



BANK MUAMALAT MALAYSIA BERHAD

Company No. 6175-W
(Incorporated in Malaysia)

**UNAUDITED CONDENSED
FINANCIAL STATEMENTS FOR NINE MONTHS ENDED
31 DECEMBER 2011**

PUBLIC

Company No. 6175-W

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

Contents	Page
Statements of Financial Position	1
Statements of Comprehensive Income	2
Statements of Changes in Equity	5
Statements of Cashflows	7
Notes to the financial statements	10

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENT
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011 (6 SAFAR 1433)

	Note	Group		Bank	
		31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
ASSETS					
Cash and short-term funds		2,965,041	6,447,295	2,965,041	6,447,295
Financial investment available-for-sale	4(b)	5,538,709	4,331,906	5,527,909	4,321,106
Financial investment held-to-maturity	4(a)	75,744	28,224	75,744	28,224
Islamic derivative financial assets	5	6,280	2,154	6,280	2,154
Financing of customers	6	8,057,992	7,148,160	8,075,190	7,166,034
Other assets	8	117,161	113,866	110,459	106,811
Statutory deposits with Bank Negara Malaysia		439,721	94,121	439,721	94,121
Deferred tax assets (net)		20,591	38,240	20,591	38,240
Investment in subsidiaries		-	-	6,484	6,484
Property, plant and equipment		79,724	101,521	79,724	101,516
Prepaid land lease payment		252	255	252	255
Total assets		17,301,215	18,305,742	17,307,395	18,312,240
LIABILITIES					
Deposits from customers	9	14,593,400	16,171,772	14,600,211	16,178,389
Deposits and placements of banks and other financial institutions	10	296,764	14,993	296,764	14,993
Islamic derivative financial liabilities	5	7,934	1,018	7,934	1,018
Bills and acceptances payable		412,199	291,375	412,199	291,375
Other liabilities	12	181,199	209,926	181,392	209,950
Provision for zakat and taxation	13	2,572	5,228	2,542	5,228
Subordinated bonds / sukuk	11	400,000	250,000	400,000	250,000
Total liabilities		15,894,068	16,944,312	15,901,042	16,950,953
SHAREHOLDERS' EQUITY					
Share capital		1,000,000	1,000,000	1,000,000	1,000,000
Reserves		407,147	361,430	406,353	361,287
Total shareholders' equity		1,407,147	1,361,430	1,406,353	1,361,287
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		17,301,215	18,305,742	17,307,395	18,312,240
COMMITMENTS AND CONTINGENCIES					
	22	4,865,796	5,745,824	4,865,796	5,745,824
CAPITAL ADEQUACY *					
Core capital ratio	23	13.9%	15.2%	13.9%	15.2%
Risk-weighted capital ratio		19.3%	19.2%	19.2%	19.2%

* The capital adequacy ratios are computed after taking into account the credit, market and operational risks.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

<u>Group</u>	Note	3 months ended		9 months ended	
		31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Income derived from investment of depositors' funds and others	14	203,954	191,274	622,071	577,135
Income derived from investment of shareholders' funds	15	15,459	11,950	41,007	48,458
Allowance for impairment on financing	16	(17,727)	(16,172)	(36,073)	(27,329)
Provision for commitments & contingencies		-	(4,000)	-	(30,861)
Impairment writeback on financial assets	17	5,825	8,414	24,518	21,114
Other expenses directly attributable to the investment of the depositors and shareholders' funds		(4,206)	(4,625)	(13,547)	(13,880)
Total distributable income		203,305	186,841	637,976	574,637
Income attributable to depositors	18	(87,981)	(79,733)	(258,807)	(217,737)
Total net income		115,324	107,108	379,169	356,900
Personnel expenses		(46,267)	(42,696)	(134,530)	(115,543)
Other overheads and expenditures		(29,184)	(18,941)	(125,104)	(85,961)
Finance cost		(5,282)	(3,906)	(18,252)	(11,719)
Profit before zakat and taxation		34,591	41,565	101,283	143,677
Zakat	19	(865)	(3,629)	(2,542)	(5,337)
Taxation	20	(7,330)	(10,477)	(33,934)	(39,020)
Profit for the period		26,396	27,459	64,807	99,320
Earnings per share (sen):					
Basic		2.6	3.3	6.5	3.3

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

Bank	Note	3 months ended		9 months ended	
		31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Income derived from investment of depositors' funds and others	14	203,954	191,274	622,071	577,135
Income derived from investment of shareholders' funds	15	15,372	12,224	40,738	48,358
Allowance for impairment on financing	16	(17,727)	(16,172)	(36,073)	(27,329)
Provision for commitments & contingencies		-	(4,000)	-	(30,861)
Impairment writeback on financial assets	17	5,825	8,414	24,518	21,007
Other expenses directly attributable to the investment of the depositors and shareholders' funds		(4,206)	(4,625)	(13,547)	(13,880)
Total distributable income		203,218	187,115	637,707	574,430
Income attributable to depositors	18	(88,024)	(79,482)	(258,926)	(217,492)
Total net income		115,194	107,633	378,781	356,938
Personnel expenses		(46,104)	(42,517)	(133,999)	(114,993)
Other overheads and expenditures		(29,310)	(19,668)	(125,270)	(86,316)
Finance cost		(5,178)	(3,906)	(18,109)	(11,719)
Profit before zakat and taxation		34,602	41,542	101,403	143,910
Zakat	19	(865)	(3,629)	(2,542)	(5,337)
Taxation	20	(7,325)	(10,361)	(33,896)	(38,884)
Profit for the period		26,412	27,552	64,965	99,689

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

<u>Group</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Profit for the period	26,396	27,459	64,807	99,320
Other comprehensive income/(loss):				
Net loss on revaluation of financial investment available-for-sale	(15,319)	(35,498)	(28,988)	(17,093)
Income tax relating to components of other comprehensive income	4,098	6,153	8,399	5,266
Exchange fluctuation reserve	463	772	1,498	604
Other comprehensive income/(loss) for the period, net of tax	(10,757)	(28,573)	(19,090)	(11,223)
Total comprehensive income for the period	15,639	(1,114)	45,717	88,097

<u>Bank</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Profit for the period	26,412	27,552	64,965	99,689
Other comprehensive income/(loss):				
Net loss on revaluation of financial investment available-for-sale	(15,319)	(35,447)	(29,796)	(17,104)
Income tax relating to components of other comprehensive income	4,098	6,153	8,399	5,266
Exchange fluctuation reserve	463	772	1,498	604
Other comprehensive income/(loss) for the period, net of tax	(10,758)	(28,522)	(19,899)	(11,234)
Total comprehensive income for the period	15,654	(970)	45,066	88,455

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

<u>Group</u>	<===== Attributable to Shareholders of the Bank =====>					
	Share Capital	<=====Non-distributable=====>				
	Ordinary shares RM'000	Statutory reserve* RM'000	Exchange fluctuation reserve RM'000	Available- for-sale reserve RM'000	Distributable Retained profits RM'000	
At 1 April 2011	1,000,000	272,893	553	(40,113)	128,097	1,361,430
Other comprehensive income for the period	-	-	1,498	(20,588)	-	(19,090)
Profit for the period	-	-	-	-	64,807	64,807
Transfer to statutory reserve	-	32,403	-	-	(32,403)	-
At 31 December 2011	1,000,000	305,296	2,051	(60,701)	160,501	1,407,147
At 1 April 2010						
- as previously stated	1,000,000	206,105	(530)	(52,973)	166,529	1,319,131
- effect of adopting FRS139	-	-	-	-	(105,221)	(105,221)
At 1 April 2010, as restated	1,000,000	206,105	(530)	(52,973)	61,308	1,213,910
Other comprehensive income for the period	-	-	604	(11,827)	-	(11,223)
Profit for the period	-	-	-	-	99,320	99,320
Transfer to statutory reserve	-	49,660	-	-	(49,660)	-
At 31 December 2010	1,000,000	255,765	74	(64,800)	110,968	1,302,007

* The statutory reserve is maintained in compliance with Section 15 of the Islamic Banking Act 1983 and is not distributable as dividends.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

	<===== Attributable to Shareholders of the Bank =====>					Total RM'000
	Share Capital RM'000	<=====Non-distributable=====>			Distributable RM'000	
	Share capital RM'000	Statutory reserve* RM'000	Exchange fluctuation reserve RM'000	Available- for-sale reserve RM'000	Retained profits RM'000	
Bank						
At 1 April 2011	1,000,000	271,603	553	(39,974)	129,105	1,361,287
Other comprehensive income for the period	-	-	1,498	(21,397)	-	(19,899)
Profit for the period	-	-	-	-	64,965	64,965
Transfer to statutory reserve	-	32,483	-	-	(32,483)	-
At 31 December 2011	1,000,000	304,086	2,051	(61,371)	161,587	1,406,353
At 1 April 2010						
- as previously stated	1,000,000	204,596	(530)	(52,824)	167,212	1,318,454
- effect of adopting FRS139	-	-	-	-	(105,114)	(105,114)
At 1 April 2010, as restated	1,000,000	204,596	(530)	(52,824)	62,098	1,213,340
Other comprehensive income for the period	-	-	604	(11,838)	-	(11,234)
Profit for the period	-	-	-	-	99,689	99,689
Transfer to statutory reserve	-	49,845	-	-	(49,845)	-
At 31 December 2010	1,000,000	254,441	74	(64,662)	111,942	1,301,795

* The statutory reserve is maintained in compliance with Section 15 of the Islamic Banking Act 1983 and is not distributable as dividends.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

Bank Muamalat Malaysia Berhad
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433)

	Group		Bank	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Cash flows from operating activities				
Profit before zakat and taxation	101,283	143,677	101,403	143,910
Adjustment for				
Amortisation of prepaid land and lease payment	3	3	3	3
Depreciation of property, plant and equipment	12,020	9,948	12,016	9,928
Gain on disposal of property, plant and equipment	(34)	(44)	(34)	(44)
Property, plant and equipment written off	31,594	127	31,594	127
Islamic profit rate swap	2,515	292	2,515	292
Amortisation of premium less accretion of discount	3,745	12,756	3,745	12,756
Net gain from sale of financial investment available-for-sale	(20,236)	(16,002)	(20,236)	(16,002)
Net gain from sale of financial investment held-for-trading	(601)	(990)	(601)	(990)
Net (gain)/loss on revaluation of foreign exchange transaction	(10,065)	1,214	(10,065)	1,214
Net loss/(gain) from foreign exchange derivatives	275	(12,501)	275	(12,501)
Writeback impairment on investments	(24,518)	(21,114)	(24,518)	(21,007)
Allowance for impairment on financing	56,118	27,329	56,118	27,329
Provision for commitment and contingencies	-	30,861	-	30,861
Finance cost	18,252	11,719	18,109	11,719
Gross dividend income	(8,864)	(2,000)	(8,864)	(2,000)
Operating profit before working capital changes	161,487	185,275	161,460	185,595

Bank Muamalat Malaysia Berhad
(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433) (cont'd.)

	Group		Bank	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
(Increase)/decrease in operating assets:				
Islamic derivative financial assets	(4,401)	8,802	(4,401)	8,802
Financing of customers	(965,950)	(380,750)	(965,275)	(393,426)
Statutory deposits with Bank Negara Malaysia	(345,600)	(3,800)	(345,600)	(3,800)
Other current assets	9,071	(34,752)	7,905	(29,300)
Increase/(decrease) in operating liabilities:				
Deposits from customers	(1,578,372)	(1,206,377)	(1,578,178)	(1,206,828)
Deposits and placements of banks and other financial institutions	281,771	46,778	281,771	46,778
Islamic derivative financial liabilities	4,401	(7,589)	4,401	(7,589)
Bills and acceptances payable	120,824	279,194	120,824	279,194
Other current liabilities	(28,697)	66,295	(28,558)	62,650
Cash used in operation	(2,345,466)	(1,046,924)	(2,345,651)	(1,057,924)
Zakat paid	(5,228)	(120)	(5,228)	(120)
Tax paid	(9,609)	(44,737)	(9,567)	(44,633)
Net cash used in operating activities	(2,360,303)	(1,091,781)	(2,360,446)	(1,102,677)
Cash flows from investing activities				
Proceed of financial investment in securities	4,349,879	3,503,101	4,349,879	3,503,101
Purchase of financial investment in securities	(5,590,657)	(3,504,020)	(5,590,657)	(3,493,124)
Proceed from disposal of property, plant and equipment	68	58	68	58
Purchase of property, plant and equipment	(21,852)	(21,518)	(21,852)	(21,518)
Dividend income	8,864	2,000	8,864	2,000
Net cash used in investing activities	(1,253,699)	(20,379)	(1,253,699)	(9,483)

**Bank Muamalat Malaysia Berhad
(Incorporated in Malaysia)**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2011 (6 SAFAR 1433) (cont'd.)**

	Group		Bank	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Cash flows from financing activities				
Dividend paid on islamic subordinated bond	(18,252)	(11,719)	(18,109)	(11,719)
Redemption of subordinated bonds	(250,000)	-	(250,000)	-
Additional issuance of subordinated sukuk	400,000	-	400,000	-
Net cash generated from/ (used in) financing activities	131,748	(11,719)	131,891	(11,719)
Net decrease in cash and cash equivalents	(3,482,254)	(1,123,879)	(3,482,254)	(1,123,879)
Cash and cash equivalents at beginning of year	6,447,295	5,775,383	6,447,295	5,775,383
Cash and cash equivalents at end of year	2,965,041	4,651,504	2,965,041	4,651,504
Cash and cash equivalents consist of:				
Cash and short term funds	2,965,041	4,651,504	2,965,041	4,651,504

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 March 2011.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2011

1. BASIS OF PREPARATION

The unaudited interim financial statements for the nine months ended 31 December 2011 have been prepared under the historical cost convention except for the available-for-sale financial investments which are stated at fair values.

These unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad and Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”). The financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Bank for the financial year ended 31 March 2011.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the recent audited financial statements for the financial year ended 31 March 2011, except for the adoption of the following Financial Reporting Standards (FRS), amendments to FRSs and IC Interpretations:

- FRS 1, First-time Adoption of Financial Reporting Standards (revised)
- FRS 3, Business combinations (revised)
- FRS 123, Borrowing costs (revised)
- FRS 127, Consolidated and Separate Financial Statements (revised)
 - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
 - Additional Exemptions for First-time Adopters Amendments to FRS1, First-time Adoption of Financial Reporting Standards
- Amendments to FRS 2, Group Cash-settled Share Based Payment Transactions
- Amendments to FRS 2, Share-based Payment
- Amendments to FRS 5, Non-current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 7, Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
- Amendments to FRS 101, Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 132, Financial Instruments: Presentation – Classification of Rights Issues
- Amendments to FRS 138, Intangible Assets
- IC Interpretation 4, Determining whether an Arrangement contains a Lease
- IC Interpretation 10, Interim Financial Reporting and Impairment
- IC Interpretation 11, FRS 2 – Group and Treasury Share Transactions
- IC Interpretation 12, Service Concession Agreements
- IC Interpretation 13, Customer Loyalty Programmes
- IC Interpretation 14, FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
- IC Interpretation 16, Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17, Distributions of Non-cash Assets to Owners
- IC Interpretation 18, Transfers of Assets from Customers
- Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives
- Improvements to FRSs (2010)

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

1. BASIS OF PREPARATION (CONT'D)

The following new and amendments to IC interpretations have been issued by the MASB and are effective for annual periods commencing on or after 1 July 2011, and have yet to be adopted by the Group:

- IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ from these estimates.

2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2011 was not qualified.

3. PERFORMANCE REVIEW & OUTLOOK

PERFORMANCE REVIEW

The Group registered an unaudited profit before tax of RM101.3 million for the nine months period ended 31 December 2011, decline by 29.5% from the previous corresponding period in 2010. The Group's profit mainly contributed by higher income derived from investment of depositors' funds and higher impairment writeback on financial assets. This however has been offset by higher income attributable to depositors and other overhead expenses, which mainly attributed to written-off of the work-in-progress of a discontinued IT project amounting to RM31.5million.

The total assets of the Group as at December 2011, however decreased from RM 18.3 billion to RM17.3 billion as compared to last year ended 31 March 2011. The change was partly contributed by the significant decrease in cash and short term funds by 54%, in line with the decrease in deposit from customer offset by positive growth in net financing assets which has increased by 12.7% to RM 8.1 billion from RM 7.2 billion in March 2011.

OUTLOOK

Looking ahead, sustaining competitiveness in the industry entails for development of more innovative products and enhancement of customer service level to maximize business and customers preferences, while maintaining the quality of growth and prudent liabilities management. The increasingly competitive landscape and softening economic growth also suggest the bank to emphasis on diversification of sources of income. In order to further strengthening the bank's position, several performance improvement plans and initiatives will be undertaken and are expected to deliver positive impact in the medium term. Amidst the ongoing uncertainties in the global economy and challenging business environment, the bank's earnings are expected to improve, supported by the ongoing enhancement of IT platforms, infrastructures and control systems.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

4. FINANCIAL INVESTMENT

	Group and Bank			
	31 December		31 March	
	2011		2011	
	RM'000		RM'000	
(a) Held-to-maturity				
At amortised cost				
Corporate bonds		77,805		30,285
Accumulated impairment loss		(2,061)		(2,061)
Total financial investment held-to-maturity		75,744		28,224
	Group		Bank	
	31 December	31 March	31 December	31 March
	2011	2011	2011	2011
	RM'000	RM'000	RM'000	RM'000
(b) Available-for-sale				
At fair value				
Quoted securities:				
Malaysian government				
investment certificate	3,232,282	1,960,866	3,232,282	1,960,866
Cagamas bonds	135,782	135,713	135,782	135,713
Khazanah bonds	61,350	-	61,350	-
Islamic private debt securities	1,975,231	2,127,431	1,975,231	2,127,431
Labuan sukuk	78,658	58,087	78,658	58,087
Quoted shares	40,501	24,994	40,501	24,994
Unit trust	-	9,910	-	9,910
	5,523,804	4,317,001	5,523,804	4,317,001
Unquoted securities:				
Shares				
	14,905	14,905	4,105	4,105
Total financial investment available-for-sale	5,538,709	4,331,906	5,527,909	4,321,106

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

5. DERIVATIVE FINANCIAL INSTRUMENTS

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which change in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the year end and are indicative of neither the market risk nor the credit risk.

Group and Bank	As at 31 December 2011			As at 31 March 2011		
	Contract/ Notional Amount RM'000	Fair Value		Contract/ Notional Amount RM'000	Fair Value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives :						
Foreign exchange contracts						
- Currency forwards						
Less than one year	369,330	4,913	(1,167)	52,994	770	(302)
- Currency swaps						
Less than one year	839,782	1,367	(4,094)	256,702	1,384	(558)
	1,209,112	6,280	(5,261)	309,696	2,154	(860)
- Islamic Profit Rate Swap (IPRS)						
More than one year	75,000	-	(2,673)	75,000	-	(158)
Total	1,284,112	6,280	(7,934)	384,696	2,154	(1,018)

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

6. FINANCING OF CUSTOMERS

(a) By type

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Cash line	255,210	367,763	255,210	367,763
Term financing:				
Home financing	5,861,405	4,828,099	5,861,405	4,828,099
Syndicated financing	92,752	143,617	92,752	143,617
Hire purchase receivables	1,227,297	1,397,081	1,227,297	1,397,081
Leasing receivables	179,777	191,584	179,777	191,584
Other term financing	5,831,289	4,294,681	5,848,487	4,312,555
Trust receipts	121,365	147,916	121,365	147,916
Claims on customers under acceptance credits	698,350	779,186	698,350	779,186
Staff financing	108,718	94,761	108,718	94,761
Revolving credit	517,366	356,088	517,366	356,088
	14,893,529	12,600,776	14,910,727	12,618,650
Less : Unearned income	(6,103,249)	(4,753,075)	(6,103,249)	(4,753,075)
	8,790,280	7,847,701	8,807,478	7,865,575
Less : Financing sold to Cagamas	(351,359)	(364,308)	(351,359)	(364,308)
Gross financing	8,438,921	7,483,393	8,456,119	7,501,267
Less : Allowance for impaired financing :				
Collective assessment	(223,695)	(226,702)	(223,695)	(226,702)
Individual assessment	(157,234)	(108,531)	(157,234)	(108,531)
Total net financing	8,057,992	7,148,160	8,075,190	7,166,034

(b) By contract

Bai' Bithaman Ajil (deferred payment sale)	3,015,897	2,465,728	3,015,897	2,465,728
Ijarah (lease)	283,871	260,690	283,871	260,690
Ijarah Thumma Al-Bai (lease ended with purchase)	1,074,678	1,207,059	1,074,678	1,207,059
Inah (sale and buyback)	338,451	449,754	338,451	449,754
Tawarruq (commodity murabahah)	1,750,330	1,301,019	1,750,330	1,301,019
Bai' Al-Dayn (purchase of debt)	702,386	805,213	702,386	805,213
Murabahah (cost-plus)	754,051	652,739	754,051	652,739
Istisna' (sale order)	501,043	301,566	501,043	301,566
Qard Hasan (benevolent loan)	17,862	16,344	17,862	16,344
Shirkah Mutanaqisah (diminishing partnership) / Musharakah (profit sharing)	352	23,281	17,550	41,155
	8,438,921	7,483,393	8,456,119	7,501,267

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

6. FINANCING OF CUSTOMERS (CONTD.)

(c) By type of customer

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Domestic non-banking institutions	454,489	37,042	454,489	37,042
Domestic business enterprises:				
-Small business enterprises	410,325	728,478	410,325	728,478
-Others	2,757,376	2,336,206	2,768,327	2,347,158
Government and statutory bodies	108,099	135,190	114,346	142,112
Individuals	4,689,504	4,224,569	4,689,504	4,224,569
Other domestic entities	3,501	5,520	3,501	5,520
Foreign entities	15,627	16,388	15,627	16,388
	8,438,921	7,483,393	8,456,119	7,501,267

(d) By profit rate sensitivity

Fixed rate:				
Home financing	417,473	485,065	417,473	485,065
Hire purchase receivables	1,066,595	1,201,348	1,066,595	1,201,348
Others	3,658,610	2,764,311	3,663,483	2,769,263
Variable rate:				
Home financing	1,418,352	1,114,763	1,418,352	1,114,763
Others	1,877,892	1,917,906	1,890,216	1,930,828
	8,438,921	7,483,393	8,456,119	7,501,267

(e) By residual contractual maturity

Maturity within one year	2,772,502	2,470,365	2,772,502	2,470,365
Maturity within one to five years	2,852,985	2,866,870	2,852,985	2,866,870
Maturity more than five years	2,813,434	2,146,158	2,830,632	2,164,032
	8,438,921	7,483,393	8,456,119	7,501,267

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

6. FINANCING OF CUSTOMERS (CONTD.)

(f) By sector

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Agriculture	34,008	75,846	34,008	75,846
Mining & Quarrying	3,371	4,049	3,371	4,049
Manufacturing	662,543	670,143	667,415	675,095
Electricity, gas and water	125,999	144,710	125,999	144,710
Construction	765,474	810,779	771,552	816,779
Purchase of landed property:				
Residential	1,902,438	1,651,418	1,902,438	1,651,418
Non-residential	231,473	255,963	231,473	255,963
Real estate	121,891	16,937	121,891	16,937
Wholesale' retail and restaurant	578,981	601,139	578,981	601,139
Transport, storage and communication	297,719	155,913	297,719	155,913
Finance, insurance and business services	538,148	154,028	538,148	154,028
Purchase of securities	51	86	51	86
Purchase of transport vehicles	1,073,586	1,207,546	1,073,586	1,207,546
Consumption credit	1,687,781	1,316,730	1,687,781	1,316,730
Community, social and personal services	415,459	418,106	421,706	425,028
	8,438,921	7,483,393	8,456,119	7,501,267

(g) By geographical area

Domestic	8,390,893	7,388,918	8,408,091	7,406,792
Labuan Offshore	48,028	94,475	48,028	94,475
	8,438,921	7,483,393	8,456,119	7,501,267

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

7. IMPAIRED FINANCING

(a) Movements in the impaired financing

	Group and Bank	
	31 December	31 March
	2011	2011
	RM'000	RM'000
As at 1 April, as previously stated	378,343	513,753
Effect of adopting FRS 139	-	78,235
At 1 April, as restated	378,343	591,988
Classified as impaired during the period	311,800	457,633
Reclassified as performing during the period	(126,767)	(265,609)
Recovered during the period	(92,248)	(142,588)
Written off during the period	(10,690)	(263,081)
As at 31 December	460,438	378,343
Ratio of gross impaired to total financing	5.2%	4.8%

(b) Movements in the allowance for impaired financing

	Group		Bank	
	31 December	31 March	31 December	31 March
	2011	2011	2011	2011
	RM'000	RM'000	RM'000	RM'000
<u>General allowance</u>				
As at 1 April				
- as previously stated	-	106,663	-	106,770
- effect of adopting FRS 139	-	(106,663)	-	(106,770)
At 1 April, as restated	-	-	-	-
Allowance made during				
the period	-	-	-	-
As at 31 December	-	-	-	-

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

7. IMPAIRED FINANCING (CONTD.)

(b) Movements in the allowance for impaired financing (cont'd)

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
<u>Specific allowance</u>				
As at 1 April				
- as previously stated	-	300,304	-	300,304
- effect of adopting FRS 139	-	(300,304)	-	(300,304)
At 1 April, as restated	-	-	-	-
Allowance made during the period	-	-	-	-
Amount recovered	-	-	-	-
Amount written off	-	-	-	-
As at 31 December	-	-	-	-
<u>Collective assessment</u>				
As at 1 April				
- as previously stated	226,702	-	226,702	-
- effect of adopting FRS 139	-	223,218	-	223,218
At 1 April, as restated	226,702	223,218	226,702	223,218
Allowance made during the year	179,177	250,047	179,177	250,047
Amount recovered	(172,594)	(224,291)	(172,594)	(224,291)
Amount written off	(9,590)	(22,272)	(9,590)	(22,272)
As at 31 December	223,695	226,702	223,695	226,702
As % of gross financing, less individual assessment allowance	2.7%	3.1%	2.7%	3.1%
<u>Individual assessment</u>				
As at 1 April				
- as previously stated	108,531	-	108,531	-
-effect of adopting FRS 139	-	324,997	-	324,997
At 1 April, as restated	108,531	324,997	108,531	324,997
Allowance made during the period	66,030	89,776	66,030	89,776
Amount recovered	(17,327)	(70,129)	(17,327)	(70,129)
Amount written off	-	(236,113)	-	(236,113)
As at 31 December	157,236	108,531	157,234	108,531

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

7. IMPAIRED FINANCING (CONTD.)

(c) Impaired financing by sector

	Group and Bank	
	31 December 2011 RM'000	31 March 2011 RM'000
Manufacturing	39,839	24,660
Construction	188,700	71,810
Purchase of landed property:		
Residential	116,641	159,345
Non-residential	8,672	12,206
Wholesale and retail and restaurant	33,479	33,360
Transport, storage and communication	47	45
Finance, insurance and business services	11,074	9,713
Purchase of securities	49	84
Purchase of transport vehicles	34,738	34,933
Consumption credit	24,138	23,928
Community, social and personal service	3,061	8,259
	460,438	378,343

(d) Impaired financing by geographical area

	Group and Bank	
	31 December 2011 RM'000	31 March 2011 RM'000
Domestic	453,774	372,045
Labuan Offshore	6,664	6,298
	460,438	378,343

8. OTHER ASSETS

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Deposits	5,407	4,876	5,407	4,721
Prepayments	4,551	2,428	4,499	2,409
Income receivables	63,766	51,278	57,209	44,579
Tax prepayment	17,425	15,726	17,332	15,611
Amount due from subsidiaries/branch	5,584	5,534	5,584	5,534
Clearing account	2,201	16,565	2,201	16,565
Asset held for sale	14,000	14,000	14,000	14,000
Sundry debtors	4,227	3,459	4,227	3,392
	117,161	113,866	110,459	106,811

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

9. DEPOSITS FROM CUSTOMERS

(a) By type of deposits

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Non-Mudharabah Fund				
Demand deposits	2,379,815	2,733,229	2,386,625	2,739,846
Savings deposits	501,102	474,725	501,102	474,725
Negotiable Islamic debt certificate	1,312,217	1,500,971	1,312,217	1,500,971
Others	18,310	17,582	18,310	17,582
	4,211,444	4,726,507	4,218,254	4,733,124
Mudharabah Fund				
Demand deposits	276,358	217,094	276,358	217,094
Savings deposits	312,369	222,945	312,369	222,945
General investment deposits	7,706,381	9,543,630	7,706,381	9,543,630
Special general investment deposits	2,086,849	1,461,596	2,086,849	1,461,596
	10,381,957	11,445,265	10,381,958	11,445,265
	14,593,400	16,171,772	14,600,211	16,178,389

(b) By type of customer

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Government and statutory bodies	3,433,752	3,767,238	3,433,752	3,767,238
Business enterprises	5,680,041	6,632,146	5,680,041	6,632,146
Individuals	1,150,498	1,024,490	1,150,498	1,024,490
Others	4,329,110	4,747,898	4,335,920	4,754,515
	14,593,401	16,171,772	14,600,211	16,178,389

The maturity structure of negotiable instruments of deposit and mudharabah general and special investment deposit are as follows :

	Group and Bank	
	31 December 2011 RM'000	31 March 2011 RM'000
Due within six months	9,243,293	11,080,128
More than six months to one year	1,750,665	1,405,514
More than one year to three years	111,489	20,555
	11,105,447	12,506,197

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

10. DEPOSIT AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	31 December	31 March
	2011	2011
	RM'000	RM'000
Non Mudharabah		
Bank Negara Malaysia	296,764	14,993
	296,764	14,993

11. SUBORDINATED BONDS

On 5 September 2006, the Bank issued RM250,000,000 Subordinated Bonds under the Shariah principle of Bai' Bithaman Ajil. The Bonds are under a 10 non-callable 5 basis feature, with a profit rate of 6.25% per annum payable semi-annually. Under the 10 non-callable 5 basic feature, the Bank has the option to redeem the Bonds on the 5th anniversary or any semi-annual date thereafter. Should the Bank decide not to exercise its option to redeem the bonds, the holders of the Bonds will be entitled to an annual incremental step-up profit rate from the beginning of the 6th year to the final maturity date. Bank has redeemed this tranche in September 2011.

On 15 June 2011, the Bank successfully issued its Tier 2 Capital Islamic Subordinated Sukuk of RM400 million ("Subordinated Sukuk"). The Subordinated Sukuk carries a tenure of 10 years from the issue date on a 10 non-callable 5 basis. The Subordinated Sukuk, which is based on the Islamic principle of Musyarakah, is rated A3 by RAM Ratings Services Berhad. The rating outlook is stable. The Subordinated Sukuk was lead arranged by BMMB and Maybank Investment Bank Berhad and the issuance was done on private placement basis at a profit rate of 5.15 percent. The RM400 million Subordinated Sukuk will qualify as Tier 2 capital for BMMB for the purpose of Bank Negara Malaysia capital adequacy requirement.

	Group and Bank			
	31 December		31 March	
	2011		2011	
Financial liabilities	Carrying amount	Fair value	Carrying amount	Fair value
	RM'000	RM'000	RM'000	RM'000
Subordinated obligations				
- Bai Bithaman Ajil	-	-	250,000	250,025
- Musyarakah	400,000	398,980	-	-
	400,000	398,980	250,000	250,025

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

12. OTHER LIABILITIES

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Sundry creditors	53,253	38,402	53,449	38,378
Income payable to depositors	45,166	46,718	45,166	46,718
Provision for commitments and contingencies	40,273	40,273	40,273	40,273
Provision for bonus	18,065	30,605	18,065	30,527
Accrued expenses	9,349	11,460	9,349	11,450
Dividend payable for subordinated bond	957	1,128	957	1,128
Provision for directors' fees	314	479	314	479
Provision for audit fees	222	132	216	119
Clearing account	5,437	27,877	5,437	27,877
Others	8,163	12,852	8,166	13,001
	181,199	209,926	181,392	209,950

13. PROVISION FOR ZAKAT AND TAXATION

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Zakat	2,542	5,228	2,542	5,228
Taxation	30	-	-	-
	2,572	5,228	2,542	5,228

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

14. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

<u>Group/Bank</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Income derived from investment of:				
(a) General investment deposits	173,315	146,896	417,260	388,682
(b) Other deposits	30,639	44,378	204,811	188,453
	203,954	191,274	622,071	577,135

(a) Income derived from investment of general investment deposits

	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Finance income and hibah				
Income from financing	112,438	88,927	262,315	238,542
Held-to-trading financial investment	3	1	3	4
Held-to-maturity financial investment	55	50	132	132
Available-for-sale financial investment	36,425	29,272	82,891	76,587
Money at call and deposit with financial institutions	18,111	23,731	51,349	58,695
	167,032	141,981	396,690	373,960
Amortisation of premium less accretion of discounts	(801)	(3,465)	(3,021)	(8,694)
Total finance income and hibah	166,231	138,516	393,669	365,266
Other operating income				
Net gain from sale of financial investment held-for-trading	224	275	403	667
Net gain from sale of financial investment available-for-sale	1,546	4,336	11,829	11,434
	1,770	4,611	12,232	12,101
Fees and commission				
Guarantee fees	1,238	493	2,100	2,094
Processing fees	130	86	494	275
Service charges and fees	1,780	1,590	4,324	4,212
Commission	2,167	1,600	4,441	4,734
	5,314	3,769	11,359	11,315
Total	173,315	146,896	417,260	388,682
Of which :				
Financing income earned on impaired financing	1,026	93	1,593	1,608

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

14. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

(b) Income derived from investment of other deposits

	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Finance income and hibah				
Income from financing	21,746	26,509	128,756	115,661
Held-to-trading financial investment	2	-	2	2
Held-to-maturity financial investment	10	15	65	64
Available-for-sale financial investment	7,511	8,940	40,687	37,134
Money at call and deposit with financial institutions	1,472	7,621	25,204	28,455
	30,741	43,085	194,714	181,316
Accretion/(amortisation) of premium less accretion of discounts	102	(1,099)	(1,483)	(4,215)
Total finance income and hibah	30,843	41,986	193,231	177,101
Other operating income/(loss)				
Net gain from sale of financial investment held-for-trading	70	90	198	323
Net gain from sale of financial investment available-for-sale	(1,536)	1,314	5,806	5,544
	(1,466)	1,404	6,004	5,867
Fees and commission				
Guarantee fees	416	61	1,031	1,015
Processing fees	(17)	20	243	133
Service charges and fees	306	480	2,122	2,042
Commission	557	427	2,180	2,295
	1,262	988	5,576	5,485
Total	30,639	44,378	204,811	188,453
Of which :				
Financing income earned on impaired financing	377	(123)	782	780

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

15. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

<u>Group</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Finance income and hibah				
Available-for-sale financial Investment	5,769	7,875	17,029	27,421
	<u>5,769</u>	<u>7,875</u>	<u>17,029</u>	<u>27,421</u>
(Amortisation)/accretion of premium less accretion of discounts	(46)	41	758	153
Total finance income and hibah	<u>5,723</u>	<u>7,916</u>	<u>17,787</u>	<u>27,574</u>
Other operating income				
Net gain from foreign exchange transaction	13,154	2,683	10,065	12,500
Net (loss)/gain on revaluation from foreign exchange derivatives	(10,721)	826	(275)	(1,213)
Net gain/(loss) from sale of financial investment available-for-sale	818	(132)	2,601	(499)
Net dividend for islamic profit rate swap	(223)	(60)	(802)	(60)
Net loss on revaluation from islamic profit rate swap	(672)	(292)	(2,515)	(292)
Gross dividend income from investment: -unquoted in Malaysia	5,909	-	8,864	2,000
	<u>8,265</u>	<u>3,025</u>	<u>17,938</u>	<u>12,436</u>
Fees and commission				
Processing fees	265	532	1,063	1,231
Corporate advisory fees	126	457	1,534	4,657
Service charges and fees	297	(87)	720	288
Commission	666	201	1,084	1,197
Others	14	18	600	766
	<u>1,368</u>	<u>1,121</u>	<u>5,001</u>	<u>8,139</u>
Other income				
Rental income	94	(197)	245	224
Profit on sale of fixed assets	8	44	35	44
Others	-	41	-	41
	<u>102</u>	<u>(112)</u>	<u>280</u>	<u>309</u>
Total	<u>15,459</u>	<u>11,950</u>	<u>41,007</u>	<u>48,458</u>

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

15. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS (CONTD.)

<u>Bank</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Finance income and hibah				
Available-for-sale financial Investment	5,769	7,875	17,029	27,421
	<u>5,769</u>	<u>7,875</u>	<u>17,029</u>	<u>27,421</u>
Amortisation of premium less accretion of discounts	(46)	41	758	153
Total finance income and hibah	<u>5,723</u>	<u>7,916</u>	<u>17,787</u>	<u>27,574</u>
Other operating income				
Net gain from foreign exchange transaction	13,154	2,683	10,065	12,500
Net (loss)/gain on revaluation from foreign exchange derivatives	(10,721)	826	(275)	(1,213)
Net gain/(loss) from sale of financial investment available-for-sale	818	(132)	2,601	(499)
Net dividend paid from islamic profit rate swap	(223)	(60)	(802)	(60)
Net loss on revaluation from islamic profit rate swap	(672)	(292)	(2,515)	(292)
Gross dividend income from investment: -unquoted in Malaysia	5,909	-	8,864	2,000
	<u>8,265</u>	<u>3,025</u>	<u>17,938</u>	<u>12,436</u>
Fees and commission				
Processing fees	265	532	1,063	1,231
Corporate advisory fees	126	291	1,529	4,491
Service charges and fees	211	115	457	395
Commission	666	201	1,084	1,197
Others	15	18	600	766
	<u>1,282</u>	<u>1,157</u>	<u>4,733</u>	<u>8,080</u>
Other income				
Rental income	94	82	245	224
Profit on sale of fixed assets	8	44	35	44
	<u>102</u>	<u>126</u>	<u>280</u>	<u>268</u>
Total	<u>15,372</u>	<u>12,224</u>	<u>40,738</u>	<u>48,358</u>

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

16. ALLOWANCE FOR IMPAIRMENT ON FINANCING

<u>Group</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Allowance for impaired financing				
(a) Individual assessment allowance				
Made during the period	21,651	32,289	66,030	70,635
Written back during the period	(4,095)	(9,806)	(17,327)	(58,525)
	<u>17,556</u>	<u>22,483</u>	<u>48,703</u>	<u>12,110</u>
(b) Collective assessment allowance				
Made during the period	58,192	45,723	179,177	185,354
Written back during the period	(53,220)	(52,700)	(172,594)	(163,174)
	<u>4,972</u>	<u>(6,977)</u>	<u>6,583</u>	<u>22,180</u>
Bad debts on financing:				
Written off	59	3,572	833	3,609
Recovered	(4,860)	(2,906)	(20,046)	(10,570)
	<u>17,727</u>	<u>16,172</u>	<u>36,073</u>	<u>27,329</u>

<u>Bank</u>	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Allowance for impaired financing				
(a) Individual assessment allowance				
Made during the period	21,651	32,289	66,030	70,635
Written back during the period	(4,095)	(9,806)	(17,327)	(58,525)
	<u>17,556</u>	<u>22,483</u>	<u>48,703</u>	<u>12,110</u>
(b) Collective assessment allowance				
Made during the period	58,192	45,723	179,177	185,354
Written back during the period	(53,220)	(52,700)	(172,594)	(163,174)
	<u>4,972</u>	<u>(6,977)</u>	<u>6,583</u>	<u>22,180</u>
Bad debts on financing:				
Written off	59	3,572	833	3,609
Recovered	(4,860)	(2,906)	(20,046)	(10,570)
	<u>17,727</u>	<u>16,172</u>	<u>36,073</u>	<u>27,329</u>

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

17. IMPAIRMENT WRITEBACK ON FINANCIAL ASSETS

<u>Group</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Impairment writeback on corporate bonds included under available-for-sale financial investment	(5,825)	(8,414)	(24,518)	(21,114)
	(5,825)	(8,414)	(24,518)	(21,114)

<u>Bank</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Impairment writeback on corporate bonds included under available-for-sale financial investment	(5,825)	(8,414)	(24,518)	(21,114)
Impairment loss for investment in subsidiary	-	-	-	107
	(5,825)	(8,414)	(24,518)	(21,007)

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

18. INCOME ATTRIBUTABLE TO DEPOSITORS

<u>Group</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Deposits from customers:				
Mudharabah funds	69,159	59,800	212,772	167,733
Non-Mudharabah funds	15,288	37,204	40,546	42,434
Deposits and placements of banks and other financial institutions:				
Mudharabah funds	97	114	99	351
Non-Mudharabah funds	3,437	(17,385)	5,390	7,219
	87,981	79,733	258,807	217,737

<u>Bank</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Deposits from customers:				
Mudharabah funds	69,201	59,763	212,890	167,840
Non-Mudharabah funds	15,289	16,885	40,547	42,434
Deposits and placements of banks and other financial institutions:				
Mudharabah funds	97	114	99	351
Non-Mudharabah funds	3,437	2,720	5,390	6,867
	88,024	79,482	258,926	217,492

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

19. ZAKAT

<u>Group/Bank</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Provision of zakat for the year	865	683	2,542	2,391
Under provision in prior year	-	2,946	-	2,946
	865	3,629	2,542	5,337

20. TAXATION

<u>Group</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Current income tax	7,528	10,477	30,327	39,020
Under/(over) provision in prior period	161	-	(22,441)	-
	7,689	10,477	7,886	39,020
Deferred tax:				
Relating to origination and reversal of temporary differences	(360)	-	26,048	-
	(360)	-	26,048	-
	7,329	10,477	33,934	39,020

<u>Bank</u>	3 months ended		9 months ended	
	31 December	31 December	31 December	31 December
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Current income tax	7,533	10,361	30,298	38,884
Under/(over) provision in prior period	152	-	(22,450)	-
	7,685	10,361	7,848	38,884
Deferred tax:				
Relating to origination and reversal of temporary differences	(360)	-	26,048	-
	(360)	-	26,048	-
	7,325	10,361	33,896	38,884

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

20. TAXATION (CONT'D)

Domestic current income tax is calculated at the statutory tax rate of 25% (31.12.2010: 25%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Bank is as follows:

Group	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Profit before taxation	34,591	41,565	101,283	143,677
Taxation at Malaysian statutory tax rate 25% (2010: 25%)	8,648	10,391	25,321	35,919
Effect of different tax rates in other tax jurisdiction	-	(20)	-	-
Income not subject to tax	129	492	(321)	492
Expenses not deductible for tax purposes	(856)	2,785	5,327	2,785
Relating to origination and reversal of temporary differences	(753)	(176)	26,048	(176)
Under/(over) provision of income tax in prior period	161	-	(22,441)	-
Income tax expense for the period	7,329	13,472	33,934	39,020

Bank	3 months ended		9 months ended	
	31 December 2011 RM'000	31 December 2010 RM'000	31 December 2011 RM'000	31 December 2010 RM'000
Profit before taxation	34,602	41,542	101,403	143,910
Taxation at Malaysian statutory tax rate 25% (2010: 25%)	8,651	10,386	25,351	35,978
Effect of different tax rates in other tax jurisdiction	-	(20)	-	-
Income not subject to tax	129	(299)	(321)	492
Expenses not deductible for tax purposes	(855)	294	5,268	2,590
Relating to origination and reversal of temporary differences	(753)	-	26,048	(176)
Under/(over) provision of income tax in prior period	152	-	(22,450)	-
Income tax expense for the period	7,324	10,361	33,896	38,884

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

21. CREDIT EXPOSURES ARISING FROM CREDIT TRANSACTIONS WITH CONNECTED PARTIES

	Group / Bank	
	31 December 2011 RM'000	31 March 2011 RM'000
Outstanding credit exposures with connected parties (RM'000)	<u>1,015,536</u>	<u>988,892</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>6.7%</u>	<u>6.4%</u>

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on credit Transaction and Exposures with Connected Parties, which are effective on 1 January 2008.

Credit transactions and exposures to connected parties as disclosed above includes the extension of credit facilities and/or off-balance sheet credit exposures such as guarantees, trade-related facilities and financing commitments. It also includes holdings of equities and private debt securities issued by the connected parties.

The credit transactions with connected parties above are all transacted on an arm's length basis and on terms and conditions no more favourable than those entered into with other counterparties with similar circumstances and credit worthiness. Due care has been taken to ensure that the credit worthiness of the connected party is not less than that normally required of other persons.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

22. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

Risk weighted exposures of the Bank as at 31 December 2011 are as follows:

	Group and Bank		
	31 December 2011		
	Principal	Credit	Risk
	Amount	Equivalent	Weighted
	RM'000	Amount	Assets
	RM'000	RM'000	RM'000
The commitments and contingencies constitute the following:			
Commitments and contingencies			
Direct credit substitutes	208	208	208
Trade-related contingencies	64,566	12,913	5,577
Transaction related contingencies	617,532	308,766	249,814
Obligations under an on-going underwriting agreement	41,000	20,500	4,100
Housing financing sold directly and indirectly to Cagamas with recourse	351,359	351,359	164,357
Credit extension commitment:			
Maturity within one year	306,476	61,295	55,437
Maturity exceeding one year	2,169,068	1,084,534	378,224
Bills of collection	28,731	-	-
Foreign exchange related contracts -Spot	2,744	-	-
Profit rate related contracts	75,000	6,000	1,200
Derivative financial instruments			
Foreign exchange related contracts	1,209,112	17,756	10,727
	4,865,796	1,863,331	869,644

	Group and Bank		
	31 March 2011		
	Principal	Credit	Total Risk
	Amount	Equivalent	Weighted
	RM'000	Amount	Amount
	RM'000	RM'000	RM'000
Commitments and contingencies			
Direct credit substitutes	11	11	11
Trade-related contingencies	45,914	9,183	9,025
Transaction related contingencies	871,491	435,745	371,611
Obligations under an on-going underwriting agreement	65,000	32,500	6,500
Housing financing sold directly and indirectly to Cagamas with recourse	364,308	364,308	174,040
Credit extension commitment:			
Maturity within one year	323,002	64,600	55,443
Maturity exceeding one year	2,242,093	1,121,047	391,538
Bills of collection	37,009	-	-
Foreign exchange related contracts -Spot	1,487,300	-	-
Derivative financial instruments			
Foreign exchange related contracts	309,696	2,131	1,608
	5,745,824	2,029,525	1,009,776

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

23. CAPITAL ADEQUACY

(a) The core capital ratios and risk-weighted capital ratios of the Group and the Bank are as follows:

	Group		Bank	
	31 December 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000	31 March 2011 RM'000
Computation of Total Risk Weighted Assets ("RWA")				
Total credit RWA	8,732,558	7,948,103	8,719,373	7,934,560
Total market RWA	89,690	75,061	89,690	75,061
Total operational RWA	1,000,239	960,106	993,142	953,244
Total RWA	9,822,487	8,983,270	9,802,205	8,962,865
Computation of Capital Ratio				
<u>Tier-I capital</u>				
Paid-up ordinary share capital	1,000,000	1,000,000	1,000,000	1,000,000
Statutory reserve	272,893	272,893	271,603	271,603
Retained profits	128,097	128,097	129,105	129,105
Less: Deferred tax assets (net)	(38,240)	(38,240)	(38,240)	(38,240)
Total Tier-I Capital	1,362,750	1,362,750	1,362,468	1,362,468
<u>Tier-II capital</u>				
Subordinated bonds (sukuk)	400,000	250,000	400,000	250,000
Collective assessment allowance*	128,369	114,833	128,369	114,833
Total Tier-II Capital	528,369	364,833	528,369	364,833
Less: Investment in subsidiary	-	-	(6,484)	(6,484)
Capital Base	1,891,119	1,727,583	1,884,353	1,720,817
Core Capital	1,362,750	1,362,750	1,362,468	1,362,468
Capital Base	1,891,119	1,727,583	1,884,353	1,720,817
Core Capital Ratio	13.9%	15.2%	13.9%	15.2%
Risk- Weighted capital ratio	19.3%	19.2%	19.2%	19.2%

The capital adequacy ratios of the bank is computed in accordance with the Bank Negara Malaysia's Capital Adequacy Framework for Islamic Bank (CAFIB-Basel II). The Bank has adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk.

* Excluded collective assessment allowance on impaired financing restricted from Tier II capital by BNM of the Group and the Bank of RM95.3 million.

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

23. CAPITAL ADEQUACY (CONT'D)

(b) Credit risk disclosure by risk weights of the Group as at 31 December, are as follows :

	Group			
	December 2011		March 2011	
	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
0%	6,986,775	-	9,101,082	-
20%	2,120,908	424,182	1,883,668	376,734
35%	674,886	236,210	534,458	187,060
50%	1,195,905	597,953	1,041,868	520,934
75%	3,213,065	2,409,798	3,499,816	2,624,862
100%	4,883,063	4,883,063	4,136,883	4,136,883
150%	120,901	181,352	67,754	101,630
Risk weighted assets for credit risk	19,195,503	8,732,558	20,265,529	7,948,103
Risk weighted assets for market risk		89,690		75,061
Risk weighted assets for operational risk		1,000,239		960,106
Total risk weighted assets		<u>9,822,487</u>		<u>8,983,270</u>

BANK MUAMALAT MALAYSIA BERHAD
(Incorporated in Malaysia)

23. CAPITAL ADEQUACY (CONT'D)

(b) Credit risk disclosure by risk weights of the Bank as at 31 December, are as follows :

	Bank			
	December 2011		March 2011	
	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
0%	6,986,775	-	9,101,082	-
20%	2,120,908	424,182	1,883,668	376,734
35%	674,886	236,210	534,458	187,060
50%	1,195,905	597,953	1,041,868	520,934
75%	3,213,065	2,409,799	3,499,816	2,624,862
100%	4,869,877	4,869,877	4,123,340	4,123,340
150%	120,901	181,352	67,754	101,630
Risk weighted assets for credit risk	19,182,317	8,719,373	20,251,986	7,934,560
Risk weighted assets for market risk		89,690		75,061
Risk weighted assets for operational risk		993,142		953,244
Total risk weighted assets		<u>9,802,205</u>		<u>8,962,865</u>