



**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011**

	Note	Group		Company	
		31 March 2011 RM'000	31 December 2010 RM'000	31 March 2011 RM'000	31 December 2010 RM'000
<b>ASSETS</b>					
Cash and short-term funds		1,258,694	911,543	643,544	674,178
Deposits and placements with licensed banks and other financial institutions		388,449	313,000	328,800	208,152
Assets of disposal group/ assets classified as held-for-sale		-	3,006	-	-
Securities held-for-trading	7	407,398	328,626	4,592	4,520
Securities available-for-sale	8	1,634,223	2,135,741	45,751	45,063
Securities held-to-maturity	9	700,744	293,513	-	-
Derivative assets		1,069	1,384	-	-
Loans, advances and financing	10	446,430	462,684	235,315	260,342
Other assets	11	270,804	241,942	86,705	91,002
Statutory deposits with Bank Negara Malaysia		21,100	19,083	-	-
Investment properties		6,820	6,870	-	-
Land use rights		428	431	-	-
Investment in associates		4,500	3,853	2,560	2,560
Investment in subsidiaries		-	-	791,693	791,693
Property, plant and equipment		9,753	10,921	6,318	7,010
Deferred tax assets		50,409	54,684	10,925	11,079
Goodwill		86,713	86,713	-	-
<b>TOTAL ASSETS</b>		<b>5,287,534</b>	<b>4,873,994</b>	<b>2,156,203</b>	<b>2,095,599</b>
<b>LIABILITIES</b>					
Deposits from customers	12	1,634,472	1,438,946	-	-
Deposits and placements of banks and other financial institutions	13	1,231,662	1,127,892	-	-
Other liabilities		339,061	232,928	174,568	110,586
Borrowings	14	344,285	356,081	344,285	356,081
Liabilities directly associated with assets classified as held-for-sale		-	1,166	-	-
Provision for taxation and zakat		4,253	3,927	2,336	2,068
Employee benefits		9,663	9,535	8,688	8,593
Deferred tax liabilities		6,000	5,938	-	-
<b>TOTAL LIABILITIES</b>		<b>3,569,396</b>	<b>3,176,413</b>	<b>529,877</b>	<b>477,328</b>
<b>SHAREHOLDER'S EQUITY</b>					
Capital and reserves attributable to shareholder 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		82,592	82,592	-	-
Capital Reserve		649	649	-	-
Securities Available-For-Sale Reserve		10,921	9,954	51	(409)
Retained Profits		792,728	771,972	796,344	788,749
		1,716,821	1,695,098	1,626,326	1,618,271
Minority Interest		1,317	2,483	-	-
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>1,718,138</b>	<b>1,697,581</b>	<b>1,626,326</b>	<b>1,618,271</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<b>5,287,534</b>	<b>4,873,994</b>	<b>2,156,203</b>	<b>2,095,599</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	23	<b>459,421</b>	<b>312,917</b>	<b>8,543</b>	<b>8,550</b>
<b>NET ASSETS PER SHARE (RM)</b>		<b>3.68</b>	<b>3.64</b>	<b>3.49</b>	<b>3.47</b>

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 2010.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2011

<u>Group</u>	Note	Individual/ Cumulative Quarter ended	
		31 March 2011 RM'000	31 March 2010 RM'000
<b>Continuing operations</b>			
Operating revenue		<u>71,605</u>	<u>70,074</u>
Interest income	15	<u>49,495</u>	49,499
Interest expense	16	<u>(17,553)</u>	<u>(15,903)</u>
Net interest income		<u>31,942</u>	33,596
Net income from Islamic banking operations	26b	<u>6,960</u>	8,668
Other operating income	17	<u>11,354</u>	<u>9,616</u>
		<u>50,256</u>	51,880
Operating expenses	18	<u>(18,546)</u>	<u>(18,436)</u>
<b>Operating profit</b>		<u>31,710</u>	33,444
Impairment losses (made)/ written-back on loans, advances and financing	19	<u>(4,517)</u>	<u>6,084</u>
Impairment loss made on securities (net)	20	<u>(1,230)</u>	<u>(3,092)</u>
Profit before share of results in associates		<u>25,963</u>	36,436
Share of results in associates		<u>647</u>	283
<b>Profit before taxation and zakat</b>		<u>26,610</u>	36,719
Taxation		<u>(5,773)</u>	(9,064)
Zakat		<u>(116)</u>	<u>(110)</u>
Profit for the period from continuing operations		<u>20,721</u>	27,545
<b>Discontinued operations</b>			
Profit for the period from discontinued operations	6	<u>(64)</u>	<u>(286)</u>
<b>Profit for the period</b>		<u>20,657</u>	<u>27,259</u>
Attributable to:			
Shareholder of the Company		<u>20,756</u>	27,487
Minority interest		<u>(99)</u>	<u>(228)</u>
<b>Profit for the period</b>		<u>20,657</u>	<u>27,259</u>
<b>Earnings per share</b>			
- Basic and diluted, for profit from continuing operations		<u>4.47</u>	5.90
- Basic and diluted, for profit from discontinued operations		<u>(0.01)</u>	-
- Basic and diluted, for profit for the period		<u>4.45</u>	<u>5.90</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 2010.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2011

<u>Group</u>	Individual/ Cumulative Quarter ended	
	31 March 2011 RM'000	31 March 2010 RM'000
<b>Net profit for the period</b>	<b>20,657</b>	<b>27,259</b>
Other comprehensive gain / (loss):		
Net realised gain transferred to profit or loss on disposal of securities available-for-sale	<b>(826)</b>	(608)
Net unrealised gain / (loss) on revaluation of securities available-for-sale	<b>2,109</b>	(417)
Deferred tax on revaluation of securities available-for-sale	<b>(316)</b>	(46)
Other comprehensive gain / (loss) for the period, net of tax	<b>967</b>	(1,071)
Total comprehensive income for the period	<b>21,624</b>	26,188
Total comprehensive income for the period attributable to:		
Shareholder of the Company	<b>21,723</b>	26,416
Minority interest	<b>(99)</b>	(228)
	<b>21,624</b>	26,188

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 2010.



UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2011

<u>Company</u>	Note	Individual/ Cumulative Quarter ended	
		31 March 2011 RM'000	31 March 2010 RM'000
Operating revenue		<u>25,433</u>	<u>19,511</u>
Interest income	15	19,111	13,506
Interest expense	16	<u>(2,039)</u>	<u>(2,363)</u>
Net interest income		17,072	11,143
Net income from Islamic banking operations	26b	3,723	4,008
Other operating income	17	<u>3,767</u>	<u>2,572</u>
		24,562	17,723
Operating expenses	18	<u>(10,552)</u>	<u>(11,991)</u>
<b>Operating profit</b>		<b>14,010</b>	5,732
Impairment losses (made) / written-back on loans, advances and financing	19	(4,617)	6,107
Impairment loss made on securities (net)	20	-	-
<b>Profit before taxation and zakat</b>		<b>9,393</b>	11,839
Taxation		(1,753)	(3,498)
Zakat		<u>(45)</u>	-
<b>Profit for the period</b>		<b><u>7,595</u></b>	<b><u>8,341</u></b>

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 2010.



UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2011

<u>Company</u>	Individual/ Cumulative Quarter ended	
	31 March 2011 RM'000	31 March 2010 RM'000
<b>Net profit for the period</b>	<u>7,595</u>	<u>8,341</u>
Other comprehensive gain/ (loss):		
Net unrealised gain on revaluation of securities available-for-sale	613	185
Deferred tax on revaluation of securities available-for-sale	<u>(153)</u>	<u>(46)</u>
Other comprehensive gain for the period, net of tax	<u>460</u>	<u>139</u>
Total comprehensive income for the period	<u><u>8,055</u></u>	<u><u>8,480</u></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 2010.

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



**UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2011**

	Attributable to shareholder of the Company					Distributable Retained Profits	Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Non-Distributable Securities Available-For- Sale Reserve	Capital Reserve	Statutory Reserve				
<b>Group</b>	-----RM'000-----								
<b>At 1 January 2010, as previously stated</b>	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)
<b>At 1 January 2010, as restated</b>	466,070	363,861	1,956	688	79,337	759,670	1,671,582	2,897	1,674,479
Total comprehensive income for the period	-	-	(1,071)	-	-	27,487	26,416	(228)	26,188
<b>Transactions with owner</b>									
Transfer within reserves	-	-	-	-	-	-	-	-	-
Total transactions with owner	-	-	-	-	-	-	-	-	-
<b>At 31 March 2010</b>	466,070	363,861	885	688	79,337	787,157	1,697,998	2,669	1,700,667
Total comprehensive income for the period	-	-	9,069	-	-	9,004	18,073	(186)	17,887
<b>Transactions with owner</b>									
Transfer within reserves	-	-	-	-	3,255	(3,255)	-	-	-
Dividend paid	-	-	-	-	-	(20,973)	(20,973)	-	(20,973)
Realisation of reserve arising from disposal of properties	-	-	-	(39)	-	39	-	-	-
Total transactions with owner	-	-	-	(39)	3,255	(24,189)	(20,973)	-	(20,973)
<b>At 31 December 2010</b>	466,070	363,861	9,954	649	82,592	771,972	1,695,098	2,483	1,697,581
<b>At 1 January 2011</b>	466,070	363,861	9,954	649	82,592	771,972	1,695,098	2,483	1,697,581
Total comprehensive income for the period	-	-	967	-	-	20,756	21,723	(99)	21,624
<b>Transactions with owner</b>									
Transfer within reserves	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	(1,067)	(1,067)
Total transactions with owner	-	-	-	-	-	-	-	(1,067)	(1,067)
<b>At 31 March 2011</b>	466,070	363,861	10,921	649	82,592	792,728	1,716,821	1,317	1,718,138

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 2010.

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



**UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2011**

<b>Company</b>	<b>Share Capital</b>	<b>← Non-Distributable →</b>		<b>Distributable Retained Profits</b>	<b>Total Equity</b>
		<b>Share Premium</b>	<b>Securities Available-For- Sale Reserve</b>		
	<b>-----RM'000-----</b>				
<b>At 1 January 2010, as previously stated</b>	466,070	363,861	(139)	649,307	1,479,099
Effect of adopting FRS 139	-	-	(1,122)	(7,088)	(8,210)
<b>At 1 January 2010, as restated</b>	466,070	363,861	(1,261)	642,219	1,470,889
Total comprehensive income for the period	-	-	139	8,341	8,480
<b>Transactions with owner</b>					
Transfer within reserves	-	-	-	-	-
Total transactions with owner	-	-	-	-	-
<b>At 31 March 2010</b>	<b>466,070</b>	<b>363,861</b>	<b>(1,122)</b>	<b>650,560</b>	<b>1,479,369</b>
Total comprehensive income for the period	-	-	713	159,162	159,875
<b>Transactions with owner</b>					
Dividend paid	-	-	-	(20,973)	(20,973)
Total transactions with owner	-	-	-	(20,973)	(20,973)
<b>At 31 December 2010</b>	<b>466,070</b>	<b>363,861</b>	<b>(409)</b>	<b>788,749</b>	<b>1,618,271</b>
At 1 January 2011	466,070	363,861	(409)	788,749	1,618,271
Total comprehensive income for the period	-	-	460	7,595	8,055
<b>Transactions with owner</b>					
Transfer within reserves	-	-	-	-	-
Total transactions with owner	-	-	-	-	-
<b>At 31 March 2011</b>	<b>466,070</b>	<b>363,861</b>	<b>51</b>	<b>796,344</b>	<b>1,626,326</b>

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 2010.



UNAUDITED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2011

	Group		Company	
	31 March 2011 RM'000	31 March 2010 RM'000	31 March 2011 RM'000	31 March 2010 RM'000
<b>Profit before taxation and zakat:</b>				
<b>Continuing operations</b>	<b>26,610</b>	36,719	<b>9,393</b>	11,839
<b>Discontinued operations</b>	<b>(64)</b>	(286)	-	-
Adjustments for non-cash items	<b>(5,356)</b>	(68,660)	<b>871</b>	(3,462)
Operating profit / (loss) before changes in working capital	<b>21,190</b>	(32,227)	<b>10,264</b>	8,377
Changes in working capital:				
Net changes in operating assets	<b>(14,096)</b>	265,839	<b>56,817</b>	135,624
Net changes in operating liabilities	<b>395,198</b>	(581,463)	<b>24,112</b>	(68,811)
Tax expense paid	<b>(1,148)</b>	(2,103)	<b>(1,000)</b>	(1,710)
Retirement benefits paid	<b>(123)</b>	-	<b>(123)</b>	-
<b>Net cash generated from / (used in) operating activities</b>	<b>401,021</b>	(349,954)	<b>90,070</b>	73,480
<b>Net cash generated from / (used in) investing activities</b>	<b>23,596</b>	740,830	<b>(56)</b>	(2,731)
Net increase in cash and cash equivalents	<b>424,617</b>	390,876	<b>90,014</b>	70,749
Cash and cash equivalents at beginning of the period	<b>1,243,626</b>	1,678,508	<b>882,330</b>	1,060,574
<b>Cash and cash equivalents at end of the period</b>	<b>1,668,243</b>	2,069,384	<b>972,344</b>	1,131,323

Cash and cash equivalents included in the statements of cash flows comprise the following balance sheet amounts:

	Group		Company	
	31 March 2011 RM'000	31 March 2010 RM'000	31 March 2011 RM'000	31 March 2010 RM'000
Continuing operations:				
Cash and short-term funds	<b>1,258,694</b>	1,830,034	<b>643,544</b>	936,453
Deposits and placements with banks and other financial institutions	<b>388,449</b>	218,834	<b>328,800</b>	194,870
Statutory deposits with Bank Negara Malaysia	<b>21,100</b>	20,516	-	-
	<b>1,668,243</b>	2,069,384	<b>972,344</b>	1,131,323

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 2010.



**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 have been prepared in accordance with Financial Reporting Standards (“FRSs”) as modified by Bank Negara Malaysia (“BNM”) Guidelines and the provisions of the Companies Act, 1965 in Malaysia.

The unaudited condensed interim financial statements have 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 2010. 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 2010.

**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 2010 except for the adoption of the 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 March 2010.

The Directors are of the view that the adoption of new and revised standards and interpretations above does not have any effect on the financial performance or financial position of the Group and the Company.

**3. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the audited annual financial statements for the financial year ended 31 December 2010 was not qualified.

**4. Performance review**

The Group registered a pre-tax profit of RM26.55 million for the period ended 31 March 2011, a decrease of 27% as compared to the previous corresponding period’s pre-tax profit of RM36.43 million (as analysed in Note 21, including the discontinued operations). The lower pre-tax profit is attributable to lower income in the current financial period.

**5. Prospects for 2011**

The Malaysian economic performance in 2011 will be driven by continued expansion of the domestic demand, especially by private consumption as the recovery in the global economy remains frail with the rising crude oil price, rising sovereign debt problem and geopolitical concerns over developments in Middle East and North Africa. The tragedy in Japan brought sentiment to its trough, but indication is that the worst is over although recovery in sentiment will be gradual and time-consuming.

Bank Negara Malaysia is expected to resume its “rate normalisation” campaign in 2011 more to avert a possible credit-financed bubble when growth gains traction in the second-half of the year rather than to tackle inflation, which is currently a cost-push phenomenon.

The investment banking division is cautiously optimistic that its business performance will be stronger in 2011. The division has built greater capabilities in its dealing and research teams to tap the opportunities in the equity market.

There will be opportunities in advisory activities for corporate actions, such as mergers and takeovers and initial public offerings. The division will be expending the due efforts to secure the mandates in the identified focus areas, as it builds up its resources and capacity in these areas.

The fund-based activities will take into consideration the indicative Bank Negara Malaysia’s interest rate and potential monetary policy changes for the year. Hence, the division will continue to adopt a conservative approach and outlook as firmer views are formed.

The re-organised risk management and remedial management functions are expected to manage and improve the recoveries processes, and the standard of credit assessment and practices within the investment banking division.

The development finance division intends to continue to work closely with the Government in providing financial assistance to the targeted sectors, especially the services sector, 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 package.

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.

In addition to the above efforts to establish a stronger franchise in each of the business divisions, the focus will be on new income opportunities to enlarge the revenue base, in addition to 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/assets classified as held-for-sale**

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

Group	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
Revenue	156	126
Operating income	<u>2</u>	<u>10</u>
	158	136
Staff cost	(167)	(297)
Depreciation	(17)	(32)
Operating expenses	<u>(38)</u>	<u>(93)</u>
Loss before tax of discontinued operations	(64)	(286)
Taxation	-	-
Loss for the period from discontinued operations	<u><u>(64)</u></u>	<u><u>(286)</u></u>

Amanah Equities Sdn Bhd, a wholly-owned subsidiary of the Company, has entered into a Share Sale Agreement ("SSA") for the disposal of its 51% shareholding in the MIDF Consultancy and Corporate Services Sendirian Berhad ("MIDFCCS"). The application for the change in the shareholders/shareholding was approved by the Securities Commission on 2 November 2010. The disposal was completed on 10 March 2011.

**7. Securities held-for-trading**

At fair value	Group		Company	
	31 March 2011	31 December 2010	31 March 2011	31 December 2010
	RM'000	RM'000	RM'000	RM'000
Money market instruments:				
Bank Negara Malaysia Notes	-	164,940	-	-
Other Acceptances Discounted	242,832	64,068	-	-
Negotiable Instruments of Deposit	50,001	-	-	-
	<u>292,833</u>	<u>229,008</u>	<u>-</u>	<u>-</u>
Quoted securities in Malaysia:				
Shares	<u>296</u>	<u>356</u>	<u>296</u>	<u>356</u>
Unquoted securities in Malaysia:				
Unit Trusts	4	4	2	2
Shares	1	1	1	1
Redeemable Convertible Secured Notes	4,293	4,161	4,293	4,161
Private Debt Securities	109,971	95,096	-	-
	<u>114,269</u>	<u>99,262</u>	<u>4,296</u>	<u>4,164</u>
	<u><u>407,398</u></u>	<u><u>328,626</u></u>	<u><u>4,592</u></u>	<u><u>4,520</u></u>

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single issuer or to group of issuers.

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

**8. Securities available-for-sale**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>				
Money market instruments:				
Malaysian Government Securities	9,804	207,683	-	-
Government Investment Issue	310,229	257,993	-	-
Other Acceptances Discounted	161,748	429,199	-	-
Negotiable Instruments of Deposit	79,717	79,380	-	-
	<u>561,498</u>	<u>974,255</u>	<u>-</u>	<u>-</u>
Quoted securities in Malaysia:				
Shares and Warrants	8,267	13,320	1,785	1,170
Loan Stocks	8,010	8,010	-	-
	<u>16,277</u>	<u>21,330</u>	<u>1,785</u>	<u>1,170</u>
Unquoted securities in Malaysia:				
Private Debt Securities	1,021,919	1,106,404	42,263	42,601
Shares	1,150	1,100	-	-
Loan Stocks	32,622	31,895	1,703	1,292
	<u>1,055,691</u>	<u>1,139,399</u>	<u>43,966</u>	<u>43,893</u>
<b>At cost</b>				
Unquoted securities in Malaysia:				
Shares	<u>757</u>	<u>757</u>	<u>-</u>	<u>-</u>
	<u>1,634,223</u>	<u>2,135,741</u>	<u>45,751</u>	<u>45,063</u>

The Group has no significant concentration of credit risk that may arise from exposures to a single issuer or to group of issuers.

A significant concentration credit risk arises from 1 (2010: 1) investment in unquoted private debt securities amounting to RM30,503,000 (2010: RM30,503,000) representing 66.68% (2010: 67.69%) of the Company's total securities available-for-sale.

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

**9. Securities held-to-maturity**

		<b>Group</b>	
	<b>Note</b>	<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
<b>At amortised cost</b>			
Money market instruments:			
Malaysian Government Securities		362,606	92,163
Government Investment Issues		171,949	90,554
		<u>534,555</u>	<u>182,717</u>
Unquoted securities in Malaysia:			
Private Debt Securities		189,368	133,975
Loan Stocks		4,201	4,201
		<u>193,569</u>	<u>138,176</u>
Less: Individual impairment provision	(a)	<u>(27,380)</u>	<u>(27,380)</u>
		<u>700,744</u>	<u>293,513</u>

(a) Movements in individual impairment provision- Unquoted securities in Malaysia

	<b>Group</b>	
	<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
At 1 January	27,380	76,722
Effects of adopting FRS 139	-	(149)
At 1 January, as restated	<u>27,380</u>	<u>76,573</u>
Amount written back	-	(50,598)
Impairment made during the year	-	1,405
At 31 December	<u>27,380</u>	<u>27,380</u>

The Group has no significant concentration of credit risk that may arise from exposures to a single issuer or to group of issuers.

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

**10. Loans, advances and financing**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Term loans				
- Syndicated term loan/financing	74,629	75,394	-	-
- Hire purchase receivables	66,464	75,792	44,810	52,957
- Lease receivables	5,945	6,015	3,631	3,701
- Other term loans/financing	484,299	530,983	378,960	417,728
	<u>631,337</u>	<u>688,184</u>	<u>427,401</u>	<u>474,386</u>
Staff loans	4,995	5,793	2,812	2,928
Less: Staff loans classified as assets held-for-sale	-	(289)	-	-
	4,995	5,504	2,812	2,928
Revolving credits	14,365	14,586	-	-
Margin accounts	77,818	58,738	-	-
	<u>728,515</u>	<u>767,012</u>	<u>430,213</u>	<u>477,314</u>
Less: Unearned interest and income	(3,620)	(4,427)	(3,436)	(4,143)
Gross loans, advances and financing	724,895	762,585	426,777	473,171
Less: Security deposits	(69)	(80)	-	-
Less: Impairment provision				
- Collective impairment provision	(27,137)	(26,934)	(22,638)	(22,638)
- Individual impairment provision	(251,259)	(272,887)	(168,824)	(190,191)
Total net loans, advances and financing	<u>446,430</u>	<u>462,684</u>	<u>235,315</u>	<u>260,342</u>

The Group and the Company operate principally in Malaysia and hence, disclosure of information by geographical area is not presented.

**a. By type of customer**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Domestic business enterprises				
- Small medium enterprises	442,323	497,367	226,407	258,908
- Others	226,407	210,591	197,217	207,304
Individuals	52,552	50,596	2,812	2,928
Foreign entities	3,613	4,031	341	4,031
Gross loans, advances and financing	<u>724,895</u>	<u>762,585</u>	<u>426,777</u>	<u>473,171</u>

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

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

**b. By interest/profit rate sensitivity**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed rate				
- Staff loans	4,621	5,124	2,812	2,928
- Hire purchase receivables	66,288	73,859	44,810	51,269
- Other fixed rate loan/financing	283,508	283,694	201,738	220,982
Variable rate				
- BLR plus	175,351	188,968	175,351	188,968
- Cost plus	193,061	201,916	-	-
- Other variable rates	2,066	9,024	2,066	9,024
Gross loans, advances and financing	<u>724,895</u>	<u>762,585</u>	<u>426,777</u>	<u>473,171</u>

**c. By economic sector**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Agriculture, hunting, forestry & fishing	139	556	-	-
Mining and quarrying	23,666	24,956	2	98
Manufacturing	389,668	434,607	278,410	319,563
Construction	23,266	23,760	157	227
Purchase of landed property:				
- Residential	374	381	-	-
Wholesale & retail trade and restaurants & hotels	141,128	140,942	120,103	119,392
Transport, storage and communications	11,720	18,979	10,343	15,565
Finance, insurance and business services	76,034	61,206	11,509	11,706
Purchase of transport vehicles	17,929	19,041	-	-
Others	40,971	38,157	6,253	6,620
Gross loans, advances and financing	<u>724,895</u>	<u>762,585</u>	<u>426,777</u>	<u>473,171</u>

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

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

**d. Impaired loans ("ILs"), advances and financing**

**(i.) ILs by economic sector**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Manufacturing	251,537	286,016	169,787	201,359
Construction	23,313	23,521	-	-
Purchase of landed property - Residential	113	113	-	-
Wholesale & retail trade and restaurants & hotels	104,811	109,409	85,047	89,118
Transport, storage and communication	6,378	11,316	5,463	10,401
Finance, insurance and business services	18,002	21,006	2,086	5,029
Purchase of transport vehicles	15,418	15,678	-	-
Others	6,699	4,545	6,128	3,897
	<u>426,271</u>	<u>471,604</u>	<u>268,511</u>	<u>309,804</u>

**(ii.) Movements in ILs**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January, as previously stated	471,604	281,407	309,804	216,902
Effects of adopting FRS 139	-	84,759	-	73,069
At 1 January, as restated	<u>471,604</u>	<u>366,166</u>	<u>309,804</u>	<u>289,971</u>
Classified as impaired during the period/ year	5,816	155,090	3,640	60,194
Reclassified as unimpaired during the period/ year	(539)	(22,912)	(539)	(22,303)
Amount recovered	(24,248)	(26,740)	(18,032)	(18,058)
Amount written off	<u>(26,362)</u>	<u>-</u>	<u>(26,362)</u>	<u>-</u>
At 31 March / 31 December	<u>426,271</u>	<u>471,604</u>	<u>268,511</u>	<u>309,804</u>
Less: Individual impairment provision	<u>(251,259)</u>	<u>(272,887)</u>	<u>(168,824)</u>	<u>(190,191)</u>
Net ILs	<u>175,012</u>	<u>198,717</u>	<u>99,687</u>	<u>119,613</u>
Net ILs as % of gross loans, advances and financing less individual impairment provision	<u>36.95%</u>	<u>40.58%</u>	<u>38.65%</u>	<u>42.27%</u>



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

d. Impaired loans ("ILs"), advances and financing (cont'd)

(iii.) Movements in impairment provision

	Group		Company	
	31 March 2011 RM'000	31 December 2010 RM'000	31 March 2011 RM'000	31 December 2010 RM'000
<b>Collective impairment provision</b>				
At 1 January, as previously stated	26,934	-	22,638	-
Effect of adopting FRS 139	-	27,776	-	23,483
At 1 January, as restated	26,934	27,776	22,638	23,483
Impairment made during the period/year	253	-	-	-
Written back during the period/year	(50)	(842)	-	(845)
At 31 March/ 31 December	<u>27,137</u>	<u>26,934</u>	<u>22,638</u>	<u>22,638</u>
As % of gross loans, advances and financing less individual impairment provision	<u>5.73%</u>	<u>5.50%</u>	<u>8.78%</u>	<u>8.00%</u>

Included in collective impairment provision of the Group is RM1,506,000 (2010: RM1,583,000) relating to impaired loans of the investment bank subsidiary in which individual impairment provision are not required due to sufficient security cover.

	Group		Company	
	31 March 2011 RM'000	31 December 2010 RM'000	31 March 2011 RM'000	31 December 2010 RM'000
<b>Individual impairment provision</b>				
At 1 January, as previously stated	272,887	-	190,191	-
Effect of adopting FRS 139	-	230,910	-	176,798
At 1 January, as restated	272,887	230,910	190,191	176,798
Impairment made during the period/year	18,770	104,944	15,252	62,088
Amount written-back	(12,002)	(58,462)	(8,508)	(45,163)
Amount written off	(26,362)	-	(26,362)	-
Discount unwind	(2,034)	(4,505)	(1,749)	(3,532)
At 31 March/ 31 December	<u>251,259</u>	<u>272,887</u>	<u>168,824</u>	<u>190,191</u>

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

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

**d. Impaired loans ("ILs"), advances and financing (cont'd)**

**(iii.) Movements in impairment provision**

Included in individual impairment provision above is the provision relating to interest portion of the loans, advances and financing, in which the movement is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Movement in Interest-in-suspense</b>				
At 1 January	94,259	84,177	86,327	75,298
Impairment made during the period/year	6,752	26,016	4,696	22,472
Amount written-back	(3,724)	(15,934)	(1,316)	(11,443)
Amount written off	(7,670)	-	(7,670)	-
At 31 March/ 31 December	<u>89,617</u>	<u>94,259</u>	<u>82,037</u>	<u>86,327</u>

**e. Maturity profile of loans, advances and financing as at reporting date based on the remaining contractual maturity**

	<b>On demand</b>	<b>Under 1 month</b>	<b>&gt;1 - 3 months</b>	<b>&gt;3 - 12 months</b>	<b>1 to 5 years</b>	<b>&gt;5 years</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31 March 2011</b>							
<b>Group</b>							
Loans, advances and financing	<u>150,721</u>	<u>81,380</u>	<u>9,878</u>	<u>37,902</u>	<u>111,060</u>	<u>55,489</u>	<u>446,430</u>
<b>Company</b>							
Loans, advances and financing	<u>77,049</u>	<u>4,763</u>	<u>9,817</u>	<u>36,923</u>	<u>82,012</u>	<u>24,751</u>	<u>235,315</u>
<b>31 December 2010</b>							
<b>Group</b>							
Loans, advances and financing	<u>174,447</u>	<u>68,622</u>	<u>12,638</u>	<u>42,898</u>	<u>115,123</u>	<u>48,956</u>	<u>462,684</u>
<b>Company</b>							
Loans, advances and financing	<u>96,975</u>	<u>11,355</u>	<u>10,592</u>	<u>41,118</u>	<u>82,611</u>	<u>17,691</u>	<u>260,342</u>

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

**11. Other assets**

	Note	Group		Company	
		31 March 2011 RM'000	31 December 2010 RM'000	31 March 2011 RM'000	31 December 2010 RM'000
Accrued interest, commitment charges, commissions, and fees receivable		53,459	45,988	18,543	18,350
Less: Transfer to assets held-for-sale		-	(14)	-	-
		<u>53,459</u>	<u>45,974</u>	<u>18,543</u>	<u>18,350</u>
Amount due from subsidiaries					
- current accounts	(a)	-	-	941	1,807
- loan accounts	(b)	-	-	10,406	9,425
Amount due from related company	(c)	452	844	-	-
Clients' and brokers' accounts	(d)	150,676	117,248	-	-
Less: Individual impairment provision	(d)	(4,157)	(4,119)	-	-
		146,519	113,129	-	-
Trade receivables		7,366	6,540	-	-
Less: Individual impairment provision		(2,714)	(1,670)	-	-
		4,652	4,870	-	-
Other receivables, deposits and prepayments		93,707	105,056	56,815	61,420
Less: Individual impairment provision		(28,185)	(27,980)	-	-
Less: Transfer to assets held-for-sale		-	(139)	-	-
		65,522	76,937	56,815	61,420
Tax recoverable		200	188	-	-
		<u>270,804</u>	<u>241,942</u>	<u>86,705</u>	<u>91,002</u>

(a) Amount due from subsidiaries - current accounts

These amounts are unsecured, interest free and repayable on demand.

(b) Amount due from subsidiaries - loan accounts

The loans due from subsidiaries are unsecured, bear interest at 4.00% (2010: 4.00%) per annum and are repayable on demand.

(c) Amount due from related company

These amounts are unsecured, interest free and repayable on demand.

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

**11. Other assets (cont'd)**

(d) Clients' and brokers' accounts		<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
<b>Group</b>	<b>Note</b>		
Brokers		76,261	51,610
Clients		74,415	65,638
		<u>150,676</u>	<u>117,248</u>
Less: Individual impairment provision	(i)	<u>(4,157)</u>	<u>(4,119)</u>
		<u>146,519</u>	<u>113,129</u>

This arose from trading of securities, through the investment bank subsidiary, which are not yet due for settlement as at financial period end under the Rules of Bursa.

<b>Group</b>	<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
(i) Movements in individual impairment provision		
At 1 January, as previously stated	(4,119)	-
Effects of adopting FRS 139	-	(3,901)
At 1 January, as restated	<u>(4,119)</u>	<u>(3,901)</u>
Impairment made during the period / year	(60)	(285)
Amount written back	22	67
At 31 March/ 31 December	<u>(4,157)</u>	<u>(4,119)</u>

Included in individual impairment provision above is the provision relating to interest portion of the amount due from clients, in which the movement is as follows:

<b>Group</b>	<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
At 1 January, as previously stated	(1,655)	-
Effects of adopting FRS 139	-	(1,370)
At 1 January, as restated	<u>(1,655)</u>	<u>(1,370)</u>
Net interest suspended during the period/year	(63)	(285)
At 31 March/ 31 December	<u>(1,718)</u>	<u>(1,655)</u>

The classification of impaired accounts in accordance with Rule 1104.1, Schedule 7A of the Rules of Bursa Malaysia is as follows:

<b>Group</b>	<b>31 March 2011 RM'000</b>	<b>31 December 2010 RM'000</b>
Impaired accounts classified as doubtful	22	-
Impaired accounts classified as bad	2,940	2,594
Total impaired accounts	<u>2,962</u>	<u>2,594</u>

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

**12. Deposits from customers**

**Group**  
**31 March 2011**      **31 December 2010**  
**RM'000**              **RM'000**

**(i) By type of deposit**

- Call deposits	216,454	83,034
- Fixed deposits	1,418,018	1,355,912
	1,634,472	1,438,946

**(ii) By type of customer**

- Business enterprises	1,604,912	1,421,946
- Government and statutory bodies	22,000	17,000
- Individuals	7,560	-
	1,634,472	1,438,946

**(iii) Maturity profile of deposits from customers as at reporting date based on the remaining contractual maturity**

	On demand	Under 1 month	>1 - 3 months	>3 - 12 months	1 to 5 years	>5 years	Total
Group 31 March 2011	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deposits from customers	216,454	1,195,364	212,620	10,034	-	-	1,634,472

	On demand	Under 1 month	>1 - 3 months	>3 - 12 months	1 to 5 years	>5 years	Total
Group 31 December 2010	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deposits from customers	83,034	1,109,110	236,778	10,024	-	-	1,438,946

13. Deposits and placements of banks and other financial institutions

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
<b>(i) Call deposits</b>		
- Other financial institutions	139,283	119,025
<b>(ii) Fixed deposits</b>		
- Licensed Islamic banks	-	92,400
- Licensed Investment banks	200,000	179,800
- Other financial institutions	822,379	666,667
	1,161,662	1,057,892
<b>(iii) Negotiable Instruments Notes Issued</b>		
- Licensed banks	70,000	70,000
	1,231,662	1,127,892

**(iv) Maturity profile of deposits and placements of banks and other financial institutions as at reporting date based on the remaining contractual maturity**

Group	On demand	Under 1 month	>1 - 3 months	>3 - 12 months	1 to 5 years	>5 years	Total
31 March 2011	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and financial institutions	139,283	985,240	107,139	-	-	-	1,231,662
<b>Group</b>	<b>On demand</b>	<b>Under 1 month</b>	<b>&gt;1 - 3 months</b>	<b>&gt;3 - 12 months</b>	<b>1 to 5 years</b>	<b>&gt;5 years</b>	<b>Total</b>
<b>31 December 2010</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Deposits and placements of banks and financial institutions	119,025	666,767	272,100	70,000	-	-	1,127,892

14. Borrowings

	Group and Company	
	31 March 2011	31 December 2010
	RM'000	RM'000
<b>(a) Short Term</b>		
Unsecured	46,999	46,999
	46,999	46,999
<b>(b) Long Term</b>		
Unsecured	283,006	293,616
Unsecured – Islamic operations	14,280	15,466
	297,286	309,082
<b>Total borrowings</b>	344,285	356,081

Included in the borrowings are loans obtained from a Japanese financial institution, denominated in Yen, equivalent to RM117.331 million. The foreign exchange risk on the above loans is borne by the Government of Malaysia.

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

**15. Interest income**

	Individual/ Cumulative Quarter Ended	
	31 March 2011 RM'000	31 March 2010 RM'000
<b><u>Group</u></b>		
Loans, advances and financing		
- Interest income on non-impaired loans	4,423	5,391
- Recoveries from impaired loans ("ILs")	-	2,393
- Interest income on ILs	8,590	852
Income from Government Scheme Funds	3,282	2,813
Money at call and deposit placements with financial institutions	10,052	9,868
Securities available-for-sale ("AFS")		
- Interest income on AFS	8,797	15,419
- Interest income on impaired AFS	480	2,492
Securities held-for-trading ("HFT")		
- Interest income on HFT	192	712
Securities held-to-maturity	5,582	397
Hire purchase and leasing operations	554	1,005
Accretion of discounts (net of amortisation of premium)	7,543	8,157
	<u>49,495</u>	<u>49,499</u>

	Individual/ Cumulative Quarter Ended	
	31 March 2011 RM'000	31 March 2010 RM'000
<b><u>Company</u></b>		
Loans, advances and financing		
- Interest income on non-impaired loans	1,775	2,181
- Recoveries from impaired loans ("ILs")	-	1,601
- Interest income on ILs	6,249	790
Income from Government Scheme Funds	3,282	2,813
Money at call and deposit placements with financial institutions	6,411	4,750
Securities available-for-sale ("AFS")		
- Interest income on AFS	624	282
- Interest income on impaired AFS	225	268
Hire purchase and leasing operations	446	723
Loans to subsidiaries	99	98
	<u>19,111</u>	<u>13,506</u>

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

**16. Interest expense**

**Individual/ Cumulative  
Quarter Ended**  
**31 March      31 March**  
**2011            2010**  
**RM'000        RM'000**

**Group**

Deposits and placements of banks and other financial institutions	6,399	5,315
Deposits from customers	9,115	8,170
Short-term funds and bank overdrafts	-	7
Concessional funds	2,026	2,138
Commercial loans	13	225
Miscellaneous	-	48
	17,553	15,903

**Company**

Concessional funds	2,026	2,138
Commercial loans	13	225
	2,039	2,363

**17. Other operating income**

**Individual/ Cumulative  
Quarter Ended**  
**31 March      31 March**  
**2011            2010**  
**RM'000        RM'000**

**Group**

(a) Revenue income:

Fee income derived from:		
- Capital market activities	1,517	2,176
- Management fees	960	728
- Net brokerage fees	7,189	4,568
Investment income derived from:		
- Net unrealised loss on revaluation of securities held-for-trading	(51)	(652)
- Net unrealised loss on revaluation of derivative assets	(315)	-
- Gain on sale of securities:		
- Available-for-sale	785	766
- Held-for-trading	70	10
- (Loss)/ gain on sale of trust units	(3)	18
Total dividends (gross) from:		
- Securities available-for-sale	155	145
Rental income on buildings	119	413
Income from factoring	103	188
Profit earned on Al-Bai Bithamin Ajil and Al-Ijarah	75	-
	10,604	8,360



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

**17. Other operating income (cont'd)**

<u>Group</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011 RM'000	31 March 2010 RM'000
(b) Other income:		
Interest income on:		
- promissory notes	116	116
Gain on disposal of:		
- Property, plant and equipment	-	6
Interest on staff loans	11	10
Commitment fee	32	-
Rental income on buildings	260	2
Gain on disposal of subsidiaries	43	-
Others	288	1,122
	<u>750</u>	<u>1,256</u>
Total other operating income	<u>11,354</u>	<u>9,616</u>
<u>Company</u>		
(a) Revenue income:		
Fee income derived from:		
- Management fees	2,658	2,364
Net unrealised loss on revaluation of securities held-for-trading	(59)	(367)
	<u>2,599</u>	<u>1,997</u>
(b) Other income:		
Interest income on:		
- promissory notes	116	116
Gain on disposal of:		
- Property, plant and equipment	-	2
Guarantee fee	-	-
Commitment fee	15	-
Rental of premises	950	2
Others	87	455
	<u>1,168</u>	<u>575</u>
Total other operating income	<u>3,767</u>	<u>2,572</u>

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

**18. Operating expenses**

<u>Group</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011 RM'000	31 March 2010 RM'000
Personnel costs		
- Salaries and wages	7,725	8,184
- Allowance and bonuses	2,582	1,763
- Staff training	54	29
- Others	2,443	2,260
	<u>12,804</u>	<u>12,236</u>
Establishment costs		
- Depreciation	1,322	1,524
- Office rental	1,697	1,244
- Equipment rental	270	297
- Others	842	1,434
	<u>4,131</u>	<u>4,499</u>
Promotion and marketing-related expenses		
- Business promotion and advertisement	401	452
- Entertainment	49	35
	<u>450</u>	<u>487</u>
General and administrative expenses		
- Communication expenses	203	226
- Audit fees	126	90
- Directors' fees and meeting allowances	314	232
- Securities Commission's levy	320	126
- Others	198	493
	<u>1,161</u>	<u>1,214</u>
	<u>18,546</u>	<u>18,436</u>

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

**18. Operating expenses (cont'd)**

<u>Company</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
Personnel costs		
- Salaries and wages	3,871	4,282
- Allowance and bonuses	1,265	1,864
- Staff training	47	13
- Others	1,287	1,261
	<u>6,470</u>	<u>7,420</u>
Establishment costs		
- Depreciation	748	1,042
- Office rental	1,665	2,112
- Equipment rental	14	24
- Others	680	397
	<u>3,107</u>	<u>3,575</u>
Promotion and marketing-related expenses		
- Business promotion and advertisement	162	271
- Entertainment	2	1
	<u>164</u>	<u>272</u>
General and administrative expenses		
- Communication expenses	102	111
- Audit fees	51	31
- Directors' fees and meeting allowances	259	129
- Others	399	432
	<u>811</u>	<u>724</u>
	<u>10,552</u>	<u>11,991</u>

**19. Impairment losses (made)/ written-back on loans, advances and financing**

<u>Group</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
(a) Individual impairment provision		
- made in the financial period	(18,770)	(8,686)
- written-back	12,002	13,991
(b) Collective impairment provision		
- made in the financial period	(253)	(198)
- written-back	50	147
(c) Recoveries from impaired loans	2,454	830
	<u>(4,517)</u>	<u>6,084</u>

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

**19. Impairment losses (made)/ written-back on loans, advances and financing (cont'd)**

<u>Company</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
(a) Individual impairment provision		
- made in the financial period	(15,252)	(7,992)
- written-back	8,508	13,269
(b) Collective impairment provision		
- made in the financial period	-	-
- written-back	-	-
(c) Recoveries from impaired loans	2,127	830
	<u>(4,617)</u>	<u>6,107</u>

**20. Impairment losses on securities**

<u>Group</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
Securities available-for-sale (net)	(1,230)	(3,092)
Securities held-to-maturity (net)	-	-
	<u>(1,230)</u>	<u>(3,092)</u>

**21. Segment information**

For management purposes, the Group is organised into business units based on their products and services, has five reportable operating segments as follows:

<b>Segment Revenue</b>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
Investment banking	47,142	50,681
Asset management	687	786
Development finance	17,449	13,851
Investment holding	8,117	6,255
Others	453	590
	<u>73,848</u>	<u>72,163</u>
Inter-segment elimination	(2,399)	(2,215)
	<u>71,449</u>	<u>69,948</u>
Discontinued operations	156	126
	<u>71,605</u>	<u>70,074</u>

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

**21. Segment information (cont'd)**

	<b>Individual/ Cumulative Quarter Ended</b>	
	<b>31 March 2011 RM'000</b>	<b>31 March 2010 RM'000</b>
<b>Segment Results</b>		
Investment banking	16,091	20,252
Asset management	(591)	(501)
Development finance	7,014	13,991
Investment holding	2,389	1,948
Others	1,144	472
Consolidation adjustments	(84)	274
	<u>25,963</u>	<u>36,436</u>
Share of results in associates	647	283
	<u>26,610</u>	<u>36,719</u>
Discontinued operations	(64)	(286)
	<u>26,546</u>	<u>36,433</u>

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The Group operates principally in Malaysia and hence, disclosure of information by geographical area is not presented.

**22. Capital commitments**

<b>Group</b>	<b>As at 31 March 2011 RM'000</b>	<b>As at 31 December 2010 RM'000</b>
	Authorised but not contracted for	<u>6,186</u>
	<u>6,186</u>	<u>6,251</u>
<b>Company</b>		
Authorised but not contracted for	<u>830</u>	<u>877</u>
	<u>830</u>	<u>877</u>

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

**23. Commitments and contingencies**

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:

<b>Group</b>	<b>← As at 31.03.2011 →</b>			<b>← As at 31.12.2010 →</b>		
	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	8,504	8,504	8,504	8,504	8,504	8,504
Obligations under underwriting agreement	246,773	123,386	30,153	257,864	128,932	31,426
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year	204,127	40,826	33,379	46,527	9,305	9,041
- Maturity exceeding one year	17	9	5	22	11	6
<b>Total</b>	<b>459,421</b>	<b>172,725</b>	<b>72,041</b>	<b>312,917</b>	<b>146,752</b>	<b>48,977</b>
<b>Company</b>						
Guarantee facilities	8,504	8,504	8,504	8,504	8,504	8,504
Irrevocable commitments to extend credit:						
- Maturity not exceeding one year	39	8	8	46	9	9
<b>Total</b>	<b>8,543</b>	<b>8,512</b>	<b>8,512</b>	<b>8,550</b>	<b>8,513</b>	<b>8,513</b>

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

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

**24. Interest rate risk**

The Group and the Company are exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The following table indicates the effective interest rates at the reporting date and the periods in which they reprice or mature, whichever is earlier.

Group	Non-trading book					Non- interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years				
31.03.2011	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Cash and short-term funds	1,206,410	-	-	-	-	52,284	-	1,258,694	2.86
Deposits and placements with licensed banks and other financial institutions	-	333,600	50,000	-	-	4,849	-	388,449	2.88
Securities held-for-trading	-	-	-	-	-	2	407,396	407,398	3.64
Securities available-for-sale	171,284	332,816	188,705	574,529	180,230	185,174	1,485	1,634,223	5.32
Securities held-to-maturity	-	-	-	120,554	579,700	490	-	700,744	4.50
Loans, advances and financing									
- Non-impaired	58,933	33,882	38,154	112,142	55,444	(27,137) *	-	271,418	7.28
- Impaired	-	-	-	-	-	175,012	-	175,012	-
Derivative assets	-	-	-	-	-	1,069	-	1,069	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	21,100	-	21,100	-
Other non-interest sensitive balances	-	-	-	-	-	429,427	-	429,427	-
<b>Total assets</b>	<b>1,436,627</b>	<b>700,298</b>	<b>276,859</b>	<b>807,225</b>	<b>815,374</b>	<b>842,270</b>	<b>408,881</b>	<b>5,287,534</b>	

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

24. Interest rate risk (cont'd) Group	Non-trading book						Trading book RM'000	Total RM'000	Effective interest rate %
	← 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	Non- interest sensitive RM'000			
<b>31.03.2011 (cont'd)</b>									
Liabilities									
Deposits from customers	1,192,414	211,470	230,588	-	-	-	-	1,634,472	2.73
Deposits and placements of banks and financial institutions	985,240	107,139	139,283	-	-	-	-	1,231,662	2.74
Borrowings	655	2,100	44,244	99,095	198,191	-	-	344,285	2.79
Other non-interest sensitive balances	-	-	-	-	-	358,977	-	358,977	
<b>Total liabilities</b>	<b>2,178,309</b>	<b>320,709</b>	<b>414,115</b>	<b>99,095</b>	<b>198,191</b>	<b>358,977</b>	<b>-</b>	<b>3,569,396</b>	
Shareholder's funds	-	-	-	-	-	1,716,821	-	1,716,821	
Minority interests	-	-	-	-	-	1,317	-	1,317	
	<b>2,178,309</b>	<b>320,709</b>	<b>414,115</b>	<b>99,095</b>	<b>198,191</b>	<b>2,077,115</b>	<b>-</b>	<b>5,287,534</b>	
On-balance sheet interest sensitivity gap	(741,682)	379,589	(137,256)	708,130	617,183	(1,234,845)	408,881		
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-		
<b>Total interest sensitivity gap</b>	<b>(741,682)</b>	<b>379,589</b>	<b>(137,256)</b>	<b>708,130</b>	<b>617,183</b>	<b>(1,234,845)</b>	<b>408,881</b>		

\* Collective impairment provision on loans, advances and financing



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

24. Interest rate risk (cont'd) Group	← Non-trading book →						Non- interest sensitive RM'000	Trading book RM'000	Total RM'000	Effective interest rate %
	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					
<b>31.12.2010</b>										
Assets										
Cash and short-term funds	911,543	-	-	-	-	-	-	-	911,543	2.82
Deposits and placements with licensed banks and other financial institutions	-	313,000	-	-	-	-	-	-	313,000	2.94
Securities held-for- trading	-	-	-	-	-	2	328,624	328,626	328,626	3.62
Securities available- for-sale	175,766	327,778	477,792	774,641	185,943	192,651	1,170	2,135,741	2,135,741	4.69
Securities held-to- maturity	-	-	-	82,892	210,075	546	-	-	293,513	4.20
Loans, advances and financing										
- Non-impaired	16,639	66,289	42,761	115,631	49,581	(26,934) *	-	-	263,967	6.47
- Impaired	-	-	-	-	-	198,717	-	-	198,717	-
Derivative assets	-	-	-	-	-	1,384	-	-	1,384	-
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	19,083	-	-	19,083	-
Other non-interest sensitive balances	-	-	-	-	-	408,420	-	-	408,420	-
<b>Total assets</b>	<b>1,103,948</b>	<b>707,067</b>	<b>520,553</b>	<b>973,164</b>	<b>445,599</b>	<b>793,869</b>	<b>329,794</b>	<b>4,873,994</b>	<b>4,873,994</b>	

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

24. Interest rate risk (cont'd) Group	Non-trading book						Non- interest sensitive	Trading book	Total	Effective interest rate %
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years					
31.12.2010 (cont'd)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Liabilities										
Deposits from customers	1,104,697	240,877	93,372	-	-	-	-	1,438,946	2.74	
Deposits and placements of banks and other financial institutions	666,768	272,100	189,024	-	-	-	-	1,127,892	2.77	
Borrowings	655	2,100	34,528	140,497	178,301	-	-	356,081	2.79	
Other non-interest sensitive balances	-	-	-	-	-	253,494	-	253,494	-	
<b>Total liabilities</b>	<b>1,772,120</b>	<b>515,077</b>	<b>316,924</b>	<b>140,497</b>	<b>178,301</b>	<b>253,494</b>	<b>-</b>	<b>3,176,413</b>		
Shareholder's funds	-	-	-	-	-	1,695,098	-	1,695,098		
Minority interests	-	-	-	-	-	2,483	-	2,483		
	<b>1,772,120</b>	<b>515,077</b>	<b>316,924</b>	<b>140,497</b>	<b>178,301</b>	<b>1,951,075</b>	<b>-</b>	<b>4,873,994</b>		
On-balance sheet interest sensitivity gap	(668,172)	191,990	203,629	832,667	267,298	(1,157,206)	329,794			
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-			
<b>Total interest sensitivity gap</b>	<b>(668,172)</b>	<b>191,990</b>	<b>203,629</b>	<b>832,667</b>	<b>267,298</b>	<b>(1,157,206)</b>	<b>329,794</b>			

\* Collective impairment provision on loans, advances and financing

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

24. **Interest rate risk (cont'd)**  
**Company**

	← Non-trading book →					Non-interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years				
31.03.2011	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Assets									
Cash and short-term funds	623,300	-	-	-	-	20,244	-	643,544	2.89
Deposits and placements with licensed bank and other financial institutions	-	-	328,800	-	-	-	-	328,800	2.86
Securities held-for-trading	-	-	-	-	-	-	4,592	4,592	-
Securities available-for-sale	-	-	-	39,752	-	4,514	1,485	45,751	8.02
Loans, advances and financing									
- Non-impaired	4,763	9,817	36,923	82,012	24,751	(22,638) *	-	135,628	6.68
- Impaired	-	-	-	-	-	99,687	-	99,687	-
Other non-interest sensitive balances	-	-	-	-	-	898,201	-	898,201	-
<b>Total assets</b>	<b>628,063</b>	<b>9,817</b>	<b>365,723</b>	<b>121,764</b>	<b>24,751</b>	<b>1,000,008</b>	<b>6,077</b>	<b>2,156,203</b>	

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

24. **Interest rate risk (cont'd)**

Company	Non-trading book					Non-interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years				
31.03.2011 (cont'd)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Liabilities									
Borrowings	655	2,100	44,244	99,095	198,191	-	-	344,285	2.79
Other non-interest sensitive balances	-	-	-	-	-	185,592	-	185,592	-
<b>Total liabilities</b>	<b>655</b>	<b>2,100</b>	<b>44,244</b>	<b>99,095</b>	<b>198,191</b>	<b>185,592</b>	<b>-</b>	<b>529,877</b>	
Shareholder's funds									
	-	-	-	-	-	1,626,326	-	1,626,326	
	<b>655</b>	<b>2,100</b>	<b>44,244</b>	<b>99,095</b>	<b>198,191</b>	<b>1,811,918</b>	<b>-</b>	<b>2,156,203</b>	
On-balance sheet interest sensitivity gap									
	627,408	7,717	321,479	22,669	(173,440)	(811,910)	6,077		
Off-balance sheet interest sensitivity gap (interest rate swaps)									
	-	-	-	-	-	-	-		
<b>Total interest sensitivity gap</b>	<b>627,408</b>	<b>7,717</b>	<b>321,479</b>	<b>22,669</b>	<b>(173,440)</b>	<b>(811,910)</b>	<b>6,077</b>		

\* Collective impairment provision on loans, advances and financing

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

24. **Interest rate risk (cont'd)**

Company	Non-trading book					Non-interest sensitive	Trading book	Total	Effective interest rate %
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>31.12.2010</b>									
Assets									
Cash and short-term funds	674,178	-	-	-	-	-	-	674,178	2.86
Deposits and placements with licensed banks and other financial institutions	-	208,152	-	-	-	-	-	208,152	2.92
Securities held-for-trading	-	-	-	-	-	-	4,520	4,520	-
Securities available-for-sale	-	-	-	35,524	2,198	6,171	1,170	45,063	8.02
Loans, advances and financing									
- Non-impaired	11,355	10,592	41,118	82,611	17,691	(22,638) *	-	140,729	5.29
- Impaired	-	-	-	-	-	119,613	-	119,613	-
Other non-interest sensitive balances	-	-	-	-	-	903,344	-	903,344	-
<b>Total assets</b>	<b>685,533</b>	<b>218,744</b>	<b>41,118</b>	<b>118,135</b>	<b>19,889</b>	<b>1,006,490</b>	<b>5,690</b>	<b>2,095,599</b>	

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

24. **Interest rate risk (cont'd)**

Company	Non-trading book					Non-interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 to 5 years	> 5 years				
31.12.2010 (cont'd)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Liabilities									
Borrowings	655	2,100	34,528	140,497	178,301	-	-	356,081	2.79
Other non-interest sensitive balances	-	-	-	-	-	121,247	-	121,247	-
<b>Total liabilities</b>	<b>655</b>	<b>2,100</b>	<b>34,528</b>	<b>140,497</b>	<b>178,301</b>	<b>121,247</b>	<b>-</b>	<b>477,328</b>	
Shareholder's funds	-	-	-	-	-	1,618,271	-	1,618,271	
	<b>655</b>	<b>2,100</b>	<b>34,528</b>	<b>140,497</b>	<b>178,301</b>	<b>1,739,518</b>	<b>-</b>	<b>2,095,599</b>	
On-balance sheet interest sensitivity gap	684,878	216,644	6,590	(22,362)	(158,412)	(733,028)	5,690		
Off-balance sheet interest sensitivity gap (interest rate swaps)	-	-	-	-	-	-	-		
<b>Total interest sensitivity gap</b>	<b>684,878</b>	<b>216,644</b>	<b>6,590</b>	<b>(22,362)</b>	<b>(158,412)</b>	<b>(733,028)</b>	<b>5,690</b>		

\* Collective impairment provision on loans, advances and financing

**25. Capital adequacy**

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

	<b>As at 31 March 2011 RM'000</b>	<b>As at 31 December 2010 RM'000</b>
<b>Tier-I capital</b>		
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	115,520
Retained profits	64,722	64,722
	<u>699,353</u>	<u>699,353</u>
Less: Deferred tax assets	<u>(33,479)</u>	<u>(37,600)</u>
<b>Total Tier-I capital</b>	<u>665,874</u>	<u>661,753</u>
<b>Tier-II capital</b>		
Collective impairment provisions	<u>2,722</u>	<u>2,443</u>
Total Tier-II capital	<u>2,722</u>	<u>2,443</u>
Investment in capital instrument of other banking institutions	<u>(5,000)</u>	<u>(5,000)</u>
<b>Capital base</b>	<u>663,596</u>	<u>659,196</u>
Core capital ratio	47.75%	48.59%
Risk-weighted capital ratio	47.75%	48.59%

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

	<b>31 March 2011</b>		<b>31 December 2010</b>	
	<b>Notional amount RM'000</b>	<b>Risk- weighted amount RM'000</b>	<b>Notional amount RM'000</b>	<b>Risk- weighted amount RM'000</b>
0%	1,096,836	-	667,636	-
20%	1,582,208	316,442	1,765,741	353,148
35%	760	266	735	257
50%	199,805	99,902	204,187	102,093
75%	146	110	147	110
100%	373,029	373,029	310,897	310,897
150%	257,447	386,170	258,919	388,379
Total Risk Weighted Assets for Credit Risk	<u>3,510,231</u>	<u>1,175,919</u>	<u>3,208,262</u>	<u>1,154,884</u>
Total Risk Weighted Assets Equivalent for Market Risk	-	23,411	-	9,184
Total Risk Weighted Assets Equivalent for Operational Risk	-	190,497	-	192,568
	<u>3,510,231</u>	<u>1,389,827</u>	<u>3,208,262</u>	<u>1,356,636</u>

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

**26. Operations of Islamic Banking**

**(a) UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011**

	Note	Group		Company	
		31 March 2011 RM'000	31 December 2010 RM'000	31 March 2011 RM'000	31 December 2010 RM'000
<b>ASSETS</b>					
Cash and short-term funds		133,345	31,200	63,958	31,031
Deposits and placements with licensed banks and other financial institutions		31,700	42,050	31,700	42,050
Securities available-for-sale	26 (c)	592,952	588,462	-	-
Securities held-to-maturity	26 (d)	96,378	4,969	-	-
Financing and advances	26 (e)	22,022	31,239	22,022	31,239
Other assets		18,593	27,047	251	621
Deferred tax assets		2,944	2,995	772	818
<b>TOTAL ASSETS</b>		<b>897,934</b>	<b>727,962</b>	<b>118,703</b>	<b>105,759</b>
<b>LIABILITIES</b>					
Deposits from customers	26 (f)	487,220	332,333	-	-
Deposits and placements of banks and other financial institutions	26 (g)	139,920	141,527	-	-
Borrowings (unsecured)	14	14,280	15,466	14,280	15,466
Other liabilities		72,140	59,249	60,396	48,097
Provision for taxation and zakat		11,750	11,615	11,175	11,111
Amount due to Head Office		442	115	-	-
<b>TOTAL LIABILITIES</b>		<b>725,752</b>	<b>560,305</b>	<b>85,851</b>	<b>74,674</b>
<b>ISLAMIC BANKING CAPITAL FUNDS</b>					
Funds allocated from Head Office		100,000	100,000	20,000	20,000
Reserves		72,182	67,657	12,852	11,085
<b>TOTAL ISLAMIC BANKING CAPITAL FUNDS</b>		<b>172,182</b>	<b>167,657</b>	<b>32,852</b>	<b>31,085</b>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS</b>		<b>897,934</b>	<b>727,962</b>	<b>118,703</b>	<b>105,759</b>



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

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

(b) **UNAUDITED INCOME STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2011**

<u>Group</u>	Individual/ Cumulative Quarter Ended	
	31 March 2011	31 March 2010
	RM'000	RM'000
Income derived from investment of depositors funds and others	8,710	9,805
Income derived from Government Scheme Funds	2,397	2,251
Transfer to profit equalisation reserve	(375)	(40)
<b>Total attributable income</b>	<b>10,732</b>	<b>12,016</b>
Income attributable to depositors	(3,772)	(3,348)
<b>Net income attributable to the reporting institution</b>	<b>6,960</b>	<b>8,668</b>
Other operating expenses	(503)	(464)
<b>Operating profit</b>	<b>6,457</b>	<b>8,204</b>
Impairment losses on securities	(62)	(755)
Impairment losses on financing and advances	(1,147)	(4,418)
Finance costs	(55)	(80)
<b>Profit before taxation and zakat</b>	<b>5,193</b>	<b>2,951</b>
Taxation	(594)	-
Zakat	(116)	(110)
<b>Profit for the period</b>	<b>4,483</b>	<b>2,841</b>
 <u>Company</u>		
Income derived from investment of depositors funds and others	1,326	1,757
Income derived from Government Scheme Funds	2,397	2,251
<b>Income attributable to the reporting institution</b>	<b>3,723</b>	<b>4,008</b>
Other operating expenses	(144)	(7)
<b>Operating profit</b>	<b>3,579</b>	<b>4,001</b>
Impairment losses on financing and advances	(1,147)	(4,418)
Finance costs	(55)	(80)
<b>Profit before taxation and zakat</b>	<b>2,377</b>	<b>(497)</b>
Taxation	(594)	-
Zakat	(45)	-
<b>Profit for the period</b>	<b>1,738</b>	<b>(497)</b>

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

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

(c) **Securities available-for-sale**

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
<b>At fair value</b>		
Money market instruments:		
Government Investment Issue	268,304	257,993
Islamic Acceptance Bills	37,039	54,538
Islamic Negotiable Certificate of Deposits	79,717	79,380
	<u>385,060</u>	<u>391,911</u>
Unquoted securities in Malaysia:		
Islamic Private Debt Securities	207,892	196,551
	<u>592,952</u>	<u>588,462</u>

(d) **Securities held-to-maturity**

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
<b>At amortised cost</b>		
Money market instruments:		
Government Investment Issue	86,378	4,969
	<u>86,378</u>	<u>4,969</u>
Unquoted securities in Malaysia:		
Islamic Private Debt Securities	14,998	4,998
	<u>14,998</u>	<u>4,998</u>
Less: Individual impairment provision	(4,998)	(4,998)
	<u>96,378</u>	<u>4,969</u>

(e) **Financing and advances**

	Group and Company	
	31 March 2011	31 December 2010
	RM'000	RM'000
Term financing		
- Islamic hire purchase/leasing	32,793	36,038
- Other term financing	16,481	23,219
	<u>49,274</u>	<u>59,257</u>
Less: Unearned income	(2,866)	(3,405)
Gross financing and advances	46,408	55,852
Less: Impairment provision		
- Collective impairment provision	(2,430)	(2,430)
- Individual impairment provision	(21,956)	(22,183)
Total net financing and advances	<u>22,022</u>	<u>31,239</u>

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

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

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

(i) **By contract**

	<b>Group and Company</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Bai Bithaman Ajil (deferred payment sales)	16,774	20,775
Murabahah Working Capital (cost plus)	10	21
Al-Ijarah Thumma Al-Bai (finance lease)	29,624	35,056
	<u>46,408</u>	<u>55,852</u>

(ii) **By type of customer**

	<b>Group and Company</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic business enterprises	46,408	55,852

(iii) **By profit rate sensitivity**

	<b>Group and Company</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate		
Hire purchase receivables	32,793	35,056
Other fixed rate financing	13,615	20,796
	<u>46,408</u>	<u>55,852</u>

(iv) **By economic sector**

	<b>Group and Company</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Mining and quarrying	-	78
Manufacturing	41,565	45,663
Construction	-	70
Wholesale & retail trade and restaurants & hotels	918	1,154
Transport, storage and communications	2,345	7,243
Finance, insurance and business services	116	59
Others	1,464	1,585
	<u>46,408</u>	<u>55,852</u>

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

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

(v) **Impaired financing and advances by economic sector**

	<b>Group and Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Manufacturing	21,477	23,592
Wholesale & retail trade and restaurants & hotels	183	181
Transport, storage and communications	1,276	7,324
Others	548	547
	<u>23,484</u>	<u>31,644</u>

(vi) **Movements in impaired financing and advances**

	<b>Group and Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January, as previously stated	31,644	33,672
Effects of adopting FRS 139	-	2,228
At 1 January, as restated	<u>31,644</u>	<u>35,900</u>
Impaired during the period/year	2,447	3,001
Reclassified as unimpaired during the period/year	(539)	(3,488)
Amount recovered	(8,714)	(3,769)
Amount written off	<u>(1,354)</u>	<u>-</u>
At 31 March/ 31 December	23,484	31,644
Less: Individual impairment provision	<u>(21,956)</u>	<u>(22,183)</u>
Net impaired financing and advances	<u>1,528</u>	<u>9,461</u>
Net impaired financing and advances as % of gross financing and advances less individual impairment provision	<u>6.25%</u>	<u>28.10%</u>

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

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

(vii) **Movements in impairment provision**

	<b>Group and Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Collective impairment provision</b>		
At 1 January, as previously stated	2,430	-
Effects of adopting FRS 139	-	1,600
At 1 January, as restated	2,430	1,600
Impairment made during the period/year	-	830
At 31 March/ 31 December	<u>2,430</u>	<u>2,430</u>
As % of gross financing and advances less individual impairment provision	<u>9.94%</u>	<u>7.22%</u>

	<b>Group and Company</b>	
	<b>31 March 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Individual impairment provisions</b>		
At 1 January, as previously stated	22,183	-
Effects of adopting FRS 139	-	20,579
At 1 January, as restated	22,183	20,579
Impairment made during the period/year	1,364	8,837
Written-back during the period/year	(217)	(7,087)
Amount written off	(1,354)	-
Discount unwind	(20)	(146)
At 31 March/ 31 December	<u>21,956</u>	<u>22,183</u>

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

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

(f) **Deposits from customers**

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
(i) <b>By type of deposits</b>		
Mudharabah Fund		
- Fixed/Investment deposits	483,957	328,277
- Others	3,263	4,056
	<u>487,220</u>	<u>332,333</u>
(ii) <b>By type of customers</b>		
Mudharabah Fund		
- Business enterprises	<u>487,220</u>	<u>332,333</u>

(g) **Deposits and placements of banks and other financial institutions**

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
(i) <b>By type of deposits</b>		
Mudharabah Fund		
- Fixed/Investment deposits	139,050	140,087
- Others	870	1,440
	<u>139,920</u>	<u>141,527</u>

(ii) **By type of customers**

	Group	
	31 March 2011	31 December 2010
	RM'000	RM'000
Mudharabah Fund		
- Licensed Islamic banks	-	92,400
- Other financial institutions	139,920	49,127
	<u>139,920</u>	<u>141,527</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 31<sup>st</sup> March 2011, as set out on pages 1 to 46, 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 31<sup>st</sup> March 2011. 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

**14 April 2011**