

AmINVESTMENT GROUP BERHAD
(657000-X) (Incorporated in Malaysia)
and its subsidiary companies

UNAUDITED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2007

	Note	The Group	
		30.9.07 RM'000	31.3.07 RM'000
ASSETS			
Cash and short-term funds		2,709,993	3,572,425
Securities purchased under resale agreements		493,874	498,383
Deposits and placements with banks and other financial institutions		2,398,128	1,834,799
Securities held-for-trading	A8	6,097,373	5,822,428
Securities available-for-sale	A9	1,020,421	3,504,275
Securities held-to-maturity	A10	1,057,581	1,191,597
Derivative financial assets		249,000	380,742
Loans, advances and financing	A11	4,037,100	4,181,668
Other assets	A12	1,307,269	1,207,114
Statutory deposit with Bank Negara Malaysia		163,046	169,050
Investments in associated companies		3,029	3,412
Prepaid land lease payments		2,627	2,716
Property and equipment		40,627	38,556
Deferred tax assets		43,146	43,468
Intangible assets		127,443	126,530
TOTAL ASSETS		19,750,657	22,577,163
LIABILITIES AND EQUITY			
Deposits from customers	A13	5,930,050	5,251,328
Deposits and placements of banks and other financial institutions	A14	8,814,569	9,749,923
Derivative financial liabilities		261,325	333,670
Obligations on securities sold under repurchase agreements		-	2,782,351
Other liabilities	A15	1,576,552	1,384,044
Recourse obligations on loans sold to Cagamas Berhad		39,436	52,421
Term loans		102,270	103,680
Redeemable unsecured subordinated bonds		595,000	595,000
Total Liabilities		17,319,202	20,252,417
Share capital		1,320,000	1,320,000
Reserves		1,104,981	999,347
Equity attributable to equity holders of the Company		2,424,981	2,319,347
Minority interests		6,474	5,399
Total equity		2,431,455	2,324,746
TOTAL LIABILITIES AND EQUITY		19,750,657	22,577,163
COMMITMENTS AND CONTINGENCIES	A25	43,931,013	42,778,034

AmINVESTMENT GROUP BERHAD
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UNAUDITED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2007 (CONTD.)

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
CAPITAL ADEQUACY		
Core Capital Ratio	13.49%	13.86%
Risk-Weighted Capital Ratio	17.15%	17.76%
	<hr/>	<hr/>
NET ASSETS PER SHARE (RM)	1.84	1.76
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A29

The Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007

AmINVESTMENT GROUP BERHAD
(657000-X) (Incorporated in Malaysia)
and its subsidiary companies

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

	Note	Individual Quarter		Cumulative Quarter	
		30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Operating revenue		332,506	360,981	668,940	604,268
Interest income	A16	182,778	190,455	381,537	380,425
Interest expense	A17	(158,423)	(155,318)	(321,555)	(298,386)
Net interest income		24,355	35,137	59,982	82,039
Net income from Islamic banking business		10,186	10,951	24,943	15,268
Other operating income	A18	139,542	159,575	262,460	208,575
Net income		174,083	205,663	347,385	305,882
Other operating expenses	A19	(71,886)	(56,516)	(147,163)	(108,385)
Operating profit		102,197	149,147	200,222	197,497
Writeback of allowance/(Allowances) for losses on loans and financing	A20	(1,354)	(23,984)	20,736	(19,928)
Impairment writeback/(Impairment loss) on:					
Securities		4,477	(31,719)	10,877	(30,810)
Assets acquired in exchange of debts		-	(936)	72	(936)
Transfer (to)/from profit equalisation reserve		(41)	(56)	(73)	125
(Allowance)/Writeback of allowance for doubtful sundry receivables- net		(410)	453	(816)	(186)
Writeback of provision/(Provision) for commitments		2	(7)	299	318
Profit before share in results of associated companies		104,871	92,898	231,317	146,080
Share in results of associated companies		99	109	70	1,046
Profit before taxation		104,970	93,007	231,387	147,126
Taxation	B5	(23,097)	(27,082)	(56,797)	(41,952)
Profit for the period		81,873	65,925	174,590	105,174
Attributable to:					
Equity holders of the Company		81,888	65,868	174,595	105,176
Minority interests		(15)	57	(5)	(2)
Profit for the period		81,873	65,925	174,590	105,174
Basic earnings per share (sen)	B13	6.20	4.99	13.23	7.97

The Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007.

AmINVESTMENT GROUP BERHAD
(657000-X) (Incorporated in Malaysia)
and its subsidiary companies

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

Group	<-----Attributable to Equity Holders of the Company----->									
	Non-distributable					Distributable				
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Statutory reserve RM'000	Available-for- sale reserve RM'000	Exchange fluctuation reserve RM'000	Unappropriated profits RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1 April 2006	1,320,000	80,521	60,284	329,549	5,114	(3,868)	365,805	2,157,405	953	2,158,358
Net unrealised gain on revaluation of securities available-for-sale	-	-	-	-	1,361	-	-	1,361	-	1,361
Exchange fluctuation adjustments	-	-	-	-	-	(2,366)	-	(2,366)	-	(2,366)
Net income/expense recognised directly in equity	-	-	-	-	1,361	(2,366)	-	(1,005)	-	(1,005)
Profit for the period	-	-	-	-	-	105,176	105,176	105,176	(2)	105,174
Total recognised income/(expense) for the period	-	-	-	-	1,361	(2,366)	105,176	104,171	(2)	104,169
Arising from subscription for shares in AmPrivate Equity	-	-	-	-	-	-	-	-	200	200
Arising from acquisition of Am ARA REIT Holdings Sdn Bhd	-	-	-	-	-	-	-	-	300	300
Disposal of shares in P.T. AmCapital Indonesia	-	-	-	-	-	-	-	-	(822)	(822)
Dividends paid	-	-	-	-	-	-	(80,784)	(80,784)	-	(80,784)
At 30 September 2006	1,320,000	80,521	60,284	329,549	6,475	(6,234)	390,197	2,180,792	629	2,181,421

AmINVESTMENT GROUP BERHAD
(657000-X) (Incorporated in Malaysia)
and its subsidiary companies

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

	<-----Attributable to Equity Holders of the Company----->									
	Non-distributable					Distributable				
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Statutory reserve RM'000	Available-for- sale reserve RM'000	Exchange fluctuation reserve RM'000	Unappropriated profits RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1 April 2007	1,320,000	80,521	60,284	389,500	18,220	(9,306)	460,128	2,319,347	5,399	2,324,746
Net unrealised gain on revaluation of securities available-for-sale	-	-	-	-	29,153	-	-	29,153	-	29,153
Exchange fluctuation adjustments	-	-	-	-	-	(434)	-	(434)	-	(434)
Net income recognised directly in equity	-	-	-	-	29,153	(434)	-	28,719	-	28,719
Profit for the period	-	-	-	-	-	174,595	174,595	174,595	(5)	174,590
Total recognised income for the period	-	-	-	-	29,153	(434)	174,595	203,314	(5)	203,309
Ordinary dividends payable	-	-	-	-	-	-	(97,680)	(97,680)	-	(97,680)
Arising from subscription for shares in AmPrivate Equity									1,080	1,080
At 30 September 2007	1,320,000	80,521	60,284	389,500	47,373	(9,740)	537,043	2,424,981	6,474	2,431,455

The Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007.

AmINVESTMENT GROUP BERHAD
and its subsidiary companies
(657000-X) (Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2007

	30.9.07	30.9.06
	RM'000	RM'000
Profit before taxation	231,387	147,126
Add adjustments for non-operating and non cash items	(102,727)	(56,972)
Operating profit before working capital changes	128,660	90,154
(Increase)/Decrease in operating assets	(606,293)	2,536,271
Decrease in operating liabilities	(2,930,749)	(1,840,579)
Cash (used in)/generated from operations	(3,408,382)	785,846
Taxation paid	(45,742)	(30,807)
Net cash (used in)/generated from operating activities	(3,454,124)	755,039
Net cash generated from/(used in) investing activities	2,707,178	(1,978,557)
Net cash used in financing activities	(97,680)	(81,106)
Net decrease in cash and cash equivalents	(844,626)	(1,304,624)
Cash and cash equivalents at beginning of period	3,469,673	3,007,594
Cash and cash equivalents at end of period	<u>2,625,047</u>	<u>1,702,970</u>

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 overdrafts. Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	The Group	
	30.9.07	30.9.06
	RM'000	RM'000
Cash and short term funds	2,709,993	1,865,147
Bank overdrafts	(580)	(11,423)
	<u>2,709,413</u>	<u>1,853,724</u>
Less: Cash and bank balances and deposits held in trust	(84,288)	(150,668)
	<u>2,625,125</u>	<u>1,703,056</u>
Effects of exchange rate differences	(78)	(86)
	<u>2,625,047</u>	<u>1,702,970</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2007.

EXPLANATORY NOTES :

A1. BASIS OF PREPARATION

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") and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") and 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 are effective for the Group's annual reporting date, 31 March 2008. The adoption of FRS 117 has resulted in changes in the accounting policies of the Group and are disclosed in Note A31.

The specific and general allowances for loans, advances and financing of the Group 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 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 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. 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.

A2. AUDIT QUALIFICATION

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

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

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

A4. UNUSUAL ITEMS

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

A5. 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.

A6. ISSUANCE, CANCELLATIONS, REPURCHASE, RESALE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

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

There were no share buy-backs, share cancellations, shares held as treasury shares nor resale of treasury shares by the Company during the financial quarter and period.

A7. DIVIDENDS PAID

Subsequent to the financial period ended 30 September 2007, a final dividend of 10.0%, less tax amounting to RM97,680,000 for the financial year ended 31 March 2007 was paid on 17 October 2007 to shareholders whose names appear in the Record of Depositors on 3 October 2007.

A8. SECURITIES HELD-FOR-TRADING

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
At Fair Value		
Money Market Securities:		
Treasury bills	37,633	-
Islamic Treasury bills	1,493	-
Malaysian Government Securities	792,974	1,401,040
Malaysian Government Investment Certificates	418,713	535,577
Cagamas bonds	-	60,230
Cagamas Mudharabah bearer bonds	15,879	16,217
Khazanah bonds	110,353	11,741
Negotiable instruments of deposits	14,625	-
Negotiable Islamic Debt Certificates	78,821	60,082
Bank Negara Monetary Notes	234,576	413,656
Islamic Bank Negara Monetary Notes	59,355	-
	<u>1,764,422</u>	<u>2,498,543</u>
Securities Quoted:		
In Malaysia:		
Shares	209,488	170,971
Trust units	261,485	155,552
Corporate bonds	16,662	33,922
Outside Malaysia:		
Shares	85,942	43,072
	<u>573,577</u>	<u>403,517</u>
Unquoted Securities Of Companies Incorporated:		
In Malaysia:		
Shares	2,200	2,200
Outside Malaysia:		
Shares	17,848	18,910
	<u>20,048</u>	<u>21,110</u>
Unquoted Private Debt Securities Of Companies Incorporated:		
In Malaysia:		
Corporate bonds	1,258,371	704,771
Corporate notes	44,592	50,224
Islamic corporate bonds	1,982,033	1,548,093
Islamic corporate notes	53,325	63,947
Outside Malaysia:		
Corporate bonds	236,759	119,185
	<u>3,575,080</u>	<u>2,486,220</u>
Unquoted Guaranteed Private Debt Securities Of Companies Incorporated In Malaysia:		
Corporate bonds	127,580	239,745
Corporate notes	-	39,749
Islamic corporate bonds	5,947	103,119
Islamic corporate notes	30,719	30,425
	<u>164,246</u>	<u>413,038</u>
Total securities held-for-trading	<u>6,097,373</u>	<u>5,822,428</u>

A9. SECURITIES AVAILABLE-FOR-SALE

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
At Fair Value		
Money Market Securities:		
Negotiable instruments of deposits	70,450	2,580,599
Securities Quoted:		
In Malaysia:		
Trust units	75,600	71,600
Corporate bonds	-	17,329
Outside Malaysia:		
Shares	41,856	13,506
	<u>117,456</u>	<u>102,435</u>
Unquoted Securities Of Companies Incorporated:		
In Malaysia:		
Shares	400	400
Debt Equity Converted Securities :		
Quoted in Malaysia:		
Shares - with options	7,051	15,172
Shares	4,673	5,634
Corporate bonds	4,411	-
Loan stocks - collateralised	8,681	-
	<u>24,816</u>	<u>20,806</u>
Unquoted Private Debt Securities Of Companies Incorporated		
In Malaysia:		
Corporate bonds	96,930	96,920
Islamic corporate bonds	710,369	558,857
	<u>807,299</u>	<u>655,777</u>
Unquoted Guaranteed Private Debt Securities Of Companies		
Incorporated In Malaysia:		
Corporate bonds	-	144,258
Total securities available-for-sale	<u>1,020,421</u>	<u>3,504,275</u>

A10. SECURITIES HELD-TO-MATURITY

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
At Amortised Cost		
Money Market Securities:		
Negotiable instruments of deposits	138,987	89,589
Securities Quoted In Malaysia:		
Shares	2	2
Unit trust	2,004	1,001
Islamic Corporate bonds	27,272	34,560
Outside Malaysia:		
Islamic Corporate bonds	6,818	-
	<u>36,096</u>	<u>35,563</u>
Unquoted Securities Of Companies Incorporated:		
In Malaysia:		
Shares	60,588	60,588
Corporate bonds	100	100
Outside Malaysia:		
Shares	6,424	7,581
	<u>67,112</u>	<u>68,269</u>
Debt Equity Converted Securities:		
Quoted in Malaysia:		
Loan stocks - collateralised	971	971
Loan stocks	387,178	424,490
Unquoted securities of companies incorporated In Malaysia:		
Shares	1,679	1,679
Corporate bonds	343,770	356,556
	<u>733,598</u>	<u>783,696</u>
Unquoted Private Debt Securities Of Companies Incorporated:		
In Malaysia:		
Islamic corporate bonds	192,011	193,598
Corporate bonds and notes denominated in USD	-	56,871
Outside Malaysia		
Corporate bonds and notes denominated in USD	102,270	103,680
	<u>294,281</u>	<u>354,149</u>
Unquoted Guaranteed Private Debt Securities Of Companies Incorporated In Malaysia:		
Corporate bonds	-	79,216
Total	1,270,074	1,410,482
Accumulated impairment losses	(212,493)	(218,885)
Total securities held-to-maturity	<u>1,057,581</u>	<u>1,191,597</u>

A11. LOANS, ADVANCES AND FINANCING

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Term loans and revolving credits	4,254,420	4,395,930
Staff loans	24,401	25,066
	<hr/>	<hr/>
Gross loans, advances and financing	4,278,821	4,420,996
	<hr/>	<hr/>
Less:		
Allowance for bad and doubtful debts and financing:		
General	61,474	63,677
Specific	180,247	175,651
	<hr/>	<hr/>
	241,721	239,328
	<hr/>	<hr/>
Net loans, advances and financing	4,037,100	4,181,668
	<hr/>	<hr/>

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

	The Group			
	30.9.07		31.3.07	
	RM'000	%	RM'000	%
Working capital	1,673,906	39.1	1,876,787	42.5
Purchase of securities	689,029	16.1	622,876	14.1
Construction	666,384	15.6	750,864	17.0
Fixed assets	274,653	6.4	300,362	6.8
Merger and acquisition	213,636	5.0	207,044	4.7
Purchase of landed properties:				
- Residential	50,944	1.2	51,749	1.2
- Non-residential	166,091	3.9	200,638	4.5
Personal use	5,594	0.1	5,391	0.1
Purchase of transport vehicles	3,527	0.1	3,199	0.1
Other purpose	535,057	12.5	402,086	9.0
Gross loans, advances and financing	<hr/>	<hr/>	<hr/>	<hr/>
	4,278,821	100.0	4,420,996	100.0
	<hr/>	<hr/>	<hr/>	<hr/>

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

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Domestic :		
Business enterprises:		
Small medium enterprises	197,881	208,748
Others	3,501,185	3,615,883
Other non-bank financial institutions	80,496	121,453
Government and statutory bodies	65,865	57,489
Individuals	262,446	268,472
Foreign entities	170,948	148,951
	<u>4,278,821</u>	<u>4,420,996</u>

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

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Variable rate		
Cost-plus	3,462,866	3,757,466
Other variable rates	108,129	137,866
	<u>3,570,995</u>	<u>3,895,332</u>
Fixed rate		
Housing loans	20,854	21,844
Hire purchase receivables	3,547	3,222
Other fixed rates	683,425	500,598
	<u>707,826</u>	<u>525,664</u>
	<u>4,278,821</u>	<u>4,420,996</u>

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

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Balance at beginning of period/year	364,131	530,269
Non-performing during the period/year	28,535	63,991
Reclassification to performing loans, advances and financing	(21,250)	(8,585)
Debt equity conversion	(32,807)	-
Recoveries	(21,105)	(59,228)
Amount written off	(378)	(173,128)
Exchange fluctuation adjustments	189	2,001
Transfer from stock and share-broking activities	-	8,811
	<u>317,315</u>	<u>364,131</u>
Specific allowance	(180,247)	(175,651)
Non-performing loans, advances and financing - net	<u>137,068</u>	<u>188,480</u>
Ratio of non-performing loans, advances and financing to total loans, advances and financing - net	<u>3.34%</u>	<u>4.44%</u>

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

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Working capital	177,409	180,707
Construction	80,943	117,146
Non-residential landed properties	16,807	16,803
Merger and acquisition	15,000	15,020
Purchase of securities	8,646	14,336
Personal use	4,390	4,390
Purchase of transport vehicles	67	65
Other purpose	14,053	15,664
Gross non-performing loans, advances and financing	<u>317,315</u>	<u>364,131</u>

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

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
General allowance		
Balance at beginning of period/year	63,677	63,925
Reversal of allowance during the period/year	(2,168)	(1,260)
Transfer from stock and share-broking operations	-	1,321
Exchange fluctuation adjustments	(35)	(309)
Balance at end of period/year	<u>61,474</u>	<u>63,677</u>
% of total loans, advances and financing less specific allowances	<u>1.50%</u>	<u>1.50%</u>
Specific allowance		
Balance at beginning of period/year	175,651	235,984
Allowance during the year	21,382	122,090
Amount written back in respect of recoveries and reversals	(7,672)	(16,777)
Net charge to income statements	13,710	105,313
Transfer from stock and share-broking operations	647	8,741
Debt equity conversion	(9,046)	-
Amount written off	(379)	(173,278)
Exchange fluctuation adjustments	(336)	(1,109)
Balance at end of period/year	<u>180,247</u>	<u>175,651</u>

A12. OTHER ASSETS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Trade receivables, net of allowance for doubtful debts	966,755	773,791
Other receivables, deposits and prepayments, net of allowance for doubtful debts	152,014	200,763
Interest/Dividends receivable	94,213	104,430
Amount due from Originators	39,436	52,421
Amount due from brokers	46,757	59,126
Amount due from:		
Holding company	143	3,811
Related companies	4,976	5,940
Assets acquired in exchange of debts, net of impairment loss	2,975	6,832
	<u>1,307,269</u>	<u>1,207,114</u>

Trade receivables mainly pertain to stock and share-broking operations of subsidiary companies and represent amounts outstanding in purchase contracts net of allowances.

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

Amount due from holding company is unsecured, interest-free and represents expenses paid on behalf.

Amount due from related companies are unsecured, interest free and represent expenses paid on behalf and interest receivable.

A13. DEPOSITS FROM CUSTOMERS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Term/Investment deposits from customers	4,414,765	4,822,143
Negotiable instruments of deposits	-	300
Other deposits	1,515,285	428,885
	<u>5,930,050</u>	<u>5,251,328</u>

The deposits are sourced from the following types of customers:

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Business enterprises	4,192,992	3,252,167
Individuals	48,844	35,768
Government	820,893	738,043
Others	867,321	1,225,350
	<u>5,930,050</u>	<u>5,251,328</u>

A14. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Licensed banks:		
Related	3,349,058	4,397,316
Others	932,184	1,373,390
Licensed merchant banks	27,000	-
Bank Negara Malaysia	-	9,100
Other financial institutions	4,506,327	3,970,117
	<u>8,814,569</u>	<u>9,749,923</u>

A15. OTHER LIABILITIES

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Trade payables	1,131,475	958,297
Other payables and accruals	200,074	312,576
Securities sold not yet re-purchased	132,333	98,209
Dividend payable	97,680	-
Taxation payable	13,688	4,900
Bank overdrafts	580	9,469
Valuation adjustment on securities held-for-trading	354	-
Profit equalisation reserve	315	245
Zakat payable	38	38
Amount due to related companies	15	10
Provision for commitments	-	300
	<u>1,576,552</u>	<u>1,384,044</u>

A16. INTEREST INCOME

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Short-term funds and deposits with financial institutions	39,969	33,495	90,858	71,177
Securities held-for-trading	50,476	49,719	90,866	105,329
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 NPL	63,716	60,339	129,189	116,538
- Recoveries from NPLs	1,240	5,279	8,077	15,939
Others	978	2,656	1,616	5,186
Gross interest income	178,222	189,419	376,296	370,488
Amortisation of premiums less accretion of discounts	4,556	1,036	5,284	9,937
Interest suspended	-	-	(43)	-
Total after net interest suspension	182,778	190,455	381,537	380,425

A17. INTEREST EXPENSE

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Deposits from customers	83,157	62,525	156,404	144,825
Deposit of banks and other financial institutions	49,671	56,365	106,094	81,278
Securities sold under repurchase agreements	16	21,788	16,683	42,695
Subordinated deposits and term loans	1,491	4,076	2,946	7,644
Redeemable unsecured subordinated bonds	9,153	9,153	18,206	18,206
Securities sold not yet re-purchased	1,747	(97)	2,877	534
Others	13,188	1,508	18,345	3,204
	158,423	155,318	321,555	298,386

A18. OTHER OPERATING INCOME

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Fee income:				
Fees on loans and advances	4,098	2,742	6,734	8,363
Corporate advisory fees	7,322	3,366	18,561	7,370
Guarantee fees	1,736	3,564	3,500	9,827
Underwriting commissions	6,579	8,106	7,498	10,675
Portfolio management fees	4,339	2,968	8,897	5,339
Unit trust management fees	14,533	8,898	27,852	16,973
Property trust management fees	680	540	1,373	1,047
Brokerage fees and commissions	48,093	15,554	95,098	33,239
Other fee income	2,594	5,487	14,777	10,721
	<u>89,974</u>	<u>51,225</u>	<u>184,290</u>	<u>103,554</u>
Investment and trading income:				
Net gain from sale of securities held-for-trading	11,175	17,964	90,408	6,919
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	35,365	19,037	38,405	33,923
Gross dividend income from:				
Securities held-for-trading	4,893	3,441	10,925	4,486
Securities available-for-sale	-	-	40	-
Securities held-to-maturity	10,112	10,365	10,725	10,978
(Loss)/Gain on revaluation of derivatives	(3,335)	(4,579)	(14,265)	9,262
Gain on redemption of shares	58	-	58	-
(Loss)/Gain on revaluation of securities held-for-trading	(11,990)	58,403	(62,885)	35,362
	<u>47,641</u>	<u>107,088</u>	<u>75,443</u>	<u>103,387</u>
Other income:				
Foreign exchange gain/(loss)	1,190	301	1,495	(369)
Gain on disposal of property and equipment - net	128	82	134	115
Rental income	413	485	755	1,005
Other non-operating income	196	394	343	883
	<u>1,927</u>	<u>1,262</u>	<u>2,727</u>	<u>1,634</u>
	<u>139,542</u>	<u>159,575</u>	<u>262,460</u>	<u>208,575</u>

A19. OTHER OPERATING EXPENSES

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Personnel/Staff costs				
- Salaries, allowances and bonuses	36,583	27,948	74,401	52,191
- Others	10,703	10,957	21,847	18,957
	<u>47,286</u>	<u>38,905</u>	<u>96,248</u>	<u>71,148</u>
Establishment costs				
- Depreciation	1,933	1,349	3,718	3,122
- Amortisation of computer software	362	262	781	513
- Computerisation costs	2,748	3,145	6,328	6,061
- Rental	2,825	2,221	5,608	4,579
- Others	1,513	1,307	2,481	2,439
	<u>9,381</u>	<u>8,284</u>	<u>18,916</u>	<u>16,714</u>
Marketing and communication expenses				
- Sales commission	3,182	2,176	4,708	3,488
- Advertising	1,880	741	3,120	2,305
- Travel and entertainment	1,697	976	3,560	2,024
- Others	2,041	1,529	4,162	2,983
	<u>8,800</u>	<u>5,422</u>	<u>15,550</u>	<u>10,800</u>
Administration and general expenses				
- Professional fees	2,186	833	8,667	3,843
- Others	4,233	3,072	7,782	5,880
	<u>6,419</u>	<u>3,905</u>	<u>16,449</u>	<u>9,723</u>
Overheads	<u>71,886</u>	<u>56,516</u>	<u>147,163</u>	<u>108,385</u>

A20. ALLOWANCE FOR LOSSES ON LOANS AND FINANCING

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Allowance/(Reversal of allowance) for bad and doubtful debts and financing:				
Specific allowance - net	9,426	27,115	13,710	32,170
Allowance during the period	12,994	31,138	21,382	37,522
Amount written back in respect of recoveries and reversals	(3,568)	(4,023)	(7,672)	(5,352)
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 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>

A21. SEGMENTAL INFORMATION

(A) BY BUSINESS SEGMENT

	Individual Quarter		Cumulative Quarter	
	30.9.07 RM'000	30.9.06 RM'000	30.9.07 RM'000	30.9.06 RM'000
Investment banking				
Revenue	247,217	321,550	506,341	526,702
Profit before taxation	31,942	88,289	120,786	127,683
Offshore banking				
Revenue	26,702	17,001	39,437	30,677
Profit/(Loss) before taxation	28,913	(5,151)	31,912	(4,124)
Funds management				
Revenue	19,330	11,355	37,522	20,867
Profit before taxation	9,757	4,846	19,695	8,087
Broking				
Revenue	41,731	17,092	92,091	35,051
Profit before taxation	29,347	4,523	60,869	13,809
Others				
Revenue	1,996	3,161	4,137	5,676
Profit before taxation	789	1,934	1,915	4,352
Total before consolidation adjustments				
Revenue	336,976	370,159	679,528	618,973
Profit before taxation	100,748	94,441	235,177	149,807
Consolidation adjustments				
Revenue	(4,470)	(9,178)	(10,588)	(14,705)
Profit before taxation	4,222	(1,434)	(3,790)	(2,681)
Total after consolidation adjustments				
Revenue	332,506	360,981	668,940	604,268
Profit before taxation	104,970	93,007	231,387	147,126

Included in the above is Islamic banking business profit before taxation of RM8.9 million for the quarter and RM23.0 million for the period ended 30 September 2007 (RM10.0 million for the quarter and RM13.7 million 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. ("FIPL") and its subsidiary companies, PT AmCapital Indonesia and AmSecurities (H.K) Limited, activities of which are principally conducted in Singapore, Indonesia and Hong Kong, respectively. These activities in Singapore, Indonesia and Hong Kong are not significant in relation to the Group's activities in Malaysia.

A22. VALUATIONS OF PROPERTY AND EQUIPMENTS

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

A23. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial quarter 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 for the current financial quarter.

A24. CHANGES IN THE COMPOSITION OF THE GROUP AND THE COMPANY

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

A25. COMMITMENTS AND CONTINGENCIES

In the normal course of business, AmInvestment Bank Berhad ("AmInvestment Bank") and AmInternational (L) Ltd ("AmInternational") 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 assets.

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

The Group	30.9.07			31.3.07		
	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 company	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:						
Related company	189,528	1,683	-	82,554	4,343	868
Others	1,807,493	48,435	10,023	3,095,893	107,700	21,540
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
Sale and buy back agreements	2,216,598	2,216,598	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>2,587,728</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>4,914,177</u>	<u>2,735,466</u>	<u>42,778,034</u>	<u>6,061,036</u>	<u>3,002,515</u>

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

- (a) The Company has given unsecured guarantees totalling RM10,000,000 (RM10,000,000 as at 31 March 2007) to a financial institution in respect of credit facilities extended to a subsidiary company.
- (b) The Company has given a continuing undertaking totaling S\$50,000,000 (S\$50,000,000 as at 31 March 2007) to Monetary Authority of Singapore on behalf of FIPL to meet its liabilities and financial obligation and requirements.
- (c) As required, AmInvestment Bank has given a continuing guarantee to BNM on behalf of its offshore banking subsidiary in Labuan, AmInternational, to meet all its liabilities and financial obligations and requirements.
- (d) A suit dated 12 December 2005 was filed by Meridian Asset Management Sdn Bhd ("Meridian") against AmTrustee Berhad ("AmTrustee"), a subsidiary of AMMB Holdings Berhad (AMMB) and an associated company of the Company 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 AmInvestment Bank, a subsidiary of the Company, 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 AmInvestment 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. Based on the documents and evidence in their possession, solicitors for AmInvestment Bank are of the view that Meridian do not have a reasonable cause of action against AmInvestment Bank.

- (e) A suit dated 4 May 2007 was filed by Unitangkob (Malaysia) Berhad and four (4) others (collectively the "Plaintiffs") against AmInvestment Bank Bhd ("the Bank"), a subsidiary of the Company, in respect of a claim amounting to RM171,549,000.00 together with interest and further damages and costs arising from an alleged breach of contract ("Unitangkob Action").

The Bank has filed its defence and applied to strike out the Unitangkob Action with costs. The Bank's lawyers have advised that the Unitangkob Action is time barred and is an abuse of the court process since the issues raised by the Plaintiffs have already been dealt with by the Court and decided in favour of the Bank during the trial of Suit No.K22-11of 2004 which was commenced by the Bank against Unitangkob and 6 guarantors to recover credit facilities granted by the Bank to Unitangkob. The Bank's lawyers have also advised that the Bank has a good chance of succeeding in striking out the Unitangkob Action.

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

A26. RELATED PARTY TRANSACTIONS

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

A27. 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	-	-
Interest rate swaps	34,713,208	540,000	1,285,000	461,033	12,191,853	19,068,835	1,166,487	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	12,576,408	20,043,612	1,166,487	13,145

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 focused 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 and foreign exchange-related derivative contracts measures the potential losses to the value of these contracts due to changes in market rates/prices. Exposures 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 derivative contracts used for trading purposes of the Group was RM7,140,407 (RM1,424,763 as at 31 March 2007).

The value-at-risk of the interest rate related derivative contracts used for trading purposes 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 was RM1,724,213 (RM26,007,863 as at 31 March 2007) for the Group.

Credit risk of derivatives

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 was RM86,298,813 (RM133,793,052 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.

A28. INTEREST/PROFIT RATE RISK

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.

The Group	<-----Non-trading book ----->						Non-interest sensitive	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				
30.9.07	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
ASSETS										
Cash and short-term funds	1,766,389	-	-	-	-	-	943,604	-	2,709,993	3.60
Securities purchased under resale agreements	493,874	-	-	-	-	-	-	-	493,874	1.29
Deposits and placements with banks and other financial institutions	58,180	1,582,313	103	-	-	749,500	8,032	-	2,398,128	5.10
Securities held-for-trading	-	-	-	-	-	-	-	6,097,373	6,097,373	4.36
Securities available-for-sale	-	-	-	-	530,142	389,862	100,417	-	1,020,421	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	325,606	43,903	(10,832)	-	3,961,506	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	-	-	-	-	-	-	1,896,751	-	1,896,751	-
TOTAL ASSETS	4,274,587	3,121,109	100,122	220,338	1,622,451	1,237,670	3,077,007	6,097,373	19,750,657	
LIABILITIES AND EQUITY										
Deposits from customers	3,548,698	1,309,664	229,063	186,689	200,000	-	455,936	-	5,930,050	3.44
Deposits and placements of banks and other financial institutions	4,854,870	680,204	444,691	498,757	789,744	1,281,229	265,074	-	8,814,569	4.02

A28. INTEREST/PROFIT RATE RISK (CONTD.)

	<-----Non-trading book ----->									
The Group	Up to 1	>1 - 3	>3 - 6	>6 - 12	1 - 5	Over 5	Non-	Trading	Total	Effective
30.9.07	month	months	months	months	years	years	interest	book	RM'000	interest
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	sensitive	RM'000	RM'000	rate
							RM'000			%
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
Other non-interest sensitive balances	-	-	-	-	-	-	1,837,877	-	1,837,877	-
Total Liabilities	8,403,568	1,989,868	676,536	824,370	989,744	1,876,229	2,558,887	-	17,319,202	
Share capital	-	-	-	-	-	-	1,320,000	-	1,320,000	
Reserves	-	-	-	-	-	-	1,104,981	-	1,104,981	
Equity attributable to equity holders of the Company	-	-	-	-	-	-	2,424,981	-	2,424,981	
Minority interests	-	-	-	-	-	-	6,474	-	6,474	
TOTAL LIABILITIES AND EQUITY	8,403,568	1,989,868	676,536	824,370	989,744	1,876,229	4,990,342	-	19,750,657	
On-balance sheet interest sensitivity gap	(4,128,981)	1,131,241	(576,414)	(604,032)	632,707	(638,559)	(1,913,335)	6,097,373	-	
Off-balance sheet interest sensitivity gap	(2,363,527)	1,321,956	(456,557)	261,412	211,103	1,122,585	-	-	96,972	
Total interest sensitivity gap	(6,492,508)	2,453,197	(1,032,971)	(342,620)	843,810	484,026	(1,913,335)	6,097,373	96,972	
Cumulative interest rate sensitivity gap	(6,492,508)	(4,039,311)	(5,072,282)	(5,414,902)	(4,571,092)	(4,087,066)	(6,000,401)	96,972		

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

A28. INTEREST/PROFIT RATE RISK (CONTD.)

The Group	-----Non-trading book----->						Non- interest sensitive	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					RM'000
31.3.07	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
ASSETS											
Cash and short-term funds	2,773,655	-	-	-	-	-	798,770	-	3,572,425	3.93	
Securities purchased under resale agreements	498,383	-	-	-	-	-	-	-	498,383	2.92	
Deposits and placements with banks and other financial institutions	72,472	1,009,199	3,628	-	-	749,500	-	-	1,834,799	6.06	
Securities held-for-trading	-	-	-	-	-	-	-	5,822,428	5,822,428	3.90	
Securities available-for-sale	705,048	1,001,621	946,873	-	448,234	291,790	110,709	-	3,504,275	4.09	
Securities held-to-maturity	1,340	-	139,763	148,073	630,365	172,900	99,156	-	1,191,597	6.64	
Loans, advances and financing:											
- performing	1,851,092	1,730,499	86,266	78,591	258,837	14,814	36,766	-	4,056,865	6.39	
- non-performing *	-	-	-	-	-	-	124,803	-	124,803	-	
Amount due from Originators	-	400	9,441	2,980	39,600	-	-	-	52,421	4.30	
Other non-interest sensitive balances	-	-	-	-	-	-	1,919,167	-	1,919,167	-	
TOTAL ASSETS	5,901,990	3,741,719	1,185,971	229,644	1,377,036	1,229,004	3,089,371	5,822,428	22,577,163		
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	4,167,732	1,582,415	770,335	387,713	1,062,070	1,290,584	489,074	-	9,749,923	4.15	
Obligations on securities sold under repurchase agreements	2,730,004	49,275	3,072	-	-	-	-	-	2,782,351	3.38	

A28. INTEREST/PROFIT RATE RISK (CONTD.)

The 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				
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
Other non-interest sensitive balances	-	-	-	-	-	-	1,717,714	-	1,717,714	
Total Liabilities	9,926,606	2,753,512	1,074,990	656,869	1,323,198	1,885,584	2,631,658	-	20,252,417	
Share capital	-	-	-	-	-	-	1,320,000	-	1,320,000	
Reserves	-	-	-	-	-	-	999,347	-	999,347	
Equity attributable to equity holders of the Company	-	-	-	-	-	-	2,319,347	-	2,319,347	
Minority interests	-	-	-	-	-	-	5,399	-	5,399	
TOTAL LIABILITIES AND EQUITY	9,926,606	2,753,512	1,074,990	656,869	1,323,198	1,885,584	4,956,404	-	22,577,163	
On-balance sheet interest sensitivity gap	(4,024,616)	988,207	110,981	(427,225)	53,838	(656,580)	(1,867,033)	5,822,428	-	
Off-balance sheet interest sensitivity gap	(3,257,352)	1,198,962	(600,545)	484,174	1,354,685	908,233	-	-	88,157	
Total interest sensitivity gap	(7,281,968)	2,187,169	(489,564)	56,949	1,408,523	251,653	(1,867,033)	5,822,428	88,157	
Cumulative interest rate sensitivity gap	(7,281,968)	(5,094,799)	(5,584,363)	(5,527,414)	(4,118,891)	(3,867,238)	(5,734,271)	88,157		

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

A29. CAPITAL ADEQUACY

Currently, the Group is not required to maintain any capital adequacy ratio requirements for financial institutions. However, if the Group is required to comply with such ratios, the Group's capital adequacy ratios are as follows:

	30.9.07 RM'000	31.3.07 RM'000
Tier 1 capital		
Paid-up ordinary share capital	1,320,000	1,320,000
Share premium	80,521	80,521
Capital reserve	60,284	60,284
Statutory reserve	389,500	389,500
Exchange fluctuation reserve	(9,740)	(9,306)
Unappropriated profit at end of year	537,043	460,128
Minority interests	6,474	5,399
	<u>2,384,082</u>	<u>2,306,526</u>
Less:		
Goodwill	(123,460)	(122,641)
Deferred tax assets, net	(43,146)	(43,468)
Total Tier 1 capital	<u>2,217,476</u>	<u>2,140,417</u>
Tier 2 capital		
Redeemable unsecured subordinated bonds	595,000	595,000
General allowance for bad and doubtful debts	61,915	63,905
Total Tier 2 capital	<u>656,915</u>	<u>658,905</u>
Total capital funds	2,874,391	2,799,322
Less: Investment in capital of related financial institutions	(55,153)	(56,074)
Capital base	<u>2,819,238</u>	<u>2,743,248</u>
Capital Ratios:		
Core capital ratio	13.49%	13.86%
Risk-weighted capital ratio	17.15%	17.76%
Core capital ratio (net of proposed ordinary dividend)	13.19%	13.22%
Risk-weighted capital ratio (net of proposed ordinary dividend)	<u>16.85%</u>	<u>17.13%</u>

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

	30.9.07		31.3.07	
	Principal Amount	Risk-Weighted Amount	Principal Amount	Risk-Weighted Amount
	RM'000	RM'000	RM'000	RM'000
0%	1,128,505	-	2,360,122	-
10%	928	93	1,359	136
20%	5,219,202	1,043,840	7,368,049	1,473,610
50%	21,885	10,942	228,956	114,478
100%	8,835,516	8,835,516	8,079,787	8,079,787
	<u>15,206,036</u>	<u>9,890,391</u>	<u>18,038,273</u>	<u>9,668,011</u>
Add: Total RWA equivalent to market risk		6,544,559		5,778,833
Add: Counterparty Risk Requirement for unsettled trades		5,974		-
Add: Large Exposure Risk Requirements for single entity		449		449
		<u>16,441,373</u>		<u>15,447,293</u>

A30. OPERATIONS OF ISLAMIC BANKING BUSINESS

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 included in the financial statements after elimination of intercompany transactions and balances are summarised as follows:

UNAUDITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2007

	The Group	
	30.9.07 RM'000	31.3.07 RM'000
ASSETS		
Cash and short-term funds	838,991	704,124
Securities held-for-trading	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
Statutory deposit with Bank Negara Malaysia	14,500	14,500
Other receivables, deposits and prepayments	5,878	10,348
Property and equipment	33	33
Deferred tax assets	164	158
TOTAL ASSETS	<u>1,145,222</u>	<u>1,223,173</u>
LIABILITIES AND ISLAMIC BANKING FUNDS		
Deposits from customers	456,733	424,870
Deposits and placements of banks and other financial institutions	378,111	489,074
Converted fund	-	14,197
Other liabilities	10,453	12,117
Total Liabilities	<u>845,297</u>	<u>940,258</u>
ISLAMIC BANKING FUNDS		
Capital funds	102,839	102,839
Reserves	197,086	180,076
Islamic banking funds	<u>299,925</u>	<u>282,915</u>
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS	<u>1,145,222</u>	<u>1,223,173</u>
COMMITMENTS AND CONTINGENCIES	<u>2,858,776</u>	<u>3,401,236</u>

**UNAUDITED CONSOLIDATED INCOME STATEMENT
 FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2007**

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07	30.9.06	30.9.07	30.9.06
	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
Reversal of 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 for the period	6,779	7,444	17,119	10,129

A30a FINANCING, ADVANCES AND OTHER LOANS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Term financing		
Syndicated financing	19,344	19,730
Other term financing	15,020	15,026
Revolving credit	22,946	22,943
Gross financing, advances and other loans	<u>57,310</u>	<u>57,699</u>
Less : Allowance for bad and doubtful debts and financing:		
- General	(513)	(513)
- Specific	(23,151)	(23,537)
	<u>(23,664)</u>	<u>(24,050)</u>
Net financing, advances and other loans	<u>33,646</u>	<u>33,649</u>

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

Gross

Balance at beginning of period/year	23,537	39,920
Non-performing during the period/year	-	50
Recoveries	(386)	(330)
Amount written-off	-	(16,103)
Balance at end of period/year	<u>23,151</u>	<u>23,537</u>
Specific allowance	(23,151)	(23,537)
Net non-performing financing, advances and other loans	<u>-</u>	<u>-</u>

Ratio of non-performing financing, advances and other loans to total financing, advances and other loans - net

-	<u>-</u>
---	----------

Movements in allowances for bad and doubtful financing, advances and other loans are as follows:

General Allowance

Balance at beginning of period/year	513	1,125
Reversal of allowance during the period/year	-	(612)
Balance at end of period/year	<u>513</u>	<u>513</u>

% of total financing, advances and other loans less specific allowance

<u>1.50%</u>	<u>1.50%</u>
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Specific Allowance

Balance at beginning of period/year	23,537	29,911
Allowance made during the period/year	(386)	9,870
Amount written off	-	(16,244)
Balance at end of period/year	<u>23,151</u>	<u>23,537</u>

A30b DEPOSITS FROM CUSTOMERS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Mudarabah Fund:		
Mudarabah Special Investment deposits	456,733	424,870
	<u>456,733</u>	<u>424,870</u>

A30c. OTHER LIABILITIES

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
Other payables and accruals	4,175	2,784
Taxation and zakat payable	5,950	9,089
Profit equalisation reserve	315	244
Valuation adjustment on securities held-for-trading	13	-
	<u>10,453</u>	<u>12,117</u>

A31. CHANGE IN ACCOUNTING POLICIES

(a) Changes in accounting policy

During the financial period, the Group has adopted the revised FRS 117: Leases issued by MASB that is effective for the Group'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 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 as at 31 March 2007 have been restated. There were no effects on the income statements of the Group for the 1st quarter ended 30 June 2007.

(b) Restatement of comparatives

The following comparative amounts 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
Property and equipment	41,272	(2,716)	38,556

B1. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP FOR THE QUARTER AND PERIOD

The Group registered a strong growth in pre-tax profit of RM231.4 million for the half year ended 30 September 2007, an increase of 57.3% as compared to RM147.1 million reported in the corresponding period ended 30 September 2006. Accordingly, the Group's net profit attributable to equity holders of the Company for the period was RM174.6 million as compared to RM105.2 million for the corresponding period. Annualised net earnings per share stood at 26.5 sen, whilst annualized post-tax return on average equity attributable to equity holders of the Company was 14.7% for the period ended 30 September 2007.

The increase in pre-tax profit was mainly attributed to increase in net gain from sale of securities held for trading (+RM83.5 million), increase in fee income (+RM80.7 million) mainly from improvement in brokerage, corporate advisory fees and fees on fund and property management activities and write back of allowance for losses on loans and financing (RM20.7 million). However, the increase was reduced by loss on revaluation of securities held for trading (RM62.9 million) and loss on revaluation of derivatives (RM14.3 million).

For the quarter ended 30 September 2007, the Group recorded a higher pre-tax profit of RM105.0 million as compared to RM93.0 million for the corresponding quarter. The increase in pre-tax profit was attributed to increase in net gain on redemption of securities held to maturity (+RM16.3 million), increase in fee income (+RM38.7 million) mainly from improvement in brokerage, corporate advisory fees and fees on fund and property management activities, lower allowance for losses on loans and financing (RM1.3 million) and impairment write back on securities (RM4.5 million). However, the increase was reduced by loss on revaluation of securities held for trading (RM12.0 million) and loss on revaluation of derivatives (RM3.3 million).

The Group's risk weighted capital ratio and equity attributable to equity holders of the Company as at 30 September 2007 stood at 17.15% and RM2.4 billion, respectively. As at 30 September 2007, the Group's net non-performing loans ratio reduced to 3.34% (4.44% as at 31 March 2007) and loan loss coverage (excluding collateral values of securities pledged) has improved to 76.2%.

The investment banking operations reported a pretax profit of RM120.8 million as compared to RM127.7 million in the corresponding period ended 30 September 2006. The lower pre-tax profit was mainly due to loss revaluation of securities held for trading and loss on revaluation of derivatives. However, the decrease was reduced by higher net gain from trading of securities held for trading, higher corporate advisory fee and higher bad debts recoveries.

The offshore banking operations of the Group reported a pre-tax profit of RM31.9 million as compared to a pretax loss of RM4.1 million in the corresponding period ended 30 September 2006 mainly due to gain on disposal of securities held for trading and higher gain on revaluation of securities held for trading portfolio.

The stockbroking operations recorded a pretax profit of RM60.9 million and RM29.3 million for the period and quarter ended 30 September 2007, respectively.

Total funds under management, both unit trust and institutional funds stood at RM16.5 billion and the Fund Management Division reported a pre-tax profit of RM19.7 million and RM9.8 for the period and quarter ended 30 September 2007, respectively.

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

B2. REVIEW OF MATERIAL CHANGES IN PROFIT BEFORE TAXATION

The Group reported a lower pre-tax profit of RM105.0 million for the second quarter ended 30 September 2007 as compared to RM126.4 million for the first quarter ended 30 June 2007.

The lower pre-tax profit was mainly due to allowance for losses on loans and advances of RM1.3 million as compared to a write back of allowance for losses on loans and advances of RM22.1 million for the first quarter ended 30 June 2007.

B3. PROSPECTS FOR 31 MARCH 2008

In tandem with the thrusts of the 9MP, the Malaysian economy is projected to see sustained growth in 2007 with GDP growth projected at 5.9%. On the back of favorable macroeconomic conditions, the banking sector is expected to remain robust with strong capitalization and continuous improvement in asset quality.

During the second half of the financial year, capital market activities are expected to be robust. The active promotion of Islamic financing by the Malaysian Government and growing demand for Shariah compliant securities from local and international investors provide an impetus for more capital market issues.

The Group will continue to pursue its strategy of expanding its business operations regionally whilst maintaining its leadership position in the industry. The Group is confident that it has built an infrastructure, customer base and brand-awareness that enables it to take advantage of industry growth opportunities. Further, it is envisaged that the Group's strategic tie-up with ANZ will elevate the Group to a level on par with international banks.

B4. VARIANCE FROM PROFIT FORECAST AND SHORTFALL FROM PROFIT GUARANTEE

This is not applicable to the Group.

B5. TAXATION

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07	30.9.06	30.9.07	30.9.06
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	21,950	23,710	56,475	38,558
Overprovision of current taxation in respect of prior years	-	(27)	-	(5)
Transfer to deferred tax assets	1,147	3,399	322	3,399
Total	23,097	27,082	56,797	41,952

The total tax charge of the Group for the financial quarter and period ended 30 September 2006 reflect an effective tax rate which is higher than the statutory tax rate due mainly to the disallowances of certain expenses.

The total tax charge of the Group for the financial quarter and period ended 30 September 2007 reflects an effective tax rate which is lower than the statutory tax rate due mainly to certain income not subject to tax and the effect of different tax rates incurred by the offshore banking operations in Labuan.

B6. SALE OF INVESTMENTS AND/OR FORECLOSED PROPERTIES

The Group	Individual Quarter		Cumulative Quarter	
	30.9.07	30.9.06	30.9.07	30.9.06
	RM'000	RM'000	RM'000	RM'000
Net gain from sale of securities held-for-trading	11,175	17,964	90,408	6,919
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	35,365	19,037	38,405	33,923
Impairment writeback/(loss) on securities	4,477	(31,719)	10,877	(30,810)

B7. QUOTED SECURITIES

This note is not applicable to financial institutions.

B8. CORPORATE PROPOSALS

- 1 On 19 June 2007, the ultimate holding company, AMMB Holdings Berhad ("AHB"), announced the following proposals:
 - (i) The proposed privatisation of the Company through a scheme of arrangement between the Company and its shareholders pursuant to Sections 176 and 178 of the Companies Act, 1965 ("Act") whereby the Company will reduce its capital pursuant to Section 64 of the Act by canceling 646,800,000 ordinary shares of RM1.00 each ("AIGB Cancelled Share"), representing 49.0% of its existing issued and paid-up share capital which are not held by AHB, in consideration for a cash payment of RM3.70 per AIGB Cancelled Share payable by AHB ("Proposed Privatisation"); and
 - (ii) The proposed renounceable rights issue of up to 326,887,241 new ordinary shares of RM1.00 in AHB ("Rights Shares") at an issue price of RM3.40 per Rights Share, on the following basis:-
 - (a) one (1) Rights Share for every eight (8) existing ordinary shares of RM1.00 each ("Ordinary Shares"); and
 - (b) one (1) Rights Share for every eight (8) existing converting preference shares of RM1.00 each ("CPS"), held in AHB on an entitlement date to be determined ("Proposed Rights Issue").

As the Proposed Rights Issue is intended to provide AHB with the necessary funds to part finance the Proposed Privatisation, the Proposed Rights Issue and the Proposed Privatisation are inter-conditional with each other.

AHB has on 20 August 2007 obtained a letter from Bank Negara Malaysia ("BNM") informing that BNM has noted and acknowledged AHB's application to seek the approval of the Minister of Finance for the Proposed Privatisation and has informed AHB that, based on BNM's review of AHB's application, BNM has determined that the Proposed Privatisation does not require the approval of the Minister of Finance.

AHB had on 14 September 2007 obtained Securities Commission's ("SC") approval for the Proposed Rights Issue. In addition, the Equity Compliance Unit (via the SC) had also vide the same letter approved the Proposed Privatisation under Foreign Investment Committee requirements.

The Proposed Privatisation was approved by the shareholders of the Company at the Court Convened Meeting held pursuant to the order of the High Court of Malaya on 26 September 2007.

The Proposed Privatisation and Proposed Rights Issue were also approved by the shareholders of AHB at the Extraordinary General Meeting held on 26 September 2007.

B9. BORROWINGS

	The Group	
	30.9.07	31.3.07
	RM'000	RM'000
(i) Deposits from customers		
Due within six months	5,540,033	4,792,903
Six months to one year	190,017	256,375
One year to three years	200,000	202,050
	<u>5,930,050</u>	<u>5,251,328</u>
(ii) Deposits and placements of banks and other financial institutions		
Due within six months	6,136,390	6,944,825
Six months to one year	606,402	393,617
One year to three years	752,487	1,083,734
Three to five years	1,319,290	1,327,747
	<u>8,814,569</u>	<u>9,749,923</u>
<i>Recap :</i>		
<i>Interbank lendings</i>	2,089,063	3,771,002
<i>Interbank borrowings</i>	(3,165,101)	(4,118,513)
<i>Net interbank borrowings</i>	<u>(1,076,038)</u>	<u>(347,511)</u>
(iv) Term loans		
Due within one year		
Secured	<u>102,270</u>	<u>103,680</u>
(v) Redeemable unsecured subordinated bonds		
More than one year	<u>595,000</u>	<u>595,000</u>

B10. DERIVATIVE FINANCIAL INSTRUMENTS

Please refer to note A27.

B11. MATERIAL LITIGATION

The Group and the Company do not have any material litigation which would materially affect the financial position of the Group and the Company. For other litigation, please refer to Note A25(d) and (e).

B12. DIVIDENDS

- (i) An interim dividend of 5%, less 26% tax has been declared by the directors;
- (ii) Amount per share : 5 sen, less 26% tax;
- (iii) Previous corresponding period : 5 sen, less 27% tax;
- (iv) Payment date : 18 December 2007; and
- (v) In respect of deposited securities, entitlement to dividends will be determined on the basis of the Record of Depositors as at close of business on 6 December 2007.

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 ended 31 December 2007.

B13. EARNINGS PER SHARE (SEN)

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the number of ordinary shares in issue during the financial quarter and period.

	Individual Quarter		Cumulative Quarter	
	30.9.07	30.9.06	30.9.07	30.9.06
The Group	RM'000	RM'000	RM'000	RM'000
Net profit attributable to equity holders of the company	81,888	65,868	174,595	105,176
Weighted average number of ordinary shares in issue	1,320,000	1,320,000	1,320,000	1,320,000
Basic earnings per share (sen)	6.20	4.99	13.23	7.97

There are no dilutive potential ordinary shares during the financial quarter and period.

BY ORDER OF THE BOARD
RAVINDRA KUMAR THAMBIMUTHU
 GROUP COMPANY SECRETARY
 Kuala Lumpur

Date : 14 November 2007