

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The unaudited interim financial statements for the first quarter ended 31 March 2009 have been prepared under the historical cost convention, and modified by the revaluation of available-for-sale securities, securities held for trading, all derivative contracts and investment properties and non-current assets/disposal groups held for sale.

The unaudited 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 2008. 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 2008.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2008.

The unaudited 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.

BNM has granted indulgence to the banking subsidiaries of the Company and other local banks in Malaysia from complying with the requirements on the impairment of loans under the revised 'Guideline on Financial Reporting for Licensed Institutions' ("BNM/GP8"). Paragraph 4, Appendix A of the revised BNM/GP8 requires impaired loans to be measured at their estimated recoverable amount. This requirement is principally similar to the requirements under FRS 139 – Financial Instruments: Recognition and Measurement. During the financial year ended 31 December 2008, BNM issued a revised circular on BNM/GP3 which requires impaired credit facilities to be measured at their recoverable amount. This requirement supersedes paragraph 4, Appendix A of the revised BNM/GP8. In view of the deferment of the implementation of FRS 139 in Malaysia, the banking subsidiaries of the Company and other local banks in Malaysia will be deemed to be in compliance with the requirement on the impairment of loans under the revised BNM/GP8 if the allowance for non-performing loans, advances and financing is computed based on BNM's guidelines on the 'Classification of Non-Performing Loans and Provision for Substandard, Bad and Doubtful Debts' ("BNM/GP3") requirements.

During the fourth quarter of 2008, CIMB Bank Berhad ("CIMB Bank") and PT Bank CIMB Niaga Tbk ("CIMB Niaga") had reclassified a portion of their securities in held-for-trading category to held-to-maturity category based on current market prices at the relevant dates of the reclassifications. The reclassification is 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 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 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 year 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 2009:-

a) On 13 February 2009, the Company purchased 10,000 of its own shares from the open market at an average market price of RM6.50 per share. The total consideration paid for the purchase of own shares, including transaction costs was RM65.0 thousand. The shares purchased were held as treasury shares in accordance with Section 67A subsection 3(A)(b) of the Companies Act, 1965.

A4. DIVIDENDS PAID AND PROPOSED

An interim gross dividend of 25 sen per ordinary share, comprising 20.7 sen gross per ordinary share less income tax of 25% and 4.3 sen tax exempt on 3,527,468,718 ordinary shares amounting to RM699,389,214 in respect of the financial year ended 31 December 2008, which was approved by the Board of Directors in a resolution dated 20 February 2009 was paid on 31 March 2009.

A5. STATUS OF CORPORATE PROPOSALS

a) **Acquisition of additional 49.91% equity stake in CIMB Thai Bank Public Company Limited (formerly known as BankThai Public Company Limited) ("CIMB Thai")**

On 13 January 2009, the Company announced that the tender offer extended by CIMB Bank under the laws of Thailand to acquire all the remaining CIMB Thai Shares not already owned by CIMB Bank ("Tender Offer") subsequent to the completion of the Proposed Acquisition has closed on 6 January 2009. Shareholders with a total of approximately 3.33 billion CIMB Thai shares representing approximately 49.91% of the total issued and paid-up share capital of CIMB Thai accepted the Tender Offer and consequently, CIMB Bank's total equity holding in CIMB Thai is approximately 92.04%. Upon completion of CIMB Thai's subsequent rights issue, CIMB Bank's shareholding in CIMB Thai was raised to 93.15%.

(b) **Disposal of equity interest in CIMB-Principal Islamic Asset Management Sdn Bhd (formerly known as SBB Asset Management Sdn Bhd) ("CPIAM") to CIMB Group Sdn Bhd ("CIMBG") and Principal Global Investors Holding Co. Inc. ("PGIH") ("CPIAM Transfers")**

On 30 January 2009, CIMB-Principal Asset Management Berhad ("CIMB-Principal"), a 60%-owned subsidiary of CIMBG which in turn is a wholly-owned subsidiary of BCHB, had disposed its 100% equity interest in CPIAM as follows:

- (i) 50% equity interest in CPIAM to CIMBG; and
- (ii) 50% equity interest in CPIAM to PGIH (a wholly-owned subsidiary of Principal Financial Group, Inc.)

at a cash consideration of RM8 million each.

(c) **Disposal by CIMB Bank of certain assets, liabilities and the asset/fund management business of Southern Investment Bank Berhad ("SIBB") to HLG Credit Sdn Bhd ("HLGC"), a 75% indirect subsidiary of Hong Leong Financial Group Berhad ("SIBB Disposal")**

The proposed SIBB Disposal has been approved by the Minister of Finance II on 20 May 2008 and the vesting of the certain assets and liabilities to HLGC was completed on 31 January 2009.

(d) **Proposed sale and leaseback of Menara Bumiputra-Commerce**

On 3 December 2007, CIMB Bank and the Company entered into a Sale and Purchase Agreement ("SPA") and Lease Agreement ("LA") with Pelaburan Hartanah Bumiputra Berhad ("PHBB") for the proposed sale and leaseback of Menara Bumiputra-Commerce.

Pursuant to the SPA and LA, the Company shall dispose Menara Bumiputra-Commerce to PHBB for a total cash consideration of RM460 million. CIMB Bank will then lease Menara Bumiputra-Commerce for an initial lease tenure of ten years with renewal options for two additional periods of five years each. The proposed sale and leaseback of Menara Bumiputra-Commerce was completed on 16 February 2009.

A5. STATUS OF CORPORATE PROPOSALS (continued)

e) Proposed disposal by the Company of its 49% equity interest in PT Commerce International

On 16 March 2009, Commerce International Group Berhad ("CIGB") entered into a Share Purchase Agreement ("SPA") with PT Parahiyangan Griyanusa ("PTPG"), a 99.0% owned subsidiary of Sun Life Assurance Company of Canada, for the disposal by CIGB of its 49% equity interest in PT Commerce International ("PTCI") (formerly known as PT Asuransi Jiwa John Hancock Indonesia) to PTPG for a total estimated consideration of 22.7 million United States Dollars ("USD") (equivalent to approximately RM84.1 million) ("Proposed Disposal"). The purchase consideration is subject to adjustments in accordance with the SPA, if any. The net asset value of PTCI as at September 2008 is 72.7 billion Indonesian Rupiah (equivalent to approximately RM22.5 million).

In conjunction with the Proposed Disposal, PTCI will enter into a bancassurance agreement with PT Bank CIMB Niaga Tbk ("CIMB Niaga") for the distribution of life insurance products through the distribution network of CIMB Niaga. The proposed disposal is pending the approvals of the relevant authorities.

f) Proposed issuance by CIMB Bank (L) Limited, an indirect subsidiary of BCHB, of up to USD150 million senior unsecured guaranteed bonds and proposed issuance by BCHB of 5 year warrants (collectively, the "Proposed Issuance")

The Company had on 3 November 2008 announced the Proposed Issuance. The proposed issuance was completed on 17 April 2009 with the issuance of USD140.0 million senior unsecured guaranteed bonds and 50,622,413 BCHB warrants.

(g) CIMB Group's proposed acquisition of 19.99% equity stake in Bank of Yingkou, China

On 17 March 2008, CIMBG entered into a Share Subscription Agreement with Bank of Yingkou for the subscription of 141.2 million new ordinary shares of RMB1.00 each, representing approximately 19.99% of the enlarged issued and paid up capital of Bank of Yingkou for a total cash subscription amount of RMB348.8 million (equivalent to approximately RM156.2 million). The proposed acquisition was completed on 17 April 2009 and consequently, CIMB Bank Berhad (an approximately 99.999% indirect subsidiary of BCHB), being the purchaser, currently holds an approximately 19.99% equity stake in the Bank of Yingkou Co., Ltd.

A6. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

There were no significant events other than those disclosed under status of corporate proposals that had occurred between 31 March 2009 and the date of this announcement.

PART A - EXPLANATORY NOTES

A7. SECURITIES HELD FOR TRADING

	The Group	
	31 Mar 2009	31 Dec 2008
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	1,035,685	1,342,488
Cagamas bonds	225,269	205,323
Khazanah bonds	36,975	9,791
Malaysian Government treasury bills	154,284	38,262
Bank Negara Malaysia bills	1,415,773	552,598
Bank Negara Malaysia negotiable notes	466,101	46,892
Negotiable instruments of deposit	3,651,378	4,150,073
Bankers' acceptances	874,098	1,174,286
Credit-linked notes	155,338	172,884
Other Government's securities	104,244	-
Commercial papers	-	332,605
Government investment issues	373,316	81,376
	8,492,461	8,106,578
Quoted securities:		
<u>In Malaysia:</u>		
Warrants	5	5
Shares	325,884	143,820
Loan stocks	1,272	1,272
Unit trusts	8,771	-
<u>Outside Malaysia:</u>		
Shares	19,312	11,959
Private and Islamic debt securities	-	6,127
Other Government bonds	175,052	212,781
	530,296	375,964
Unquoted securities:		
<u>In Malaysia:</u>		
Private and Islamic debt securities	1,644,983	1,418,725
Shares	84,032	-
Investment linked fund	30,236	-
<u>Outside Malaysia:</u>		
Private and Islamic debt securities	777,813	516,971
Shares	-	5,001
	2,537,064	1,940,697
Total securities held-for-trading	11,559,821	10,423,239

In the 4th quarter 2008, the Malaysian banking subsidiaries of the Company reclassified a portion of their securities in held for trading securities to held-to-maturity category based on current market prices at the relevant dates of reclassification. The reclassification has 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 held for trading category to held to the held-to-maturity category, as of the respective dates of reclassification is RM5,984,996,000.

As of date of reclassification, the effective interest rates on the reclassified held for trading securities, based on the new cost is an average of 6.65% per annum for the Group, with expected recoverable cash flows of RM6,143,696,000, including any coupons receivable on the securities.

A8. AVAILABLE-FOR-SALE SECURITIES

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	218,916	239,797
Cagamas bonds	292,079	296,925
Khazanah bonds	59,201	85,331
Other Government treasury bills	317	309
Government investment issues	369,006	450,776
Commercial papers	170,666	134,040
	1,110,185	1,207,178
Quoted securities:		
<u>In Malaysia:</u>		
Shares	173,705	267,448
Unit trusts	862,161	712,283
<u>Outside Malaysia:</u>		
Shares	74,587	465
Private and Islamic debt securities	1,407,614	128,050
Other Government bonds	2,423,061	2,238,805
	4,941,128	3,347,051
Unquoted securities:		
<u>In Malaysia:</u>		
Private and Islamic debt securities	6,313,049	6,524,704
Shares	610,636	521,030
Loan stocks	32,028	30,715
Property funds	136	116
Investment-linked funds	9,493	19,016
<u>Outside Malaysia:</u>		
Shares	129,501	60,268
Mutual funds	7,761	7,542
Private equity and unit trust funds	223,432	102,025
Private and Islamic debt securities	212,466	118,506
Loan stocks	499	485
	7,539,001	7,384,407
	13,590,314	11,938,636
<u>Allowance for impairment loss:</u>		
Private debt securities	(294,994)	(279,387)
Quoted shares	(10,585)	(11,527)
Quoted bonds	(1,239)	(1,138)
Unquoted shares	(162,925)	(38,320)
Unquoted bonds	(9,378)	-
Mutual funds	(6,971)	(51)
	(486,092)	(330,423)
Total available-for-sale securities	13,104,222	11,608,213

A9. HELD-TO-MATURITY SECURITIES

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	149,967	149,967
Cagamas bonds	294,817	294,817
Quoted securities		
<u>Outside Malaysia</u>		
Bonds	692,357	189,997
Islamic bonds	19,381	31,530
Medium term notes - Islamic	7,815	7,883
Other Government bonds	161,668	154,655
Unquoted securities		
<u>In Malaysia</u>		
Shares	462	462
Private debt securities	7,485,161	7,658,366
Loan stocks	32,478	32,478
Danaharta Urus Sdn Bhd ("DUSB") bonds	929,639	929,639
<u>Outside Malaysia</u>		
Private debt securities	4,267,695	2,324,724
	14,041,440	11,774,518
Accretion of discount net of amortisation of premium	249,955	224,864
Less : Allowance for impairment losses	(85,883)	(77,952)
Total held-to-maturity securities	14,205,512	11,921,430

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

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Carrying value	6,075,271	6,006,742
Fair value	5,897,447	5,977,580

A10. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Overdrafts	7,924,686	7,239,009
Term loans/financing		
- Housing loans/financing	31,905,961	29,344,329
- Syndicated term loans	7,453,220	7,342,689
- Hire purchase receivables	14,051,888	13,663,402
- Lease receivables	135,205	123,850
- Factoring receivables	71,041	86,888
- Other term loans/financing	48,798,205	40,006,121
Bills receivable	1,577,223	178,213
Trust receipts	936,624	822,721
Claims on customers under acceptance credits	5,113,650	5,908,166
Staff loans *	768,877	765,073
Credit card receivables	2,987,838	3,087,405
Revolving credits	18,469,907	17,791,176
Share margin financing	480,895	577,808
Other loans	734,400	774,004
	141,409,620	127,710,854
Less: Unearned interest	(6,420,624)	(4,878,552)
	134,988,996	122,832,302
Less: Islamic financing sold to Cagamas	(179,038)	(294,946)
Gross loans, advances and financing	134,809,958	122,537,356
Fair value changes arising from fair value hedge	149,198	177,618
	134,959,156	122,714,974
Less: Specific allowance	(4,328,898)	(3,524,361)
	130,630,258	119,190,613
Less: General allowance	(1,967,462)	(1,808,539)
Total net loans, advances and financing	128,662,796	117,382,074

* Included in staff loans of the Group are loans to Directors amounting to RM3,348,001 (31 December 2008: RM859,684).

Included in loans, advances and financing balances are RM2,051,278,000 (31 December 2008: RM2,061,944,000) of net loans relating to that of a jointly controlled entity, 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 RM6,062,761,000 as at 31 March 2009 (31 December 2008: RM3,021,205,000) provided on normal commercial terms which are exempted from general allowance by Bank Negara Malaysia.

The Group has undertaken fair value hedges on RM5.3 billion of its loan exposure using interest rate swaps. The fair value changes arising from the fair value hedges amounted to RM149,198,000 as at 31 March 2009 (31 December 2008: RM177,618,000).

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

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Domestic banking financial institutions	141,640	149,356
Domestic non-bank financial institutions		
- stockbroking companies	8,332	42,442
- others	3,150,522	2,994,551
Domestic business enterprises		
- small medium enterprises	21,443,869	20,766,537
- others	35,029,017	30,379,125
Government and statutory bodies	6,193,754	3,098,571
Individuals	58,306,617	55,756,328
Other domestic entities	4,340,147	3,942,677
Foreign entities	6,375,098	5,702,715
	134,988,996	122,832,302
Less: Islamic financing sold to Cagamas	(179,038)	(294,946)
Gross loans, advances and financing	134,809,958	122,537,356

(iii) By interest/profit rate sensitivity

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Fixed rate		
- Housing loans	5,492,365	5,572,131
- Hire-purchase receivables	12,610,525	11,422,258
- Other fixed rate loans	27,394,686	23,839,813
Variable rate		
- BLR plus	62,541,617	63,528,871
- Cost plus	10,774,978	10,056,076
- Other variable rates	16,174,825	8,413,153
	134,988,996	122,832,302
Less: Islamic financing sold to Cagamas	(179,038)	(294,946)
Gross loans, advances and financing	134,809,958	122,537,356

(iv) By economic purpose

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Personal use	4,182,916	3,200,541
Credit card	2,987,838	3,087,406
Purchase of consumer durables	15,799	19,111
Construction	4,518,664	3,277,838
Residential property (Housing)	30,398,258	28,933,603
Non-residential property	9,872,582	8,726,826
Purchase of fixed assets other than land and building	2,994,054	2,843,897
Mergers and acquisitions	1,830,120	1,563,682
Purchase of securities	10,548,164	12,161,500
Purchase of transport vehicles	13,958,537	13,302,548
Working capital	38,020,630	38,071,904
Other purpose	15,661,434	7,643,446
	134,988,996	122,832,302
Less: Islamic financing sold to Cagamas	(179,038)	(294,946)
Gross loans, advances and financing	134,809,958	122,537,356

A10. LOANS, ADVANCES AND FINANCING (continued)

(v) Non-performing loan by economic purpose

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Personal use	339,602	257,288
Credit card	92,404	73,565
Purchase of consumer durables	869	950
Construction	507,198	337,397
Residential property (Housing)	1,726,133	1,672,770
Non-residential property	448,823	438,087
Purchase of fixed assets other than land and building	117,463	116,226
Purchase of securities	78,293	69,980
Purchase of transport vehicles	406,862	375,828
Working capital	2,711,133	2,584,750
Other purpose	1,111,512	129,620
	7,540,292	6,056,461

(vi) Movement in the non-performing loans, advances and financing:

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Balance as at 1 January	6,056,461	7,324,748
Classified as non-performing during the period / year	1,101,030	3,707,932
Reclassified as performing during the period / year	(484,811)	(2,618,513)
Amount written back in respect of recoveries	(188,754)	(1,162,022)
Arising from acquisition of a subsidiary	1,323,786	67,149
Amount written off	(271,248)	(826,075)
Sale of NPL	-	(385,389)
Exchange fluctuation	3,828	(51,369)
Balance as at 31 March / 31 December	7,540,292	6,056,461
Specific allowance ^	(4,108,366)	(3,325,574)
Net non-performing loans, advances and financing	3,431,926	2,730,887
Ratio of net non-performing loans, advances and financing to total loans, advances and financing (including Islamic financing sold to Cagamas) less specific allowances ^	2.62%	2.29%

^ Excludes specific allowances on performing loans amounting to RM 220,532,000 (31 December 2008: RM198,787,000)

A10. LOANS, ADVANCES AND FINANCING (continued)**(vii) Movements in the allowance for bad and doubtful debts and financing are as follows:**

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
<u>Specific allowance</u>		
Balance as at 1 January	3,524,361	3,551,988
Allowance made during the period / year	366,841	1,679,440
Amount written back in respect of recoveries	(84,027)	(693,323)
Amount written back from sale of non-performing loans	-	(61,099)
Amount written off	(257,523)	(814,807)
Arising from acquisition of subsidiary	755,998	45,670
Allowance made and charged to deferred assets	11,997	878
Sale of NPL	(45)	(194,711)
Write back in relation to jointly controlled entity	1,233	(4,329)
Exchange fluctuation	10,063	14,654
Balance as at 31 March / 31 December	4,328,898	3,524,361
<u>General allowance</u>		
Balance as at 1 January	1,808,539	1,523,920
Net allowance made during the period / year	60,707	250,711
Amount transferred to specific allowance	(11,997)	-
Allowance for loans arising from acquisition of subsidiaries	124,570	80,094
Exchange fluctuation	(14,357)	(46,186)
Balance as at 31 March / 31 December	1,967,462	1,808,539
General allowance as % of gross loans, advances and financing (including Islamic financing sold to Cagamas) less loans exempted from general allowance by BNM and specific allowance	1.58%	1.56%

A11. OTHER ASSETS

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Interest receivable	563,927	468,114
Due from brokers and clients net of allowance for doubtful debts	1,138,998	512,972
Other debtors, deposits and prepayments net of allowance for doubtful debts	2,126,174	1,831,690
Due from insurers, brokers and reinsurers	8,820	18,679
Option financing	279,729	301,995
Deferred assets	211,999	216,292
Foreclosed properties net of allowance for impairment losses	243,715	257,490
Credit Support Annex for derivative transactions	437,431	464,823
Amounts receivable from sale of non-performing loans	165,987	165,871
	5,176,780	4,237,926

A12. DEPOSITS FROM CUSTOMERS

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
<u>By type of deposit</u>		
Demand deposits	30,105,681	31,076,404
Savings deposits	17,941,284	14,929,572
Fixed deposits	87,806,518	72,576,926
Negotiable instruments of deposit	7,325,846	9,240,410
Others	24,215,028	25,601,664
	167,394,357	153,424,976
<u>By type of customer</u>		
Government and statutory bodies	12,281,302	10,825,601
Business enterprises	74,696,247	73,442,172
Individuals	58,521,682	47,116,235
Others	21,895,126	22,040,968
	167,394,357	153,424,976
<u>Maturity structure of fixed deposits and negotiable instruments of deposit</u>		
One year or less (short term)	86,868,808	75,443,646
More than one year (medium/long term)	8,263,556	6,373,690
	95,132,364	81,817,336

A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Licensed banks	9,079,484	2,689,611
Licensed finance companies	156,446	14,140
Licensed investment banks	167,046	2,342,569
Bank Negara Malaysia	365,000	365,000
Other financial institutions	1,956,609	1,707,198
	11,724,585	7,118,518

A14. OTHER LIABILITIES

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Interest payable	676,947	634,286
Due to brokers and clients	1,298,983	741,345
Amount due to special purpose vehicle of jointly controlled entity	382,513	405,403
Expenditure payable	276,848	472,641
Provision for legal claims	282,177	314,173
Sundry creditors	820,431	541,410
Deferred gain on disposal of Menara Commerce	-	231,330
Insurance fund - life and takaful insurance business	2,097,291	1,890,635
Provision for commitments and contingencies	55,687	32,749
Post employment benefit obligations	230,665	135,562
Others	2,742,917	2,099,172
	8,864,459	7,498,706

A15. INTEREST INCOME

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing				
- Interest income other than recoveries	2,149,403	1,633,715	2,149,403	1,633,715
- Recoveries from NPLs	64,640	106,739	64,640	106,739
Money at call and deposit placements with financial institutions	75,655	267,780	75,655	267,780
Securities purchased under resale agreement	44,630	42,535	44,630	42,535
Securities held for trading	42,947	160,675	42,947	160,675
Available-for-sale securities	133,214	82,411	133,214	82,411
Held-to-maturity securities	182,010	29,061	182,010	29,061
Others	35,725	22,781	35,725	22,781
	2,728,224	2,345,697	2,728,224	2,345,697
Accretion of discounts less amortisation of premiums	45,271	29,675	45,271	29,675
Net interest suspended	(42,604)	(56,094)	(42,604)	(56,094)
	2,730,891	2,319,278	2,730,891	2,319,278

A16. INTEREST EXPENSE

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	142,416	120,051	142,416	120,051
Deposits from other customers	946,538	882,179	946,538	882,179
Obligation on securities sold under repurchase agreements	39	3,411	39	3,411
Bonds	-	5,362	-	5,362
Loan stocks/ICULS	74	453	74	453
Subordinated notes	90,529	42,757	90,529	42,757
Loans sold to Cagamas	9,838	18,017	9,838	18,017
Negotiable certificates of deposits	45,170	59,111	45,170	59,111
Other borrowings	26,137	34,524	26,137	34,524
Others	63,107	27,994	63,107	27,994
	1,323,848	1,193,859	1,323,848	1,193,859

A17. NON-INTEREST INCOME

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
(a) Fee income :				
Commissions	54,127	58,670	54,127	58,670
Fee on loans, advances and financing	106,372	82,052	106,372	82,052
Portfolio management fees	4,527	4,308	4,527	4,308
Service charges and fees	95,529	50,240	95,529	50,240
Corporate advisory fees	33,023	26,299	33,023	26,299
Guarantee fees	15,567	9,995	15,567	9,995
Other fee income	56,327	55,937	56,327	55,937
Placement fees	322	5,255	322	5,255
Underwriting commission	1,564	6,458	1,564	6,458
Al-Wakalah fee	14,216	4,033	14,216	4,033
	381,574	303,247	381,574	303,247
(b) Gross dividend income from :				
<u>In Malaysia</u>				
- Securities held for trading	5,876	7,731	5,876	7,731
- Available-for-sale securities	5,093	3,971	5,093	3,971
<u>Outside Malaysia</u>				
- Securities held for trading	64	201	64	201
	11,033	11,903	11,033	11,903
(c) Net (loss)/gain arising from securities held for trading	28,288	(24,848)	28,288	(24,848)
- realised	35,276	(20,627)	35,276	(20,627)
- unrealised	(6,988)	(4,221)	(6,988)	(4,221)
(d) Net gain/(loss) arising from derivative financial instruments	382,174	207,736	382,174	207,736
- realised	268,805	214,237	268,805	214,237
- unrealised	113,369	(6,501)	113,369	(6,501)
(e) Net loss arising from hedging derivatives	(8,760)	27,794	(8,760)	27,794
(f) Net gain from sale of available-for-sale securities	30,760	125,886	30,760	125,886
(g) Net gain from held-to-maturity securities	1,447	(16)	1,447	(16)
(h) Income from assets management and securities services	28,799	41,509	28,799	41,509
(i) Brokerage income	37,823	83,872	37,823	83,872
(j) Other non-interest income:				
Foreign exchange gain/(loss)	(95,931)	(43,979)	(95,931)	(43,979)
Rental income	5,127	2,869	5,127	2,869
Gain on disposal of property, plant and equipment	69,855	1,029	69,855	1,029
Net (loss)/gain from insurance business	16,550	-	16,550	-
Other non-operating income/(expense)	26,686	61,537	26,686	61,537
	22,287	21,456	22,287	21,456
Total other operating income	915,425	798,539	915,425	798,539

A18. OVERHEADS

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonus	490,248	427,381	490,248	427,381
- Pension cost	53,099	13,302	53,099	13,302
- Others	104,541	86,434	104,541	86,434
	647,888	527,117	647,888	527,117
Establishment costs				
- Depreciation of property, plant and equipment	72,588	49,654	72,588	49,654
- Amortisation of prepaid lease payments	388	382	388	382
- Rental	50,384	36,350	50,384	36,350
- Insurance	634	4,001	634	4,001
- Others	151,343	112,111	151,343	112,111
	275,337	202,498	275,337	202,498
Marketing expenses				
- Sales commission	12,270	7,777	12,270	7,777
- Advertisement	40,359	37,120	40,359	37,120
- Legal fees	9,779	4,462	9,779	4,462
- Others	11,345	7,469	11,345	7,469
	73,753	56,828	73,753	56,828
Administration and general expenses				
- Amortisation of intangible assets	26,490	25,989	26,490	25,989
- Legal and professional fees	30,472	24,307	30,472	24,307
- Stationery	18,819	11,880	18,819	11,880
- Merchant expenses	23,126	25,653	23,126	25,653
- Communication	23,702	15,334	23,702	15,334
- Others	207,002	171,794	207,002	171,794
	329,611	274,957	329,611	274,957
	1,326,589	1,061,400	1,326,589	1,061,400

A19. ALLOWANCE FOR LOSSES ON LOANS, ADVANCES AND FINANCING

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Allowance for bad and doubtful debts on loans and financing :				
Specific allowance				
- made during the period	366,841	389,558	366,841	389,558
- written back	(84,027)	(184,256)	(84,027)	(184,256)
General allowance				
- made during the period	60,707	47,470	60,707	47,470
Bad debts on loans and financing :				
- recovered	(71,554)	(63,915)	(71,554)	(63,915)
- written off	(328)	129	(328)	129
	271,639	188,986	271,639	188,986

In respect of loans, advances and financing in CIMB Bank Group which are in default for more than 7 years, no value is assigned as the realisable value of collateral. For the loans, advances and financing in CIMB Bank Group which are in default for more than 5 but up to 7 years, 50% of the realisable value of asset held has been assigned as the value of collateral. The specific allowance made during the period by CIMB Bank Group for these categories of non-performing loans is RM25,462,564 (2008: RM55,202,492).

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES

(i) DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual or underlying principal amounts of derivative financial instruments held at fair value through income statement and 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.

In the financial statements, 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.

	Principal amount RM'000	The Group Fair values	
		Assets RM'000	Liabilities RM'000
At 31 March 2009			
<u>Derivative at fair value through income statement</u>			
<u>Foreign exchange derivatives</u>			
Currency forward	12,300,560	129,018	(237,753)
Currency swaps	21,220,802	340,735	(207,050)
Currency options	2,676,961	170,206	(116,842)
Cross currency interest rate swap	14,969,668	620,619	(458,526)
	51,167,991	1,260,578	(1,020,171)
<u>Interest rate derivative</u>			
Interest rate swaps	161,935,251	3,046,485	(2,716,404)
Interest rate futures	25,373,770	73,237	(38,789)
Interest rate options	2,605,000	9,241	(15,464)
	189,914,021	3,128,963	(2,770,657)
<u>Equity related derivatives</u>			
Equity futures	13,276	7	(221)
Index futures	19,580	60	-
Equity options	17,184,476	138,573	(144,254)
Commodity options	950,579	733,251	(732,759)
	18,167,911	871,891	(877,234)
<u>Credit related contract</u>			
Credit default swaps	741,740	2,381	(3,908)
<u>Held for hedging purpose</u>			
Interest rate swaps	20,845,026	468,388	(260,584)
Cross currency interest rate swaps	1,311,059	52,102	(19,630)
	22,156,085	520,490	(280,214)
Total derivative assets/(liabilities)	282,147,748	5,784,303	(4,952,184)

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

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

	Principal amount RM'000	The Group Fair values	
		Assets RM'000	Liabilities RM'000
At 31 December 2008			
<u>Derivative at fair value through income statement</u>			
<u>Foreign exchange derivatives</u>			
Currency forward	8,478,262	125,522	(89,167)
Currency swaps	17,073,269	270,194	(301,779)
Currency spot	426,064	5,237	(4,345)
Currency options	4,346,964	164,470	(250,692)
Cross currency interest rate swaps	13,007,098	409,686	(415,500)
	43,331,657	975,109	(1,061,483)
<u>Interest rate derivatives</u>			
Interest rate swaps	157,826,911	3,260,712	(2,582,749)
Interest rate futures	28,174,595	82,820	(45,444)
Interest rate options	3,648,918	15,463	(13,926)
	189,650,424	3,358,995	(2,642,119)
<u>Equity derivatives</u>			
Equity futures	13,009	1	(420)
Commodity options	971,404	986,367	(982,057)
Equity options	12,385,319	194,711	(201,303)
	13,369,732	1,181,079	(1,183,780)
<u>Credit related contract</u>			
Credit default swaps	1,010,413	4,207	(58,927)
<u>Held for hedging purpose</u>			
Interest rate swaps	5,325,688	219,190	(205,117)
Cross currency interest rate swaps	638,300	1,356	(16,854)
	5,963,988	220,546	(221,971)
Total derivative assets/(liabilities)	253,326,214	5,739,936	(5,168,280)

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 against the Group's assets.

Risk Weighted Exposures of the Group as at:

Group	31 Mar 2009			31 Dec 2008		
	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
<u>Credit-related</u>						
Direct credit substitutes	5,038,824	5,005,992	2,072,567	4,651,831	4,620,651	1,881,467
Certain transaction-related contingent items	5,783,854	3,368,684	2,060,022	5,347,027	3,157,433	1,948,393
Short-term self-liquidating trade-related contingencies	2,828,416	562,237	373,713	3,700,924	737,396	511,436
Islamic financing sold directly and indirectly to Cagamas with recourse	179,038	179,038	179,038	294,946	294,946	294,946
Obligations under underwriting agreement	1,293,840	98,944	98,944	65,000	32,500	32,500
Irrevocable commitments to extend credit						
- maturity not exceeding one year	42,387,320	-	-	40,668,836	-	-
- maturity exceeding one year	4,424,168	472,527	469,767	8,754,634	4,377,317	3,722,448
Forward assets purchases	297,616	5,952	5,940	129,052	16	11
Forward assets sold	-	-	-	-	-	-
Miscellaneous commitments and contingencies	6,032,181	1,946,211	973,332	6,722,195	321,819	65,012
Total credit-related commitments and contingencies	68,265,257	11,639,585	6,233,323	70,334,445	13,542,078	8,456,213
<u>Treasury-related</u>						
Foreign exchange related contracts :						
- less than one year	44,715,717	754,747	112,294	39,809,643	662,249	113,902
- one year to less than five years	5,778,470	884,325	270,845	2,119,837	888,286	222,066
- five years and above	1,984,863	629,364	267,749	2,040,477	733,002	283,815
	52,479,050	2,268,436	650,888	43,969,957	2,283,537	619,783
Interest rate related contracts :						
- less than one year	117,228,685	5,702	1,440	114,353,287	13,008	2,623
- one year to less than five years	84,766,032	2,652,899	601,177	72,988,755	2,362,599	509,362
- five years and above	8,764,330	2,054,768	439,403	7,634,070	2,059,072	442,869
	210,759,047	4,713,369	1,042,020	194,976,112	4,434,679	954,854
Equity related contracts :						
- less than one year	4,918,802	91,512	20,497	4,155,670	117,653	25,823
- one year to less than five years	11,909,995	541,766	163,335	8,185,030	695,202	197,319
- five years and above	388,535	95,422	3,500	57,628	4,365	873
	17,217,332	728,700	187,332	12,398,328	817,220	224,015
Total treasury-related commitments and contingencies	280,455,429	7,710,505	1,880,240	251,344,397	7,535,436	1,798,652
	348,720,686	19,350,090	8,113,563	321,678,842	21,077,514	10,254,865

* Other than the credit equivalent of RM1,841,693,000 (2008: RM1,824,499,000) arising from a subsidiary, PT Bank CIMB Niaga Tbk, which is computed based on Bank Indonesia requirements, and RM419,493,000 (2008: RMNil) arising from a subsidiary, CIMB Thai Public Company Limited (formerly known as BankThai 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 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.

A21. INTEREST/PROFIT RATE RISK

As at 31 March 2009	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	Trading book RM'000	Total RM'000	Effective average interest rate RM %	Effective average interest rate IDR %	Effective average interest rate USD %
Assets											
Cash and short-term funds	14,848,418	-	-	-	-	4,670,826	-	19,519,244	2.08	-	0.96
Securities purchased under resale agreements	6,647,143	1,268,459	-	-	-	-	-	7,915,602	2.05	-	-
Deposits and placements with banks and other financial institutions	455,338	5,018,151	1,888,444	616,780	3,587	400,598	-	8,382,898	2.20	7.00	1.27
Securities held for trading	-	-	-	-	-	666,222	10,893,599	11,559,821	2.77	8.23	5.91
Available-for-sale securities	430,029	587,985	1,637,892	3,849,224	4,720,827	1,878,265	-	13,104,222	4.96	11.98	5.45
Held-to-maturity securities	223,250	990,700	1,302,177	4,027,904	7,435,951	225,530	-	14,205,512	5.61	11.19	6.95
Derivative financial instruments	-	-	-	-	-	36,999	5,747,304	5,784,303	-	-	-
Loans, advances and financing											
- performing	58,447,666	15,451,513	7,387,690	20,632,794	24,805,488	144,901	-	126,870,052	5.07	14.30	3.91
- non-performing	-	-	-	-	-	1,792,744 [^]	-	1,792,744	-	-	-
Other assets	168,857	114,729	15,000	-	-	4,878,194	-	5,176,780	4.73	-	-
Deferred tax assets	-	-	-	-	-	638,018	-	638,018	-	-	-
Tax recoverable	-	-	-	-	-	418,306	-	418,306	-	-	-
Statutory deposits with central banks	-	-	-	-	-	1,114,462	-	1,114,462	-	-	-
Investment in associates and jointly controlled entities	-	-	-	-	-	286,592	-	286,592	-	-	-
Property, plant and equipment	-	-	-	-	-	1,671,689	-	1,671,689	-	-	-
Investment properties	-	-	-	-	-	102,238	-	102,238	-	-	-
Prepaid lease payments	-	-	-	-	-	73,502	-	73,502	-	-	-
Goodwill	-	-	-	-	-	7,828,191	-	7,828,191	-	-	-
Intangible assets	-	-	-	-	-	465,870	-	465,870	-	-	-
Non-current assets held for sale	-	-	-	-	-	8,310	-	8,310	-	-	-
Total assets	81,220,701	23,431,537	12,231,203	29,126,702	36,965,853	27,301,457	16,640,903	226,918,356			
Liabilities											
Deposits from customers	73,346,244	43,265,840	21,174,826	6,331,683	90,940	23,184,824	-	167,394,357	2.50	7.10	0.76
Deposits and placements of banks and other financial institutions	3,115,027	5,897,980	1,094,005	1,148,200	365,000	104,373	-	11,724,585	2.09	5.10	1.15
Derivative financial instruments	-	-	-	-	-	67,728	4,884,456	4,952,184	-	-	-
Obligations on securities sold under repurchase agreements	550,015	-	-	-	-	-	-	550,015	2.25	-	-
Bills and acceptances payable	935,385	1,501,098	250,497	-	-	701,858	-	3,388,838	3.00	-	-
Other liabilities	-	-	-	-	-	8,864,459	-	8,864,459	-	-	-
Deferred tax liabilities	-	-	-	-	-	11,565	-	11,565	-	-	-
Current tax liabilities	-	-	-	-	-	142,082	-	142,082	-	-	-
Amount due to Cagamas Berhad	-	267,280	240,702	323,144	-	-	-	831,126	4.78	-	-
Bonds	-	-	25,760	-	-	-	-	25,760	-	-	4.80
Other borrowings	1,370,995	707,028	404	1,625,659	7,620	-	-	3,711,706	4.00	14.99	1.66
Redeemable preference shares	-	-	-	-	830,658	135,000	-	965,658	-	-	6.62
Subordinated notes	381,858	687,782	3,472	1,545,395	3,380,619	-	-	5,999,126	6.05	7.38	5.73
Total liabilities	79,699,524	52,327,008	22,789,666	10,974,081	4,674,837	33,211,889	4,884,456	208,561,461			
Total interest rate sensitivity gap	1,521,177	(28,895,471)	(10,558,463)	18,152,621	32,291,016		11,756,447				

A21. INTEREST/PROFIT RATE RISK (continued)

As at 31 December 2008	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	Trading book RM'000	Total RM'000	Effective average interest rate RM %	Effective average interest rate IDR %	Effective average interest rate USD %
Assets											
Cash and short-term funds	19,571,288	-	-	-	-	4,837,423	-	24,408,711	3.11	2.94	1.09
Securities purchased under resale agreements	1,672,818	1,638,425	-	-	-	-	-	3,311,243	2.83	-	-
Deposits and placements with banks and other financial institutions	1,278,321	1,848,565	402,569	397,867	135,924	30	-	4,063,276	2.97	4.86	1.93
Securities held for trading	-	-	-	-	-	5,814	10,417,425	10,423,239	3.63	10.20	5.46
Available-for-sale securities	188,147	213,075	876,572	2,668,828	3,513,640	4,147,951	-	11,608,213	4.94	9.96	-
Held-to-maturity securities	79,090	263,527	406,123	4,440,286	6,324,004	408,400	-	11,921,430	5.66	6.97	6.89
Derivative financial instruments	-	-	-	-	-	350,135	5,389,801	5,739,936	-	-	-
Loans, advances and financing	-	-	-	-	-	-	-	-	-	-	-
- performing	55,247,988	7,116,640	8,340,065	22,086,955	23,671,770	195,094	-	116,658,512	5.72	11.94	4.07
- non-performing	-	-	-	-	-	723,562 ^	-	723,562	-	-	-
Other assets	-	-	301,995	-	-	3,935,931	-	4,237,926	5.93	-	-
Deferred tax assets	-	-	-	-	-	543,139	-	543,139	-	-	-
Tax recoverable	-	-	-	-	-	388,756	-	388,756	-	-	-
Statutory deposits with central banks	-	-	-	-	-	2,736,345	-	2,736,345	-	-	-
Investment in associates and jointly controlled entities	-	-	-	-	-	913,767	-	913,767	-	-	-
Property, plant and equipment	-	-	-	-	-	1,669,036	-	1,669,036	-	-	-
Investment properties	-	-	-	-	-	100,175	-	100,175	-	-	-
Prepaid lease payments	-	-	-	-	-	50,386	-	50,386	-	-	-
Goodwill	-	-	-	-	-	6,696,245	-	6,696,245	-	-	-
Intangible assets	-	-	-	-	-	459,361	-	459,361	-	-	-
Non-current assets held for sale	-	-	-	-	-	82,452	-	82,452	-	-	-
Total assets	78,037,652	11,080,232	10,327,324	29,593,936	33,645,338	28,244,002	15,807,226	206,735,710			
Liabilities											
Deposits from customers	79,386,509	22,414,309	22,039,452	5,657,913	15,866	23,910,927	-	153,424,976	3.22	5.60	0.56
Deposits and placements of banks and other financial institutions	2,236,444	3,855,696	636,328	24,011	365,231	808	-	7,118,518	3.22	1.69	1.36
Derivative financial instruments	-	-	-	-	-	266,045	4,902,235	5,168,280	-	-	-
Obligations on securities sold under repurchase agreements	-	-	-	-	-	62,924	-	62,924	-	-	-
Bills and acceptances payable	1,243,331	1,275,058	78,537	-	-	736,340	-	3,333,266	3.72	-	-
Other liabilities	-	-	-	-	-	7,498,706	-	7,498,706	-	-	-
Deferred tax liabilities	-	-	-	-	-	14,895	-	14,895	-	-	-
Current tax liabilities	-	-	-	-	-	152,498	-	152,498	-	-	-
Amount due to Cagamas Berhad	11,524	73,487	435,646	473,161	-	-	-	993,818	4.74	-	-
Bonds	-	-	24,374	-	-	-	-	24,374	-	-	4.80
Other borrowings	1,101,937	601,416	623,401	1,670,434	7,648	-	-	4,004,836	3.42	13.49	2.19
Redeemable preference shares	-	-	-	-	813,336	135,000	-	948,336	-	-	6.62
Subordinated notes	-	-	1,037,748	1,535,476	3,025,111	-	-	5,598,335	6.07	7.38	5.52
Liabilities directly associated with non-current assets classified as held for sale	-	-	-	-	-	29,499	-	29,499	-	-	-
Total liabilities	83,979,745	28,219,966	24,875,486	9,360,995	4,227,192	32,807,642	4,902,235	188,373,261			
Total interest rate sensitivity gap	(5,942,093)	(17,139,734)	(14,548,162)	20,232,941	29,418,146		10,904,991				

^ Includes specific allowances and general allowances of RM6,280,497,000 (2008: RM5,332,900,000)

A22. CAPITAL ADEQUACY

31 Mar 2009

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000	CIMB Thai Bank # RM '000
The capital adequacy ratios are as follows:					
Tier I capital	11,562,303	559,641	590,060	3,030,624	647,452
Eligible Tier II capital	4,831,223	1,116	93,178	876,162	390,224
	16,393,526	560,757	683,238	3,906,786	1,037,676
Less:					
Investment in subsidiaries and holding of other banking institutions' capital	(2,361,957)	(19,420)	-	(33,076)	(16,938)
Capital base	14,031,569	541,337	683,238	3,873,710	1,020,738
Core capital ratio	10.92%	32.29%	9.04%	12.78%	6.23%
Risk-weighted capital ratio	13.25%	32.29%	10.47%	16.34%	9.82%

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

Tier I capital

Paid-up capital	2,974,009	219,242	550,000	485,286	648,810
Perpetual preference shares	200,000	-	70,000	-	-
Non-innovative Tier I Capital	1,000,000	-	-	-	-
Innovative Tier I capital	1,729,600	-	-	-	-
Share premium	4,157,074	33,489	-	2,083,411	-
Other reserves	5,311,432	312,445	127,122	495,003	(1,358)
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	-	-	-	(33,076)	-
Deferred tax assets	(250,737)	(5,535)	(21,062)	-	-
Goodwill	(3,559,075)	-	(136,000)	-	-
Total Tier I capital	11,562,303	559,641	590,060	3,030,624	647,452

Tier II capital

ICULS issued	667,000	-	-	-	-
Cumulative preference shares	29,740	10	-	-	-
Subordinated notes issued	2,594,400	-	-	-	-
Subordinated loans	-	-	-	584,748	323,648
Revaluation reserve	-	-	-	-	45,299
General allowance for bad and doubtful debts and financing	1,540,083	1,106	93,178	291,414	21,277
Total Eligible Tier II capital	4,831,223	1,116	93,178	876,162	390,224
Less :					
Investment in subsidiaries and holding of other banking institutions' capital	(2,310,393)	(19,420)	-	(33,076)	(16,938)
Investment in joint venture	(51,564)	-	-	-	-
Investment in associates	-	-	-	-	-
Total capital base	14,031,569	541,337	683,238	3,873,710	1,020,738

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

	Risk Weighted				
	RM'000	RM'000	RM'000	RM'000	RM'000
0%	24,979,725	517,608	3,301,766	7,439,481	7,651,595
10%	29,536	-	-	106,074	-
20%	24,715,030	2,743,981	3,050,985	2,514,818	1,510,732
35%	-	-	-	-	868,002
50%	23,894,120	38,900	1,039,345	8,733,297	147,659
75%	-	-	-	-	1,788,281
100%	83,407,522	779,208	5,110,439	18,432,875	6,618,012
150%	-	-	-	-	388,339
	100,300,542	1,347,454	6,240,309	23,313,095	9,221,508
Counterparty risk requirement	-	16	-	-	-
Total risk-weighted assets equivalent for credit risk	100,300,542	1,347,470	6,240,309	23,313,095	9,221,508
Total risk-weighted assets equivalent for market risk	5,377,072	329,179	287,282	394,394	273,308
Total risk-weighted assets equivalent for LERR	196,983	-	-	-	900,899
Total risk-weighted assets	105,874,597	1,676,649	6,527,591	23,707,489	10,395,715

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

A22. CAPITAL ADEQUACY (continued)

31 December 2008

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000
The capital adequacy ratios are as follows:				
Tier I capital	11,662,347	629,641	590,060	3,021,172
Eligible Tier II capital	4,752,839	1,105	75,613	952,519
	16,415,186	630,746	665,673	3,973,691
Less:				
Investment in subsidiaries and holding of other banking institutions' capital	(1,376,978)	(19,420)	-	(65,448)
Capital base	15,038,208	611,326	665,673	3,908,243
Core capital ratio	10.89%	40.15%	10.36%	12.05%
Risk-weighted capital ratio	14.04%	40.15%	11.69%	15.59%

After deducting proposed dividends:				
Core capital ratio	10.75%	35.56%	10.36%	11.62%
Risk-weighted capital ratio	13.90%	35.56%	11.69%	15.16%

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

Tier I capital				
Paid-up capital	2,974,009	219,242	550,000	489,478
Perpetual preference shares	200,000	-	70,000	-
Non-innovative Tier I Capital	1,000,000	-	-	-
Innovative Tier I Capital	1,692,900	-	-	-
Share premium	4,157,074	33,489	-	2,116,445
Other reserves	5,461,432	382,445	127,122	415,249
Less :				
Deferred tax assets	(263,993)	(5,535)	(21,062)	-
Goodwill	(3,559,075)	-	(136,000)	-
Total Tier I capital	11,662,347	629,641	590,060	3,021,172
Tier II capital				
ICULS issued	667,000	-	-	-
Redeemable preference shares	29,740	10	-	-
Subordinated notes issued	2,539,350	-	-	-
Subordinated loans	-	-	-	653,361
General allowance for bad and doubtful debts and financing	1,516,749	1,095	75,613	299,158
Total Eligible Tier II capital	4,752,839	1,105	75,613	952,519
Less :				
Investment in subsidiaries and holding of other banking institutions' capital	(729,600)	(19,420)	-	(65,448)
Investment in joint venture	(51,564)	-	-	-
Investment in associates	(595,814)	-	-	-
Total capital base	15,038,208	611,326	665,673	3,908,243
Less:				
Proposed 2008 final dividend	(150,000)	(70,000)	-	(106,917)
Total capital base (net of proposed dividend)	14,888,208	541,326	665,673	3,801,326

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

	RM'000	Risk Weighted		RM'000
	RM'000	RM'000	RM'000	RM'000
0%	23,692,884	590,951	5,402,401	7,022,454
10%	147,282	-	-	108,066
20%	22,637,137	2,731,019	2,814,340	4,570,706
50%	24,013,412	40,967	733,413	7,854,214
100%	85,765,298	694,746	4,458,449	19,080,606
	102,314,159	1,261,434	5,388,024	23,932,661
Counterparty risk requirement	-	5	-	-
Total risk-weighted assets equivalent for credit risk	102,314,159	1,261,439	5,388,024	23,932,661
Total risk-weighted assets equivalent for market risk	4,629,925	261,009	308,695	1,141,138
Total risk-weighted assets equivalent for LERR	196,983	-	-	-
Total risk-weighted assets	107,141,067	1,522,448	5,696,719	25,073,799

* Computation is based on Bank Indonesia requirements

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

Corporate Client Solutions and Corporate Finance offers financial advisory services to corporations, advising issuance of debt, 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 & 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 comprises of PT Bank CIMB Niaga Tbk and CIMB Thai Bank Public Company Limited (formerly known as BankThai Public Company Limited), which is 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 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 & Investment Banking RM'000	Treasury and Investment RM'000	Asset Management & Insurance RM'000	Foreign Banking Operations RM'000	Support & 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	(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/(loss) on disposal of interest in subsidiaries	-	-	30,251	-	-	-	30,251
Net Income	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 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 other receivables	-	1,318	-	-	(36,203)	-	(34,885)
Provision for commitment & 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

A23. SEGMENTAL REPORT (continued)

	Consumer Banking RM'000	Corporate & Investment Banking RM'000	Treasury and Investment RM'000	Asset Management & Insurance RM'000	Foreign Banking Operation RM'000	Support & others RM'000	Total RM'000
31 March 2008							
Net interest income							
-external income / (expense)	702,477	293,894	(54,619)	1,359	187,994	(5,686)	1,125,419
-inter-segment income	(103,628)	(108,731)	212,359	-	-	-	-
	598,849	185,163	157,740	1,359	187,994	(5,686)	1,125,419
Income from Islamic Banking operations	29,732	10,082	41,596	-	10,912	976	93,298
Non-interest income (excluding gain on disposal of interest in subsidiaries)	157,120	281,076	219,379	51,470	85,937	3,557	798,539
Gain on disposal of interest in subsidiaries	-	-	-	-	-	-	-
Net Income	785,701	476,321	418,715	52,829	284,843	(1,153)	2,017,256
Overheads	(603,794)	(182,548)	(75,518)	(41,276)	(150,590)	(7,674)	(1,061,400)
Profit before allowances	181,907	293,773	343,197	11,553	134,253	(8,827)	955,856
Allowance for losses on loans, advances and financing	(127,939)	(37,286)	-	-	(28,378)	4,617	(188,986)
Allowance for other receivables	-	(2,922)	-	-	(8,787)	1,143	(10,566)
Provision for commitments & contingencies	-	-	-	-	(57)	-	(57)
Allowance written back/(made) for impairment losses	-	(639)	5,081	-	(497)	(1,000)	2,945
Segment results	53,968	252,926	348,278	11,553	96,534	(4,067)	759,192
Share of results of jointly controlled entity	790	-	-	-	-	-	790
Share of results of associates	-	-	(11,967)	(933)	1,566	118	(11,216)
Profit/(loss) before taxation and zakat	54,758	252,926	336,311	10,620	98,100	(3,949)	748,766
% of profit before taxation and zakat	7.3	33.8	44.9	1.4	13.1	(0.5)	100.0
Taxation and zakat							(182,718)
Profit after taxation before minority interests							566,048

A24. OPERATIONS OF ISLAMIC BANKING

A24a. Unaudited Balance Sheet as at 31 March 2009

	Note	The Group	
		31 Mar 2009 RM'000	31 Dec 2008 RM'000
Assets			
Cash and short-term funds		4,377,836	6,762,644
Deposits and placements with banks and other financial institutions		1,766,662	929,001
Securities held for trading		3,272,656	3,502,420
Available-for-sale securities		658,763	612,378
Held-to-maturity securities		1,172,481	1,234,040
Derivative financial instruments		341,684	388,279
Financing, advances and other loans	A24c(i)	8,239,404	6,561,253
Deferred tax assets		24,231	21,369
Amount due from related companies		5,356	4,801
Amount due from holding company		-	110,118
Statutory deposits with Bank Negara Malaysia		108,184	269,224
Property, plant and equipment		6,345	7,106
Other assets		151,017	110,596
Goodwill		136,000	136,000
Intangible assets		5,653	5,962
TOTAL ASSETS		20,266,272	20,655,191
Liabilities and Islamic banking capital funds			
Deposits from customers	A24(d)	13,448,164	15,371,280
Deposits and placements of banks and other financial institutions		4,340,916	3,668,949
Derivative financial instruments		32,056	52,253
Bills and acceptances payable		4,376	5,258
Amount due to holding company		632,025	-
Amount due to related companies		9,007	4,871
Provision for taxation and zakat		46,575	40,486
Other liabilities		677,075	461,535
TOTAL LIABILITIES		19,190,194	19,604,632
Equity			
Islamic banking funds		128,385	91,693
Ordinary share capital		550,000	550,000
Perpetual preference shares		70,000	70,000
Reserves		329,874	302,891
		1,078,259	1,014,584
Minority interests		(2,181)	35,975
Total Equity		1,076,078	1,050,559
TOTAL EQUITY AND LIABILITIES		20,266,272	20,655,191

A24b. Unaudited Income Statements for period ended 31 March 2009

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds and others	248,418	140,871	248,418	140,871
Income derived from investment of shareholders' funds	33,532	47,443	33,532	47,443
Allowances for losses on financing, advances and other loans	(33,684)	(15,419)	(33,684)	(15,419)
Allowance for losses on other receivables	(10)	-	(10)	-
Transfer to profit equalisation reserve	-	2,200	-	2,200
Other expenses directly attributable to the investment of the depositors and shareholders' funds	-	(5,272)	-	(5,272)
Total distributable income	248,256	169,823	248,256	169,823
Income attributable to the depositors	(121,091)	(89,744)	(121,091)	(89,744)
Total net income	127,165	80,079	127,165	80,079
Other operating expenses	(53,110)	(38,259)	(53,110)	(38,259)
Profit before taxation and zakat	74,055	41,820	74,055	41,820
Taxation and zakat	(10,267)	(6,392)	(10,267)	(6,392)
Profit after taxation and zakat	63,788	35,428	63,788	35,428
Attributable to :				
Equity holders of the Bank	65,067	35,645	64,392	35,650
Minority interest	(1,279)	(217)	(604)	(217)
	63,788	35,428	63,788	35,433
Income from Islamic operations (per page 2)				
Total net income	127,165	80,079	127,165	80,079
Add: Allowances for losses on financing, advances and other loans	33,684	15,419	33,684	15,419
Add: Allowance for losses on other receivables	10	-	10	-
Less: Transfer to profit equalisation reserve	-	(2,200)	-	(2,200)
	160,859	93,298	160,859	93,298

A24c. Financing, advances and other loans**i) By type**

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Cash line	236,246	235,945
Term financing	11,759,821	9,020,539
Bills receivable	1,059	-
Trust receipts	24,207	23,887
Claims on customers under acceptance credits	149,014	156,709
Staff financing	17	17
Revolving credits	906,070	422,299
Other financing	10,937	71,057
	13,087,371	9,930,453
Less: Unearned income	(4,470,714)	(2,887,714)
	8,616,657	7,042,739
Less: Financing sold to Cagamas	(179,038)	(294,946)
Gross financing, advances and other loans	8,437,619	6,747,793
Less: Specific allowance	(96,947)	(102,902)
	8,340,672	6,644,891
Less: General allowance	(101,268)	(83,638)
Net financing, advances and other loans	8,239,404	6,561,253

ii) Non-performing financing**Movements in the non-performing financing, advances and other loans :**

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
At 1 January	207,093	257,787
Non-performing during the period / year	43,876	173,119
Reclassified to performing during the period / year	(18,699)	(137,010)
Amount recovered	(6,056)	(30,441)
Amount written off	(25,968)	(56,362)
Balance as at 31 March / 31 December	200,246	207,093
Less: Specific allowance	(96,947)	(102,902)
Net non-performing financing, advances and other loans	103,299	104,191
Ratio of net non-performing financing, advances and other loans to total financing, advances and other loans (including Islamic financing sold to Cagamas) less specific allowance	1.21%	1.50%

Movements in the allowance for bad and doubtful financing :

	The Group	
	31 Mar 2009 RM'000	31 Dec 2008 RM'000
Specific allowance		
At 1 January	102,902	97,379
Allowance made during the period / year	23,873	99,654
Allowance for financing arising from acquisition of subsidiaries	81	-
Amount recovered	(5,206)	(40,611)
Amount written off	(24,703)	(54,506)
Exchange fluctuation	-	986
At 31 March / 31 December	96,947	102,902
General allowance		
At 1 January	83,638	51,318
Allowance made during the period / year	17,579	34,018
Allowance for financing arising from acquisition of subsidiaries	(199)	-
Exchange fluctuation	250	(1,698)
At 31 March / 31 December	101,268	83,638
As % of gross financing, advances and other loans (including Islamic financing sold to Cagamas, but excluding RPSIA financing) less specific allowance	1.67%	1.66%

A24d. Deposits from customers**By type of deposits****Non-Mudharabah**

Demand deposits
Savings deposits
Commodity Murabahah-i
Fixed return investment account
Negotiable instruments of deposit
Fixed rate deposits
Others

The Group	
31 Mar 2009	31 Dec 2008
RM'000	RM'000
971,642	1,925,997
389,901	319,480
106,572	379,480
2,082,427	2,131,893
1,095,413	242,975
1,155,380	1,163,130
13,110	12,322
5,814,445	6,175,277

Mudharabah

Demand deposits
Savings deposits
General investment deposits
Special investment deposits
Specific investment deposits
Others

509,759	398,731
285,175	129,375
1,540,335	1,636,457
4,359,402	5,266,698
910,820	1,746,613
28,228	18,129
7,633,719	9,196,003
13,448,164	15,371,280

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

BCHB Group Results

Bumiputra-Commerce Holdings Berhad ("BCHB") Group reported a 14.8% year-on-year growth in the first quarter 2009 net profit to RM614 million or an earnings per share ("EPS") of 17.2 sen. This translates to a net Return on Equity ("ROE") of 14.2%, exceeding its 2009 target of above 12.5%. Compared to fourth quarter 2008 net profit increased substantially, by 92.5%.

The Group had a good start to the year, exceeding its financial targets because revenues grew strongly, margins held firm and non performing loans remained benign.

BCHB Y o Y Results

BCHB recognised a RM26 million net gain from "M&A-related charges" in 1Q09. This predominantly emanated from gains from the sale and leaseback of Menara Bumiputra Commerce and partially offset by non-recurring losses arising from merger-related activities in Indonesia and Thailand. From 1Q09, BCHB began consolidating CIMB Thai (formerly known as BankThai) as a 93.15% subsidiary. The 1Q09 results include full consolidation of Lippo Bank and CIMB Thai, both of which are not reflected in comparative 1Q08 numbers.

BCHB Group's 1Q09 revenues grew 24.6% while net profit improved by 14.8% compared to 1Q08. After adjusting for M&A-related charges, the Group's net earnings expanded by 9.9% Y-o-Y from RM535 million to RM588 million.

For 1Q09, the Group's Malaysian Consumer Bank profit before tax ("PBT") increased by 119% in line with the turnaround at CIMB Bank and CIMB Islamic, chalking a RM116 million PBT versus RM53 million previously. Treasury and Investments posted a 21.5% increase in PBT to RM407 million as transaction volumes improved, while Asset Management and Insurance saw a 200% jump in PBT to RM33 million driven by higher contribution by CIMB-Aviva. Excluding M&A-related charges, CIMB Niaga's PBT contribution expanded 55.1% to RM152 million with the inclusion of Lippo Bank. However, Corporate and Investment Banking operations continued to suffer primarily from the weak equity market conditions with a 54.0% drop in PBT to RM116 million. CIMB Thai's maiden contribution was a RM18 million loss (negative RM13 million excluding M&A related charges).

The resurgence of the Malaysian Consumer Bank sees it contribute 14% of Group PBT compared to just 7% in 1Q08. Treasury and Investments remained the largest contributor to Group PBT at 50%, while Investment Banking slipped to 14% from 34% previously. CIMB Niaga's growing prominence is evident in its 19% contribution compared to 13% in 1Q08, while Asset Management and Insurance rose from 1% to 4%. CIMB Thai's maiden contribution was a negative 2% to overall PBT.

The Group's total gross loans grew by 33.4% Y-o-Y in 1Q09 due to the consolidation of Lippo Bank and CIMB Thai. Excluding these additions, gross loans growth was 17.9%. The Malaysian consumer and corporate loans expanded 11.4% and 37.0% respectively. Mortgages, credit cards and the Group's micro credit lending grew by 24.2%, 9.9% and 96.3% respectively. Business banking and hire purchase loans contracted by 3.8% and 0.8% respectively. CIMB Niaga's loans expanded 53.6% in Ringgit terms with consolidation of Lippo Bank. Total Group deposits grew 27.2% with Malaysian retail deposits growing 17.9% from a year ago. Excluding the consolidation of Lippo Bank and CIMB Thai, deposits were 8.5% higher Y-o-Y.

The Group's loan loss provisions rose by 43.9% to RM272 million driven by higher provision in CIMB Niaga and consolidation of CIMB Thai, while total credit charge for 1Q09 was 0.20% of total loans compared to 0.19% in 1Q08. The Group's net non-performing loans ("NPL") ratio remained on a downtrend at 2.6% from 3.7% as at 1Q08. Similarly, loan loss coverage improved to 83.5% from 71.9% previously. Excluding CIMB Thai, 1Q09's net NPL ratio and loan loss coverage stood at 2.3% and 87.5% respectively. Cost to income ratio was marginally higher at 53.4% from 52.6%. Overhead expenses excluding M&A related charges rose 21.7% Y-o-Y mainly due to the consolidation of CIMB Thai.

CIMB Bank's Tier 1 capital and risk weighted capital ratios remained robust at 10.9% and 13.3% as at 31 March 2009 after the recapitalisation of CIMB Thai. BCHB's double leverage and gearing stood at 120.6% and 36.5% as at end-1Q09. As at end-1Q09, CIMB Niaga's Tier 1 capital and risk weighted capital ratios stood at 12.8% and 16.3% respectively. CIMB Thai's Tier 1 capital and risk weighted capital ratios (based on Basel II framework) were at 6.2% and 9.8% as at 31 March 2009, and 6.2% and 12.3% upon completion of its sub-debt issuance in April 2009.

BCHB Q on Q Results

The 33.5% Q-o-Q expansion in 1Q09 revenues from RM1.883 billion to RM2.514 billion drove a 92.5% growth in net profit of RM614 million. Excluding M&A-related charges, Q-o-Q net profit was up 31.5%.

The Group's Malaysian Consumer Banking business PBT fell 31.0% Q-o-Q due to a decline in recoveries at the "bad" bank. Excluding legacy assets, Q-o-Q earnings of the consumer bank was 51.3% higher. Corporate and Investment Banking slipped 52.3% but Treasury and Investments made a stellar 164% Q-o-Q improvement. GAM and Insurance turned around to a RM33 million PBT from a negative RM62 million in 4Q08. CIMB Niaga's PBT improved 46.2% excluding M&A related charges while CIMB Thai expectedly started off with a small negative contribution in 1Q09.

Year-to-date, the Group's total gross loans increased by 10.0% with the Malaysian universal bank's loans growing by 4.7%. Total deposits increased by 9.1% YTD but were flat after excluding CIMB Thai.

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

Market Shares

CIMB Investment Bank remained number one in primary bonds and stockbroking and number 3 in M&A advisory in Malaysia in 1Q09. CIMB Islamic continued to stay at the forefront of all domestic and global Islamic investment banking league tables. CIMB Bank is now the second largest mortgage lender in Malaysia and retained its share of retail deposits and credit cards. In Singapore, CIMB-GK has moved up to fourth in stockbroking market share and remains a leader in corporate advisory. CIMB Niaga is Indonesia's second largest mortgage lender while CIMB-GK ranked 8th in stockbroking and 10th for IDR Sukuk. CIMB Principal Asset Management maintained its position as the second largest asset manager in Malaysia.

CIMB Niaga Results

Bank CIMB Niaga on 29 April 2009 reported a net profit of IDR263 billion for 1Q09 with a net ROE of 10.9%. This is a significant turnaround from the negative IDR288 billion in 4Q08 although 18.8% lower on a Y-o-Y basis due to merger costs and higher provisions.

For 1Q09, CIMB Niaga's loans growth was 15.2% Y-o-Y underpinned by corporate and retail banking. However, loans were 1.3% lower Q-o-Q as CIMB Niaga adopted a more cautious lending approach given the more challenging operating environment. Gross NPL rose to 2.9% from 2.5% a year ago while net NPL ratio increased to 1.7% from 1.6% previously. Loan loss coverage rose to 85.3% as at end March 2009 compared to 82.2% as at end-1Q08 but was lower versus the 87.6% as at end-FY08.

B2. CORPORATE DEVELOPMENTS

The significant corporate developments in 1Q09 were:

(a) Streamlining of business

- On 31 January 2009, BCHB completed the disposal of certain assets, liabilities and fund management business of Southern Investment Bank Berhad to HLG Credit.

(b) Mergers and Acquisitions

- On 13th January 2009, CIMB Bank announced the acquisition of a further 42.13% of CIMB Thai after completion of the Tender Offer exercise. Upon completion of the subsequent rights issue, CIMB Bank's shareholding in CIMB Thai was raised to 93.15%.

- On 16 February 2009, BCHB completed the sale and lease back of Menara Bumiputra Commerce to Pelaburan Hartanah Bumiputra Berhad for a cash consideration of RM460 million.

- On 16 March 2009, Commerce International Group Berhad ("CIGB") entered into an agreement to dispose its 49% interest in PT Commerce International ("PTCI") to Sun Life Assurance Company of Canada for USD22.7 million (approx. RM84.1 million). PTCI will enter into a bancassurance agreement with CIMB Niaga for the distribution of life insurance products through CIMB Niaga's distribution network.

- On 20 April 2009, CIMB Bank completed the acquisition of a 19.99% interest in Bank of Yingkou Co. Ltd. for RMB348.8 million cash (approx. RM186 million). This translated to a P/B valuation of 1.26x as at completion date.

(c) Capital Management

- On 15 April 2009, CIMB Investment Bank fully redeemed its USD100 million 5% subordinated bonds.

(d) Others

- On 17 April 2009, TPG Capital invested USD140 million in BCHB by subscribing for USD140 million worth of 2-year senior unsecured bonds of CIMB Bank (L) Limited. TPG will receive 50.6 million warrants to purchase ordinary shares of BCHB at a strike price of RM10 per share, exercisable at any time over a five year period.

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The turnaround in regional capital markets in 2Q09 is encouraging so far. Furthermore, the Group's balance sheet is now well positioned and its consumer bank momentum in Malaysia and Indonesia is strong. However, the Group remains cautious as economic indicators are still quite mixed and the Group is not ready to revise its targets for the year.

BCHB Group has set a 2009 ROE target of 12.5% (Actual 2008: 12.3%) and a total loan growth target of 8% (Actual 2008: 13.7%).

B4. TAXATION

	The Group			
	1st quarter ended		Three months ended	
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Major components of tax expense:				
Current tax expense	190,299	180,673	190,299	180,673
Deferred tax expense	(15,341)	2,045	(15,341)	2,045
	<u>174,958</u>	<u>182,718</u>	<u>174,958</u>	<u>182,718</u>
Reconciliation				
Profit before taxation	838,916	748,766	838,916	748,766
Tax at statutory income tax rate of 25% (2008: 26%)	209,729	194,679	209,729	194,679
Effect of different tax rates in other countries and change in tax rates	1,773	(608)	1,773	(608)
Due to income not subject to income tax and expenses not deductible for tax purposes	(36,544)	(11,353)	(36,544)	(11,353)
	<u>174,958</u>	<u>182,718</u>	<u>174,958</u>	<u>182,718</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 2009	31 Dec 2008
	RM'000	RM'000
Bonds and notes*		
Unsecured		
One year or less (short term)	25,760	24,374
* Included in bonds and notes for the current period is USD denominated bonds equivalent to USD6,600,000.		
Other borrowings**		
Unsecured		
One year or less (short term)	2,078,427	2,326,754
More than one year (medium/long term)	1,633,279	1,678,082
	<u>3,711,706</u>	<u>4,004,836</u>
** Included in other borrowings for the current period is USD denominated syndicated term loans of USD 400,000,000		
Subordinated Notes***		
Unsecured		
One year or less (short term)	1,073,112	1,037,748
More than one year (medium/long term)	4,926,014	4,560,587
	<u>5,999,126</u>	<u>5,598,335</u>
*** Includes US denominated Subordinated Notes of USD 600,000,000		

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 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after minority interests	613,943	535,333	613,943	535,333
Weighted average number of ordinary shares in issue - proforma ('000)	3,578,073	3,365,260	3,578,073	3,365,260
Basic earnings per share (expressed in sen per share)	17.2	15.9	17.2	15.9

b) Diluted EPS

Net profit for the financial period after minority interests	613,943	535,333	613,943	535,333
Elimination of interest expense on USD Zero Coupon Guaranteed Convertible Bonds	89	80	89	80
Elimination of interest expense on Redeemable Convertible Unsecured Loan Stocks ("RCULS") (net of tax effect)	-	13	-	13
Net profit used to determine diluted EPS	614,032	535,426	614,032	535,426
Weighted average number of ordinary shares in issue ('000)	3,578,073	3,365,260	3,578,073	3,365,260
Adjustments for:				
- Conversion of USD Zero Coupon Guaranteed Convertible Bonds	4,317	4,287	4,317	4,287
- RCULS	-	210	-	210
Weighted average number of ordinary shares for diluted EPS	3,582,390	3,369,757	3,582,390	3,369,757
Diluted EPS	17.1	15.9	17.1	15.9