



UNAUDITED BALANCE SHEETS AS AT 31 MARCH 2010

	Note	Group		Company	
		31 March 2010 RM'000	31 December 2009 RM'000	31 March 2010 RM'000	31 December 2009 RM'000
ASSETS					
Cash and short-term funds		1,830,184	1,195,475	936,453	781,622
Deposits and placements with banks and other financial institutions		218,834	461,986	194,870	278,952
Securities held-for-trading	7	607,596	951,635	5,624	8,410
Securities available-for-sale	8	2,287,273	2,612,690	44,537	46,753
Securities held-to-maturity	9	9,844	29,797	-	-
Derivative assets		26,631	26,631	-	-
Loans, advances and financing	10	533,310	562,044	344,400	372,775
Other assets	11	232,878	476,574	138,084	193,129
Statutory deposits with Bank Negara Malaysia		20,516	21,197	-	-
Investment properties		7,255	7,315	-	-
Prepaid lease payments		439	443	-	-
Investment in associates		2,663	2,380	2,560	-
Investment in subsidiaries		-	-	796,009	796,009
Property, plant and equipment		13,460	13,694	9,181	10,189
Deferred tax assets		47,189	48,110	4,876	3,329
Goodwill		86,713	86,713	-	-
TOTAL ASSETS		5,924,785	6,496,684	2,476,594	2,491,168
LIABILITIES					
Deposits from customers	12	1,758,665	1,881,204	-	-
Deposits and placements of banks and financial institutions	13	1,391,312	1,626,601	-	-
Other payables		245,217	451,705	181,726	182,229
Borrowings	14	422,176	446,369	417,076	438,369
Government Scheme Funds	15	390,008	382,928	390,008	382,928
Provision for taxation and zakat		1,937	2,824	-	-
Employee benefits		10,302	10,398	8,415	8,543
Deferred tax liabilities		4,501	4,501	-	-
TOTAL LIABILITIES		4,224,118	4,806,530	997,225	1,012,069
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share Capital		466,070	466,070	466,070	466,070
Reserves :					
Share Premium		363,861	363,861	363,861	363,861
Statutory Reserve		79,337	79,337	-	-
Capital Reserve		688	688	-	-
Securities Available-For-Sale Reserve		885	4,960	(1,122)	(139)
Retained Profits		787,157	772,341	650,560	649,307
		1,697,998	1,687,257	1,479,369	1,479,099
Minority Interest		2,669	2,897	-	-
TOTAL EQUITY		1,700,667	1,690,154	1,479,369	1,479,099
TOTAL LIABILITIES AND EQUITY		5,924,785	6,496,684	2,476,594	2,491,168
CONTINGENCIES AND COMMITMENTS	24	544,704	606,126	185,485	203,271
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (RM)		3.64	3.62	3.17	3.17

The Unaudited Condensed Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2010

<u>Group</u>	Note	Cumulative Quarter	
		31.03.2010 RM'000	31.03.2009 RM'000
Continuing operations			
Revenue		<u>64,857</u>	<u>84,129</u>
Interest income	16	<u>44,310</u>	53,938
Interest expense	17	<u>(15,903)</u>	(25,628)
Net interest income		<u>28,407</u>	28,310
Net income from islamic banking business	28b	<u>8,668</u>	7,400
Other operating income	18	<u>14,941</u>	17,600
		<u>52,016</u>	53,310
Operating expenses	19	<u>(18,858)</u>	(19,615)
Profit before allowances for Loans and advances and impairment losses			
		<u>33,158</u>	33,695
Impairment losses written-back / (made) on loans, advances and financing	20	<u>6,084</u>	(37)
Impairment losses (made) / written-back on securities	21	<u>(3,092)</u>	13,002
Profit before share of results in associates		<u>36,150</u>	46,660
Share of results in associates		<u>283</u>	373
Profit before taxation and zakat			
		<u>36,433</u>	47,033
Tax expense		<u>(9,064)</u>	(11,581)
Zakat		<u>(110)</u>	(151)
Profit for the period from continuing operations		<u>27,259</u>	35,301
Discontinued operations			
Profit for the period from discontinued operations	6	<u>-</u>	3,909
Profit for the period			
		<u>27,259</u>	<u>39,210</u>
Attributable to:			
Equity holders of the company		<u>27,487</u>	39,221
Minority interest		<u>(228)</u>	(11)
Profit for the period			
		<u>27,259</u>	<u>39,210</u>
Earnings per share			
- Basic, for profit from continuing operations		<u>5.90</u>	3.61
- Basic, for profit from discontinued operations		<u>-</u>	0.40
- Basic, for profit for the period		<u>5.90</u>	4.01

The Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2010

<u>Group</u>	Cumulative Quarter	
	31.03.2010 RM'000	31.03.2009 RM'000
Profit for the period	27,259	39,210
Other comprehensive loss:		
Net realised gain on disposal of securities available-for-sale	(608)	(10,850)
Net unrealised (loss)/gain on revaluation of securities available-for-sale	(417)	4,967
Deferred tax on revaluation of securities available-for-sale	(46)	(6)
Currency translation differences	-	(52)
Other comprehensive loss for the period, net of tax	(1,071)	(5,941)
Total comprehensive income for the period	26,188	33,269
Total comprehensive income for the period attributable to:		
Equity holders of the company	26,416	33,280
Minority interest	(228)	(11)
	26,188	33,269

The Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2010

<u>Company</u>	Note	Cumulative Quarter	
		31.03.2010 RM'000	31.03.2009 RM'000
Revenue		<u>14,312</u>	<u>16,907</u>
Interest income	16	8,307	11,206
Interest expense	17	<u>(2,363)</u>	<u>(2,862)</u>
Net interest income		5,944	8,344
Net income from islamic banking business	28b	4,008	3,158
Other operating income	18	<u>7,771</u>	<u>6,580</u>
		17,723	18,082
Operating expenses	19	<u>(11,991)</u>	<u>(10,889)</u>
Profit before allowances for loans and advances and impairment losses		5,732	7,193
Impairment losses written-back / (made) on loans, advances and financing	20	6,107	(288)
		<u>11,839</u>	<u>6,905</u>
Profit before taxation and zakat		11,839	6,905
Tax expense		(3,498)	(1,104)
Zakat		-	(57)
Profit for the period		<u>8,341</u>	<u>5,744</u>

The Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2010

<u>Company</u>	Cumulative Quarter	
	31.03.2010 RM'000	31.03.2009 RM'000
Profit for the period	8,341	5,744
Other comprehensive income:		
Net unrealised gain on revaluation of securities available-for-sale	185	-
Deferred tax on revaluation of securities available-for-sale	(46)	-
Other comprehensive income for the period, net of tax	139	-
Total comprehensive income for the period	8,480	5,744

The Unaudited Condensed Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2010

	Share Capital	Non-Distributable				Distributable		Total	Minority Interest	Total Equity
		Share Premium	Securities Available-For-Sale Reserve	Capital Reserve	Exchange Fluctuation Reserve	Statutory Reserve	Retained Profits			
Group	-----RM'000-----									
At 1 January 2010, as perviously reported	466,070	363,861	4,960	688	-	79,337	772,341	1,687,257	2,897	1,690,154
Effect of adopting FRS 139	-	-	(3,004)	-	-	-	(12,671)	(15,675)	-	(15,675)
At 1 January 2010, as restated	466,070	363,861	1,956	688	-	79,337	759,670	1,671,582	2,897	1,674,479
Profit for the financial period	-	-	-	-	-	-	27,487	27,487	(228)	27,259
Other comprehensive loss	-	-	(1,071)	-	-	-	-	(1,071)	-	(1,071)
Total comprehensive (loss) / income for the period	-	-	(1,071)	-	-	-	27,487	26,416	(228)	26,188
At 31 March 2010	466,070	363,861	885	688	-	79,337	787,157	1,697,998	2,669	1,700,667
At 1 January 2009	978,495	363,861	1,478	36,220	(4,876)	79,159	674,655	2,128,992	26,143	2,155,135
Profit for the financial period	-	-	-	-	-	-	39,221	39,221	(11)	39,210
Other comprehensive loss	-	-	(5,889)	-	(52)	-	-	(5,941)	-	(5,941)
Total comprehensive (loss) / income for the period	-	-	(5,889)	-	(52)	-	39,221	33,280	(11)	33,269
Prior year adjustment in relation to a subsidiary company	-	-	-	-	-	-	69	69	(69)	-
At 31 March 2009	978,495	363,861	(4,411)	36,220	(4,928)	79,159	713,945	2,162,341	26,063	2,188,404

The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2010

Company	Share	← Non-Distributable →		Distributable	Total Equity
	Capital	Share Premium	Securities Available-For- Sale Reserve	Retained Profits	
At 1 January 2010 (as previously reported)	466,070	363,861	(139)	649,307	1,479,099
Effect of adopting FRS 139	-	-	(1,122)	(7,088)	(8,210)
At 1 January 2010 (as restated)	466,070	363,861	(1,261)	642,219	1,470,889
Profit for the financial period	-	-	-	8,341	8,341
Other comprehensive income	-	-	139	-	139
Total comprehensive income for the period	-	-	139	8,341	8,480
At 31 March 2010	466,070	363,861	(1,122)	650,560	1,479,369
At 1 January 2009	978,495	363,861	-	470,510	1,812,866
Profit for the financial period	-	-	-	5,744	5,744
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	5,744	5,744
At 31 March 2009	978,495	363,861	-	476,254	1,818,610

The Unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.



UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2010

	Group		Company	
	31.03.2010 RM'000	31.03.2009 RM'000	31.03.2010 RM'000	31.03.2009 RM'000
Profit before taxation:				
Continuing operations	36,433	47,033	11,839	6,905
Discontinued operations	-	4,779	-	-
Adjustments for non-cash items	(68,660)	(40,997)	(3,462)	2,558
Operating profit before changes in working capital	(32,227)	10,815	8,377	9,463
Changes in working capital				
Net changes in operating assets	265,839	43,538	135,624	6,787
Net changes in operating liabilities	(581,463)	(889,605)	(68,811)	20,575
Tax expense paid	(2,103)	(4,155)	(1,710)	(2,516)
Retirement benefits paid	-	(707)	-	(685)
Movements on exchange fluctuations	-	(52)	-	-
Net cash (used in) / generated from operating activities	(349,954)	(840,166)	73,480	33,624
Net cash generated from / (used in) investing activities	740,830	225,299	(2,731)	(267)
Net cash used in financing activities	-	-	-	-
Net (decrease) / increase in cash and cash equivalents	390,876	(614,867)	70,749	33,357
Cash and cash equivalents at beginning of the period	1,678,508	2,429,769	1,060,574	661,139
Cash and cash equivalents at end of the period	2,069,384	1,814,902	1,131,323	694,496
Cash and cash equivalents:				
Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:				
Continuing operations:				
Cash and short term funds (note)	1,830,034	1,763,174	936,453	683,588
Deposits and placements with banks and other financial institutions	218,834	17,293	194,870	10,908
Statutory deposits with Bank Negara Malaysia	20,516	21,282	-	-
	2,069,384	1,801,749	1,131,323	694,496
Discontinued operations:				
Cash and short term funds	-	10,623	-	-
Deposits and placements with banks and other financial institutions	-	2,530	-	-
	-	13,153	-	-
	2,069,384	1,814,902	1,131,323	694,496

Note :

- 1) Net of pledged deposits with a licensed bank for banking facilities granted to a subsidiary amounting to RM150,000.
- 2) Included in deposits and placement maturing within one month of the Group and the Company is an amount of RM390,008,000 (2009: RM245,334,000) which relates to cash available from Government Scheme Funds which has not been utilised.

The Unaudited Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached in the interim financial statements.

Explanatory Notes Pursuant to Financial Reporting Standard 134 ("FRS 134") and Guidelines on Financial Reporting for Licensed Institutions (BNM/GP8) Issued by Bank Negara Malaysia

1. Basis of preparation

The unaudited condensed interim financial statements has been prepared under the historical cost convention unless otherwise indicated and comply with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRSs") in Malaysia as modified by Bank Negara Malaysia ("BNM") Guidelines.

The unaudited condensed interim financial statement has been prepared in accordance with FRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB").

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Company for the financial year ended 31 December 2009. The explanatory notes attached to the unaudited condensed 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 Company since the financial year ended 31 December 2009.

2. Significant accounting policies

The significant accounting policies and methods of computation adopted in the unaudited condensed interim financial statements are consistent with those adopted in the audited annual financial statements for the year ended 31 December 2009 except for the adoption of the following new and revised FRSs, Amendments to FRSs, IC Interpretations, Amendments to IC Interpretation and Technical Release issued by the MASB that are effective for financial period beginning on or after 1 January 2010, with the exception of FRS 8, which takes effect for financial period beginning on or after 1 July 2009:

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 8 Operating Segments

FRS 101 Presentation of Financial Statements

FRS 123 Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 First-time Adoption of Financial Reporting

Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations

Amendments to FRS 132 Financial Instruments: Presentation

Amendments to FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives

Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"

IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 11 FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14 FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

TRi-3 Presentation of Financial Statements of Islamic Financial Institutions

The adoption of abovementioned FRSs, Amendments to FRSs, IC Interpretations, Amendments to IC Interpretation and Technical Release, where applicable, does not result in significant changes to the accounting policies of the Group and the Company, other than the adoption of FRS 139 which the impact is disclosed in Note 27 to the unaudited condensed interim financial statements.

On 8 January 2010, BNM issued the guidelines on Classification and Impairment Provisions for Loans/Financing which is effective for annual periods beginning on and after 1 January 2010. The guidelines set out the minimum requirements on classification of impaired loans/financing, provisioning for impaired loans/financing and expectations that must be met by banking institutions with the adoption of FRS 139. With the issuance of the guidelines, the existing revised BNM/GP3 which was issued on 7 August 2008 will be withdrawn and replaced with the requirements of the guidelines.

2. Significant accounting policies (cont'd)

In accordance with the transitional provisions under the Amendments to FRS 139 Financial Instruments: Recognition and Measurement, the Financial Services sector is granted a transitional period for the purpose of complying with the collective assessment of impairment required under FRS 139. During the transitional period, banking institutions will be required to comply with the requirements on collective assessment of impairment of loans and financing under the BNM's guidelines on Classification and Impairment Provisions for Loans/Financing. Banking institutions are required to maintain collective impairment provisions of at least 1.5% of total outstanding loans/financing, net of individual impairment provisions under the transitional provisions in the guidelines. Subject to the prior written approval from BNM, banking institutions are allowed to maintain a lower collective impairment provision.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2009 was not subject to any qualification.

4. Performance review

The Group registered a pre-tax profit of RM36.433 million for the period ended 31 March 2010, a decrease of 30% as compared to the previous corresponding period's pre-tax profit of RM51.812 million (as analysed in Note 22, including discontinued operations). The decrease in earning is attributed to higher impairment on securities.

5. Current year prospects

Malaysia's gross domestic product (GDP) growth is estimated to have accelerated to 6.8% year-on-year in the first quarter of 2010, from 4.5% in the last quarter of 2009. Growth was driven by the manufacturing sector, which grew 14.1% year-on-year, reflecting the extremely depressed base in 2009. GDP growth is forecast to accelerate further in second quarter of 2010 with GDP growth for the full 2010 expected to be 5.1%.

In tandem with the strong rebound of the economy in 2010, the equity market is expected to remain buoyant with the FBM KLCI Index forecasted to breach the 1,400 level. On the back of the economic growth and a more buoyant equity market, the investment banking division sees the strongest opportunities in the equity market and corporate finance activities. Opportunities for the latter will lie in advisory activities for corporate actions, such as mergers and takeovers and initial public offerings, as well as in underwriting.

Bank Negara Malaysia raised the Overnight Policy Rate on 4th March 2010 and has indicated that it is in the process of normalising the interest rates. Such a scenario may dampen the market prospects for fund-based activities. Consequently, the debt capital market and treasury-related activities is expected to remain challenging in the year.

In the mean time, while the worst of the deterioration in credit quality may have been in the past, the emphasis on remedial efforts will remain unchanged.

The development finance division intends to continue to work closely with the Government in providing financial assistance to the targeted sectors to build up the country's SMEs' capacity in line with its mandated role, and to sustain the recovery in the economy under the financial stimulus packages.

Efforts to sustain the improved fund performance will be continued for the asset management division. The other areas of focus for the division will be to accelerate efforts for clients acquisition as well business and products development.

With the completion of the streamlining of the businesses of the Group, efforts will be focused on the need to establish a stronger franchise in each of the business lines, with the continued emphasis on operational efficiencies, credit, cost and capital management.

MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
CONDENSED INTERIM FINANCIAL STATEMENTS

6. Assets of disposal group/classified as held for sale

An analysis of the results of discontinued operations of disposal group is as follows:

Group	Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Revenue	-	16,937
Cost of Sales	-	(5,140)
	-	11,797
Operating income	-	739
	-	12,536
Staff cost	-	(2,415)
Depreciation	-	(1,382)
Operating expenses	-	(3,960)
Profit before tax of discontinued operations	-	4,779
Tax expense	-	(870)
Profit for the year from discontinued operation	-	3,909

7. Securities held-for-trading

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	55,029	-	-	-
Bank Negara Malaysia Notes	-	449,783	-	-
Other Acceptance Discounted	389,544	226,532	-	-
Negotiable Instruments of Deposit	-	200,000	-	-
	444,573	876,315	-	-
Quoted securities:				
Unit Trusts	2	3	2	2
Shares in Malaysia	1,132	1,464	415	417
Redeemable Convertible Secured Notes	5,207	7,991	5,207	7,991
	6,341	9,458	5,624	8,410
Unquoted securities				
Loan Stocks	3,533	3,533	-	-
Private Debt Securities:	153,149	62,329	-	-
	156,682	65,862	-	-
	607,596	951,635	5,624	8,410

MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
CONDENSED INTERIM FINANCIAL STATEMENTS

8. Securities available-for-sale

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
At fair value, or at cost less impairment losses for certain unquoted equity instruments				
Money market instruments:				
Malaysian Government Securities	139,200	114,675	-	-
Government Investment Issue	178,092	149,065	-	-
Bank Negara Malaysia Notes	-	99,595	-	-
Malaysian Treasury Bills	9,840	26,904	-	-
Khazanah Nasional Berhad Bonds	-	14,986	-	-
Other Acceptances Discounted	72,382	193,004	-	-
Negotiable Instruments of Deposit	289,053	229,642	-	-
	<u>688,567</u>	<u>827,871</u>	<u>-</u>	<u>-</u>
Quoted securities:				
Shares and Warrants	15,368	7,277	1,234	1,049
Loan Stocks	8,010	8,010	-	-
	<u>23,378</u>	<u>15,287</u>	<u>1,234</u>	<u>1,049</u>
Unquoted securities:				
Private Debt Securities	1,531,480	1,728,497	37,243	42,608
Shares in Malaysia	5,398	6,823	-	-
Loan Stocks	38,450	34,212	6,060	3,096
	<u>1,575,328</u>	<u>1,769,532</u>	<u>43,303</u>	<u>45,704</u>
	<u>2,287,273</u>	<u>2,612,690</u>	<u>44,537</u>	<u>46,753</u>

9. Securities held-to-maturity

	Group	
	31.03.2010 RM'000	31.12.2009 RM'000
At amortised cost, or at cost for certain unquoted equity instruments		
Money market instruments:		
Khazanah Nasional Berhad Bonds	-	19,966
Unquoted securities in Malaysia:		
Shares	906	906
Private Debt Securities	85,660	85,647
	<u>86,566</u>	<u>86,553</u>
Less: Accumulated impairment provisions	<u>(76,722)</u>	<u>(76,722)</u>
	<u>9,844</u>	<u>29,797</u>

MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
CONDENSED INTERIM FINANCIAL STATEMENTS

10. Loans, advances and financing

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Term loans				
- Syndicated term loan/financing	22,889	23,352	-	-
- Hire purchase receivables	116,973	110,079	90,905	81,530
- Lease receivables	5,501	3,769	3,636	1,904
- Other term loans/financing	470,894	515,460	377,061	416,990
Staff loans	7,442	7,927	3,017	3,327
Revolving credits	14,050	18,972	-	-
Margin accounts	73,406	60,669	-	-
	<u>711,155</u>	<u>740,228</u>	<u>474,619</u>	<u>503,751</u>
Less: Unearned interest and income	(9,817)	(9,659)	(9,074)	(8,639)
	<u>701,338</u>	<u>730,569</u>	<u>465,545</u>	<u>495,112</u>
Less: Security deposits	(207)	(224)	-	-
Less: Impairment provisions				
- Collective impairment provisions	(27,827)	(16,068)	(23,483)	(11,760)
- Individual impairment provisions	(139,994)	(152,233)	(97,662)	(110,577)
Total net loans, advances and financing	<u>533,310</u>	<u>562,044</u>	<u>344,400</u>	<u>372,775</u>

a. By type of customer

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Domestic business enterprises				
- Small medium enterprises	437,307	451,435	261,426	282,221
- Others	200,901	212,967	197,428	205,699
Individuals	59,456	62,302	3,017	3,327
Foreign entities	3,674	3,865	3,674	3,865
Gross loans, advances and financing	<u>701,338</u>	<u>730,569</u>	<u>465,545</u>	<u>495,112</u>

b. By interest/profit rate sensitivity

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Fixed rate				
- Staff loans	7,442	7,927	3,017	3,327
- Hire purchase receivables	80,916	109,076	55,584	81,530
- Other fixed rate loan/financing	311,004	290,105	234,129	225,958
Variable rate				
- BLR plus	136,770	143,366	136,770	143,366
- Other variable rates	165,206	180,095	36,045	40,931
Gross loans, advances and financing	<u>701,338</u>	<u>730,569</u>	<u>465,545</u>	<u>495,112</u>

c. By economic sector

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Agriculture, hunting, forestry & fishing	1,806	2,222	-	-
Mining and quarrying	28,730	29,921	766	1,047
Manufacturing	351,318	396,705	318,309	357,716
Construction	22,415	22,713	1,183	1,352
Purchase of landed property:				
- Residential	369	373	-	-
Wholesale & retail trade and restaurants & hotels	113,985	110,830	91,200	87,689
Transport, storage and communications	36,161	36,335	25,741	23,613
Finance, insurance and business services	32,867	30,960	13,582	11,484
Purchase of securities	73,406	60,669	-	-
Purchase of transport vehicles	21,462	23,403	-	-
Others	18,819	16,438	14,764	12,211
Gross loans, advances and financing	<u>701,338</u>	<u>730,569</u>	<u>465,545</u>	<u>495,112</u>

10. Loans, advances and financing (cont'd)

d. Movements in non-performing loans, advances and financing

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
At beginning of period/year	281,407	264,904	216,902	207,751
Classified as non-performing during the period/year	9,290	69,868	8,832	54,315
Reclassified as performing during the period/year	(2,763)	(6,215)	(2,200)	(5,627)
Amount written-back	(1,707)	(13,483)	(1,148)	(11,786)
Amount written off	-	(33,667)	-	(27,751)
At end of period/year	<u>286,227</u>	<u>281,407</u>	<u>222,386</u>	<u>216,902</u>
Less: Impairment provisions				
- Individual impairment provisions	(139,752)	(146,691)	(97,420)	(105,035)
Net non-performing loans, advances and financing	<u>146,475</u>	<u>134,716</u>	<u>124,966</u>	<u>111,867</u>
Net NPL as % of gross loans, advances and financing less individual impairment provisions	<u>26.09%</u>	<u>23.29%</u>	<u>33.97%</u>	<u>29.09%</u>
Performing loans with individual impairment provisions provided				
Gross loan	2,559	21,606	2,559	21,606
Less: Impairment loss				
- Individual impairment provisions	(242)	(5,542)	(242)	(5,542)
Net	<u>2,317</u>	<u>16,064</u>	<u>2,317</u>	<u>16,064</u>

e. Movements in impairment provisions

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Collective impairment provisions				
At beginning of period/year, as previously reported	16,068	24,905	11,760	21,606
Effect of adopting FRS 139				
- transfer from individual impairment provisions	6,848	-	6,848	-
- additional collective impairment provisions	4,860	-	4,875	-
At beginning of period/year, as restated	<u>27,776</u>	<u>24,905</u>	<u>23,483</u>	<u>21,606</u>
Impairment made during the period/year	51	1,009	-	-
Amount transferred to individual impairment provisions	-	(9,846)	-	(9,846)
At end of period/year	<u>27,827</u>	<u>16,068</u>	<u>23,483</u>	<u>11,760</u>
As % of gross loans, advances and financing less individual impairment provisions	<u>4.96%</u>	<u>2.78%</u>	<u>6.38%</u>	<u>3.06%</u>
Individual impairment provisions				
At beginning of period/year, as previously reported	152,233	172,645	110,577	125,509
Effect of adopting FRS 139				
- transfer to collective impairment provisions	(6,848)	-	(6,848)	-
- individual impairment provisions	766	-	-	-
At beginning of period/year, as restated	<u>146,151</u>	<u>172,645</u>	<u>103,729</u>	<u>125,509</u>
Impairment made during the period/year	8,686	26,536	7,992	23,815
Amount written-back	(13,991)	(23,127)	(13,269)	(20,842)
Amount written off	-	(33,667)	-	(27,751)
Amount transferred from collective impairment provisions	-	9,846	-	9,846
Discount unwind	(852)	-	(790)	-
At end of period/year	<u>139,994</u>	<u>152,233</u>	<u>97,662</u>	<u>110,577</u>

f. Non-Performing Loan by economic sector

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Manufacturing	169,511	166,689	157,640	154,349
Construction	21,191	21,281	-	-
Purchase of landed property - Residential	112	113	-	-
Wholesale & retail trade and restaurants & hotels	51,725	49,365	51,244	48,884
Transport, storage and communication	9,099	9,205	8,283	8,380
Finance, insurance and business services	17,364	17,363	2,894	2,904
Purchase of transport vehicles	14,162	14,285	-	-
Others	3,063	3,106	2,325	2,385
	<u>286,227</u>	<u>281,407</u>	<u>222,386</u>	<u>216,902</u>

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11. Other assets

	Group		Company	
	31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
Accrued interest, commitment charges, commissions, and fees receivable	49,070	35,439	15,419	14,233
Amount due from holding company	40,327	83,299	39,991	83,299
Amount due from subsidiaries				
- current accounts	-	-	1,015	1,322
- loan accounts	-	-	9,552	10,509
Clients' and brokers' accounts	61,712	262,698	-	-
Less: Allowance for doubtful debts	(2,536)	(2,531)	-	-
	59,176	260,167	-	-
Trade receivables	19,923	24,526	-	-
Less: Allowance for doubtful debts	(19,137)	(19,137)	-	-
	786	5,389	-	-
Other receivables, deposits and prepayments	104,228	110,387	65,392	74,782
Less: Allowance for doubtful debts	(30,787)	(30,559)	-	-
	73,441	79,828	65,392	74,782
Tax recoverable	10,078	12,452	6,715	8,984
	<u>232,878</u>	<u>476,574</u>	<u>138,084</u>	<u>193,129</u>

12. Deposits from customers

	Group	
	31.03.2010 RM'000	31.12.2009 RM'000
(i) By type of deposit		
Deposits from customers		
- Call money	41,606	216,579
- Fixed deposits	1,717,059	1,664,625
	<u>1,758,665</u>	<u>1,881,204</u>
(ii) By type of customer		
Government and statutory bodies	24,500	25,500
Business enterprises	1,733,583	1,855,704
Individuals	582	-
	<u>1,758,665</u>	<u>1,881,204</u>

13. Deposits and placements of banks and financial institutions

	Group	
	31.03.2010	31.12.2009
	RM'000	RM'000
(i) Call deposits		
- Other financial institutions	190,496	1,548,911
(i) Call deposits		
- Licensed Islamic banks	37,000	77,690
- Licensed Commercial banks	1,000	-
- Licensed Investment banks	18,000	-
- Other financial institutions	1,144,816	-
	<u>1,391,312</u>	<u>1,626,601</u>

14. Borrowings

	Group		Company	
	31.03.2010	31.12.2009	31.03.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
(a) Short Term				
Unsecured	60,648	70,970	60,648	62,970
	<u>60,648</u>	<u>70,970</u>	<u>60,648</u>	<u>62,970</u>
(b) Long Term				
Unsecured	340,810	353,127	335,710	353,127
Unsecured – Islamic operations	20,718	22,272	20,718	22,272
	<u>361,528</u>	<u>375,399</u>	<u>356,428</u>	<u>375,399</u>
Total borrowings	<u>422,176</u>	<u>446,369</u>	<u>417,076</u>	<u>438,369</u>

(c) Included in the borrowings are loans obtained from a Japanese financial institution, denominated in Yen, equivalent to RM88.266 million. The foreign exchange risk on the above loans is borne by the Government of Malaysia.

15. Government Scheme Funds

15.1 Government Scheme Funds

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
At 1 January	903,624	632,258
Add : Funds received during the year	65,060	271,366
	<u>968,684</u>	<u>903,624</u>
Less : Non-performing loans pending approval		
At 1 January	15,464	18,291
Reversal	(2,877)	(2,827)
At 31 March / 31 December	<u>12,587</u>	<u>15,464</u>
Gross available Funds at 31 March / 31 December	956,097	888,160
Less : Net loans disbursed under Government Scheme Funds	(566,089)	(505,232)
Net Government Scheme Funds Available	<u>390,008</u>	<u>382,928</u>

Gross available Government Scheme Funds comprises the following:

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Non-current		
Funds from Ministry of International Trade and Industry ("MITI")	60,822	60,822
Soft loan for Small and Medium Scale Enterprises ("SME's")	370,798	310,562
Loan from Malaysian Industrial Energy Efficiency Improvement Project ("MIEEIP")	13,155	13,155
Loan from Program Pembiayaan Wang Ehsan ("PPWE")	9,757	9,757
Soft loan for Automation and Modernisation	158,549	158,284
Soft loan for Automotive Development	281,233	273,890
Loan from Malaysia External Trade Development Corporation ("MATRADE")	11,082	11,074
Loan from Malaysian Industrial Development Authority ("MIDA")	50,701	50,616
	<u>956,097</u>	<u>888,160</u>

15. Government Scheme Funds (cont'd)

15.2 Loans, advances and financing under Government Scheme Funds

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Term loans		
- Hire purchase receivables	90,879	65,146
- Other term loans/financing	249,480	267,380
Other loans/financing	<u>265,706</u>	<u>212,218</u>
	606,065	544,744
Less : Unearned interest income	<u>(27,389)</u>	<u>(24,048)</u>
	578,676	520,696
Less: Impairment provisions		
- Individual impairment provisions	<u>(12,587)</u>	<u>(15,464)</u>
Total net loans, advances and financing	<u><u>566,089</u></u>	<u><u>505,232</u></u>

15.2 (a) Loans, advances and financing under Government Scheme Funds

(i) By type of customer

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Domestic business enterprises		
- Small medium enterprises	386,531	355,289
- Others	190,976	164,124
Foreign entities	<u>1,169</u>	<u>1,283</u>
Gross loans, advances and financing	<u><u>578,676</u></u>	<u><u>520,696</u></u>

(ii) By interest/profit rate sensitivity

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Fixed rate		
Hire purchase receivables	153,926	141,578
Other fixed rate loan/financing	<u>424,750</u>	<u>379,118</u>
Gross loans, advances and financing	<u><u>578,676</u></u>	<u><u>520,696</u></u>

(iii) By economic sector

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Mining and quarrying	678	790
Manufacturing	514,859	456,942
Construction	9,577	9,695
Wholesale & retail trade and restaurants & hotels	33,651	33,493
Transport, storage and communications	3,706	3,861
Finance, insurance and business services	5,198	4,902
Others	<u>11,007</u>	<u>11,013</u>
Gross loans, advances and financing	<u><u>578,676</u></u>	<u><u>520,696</u></u>

15. Government Scheme Funds (cont'd)

15.2 (b) Non-Performing Loans ("NPLs")

(i) Movements in non-performing loans, advances and financing

	Group and Company	
	31.03.2010 RM'000	31.12.2009 RM'000
At beginning of period/ year	18,622	18,228
Classified as non-performing during the period/year	1,050	12,566
Reclassified as performing during the period/year	(1,048)	(2,130)
Amount written-back	(53)	(1,339)
Amount written off	-	(8,703)
At end of period/ year	18,571	18,622
Less: Individual impairment provisions	(12,466)	(14,743)
Net non-performing loans, advances and financing	6,105	3,879
Net NPL as % of gross loans, advances and financing less individual impairment provisions	1.08%	0.77%
Performing loans with individual impairment provisions provided	140	811
Less: Individual impairment provisions	(121)	(721)
Net	19	90

(ii) Movements in allowance for bad and doubtful debts

	Group and Company	
	31.03.2010 RM'000	31.12.2009 RM'000
Individual impairment provisions		
At beginning of period/year	15,464	18,291
Impairment made during the of period/year	1,125	7,397
Amount write-back	(4,002)	(1,521)
Amount written off	-	(8,703)
At end of period/year	12,587	15,464

(iii) Non-Performing Loan by economic sector

	Group and Company	
	31.03.2010 RM'000	31.12.2009 RM'000
Agriculture, hunting, forestry & fishing	239	-
Mining and quarrying	-	241
Manufacturing	14,807	15,176
Wholesale & retail trade and restaurants & hotels	1,224	1,241
Finance, insurance and business services	2,101	1,764
Others	200	200
	18,571	18,622

16. Interest income

<u>Group</u>	Individual/Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Loans, advances and financing		
- Interest income other than recoveries from NPL	5,360	5,988
- Recoveries from NPL	2,113	500
- Discount unwind	852	-
Recoveries from non-performing securities	-	1,716
Income from Government Scheme Funds	2,945	3,916
Money at call and deposit placements with financial institutions	5,408	10,913
Securities available-for-sale ("AFS")		
- Interest income on AFS	15,137	12,093
- Discount unwind	2,447	-
Securities held-for-trading	489	20
Securities held-to-maturity	397	1,438
Hire purchase and leasing operations	1,005	1,281
Accretion of discounts (net of amortisation of premium)	8,157	16,613
Interest suspended	-	(540)
	44,310	53,938

16. Interest income (cont'd)

<u>Company</u>	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
Loans and advances		
- Interest income other than recoveries from NPL	2,150	3,615
- Recoveries from NPL	1,601	390
- Discount unwind	790	-
Income from Government Scheme Funds	2,945	3,916
Hire purchase and leasing operations	723	671
Loans to subsidiaries	98	2,614
	<u>8,307</u>	<u>11,206</u>

17. Interest expense

<u>Group</u>	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
Deposits and placements of banks and other financial institutions	5,315	8,925
Deposits from customers	8,170	13,828
Short-term funds and bank overdrafts	7	38
Concessional funds	2,138	2,619
Commercial loans	225	218
Miscellaneous	48	-
	<u>15,903</u>	<u>25,628</u>

<u>Company</u>	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
Short-term funds and bank overdrafts	-	25
Concessional funds	2,138	2,619
Commercial loans	225	218
	<u>2,363</u>	<u>2,862</u>

18. Other operating income

<u>Group</u>	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
(a) Revenue income:		
Fee income derived from:		
- Capital market activities	2,176	2,628
- Management fees	728	819
- Net brokerage fees	4,669	1,737
Investment income derived from:		
- Net unrealised losses on revaluation of securities held-for-trading	(652)	(49)
- Gain on sale of securities:		
- Available-for-sale	766	6,936
- Held-for-trading	10	1,035
- Gain on sale of trust units	18	13
Rental income on buildings	413	72
Income from factoring	188	199
Profit earned on Al-Bai Bithamin Ajil and Al-Ijarah	-	36
	<u>8,316</u>	<u>13,426</u>

18. Other operating income (cont'd)

	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
(b) Other income:		
Total interest income on:		
- short-term placements, fixed deposits and share issue account	4,485	2,844
- promissory notes	116	116
- securities available-for-sale ("AFS")	282	-
- discount unwind on AFS	268	-
Gain on disposal of:		
- Property, plant and equipment	6	159
Total dividends (gross) from:		
- Securities available-for-sale	-	35
- Securities held-to-maturity	145	-
Interest on staff loans	48	59
Guarantee fee	17	67
Commitment fee	-	4
Rental of office premises	2	9
Recoveries from non performing loans	280	-
Others	976	881
	<u>6,625</u>	<u>4,174</u>
Total non-interest income	<u>14,941</u>	<u>17,600</u>

Company

	Individual/Cumulative Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
(a) Revenue income:		
Fee income:		
- Management fees	2,364	2,587
Net unrealised loss on revaluation of securities held-for-trading	(367)	(44)
	<u>1,997</u>	<u>2,543</u>
(b) Other income:		
Interest income on:		
- short-term placements, fixed deposits and share issue account	4,750	3,062
- promissory notes	116	116
- securities available-for-sale ("AFS")	282	-
- discount unwind on AFS	268	-
Gain on disposal of:		
- Property, plant and equipment	2	111
Interest on staff loans	31	46
Guarantee fee	-	67
Commitment fee	-	4
Rental of:		
- parking space	2	9
- office premises	-	9
Others	323	613
	<u>5,774</u>	<u>4,037</u>
Total non-interest income	<u>7,771</u>	<u>6,580</u>

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19. Operating Expenses

	Individual/Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Group		
Personnel costs		
- Salaries and wages	9,908	8,366
- Allowance and bonuses	1,769	3,186
- Staff training	29	322
- Others	827	2,803
	<u>12,533</u>	<u>14,677</u>
Establishment costs		
- Depreciation	1,556	1,817
- Office rental	1,244	87
- Equipment rental	64	157
- Others	1,288	608
	<u>4,152</u>	<u>2,669</u>
Promotion and marketing-related expenses		
- Business promotion and advertisement	454	236
- Entertainment	36	49
	<u>490</u>	<u>285</u>
Administration and general expenses		
- Communication expenses	647	463
- Audit fees	94	74
- Directors fees and meeting allowances	272	200
- Management fees	47	53
- Securities Commission's levy	126	70
- Others	497	1,124
	<u>1,683</u>	<u>1,984</u>
	<u>18,858</u>	<u>19,615</u>
Company		
Personnel costs		
- Salaries and wages	4,282	4,402
- Allowance and bonuses	1,864	1,704
- Staff training	13	179
- Others	1,261	1,641
	<u>7,420</u>	<u>7,926</u>
Establishment costs		
- Depreciation	1,042	1,186
- Office rental	2,089	673
- Equipment rental	24	13
- Others	386	350
	<u>3,541</u>	<u>2,222</u>
Promotion and marketing-related expenses		
- Business promotion and advertisement	271	158
- Entertainment	1	5
	<u>272</u>	<u>163</u>
Administration and general expenses		
- Communication expenses	37	53
- Audit fees	31	24
- Directors fees and meeting allowances	129	134
- Others	561	367
	<u>758</u>	<u>578</u>
	<u>11,991</u>	<u>10,889</u>

20. Impairment losses on loans, advances and financing

	Individual/Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
<u>Group</u>		
(a) Individual impairment provisions		
- made in the financial period	(8,686)	(352)
- written-back	13,991	196
(b) Collective impairment provisions		
- made in the financial period	(198)	78
- written-back	147	-
Bad debts on loans, advances and financing recovered	830	41
	<u>6,084</u>	<u>(37)</u>
<u>Company</u>		
(a) Individual impairment provisions		
- made in the financial period	(7,992)	(288)
- written-back	13,269	-
Bad debts on loans, advances and financing recovered	830	-
	<u>6,107</u>	<u>(288)</u>

21. Impairment losses (made)/written-back on securities (net)

	Individual/Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
<u>Group</u>		
Securities available-for-sale	(3,092)	(2,662)
Securities held-to-maturity	-	15,664
	<u>(3,092)</u>	<u>13,002</u>

22. Segmental information

Segmental information is presented in respect of the Group's business segments. No geographical segmental information is presented as the Group operates principally in Malaysia.

Inter-segment pricing is determined based on terms mutually agreed between the respective companies.

	Segment Revenue Individual/Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Investment banking	50,536	69,987
Asset management	728	502
Development finance	12,217	11,750
Others	587	1,430
Investment holding	2,460	525
	<u>66,528</u>	<u>84,194</u>
Inter-segment elimination	(1,671)	(65)
	<u>64,857</u>	<u>84,129</u>
Discontinued operations	-	16,937
	<u>64,857</u>	<u>101,066</u>

22. Segmental information (cont'd)

	Segment Results	
	Individual/Cumulative	
	Quarter Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
Investment banking	20,252	41,685
Asset management	(501)	(484)
Development finance	13,991	7,452
Others	7	(179)
Investment holding	1,948	105
Consolidation adjustments	453	(1,919)
	<u>36,150</u>	<u>46,660</u>
Share of profit of associated companies	283	373
	<u>36,433</u>	<u>47,033</u>
Discontinued operations	-	4,779
	<u>36,433</u>	<u>51,812</u>

23. Capital commitments

	As at	As at
	31.03.2010	31.03.2009
	RM'000	RM'000
Authorised and contracted for	1,555	-
Authorised but not contracted for	6,714	15,492
	<u>8,269</u>	<u>15,492</u>

24. Contingencies and commitments

In the normal course of business, the Group and the Company made various commitments and incurred certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The commitments and contingencies and the related risk-weighted exposures of the Group and the Company as at the end of financial year are as follows:

Group	← As at 31.03.2010 →			← As at 31.12.2009 →		
	Principal amount RM'000	Credit	Risk	Principal amount RM'000	Credit	Risk
		equivalent amount* RM'000	weighted amount RM'000		equivalent amount* RM'000	weighted amount RM'000
Guarantee facilities	18,371	18,371	18,371	18,052	18,052	18,052
Obligations under on-going underwriting agreement	304,267	152,133	44,512	344,390	172,195	56,223
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year #	222,044	44,409	43,392	243,662	48,733	46,175
- Maturity exceeding one year	22	11	7	22	17	7
Total	<u>544,704</u>	<u>214,924</u>	<u>106,282</u>	<u>606,126</u>	<u>238,997</u>	<u>120,457</u>
Company						
Guarantee facilities	18,371	18,371	18,371	18,052	18,052	18,052
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year #	167,114	33,423	33,423	185,219	37,044	37,044
Total	<u>185,485</u>	<u>51,794</u>	<u>51,794</u>	<u>203,271</u>	<u>55,096</u>	<u>55,096</u>

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

Included in the irrevocable commitments to extend credit for maturity not exceeding one year for the Group and the Company is an amount of RM167,114,000 (2009: RM184,792,000) undisbursed loan commitments in respect of Government Scheme Funds.

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25. Interest rate risk

Group	Non trading book					Non- interest sensitive RM'000	Trading book RM'000	Effective interest	
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 to 5 years RM'000	> 5 years RM'000			Total RM'000	rate %
31.03.2010									
Assets									
Loans, advances and financing									
- performing	26,547	53,207	20,527	192,392	121,989	(27,827) *	-	386,835	8.39
- non-performing	-	-	-	-	-	-	146,475	146,475	-
Securities held-for-trading	-	-	-	-	-	-	607,596	607,596	-
Securities available-for-sale	403,598	429,918	326,321	690,120	152,712	284,604	-	2,287,273	4.26
Securities held-to-maturity	-	-	-	8,541	-	1,303	-	9,844	1.97
Derivative assets	-	-	-	-	-	26,631	-	26,631	-
Deposits and placements with banks and other financial institutions									
	-	182,628	31,356	-	-	4,850	-	218,834	2.20
Cash and short term funds									
	1,782,666	-	-	-	-	47,518	-	1,830,184	1.49
Statutory deposits with Bank Negara Malaysia									
	-	-	-	-	-	20,516	-	20,516	-
Other non-interest sensitive balances									
	-	-	-	-	-	390,597	-	390,597	-
Total assets	2,212,811	665,753	378,204	891,053	274,701	748,192	754,071	5,924,785	
Liabilities									
Borrowings									
Government Scheme Funds	6,109	5,213	62,937	185,098	162,819	-	-	422,176	2.01
Deposits from customers	-	-	-	-	-	390,008	-	390,008	-
Deposits and placements of banks and financial institutions									
	1,551,562	70,043	137,060	-	-	-	-	1,758,665	2.13
Deposits and placements of banks and financial institutions									
	1,256,021	23,834	111,457	-	-	-	-	1,391,312	2.10
Other non-interest sensitive balances									
	-	-	-	-	-	261,957	-	261,957	-
Total liabilities	2,813,692	99,090	311,454	185,098	162,819	651,965	-	4,224,118	
Shareholders' funds									
Minority interests	-	-	-	-	-	1,697,998	-	1,697,998	
	-	-	-	-	-	2,669	-	2,669	
	2,813,692	99,090	311,454	185,098	162,819	2,352,632	-	5,924,785	
On-balance sheet interest sensitivity gap									
	(600,881)	566,663	66,750	705,955	111,882	(1,604,440)	754,071		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	(600,881)	566,663	66,750	705,955	111,882	(1,604,440)	754,071		

* Collective impairment provisions on loans, advances and financing

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25. Interest rate risk (cont'd)

Group	Non trading book					Non- interest sensitive RM'000	Trading book RM'000	Effective interest	
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 to 5 years RM'000	> 5 years RM'000			Total RM'000	rate %
31.12.2009									
Assets									
Loans, advances and financing									
- performing	58,353	9,443	13,991	230,764	130,845	(16,068) *	-	427,328	8.40
- non-performing	-	-	-	-	-	134,716	-	134,716	-
Securities held-for-trading	-	-	-	-	-	-	951,635	951,635	-
Securities available-for-sale	545,983	413,956	603,390	656,006	187,126	206,229	-	2,612,690	4.38
Securities held-to-maturity	19,966	-	-	8,497	-	1,334	-	29,797	1.99
Derivative assets	-	-	-	-	-	26,631	-	26,631	-
Deposits and placements with banks and other financial institutions	-	120,831	336,305	-	-	4,850	-	461,986	2.16
Cash and short term funds	1,125,062	-	-	-	2,633	67,780	-	1,195,475	2.09
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	21,197	-	21,197	-
Other non-interest sensitive balances	-	-	-	-	-	635,229	-	635,229	-
Total assets	1,749,364	544,230	953,686	895,267	320,604	1,081,898	951,635	6,496,684	
Liabilities									
Borrowings	9,064	5,479	66,143	194,562	171,121	-	-	446,369	2.02
Government Scheme Funds	-	-	-	-	-	382,928	-	382,928	-
Deposits from customers	1,475,502	143,088	262,614	-	-	-	-	1,881,204	1.98
Deposits and placements of banks and financial institutions	1,358,998	82,255	185,348	-	-	-	-	1,626,601	1.96
Other non-interest sensitive balances	-	-	-	-	-	469,428	-	469,428	-
Total liabilities	2,843,564	230,822	514,105	194,562	171,121	852,356	-	4,806,530	
Shareholders' funds	-	-	-	-	-	1,687,257	-	1,687,257	
Minority interests	-	-	-	-	-	2,897	-	2,897	
	2,843,564	230,822	514,105	194,562	171,121	2,542,510	-	6,496,684	
On-balance sheet interest sensitivity gap	(1,094,200)	313,408	439,581	700,705	149,483	(1,460,612)	951,635		
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-		
Total interest sensitivity gap	(1,094,200)	313,408	439,581	700,705	149,483	(1,460,612)	951,635		

* Collective impairment provisions on loans, advances and financing

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25. Interest rate risk (cont'd)

Company	Non trading book					Non-interest sensitive	Trading book	Effective interest	
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years			Total	rate
31.03.2010	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Loans, advances and financing									
- performing	5,534	481	10,586	146,039	80,277	(23,483) *	-	219,434	8.74
- non-performing	-	-	-	-	-	124,966	-	124,966	-
Deposits and placements with banks and other financial institutions									
	-	194,870	-	-	-	-	-	194,870	2.16
Cash and short term funds									
	897,448	-	-	-	-	39,005	-	936,453	2.15
Securities held-for-trading									
	-	-	-	-	-	-	5,624	5,624	-
Securities available-for-sale									
	-	-	-	39,516	-	5,021	-	44,537	1.15
Other non-interest sensitive balances									
	-	-	-	-	-	950,710	-	950,710	-
Total assets	902,982	195,351	10,586	185,555	80,277	1,096,219	5,624	2,476,594	
Liabilities									
Borrowings									
Government Scheme Funds	1,009	5,213	62,937	185,098	162,819	-	-	417,076	1.99
Other non-interest sensitive balances	-	-	-	-	-	390,008	-	390,008	-
	-	-	-	-	-	190,141	-	190,141	-
Total liabilities	1,009	5,213	62,937	185,098	162,819	580,149	-	997,225	
Shareholders' funds									
	-	-	-	-	-	1,479,369	-	1,479,369	
	1,009	5,213	62,937	185,098	162,819	2,059,518	-	2,476,594	
On-balance sheet interest sensitivity gap									
	901,973	190,138	(52,351)	457	(82,542)	(963,299)	5,624		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	901,973	190,138	(52,351)	457	(82,542)	(963,299)	5,624		

* Collective impairment provisions on loans, advances and financing

MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
CONDENSED INTERIM FINANCIAL STATEMENTS

25. Interest rate risk (cont'd)

Company	Non trading book					Non-interest sensitive	Trading book	Effective interest	
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years			Total	rate
31.12.2009	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Loans, advances and financing									
- performing	6,180	485	12,072	165,612	88,319	(11,760) *	-	260,908	8.74
- non-performing	-	-	-	-	-	111,867	-	111,867	-
Deposits and placements with banks and other financial institutions									
	-	135,652	143,300	-	-	-	-	278,952	2.16
Cash and short term funds									
	728,258	-	-	-	-	53,364	-	781,622	2.11
Securities held-for-trading									
	-	-	-	-	-	-	8,410	8,410	-
Securities available-for-sale									
	-	-	-	44,430	-	2,323	-	46,753	2.73
Other non-interest sensitive balances									
	-	-	-	-	-	1,002,656	-	1,002,656	-
Total assets	734,438	136,137	155,372	210,042	88,319	1,158,450	8,410	2,491,168	
Liabilities									
Borrowings									
Government Scheme Funds	1,064	5,479	66,143	194,562	171,121	-	-	438,369	1.99
Other non-interest sensitive balances	-	-	-	-	-	382,928	-	382,928	-
	-	-	-	-	-	190,772	-	190,772	-
Total liabilities	1,064	5,479	66,143	194,562	171,121	573,700	-	1,012,069	
Shareholders' funds									
	-	-	-	-	-	1,479,099	-	1,479,099	
	1,064	5,479	66,143	194,562	171,121	2,052,799	-	2,491,168	
On-balance sheet interest sensitivity gap									
	733,374	130,658	89,229	15,480	(82,802)	(894,349)	8,410		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	733,374	130,658	89,229	15,480	(82,802)	(894,349)	8,410		

* Collective impairment provisions on loans, advances and financing

26. Capital Adequacy

The capital adequacy ratios in respect of the investment bank subsidiary are as follows:-

	31.03.2010	31.12.2009
	RM'000	RM'000
Tier-I capital		
Paid-up share capital	155,000	155,000
Paid-up non-cumulative perpetual preference share	1,500	1,500
Share premium	362,611	362,611
Statutory reserve	112,265	112,265
Retained profit	91,695	97,279
	<u>723,071</u>	<u>728,655</u>
Less: Deferred tax assets	(37,745)	(40,313)
Total Tier-I capital	<u>685,326</u>	<u>688,342</u>
Tier-II capital		
Collective impairment provisions on loans, advances and financing	3,633	3,597
Total Tier-II capital	<u>3,633</u>	<u>3,597</u>
Capital base	<u>688,959</u>	<u>691,939</u>
Core capital ratio	41.64%	37.45%
Risk-weighted capital ratio	41.86%	37.64%

Breakdown of gross risk-weighted assets of the investment bank subsidiary in the various categories of risk-weights are as follows:

	31.03.2010		31.12.2009	
	Notional amount RM'000	Risk-weighted amount RM'000	Notional amount RM'000	Risk- weighted amount RM'000
0%	798,097	-	778,515	-
20%	1,821,827	364,365	1,819,542	363,908
35%	920	322	993	348
50%	414,914	207,457	499,445	249,723
75%	183	137	183	137
100%	329,509	329,509	580,196	580,196
150%	288,796	433,194	227,238	340,857
Total Risk	<u>3,654,246</u>	<u>1,334,984</u>	<u>3,906,112</u>	<u>1,535,169</u>
Risk Weighted Assets Equivalent for Market Risk	-	99,587	-	93,860
Risk Weighted Assets Equivalent for Operational Risk	-	211,406	-	209,107
	<u>3,654,246</u>	<u>1,645,977</u>	<u>3,906,112</u>	<u>1,838,136</u>

27. Summary of effects on adopting FRS 139

In accordance with the transitional provisions of FRS 139, the changes which arising from the adoption of FRS 139 are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	Group As at 1 January 2010 RM'000	Company As at 1 January 2010 RM'000
Decrease in securities available-for-sale	(13,655)	(4,447)
Increase in loans, advances and financing - Individual impairment provisions	6,082	6,848
Decrease in loans, advances and financing - Collective impairment provisions	(11,708)	(11,723)
Increase in deferred tax assets	4,087	1,593
Decrease in tax recoverable	(481)	(481)
Decrease in securities available-for-sale reserve	(3,004)	(1,122)
Decrease in retained earnings	<u>(12,671)</u>	<u>(7,088)</u>

The adoption of FRS 139 has resulted in several changes to accounting policies relating to recognition and measurement of financial instruments. Significant changes in accounting policies are as follows:

Securities held-for-trading

Prior to the adoption of FRS 139, the fair value of quoted securities is derived from last done market price. With the adoption of FRS 139, the fair value of the quoted securities is derived from market bid prices

Securities available-for-sale

Prior to the adoption of FRS 139, the fair value of quoted securities is derived from last done market price. With the adoption of FRS 139, the fair value of the quoted securities is derived from market bid prices

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28. **Operations of Islamic Banking**

28a. **Unaudited Balance Sheets as at 31 March 2010**

	Note	Group		Company	
		31.03.2010 RM'000	31.12.2009 RM'000	31.03.2010 RM'000	31.12.2009 RM'000
ASSETS					
Cash and short-term funds		144,730	156,718	138,967	156,556
Securities available-for-sale	28c	755,806	719,315	-	-
Securities held-to-maturity	28d	-	19,966	-	-
Financing and advances	28e	44,571	53,739	44,571	53,739
Other assets		14,684	10,333	693	292
Deferred tax assets		3,680	3,680	818	818
TOTAL ASSETS		963,471	963,751	185,049	211,405
LIABILITIES					
Deposits from customers	28f	293,798	326,582	-	-
Deposits and placement of banks and other financial institutions		342,020	286,349	-	-
Borrowings (unsecured)	14	20,718	22,272	20,718	22,272
Government Scheme Funds	28g(a)	29,814	19,203	29,814	19,203
Other liabilities		108,237	143,565	94,301	129,217
Taxation		7,778	7,778	7,778	7,778
Amount due to Head Office		2,210	904	-	-
		804,575	806,653	152,611	178,470
ISLAMIC BANKING CAPITAL FUNDS					
Funds allocated from Head Office		100,000	100,000	20,000	20,000
Reserves		58,896	57,098	12,438	12,935
TOTAL ISLAMIC BANKING CAPITAL FUNDS		158,896	157,098	32,438	32,935
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		963,471	963,751	185,049	211,405

**MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
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28. **Operations of Islamic Banking (cont'd)**

28b. **Unaudited Income Statement for the period ended 31 March 2010**

<u>Group</u>	Cumulative Quarter Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Income derived from investment of depositors funds and others	9,805	14,881
Income derived from Government Scheme Funds	2,251	1,834
Transfer to profit equalisation reserve	(40)	(4,098)
Total attributable income	12,016	12,617
Income attributable to depositors	(3,348)	(5,217)
Net income attributable to the reporting institutions	8,668	7,400
Other operating expenses	(464)	(512)
Operating profit	8,204	6,888
Impairment losses on securities	(755)	-
Impairment losses on financing and advances	(4,418)	(2,994)
Finance costs	(80)	(130)
Profit before taxation and zakat	2,951	3,764
Tax expenses	-	(8)
Zakat	(110)	(151)
Profit after taxation and zakat	<u>2,841</u>	<u>3,605</u>
 <u>Company</u>		
Income derived from investment of depositors funds and others	1,757	1,324
Income derived from Government Scheme Funds	2,251	1,834
	<u>4,008</u>	<u>3,158</u>
Income attributable to the reporting institution	4,008	3,158
Other operating expenses	(7)	(2)
Operating profit	4,001	3,156
Impairment losses on financing and advances	(4,418)	(2,994)
Finance costs	(80)	(130)
Profit before taxation	(497)	32
Tax expenses	-	(8)
Zakat	-	(57)
Profit after taxation and zakat	<u>(497)</u>	<u>(33)</u>

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28. **Operations of Islamic Banking (cont'd)**

28c. **Securities available-for-sale**

	Group	
	31.03.2010	31.12.2009
	RM'000	RM'000
At fair value		
Money market instruments:		
Government Investment Issue	178,092	149,065
Khazanah Nasional Berhad bonds	-	14,986
Islamic Negotiable Certificate of Deposits	<u>289,053</u>	<u>229,643</u>
	<u>467,145</u>	<u>393,694</u>
Unquoted securities:		
Islamic Private Debt Securities	<u>288,661</u>	<u>325,621</u>
	<u>755,806</u>	<u>719,315</u>

28d. **Securities held-to-maturity**

	Group	
	31.03.2010	31.12.2009
	RM'000	RM'000
At amortised cost		
Money market instruments:		
Khazanah Nasional Berhad bonds	<u>-</u>	<u>19,966</u>
Unquoted securities:		
Islamic Private Debt Securities	<u>4,998</u>	<u>4,998</u>
Less: Accumulated impairment losses	<u>(4,998)</u>	<u>(4,998)</u>
	<u>-</u>	<u>19,966</u>

28e. **Financing and advances**

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Term financing		
- Islamic hire purchase/leasing	44,628	48,235
- Other term financing	<u>29,746</u>	<u>31,900</u>
	<u>74,374</u>	<u>80,135</u>
Less: Unearned income	<u>(5,434)</u>	<u>(6,445)</u>
	<u>68,940</u>	<u>73,690</u>
Less: Impairment provisions		
- Collective impairment provisions	(1,600)	(1,600)
- Individual impairment provisions	<u>(22,769)</u>	<u>(18,351)</u>
Total net financing and advances	<u>44,571</u>	<u>53,739</u>

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28. **Operations of Islamic Banking (cont'd)**

28e. **Financing and advances (cont'd)**

(i) By contract

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Bai Bithaman Ajil (deferred payment sales)	26,265	28,187
Murabahah Working Capital (cost plus)	64	164
Al-Ijarah Thumma Al-Bai (finance lease)	41,762	43,971
Al-Ijarah (operating lease)	849	1,368
	<u>68,940</u>	<u>73,690</u>

(ii) By type of customer

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Domestic business enterprises	68,940	73,690

(iii) By profit rate sensitivity

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Fixed rate		
Hire purchase receivables	42,611	54,814
Other fixed rate financing	26,329	18,876
	<u>68,940</u>	<u>73,690</u>

(iv) By economic sector

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Mining and quarrying	658	910
Manufacturing	36,258	49,876
Construction	1,009	1,167
Wholesale & retail trade and restaurants & hotels	7,829	6,233
Transport, storage and communication	13,149	10,013
Finance, insurance and business services	3,868	769
Others	6,169	4,722
	<u>68,940</u>	<u>73,690</u>

Movements in non-performing financing and advances

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
At beginning of period/year	33,672	17,418
Classified as non-performing during the period/year	457	25,237
Reclassified as performing during the period/year	(2,200)	(590)
Amount written-back	(549)	(3,858)
Amount written off	-	(4,535)
At end of period/year	<u>31,380</u>	<u>33,672</u>
Less: Individual impairment provisions	<u>(22,769)</u>	<u>(18,351)</u>
Net non-performing financing and advances	<u>8,611</u>	<u>15,321</u>

Net non-performing financing as % of gross financing and advances less individual impairment provisions

	<u>18.65%</u>	<u>27.69%</u>
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MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
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28. **Operations of Islamic Banking (cont'd)**

28e. **Financing and advances (cont'd)**

Movements in impairment loss for bad and doubtful financing accounts

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Collective impairment provisions		
At beginning of period/year	1,600	3,314
Impairment made during the period/year	-	554
Amount transferred to individual impairment provisions	-	(2,268)
At end of period/year	<u>1,600</u>	<u>1,600</u>
As % of gross financing and advances less individual impairment provisions	<u>3.47%</u>	<u>2.89%</u>

Individual impairment provisions

At beginning of period/year	18,351	16,240
Impairment made during the period/year	8,446	5,796
Amount transferred from collective impairment provisions	-	2,268
Amount written-back	(4,028)	(913)
Amount written off	-	(5,040)
At end of period/year	<u>22,769</u>	<u>18,351</u>

Non-performing financing by economic sector

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Manufacturing	23,971	26,145
Wholesale & retail trade and restaurants & hotels	317	341
Transport, storage and communication	6,524	6,607
Others	568	579
	<u>31,380</u>	<u>33,672</u>

28f. **Deposits from customers**

(i) By type of deposits

	Group	
	31.03.2010	31.12.2009
	RM'000	RM'000
Mudharabah Fund		
- Fixed/investment deposits	289,157	320,895
- Others	4,641	5,687
	<u>293,798</u>	<u>326,582</u>

(ii) By type of customers

	Group	
	31.03.2010	31.12.2009
	RM'000	RM'000
Business enterprises	<u>293,798</u>	<u>326,582</u>

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28. **Operations of Islamic Banking (cont'd)**

28g. **Government Scheme Funds**

(a) Government Scheme Funds

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Soft loan from SME*:		
At beginning of period/year	242,571	170,854
Add : Funds received during the period/year	59,639	71,717
	<u>302,210</u>	<u>242,571</u>
Less : Non-performing financing pending approval		
At beginning of period/year	5,491	4,682
(Reversal)/Addition	(2,082)	809
At end of period/year	<u>3,409</u>	<u>5,491</u>
Gross available funds at end of period/year	298,801	237,080
Less: Net financing and advances disbursed under Government Scheme Funds (Note 26h (b))	<u>(268,987)</u>	<u>(217,877)</u>
Net Government Scheme Funds available	<u>29,814</u>	<u>19,203</u>

Gross available Government Scheme Funds comprises the followin

	Group and Company	
	2009	2008
	RM'000	RM'000
Soft loans for Small and Medium Scale Enterprises ("SME's")	126,712	124,631
Soft loan for Automation and Modernisation	44,506	34,506
Soft loan for Automotive Development	102,164	67,536
Loan from Malaysian Industrial Development Authority ("MIDA")	25,419	10,407
	<u>298,801</u>	<u>237,080</u>

(b) Financing and advances under Government Scheme Funds

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Term financing		
- Islamic hire purchase/leasing	163,270	134,758
- Other term financing	135,298	111,352
	<u>298,568</u>	<u>246,110</u>
Less: Unearned income	<u>(26,172)</u>	<u>(22,742)</u>
	272,396	223,368
Less: Impairment provisions		
- Individual impairment provisions	<u>(3,409)</u>	<u>(5,491)</u>
Total net financing and advances	<u>268,987</u>	<u>217,877</u>

(i) By contract

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Bai Bithaman Ajil (deferred payment sales)	146,601	97,807
Murabahah Working Capital (cost plus)	397	618
Al-Ijarah Thumma Al-Bai (finance lease)	125,398	124,943
	<u>272,396</u>	<u>223,368</u>

(ii) By type of customer

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Domestic business enterprises	<u>272,396</u>	<u>223,368</u>

(iii) By profit rate sensitivity

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Fixed rate		
Hire purchase receivables	125,398	124,931
Other fixed rate financing	146,998	98,437
	<u>272,396</u>	<u>223,368</u>

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28. **Operations of Islamic Banking (cont'd)**

28g. **Government Scheme Funds (cont'd)**

(iv) By economic sector

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Manufacturing	254,930	205,316
Construction	3,455	3,594
Wholesale & retail trade and restaurants & hotels	8,766	9,176
Transport, storage and communication	1,242	1,342
Finance, insurance and business services	1,467	637
Others	2,536	3,303
	<u>272,396</u>	<u>223,368</u>

(v) Movements in non-performing financing accounts

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
At beginning of period/year	9,188	5,201
Classified as non-performing during the period/year	282	8,242
Reclassified as performing during the period/year	(1,048)	(77)
Amount written-back	(65)	(111)
Amount written off	-	(4,067)
At end of period/year	<u>8,357</u>	<u>9,188</u>
Less: Individual impairment provisions	<u>(3,409)</u>	<u>(5,491)</u>
Net non-performing financing and advances	<u>4,948</u>	<u>3,697</u>
Net non-performing financing as % of gross financing and advances less individual impairment provisions	<u>1.84%</u>	<u>1.70%</u>

(vi) Movements in impairment losses for bad and doubtful financing accounts

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Individual impairment provisions		
At beginning of period/year	5,491	4,682
Impairment made during the period/year	639	4,938
Amount written-back	(2,721)	(61)
Amount written off	-	(4,068)
At end of period/year	<u>3,409</u>	<u>5,491</u>

(vii) Non-performing financing by economic sector

	Group and Company	
	31.03.2010	31.12.2009
	RM'000	RM'000
Manufacturing	6,857	8,016
Wholesale & retail trade and restaurants & hotels	722	731
Others	778	441
	<u>8,357</u>	<u>9,188</u>

**MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE BERHAD (No. 3755-M)
CONDENSED INTERIM FINANCIAL STATEMENTS**

I, Foo Wei Hoong, the officer primarily responsible for the financial management of Malaysian Industrial Development Finance Berhad, do hereby state that, the unaudited interim financial statements for the three months ended 31st March 2010, as set out on pages 1 to 36, have been prepared from the Group and the Company's accounting and other records and that to the best of my knowledge and belief, are drawn up so as to give a true and fair view of the state of affairs of the Group and the Company as at 31st March 2010. The results and cash flows of the Group and the Company for the period ended on that date are in accordance with the applicable approved accounting standards for entities other than private entities issued by the Malaysian Accounting Standards Board as modified by Bank Negara Malaysia Guidelines and the provisions of the Companies Act, 1965.

FOO WEI HOONG
CHIEF FINANCIAL OFFICER

15 April 2010