PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The unaudited interim financial statements for the financial year ended 31 December 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, 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 4th 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. CIMB Bank had carried out a similar reclassification from held for trading category to available-for-sale category 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 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 financial year ended 31 December 2009:-

a) From 13 February 2009 to 31 December 2009, the Company purchased 20,000 of its own shares from the open market at an average market price of RM8.72 per share. The total consideration paid for the purchase of own shares, including transaction costs was RM174.4 thousand. The shares purchased were held as treasury shares in accordance with Section 67A subsection 3(A)(b) of the Companies Act, 1965.

b) On 15 April 2009, CIMB Investment Bank Berhad, a wholly-owned subsidiary of the Company, has fully redeemed its USD100.0 million 5% subordinated bonds. CIMB Bank Berhad, a 99.999% owned subsidiary of the Company had also fully redeemed its USD100 million subordinated loan.

c) On 17 April 2009, CIMB Bank (L) Limited had issued USD140 million bonds and the Company had issued 50,622,413 warrants.

d) From 21 May 2009 to 17 June 2009, the Company had issued 4,316,692 new ordinary shares of RM1.00 each pursuant to the conversion of the five (5) year guaranteed redeemable convertible bonds.

e) On 30 June 2009, CIMB Bank had fully redeemed the USD200 million subordinated notes, and issued 123,456,800 new ordinary shares at an issue price of RM8.10 each.

f) On 10 July 2009, CIMB Bank Berhad, a subsidiary of the Company, issued 667,000,000 new ordinary shares of RM1.00 each in CIMB Bank (“CIMB Bank Shares”) to its 99.999% shareholder, CIMB Group Sdn Bhd (“CIMBG”), which is in turn a wholly-owned subsidiary of the Company, in connection with the settlement of the coupon and principal of the ICULS which are due and payable to the Company.

g) On 25 September 2009, CIMB Islamic Bank Berhad, a subsidiary of CIMB Bank, issued RM300 million nominal value Junior Sukuk under Syariah principle of Musyarakah. The Junior Sukuk carries a profit rate of 5.85% per annum payable semi-annually and are due on 25 September 2024, with optional redemption on 25 September 2019 or any periodic payment date thereafter.

h) On 28 December 2009, the Company cancelled 50,629,100 ordinary shares previously held as treasury shares.

i) Subsequent to year end the Company proposes a 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 and to align its quoted share price with pricing conventions on SET ahead of the Group’s listing scheduled in 2010.

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 3,527,458,718 ordinary shares amounting to RM699,387,214 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. The Directors have declared 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. The interim dividend was approved by the Board of Directors in a resolution dated 18 February 2010.

A5. STATUS OF CORPORATE PROPOSALS

a) **Signing of collaboration agreement ("CA") with Vietnam Shipbuilding Finance Company ("VFC")**

On 21 December 2007, CIMB Investment Bank Berhad entered into a CA with VFC to jointly set up a securities company in Vietnam. Pursuant to the CA, CIMB Investment Bank Berhad will provide the guidance and assistance on the set up of the securities company. The Vietnam State Securities Commissions' license was obtained on 18 December 2008 and a Shareholders Agreement was entered into on 7 August 2009. Under the terms of the Shareholders' Agreement, CIMB Investment will subscribe for an initial equity interest of 10% in VFC for Vietnamese Dong (“VND”) 34 billion (approximately RM6.7 million), and has the option to increase its shareholding to 40% for a total capital contribution of up to VND200 billion (approximately RM39.2 million). The initial amount of VND33 billion (approximately RM6.2 million) representing approximately 6.6% equity interest in VFC was paid on 25 November 2009.

A5. STATUS OF CORPORATE PROPOSALS (Continued)

b) **Joint venture between CIMB Real Estate Sdn Bhd ("CIMB RE") and Trustcapital Advisors Pte Ltd ("TCA") to establish and manage an Australian Real Estate Fund ("Joint Venture")**

On 19 October 2009, CIMB RE and TCA entered into a joint venture agreement to establish a joint venture entity (“Joint Venture Entity”) in which CIMB RE and TCA will own 70% and 30% of the equity interest respectively. The Joint Venture Entity is incorporated as a private limited company in Singapore and will have an issued and paid-up share capital of Singapore Dollars (“SGD”) 960,000 comprising 960,000 ordinary shares of SGD1.00 each upon the injection of their proportionate capital from both shareholders. The results of the joint venture entity, CIMB-Trustcapital Advisors Pte Ltd has been consolidated in the Group's results for the financial year ended 31 December 2009, by virtue of board control over the company's financial and operating policies.

c) **Sale of office building in Sathorn, Bangkok ("Sathorn Building") ("Sale of Sathorn Building")**

On 20 October 2009, CIMB Thai Bank PCL (“CIMB Thai”), an approximately 94% subsidiary of CIMB Bank Berhad, had entered into a Sale and Purchase Agreement (“SPA”) for the Sale of Sathorn Building. Pursuant to the SPA, CIMB Thai shall dispose of Sathorn Building for a total cash consideration of approximately THB1 billion (or approximately RM100 million). The sale was completed on 4 January 2010. As at 31 December 2009, the Sathorn Building has been reclassified to non-current asset held for sale.

(d) **Sale of non-performing loans**

On 11 November 2009, CIMBG received approval from the Minister of Finance (“MoF”) and disposed of certain non-performing loans (“NPL”) of CIMB Bank to a special purpose company, Southeast Asia Special Asset Management Berhad (formerly known as Common Forge Berhad) (“SEASAM”). SEASAM is a wholly-owned subsidiary of CIMBG, which in turn is wholly-owned by the Company. CIMB Bank disposed a portfolio of mostly legacy NPLs comprising approximately 25,000 accounts with gross loan amount of RM2.6 billion to SEASAM at net book value of RM928 million. The sale was completed in November 2009.

(e) **Proposed dual listing of the Company on The Stock Exchange of Thailand**

The Company proposes to seek a dual listing of ordinary shares of RM1.00 each in CIMB Shares on The Stock Exchange of Thailand (“SET”) (“Proposed SET Listing”).Pursuant to the Proposed SET Listing, the Company proposes to undertake an initial public offering (“IPO”) of up to 35 million CIMB Shares (“IPO Shares”) to be made available for application by local retail and institutional investors in Thailand (“IPO Offering”), which may include, amongst others, the customers, staff and/or minority shareholders of its 93.15% subsidiary in Thailand, CIMB Thai Bank Public Company Limited (formerly known as BankThai Public Company Limited)(“CIMB Thai”). The new CIMB Shares to be issued pursuant to the Proposed Public Issue, if applicable, shall upon issuance, rank equally in all respects with the existing CIMB Shares, except for any dividends, rights, benefits, entitlements and/or to the distributions, the entitlement date of which precedes the date of issue and allotment of the said new CIMB Shares. The proposed SET Listing is subject to the approvals from Bank Negara Malaysia, the Securities Commission, Bursa Securities and shareholders of the Company at the extraordinary general meeting to be convened, and is expected to be completed by the first half of year 2010.

(f) **Cancellation of Treasury Shares**

On 28 December 2009, the Company had cancelled 50,629,100 ordinary shares held as treasury shares and as at the balance sheet date, there were no ordinary shares held as treasury shares. Accordingly, the adjusted issued and paid-up share capital of the Company with voting rights as at 31 December 2009 was 3,531,765,410 shares. The shares cancelled were previously purchased under the share buy-back programme approved by shareholders and held as treasury shares in accordance with the provisions of Section 67A of the Companies Act, 1965.

(g) **Sale and leaseback of properties of CIMB Bank Berhad**

On 30 December 2009, CIMB Bank, a 99.99% owned subsidiary of CIMBG and its related companies (collectively the “Vendors”), have entered into a sale and purchase agreement with Kumpulan Wang Simpanan Pekerja (“KWSP”) to sell up to 65 properties (“Properties”) for a total cash consideration of up to RM302,450,000. As part of the arrangement, CIMB Bank has entered into a lease agreement with KWSP for a lease over the Properties on completion of the sale.

A6. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

On 19 February 2010, CIMB SI Sdn Bhd, a 100% owned subsidiary of CIMBG had 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") (currently a 20% associate company of the Company) for RM53.8 million. The acquisition is expected to be completed in the first quarter of 2010.

PART A - EXPLANATORY NOTES

A7. SECURITIES HELD FOR TRADING

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Money market instruments:		
Unquoted		
Malaysian Government securities	**1,212,901**	1,342,488
Cagamas bonds	**28,283**	205,323
Khazanah bonds	**27,438**	9,791
Malaysian Government treasury bills	**185,033**	38,262
Bank Negara Malaysia bills	**2,779,851**	552,598
Bank Negara Malaysia negotiable notes	**1,887,613**	46,892
Negotiable instruments of deposit	**3,002,701**	4,150,073
Bankers' acceptances and Islamic accepted bills	**696,623**	1,174,286
Credit-linked notes	**158,604**	172,884
Other Government securities	**862,061**	-
Commercial papers	**29,982**	332,605
Government investment issues	**693,563**	81,376
	11,564,653	8,106,578
Quoted securities:		
In Malaysia:		
Warrants	**5**	5
Shares	**553,599**	143,820
Loan stocks	**-**	1,272
Unit trusts	**9,720**	-
Outside Malaysia:		
Shares	**14,969**	11,959
Private and Islamic debt securities	**50,144**	6,127
Other Government bonds	**123,884**	212,781
	752,321	375,964
Unquoted securities:		
In Malaysia:		
Private and Islamic debt securities	**1,983,862**	1,418,725
Shares	**7,323**	5,001
Investment linked funds	**45,893**	-
Outside Malaysia:		
Private and Islamic debt securities	**645,250**	516,971
	2,682,328	1,940,697
Total securities held-for-trading	**14,999,302**	10,423,239

Reclassification from held for trading category to held-to-maturity category

In the 4th quarter of 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. There was no such reclassification in 2009.

Reclassification from held for trading category to available-for-sale category

During the financial year 2009, CIMB Bank Berhad had reclassified securities from held for trading category to available-for-sale category (no such reclassification was made in 2008).

The above reclassifications have 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 the held for trading category to available-for-sale and held-to-maturity categories, as of the respective dates of reclassification is RM247,330,000 (2008:RMNil) and RMNil (2008:RM5,984,996,000) respectively.

A7. SECURITIES HELD FOR TRADING (Continued)

Included in non-interest income is the net gains/(losses) arising from the change in fair value recognised in the income statement in respect of the reclassified securities:

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Net fair value gains/(losses) recognised in:		
- non-interest income	**70**	(110,641)

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

A8. AVAILABLE-FOR-SALE SECURITIES

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Money market instruments:		
Unquoted		
Malaysian Government securities	**314,155**	239,797
Cagamas bonds	**275,157**	296,925
Khazanah bonds	**34,975**	85,331
Other Government treasury bills	**410**	309
Government investment issues	**360,354**	450,776
Commercial papers	**19,539**	134,040
	1,004,590	1,207,178
Quoted securities:		
In Malaysia:		
Shares	**230,379**	267,448
Unit trusts	**149,026**	712,283
Floating rate notes	**9,413**	-
Outside Malaysia:		
Shares	**24,614**	465
Unit trusts	**266,525**	-
Private and Islamic debt securities	**119,194**	128,050
Other Government bonds	**2,642,690**	2,238,805
	3,441,841	3,347,051
Unquoted securities:		
In Malaysia:		
Private and Islamic debt securities	**5,963,757**	6,524,704
Shares	**534,736**	521,030
Loan stocks	**19,437**	30,715
Property funds	**165**	116
Investment-linked funds	**9,730**	19,016
Bond funds	**4,111**	-
Outside Malaysia:		
Shares	**60,487**	60,268
Unit trusts	**-**	7,542
Private equity and unit trust funds	**316,663**	220,531
Private and Islamic debt securities	**28,325**	-
Loan stocks	**497**	485
	6,937,908	7,384,407
	11,384,339	11,938,636
Allowance for impairment losses:		
Private debt securities	**(253,442)**	(279,387)
Quoted shares	**(10,980)**	(11,527)
Quoted bonds	**-**	(1,138)
Unquoted shares	**(90,692)**	(38,320)
Loan stocks	**(6,905)**	-
Unit trusts	**(21,784)**	(51)
	(383,803)	(330,423)
Total available-for-sale securities	**11,000,536**	11,608,213

Included in available-for-sale securities are securities transferred from the held for trading category during the financial year 2009, with the following carrying value and fair value as at 31 December 2009:

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Carrying value	**246,776**	-
Fair value	**249,342**	-

A9. HELD-TO-MATURITY SECURITIES

	The Group	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Money market instruments:		
Unquoted		
Malaysian Government securities	**1,123,977**	149,967
Cagamas bonds	**294,817**	294,817
Quoted securities		
Outside Malaysia		
Private debt securities	**1,191,909**	189,997
Islamic bonds	**25,485**	31,530
Medium term notes - Islamic	**9,102**	7,883
Other Government bonds	**153,214**	154,655
Bank Indonesia certificates	**837,362**	-
Structured notes	**342,847**	-
Unquoted securities		
In Malaysia		
Shares	**270**	462
Private debt securities	**7,618,001**	7,623,534
Loan stocks	**31,814**	32,478
Danaharta Urus Sdn Bhd ("DUSB") bonds	**929,639**	929,639
Islamic commercial papers	**6,775**	34,832
Outside Malaysia		
Private debt securities	**1,518,478**	2,324,724
	14,083,690	11,774,518
Accretion of discount net of amortisation of premium	**242,894**	224,864
Less : Allowance for impairment losses	**(59,874)**	(77,952)
Total held-to-maturity securities	**14,266,710**	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 December 2009 and 31 December 2008 respectively:

	The Group	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Carrying value	**4,735,894**	6,006,742
Fair value	**4,830,728**	5,977,580

Also included in the held-to-maturity securities of the Group as at 31 December 2009 are 10-year promissory notes of THB746 million maturing in 2011, which were received from Thai Asset Management Corporation ("TAMC") for settlement of non-performing loans transferred by CIMB Thai 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 non-performing loans to TAMC, CIMB Thai has a gain and loss sharing arrangement with TAMC arising from the recovery of the non-performing loans. The sharing of gain/loss will be calculated at the end of the agreement, commencing from 1 July 2001.

A10. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Overdrafts	**8,247,311**	7,239,009
Term loans/financing		
- Housing loans/financing	**41,684,502**	29,344,329
- Syndicated term loans	**8,225,404**	7,342,689
- Hire purchase receivables	**14,276,219**	13,663,402
- Lease receivables	**65,600**	123,850
- Factoring receivables	**61,393**	86,888
- Other term loans/financing	**53,695,874**	40,006,121
Bills receivable	**1,919,643**	178,213
Trust receipts	**878,866**	822,721
Claims on customers under acceptance credits	**5,004,962**	5,908,166
Staff loans *	**763,386**	765,073
Credit card receivables	**3,551,451**	3,087,405
Revolving credits	**23,337,966**	17,791,176
Share margin financing	**1,015,067**	577,808
Other loans	**9,744**	774,004
	162,737,388	127,710,854
Less: Unearned interest/income	**(13,832,357)**	(4,878,552)
	148,905,031	122,832,302
Less: Islamic financing sold to Cagamas	**-**	(294,946)
Gross loans, advances and financing	**148,905,031**	122,537,356
Fair value changes arising from fair value hedge	**45,028**	177,618
	148,950,059	122,714,974
Less: Specific allowance	**(4,905,276)**	(3,524,361)
	144,044,783	119,190,613
Less: General allowance	**(1,826,593)**	(1,808,539)
Total net loans, advances and financing	**142,218,190**	117,382,074

* Included in staff loans of the Group are loans to Directors amounting toRM4,690,160 (2008: RM859,684).

Included in loans, advances and financing balances are RM2,080,513,000 (2008: RM2,061,944,000) 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 RM7,578,237,000 (2008: RM3,021,205,000) provided on normal commercial terms which are exempted from general allowance by Bank Negara Malaysia.

Included in the Group's loans, advances and financing balances are RM80,235,000 of reinstated loans which were previously non-performing 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 hedges on RM5,468,179,000 (2008: RM2,000,000,000) of its loan exposure using interest rate swaps.

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Gross loan hedged	**5,468,179**	2,000,000
Fair value changes arising from fair value hedges	**45,028**	177,618
	5,513,207	2,177,618

The fair values of interest rate swaps as at 31 December 2009 were RM104,052,171 (2008: RM202,404,724).

A10. LOANS, ADVANCES AND FINANCING (continued)

(ii) By type of customers

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Domestic banking financial institutions	**418,909**	149,356
Domestic non-bank financial institutions		
- stockbroking companies	**-**	42,442
- others	**3,698,917**	2,994,551
Domestic business enterprises		
- small medium enterprises	**22,874,067**	20,766,537
- others	**34,977,110**	30,379,125
Government and statutory bodies	**7,680,833**	3,098,571
Individuals	**68,079,927**	55,756,328
Other domestic entities	**4,675,844**	3,942,677
Foreign entities	**6,499,424**	5,702,715
	148,905,031	122,832,302
Less: Islamic financing sold to Cagamas	**-**	(294,946)
Gross loans, advances and financing	**148,905,031**	122,537,356

(iii) By interest/profit rate sensitivity

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Fixed rate		
- Housing loans/financing	**6,141,974**	5,572,131
- Hire-purchase receivables	**11,873,291**	11,422,258
- Other fixed rate loans	**20,671,280**	11,741,337
Variable rate		
- BLR plus	**70,842,857**	63,528,871
- Cost plus	**21,888,489**	22,154,552
- Other variable rates	**17,487,140**	8,413,153
	148,905,031	122,832,302
Less: Islamic financing sold to Cagamas	-	(294,946)
Gross loans, advances and financing	**148,905,031**	122,537,356

(iv) By economic purpose

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Personal use	**4,669,215**	3,200,541
Credit card	**3,551,889**	3,087,406
Purchase of consumer durables	**4,076**	19,111
Construction	**4,651,539**	3,277,838
Residential property (Housing)	**35,405,101**	28,933,603
Non-residential property	**9,788,024**	8,726,826
Purchase of fixed assets other than land and building	**5,443,961**	2,843,897
Mergers and acquisitions	**1,737,598**	1,563,682
Purchase of securities	**9,645,409**	12,161,500
Purchase of transport vehicles	**14,964,275**	13,302,548
Working capital	**43,956,121**	38,071,904
Other purpose	**15,087,823**	7,643,446
	148,905,031	122,832,302
Less: Islamic financing sold to Cagamas	**-**	(294,946)
	148,905,031	122,537,356

A10. LOANS, ADVANCES AND FINANCING (continued)

(v) Non-performing loan by economic purpose

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Personal use	**273,975**	257,288
Credit card	**82,008**	73,565
Purchase of consumer durables	**611**	950
Construction	**417,527**	337,397
Residential property (Housing)	**1,687,729**	1,672,770
Non-residential property	**373,205**	438,087
Purchase of fixed assets other than land and building	**139,361**	116,226
Purchase of securities	**63,485**	69,980
Purchase of transport vehicles	**371,491**	375,828
Working capital	**3,123,027**	2,584,750
Other purpose	**884,430**	129,620
	7,416,849	6,056,461

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

	The Group	
	31 Dec 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 year	**4,411,728**	3,707,932
Reclassified as performing during the year	**(2,241,616)**	(2,618,513)
Amount written back in respect of recoveries	**(1,029,647)**	(1,162,022)
Arising from acquisition of a subsidiary	**1,398,003**	67,149
Amount written off	**(1,293,983)**	(826,075)
Purchase of non-performing loans	**3,852**	-
Sale of non-performing loans	**-**	(385,389)
Exchange fluctuation	**112,051**	(51,369)
Balance as at 31 December	**7,416,849**	6,056,461
Specific allowance ^	**(4,553,264)**	(3,325,574)
Net non-performing loans, advances and financing	**2,863,585**	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 ^	**1.98%**	**2.29%**

^ Excludes specific allowances on performing loans amounting to RM352,012,000 (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 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Specific allowance		
Balance as at 1 January	**3,524,361**	3,551,988
Allowance made during the year	**1,872,694**	1,679,440
Amount written back in respect of recoveries	**(502,027)**	(693,323)
Amount written back from sale of non-performing loans	**-**	(61,099)
Amount written off	**(1,117,850)**	(814,807)
Arising from acquisition of a subsidiary	**886,203**	45,670
Amount transferred from general allowance	**214,526**	-
Allowance (written back)/made and charged to deferred assets	**(2,880)**	878
Sale of non-performing loans	**-**	(194,711)
Allowance for non-performing loans purchased from third party	**3,440**	-
Allowance made/(written back) in relation to jointly controlled entity	**3,009**	(4,329)
Exchange fluctuation	**23,800**	14,654
Balance as at 31 December	**4,905,276**	3,524,361
General allowance		
Balance as at 1 January	**1,808,539**	1,523,920
Net allowance made during the year	**107,478**	250,711
Amount transferred to specific allowance	**(214,526)**	-
Allowance for loans arising from acquisition of subsidiaries	**88,309**	80,094
Exchange fluctuation	**36,793**	(46,186)
Balance as at 31 December	**1,826,593**	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	**1.34%**	**1.56%**

A11. OTHER ASSETS

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Interest receivable	**495,892**	468,114
Due from brokers and clients net of allowance for doubtful debts	**1,337,154**	512,972
Other debtors, deposits and prepayments net of allowance for doubtful debts	**1,985,616**	1,831,690
Due from insurers, brokers and reinsurers	**26,033**	18,679
Option financing	**238,224**	301,995
Deferred assets	**198,610**	216,292
Foreclosed properties net of allowance for impairment losses	**610,944**	174,047
Credit Support Annex for derivative transactions	**210,761**	464,823
Amounts receivable from sale of non-performing loans	**118,562**	165,871
	5,221,796	4,154,483

A12. DEPOSITS FROM CUSTOMERS

	The Group	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000
By type of deposit		
Demand deposits	**36,950,453**	31,076,404
Savings deposits	**19,695,207**	14,929,572
Fixed deposits	**83,570,321**	72,576,926
Negotiable instruments of deposit	**2,081,384**	2,705,644
Others	**36,584,971**	25,601,664
	178,882,336	146,890,210
By type of customer		
Government and statutory bodies	**20,363,828**	10,825,601
Business enterprises	**77,199,262**	73,442,172
Individuals	**61,552,720**	47,116,235
Others	**19,766,526**	15,506,202
	178,882,336	146,890,210
Maturity structure of fixed deposits and negotiable instruments of deposit		
One year or less (short term)	**81,838,705**	71,145,615
More than one year (medium/long term)	**3,813,000**	4,136,955
	85,651,705	75,282,570

A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Licensed banks	**6,280,414**	6,813,348
Licensed finance companies	**101,307**	14,140
Licensed investment banks	**193,070**	2,506,885
Bank Negara Malaysia	**365,000**	365,000
Other financial institutions	**3,191,791**	3,953,911
	10,131,582	13,653,284

A14. OTHER LIABILITIES

	The Group	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Interest payable	**568,278**	634,286
Due to brokers and clients	**1,578,692**	741,345
Amount due to special purpose vehicle of jointly controlled entity	**314,360**	405,403
Expenditure payable	**573,005**	472,641
Provision for legal claims	**290,336**	314,173
Sundry creditors	**554,379**	541,410
Deferred gain on disposal of Menara Bumiputra-Commerce	**-**	231,330
Insurance fund - life and takaful insurance business	**1,756,724**	1,890,635
Allowance for commitments and contingencies	**72,716**	32,749
Post employment benefit obligations	**275,848**	135,562
Others	**2,575,305**	2,099,172
	8,559,643	7,498,706

A15. INTEREST INCOME

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing				
- Interest income other than recoveries	**2,080,694**	2,085,149	**8,372,559**	7,116,860
- Recoveries from NPLs	**64,084**	83,738	**253,786**	377,567
- Recoveries from NPL sale	**-**	5,541	**-**	5,541
Money at call and deposit placements with financial institutions	**73,338**	115,389	**283,182**	824,056
Securities purchased under resale agreement	**19,731**	23,764	**115,693**	132,914
Securities held for trading	**32,509**	83,871	**165,861**	538,426
Available-for-sale securities	**101,427**	116,633	**556,611**	382,692
Held-to-maturity securities	**203,679**	108,774	**768,857**	209,442
Others	**11,226**	12,522	**37,011**	59,033
	2,586,688	2,635,381	**10,553,560**	9,646,531
Accretion of discounts less amortisation of premiums	**28,014**	47,373	**134,530**	138,540
Net interest suspended	**(31,416)**	(48,830)	**(148,320)**	(194,648)
	2,583,286	2,633,924	**10,539,770**	9,590,423

A16. INTEREST EXPENSE

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	**21,398**	44,339	**96,959**	314,386
Deposits from other customers	**854,696**	1,073,994	**3,674,484**	3,805,320
Obligation on securities sold under repurchase agreements	**908**	243	**947**	9,269
Bonds	**-**	-	**-**	8,121
Loan stocks/ICULS	**-**	448	**-**	1,452
Subordinated notes	**63,393**	26,335	**301,694**	206,933
Loans sold to Cagamas	**4,009**	12,171	**26,575**	60,376
Negotiable certificates of deposits	**26,627**	62,871	**133,498**	227,534
Other borrowings	**17,154**	43,225	**127,468**	156,537
Others	**26,326**	84,574	**109,239**	139,899
	1,014,511	1,348,200	**4,470,864**	4,929,827

A17. NON-INTEREST INCOME

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000	31 Dec 2009 RM'000	31 Dec 2008 RM'000
(a) Fee income :				
Commissions	**58,669**	55,836	**212,381**	226,582
Fee on loans, advances and financing	**190,656**	110,402	**526,114**	427,453
Portfolio management fees	**12,295**	5,096	**27,386**	25,398
Service charges and fees	**52,984**	68,808	**332,412**	244,544
Corporate advisory fees	**16,775**	21,928	**70,028**	133,459
Guarantee fees	**12,529**	10,895	**56,775**	55,093
Other fee income	**39,199**	35,063	**264,196**	239,571
Placement fees	**127,862**	1,340	**145,432**	18,841
Underwriting commission	**25,535**	37	**32,289**	9,555
Al-Wakalah fee	**8,160**	7,064	**29,466**	34,089
	544,664	316,469	**1,696,479**	1,414,585
(b) Gross dividend income from :				
In Malaysia				
- Securities held for trading	**1,411**	3,895	**16,398**	30,142
- Available-for-sale securities	**9,397**	13,662	**22,100**	35,974
- Held-to-maturity securities	**-**	16	**-**	58
Outside Malaysia				
- Securities held for trading	**126**	278	**798**	1,731
- Available-for-sale securities	**679**	1,705	**16,177**	1,705
	11,613	19,556	**55,473**	69,610
(c) Net gain/(loss) arising from securities held for trading	**67,015**	21,596	**330,036**	(201,304)
- realised	31,208	(39,985)	177,244	(11,117)
- unrealised	35,807	61,581	152,792	(190,187)
(d) Net (loss)/gain arising from derivative financial instruments	**(49,821)**	(204,059)	**139,568**	197,096
- realised	47,198	(623,029)	493,842	57,617
- unrealised	(97,019)	418,970	(354,274)	139,479
(e) Net (loss)/gain arising from hedging derivatives	**9,077**	(32,064)	**(3,965)**	(5,891)
(f) Net gain from sale of available-for-sale securities	**74,333**	22,360	**257,769**	322,959
(g) Net gain from sale of held-to-maturity securities	**5,436**	77	**24,505**	4,089
(h) Income from assets management and securities services	**62,575**	23,541	**162,272**	145,889
(i) Brokerage income	**74,971**	40,904	**281,778**	253,025
(j) Other non-interest income:				
Foreign exchange gain/(loss)	**78,871**	325,844	**381,232**	392,111
Rental income	**3,917**	3,374	**19,538**	17,220
Gain on disposal of property, plant and equipment	**13,236**	5,966	**97,960**	9,586
Gain on disposal of leased assets	**250**	253	**250**	253
Net gain/(loss) from insurance business	**2,286**	(73,877)	**105,438**	(86,525)
Other non-operating income	**52,237**	15,601	**145,424**	111,430
	150,797	277,161	**749,842**	444,075
Total other operating income	**950,660**	485,541	**3,693,757**	2,644,133

A18. OVERHEADS

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Personnel costs				
- Salaries, allowances and bonus	**588,459**	305,545	**2,175,025**	1,453,064
- Pension cost	**65,910**	79,117	**234,269**	183,683
- Others	**116,564**	90,029	**421,977**	332,750
	770,933	474,691	**2,831,271**	1,969,497
Establishment costs				
- Depreciation of property, plant and equipment	**81,615**	61,866	**309,773**	214,335
- Amortisation of prepaid lease payments	**446**	382	**1,863**	1,588
- Rental	**66,689**	42,446	**244,267**	160,558
- Insurance	**17,655**	11,650	**76,689**	19,843
- Repair and maintenance	**33,364**	49,532	**194,753**	190,285
- Outsourced services	**14,273**	30,196	**124,217**	103,617
- Others	**80,916**	59,752	**254,623**	182,321
	294,958	255,824	**1,206,185**	872,547
Marketing expenses				
- Sales commission	**31,640**	9,648	**67,684**	42,591
- Advertisement	**68,158**	72,591	**212,666**	191,445
- Legal fees	**(45,388)**	15,660	**(12,505)**	32,693
- Others	**6,272**	7,037	**46,009**	39,490
	60,682	104,936	**313,854**	306,219
Administration and general expenses				
- Impairment of intangible assets - computer software	**1,955**	-	**1,955**	-
- Impairment of prepaid lease payment	**427**	-	**427**	-
- Amortisation of intangible assets	**44,359**	40,626	**180,193**	122,945
- Legal and professional fees	**68,370**	68,469	**182,866**	149,838
- Stationery	**35,568**	43,251	**102,905**	88,809
- Merchant expenses	**24,496**	32,056	**93,929**	96,469
- Communication	**24,287**	16,211	**92,955**	67,012
- Incidental expenses on banking operations	**60,577**	27,015	**110,701**	84,134
- Others	**151,179**	32,621	**600,394**	364,335
	411,218	260,249	**1,366,325**	973,542
	1,537,791	1,095,700	**5,717,635**	4,121,805

A19. ALLOWANCE FOR LOSSES ON LOANS, ADVANCES AND FINANCING

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Allowance for bad and doubtful debts on loans and financing :				
Specific allowance				
- made during the year	**599,000**	559,431	**1,872,694**	1,679,440
- written back	**(165,495)**	(130,710)	**(502,027)**	(693,323)
- written back from NPL sale	**-**	(61,099)	**-**	(61,099)
General allowance				
- (written back)/made during the year	**(41,077)**	36,306	**107,478**	250,711
Bad debts on loans and financing :				
- recovered	**(202,911)**	(114,947)	**(471,141)**	(355,923)
- recovered from NPL sale	**-**	(26,276)	**-**	(26,276)
- written off	**13,631**	30	**15,601**	1,185
	203,148	262,735	**1,022,605**	794,715

In respect of loans, advances and financing in CIMB Bank Group which are in default for more than 7 years, 20% of the realisable value of assets held has been assigned as value of collateral with effect from 1 January 2010, as allowed by BNM. In prior year, no value was assigned as the realisable value of collateral. For loans, advances and financing which are in default for more than 5 but less than 7 years, 50% of the realisable value of asset held has been assigned as the value of collateral. The specific allowance made during the year by CIMB Bank Group for these categories of non-performing loans is RM104,310,083 (2008: RM186,537,987).

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.

	The Group		
		Fair values	
	Principal amount	Assets	Liabilities
	RM'000	RM'000	RM'000
At 31 December 2009			
Derivative at fair value through income statement			
Foreign exchange derivatives			
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)**
	63,312,450	**748,495**	**(731,940)**
Interest rate derivative			
Interest rate swaps	**150,669,107**	**2,111,817**	**(1,614,648)**
Interest rate futures	**16,702,600**	**30,334**	**(25,774)**
Interest rate options	**3,130,000**	**11,854**	**(4,920)**
	170,501,707	**2,154,005**	**(1,645,342)**
Equity related derivatives			
Commodity futures	**31,672**	**842**	**(13)**
Index futures	**4,505**	**-**	**(4)**
Equity options	**11,975,449**	**528,843**	**(856,920)**
Commodity options	**690,261**	**70,562**	**(66,429)**
	12,701,887	**600,247**	**(923,366)**
Credit related contract			
Credit default swaps	**825,435**	**2,062**	**(2,363)**
Held for hedging purpose			
Interest rate swaps	**9,254,623**	**185,022**	**(176,843)**
Cross currency interest rate swaps	**350,000**	**-**	**(12,733)**
	9,604,623	**185,022**	**(189,576)**
Total derivative assets/(liabilities)	**256,946,102**	**3,689,831**	**(3,492,587)**

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

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

	The Group		
		Fair values	
	Principal amount RM'000	Assets RM'000	Liabilities RM'000
At 31 December 2008			
Derivative at fair value through income statement			
Foreign exchange derivatives			
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	148,335 ^	(250,692)
Cross currency interest rate swaps	13,007,098	409,686	(415,500)
	43,331,657	958,974	(1,061,483)
Interest rate derivatives			
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)
Equity related derivatives			
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)
Credit related contract			
Credit default swaps	1,010,413	4,207	(58,927)
Held for hedging purpose			
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	5,723,801	(5,168,280)

^ Included in currency options was restatement of RM16,135,000 in relation to the finalisation of the fair value exercise and purchase price allocation in respect of the acquisition of PT Bank Lippo Tbk as allowed by FRS 3 - "Business Combinations".

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:

	31 Dec 2009			**31 Dec 2008**		
Group	**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**
Credit-related						
Direct credit substitutes	**5,325,347**	**4,930,893**	**2,225,277**	4,651,831	4,620,651	1,881,467
Certain transaction-related contingent items	**5,761,442**	**3,444,165**	**2,153,047**	5,347,027	3,157,433	1,948,393
Short-term self-liquidating trade-related contingencies	**3,761,011**	**744,063**	**590,935**	3,700,924	737,396	511,436
Islamic financing sold directly and indirectly to Cagamas with recourse	**-**	**-**	**-**	294,946	294,946	294,946
Obligations under underwriting agreement	**250,000**	**125,000**	**125,000**	65,000	32,500	32,500
Irrevocable commitments to extend credit						
- maturity not exceeding one year	**40,252,165**	**5,706,680**	**2,709,694**	40,668,836	5,352,832	2,431,770
- maturity exceeding one year	**5,948,537**	**116,698**	**114,688**	8,754,634	4,377,317	3,722,448
Forward assets purchases	**52,478**	**1**	**-**	129,052	16	11
Miscellaneous commitments and contingencies	**6,108,479**	**126,414**	**48,378**	6,722,195	321,819	65,012
Total credit-related commitments and contingencies	**67,459,459**	**15,193,914**	**7,967,019**	70,334,445	18,894,910	10,887,983
Treasury-related						
Foreign exchange related contracts :						
- less than one year	**55,031,218**	**456,997**	**109,357**	39,809,643	662,249	113,902
- one year to less than five years	**3,876,156**	**1,544,495**	**477,976**	2,119,837	888,286	222,066
- five years and above	**1,333,036**	**387,218**	**114,425**	2,040,477	733,002	283,815
	60,240,410	**2,388,710**	**701,758**	43,969,957	2,283,537	619,783
Interest rate related contracts :						
- less than one year	**91,152,067**	**17,120**	**4,641**	114,353,287	13,008	2,623
- one year to less than five years	**65,680,137**	**2,012,906**	**444,854**	72,988,755	2,362,599	509,362
- five years and above	**10,340,564**	**2,095,290**	**454,389**	7,634,070	2,059,072	442,869
	167,172,768	**4,125,316**	**903,884**	194,976,112	4,434,679	954,854
Equity related contracts :						
- less than one year	**4,946,183**	**102,076**	**30,210**	4,155,670	117,653	25,823
- one year to less than five years	**6,163,740**	**317,527**	**88,596**	8,185,030	695,202	197,319
- five years and above	**870,031**	**59,199**	**11,840**	57,628	4,365	873
	11,979,954	**478,802**	**130,646**	12,398,328	817,220	224,015
Other treasury related commitments and contingencies	**16,039,852**	**195,390**	**84,592**	-	-	-
Total treasury-related commitments and contingencies	**255,432,984**	**7,188,218**	**1,820,880**	251,344,397	7,535,436	1,798,652
	322,892,443	**22,382,132**	**9,787,899**	321,678,842	26,430,346	12,686,635

* Other than the credit equivalent of RM7,403,370,000 (2008: RM7,177,331,000) arising from a subsidiary, PT Bank CIMB Niaga Tbk, which is computed based on Bank Indonesia requirements, and RM625,419,000 (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 been revised to include only those undrawn loans whereby all conditions precedent have been met.

A21. INTEREST/PROFIT RATE RISK

As at 31 December 2009	← Non-trading book →											
	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 %	Effective average interest rate THB %
Assets												
Cash and short-term funds	24,591,792	430,793	-	-	-	3,706,442	-	28,729,027	1.98	1.61	0.32	1.12
Securities purchased under resale 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	2.22	6.13	0.83	0.55
Securities held for trading	-	-	-	-	-	7,128	14,992,174	14,999,302	2.58	10.41	4.10	-
Available-for-sale securities	-	535,663	438,068	3,503,789	4,608,218	1,914,798	-	11,000,536	5.03	10.81	4.09	2.21
Held-to-maturity securities	157,080	729,975	429,280	5,979,640	6,970,735	-	-	14,266,710	5.43	7.06	5.71	4.15
Derivative financial instruments	282,864	805	2,674	66,668	119,873	557,640	2,659,307	3,689,831	-	-	-	-
Loans, advances and financing												
- performing	61,713,320	12,729,560	10,496,300	25,302,667	30,757,746	141,334	-	141,140,927	4.93	13.05	4.02	7.46
- non-performing	-	-	-	-	-	1,077,263 ^	-	1,077,263	-	-	-	-
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	-	-	-	-	-	1,344,886	-	1,344,886	-	-	-	-
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	-	-	-	-	-	380,404	-	380,404	-	-	-	-
Total assets	90,338,354	16,883,408	12,427,033	34,862,836	42,456,572	25,818,655	17,651,481	240,438,339				
Liabilities												
Deposits from customers	79,306,874	30,260,812	23,509,863	12,053,418	414,287	33,337,082	-	178,882,336	2.14	5.24	0.51	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	-	-	15,490	161,354	599,108	2,676,891	3,492,587	-	-	-	-
Obligations on securities sold under 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	-	-	-	-	-	8,559,643	-	8,559,643	-	-	-	-
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	346,141	214,928	1,578,039	6,263	9,830	-	3,218,286	3.14	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	6.35	7.38	-	-
Total liabilities	84,840,159	36,904,209	25,873,555	17,045,203	5,910,124	44,541,484	2,676,891	217,791,625				
Total interest rate sensitivity gap	5,498,195	(20,020,801)	(13,446,522)	17,817,633	36,546,448		14,974,590					

A21. INTEREST/PROFIT RATE RISK (continued)

As at 31 December 2008	Non-trading book						Trading book	Total	Effective average interest rate RM	Effective average interest rate IDR	Effective average interest rate USD
	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	RM'000	RM'000	%	%	%
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	-	-	-	-	-	334,000	5,389,801	5,723,801	-	-	-
Loans, advances and financing											
- performing	67,255,207	6,996,665	7,344,810	15,748,653	19,118,083	195,094	-	116,658,512	5.72	11.94	4.07
- non-performing	-	-	-	-	-	723,562 ^	-	723,562	-	-	-
Other assets	-	-	301,995	-	-	3,852,488	-	4,154,483	5.93	-	-
Deferred tax assets	-	-	-	-	-	260,062	-	260,062	-	-	-
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	-	-	-	-	-	1,559,550	-	1,559,550	-	-	-
Investment properties	-	-	-	-	-	100,175	-	100,175	-	-	-
Prepaid lease payments	-	-	-	-	-	256,788	-	256,788	-	-	-
Goodwill	-	-	-	-	-	6,204,724	-	6,204,724	-	-	-
Intangible assets	-	-	-	-	-	1,591,670	-	1,591,670	-	-	-
Non-current assets held for sale	-	-	-	-	-	82,452	-	82,452	-	-	-
Total assets	90,044,871	10,960,257	9,332,069	23,255,634	29,091,651	28,599,051	15,807,226	207,090,759			
Liabilities											
Deposits from customers	77,845,903	20,104,309	21,592,027	3,421,178	15,866	23,910,927	-	146,890,210	3.22	5.60	0.56
Deposits and placements of banks and other financial institutions	3,777,050	6,165,696	1,083,753	2,260,746	365,231	808	-	13,653,284	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	-	-	-	-	-	212,220	-	212,220	-	-	-
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	1,380,659	3,025,111	-	-	5,443,518	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	9,206,178	4,227,192	32,867,364	4,902,235	188,278,166			
Total interest rate sensitivity gap	6,065,126	(17,259,709)	(15,543,417)	14,049,456	24,864,459		10,904,991				

^ Includes specific allowances and general allowances of RM6,731,869,000 (2008: RM5,332,900,000)

A22. CAPITAL ADEQUACY

31 December 2009

The capital adequacy ratios are as follows:

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000	CIMB Thai Bank # RM '000
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	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:

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000	CIMB Thai Bank # RM '000
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 1 Capital	1,000,000	-	-	-	-
Innovative Tier 1 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	14,874,153	396,707	690,239	3,520,387	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	2,868,642	928	458,004	760,031	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	15,124,664	388,585	1,148,243	4,237,067	1,280,334
Less :					
Proposed 2009 final dividend	-	(52,300)	-	-	-
Total capital base (net of proposed dividend)	15,124,664	336,285	1,148,243	4,237,067	1,280,334

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

			Risk Weighted		
	RM'000	RM'000	RM'000	RM'000	RM'000
0%	30,359,481	427,170	6,554,422	7,019,813	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
	95,407,662	1,640,695	9,576,915	31,079,689	9,706,451
Counterparty risk requirement	-	1	-	-	-
Total risk-weighted assets equivalent for credit risk	95,407,662	1,640,696	9,576,915	31,079,689	9,706,451
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	100,436,281	1,965,036	10,125,743	31,176,942	10,677,799

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 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

The capital adequacy ratios are as follows:

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000
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:

	CIMB Bank RM '000	CIMB Inv Bank RM '000	CIMB Islamic RM '000	Bank CIMB Niaga* RM '000
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 1 Capital	1,000,000	-	-	-
Innovative Tier 1 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	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-weights are as follows:

		Risk Weighted		
	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 Operations comprise of PT Bank CIMB Niaga Tbk, 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 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 December 2009							
Net interest income							
-external income / (expense)	2,653,925	1,370,750	(255,071)	13,634	2,363,193	(77,525)	**6,068,906**
-inter-segment	(172,427)	(651,248)	842,224	-	-	(18,549)	**-**
	2,481,498	719,502	587,153	13,634	2,363,193	(96,074)	**6,068,906**
Income from Islamic Banking operations	377,922	99,773	268,812	1,142	41,113	18,298	**807,060**
Non-interest income (excluding gain on disposal of interest in subsidiaries)	731,023	877,287	814,872	295,958	988,029	(13,412)	**3,693,757**
Gain/(loss) on disposal of interest in subsidiaries	-	-	99,800	-	-	-	**99,800**
Net Income	3,590,443	1,696,562	1,770,637	310,734	3,392,335	(91,188)	**10,669,523**
Overheads	(2,594,059)	(739,855)	(355,608)	(187,417)	(1,845,895)	5,199	**(5,717,635)**
Profit/(loss) before allowances	996,384	956,707	1,415,029	123,317	1,546,440	(85,989)	**4,951,888**
Allowance for losses on loans, advances and financing	(295,551)	(261,685)	83,315	-	(548,189)	(495)	**(1,022,605)**
Allowance for other receivables	(731)	(537)	66,561	(13)	(121,360)	(489)	**(56,569)**
Provision for commitments and contingencies	-	(21,000)	47,473	(3,000)	(41,561)	-	**(18,088)**
Allowance written back/(made) for impairment losses	-	22,766	(88,532)	-	(5,153)	(5,860)	**(76,779)**
Segment results	700,102	696,251	1,523,846	120,304	830,177	(92,833)	**3,777,847**
Share of results of jointly controlled entities	6,858	-	897	-	-	-	**7,755**
Share of results of associates	-	-	(4,575)	-	27,667	3,183	**26,275**
Profit/(loss) before taxation and zakat	706,960	696,251	1,520,168	120,304	857,844	(89,650)	**3,811,877**
% of profit before taxation and zakat	18.5	18.3	39.9	3.2	22.5	(2.4)	**100.0**
Taxation and zakat							**(764,810)**
Profit after taxation before minority interests							**3,047,067**

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 December 2008							
Net interest income							
-external income / (expense)	2,807,894	1,303,805	(349,673)	4,653	907,032	(13,115)	4,660,596
-inter-segment income	(304,510)	(610,868)	951,377	-	-	(35,999)	-
	2,503,384	692,937	601,704	4,653	907,032	(49,114)	4,660,596
Income from Islamic Banking operations	202,237	76,957	115,184	-	36,181	7,231	437,790
Non-interest income (excluding gain on disposal of interest in subsidiaries)	666,529	879,897	523,436	157,265	388,725	28,281	2,644,133
Loss on disposal of interest in subsidiaries	-	-	(2,007)	-	-	-	(2,007)
Net Income	3,372,150	1,649,791	1,238,317	161,918	1,331,938	(13,602)	7,740,512
Overheads	(2,258,651)	(620,501)	(198,743)	(193,614)	(785,380)	(64,916)	(4,121,805)
Profit/(loss) before allowances	1,113,499	1,029,290	1,039,574	(31,696)	546,558	(78,518)	3,618,707
Allowance for losses on loans, advances and financing	(394,416)	(235,334)	685	-	(169,489)	3,839	(794,715)
Allowance for other receivables	(283)	(1,117)	3	(11,934)	(81,902)	465	(94,768)
Provision for commitments and contingencies	-	-	-	-	(708)	-	(708)
Allowance written back/(made) for impairment losses	-	92,104	(56,737)	(11,465)	415	5,166	29,483
Segment results	718,800	884,943	983,525	(55,095)	294,874	(69,048)	2,757,999
Share of results of jointly controlled entity	3,253	-	-	-	-	-	3,253
Share of results of associates	-	-	(19,063)	5,235	(33,754)	1,989	(45,593)
Profit/(loss) before taxation and zakat	722,053	884,943	964,462	(49,860)	261,120	(67,059)	2,715,659
% of profit before taxation and zakat	26.6	32.6	35.5	(1.8)	9.6	(2.5)	100.0
Taxation and zakat							(703,113)
Profit after taxation before minority interests							2,012,546

A24. OPERATIONS OF ISLAMIC BANKING

A24a. Unaudited Balance Sheet as at 31 December 2009

	Note	The Group 31 Dec 2009 RM'000	The Group 31 Dec 2008 RM'000
Assets			
Cash and short-term funds		**6,397,463**	6,762,644
Deposits and placements with banks and other financial institutions		**2,409,258**	929,001
Securities held for trading		**3,491,709**	3,502,420
Available-for-sale securities		**589,242**	612,378
Held-to-maturity securities		**1,045,721**	1,234,040
Derivative financial instruments		**459,659**	388,279
Financing, advances and other loans	A24c(i)	**16,856,675**	6,561,253
Deferred tax assets		**44,625**	21,369
Amount due from related companies		**3,973**	4,801
Amount due from holding company		**-**	110,118
Statutory deposits with Bank Negara Malaysia		**172,806**	269,224
Property, plant and equipment		**6,613**	7,106
Other assets		**642,697**	110,596
Goodwill		**136,000**	136,000
Intangible assets		**3,675**	5,962
TOTAL ASSETS		**32,260,116**	20,655,191
Liabilities and Islamic banking capital funds			
Deposits from customers	A24(d)	**20,180,319**	15,371,280
Deposits and placements of banks and other financial institutions		**9,120,340**	3,668,949
Derivative financial instruments		**248,478**	52,253
Bills and acceptances payable		**-**	5,258
Amount due to holding company		**13,523**	-
Amount due to related companies		**8,111**	4,871
Provision for taxation and zakat		**70,711**	40,486
Other liabilities		**1,007,143**	461,535
Subordinated Sukuk		**300,000**	-
TOTAL LIABILITIES		**30,948,625**	19,604,632
Equity			
Islamic banking funds		**91,693**	91,693
Ordinary share capital		**550,000**	550,000
Perpetual preference shares		**70,000**	70,000
Reserves		**558,625**	302,891
		1,270,318	1,014,584
Minority interests		**41,173**	35,975
Total Equity		**1,311,491**	1,050,559
TOTAL EQUITY AND LIABILITIES		**32,260,116**	20,655,191

A24b. Unaudited Income Statements for year ended 31 December 2009

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds and others	**220,404**	202,546	**990,110**	705,220
Income derived from investment of shareholders' funds	**87,913**	63,286	**210,857**	210,945
Allowances for losses on financing, advances and other loans	**(34,034)**	(23,153)	**(243,521)**	(85,739)
Allowance for losses on other receivables	**(5)**	(209)	**(35)**	(209)
Transfer from profit equalisation reserve	**-**	-	**-**	2,200
Other expenses directly attributable to the investment of the depositors and shareholders' funds	**(10)**	(687)	**(10)**	(11,031)
Total distributable income	**274,268**	241,783	**957,401**	821,386
Income attributable to the depositors	**(47,994)**	(134,067)	**(393,897)**	(467,135)
Total net income	**226,274**	107,716	**563,504**	354,251
Other operating expenses	**(70,521)**	(53,258)	**(245,980)**	(149,977)
Profit before allowances	**155,753**	54,458	**317,524**	204,274
Writeback of/(allowance for) impairment losses	**96**	(199)	**96**	(199)
Profit before taxation and zakat	**155,849**	54,259	**317,620**	204,075
Taxation and zakat	**(30,218)**	(7,880)	**(63,039)**	(36,067)
Profit after taxation and zakat	**125,631**	46,379	**254,581**	168,008
Attributable to :				
Equity holders of the Company	**120,491**	44,547	**249,289**	165,501
Minority interests	**5,140**	1,832	**5,292**	2,507
	125,631	46,379	**254,581**	168,008
Income from Islamic Banking operations (per page 2)				
Total net income	**226,274**	107,716	**563,504**	354,251
Add: Allowances for losses on financing, advances and other loans	**34,034**	23,153	**243,521**	85,739
Add: Allowance for losses on other receivables	**5**	-	**35**	-
Less: Transfer from profit equalisation reserve	**-**	-	**-**	(2,200)
	260,313	130,869	**807,060**	437,790

A24c. Financing, advances and other loans

i) By type

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Cash line	**241,179**	235,945
Term financing	**28,008,876**	9,020,539
Bills receivable	**1,625**	-
Trust receipts	**29,827**	23,887
Claims on customers under acceptance credits	**173,893**	156,709
Staff financing	**-**	17
Revolving credits	**845,716**	422,299
Other financing	**49,046**	71,057
	29,350,162	9,930,453
Less: Unearned income	**(12,174,821)**	(2,887,714)
	17,175,341	7,042,739
Less: Financing sold to Cagamas	**-**	(294,946)
Gross financing, advances and other loans	**17,175,341**	6,747,793
Fair value changes arising from fair value hedge	**26,519**	-
	17,201,860	6,747,793
Less: Specific allowance	**(181,427)**	(102,902)
	17,020,433	6,644,891
Less: General allowance	**(163,758)**	(83,638)
Net financing, advances and other loans	**16,856,675**	6,561,253

a) Included in other term financing is RM1,519 million (2008: RMNil) provided on normal commercial terms which is exempted from general allowance by Bank Negara Malaysia.

(b) During the financial year, the Group has undertaken fair value hedges on RM1,350 million(2008: RMNil) financing using profit rate swaps.

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
Gross financing hedged	**1,350,000**	-
Fair value changes arising from fair value hedges	**26,519**	-
	1,376,519	-

The fair value loss on profit rate swaps as at 31 December 2009 were RM41.6 million (2008: RMNil).

ii) Non-performing financing

Movements in the non-performing financing, advances and other loans :

	The Group	
	31 Dec 2009 RM'000	**31 Dec 2008 RM'000**
At 1 January	**207,093**	257,787
Non-performing during the year	**384,855**	173,119
Reclassified to performing during the year	**(94,443)**	(137,010)
Amount recovered	**(34,424)**	(30,441)
Amount written off	**(97,599)**	(56,362)
Exchange fluctuation	**870**	-
As as at 31 December	**366,352**	207,093
Less: Specific allowance	**(181,427)**	(102,902)
Net non-performing financing, advances and other loans	**184,925**	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	**1.09%**	1.50%

Movements in the allowance for bad and doubtful financing :

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Specific allowance		
At 1 January	**102,902**	97,379
Allowance made during the year	**202,593**	99,654
Amount recovered	**(25,785)**	(40,611)
Amount written off	**(97,356)**	(54,506)
Exchange fluctuation	**(927)**	986
At 31 December	**181,427**	102,902
General allowance		
At 1 January	**83,638**	51,318
Allowance made during the year	**81,309**	34,018
Exchange fluctuation	**(1,189)**	(1,698)
At 31 December	**163,758**	83,638
As % of gross financing, advances and other loans (including Islamic financing sold to Cagamas, but excluding RPSIA financing and financing exempted from general allowance by BNM) less specific allowances	**1.46%**	1.66%

A24d. Deposits from customers

By type of deposits

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Non-Mudharabah		
Demand deposits	**1,086,766**	1,925,997
Savings deposits	**550,330**	319,480
Commodity Murabahah-i	**17,125**	379,480
Fixed return investment account	**2,964,471**	2,131,893
Negotiable instruments of deposit	**523,089**	242,975
Fixed rate deposits	**1,102,280**	1,163,130
Equity linked Sukuk	**249,250**	-
Others	**7,366**	12,322
	6,500,677	6,175,277
Mudharabah		
Demand deposits	**2,155,363**	398,731
Savings deposits	**243,458**	129,375
General investment deposits	**2,196,438**	1,636,457
Special general investment deposits	**7,425,800**	5,266,698
Specific investment deposits	**1,658,583**	1,746,613
Others	**-**	18,129
	13,679,642	9,196,003
	20,180,319	15,371,280

A25. Credit transactions and exposures with connected parties

	The Group	
	31 Dec 2009	**31 Dec 2008**
	RM'000	**RM'000**
Outstanding credit exposures with connected parties	**6,679,072**	6,293,236
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	**4.59%**	4.77%
Percentage of outstanding credit exposures to connected parties which is non-performing or in default	**0.00%**	0.00%

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 full-year net profit of RM2.807 billion for 2009, a 43.8% year-on-year ("Y-o-Y") growth and equivalent to net earnings per share ("EPS") of 79.5 sen. The FY09 net return on equity ("ROE") of 15.0% was above the original target of 12.5% and in line with the revised 14-15% target for the year. The Group declared an interim dividend of 18.5 sen (single tier) amounting to a total net payment of RM653 million and a 1-for-1 bonus issue of new shares.

For 4Q09 alone, the Group's net profit of RM803 million was 10.5% higher than 3Q09. On a Y-o-Y basis, this represented a 151.7% growth over the 4Q08 net profit of RM319 million.

The 2009 operating environment turned out much better than anticipated and the Group excelled, posting its best ever financial performance and met or exceeded all its key targets set for the year. Investors who rode the year with the Group enjoyed a 123% total shareholder return, 74% higher than the KLCI benchmark.

CIMB Group Y-o-Y Results

CIMB Group's FY09 revenues increased by 37.8% Y-o-Y to RM10.67 billion while profit before tax ("PBT") grew by 40.4% to RM3.812 billion.

In 2009, the Group's Malaysian consumer "good" bank PBT grew 46.1% Y-o-Y on the back of an 8.9% growth in revenues and a 30.9% Y-o-Y drop in net loan loss provisions. As expected, the lower recoveries at Group Special Assets Management (or "bad" bank) brought about the relatively flat 1% Y-o-Y growth in PBT at the overall Malaysian consumer bank.

PBT contribution from Treasury & Investments increased 54.9% Y-o-Y to RM1.475 billion but the comparatively slower capital markets and higher international portfolio provisioning brought about a 20.3% Y-o-Y decline in Corporate & Investment Banking PBT to RM691 million. CIMB Niaga's contribution surged 160.6% Y-o-Y to RM787 million from RM302 million last year due to the addition of the ex-Lippo Bank franchise and favourable operating environment in Indonesia. Asset Management and Insurance PBT jumped to RM120 million in 2009 from a RM50 million loss last year due to the better performance of its fund management companies and a turnaround in CIMB-Aviva's operations. CIMB Thai continued to operate in the black for the second consecutive quarter, bringing about the full-year PBT contribution of RM47 million compared to the RM41 million loss in 2008.

The Malaysian Consumer Bank's contribution to Group PBT has declined to 18% compared to 25% in 2008. Treasury and Investments was the largest contributor with 39% from 35% previously. Corporate & Investment Banking contribution was lower at 18% from 32% previously. CIMB Niaga's contribution surged to 21% versus 11% in 2008. Group Asset Management (GAM) and Insurance rose to 3% from a loss last year, while CIMB Thai made a maiden 1% contribution.

Total non-Malaysian PBT contribution to the Group jumped to 26% in 2009 from 11% in 2008.

The Group's total gross loans expanded 21.4% Y-o-Y, due to the inclusion of CIMB Thai's loans in 2009. Excluding this, CIMB Group's gross loans grew by 14.2% Y-o-Y (versus 8% target) anchored by the Malaysian consumer loans which grew 13.2%. Mortgages, credit cards and the Group's micro credit lending grew by 20.1%, 13.7% and 83.2% respectively Y-o-Y. Hire purchase loans began making some headway again with a 3.4% Y-o-Y growth but business banking loans continued to decline by 6.5% Y-o-Y. Corporate loans grew by 5.5% Y-o-Y. CIMB Niaga's loans grew 29.4% (in RM terms).

Total Group deposits grew Y-o-Y by 21.8% and 15.6% excluding CIMB Thai. CIMB Bank's retail deposits grew 18.3% Y-o-Y, but this was largely attributed to the success of the new Singapore retail operations. Excluding Singapore, the 2009 retail deposits were 9.7% higher Y-o-Y.

Loan loss provisions for the Group increased 28.7% Y-o-Y to RM1.023 billion due to the inclusion of CIMB Thai and higher provisioning from the international portfolio and CIMB Niaga. The Group's total credit charge was 0.69%, lower than the 0.8-0.9% full year target. The Group's net non-performing loans ("NPL") ratio hit an all-time low of 2.0% compared to 2.3% as at 31 December 2008. Following the corporatisation of Southeast Asia Special Asset Management Bhd ("SEASAM"), CIMB Bank's net NPL ratio has dropped to only 1.2%. Group loan loss coverage improved to 90.8% compared to 86.7% as at end-3Q09. The Group's cost to income ratio was relatively flat at 53.6% versus 53.2% in 2008.

CIMB Bank's risk weighted capital ratio improved further to 15.1% as at 31 December 2009 against 14.0% as at 30 September 2009. CIMB Group's double leverage and gearing stood at 119.4% and 27.0% respectively as at end-2009.

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

CIMB Group Q-on-Q Results
The Group's 4Q09 revenues of RM2.780 billion was flat compared to 3Q09, but Group net profits of RM803 million grew 10.5% from RM727 million in 3Q09 as loan loss provisions dropped sharply by 17.5%.

CIMB Niaga Results
On 16 February 2009, Bank CIMB Niaga reported a FY09 net profit of IDR1,568 billion, a 131.2% Y-o-Y growth with a 2009 net ROE of 15.0%. The stronger performance was attributed to a combination of loans growth, higher Net Interest Margins ("NIMs") and better treasury income. Sequentially, the 4Q09 net profit of IDR416 million was 8.7% lower than 3Q09 due to higher loan loss charges.

CIMB Niaga's gross loans grew 11.3% Y-o-Y in 2009 predominantly driven by the corporate and auto loans segments. Gross NPL increased to 3.0% at end-December 2009 from 2.5% as at the corresponding period last year, while net NPL ratio decreased to 1.0% from 1.4% previously. CIMB Niaga continues to retain the 2nd lowest position in net NPL ratios amongst Indonesian banks while loan loss coverage was increased to 108.5% as at end-2009 compared to 87.6% as at end-2008.

CIMB Niaga's Tier 1 capital and risk weighted capital ratios stood at 11.3% and 13.6% respectively as at 31 December 2009.

CIMB Thai Results
On 21 January 2009, CIMB Thai announced a 4Q09 net profit of THB42 million, bringing about a total full-year net profit of THB2 million, in line with the Group's breakeven target for 2009. For the 12-month period, CIMB Thai chalked a revenue of THB6.898 billion, up 5.6% Y-o-Y. As a result of GAAP adjustments, CIMB Thai's contribution to the Group's 2009 earnings was RM47 million, compared to a negative RM41 million in 2008.

CIMB Thai's Tier 1 capital and risk weighted capital ratios (based on Basel II framework) were at 6.0% and 12.0% as at 31 December 2009.

CIMB Islamic
CIMB Islamic's Y-o-Y PBT jumped 74.5% to RM171 million as the Group continued the dramatic growth of its Syariah-compliant banking products. CIMB Islamic's total loans grew 166.4% Y-o-Y and now accounts for 11% of total Group loans. Total deposits grew by 28.1% Y-o-Y to RM17.5 billion. With its total assets at RM27.7 billion as at 31 December 2009, CIMB Islamic has emerged as the country's second largest Islamic bank with a 12% market share in less than 5 years.

Market Shares
CIMB Investment Bank remained the leading stockbroker in Malaysia and extended its number one position in primary bonds, Initial Public Offering ("IPO") and Equity Capital Market ("ECM") advisory for 2009. It maintained its second spot on the M&A league tables. CIMB Islamic stretched its position 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-GK was the 5th 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 4th in stockbroking market share. Despite its small market share of brokerage, CIMB Securities Thailand emerged as no.2 in ECM. CIMB Principal Asset Management remains the second largest asset manager in Malaysia.

Bonus Issue
CIMB Group is proposing a 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 and to align its quoted share price with pricing conventions on the Stock Exchange of Thailand ("SET") ahead of the Group's proposed listing later this year.

B2. CORPORATE DEVELOPMENTS

The significant corporate developments in 2009 were:

(a) Streamlining of business
• (a) On 31 January 2009, CIMB completed the disposal of certain assets, liabilities and fund management business of Southern Investment Bank Berhad to Hong Leong Investment Bank (formerly as HLG Credit).

(b) Mergers and Acquisitions
• On 13 January 2009, CIMB Bank increased its shareholding in CIMB Thai to 92.04% upon completion of its Tender Offer exercise. Upon completion of CIMB Thai's rights issue on 19 March 2009, CIMB Bank's shareholding in CIMB Thai was further raised to 93.15%, with CIMB Bank's total investment value amounting to RM1.54 billion.

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

B2. CORPORATE DEVELOPMENTS (CONTINUED)

b) Mergers and Acquisitions (continued)

• 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 price to book (“P/B”) valuation of 1.29x as at completion date.

• On 28 July 2009, CIMB completed the disposal of a 49% equity interest in PT CIMB Sun Life to PT Sun Life Indonesia Services for USD22.7 million (approx. RM84.1 million)

• On 7 August 2009, CIMB Investment Bank subscribed for a 10% equity interest in Vinashin Shipbuilding Finance Company Securities LLC (“VFC Securities”) in Vietnam for approx. RM6.7 million, with an option to increase its shareholding to 40% for up to RM39.2 million. VFC Securities was granted a securities license by the Vietnam State Securities Commission on 18 December 2008.

• On 20 October 2009, CIMB Thai entered into a sale and purchase agreement for the sale of Sathorn Building in Bangkok, Thailand for approximately THB1 billion (RM100 million).

• On 25 November 2009, CIMB Bank disposed off part of its non-performing loans (“NPL”) to a special purpose vehicle, SEASAM.

• On 30 December 2009, CIMB Bank entered into a sale and leaseback agreement for to 65 properties to Kumpulan Wang Simpanan Pekerja (KWSP) for RM302.45 million cash.

• On 19 February 2010, CIMB Group entered into an agreement to acquire 32.22% of Touch N’ Go Sdn Bhd (“TnG”) for RM53.8 million. Upon completion, CIMB Group will increase its existing stake in TnG from 20% to 52.22%.

(c) Capital Management

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

• On 30 June 2009, CIMB Bank fully redeemed its USD200 million subordinated bonds.

• On 30 June 2009, CIMB Group injected equity of RM1 billion into CIMB Bank.

• On 10 July 2009, CIMB Bank fully redeemed its RM667 million ICULS via issuance of 667 million new CIMB Bank shares to CIMB Group Sdn Bhd.

• On 28 December 2009, the Group cancelled 50.6291 million treasury shares.

(d) Others

• On 17 April 2009, TPG Capital invested USD140 million in CIMB Group 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 CIMB Group ordinary shares at a strike price of RM10 per share, exercisable over a five year period.

• On 2 July 2009, CIMB Strategic Assets Sdn Bhd entered into a 60:40 joint venture with Standard Bank Group International Limited to jointly manage a USD500 million Islamic Infrastructure Fund. The private equity fund is sponsored by the Asian Development Bank (“ADB”) and the Islamic Development Bank (“IDB”) with an initial seed capital of USD250 million. CIMB Bank (L) Limited and Standard Bank Plc jointly committed a further USD12 million.

• On 9 September 2009, the Group’s name was changed from Bumiputra-Commerce Holdings Berhad to CIMB Group Holdings Berhad, following the shareholder’s approval attained at an EGM convened on 4 September 2009.

• On 5 November 2009, RAM Ratings upgraded the long-term ratings for CIMB Bank and CIMB Investment Bank to AAA/P1 (stable) from AA2 previously.

• On 16 November 2009, the Group announced its intention to seek a dual listing on the Stock Exchange of Thailand (“SET”) involving an IPO of up to 35 million CIMB shares.

B3. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group had a very good 2009, financially as well as in the overall development of its regional franchise. The regional model remains "work-in-progress" and the Group is determined to realise its full potential over the next few years. In 2010, the Group anticipates navigating a quite different set of challenges – in particular, margin compression from more intense competition, turn in the interest rate cycle and new rules and conventions arising from global banking reform. The improved economic environment will nevertheless translate to higher demand for banking and capital market solutions and lower credit defaults. Therefore the Group is setting higher financial targets for this year.

Among the various KPI targets for 2010, CIMB Group has set its sights on ROE of 16.0% and total region-wide loan and CASA ("Current Account and Savings Account") growth of 12% and 18% respectively. Its dividend target remains at 18.5 sen but this will be reviewed after implementation of the FRS139 accounting standard and Basel II later this year.

B4. TAXATION

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Major components of tax expense:				
Current tax expense	**295,056**	133,451	**871,991**	648,157
Deferred tax expense	**(43,176)**	24,710	**(55,313)**	61,910
Over-accrual in prior years	**(51,868)**	(6,954)	**(51,868)**	(6,954)
	200,012	151,207	**764,810**	703,113
Reconciliation				
Profit before taxation	**1,093,623**	448,136	**3,811,877**	2,715,659
Tax at statutory income tax rate of 25% (2008: 26%)	**273,406**	116,516	**952,970**	706,072
Effect of different tax rates in other countries and change in tax rates	**(62,824)**	21,107	**(34,304)**	34,767
Due to income not subject to income tax and expenses not deductible for tax purposes	**41,298**	20,538	**(101,988)**	(30,772)
Over-accrual in prior years	**(51,868)**	(6,954)	**(51,868)**	(6,954)
	200,012	151,207	**764,810**	703,113

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 Dec 2009 RM'000	31 Dec 2008 RM'000
Bonds and notes*		
Unsecured		
One year or less (short term)	**-**	24,374
More than one year (medium/long term)	**443,051**	-
	443,051	24,374

* Included in bonds and notes for the current period is USD denominated bond of USD140,000,000

	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Other borrowings**		
Unsecured		
One year or less (short term)	**1,624,154**	2,326,754
More than one year (medium/long term)	**1,594,132**	1,678,082
	3,218,286	4,004,836

** Included in other borrowings for the current period is USD denominated syndicated term loans of USD 400,000,000

	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Subordinated Notes***		
Unsecured		
One year or less (short term)	**308,562**	1,037,748
More than one year (medium/long term)	**6,034,176**	4,405,770
	6,342,738	5,443,518

*** Includes US denominated Subordinated Notes of USD 390,000,000

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/year after minority interests by the weighted average number of ordinary shares in issue during the financial period/year.

a) Basic EPS

	The Group			
	4th quarter ended		Twelve months ended	
	31 Dec 2009 RM'000	31 Dec 2008 RM'000	31 Dec 2009 RM'000	31 Dec 2008 RM'000
Net profit for the financial period/year after minority interests	**802,893**	318,598	**2,806,816**	1,952,038
Weighted average number of ordinary shares in issue - proforma ('000)	**3,531,765**	3,465,318	**3,529,967**	3,375,898
Basic earnings per share (expressed in sen per share)	**22.7**	9.2	**79.5**	57.8

b) Diluted EPS

	4th quarter ended 31 Dec 2009	4th quarter ended 31 Dec 2008	Twelve months ended 31 Dec 2009	Twelve months ended 31 Dec 2008
Net profit for the financial period/year after minority interests	**802,893**	318,598	**2,806,816**	1,952,038
Elimination of interest expense on USD Zero Coupon Guaranteed Convertible Bonds	**-**	89	**-**	331
Income from investment of proceeds from exercise of warrants in money market instruments during the period	**560**	-	**-**	-
Net profit used to determine diluted EPS	**803,453**	318,687	**2,806,816**	1,952,369
Weighted average number of ordinary shares in issue ('000)	**3,531,765**	3,465,318	**3,529,967**	3,375,898
Adjustments for:				
- Conversion of USD Zero Coupon Guaranteed Convertible Bonds	**-**	4,317	**-**	4,317
- Warrants #	**10,586**	-	**-**	-
Weighted average number of ordinary shares for diluted EPS	**3,542,351**	3,469,635	**3,529,967**	3,380,215
Diluted EPS	**22.7**	9.2	**79.5**	57.8

The outstanding 50,622,413 warrants of the Company in issue as at 31 December 2009 does not have a dilutive impact to EPS for the 12 months ended 31 December 2009 as the average share price was lower than the strike price. In contrast, the average share price during the 4th quarter is higher than its strike price, and a dilution has been reflected accordingly in the diluted EPS for the 4th quarter ended 31 December 2009.

B9 Additional notes on comparative restatement

Certain balance sheet comparatives were restated to conform with the current financial year's presentation. There was no impact to the financial performance and ratios in relation to the financial year ended 31 December 2008. The restatements are as follows:

Group	Note	As previously reported RM'000	Restatement/ Reclassification RM'000	As restated RM'000
Balance sheet				
Assets				
Derivative financial instruments	(i)	5,739,936	(16,135)	5,723,801
Other assets	(i)	4,237,926	(83,443)	4,154,483
Deferred tax assets	(i)	543,139	(283,077)	260,062
Property, plant and equipment	(i)	1,669,036	(109,486)	1,559,550
Prepaid lease payments	(i)	50,386	206,402	256,788
Goodwill	(i)	6,696,245	(491,521)	6,204,724
Intangible assets	(i)	459,361	1,132,309	1,591,670
Deposits from customers	(ii)	153,424,976	(6,534,766)	146,890,210
Deposits and placements of banks and other financial institutions	(ii)	7,118,518	6,534,766	13,653,284
Liabilities				
Current tax liabilities	(i)	152,498	59,722	212,220
Subordinated notes	(i)	5,598,335	(154,817)	5,443,518
Equity				
Reserves	(i)	14,021,765	35,252	14,057,017
Minority interest	(i)	1,098,498	414,892	1,513,390

(i) The restatement is in relation to the finalisation of the fair value exercise and purchase price allocation in respect of the acquisition of PT Bank Lippo Tbk as allowed by FRS 3 - "Business Combinations". There was no impact to the income statement for the financial year ended 31 December 2008.

(ii) The reclassification is in relation to the Negotiable Instrument of Deposit placed by financial institutions classified under deposits from customers, now reclassified under deposits and placements of banks and other financial institutions.