

Unaudited Balance Sheet As At 30 June 2008

ASSETS	Note	30.06.2008 RM	31.12.2007 RM
Cash and short-term funds	2	1,366,362,985	1,008,115,436
Deposits and placements with banks and other financial institutions	3	-	100,000,000
Securities available-for-sale	4	65,948,673	32,734,350
Financing and advances	5	129,677,698	90,789,188
Other assets	6	3,016,512	4,916,448
Deferred tax assets		2,409,880	1,638,275
Property, plant and equipment		7,071,028	5,499,652
Intangible assets		8,301,696	9,110,568
TOTAL ASSETS		1,582,788,472	1,252,803,917
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	7	816,875,865	828,699,571
Deposits and placements of banks and other financial institutions	8	421,720,624	68,807,183
Other liabilities	9	5,320,203	8,812,702
		1,243,916,692	906,319,456
Ordinary share capital		355,020,010	355,020,010
Available-for-sale reserve		(2,428,153)	(239,253)
Accumulated losses		(13,720,077)	(8,296,296)
Shareholders' equity		338,871,780	346,484,461
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,582,788,472	1,252,803,917
COMMITMENTS AND CONTINGENCIES			
	14	104,635,617	12,039,028
Capital ratios			
Core capital ratio	15	150.93%	210.39%
Risk-weighted capital ratio	15	153.34%	211.92%

Unaudited Income Statement For The Quarter Ended 30 June 2008

	Note	Period ended 30.06.2008 RM	Period ended 30.06.2007 RM
ASSETS			
Income derived from investment of depositors' funds	10	18,513,651	600,020
Income derived from investment of shareholders' funds	11	8,605,074	6,247,559
Allowance for losses on financing and advances	12	(2,901,000)	(760,292)
Total distributable income		24,217,725	6,087,287
Income attributable to the depositors	13	(16,103,552)	(360,844)
Total net income		8,114,173	5,726,443
Personnel expenses		(7,941,258)	(4,491,757)
Other overheads and expenditures		(6,036,696)	(2,619,359)
Loss before taxation		(5,863,781)	(1,384,672)
Taxation		440,000	-
Net loss for the financial year		(5,423,781)	(1,384,672)

Unaudited Statement Of Changes In Shareholders' Equity For The Period Ended 30 June 2008

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
30.06.2008				
Balance as at 1.1.2008	355,020,010	(8,296,296)	(239,253)	346,484,461
Unrealised net loss on revaluation of securities available-for-sale	-	-	(2,520,505)	(2,520,505)
Deferred taxation	-	-	331,605	331,605
Net loss for the financial year	-	(5,423,781)	-	(5,423,781)
Balance as at 31.03.2008	355,020,010	(13,720,077)	(2,428,153)	338,871,780
31.12.2007				
Balance as at 1.1.2007	355,020,010	(4,542,268)	-	350,477,742
Unrealised net loss on revaluation of securities available-for-sale	-	-	(328,528)	(328,528)
Deferred taxation	-	-	89,275	89,275
Net loss for the financial year	-	(3,754,028)	-	(3,754,028)
Balance as at 31.12.2007	355,020,010	(8,296,296)	(239,253)	346,484,461

Unaudited Cash Flow Statement For The Quarter Ended 31 June 2008

Notes To The Financial Statements For Quarter Ended 30 June 2008

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-I) Issued By Bank Negara Malaysia

	30.06.2008 RM	31.12.2007 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation for the period/financial year	(5,863,781)	(5,303,028)
Adjustments for:		
Depreciation of property, plant and equipment	1,758,620	2,717,172
Income from:		
Investment in securities available-for-sale	(1,353,237)	(1,211,547)
Accretion of discount less amortisation of premium	(4,321)	-
Allowance for losses on financing and advances	2,901,000	-
Operating loss before working capital changes	(2,561,718)	(3,797,403)
Decrease/(increase) in operating assets:		
Deposits and placements with financial institutions	100,000,000	252,534,269
Financing and advances	(41,789,510)	(90,789,188)
Other assets	1,899,936	(3,392,897)
Increase/(decrease) in operating liabilities:		
Deposits from customers	(11,823,706)	828,699,571
Deposits and placements of banks and other financial institutions	352,913,441	68,807,183
Other liabilities	(3,492,500)	(2,608,702)
Net cash generated from operating activities	395,145,944	1,049,452,833
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,521,124)	(10,540,010)
Purchase of securities available-for-sale	(34,377,270)	(31,851,331)
Net cash used in investing activities	(36,898,394)	(42,391,341)
ANALYSIS OF CASH AND CASH EQUIVALENT		
Net increase in cash and cash equivalents	358,247,549	1,007,061,492
Cash and cash equivalent at beginning of period/financial year	1,008,115,436	1,053,944
Cash and cash equivalent carried forward	1,366,362,985	1,008,115,436

1. GENERAL INFORMATION

a) Performance Review

The Bank registered a loss before Zakat and tax of RM5.9m for the period ended 30th June 2008. The Bank's gross financing and advances stood at RM129.7m whilst deposits totalled RM1,238.6m.

b) Prospect for 2008

The Bank continue to tap on the prevailing business opportunities within Malaysia and the Asian region. It will continue to leverage on and support the country's vision of establishing an Islamic Financial hub.

2. CASH AND SHORT-TERM FUNDS

Cash and balances with banks and other financial institutions

Money at call and deposit placements maturing within one month

3. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Bank Negara Malaysia

4. SECURITIES AVAILABLE-FOR-SALE

At fair value

Unquoted securities in Malaysia

Private and Islamic debt securities

Unquoted securities outside Malaysia

Foreign corporate debt securities held

	30.06.2008 RM	31.12.2007 RM
Cash and balances with banks and other financial institutions	89,372,985	3,395,436
Money at call and deposit placements maturing within one month	1,276,990,000	1,004,720,000
	1,366,362,985	1,008,115,436
DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS		
Bank Negara Malaysia	-	100,000,000
SECURITIES AVAILABLE-FOR-SALE		
<u>At fair value</u>		
<u>Unquoted securities in Malaysia</u>	19,169,678	-
<u>Unquoted securities outside Malaysia</u>		
Foreign corporate debt securities held	46,778,995	32,734,350
	65,948,673	32,734,350

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-I) Issued By Bank Negara Malaysia

5. FINANCING AND ADVANCES

(i) By type

	30.06.2008	31.12.2007
	RM	RM
Term financing		
- Housing financing	12,087,027	-
- Syndicated term financing	73,574,819	-
- Other term financing	32,093,154	72,322,032
Trust receipts	3,271,667	-
Staff financing	516,149	208,375
Others	32,582,000	27,575,525
	154,124,816	100,105,932
Less: Unearned income	(19,030,336)	(6,800,962)
Gross financing and advances	135,094,480	93,304,970
Less: Allowance for bad and doubtful financing:		
- General	(5,416,782)	(2,515,782)
- Specific	-	-
Net financing and advances	129,677,698	90,789,188
(ii) By type of customer		
Domestic business enterprises		
- Others	60,296,640	93,096,595
Individuals	9,299,895	208,375
Foreign entities	65,497,945	-
	135,094,480	93,304,970

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

5. FINANCING AND ADVANCES (CONTINUED)

(iii) Financing and advances analysed by contract are as follows:

	30.06.2008	31.12.2007
	RM	RM
Tawarruq	69,553,593	93,096,595
Al-Ijarah	65,497,946	-
Qardhul Hassan	42,941	208,375
	135,094,480	93,304,970

(iv) By profit rate sensitivity

	30.06.2008	31.12.2007
	RM	RM
Fixed rate		
- Other fixed rate financing	92,470,869	93,096,595
Variable rate		
- Others	42,580,670	-
Non-profit sensitive		
- Others	42,941	208,375
	135,094,480	93,304,970

(v) By purpose

	30.06.2008	31.12.2007
	RM	RM
Purchase of landed property:		
- Residential	16,575,711	65,968,830
- Non-residential	187,878	-
Working Capital	91,875,017	27,127,765
Personal Use	311,241	108,725
Purchase of transport vehicles	22,917,276	99,650
Others	3,227,357	-
	135,094,480	93,304,970

(vi) Movement in allowance for bad and doubtful financing

General allowance

	30.06.2008	31.12.2007
	RM	RM
Allowance made during the year	5,416,782	2,515,782
Balance carried forward	5,416,782	2,515,782
As % of gross financing and advances less specific allowance	4.01%	2.70%

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

6. OTHER ASSETS	30.06.2008 RM	31.12.2007 RM
Other debtors, deposits and prepayments	1,224,383	1,523,551
Income receivable from placements and securities	1,792,129	-
	3,016,512	1,523,551
7. DEPOSITS FROM CUSTOMERS	30.06.2008 RM	31.12.2007 RM
<u>Non-Mudharabah Funds:</u>		
Demand deposits	14,114,509	3,883,915
Savings deposits	105,733	2,196,827
	14,220,242	6,080,742
<u>Mudharabah Funds:</u>		
Savings deposits	1,110,344	-
General investment deposits	37,233,184	6,177,238
Special investment deposits	764,312,095	816,441,590
Total deposits	816,875,865	828,699,571
The deposits are sourced from the following classes of customers:		
Business enterprises	803,529,784	822,490,358
Individuals	13,346,081	6,209,213
	816,875,865	828,699,571
8. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS	30.06.2008 RM	31.12.2007 RM
<u>Non-Mudharabah Funds:</u>		
Licensed Islamic banks	135,981,228	33,065,000
Other financial institutions	-	20,342,183
<u>Mudharabah Fund:</u>		
Licensed Islamic banks	-	600,000
Other financial institutions	285,739,396	14,800,000
	421,720,624	68,807,183

The condensed Interim Financial Statements should be read in conjunction with the Financial Statements Ended 31 December 2007

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

9. OTHER LIABILITIES	30.06.2008 RM	31.12.2007 RM
Income payable	2,362,075	2,316,617
Sundry creditors	2,884,061	5,487,378
Other provisions and accrual	74,067	1,008,707
	5,320,203	8,812,702
10. INCOME DERIVED FROM INVESTMENT OF DESPOSITORS FUNDS	Period Ended 30.06.2008 RM	Period Ended 30.06.2007 RM
Income derived from investment of depositors' funds are as follows:		
Income derived from investment of:-		
(i) General investment deposit	702,667	19,204
(ii) Other deposits	17,810,984	580,816
	18,513,651	600,020
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	133,270	130
Securities available-for-sale	37,452	-
Money at call and deposit with financial institutions	531,821	19,074
	702,543	19,204
Amortisation of premium less accretion of discount	124	-
	702,667	19,204
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	3,393,883	2,498
Securities available-for-sale	952,985	-
Money at call and deposit with financial institutions	13,461,263	578,318
	17,808,131	580,816
Amortisation of premium less accretion of discount	2,853	-
	17,810,984	580,816

The condensed Interim Financial Statements should be read in conjunction with the Financial Statements Ended 31 December 2007

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

11. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

Finance income and hibah:

Financing and advances
Securities available-for-sale
Money at call and deposit with financial institutions

Amortisation of premium less accretion of discount
Total finance income and hibah
Other operating income (note a)

a) Fee income :
Service charges and fees
Other fee income
Total other operating income

12. ALLOWANCES FOR LOSSES ON FINANCING AND ADVANCES

Allowance for bad and doubtful financing:
General allowance
- Made during the financial period

13. INCOME ATTRIBUTABLE TO DEPOSITORS

Deposits from customers:
- Mudharabah funds
- Non-mudharabah funds

Deposits and placements of banks and other financial institutions:
- Mudharabah funds
- Non-mudharabah funds

	Period Ended 30.06.2008 RM	Period Ended 30.06.2007 RM
	1,289,787	20,234
	362,800	-
	5,184,579	5,700,155
	6,837,166	5,720,389
	1,343	-
	6,838,509	5,720,389
	1,766,565	527,170
	8,605,074	6,247,559
	1,765,725	507,513
	840	19,658
	1,766,565	527,170
	Period Ended 30.06.2008 RM	Period Ended 30.06.2007 RM
	2,901,000	760,292
	Period Ended 30.06.2008 RM	Period Ended 30.06.2007 RM
	11,228,306	75,719
	-	8,918
	3,409,592	33,336
	1,465,654	242,871
	16,103,552	360,844

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

14. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to customers. No material losses are anticipated as a result of this transaction, which needs to be adjusted.

Risk weighted exposures of the Bank are as follows:

	30.06.2008			31.12.2007		
	Principal Amount RM	Credit Equivalent Amount* RM	Risk Weighted Amount RM	Principal Amount RM	Credit Equivalent Amount* RM	Risk Weighted Amount RM
Transaction-related contingent items	700,000	350,000	350,000	2,332,961	2,332,961	-
Irrevocable commitments to extend credit:						
- Maturity more than one year	41,285,000	20,642,500	4,841,300	4,031,170	2,015,585	2,015,585
- Maturity less than one year	-	-	-	500,000	-	-
Foreign exchange related contracts	57,715,000	1,412,725	1,066,309	-	-	-
Miscellaneous	4,935,617	-	-	5,174,897	-	-
Total	104,635,617	22,405,225	6,257,609	12,039,028	4,348,546	2,015,585

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

**Notes To The Financial Statements
For Quarter Ended 30 June 2008 (Continued)**

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

15. CAPITAL ADEQUACY

Tier I Capital

Paid-up ordinary share capital
Retained profits

Less:
Deferred tax assets

Total Tier I capital

Tier II Capital

General allowance for bad and doubtful financing
Total Tier II capital

Total capital base

Capital ratios

Core capital ratio
Risk-weighted capital ratio

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

(i) Credit Risk
20%
75%
100%

(ii) Market Risk Capital Adequacy Framework #
(iii) Basic Indicator Operational Risk Capital Charge ^

	30.06.2008 RM	31.12.2007 RM
	355,020,010 (13,720,077)	355,020,010 (8,296,296)
	341,299,933 (2,409,880)	346,723,714 (1,638,275)
	338,890,053	345,085,439
	5,416,782	2,515,782
	5,416,782	2,515,782
	344,306,835	347,601,221
	150.93%	210.39%
	153.34%	211.92%
	Risk Weighted RM	Risk Weighted RM
	20,556,500	151,951
	6,973,500	-
	101,371,000	150,929,141
	128,901,000	151,081,092
	71,238,000	12,940,456
	24,400,000	-
	224,539,000	164,021,548

The capital adequacy ratios have incorporated market risk pursuant to BNM's guideline on Market Risk Capital Adequacy Framework, which is effective from 1 April 2005.

^ The capital adequacy ratios have incorporated operational risk pursuant to BNM's guideline on Capital Adequacy Framework for Islamic Banks ('CAFIB'), which is effective from 31 January 2008.

**Notes To The Financial Statements
For Quarter Ended 30 June 2008 (Continued)**

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

16. PROFIT RATE RISK

The table below summarises the Bank's exposure to profit rate risk. The assets and liabilities at carrying amount are categorised by the earlier contractual repricing or maturity dates.

30.06.2008	Non-Trading Book						Trading book RM	Total RM	Effective profit rate %
	Up to 1 month RM	>1-3 months RM	>3-12 months RM	>1-5 years RM	Over 5 years RM	Non-profit sensitive RM			
Assets									
Cash and short term funds	1,276,990,000	-	-	-	-	89,372,985	-	1,366,362,985	3.54
Securities available-for-sale	-	-	-	30,491,800	35,456,873	-	-	65,948,673	5.41
Financing and advances - performing	10,365,011	6,836	42,175,194	82,547,439	-	(5,416,782)	-	129,677,698	7.48
Other assets	-	-	-	-	-	3,016,512	-	3,016,512	-
Deferred taxation assets	-	-	-	-	-	2,409,880	-	2,409,880	-
Property, plant and equipment	-	-	-	-	-	7,071,028	-	7,071,028	-
Intangible assets	-	-	-	-	-	8,301,696	-	8,301,696	-
Total assets	1,287,355,011	6,836	42,175,194	113,039,239	35,456,873	104,755,319	-	1,582,788,472	

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

16. PROFIT RATE RISK (CONTINUED)

The table below summarises the Bank's exposure to profit rate risk. The assets and liabilities at carrying amount are categorised by the earlier of contractual repricing or maturity dates.

30.06.2008	Non-Trading Book							Trading book	Total	Effective profit rate %
	Up to 1 month	>1-3 months	>3-12 months	>1-5 years	Over 5 years	Non-profit sensitive	RM			
	RM	RM	RM	RM	RM	RM	RM	RM		
Liabilities										
Deposits from customers	748,930,015	55,996,114	9,085,987	2,863,749	-	-	-	816,875,865	3.41	
Deposits and placements of banks and other financial institutions	334,283,780	86,816,024	620,820	-	-	-	-	421,720,624	3.49	
Other liabilities	-	-	-	-	-	5,320,203	-	5,320,203	-	
Total liabilities	1,083,213,795	142,812,138	9,706,807	2,863,749	-	5,320,203	-	1,243,916,692		
Total shareholders equity	-	-	-	-	338,871,780	-	-	338,871,780		
	1,083,213,795	142,812,138	9,706,807	2,863,749	338,871,780	5,320,203	-	1,582,788,472		
Total profit-sensitivity gap	204,141,216	(142,805,302)	32,468,387	110,175,490	(303,414,907)	99,435,116	-	-		

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

16. PROFIT RATE RISK (CONTINUED)

31.12.2007	Non-Trading Book							Trading book	Total	Effective profit rate %
	Up to 1 month	>1-3 months	>3-12 months	>1-5 years	Over 5 years	Non-profit sensitive	RM			
	RM	RM	RM	RM	RM	RM	RM	RM		
Assets										
Cash and short term funds	1,004,720,000	-	-	-	-	3,395,436	-	1,008,115,436	3.57	
Deposits and placements with financial institutions	-	100,000,000	-	-	-	-	-	100,000,000	3.60	
Securities available-for-sale	-	-	-	32,734,350	-	-	-	32,734,350	7.64	
Financing and advances - performing	-	-	27,235,939	66,069,031	-	(2,515,782)	-	90,789,188	7.98	
Other assets	-	-	-	-	-	4,916,448	-	4,916,448	-	
Deferred taxation assets	-	-	-	-	-	1,638,275	-	1,638,275	-	
Property, plant and equipment	-	-	-	-	-	5,499,652	-	5,499,652	-	
Intangible assets	-	-	-	-	-	9,110,568	-	9,110,568	-	
Total Assets	1,004,720,000	100,000,000	27,235,939	98,803,381	-	22,044,597	-	1,252,803,917		

This represents outstanding non-performing financing after deducting specific allowance and general allowance.

**Notes To The Financial Statements
For Quarter Ended 30 June 2008 (Continued)**
Part A – Explanatory Notes Pursuant To Guidelines On Financial Reporting For Licensed
Islamic Banks (BNM GP8-i) Issued By Bank Negara Malaysia

16. PROFIT RATE RISK (CONTINUED)

31.12.2007	Non-Trading Book							Total RM	Effective profit rate %
	Up to 1 month RM	>1-3 months RM	>3-12 months RM	>1-5 years RM	Over 5 years RM	Non-profit sensitive RM	Trading book RM		
Liabilities									
Deposits from customers	661,603,458	154,285,161	12,574,676	236,276	-	-	-	828,699,571	3.48
Deposits and placements of banks and other financial institutions	68,207,183	-	600,000	-	-	-	-	68,807,183	3.91
Other liabilities	-	-	-	-	-	8,812,702	-	8,812,702	-
Total liabilities	729,810,641	154,285,161	13,174,676	236,276	-	8,812,702	-	906,319,456	
Total shareholders equity	-	-	-	-	346,484,461	-	-	346,484,461	
	729,810,641	154,285,161	13,174,676	236,276	346,484,461	8,812,702	-	1,252,803,917	
Total profit-sensitivity gap	274,909,359	(54,285,161)	14,061,263	98,567,105	(346,484,461)	13,231,895	-	-	

The condensed Interim Financial Statements should be read in conjunction with the Financial Statements Ended 31 December 2007

**Notes To The Financial Statements
For Quarter Ended 30 June 2008 (Continued)**
Part B – Explanatory Notes Pursuant To Financial Reporting Standard 134 (“FRS134”) Issued By Malaysian Accounting Standards Board

17. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the period ended 30 June 2008 have been prepared in accordance with FRS 134 : Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), Guidelines on Financial Reporting for Licensed Islamic Banks (“BNM/GP8-I”) issued by Bank Negara Malaysia (BNM) and comply with the provisions of the Companies Act, 1965 as well as the principles of Shariah.

The interim financial statements should be read in conjunction with the financial statements ended 31 December 2007. These explanatory notes attached to the 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 Bank since the year ended 31 December 2007.

18. ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the financial statements ended 31 December 2007.

19. AUDIT REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2007 was not qualified.

20. SEASONAL OR CYCLICAL FACTORS AFFECTING OPERATIONS

The operations of the Bank were not materially affected by any seasonal or cyclical factors during the financial period ended 30 June 2008.

21. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Bank during the financial period ended 30 June 2008.

22. CHANGES IN ESTIMATES

There were no changes to the estimates of amounts reported in interim periods in previous financial year that have a material effect in the financial period ended 31 March 2008.

23. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale or repayments of debt and equity securities during the financial period ended 30 June 2008.

24. DIVIDENDS PAID

There were no dividends paid during the financial period ended 30 June 2008.

The condensed Interim Financial Statements should be read in conjunction with the Financial Statements Ended 31 December 2007

Notes To The Financial Statements For Quarter Ended 30 June 2008 (Continued)

Part B – Explanatory Notes Pursuant To Financial Reporting Standard 134 (“FRS134”)
Issued By Malaysian Accounting Standards Board

25. SEGMENT INFORMATION

	Period ended 30.06.2008			Financial year ended 31.12.2007		
	Operating Revenue RM	Profit/(Loss) Before Tax Expense RM	Total Assets RM	Operating Revenue RM	Profit/(Loss) Before Tax Expense RM	Total Assets RM
Domestic banking	5,527,985	(710,407)	134,801,939	1,559,713	(5,199,750)	94,476,142
Investment and International banking	21,588,855	4,422,804	1,434,073,116	26,227,943	11,276,204	1,142,177,725
Others*	1,885	(9,576,176)	13,903,447	23,937	(11,379,482)	16,150,050
Unallocated assets			-		-	-
	27,118,726	(5,863,779)	1,582,778,502	27,811,593	(5,303,028)	1,252,803,917

26. VALUATION OF PROPERTY & EQUIPMENT

The property & equipment are stated at cost less accumulated depreciation and impairment losses. There were no changes in the valuation of property & equipment brought forward from previous audited financial statements for the financial year ended 31 December 2007.

27. SUBSEQUENT EVENTS

There were no material events subsequent to the end of current interim period that requires disclosure or adjustments to the unaudited condensed interim financial statements.