

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 2010.

The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1st quarter ended		3 months ended	
	31 March		31 March	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Revenue	279,437	104,171	279,437	104,171
Interest income	185,726	70,167	185,726	70,167
Interest expenses	(32,628)	(44,634)	(32,628)	(44,634)
Net interest income	153,098	25,533	153,098	25,533
Net income from Islamic banking operations	36,918	12,757	36,918	12,757
Operating income	190,016	38,290	190,016	38,290
Other income	23,688	6,626	23,688	6,626
Total income	213,704	44,916	213,704	44,916
Cost of completed properties sold	(1,687)	(26)	(1,687)	(26)
Other operating expenses	(24,038)	(19,511)	(24,038)	(19,511)
Operating profit	187,979	25,379	187,979	25,379
Allowance for impairment losses on loans, advances and financing	(144,800)	(15,590)	(144,800)	(15,590)
Profit before taxation and zakat	43,179	9,789	43,179	9,789
Taxation	18	(3,986)	18	(3,986)
Profit for the period	43,197	5,803	43,197	5,803
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	43,197	5,803	43,197	5,803
Basic EPS for the period (sen)	6.17	0.83	6.17	0.83

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 March 2010 (RM'000)	As at 31 December 2009 (RM'000)
ASSETS		
Cash and short term funds	936,064	763,275
Trade receivables	3,890	3,298
Other receivables	121,121	126,632
Inventories	123,100	125,460
Loans, advances and financing	8,733,908	8,118,452
Investments held- to maturity	43,070	43,070
Investment properties	1,460	1,473
Property, plant and equipment	110,036	111,628
Prepaid land lease payments	9,910	9,951
Intangible assets	1,015	911
	10,083,574	9,304,150
	10,083,574	9,304,150
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits from customers	8,463,451	7,562,410
Other borrowings	37,503	50,004
Trade payables	4,599	4,658
Other payables	126,311	88,581
Provision for taxation and zakat	7,577	27,619
Recourse obligation on loans sold to Cagamas Berhad	991,240	1,000,610
Deferred tax liabilities	17,686	17,704
	9,648,367	8,751,586
	9,648,367	8,751,586
Share capital:		
Ordinary Shares	700,172	700,172
Reserves	(264,965)	(147,608)
	435,207	552,564
	435,207	552,564
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	10,083,574	9,304,150
	10,083,574	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 PERIOD ENDED 31 MARCH 2010

	<----- Attributable to Owners of the Company ----->					
	<----- Non Distributable ----->			Capital Redemption Reserve - Redeemable Cumulative Preference Shares	Accumulated Losses	Total Equity
	Ordinary Shares RM'000	Share Premium RM'000	Capital Reserve RM'000	RM'000	RM'000	RM'000
At 1 January 2009	700,172	497,169	17,838	12,486	(716,550)	511,115
Total comprehensive income for the period	-	-	-	-	5,803	5,803
At 31 March 2009	700,172	497,169	17,838	12,486	(710,747)	516,918
At 1 January 2010						
- as previously stated	700,172	497,169	17,838	12,486	(675,101)	552,564
- effects of adopting FRS 139	-	-	-	-	(160,554)	(160,554)
At 1 January 2010, as restated	700,172	497,169	17,838	12,486	(835,655)	392,010
Total comprehensive income for the period	-	-	-	-	43,197	43,197
At 31 March 2010	700,172	497,169	17,838	12,486	(792,458)	435,207

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 March 2010 RM'000	31 March 2009 RM'000
Cash flows from operating activities		
Profit before taxation	43,179	9,789
Adjustments for :		
Depreciation		
- Investment properties	14	22
- Property, plant and equipment	1,976	1,835
Amortisation		
- Prepaid land lease payments	6	41
- Intangible assets	74	153
Gain on disposal of property, plant and equipment	(5)	-
Gain on disposal of inventories	(190)	(65)
Allowance for doubtful debts of other debtors	4,965	4,617
Allowance for losses on loans and financing, net of reversals	-	15,590
Interest/income-in-suspense, net of recoveries and write offs	-	108,186
Individual assessment impairment losses	(13,560)	-
Collective assessment impairment losses	(141,934)	-
Effective interest rate adjustment	(5,060)	-
Operating (loss)/profit before working capital changes	(110,535)	140,168
Increase in loans, advances and financing	(615,456)	(254,731)
Decrease in inventories	1,680	23,729
Increase in receivables	(46)	(2,867)
Decrease in bank borrowings	-	(245,202)
Increase in deposits from customers	901,041	354,028
Increase in payables	37,720	5,548
Proceeds from disposal of foreclosed properties	-	283
Cash generated from operations	214,404	20,956
Tax paid	(20,039)	(23)
Tax refund	-	19
Net cash generated from operating activities	194,365	20,952

(Contd.)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONTD.)

	31 March 2010 RM'000	31 March 2009 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(589)	(404)
Purchase of intangible assets	(191)	-
Proceeds from disposal of property, plant and equipment	205	-
Proceeds from disposal of inventories	870	-
Net cash generated by/(used in) investing activities	295	(404)
Cash flows from financing activities		
Repayment of other borrowings	(12,501)	(12,501)
Recourse obligation on loans sold to Cagamas Berhad	(9,370)	-
Net cash used in financing activities	(21,871)	(12,501)
Net increase in cash and cash equivalents	172,789	8,047
Cash and cash equivalents at beginning of financial year	763,275	73,165
Cash and cash equivalents at end of financial year	936,064	81,212
Cash and cash equivalents comprise :		
Cash and short term funds	936,064	81,212

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.