

EXPLANATORY NOTES

1. BASIS OF PREPARATION OF THE ACCOUNTS

The unaudited interim financial statements for the period ended 30 September 2009 have been prepared under the historical cost convention, modified by the revaluation of available-for-sale securities, securities held for trading and all derivative contracts.

The unaudited interim financial statements have been prepared in accordance with FRS 134 "Interim Financial Reporting" issued by Malaysian Accounting Standards Board. These financial statements should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2008. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2008.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2008.

The unaudited interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Bank and its wholly-owned subsidiaries, CIMB Islamic Bank Berhad ("CIMB Islamic") and CIMB Bank (L) Limited. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic Securities under the Shariah principles.

BNM has granted indulgence to the Group and the Bank and other local banks in Malaysia from complying with the requirements on the impairment of loans under the revised 'Guideline on Financial Reporting for Licensed Institutions' ("BNM/GP8"). Under the revised BNM/GP8, the impaired loans have to be measured at their estimated recoverable amount. This requirement is principally similar to the requirement under FRS 139 – Financial Instruments: Recognition and Measurement. In view of the deferment of the implementation of FRS 139 in Malaysia, the Group and the Bank and other local banks in Malaysia will be deemed to be in compliance with the requirement on the impairment of loans under revised BNM/GP8 if the allowance for non-performing loans, advances and financing is computed based on BNM's guidelines on the 'Classification of Non-Performing Loans and Provision for Substandard, Bad and Doubtful Debts' ("BNM/GP3") requirements.

During the fourth quarter of 2008, CIMB Bank Berhad ("CIMB Bank"), CIMB Bank (L) Limited and CIMB Islamic Bank Berhad had reclassified a portion of their securities in held-for-trading category to held-to-maturity category based on current market prices at the relevant dates of the reclassifications. The reclassification is permitted under BNM's circular dated 17 October 2008 on Reclassification of Securities under Specific Circumstances which is effective from 1 July 2008 to 31 December 2009.

The preparation of unaudited financial statements in conformity with the provisions of the Companies Act, 1965, Financial Reporting Standards and Bank Negara Malaysia Guidelines requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of income and expenses during the reported period. It also requires the Directors to exercise their judgement in the process of applying the Group's and the Bank's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

EXPLANATORY NOTES

2. CHANGES IN THE COMPOSITION OF THE GROUP

On 13th January 2009, CIMB Bank announced the acquisition of a further 42.13% of CIMB Thai after completion of the Tender Offer exercise. Upon completion of the subsequent rights issue, CIMB Bank's shareholding in CIMB Thai was raised to 93.15%.

On 31 January 2009, Southern Investment Bank Berhad disposed of their certain assets and liabilities to HLG Credit Sdn Bhd.

3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

On 17 April 2009, CIMB Bank (L) Limited, a subsidiary of CIMB Bank, issued USD140 million bonds which carries an interest rate of 3.00% per annum, payable annually. The bond will mature on 15 April 2011.

On 15 April 2009 and 30 June 2009, CIMB Bank has fully redeemed the USD100 million subordinated loan and USD200 million subordinated notes respectively.

Pursuant to the Board of Directors resolution dated 25 June 2009, approval is granted for CIMB Bank to increase the authorised share capital by way of a non-renounceable rights issue of up to 297,400,949 new CIMB Bank shares ("Right Shares") at an issue price of RM8.10 for each Right Shares to the shareholders of CIMB Bank, whose name appear in the Register of Members of CIMB Bank as at the close of business on 26 June 2009 on a basis of 1 Rights Share for every 10 existing CIMB Bank Shares held on 26 June 2009.

On 30 June 2009, CIMB Bank issued 123,456,800 new ordinary shares at a issue price of RM8.10 each.

On 10 July 2009, CIMB Bank has allotted and issued 667,000,000 new ordinary shares of RM1.00 each to its 99.999% shareholder, CIMB Group Sdn Bhd ("CIMBG"), which in turn is a wholly-owned subsidiary of CIMB Group Holdings Berhad ("CIMBGH") (formerly known as Bumiputra-Commerce Holdings Berhad). The allotment and issuance of the new ordinary shares is in connection with the settlement of the coupon and principal of the ICULS which are due and payable to CIMBGH.

On 25 September 2009, CIMB Islamic Bank Berhad, a subsidiary of CIMB Bank, issued RM300 million nominal value Junior Sukuk under Syariah principle of Musyarakah. The Junior Sukuk carries a profit rate of 5.85% per annum payable semi-annually and will mature on 25 September 2019.

4. PROPOSED DIVIDEND

In respect of the financial year ended 31 December 2008, a final gross dividend of approximately 6.72 sen per share, less 25% income tax on 2,974,009,486 Redeemable Preference Shares of RM0.01 each, amounting to RM150,000,000, was paid on 18 March 2009.

No dividend have been proposed during the period ended 30 September 2009.

EXPLANATORY NOTES

5. GROUP PERFORMANCE REVIEW

The Group registered a profit before tax of RM2,061.7 million for the nine months ended 30 September 2009, an increase of RM376.7 million as compared to RM1,685.0 million registered in the same period of 2008. Net interest income rose 16.0% to RM3,207.0 million, mainly attributable to lower interest expense, particularly interest expense on placement of banks and also interest expense on customer deposit. Islamic banking operation income continue to improve significantly to RM499.5 million against RM223.0 million in 2008. The profit was attributed by the significant growth in CIMB Islamic financing activities. Non-interest income rose 39.9% to RM1,596.9 million mainly due to gain in foreign exchange by RM197.6 million and gain from sales of securities held for trading by RM101.7 million. Overheads was up by 34.9% or RM697.2 million, and loan loss provisions was up by 35.4% mainly due to consolidation of CIMB Thai Bank and its subsidiaries.

The Group net NPL ratio increased from 2.40% to 2.62% due to inclusion of CIMB Thai non-performing loans while the Bank net NPL ratio improved to 2.41% (31 December 2008: 2.55%).

6. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group is positive about its prospects in 4th quarter 2009. There has been a surge in activity in the Malaysian equity and debt markets and the economic and operating environment has been improving across the region.

EXPLANATORY NOTES (CONTINUED)

A7. SECURITIES HELD FOR TRADING

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Money market instruments				
Unquoted				
Malaysian Government securities	901,930	1,342,488	901,930	1,324,809
Cagamas bonds	48,373	205,323	33,385	205,323
Khazanah bonds	-	9,791	-	-
Malaysian Government treasury bills	78,987	38,262	78,987	38,262
Bank Negara Malaysia bills	2,751,046	552,598	1,886,085	552,598
Bank Negara negotiable notes	149,473	46,892	149,473	46,892
Negotiable instruments of deposit	2,359,324	3,529,709	1,495,104	1,285,891
Bankers' acceptance and Islamic accepted bills	655,563	1,174,286	577,232	595,865
Credit-linked notes	158,889	172,884	135,921	159,942
Commercial papers	138,115	332,605	138,115	312,939
Government Investment Issues	198,668	81,376	21,135	66,727
	7,440,368	7,486,214	5,417,367	4,589,248
Quoted securities				
<u>In Malaysia</u>				
Shares	399,798	137,527	399,767	134,758
Warrants	5	5	-	-
Loan stocks	1,035	1,272	-	-
Unit trust	2,013	-	-	-
	402,851	138,804	399,767	134,758
<u>Outside Malaysia</u>				
Shares	12,211	326	-	-
Unquoted securities				
<u>In Malaysia</u>				
Shares	5,001	5,001	5,001	5,001
Private & Islamic debt securities	1,385,259	1,416,966	1,143,731	1,401,255
	1,390,260	1,421,967	1,148,732	1,406,256
<u>Outside Malaysia</u>				
Private & Islamic debt securities	1,005,092	516,970	725,460	387,137
	10,250,782	9,564,281	7,691,326	6,517,399

In the 4th quarter of 2008, the Bank and its banking subsidiaries reclassified a portion of their securities in held for trading category to the held-to-maturity category based on current market prices at the relevant dates of the reclassification. The reclassification has been accounted for in accordance with the BNM circular on 'Reclassification of Securities under Specific Circumstances' dated 17 October 2008, which is effective from 1 July 2008 until 31 December 2009.

The fair value of the securities reclassified from the held for trading category to the held-to-maturity category, as of the respective dates of reclassification are RM5,955,065,000 and RM4,396,670,000 for the Group and the Bank, respectively.

EXPLANATORY NOTES (CONTINUED)

A8. AVAILABLE-FOR-SALE SECURITIES

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Money market instruments				
Unquoted				
Malaysian Government securities	217,925	109,729	217,925	99,710
Khazanah bonds	34,784	58,376	-	9,791
Government Investment Issues	391,433	187,714	221,291	66,477
Commercial Papers	19,539	134,040	-	134,040
Cagamas bonds	286,752	296,925	242,836	248,011
	950,433	786,784	682,052	558,029
Quoted securities:				
<u>In Malaysia</u>				
Unit trusts	-	703,889	-	703,889
	-	703,889	-	703,889
<u>Outside Malaysia</u>				
Unit trusts	265,983	-	-	-
Shares	6,304	-	473	-
Private debt securities	620,973	115,216	105,489	115,216
	893,260	115,216	105,962	115,216
Unquoted securities:				
<u>In Malaysia</u>				
Private debt securities	6,107,630	5,401,347	5,704,047	5,001,921
Shares	379,157	378,104	378,520	378,989
Loan stocks	19,649	30,715	19,649	30,715
	6,506,436	5,810,166	6,102,216	5,411,625
<u>Outside Malaysia</u>				
Shares	52,529	9,606	410	633
Private equity funds	73,105	45,286	-	-
Unit trust funds	136,894	56,739	-	-
Private debt securities	63,930	118,506	-	-
	326,458	230,137	410	633
	8,676,587	7,646,192	6,890,640	6,789,392
Allowance for impairment losses:				
Private debt securities and bonds	(273,583)	(279,343)	(232,500)	(279,343)
Loan stocks	(6,905)	-	(6,905)	-
Unquoted shares	(36,930)	(6,659)	(7,035)	(6,659)
	(317,418)	(286,002)	(246,440)	(286,002)
	8,359,169	7,360,190	6,644,200	6,503,390

EXPLANATORY NOTES (CONTINUED)

A9. HELD-TO-MATURITY SECURITIES

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Money market instruments :				
Unquoted				
Malaysian government securities	149,967	149,967	149,967	149,967
Cagamas bonds	294,817	294,817	294,817	294,817
	444,784	444,784	444,784	444,784
Unquoted securities				
<u>In Malaysia</u>				
Shares	270	462	-	192
Loans stocks	31,814	32,478	-	-
Danaharta Urus Sdn Bhd bonds	929,639	929,639	929,639	929,639
Private debt securities	7,434,010	7,738,316	6,446,416	6,538,110
	8,395,733	8,700,895	7,376,055	7,467,941
<u>Outside Malaysia</u>				
Private debt securities	4,247,817	2,324,723	841,050	570,525
Accretion of discount net of amortisation of premium				
	220,016	231,116	225,932	231,116
Less : Allowance for impairment losses	(87,863)	(75,548)	(25,342)	(28,965)
	13,220,487	11,625,970	8,862,479	8,685,401

Included in the held-to-maturity securities are securities transferred from the held for trading category during the 4th quarter of 2008, with the following carrying value and fair value as at 30 September 2009 and 31 December 2008 respectively:

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Carrying value	5,791,594	5,973,951	4,280,757	4,393,006
Fair value	5,879,435	5,946,391	4,385,804	4,456,902

EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
(i) By type of financing				
Overdrafts	8,081,206	7,238,366	7,259,073	7,002,421
Term loans				
- Housing loans/financing	33,356,034	25,110,340	25,012,751	23,078,689
- Syndicated term loans	7,471,907	6,670,195	3,287,151	2,543,434
- Hire purchase receivables	14,088,278	13,663,402	9,639,171	11,484,488
- Factoring receivables	40,741	48,737	-	-
- Lease receivables	54,251	73,227	-	-
- Other term loans/financing	46,407,226	35,085,727	30,799,971	30,894,781
Bills receivable	1,548,143	228,661	139,836	228,661
Trust receipts	1,053,321	795,516	755,977	771,629
Claims on customers under acceptance credits	4,508,270	5,650,525	4,324,407	5,493,816
Staff loans	420,350	442,311	418,810	441,375
Credit card receivables	2,752,532	2,663,733	2,717,294	2,660,753
Share margin financing	285,606	172,954	267,278	172,954
Revolving credits	10,955,468	7,619,761	9,005,377	6,429,039
	131,023,333	105,463,455	93,627,096	91,202,040
Less: Unearned interest	(12,601,288)	(4,717,873)	(1,480,047)	(1,870,394)
	118,422,045	100,745,582	92,147,049	89,331,646
Less: Islamic financing sold to Cagamas	-	(294,946)	-	-
Gross loans, advances and financing	118,422,045	100,450,636	92,147,049	89,331,646
Fair value changes arising from fair value hedges	92,666	177,618	45,519	177,618
	118,514,711	100,628,254	92,192,568	89,509,264
Less: Specific allowance	(4,321,241)	(3,334,610)	(3,318,710)	(3,140,552)
	114,193,470	97,293,644	88,873,858	86,368,712
Less: General allowance	(1,790,187)	(1,606,498)	(1,443,939)	(1,446,535)
Total net loans, advances and financing	112,403,283	95,687,146	87,429,919	84,922,177

(a) Included in the Bank's loans, advances and financing balances are RM2,091,698,000 (2008: RM2,061,944,000) of net loans relating to that of a jointly controlled entity, PCSB. The revenue and risks of these accounts are shared equally between the Bank and the joint venture partner, Proton Edar Sdn Bhd, pursuant to the terms of a Joint Venture Agreement

(b) Included in other term loans is RM7,562,299,726 (2008: RM3,021,205,464) provided on normal commercial terms which is exempted from general allowance by Bank Negara Malaysia.

EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

(c) During the financial year, the Group and the Bank has undertaken fair value hedge on the interest rate risk of RM6,218,179,000 (2008: RM2 billion) and RM4,868,179,000 (2008: RM2 billion) loans respectively using interest rate swaps.

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Gross loan hedged	6,218,179	2,000,000	4,868,179	2,000,000
Fair value changes arising from fair value hedges	92,666	177,618	45,519	177,618
	6,310,845	2,177,618	4,913,698	2,177,618

The fair values of interest rate swaps of the Group and the Bank as at 30 September 2009 were RM(162,336,000)(2008: RM202,404,724) and RM(100,150,000) (2008: RM202,404,724) respectively.

(d) As part of an arrangement with CIMB Islamic in relation to the RPSIA, the Bank records as deposits and placements with banks and other financial institutions, its exposure in the arrangement, whereas CIMB Islamic records its exposure as loans, advances and financing. The RPSIA arrangement exposes the Bank to the risks and rewards on the financing and accordingly, the Bank accounts for all the general allowance and specific allowances for bad and doubtful financing arising from the RPSIA financing.

As at 30 September 2009, the gross exposure and general allowance relating to RPSIA financing are RM2,171 million (2008: RM1,893 million) and RM37 million (2008: RM32 million) respectively.

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
(ii) By type of customers				
Domestic banking institutions	125,927	149,356	-	-
Domestic non-bank financial institutions				
- Others	3,270,395	2,994,551	3,255,461	2,991,427
Domestic business enterprises				
- Small medium enterprises	12,234,962	12,576,067	10,963,077	11,947,385
- Others	28,253,764	25,258,358	20,172,753	22,371,585
Government and statutory bodies	7,670,585	3,098,571	6,138,092	3,086,979
Individuals	55,886,542	47,590,813	45,987,884	44,660,572
Other domestic entities	4,365,250	3,375,151	242,449	74,614
Foreign entities	6,614,620	5,702,715	5,387,333	4,199,084
	118,422,045	100,745,582	92,147,049	89,331,646
Less: Islamic financing sold to Cagamas	-	(294,946)	-	-
Gross loans, advances and financing	118,422,045	100,450,636	92,147,049	89,331,646

EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
(iii) By interest/profit rate sensitivity				
Fixed rate				
- Housing loans/ financing	5,624,941	5,048,818	4,434,456	4,704,226
- Hire purchase receivables	11,768,432	11,421,719	8,146,961	9,605,869
- Other fixed rate loans	18,084,870	12,272,399	14,993,168	10,743,192
Variable rate				
- BLR plus	43,809,580	41,327,282	42,208,079	40,913,189
- Cost-plus	22,961,593	22,154,552	17,475,305	19,500,583
- Other variable rates	16,172,629	8,520,812	4,889,080	3,864,587
	118,422,045	100,745,582	92,147,049	89,331,646
Less: Islamic financing sold to Cagamas	-	(294,946)	-	-
Gross loans, advances and financing	118,422,045	100,450,636	92,147,049	89,331,646
(iv) By economic purposes				
Personal use	4,426,764	2,953,083	2,108,199	2,433,123
Credit cards	2,752,975	2,663,733	2,717,293	2,660,753
Purchase of consumer durables	12,681	19,111	12,681	17,486
Construction	3,720,731	2,759,028	2,404,927	2,417,509
Residential property (housing)	29,736,069	24,657,226	26,127,358	23,876,489
Non-residential property	9,594,449	8,593,380	8,651,757	7,904,813
Purchase of fixed assets other than land & buildings	1,275,608	797,611	320,959	347,299
Mergers and acquisitions	1,838,736	1,563,682	1,838,736	1,500,984
Purchase of securities	7,721,027	11,828,362	6,782,798	8,734,648
Purchase of transport vehicles	11,753,191	11,566,071	8,277,908	9,735,385
Working capital	31,881,375	27,194,826	24,230,646	24,375,948
Other purposes	13,708,439	6,149,469	8,673,787	5,327,209
	118,422,045	100,745,582	92,147,049	89,331,646
Less: Islamic financing sold to Cagamas	-	(294,946)	-	-
Gross loans, advances and financing	118,422,045	100,450,636	92,147,049	89,331,646

EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
(v) Non-performing loans by economic purposes				
Personal use	307,044	246,826	230,331	224,972
Credit cards	60,493	70,400	59,249	70,400
Purchase of consumer durables	858	950	858	950
Construction	517,514	329,641	325,408	309,509
Residential property (housing)	1,601,543	1,585,234	1,485,001	1,529,613
Non-residential property	415,447	438,087	406,866	422,317
Purchase of fixed assets other than land & buildings	65,400	66,745	15,782	14,830
Purchase of securities	67,098	69,980	42,931	45,119
Purchase of transport vehicles	349,065	354,539	276,835	314,476
Working capital	2,887,689	2,193,798	2,220,958	2,095,621
Other purposes	856,961	117,578	219,319	116,001
	7,129,112	5,473,778	5,283,538	5,143,808

(vi) Movement in non-performing loans, advances and financing (NPL) are as follows :-

Balance as at 1 January	5,473,778	6,753,711	5,143,808	6,370,443
NPL during the period/year (gross)	2,931,670	3,349,374	2,269,283	3,124,107
Performing during the period/year	(1,401,081)	(2,532,285)	(1,216,407)	(2,395,585)
Amount recovered	(645,809)	(1,051,314)	(549,256)	(1,016,722)
Amount written off	(638,780)	(660,640)	(357,799)	(604,045)
Non-performing loans arising from acquisition of a subs	1,410,196	-	-	-
Non-performing loans purchased from 3rd party	3,886	-	-	-
Sale of non-performing loans	-	(385,389)	-	(380,698)
Amount transferred from subsidiaries	-	-	-	46,704
Exchange fluctuation	(4,748)	321	(6,091)	(396)
Balance as at 30 September/31 December	7,129,112	5,473,778	5,283,538	5,143,808
Net non-performing loans, advances and financing [^]	2,997,738	2,337,955	2,144,430	2,201,984
Ratio of net non-performing loans, advances and financing to total loans, advances and financing (including Islamic financing sold to Cagamas) less specific allowance [^]	2.62%	2.40%	2.41%	2.55%

[^] Excludes specific allowances on performing loans amounting to RM189,867,000 (2008: RM198,787,000) for the Group and RM179,602,000 (2008: RM198,728,000) for the Bank.

EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

(vii) Movements in allowance for bad and doubtful debts are as follows :

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Specific allowance				
Balance as at 1 January	3,334,610	3,300,748	3,140,552	3,194,131
Allowance made during the financial period/year	1,135,494	1,508,387	848,602	1,364,169
Allowance made and charged to deferred assets	(2,351)	878	(2,351)	878
Amount transferred from general provision	7,582	-	-	-
Amount written back in respect of recoveries	(336,532)	(718,893)	(306,075)	(608,735)
Amount written off	(634,779)	(497,943)	(357,788)	(591,362)
Allowance for/(write back of) loans in relation to jointly controlled entity	(905)	(4,329)	(905)	(4,329)
Allowance arising from acquisition of a subsidiary company	818,189	-	-	-
Allowance for non-performing loans purchased from 3rd party	3,469	-	-	-
Amount written back from NPL sale	-	(61,099)	-	(60,416)
Sale of non-performing loans	-	(194,711)	-	(189,943)
Amount transferred from I-Prestige Sdn Bhd	-	-	-	35,589
Exchange fluctuation	(3,536)	1,572	(3,325)	570
Balance as at 30 September/31 December	4,321,241	3,334,610	3,318,710	3,140,552
General allowance				
Balance as at 1 January	1,606,498	1,377,254	1,446,535	1,233,088
Net provisions/(write back) for the period/year	66,838	229,830	(4,252)	217,803
Amount transferred to specific provision	(7,582)	-	-	-
Allowance arising from acquisition of a subsidiary company	123,554	-	-	-
Allowance for non-performing loans purchased from 3rd party	(32)	-	-	-
Exchange fluctuation	911	(586)	1,656	(4,356)
Balance as at 30 September/31 December	1,790,187	1,606,498	1,443,939	1,446,535
(General allowance excluding allowance on RPSIA financing as % of gross loans, advances and financing including Islamic financing sold to Cagamas, less loans exempted from general allowance by BNM and specific allowance)	1.68%	1.70%	1.70%	1.70%

A11. OTHER ASSETS

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Interest receivable	268,885	176,628	244,389	178,047
Deferred assets	205,052	216,292	205,052	216,292
Foreclosed properties	273,588	27,495	25,154	27,495
Due from brokers and clients	63,515	-	-	-
Option financing net of allowance for impairment	195,000	301,995	195,000	301,995
Credit Support Annex for derivative transactions	314,119	464,823	314,119	464,823
Amounts receivable from sale of non-performing loans	142,274	165,871	142,274	165,871
Other debtors, deposits and prepayments	989,953	742,467	619,991	578,713
	2,452,386	2,095,571	1,745,979	1,933,236

EXPLANATORY NOTES (CONTINUED)

A12. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
(i) By type of deposit				
Demand deposits	26,423,002	26,043,404	24,500,190	23,743,569
Savings deposits	12,101,257	9,264,470	9,067,051	8,869,939
Fixed deposits	66,448,996	57,958,370	49,740,118	47,726,542
Negotiable instruments of deposit	1,783,999	2,344,348	5,539,818	1,230,050
Others	30,826,235	25,480,383	22,033,074	19,000,159
	137,583,489	121,090,975	110,880,251	100,570,259
(ii) By type of customer				
Government and statutory bodies	13,515,979	10,209,884	9,314,764	6,930,030
Business enterprises	63,456,986	62,985,795	47,488,072	48,239,319
Individuals	42,400,304	32,389,188	32,187,687	30,243,479
Others	18,210,220	15,506,108	21,889,728	15,157,431
	137,583,489	121,090,975	110,880,251	100,570,259

A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Licensed banks	11,171,502	8,687,785	9,264,995	11,157,961
Licensed finance companies	146,093	14,140	97,229	14,140
Licensed investment banks	3,353,025	2,506,885	2,327,725	2,306,585
Bank Negara Malaysia	365,000	365,000	365,000	365,000
Other financial institutions	958,013	3,575,486	682,012	3,260,594
	15,993,633	15,149,296	12,736,961	17,104,280

A14. OTHER LIABILITIES

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Interest payable	469,064	544,351	445,695	557,552
Accrued employee benefits	-	9,822	-	9,822
Post employment benefit obligations	185,927	55,324	129,572	55,189
Due to brokers and clients	72,977	-	-	-
Sundry creditors	732,485	474,492	216,340	172,172
Expenditure payable	415,097	379,192	403,884	368,574
Amount due to special purpose vehicle of jointly controlled entity	336,571	405,403	336,571	405,403
Provision for legal claims	208,965	186,750	195,690	186,750
Provision for commitments and contingencies	33,632	-	-	-
Others	1,166,460	695,918	618,685	645,500
	3,621,178	2,751,252	2,346,437	2,400,962

EXPLANATORY NOTES (CONTINUED)

A15. INTEREST INCOME

	3rd Quarter Ended		Nine months ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Group				
Loans and advances				
- Interest income other than recoveries from NPLs	1,284,033	1,300,502	4,016,068	3,777,370
- Recoveries from NPLs	57,658	90,013	188,805	293,008
Money at call and deposit				
with financial institutions	80,290	196,333	214,776	690,529
Securities purchased under resale agreement	22,072	28,011	93,016	102,913
Securities held-for-trading	35,765	141,019	107,815	439,562
Securities available-for-sale	80,871	56,574	235,702	159,323
Securities held -to-maturity	152,881	34,708	466,048	88,026
Others	6	38	83	483
	<u>1,713,576</u>	<u>1,847,198</u>	<u>5,322,313</u>	<u>5,551,214</u>
Accretion of discount less amortisation of premium	31,281	39,966	102,206	90,038
Net interest suspended	(30,927)	(43,777)	(118,740)	(145,818)
	<u>1,713,930</u>	<u>1,843,387</u>	<u>5,305,779</u>	<u>5,495,434</u>
Bank				
Loans and advances				
- Interest income other than recoveries from NPLs	1,058,687	1,222,204	3,382,918	3,527,982
- Recoveries from NPLs	54,718	89,815	182,231	291,366
Money at call and deposit				
with financial institutions	104,817	225,893	284,380	713,878
Securities purchased under resale agreement	15,494	28,011	55,247	102,913
Securities held-for-trading	32,000	110,358	99,366	333,757
Securities available-for-sale	75,885	56,019	212,542	157,404
Securities held -to-maturity	107,183	34,661	310,693	87,143
Others	6	6	25	307
	<u>1,448,790</u>	<u>1,766,967</u>	<u>4,527,402</u>	<u>5,214,750</u>
Accretion of discount less amortisation of premium	25,988	40,158	77,199	103,177
Net interest suspended	(28,821)	(42,423)	(113,219)	(141,813)
	<u>1,445,957</u>	<u>1,764,702</u>	<u>4,491,382</u>	<u>5,176,114</u>

EXPLANATORY NOTES (CONTINUED)

A16. INTEREST EXPENSE

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2009 RM'000	30 Sept 2008 RM'000	30 Sept 2009 RM'000	30 Sept 2008 RM'000
Deposits and placements of banks and other financial institutions	24,932	67,850	92,194	295,793
Deposits from customers	496,732	690,555	1,636,207	1,992,168
Obligation on securities sold under repurchase agreements	-	4,456	39	9,026
Loans sold to Cagamas	5,104	14,250	22,566	48,205
Negotiable certificates of deposits	28,868	51,393	106,828	163,202
ICULS	1,370	12,609	26,177	37,416
Redeemable preference shares	11,035	22,799	33,105	68,120
Subordinated obligations	51,798	47,590	180,990	117,007
Other borrowings	133	-	627	-
Others	-	-	-	258
	619,972	911,502	2,098,733	2,731,195
Bank				
Deposits and placements of banks and other financial institutions	23,515	80,557	81,099	270,879
Deposits from customers	439,653	663,611	1,384,750	1,872,345
Obligation on securities sold under repurchase agreements	-	(88)	39	1,379
Loans sold to Cagamas	5,104	14,250	22,566	48,205
Negotiable certificates of deposits	28,775	51,393	106,546	163,202
ICULS	1,370	12,609	26,177	37,416
Redeemable preference shares	-	11,765	-	35,015
Subordinated obligations	51,937	58,626	188,842	150,112
	550,354	892,723	1,810,019	2,578,553

EXPLANATORY NOTES (CONTINUED)

A17. NON-INTEREST INCOME

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2009 RM'000	30 Sept 2008 RM'000	30 Sept 2009 RM'000	30 Sept 2008 RM'000
Fee income				
Commissions	34,401	42,909	104,576	124,311
Fee on loans and advances	94,652	72,266	230,862	225,341
Service charges and fees	49,185	50,858	157,193	116,125
Guarantee fees	16,027	12,806	44,246	39,306
Other fee income	60,720	56,668	203,526	171,011
	254,985	235,507	740,403	676,094
Gross dividend income from:				
Securities held-for-trading	5,463	6,232	13,737	25,667
Available-for-sale securities	14,252	9,473	21,964	20,059
Held-to-maturity securities	-	34	-	42
	19,715	15,739	35,701	45,768
Net gain/(loss) arising from securities held-for-trading:				
- realised gain/(loss)	29,337	(75,639)	101,673	13,124
- unrealised gain/(loss)	34,258	183,227	89,854	(224,964)
	63,595	107,588	191,527	(211,840)
Net (loss)/gain arising from derivative financial instrument				
- realised gain	131,070	270,963	454,059	682,330
- unrealised loss	(150,573)	(679,004)	(251,334)	(307,994)
	(19,503)	(408,041)	202,725	374,336
Net (loss)/gain arising from hedging derivatives	(8,971)	27,157	(13,042)	26,173
Net gain from sale of securities available-for-sale	35,608	58,814	110,573	101,610
Net gain from maturity of held to maturity securities	19,848	-	19,069	4,012
Brokerage income	4,852	-	10,408	-
Other non-interest income				
Foreign exchange gain	59,248	109,285	197,646	43,412
Rental income	4,371	4,467	14,079	12,844
Gain on disposal of property, plant and equipment	8,026	724	6,786	2,950
Loss on disposal of foreclosed properties	(8,644)	-	(6,567)	-
Gain on disposal of certain assets and liabilities of subsidiary	-	-	30,000	-
Net gain or loss from insurance business	6,254	-	10,530	-
Gain on disposal of subsidiary	-	-	-	17,816
Gain on disposal of associate	-	2,837	-	2,837
Others	23,991	4,034	47,091	45,400
	93,246	121,347	299,565	125,259
	463,375	158,111	1,596,929	1,141,412

EXPLANATORY NOTES (CONTINUED)

A17. NON-INTEREST INCOME (CONTINUED)

Bank	3rd Quarter Ended		Nine months ended	
	30 Sept 2009 RM'000	30 Sept 2008 RM'000	30 Sept 2009 RM'000	30 Sept 2008 RM'000
Fee income				
Commissions	33,986	40,520	101,759	115,096
Fee on loans and advances	94,194	72,132	229,548	223,812
Service charges and fees	35,845	45,383	120,367	101,724
Guarantee fees	12,142	11,433	35,331	36,858
Other fee income	50,795	55,595	153,638	170,316
	226,962	225,063	640,643	647,806
Gross dividend income from:				
Securities held-for-trading	5,409	6,282	13,658	25,717
Available-for-sale securities	5,525	7,194	6,466	17,902
Subsidiaries	-	-	64,341	(15)
	10,934	13,476	84,465	43,604
Net gain/(loss) arising from securities held-for-trading				
- realised gain/(loss)	24,230	(63,213)	94,777	35,454
- unrealised gain/(loss)	25,165	232,022	59,987	(136,647)
	49,395	168,809	154,764	(101,193)
Net (loss)/gain arising from derivative financial instrument				
- realised gain	152,240	264,480	474,989	574,287
- unrealised loss	(119,288)	(667,402)	(246,728)	(214,507)
	32,952	(402,922)	228,261	359,780
Net (loss)/gain arising from hedging derivatives	(2,696)	27,157	(5,620)	26,173
Net gain from sale of securities available-for-sale	21,026	58,786	44,305	98,601
Net gain from maturity of held to maturity securities	2,769	-	2,698	4,012
Other non-interest income				
Foreign exchange gain	33,973	112,037	160,301	47,852
Rental income	2,837	2,648	8,146	7,944
Gain on disposal of property, plant and equipment	29	589	5,232	1,712
Gain on disposal of interest in subsidiary	-	100	-	24,455
Loss on capital repayment of subsidiary	-	-	-	248,700
Other non operating income	19,382	9,464	34,352	41,743
	56,221	124,838	208,031	372,406
	397,563	215,207	1,357,547	1,451,189

EXPLANATORY NOTES (CONTINUED)

A18. OVERHEADS

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2009 RM'000	30 Sept 2008 RM'000	30 Sept 2009 RM'000	30 Sept 2008 RM'000
Personnel costs				
- Salaries, allowances and bonuses	336,869	187,899	979,785	689,553
- Pension costs (defined contribution plan)	33,437	28,171	97,906	84,233
- Pension costs (defined benefit plan)	18,256	18,200	38,643	(2,845)
- Overtime	4,915	7,601	15,042	25,991
- Staff incentives and other staff payments	21,508	23,247	67,222	62,774
- Medical expenses	12,218	8,343	33,491	24,539
- Others	30,159	39,553	88,432	99,333
	457,362	313,014	1,320,521	983,578
Establishment costs				
- Depreciation of property, plant and equipment	47,244	35,245	138,141	97,201
- Amortisation of prepaid lease payments	1,099	310	3,088	808
- Rental	46,076	28,693	122,680	77,730
- Insurance	22,378	4,029	58,008	11,331
- Repair and maintenance	39,501	24,921	117,143	108,715
- Outsourced services	40,247	18,466	116,275	73,421
- Security expenses	19,096	12,105	53,889	35,900
- Others	30,690	15,905	88,616	70,226
	246,331	139,674	697,840	475,332
Marketing expenses				
- Sales commission	12,003	7,209	32,360	20,125
- Advertisement	40,190	34,192	102,813	82,167
- Legal fees	12,170	5,765	32,883	17,033
- Others	3,054	2,925	9,632	14,398
	67,417	50,091	177,688	133,723
Administration and general expenses				
- Communication	10,990	9,745	30,524	34,313
- Consultancy and professional fees	7,527	9,345	33,490	21,288
- Legal expenses	8,876	13,971	32,842	39,187
- Stationery	9,447	15,755	32,580	42,233
- Merchant expenses	24,301	22,997	69,429	64,413
- Amortisation of intangible assets	32,968	28,567	89,086	81,457
- Postages	6,808	5,457	19,767	19,927
- Administrative travelling and vehicle expenses	6,259	5,049	17,150	15,096
- Incidental expenses on banking operations	5,179	18,412	50,124	57,119
- Others	35,574	(6,057)	126,375	32,500
	147,929	123,241	501,367	407,533
	919,039	626,020	2,697,416	2,000,166

EXPLANATORY NOTES (CONTINUED)

A18. OVERHEADS (CONTINUED)

	3rd Quarter Ended		Nine months ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Bank				
Personnel costs				
- Salaries, allowances and bonuses	260,504	166,473	774,548	623,735
- Pension costs (defined contribution plan)	29,064	25,394	85,543	76,374
- Pension costs (defined benefit plan)	16,111	18,198	32,387	(2,906)
- Overtime	3,265	5,781	9,893	21,304
- Staff incentives and other staff payments	14,612	20,151	49,715	56,507
- Medical expenses	11,030	7,903	29,950	22,931
- Others	12,358	32,324	38,708	73,874
	346,944	276,224	1,020,744	871,819
Establishment costs				
- Depreciation of property, plant and equipment	33,817	28,921	104,013	83,619
- Amortisation of prepaid lease payments	229	288	686	750
- Rental	34,245	28,644	91,313	78,710
- Insurance	4,003	3,639	8,034	10,134
- Repair and maintenance	33,780	24,061	102,167	103,898
- Outsourced services	67,621	48,870	194,945	164,721
- Security expenses	20,502	15,523	59,026	46,166
- Others	16,070	3,132	48,603	51,254
	210,267	153,078	608,787	539,252
Marketing expenses				
- Sales commission	906	4,768	2,391	15,470
- Advertisement	35,903	32,226	90,926	74,692
- Legal fees	12,170	5,765	32,883	17,033
- Others	1,175	1,645	3,893	10,242
	50,154	44,404	130,093	117,437
Administration and general expenses				
- Communication	8,946	9,181	24,888	32,444
- Consultancy and professional fees	6,006	9,051	28,230	20,124
- Legal expenses	7,566	13,813	28,367	38,550
- Stationery	6,842	14,596	25,172	39,335
- Merchant expenses	24,220	22,997	69,348	64,413
- Amortisation of intangible assets	28,819	26,796	77,511	77,256
- Postages	4,753	4,194	14,844	15,602
- Administrative travelling and vehicle expenses	4,194	4,992	12,054	14,951
- Incidental expenses on banking operations	16,240	17,949	49,870	55,820
- Others	8,793	2,598	59,426	24,636
	116,379	126,167	389,710	383,131
	723,744	599,873	2,149,334	1,911,639

EXPLANATORY NOTES (CONTINUED)

A19. ALLOWANCES FOR LOSSES ON LOANS, ADVANCES AND FINANCING

	3rd Quarter Ended		Nine months ended	
	30 Sept 2009 RM'000	30 Sept 2008 RM'000	30 Sept 2009 RM'000	30 Sept 2008 RM'000
Group				
Allowance for bad and doubtful debts and financing :				
Specific allowance				
- Made in the financial period	383,944	343,817	1,135,494	1,065,595
- Written back in the financial period	(129,961)	(167,533)	(336,532)	(578,342)
General allowance				
- Made in the financial period	50,088	52,340	66,838	179,385
Bad debts :				
- Recovered	(99,771)	(93,085)	(268,231)	(224,853)
- Written off	408	543	1,969	1,155
	<u>204,708</u>	<u>136,082</u>	<u>599,538</u>	<u>442,940</u>
Bank				
Allowance for bad and doubtful debts and financing :				
Specific allowance				
- Made in the financial period	294,620	318,015	848,602	990,506
- Written back in the financial period	(113,887)	(138,791)	(306,075)	(496,057)
General allowance				
- Made/(written back) in the financial period	24,212	32,627	(4,252)	154,558
Bad debts :				
- Recovered	(71,541)	(88,499)	(214,418)	(215,082)
- Written off	135	407	498	852
	<u>133,539</u>	<u>123,759</u>	<u>324,355</u>	<u>434,777</u>

In respect of loans, advances and financing of the Bank which are in default for more than 7 years, no value is assigned to the realisable value of collateral held. For loans, advances and financing which are in default for more than 5 and up to 7 years, the realisable value of the collateral held is discounted by 50%. The additional specific allowance made during the period by the Group and the Bank for these categories of non-performing loans is RM80,738,203 and RM78,940,846 respectively (2008: RM149,606,986 and RM137,665,534 respectively).

EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES

The following tables summarise the contractual the underlying principal amounts of derivative financial instruments held at fair value through the income statement. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at balance sheet date, and do not represent amounts at risk.

Tading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative financial instruments" Assets and Liabilities respectively.

(i) Derivative financial instruments

Derivatives at fair value through income statement At 30 September 2009	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Foreign exchange derivatives</u>						
Currency forward	12,126,673	95,574	(155,505)	9,249,160	83,330	(137,429)
Currency swaps	30,621,591	299,123	(227,650)	28,528,631	244,211	(214,092)
Currency option	2,059,733	9,293	(6,239)	2,059,733	9,293	(6,239)
Cross currency interest rate swaps	15,354,502	460,442	(321,622)	15,465,117	469,296	(337,866)
	60,162,499	864,432	(711,016)	55,302,641	806,130	(695,626)
<u>Interest rate derivatives</u>						
Interest rate swaps	145,701,683	2,190,271	(1,845,887)	131,605,998	2,042,525	(1,816,866)
Interest rate futures	19,813,469	36,647	(30,170)	19,813,469	36,647	(30,170)
Interest rate options	2,525,000	8,309	(5,241)	2,525,000	8,309	(5,241)
	168,040,152	2,235,227	(1,881,298)	153,944,467	2,087,481	(1,852,277)
<u>Equity related derivatives</u>						
Equity options	17,543,809	499,855	(759,492)	14,315,791	388,118	(647,755)
Commodity options	826,587	152,866	(151,902)	826,587	152,866	(151,902)
Equity futures	25,877	1,961	(100)	19,115	1,961	(24)
	18,396,273	654,682	(911,494)	15,161,493	542,945	(799,681)
<u>Credit related contract</u>						
Credit default swaps	425,030	1,479	(130)	425,030	1,479	(130)
<u>Held for hedging purpose</u>						
Interest rate swaps	9,454,414	176,645	(223,614)	10,804,414	238,830	(223,614)
Total derivatives assets/(liabilities)	256,478,368	3,932,465	(3,727,552)	235,638,045	3,676,865	(3,571,328)

Derivatives at fair value through income statement At 31 December 2008	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Foreign exchange derivatives</u>						
Currency forward	8,292,585	113,488	(79,987)	7,640,459	113,382	(79,987)
Currency swaps	16,222,368	229,311	(245,874)	16,202,368	229,311	(242,394)
Currency option	1,881,221	56,429	(50,018)	1,881,221	56,429	(50,018)
Cross currency interest rate swaps	12,786,403	388,497	(396,894)	12,859,158	388,497	(406,933)
	39,182,577	787,725	(772,773)	38,583,206	787,619	(779,332)
<u>Interest rate derivatives</u>						
Interest rate swaps	156,927,418	3,045,560	(2,622,839)	154,185,276	2,878,665	(2,630,138)
Interest rate futures	28,174,595	82,820	(45,444)	28,174,595	82,820	(45,444)
Interest rate options	3,630,000	14,954	(13,512)	3,630,000	14,954	(13,512)
	188,732,013	3,143,334	(2,681,795)	185,989,871	2,976,439	(2,689,094)
<u>Equity related derivatives</u>						
Equity options	15,383,947	194,711	(201,303)	11,637,270	152,183	(158,768)
Commodity options	971,404	986,367	(982,056)	971,404	986,367	(982,056)
Equity futures	13,009	1	(420)	13,009	1	(420)
	16,368,360	1,181,079	(1,183,779)	12,621,683	1,138,551	(1,141,244)
<u>Credit related contract</u>						
Credit default swaps	580,817	4,207	(6,117)	580,817	4,207	(6,117)
<u>Held for hedging purpose</u>						
Interest rate swaps	4,736,722	219,190	(204,570)	4,736,722	219,190	(204,570)
Total derivatives assets/(liabilities)	249,600,489	5,335,535	(4,849,034)	242,512,299	5,126,006	(4,820,357)

EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (Continued)

(ii) Commitments and contingencies

The Group	30-Sep-09			31-Dec-08		
	Principal RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000	Principal RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000
<u>Credit-related</u>						
Direct credit substitutes	1,696,147	1,664,894	1,152,708	1,840,720	1,809,540	1,231,300
Transaction-related contingent items	4,712,728	2,356,364	1,876,244	4,379,188	2,189,594	1,710,147
Short-term self-liquidating trade-related contingencies	3,104,565	602,929	467,588	3,700,924	737,396	511,436
Islamic Financing sold directly and indirectly to Cagamas with recourse	-	-	-	294,946	294,946	294,946
Obligations under underwriting agreement	57,500	28,750	28,750	65,000	32,500	32,500
Irrevocable commitments to extend credit :						
- maturity not exceeding one year	36,855,343	719,265	670,382	35,316,004	-	-
- maturity exceeding one year	7,506,834	355,036	347,206	8,751,965	4,375,983	3,721,781
Forward asset purchase	478,870	47	31	104,052	14	10
Miscellaneous commitments and contingencies	6,263,192 #	1,067,880	242,456	4,722,384 #	320,398	65,012
Total credit-related commitments and contingencies	60,675,179	6,795,165	4,785,365	59,175,183	9,760,371	7,567,132
<u>Treasury-related</u>						
Foreign exchange related contracts :						
- less than one year	52,532,336	486,897	127,649	35,372,264	308,096	111,756
- one year to less than 5 years	6,388,314	1,432,771	462,228	1,769,837	867,286	211,566
- five years and above	1,241,849	560,137	192,039	2,040,476	733,002	283,815
	60,162,499	2,479,805	781,916	39,182,577	1,908,384	607,137
Interest rate related contracts :						
- less than one year	92,605,275	78,156	16,174	114,353,287	13,008	2,623
- one year to less than 5 years	71,150,526	1,880,591	482,271	71,481,378	2,162,265	499,791
- five years and above	13,738,765	2,230,570	470,356	7,634,070	2,059,072	442,869
	177,494,566	4,189,317	968,801	193,468,735	4,234,345	945,283
Equity related contracts						
- less than one year	8,825,200	110,676	32,306	5,602,078	116,973	25,687
- one year to less than five years	8,164,468	332,400	92,453	9,737,250	596,904	177,659
- five years and above	580,018	38,849	7,770	57,628	4,365	873
	17,569,686	481,925	132,529	15,396,956	718,242	204,219
Total treasury-related commitments and contingencies	255,226,751	7,151,047	1,883,246	248,048,268	6,860,971	1,756,639
	315,901,930	13,946,212	6,668,611	307,223,451	16,621,342	9,323,771

EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (Continued)

(ii) Commitments and contingencies

The Bank	30-Sep-09			31-Dec-08		
	Principal RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000	Principal RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000
<u>Credit-related</u>						
Direct credit substitutes	1,390,248	1,390,248	885,348	1,538,499	1,538,499	960,259
Transaction-related contingent items	3,734,619	1,867,310	1,408,104	3,827,518	1,913,759	1,511,102
Short-term self-liquidating trade-related contingencies	2,758,333	551,667	419,778	3,388,686	677,737	478,249
Obligations under underwriting agreement	57,500	28,750	28,750	15,000	7,500	7,500
Irrevocable commitments to extend credit :						
- maturity not exceeding one year	31,016,470	-	-	32,082,352	-	-
- maturity exceeding one year	4,153,632	120,509	117,543	7,491,232	3,745,616	3,307,623
Forward assets purchase	253,160	47	31	99,052	14	10
Miscellaneous commitments and contingencies	5,052,828 #	631,635	238,962	6,228,040 #	567,869	312,482
Total credit-related commitments and contingencies	48,416,790	4,590,166	3,098,516	54,670,379	8,450,994	6,577,225
<u>Treasury-related</u>						
Foreign exchange related contracts :						
- less than one year	49,695,703	477,145	125,663	34,720,138	295,712	108,225
- one year to less than 5 years	4,365,089	1,426,829	459,134	1,842,592	873,708	212,851
- five years and above	1,241,849	560,137	192,039	2,020,476	729,052	282,290
	55,302,641	2,464,111	776,836	38,583,206	1,898,472	603,366
Interest rate related contracts :						
- less than one year	89,774,790	78,164	16,175	114,398,325	13,016	2,625
- one year to less than 5 years	63,954,017	1,836,432	473,211	68,562,547	2,040,193	475,377
- five years and above	11,020,074	2,352,706	494,784	7,765,721	2,062,033	443,461
	164,748,881	4,267,302	984,170	190,726,593	4,115,242	921,463
Equity related contracts						
- less than one year	7,026,929	93,488	28,868	3,425,246	78,016	17,896
- one year to less than five years	6,939,134	234,395	72,852	8,196,303	390,608	136,400
- five years and above	368,843	28,606	5,721	28,730	2,881	576
	14,334,906	356,489	107,441	11,650,279	471,505	154,872
Total treasury-related commitments and contingencies	234,386,428	7,087,902	1,868,447	240,960,078	6,485,219	1,679,701
	282,803,218	11,678,068	4,966,963	295,630,457	14,936,213	8,256,926

* Other than the credit equivalent of RM1,750,704,000 (2008: RMNil) arising from a subsidiary, CIMB Thai Public Company Limited (formerly known as BankThai Public Company Limited), which is computed based on Bank of Thailand requirements, the credit equivalent amount is arrived at using the credit conversion factors as per Bank Negara Malaysia guidelines. Effective 1 October 2008, the following approaches have been adopted for the computation of the credit equivalent and risk weighted assets:

- adoption of bilateral netting as provided under the Standardised Approach Framework which involves the weighting of net claims rather than gross claims with the same counterparties arising out of the full range of forwards, swaps, options and similar derivative contracts.
- irrevocable commitments to extend credit (undrawn loans) have been revised to include only those undrawn loans whereby all conditions precedent have been met.

Included in miscellaneous commitment and contingencies is a commitment by the Bank to place an additional RM2,518 million (2008: RM1,507 million) with CIMB Islamic in relation to the RPSIA arrangement.

EXPLANATORY NOTES (CONTINUED)

A21. CAPITAL ADEQUACY

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

	Bank *	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Tier I capital	14,122,510	11,512,347
Eligible Tier II capital	3,069,070	4,752,839
	<u>17,191,580</u>	<u>16,265,186</u>
Less : Investment in subsidiary companies and holding of other banking institutions' capital	(2,565,730)	(1,376,978)
Capital base	<u>14,625,850</u>	<u>14,888,208</u>
Core capital ratio	13.48%	10.75%
Risk-weighted capital ratio	13.96%	13.90%

(b) Components of Tier I and Tier II capitals are as follows :

	Bank *	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000
<u>Tier 1 capital</u>		
Paid-up share capital	3,764,466	2,974,009
Perpetual preference shares	200,000	200,000
Non-innovative Tier-I capital	1,000,000	1,000,000
Innovative Tier-1 Capital	1,694,500	1,692,900
Other reserves	11,306,009	9,468,506
Total Tier-1 Capital	<u>17,964,975</u>	<u>15,335,415</u>
Less : Deferred tax assets	(287,390)	(263,993)
Goodwill	(3,555,075)	(3,559,075)
Total Tier-1 Capital	<u>14,122,510</u>	<u>11,512,347</u>
<u>Tier 11 capital</u>		
ICULS issued	-	667,000
Subordinated Notes	1,500,000	2,539,350
Redeemable preference shares	29,740	29,740
General allowance for bad & doubtful debts	1,539,330	1,516,749
Total Tier 11 capital	<u>3,069,070</u>	<u>4,752,839</u>
Less:		
(i) Investment in subsidiaries	(2,285,418)	(717,021)
(ii) Investment in joint venture [^]	(72,608)	(51,564)
(iii) Investment in associate	(194,852)	(595,814)
(iv) Holding of other banking institutions' capital	(12,852)	(12,579)
	<u>14,625,850</u>	<u>14,888,208</u>

Breakdown of risk-weighted assets in the various categories of risk-weights:

	The Bank 2009		The Bank 2008	
	Principal RM'000	Risk-weighted RM'000	Principal RM'000	Risk-weighted RM'000
0%	23,903,418	-	23,692,884	-
10%	27,828	2,783	147,282	14,728
20%	20,972,380	4,194,476	22,637,137	4,527,427
50%	22,586,601	11,293,301	24,013,412	12,006,706
100%#	83,284,740	83,284,740	85,765,298	85,765,298
Total risk-weighted assets for credit risks	<u>150,774,967</u>	<u>98,775,300</u>	<u>156,256,013</u>	<u>102,314,160</u>
Risk-weighted assets for market risk requirements	5,783,144	5,783,144	4,629,925	4,629,925
	196,983	196,983	196,983	196,983
Total risk-weighted assets	<u>156,755,094</u>	<u>104,755,427</u>	<u>161,082,921</u>	<u>107,141,068</u>

* Includes the operations of CIMB Bank (L) Limited and CIMB (L) Limited.

[^] In accordance with a circular by Bank Negara Malaysia ("BNM") dated 25 April 2006, the Bank is required to deduct 50% of its investment in its jointly controlled entity, PCSB, from the capital base for purposes of computing the capital adequacy ratio.

In accordance with BNM guidelines on the Recognition and Measurement of Profit Sharing Investment Account as Risk Absorbent ("PSIA Guidelines"), the credit and market risks on the assets funded by the PSIA are included in the risk weighted capital ("RWCR") calculation, where a 100% risk weight is assigned.

The capital adequacy ratios have incorporated market risk pursuant to BNM's guideline on Market Risk Capital Adequacy Framework which is effective from 1 April 2005.

EXPLANATORY NOTES (CONTINUED)

A22. INTEREST/PROFIT RATE RISK

Group	Non-trading book							Non-interest bearing RM'000	Trading book RM'000	Total RM'000	Effective interest rate (RM) %	Effective interest rate (USD) %
	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 5 years	Over 5 years						
As at 30 September 2009	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	13,984,232	-	-	-	-	-	2,386,993	-	-	16,371,225	1.84	0.42
Securities purchased under resale agreement	3,751,325	201,297	-	-	-	-	-	-	-	3,952,622	2.04	0.08
Deposit and placement with banks and other financial institutions	-	5,471,892	1,489,938	138,200	162,706	119,926	56,773	-	-	7,439,435	2.01	0.63
Securities held-for-trading	-	-	-	-	-	-	-	10,250,782	-	10,250,782	2.62	3.66
Available-for-sale securities	127,466	96,681	333,173	394,175	2,985,300	3,405,448	1,016,926	-	-	8,359,169	5.02	2.00
Held-to-maturity securities	87,870	776,589	1,198,740	107,298	4,879,592	5,899,357	271,041	-	-	13,220,487	5.61	5.58
Derivative financial instruments	3,936	-	765	11,574	66,517	159,611	120,434	3,569,628	-	3,932,465	-	-
Loans, advances and financing												
- performing	51,514,429	4,688,686	2,641,869	1,752,461	23,828,255	26,952,559	7,340	-	-	111,385,599	4.93	3.09
- non-performing ^	-	-	-	-	-	-	1,017,684	-	-	1,017,684	-	-
Other assets	-	85,000	-	110,000	-	-	2,257,386	-	-	2,452,386	4.39	-
Deferred taxation	-	-	-	-	-	-	353,525	-	-	353,525	-	-
Tax recoverable	-	-	-	-	-	-	1,026	-	-	1,026	-	-
Statutory deposits with central banks	-	-	-	-	-	-	832,338	-	-	832,338	-	-
Investment in jointly controlled entity	-	-	-	-	-	-	134,444	-	-	134,444	-	-
Investment in associate	-	-	-	-	-	-	210,520	-	-	210,520	-	-
Amount due from holding company and ultimate holding company	-	-	-	-	-	-	22,912	-	-	22,912	-	-
Amount due from related companies	-	-	-	-	-	-	82,347	-	-	82,347	-	-
Goodwill	-	-	-	-	-	-	4,830,552	-	-	4,830,552	-	-
Intangible assets	-	-	-	-	-	-	456,591	-	-	456,591	-	-
Prepaid land lease payments	-	-	-	-	-	-	51,680	-	-	51,680	-	-
Property, plant and equipment	-	-	-	-	-	-	1,200,667	-	-	1,200,667	-	-
Investment properties	-	-	-	-	-	-	101,277	-	-	101,277	-	-
Non-current assets/disposal groups held for sale	-	-	-	-	-	-	27,184	-	-	27,184	-	-
Total assets	69,469,258	11,320,145	5,664,485	2,513,708	31,922,370	36,536,901	15,439,640	13,820,410	186,686,917			
Liabilities												
Deposits from customers	67,380,432	13,907,506	13,729,163	12,024,884	6,441,445	123,088	23,976,971	-	-	137,583,489	2.19	0.39
Deposit and placement of banks and other financial institutions	9,478,968	3,368,824	1,217,362	897,064	115,119	365,000	551,296	-	-	15,993,633	2.14	0.57
Derivative financial instruments	-	76	-	-	6,250	217,364	127,353	3,376,509	-	3,727,552	-	-
Bills and acceptances payable	958,554	1,022,274	221,824	948	-	-	386,984	-	-	2,590,584	2.23	-
Amount due to Cagamas Berhad	65,074	19,036	83,644	16,645	270,252	-	-	-	-	454,651	4.70	-
Amount due to related companies	-	-	-	-	-	-	26,269	-	-	26,269	-	-
Other liabilities	-	-	-	-	-	-	3,621,178	-	-	3,621,178	-	-
Provision for taxation and zakat	-	-	-	-	-	-	248,855	-	-	248,855	-	-
Other borrowings	1,041,750	-	-	-	-	-	-	-	-	1,041,750	-	0.86
Bond	-	-	-	-	442,440	-	-	-	-	442,440	-	3.00
Subordinated notes	313,032	-	-	-	1,520,317	1,782,715	356,433	-	-	3,972,497	6.04	-
Redeemable preference shares	-	-	-	-	-	-	773,020	-	-	773,020	-	6.62
Total liabilities	79,237,810	18,317,716	15,251,993	12,939,541	8,795,823	3,261,187	29,295,339	3,376,509	170,475,918			
Total interest rate sensitivity gap	(9,768,552)	(6,997,571)	(9,587,508)	(10,425,833)	23,126,547	33,275,714		10,443,901				

^ After deducting specific allowances and general allowances of RM6,111,428,000.

EXPLANATORY NOTES (CONTINUED)

A22. INTEREST/PROFIT RATE RISK (CONTINUED)

Group	Non-trading book							Non-interest bearing RM'000	Trading book RM'000	Total RM'000	Effective interest rate (RM) %	Effective interest rate (USD) %
	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						
As at 31 December 2008												
Assets												
Cash and short-term funds	20,114,833	-	-	-	-	-	1,851,529	-	21,966,362	3.20	1.08	
Securities purchased under resale agreement	1,439,221	1,528,549	-	-	-	-	-	-	2,967,770	2.83	-	
Deposit and placement with banks and other financial institutions	-	1,793,676	293,813	51,970	-	-	-	-	2,139,459	3.38	1.93	
Securities held-for-trading	-	-	-	-	-	-	-	9,564,281	9,564,281	3.63	5.46	
Available-for-sale securities	62,599	171,108	165,119	473,516	2,404,158	2,744,993	1,338,697	-	7,360,190	5.12	-	
Held-to-maturity securities	79,090	263,527	115,517	290,606	4,520,286	6,355,032	1,912	-	11,625,970	5.64	7.26	
Derivative financial instruments	-	-	-	-	91,752	127,439	21,088	5,095,256	5,335,535	-	-	
Loans, advances and financing												
- performing	46,407,918	5,930,943	1,954,450	1,807,246	16,187,880	22,698,464	17,476	-	95,004,377	5.72	3.92	
- non-performing	-	-	-	-	-	-	682,769	-	682,769	-	-	
Other assets	-	-	281,746	20,249	-	-	1,793,576	-	2,095,571	5.93	-	
Deferred taxation	-	-	-	-	-	-	304,537	-	304,537	-	-	
Tax recoverable	-	-	-	-	-	-	248,055	-	248,055	-	-	
Satutory deposits with central bank	-	-	-	-	-	-	2,723,540	-	2,723,540	-	-	
Investment in jointly controlled entity	-	-	-	-	-	-	127,701	-	127,701	-	-	
Investment in associate	-	-	-	-	-	-	587,280	-	587,280	-	-	
Amount due from holding company and ultimate holding company	-	-	-	-	-	-	278,350	-	278,350	-	-	
Amount due from related companies	-	-	-	-	-	-	90,926	-	90,926	-	-	
Goodwill	-	-	-	-	-	-	3,695,075	-	3,695,075	-	-	
Intangible assets	-	-	-	-	-	-	412,288	-	412,288	-	-	
Prepaid land lease payments	-	-	-	-	-	-	29,618	-	29,618	-	-	
Property, plant and equipment	-	-	-	-	-	-	728,713	-	728,713	-	-	
Investment properties	-	-	-	-	-	-	100,175	-	100,175	-	-	
Non current-assets/disposal groups held for sale	-	-	-	-	-	-	82,452	-	82,452	-	-	
Total assets	68,103,661	9,687,803	2,810,645	2,643,587	23,204,076	31,925,928	15,115,757	14,659,537	168,150,994			
Liabilities												
Deposits from customers	63,172,538	15,047,985	9,228,697	7,059,410	2,655,516	15,866	23,910,963	-	121,090,975	3.22	0.56	
Deposits and placements of banks and other financial institutions	5,294,565	6,149,265	510,163	573,590	2,255,745	365,232	736	-	15,149,296	3.20	1.43	
Derivative financial instruments	-	-	2,166	-	-	202,404	3,279	4,641,186	4,849,035	-	-	
Bills and acceptances payable	1,243,331	1,276,781	75,689	5,591	-	-	489,781	-	3,091,173	3.72	-	
Amount due to Cagamas Berhad	11,524	73,487	298,801	136,845	473,161	-	-	-	993,818	4.74	-	
Amount due to related companies	-	-	-	-	-	-	15,432	-	15,432	-	-	
Other liabilities	-	-	-	-	-	-	2,751,252	-	2,751,252	-	-	
Provision for taxation and zakat	-	-	-	-	-	-	5,698	-	5,698	-	-	
Irredeemable Convertible Unsecured Loan Stocks	-	-	-	-	667,000	-	-	-	667,000	7.50	-	
Other borrowings	1,039,350	-	-	-	-	-	-	-	1,039,350	-	2.19	
Subordinated obligations	-	-	1,037,736	-	1,535,476	2,000,000	-	-	4,573,212	6.07	5.61	
Redeemable preference shares	-	-	-	-	-	813,336	-	-	813,336	-	6.62	
Liabilities directly associated with non-current assets/disposal groups classified as held for sale	-	-	-	-	-	-	29,499	-	29,499	-	-	
Total liabilities	70,761,308	22,547,518	11,153,252	7,775,436	7,586,898	3,396,838	27,206,640	4,641,186	155,069,076			
Total interest rate sensitivity gap	(2,657,647)	(12,859,715)	(8,342,607)	(5,131,849)	15,617,178	28,529,090		10,018,351				

^ After deducting specific allowances and general allowances of RM4,941,108,000.

A22. INTEREST/PROFIT RATE RISK (CONTINUED)

Bank	Non-trading book						Non-interest bearing	Trading book	Total	Effective interest rate (RM) %	Effective interest rate (USD) %
	Up to 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 5 years	Over 5 years					
As at 30 September 2009	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Assets											
Cash and short-term funds	10,550,829	-	-	-	-	-	1,889,566	-	12,440,395	2.06	2.00
Securities purchased under resale agreement	2,720,351	201,297	-	-	-	-	-	-	2,921,648	2.04	-
Deposit and placement with banks and other financial institutions	-	8,519,653	1,093,529	119,743	163,881	119,926	-	-	10,016,732	2.07	0.61
Securities held-for-trading	-	-	-	-	-	-	-	7,691,326	7,691,326	2.68	0.63
Available-for-sale securities	91,386	86,638	114,819	229,886	2,986,837	2,981,565	153,069	-	6,644,200	5.07	-
Held-to-maturity securities	-	10,022	4,895	69,496	2,937,340	5,640,136	200,590	-	8,862,479	5.64	-
Derivative financial instruments	3,936	-	765	11,574	66,517	159,611	-	3,434,462	3,676,865	-	-
Loans, advances and financing											
- performing	47,382,620	1,500,126	1,893,491	865,058	19,899,834	15,360,561	7,340	-	86,909,030	4.82	1.92
- non-performing ^	-	-	-	-	-	-	520,889	-	520,889	-	-
Other assets	-	85,000	-	110,000	-	-	1,550,979	-	1,745,979	4.39	-
Deferred taxation	-	-	-	-	-	-	294,713	-	294,713	-	-
Satutory deposits with central banks	-	-	-	-	-	-	480,696	-	480,696	-	-
Investment in subsidiaries	-	-	-	-	-	-	3,814,316	-	3,814,316	-	-
Investment in jointly controlled entity	-	-	-	-	-	-	124,448	-	124,448	-	-
Investment in associate	-	-	-	-	-	-	194,852	-	194,852	-	-
Amount due from holding company and ultimate holding company	-	-	-	-	-	-	46,795	-	46,795	-	-
Amount due from subsidiaries	-	-	-	-	-	-	101,514	-	101,514	-	-
Amount due from related companies	-	-	-	-	-	-	97,327	-	97,327	-	-
Goodwill	-	-	-	-	-	-	3,555,075	-	3,555,075	-	-
Intangible assets	-	-	-	-	-	-	401,334	-	401,334	-	-
Property, plant and equipment	-	-	-	-	-	-	673,492	-	673,492	-	-
Prepaid land lease payments	-	-	-	-	-	-	24,154	-	24,154	-	-
Investment properties	-	-	-	-	-	-	101,277	-	101,277	-	-
Non-current assets/disposal groups held for sale	-	-	-	-	-	-	9,164	-	9,164	-	-
Total assets	60,749,122	10,402,736	3,107,499	1,405,757	26,054,409	24,261,799	14,241,589	11,125,788	151,348,700		
Liabilities											
Deposits from customers	50,961,604	11,982,642	11,032,304	9,421,834	3,848,733	20,796	23,612,338	-	110,880,251	2.29	0.51
Deposit and placement of banks and other financial institutions	6,868,933	3,892,072	256,871	761,510	114,933	365,000	477,642	-	12,736,961	2.10	0.46
Derivative financial instruments	-	-	-	-	6,250	217,364	-	3,347,714	3,571,328	-	-
Bills and acceptances payable	731,701	917,177	214,352	948	-	-	358,451	-	2,222,629	2.23	-
Amount due to Cagamas Berhad	65,074	19,036	83,644	16,645	270,252	-	-	-	454,651	4.70	-
Amount due to subsidiaries	-	-	-	-	-	-	139,614	-	139,614	-	-
Amount due to related companies	-	-	-	-	-	-	28,468	-	28,468	-	-
Other liabilities	-	-	-	-	-	-	2,346,437	-	2,346,437	-	-
Provision for taxation and zakat	-	-	-	-	-	-	225,345	-	225,345	-	-
Subordinated obligations	-	-	-	-	1,520,317	2,713,304	-	-	4,233,621	6.05	6.62
Total liabilities	58,627,312	16,810,927	11,587,171	10,200,937	5,760,485	3,316,464	27,188,295	3,347,714	136,839,305		
Total interest rate sensitivity gap	2,121,810	(6,408,191)	(8,479,672)	(8,795,180)	20,293,924	20,945,335		7,778,074			

^ After deducting specific allowances and general allowances of RM4,762,649,000.

A22. INTEREST/PROFIT RATE RISK (CONTINUED)

Bank	Non-trading book						Non-interest bearing RM'000	Trading book RM'000	Total RM'000	Effective interest rate (RM) %	Effective interest rate (USD) %
	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					
As at 31 December 2008											
Assets											
Cash and short-term funds	12,770,875	-	-	-	-	-	1,537,471	-	14,308,346	3.28	1.10
Securities purchased under resale agreement	1,439,221	1,528,549	-	-	-	-	-	-	2,967,770	2.83	-
Deposit and placement with banks and other financial institutions	2,036,331	2,781,610	44,016	105,953	-	-	-	-	4,967,910	3.54	2.07
Securities held-for-trading	-	-	-	-	-	-	-	6,517,399	6,517,399	3.70	2.59
Available-for-sale securities	57,024	161,090	140,064	416,432	2,102,215	2,519,568	1,106,997	-	6,503,390	5.22	-
Held-to-maturity securities	-	28,717	-	262,773	2,705,032	5,688,687	192	-	8,685,401	5.67	-
Derivative financial instruments	-	-	-	-	91,752	127,439	3,314	4,903,501	5,126,006	-	-
Loans, advances and financing											
- performing	43,589,639	2,893,815	1,634,702	1,226,071	14,950,122	20,053,632	17,475	-	84,365,456	5.71	-
- non-performing	-	-	-	-	-	-	556,721	-	556,721	-	-
Other assets	-	-	281,745	20,250	-	-	1,631,241	-	1,933,236	5.93	-
Taxation recoverable	-	-	-	-	-	-	226,786	-	226,786	-	-
Deferred tax assets	-	-	-	-	-	-	263,993	-	263,993	-	-
Statutory deposits with central banks	-	-	-	-	-	-	2,453,934	-	2,453,934	-	-
Investment in subsidiaries	-	-	-	-	-	-	2,245,919	-	2,245,919	-	-
Investment in jointly controlled entity	-	-	-	-	-	-	124,448	-	124,448	-	-
Investment in associate	-	-	-	-	-	-	595,814	-	595,814	-	-
Amount due from holding company and ultimate holding company	-	-	-	-	-	-	246,872	-	246,872	-	-
Amount due from subsidiaries	-	-	-	-	-	-	197,618	-	197,618	-	-
Amount due from related companies	-	-	-	-	-	-	90,819	-	90,819	-	-
Goodwill	-	-	-	-	-	-	3,559,075	-	3,559,075	-	-
Intangible assets	-	-	-	-	-	-	400,857	-	400,857	-	-
Prepaid land lease payments	-	-	-	-	-	-	25,197	-	25,197	-	-
Property, plant and equipment	-	-	-	-	-	-	564,047	-	564,047	-	-
Investment properties	-	-	-	-	-	-	100,175	-	100,175	-	-
Non-current assets/disposal groups held for sale	-	-	-	-	-	-	42,712	-	42,712	-	-
Total assets	59,893,090	7,393,781	2,100,527	2,031,479	19,849,121	28,389,326	15,991,677	11,420,900	147,069,901		
Liabilities											
Deposits from customers	49,244,726	11,666,197	8,515,750	6,826,036	688,757	-	23,628,793	-	100,570,259	3.36	0.62
Deposits and placements of banks and other financial institutions	8,090,949	4,315,013	466,150	467,369	3,399,030	365,033	736	-	17,104,280	2.89	1.54
Derivative financial instruments	-	-	2,166	-	-	202,404	2,842	4,612,945	4,820,357	-	-
Bills and acceptances payable	1,243,331	1,276,781	75,689	5,591	-	-	484,523	-	3,085,915	3.73	-
Amount due to Cagamas Berhad	11,524	73,487	298,801	136,845	473,161	-	-	-	993,818	4.74	-
Amount due to subsidiaries	-	-	-	-	-	-	178,140	-	178,140	-	-
Amount due to related companies	-	-	-	-	-	-	9,398	-	9,398	-	-
Other liabilities	-	-	-	-	-	-	2,400,962	-	2,400,962	-	-
Irredeemable Convertible Unsecured Loan Stocks	-	-	-	-	667,000	-	-	-	667,000	7.50	-
Subordinated obligations	-	-	1,037,736	-	1,535,476	2,813,336	-	-	5,386,548	6.07	6.10
Total liabilities	58,590,530	17,331,478	10,396,292	7,435,841	6,763,424	3,380,773	26,705,394	4,612,945	135,216,677		
Total interest rate gap	1,302,560	(9,937,697)	(8,295,765)	(5,404,362)	13,085,697	25,008,553		6,807,955			

^ After deducting allowances and general allowances of RM4,587,087,000.

A23. SEGMENTAL REPORT

Definition of segments

For management purposes, the Group is organised into six major operating divisions. The divisions form the basis on which the Group reports its primary segment information.

Treasury

Treasury focuses on treasury activities and services which include foreign exchange, money market, derivatives and capital market instruments trading. It also invests the Group's proprietary capital.

Corporate and Investment Banking

Corporate and Investment Banking comprise Investment Banking, Corporate Banking, International Banking and Transactional Services, Equity Derivatives and Equity Investment and Trading.

Investment Banking advises on issuance of equity and equity-linked products management services. Corporate Banking provides a broad spectrum of financial and Ringgit lending services for domestic and multinational corporations as well as institutional and public sector clients. International Banking and Transactional Services oversees the activities of the Group's overseas branches in London, Singapore and Hong Kong and provides conventional and customised financial packages in order to meet customers' needs, with products including non-Ringgit corporate lending, nominee services and cash management services.

Equity Derivatives develops and issues new equity derivatives instruments such as structured warrants and over-the-counter options to provide investors with alternative investment avenues. Equity Investment and Trading is the Group's proprietary equity trading unit.

Retail Banking

Retail Banking focuses on innovative products and services to individual customers. It offers products such as credit facilities (residential mortgages, personal loans, share financing, credit card and hire purchase), remittance services, deposit collection, private banking and retail equity services.

Business Banking

Business Banking is responsible for offering products and services for customer segments comprising micro-enterprises, small and medium-scale enterprises ("SME"s) and mid-sized corporations. Its products include credit facilities (loans, banker's acceptances, revolving credit, leasing, factoring, hire purchase), remittance services and deposit collection.

Foreign Banking Operations

Foreign Banking Operations comprise of CIMB Thai Bank Public Company Limited (formerly known as BankThai Public Company Limited), which is involved in the provision of commercial banking and related services.

Support and others

Support services comprises all middle and back-office processes and cost centres and other subsidiaries whose results are not material to the Group.

A23. SEGMENTAL REPORT (CONTINUED)
Group
30 September 2009

	Treasury and Investment RM'000	Corporate and Investment Banking RM'000	Retail Banking RM'000	Business Banking RM'000	Foreign Banking Operations RM'000	Support and Others RM'000	Total RM'000
Net interest income							
- external income	(183,252)	1,006,723	1,705,259	321,497	358,845	(2,026)	3,207,046
- inter-segment	825,052	(592,110)	(343,700)	134,441	-	(23,683)	-
	641,800	414,613	1,361,559	455,938	358,845	(25,709)	3,207,046
Islamic Banking Income	20,429	146,519	306,751	25,174	-	656	499,529
Non-interest income	658,760	222,792	415,284	82,666	187,648	29,779	1,596,929
Net income	1,320,989	783,924	2,083,594	563,778	546,493	4,726	5,303,504
Overheads	(187,746)	(231,624)	(1,418,315)	(405,056)	(393,418)	(61,257)	(2,697,416)
Profit/(loss) before allowance	1,133,243	552,300	665,279	158,722	153,075	(56,531)	2,606,088
Allowance for losses on loans, advances and financing	(62)	(148,314)	(324,284)	(24,268)	(101,755)	(855)	(599,538)
Allowance for commitments and contingencies	-	-	-	-	(17,532)	-	(17,532)
Write-back of impairment losses	14,243	17,604	-	-	18,408	-	50,255
Segment result	1,147,424	421,590	340,995	134,454	52,196	(57,386)	2,039,273
Share of results of associates	-	-	6,743	-	-	-	6,743
Share of results of jointly controlled entity	15,668	-	-	-	-	-	15,668
Taxation and zakat							(438,826)
Net profit after taxation and zakat							1,622,858

30 September 2008

	Treasury and Investment RM'000	Corporate and Investment Banking RM'000	Retail Banking RM'000	Business Banking RM'000	Foreign Banking Operations RM'000	Support and Others RM'000	Total RM'000
Net interest income							
- external income	(251,963)	913,909	1,723,691	369,796	-	8,806	2,764,239
- inter-segment	651,422	(397,635)	(395,165)	166,046	-	(24,668)	-
	399,459	516,274	1,328,526	535,842	-	(15,862)	2,764,239
Islamic Banking Income	80,151	19,248	118,469	6,608	-	716	225,192
Non-interest income	260,993	346,362	390,648	99,197	-	44,212	1,141,412
Net income	740,603	881,884	1,837,643	641,647	-	29,066	4,130,843
Overheads	(150,633)	(213,225)	(1,221,100)	(379,671)	-	(37,737)	(2,002,366)
Profit/(loss) before allowance	589,970	668,659	616,543	261,976	-	(8,671)	2,128,477
Allowance for losses on loans, advances and financing	(628)	(159,934)	(275,865)	(9,079)	-	2,566	(442,940)
(Allowance for)/write-back of losses on other receivables	(3)	-	-	-	-	472	469
Allowance for impairment losses	(2,919)	(167)	-	-	-	(228)	(3,314)
Segment result	586,420	508,558	340,678	252,897	-	(5,861)	1,682,692
Share of results of jointly controlled entity	-	-	2,637	-	-	-	2,637
Share of results of associate	(365)	-	-	-	-	-	(365)
Taxation and zakat							(428,113)
Net profit after taxation and zakat							1,256,851

A24. GROUP OPERATION OF ISLAMIC BANKING
Unaudited Balance Sheet as at 30 Sept 2009

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Assets				
Cash and short-term funds	4,508,263	6,249,125	-	-
Deposit and placement with banks and other financial institutions	1,616,548	711,989	584,260	377,574
Securities held-for-trading	2,323,348	2,882,056	73,800	-
Available-for-sale securities	630,823	612,378	-	-
Held-to-maturity securities	1,240,724	1,198,056	-	-
Derivative financial instruments	296,179	267,369	14,976	2,349
Financing, advances and other loans	12,426,432	6,259,726	130,449	68,268
Other assets	93,582	99,244	2,283	2,002
Deferred tax assets	36,120	21,369	-	307
Taxation recoverable	1,761	-	-	-
Amount due from holding company	133,992	100,622	-	-
Statutory deposits with Bank Negara Malaysia	148,444	269,224	-	-
Goodwill	136,000	136,000	-	-
Intangible assets	3,728	5,962	-	-
Property, plant and equipment	3,593	3,855	-	-
TOTAL ASSETS	23,599,537	18,816,975	805,768	450,500
Liabilities				
Deposits from customers	16,132,482	13,984,562	450,503	291,375
Deposits and placements of banks and other financial institutions	5,493,696	3,656,836	317,523	156,000
Derivative financial instruments	178,666	46,452	-	-
Bills and acceptances payable	-	5,258	-	-
Other liabilities	572,837	304,493	35,020	3,600
Amount due to related company	1,355	4,010	101	-
Provision for taxation and zakat	-	3,076	-	-
Subordinated note	300,000	-	-	-
TOTAL LIABILITIES	22,679,036	18,004,687	803,147	450,975
Ordinary share capital	550,000	550,000	-	-
Perpetual preference shares	70,000	70,000	-	-
Reserves	300,501	192,288	2,621	(475)
Islamic banking capital funds	920,501	812,288	2,621	(475)
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS	23,599,537	18,816,975	805,768	450,500

A24. GROUP OPERATION OF ISLAMIC BANKING
Unaudited Income Statements for the 3rd Quarter and Nine Months Ended 30 Sept 2009

	Group			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds and others	259,168	170,433	698,067	446,661
Income derived from investment of shareholders' funds	34,978	23,215	82,229	74,998
Allowance for losses on financing, advances and other loans	(78,073)	(35,640)	(208,510)	(60,268)
Transfer from profit equalisation reserve	-	-	-	2,200
Total distributable income	216,073	158,008	571,786	463,591
Income attributable to the depositors	(96,510)	(111,958)	(280,767)	(298,667)
Total net income	119,563	46,050	291,019	164,924
Other operating expenses	(53,665)	(18,738)	(155,044)	(75,901)
Profit before taxation and zakat	65,898	27,312	135,975	89,023
Tax & zakat expense	(11,862)	(4,480)	(30,108)	(17,080)
Profit after taxation and zakat	54,036	22,832	105,867	71,943

	Group			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Total net income	119,563	46,050	291,019	164,924
Add: Allowances for losses on financing, advances and other loans	78,073	35,640	208,510	60,268
Less: Transfer to profit equalisation reserve	-	-	-	(2,200)
Income from Islamic operations (per page 3)	197,636	81,690	499,529	222,992

	Bank			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Bank				
Income derived from investment of depositors' funds and others	1,597	(145)	11,752	2,603
Allowance for losses on financing, advances and other loans	1,785	727	-	(1,158)
Total distributable income	3,382	582	11,752	1,445
Income attributable to the depositors	(5)	(2,202)	(6,160)	(4,645)
Total net income	3,377	(1,620)	5,592	(3,200)
Other operating expenses	(449)	(120)	(606)	(382)
Profit/(loss) after taxation and zakat	2,928	(1,740)	4,986	(3,582)

	Bank			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Total net income	3,377	(1,620)	5,592	(3,200)
Add: Allowances for losses on financing, advances and other loans	(1,785)	(727)	-	1,158
Income from Islamic operations (per page 4)	1,592	(2,347)	5,592	(2,042)

A24. GROUP OPERATION OF ISLAMIC BANKING

Explanatory Notes

i) Financing, advances and other loans

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
By type				
Cashline	256,785	235,945	-	-
Term financing	22,423,496	8,717,380	131,321	69,449
- Housing financing	7,255,112	2,031,304	-	-
- Syndicated term financing	571,229	559,285	106,549	69,449
- Hire purchase receivables	3,803,126	2,030,346	-	-
- Other term financing	10,794,029	4,096,445	24,772	-
Bills receivables	1,042	-	-	-
Trust receipts	31,798	23,887	-	-
Claims on customers under acceptance credit	177,540	156,709	-	-
Staff financing	17	17	-	-
Credit/charge cards	35,238	-	-	-
Revolving credit	767,852	422,299	-	-
Other financing	73	3,054	-	-
	23,693,841	9,559,291	131,321	69,449
Less: Unearned income	(10,996,673)	(2,824,630)	-	-
	12,697,168	6,734,661	131,321	69,449
Less: Financing sold to Cagamas	-	(294,946)	-	-
Gross financing, advances and other loans	12,697,168	6,439,715	131,321	69,449
Fair value changes arising from fair value hedges	47,147	-	-	-
	12,744,315	6,439,715	131,321	69,449
Less: Specific allowance	(169,554)	(99,374)	-	-
	12,574,761	6,340,341	131,321	69,449
Less: General allowance	(148,329)	(80,615)	-	(1,181)
Total net financing, advances and other loans	12,426,432	6,259,726	131,321	68,268

a) Included in other term financing is RM1,500,000,000 (2008: RMNil) provided on normal commercial terms which is exempted from general allowance by Bank Negara Malaysia.

(c) During the financial year, the Group has undertaken fair value hedge on the profit rate risk of RM1,350,000,000 (2008: RMNil) financing using profit rate swaps.

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Gross financing hedged	1,350,000	-	-	-
Fair value changes arising from fair value hedges	47,147	-	-	-
	1,397,147	-	-	-

The fair values of profit rate swaps as at 30 September 2009 were (RM62,186,000) (2008: RMNil).

Movements in non-performing financing, advances and other loans ("NPF") are as follows :

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
At 1 January	201,468	251,507	-	-
Non-performing during the period/year	276,558	167,038	-	-
Reclassified as performing during the period/year	(65,195)	(132,282)	-	-
Amount recovered	(19,053)	(30,441)	-	-
Amount written off	(76,307)	(54,354)	-	-
At end of period/year	317,471	201,468	-	-
Specific allowance	(169,554)	(99,374)	-	-
Net non-performing financing, advances and other loans	147,917	102,094	-	-

Ratio of net non-performing financing, advances and other loans to total financing, advances and other loans (including financing sold to Cagamas) less specific allowance

1.18% 1.54% - -

A24. GROUP OPERATION OF ISLAMIC BANKING

Explanatory Notes (continued)

Movements in allowance for bad and doubtful financing

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Specific allowance				
At beginning of period/year	99,374	94,904	-	90,800
Allowance made during the period/year	163,640	99,584	-	14,191
Transfer (to)/from intercompany	-	-	-	(104,991)
Amount recovered	(17,157)	(40,608)	-	-
Amount written off	(76,303)	(54,506)	-	-
At end of period/year	169,554	99,374	-	-
General allowance				
At beginning of period/year	80,615	48,882	1,181	-
Allowance made during the period/year	67,570	31,827	(1,316)	1,451
Exchange difference	144	(94)	135	-
At end of period/year	148,329	80,615	-	1,181
As % of total financing (including financing sold to Cagamas, but excluding RPSIA financing and loans exempted from general allowance by BNM) less specific allowance	1.67%	1.70%	0.00%	1.70%

ii) Deposits from customers

By type of deposits

	Group		Bank	
	30 Sept 2009 RM'000	31 Dec 2008 RM'000	30 Sept 2009 RM'000	31 Dec 2008 RM'000
Non-Mudharabah				
Demand deposits	965,598	1,897,477	452	17
Saving deposits	470,778	301,675	-	-
General investment deposits	450,051	-	450,051	-
Fixed return investment account	1,887,937	2,131,893	-	291,358
Negotiable instruments of deposit	636,361	242,975	-	-
Commodity Murabahah-i	-	379,480	-	-
Others	16,191	12,322	-	-
	4,426,916	4,965,822	450,503	291,375
Mudharabah				
Demand deposits	763,673	398,731	-	-
Saving deposits	185,053	92,856	-	-
General investment deposits	1,979,065	1,525,660	-	-
Special general investment deposits	7,024,406	5,254,880	-	-
Specific investment deposits	1,753,369	1,746,613	-	-
	11,705,566	9,018,740	-	-
Total deposits from customers	16,132,482	13,984,562	450,503	291,375

Part B - Explanatory Notes Pursuant to BNM/GP8 Guidelines on Financial Reporting for Licensed Institutions

B1. COMPUTATION OF EARNINGS PER SHARE (EPS)

Basic EPS/fully diluted

The Group and Bank basic and fully diluted EPS is calculated by dividing the net profit for the financial period after minority interests by the weighted average number of ordinary shares in issue during the financial period.

	Group			
	3rd Quarter Ended		Nine months ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after minority interests (RM '000)	531,418	326,986	1,606,512	1,254,995
Weighted average number of ordinary shares in issue - proforma ('000)	3,764,467	3,641,009	3,682,614	3,641,009
Basic earnings per share (expressed in sen per share)	14.12	8.98	43.62	34.47

	Bank			
	3rd Quarter Ended		Nine months ended	
	30 Sept 2009	30 Sept 2008	30 Sept 2009	30 Sept 2008
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after minority interests (RM '000)	339,448	294,331	1,181,669	1,333,615
Weighted average number of ordinary shares in issue - proforma ('000)	3,764,467	3,641,009	3,682,614	3,641,009
Basic earnings per share (expressed in sen per share)	9.02	8.08	32.09	36.63