

CIMB GROUP HOLDINGS BERHAD (FORMERLY KNOWN AS BUMIPUTRA-COMMERCE HOLDINGS BERHAD)

(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

		The Group	
	Note	31 Mar 2010 RM'000	31 Dec 2009 RM'000
ASSETS			
Cash and short-term funds		25,851,938	28,274,687
Reverse repurchase agreements		3,980,114	4,544,873
Deposits and placements with banks and other financial institutions		11,784,403	2,383,055
Financial investments at fair value through profit or loss	A7(a),(b)	11,099,487	14,999,302
Financial investments available-for-sale	A8	10,483,760	11,000,536
Financial investments held-to-maturity	A9	14,147,082	14,266,710
Derivative financial instruments	A20 (i)	3,675,309	3,689,831
Loans, advances and financing	A10	144,074,375	142,218,190
Other assets	A11	7,763,255	5,221,796
Deferred tax assets		132,928	293,708
Tax recoverable		148,426	110,416
Statutory deposits with central banks		710,333	843,757
Investment in associates and jointly controlled entities		651,402	649,138
Property, plant and equipment		1,480,223	1,499,066
Investment properties		101,024	120,349
Prepaid lease payments		286,461	279,924
Goodwill		7,693,284	7,694,653
Intangible assets		1,633,653	1,667,784
		<u>245,697,457</u>	<u>239,757,775</u>
Non-current assets held for sale		158,742	226,224
TOTAL ASSETS		<u>245,856,199</u>	<u>239,983,999</u>
LIABILITIES AND EQUITY			
Deposits from customers	A12	178,730,585	178,882,336
Deposits and placements of banks and other financial institutions	A13	13,877,644	10,131,582
Repurchase agreements		-	565,097
Derivative financial instruments	A20 (i)	3,719,074	3,492,587
Bills and acceptances payable		4,252,364	4,494,794
Other liabilities	A14	10,918,829	8,105,303
Deferred tax liabilities		6,335	13,247
Current tax liabilities		254,975	428,565
Amount due to Cagamas Berhad		250,808	335,612
Bonds	B6	429,053	443,051
Other borrowings	B6	3,296,250	3,218,286
Subordinated notes	B6	6,304,978	6,342,738
Non-cumulative guaranteed and redeemable preference shares		876,764	884,087
TOTAL LIABILITIES		<u>222,917,659</u>	<u>217,337,285</u>
Ordinary share capital		3,531,766	3,531,766
Reserves		17,041,417	16,813,811
Less: Shares held under trust		(563)	(563)
Treasury shares, at cost		(13)	-
		<u>20,572,607</u>	<u>20,345,014</u>
Perpetual preference shares		200,000	200,000
Minority interests		2,165,933	2,101,700
TOTAL EQUITY		<u>22,938,540</u>	<u>22,646,714</u>
TOTAL LIABILITIES AND EQUITY		<u>245,856,199</u>	<u>239,983,999</u>
COMMITMENTS AND CONTINGENCIES	A20 (ii)	<u>344,880,588</u>	<u>322,892,443</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		<u>5.83</u>	<u>5.76</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009.

CIMB GROUP HOLDINGS BERHAD (FORMERLY KNOWN AS BUMIPUTRA-COMMERCE HOLDINGS BERHAD)

(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS

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

	Note	The Group			
		1st quarter ended		Three months ended	
		31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
		RM'000	RM'000	RM'000	RM'000
Interest income	A15	2,576,625	2,730,891	2,576,625	2,730,891
Interest expense	A16	(972,824)	(1,323,848)	(972,824)	(1,323,848)
Net interest income		1,603,801	1,407,043	1,603,801	1,407,043
Income from Islamic Banking operations	A24(b)	230,038	160,859	230,038	160,859
Non-interest income (excluding gain on disposal of net assets and interest in a subsidiary)	A17	1,008,006	915,425	1,008,006	915,425
		2,841,845	2,483,327	2,841,845	2,483,327
Gain on disposal of net assets and interest in a subsidiary		-	30,251	-	30,251
		2,841,845	2,513,578	2,841,845	2,513,578
Overheads	A18	(1,562,963)	(1,326,589)	(1,562,963)	(1,326,589)
Profit before allowances		1,278,882	1,186,989	1,278,882	1,186,989
Allowance for impairment losses on loans, advances and financing	A19	(149,825)	(271,639)	(149,825)	(271,639)
Allowance for losses on other receivables		(12,540)	(34,885)	(12,540)	(34,885)
Allowance written back/(made) for commitments and contingencies		307	(7,579)	307	(7,579)
Allowance made for other impairment losses		(11,776)	(37,783)	(11,776)	(37,783)
		1,105,048	835,103	1,105,048	835,103
Share of results of jointly controlled entities		2,164	230	2,164	230
Share of results of associates		21,537	3,583	21,537	3,583
Profit before taxation and zakat		1,128,749	838,916	1,128,749	838,916
Taxation and zakat	B4	(216,450)	(174,958)	(216,450)	(174,958)
Profit for the period		912,299	663,958	912,299	663,958
Profit for the period attributable to :					
Equity holders of the Company		838,083	613,943	838,083	613,943
Minority interests		74,216	50,015	74,216	50,015
		912,299	663,958	912,299	663,958
Earnings per share (sen):					
- Basic	B8(a)	23.7	17.4	23.7	17.4
- Fully diluted	B8(b)	23.7	17.4	23.7	17.4

CIMB GROUP HOLDINGS BERHAD (FORMERLY KNOWN AS BUMIPUTRA-COMMERCE HOLDINGS BERHAD)

(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS

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

(Continued)

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Profit for the period	912,299	663,958	912,299	663,958
Other comprehensive income:				
Revaluation reserve-financial investments available-for-sale	(110,347)	2,003	(110,347)	2,003
- Net gain from change in fair value	147,188	17,398	147,188	17,398
- Realised gain transferred to comprehensive income on disposal and impairment	(179,553)	(626)	(179,553)	(626)
- Transfer from deferred tax assets	(75,434)	(23,838)	(75,434)	(23,838)
- Currency translation difference	(2,548)	9,069	(2,548)	9,069
Net investment hedge	108,713	(110,324)	108,713	(110,324)
Hedging reserve- cash flow hedge				
- Net gain from change in fair value	17,723	1,915	17,723	1,915
Exchange fluctuation reserve	(264,337)	88,968	(264,337)	88,968
Other comprehensive income for the period, net of tax	(248,248)	(17,438)	(248,248)	(17,438)
Total comprehensive income for the period	664,051	646,520	664,051	646,520
Total comprehensive income for the period attributable to:				
Equity holders of the Company	583,024	596,371	583,024	596,371
Minority interests	81,027	50,149	81,027	50,149
	664,051	646,520	664,051	646,520

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009.

CIMB GROUP HOLDINGS BERHAD (FORMERLY KNOWN AS BUMIPUTRA-COMMERCE HOLDINGS BERHAD)

(Company Number 50841-W)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2010**

Attributable to equity holders of the Company

The Group 31 March 2010	Share capital RM'000	Share premium- ordinary shares RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Revaluation reserve - financial investments available- for-sale RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Minority interests RM'000	Total RM'000
At 1 January 2010	3,531,766	5,586,751	3,415,780	136,954	361,780	(563)	-	545,121	(64,386)	6,831,811	20,345,014	200,000	2,101,700	22,646,714
Effects of adopting FRS 139 on 1 January 2010	-	-	-	-	-	-	-	238,431	-	(593,849)	(355,418)	-	(19,650)	(375,068)
Adjusted 1 January 2010	3,531,766	5,586,751	3,415,780	136,954	361,780	(563)	-	783,552	(64,386)	6,237,962	19,989,596	200,000	2,082,050	22,271,646
Profit for the financial period	-	-	-	-	-	-	-	-	-	838,083	838,083	-	74,216	912,299
Other comprehensive income (net of tax)	-	-	-	-	(249,725)	-	-	(131,770)	126,436	-	(255,059)	-	6,811	(248,248)
- Financial investments available-for-sales	-	-	-	-	-	-	-	(131,770)	-	-	(131,770)	-	21,423	(110,347)
- net investment hedge	-	-	-	-	-	-	-	-	108,713	-	108,713	-	-	108,713
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	17,723	-	17,723	-	-	17,723
- currency translation difference	-	-	-	-	(249,725)	-	-	-	-	-	(249,725)	-	(14,612)	(264,337)
Total comprehensive income for the period	-	-	-	-	(249,725)	-	-	(131,770)	126,436	838,083	583,024	-	81,027	664,051
Transfer from statutory reserve	-	-	(54,524)	-	-	-	-	-	-	54,524	-	-	-	-
Realisation of pre-acquisition revaluation reserve - financial investments available-for-sale	-	-	-	-	-	-	-	(27,799)	-	27,799	-	-	-	-
Arising from accretion of equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	22,857	22,857
Capital repayment of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	(20,000)	(20,000)
Purchase of treasury shares	-	-	-	-	-	-	(13)	-	-	-	(13)	-	-	(13)
At 31 March 2010	3,531,766	5,586,751	3,361,256	136,954	112,055	(563)	(13)	623,983	62,050	7,158,368	20,572,607	200,000	2,165,933	22,938,541

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(Company Number 50841-W)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2009**

Attributable to equity holders of the Company

The Group
31 March 2009

	Share capital RM'000	Share premium- ordinary shares RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Revaluation reserve - financial investments available-for-sale RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Minority interests RM'000	Total RM'000
At 1 January 2009	3,578,078	6,027,864	2,841,540	89,387	(413,908)	(74,190)	(461,702)	369,951	(113,582)	5,255,765	17,099,203	200,000	1,513,390	18,812,593
Profit for the financial period	-	-	-	-	-	-	-	-	-	613,943	613,943	-	50,015	663,958
Other comprehensive income (net of tax)	-	-	-	-	90,805	-	-	32	(108,409)	-	(17,572)	-	134	(17,438)
- Financial investments available-for-sales	-	-	-	-	-	-	-	32	-	-	32	-	1,971	2,003
- net investment hedge	-	-	-	-	-	-	-	-	(110,324)	-	(110,324)	-	-	(110,324)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	1,915	-	1,915	-	-	1,915
- currency translation difference	-	-	-	-	90,805	-	-	-	-	-	90,805	-	(1,837)	88,968
Total comprehensive income for the period	-	-	-	-	90,805	-	-	32	(108,409)	613,943	596,371	-	50,149	646,520
Dividend for the financial year ended 31 December 2008	-	-	-	-	-	-	-	-	-	(699,388)	(699,388)	-	-	(699,388)
Option reserves arising from share option schemes of subsidiaries	-	-	-	-	-	-	-	-	(11,643)	-	(11,643)	-	-	(11,643)
Transfer to statutory reserve	-	-	86,336	-	-	-	-	-	-	(86,336)	-	-	-	-
Net reversal of shares held under trust	-	-	-	-	-	9,292	-	-	-	-	9,292	-	-	9,292
Arising from accretion/dilution of equity interests in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	49,730	49,730
Purchase of treasury shares	-	-	-	-	-	-	(65)	-	-	-	(65)	-	-	(65)
At 31 March 2009	3,578,078	6,027,864	2,927,876	89,387	(323,103)	(64,898)	(461,767)	369,983	(233,634)	5,083,984	16,993,770	200,000	1,613,269	18,807,039

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009

CIMB GROUP HOLDINGS BERHAD (FORMERLY KNOWN AS BUMIPUTRA-COMMERCE HOLDINGS BERHAD)
(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2010

	The Group	
	31 Mar 2010	31 Mar 2009
	RM'000	RM'000
Profit before taxation and zakat	1,128,749	838,916
Adjustments for non-operating and non-cash items	(117,649)	10,081
	<hr/>	<hr/>
Operating profit before changes in working capital	1,011,100	848,997
Net changes in operating assets	(9,039,634)	(7,508,287)
Net changes in operating liabilities	5,274,477	4,248,431
	(3,765,157)	(3,259,856)
	<hr/>	<hr/>
Cash flows used in operations	(2,754,057)	(2,410,859)
Taxation paid	(315,652)	(214,810)
	<hr/>	<hr/>
Net cash flows used in operating activities	(3,069,709)	(2,625,669)
Net cash flows generated from / (used in) investing activities	1,018,935	(1,353,384)
Net cash flows used in financing activities	(13)	(1,058,244)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents during the financial period	(2,050,787)	(5,037,297)
Effects of exchange rate changes	(371,962)	147,830
Cash and short-term funds at beginning of the financial period	28,274,687	24,408,711
	<hr/>	<hr/>
Cash and short-term funds at end of the financial period	25,851,938	19,519,244
Statutory deposits with Bank Indonesia*	(1,459,736)	(980,639)
	<hr/>	<hr/>
Cash and cash equivalents at end of the financial period	24,392,202	18,538,605

* This represent non-interest bearing statutory deposits of a foreign subsidiary maintained with Bank Indonesia in compliance with their applicable legislation which is not readily available for use by the Group.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The unaudited condensed interim financial statements for the financial period ended 31 March 2010 have been prepared under the historical cost convention, except for financial assets held for trading, financial assets designated at fair value through profit or loss, financial investments available-for-sale, derivative financial instruments, investment properties and non-current assets/disposal groups held for sale, that have been measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with FRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements. These financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2009. The explanatory notes attached to the 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 since the financial year ended 31 December 2009.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2009, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 January 2010:

- Amendments to FRS 1 "First-time Adoption of Financial Reporting Standards" and FRS 127 "Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate"
- Amendments to FRS 2 "Share-based Payment Vesting Conditions and Cancellations"
- FRS 4 "Insurance Contracts"
- Amendment to FRS 5 - "Non-current Assets Held for Sale and Discontinued Operations" (effective 1 January 2010)
- FRS 7 "Financial Instruments: Disclosures"
- Amendments to FRS 139 "Financial Instruments: Recognition and Measurement", FRS 7 "Financial Instruments: Disclosures" and IC Interpretation 9 "Reassessment of Embedded Derivatives"
- FRS 8 "Operating Segments"
- Amendment to FRS 8 "Operating Segments"
- FRS 101 "Presentation of Financial Statements"
- FRS 139 "Financial Instruments: Recognition and Measurement"
- Amendment to FRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors"
- Amendment to FRS 117 "Leases"
- Amendment to FRS 119 "Employee Benefits"
- Amendment to FRS 127 "Consolidated and Separate Financial Statements"
- Amendment to FRS 128 "Investments in Associates"
- Amendment to FRS 131 "Interests in Joint Ventures"
- Amendments to FRS 132 "Financial Instruments: Presentation"
- Amendment to FRS 134 "Interim Financial Reporting"
- Amendment to FRS 138 "Intangible Assets" (effective 1 January 2010)
- Amendment to FRS 140 "Investment Property"
- IC Interpretation 9 "Reassessment of Embedded Derivatives"
- IC Interpretation 10 "Interim Financial Reporting and Impairment"
- IC Interpretation 11 "FRS 2 Group and Treasury Share Transactions"
- IC Interpretation 13 "Customers Loyalty Programmes"
- IC Interpretation 14 "FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"
- TR i-3 "Presentation of Financial Statements of Islamic Financial Institutions"

A1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

The following revised FRSs, new IC Interpretations and Amendments to FRSs have been issued by the MASB and are effective for annual periods commencing on or after 1 July 2010, and have yet to be adopted by the Group and the Company:

- FRS 1 "First-time Adoption of Financial Reporting Standards"
- Amendment to FRS 1 "Limited Exemption from Comparative FRS 7 "Disclosures for First-time Adopters"
- Amendments to FRS 2 "Share-based Payment"
- FRS 3 "Business Combinations"
- Amendments to FRS 5 "Non-current Assets Held for Sale and Discontinued Operations" (effective 1 July 2010)
- Amendments to FRS 7 "Improving Disclosures about Financial Instruments"
- FRS 127 "Consolidated and Separate Financial Statements"
- Amendments to FRS 138 "Intangible Assets" (effective 1 July 2010)
- Amendments to IC Interpretation 9 "Reassessment of Embedded Derivatives"
- IC Interpretation 12 "Service Concession Arrangements"
- IC Interpretation 15 "Agreements for the Construction of Real Estate"
- IC Interpretation 16 "Hedges of a Net Investment in a Foreign Operation"
- IC Interpretation 17 "Distributions of Non-cash Assets to Owners"

The unaudited condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles.

During the 4th quarter of 2008, CIMB Bank Berhad ("CIMB Bank") and PT Bank CIMB Niaga Tbk ("CIMB Niaga") had reclassified a portion of their financial assets held-for-trading to financial investments held-to-maturity based on current market prices at the relevant dates of the reclassifications. CIMB Bank had carried out a similar reclassification from financial assets held for trading to financial investments available-for-sale during the financial year 2009. These reclassifications are permitted under BNM's circular dated 17 October 2008 on Reclassification of Securities under Specific Circumstances which is effective from 1 July 2008 to 31 December 2009.

The preparation of unaudited condensed interim financial statements in conformity with the Financial Reporting Standards and BNM Guidelines requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and assumptions are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

A2. CHANGES IN ESTIMATES

There were no material changes to financial estimates made in respect of the current financial period that had previously been announced or disclosed.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the three-month period ended 31 March 2010:-

a) On 24 February 2010, the Company purchased 1,000 of its own shares from the open market at an average market price of RM13.1 per share. The total consideration paid for the purchase of own shares, including transaction costs was RM13.1 thousand. The shares purchased were held as treasury shares in accordance with Section 67A subsection 3(A)(b) of the Companies Act, 1965.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES (CONTINUED)

b) On 23 February 2010, the Company proposed 1-for-1 bonus issue which would increase its number of shares in issue from 3,531.76 million to 7,063.53 million. The objectives of the bonus issue are to improve tradability of CIMB Group shares ("CIMB Shares") and to align its quoted share price with pricing conventions on the Stock Exchange of Thailand ("SET") ahead of the Company's proposed listing later this year. Bank Negara Malaysia has granted approval pursuant to the Proposed bonus issue on 31 March 2010.

Subsequent to this, on 7 May 2010, the Company announced a 1-for-1 bonus issue of up to 3,582.39 million new ordinary shares which is inclusive of the potential exercise of the 50,622,413 warrants outstanding as at 31 March 2010, to be credited to eligible shareholders on 21 May 2010.

The Company has also proposed to increase its authorised share capital from RM5,000 million comprising 5,000 million CIMB Shares to RM10,000 million comprising 10,000 million CIMB Shares to facilitate the issuance of new CIMB Shares pursuant to the Proposed Bonus Issue, as well as to cater for any future issuance of new CIMB Shares.

c) On 2 April 2010, the Company announced that in relation to the Proposed SET Listing, the offering size pursuant to the IPO Offering has been revised from up to 35 million CIMB Shares to up to 50 million CIMB Shares. The offering shall only be made via the Proposed Public Issue. The revised number of shares is to facilitate the eligibility of CIMB Thai to perform the role of a selling agent for the Proposed SET Listing which is in accordance with the relevant regulations in Thailand on the minimum size of offerings for distribution via bank branches, enable wider participation from investors in Thailand and improve liquidity in the secondary market.

Bank Negara Malaysia ("BNM") and Securities Commission ("SC") have vide their letters dated 5 April 2010 and 7 April 2010 respectively, granted approval to CIMB on the proposed dual listing.

d) On 2 April 2010, the Company announced that it will be seeking its shareholders' approval at its 53rd Annual General Meeting ("AGM") to be convened on a later announced date for the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up capital of the Company. Shareholders' approval was subsequently obtained at the AGM which was held on 7 May 2010.

e) On 5 April 2010, the Company completed the issuance of RM750 million Cumulative Subordinated Fixed Rate Notes. The Subordinated Notes were part of the RM3.0 billion Issuance Programme approved by the Securities Commission on 12 June 2009.

The RM750 million Subordinated Notes comprises a callable 5 year tranche and 10 year tranche, amounting to RM150 million and RM600 million respectively. Both tranches have a maturity of 50 years, with call option for the Issuer to redeem at year 5 and on each subsequent coupon payment date, and year 10 and on each subsequent coupon payment date respectively.

The 5 year Tranche pays a semi annual coupon rate of 5.3% p.a whilst the 10 year Tranche pays a coupon of 6.35% p.a. Should the Issuer does not redeem the Subordinated Notes on the respective first call date, the coupon will be stepped up by 2.0%.

A4. DIVIDENDS PAID AND PROPOSED

An interim single tier dividend of 18.5 sen per ordinary share on 3,531,765,410 ordinary shares amounting to RM653,376,601 in respect of the financial year ended 31 December 2009, which was approved by the Board of Directors in a resolution dated 18 February 2010 was paid on 12 April 2010.

A5. STATUS OF CORPORATE PROPOSALS

(a) Acquisition of additional equity stake in Touch N' Go Sdn Bhd ("TnG")

The Company had on 19 February 2010 entered into a share purchase agreement with UEM Group Berhad and UEM Builders Berhad to acquire an additional 32.22% stake in Touch N' Go Sdn Bhd ("TnG") for RM53.8 million. The Company's existing equity stake in TnG before the additional acquisition was 20%. The acquisition was completed on 26 March 2010. Upon completion of the acquisition, the Company's shareholding in TnG was raised to 52.22%.

(b) Subscription of equity interest in CIMB Vinashin Securities Limited Liability Company ("VFC")

On 23 February 2010, CIMB Investment Bank received approval from the Vietnam Securities Commission for its subscription of equity interest in VFC. VFC Securities has subsequently changed its name to CIMB Vinashin Securities LLC with immediate effect on 2 March 2010.

A6. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

(a) On 5 April 2010, CIMB Group announced its plans to set-up a research institute dedicated to promoting ASEAN integration, to be named CIMB ASEAN Research Institute.

(b) On 7 May 2010, the Company announced a 1-for-1 bonus issue of up to 3,582.39 million new ordinary shares which is inclusive of the potential exercise of the 50,622,413 warrants outstanding as at 31 March 2010, to be credited to eligible shareholders on 21 May 2010.

(c) On 9 May 2010, CIMB Group obtained its approval-in-principle for CIMB Bank to establish and operate a 100% owned subsidiary, to offer banking services in Cambodia from the central bank of Cambodia, National Bank of Cambodia. This approval requires CIMB Group to set-up its operations within six months.

(d) On 14 May 2010, the Company entered into a conditional share sale and purchase agreement with Khazanah Nasional Berhad ("Khazanah") in relation to the proposed acquisition by CIMB Group Sdn Bhd ("CIMBG") of approximately 17.10% equity interest in PT Bank CIMB Niaga Tbk ("CIMB Niaga"), and a further equity interest of approximately 2.57% in CIMB Niaga, the latter sale of which is at the sole discretion of Khazanah. The proposed acquisition is to be satisfied via issuance of new CIMB shares of up to 134 million shares at an indicative issue price of RM14.50 each. CIMB Niaga is currently a 78.26% indirect subsidiary of the Company.

PART A - EXPLANATORY NOTES

A7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

A7(a). FINANCIAL ASSETS HELD FOR TRADING

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	558,768	1,212,901
Cagamas bonds	18,301	28,283
Khazanah bonds	-	27,438
Malaysian Government treasury bills	249,440	185,033
Bank Negara Malaysia bills	537,691	2,779,851
Bank Negara Malaysia negotiable notes	1,156,833	1,887,613
Negotiable instruments of deposit	2,388,281	3,002,701
Bankers' acceptances and Islamic accepted bills	645,167	696,623
Credit-linked notes	130,530	158,604
Other Government's securities	865,215	862,061
Commercial papers	20,855	29,982
Government investment issues	172,026	693,563
	6,743,107	11,564,653
Quoted securities:		
<i><u>In Malaysia:</u></i>		
Warrants	5	5
Shares	629,377	553,599
Unit trusts	-	9,720
<i><u>Outside Malaysia:</u></i>		
Shares	25,651	14,969
Private and Islamic debt securities	112,143	50,144
Other Government bonds	262,460	123,884
	1,029,636	752,321
Unquoted securities:		
<i><u>In Malaysia:</u></i>		
Private and Islamic debt securities	1,780,109	1,983,862
Shares	5,001	7,323
Investment linked funds	-	45,893
<i><u>Outside Malaysia:</u></i>		
Private and Islamic debt securities	656,549	645,250
	2,441,659	2,682,328
Total financial assets held-for-trading	10,214,402	14,999,302

Reclassification from financial assets held for trading to financial investments held-to-maturity

In the 4th quarter of 2008, the Malaysian banking subsidiaries of the Company reclassified a portion of their financial assets held for trading to financial investments held-to-maturity based on current market prices at the relevant dates of reclassification. There was no such reclassification in 2009 and 2010.

Reclassification from financial assets held for trading to financial investments available-for-sale

In 2009, CIMB Bank Berhad reclassified financial assets held for trading to financial investments available-for-sale. There was no such reclassification in 2010.

The above reclassification had been accounted for in accordance with the BNM circular on 'Reclassification of Securities under Specific Circumstances' dated 17 October 2008, which is effective from 1 July 2008 until 31 December 2009.

The fair value of the securities reclassified from financial assets held for trading to financial investments available-for-sale and held-to maturity, as of the respective dates of reclassification is RMNil (2009: RM247,330,000) and RMNil (2009: RMNil, 2008: RM5,984,996,000).

A7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)**A7(a). FINANCIAL ASSETS HELD FOR TRADING (Continued)**

Included in non-interest income is the net gains arising from the change in fair value recognised in the comprehensive income in respect of the reclassified securities:

	The Group	
	31 Mar 2010	31 Mar 2009
	RM'000	RM'000
Net fair value gains recognised in:		
- non-interest income	-	143

As of the date of reclassification, the effective interest rates on the reclassified financial assets held for trading to financial investments available-for-sale, based on the new cost is an average of Nil% (2009: 4.56%) per annum for the Group and 6.65% per annum for financial assets held for trading reclassified to financial investments held-to-maturity in 2008. The expected recoverable cash flows for the reclassified financial assets held for trading to financial investments available-for-sale and held-to-maturity categories amount to RMNil (2009: RM246,700,000) and RMNil (2009: RMNil, 2008: RM6,143,696,000) respectively, including any coupons receivable on the securities.

A7(b). FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	195,630	-
Cagamas bonds	21,502	-
Khazanah bonds	7,578	-
Government investment issues	192,101	-
	416,811	-
Quoted securities:		
<i>In Malaysia:</i>		
Shares	84,758	-
Unit trusts	9,943	-
	94,701	-
Unquoted securities:		
<i>In Malaysia:</i>		
Private and Islamic debt securities	324,805	-
Shares	2,322	-
Investment linked fund	46,446	-
	373,573	-
Total financial assets designated at fair value through profit or loss	885,085	-

Financial assets designated at fair value through profit or loss arises from securities held by an insurance subsidiary which has been reclassified from financial assets held for trading as as result of the adoption of FRS 139 as at 1 January 2010. These securities eliminate or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise have arisen from measuring the assets at a basis different from the liabilities of the insurance subsidiary.

TOTAL FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

11,099,487	14,999,302
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A8. FINANCIAL INVESTMENTS AVAILABLE-FOR-SALE

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	317,960	314,155
Cagamas bonds	276,039	275,157
Khazanah bonds	-	34,975
Other Government treasury bills	443	410
Government investment issues	287,155	360,354
Commercial papers	-	19,539
	881,597	1,004,590
Quoted securities:		
<i>In Malaysia:</i>		
Shares	197,693	230,379
Unit trusts	152,926	149,026
Floating rate notes	8,939	9,413
<i>Outside Malaysia:</i>		
Shares	7,832	24,614
Private and Islamic debt securities	90,286	119,194
Other Government bonds	1,872,363	2,642,690
Unit trusts	264,126	266,525
	2,594,165	3,441,841
Unquoted securities:		
<i>In Malaysia:</i>		
Private and Islamic debt securities	5,962,040	5,963,757
Shares	1,013,529	534,736
Loan stocks	19,437	19,437
Property funds	165	165
Investment-linked funds	6,968	9,730
Bond funds	4,071	4,111
<i>Outside Malaysia:</i>		
Shares	61,958	60,487
Private equity and unit trust funds	282,000	316,663
Private and Islamic debt securities	39,313	28,325
Loan stocks	478	497
	7,389,959	6,937,908
	10,865,721	11,384,339
Allowance for impairment loss:		
Private debt securities	(258,697)	(253,442)
Quoted shares	(11,064)	(10,980)
Unquoted shares	(83,905)	(90,692)
Unit trusts	(21,390)	(21,784)
Loan stocks	(6,905)	(6,905)
	(381,961)	(383,803)
Total financial investments available-for-sale	10,483,760	11,000,536

Included in financial investments available-for-sale are securities transferred from financial assets held for trading during the previous financial year with the following amortised cost and fair value as at 31 March 2010 and 31 December 2009 respectively.

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Amortised cost	244,006	246,776
Fair value	245,790	249,342

A9. FINANCIAL INVESTMENTS HELD-TO-MATURITY

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	1,123,977	1,123,977
Cagamas bonds	294,817	294,817
Malaysian Government investment issues	600,179	-
Quoted securities		
<i>Outside Malaysia</i>		
Private debt securities	1,373,081	1,191,909
Islamic bonds	25,109	25,485
Medium term notes - Islamic	8,968	9,102
Other Government bonds	146,220	153,214
Bank Indonesia certificates	392,824	837,362
Structured notes	326,886	342,847
Unquoted securities		
<i>In Malaysia</i>		
Shares	-	270
Private debt securities	6,993,768	7,618,001
Islamic commercial paper	-	6,775
Loan stocks	31,814	31,814
Danaharta Urus Sdn Bhd ("DUSB") bonds	929,639	929,639
<i>Outside Malaysia</i>		
Private debt securities	1,694,045	1,518,478
	13,941,327	14,083,690
Accretion of discount net of amortisation of premium	270,685	242,894
Less : Allowance for impairment losses	(64,930)	(59,874)
Total financial investments held-to-maturity	14,147,082	14,266,710

Included in the financial investments held-to-maturity are securities transferred from financial assets held for trading during the 4th quarter of 2008, with the following carrying value and fair value as at 31 March 2010 and 31 December 2009 respectively:

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Carrying value	4,132,272	4,735,894
Fair value	4,253,573	4,830,728

Also included in the financial investments held-to-maturity of the Group as at 31 March 2010 are 10-year promissory notes of THB746 million (2009: THB746 million) maturing in 2011, which were received from Thai Asset Management Corporation ("TAMC") for settlement of impaired loans transferred by CIMB Thai Bank Public Company Limited ("CIMB Thai Bank") to TAMC. Such promissory notes are non-transferable, bear interest at the average deposit rate of 5 major banks in Thailand and availed by the Financial Institutions Development Fund. As part of the agreement to transfer impaired loans to TAMC, CIMB Thai Bank has a gain and loss sharing arrangement with TAMC arising from the recovery of the impaired loans. The sharing of gain or losses will be calculated at the end of the agreement.

A10. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
At amortised cost		
Overdrafts	8,667,609	8,247,311
Term loans/financing		
- Housing loans/financing	45,551,984	41,684,502
- Syndicated term loans	7,033,869	8,225,404
- Hire purchase receivables	14,390,443	14,276,219
- Lease receivables	82,710	65,600
- Factoring receivables	51,817	61,393
- Other term loans/financing	59,413,909	53,695,874
Bills receivable	2,422,649	1,919,643
Trust receipts	994,179	878,866
Claims on customers under acceptance credits	4,598,378	5,004,962
Staff loans *	749,690	763,386
Credit card receivables	3,923,366	3,551,451
Revolving credits	20,213,670	23,337,966
Share margin financing	1,034,888	1,015,067
Other loans	10,351	9,744
	169,139,512	162,737,388
Less: Unearned interest	(15,926,890)	(13,832,357)
Gross loans, advances and financing	153,212,622	148,905,031
Fair value changes arising from fair value hedge	116,923	45,028
	153,329,545	148,950,059
Less: Allowance for impairment losses		
- Individual impairment allowance	(4,888,091)	-
- Portfolio impairment allowance	(4,367,079)	-
- Specific allowance	-	(4,905,276)
- General allowance	-	(1,826,593)
	(9,255,170)	(6,731,869)
Total net loans, advances and financing	144,074,375	142,218,190

* Included in staff loans of the Group are loans to Directors amounting to RM6,191,072 (31 December 2009: RM4,690,160).

Included in loans, advances and financing balances are RM2,068,250,000 (31 December 2009: RM2,080,513,000) of net loans relating to that of a jointly controlled entity, Proton Commerce Sdn Bhd ("PCSB"). The revenue and risks of these accounts are shared equally between CIMB Bank and the joint venture partner, Proton Edar Sdn Bhd, pursuant to the terms of a Joint Venture Agreement.

Included in other term loans is RM7,561,840,000 (31 December 2009: RM7,578,237,000) provided on normal commercial terms which is exempted from portfolio impairment allowance/general allowance by Bank Negara Malaysia.

Included in the Group's loans, advances and financing balances are RM79,098,000 (31 December 2009: RM80,235,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

The Group has undertaken fair value hedge on RM4,618,179,000 (31 December 2009: RM5,468,179,000) of its loan exposure using interest rate swaps.

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Gross loan hedged	4,618,179	5,468,179
Fair value changes arising from fair value hedges	116,915	45,028
	4,735,094	5,513,207

The fair values of interest rate swaps as at 31 March 2010 were RM183,781,139 (2009: RM104,052,171).

A10. LOANS, ADVANCES AND FINANCING (Continued)**(ii) By type of customers**

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Domestic banking financial institutions	64,859	418,909
Domestic non-bank financial institutions		
- others	3,881,871	3,698,917
Domestic business enterprises		
- small medium enterprises	22,608,323	22,874,067
- others	36,604,128	34,977,110
Government and statutory bodies	7,673,998	7,680,833
Individuals	71,914,748	68,079,927
Other domestic entities	4,513,174	4,675,844
Foreign entities	5,951,521	6,499,424
Gross loans, advances and financing	153,212,622	148,905,031

(iii) By interest/profit rate sensitivity

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Fixed rate		
- Housing loans	5,364,142	6,141,974
- Hire-purchase receivables	12,074,857	11,873,291
- Other fixed rate loans	23,133,338	20,671,280
Variable rate		
- BLR plus	73,003,289	70,842,857
- Cost plus	21,895,484	21,888,489
- Other variable rates	17,741,512	17,487,140
Gross loans, advances and financing	153,212,622	148,905,031

(iv) By economic purpose

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Personal use	4,775,083	4,669,215
Credit card	3,922,093	3,551,889
Purchase of consumer durables	3,486	4,076
Construction	4,678,368	4,651,539
Residential property (Housing)	37,761,500	35,658,935
Non-residential property	10,337,400	9,788,024
Purchase of fixed assets other than land and building	4,352,982	5,443,961
Mergers and acquisitions	1,630,819	1,737,598
Purchase of securities	9,010,863	9,645,409
Purchase of transport vehicles	15,733,017	14,964,275
Working capital	44,491,655	43,956,121
Other purpose	16,515,356	14,833,989
Gross loans, advances and financing	153,212,622	148,905,031

(v) By geographical distribution

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Malaysia	107,882,460	103,379,402
Indonesia	30,668,893	30,816,196
Thailand	9,393,008	8,940,099
Other countries	5,268,261	5,769,334
Gross loans, advances and financing	153,212,622	148,905,031

A10. LOANS, ADVANCES AND FINANCING (Continued)
(vi) By residual contractual maturity

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Within one year	26,445,007	29,704,720
One year to less than three years	40,771,981	37,976,800
Three years to less than five years	21,133,705	13,821,790
Five years and more	64,861,929	67,401,721
Gross loans, advances and financing	153,212,622	148,905,031

(vii) Impaired loans/non-performing loans by economic purpose

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Personal use	338,168	273,975
Credit card	85,354	82,008
Purchase of consumer durables	15,095	611
Construction	1,565,692	417,527
Residential property (Housing)	2,013,015	1,687,729
Non-residential property	464,259	373,205
Purchase of fixed assets other than land and building	168,376	139,361
Mergers and acquisitions	45,220	-
Purchase of securities	469,126	63,485
Purchase of transport vehicles	416,091	371,491
Working capital	4,795,614	3,123,027
Other purpose	1,125,153	884,430
Gross impaired loan/non-performing loan	11,501,163	7,416,849

(viii) Impaired loans/non-performing loans by geographical distribution

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Malaysia	8,476,806	4,959,287
Indonesia	1,147,776	926,405
Thailand	1,537,411	1,313,527
Other countries	339,170	217,630
Gross impaired loan/non-performing loan	11,501,163	7,416,849

(ix) Movements in impaired loans/non-performing loans

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Balance as at 1 January		
- as previously reported	7,416,849	6,056,461
- classified as impaired due to adoption of FRS 139*	4,109,745	-
- as adjusted	11,526,594	6,056,461
Classified as impaired/non-performing during the period / year	1,224,182	4,411,728
Reclassified as not impaired/performing during the period / year	(628,955)	(2,241,616)
Amount written back in respect of recoveries	(293,152)	(1,029,647)
Arising from acquisition of a subsidiary	-	1,398,003
Amount written off	(208,396)	(1,293,983)
Purchase of impaired loans/non-performing loans from third party	-	3,852
Exchange fluctuation	(119,110)	112,051
Balance as at 31 March / 31 December	11,501,163	7,416,849
Ratio of gross impaired / non-performing loans to gross loans, advances and financing	7.51%	4.98%

* Represents restatement of interest-in-suspense and loans previously classified as performing under GP3 but considered impaired under FRS 139.

A10. LOANS, ADVANCES AND FINANCING (Continued)

(x) Movements in the allowance for impaired loans/ bad and doubtful debts and financing are as follows:

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Individual impairment allowance		
At 1 January, as previously stated	-	-
Adoption of FRS 139	5,215,427	-
At 1 January, as restated	5,215,427	-
Allowance made during the period / year	72,993	-
Amount written back in respect of recoveries	(39,422)	-
Amount written off	(108,841)	-
Allowance made and charged to deferred assets	1,424	-
Amount transferred to portfolio impairment allowance	(139,063)	-
Unwinding income	(21,996)	-
Exchange fluctuation	(92,431)	-
Balance as at 31 March / 31 December	4,888,091	-
Portfolio impairment allowance		
At 1 January, as previously stated	-	-
Adoption of FRS 139	4,078,331	-
At 1 January, as restated	4,078,331	-
Net allowance made during the period / year	178,885	-
Amount transferred from individual impairment allowance	139,063	-
Amount written off	(59,283)	-
Allowance written back and charged to deferred assets	(2,903)	-
Unwinding income	(91)	-
Exchange fluctuation	33,077	-
Balance as at 31 March / 31 December	4,367,079	-
Portfolio impairment allowance as % of gross loans, advances and financing less loans exempted from portfolio impairment allowance by BNM and individual impairment allowance	3.10%	-
Specific allowance		
At 1 January, as previously stated	4,905,276	3,524,361
Adoption of FRS 139	(4,905,276)	-
At 1 January, as restated	-	3,524,361
Allowance made during the period / year	-	1,872,694
Amount written back in respect of recoveries	-	(502,027)
Amount written off	-	(1,117,850)
Arising from acquisition of subsidiaries	-	886,203
Allowance written back and charged to deferred assets	-	(2,880)
Amount transferred from general allowance	-	214,526
Allowance made in relation to jointly controlled entity	-	3,009
Allowance for non-performing loans purchased from third party	-	3,440
Exchange fluctuation	-	23,800
Balance as at 31 March / 31 December	-	4,905,276
General allowance		
At 1 January, as previously stated	1,826,593	1,808,539
Adoption of FRS 139	(1,826,593)	-
At 1 January, as restated	-	1,808,539
Net allowance made during the period / year	-	107,478
Amount transferred to specific allowance	-	(214,526)
Allowance for loans arising from acquisition of subsidiaries	-	88,309
Exchange fluctuation	-	36,793
Balance as at 31 March / 31 December	-	1,826,593
General allowance as % of gross loans, advances and financing less loans exempted from general allowance by BNM and specific allowance	-	1.34%

A11. OTHER ASSETS

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Interest receivable	504,692	495,892
Due from brokers and clients net of allowance for doubtful debts	3,721,972	1,337,154
Other debtors, deposits and prepayments net of allowance for doubtful debts	2,199,495	1,985,616
Due from insurers, brokers and reinsurers	19,389	26,033
Option financing	229,403	238,224
Deferred assets	178,566	198,610
Foreclosed properties net of allowance for impairment losses	589,955	610,944
Credit Support Annex for derivative transactions	201,221	210,761
Amounts receivable from sale of impaired loans/non-performing loans	118,562	118,562
	7,763,255	5,221,796

A12. DEPOSITS FROM CUSTOMERS

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
<u>By type of deposit</u>		
Demand deposits	37,685,103	36,950,453
Savings deposits	19,946,454	19,695,207
Fixed deposits	81,543,752	83,570,321
Negotiable instruments of deposit	2,821,337	2,081,384
Others	36,733,939	36,584,971
	178,730,585	178,882,336
<u>By type of customer</u>		
Government and statutory bodies	14,975,133	20,363,828
Business enterprises	80,200,457	77,199,262
Individuals	63,392,222	61,552,720
Others	20,162,773	19,766,526
	178,730,585	178,882,336
<u>Maturity structure of fixed deposits and negotiable instruments of deposit</u>		
One year or less (short term)	80,564,396	81,838,705
More than one year (medium/long term)	3,800,693	3,813,000
	84,365,089	85,651,705

A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Licensed banks	9,540,475	6,280,414
Licensed finance companies	92,668	101,307
Licensed investment banks	205,000	193,070
Bank Negara Malaysia	365,000	365,000
Other financial institutions	3,674,501	3,191,791
	13,877,644	10,131,582

A14. OTHER LIABILITIES

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Interest payable	577,547	568,278
Due to brokers and clients	3,724,554	1,578,692
Amount due to special purpose vehicle of jointly controlled entity	279,567	314,360
Expenditure payable	512,367	573,005
Provision for legal claims	238,471	290,336
Sundry creditors	1,004,442	554,379
Insurance fund - life and takaful insurance business	1,368,461	1,742,150
Insurance fund - general insurance business	423,118	14,574
Allowance for commitments and contingencies	70,738	72,716
Post employment benefit obligations	185,818	275,848
Others	2,533,746	2,120,965
	10,918,829	8,105,303

A15. INTEREST INCOME

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing				
- Interest income other than recoveries	2,086,780	2,171,061	2,086,780	2,171,061
- Recoveries from impaired loans/non-performing loans	2,522	64,643	2,522	64,643
- Unwinding income [^]	21,999	-	21,999	-
Money at call and deposit placements with financial institutions	78,596	45,631	78,596	45,631
Reverse repurchase agreements	17,821	44,690	17,821	44,690
Financial assets held for trading	42,308	42,947	42,308	42,947
Financial assets designated at fair value through profit or loss	853	-	853	-
Financial investments available-for-sale	116,365	134,046	116,365	134,046
Financial investments held-to-maturity	158,681	212,936	158,681	212,936
Others	10,635	12,270	10,635	12,270
	2,536,560	2,728,224	2,536,560	2,728,224
Accretion of discounts less amortisation of premiums	40,065	45,271	40,065	45,271
Net interest suspended	-	(42,604)	-	(42,604)
	2,576,625	2,730,891	2,576,625	2,730,891

[^] Unwinding income is income earned on impaired loans, advances and financing

A16. INTEREST EXPENSE

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	15,528	37,888	15,528	37,888
Deposits from other customers	794,018	1,068,914	794,018	1,068,914
Repurchase agreements	-	39	-	39
Subordinated notes	65,282	91,397	65,282	91,397
Loans sold to Cagamas	2,991	9,838	2,991	9,838
Negotiable certificates of deposits	26,336	45,170	26,336	45,170
Other borrowings	43,025	30,199	43,025	30,199
Others	25,644	40,403	25,644	40,403
	972,824	1,323,848	972,824	1,323,848

A17. NON-INTEREST INCOME

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
(a) Fee income :				
Commissions	58,973	52,191	58,973	52,191
Fee on loans, advances and financing	60,087	107,917	60,087	107,917
Portfolio management fees	6,991	4,527	6,991	4,527
Service charges and fees	88,944	97,726	88,944	97,726
Corporate advisory fees	33,021	33,023	33,021	33,023
Guarantee fees	12,534	15,603	12,534	15,603
Other fee income	86,935	54,652	86,935	54,652
Placement fees	9,727	322	9,727	322
Underwriting commission	13,395	1,564	13,395	1,564
Al-Wakalah fee	7,492	14,216	7,492	14,216
	378,099	381,741	378,099	381,741
(b) Gross dividend income from :				
<i>In Malaysia</i>				
- Financial assets held for trading	2,339	5,876	2,339	5,876
- Financial investments available-for-sale	10,527	5,093	10,527	5,093
<i>Outside Malaysia</i>				
- Financial assets held for trading	58	64	58	64
	12,924	11,033	12,924	11,033
(c) Net gain/(loss) arising from financial assets held for trading	25,691	28,902	25,691	28,902
- realised	1,372	35,262	1,372	35,262
- unrealised	24,319	(6,360)	24,319	(6,360)
(d) Net (loss)/gain arising from derivative financial instruments	(277,564)	381,615	(277,564)	381,615
- realised	(106,699)	266,958	(106,699)	266,958
- unrealised	(170,865)	114,657	(170,865)	114,657
(e) Net loss arising from hedging derivatives	(313)	(8,760)	(313)	(8,760)
(f) Net gain from sale of financial investments available-for-sale	215,685	30,269	215,685	30,269
(g) Net gain from redemption / maturity of financial investments held-to-maturity	75,824	1,447	75,824	1,447
(h) Net gain from financial assets designated at fair value through profit or loss	1,379	-	1,379	-
(i) Income from assets management and securities services	40,956	28,799	40,956	28,799
(j) Brokerage income	83,733	39,344	83,733	39,344
(k) Other non-interest income:				
Foreign exchange gain/(loss)	391,500	(100,615)	391,500	(100,615)
Rental income	5,506	5,127	5,506	5,127
Gain on disposal of property, plant and equipment	13,220	69,857	13,220	69,857
Net (loss)/gain from insurance business	(302)	16,550	(302)	16,550
Other non-operating income	41,668	30,116	41,668	30,116
	451,592	21,035	451,592	21,035
Total other operating income	1,008,006	915,425	1,008,006	915,425

A18. OVERHEADS

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonus	602,651	492,993	602,651	492,993
- Pension cost	53,625	53,099	53,625	53,099
- Overtime	8,242	9,608	8,242	9,608
- Staff incentives and other staff payments	33,246	33,012	33,246	33,012
- Medical expenses	18,407	15,089	18,407	15,089
- Others	67,249	44,335	67,249	44,335
	783,420	648,136	783,420	648,136
Establishment costs				
- Depreciation of property, plant and equipment	83,906	69,944	83,906	69,944
- Amortisation of prepaid lease payments	11,942	1,114	11,942	1,114
- Rental	67,437	53,465	67,437	53,465
- Insurance	29,724	16,369	29,724	16,369
- Repair and maintenance	59,250	59,259	59,250	59,259
- Outsourced services	36,232	37,685	36,232	37,685
- Security expenses	28,838	17,110	28,838	17,110
- Others	39,982	34,393	39,982	34,393
	357,311	289,339	357,311	289,339
Marketing expenses				
- Sales commission	12,710	12,292	12,710	12,292
- Advertisement	64,269	40,344	64,269	40,344
- Legal fees	-	9,779	-	9,779
- Others	12,992	11,352	12,992	11,352
	89,971	73,767	89,971	73,767
Administration and general expenses				
- Amortisation of intangible assets	64,523	28,409	64,523	28,409
- Impairment of intangible assets	1,302	-	1,302	-
- Legal and professional fees	45,499	30,882	45,499	30,882
- Stationery	23,087	18,887	23,087	18,887
- Merchant expenses	24,970	23,126	24,970	23,126
- Communication	23,480	23,671	23,480	23,671
- Incidental expenses on banking operations	23,767	21,992	23,767	21,992
- Others	125,633	168,380	125,633	168,380
	332,261	315,347	332,261	315,347
	1,562,963	1,326,589	1,562,963	1,326,589

A19. ALLOWANCE FOR IMPAIRMENT LOSSES ON LOANS, ADVANCES AND FINANCING

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Allowance for impaired loans/bad and doubtful debts on loans and financing :				
Individual impairment allowance				
- made during the period	33,571	-	33,571	-
Specific allowance				
- made during the period	-	366,841	-	366,841
- written back	-	(84,027)	-	(84,027)
Portfolio impairment allowance				
- made during the period	178,885	-	178,885	-
General allowance				
- made during the period	-	60,707	-	60,707
Bad debts on loans and financing :				
- recovered	(63,460)	(71,554)	(63,460)	(71,554)
- written off	829	(328)	829	(328)
	149,825	271,639	149,825	271,639

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES

(i) DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual or underlying principal amounts of trading derivatives and financial instruments held for hedging purposes. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at balance sheet date, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative Financial Instruments" Assets and Liabilities respectively.

	The Group		
	Principal amount RM'000	Fair values Assets RM'000	Liabilities RM'000
At 31 March 2010			
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	42,587,365	112,057	(168,089)
- Less than 1 year	40,163,862	63,113	(126,028)
- 1 year to 3 years	471,790	648	(10,924)
- More than 3 years	1,951,713	48,296	(31,137)
Currency swaps	4,425,416	376,915	(449,673)
- Less than 1 year	1,945,404	351,374	(412,053)
- 1 year to 3 years	2,283,098	16,002	(37,620)
- More than 3 years	196,914	9,539	-
Currency spot	1,443,119	729	(545)
- Less than 1 year	1,443,119	729	(545)
Currency options	3,249,577	39,387	(35,654)
- Less than 1 year	1,868,155	12,442	(7,314)
- 1 year to 3 years	1,381,422	26,946	(28,340)
Cross currency interest rate swap	15,130,306	426,838	(403,254)
- Less than 1 year	11,481,431	87,131	(95,242)
- 1 year to 3 years	523,728	135,331	(187,093)
- More than 3 years	3,125,147	204,376	(120,919)
	66,835,783	955,927	(1,057,215)
<u>Interest rate derivative</u>			
Interest rate swaps	165,343,402	2,061,905	(1,626,348)
- Less than 1 year	83,937,168	407,893	(385,064)
- 1 year to 3 years	41,200,690	651,381	(467,878)
- More than 3 years	40,205,544	1,002,631	(773,406)
Interest rate futures	16,563,445	22,406	(22,019)
- Less than 1 year	7,494,315	11,442	(12,720)
- 1 year to 3 years	7,272,455	7,748	(9,276)
- More than 3 years	1,796,675	3,216	(23)
Interest rate options	2,525,000	8,122	(8,963)
- Less than 1 year	1,775,000	-	(7,381)
- 1 year to 3 years	600,000	4,000	-
- More than 3 years	150,000	4,122	(1,582)
	184,431,847	2,092,433	(1,657,330)
<u>Equity related derivatives</u>			
Index futures	845	-	(1)
- Less than 1 year	845	-	(1)
Equity options	11,902,698	381,090	(679,419)
- Less than 1 year	3,788,247	280,929	(577,092)
- 1 year to 3 years	5,990,584	99,815	(101,995)
- More than 3 years	2,123,867	346	(332)
Commodity options	111,078	35,749	(35,227)
- 1 year to 3 years	111,078	35,749	(35,227)
	12,014,621	416,839	(714,647)
<u>Credit related contract</u>			
Credit default swaps	506,031	5,494	(1,739)
- Less than 1 year	32,670	651	(46)
- More than 3 years	473,361	4,843	(1,693)
<u>Hedging derivatives</u>			
Interest rate swaps	8,233,263	186,466	(233,647)
- Less than 1 year	5,272,868	16,629	-
- 1 year to 3 years	950,569	34,012	-
- More than 3 years	2,009,826	135,825	(233,647)
Cross currency interest rate swaps	990,517	18,150	(54,496)
- 1 year to 3 years	344,186	18,150	(3,257)
- More than 3 years	646,331	-	(51,239)
	9,223,780	204,616	(288,143)
Total derivative assets/(liabilities)	273,012,062	3,675,309	(3,719,074)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (continued)

(i) **DERIVATIVE FINANCIAL INSTRUMENTS (continued)**

	The Group		
	Principal amount	Fair values	
	RM'000	Assets	Liabilities
		RM'000	RM'000
At 31 December 2009			
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	10,632,964	64,014	(116,727)
Currency swaps	33,091,814	168,613	(239,294)
Currency options	2,696,630	29,974	(29,606)
Cross currency interest rate swaps	16,891,042	485,894	(346,313)
	<u>63,312,450</u>	<u>748,495</u>	<u>(731,940)</u>
<u>Interest rate derivatives</u>			
Interest rate swaps	150,661,679	2,111,139	(1,614,648)
Interest rate futures	16,702,600	30,334	(25,774)
Interest rate options	3,130,000	11,854	(4,920)
	<u>170,494,279</u>	<u>2,153,327</u>	<u>(1,645,342)</u>
<u>Equity related derivatives</u>			
Commodity futures	31,672	842	(13)
Index futures	4,505	-	(4)
Commodity options	690,261	70,562	(66,429)
Equity options	11,975,449	528,843	(856,920)
	<u>12,701,887</u>	<u>600,247</u>	<u>(923,366)</u>
<u>Credit related contract</u>			
Credit default swaps	825,435	2,062	(2,363)
<u>Hedging derivatives</u>			
Interest rate swaps	9,262,051	185,700	(176,843)
Cross currency interest rate swaps	350,000	-	(12,733)
	<u>9,612,051</u>	<u>185,700</u>	<u>(189,576)</u>
Total derivative assets/(liabilities)	<u>256,946,102</u>	<u>3,689,831</u>	<u>(3,492,587)</u>

The Group's derivative financial instruments are subject to market and credit risk, as follows:

Market Risk

Market risk is defined as any fluctuation in the value arising from changes in value of market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility. The contractual amounts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. The Group's risk management department monitors and manages market risk exposure via stress testing of the Group's Value-at-Risk (VaR) model, in addition to reviewing and analysing its treasury trading strategy, positions and activities vis-à-vis changes in the financial market, monitoring limit usage, assessing limit adequacy, and verifying transaction prices.

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 March 2010, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM3,675,309,000 (31 December 2009: RM3,689,831,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

There have been no changes since the end of the previous financial year in respect of the following:

- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
- c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group are discussed in the audited annual financial statements for the financial year ended 31 December 2009 and the Risk Management section of the 2009 Annual Report.

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (continued)
(ii) COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group enter into various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured over the Group's assets except for certain financial assets held for trading being pledged as credit support assets for certain over-the-counter derivative contracts.

Risk Weighted Exposures of the Group as at:

	31 Mar 2010			31 Dec 2009		
	Principal Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000	Principal Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000
The Group						
<u>Credit-related</u>						
Direct credit substitutes	4,244,028	4,198,290	2,106,543	5,325,347	4,930,893	2,225,277
Certain transaction-related contingent items	5,624,181	3,336,356	2,080,556	5,761,442	3,444,165	2,153,047
Short-term self-liquidating trade-related contingencies	3,011,274	602,100	433,305	3,761,011	744,063	590,935
Obligations under underwriting agreement	311,320	141,910	141,910	250,000	125,000	125,000
Irrevocable commitments to extend credit						
- maturity not exceeding one year	43,048,458	8,985,809	3,051,021	40,252,165	5,706,680	2,709,694
- maturity exceeding one year	6,427,673	137,858	135,853	5,948,537	116,698	114,688
Forward assets purchases	736,529	86	17	52,478	1	-
Miscellaneous commitments and contingencies	8,576,141	912,915	314,656	6,108,479	126,414	48,378
Total credit-related commitments and contingencies	71,979,604	18,315,324	8,263,861	67,459,459	15,193,914	7,967,019
<u>Treasury-related</u>						
<u>Foreign exchange related contracts</u>						
- less than one year	59,154,745	493,173	128,946	55,031,218	456,997	109,357
- one year to less than five years	3,695,423	1,338,031	425,361	3,876,156	1,544,495	477,976
- five years and above	1,510,425	401,857	138,508	1,333,036	387,218	114,425
	64,360,593	2,233,061	692,815	60,240,410	2,388,710	701,758
<u>Interest rate related contracts</u>						
- less than one year	93,758,879	46,873	10,672	91,152,067	17,120	4,641
- one year to less than five years	67,173,918	2,097,303	471,365	65,680,137	2,012,906	444,854
- five years and above	13,527,554	2,315,905	479,453	10,340,564	2,095,290	454,389
	174,460,351	4,460,081	961,490	167,172,768	4,125,316	903,884
<u>Equity related contracts</u>						
- less than one year	5,236,883	115,883	23,879	4,946,183	102,076	30,210
- one year to less than five years	5,198,258	269,789	75,482	6,163,740	317,527	88,596
- five years and above	1,468,404	89,298	17,860	870,031	59,199	11,840
	11,903,545	474,970	117,221	11,979,954	478,802	130,646
Other treasury related contracts	22,176,495	197,550	88,062	16,039,852	195,390	84,592
Total treasury-related commitments and contingencies	272,900,984	7,365,662	1,859,588	255,432,984	7,188,218	1,820,880
	344,880,588	25,680,986	10,123,449	322,892,443	22,382,132	9,787,899

* Other than the credit equivalent of RM10,530,163,000 (31 December 2009: RM7,403,370,000) arising from a subsidiary, PT Bank CIMB Niaga Tbk, which is computed based on Bank Indonesia requirements, and RM655,759,000 (31 December 2009: RM625,419,000) arising from a subsidiary, CIMB Thai Bank Public Company Limited, which is computed based on Bank of Thailand requirements, the other credit equivalent amounts are arrived at using the credit conversion factors as per Bank Negara Malaysia guidelines.

Effective 1 October 2008, the following approaches have been adopted for computation of risk weighted assets:

- adoption of bilateral netting as provided under the Standardised Approach Framework which involves the weighting of net claims rather than gross claims with the same counterparties arising out of the full range of forwards, swaps, options and similar derivative contracts.
- irrevocable commitments to extend credit (undrawn loans) have been revised to include only those undrawn loans whereby all conditions precedent have been met.

A21. CAPITAL ADEQUACY
31 Mar 2010

	CIMB Bank RM '000	CIMB Investment Bank RM '000	CIMB Islamic Bank RM '000	Bank CIMB Niaga* RM '000	CIMB Thai Bank # RM '000
The capital adequacy ratios are as follows:					
Tier I capital	14,536,738	396,445	651,189	3,699,064	644,841
Eligible Tier II capital	3,363,138	906	583,345	687,455	639,188
	17,899,876	397,351	1,234,534	4,386,519	1,284,029
Less:					
Investment in subsidiaries and holding of other banking institutions' capital	(2,571,306)	(9,050)	-	(44,794)	-
Capital base	15,328,570	388,301	1,234,534	4,341,725	1,284,029
Before deducting proposed dividend					
Core capital ratio	14.18%	18.33%	5.57%	10.87%	6.09%
Risk-weighted capital ratio	14.95%	18.33%	10.55%	12.76%	12.14%
After deducting proposed dividend ^					
Core capital ratio	14.18%	15.86%	5.57%	10.87%	6.09%
Risk-weighted capital ratio	14.95%	15.86%	10.55%	12.76%	12.14%

Components of Tier I and Tier II capitals are as follows:

Tier I capital					
Paid-up capital	3,764,466	100,000	550,000	556,853	673,968
Perpetual preference shares	200,000	-	70,000	-	-
Non-innovative Tier I Capital	1,000,000	-	-	-	-
Innovative Tier I capital	1,653,400	-	-	-	-
Share premium	5,033,622	-	-	2,390,658	-
Other reserves	6,722,205	301,464	211,814	796,347	(29,127)
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	-	-	-	(44,794)	-
Deferred tax assets	(281,880)	(5,019)	(44,625)	-	-
Goodwill	(3,555,075)	-	(136,000)	-	-
Total Tier I capital	14,536,738	396,445	651,189	3,699,064	644,841
Tier II capital					
Redeemable preference shares	29,740	10	-	-	1,664
Subordinated notes	1,500,000	-	300,000	-	574,854
Subordinated loans	-	-	-	245,042	-
Revaluation reserve	-	-	-	-	38,109
Portfolio impairment allowance	1,833,398	896	283,345	401,233	24,561
Others	-	-	-	41,180	-
Total Eligible Tier II capital	3,363,138	906	583,345	687,455	639,188
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	(2,253,564)	(9,050)	-	(44,794)	-
Investment in joint venture	(72,608)	-	-	-	-
Investment in associates	(245,134)	-	-	-	-
Total capital base	15,328,570	388,301	1,234,534	4,341,725	1,284,029
Less :					
Dividend	-	(52,300) ^	-	-	-
Total capital base (net of dividend)	15,328,570	336,001	1,234,534	4,341,725	1,284,029

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

	RM'000	RM'000	Risk Weighted RM'000	RM'000	RM'000
0%	28,425,951	193,632	5,874,022	8,310,849	3,333,227
10%	269,345	-	-	3,300	-
20%	29,882,895	5,268,177	2,139,993	3,803,048	739,835
35%	-	-	-	-	1,174,160
50%	23,018,303	61,682	3,789,328	12,658,704	212,058
75%	-	-	-	-	1,599,263
100%	78,678,886	608,199	8,862,492	25,008,361	7,099,589
150%	-	-	-	-	295,233
	96,191,552	1,692,675	11,185,155	32,098,653	9,406,838
Counterparty risk requirement	-	2	-	-	-
Total risk-weighted assets equivalent for credit risk	96,191,552	1,692,677	11,185,155	32,098,653	9,406,838
Total risk-weighted assets equivalent for market risk	6,158,079	425,450	515,290	185,792	339,646
Total risk-weighted assets equivalent for LERR	193,983	-	-	-	833,495
Total risk-weighted assets equivalent for operational risk	-	-	-	1,754,521	-
Total risk-weighted assets	102,543,614	2,118,127	11,700,445	34,038,966	10,579,979

The capital adequacy ratios have incorporated market risk pursuant to BNM's guideline on Market Risk Capital Adequacy Framework which was effective from 1 April 2005. Effective 1 October 2008, the following approaches have been adopted for the computation of risk weighted assets:

- adoption of bilateral netting as provided under the Standardised Approach Framework which involves the weighting of net claims rather than gross claims with the same counterparties arising out of the full range of forwards, swaps, options and similar derivative contracts.
- irrevocable commitments to extend credit (undrawn loans) have been revised to include only those undrawn loans whereby all conditions precedent have been met.

* Computation is based on Bank Indonesia requirements

Computation is based on Bank of Thailand requirements

^ Dividend for the financial year ended 31 December 2009 was paid on 19 April 2010

A21. CAPITAL ADEQUACY (continued)

31 December 2009

	CIMB Bank RM '000	CIMB Investment Bank RM '000	CIMB Islamic Bank RM '000	Bank CIMB Niaga* RM '000	CIMB Thai Bank # RM '000
The capital adequacy ratios are as follows:					
Adjusted for effects of FRS 139 (unaudited) as at 1 January 2010:					
Tier I capital	14,696,372	396,445	689,117	3,413,697	640,167
Eligible Tier II capital	3,384,084	924	560,927	760,271	640,167
	18,080,456	397,369	1,250,044	4,173,968	1,280,334
Less:					
Investment in subsidiaries and holding of other banking institutions' capital	(2,618,131)	(9,050)	-	(43,351)	-
Capital base	15,462,325	388,319	1,250,044	4,130,617	1,280,334
Before deducting proposed dividend					
Core capital ratio	14.59%	19.76%	6.77%	10.94%	6.00%
Risk-weighted capital ratio	15.35%	19.76%	12.29%	13.24%	11.99%
After deducting proposed dividend					
Core capital ratio	14.59%	17.10%	6.77%	10.94%	6.00%
Risk-weighted capital ratio	15.35%	17.10%	12.29%	13.24%	11.99%
As reported previously (audited) as at 31 December 2009:					
Tier I capital	14,874,153	396,707	690,239	3,520,387	640,167
Eligible Tier II capital	2,868,642	928	458,004	760,031	640,167
	17,742,795	397,635	1,148,243	4,280,418	1,280,334
Less:					
Investment in subsidiaries and holding of other banking institutions' capital	(2,618,131)	(9,050)	-	(43,351)	-
Capital base before effects of FRS 139	15,124,664	388,585	1,148,243	4,237,067	1,280,334
Before deducting proposed dividend					
Core capital ratio	14.81%	19.77%	6.82%	11.29%	6.00%
Risk-weighted capital ratio	15.06%	19.77%	11.34%	13.59%	11.99%
After deducting proposed dividend					
Core capital ratio	14.81%	17.11%	6.82%	11.29%	6.00%
Risk-weighted capital ratio	15.06%	17.11%	11.34%	13.59%	11.99%
Components of Tier I and Tier II capitals are as follows:					
Tier I capital					
Paid-up capital	3,764,467	100,000	550,000	565,191	685,791
Perpetual preference shares	200,000	-	70,000	-	-
Non-innovative Tier I Capital	1,000,000	-	-	-	-
Innovative Tier I capital	1,685,000	-	-	-	-
Share premium	5,033,622	-	-	2,426,456	-
Other reserves	7,028,019	301,726	250,864	572,091	(45,624)
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	-	-	-	(43,351)	-
Deferred tax assets	(281,880)	(5,019)	(44,625)	-	-
Goodwill	(3,555,075)	-	(136,000)	-	-
Total Tier I capital (audited)	14,874,153	396,707	690,239	3,520,387	640,167
Effects of FRS 139 on Tier I capital	(177,781)	(262)	(1,122)	(106,690)	-
Adjusted Tier I capital (unaudited)	14,696,372	396,445	689,117	3,413,697	640,167
Tier II capital					
Redeemable preference shares	29,740	10	-	-	1,693
Subordinated notes	1,500,000	-	300,000	-	568,134
Subordinated loans	-	-	-	329,739	-
Revaluation reserve	-	-	-	-	47,118
General allowance for bad and doubtful debts and financing	1,338,902	918	158,004	388,496	23,222
Others	-	-	-	41,796	-
Total Eligible Tier II capital (audited)	2,868,642	928	458,004	760,031	640,167
Effects of FRS 139 on Tier 2 capital	515,442	(4)	102,923	240	-
Adjusted Tier 2 capital (unaudited)	3,384,084	924	560,927	760,271	640,167
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	(2,300,489)	(9,050)	-	(43,351)	-
Investment in joint venture	(72,608)	-	-	-	-
Investment in associates	(245,034)	-	-	-	-
Total capital base before effects of FRS 139	15,124,664	388,585	1,148,243	4,237,067	1,280,334
Total capital base after effects of FRS 139	15,462,325	388,319	1,250,044	4,130,617	1,280,334
Less :					
Proposed 2009 final dividend	-	(52,300)	-	-	-
Total capital base (net of proposed dividend) before effects of FRS 139	15,124,664	336,285	1,148,243	4,237,067	1,280,334
Total capital base (net of proposed dividend) after effects of FRS 139	15,462,325	336,019	1,250,044	4,130,617	1,280,334

A21. CAPITAL ADEQUACY (continued)

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

	RM'000	RM'000	Risk Weighted RM'000	RM'000	RM'000
0%	30,359,481	427,170	6,100,082	7,041,820	5,174,033
10%	24,173	-	-	123,192	-
20%	21,909,123	5,949,667	2,070,774	1,816,284	822,660
35%	-	-	-	-	1,064,206
50%	22,437,082	66,764	3,068,223	9,992,852	358,716
75%	-	-	-	-	1,690,677
100%	79,804,879	417,380	7,628,648	25,707,687	7,181,200
150%	-	-	-	-	360,587
	<u>95,407,662</u>	<u>1,640,695</u>	<u>9,576,915</u>	<u>31,079,689</u>	<u>9,706,451</u>
Counterparty risk requirement	-	1	-	-	-
Total risk-weighted assets equivalent for credit risk	<u>95,407,662</u>	<u>1,640,696</u>	<u>9,576,915</u>	<u>31,079,689</u>	<u>9,706,451</u>
Total risk-weighted assets equivalent for market risk	4,834,636	324,340	548,828	97,253	123,231
Total risk-weighted assets equivalent for LERR	193,983	-	-	-	848,117
Total risk-weighted assets (audited)	<u>100,436,281</u>	<u>1,965,036</u>	<u>10,125,743</u>	<u>31,176,942</u>	<u>10,677,799</u>
Effects of FRS 139	327,152	(354)	48,759	19,231	-
Total risk-weighted assets adjusted for effects of FRS 139 (unaudited)	<u>100,763,433</u>	<u>1,964,682</u>	<u>10,174,502</u>	<u>31,196,173</u>	<u>10,677,799</u>

* Computation is based on Bank Indonesia requirements

Computation is based on Bank of Thailand requirements

A22. INTEREST/PROFIT RATE RISK

As at 31 March 2010	Non-trading book						Trading book RM'000	Total RM'000	Effective	Effective	Effective	Effective
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000			average interest rate RM %	average interest rate IDR %	average interest rate USD %	average interest rate THB %
Assets												
Cash and short-term funds	22,375,912	102	-	-	-	3,475,924	-	25,851,938	2.06	1.61	0.26	1.13
Reverse repurchase agreements	2,235,782	1,739,768	4,564	-	-	-	-	3,980,114	2.30	-	0.21	1.22
Deposits and placements with banks and other financial institutions	2,164,420	7,576,819	1,896,856	41,386	-	104,922	-	11,784,403	2.24	3.71	0.35	0.55
Financial investments at fair value through profit or loss	-	16,804	17,468	211,446	552,287	87,997	10,213,485	11,099,487	3.60	10.20	6.02	-
Financial investments available-for-sale	85,123	51,919	672,477	3,213,529	4,082,306	2,378,406	-	10,483,760	5.10	10.97	6.49	3.05
Financial investments held-to-maturity	179,076	229,231	607,698	7,872,106	5,258,971	-	-	14,147,082	5.18	10.81	5.78	3.24
Derivative financial instruments	-	-	16,629	41,066	162,272	593,487	2,861,855	3,675,309	-	-	-	-
Loans, advances and financing												
- not impaired	58,789,554	8,783,441	9,902,141	28,633,378	35,561,784	158,084	-	141,828,382	5.00	12.74	5.09	8.24
- impaired	-	-	-	-	-	2,245,993 [^]	-	2,245,993	-	-	-	-
Other assets	143,388	-	86,015	-	-	7,533,852	-	7,763,255	4.73	-	3.50	-
Deferred tax assets	-	-	-	-	-	132,928	-	132,928	-	-	-	-
Tax recoverable	-	-	-	-	-	148,426	-	148,426	-	-	-	-
Statutory deposits with central banks	-	-	-	-	-	710,333	-	710,333	-	-	-	-
Investment in associates and jointly controlled entities	-	-	-	-	-	651,402	-	651,402	-	-	-	-
Property, plant and equipment	-	-	-	-	-	1,480,223	-	1,480,223	-	-	-	-
Investment properties	-	-	-	-	-	101,024	-	101,024	-	-	-	-
Prepaid lease payments	-	-	-	-	-	286,461	-	286,461	-	-	-	-
Goodwill	-	-	-	-	-	7,693,284	-	7,693,284	-	-	-	-
Intangible assets	-	-	-	-	-	1,633,653	-	1,633,653	-	-	-	-
Non-current assets held for sale	-	-	-	-	-	158,742	-	158,742	-	-	-	10.87
Total assets	85,973,255	18,398,084	13,203,848	40,012,911	45,617,620	29,575,141	13,075,340	245,856,199				
Liabilities												
Deposits from customers	83,820,792	28,032,476	21,387,200	11,062,860	413,706	34,013,551	-	178,730,585	2.25	5.36	0.46	4.61
Deposits and placements of banks and other financial institutions	2,812,220	6,170,378	2,753,711	1,359,870	70,682	710,783	-	13,877,644	2.30	3.61	0.39	4.31
Derivative financial instruments	-	-	-	2,595	231,051	542,670	2,942,758	3,719,074	-	-	-	-
Bills and acceptances payable	1,589,986	1,508,232	191,871	-	-	962,275	-	4,252,364	2.34	-	-	1.25
Other liabilities	-	-	-	-	-	10,918,829	-	10,918,829	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	6,335	-	6,335	-	-	-	-
Current tax liabilities	-	-	-	-	-	254,975	-	254,975	-	-	-	-
Amount due to Cagamas Berhad	-	-	181,929	68,879	-	-	-	250,808	4.61	-	-	-
Bonds	-	-	-	429,053	-	-	-	429,053	-	-	3.00	-
Other borrowings	158,073	584,319	1,009,391	1,533,439	8,304	2,724	-	3,296,250	3.15	6.78	0.80	-
Redeemable preference shares	-	-	-	-	726,614	150,150	-	876,764	-	-	6.62	-
Subordinated notes	-	-	-	1,488,898	4,770,877	45,203	-	6,304,978	6.37	-	6.66	-
Total liabilities	88,381,071	36,295,405	25,524,102	15,945,594	6,221,234	47,607,495	2,942,758	222,917,659				
Total interest rate sensitivity gap	(2,407,816)	(17,897,321)	(12,320,254)	24,067,317	39,396,386		10,132,582					

[^] Includes individual impairment allowance and portfolio impairment allowance of RM9,255,170,000

A22. INTEREST/PROFIT RATE RISK (continued)

As at 31 December 2009	Non-trading book						Trading book RM'000	Total RM'000	Effective average interest rate RM %	Effective average interest rate IDR %	Effective average interest rate USD %	Effective average interest rate THB %
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000						
Assets												
Cash and short-term funds	24,137,452	430,794	-	-	-	3,706,441	-	28,274,687	1.98	1.61	0.33	1.12
Reverse repurchase agreements	3,371,486	1,168,272	5,115	-	-	-	-	4,544,873	2.06	-	-	1.21
Deposits and placements with banks and other financial institutions	221,812	1,288,340	827,031	10,072	-	35,800	-	2,383,055	2.09	6.40	0.72	0.55
Financial investments at fair value through profit or loss	-	-	-	-	-	7,128	14,992,174	14,999,302	2.58	10.41	4.10	-
Financial investments available-for-sale	139,386	396,277	438,068	3,503,789	4,608,218	1,914,798	-	11,000,536	5.03	10.81	7.05	2.21
Financial investments held-to-maturity	157,080	729,975	429,280	5,979,640	6,970,735	-	-	14,266,710	5.43	7.06	6.26	4.15
Derivative financial instruments	-	-	2,750	60,302	101,498	331,777	3,193,504	3,689,831	-	-	-	-
Loans, advances and financing												
- performing	61,713,320	12,729,560	10,496,300	25,302,667	31,150,028	141,335	-	141,533,210	4.93	13.05	6.93	7.46
- non-performing	-	-	-	-	-	684,980	-	684,980	-	-	-	-
Other assets	-	-	228,565	-	-	4,993,231	-	5,221,796	4.73	-	3.50	-
Deferred tax assets	-	-	-	-	-	293,708	-	293,708	-	-	-	-
Tax recoverable	-	-	-	-	-	110,416	-	110,416	-	-	-	-
Statutory deposits with central banks	-	-	-	-	-	843,757	-	843,757	-	-	-	-
Investment in associates and jointly controlled entities	-	-	-	-	-	649,138	-	649,138	-	-	-	-
Property, plant and equipment	-	-	-	-	-	1,499,066	-	1,499,066	-	-	-	-
Investment properties	-	-	-	-	-	120,349	-	120,349	-	-	-	-
Prepaid lease payments	-	-	-	-	-	279,924	-	279,924	-	-	-	-
Goodwill	-	-	-	-	-	7,694,653	-	7,694,653	-	-	-	-
Intangible assets	-	-	-	-	-	1,667,784	-	1,667,784	-	-	-	-
Non-current assets held for sale	-	-	-	-	-	226,224	-	226,224	-	-	-	-
Total assets	89,740,536	16,743,218	12,427,109	34,856,470	42,830,479	25,885,489	18,185,678	239,983,999				
Liabilities												
Deposits from customers	79,625,075	29,820,056	23,629,318	12,056,518	414,287	33,337,082	-	178,882,336	2.14	5.24	1.10	5.09
Deposits and placements of banks and other financial institutions	2,218,859	4,410,338	1,196,787	1,766,162	72,504	466,932	-	10,131,582	2.18	5.23	0.45	3.30
Derivative financial instruments	39,744	-	-	(963)	158,204	431,195	2,864,407	3,492,587	-	-	-	-
Repurchase agreements	565,097	-	-	-	-	-	-	565,097	-	-	-	1.22
Bills and acceptances payable	1,337,938	1,820,252	388,463	-	-	948,141	-	4,494,794	2.25	-	-	1.27
Other liabilities	-	-	-	-	-	8,105,303	-	8,105,303	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	13,247	-	13,247	-	-	-	-
Current tax liabilities	-	-	-	-	-	428,565	-	428,565	-	-	-	-
Amount due to Cagamas Berhad	-	66,666	120,463	148,483	-	-	-	335,612	4.68	-	-	-
Bonds	-	-	443,051	-	-	-	-	443,051	-	-	3.00	-
Other borrowings	1,063,085	162,711	398,358	1,578,039	6,263	9,830	-	3,218,286	3.13	13.69	0.86	-
Redeemable preference shares	-	-	-	-	751,437	132,650	-	884,087	-	-	6.62	-
Subordinated notes	308,562	-	-	1,483,611	4,504,279	46,286	-	6,342,738	6.37	7.38	-	-
Total liabilities	85,158,360	36,280,023	26,176,440	17,031,850	5,906,974	43,919,231	2,864,407	217,337,285				
Total interest rate sensitivity gap	4,582,176	(19,536,805)	(13,749,331)	17,824,620	36,923,505		15,321,271					

^ Includes specific allowances and general allowances of RM6,731,869,000

A23. SEGMENTAL REPORT

For management purposes, the Group is organised into six major operating divisions. The divisions form the basis on which the Group reports its primary segment information.

Consumer Banking comprises of Retail Banking, Business Banking and Direct Banking, Cards and CIMB Express.

Retail Banking focuses on introducing innovative products and services to individual customers. It offers products such as credit facilities (residential mortgages, personal loans, share financing and hire purchase financing), private client services, remittance services and deposit acceptance.

Business Banking is responsible for the development of products and services for customer segments comprising micro-enterprises, small and medium-scale enterprises (SMEs) and mid-sized corporations, as well as the management of business loan portfolios of these customer segments.

Direct Banking & Cards focuses on mass affluent customers and credit card business while CIMB Express caters to lower income customers offering product such as microcredit loan.

Corporate and Investment Banking comprise Investment Banking, Corporate Finance, Corporate Banking, International Banking & Transactional Services, Equity Capital Markets, Retail and Institutional Equities, Equity Derivatives, and Equity Investment and Trading.

Investment Banking and Corporate Finance offers financial advisory services to corporations, advising issuance of equity and equity-linked products, debt restructuring, mergers and acquisitions, initial public offerings, secondary offerings and general corporate advisory.

Corporate Banking provides a broad spectrum of financial and Ringgit lending services for domestic and multinational corporations as well as institutional and public sector clients.

International Banking and Transactional Services oversees the activities of the Group's overseas branches in London, Singapore and Hong Kong and provides conventional and customised financial packages in order to meet customers' needs, with products including non-Ringgit corporate lending, nominee services and cash management services.

Equity Capital Markets provides services including acting as underwriter, global co-ordinator, book runner or lead manager for equity and equity-linked transactions, originating, structuring, pricing and executing equity and equity-linked issues and executing program trades, block trades and market making. Equity Derivatives Group develops and issues new equity derivative instruments such as structured warrants and over-the-counter options to provide investors with alternative investment avenues. Equity Investment and Trading is the Group's Proprietary Equity Trading Unit. Retail and Institutional Equities provide stock broking services to retail and corporate clients.

Treasury and Investment focuses on treasury activities and services which include foreign exchange, money market, derivatives and trading of capital market instruments. It also invests the Group's proprietary capital.

Asset Management and Insurance comprises wholesale fund management, unit trust, private equity and venture capital activities. It includes the Group's life and takaful activities.

Foreign Banking Operation comprise of PT Bank CIMB Niaga Tbk and CIMB Thai Bank Public Company Limited (formerly known as BankThai Public Company Limited) and Bank of Yingkou Co Ltd, which are involved in the provision in the commercial banking and related services.

Support and others comprise all middle and back-office processes, cost centres and non-profit generating divisions of companies in the Group. It also include other business segments in the Group like investment holding, property management and other related services, whose results are not material to the Group.

A23. SEGMENTAL REPORT (continued)

	Consumer Banking RM'000	Corporate and Investment Banking RM'000	Treasury and Investment RM'000	Asset Management and Insurance RM'000	Foreign Banking Operations RM'000	Support and others RM'000	Total RM'000
31 March 2010							
Net interest income							
-external income / (expense)	608,455	324,092	(7,428)	2,646	711,596	(35,560)	1,603,801
-inter-segment income	(34,490)	(121,521)	157,303	(1)	-	(1,291)	-
	573,965	202,571	149,875	2,645	711,596	(36,851)	1,603,801
Income from Islamic Banking operations	116,943	32,102	74,459	(3,598)	13,160	(3,028)	230,038
Non-interest income (excluding gain on disposal of interest in a subsidiary)	186,064	200,049	223,619	54,159	324,242	19,873	1,008,006
Net income/(expense)	876,972	434,722	447,953	53,206	1,048,998	(20,006)	2,841,845
Overheads	(676,208)	(205,682)	(119,074)	(48,534)	(503,117)	(10,348)	(1,562,963)
Profit/(loss) before allowances	200,764	229,040	328,879	4,672	545,881	(30,354)	1,278,882
Allowance for impairment losses on loans, advances and financing	(61,413)	15,646	(3,080)	-	(100,718)	(260)	(149,825)
Allowance for losses on other receivables	-	(925)	(52)	(584)	(10,547)	(432)	(12,540)
Allowance written back for commitment and contingencies	-	-	-	-	307	-	307
Allowance made for other impairment losses	-	-	(6,002)	-	(5,774)	-	(11,776)
Segment results	139,351	243,761	319,745	4,088	429,149	(31,046)	1,105,048
Share of results of jointly controlled entities	-	-	2,164	-	-	-	2,164
Share of results of associates	2,448	-	8,387	(312)	10,201	813	21,537
Profit/(loss) before taxation and zakat	141,799	243,761	330,296	3,776	439,350	(30,233)	1,128,749
% of profit before taxation and zakat	12.6	21.6	29.3	0.3	38.9	(2.7)	100.0
Taxation and zakat							(216,450)
Profit after taxation before minority interests							912,299

A23. SEGMENTAL REPORT (continued)

	Consumer Banking RM'000	Corporate and Investment Banking RM'000	Treasury and Investment RM'000	Asset Management and Insurance RM'000	Foreign Banking Operations RM'000	Support and others RM'000	Total RM'000
31 March 2009							
Net interest income							
-external income / (expense)	664,043	365,761	(98,275)	5,058	483,667	(13,211)	1,407,043
-inter-segment income	(34,205)	(196,324)	235,697	-	-	(5,168)	-
	629,838	169,437	137,422	5,058	483,667	(18,379)	1,407,043
Income from Islamic Banking operations	78,416	26,790	49,554	-	9,591	(3,492)	160,859
Non-interest income (excluding gain on disposal of interest in subsidiaries)	160,172	148,936	377,629	63,787	175,285	(10,384)	915,425
Gain on disposal of interest in subsidiaries	-	-	30,251	-	-	-	30,251
Net income/(expense)	868,426	345,163	594,856	68,845	668,543	(32,255)	2,513,578
Overheads	(614,503)	(175,118)	(73,330)	(35,619)	(429,516)	1,497	(1,326,589)
Profit/(loss) before allowances	253,923	170,045	521,526	33,226	239,027	(30,758)	1,186,989
Allowance for losses on loans, advances and financing	(123,048)	(51,761)	(63)	(13)	(97,221)	467	(271,639)
Allowance for losses on other receivables	-	1,318	-	-	(36,203)	-	(34,885)
Allowance for commitment and contingencies	-	-	-	-	(7,579)	-	(7,579)
Allowance written back/(made) for impairment losses	-	2,641	(38,298)	-	(2,125)	(1)	(37,783)
Segment results	130,875	122,243	483,165	33,213	95,899	(30,292)	835,103
Share of results of jointly controlled entities	230	-	-	-	-	-	230
Share of results of associates	-	-	1,126	(467)	2,257	667	3,583
Profit/(loss) before taxation and zakat	131,105	122,243	484,291	32,746	98,156	(29,625)	838,916
% of profit before taxation and zakat	15.6	14.6	57.7	3.9	11.7	(3.5)	100.0
Taxation and zakat							(174,958)
Profit after taxation before minority interests							663,958

A24. OPERATIONS OF ISLAMIC BANKING

A24a. UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2010

	Note	The Group	
		31 Mar 2010 RM'000	31 Dec 2009 RM'000
Assets			
Cash and short-term funds		5,280,526	5,943,123
Deposits and placements with banks and other financial institutions		1,774,577	2,409,258
Financial assets held for trading		2,436,455	3,491,709
Financial investments available-for-sale		491,525	589,242
Financial investments held-to-maturity		1,129,455	1,045,721
Derivative financial instruments		339,803	459,659
Financing, advances and other loans	A24c(i)	18,175,590	16,859,101
Deferred tax assets		7,275	44,625
Tax recoverable		42,818	-
Amount due from related companies		5,262	1,547
Amount due from bank holding company		198,342	-
Statutory deposits with Bank Negara Malaysia		87,526	172,806
Property, plant and equipment		6,588	6,613
Other assets		415,314	642,696
Goodwill		136,000	136,000
Intangible assets		2,909	3,676
TOTAL ASSETS		30,529,965	31,805,776
Liabilities and Islamic banking capital funds			
Deposits from customers	A24(d)	20,175,083	20,180,319
Deposits and placements of banks and other financial institutions		7,957,180	9,120,340
Derivative financial instruments		227,002	248,478
Amount due to bank holding company		206,912	13,523
Amount due to related companies		12,085	8,111
Provision for taxation and zakat		50,063	70,711
Other liabilities		392,943	552,803
Subordinated Sukuk		300,000	300,000
TOTAL LIABILITIES		29,321,268	30,494,285
Equity			
Ordinary share capital		550,000	550,000
Islamic banking funds		91,693	91,693
Perpetual preference shares		70,000	70,000
Reserves		456,884	558,625
		1,168,577	1,270,318
Minority interests		40,120	41,173
TOTAL EQUITY		1,208,697	1,311,491
TOTAL LIABILITIES AND EQUITY		30,529,965	31,805,776

A24b. UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2010

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	356,357	248,418	356,357	248,418
Income derived from investment of shareholders' funds	31,219	33,532	31,219	33,532
Allowances for impairment losses on financing, advances and other loans	(36,784)	(33,684)	(36,784)	(33,684)
Allowance for losses on other receivables	(59)	(10)	(59)	(10)
Total distributable income	350,733	248,256	350,733	248,256
Income attributable to the depositors	(157,538)	(121,091)	(157,538)	(121,091)
Total net income	193,195	127,165	193,195	127,165
Other operating expenses	(64,628)	(53,110)	(64,628)	(53,110)
Profit before taxation and zakat	128,567	74,055	128,567	74,055
Taxation and zakat	(21,036)	(10,267)	(21,036)	(10,267)
Profit for the period	107,531	63,788	107,531	63,788
Profit for the period attributable to:				
Equity holders of the Company	107,266	65,067	107,266	64,392
Minority interests	265	(1,279)	265	(604)
	107,531	63,788	107,531	63,788
Income from Islamic operations (per page 2)				
Total net income	193,195	127,165	193,195	127,165
Add: Allowance for impairment losses on financing, advances and other loans	36,784	33,684	36,784	33,684
Add: Allowance for losses on other receivables	59	10	59	10
	230,038	160,859	230,038	160,859

A24b. UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2010
(Continued)

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Profit for the period	107,531	63,788	107,531	63,788
Other comprehensive income:				
Revaluation reserve-financial investments available-for-sale	5	1,172	5	1,172
- Net (loss)/gain from change in fair value	(408)	585	(408)	585
- Realised loss transferred to comprehensive income on disposal and impairment	414	405	414	405
- Transfer (from)/to deferred tax assets	(1)	182	(1)	182
Exchange fluctuation reserve	(3,795)	3,085	(3,795)	3,085
Other comprehensive income for the period, net of tax	(3,790)	4,257	(3,790)	4,257
Total comprehensive income for the period	103,741	68,045	103,741	68,045
Total comprehensive income for the period attributable to:				
Equity holders of the Company	103,476	68,649	103,476	68,649
Minority interests	265	(604)	265	(604)
	103,741	68,045	103,741	68,045

A24c. FINANCING, ADVANCES AND OTHER LOANS

(i) By type

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
At amortised cost		
Cash line	253,875	241,179
Term financing	31,809,939	28,011,302
Bills receivable	1,911	1,625
Trust receipts	29,160	29,827
Claims on customers under acceptance credits	189,766	173,893
Revolving credits	765,591	845,716
Other financing	58,849	49,046
	33,109,091	29,352,588
Less: Unearned income	(14,432,091)	(12,174,821)
Gross financing, advances and other loans	18,677,000	17,177,767
Fair value changes arising from fair value hedge	58,190	26,519
	18,735,190	17,204,286
Less: Allowance for impairment losses		
- Individual impairment allowance	(269,057)	-
- Portfolio impairment allowance	(290,543)	-
- Specific allowance	-	(181,427)
- General allowance	-	(163,758)
	(559,600)	(345,185)
Net financing, advances and other loans	18,175,590	16,859,101

(a) Included in term financing is RM1,500 million (31 December 2009: RM1,519 million) provided on normal commercial terms which is exempted from portfolio impairment allowance/general allowance by Bank Negara Malaysia.

(b) During the financial year, the Group has undertaken fair value hedges on RM1,500 million (31 December 2009: RM1,350 million) financing using profit rate swaps.

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Gross financing hedged	1,500,000	1,350,000
Fair value changes arising from fair value hedges	58,190	26,519
	1,558,190	1,376,519

The fair value loss on profit rate swaps as at 31 March 2010 were RM73.6 million (31 December 2009: RM41.6 million).

(ii) By geographical distribution

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Malaysia	18,140,415	16,590,186
Indonesia	433,338	373,917
Other countries	103,247	213,664
Gross financing, advances and other loans	18,677,000	17,177,767

(iii) Impaired financing/non-performing financing, advances and other loans by geographical distribution

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Malaysia	501,825	357,117
Indonesia	10,793	9,235
Gross impaired/non-performing financing, advances and other loans	512,618	366,352

A24c. FINANCING, ADVANCES AND OTHER LOANS (Continued)

(iv) Movements in impaired financing/non-performing financing, advances and other loans:

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Balance as at 1 January		
- as previously reported	366,352	207,093
- classified as impaired due to adoption of FRS139*	139,996	-
- as adjusted	506,348	207,093
Classified as impaired/non-performing during the period/year	72,995	384,855
Reclassified as not impaired/performing during the period/year	(31,967)	(94,443)
Amount recovered	(10,435)	(34,424)
Amount written off	(19,414)	(97,599)
Exchange fluctuation	(4,909)	870
Balance as at 31 March / 31 December	512,618	366,352
Ratio of gross impaired / non-performing financing, advances and other loans to gross financing, advances and other loans	2.74%	2.13%

* Represents restatement of income-in-suspense and financing previously classified as performing under GP3 but considered impaired under FRS 139.

(v) Movements in the allowance for impaired financing/bad and doubtful financing:

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Individual impairment allowance		
At 1 January, as previously stated	-	-
Adoption of FRS 139	272,235	-
At 1 January, as restated	272,235	-
Allowance made during the period / year	419	-
Amount recovered	(220)	-
Amount written off	(3,223)	-
Unwinding income	(88)	-
Exchange fluctuation	(65)	-
Balance as at 31 March / 31 December	269,057	-
Portfolio impairment allowance		
At 1 January, as previously stated	-	-
Adoption of FRS 139	264,540	-
At 1 January, as restated	264,540	-
Allowance made during the period / year	26,219	-
Exchange fluctuation	(216)	-
At 31 March / 31 December	290,543	-
Portfolio impairment allowance as % of gross financing, advances and other loans (excluding RPSIA financing and financing exempted from portfolio impairment allowance by BNM) less individual impairment allowance	2.25%	-

A24c. FINANCING, ADVANCES AND OTHER LOANS (Continued)

(v) Movements in the allowance for impaired financing/bad and doubtful financing:(Continued)

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Specific allowance		
At 1 January, as previously stated	181,427	102,902
Adoption of FRS 139	(181,427)	-
At 1 January, as restated	-	102,902
Allowance made during the period / year	-	202,593
Amount recovered	-	(25,785)
Amount written off	-	(97,356)
Exchange fluctuation	-	(927)
Balance as at 31 March / 31 December	-	181,427
General allowance		
At 1 January, as previously stated	163,758	83,638
Adoption of FRS 139	(163,758)	-
At 1 January, as restated	-	83,638
Allowance made during the period / year	-	81,309
Allowance transferred to conventional operations	-	(1,181)
Exchange fluctuation	-	(8)
At 31 March / 31 December	-	163,758
General allowance as % of gross financing, advances and other loans (excluding RPSIA financing and financing exempted from general allowance by BNM) less specific allowances	-	1.45%

A24d. DEPOSITS FROM CUSTOMERS

By type of deposits

	The Group	
	31 Mar 2010 RM'000	31 Dec 2009 RM'000
Non-Mudharabah		
Demand deposits	1,191,497	1,086,766
Savings deposits	614,693	550,330
Commodity Murabahah-i	21,335	17,125
Fixed return investment account	2,934,031	2,964,471
Negotiable instruments of deposit	1,086,728	523,089
Fixed rate deposits	1,078,180	1,102,280
Equity linked sukuk	246,150	249,250
Others	20,003	7,366
	7,192,617	6,500,677
Mudharabah		
Demand deposits	1,172,269	2,155,363
Savings deposits	270,604	243,458
General investment deposits	1,952,516	2,196,438
Special general investment deposits	7,976,117	7,425,800
Specific investment deposits	1,610,960	1,658,583
	12,982,466	13,679,642
	20,175,083	20,180,319

A25. CHANGE IN ACCOUNTING POLICIES AND COMPARATIVES

(a) CHANGE IN ACCOUNTING POLICIES

During the current reporting period, CIMB Group adopted the following significant standards and amendments to standards:

- i) FRS 139 Financial Instruments : Recognition and Measurement
- ii) IC Interpretation 9 Reassessment of Embedded Derivatives
- iii) FRS 7 Financial Instruments : Disclosures
- iv) Amendments to FRS 139 "Financial Instruments: Recognition and Measurement", FRS 7 "Financial Instruments: Disclosures" and IC Interpretation 9 "Reassessment of Embedded Derivatives"

The objective of FRS 139 is to establish principles for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. FRS 139 also deals with derecognition of financial assets and financial liabilities and hedge accounting. A significant portion of the requirements under FRS 139 had been addressed on 1 January 2005, with the adoption of BNM's revised GP8 : Guidelines on Financial Reporting for Licensed Institutions. These included principles which address the conditions of recognition, derecognition and measurement of financial instruments and hedge accounting. With the full adoption of FRS 139 on 1 January 2010, the additional requirements implemented by the Group are as follows:

Impairment of financial assets

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Loan Impairment

Impairment losses are calculated on individual loans and on loans assessed collectively.

Losses for impaired loans are recognised promptly when there is objective evidence that impairment of a portfolio of loans has occurred. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganisation, default or delinquency in interest or principal payments and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The Group assesses individually whether objective evidence of impairment exists for all assets deemed to be individually significant. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the individual impairment allowance account and the amount of the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of interest income.

Loans that have been individually assessed and for which no evidence of loss has been specifically identified on an individual basis are grouped together for portfolio impairment assessment. These loans are grouped according to their credit risk characteristics for the purposes of calculating an estimated collective loss. Future cash flows on a group of financial assets that are collectively assessed for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group.

The Group is currently reporting under the BNM's transitional arrangement as prescribed in the guidelines on 'Classification and Impairment Provision for Loans/Financing' issued on 8 January 2010. However, our Group's financial statements are prepared in full compliance with FRS 139 principles.

A25. CHANGE IN ACCOUNTING POLICIES AND COMPARATIVES (CONTINUED)

(a) CHANGE IN ACCOUNTING POLICIES (continued)

Interest Income Recognition

For all financial instruments measured at amortised cost, interest bearing financial assets classified as financial investments available-for-sale and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the effective interest rate ("EIR"), which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

In accordance with the transitional arrangement under paragraph 103AA of FRS 139, the changes arising from the implementation of FRS 139 has been accounted for prospectively.

Recognition of Embedded Derivatives

In accordance with FRS 139 and IC Interpretation 9, embedded derivatives are to be separated from the host contract and accounted for as a derivative if the economic characteristics and risks of the embedded derivative are not closely related to that of the host contract and the fair value of the resulting derivative can be reliably measured. This assessment is made when the entity first becomes a party to the contract.

Based on the assessment by the Group upon adoption of FRS 139 on 1 January 2010, there were no material embedded derivatives which were not closely related to the host contracts and which required bifurcation.

In accordance with the transitional arrangement under paragraph 103AA of FRS 139, the changes arising from the implementation of FRS 139 has been accounted for prospectively.

(b) COMPARATIVE FIGURES

(i) FRS 101 Presentation of Financial Statements

As a result of the adoption of the revised FRS 101, income statements of the Group for the comparative financial period ended 31 March 2009 have been re-presented as a combined statement of total comprehensive income comprising components of profit or loss and other comprehensive income. All non-owner changes in equity which were previously presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of other comprehensive income are not presented in the statement of changes in equity. Since these changes only affect presentation aspects, there is no impact to the results, performance and earnings per ordinary share of the Group.

(ii) FRS 7 Financial Instruments: Disclosures

The adoption of FRS 7 during the financial period will result in additional disclosures to be made in the annual accounts of the Group. The standard also requires disclosure of the statement of financial position and statement of total comprehensive income to be made by categories of financial assets and liabilities, which has minimal impact on the comparative disclosures of the Group, as the current presentation is already made by categories of financial assets and liabilities.

A25. CHANGE IN ACCOUNTING POLICIES AND COMPARATIVES (Continued)

(c) ADOPTION OF FRS 139 FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT

	Audited as at 31 December 2009 RM'000	Effects of adopting FRS 139			Adjusted 1 January 2010 RM'000
		Fair value/impairment RM'000	Reclassification RM'000	Total RM'000	
ASSETS					
Cash and short-term funds	28,274,687	-	-	-	28,274,687
Reverse repurchase agreements	4,544,873	-	-	-	4,544,873
Deposits and placements with banks and other financial institutions	2,383,055	-	-	-	2,383,055
Financial investments at fair value through profit or loss	14,999,302	-	-	-	14,999,302
Financial investments available-for-sale	11,000,536	317,908	270	318,178	11,318,714
Financial investments held-to-maturity	14,266,710	-	(270)	(270)	14,266,440
Derivative financial instruments	3,689,831	-	-	-	3,689,831
Loans, advances and financing	142,218,190	(737,809)	-	(737,809)	141,480,381
Other assets	5,221,796	(12,285)	-	(12,285)	5,209,511
Deferred tax assets	293,708	(140,559)	-	(140,559)	153,149
Tax recoverable	110,416	53,042	-	53,042	163,458
Statutory deposits with central banks	843,757	-	-	-	843,757
Investment in associates and jointly controlled entities	649,138	(5,711)	-	(5,711)	643,427
Property, plant and equipment	1,499,066	-	-	-	1,499,066
Investment properties	120,349	-	-	-	120,349
Prepaid lease payments	279,924	-	-	-	279,924
Goodwill	7,694,653	-	-	-	7,694,653
Intangible assets	1,667,784	-	-	-	1,667,784
	239,757,775	(525,414)	-	(525,414)	239,232,361
Non-current assets held for sale	226,224	-	-	-	226,224
TOTAL ASSETS	239,983,999	(525,414)	-	(525,414)	239,458,585

A25. CHANGE IN ACCOUNTING POLICIES AND COMPARATIVES (continued)

(c) **ADOPTION OF FRS 139 FINANCIAL INSTRUMENTS: RECOGNITION AND MEASUREMENT** (continued)

	Audited as at 31 December 2009 RM'000	Effects of adopting FRS 139			Adjusted 1 January 2010 RM'000
		Fair value/impairment RM'000	Reclassification RM'000	Total RM'000	
LIABILITIES AND EQUITY					
Deposits from customers	178,882,336	-	-	-	178,882,336
Deposits and placements of banks and other financial institutions	10,131,582	-	-	-	10,131,582
Repurchase agreements	565,097	-	-	-	565,097
Derivative financial instruments	3,492,587	-	-	-	3,492,587
Bills and acceptances payable	4,494,794	-	-	-	4,494,794
Other liabilities	8,105,303	(37,047)	-	(37,047)	8,068,256
Deferred tax liabilities	13,247	-	-	-	13,247
Current tax liabilities	428,565	(113,299)	-	(113,299)	315,266
Amount due to Cagamas Berhad	335,612	-	-	-	335,612
Bonds	443,051	-	-	-	443,051
Other borrowings	3,218,286	-	-	-	3,218,286
Subordinated notes	6,342,738	-	-	-	6,342,738
Non-cumulative guaranteed and redeemable preference shares	884,087	-	-	-	884,087
TOTAL LIABILITIES	217,337,285	(150,346)	-	(150,346)	217,186,939
Ordinary share capital	3,531,766	-	-	-	3,531,766
Reserves	16,813,811	(355,418)	-	(355,418)	16,458,393
Less: Shares held under trust	(563)	-	-	-	(563)
Perpetual preference shares	200,000	-	-	-	200,000
Minority interests	2,101,700	(19,650)	-	(19,650)	2,082,050
TOTAL EQUITY	22,646,714	(375,068)	-	(375,068)	22,271,646
TOTAL LIABILITIES AND EQUITY	239,983,999	(525,414)	-	(525,414)	239,458,585

Part B - Explanatory Notes Pursuant to BNM/GP8 Guidelines on Financial Reporting for Licensed Institutions

B1. GROUP PERFORMANCE REVIEW COMPARISON WITH THE PRECEDING QUARTER'S RESULTS

CIMB Group Holdings ("CIMB Group") Results

CIMB Group Holdings Berhad ("CIMB Group") reported a 36.5% year-on-year ("Y-o-Y") growth in 1Q10 net profit of RM838 million, equivalent to net earnings per share ("EPS") of 23.7 sen (or 11.9 sen post-bonus issue). The 1Q10 net return on equity ("ROE") of 16.5% is ahead of the Group's full-year target of 16%. Compared to 4Q09, the Group's net profit was 4.4% higher. The Group had a good start to 2010 with another record quarter driven by CIMB Niaga and regional capital markets.

With the release of these results, CIMB is the first Malaysian bank to prepare its financial statements in full compliance to FRS 139 principles although the industry remains under Bank Negara Malaysia's transitional arrangement. The Group's full adoption of FRS139 means that it is now fully compliant with global best accounting standards, consistent with its commitment to be benchmarked against highest standards of governance and transparency.

CIMB Group Y-o-Y Results

CIMB Group's 1Q10 revenues increased by 13.0% Y-o-Y to RM2.84 billion while the Group's profit before tax ("PBT") was 34.6% higher at RM1.13 billion.

For 1Q10, the Group's Malaysian consumer bank PBT grew 9.5% Y-o-Y in line with the continued turnaround in CIMB Bank's operations as recoveries at Group Special Assets Management (or "bad" bank) were relatively flat. PBT at Treasury & Investments declined 30.0% Y-o-Y to RM333 million largely due to lower investment gains during the period. The improved capital market activities brought about the 103.4% Y-o-Y jump in Corporate & Investment Banking PBT to RM236 million.

CIMB Niaga's contribution surged 264.7% Y-o-Y to RM423 million from RM116 million previously attributed to both significant operational improvement as well as gains arising from the sale of available for sale ("AFS") bonds in 1Q10. Meanwhile, CIMB Thai turned a RM6 million PBT contribution in 1Q10 compared to the RM18 million loss in 1Q09. Asset Management and Insurance PBT was 87.9% lower Y-o-Y at RM4 million as the better performance of its fund management companies was offset by start-up costs and provisions taken at CIMB SunLife (Indonesia) and CIMB Aviva (Malaysia).

CIMB Niaga was the largest contributor to Group PBT with 37% versus 14% in 1Q09. The Malaysian Consumer Bank's contribution to Group PBT declined to 11% compared to 14% in 1Q09, while Treasury and Investments fell to 30% from 57% previously. Contribution from Corporate & Investment Banking increased to 21% from 14% previously. Group Asset Management ("GAM") and Insurance shrank to under 1% from 4% last year, while CIMB Thai also made a small 1% contribution versus a loss in 1Q09.

Total non-Malaysian PBT jumped to 46% in 1Q10 from 19% in 1Q09 due to the surge in contribution from CIMB Niaga.

The Group's total gross loans expanded 12.1% Y-o-Y, underpinned by the Malaysian consumer loans which grew 15.6% as well as a strong 31.7% expansion (in RM terms) in CIMB Niaga's gross loans. Mortgages, credit cards and the Group's micro credit lending grew by 21.8%, 32.1% and 55.9% respectively Y-o-Y. Hire purchase loans are resuming the uptrend with a 4.1% Y-o-Y growth although business banking loans continued to decline by 3.2% Y-o-Y. Corporate loans were also 3.5% lower Y-o-Y.

Total Group deposits grew by 6.8% Y-o-Y as CIMB Bank's retail deposits grew 16.5% Y-o-Y underpinned by the growing Singapore retail operations. Excluding Singapore, CIMB Bank's 1Q10 retail deposits were 7.2% higher Y-o-Y.

The total loan impairment (under FRS139 policies) for the Group was RM150 million in 1Q10. Although this is a 44.9% Y-o-Y decline versus the loan loss provision of RM272 million in 1Q09 (under Garis Panduan 3 ("GP3") policies), the numbers are not directly comparable due to differing accounting treatments. The Group's total annualised credit charge was 0.40%, lower than the 0.60% full year target. The Group's gross impairment ratio was 7.5% for 1Q10, with an impairment allowance coverage of 80.5%. The Group's cost to income ratio rose to 55.0% compared to 52.8% in 1Q09.

CIMB Bank's risk weighted capital ratio improved to 15.6% as at 31 March 2010 (assuming inclusion of 1Q10 net profits) against 15.1% as at 31 December 2009. CIMB Group's double leverage and gearing stood at 119.8% and 26.9% respectively as at end-March 2010.

B1. GROUP PERFORMANCE REVIEW COMPARISON WITH THE PRECEDING QUARTER'S RESULTS (CONTINUED)

CIMB Group Q-on-Q Results

The Group's 1Q10 revenues of RM2.84 billion was 2.2% higher versus 4Q09, while Group net profits of RM838 million grew 4.4% from RM803 million in 4Q09.

CIMB Niaga Results

On 29 April 2010, Bank CIMB Niaga reported a 1Q10 net profit of IDR524 billion, a 99.6% Y-o-Y growth with a 1Q10 net ROE of 18.3%. The stronger performance was attributed to the strong loans growth, higher Net Interest Margins ("NIMs") and lower provisions. Profits from sale of AFS bonds by CIMB Niaga are not recognised in CIMB Niaga itself but at Group consolidated accounts. On a sequential basis, the 1Q10 net profit was 26.0% higher than 4Q09 primarily due to lower loan loss charges.

CIMB Niaga's gross loans grew 14.1% Y-o-Y in 1Q10 driven by the corporate and auto loans segments. Gross NPL was higher at 3.1% as at end-March 2010 compared to 2.8% as at the corresponding period last year. CIMB Niaga continues to retain the 2nd lowest position in net NPL ratios amongst Indonesian banks while loan loss coverage was increased to 115.4% as at end-1Q10 compared to 84.5% as at end-1Q09.

CIMB Niaga's Tier 1 capital and risk weighted capital ratios stood at 10.9% and 12.8% respectively as at 31 March 2010.

CIMB Thai Results

On 21 April 2010, CIMB Thai announced a 1Q10 net profit of THB348 million, a turnaround from the THB257 million loss in 1Q09. This had included a THB290 million gain arising from the sale of the Sathorn building. Excluding this one-off gain, CIMB Thai would have recorded a 1Q10 net profit of THB58 million. For the 3-month period, CIMB Thai chalked revenue of THB1.80 billion, up 11.5% Y-o-Y. As a result of GAAP adjustments, CIMB Thai's contribution to the Group's 1Q10 earnings was RM6 million, compared to a negative RM18 million in 1Q09.

As at 31 March 2010, CIMB Thai's Tier 1 capital and risk weighted capital ratios (based on Basel II framework) were at 6.1% and 12.1% respectively.

The Group is monitoring the Thai situation closely. So far, the political unrest has impeded access to its HQ and some branches in Bangkok. However, the Group is operating effectively from its back-up sites where required and remain focused on executing its transformation plan for its new franchise.

CIMB Islamic

CIMB Islamic's Y-o-Y PBT jumped 100% to RM80 million as Syariah-compliant banking products continue to gain ground. CIMB Islamic's gross financing assets grew 127.8% Y-o-Y, accounting for 12% of total Group loans. Total deposits grew by 53.7% Y-o-Y to RM17.6 billion. With its total assets at RM27.8 billion as at 31 March 2010, CIMB Islamic remains the second largest Islamic bank in Malaysia with a 12% market share.

Market Shares

CIMB Investment Bank remained the leading stockbroker in Malaysia and regained first place in the M&A league tables, while maintaining its number one position in Initial Public Offering ("IPO") and Equity Capital Market ("ECM") advisory. CIMB Islamic remained at the top of the domestic and global Islamic investment banking league tables. CIMB Bank is the second largest mortgage lender in Malaysia and expanded its share of retail deposits and credit cards. In Singapore, CIMB Securities was the 4th largest in stockbroking market share and number 1 in mid-sized corporate advisory. CIMB Niaga remains the second largest mortgage lender in Indonesia while PT CIMB Securities has moved up to 2nd in stockbroking market share. CIMB Thai secured the number one position in the Thai M&A segment. CIMB Principal Asset Management remains the second largest asset manager in Malaysia.

B2. CORPORATE DEVELOPMENTS

The significant corporate developments in 1Q10 were:

(a) Mergers and Acquisitions

- On 26 March 2010, CIMB Group completed the acquisition of the 32.22% interest in Touch N' Go Sdn Bhd ("TnG") for RM53.8 million. CIMB Group now holds a 52.22% equity interest in TnG.
- On 14 May 2010, CIMB Group entered into a conditional share sale and purchase agreement with Khazanah Nasional to acquire up to 19.67% equity interest in CIMB Niaga for up to RM1.94 billion via the issue of up to 134 million CIMB Group shares at RM14.50 per share. Upon completion, CIMB Group will hold up to 97.93% in CIMB Niaga.

(b) Capital Management

- On 23 February 2010, CIMB Group proposed a 1-for-1 bonus issue of up to 3,582,387,823 new CIMB shares of RM1.00 each. To facilitate this issue CIMB Group's authorized share capital will be raised from RM5 billion to RM10 billion. The ex-date for the bonus issue was 19 May 2010.
- On 2 April 2010, CIMB Group increased the offering size of its Proposed listing on the Stock Exchange of Thailand ("SET"), from up to 35 million CIMB Shares to up to 50 million CIMB Shares (100 million after completion of the bonus issue).
- On 5 April 2010, CIMB Group completed the issuance of RM750 million cumulative subordinated fixed rate notes.

(c) Others

- On 5 April 2010, CIMB Group announced its plans to set-up a research institute dedicated to promoting ASEAN integration, to be named CIMB ASEAN Research Institute.
- On 12 April 2010, CIMB Group announced the submission of the application to the SET in respect of the Proposed SET Listing.
- On 7 May 2010, MARC upgraded the long-term ratings for CIMB Bank and CIMB Islamic Bank to AAA/MARC-1 (stable) from AA+ previously.
- On 9 May 2010, CIMB Group obtained an approval-in-principle to offer banking services in Cambodia by the National Bank of Cambodia.

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group remains optimistic about its prospects for 2010 as regional economies and capital markets are in good shape with the exception of Thailand. Its deal pipeline in Malaysia, Indonesia and Singapore is good and the Group continues to enlarge and strengthen its consumer banking base. The Group 2010 KPI targets remain well in sight.

B4. TAXATION

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Major components of tax expense:				
Current tax expense	196,394	190,688	196,394	190,688
Deferred tax expense	22,550	(15,341)	22,550	(15,341)
Over-accrual in prior years	(2,494)	(389)	(2,494)	(389)
	<u>216,450</u>	<u>174,958</u>	<u>216,450</u>	<u>174,958</u>
Reconciliation				
Profit before taxation and zakat	1,128,749	838,916	1,128,749	838,916
Tax at statutory income tax rate of 25% (2009: 25%)	282,187	209,729	282,187	209,729
Effect of different tax rates in other countries and change in tax rates	11,838	1,773	11,838	1,773
Due to income not subject to income tax and expenses not deductible for tax purposes	(75,081)	(36,155)	(75,081)	(36,155)
Over-accrual in prior years	(2,494)	(389)	(2,494)	(389)
	<u>216,450</u>	<u>174,958</u>	<u>216,450</u>	<u>174,958</u>

B5. PARTICULARS OF PURCHASE AND SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no material gains or losses on disposal of investments or properties during the period under review other than in the ordinary course of business.

B6. DEPOSITS AND PLACEMENTS OF FINANCIAL INSTITUTIONS AND DEBT SECURITIES

	The Group	
	31 Mar 2010	31 Dec 2009
	RM'000	RM'000
Bonds and notes*		
Unsecured		
More than one year (medium/long term)	429,053	443,051
	<u>429,053</u>	<u>443,051</u>
* Included in bonds and notes for the current period is USD denominated bonds equivalent to USD140,000,000		
Other borrowings**		
Unsecured		
One year or less (short term)	1,751,783	1,624,154
More than one year (medium/long term)	1,544,467	1,594,132
	<u>3,296,250</u>	<u>3,218,286</u>
** Included in other borrowings for the current period is USD denominated syndicated term loans of USD400,000,000		
Subordinated Notes***		
Unsecured		
One year or less (short term)	-	308,562
More than one year (medium/long term)	6,304,978	6,034,176
	<u>6,304,978</u>	<u>6,342,738</u>

*** Includes US denominated Subordinated Notes of USD390,000,000

B7. MATERIAL LITIGATION

At the date of this report, there are no pending material litigation not in the ordinary course of business which would have materially affected the Group's financial position.

B8. COMPUTATION OF EARNINGS PER SHARE (EPS)

Basic EPS

The Group's basic EPS is calculated by dividing the net profit for the financial period after minority interests by the weighted average number of ordinary shares in issue during the financial period.

a) Basic EPS

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2010	31 Mar 2009	31 Mar 2010	31 Mar 2009
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after minority interests	838,083	613,943	838,083	613,943
Weighted average number of ordinary shares in issue - proforma ('000)	3,531,765	3,527,464	3,531,765	3,527,464
Basic earnings per share (expressed in sen per share)	23.7	17.4	23.7	17.4

b) Diluted EPS

Net profit for the financial period after minority interests	838,083	613,943	838,083	613,943
Elimination of interest expense on USD Zero Coupon Guaranteed Convertible Bonds	-	89	-	89
Income from investment of proceeds from exercise of warrants in money market instruments during the period	645	-	645	-
Net profit used to determine diluted EPS	838,728	614,032	838,728	614,032
Weighted average number of ordinary shares in issue ('000)	3,531,765	3,527,464	3,531,765	3,527,464
Adjustments for:				
- Conversion of USD Zero Coupon Guaranteed Convertible Bonds	-	4,317	-	4,317
- Warrants	12,451	-	12,451	-
Weighted average number of ordinary shares for diluted EPS	3,544,216	3,531,781	3,544,216	3,531,781
Diluted EPS	23.7	17.4	23.7	17.4