

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES  
ISLAMIC BANKING OPERATIONS  
(Company No. 297089 M)  
(Incorporated in Malaysia)  
UNAUDITED BALANCE SHEET AT 31 MARCH 2007**

		<b>Group</b>	
		MAR 2007 RM'000	DEC 2006 RM'000
<b>ASSETS</b>			
Cash and short term funds	(a)	195,424	194
Deposits and placements with financial institutions	(b)	1,008,000	821,000
Securities held for trading	(c)	4,521	49,371
Securities available-for-sale	(d)	278,978	629,773
Financing, advances and other loans	(e)	194,775	203,908
Deferred tax assets		4,994	3,701
Other assets		62,191	54,859
Fixed Assets		15	-
<b>TOTAL ASSETS</b>		<b>1,748,898</b>	<b>1,762,806</b>
<b>LIABILITIES AND SHAREHOLDERS' FUNDS</b>			
Deposits from customers	(f)	587,945	447,846
Deposits and placements of banks and other financial institutions	(g)	61,390	354,065
Other liabilities	(h)	1,005,002	870,043
<b>TOTAL LIABILITIES</b>		<b>1,654,337</b>	<b>1,671,954</b>
<b>CAPITAL FUNDS</b>		20,000	20,000
<b>RESERVES</b>		74,561	70,852
<b>SHAREHOLDERS' FUNDS</b>	(i)	<b>94,561</b>	<b>90,852</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS</b>		<b>1,748,898</b>	<b>1,762,806</b>

CITIBANK BERHAD  
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UNAUDITED INCOME STATEMENT  
FOR THE FINANCIAL PERIOD ENDING 31 MARCH 2007

	Notes	Group and Bank	
		Mar 2007 RM'000	Mar 2006 RM'000
Income derived from funds allocated	(j)	17,173	10,715
Income attributable to depositors	(k)	(3,474)	(6,443)
Net income derived from investment of depositors' funds		13,699	4,272
Transfer to profit equalisation reserve		(4,569)	(428)
		9,130	3,844
Allowances for losses on financing	(m)	210	95
		9,340	3,939
Other operating expenses	(l)	(469)	(87)
Profit Before Taxation		8,871	3,852
Taxation		(2,304)	-
Profit Before Taxation		6,567	3,852

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**Statement Of Changes In Equity For The Period Ended 31 March 2007**

**Group and Bank**

	<b>Capital Funds RM'000</b>	<b>Other Reserve RM'000</b>	<b>Retained Profits RM'000</b>	<b>Total Total RM'000</b>
<b>At 1 January 2006</b>	20,000	312	38,694	59,006
Profit after taxation			28,117	28,117
Unrealised net loss on revaluation of securities available-for-sale		3,729		3,729
<b>At 31 December 2006</b>	<u>20,000</u>	<u>4,041</u>	<u>66,811</u>	<u>90,852</u>
<b>At 1 January 2007</b>	20,000	4,041	66,811	90,852
Profit after taxation	-	-	6,567	6,567
Unrealised net loss on revaluation of securities available-for-sale	-	(2,858)	-	(2,858)
<b>At 31 March 2007</b>	<u>20,000</u>	<u>1,183</u>	<u>73,378</u>	<u>94,561</u>

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## a CASH AND SHORT TERM FUNDS

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Cash and balances with banks and other financial institutions	199	12
Money at call and deposit placements maturing within one month	195,225	182
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	195,424	194
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## b DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Bank Negara Malaysia	996,000	821,000
Licensed banks	12,000	-
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	1,008,000	821,000
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## c SECURITIES HELD-FOR-TRADING

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
At fair value		
BNM Bills/Notes	-	49,371
Malaysian Government Investment Issues	4,521	-
	<hr/>	<hr/>
	4,521	49,371
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## d SECURITIES AVAILABLE-FOR-SALE

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
At fair value		
Malaysian Government Treasury Bills/Securities	50,150	150,855
Malaysian Government Investment Issues	-	147,018
Cagamas Bonds	60,078	149,845
Khazanah Bonds	62,316	126,243
Private Debt Securities	106,434	55,812
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	278,978	629,773
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## e FINANCING, ADVANCES AND OTHER LOANS

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Overdrafts		
Term financing		
-Housing financing	138,427	143,017
-Hire Purchase receivables	58,540	61,007
-Lease Receivable	25,557	31,983
Other loans	47,235	51,529
Claims on customers under acceptance credits	1,000	-
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	270,759	287,536
Unearned income	(67,627)	(75,061)
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	203,132	212,475
Allowance for bad and doubtful financing		
- general	(2,966)	(3,099)
- specific	(5,391)	(5,468)
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Total net financing, advances and other loans	194,775	203,908
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**CITIBANK BERHAD**

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e(ii) By type of customer

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Domestic business enterprises		
-small enterprise	37,628	42,626
-others	88,777	95,395
Individuals	76,727	74,454
	<hr/>	<hr/>
	203,132	212,475
	<hr/> <hr/>	<hr/> <hr/>

e(iii) By profit rate sensitivity

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Fixed rate		
Housing financing	76,727	74,454
Hire Purchase receivable	55,771	57,538
Other fixed rate financing	70,634	80,483
	<hr/>	<hr/>
	203,132	212,475
	<hr/> <hr/>	<hr/> <hr/>

e(iv) By sector

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Mining and quarrying	595	798
Manufacturing	41,711	49,225
Purchase of landed property		
- Residential	76,727	74,454
Wholesale, retail trade and restaurant & hotel	2,885	3,181
Transport, storage and communication	75,717	78,730
Finance, insurance and business services	5,497	6,087
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	203,132	212,475
	<hr/> <hr/>	<hr/> <hr/>

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e(v) Non-performing financing by sector

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Manufacturing	4,186	4,632
Wholesale, retail trade and restaurant & hotel	461	438
Transport, storage and communication	3,260	500
Finance, insurance and business services	2,026	1,035
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	9,933	6,605
	<hr/> <hr/>	<hr/> <hr/>

e(vi) Movements in the non-performing financing are as follows :-

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
Balance at 1 January	6,605	6,301
Non-performing during the period	3,744	304
Recoveries	(416)	-
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At end of the period/year	9,933	6,605
Specific allowance	(5,391)	(5,468)
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Net non-performing financing, advances and other loans	4,542	1,137
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Ratio of net non-performing financing and other loans to net total net financing and other loans	2.30%	0.55%

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e(vii) Movements in the allowance for bad and doubtful debts financing are as follows:-

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
<u>General Allowance</u>		
Balance at 1 January	3,099	3,169
Allowance made during the year	(133)	(70)
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Balance at 31 Mar/December	2,966	3,099
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Percentage of total financing less specific allowance	1.50%	1.50%

	<b>Group and Bank</b>	
	Mar 2007 RM'000	Dec 2006 RM'000
<u>Specific allowance</u>		
Balance at 1 January	5,468	5,256
Allowance made during the period/year	52	214
Amount recovered	(129)	-
Amount written off	-	(2)
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Balance at 31 Mar/December	5,391	5,468
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## f DEPOSITS FROM CUSTOMERS

## (i) By type of deposit

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2007</b>	<b>2006</b>
	<b>RM'000</b>	<b>RM'000</b>
Non-Mudharabah Fund		
Demand deposits	257,493	299,437
Saving deposits	39,280	8,275
Negotiable instruments of deposits	14,400	32,400
Mudharabah fund		
General investment deposits	276,772	107,734
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	587,945	447,846
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## (ii) By type of customers

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2007</b>	<b>2006</b>
	<b>RM'000</b>	<b>RM'000</b>
Business enterprise	536,979	410,059
Individuals	50,966	37,787
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	587,945	447,846
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**CITIBANK BERHAD**

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g DEPOSITS AND PLACEMENTS OF BANKS AND  
OTHER FINANCIAL INSTITUTIONS

<b>Group and Bank</b>	
<b>Mar</b>	<b>Dec</b>
<b>2007</b>	<b>2006</b>
<b>RM'000</b>	<b>RM'000</b>

Licensed banks	61,390	354,065
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## h OTHER LIABILITIES

<b>Group and Bank</b>	
<b>Mar</b>	<b>Dec</b>
<b>2007</b>	<b>2006</b>
<b>RM'000</b>	<b>RM'000</b>

Profit payable	427	605
Other creditors and accruals	983,704	852,973
Profit Equalisation Reserve	20,871	16,302
Deferred taxation	-	163

	<u>1,005,002</u>	<u>870,043</u>
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## I ISLAMIC BANKING FUND

<b>Group and Bank</b>	
<b>Mar</b>	<b>Dec</b>
<b>2007</b>	<b>2006</b>
<b>RM'000</b>	<b>RM'000</b>

Funds allocated	20,000	20,000
Other Reserves	1,183	4,041
Retained profit	73,378	66,811

	<u>94,561</u>	<u>90,852</u>
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(j) Income derived from funds allocated are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2007 RM'000</b>	<b>Mar 2006 RM'000</b>
Financing, advances and other loans		
- Income other than recoveries from NPL	2,793	3,034
Money at call and deposit placements with financial institutions	6,281	1,432
Securities available-for-sale	3,027	3,446
Securities held-to-maturity	-	764
	12,101	8,676
Accretion of discounts less amortisation of premium	1,252	2,029
	13,353	10,705
Commission	27	10
Service charges and fees	1	-
Net profit from securities held-for-trading	(34)	-
Net gain from sales of securities		
- held-for-trading	19	-
- available-for-sale	3,807	-
	17,173	10,715
	17,173	10,715

(k) Income attributable to depositors are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2007 RM'000</b>	<b>Mar 2006 RM'000</b>
Deposits and placements of banks and other financial institutions	1,796	467
Deposits from other customers	1,419	5,943
Others	259	33
	3,474	6,443
	3,474	6,443

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(l) Other operating expenses

	Group and Bank	
	Mar 2007 RM'000	Mar 2006 RM'000
Personnel costs	78	42
Establishment costs	12	32
Marketing expenses	1	-
Administration and general expenses	378	13
	<hr/>	<hr/>
	<u>469</u>	<u>87</u>

(m) Allowances for losses on financing

	Group and Bank	
	Mar 2007 RM'000	Mar 2006 RM'000
Allowance for bad and doubtful debts and financing:-		
Specific allowance		
- made in the financial period	52	78
- written back	(129)	-
General allowance	(133)	(173)
	<hr/>	<hr/>
	<u>(210)</u>	<u>(95)</u>

ISLAMIC BANKING OPERATIONS  
**CITIBANK BERHAD**  
 Company No. 297089 M

CAPITAL ADEQUACY

The capital adequacy ratios of the Bank are as follows:-

	Group and Bank	
	Mar 2007 RM'000	Dec 2006 RM'000
<b>Tier 1 capital</b>		
Capital fund	20,000	20,000
Retained profit	66,811	66,811
Other reserves	4,041	4,041
Total tier-I capital	<u>90,852</u>	<u>90,852</u>
<b>Tier-II capital</b>		
General allowance for bad and doubtful debts	3,099	3,099
Total tier-II capital	<u>3,099</u>	<u>3,099</u>
<b>Total capital base</b>	<u>93,951</u>	<u>93,951</u>
Core capital ratio	16.95%	26.01%
Risk weighted capital ratio	17.52%	26.90%

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

	Group and Bank	
	Mar 2007 RM'000	Dec 2006 RM'000
0% Risk Weightage	1,113,175	1,289,514
10% Risk Weightage	-	-
20% Risk Weightage	72,078	99,925
50% Risk Weightage	76,727	74,454
100% Risk Weightage	483,365	292,087
Total risk weighted assets	<u>1,745,345</u>	<u>1,755,980</u>
Total Risk Weighted Assets	<u>536,144</u>	<u>349,299</u>