



**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
(Company No. 297089 M)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**31 MARCH 2011**

Domiciled in Malaysia  
Principal place of business :  
Menara Citibank  
165 Jalan Ampang  
50450 Kuala Lumpur

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
(Company No. 297089 M)  
(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011**

	Note	Group		Bank	
		Mar 2011 RM'000	Dec 2010 RM'000	Mar 2011 RM'000	Dec 2010 RM'000
<b>ASSETS</b>					
Cash and short term funds	1	12,469,729	10,481,033	12,469,709	10,481,013
Deposits and placements with banks and other financial institutions	2	701,515	811,660	701,515	811,660
Securities purchased under resale agreements		2,204,097	404,417	2,204,097	404,417
Financial assets held-for-trading	3	2,113,507	1,852,463	2,113,507	1,852,463
Financial investments available for-sale	5	2,432,481	3,105,488	2,432,481	3,105,488
Loans, advances and financing	6	18,889,771	19,480,745	18,889,771	19,480,745
Other assets	7	1,802,030	1,317,760	1,802,030	1,317,760
Statutory deposits with Bank Negara Malaysia	8	700	-	700	-
Deferred tax assets		99,594	59,300	99,594	59,300
Investment in subsidiary companies		-	-	20	20
Plant and equipment		106,933	108,781	106,933	108,781
<b>TOTAL ASSETS</b>		<b>40,820,357</b>	<b>37,621,647</b>	<b>40,820,357</b>	<b>37,621,647</b>
<b>LIABILITIES</b>					
Deposits from customers	9	28,276,540	28,788,863	28,276,540	28,788,863
Deposits and placements of banks and other financial institutions	10	5,232,471	2,322,925	5,232,471	2,322,925
Bills and acceptances payable		37,992	47,982	37,992	47,982
Other liabilities	11	3,474,375	2,846,402	3,474,375	2,846,402
<b>TOTAL LIABILITIES</b>		<b>37,021,378</b>	<b>34,006,172</b>	<b>37,021,378</b>	<b>34,006,172</b>
<b>EQUITY</b>					
Share Capital	12	121,697	121,697	121,697	121,697
Reserves	13	3,677,282	3,493,778	3,677,282	3,493,778
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK</b>		<b>3,798,979</b>	<b>3,615,475</b>	<b>3,798,979</b>	<b>3,615,475</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>40,820,357</b>	<b>37,621,647</b>	<b>40,820,357</b>	<b>37,621,647</b>
<b>OFF-BALANCE SHEET EXPOSURES</b>	20	<b>87,798,086</b>	<b>81,239,637</b>	<b>87,798,086</b>	<b>81,239,637</b>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 5 to 45 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD**  
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**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2011**

	Note	Group and Bank	
		Mar 2011 RM'000	Mar 2010 RM'000
Revenue		551,973	536,722
Interest income	14	412,027	384,876
Interest expense	15	(116,546)	(87,895)
<b>Net interest income</b>		<u>295,481</u>	<u>296,981</u>
Net income from Islamic banking operations		6,942	6,495
Other operating income	16	133,005	145,352
Total net income		<u>435,428</u>	<u>448,828</u>
Other operating expenses	17	(198,655)	(167,040)
Operating profit		<u>236,772</u>	<u>281,788</u>
Allowance/Provision for loans, advances and financing	18	(34,986)	(47,573)
<b>Profit before taxation</b>		<u>201,786</u>	<u>234,215</u>
Tax expense		(12,349)	(45,247)
<b>Profit for the period</b>		<u>189,437</u>	<u>188,967</u>
<b>Other comprehensive expense, net of income tax</b>			
Net loss on revaluation of financial investments available-for-sale		<u>(5,934)</u>	<u>(18,476)</u>
<b>Other comprehensive expense for the period, net of income tax</b>		<u>(5,934)</u>	<u>(18,476)</u>
<b>Total comprehensive income for the period</b>		<u>183,503</u>	<u>170,491</u>
<b>Profit for the period attributable to:</b>			
Equity holder of the Bank		<u>189,437</u>	<u>188,967</u>
<b>Total comprehensive income attributable to:</b>			
Equity holder of the Bank		<u>183,503</u>	<u>170,491</u>
Earnings per share - basic (sen)		<u>623</u>	<u>621</u>

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**CITIBANK BERHAD**  
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**UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2011**

Group and Bank	←----- Attributable to equity holder of the Bank -----→						
	<----- Non-Distributable ----->				Distributable		
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Fair value Reserve RM'000	Retained Profits RM'000	Total Reserves RM'000	Total RM'000
<b>At 1 January 2010</b>							
- as previously stated	121,697	380,303	121,697	9,480	2,642,125	3,153,605	3,275,302
- effect of adoption of FRS 139	-	-	-	-	(32,970)	(32,970)	(32,970)
At 1 January 2010, as restated	121,697	380,303	121,697	9,480	2,609,155	3,120,635	3,242,332
Profit for the period	-	-	-	-	188,968	188,968	188,968
Other comprehensive expense for the period	-	-	-	(18,476)	-	(18,476)	(18,476)
<b>At 31 March 2010</b>	121,697	380,303	121,697	(8,996)	2,798,123	3,291,127	3,412,824
<b>At 1 January 2011</b>	121,697	380,303	121,697	(6,630)	2,998,408	3,493,778	3,615,475
Profit for the period	-	-	-	-	189,437	189,437	189,437
Other comprehensive expense for the period	-	-	-	(5,934)	-	(5,934)	(5,934)
<b>At 31 March 2011</b>	121,697	380,303	121,697	(12,564)	3,187,845	3,677,281	3,798,978

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 5 to 45 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD**  
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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE  
FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2011**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Mar 2010 RM'000</b>
Profit before taxation	201,786	234,215
Adjustments for non cash items	(5,447)	21,323
Operating profit before working capital changes	196,339	255,538
Changes in working capital :		
Net changes in operating assets	(1,875,313)	(2,799,894)
Net changes in operating liabilities	3,054,888	(945,281)
Income taxes paid	(54,212)	(54,212)
Net cash generated from/(used in) operating activities	1,321,702	(3,543,849)
Net cash generated from investing activities	666,993	1,288,487
Net change in cash and cash equivalents	1,988,695	(2,255,362)
Cash and cash equivalents at beginning of the year	10,481,013	10,713,959
Cash and cash equivalents at end of the period	12,469,708	8,458,597

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 5 to 45 attached to the unaudited condensed interim financial statements.

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**A** Explanatory Notes Pursuant to Revised Guidelines on Financial Reporting for Banking Institutions (BNM/RH/GL 001-31) Issued by Bank Negara Malaysia.

**A1 Basis of preparation**

The unaudited interim financial statements for the financial period three months ended 31 March 2011 have been prepared in accordance with the revised Guidelines on Financial Reporting issued by Bank Negara Malaysia ("BNM") on 5 February 2010.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010.

The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for

an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2010.

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 financial statements for the year ended 31 December 2010,

**A2 Auditor's Report on preceeding Annual Financial Statement**

The audit report on the audited financial statements for the financial year ended 31 December 2010 was not subject to any qualification.

**A3 Seasonality or Cyclical factors**

The business operations of the Bank are not subject to material seasonal or cyclical fluctuations.

**A4 Unusual items due to their nature, size or incidence**

There were no unusual item affecting assets, liabilities, equity, net income or cash flows of the Bank for the financial period three months ended 31 March 2011.

**A5 Changes in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the financial results and position of the bank for the financial period three months ended 31 March 2011.

**A6 Issuance and repayment of Debt and Equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period three months ended 31 March 2011.

**A7 Dividend**

The final ordinary dividends proposed in respect of the year ended 31 December 2010 of RM300 million is pending approval from the shareholders and therefore is not reflected in the interim financial statements.

**A8 Significant events subsequent to the Balance Sheet date**

There were no material events subsequent to the Balance Sheet date that require disclosure or adjustments to the unaudited condensed interim financial statements.

**A9 Changes in the composition of the Group**

There were no changes in the composition of the Group for the financial period three months ended 31 March 2011.

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**B Review of performance and current year prospects**

**B1 Performance Review**

Citibank registered a pre-tax profit of RM202 million and revenue of RM552 million for the three months period ended 31 March 2011. The year to year 14% decrease in pre-tax profits was largely due to lower other operating income.

The bank's annualized net income on average equity stood at 21%. Annualized net income on total assets increased marginally to 1.95% from 1.94% compared to the same period in 2010.

Net interest income remained fairly consistent quarter on quarter whilst other operating income in the 1st quarter of 2011 showed a 8% decrease compared with the same period in 2010 driven by decrease from financial investments available-for-sale and fee income.

Meanwhile, net income from Islamic banking operation increased by 7% due to higher gains from trading activities.

Other operating expenses for the first three months of the year closed at RM199 million, an increase of 19% against the preceding period due to higher personnel cost expenses and administration and general expenses.

Citibank's total assets increased 9% to RM41 billion as at 31 March 2011, due to a 19% increase in cash and short term funds of RM2 billion and increase in securities purchased under resale agreements of RM1.8 billion.

**B2 Prospects for the 2011**

The Malaysian economy is projected to grow by 5-6% in 2011. Growth momentum will be underpinned by strong domestic demand, emanating primarily from private sector activity. Private consumption will be supported by favourable labour market conditions, higher disposable income, sustained consumer confidence and ready access to financing. Private investment is continuing on its recovery path, supported by capital spending in both manufacturing and services given the high levels of capacity utilization and positive business confidence. During Q1 2011, the government announced nine new projects worth RM2.26billion under the Economic Transformation Program, likely adding to the nascent FDI recovery in manufacturing and financial services.

BNM expects headline inflation to increase further in 2011 to average at 2.5-3.5%, driven primarily by the significant increases in global commodity and energy prices. With BNM's monetary policy in place to facilitate economic growth, the Bank raised the Statutory Reserve Requirement (SRR) ratio from 1.00% to 2.00%, effective April 1, 2011, as a pre-emptive measure to manage the risk of an excess buildup of liquidity.

In addition to this, BNM also introduced new credit card measures in its continuous efforts to inculcate sound financial and debt management among credit card users. The measures were aimed to promote fair and responsible business practices by credit card issuers with further enhancements in the cards security infrastructure.

Citibank remains positive in its outlook and is well positioned for growth across all major businesses.

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**(1) Cash and short term funds**

	<b>Group</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Cash and balances with banks and other financial institutions	57,563	61,683
Money at call and deposit placements maturing within one month	12,412,166	10,419,350
	<hr/>	<hr/>
	<u>12,469,729</u>	<u>10,481,033</u>

	<b>Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Cash and balances with banks and other financial institutions	57,543	61,663
Money at call and deposit placements maturing within one month	12,412,166	10,419,350
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	<u>12,469,709</u>	<u>10,481,013</u>



**(2) Deposits and placements with banks and other financial institutions**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	701,515	811,660
	<hr/>	<hr/>
	<u>701,515</u>	<u>811,660</u>

**(3) Financial assets held-for-trading**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
Malaysian Government Treasury Bills	27,693	101,520
Malaysian Government Securities	509,979	130,739
Malaysian Government Investment Issues	325,211	136,604
Bank Negara Malaysia Bills/Notes	1,250,624	1,468,506
Corporate Notes	-	15,094
	<hr/>	<hr/>
	<u>2,113,507</u>	<u>1,852,463</u>

**(4) Financial investment available-for-sale**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<b>At fair value</b>		
Malaysian Government Treasury Bills/ Securities	1,312,339	2,202,157
Bank Negara Malaysia Bills	448,381	227,218
Malaysian Government Investment Issues	535,966	537,506
Yankee Bonds/US bonds	128,296	131,108
Unquoted securities	7,499	7,499
	<u>2,432,481</u>	<u>3,105,488</u>

**(5) Loans, advances and financing**

**(i) By type**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Overdrafts	250,033	243,261
Term loans/financing		
-Housing loans/financing	9,619,979	9,827,111
-Hire purchase receivables	2,656	3,175
-Lease receivables	2,752	3,678
-Other term loans/financing	1,244,845	1,266,750
Bills receivable	546,382	458,410
Trust receipts	19,073	14,147
Claims on customers under acceptance credits	781,349	1,111,455
Staff loans	101,823	101,585
Share margin financing	193,278	189,523
Credit cards receivables	5,586,650	5,702,121
Revolving credit	1,166,386	1,197,043
	<hr/>	<hr/>
	19,515,206	20,118,259
Unearned interest and income	(36,745)	(38,615)
Gross loans, advances and financing	<hr/>	<hr/>
	19,478,461	20,079,644
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(363,927)	(369,357)
- Individual assessment allowance	(224,764)	(229,542)
	<hr/>	<hr/>
Net loans, advances and financing	<hr/>	<hr/>
	18,889,771	19,480,745

**(5) Loans, advances and financing (continued)**

**(ii) By interest/profit rate sensitivity**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate		
Housing loans/financing	879,367	887,577
Hire purchase receivables	2,656	3,175
Other fixed rate loans/financing	8,568,596	8,977,936
Variable rate		
BLR plus	9,632,265	9,825,153
Cost plus	395,577	385,803
	<hr/>	<hr/>
	19,478,461	20,079,644
	<hr/> <hr/>	<hr/> <hr/>

**(iii) By sector**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	36,438	35,022
Mining & quarrying	6,709	7,708
Manufacturing (including agriculture based)	1,648,056	1,710,646
Electricity, gas, water	20,079	32,296
Construction	46,225	46,104
Wholesale, retail trade, restaurants and hotels	632,546	840,970
Transport, storage and communication	134,367	137,600
Finance, insurance, real estate and business services	528,711	512,027
Education, health and others	18,832	19,933
Household		
- consumption credit	6,130,748	6,246,231
- residential	9,430,898	9,623,221
- purchase of securities	192,336	189,523
- others	300,839	306,610
Other sectors	351,677	371,754
	<hr/>	<hr/>
	19,478,461	20,079,644
	<hr/> <hr/>	<hr/> <hr/>

**(5) Loans, advances and financing (continued)**  
**(iv) Residual contractual maturity**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Maturing within one year	8,783,091	8,921,148
One to five years	644,128	716,589
Over five years	10,051,242	10,441,907
	<u>19,478,461</u>	<u>20,079,644</u>

**(v) By geographical distribution**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Within Malaysia	<u>19,478,461</u>	<u>20,079,644</u>

**(6) Impaired loans, advances and financing**

**(i) Movements in impaired loans, advances and financing are as follows:**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January, as previously stated	540,814	669,819
Effect of adoption of FRS 139	-	(178,502)
At 1 January, as restated	540,814	491,317
Classified as impaired during the period/year	193,438	724,457
Reclassified as performing during the period/year	(123,705)	(325,418)
Amount recovered	(59,533)	(178,916)
Amount written off	(41,676)	(170,625)
At 31 March / 31 December	509,338	540,815
Individual assessment allowance	(224,764)	(229,542)
Net impaired loans, advances and financing	284,574	311,273
Ratio of net impaired loans and financing to gross loans and financing less individual assessment allowance	1.48%	1.57%

**(6) Impaired loans, advances and financing (continued)**

**(ii) Movements in the allowance for impaired loans, advances and financing are as follows (continued):**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<u>Collective assessment allowance</u>		
At 1 January		
- as previously stated	369,357	-
- effect of adopting FRS 139	-	360,407
	<u>369,357</u>	<u>360,407</u>
Allowance made during the period/year	-	8,950
Written back during the period/year	(5,430)	-
	<u>363,927</u>	<u>369,357</u>
At 31 March / 31 December		
As % of gross loans, advances and financing less individual assessment allowance	1.89%	1.86%

**(6) Impaired loans, advances and financing (continued)**

**(ii) Movements in the allowance for impaired loans, advances and financing are as follows (continued):**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Individual assessment allowance</u>		
At 1 January		
- as previously stated	229,542	-
- effect of adopting FRS 139	-	221,588
	<hr/>	<hr/>
	229,542	221,588
Allowance made during the period/year	1,446	34,644
Written back during the period/year	(2,951)	(12,984)
Written off during the period/year	(3,273)	(13,706)
	<hr/>	<hr/>
At 31 March / 31 December	<hr/>	<hr/>
	224,764	229,542



**(6) Impaired loans, advances and financing (continued)**

**(iii) Impaired loans, advances and financing by sector**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	8,506	8,937
Manufacturing (including agriculture based)	35,052	36,178
Construction	17,404	17,026
Wholesale, retail trade, restaurants and hotels	18,899	20,070
Transport, storage and communication	97	104
Finance, insurance, real estate and business services	3,881	12,081
Household		
- consumption credit	88,187	116,112
- residential	307,299	307,265
- purchase of securities	20,735	20,795
Other sectors	9,278	2,247
	<hr/>	<hr/>
	<b>509,338</b>	<b>540,815</b>
	<hr/> <hr/>	<hr/> <hr/>

**(iv) Impaired loans, advances and financing by geographical distribution**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Within Malaysia	<hr/>	<hr/>
	<b>509,338</b>	<b>540,815</b>
	<hr/> <hr/>	<hr/> <hr/>

**(7) Other assets**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Interest/Income receivables	36,635	45,880
Other debtors, deposits and prepayments	1,081,582	264,640
Derivative assets (Note 22)	683,813	1,007,240
	1,802,030	1,317,760

**(8) Statutory deposits with Bank Negara Malaysia**

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia (“BNM”) in compliance with Section 37(1)(c) of the Central Bank of Malaysia Act 1958 (revised - 1994) to satisfy the Statutory Reserve Requirement (“SRR”), the amount of which is determined as a set percentage of total eligible liabilities.

Based on the revised SRR guideline issued by BNM, the SRR rate was revised to 1% effective on 1 March 2009 (2008: 3.5%). In accordance with BNM’s circular titled “Regulatory Treatment related to the Statutory Reserve Requirement Incentive for Principal Dealers and Islamic Principal Dealers” issued on 10 July 2009, the Bank being a principal dealer appointed by BNM, is allowed to utilise Malaysia Government Securities (“MGS”) holdings to meet the SRR. As at 31 March 2011, MGS of the Group and the Bank with nominal amount of RM130 million (2009: RM130 million) are utilised for SRR determination purposes. These securities are classified under financial investments available-for-sale (Note 4).

**(9) Deposits from customers****(i) By type of deposit**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Demand deposits	10,330,385	9,869,460
Saving deposits	1,174,896	837,370
Fixed deposits	10,817,966	11,583,915
Other deposits	5,862,683	6,393,953
Negotiable instruments of deposit	76,299	80,002
Others - cash collateral	14,311	24,163
	28,276,540	28,788,863

**(9) Deposits from customers (continued)**

**(ii) By type of customers**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Government and statutory bodies	56,201	27,368
Business enterprises	14,541,989	15,065,327
Individuals	10,954,444	10,241,578
Others	2,640,085	3,454,590
	<hr/>	<hr/>
	<b>28,192,719</b>	<b>28,788,863</b>

**(iii) Maturity structure of fixed deposits, other deposits and negotiable instruments of deposit are as follows:**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Due within six months	12,510,570	13,005,161
Six months to one year	3,597,983	4,412,942
One year to three years	374,328	338,543
Three years to five years	265,604	101,224
Over five years	8,464	200,000
	<hr/>	<hr/>
	<b>16,756,949</b>	<b>18,057,870</b>

**(10) Deposits and placements of banks and other financial institutions**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Licensed banks	5,224,092	2,046,727
Licensed finance companies	-	276,198
BNM	8,379	-
	<hr/>	<hr/>
	<b>5,232,471</b>	<b>2,322,925</b>

**(11) Other liabilities**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest/Profit payables	115,243	106,294
Other creditors and accruals	2,466,911	1,640,664
Provision for retirement benefits	80	372
Profit Equalisation Reserve	11,368	9,187
Taxation	60,292	45,765
Derivatives liabilities (Note 21)	820,480	1,044,120
	<u>3,474,375</u>	<u>2,846,402</u>

**(12) Share capital**

	<b>Group and Bank</b>			
	<b>Number of shares</b>		<b>Number of</b>	
	<b>Amount</b>		<b>Amount</b>	<b>shares</b>
	<b>Mar</b>	<b>Mar</b>	<b>Dec</b>	<b>Dec</b>
	<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>
	<b>RM'000</b>	<b>'000</b>	<b>RM'000</b>	<b>'000</b>
Ordinary shares of RM1 each				
Authorised	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and fully paid	<u>121,697</u>	<u>121,697</u>	<u>121,697</u>	<u>121,697</u>

**(13) Reserves**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Share premium	380,303	380,303
Statutory reserve	121,697	121,697
Fair value reserve	(12,560)	(6,630)
Retained profits	3,187,842	2,998,408
	<u>3,677,282</u>	<u>3,493,778</u>

**(14) Interest income**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Loans and advances		
- Interest income other than recoveries from impaired loans	304,075	296,330
- Recoveries from impaired loans	10,597	7,392
Money at call and deposit placements with financial institutions	61,561	37,935
Financial assets held-for-trading	5,259	11,600
Financial investments available-for-sale	15,204	31,098
Securities purchased under resale agreements	5,482	502
	<hr/>	<hr/>
	402,178	384,857
Accretion of discounts	9,849	20
	<hr/>	<hr/>
	<u>412,027</u>	<u>384,876</u>

**(15) Interest expense**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits and placements of banks and other financial institutions	5,715	6,170
Deposits from customers	109,691	81,247
Others	1,139	478
	<hr/>	<hr/>
	<u>116,546</u>	<u>87,895</u>

**(16) Other operating income**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Fee income:		
Commission	38,762	45,981
Service charges and fees	766	87
Guarantee fees	1,581	2,342
Bankcard fees	32,644	41,393
Insurance premium and referral	5,291	4,358
Other fee income	10,242	3,375
	<u>89,286</u>	<u>97,536</u>
Trading income:		
Unrealised loss from revaluation of financial assets held-for-trading	(63)	(2,045)
Net gain from sales of securities		
- Financial assets held-for-trading	632	844
- Financial investments available-for-sale	108	17,737
	<u>677</u>	<u>16,536</u>
Other income:		
Foreign exchange profit		
- unrealised gain	42,758	8,315
- realised gain/(loss)	6,055	(4,791)
(Loss)/gain from derivatives	(5,723)	27,753
(Loss)/profit on disposal of of plant and equipment	(48)	2
	<u>43,042</u>	<u>31,279</u>
Total other operating income	<u>133,005</u>	<u>145,352</u>

**(17) Other operating expenses**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Personnel costs		
-Salaries, allowances and bonuses	68,720	49,594
-Contribution to Employees Provident Fund	9,458	7,659
-Staff benefits and other compensations	18,922	22,349
-Others	1,494	1,203
	<u>98,594</u>	<u>80,805</u>
Establishment costs		
-Depreciation	8,366	7,285
-Rental of premises	5,142	5,039
-Hire of equipments	598	962
-Utilities	1,418	1,071
-Others	3,958	3,604
	<u>19,482</u>	<u>17,962</u>
Marketing expenses		
-Advertisement and promotional expenses	8,780	12,623
-Others	299	568
	<u>9,079</u>	<u>13,192</u>
Administration and general expenses		
-Processing cost	34,082	19,278
-Auditors' remuneration	62	(64)
-Stationeries and supplies	1,631	1,649
-Communication expenses	3,657	2,353
-Maintenance of office equipment	2,030	1,569
-Others	30,037	30,296
	<u>71,499</u>	<u>55,081</u>
Total other operating expense	<u>198,655</u>	<u>167,040</u>

**(18) Allowance/provision for loans, advances and financing**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Allowance/provision for loans, advances and financing :		
<u>Individual assessment</u>		
- made in the financial period	1,446	30,239
- written back	(2,951)	(2,016)
<u>Collective assessment</u>		
- made in the financial period	(5,431)	6,171
<u>Impaired loans, advances and financing</u>		
- written back	(18,012)	(15,059)
- written off	59,934	28,238
	<u>34,986</u>	<u>47,573</u>



**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
(Company No. 297089 M)  
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**(19) Capital adequacy**

(a) The capital adequacy ratios are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<b>Computation of Total Risk Weighted Assets ("RWA")</b>		
Total credit RWA	19,505,790	19,954,371
Total market RWA	2,496,937	2,398,682
Total operational RWA	3,522,781	3,550,272
<b>Total Risk Weighted Assets</b>	<b>25,525,508</b>	<b>25,903,325</b>
<b>Computation of Capital Ratios</b>		
Tier 1 Capital	3,525,645	3,565,282
Capital Base *	3,765,492	3,801,235
<b>Before deducting proposed dividends:</b>		
Core capital ratio	13.81%	13.76%
Risk weighted capital ratio	14.75%	14.67%
<b>After deducting proposed dividends:</b>		
Core capital ratio	12.64%	12.61%
Risk weighted capital ratio	13.58%	13.52%

\* In arriving at the capital base used in the ratio calculations of the Bank, the proposed dividends were not deducted.

With effect from 1 January 2009, the capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8% for the risk-weighted capital ratio.

(b) The components of Tier I and Tier II Capital are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<b>Tier I Capital</b>		
Paid up ordinary share capital	121,697	121,697
Share premium	380,303	380,303
Retained profits	2,998,408	2,998,408
Other reserves	121,697	121,697
Less: Deferred tax assets	(96,460)	(56,823)
<b>Total Tier I capital (Core Capital)</b>	<b>3,525,645</b>	<b>3,565,282</b>
<b>Tier II Capital</b>		
Collective assessment allowance*	239,868	235,973
Maximum allowable subordinated debt capital	-	-
<b>Total Tier II Capital</b>	<b>239,868</b>	<b>235,973</b>
Total Eligible Tier II	239,868	235,973
Less: Investment in subsidiary companies	(20)	(20)
<b>Capital Base</b>	<b>3,765,492</b>	<b>3,801,235</b>

\* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM124.1 million (2010: RM133.4 million)

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
(Company No. 297089 M)  
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**(20) Off-balance sheet exposures**

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

<b>Mar 2011 Group and Bank</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted assets RM'000</b>
<b>Nature of item</b>			
Direct credit substitutes	1,227,988	1,227,988	1,007,802
Transaction related contingent items	385,697	192,848	174,808
Short term self liquidating trade related contingencies	295,558	59,112	85,853
Forward asset purchases	230,526	230,526	-
Foreign exchange related contracts:			
One year or less	31,484,856	562,232	307,522
Over one year to five years	3,249,926	459,258	254,719
Over five years	91,650	18,756	18,756
Interest/Profit rate related contracts:			
One year or less	8,096,141	85,658	23,679
Over one year to five years	15,828,952	516,830	212,378
Over five years	1,898,543	178,071	61,754
Equity related contracts:			
One year or less	744,092	47,418	19,093
Over one year to five years	516,838	54,324	26,161
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	199,969	22,253	14,403
Over one year to five years	147,066	18,516	13,887
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	1,491,756	298,351	292,602
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	401,135	200,567	164,125
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	3,465,614	-	-
Unutilised credit card lines	18,041,781	3,608,356	2,711,524
<b>Total</b>	<b>87,798,086</b>	<b>7,781,064</b>	<b>5,389,066</b>

(20) Off-balance sheet exposures (continued)

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows (continued):

<b>December 2010 Group and Bank</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted assets RM'000</b>
Nature of item			
Direct credit substitutes	1,489,992	1,489,992	1,288,190
Transaction related contingent items	395,970	197,985	180,418
Short term self liquidating trade related contingencies	422,631	84,526	127,781
Forward asset purchases	617	617	
Foreign exchange related contracts:			
One year or less	24,729,003	758,795	561,289
Over one year to five years	3,637,939	539,734	321,023
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	7,896,887	37,105	13,589
Over one year to five years	16,604,797	586,871	255,311
Over five years	1,800,014	191,416	64,169
Equity related contracts:			
One year or less	388,457	25,785	12,867
Over one year to five years	153,686	24,797	12,399
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	175,461	34,810	32,976
Over one year to five years	-	-	-
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	421,905	210,952	158,455
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	5,014,737	-	-
Unutilised credit card lines	18,107,541	3,621,508	2,722,693
Total	<u>81,239,637</u>	<u>7,804,893</u>	<u>5,751,160</u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

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**(21) Derivative financial instruments**

	<-----31 Mar 2011----->			<-----31 Dec 2010----->		
	Contract Amount RM'000	Positive fair value RM'000	Negative fair value RM'000	Contract amount RM'000	Positive fair value RM'000	Negative fair value RM'000
Foreign exchange related contracts:						
- Forwards	57,888,053	140,052	197,559	44,990,550	264,681	310,204
- Cross currency interest rate swaps	4,606,307	264,569	261,075	6,948,761	423,054	311,223
- Options	2,439,844	10,715	6,485	703,871	3,205	3,213
Interest rate contracts:						
- Futures	10,612,971	-	-	7,384,086	-	-
- Swaps	26,019,275	247,747	320,199	28,199,721	281,970	372,410
- Options	1,075,828	1,717	5,666	1,082,406	2,026	5,275
Equity related contracts	1,304,196	15,691	15,689	1,321,876	14,927	14,956
Others	998,416	3,323	13,806	731,077	17,377	26,839
	104,944,889	683,813	820,480	91,362,347	1,007,240	1,044,120
		Note 7	Note 11		Note 7	Note 11

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES  
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2011**

		<b>Group and Bank</b>	
		<b>Mar</b>	<b>Dec</b>
		<b>2011</b>	<b>2010</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
Cash and short term funds	(a)	874,436	394,301
Financial assets held-for-trading	(b)	8,853	343,179
Financial investments available-for-sale	(c)	270,771	271,553
Financing, advances and other loans	(d)	489,164	500,800
Deferred tax assets		736	1,142
Other assets	(f)	14,953	164,651
		<hr/>	<hr/>
<b>Total assets</b>		<b>1,658,913</b>	<b>1,675,626</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>			
Deposits from customers	(g)	1,276,973	1,089,505
Other liabilities	(h)	173,940	382,071
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>1,450,913</b>	<b>1,471,576</b>
		<hr/> <hr/>	<hr/> <hr/>
Islamic banking funds	(i)	208,000	204,050
		<hr/>	<hr/>
<b>Total liabilities and Islamic banking funds</b>		<b>1,658,913</b>	<b>1,675,626</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Off-balance sheet exposures</b>	(r)	<b>815,134</b>	<b>1,534,730</b>
		<hr/> <hr/>	<hr/> <hr/>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 31 to 45 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
**ISLAMIC BANKING OPERATIONS**  
(Company No. 297089 M)  
(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2011**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Mar 2010 RM'000</b>
Income derived from investments of depositors' funds and others	(j) 10,560	9,939
Provision for financing, advances and other loans	(k) 177	162
Transfer to Profit Equalisation Reserve	(l) <u>(2,181)</u>	<u>(547)</u>
Total attributable income	8,556	9,555
Income attributable to depositors	(m) <u>(5,800)</u>	<u>(2,731)</u>
Total attributable to the Bank	2,756	6,823
Income/(Expense) derived from investment of Islamic Banking Capital funds	(n) <u>4,363</u>	<u>(167)</u>
Total net income	7,119	6,656
Other operating expenses	(p) (648)	(337)
<b>Profit before taxation</b>	<u>6,471</u>	<u>6,320</u>
Tax expense	(2,013)	(1,443)
Profit for the period	<u><u>4,458</u></u>	<u><u>4,878</u></u>
<b>Other comprehensive expense, net of income tax</b>		
Net loss on revaluation of financial investments available-for-sale	<u>(508)</u>	<u>(1,348)</u>
<b>Other comprehensive expense for the period, net of income tax</b>	(508)	(1,348)
<b>Total comprehensive income for the period</b>	<u><u>3,950</u></u>	<u><u>3,530</u></u>
<b>Profit for the period attributable to:</b>		
Equity holder of the Bank	<u><u>4,458</u></u>	<u><u>4,878</u></u>
<b>Total comprehensive income attributable to:</b>		
Equity holder of the Bank	<u><u>3,950</u></u>	<u><u>3,530</u></u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 31 to 45 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
**ISLAMIC BANKING OPERATIONS**  
(Company No. 297089 M)  
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**UNAUDITED STATEMENTS OF CHANGES IN ISLAMIC BANKING FUNDS FOR  
THE FINANCIAL PERIOD ENDED 31 MARCH 2011**

	<b>Group and Bank</b>			
	<b>Capital funds RM'000</b>	<b>Fair value reserve RM'000</b>	<b>Retained profits RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2010</b>				
- as previously stated	20,000	885	161,327	182,212
- effect of adoption of FRS 139	-	-	(5)	(5)
	<u>20,000</u>	<u>885</u>	<u>161,322</u>	<u>182,207</u>
Profit after taxation	-	-	4,879	4,879
Other comprehensive loss for the period	-	(1,348)	-	(1,348)
	<u>20,000</u>	<u>(463)</u>	<u>166,201</u>	<u>185,738</u>
<b>At 31 March 2010</b>				
<b>At 1 January 2011</b>	20,000	(664)	184,714	204,050
Loss for the period	-	-	4,458	4,458
Other comprehensive loss for the period	-	(508)	-	(508)
	<u>20,000</u>	<u>(1,172)</u>	<u>189,172</u>	<u>208,000</u>
<b>At 31 March 2011</b>				

Note (i)

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2010 and the accompanying notes on page 31 to 45 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
**ISLAMIC BANKING OPERATIONS**  
(Company No. 297089 M)  
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**(a) Cash and short term funds**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and balances with banks and other financial institutions	3,856	4,301
Money at call and deposit placements maturing within one month	870,580	390,000
	<u>874,436</u>	<u>394,301</u>

**(b) Financial assets held-for-trading**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
Bank Negara Malaysia Islamic Bills	2,496	336,868
Malaysian Government Treasury Bills	6,357	6,311
	<u>8,853</u>	<u>343,179</u>

**(c) Financial investments available-for-sale**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
Malaysian Government Investment Issues	270,771	271,553
	<u>270,771</u>	<u>271,553</u>



**(d) Financing, advances and other loans**

**(i) By type**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Term financing		
- Housing loans/financing	524,470	536,474
- Hire purchase receivables	2,656	3,175
- Lease receivables	2,127	2,878
- Other term loans/financing	27	42
	<hr/>	<hr/>
	529,280	542,569
Unearned income	(30,590)	(32,059)
	<hr/>	<hr/>
Gross financing, advances and other loans	498,690	510,510
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(7,449)	(7,626)
- Individual assessment allowance	(2,077)	(2,084)
	<hr/>	<hr/>
Total net financing, advances and other loans	<u>489,164</u>	<u>500,800</u>

**(ii) By contract**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Bai' Bithamin Ajil	40,460	42,101
Ijarah Muntahia Bittamilik	4,803	6,095
Diminishing Musharakah	453,427	462,314
	<hr/>	<hr/>
	<u>498,690</u>	<u>510,510</u>

**(d) Financing, advances and other loans (continued)**

**(iii) By profit rate sensitivity**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate		
- House loans/financing	493,887	504,415
- Hire purchase receivables	2,656	3,175
- Other fixed rate/financing	2,147	2,920
	<hr/>	<hr/>
	<b>498,690</b>	<b>510,510</b>
	<hr/> <hr/>	<hr/> <hr/>

**(iv) By sector**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Dec</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Manufacturing (including agriculture based)	3,235	3,923
Wholesale, retail trade, restaurants and hotels	69	98
Transport, storage and communication	1,497	2,040
Finance, insurance, real estate and business services	-	33
Household-Residential	491,391	501,869
Other sectors	2,498	2,547
	<hr/>	<hr/>
	<b>498,690</b>	<b>510,510</b>
	<hr/> <hr/>	<hr/> <hr/>

**(d) Financing, advances and other loans (continued)**

**(v) Residual contractual maturity**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Up to 1 year	3,106	1,484
One to five years	5,038	7,959
Above 5 years	490,546	501,067
	<u>498,690</u>	<u>510,510</u>

**(vi) By geographical distribution**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Within Malaysia	<u>498,690</u>	<u>510,510</u>

**(e) Impaired financing, advances and other loans**

**(i) Movements in impaired financing, advances and other loans are as follows:**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
At 1 January	13,257	10,215
Classified as impaired during the period/year	(2,107)	8,987
Amount recovered	(206)	(3,200)
Amount written off	-	(2,745)
At 31 March / 31 December	<u>10,944</u>	<u>13,257</u>
Individual assessment allowance	(2,077)	(2,084)
Net impaired financing, advances and other loans	<u>8,867</u>	<u>11,173</u>
Ratio of net impaired financing, advances and other loans to total gross financing, advances and other loans	1.79%	2.20%

(e) Impaired financing, advances and other loans (continued)

(ii) Movements in the allowance for impaired financing, advances and other loans are as follows:

	Group and Bank	
	Mar 2011 RM'000	Dec 2010 RM'000
<u>Collective assessment allowance</u>		
At 1 January		
- as previously stated	7,626	-
- effect of adopting FRS 139	-	8,026
	<u>7,626</u>	<u>8,026</u>
Allowance written back during the period/year	(177)	(400)
	<u>7,449</u>	<u>7,626</u>
At 31 March / 31 December		
	<u>7,449</u>	<u>7,626</u>
As % of gross financing, advances and other loans less individual assessment allowance	1.50%	1.50%
<u>Individual assessment allowance</u>		
At 1 January		
- as previously stated	2,084	-
- effect of adopting FRS 139	-	4,743
	<u>2,084</u>	<u>4,743</u>
Allowance made during the period/year	4	203
Amount recovered	(4)	(117)
Amount written off	(7)	(2,745)
	<u>2,077</u>	<u>2,084</u>
At 31 March / 31 December		
	<u>2,077</u>	<u>2,084</u>

(iii) Impaired financing, advances and other loans by sector are as follows:

	Group and Bank	
	Mar 2011 RM'000	Dec 2010 RM'000
Manufacturing (including agriculture based)	1,428	1,446
Household - Residential	9,516	11,811
	<u>7,449</u>	<u>7,626</u>

(e) Impaired financing, advances and other loans (continued)

(iv) Impaired financing, advances and other loans by geographical distribution are as follows:

	Group and Bank	
	Mar	Dec
	2011	2010
	RM'000	RM'000
Within Malaysia	<u>7,449</u>	<u>7,626</u>

(f) Other assets

	Group and Bank	
	Mar	Dec
	2011	2010
	RM'000	RM'000
Profit receivables	2,638	3,665
Other debtors, deposits and prepayments	4,216	14,761
Revaluation gain on profit rate undertaking contracts (Note s)	8,099	146,225
	<u>14,953</u>	<u>164,651</u>

(g) Deposits from customers

(i) By type of deposit

	Group and Bank	
	Mar	Dec
	2011	2010
	RM'000	RM'000
<b>Non-Mudharabah Fund</b>		
Demand deposits	1,062,860	878,181
Saving deposits	58,847	69,203
Other deposits	97,705	104,349
<b>Mudharabah fund</b>		
General investment deposits	57,560	37,772
	<u>1,276,973</u>	<u>1,089,505</u>

**(g) Deposits from customers (continued)**

**(ii) By type of customers**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Government and statutory bodies	29	24
Business enterprises	839,844	642,811
Individuals	299,411	302,084
Others	137,689	144,586
	<hr/>	<hr/>
	<b>1,276,973</b>	<b>1,089,505</b>

**(h) Other liabilities**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Profit payable	11,922	11,783
Other creditors and accruals	142,551	214,876
Profit Equalisation Reserve (Note 1)	11,368	9,187
Revaluation loss on profit rate undertaking contracts (Note s)	8,099	146,225
	<hr/>	<hr/>
	<b>173,940</b>	<b>382,071</b>

**(i) Islamic Banking Fund**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
Fund allocated	20,000	20,000
Fair value reserve	(1,172)	(663)
Retained earnings	189,172	184,713
	<hr/>	<hr/>
	<b>208,000</b>	<b>204,050</b>

(j) **Income derived from investment of depositors' funds and others**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of:		
(i) General investment deposits	9,887	8,841
(ii) Other deposits	672	1,098
	<hr/>	<hr/>
	<b>10,560</b>	<b>9,939</b>
	<hr/> <hr/>	<hr/> <hr/>

(i) **Income derived from investment of general investment deposits**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>		
Financing, advances and other loans	4,742	4,226
Money at call and placements with financial institutions	1,998	1,116
Income from financial investments available-for-sale	1,904	2,880
	<hr/>	<hr/>
	8,644	8,222
Accretion of discount less amortisation of premium	993	414
	<hr/>	<hr/>
Total finance income and hibah	<b>9,637</b>	<b>8,636</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Other operating income</b>		
Fee income	250	204
	<hr/>	<hr/>
Income from general investment deposits	<b>9,887</b>	<b>8,841</b>
	<hr/> <hr/>	<hr/> <hr/>

(j) **Income derived from investment of depositors' funds and others (continued)**  
(ii) **Income derived from investment of other deposits**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Mar 2010 RM'000</b>
<b>Finance income and hibah</b>		
Financing, advances and other loans	323	525
Money at call and placements with financial institutions	136	139
Income from financial investments available-for-sale	130	358
	<u>588</u>	<u>1,022</u>
Accretion of discount less amortisation of premium	68	51
Total finance income and hibah	<u>655</u>	<u>1,073</u>
<b>Other operating income</b>		
Fee income	17	25
	<u>17</u>	<u>25</u>
Income from investments of other deposits	<u>672</u>	<u>1,098</u>

(k) **Provision for financing, advances and other loans**

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Mar 2010 RM'000</b>
Provision for financing, advances and other loans:		
<u>Individual assessment allowance</u>		
- made in the financial period	4	145
- written back	(4)	(360)
<u>Collective assessment allowance</u>		
- reversal during the period	(177)	53
	<u>(177)</u>	<u>(161)</u>



**(l) Profit Equalisation Reserve**

The movement in Profit Equalisation Reserve is as follows:

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	9,187	1,206
Movement in the financial period	2,181	547
	<hr/>	<hr/>
At 31 March	<u>11,368</u>	<u>1,753</u>

**(m) Income attributable to depositors**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits from customers		
- Mudharabah funds	5,174	1,732
- Non-Mudharabah funds	248	876
Deposits and placements of banks and other financial institutions		
- Non-Mudharabah funds	(138)	4
Others	516	118
	<hr/>	<hr/>
	<u>5,800</u>	<u>2,730</u>

**(n) Income/(expense) derived from investment of Islamic Banking Capital Funds**

	<b>Group and Bank</b>	
	<b>Mar</b>	<b>Mar</b>
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Financing, advances and other loans	654	464
Money at call and placements with financial institutions	275	122
Income from financial investments available-for-sale	262	316
	<u>1,191</u>	<u>902</u>
Accretion of discount less amortisation of premium	64	45
Total finance income and hibah	<u>1,255</u>	<u>948</u>
<b>Other operating income</b>		
Gain /(loss) from financial assets held-for-trading	124	(108)
Gain from financial investments available-for-sale	-	975
Fee income	224	261
Gain / (loss) from trading activities	2,760	(2,243)
	<u>3,108</u>	<u>(1,115)</u>
Income/(expense) from Islamic Banking Capital Funds	<u>4,363</u>	<u>(167)</u>

**(o) Income from Islamic banking operations**

For consolidation with the conventional operations, income from Islamic banking operations comprises the following:

		<b>Group and Bank</b>	
		<b>Mar</b>	<b>Mar</b>
		<b>2011</b>	<b>2010</b>
		<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of depositors' funds and others	(j)	10,560	9,939
Profit Equalisation Reserve	(l)	(2,181)	(547)
Income attributable to depositors	(m)	(5,800)	(2,730)
Income/(expense) derived from investment of Islamic Banking Funds	(n)	4,363	(167)
		<hr/>	<hr/>
		6,942	6,495
		<hr/>	<hr/>

**(p) Other operating expenses**

		<b>Group and Bank</b>	
		<b>Mar</b>	<b>Mar</b>
		<b>2011</b>	<b>2010</b>
		<b>RM'000</b>	<b>RM'000</b>
Personnel costs		171	146
Administrative and general expenses		477	191
		<hr/>	<hr/>
		648	337
		<hr/>	<hr/>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES  
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(q) Capital adequacy**

(i) The capital adequacy ratios are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<b>Computation of Total Risk Weighted Assets ("RWA")</b>		
Total credit RWA	410,487	436,946
Total market RWA	57,318	79,687
Total operational RWA	86,145	92,001
<b>Total Risk Weighted Assets</b>	<b>553,949</b>	<b>608,634</b>
<b>Computation of Capital Ratios</b>		
Tier 1 Capital	204,369	203,761
Capital Base	211,415	210,955
<b>Core capital ratio</b>	<b>36.89%</b>	<b>33.48%</b>
<b>Risk weighted capital ratio</b>	<b>38.17%</b>	<b>34.66%</b>

With effect from 1 January 2009, the capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8% for the risk-weighted capital ratio.

(ii) The components of Tier I and Tier II Capital are as follows:

	<b>Group and Bank</b>	
	<b>Mar 2011 RM'000</b>	<b>Dec 2010 RM'000</b>
<b>Tier I Capital</b>		
Fund allocated	20,000	20,000
Retained earnings	184,714	184,714
Less: Deferred tax assets	(345)	(953)
<b>Total Tier I Capital (Core Capital)</b>	<b>204,369</b>	<b>203,761</b>
<b>Tier II Capital</b>		
Collective assessment allowance*	7,047	7,194
<b>Capital Base</b>	<b>211,415</b>	<b>210,955</b>

\* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM403,000 (2010: RM432,000)

**CITIBANK BERHAD**  
**AND ITS SUBSIDIARY COMPANIES**  
**ISLAMIC BANKING OPERATIONS**  
(Company No. 297089 M)  
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(r) **Off-balance sheet exposures**

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

<b>Mar 2011</b>			
<b>Group and Bank</b>	<b>Principal</b>	<b>Credit</b>	<b>Risk</b>
<b>Nature of item</b>	<b>amount</b>	<b>equivalent</b>	<b>weighted</b>
	<b>RM'000</b>	<b>amount</b>	<b>assets</b>
		<b>RM'000</b>	<b>RM'000</b>
Equity related contracts:			
One year or less	29,215	1,753	1,753
Over one year to five years	73,281	5,862	5,862
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	50,000	594	169
Over one year to five years	550,000	24,305	11,261
Over five years	100,000	6,240	3,248
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	8	2	1
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	12,345	6,172	4,559
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	285	-	-
<b>Total</b>	<b>815,134</b>	<b>44,928</b>	<b>26,854</b>

<b>December 2010</b>			
<b>Group and Bank</b>	<b>Principal</b>	<b>Credit</b>	<b>Risk</b>
<b>Nature of item</b>	<b>amount</b>	<b>equivalent</b>	<b>weighted</b>
	<b>RM'000</b>	<b>amount</b>	<b>assets</b>
		<b>RM'000</b>	<b>RM'000</b>
Foreign exchange related contracts:			
One year or less	828,235	152,975	152,975
Over one year to five years	-	-	-
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	138,758	139	139
Over one year to five years	550,000	20,842	14,546
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	16,736	8,341	3,312
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	1,001	-	-
<b>Total</b>	<b>1,534,730</b>	<b>182,297</b>	<b>170,972</b>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES  
ISLAMIC BANKING OPERATIONS**

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**(s) Derivative financial instruments**

	<----- 31 Mar 2011 ----->			<----- 31 Dec 2010 ----->		
	Contract	Positive	Negative	Contract	Positive	Negative
	Amount	fair	fair	amount	fair	fair
	RM'000	value	value	RM'000	value	value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Foreign exchange related contracts						
- Cross currency Islamic profit rate of undertaking	-	-	-	1,521,749	139,724	139,724
Others						
- Islamic profit rate undertaking	850,000	8,099	8,099	927,515	6,501	6,501
	850,000	8,099	8,099	2,449,264	146,225	146,225
		Note (f)	Note (h)		Note (f)	Note (h)