



UNAUDITED BALANCE SHEETS AS AT 30 JUNE 2010

	Note	Group		Company	
		30 June 2010 RM'000	31 December 2009 RM'000	30 June 2010 RM'000	31 December 2009 RM'000
ASSETS					
Cash and short-term funds		1,263,581	849,183	576,296	435,330
Deposits and placements with banks and other financial institutions		389,599	461,986	305,600	278,952
Securities held-for-trading	7	1,023,604	951,635	5,981	8,410
Securities available-for-sale	8	2,176,691	2,612,690	44,225	46,753
Securities held-to-maturity	9	11,929	29,797	-	-
Derivative assets		25,029	26,631	-	-
Loans, advances and financing	10	534,576	562,044	321,160	372,775
Other assets	11	181,689	478,235	95,993	194,790
Statutory deposits with Bank Negara Malaysia		17,412	21,197	-	-
Investment properties		7,219	7,315	-	-
Prepaid lease payments		436	443	-	-
Investment in associates		2,947	2,380	2,560	-
Investment in subsidiaries		-	-	796,009	796,009
Property, plant and equipment		12,193	13,694	8,233	10,189
Deferred tax assets		48,016	48,110	5,549	3,329
Goodwill		86,713	86,713	-	-
TOTAL ASSETS		5,781,634	6,152,053	2,161,606	2,146,537
LIABILITIES					
Deposits from customers	12	1,793,810	1,881,204	-	-
Deposits and placements of banks and financial institutions	13	1,540,300	1,626,601	-	-
Other payables		319,332	490,002	253,515	220,526
Borrowings	14	402,017	446,369	399,632	438,369
Provision for taxation and zakat		1,965	2,824	-	-
Employee benefits		9,964	10,398	8,494	8,543
Deferred tax liabilities		4,501	4,501	-	-
TOTAL LIABILITIES		4,071,889	4,461,899	661,641	667,438
EQUITY					
Capital and reserves attributable to equity holder 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		3,701	4,960	(1,122)	(139)
Retained Profits		793,576	772,341	671,156	649,307
		1,707,233	1,687,257	1,499,965	1,479,099
Minority Interest		2,512	2,897	-	-
TOTAL EQUITY		1,709,745	1,690,154	1,499,965	1,479,099
TOTAL LIABILITIES AND EQUITY		5,781,634	6,152,053	2,161,606	2,146,537
CONTINGENCIES AND COMMITMENTS	23	382,333	421,334	24,918	18,479
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDER OF THE COMPANY (RM)		3.66	3.62	3.22	3.17

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2010

Group	Note	Individual Quarter		Cumulative Quarter	
		30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Continuing operations					
Revenue		<u>65,257</u>	<u>117,188</u>	<u>136,165</u>	<u>206,917</u>
Interest income	15	<u>46,098</u>	47,733	<u>95,608</u>	104,515
Interest expense	16	<u>(17,486)</u>	(17,355)	<u>(33,389)</u>	(42,983)
Net interest income		<u>28,612</u>	30,378	<u>62,219</u>	61,532
Net income from Islamic banking business	28b	<u>6,819</u>	7,693	<u>15,487</u>	15,093
Other operating income	17	<u>9,216</u>	72,340	<u>18,957</u>	87,095
		<u>44,647</u>	110,411	<u>96,663</u>	163,720
Operating expenses	18	<u>(20,285)</u>	(22,406)	<u>(39,143)</u>	(42,019)
Operating profit		<u>24,362</u>	88,005	<u>57,520</u>	121,701
Impairment losses written-back / (made) on loans, advances and financing	19	<u>4,126</u>	(7,359)	<u>10,210</u>	(7,396)
Impairment loss made on securities	20	<u>(20,260)</u>	(37,650)	<u>(23,352)</u>	(24,648)
Profit before share of results in associates		<u>8,228</u>	42,996	<u>44,378</u>	89,657
Share of results in associates		<u>284</u>	341	<u>567</u>	714
Profit before taxation and zakat		<u>8,512</u>	43,337	<u>44,945</u>	90,371
Tax expense		<u>(2,146)</u>	(1,398)	<u>(11,210)</u>	(12,979)
Zakat		<u>(104)</u>	(44)	<u>(214)</u>	(195)
Profit for the period from continuing operations		<u>6,262</u>	41,895	<u>33,521</u>	77,197
Discontinued operations					
Profit for the period from discontinued operations	6	<u>-</u>	5,397	<u>-</u>	9,307
Profit for the period		<u>6,262</u>	<u>47,292</u>	<u>33,521</u>	<u>86,504</u>
Attributable to:					
Equity holder of the company		<u>6,490</u>	46,900	<u>33,906</u>	86,121
Minority interest		<u>(228)</u>	393	<u>(385)</u>	383
Profit for the period		<u>6,262</u>	<u>47,293</u>	<u>33,521</u>	<u>86,504</u>
Earnings per share					
- Basic, for profit from continuing operations		<u>1.39</u>	4.24	<u>7.27</u>	7.85
- Basic, for profit from discontinued operations		<u>-</u>	0.55	<u>-</u>	0.95
- Basic, for profit for the period		<u>1.39</u>	<u>4.79</u>	<u>7.27</u>	<u>8.80</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2010

<u>Group</u>	Cumulative Quarter	
	30.06.2010 RM'000	30.06.2009 RM'000
Net profit for the period	33,521	86,504
Other comprehensive gain/ (loss):		
Net realised gain transferred to profit or loss on disposal of securities available-for-sale	(1,077)	(11,581)
Net unrealised gain on revaluation of securities available-for-sale	2,858	8,786
Deferred tax on revaluation of securities available-for-sale	(36)	38
Currency translation differences	-	(177)
Realisation of reserve arising from disposal of property	-	(39)
Other comprehensive gain/ (loss) for the period, net of tax	1,745	(2,973)
Total comprehensive income for the period	35,266	83,531
Total comprehensive income for the period attributable to:		
Equity holders of the company	35,651	83,148
Minority interest	(385)	383
	35,266	83,531

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2010

<u>Company</u>	Note	Individual Quarter		Cumulative Quarter	
		30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Revenue		<u>34,042</u>	23,540	<u>53,553</u>	43,555
Interest income	15	<u>14,366</u>	15,673	<u>27,872</u>	29,987
Interest expense	16	<u>(2,522)</u>	(2,792)	<u>(4,885)</u>	(5,654)
Net interest income		<u>11,844</u>	12,881	<u>22,987</u>	24,333
Net income from Islamic banking business	28b	<u>4,022</u>	3,068	<u>8,030</u>	6,226
Other operating income	17	<u>18,125</u>	6,571	<u>20,697</u>	10,043
		<u>33,991</u>	22,520	<u>51,714</u>	40,602
Operating expenses	18	<u>(11,051)</u>	(12,385)	<u>(23,042)</u>	(23,274)
Operating profit		<u>22,940</u>	10,135	<u>28,672</u>	17,328
Impairment losses written-back / (made) on loans, advances and financing	19	<u>2,451</u>	(6,733)	<u>8,558</u>	(7,021)
Impairment loss made on securities	20	<u>(532)</u>	-	<u>(532)</u>	-
Profit before taxation and zakat		<u>24,859</u>	3,402	<u>36,698</u>	10,307
Tax expense		<u>(4,197)</u>	(1,627)	<u>(7,695)</u>	(2,788)
Zakat		<u>(66)</u>	57	<u>(66)</u>	-
Profit for the period		<u>20,596</u>	1,832	<u>28,937</u>	7,519

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2010

<u>Company</u>	Cumulative Quarter	
	30.06.2010 RM'000	30.06.2009 RM'000
Net profit for the period	28,937	7,519
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 gain for the period, net of tax	139	-
Total comprehensive income for the period	29,076	7,519

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 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	-	-	-	-	-	-	33,906	33,906	(385)	33,521
Other comprehensive gain for the period, net of tax	-	-	1,745	-	-	-	-	1,745	-	1,745
Total comprehensive income for the period	-	-	1,745	-	-	-	33,906	35,651	(385)	35,266
At 30 June 2010	466,070	363,861	3,701	688	-	79,337	793,576	1,707,233	2,512	1,709,745
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	-	-	-	-	-	-	86,121	86,121	383	86,504
Other comprehensive loss for the period, net of tax	-	-	(2,757)	(39)	(177)	-	-	(2,973)	-	(2,973)
Total comprehensive loss for the period	-	-	(2,757)	(39)	(177)	-	86,121	83,148	383	83,531
At 30 June 2009	978,495	363,861	(1,279)	36,181	(5,053)	79,159	760,776	2,212,140	26,526	2,238,666

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2010

Company	Share Capital	← Non-Distributable →		Distributable Retained Profits	Total Equity
		Share Premium	Securities Available-For- Sale Reserve		
-----RM'000-----					
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	-	-	-	28,937	28,937
Other comprehensive gain for the period, net of tax	-	-	139	-	139
Total comprehensive income for the period	-	-	139	28,937	29,076
At 30 June 2010	466,070	363,861	(1,122)	671,156	1,499,965
At 1 January 2009	978,495	363,861	-	470,510	1,812,866
Profit for the financial period	-	-	-	7,519	7,519
Other comprehensive gain for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	7,519	7,519
At 30 June 2009	978,495	363,861	-	478,029	1,820,385

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.



UNAUDITED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2010

	Group		Company	
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Profit before taxation and zakat:				
Continuing operations	44,945	90,371	36,698	10,307
Discontinued operations	-	11,385	-	-
Adjustments for non-cash items	(660)	50,075	(134)	9,684
Operating profit before changes in working capital	44,285	151,831	36,564	19,991
Changes in working capital				
Net changes in operating assets	320,727	(126,035)	(208,702)	165,638
Net changes in operating liabilities	(734,389)	(933,708)	2,563	49,116
Tax expense paid	(3,719)	(7,730)	(4,304)	(4,417)
Retirement benefits paid	(880)	(1,417)	(397)	(1,218)
Movements on exchange fluctuations	-	(177)	-	-
Net cash (used in) / generated from operating activities	(373,976)	(917,236)	(174,276)	229,110
Net cash generated from / (used in) investing activities	367,571	452,654	(2,741)	(502)
Net cash used in financing activities	-	-	-	-
Net (decrease) / increase in cash and cash equivalents	(6,405)	(464,582)	(177,017)	228,608
Cash and cash equivalents at beginning of the period	1,676,847	2,429,769	1,058,913	661,139
Cash and cash equivalents at end of the period	1,670,442	1,965,187	881,896	889,747
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)	1,263,431	1,694,109	576,296	783,487
Deposits and placements with banks and other financial institutions	389,599	220,307	305,600	106,260
Statutory deposits with Bank Negara Malaysia	17,412	19,177	-	-
	1,670,442	1,933,593	881,896	889,747
Discontinued operations:				
Cash and short-term funds	-	29,170	-	-
Deposits and placements with banks and other financial institutions	-	2,424	-	-
	-	31,594	-	-
	1,670,442	1,965,187	881,896	889,747

Note :

- 1) Net of pledged deposits with a licensed bank for banking facilities granted to a subsidiary amounting to RM150,000.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Company for the year ended 31 December 2009.

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 provision 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 RM44.945 million for the period ended 30 June 2010, a decrease of 56% as compared to the previous corresponding period's pre-tax profit of RM101.756 million (as analysed in Note 21, including discontinued operations). The lower pre-tax profit is attributable to lower other operating income in the current financial period.

5. Current year prospects

Malaysia's economy rebounded strongly in the first six months of 2010, with gross domestic product (GDP) estimated to have grown by 9.0% compared to the same period in 2009. The second half of 2010 is expected to be more challenging amid concerns over the potential economic slowdown in China, the sovereign debt crisis in Europe and the possibility of a "double-dip" recession in the U.S.

The second half of the year is and has always been associated with a volatile equity market, especially in the July-October period. Notwithstanding that, prospect for an upside surprise in the equity markets remain extant in view of the significant presence of global funds in Asian markets currently. The investment banking division will continue to focus on the opportunities in the equity markets and corporate finance activities, building up on the equity dealing capabilities and infrastructure in order to strengthen its relationships with its core clients.

The Overnight Policy Rate was raised further to 2.75% on 8 July 2010; with the long-term uptrend in interest rates expected to remain intact. Consequently, the prospects for fund-based activities, especially in the debt capital market and treasury-related activities will remain weak for the division.

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.

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.

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	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Revenue	-	19,814	-	37,373
Cost of Sales	-	(6,324)	-	(11,464)
	-	13,490	-	25,909
Operating income	-	93	-	209
	-	13,583	-	26,118
Staff cost	-	(2,515)	-	(4,930)
Depreciation	-	(440)	-	(1,823)
Operating expenses	-	(4,022)	-	(7,980)
Profit before tax of discontinued operations	-	6,606	-	11,385
Tax expense	-	(1,209)	-	(2,078)
Profit for the year from discontinued operation	-	5,397	-	9,307

The Company had on 23 February 2010 informed Bank Negara Malaysia and Securities Commission that the MIDF Group's restructuring exercise had been completed.

7. Securities held-for-trading

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
At fair value				
Money market instruments:				
Bank Negara Malaysia Notes	449,801	449,783	-	-
Malaysian Treasury Bills	49,996	-	-	-
Other Acceptances Discounted	360,837	226,532	-	-
Negotiable Instruments of Deposit	99,668	200,000	-	-
	960,302	876,315	-	-
Quoted securities in Malaysia:				
Unit Trusts	2	3	2	2
Shares in Malaysia	326	1,464	326	417
Redeemable Convertible Secured Notes	5,653	7,991	5,653	7,991
	5,981	9,458	5,981	8,410
Unquoted securities in Malaysia				
Loan Stocks	-	3,533	-	-
Private Debt Securities:	57,321	62,329	-	-
	57,321	65,862	-	-
	1,023,604	951,635	5,981	8,410

8. Securities available-for-sale

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 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	39,042	114,675	-	-
Government Investment Issue	267,960	149,065	-	-
Bank Negara Malaysia Notes	-	99,595	-	-
Malaysian Treasury Bills	9,895	26,904	-	-
Khazanah Nasional Berhad Bonds	-	14,986	-	-
Other Acceptances Discounted	102,804	193,004	-	-
Negotiable Instruments of Deposit	258,842	229,642	-	-
	<u>678,543</u>	<u>827,871</u>	<u>-</u>	<u>-</u>
Quoted securities in Malaysia:				
Shares and Warrants	7,031	7,277	702	1,049
Loan Stocks	8,010	8,010	-	-
	<u>15,041</u>	<u>15,287</u>	<u>702</u>	<u>1,049</u>
Unquoted securities in Malaysia:				
Private Debt Securities	1,437,832	1,728,497	37,333	42,608
Shares in Malaysia	6,455	6,823	300	-
Loan Stocks	38,820	34,212	5,890	3,096
	<u>1,483,107</u>	<u>1,769,532</u>	<u>43,523</u>	<u>45,704</u>
	<u>2,176,691</u>	<u>2,612,690</u>	<u>44,225</u>	<u>46,753</u>

9. Securities held-to-maturity

	Group	
	30.06.2010 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
Private Debt Securities	85,353	85,647
Loan Stocks	6,599	-
	<u>91,952</u>	<u>86,553</u>
Less: Individual impairment provisions	<u>(80,023)</u>	<u>(76,722)</u>
	<u>11,929</u>	<u>29,797</u>

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10. Loans, advances and financing

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Term loans				
- Syndicated term loan/financing	21,193	23,352	-	-
- Hire purchase receivables	118,450	110,079	94,599	81,530
- Lease receivables	5,033	3,769	3,168	1,904
- Other term loans/financing	467,903	515,460	348,692	416,990
Staff loans	6,772	7,927	2,889	3,327
Revolving credits	16,251	18,972	-	-
Margin accounts	72,755	60,669	-	-
	<u>708,357</u>	<u>740,228</u>	<u>449,348</u>	<u>503,751</u>
Less: Unearned interest and income	(9,110)	(9,659)	(8,588)	(8,639)
	<u>699,247</u>	<u>730,569</u>	<u>440,760</u>	<u>495,112</u>
Less: Security deposits	(115)	(224)	-	-
Less: Impairment provisions				
- Collective impairment provisions	(28,142)	(16,068)	(23,483)	(11,760)
- Individual impairment provisions	(136,414)	(152,233)	(96,117)	(110,577)
Total net loans, advances and financing	<u>534,576</u>	<u>562,044</u>	<u>321,160</u>	<u>372,775</u>

a. By type of customer

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Domestic business enterprises				
- Small medium enterprises	443,973	451,435	242,727	282,221
- Others	195,797	212,967	192,621	205,699
Individuals	56,954	62,302	2,889	3,327
Foreign entities	2,523	3,865	2,523	3,865
Gross loans, advances and financing	<u>699,247</u>	<u>730,569</u>	<u>440,760</u>	<u>495,112</u>

b. By interest/profit rate sensitivity

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Fixed rate				
- Staff loans	6,772	7,927	2,889	3,327
- Hire purchase receivables	117,930	109,076	94,599	81,530
- Other fixed rate loan/financing	254,906	290,105	178,697	225,958
Variable rate				
- BLR plus	130,046	143,366	130,046	143,366
- Other variable rates	189,593	180,095	34,529	40,931
Gross loans, advances and financing	<u>699,247</u>	<u>730,569</u>	<u>440,760</u>	<u>495,112</u>

c. By economic sector

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Agriculture, hunting, forestry & fishing	1,537	2,222	-	-
Mining and quarrying	27,570	29,921	506	1,047
Manufacturing	358,503	396,705	293,991	357,716
Construction	20,446	22,713	1,040	1,352
Purchase of landed property:				
- Residential	342	373	-	-
Wholesale & retail trade and restaurants & hotels	111,098	110,830	88,695	87,689
Transport, storage and communications	32,539	36,335	24,387	23,613
Finance, insurance and business services	33,855	30,960	14,770	11,484
Purchase of securities	72,755	60,669	-	-
Purchase of transport vehicles	19,690	23,403	-	-
Others	20,912	16,438	17,371	12,211
Gross loans, advances and financing	<u>699,247</u>	<u>730,569</u>	<u>440,760</u>	<u>495,112</u>

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

d. Movements in impaired loans ("IL"), advances and financing

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
At beginning of period/year	281,407	264,904	216,902	207,751
Classified as impaired during the period/year	10,847	69,868	10,104	54,315
Reclassified as unimpaired during the period/year	(13,416)	(6,215)	(12,336)	(5,627)
Amount written-back	(11,907)	(13,483)	(9,528)	(11,786)
Amount written off	-	(33,667)	-	(27,751)
At end of period/year	<u>266,931</u>	<u>281,407</u>	<u>205,142</u>	<u>216,902</u>
Less: Impairment provisions				
- Individual impairment provisions	(134,537)	(146,691)	(94,240)	(105,035)
Net impaired loans, advances and financing	<u>132,394</u>	<u>134,716</u>	<u>110,902</u>	<u>111,867</u>
Net IL as % of gross loans, advances and financing less individual impairment provisions	<u>23.52%</u>	<u>23.29%</u>	<u>32.18%</u>	<u>29.09%</u>
Performing loans with individual impairment provisions provided				
Gross loan	7,699	21,606	7,699	21,606
Less: Impairment loss				
- Individual impairment provisions	(1,877)	(5,542)	(1,877)	(5,542)
Net	<u>5,822</u>	<u>16,064</u>	<u>5,822</u>	<u>16,064</u>

e. Movements in impairment provisions

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 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	366	1,009	-	-
Amount transferred to individual impairment provisions	-	(9,846)	-	(9,846)
At end of period/year	<u>28,142</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>5.00%</u>	<u>2.78%</u>	<u>6.81%</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	15,930	26,536	14,873	23,815
Amount written-back	(23,291)	(23,127)	(20,233)	(20,842)
Amount written off	-	(33,667)	-	(27,751)
Amount transferred from collective impairment provisions	-	9,846	-	9,846
Discount unwind	(2,376)	-	(2,252)	-
At end of period/year	<u>136,414</u>	<u>152,233</u>	<u>96,117</u>	<u>110,577</u>

f. IL by economic sector

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Manufacturing	152,595	166,689	140,719	154,349
Construction	19,394	21,281	-	-
Purchase of landed property - Residential	113	113	-	-
Wholesale & retail trade and restaurants & hotels	51,627	49,365	51,146	48,884
Transport, storage and communication	9,147	9,205	8,331	8,380
Finance, insurance and business services	17,228	17,363	2,780	2,904
Purchase of transport vehicles	13,907	14,285	-	-
Others	2,920	3,106	2,166	2,385
	<u>266,931</u>	<u>281,407</u>	<u>205,142</u>	<u>216,902</u>

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11. Other assets

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
Accrued interest, commitment charges, commissions, and fees receivable	38,984	35,439	15,788	14,233
Amount due from holding company	336	83,299	-	83,299
Amount due from subsidiaries				
- current accounts	-	-	2,829	1,322
- loan accounts	-	-	9,400	10,509
Clients' and brokers' accounts	64,159	262,698	-	-
Less: Allowance for doubtful debts	(2,462)	(2,531)	-	-
	61,697	260,167	-	-
Trade receivables	6,646	24,526	-	-
Less: Allowance for doubtful debts	(1,682)	(19,137)	-	-
	4,964	5,389	-	-
Other receivables, deposits and prepayments	94,184	107,206	62,864	76,443
Less: Allowance for doubtful debts	(25,565)	(25,717)	-	-
	68,619	81,489	62,864	76,443
Tax recoverable	7,089	12,452	5,112	8,984
	<u>181,689</u>	<u>478,235</u>	<u>95,993</u>	<u>194,790</u>

12. Deposits from customers

	Group	
	30.06.2010 RM'000	31.12.2009 RM'000
(i) By type of deposit		
Deposits from customers		
- Call money	146,320	216,579
- Fixed deposits	1,647,490	1,664,625
	<u>1,793,810</u>	<u>1,881,204</u>

	Group	
	30.06.2010 RM'000	31.12.2009 RM'000
(ii) By type of customer		
Government and statutory bodies	24,500	25,500
Business enterprises	1,768,768	1,855,704
Individuals	542	-
	<u>1,793,810</u>	<u>1,881,204</u>

13. Deposits and placements of banks and financial institutions

	Group	
	30.06.2010 RM'000	31.12.2009 RM'000
(i) Call deposits		
- Other financial institutions	114,373	185,836
(ii) Fixed deposits		
- Licensed Islamic banks	180,450	77,690
- Licensed Investment banks	10,000	-
- Other financial institutions	1,235,477	1,363,075
	<u>1,540,300</u>	<u>1,626,601</u>

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14. Borrowings

	Group		Company	
	30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
(a) Short Term Unsecured	<u>60,327</u>	<u>70,970</u>	<u>60,327</u>	<u>62,970</u>
	60,327	70,970	60,327	62,970
(b) Long Term Unsecured	322,644	353,127	320,259	353,127
Unsecured – Islamic operations	<u>19,046</u>	<u>22,272</u>	<u>19,046</u>	<u>22,272</u>
	<u>341,690</u>	<u>375,399</u>	<u>339,305</u>	<u>375,399</u>
Total borrowings	<u><u>402,017</u></u>	<u><u>446,369</u></u>	<u><u>399,632</u></u>	<u><u>438,369</u></u>

Included in the borrowings are loans obtained from a Japanese financial institution, denominated in Yen, equivalent to RM79.907 million. The foreign exchange risk on the above loans is borne by the Government of Malaysia.

15. Interest income

Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Loans, advances and financing				
- Interest income other than recoveries from IL	6,389	5,008	11,766	14,572
- Recoveries from IL	4,491	2,939	6,884	3,439
- Discount unwind	1,357	-	2,209	-
Recoveries from impaired securities	-	2,009	-	3,725
Income from Government Scheme Funds	1,969	4,150	4,782	4,490
Money at call and deposit placements with financial institutions	8,068	9,734	17,961	23,491
Securities available-for-sale ("AFS")				
- Interest income on AFS	10,291	11,022	25,710	23,115
- Discount unwind	2,536	-	5,028	-
Discount unwind on HFT	223	-	445	-
Securities held-for-trading	151	16	640	36
Securities held-to-maturity	260	61	657	1,499
Hire purchase and leasing operations	765	1,178	1,770	2,459
Accretion of discounts (net of amortisation of premium)	9,599	11,616	17,756	28,229
Interest suspended	-	-	-	(540)
	<u>46,098</u>	<u>47,733</u>	<u>95,608</u>	<u>104,515</u>

Company	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Loans, advances and financing				
- Interest income other than recoveries from IL	3,182	2,404	5,363	9,641
- Recoveries from IL	3,765	2,883	5,366	3,273
- Discount unwind	1,295	-	2,085	-
Income from Government Scheme Funds	1,969	4,150	4,782	4,490
Interest income on:				
- short-term placements, fixed deposits and share issue account	3,057	2,812	7,807	5,874
- securities available-for-sale ("AFS")	194	-	476	-
- discount unwind on AFS	(75)	-	193	-
- interest on staff loans	-	-	-	-
Discount unwind on HFT	445	-	445	-
Hire purchase and leasing operations	438	690	1,161	1,361
Loans to subsidiaries	<u>96</u>	<u>2,734</u>	<u>194</u>	<u>5,348</u>
	<u><u>14,366</u></u>	<u><u>15,673</u></u>	<u><u>27,872</u></u>	<u><u>29,987</u></u>

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16. Interest expense

Group	Individual Quarter Ended	Cumulative Quarter Ended		
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	6,268	6,132	11,583	15,057
Deposits from customers	8,660	8,367	16,830	22,195
Short-term funds and bank overdrafts	36	89	91	127
Concessional funds	2,343	2,660	4,481	5,279
Commercial loans	179	107	404	325
Miscellaneous	-	-	-	-
	<u>17,486</u>	<u>17,355</u>	<u>33,389</u>	<u>42,983</u>

Company	Individual Quarter Ended	Cumulative Quarter Ended		
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Short-term funds and bank overdrafts	-	25	-	50
Concessional funds	2,343	2,660	4,481	5,279
Commercial loans	179	107	404	325
	<u>2,522</u>	<u>2,792</u>	<u>4,885</u>	<u>5,654</u>

17. Other operating income

Group	Individual Quarter Ended	Cumulative Quarter Ended		
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
(a) Revenue income:				
Fee income derived from:				
- Capital market activities	1,991	5,103	4,167	7,731
- Management fees	1,246	702	1,974	1,521
- Net brokerage fees	5,449	3,009	10,118	4,746
Investment income derived from:				
- Net unrealised losses on revaluation of securities held-for-trading	208	33	(444)	(16)
- Net unrealised losses on revaluation of derivative assets	(1,489)	-	(1,489)	-
- Gain on sale of securities:				
- Available-for-sale	304	46,002	1,070	52,938
- Held-for-trading	241	137	251	1,172
- (Loss)/ Gain on sale of trust units	(19)	111	(1)	124
Total dividends (gross) from:				
- Securities held-for-trading	-	153	-	153
- Securities available-for-sale	344	14,455	489	14,490
- Securities held-to-maturity	-	88	-	88
Rental income on buildings	(79)	78	334	150
Income from factoring	42	260	230	459
Profit earned on Al-Bai Bithamin Ajil and Al-Ijarah	-	15	-	51
	<u>8,238</u>	<u>70,146</u>	<u>16,699</u>	<u>83,607</u>

(b) Other income:	Individual Quarter Ended	Cumulative Quarter Ended		
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Total interest income on:				
- promissory notes	227	153	343	269
Gain on disposal of:				
- Property, plant and equipment	20	76	26	235
Interest on staff loans	11	51	42	110
Guarantee fee	-	204	-	271
Commitment fee	35	2	35	6
Rental of :				
- office premises	509	13	511	22
- parking space	(14)	-	(14)	-
Others	190	1,695	1,315	2,575
	<u>978</u>	<u>2,194</u>	<u>2,258</u>	<u>3,488</u>
Total non-interest income	<u>9,216</u>	<u>72,340</u>	<u>18,957</u>	<u>87,095</u>

17. Other operating income (cont'd)

Company

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
(a) Revenue income:				
Fee income:				
- Management fees	2,739	2,760	5,103	5,347
Net unrealised loss on revaluation of securities held-for-trading	(89)	59	(456)	15
Gain on sale of securities:				
- Available-for-sale	-	1,980	-	1,980
Gross dividend income:				
- Subsidiaries	13,004	-	13,004	-
	<u>15,654</u>	<u>4,799</u>	<u>17,651</u>	<u>7,342</u>
(b) Other income:				
Interest income on:				
- promissory notes	227	153	343	269
Gain on disposal of:				
- Property, plant and equipment	23	(23)	25	88
Guarantee fee	-	204	-	271
Commitment fee	1	2	1	6
Rental of:				
- office premises from subsidiaries	1,380	-	1,380	-
- office premises	511	13	511	22
- parking space	(16)	14	(14)	23
Others	345	1,409	800	2,022
	<u>2,471</u>	<u>1,772</u>	<u>3,046</u>	<u>2,701</u>
Total non-interest income	<u>18,125</u>	<u>6,571</u>	<u>20,697</u>	<u>10,043</u>

18. Operating expenses

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Personnel costs				
- Salaries and wages	8,458	9,059	16,896	17,368
- Allowance and bonuses	838	2,977	2,607	6,163
- Staff training	151	132	180	454
- Others	2,642	2,620	4,939	5,479
	<u>12,089</u>	<u>14,788</u>	<u>24,622</u>	<u>29,464</u>
Establishment costs				
- Depreciation	1,241	1,720	2,797	3,536
- Office rental	2,149	122	3,393	209
- Equipment rental	72	443	136	600
- Others	1,793	1,388	3,493	2,187
	<u>5,255</u>	<u>3,673</u>	<u>9,819</u>	<u>6,532</u>
Promotion and marketing-related expenses				
- Business promotion and advertisement	898	1,192	1,352	1,428
- Entertainment	88	56	124	105
	<u>986</u>	<u>1,248</u>	<u>1,476</u>	<u>1,533</u>
Administration and general expenses				
- Communication expenses	266	218	501	490
- Audit fees	90	181	184	255
- Directors fees and meeting allowances	260	224	532	424
- Management fees	47	40	94	93
- Securities Commission's levy	267	112	393	182
- Others	1,025	1,922	1,522	3,045
	<u>1,955</u>	<u>2,697</u>	<u>3,226</u>	<u>4,489</u>
	<u>20,285</u>	<u>22,406</u>	<u>39,143</u>	<u>42,019</u>

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18. Operating expenses (cont'd)

	Individual 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000	Cumulative 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000
Company				
Personnel costs				
- Salaries and wages	4,206	4,643	8,488	9,045
- Allowance and bonuses	529	1,735	2,393	3,439
- Staff training	10	91	23	270
- Others	1,470	1,564	2,731	3,205
	<u>6,215</u>	<u>8,033</u>	<u>13,635</u>	<u>15,959</u>
Establishment costs				
- Depreciation	722	1,081	1,764	2,267
- Office rental	1,263	702	3,375	1,381
- Equipment rental	30	20	54	33
- Others	1,165	937	1,562	1,497
	<u>3,180</u>	<u>2,740</u>	<u>6,755</u>	<u>5,178</u>
Promotion and marketing-related expenses				
- Business promotion and advertisement	543	1,041	814	1,199
- Entertainment	4	1	5	6
	<u>547</u>	<u>1,042</u>	<u>819</u>	<u>1,205</u>
Administration and general expenses				
- Communication expenses	165	140	276	253
- Audit fees	32	38	63	62
- Directors fees and meeting allowances	124	140	253	274
- Management fees	21	15	42	36
- Others	767	237	1,199	307
	<u>1,109</u>	<u>570</u>	<u>1,833</u>	<u>932</u>
	<u>11,051</u>	<u>12,385</u>	<u>23,042</u>	<u>23,274</u>

19. Impairment losses on loans, advances and financing

	Individual 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000	Cumulative 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000
Group				
(a) Individual impairment provisions				
- made in the financial period	(7,244)	(9,109)	(15,930)	(9,461)
- written-back	9,300	2,308	23,291	2,504
(b) Collective impairment provisions				
- made in the financial period	(620)	(557)	(818)	(479)
- written-back	305	-	452	-
Bad debts on loans, advances and financing recovered	2,385	(1)	3,215	40
	<u>4,126</u>	<u>(7,359)</u>	<u>10,210</u>	<u>(7,396)</u>
Company				
(a) Individual impairment provisions				
- made in the financial period	(6,881)	(8,682)	(14,873)	(8,970)
- written-back	6,964	1,949	20,233	1,949
Bad debts on loans, advances and financing recovered	2,368	-	3,198	-
	<u>2,451</u>	<u>(6,733)</u>	<u>8,558</u>	<u>(7,021)</u>

20. Impairment losses on securities

	Individual 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000	Cumulative 30.06.2010 RM'000	Quarter Ended 30.06.2009 RM'000
Group				
Securities available-for-sale	(20,613)	(38,533)	(23,705)	(41,195)
Securities held-to-maturity	353	883	353	16,547
	<u>(20,260)</u>	<u>(37,650)</u>	<u>(23,352)</u>	<u>(24,648)</u>
Company				
Securities available-for-sale	(532)	-	(532)	-
	<u>(532)</u>	<u>-</u>	<u>(532)</u>	<u>-</u>

21. 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		Segment Revenue	
	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Investment banking	44,794	50,673	95,475	120,660
Asset management	809	456	1,595	995
Development finance	16,395	15,169	30,148	28,869
Others	862	1,677	2,117	3,260
Investment holding	19,263	51,751	27,015	56,159
	<u>82,123</u>	<u>119,726</u>	<u>156,350</u>	<u>209,943</u>
Inter-segment elimination	<u>(16,866)</u>	<u>(2,538)</u>	<u>(20,185)</u>	<u>(3,026)</u>
	65,257	117,188	136,165	206,917
Discontinued operations	-	19,814	-	37,373
	<u>65,257</u>	<u>137,002</u>	<u>136,165</u>	<u>244,290</u>

	Segment Results		Segment Results	
	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	RM'000	RM'000	RM'000	RM'000
Investment banking	(2,697)	(15,490)	17,555	26,195
Asset management	(657)	(832)	(1,158)	(1,316)
Development finance	11,284	3,168	25,275	10,620
Others	828	(275)	835	(454)
Investment holding	14,047	58,965	15,995	59,070
Consolidation adjustments	<u>(14,577)</u>	<u>(2,539)</u>	<u>(14,124)</u>	<u>(4,458)</u>
	8,228	42,997	44,378	89,657
Share of results in associates	<u>284</u>	<u>341</u>	<u>567</u>	<u>714</u>
	8,512	43,338	44,945	90,371
Discontinued operations	-	6,606	-	11,385
	<u>8,512</u>	<u>49,944</u>	<u>44,945</u>	<u>101,756</u>

22. Capital commitments

	As at	As at
	30.06.2010	30.06.2009
	RM'000	RM'000
Authorised and contracted for	-	-
Authorised but not contracted for	<u>5,791</u>	<u>15,492</u>
	<u>5,791</u>	<u>15,492</u>

23. 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 period/year are as follows:

Group	← As at 30.06.2010 →			← As at 31.12.2009 →		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000	Principal amount RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000
Guarantee facilities	24,822	24,822	24,822	18,052	18,052	18,052
Obligations under on-going underwriting agreement	301,117	150,559	39,746	344,390	172,195	56,223
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year	56,372	11,274	9,884	58,870	11,773	9,215
- Maturity exceeding one year	22	11	7	22	11	7
Total	382,333	186,666	74,459	421,334	202,031	83,497
Company						
Guarantee facilities	24,822	24,822	24,822	18,052	18,052	18,052
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year	96	19	19	427	85	85
Total	24,918	24,841	24,841	18,479	18,137	18,137

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

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24. Interest rate risk

Group	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
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Loans, advances and financing									
- unimpaired	21,415	54,928	18,150	149,099	186,732	(28,142) *	-	402,182	7.51
- impaired	-	-	-	-	-	132,394	-	132,394	-
Securities held-for-trading	-	-	-	-	-	-	1,023,604	1,023,604	-
Securities available-for-sale	256,025	351,222	501,774	610,732	167,488	289,450	-	2,176,691	4.56
Securities held-to-maturity	-	-	-	8,587	-	3,342	-	11,929	5.43
Derivative assets	-	-	-	-	-	25,029	-	25,029	-
Deposits and placements with banks and other financial institutions									
	-	314,115	70,334	-	-	5,150	-	389,599	2.59
Cash and short-term funds	1,251,753	-	-	-	-	11,828	-	1,263,581	1.39
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	17,412	-	17,412	-
Other non-interest sensitive balances	-	-	-	-	-	339,213	-	339,213	-
Total assets	1,529,193	720,265	590,258	768,418	354,220	795,676	1,023,604	5,781,634	
Liabilities									
Borrowings	3,265	4,547	54,900	152,891	186,414	-	-	402,017	2.82
Deposits from customers	1,591,610	58,857	143,343	-	-	-	-	1,793,810	2.43
Deposits and placements of banks and financial institutions	1,410,601	17,553	112,146	-	-	-	-	1,540,300	2.41
Other non-interest sensitive balances	-	-	-	-	-	335,762	-	335,762	-
Total liabilities	3,005,476	80,957	310,389	152,891	186,414	335,762	-	4,071,889	
Shareholder's funds	-	-	-	-	-	1,707,233	-	1,707,233	
Minority interests	-	-	-	-	-	2,512	-	2,512	
	3,005,476	80,957	310,389	152,891	186,414	2,045,507	-	5,781,634	
On-balance sheet interest sensitivity gap									
	(1,476,283)	639,308	279,869	615,527	167,806	(1,249,831)	1,023,604		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	(1,476,283)	639,308	279,869	615,527	167,806	(1,249,831)	1,023,604		

* Collective impairment provisions on loans, advances and financing

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24. 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									
- unimpaired	58,353	9,443	13,991	230,764	130,845	(16,068) *	-	427,328	8.40
- impaired	-	-	-	-	-	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	778,770	-	-	-	2,633	67,780	-	849,183	2.09
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	21,197	-	21,197	-
Other non-interest sensitive balances	-	-	-	-	-	636,890	-	636,890	-
Total assets	1,403,072	544,230	953,686	895,267	320,604	1,083,559	951,635	6,152,053	
Liabilities									
Borrowings	9,064	5,479	66,143	194,562	171,121	-	-	446,369	2.02
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	-	-	-	-	-	507,725	-	507,725	-
Total liabilities	2,843,564	230,822	514,105	194,562	171,121	507,725	-	4,461,899	
Shareholder's funds	-	-	-	-	-	1,687,257	-	1,687,257	
Minority interests	-	-	-	-	-	2,897	-	2,897	
	2,843,564	230,822	514,105	194,562	171,121	2,197,879	-	6,152,053	
On-balance sheet interest sensitivity gap	(1,440,492)	313,408	439,581	700,705	149,483	(1,114,320)	951,635		
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-		
Total interest sensitivity gap	(1,440,492)	313,408	439,581	700,705	149,483	(1,114,320)	951,635		

* Collective impairment provisions on loans, advances and financing

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24. 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
30.06.2010	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Loans, advances and financing									
- unimpaired	105	2,081	6,192	111,243	114,120	(23,483) *	-	210,258	6.95
- impaired	-	-	-	-	-	110,902	-	110,902	-
Deposits and placements with banks and other financial institutions									
	-	305,600	-	-	-	-	-	305,600	2.55
Cash and short-term funds									
	574,411	-	-	-	-	1,885	-	576,296	2.46
Securities held-for-trading									
	-	-	-	-	-	-	5,981	5,981	-
Securities available-for-sale									
	-	-	-	39,349	-	4,876	-	44,225	1.08
Other non-interest sensitive balances									
	-	-	-	-	-	908,344	-	908,344	-
Total assets	574,516	307,681	6,192	150,592	114,120	1,002,524	5,981	2,161,606	
Liabilities									
Borrowings									
	880	4,547	54,900	152,891	186,414	-	-	399,632	2.81
Other non-interest sensitive balances									
	-	-	-	-	-	262,009	-	262,009	-
Total liabilities	880	4,547	54,900	152,891	186,414	262,009	-	661,641	
Shareholder's funds									
	-	-	-	-	-	1,499,965	-	1,499,965	
	880	4,547	54,900	152,891	186,414	1,761,974	-	2,161,606	
On-balance sheet interest sensitivity gap									
	573,636	303,134	(48,708)	(2,299)	(72,294)	(759,450)	5,981		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	573,636	303,134	(48,708)	(2,299)	(72,294)	(759,450)	5,981		

* Collective impairment provisions on loans, advances and financing

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24. 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									
- unimpaired	6,180	485	12,072	165,612	88,319	(11,760) *	-	260,908	8.74
- impaired	-	-	-	-	-	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									
	381,966	-	-	-	-	53,364	-	435,330	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									
	-	-	-	-	-	1,004,317	-	1,004,317	-
Total assets	388,146	136,137	155,372	210,042	88,319	1,160,111	8,410	2,146,537	
Liabilities									
Borrowings									
	1,064	5,479	66,143	194,562	171,121	-	-	438,369	1.99
Other non-interest sensitive balances									
	-	-	-	-	-	229,069	-	229,069	-
Total liabilities	1,064	5,479	66,143	194,562	171,121	229,069	-	667,438	
Shareholder's funds									
	-	-	-	-	-	1,479,099	-	1,479,099	
	1,064	5,479	66,143	194,562	171,121	1,708,168	-	2,146,537	
On-balance sheet interest sensitivity gap									
	387,082	130,658	89,229	15,480	(82,802)	(548,057)	8,410		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
Total interest sensitivity gap	387,082	130,658	89,229	15,480	(82,802)	(548,057)	8,410		

* Collective impairment provisions on loans, advances and financing

25. Capital adequacy

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

	30.06.2010 RM'000	31.12.2009 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	115,520	112,265
Retained profit	68,085	97,279
	<u>702,716</u>	<u>728,655</u>
Less: Deferred tax assets	(37,904)	(40,313)
Total Tier-I capital	<u>664,812</u>	<u>688,342</u>
Tier-II capital		
Collective impairment provisions on loans, advances and financing	4,172	3,597
Total Tier-II capital	<u>4,172</u>	<u>3,597</u>
Capital base	<u>668,984</u>	<u>691,939</u>
Before deducting proposed dividends		
Core capital ratio	42.92%	37.45%
Risk-weighted capital ratio	43.17%	37.64%
After deducting proposed dividends		
Core capital ratio	40.86%	37.45%
Risk-weighted capital ratio	41.12%	37.64%

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

	30.06.2010		31.12.2009	
	Notional amount RM'000	Risk-weighted amount RM'000	Notional amount RM'000	Risk- weighted amount RM'000
0%	459,458	-	778,515	-
20%	1,874,101	374,820	1,819,542	363,908
35%	873	306	993	348
50%	312,650	156,325	499,445	249,723
75%	151	113	183	137
100%	310,173	310,173	580,196	580,196
150%	326,003	489,005	227,238	340,857
Total Risk Weighted Assets for Credit Risk	<u>3,283,409</u>	<u>1,330,742</u>	<u>3,906,112</u>	<u>1,535,169</u>
Risk Weighted Assets Equivalent for Market Risk	-	88,733	-	93,860
Risk Weighted Assets Equivalent for Operational Risk	-	207,399	-	209,107
	<u>3,283,409</u>	<u>1,626,874</u>	<u>3,906,112</u>	<u>1,838,136</u>

26. 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.

	As at 1 January 2010	
	Group RM'000	Company 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.

27. Comparative figures

Certain comparative amounts have also been restated to conform with the current financial period presentation.

The following comparative amounts have been restated accordingly:

(i) The Group and Company

	Group	
	As previously stated	As restated
	RM'000	RM'000
At 31 December 2009		
Balance Sheet		
Cash and short-term funds	1,193,814	849,183
Other payables	451,705	490,002
Government Scheme Funds	<u>382,928</u>	<u>-</u>
	Company	
	As previously stated	As restated
	RM'000	RM'000
At 31 December 2009		
Balance Sheet		
Cash and short-term funds	779,961	435,330
Other payables	182,229	220,526
Government Scheme Funds	<u>382,928</u>	<u>-</u>

(ii) Islamic Banking operations

	Group	
	As previously stated	As restated
	RM'000	RM'000
At 31 December 2009		
Balance Sheet		
Cash and short-term funds	156,718	141,763
Other liabilities	143,565	147,813
Government Scheme Funds	<u>19,203</u>	<u>-</u>
	Company	
	As previously stated	As restated
	RM'000	RM'000
At 31 December 2009		
Balance Sheet		
Cash and short-term funds	156,556	141,601
Other liabilities	129,217	133,465
Government Scheme Funds	<u>19,203</u>	<u>-</u>

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28. **Operations of Islamic Banking**

28a. **Unaudited Balance Sheets as at 30 June 2010**

	Note	Group		Company	
		30.06.2010 RM'000	31.12.2009 RM'000	30.06.2010 RM'000	31.12.2009 RM'000
ASSETS					
Cash and short-term funds		134,148	141,763	133,973	141,601
Securities available-for-sale	28c	714,204	719,315	-	-
Securities held-to-maturity	28d	-	19,966	-	-
Financing and advances	28e	38,494	53,739	38,494	53,739
Other assets		13,439	10,333	579	292
Deferred tax assets		3,680	3,680	818	818
TOTAL ASSETS		903,965	948,796	173,864	196,450
LIABILITIES					
Deposits from customers	28f	229,648	326,582	-	-
Deposits and placements of banks and other financial institutions	28g	354,021	286,349	-	-
Borrowings (unsecured)	14	19,046	22,272	19,046	22,272
Other liabilities		125,024	147,813	110,629	133,465
Taxation		8,664	7,778	8,664	7,778
Amount due to Head Office		2,850	904	-	-
TOTAL LIABILITIES		739,253	791,698	138,339	163,515
ISLAMIC BANKING CAPITAL FUNDS					
Funds allocated from Head Office		100,000	100,000	20,000	20,000
Reserves		64,712	57,098	15,525	12,935
TOTAL ISLAMIC BANKING CAPITAL FUNDS		164,712	157,098	35,525	32,935
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		903,965	948,796	173,864	196,450

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

28b. **Unaudited Income Statements for the period ended 30 June 2010**

<u>Group</u>	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2010 RM'000	30.06.2009 RM'000	30.06.2010 RM'000	30.06.2009 RM'000
Income derived from investment of depositors funds and others	8,948	7,610	18,753	24,325
Income derived from Government Scheme Funds	2,301	3,576	4,552	3,576
Transfer to profit equalisation reserve	(1,001)	226	(1,041)	(3,872)
Total attributable income	10,248	11,412	22,264	24,029
Income attributable to depositors	(3,429)	(3,719)	(6,777)	(8,936)
Net income attributable to the reporting institution	6,819	7,693	15,487	15,093
Other operating expenses	(367)	(583)	(831)	(1,095)
Operating profit	6,452	7,110	14,656	13,998
Impairment losses on securities	-	-	(755)	-
Impairment losses on financing and advances	115	(4,078)	(4,303)	(7,072)
Finance costs	(79)	(114)	(159)	(244)
Profit before taxation and zakat	6,488	2,918	9,439	6,682
Tax expense	(886)	8	(886)	-
Zakat	(104)	(44)	(214)	(195)
Profit after taxation and zakat	<u>5,498</u>	<u>2,882</u>	<u>8,339</u>	<u>6,487</u>
 <u>Company</u>				
Income derived from investment of depositors funds and others	1,961	1,326	3,478	2,650
Income derived from Government Scheme Funds	2,061	1,742	4,552	3,576
	<u>4,022</u>	<u>3,068</u>	<u>8,030</u>	<u>6,226</u>
Income attributable to the reporting institution	4,022	3,068	8,030	6,226
Other operating expenses	(19)	(9)	(26)	(11)
Operating profit	4,003	3,059	8,004	6,215
Impairment losses on financing and advances	115	(4,078)	(4,303)	(7,072)
Finance costs	(79)	(114)	(159)	(244)
Profit/ (Loss) before taxation	4,039	(1,133)	3,542	(1,101)
Tax expense	(886)	8	(886)	-
Zakat	(66)	57	(66)	-
Profit/ (Loss) after taxation and zakat	<u>3,087</u>	<u>(1,068)</u>	<u>2,590</u>	<u>(1,101)</u>

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

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

	Group	
	30.06.2010	31.12.2009
	RM'000	RM'000
At fair value		
Money market instruments:		
Government Investment Issues	267,960	149,065
Khazanah Nasional Berhad bonds	-	14,986
Islamic Negotiable Certificate of Deposits	189,181	229,643
	<u>457,141</u>	<u>393,694</u>
Unquoted securities in Malaysia:		
Islamic Private Debt Securities	257,063	325,621
	<u>714,204</u>	<u>719,315</u>

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

	Group	
	30.06.2010	31.12.2009
	RM'000	RM'000
At amortised cost		
Money market instruments:		
Khazanah Nasional Berhad bonds	-	19,966
Unquoted securities:		
Islamic Private Debt Securities	4,998	4,998
	<u>4,998</u>	<u>24,964</u>
Less: Individual impairment provisions	(4,998)	(4,998)
	<u>-</u>	<u>19,966</u>

28e. **Financing and advances**

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
Term financing		
- Islamic hire purchase/leasing	42,293	48,235
- Other term financing	27,123	31,900
	<u>69,416</u>	<u>80,135</u>
Less: Unearned income	(6,836)	(6,445)
	<u>62,580</u>	<u>73,690</u>
Less: Impairment provisions		
- Collective impairment provisions	(1,600)	(1,600)
- Individual impairment provisions	(22,486)	(18,351)
Total net financing and advances	<u>38,494</u>	<u>53,739</u>

(i) By contract

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
Bai Bithaman Ajil (deferred payment sales)	24,083	28,187
Murabahah Working Capital (cost plus)	45	164
Al-Ijarah Thumma Al-Bai (finance lease)	37,856	43,971
Al-Ijarah (operating lease)	596	1,368
	<u>62,580</u>	<u>73,690</u>

(ii) By type of customer

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
Domestic business enterprises	62,580	73,690

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

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

(iii) By profit rate sensitivity

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
Fixed rate		
Hire purchase receivables	38,452	54,814
Other fixed rate financing	24,128	18,876
	<u>62,580</u>	<u>73,690</u>

(iv) By economic sector

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
Mining and quarrying	427	910
Manufacturing	26,713	49,876
Construction	871	1,167
Wholesale & retail trade and restaurants & hotels	7,332	6,233
Transport, storage and communications	12,844	10,013
Finance, insurance and business services	5,515	769
Others	8,878	4,722
	<u>62,580</u>	<u>73,690</u>

(v) Movements in impaired financing and advances

	Group and Company	
	30.06.2010	31.12.2009
	RM'000	RM'000
At beginning of period/year	33,672	17,418
Classified as impaired during the period/year	1,728	25,237
Reclassified as unimpaired during the period/year	(3,488)	(590)
Amount written-back	(1,918)	(3,858)
Amount written off	-	(4,535)
At end of period/year	<u>29,994</u>	<u>33,672</u>
Less: Individual impairment provisions	<u>(22,486)</u>	<u>(18,351)</u>
Net impaired financing and advances	<u>7,508</u>	<u>15,321</u>
Net impaired financing and advances as % of gross financing and advances less individual impairment provisions	<u>18.73%</u>	<u>27.69%</u>

(vi) Movements in impairment provisions

	Group and Company	
	30.06.2010	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>3.99%</u>	<u>2.89%</u>
Individual impairment provisions		
At beginning of period/year	18,351	16,240
Impairment made during the period/year	9,487	5,796
Amount transferred from collective impairment provisions	-	2,268
Amount written-back	(5,184)	(913)
Amount written off	-	(5,040)
Discount unwind	(168)	-
At end of period/year	<u>22,486</u>	<u>18,351</u>

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

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

(vii) Impaired financing and advances by economic sector

Group and Company		
30.06.2010	31.12.2009	
RM'000	RM'000	
Manufacturing	22,547	26,145
Wholesale & retail trade and restaurants & hotels	316	341
Transport, storage and communications	6,589	6,607
Others	542	579
	<u>29,994</u>	<u>33,672</u>

28f. **Deposits from customers**

(i) By type of deposits

Group		
30.06.2010	31.12.2009	
RM'000	RM'000	
Mudharabah Fund		
- Fixed/Investment deposits	227,459	320,895
- Others	2,189	5,687
	<u>229,648</u>	<u>326,582</u>

(ii) By type of customers

Group		
30.06.2010	31.12.2009	
RM'000	RM'000	
Business enterprises	229,648	326,582

28g. **Deposits and placements of banks and other financial institutions**

(i) By type of deposits

Group		
30.06.2010	31.12.2009	
RM'000	RM'000	
Mudharabah Fund		
- Fixed/Investment deposits	349,938	284,103
- Others	4,083	2,246
	<u>354,021</u>	<u>286,349</u>

(ii) By type of customers

Group		
30.06.2010	31.12.2009	
RM'000	RM'000	
Licensed Islamic Banks	180,450	77,690
Licensed Investment Banks	10,000	-
Other financial institutions	163,571	208,659
	<u>354,021</u>	<u>286,349</u>

**MALYSIAN 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 six months ended 30th June 2010, as set out on pages 1 to 32, 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 30th June 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 Financial Reporting Standards 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

24 November 2010