

MALAYSIA BUILDING SOCIETY BERHAD
(Company No. 9417-K)
(Incorporated in Malaysia)

Page 1 of 5

Quarterly report on consolidated financial statements for the fourth quarter ended 31 December 2010.
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	4th quarter ended		12 months ended	
	31 December		31 December	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Revenue	208,915	158,797	769,940	537,959
Interest income	81,806	70,702	319,068	312,957
Interest expenses	(34,419)	(31,386)	(142,552)	(151,210)
Net interest income	47,387	39,316	176,516	161,747
Net income from Islamic banking operations	52,922	19,646	173,918	68,537
Operating income	100,309	58,962	350,434	230,284
Other income	15,288	36,978	91,154	74,414
Total income	115,597	95,940	441,588	304,698
Cost of completed properties sold	-	(26,893)	(3,000)	(28,729)
Other operating expenses	(34,515)	(22,001)	(118,957)	(85,756)
Operating profit	81,082	47,046	319,631	190,213
Allowance for impairment losses on loans, advances and financing	(8,647)	(55,150)	(112,234)	(109,898)
Profit before taxation and zakat	72,435	(8,104)	207,397	80,315
Taxation	(59,621)	(1,068)	(60,848)	(22,573)
Zakat	-	(539)	(524)	(539)
Profit for the year	12,814	(9,711)	146,025	57,203
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	12,814	(9,711)	146,025	57,203
Basic EPS for the year (sen)	1.83	(1.39)	20.85	8.17

The condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December 2010 (RM'000)	As at 31 December 2009 (RM'000)
ASSETS		
Cash and short term funds	888,829	763,275
Trade receivables	1,182	3,298
Other receivables	187,636	126,632
Inventories	121,780	125,460
Loans, advances and financing	10,706,530	8,118,452
Investments held-to maturity	200,000	43,070
Investment properties	1,425	1,473
Property, plant and equipment	106,814	111,628
Prepaid land lease payments	9,786	9,951
Intangible assets	1,962	911
TOTAL ASSETS	12,225,944	9,304,150
LIABILITIES AND SHAREHOLDERS' EQUITY		
Bank borrowings	200,119	-
Deposits from customers	10,483,743	7,562,410
Other borrowings	-	50,004
Trade payables	4,442	4,658
Other payables	89,588	88,581
Provision for taxation and zakat	83,581	27,619
Recourse obligation on loans sold to Cagamas Berhad	964,093	1,000,610
Deferred tax liabilities	19,256	17,704
TOTAL LIABILITIES	11,844,822	8,751,586
Share capital:		
Ordinary Shares	700,298	700,172
Reserves	(319,176)	(147,608)
Shareholders' equity	381,122	552,564
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12,225,944	9,304,150

The condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FINANCIAL YEAR ENDED 31 DECEMBER 2010

	<----- Non Distributable ----->						
	Ordinary Shares RM'000	Share Premium RM'000	Capital Reserve RM'000	Share Option Reserve RM'000	Cumulative Preference Shares RM'000	Accumulated Losses RM'000	Total Equity RM'000
At 1 January 2009	700,172	497,169	17,838	-	12,486	(716,550)	511,115
Total comprehensive income for the year	-	-	-	-	-	57,203	57,203
Dividend	-	-	-	-	-	(15,754)	(15,754)
At 31 December 2009	700,172	497,169	17,838	-	12,486	(675,101)	552,564
At 1 January 2010							
- as previously stated	700,172	497,169	17,838	-	12,486	(675,101)	552,564
- effects of adopting FRS 139	-	-	-	-	-	(298,785)	(298,785)
At 1 January 2010, as restated	700,172	497,169	17,838	-	12,486	(973,886)	253,779
Total comprehensive income for the year	-	-	-	-	-	146,025	146,025
Dividend	-	-	-	-	-	(21,005)	(21,005)
Share options granted under ESOS recognised in profit or loss	-	-	-	2,141	-	-	2,141
Issue of ordinary shares pursuant to ESOS	126	83	-	(27)	-	-	182
Transfer of share option reserve to accumulated losses upon lapse of ESOS	-	-	-	(29)	-	29	-
At 31 December 2010	700,298	497,252	17,838	2,085	12,486	(848,837)	381,122

The condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statement for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	31 December 2010 RM'000	31 December 2009 RM'000
Cash flows from operating activities		
Profit before taxation	207,397	80,315
Adjustments for :		
Depreciation		
- Investment properties	48	66
- Property, plant and equipment	6,780	7,030
Amortisation		
- Prepaid land lease payments	165	165
- Intangible assets	366	895
Gain on disposal of property, plant and equipment	(7)	(1,608)
Gain on disposal of investment properties	-	(78)
Gain on disposal of foreclosed properties	(200)	(65)
Gain on disposal of inventories	(190)	(2,000)
Impairment loss on foreclosed properties	6,710	-
Allowance for doubtful debts of receivables	19,164	19,641
Allowance for losses on loans and financing, net of reversals	-	109,898
Interest/income-in-suspense, net of recoveries and write offs	-	394,054
Allowance for impairment losses on loans and financing	112,234	-
Share options granted under ESOS	2,141	-
Operating profit before working capital changes	354,608	608,313
Increase in loans, advances and financing	(3,111,331)	(1,838,427)
Decrease in inventories	3,000	28,997
Decrease/(increase) in receivables	61,800	(17,177)
Increase in investments held-to maturity	(156,930)	-
Increase/(decrease) in bank borrowings	200,119	(305,235)
Increase in deposits from customers	2,921,333	1,261,029
Increase in payables	790	37,614
Proceeds from disposal of foreclosed properties	6,200	283
Cash generated from/(used in) operations	279,589	(224,603)
Real property gains tax paid	-	(1)
Tax paid	(11,533)	(16,902)
Tax refund	14	19
Zakat paid	(524)	(308)
Net cash generated from/(used in) operating activities	267,546	(241,795)

(Contd.)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

	31 December 2010 RM'000	31 December 2009 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(34,306)	(5,894)
Purchase of intangible assets	(1,417)	(618)
Proceeds from disposal of property, plant and equipment	205	2,700
Proceeds from disposal of investment properties	-	871
Proceeds from disposal of inventories	870	-
Net cash used in investing activities	(34,648)	(2,941)
Cash flows from financing activities		
Repayment of other borrowings	(50,004)	(50,008)
Recourse obligation on loans sold to Cagamas Berhad	(36,517)	1,000,610
Dividend paid - Redeemable Convertible Preference Shares	-	(15,756)
Dividend paid - ordinary shares	(21,005)	-
Proceeds from issuance of ordinary shares	182	-
Net cash (used in)/generated from financing activities	(107,344)	934,846
Net increase in cash and cash equivalents	125,554	690,110
Cash and cash equivalents at beginning of financial year	763,275	73,165
Cash and cash equivalents at end of financial year	888,829	763,275
Cash and cash equivalents comprise :		
Cash and short term funds	888,829	763,275

The condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying notes attached to the interim financial statements.