months	1 - 5 years	Over 5 years	Non-interest sensitive			
30.09.07	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
ASSETS										
Cash and short-term funds	1,701,178	-	-	-	-	-	918,982	-	2,620,160	3.60
Securities purchased under resale agreements	474,361	-	-	-	-	-	-	-	474,361	1.29
Deposits and placements with banks and other financial institutions	730	1,639,763	103	-	-	749,500	-	-	2,390,096	5.10
Securities held-for-trading	-	-	-	-	-	-	-	5,919,358	5,919,358	4.36
Securities available-for-sale	-	-	-	-	529,742	348,007	25,774	-	903,523	6.00
Securities held-to-maturity	-	149,133	13,098	10,801	766,703	54,405	63,441	-	1,057,581	4.49
Loans, advances and financing:										
- performing	1,956,144	1,389,663	84,139	172,883	325,601	43,903	(10,817)	-	3,961,516	6.26
- non-performing *	-	-	-	-	-	-	75,594	-	75,594	-
Amount due from Originators	-	-	2,782	36,654	-	-	-	-	39,436	4.23
Other non-interest sensitive balances	-	-	-	-	-	-	1,679,244	-	1,679,244	-
TOTAL ASSETS	4,132,413	3,178,559	100,122	220,338	1,622,046	1,195,815	2,752,218	5,919,358	19,120,869	
LIABILITIES AND EQUITY										
Deposits from customers	3,548,697	1,309,664	229,063	186,689	200,000	-	455,937	-	5,930,050	3.44
Deposits and placements of banks and other financial institutions	4,865,537	680,204	444,691	498,757	706,605	1,281,230	348,212	-	8,825,236	4.02
Recourse obligations on loans sold to Cagamas Berhad	-	-	2,782	36,654	-	-	-	-	39,436	4.23
Term loans	-	-	-	102,270	-	-	-	-	102,270	5.45

Group 30.09.07	<-----Non-trading book ----->						Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000				
Redeemable unsecured subordinated bonds	-	-	-	-	-	595,000	-	-	595,000	6.10
Other non-interest sensitive balances	-	-	-	-	-	-	1,646,743	-	1,646,743	-
Total Liabilities	8,414,234	1,989,868	676,536	824,370	906,605	1,876,230	2,450,892	-	17,138,735	
Share capital	-	-	-	-	-	-	340,000	-	340,000	
Reserves							1,642,134	-	1,642,134	-
TOTAL LIABILITIES AND EQUITY	8,414,234	1,989,868	676,536	824,370	906,605	1,876,230	4,433,026	-	19,120,869	
On-balance sheet interest rate gap sensitivity	(4,281,821)	1,188,691	(576,414)	(604,032)	715,441	(680,415)	(1,680,808)	5,919,358	-	
Off-balance sheet interest rate gap sensitivity	(2,363,527)	1,321,956	(456,557)	261,412	211,103	1,122,585	-	-	96,972	
Total interest rate gap sensitivity	(6,645,348)	2,510,647	(1,032,971)	(342,620)	926,544	442,170	(1,680,808)	5,919,358	96,972	
Cumulative interest rate gap sensitivity	(6,645,348)	(4,134,701)	(5,167,672)	(5,510,292)	(4,583,748)	(4,141,578)	(5,822,386)	96,972		

* This is arrived at after deducting the general allowance and specific allowance from gross non-performing loans outstanding.

Group	<-----Non-trading book ----->							Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000					
31.3.07											
ASSETS											
Cash and short-term funds	2,701,042	-	-	-	-	-	782,655	-	-	3,483,697	3.93
Securities purchased under resale agreements	393,329	-	-	-	-	-	-	-	-	393,329	2.92
Deposits and placements with banks and other financial institutions	-	1,075,713	3,628	-	-	749,500	-	-	-	1,828,841	6.06
Securities held-for-trading	-	-	-	-	-	-	-	5,734,091	-	5,734,091	3.90
Securities available-for-sale	705,048	1,002,593	946,873	-	447,834	278,285	39,107	-	-	3,419,740	4.09
Securities held-to-maturity	1,340	-	139,763	151,905	556,277	172,900	169,412	-	-	1,191,597	6.64
Loans, advances and financing:											
- performing	1,851,092	1,730,499	86,266	78,591	258,826	18,616	41,642	-	-	4,065,532	6.39
- non-performing *	-	-	-	-	-	-	116,125	-	-	116,125	-
Amount due from Originators	-	400	9,441	2,980	39,600	-	-	-	-	52,421	4.30
Other non-interest sensitive balances	-	-	-	-	-	-	1,693,758	-	-	1,693,758	-
TOTAL ASSETS	5,651,851	3,809,205	1,185,971	233,476	1,302,537	1,219,301	2,842,699	5,734,091	-	21,979,131	
LIABILITIES AND EQUITY											
Deposits from customers	3,028,870	1,121,422	292,142	162,496	221,528	-	424,870	-	-	5,251,328	3.58
Deposits and placements of banks and other financial institutions	4,254,941	1,582,415	770,335	387,713	1,062,070	1,290,584	489,074	-	-	9,837,132	4.15
Obligations on securities sold under repurchase agreements	2,737,032	49,275	3,072	-	-	-	-	-	-	2,789,379	3.38
Recourse obligations on loans sold to Cagamas Berhad	-	400	9,441	2,980	39,600	-	-	-	-	52,421	4.30
Term loans	-	-	-	103,680	-	-	-	-	-	103,680	5.60
Redeemable unsecured subordinated bonds	-	-	-	-	-	595,000	-	-	-	595,000	6.10

Group 31.3.07	<-----Non-trading book ----->							Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000					
Other non-interest sensitive balances	-	-	-	-	-	-	1,457,483	-	1,457,483	-	
Total Liabilities	10,020,843	2,753,512	1,074,990	656,869	1,323,198	1,885,584	2,371,427	-	20,086,423	-	
Share capital	-	-	-	-	-	-	340,000	-	340,000	-	
Reserves	-	-	-	-	-	-	1,552,708	-	1,552,708	-	
TOTAL LIABILITIES AND EQUITY	10,020,843	2,753,512	1,074,990	656,869	1,323,198	1,885,584	4,264,135	-	21,979,131		
On-balance sheet interest rate gap sensitivity	(4,368,992)	1,055,693	110,981	(423,393)	(20,661)	(666,283)	(1,421,436)	5,734,091	-	-	
Off-balance sheet interest rate gap sensitivity	(3,257,352)	1,198,962	(600,545)	484,174	1,354,685	908,233	-	-	88,157	-	
Total interest rate gap sensitivity	(7,626,344)	2,254,655	(489,564)	60,781	1,334,024	241,950	(1,421,436)	5,734,091	88,157		
Cumulative interest rate gap sensitivity	(7,626,344)	(5,371,689)	(5,861,253)	(5,800,472)	(4,466,448)	(4,224,498)	(5,645,934)	88,157			

* This is arrived at after deducting the general allowance and specific allowance from gross non-performing loans outstanding.

Bank 30.09.07	-----Non-trading book ----->						Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000				
ASSETS										
Cash and short-term funds	1,720,853	-	-	-	-	-	889,305	-	2,610,158	3.52
Securities purchased under resale agreements	435,993	-	-	-	-	-	-	-	435,993	1.29
Deposits and placements with banks and other financial institutions	-	1,639,765	-	-	-	749,500	-	-	2,389,265	5.06
Securities held-for-trading	-	-	-	-	-	-	-	5,902,741	5,902,741	4.36
Securities available-for-sale	-	-	-	-	529,742	348,007	24,816	-	902,565	6.01
Securities held-to-maturity	-	105,423	13,098	10,801	764,698	54,405	65,443	-	1,013,868	4.40
Loans, advances and financing:										
- performing	1,932,747	1,388,050	72,921	166,038	325,322	43,453	354	-	3,928,885	6.25
- non-performing *	-	-	-	-	-	-	65,691	-	65,691	-
Amount due from Originators	-	-	2,782	36,654	-	-	-	-	39,436	4.23
Other non-interest sensitive balances	-	-	-	-	-	-	1,306,995	-	1,306,995	-
TOTAL ASSETS	4,089,593	3,133,238	88,801	213,493	1,619,762	1,195,365	2,352,604	5,902,741	18,595,597	
LIABILITIES AND EQUITY										
Deposits from customers	3,496,718	1,307,420	228,714	186,690	200,000	-	455,935	-	5,875,477	3.43
Deposits and placements of banks and other financial institutions	4,856,180	765,980	444,691	498,757	706,605	1,281,230	348,212	-	8,901,655	3.99
Recourse obligations on loans sold to Cagamas Berhad	-	-	2,782	36,654	-	-	-	-	39,436	4.23
Term loans	-	-	-	102,270	-	-	-	-	102,270	5.45
Redeemable unsecured subordinated bonds	-	-	-	-	-	595,000	-	-	595,000	6.10

Bank 30.09.07	<-----Non-trading book ----->							Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000					
Other non-interest sensitive balances	-	-	-	-	-	-	1,214,878	-	1,214,878	-	
Total Liabilities	8,352,898	2,073,400	676,187	824,371	906,605	1,876,230	2,019,025	-	16,728,716	-	
Share capital	-	-	-	-	-	-	340,000	-	340,000	-	
Reserves	-	-	-	-	-	-	1,526,881	-	1,526,881	-	
TOTAL LIABILITIES AND EQUITY	8,352,898	2,073,400	676,187	824,371	906,605	1,876,230	3,885,906	-	18,595,597		
On-balance sheet interest rate gap sensitivity	(4,263,305)	1,059,838	(587,386)	(610,878)	713,157	(680,865)	(1,533,302)	5,902,741	-	-	
Off-balance sheet interest rate gap sensitivity	(2,363,527)	1,321,956	(456,557)	261,412	211,103	1,122,585	-	-	96,972	-	
Total interest rate gap sensitivity	(6,626,832)	2,381,794	(1,043,943)	(349,466)	924,260	441,720	(1,533,302)	5,902,741	96,972		
Cumulative interest rate gap sensitivity	(6,626,832)	(4,245,038)	(5,288,981)	(5,638,447)	(4,714,187)	(4,272,467)	(5,805,769)	96,972			

* This is arrived at after deducting the general allowance and specific allowance from gross non-performing loans outstanding.

Bank 31.3.07	-----Non-trading book ----->						Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000				
ASSETS										
Cash and short-term funds	2,539,711	-	-	-	-	-	737,071	-	3,276,782	3.81
Securities purchased under resale agreements	374,155	-	-	-	-	-	-	-	374,155	2.92
Deposits and placements with banks and other financial institutions	-	1,175,328	-	-	-	749,500	-	-	1,924,828	6.08
Securities held-for-trading	-	-	-	-	-	-	-	5,700,187	5,700,187	3.89
Securities available-for-sale	705,048	1,002,593	946,873	-	447,834	278,287	20,805	-	3,401,440	4.08
Securities held-to-maturity	1,340	-	139,763	138,005	630,363	172,900	64,596	-	1,146,967	6.64
Loans, advances and financing:										
- performing	1,774,547	1,730,499	105,402	78,591	273,058	18,084	363	-	3,980,544	6.39
- non-performing *	-	-	-	-	-	-	116,125	-	116,125	-
Amount due from Originators	-	400	9,441	2,980	39,600	-	-	-	52,421	4.30
Other non-interest sensitive balances	-	-	-	-	-	-	1,564,677	-	1,564,677	-
TOTAL ASSETS	5,394,801	3,908,820	1,201,479	219,576	1,390,855	1,218,771	2,503,637	5,700,187	21,538,126	
LIABILITIES AND EQUITY										
Deposits from customers	2,829,551	1,118,050	291,231	162,387	221,528	-	423,954	-	5,046,701	3.51
Deposits and placements of banks and other financial institutions	4,372,596	1,582,418	770,335	387,713	1,062,070	1,290,584	455,897	-	9,921,613	4.11
Obligations on securities sold under repurchase agreements	2,737,032	49,275	3,072	-	-	-	-	-	2,789,379	3.38
Recourse obligation on loans sold to Cagamas Berhad	-	400	9,441	2,980	39,600	-	-	-	52,421	4.30
Term loan	-	-	-	103,680	-	-	-	-	103,680	5.60

Bank	<-----Non-trading book ----->						Non- interest sensitive RM'000	Trading Book RM'000	Total RM'000	Effective interest rate %
	Up to 1 month RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000				
Redeemable unsecured subordinated bonds	-	-	-	-	-	595,000	-	-	595,000	6.10
Other non-interest sensitive balances	-	-	-	-	-	-	1,229,972	-	1,229,972	-
Total Liabilities	9,939,179	2,750,143	1,074,079	656,760	1,323,198	1,885,584	2,109,823	-	19,738,766	
Share capital	-	-	-	-	-	-	340,000	-	340,000	-
Reserves	-	-	-	-	-	-	1,459,360	-	1,459,360	-
TOTAL LIABILITIES AND EQUITY	9,939,179	2,750,143	1,074,079	656,760	1,323,198	1,885,584	3,909,183	-	21,538,126	
On-balance sheet interest rate gap sensitivity	(4,544,378)	1,158,677	127,400	(437,184)	67,657	(666,813)	(1,405,546)	5,700,187	-	
Off-balance sheet interest rate gap sensitivity	(3,257,352)	1,198,962	(600,545)	484,174	1,354,685	908,233	-	-	88,157	
Total interest rate gap sensitivity	(7,801,730)	2,357,639	(473,145)	46,990	1,422,342	241,420	(1,405,546)	5,700,187	88,157	
Cumulative interest rate gap sensitivity	(7,801,730)	(5,444,091)	(5,917,236)	(5,870,246)	(4,447,904)	(4,206,484)	(5,612,030)	88,157		

* This is arrived at after deducting the general allowance and specific allowance from gross non-performing loans outstanding.

30. CAPITAL ADEQUACY

The capital adequacy ratios of the Group and the Bank (including the operation of AmInternational (L) Ltd) as at 30 September 2007 are analysed as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Tier 1 capital				
Paid-up ordinary share capital	240,000	240,000	240,000	240,000
Paid-up non-cumulative preference share capital	100,000	100,000	100,000	100,000
Share premium	190,284	190,284	190,284	190,284
Capital reserve	2,815	2,815	-	-
Statutory reserve	389,500	389,500	389,500	389,500
Exchange fluctuation reserve	29,667	28,477	24,348	23,157
Unappropriated profit at end of period/year	998,393	928,752	960,689	891,048
	<u>1,950,659</u>	<u>1,879,828</u>	<u>1,904,821</u>	<u>1,833,989</u>
Less: Deferred tax assets, net	(42,321)	(43,468)	(41,936)	(43,083)
Goodwill	(47,686)	(46,866)	-	-
Total Tier 1 capital	<u>1,860,652</u>	<u>1,789,494</u>	<u>1,862,885</u>	<u>1,790,906</u>
Tier 2 capital				
Redeemable unsecured subordinated bonds	595,000	595,000	595,000	595,000
General allowance for bad and doubtful debts	61,915	63,905	61,915	63,905
Total	<u>656,915</u>	<u>658,905</u>	<u>656,915</u>	<u>658,905</u>
Total capital funds	2,517,567	2,448,399	2,519,800	2,449,811
Less: Investment in capital of related financial institutions	55,153	56,074	55,153	56,074
Investment in subsidiary companies	-	-	122,671	121,852
Capital base	<u>2,462,414</u>	<u>2,392,325</u>	<u>2,341,976</u>	<u>2,271,885</u>
Capital Ratios:				
Core capital ratio	11.49%	11.75%	11.91%	12.00%
Risk-weighted capital ratio	15.20%	15.71%	14.97%	15.22%
Core capital ratio (net of proposed ordinary dividend)	11.19%	11.23%	11.59%	11.46%
Risk-weighted capital ratio (net of proposed ordinary dividend)	<u>14.90%</u>	<u>15.18%</u>	<u>14.66%</u>	<u>14.68%</u>

(ii) Breakdown of gross risk-weighted assets in the various categories of risk-weights:

Group	30.09.07		31.03.07	
	Principal Amount RM'000	Risk-Weighted Amount RM'000	Principal Amount RM'000	Risk-Weighted Amount RM'000
0%	1,128,441	-	2,359,827	-
10%	928	93	1,359	136
20%	5,101,886	1,020,377	7,168,582	1,433,716
50%	21,885	10,942	228,956	114,478
100%	8,615,471	8,615,471	7,900,813	7,900,813
	<u>14,868,611</u>	<u>9,646,883</u>	<u>17,659,537</u>	<u>9,449,143</u>
Add: Counterparty Risk Requirements for unsettled trades		5,974		-
Add: Total risk weighted assets equivalent for market risk		6,544,559		5,778,833
Add: Large exposure risk requirement for single equity		449		449
		<u>16,197,865</u>		<u>15,228,425</u>
Bank	30.09.07		31.03.07	
	Principal Amount RM'000	Risk-Weighted Amount RM'000	Principal Amount RM'000	Risk-Weighted Amount RM'000
0%	1,128,429	-	2,359,815	-
10%	928	93	1,359	136
20%	5,013,043	1,002,609	7,062,589	1,412,518
50%	21,835	10,917	228,757	114,378
100%	8,088,475	8,088,475	7,622,487	7,622,487
	<u>14,252,710</u>	<u>9,102,094</u>	<u>17,275,007</u>	<u>9,149,519</u>
Add: Counterparty Risk Requirements for unsettled trades		40		-
Add: Total risk weighted assets equivalent for market risk		6,544,559		5,778,833
Add: Large exposure risk requirement for single equity		449		449
		<u>15,647,142</u>		<u>14,928,801</u>

31. OPERATIONS OF ISLAMIC BANKING

BALANCE SHEETS AS AT 30 SEPTEMBER 2007

The state of affairs as at 30 September 2007 and the results for the period ended 30 September 2007 of the Islamic banking business of the Group and the Bank and included in the financial statements after elimination of intercompany transactions and balances are summarised as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
ASSETS				
Cash and short-term funds	838,991	704,124	838,370	704,121
Securities held-for-trading	217,388	407,673	217,388	407,673
Securities available-for-sale	-	17,596	-	-
Securities held-to-maturity	34,622	35,092	-	-
Financing, advances and other loans	33,646	33,649	33,646	33,649
Statutory deposit with				
Bank Negara Malaysia	14,500	14,500	14,500	14,500
Other receivables, deposits and prepayments	5,878	10,348	5,878	10,348
Property and equipment	33	33	33	33
Deferred tax assets	164	158	164	158
TOTAL ASSETS	1,145,222	1,223,173	1,109,979	1,170,482
LIABILITIES AND ISLAMIC BANKING FUNDS				
Deposits from customers	456,733	424,870	455,935	423,843
Deposits and placements of banks and other financial institutions	378,111	489,074	348,212	455,897
Converted fund	-	14,197	-	-
Other liabilities	10,453	12,117	10,233	11,968
Total Liabilities	845,297	940,258	814,380	891,708
ISLAMIC BANKING FUNDS				
Capital funds	102,839	102,839	100,000	100,000
Reserves	197,086	180,076	195,599	178,774
Islamic Banking Funds	299,925	282,915	295,599	278,774
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS	1,145,222	1,223,173	1,109,979	1,170,482
COMMITMENTS AND CONTINGENCIES				
	2,858,776	3,401,236	2,858,776	3,401,236

**UNAUDITED INCOME STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007**

Group	Individual Quarter		Cumulative Quarter	
	30.09.07	30.09.06	30.09.07	30.09.06
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	8,894	8,216	14,992	13,950
Writeback of allowance/(Allowance) for losses on financing	3	(9)	386	447
Transfer (to)/from profit equalisation reserve	(41)	(56)	(73)	125
Total attributable income	8,856	8,151	15,305	14,522
Income attributable to depositors	(7,128)	(7,661)	(13,914)	(14,307)
Income attributable to the Group	1,728	490	1,391	215
Income derived from investment of Islamic Banking Funds	8,420	10,396	23,865	15,625
Total net income	10,148	10,886	25,256	15,840
Other operating expenses	(1,228)	(842)	(2,232)	(2,133)
Profit before taxation	8,920	10,044	23,024	13,707
Taxation	(2,141)	(2,600)	(5,905)	(3,578)
Profit after taxation	6,779	7,444	17,119	10,129

**UNAUDITED INCOME STATEMENTS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007**

Bank	Individual Quarter		Cumulative Quarter	
	30.09.07	30.09.06	30.09.07	30.09.06
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	8,369	6,976	13,686	11,637
Writeback of allowance/(Allowance) for losses on financing	3	(9)	386	447
Transfer from profit equalisation reserve	-	-	-	181
Total attributable income	8,372	6,967	14,072	12,265
Income attributable to depositors	(6,702)	(6,659)	(12,832)	(12,346)
Income/(Loss) attributable to the Bank	1,670	308	1,240	(81)
Income derived from investment of Islamic Banking Funds	8,347	10,291	23,723	15,466
Total net income	10,017	10,599	24,963	15,385
Other operating expenses	(1,228)	(842)	(2,232)	(2,133)
Profit before taxation	8,789	9,757	22,731	13,252
Taxation	(2,141)	(2,600)	(5,905)	(3,578)
Profit after taxation	6,648	7,157	16,826	9,674

31a. FINANCING ACTIVITIES

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
Term financing				
Syndicated financing	19,344	19,730	19,344	19,730
Other term financing	15,020	15,026	15,020	15,026
Revolving credit	22,945	22,943	22,945	22,943
Gross financing	57,309	57,699	57,309	57,699
Allowance for bad and doubtful debts and financing :				
- general	(512)	(513)	(512)	(513)
- specific	(23,151)	(23,537)	(23,151)	(23,537)
	(23,663)	(24,050)	(23,663)	(24,050)
Net financing	33,646	33,649	33,646	33,649

Movements in non-performing financing, advances and other loans are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	7-Jan RM'000	31.03.07 RM'000
Gross				
Balance at beginning of period/year	23,537	39,920	23,537	39,920
Non-performing during the period/year	-	50	-	50
Recoveries	(386)	(330)	(386)	(330)
Amount written-off	-	(16,103)	-	(16,103)
Balance at end of period/year	23,151	23,537	23,151	23,537
Specific allowance	(23,151)	(23,537)	(23,151)	(23,537)
Net non-performing financing	-	-	-	-
Ratio of net non-performing financing to total financing - net	-	-	-	-

Movements in allowances for bad and doubtful financing are as follows:

	Group		Bank	
	30.09.07 RM'000	31.03.07 RM'000	30.09.07 RM'000	31.03.07 RM'000
General Allowance				
Balance at beginning of period/year	513	1,125	513	1,125
Reversal of allowance during the period/year	(1)	(612)	(1)	(612)
Balance at end of period/year	512	513	512	513
% of total financing less specific allowance	1.50%	1.50%	1.50%	1.50%
Specific Allowance				
Balance at beginning of period/year	23,537	29,911	23,537	29,911
(Reversal of allowance)/Allowance during the period/year	(386)	9,870	(386)	9,870
Amount written off	-	(16,244)	-	(16,244)
Balance at end of period/year	23,151	23,537	23,151	23,537

31b. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30.09.07	31.03.07	23-Feb	31.03.07
	RM'000	RM'000	RM'000	RM'000
Mudarabah				
Special Investment deposits	456,733	424,870	455,935	423,843

31c. OTHER LIABILITIES

	Group		Bank	
	30.09.07	31.03.07	30.09.07	31.03.07
	RM'000	RM'000	RM'000	RM'000
Other payables and accruals	4,175	2,784	4,175	2,784
Taxation and zakat payable	5,950	9,089	5,950	9,089
Profit equalisation reserve	315	244	95	95
Valuation adjustment on securities held for trading	13	-	13	-
	<u>10,453</u>	<u>12,117</u>	<u>10,233</u>	<u>11,968</u>

32. CHANGE IN ACCOUNTING POLICIES AND RECLASSIFICATION

(a) Changes in accounting policy

During the financial period, the Group and Bank has adopted the revised FRS 117: Leases issued by MASB that is effective for the Group and Bank's annual reporting date, 31 March 2008 which have resulted in changes in accounting policies as follows:

FRS 117: Leases

Prior to 1 April 2007, lease of land and buildings held for own use was classified as property and equipment and was stated at cost less accumulated depreciation and impairment loss. The adoption of the revised FRS 117: Leases in 2007 resulted in a change in the accounting policy relating to the classification of leases of land and buildings. Under FRS 117, lease of land and buildings are classified as operating or finance leases in the same way as leases of other assets. The land and building elements of a lease of land and buildings are considered separately for the purposes of lease classification. Leasehold land held for own use is now classified as operating lease. The up-front payments made are allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and building element of the lease at the inception of the lease. The up-front payment represents prepaid land lease payment and is amortised on a straight-line basis over the remaining lease term.

The Group and the Bank have applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. At 1 April 2007, the unamortised carrying amount of leasehold land is classified as prepaid land lease payments. The reclassification of leasehold land as prepaid land lease payments has been accounted for retrospectively. Certain comparatives of the balance sheets of the Group and the Bank as at 31 March 2007 have been restated. There were no effects on the income statements of the Group and the Bank for the 1st quarter ended 30 June 2007.

(b) Restatement of comparatives

The following comparative amounts for the Group have been restated as a result of adopting FRS 117: Leases.

	As previously reported RM'000	Effect of change RM'000	As restated RM'000
Prepaid land lease payments	-	2,716	2,716
Property and equipment	39,474	(2,716)	36,758

33. PERFORMANCE REVIEW ON THE RESULTS OF THE BANK FOR THE QUARTER

The Bank posted a higher pretax profit of RM87.1 million for the quarter as compared to RM84.2 million for the quarter ended 30 September 2006, mainly due to lower allowances for losses on loans and financing of RM1.4 million as compared to RM23.2 million for the quarter ended 30 September 2006, impairment writeback on securities of RM4.5 million as compared to impairment loss of RM28.3 million for the quarter ended 30 September 2006 and higher fee income of RM54.3 million as compared to RM18.6 million for the quarter ended 30 September 2006; reduced by loss on revaluation of securities held for trading of RM12.6 million (gain of RM57.2 million for the quarter ended 30 September 2006).

34. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP AND THE BANK FOR THE PERIOD

For the period ended 30 September 2007, the Group and the Bank reported higher pretax profit of RM222.7 million (RM128.4 million for the period ended 30 September 2006) and RM193.6 million (RM117.1 million for the period ended 30 September 2006), respectively and are attributed to:

- (i) Writeback of allowance for losses on loan and financing of RM20.7 million and RM20.1 million (RM19.9 million and RM18.7 million allowances for losses made for the period ended 30 September 2006) for the Group and the Bank, respectively.
- (ii) Impairment writeback on securities of RM10.9 million for the Group and the Bank (RM30.9 million and RM27.4 million of impairment loss incurred for the period ended 30 September 2006 for the Group and the Bank, respectively).
- (iii) Higher income from Islamic banking business of RM25.0 million and RM24.6 million (RM15.3 million for the Group and RM14.6 million for the Bank for the period ended 30 September 2006) for the Group and the Bank, respectively.

Shareholder's equity stood at RM1,982.1 million (RM1,892.7 million as at 31 March 2007) for the Group and RM1,866.9 million (RM1,799.4 million as at 31 March 2007) for the Bank.

In the opinion of the directors, the results of operations of the Group and the Bank for the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Bank for the succeeding financial year.

35. CURRENT PERIOD PROSPECTS

Going forward, the Group will continue to improve its core competencies while looking for opportunities to take advantage of market trends and introduce innovative products to suit its customers' financial needs in these prevailing market conditions.