



MALAYSIA BUILDING SOCIETY BERHAD
(Company No.: 9417-K)
(Incorporated in Malaysia under the Companies Act, 1965)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of Malaysia Building Society Berhad (“MBSB” or “Company”) will be held at Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Thursday, 31 March 2011 at 12.00 p.m. or immediately after the conclusion of the 41st Annual General Meeting of the Company (which will be held at the same venue on the same day at 11.00 a.m.), whichever is the later or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:-

ORDINARY RESOLUTION 1

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 507,087,462 NEW ORDINARY SHARES OF RM1.00 EACH IN MBSB (“MBSB SHARES”) (“RIGHTS SHARES”) AT AN ISSUE PRICE OF RM1.00 FOR EACH RIGHTS SHARE ON THE BASIS OF 5 RIGHTS SHARES FOR EVERY 7 EXISTING MBSB SHARES HELD AS AT AN ENTITLEMENT DATE TO BE DETERMINED LATER TOGETHER WITH UP TO 507,087,462 NEW FREE DETACHABLE WARRANTS (“WARRANTS”) ON THE BASIS OF 1 WARRANT FOR EVERY 1 RIGHTS SHARE SUBSCRIBED (“PROPOSED RIGHTS ISSUE WITH WARRANTS”)

“THAT, subject to the passing of Ordinary Resolution 2 and Special Resolution 1 and the approvals of the relevant authorities (where required) being obtained, the Board of Directors of the Company (“Board”) be and is hereby authorised to provisionally allot by way of a renounceable rights issue of up to 507,087,462 Rights Shares at an issue price of RM1.00 for each Rights Share together with up to 507,087,462 free detachable Warrants to the shareholders of the Company whose names appear in the Record of Depositors of the Company at 5.00 p.m. on an entitlement date to be determined by the Board (“Entitled Shareholders”), on the basis of 5 Rights Shares for every 7 existing MBSB Shares held;

THAT the Rights Shares shall, upon allotment and issue, be of the same class and rank *pari passu* in all respects with the then existing MBSB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of our Company, the entitlement date of which is prior to the date of allotment of the Rights Shares;

THAT any Rights Shares which are not validly taken up or which are not allotted for any reason whatsoever shall first be made available for excess applications in such manner as the Board shall determine at its absolute discretion;

THAT the Warrants shall be allotted and issued in registered form on the basis that, subject to any adjustments to the subscription rights attached to the Warrants under the provisions of the deed poll to be executed by the Company constituting the Warrants (“Deed Poll”), each Warrant entitles its holder to subscribe for 1 new MBSB Share at an exercise price of RM1.00 for each new MBSB Share, during its prescribed exercise period;

THAT the Rights Shares and Warrants and new MBSB Shares to be issued pursuant to the exercise of the Warrants shall be listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”);

THAT the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in the Circular to Shareholders of the Company dated 9 March 2011, and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject (where required) to the approval of the relevant authorities;

THAT the Board be and is hereby empowered and authorised to:-

- deal with any fractional entitlements that may arise from the Proposed Rights Issue with Warrants in such manner and on such terms and conditions as the Board in its absolute discretion deems fit or expedient or in the best interest of the Company;
- allot and issue such number of additional Warrants pursuant to the adjustments under the Deed Poll (“Additional Warrants”) and to adjust from time to time the exercise price and/or the par value of the new MBSB Shares to which the holder(s) of the Warrants are entitled to subscribe as a consequence of the adjustments under the provisions in the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed / required / permitted by Bursa Securities and any other relevant authorities or parties or otherwise;
- allot and issue such appropriate number of new MBSB Shares, credited as fully paid-up, to the holders of the Warrants arising from the exercise of the Warrants and the exercise of Additional Warrants and all new MBSB Shares to be issued upon exercise of the Warrants and the exercise of Additional Warrants shall, upon allotment and issue, be of the same class and rank *pari passu* in all respects with the then existing MBSB Shares, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other distributions which may be declared, made or paid to the shareholders of the Company, the entitlement date of which is prior to the date of allotment of the new MBSB Shares arising from the exercise of the Warrants;
- enter into the Deed Poll with full powers to assent to any condition, modification, revaluation, variation and/or amendments (if any) as the Board may deem fit, necessary and/or expedient or as may be imposed by the relevant authorities and to take all steps as it may consider necessary in order to implement, finalise and give full effect to the Deed Poll subject to all provisions and adjustments contained therein;
- enter into any underwriting agreement(s) for the underwriting of any part of the Proposed Rights Issue with Warrants and/or the Rights Shares and all other documents, agreements and/or arrangements in connection with the underwriting of the Proposed Rights Issue with Warrants and/or the Rights Shares with such parties and upon such terms and conditions as the Board may deem fit; and
- do all acts, deeds and things and execute, sign, deliver and cause to be delivered on behalf of the Company all such transactions, arrangements, agreements and/or documents as may be necessary or expedient in order to implement, give effect to and complete the Proposed Rights Issue with Warrants with full powers to assent to any condition, modification, variation and/or amendment to the terms of the Proposed Rights Issue with Warrants as the Board may deem fit, necessary and/or expedient in the interest of the Company or as may be imposed by any relevant authority or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as it considers necessary in connection with the Proposed Rights Issue with Warrants;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all Rights Shares, Warrants and new MBSB Shares to be issued pursuant to or in connection with the Proposed Rights Issue with Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue with Warrants as well as the Additional Warrants to be issued pursuant to the adjustments in accordance with the provisions of the Deed Poll.”

ORDINARY RESOLUTION 2

PROPOSED CHANGE IN THE COMPOSITION AND INCREASE IN THE AUTHORISED SHARE CAPITAL OF MBSB (“PROPOSED CHANGES IN AUTHORISED SHARE CAPITAL”)

“THAT, subject to the passing of Ordinary Resolution 1 and Special Resolution 1 and the approvals of the relevant authorities (where required) being obtained, approval be and is hereby given to revise the composition of the authorised share capital of MBSB from RM1,800,000,000 comprising 1,000,000,000 MBSB Shares, 300,000,000 redeemable cumulative preference shares of RM1.00 each and 500,000,000 redeemable convertible preference shares of RM1.00 each to RM2,800,000,000 comprising 1,800,000,000 MBSB Shares.

AND THAT the authorised share capital of the Company be and is hereby increased from RM1,800,000,000 comprising 1,800,000,000 MBSB Shares to RM2,800,000,000 comprising 2,800,000,000 MBSB Shares by the creation of an additional 1,000,000,000 new MBSB Shares.

THAT the Board be and is hereby authorised to do all such acts and things that are necessary to give full effect to the Proposed Changes in Authorised Share Capital.

AND THAT in consequence thereof, the Memorandum & Articles of Association of the Company and all other relevant documents be and are hereby amended accordingly.

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM & ARTICLES OF ASSOCIATION OF MBSB (“PROPOSED AMENDMENTS”)

THAT, subject to the passing of Ordinary Resolutions 1 and 2 above and the approvals of the relevant authorities (where required) being obtained, approval be and is hereby given for the Memorandum & Articles of Association of the Company to be altered, modified, varied and deleted in the following manner and that any Director be and is hereby authorised to give effect to the Proposed Amendments and to take all steps and do all acts and things in any manner as they may deem necessary to complete, finalise, implement and give full effect to the Proposed Amendments:-

Memorandum of Association	Existing	Proposed change
Clause 5	The authorised capital of the Company is RM1,800,000,000 divided into RM1,000,000,000 Ordinary Shares of RM1.00 each and RM500,000,000 Redeemable Convertible Preference Shares of RM1.00 each and RM300,000,000 Redeemable Cumulative Preference Shares of RM1.00 each. The Company shall have power to increase or reduce its capital, to consolidate or subdivide its shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original increased or reduced) of the Company into several classes and to attach hereto respectively preferential deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions.	The authorised capital of the Company is RM2,800,000,000 divided into 2,800,000,000 Ordinary Shares of RM1.00 each. The Company shall have power to increase or reduce its capital, to consolidate or subdivide its shares into shares of larger or smaller amounts, and to divide the shares forming the capital (original increased or reduced) of the Company into several classes and to attach hereto respectively preferential, deferred or special rights, privileges or conditions as may be determined by or in accordance with the regulations for the time being of the Company and to issue additional capital with any such rights, privileges or conditions.
Articles of Association	Existing	Proposed change
Article 6	The authorised share capital of the Company is RM1,800,000,000 divided into 1,000,000,000 Ordinary Shares of RM1.00 each and 500,000,000 Redeemable Convertible Preference Shares of RM1.00 each and 300,000,000 Redeemable Cumulative Preference Shares of RM1.00 each.	The authorised share capital of the Company is RM2,800,000,000 divided into 2,800,000,000 Ordinary Shares of RM1.00 each.

By Order of the Board

Koh Ai Hoon (MAICSA No. 7006997)
Tong Lee Mee (MAICSA No. 7053445)
Company Secretaries

Kuala Lumpur
9 March 2011

Notes:-

- A proxy need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.
- To be valid, this form duly completed must be deposited at the Company's Registered Office at 11th Floor, Wisma MBSB, 48 Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the meeting.
- A member entitled to attend and vote at the abovementioned meeting may appoint a proxy to attend and vote on his behalf and such proxy need not be a member of the Company.
- In the case of a corporate body, the proxy appointed must be in accordance with its Memorandum & Articles of Association and the instrument appointing a proxy shall be given under the company's common seal or under the hand of an officer or attorney duly authorised.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- If the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of its attorney.