

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

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Quarterly report on consolidated financial statements for the first quarter ended 31 March 2009.  
The figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	104,171	106,305	104,171	106,305
Interest income	70,167	78,490	70,167	78,490
Interest expenses	(44,634)	(46,734)	(44,634)	(46,734)
Net interest income	25,533	31,756	25,533	31,756
Net income from Islamic banking operations	12,757	4,248	12,757	4,248
Operating income	38,290	36,004	38,290	36,004
Other income	6,626	10,774	6,626	10,774
Total income	44,916	46,778	44,916	46,778
Cost of completed properties sold	(26)	(4,603)	(26)	(4,603)
Other operating expenses	(19,511)	(20,391)	(19,511)	(20,391)
Operating profit	25,379	21,784	25,379	21,784
Allowance for losses on loans, advances and financing	(15,590)	(2,195)	(15,590)	(2,195)
Profit before taxation and zakat	9,789	19,589	9,789	19,589
Taxation	(3,986)	18	(3,986)	18
Profit after taxation and zakat	5,803	19,607	5,803	19,607
Earnings per share (sen)				
Basic	0.83	5.68	0.83	5.68
Diluted	0.83	3.00	0.83	3.00

**The condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>As at</b>	<b>As at</b>
	<b>31 March 2009</b>	<b>31 December 2008</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>		
Cash and short term funds	81,212	73,165
Trade receivables	5,047	7,139
Other receivables	109,238	109,114
Inventories	128,728	152,457
Loans, advances and financing	6,914,090	6,783,135
Other investments	43,070	43,070
Investment properties	2,335	2,330
Property, plant and equipment	112,926	114,388
Prepaid land lease payments	10,075	10,116
Intangible assets	502	655
Deferred tax assets	12,000	16,000
	<u>                    </u>	<u>                    </u>
<b>TOTAL ASSETS</b>	<b>7,419,223</b>	<b>7,311,569</b>
	<u>                    </u>	<u>                    </u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Bank borrowings	60,033	305,235
Deposits from customers	6,655,409	6,301,381
Other borrowings	87,511	100,012
Trade payables	4,512	4,509
Other payables	56,466	50,931
Provision for taxation	21,189	21,183
Deferred tax liabilities	17,185	17,203
	<u>                    </u>	<u>                    </u>
<b>TOTAL LIABILITIES</b>	<b>6,902,305</b>	<b>6,800,454</b>
	<u>                    </u>	<u>                    </u>
Share capital:		
Ordinary Shares	700,172	700,172
Reserves	(183,254)	(189,057)
	<u>                    </u>	<u>                    </u>
Shareholders' equity	516,918	511,115
	<u>                    </u>	<u>                    </u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>7,419,223</b>	<b>7,311,569</b>
	<u>                    </u>	<u>                    </u>

**The condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FINANCIAL PERIOD ENDED 31 MARCH 2009**

	← Share Capital →		← Non Distributable			→ Capital Redemption Reserve - Redeemable		Total RM'000
	Ordinary Shares RM'000	Redeemable Cumulative Preference 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	
At 01.01.2008	361,102	165,000	661,053	17,838	83	12,486	(738,417)	479,145
Net profit for the year	-	-	-	-	-	-	19,607	19,607
Issue of ordinary shares pursuant to ESOS	278	-	-	-	650	-	-	928
At 31.03.2008	361,380	165,000	661,053	17,838	733	12,486	(718,810)	499,680
At 01.01.2009	700,172	-	497,169	17,838	-	12,486	(716,550)	511,115
Net profit for the year	-	-	-	-	-	-	5,803	5,803
Issue of ordinary shares pursuant to ESOS	-	-	-	-	-	-	-	-
At 31.03.2009	700,172	-	497,169	17,838	-	12,486	(710,747)	516,918

The condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>31 March 2009 RM'000</b>	<b>31 March 2008 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	9,789	19,589
Adjustments for :		
Depreciation		
- Investment properties	22	22
- Property, plant and equipment	1,835	1,702
Amortisation		
- Prepaid land lease payments	41	6
- Intangible assets	153	130
Gain on disposal of property, plant and equipment	-	-
Gain on disposal of foreclosed properties	(65)	(287)
Impairment loss on:		
- property, plant and equipment	-	32
- investments in unquoted shares	-	112
Allowance for doubtful debts of other debtors	4,617	4,127
Allowance for losses on loans and financing, net of reversals	15,590	2,195
Interest/income-in-suspense, net of recoveries and write offs	108,186	110,722
Reversal of provision for liquidated damages	-	650
Operating profit before working capital changes	140,168	139,000
Increase in loans, advances and financing	(254,731)	(293,832)
Decrease in inventories	23,729	5,294
Increase in receivables	(2,867)	(9,998)
Decrease in bank borrowings	(245,202)	(42,149)
Increase in deposits from customers	354,028	447,540
Increase/(Decrease) in payables	5,548	(16,368)
Proceeds from disposal of foreclosed properties	283	1,134
Cash used in operations	20,956	230,621
Tax paid	(23)	-
Tax refund	19	-
Net cash generated from operating activities	20,952	230,621

(Contd.)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONTD.)**

	<b>31 March 2009 RM'000</b>	<b>31 March 2008 RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(404)	(417)
Net cash used in investing activities	(404)	(417)
<b>Cash flows from financing activities</b>		
Repayment of other borrowings	(12,501)	(12,500)
Recourse obligation on loans sold to Cagamas Berhad	-	(14,469)
Dividend paid - Redeemable Convertible Preference Shares	-	(6,600)
Proceeds from issuance of ordinary shares	-	278
Net cash used in financing activities	(12,501)	(33,291)
Net increase in cash and cash equivalents	8,047	196,913
Cash and cash equivalents at beginning of financial year	73,165	162,502
Cash and cash equivalents at end of financial year	81,212	359,415
Cash and cash equivalents comprise :		
Cash and short term funds	81,212	359,415

**The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying notes attached to the interim financial statements.**